2021 H1

Half-Year Report

mynaric

2021

H1

Half-year report

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CONDENSED INTERIM GROUP MANAGEMENT REPORT FOR THE SIX MONTHS ENDED JUNE 30, 2021

1. Economic Environment

a) Economic developments

Despite renewed pandemic-related impairments, the global economy remained on an upward trajectory in the first six months of 2021. These impacts of the pandemic were largely confined to the service sectors, with industrial production and global trade continuing to expand strongly until spring. However, their upswing has recently been slowed by supply bottlenecks and logistical problems.[1]

German economy increasingly recovering from the effects of the Corona pandemic. After the Corona crisis led to a renewed decline in economic output of -2.0% in the first quarter 2021 the German economy recovered again in the 2nd quarter with a 1.6% GDP-growth. Compared to Q4 2019, the quarter before the Corona crisis began, economic output was still 3.3% lower.[2]

With a GDP growth of 1.6% the US economy could also recover after a decline of -1,5% for the GDP in the first quarter 2021. With this, the economic output of the US economy returned to pre-pandemic levels in the second quarter of 2021, with GDP exceeding the pre-pandemic level by 0.8%.[3]

In the European Union GDP growth turned positive in the second quarter of 2021, to 1.9%, after declines by -0.1% in the previous quarter.[4]

b) Industry environment

Most companies in space industries performed robustly despite the continuing COVID-19 pandemic, providing further confirmation that the industry remains insulated from short-term economic turmoil, primarily due to the fact that their business rests on long-term government contracts.[5]

Despite the upheaval caused by the pandemic, laser communication remains a key strategic factor for many market participants, including governments players as well as multinational commercial aerospace firms. Commercial activity has picked up significantly, especially in the US, which has decided to broadly deploy laser communication in low Earth orbit (in following “LEO”). The SDA (Space Development Agency) has designated optical inter-satellite links as a critical technology. Laser communication terminals will be key components of future satellite constellations in low Earth orbit deployed by the Department of Defense.

Over the past decade, the laser communication market has started to take shape, driven by rapid technological developments in the space industry.. While government remains a critical driver for further expansion of global space activities, a number of well-funded technology companies, such as Elon Musk’s SpaceX, have developed formidable commercial space capabilities. At the same time, as private sector space capabilities increase, governments have begun to realize the value of the private commercial space industry and have become increasingly supportive and reliant on private companies to catalyze innovation and advance national space objectives. The combination of increased access to capital, economies of scale, and open innovation models has driven rapid

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[1] KIEL INSTITUTE, Economic Outlook, World Economy Summer 2021
[2] https://www.destatis.de/DE/Presse/Pressemitteilungen/2021/08/PD21_398_811.html
[3] https://www.oecd.org/economy/gdp-growth-second-quarter-2021-oecd.htm
[4] https://www.oecd.org/economy/gdp-growth-second-quarter-2021-oecd.htm
[5] https://spacenews.com/defense-market-a-safe-haven-for-space-companies-during-pandemic/

growth in the commercial space market in recent years. We believe that the global space industry is at an inflection point today, transitioning from a phase of discovery to phases of deployment and commercialization. We consider these developments in the broader space economy as crucial for the market for our industrialized laser communication equipment to take shape and fully materialize.

Current demand for laser communication is predominantly driven by both government organizations and commercial players seeking to establish LEO space communication networks. The U.S. government has been the strongest proponent to date of aerospace network capabilities and has made the development of government space architectures using large-scale LEO constellations a priority. As privacy and security of military communication is a critical requirement for defense communications, governments seek to leverage the superior capabilities of laser communication to enable secure and stealth data exchange, battlefield connectivity, intelligence, surveillance and reconnaissance ("ISR") data distribution and teamed systems of systems. In the future, such government space architectures are expected to move to multi-orbit "proliferated" constellations (i.e., large constellations of small satellites), particularly those based in LEO.

Just as the internet was initially developed as a defense communication network before evolving to diversified, commercial applications, we believe aerospace communication networks will serve not just government but also industry and consumer needs over the medium-term, presenting a significant market opportunity. We believe that we are currently in the early phase of a multi-decade rollout of laser communication capabilities in aerospace communication networks, which will lead to more widespread use across commercial applications such as broadband satellite, data relay, Earth observation and in-orbit data processing services. As a result, we believe that the initial deployment of our products in the government market provides a foundation for our presence in the commercial market and believe that validation from our government customers will help position our products for future large-scale deployment.

2. Business Performance

Mynaric attained its operational objectives for the first half of 2021, including particularly the inauguration of its serial production facility, expansion of its footprint in the United States and scoring successes with existing and new lead customers. The Management Board is thus satisfied with the results of Company operations.

Management has a favorable view of the Company's positioning, supported by the following key competitive factors:

Serial production

Mynaric celebrated the opening of its first dedicated serial production facility designed to produce laser communication equipment for the aerospace sector at scale. The facility is located in the immediate vicinity of Mynaric's headquarters at the special research airport Oberpfaffenhofen near Munich, Germany. Its size, layout and processes have been set up with a specific focus on scalable production adaptable to the dynamic development expected from the laser communications market and demand across distinct market verticals. Lean manufacturing principles drove the design of the 1,600m² facility whose part flow, workstations, final assembly, and testing capabilities are optimized for efficiency and high throughput production. With the opening of the new production facility Mynaric continues to execute its strategy to build industrial capabilities required for the large volume deployment of laser communication products in proliferated aerospace networks. Mynaric follows a unique approach to supply chain and procurement focused on the reduction of critical supplier dependencies and risks associated to production ramp-up while maintaining its competitive advantages and securing its market position.

U.S. expansion

Mynaric expanded its U.S footprint by opening an office in the Washington D.C. area to place its team closer to U.S. government organizations driving the adoption of laser communication. The company hired a range of well experienced individuals from the aerospace industry to lead its U.S. sales and business development activities.

The company also committed to produce electronic systems directly in the U.S., expanding its existing capabilities in the Los Angeles area. Specifically, Mynaric will establish assembly, integration and test capabilities for electronic components and ensure these components can be fully sourced, designed and built in the United States, without leaving the country until customer delivery. This commitment will result in further expansion of Mynaric's footprint and jobs created in the United States adding to existing facilities in Los Angeles alongside its Washington D.C. office. Mynaric's current facilities in the U.S. already include cleanroom environments, test equipment areas and general office space. The California expansion is designed to accommodate the needs of security-sensitive U.S. customers.

Successes with new and existing customers

Mynaric has achieved the industry's first over-the-air transmission using an optical inter-satellite link (OISL) terminal communicating with an independently built testbed both of which are compliant with the SDA's optical inter-satellite link standard. The demonstration was composed of a set of optical and electronic tests characterizing Mynaric's CONDOR optical inter-satellite link product. The successful demonstration is confirmation that Mynaric's product are downward compliant with the SDA OISL Standard, thus ensuring baseline compatibility with products of other OISL vendors implementing the same standard. The demonstration was conducted for a customer who is under contract with the SDA.

Mynaric and SpaceLink agreed on the framework of a new partnership to expand Mynaric's laser communication product portfolio for use in SpaceLink's data relay network including the sale of laser communication products for utilization on satellites in low and medium Earth orbit. The strategic relationship will help drive forward the SpaceLink satellite relay service, which provides secure, continuous, high-capacity communications between low Earth orbit spacecraft and the ground. Mynaric's product portfolio was a natural choice as it meets SpaceLink's programmatic requirements, provides high performance, and is fully compliant with the OISL Standard driven by the Space Development Agency. Mynaric was selected as a supplier to support SpaceLink's mission given its industrialized approach towards the production of advanced laser communication products.

Mynaric and Cloud Constellation announced that they have signed a Memorandum of Understanding (MoU) to use Mynaric's laser communication products to connect Cloud Constellation's LEO satellites via highly secure, high-performing Optical Inter-Satellite Links. Cloud Constellation is developing a LEO constellation known as SpaceBelt to provide Data-Security-as-a-Service (DSaaS) and further secure cloud storage and management services, while leveraging laser communications technology to move data securely between the satellites. OISLs are a cornerstone of the SpaceBelt architecture and a requirement for high-speed, reliable communications to transfer cloud-stored data in space to anywhere on the globe.

Financial Targets

In the first half of 2021 new orders increased significantly, primarily from customers in the US. Mynaric achieved a revenue increase of €1,259 thousand to €1,349 thousand compared to the first half of 2020.

As budgeted, investments made in fixed and intangible assets went down slightly to €5,974 (six months ended June 30, 2020: €6,500 thousand). This was due to the completion of the development of our capitalized Air-technology in June 2020 and Space-technology in March 2021, which resulted in a decline of the investments in intangible assets to €2,496 thousand (six month ended June 30, 2020: € 4,755 thousand). Opposed to this, the investments in property, plant and equipment rose to €3,478 (six month ended June 30, 2020: €1,745 thousand) because of the preparation of the serial production facility in Oberpfaffenhofen near Munich, Germany and the investments made in the Mynaric USA facilities.

In order to secure the liquidity and financials needs of the expansion of the business of the Mynaric-Group, the Mynaric AG has announced plans to pursue an initial public offering (IPO) and listing in the United States. The decision follows the increasing interest in the space industry with new entrants offering disruptive technologies for the larger communications market and government connectivity. The contemplated IPO and listing in the United States is intended to improve Mynaric's access to U.S. capital markets as Mynaric executes its strategy to industrialize laser communication products. Mynaric plans to use the expected proceeds from such offering to fund the further development of its technology and products and the continued expansion of its production capabilities.

Overall, Mynaric attained most its corporate objectives for the first half of 2021. The Management Board is thus satisfied with the results of Company operations.

3. Group Financials

a) Net assets[6]

Total assets decreased by €14,489 thousand for the Mynaric Group during the period under review to €72,087 thousand (December 31, 2020: €86,576 thousand).

Non-current assets went up to €40,822 thousand (December 31, 2020: €36,260 thousand) in part through ongoing investment in intangible assets totaling €2,496 thousand (six months ended June 30, 2020: €4,755 thousand), most of which represents capitalized development costs. The investments in development costs decreased primarily due to the completion of the development of AIR technology in June 2020 and SPACE technology in March 2021. Investments were also made to expand production capacity. Other investments made into IT infrastructure and office equipment. This involved total additions to property, plant and equipment in the amount of €3,478 thousand (six months ended June 30, 2020: €1,745 thousand) for the six months ended June 30, 2021. As a result of the moving into an additional rented sales office in Washington DC, USA additions to right-of-use assets in the amount of €442 thousand (six months ended June 30, 2020: €0) were recognized. Non-current assets increased to 56.6% of the balance sheet total (December 31, 2020: 41.9%).

Current assets decreased by €19,053 thousand to €31,264 thousand (December 31, 2020: €50,317 thousand). This mainly reflects decreased Cash and cash equivalents which went down by €24,754 thousand to €18,444

[6] The comparative information is restated to correct the errors. See Notes 18 in Notes to Financial statements.

thousand (December 31, 2020: €43,198 thousand), which was offset by increase in inventories and other financial and non-financial assets. Cash and cash equivalents decreased as a result of the ongoing investments made in the developments of our products, the expansion of our production capacity and IT infrastructure and the preparations for pre-serial production. The later led to a 73.4% rise in inventories up to €9,071 thousand (December 31, 2020: €5,230 thousand). The increase in other financial and non-financial assets to €3,749 thousand (December 31, 2020: €1,338 thousand) was partially due to increased advance payments for inventory.

b) Equity and liabilities[7]

Total equity decreased from €70,708 thousand to €54,771 thousand in the first six months of 2021. The equity ratio thus declined to 76.0% (December 31, 2020: 81.7%), reflecting the incurred loss of €16.077 thousand for the six months ended June 30,2021. This resulted in an increased accumulated deficit of €63.367 thousand (December 31, 2020: €47,290 thousand). Increased share capital and capital reserve resulting from a conversion of the convertible bond €5,500 thousand into shares of Mynaric AG on January 14, 2021. As a result, the prepaid share reserve shown in the previous year's restated financial statements with an amount of €5,500 thousand was transferred to the subscribed capital and the capital reserve.

Non-current liabilities decreased to €6,848 thousand (December 31, 2020: €6,972 thousand), mainly reflecting the €147 thousand decrease in non-current lease liabilities, down to €6,654 thousand (December 31, 2020: €6,800 thousand).

Current liabilities rose to €10,468 thousand (December 31, 2020: €8,896 thousand), primarily due to increased trade and other payables as a result of the preparations for serial production. Current liabilities increased to 14.5% (December 31, 2020: 10.3%) of the total assets.

In the first six months of 2021 the Mynaric Group had a cash outflow of €24,780 thousand (six months ended June 30,2020: €2,210 thousand)

Cash flow from operating activities fell to €-18,220 thousand (six months ended June 30,2020: €-7,854 thousand). This was primarily due to the increased net loss recorded for the first months of 2021 of €-16,077 thousand (six months ended June 30, 2020: €-7,053 thousand). Cash outflows for inventories also increased to €-3,839 thousand (six months ended June 30, 2020: €-2,954 thousand) in connection with preparations for serial production. Cash outflows for other assets also rose to €-2,448 thousand (six months ended June 30, 2020: €-1,080 thousand), reflecting higher sales tax refunds due, advance payments and deferred items.

These outflows were partially offset by a 135.7% increase in depreciation to €1,920 thousand (six months ended June 30, 2020: €814 thousand), primarily due to the completion of the development of AIR technology in June 2020 and SPACE technology in March 2021 and start of depreciation of these technologies. Other offsetting effects resulted from trade receivables and trade and other payables.

For the first six months of 2021, cash outflow from investing activities increased only slightly by €371 thousand to €5,972 thousand (six months ended June 30, 2020: €5,601 thousand), due to ongoing expansion of development and production capacity. As a result, cash outflows for investments in property, plant and equipment increased by € 1,837 thousand to €3,467 thousand (six months ended June 30, 2020: €1,630 thousand). Due to completion of the development of our capitalized Air-technology in June 2020 and of the Space-technology in

[7] The comparative information is restated to correct the errors. See Notes 18 in Notes to Financial statements.

March 2021, the cash outflows for intangible assets decreased significantly by €2,243 thousand to €2,505 thousand (six months ended June 30, 2020: €4,748 thousand).

Cash flow from financing activities for the first six months on 2021 decreased to €-588 thousand (six months ended June 30, 2020: €11,244 thousand). Prior year financing activities include the proceeds from capital increase during six months ended June 30, 2020 (€11,627 thousand). Cash outflows to redeem lease liabilities increased to €504 thousand (six months ended June 30, 2020: €335 thousand) due to the newly concluded real estate leases decreased the cash flow from financing activities.

Considering currency differences, cash and cash equivalents decreased by €-24,754 thousand to €18,444 thousand (December 31, 2020: €43,198 thousand) in the first six months 2021.

In view of the Group's continuing robust growth and further expansion of production, Mynaric AG is evaluating the options of further stock and bond offerings as well as further subsidy possibilities.

c) Earnings[8]

For the six months ended June 30, 2021, Mynaric recorded a rise in revenue up to €1,349 thousand (six months ended June 30, 2020: €90 thousand). Revenue from the US market was up sharply amid successful customer acquisition efforts. The Company's order book situation is of particular note, which improved again versus the previous period.

Other own work capitalized, consisting for the most part of capitalized development costs, declined by €2,281 thousand to €2,471 thousand (six months ended June 30, 2020: €4,752 thousand) as the result of the completion of the development of our capitalized Air-technology in June 2020 and of the Space-technology in March 2021.

The change in inventories of finished goods and work in progress increased to €988 thousand (six months ended June 30, 2020: €740 thousand), reflecting the preparations for serial production.

Cost of materials increased by €1,909 thousand to €4,431 thousand (six months ended June 30, 2020: €2,522 thousand) due to preparations for pre-serial production. Additional hiring led to the number of employees increasing to 214 as of June 30, 2021 (June 30, 2020: 146), causing increase in personnel expenses to €10,812 thousand (six months ended June 30, 2020: €7,585 thousand).

Depreciation and amortization increased by €1,102 thousand to €1,916 thousand (six months ended June 30, 2020: €814 thousand) due to the investments made in expansion in 2020/2021 and initial amortization of the completed Air technology and Space technology.

Other operating expenses rose to €4,160 thousand (six months ended June 30, 2020: €2,146 thousand), primarily in connection with the further expansion of Mynaric Group development-, production- and IT-capacity.

The operating loss (EBIT) increased to €16,240 thousand (six months ended June 30, 2020: loss €7,034 thousand) due to the expansion of development-, production- and IT-capacity and the hiring of additional staff in the first six months of 2021.

Net finance costs rose to €163 thousand (six months ended June 30, 2020: €-19 thousand), mainly due to foreign exchange gain of €170 thousand (six months ended June 30, 2020: €36 thousand loss).

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[8] The comparative information is restated to correct the errors. See Notes 18 and 19 to the interim consolidated financial statements.

For the first six months of 2021, a net loss was equal to €16,077 thousand (six months ended June 30, 2020: €7,053 thousand).

4. Risks and Opportunities; Forecast

a) Risk report

The Mynaric Group is exposed to various risks as part of the conducting of its business. Internal control and monitoring systems have been implemented to better identify and manage these risks. The early identification of such risks enables the Company to promptly implement countermeasures.

Mynaric's goal is to develop laser communication from a niche technology into a mass-use industrial application, and accordingly perceives its risk exposure to be that typical of companies seeking to establish new high-tech products in a cutting-edge market. Since initial establishment, Mynaric has made steady progress in containing various risks and optimizing risk management. In view of the risk monitoring and control mechanisms in place, Management believes that Mynaric is well capable of managing its residual risk exposure. Prudent liquidity risk management means being able to meet obligations when due at any time and, beyond that, maintaining sufficient cash and cash equivalents for unplanned expenditures. Management applies rolling forecasts to monitor cash and cash equivalents based upon expected cash flows. This is generally done centrally for the Group. To ensure the Group's solvency and its viability as a going concern, it is necessary to implement the adapted profit and liquidity planning for the years 2021 and 2022 and to ensure that financing is provided on an as-needed basis in the form of debt or equity capital. The capital increases and issuance of convertible bond in the fiscal year 2020 resulted in a material improvement of liquidity and a significant reduction of the liquidity risk exposure. On September 15, 2021, the Group entered into a credit agreement of approximately €25 million. The loan agreement has a maturity date of March 31, 2022 subject to an option for a one-time extension for three months.

We have planned significant increases in revenue and cash flows in fiscal 2022 as it ramps up its commercial production of CONDOR and HAWK terminals. While some of the revenues planned for fiscal 2022 are subject to firm contractual commitments, significant amounts are not or are based on management's expectations that more than the contractually agreed minimum number of terminals will be ordered by the respective customers. Furthermore, management is actively pursuing multiple commercial opportunities to sell its CONDOR and HAWK terminals to an expanding customer base. In light of the uncertainties associated with realizing its operational plan, management is actively pursuing various additional funding options including both equity and debt financing. The primary focus of management is on completing an IPO in the United States which management believes would provide sufficient financing for at least the foreseeable future. Simultaneously, management is also in discussion with a variety of other potential investors which are in varying stages; however, none of these have yet been firmly committed to as of the date of these financial statements. While management believes it will be successful in obtaining additional financing in a timely manner to fund its operational and financial obligations, specifically through an IPO, the factors described above represent material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realize its assets and discharge its liabilities in the normal course of business.

b) Opportunities

Laser communication technology is expected to be deployed in satellite mega-constellations to enable high-throughput data transmission between satellites, forming large-scale optical meshed networks in space. The technology is further expected to be adopted in security-sensitive airborne applications. Hence, Mynaric is excellently positioned with its laser communication products in the aerospace network market.

The government sector has historically been a first mover in deploying next generation technologies and has been an early adopter of laser communication in both the space and airborne markets. In the United States, recent government efforts to develop and deploy laser communication are driven by the U.S. government's vision of CJADC2 (Combined Joint All-Domain Command & Control), the ultimate goal of which is to digitally connect all elements of the U.S. military across all five warfighting domains, consisting of air, land, sea, space and cyberspace.

In its Government and Military Satellite Communications Report released in November 2020, Northern Sky Research noted that total revenue in the government and military satellite communications market increased in 2019/2020 despite the challenges related to COVID-19, projecting a figure of USD 93 billion to be reached by 2029.[9]

The most prominent government projects currently deploying laser communication are the SDA's NDSA, a proposed multi-layered network of small satellite constellations primarily in LEO, and DARPA's Blackjack program, which aims to develop and validate the critical elements for a global high-speed network in LEO providing for highly connected and resilient coverage, both of which are part of the CJADC2 program. There are numerous additional government programs in the airborne market focusing on the development of connected systems and shared networks based on different communication technologies, including laser communication. [10]

We believe that these government programs, most of which are driven by the U.S. government, are crucial for the ongoing development and implementation of aerospace communication networks in general, and laser communication systems specifically.

Commercial satellite connectivity adds to this governmental market and is driven by the demand for more robust, reliable, and resilient connectivity and significantly increased bandwidth. Northern Sky Research (NSR) has projected that sales of inter-satellite laser communication links will generate total revenue of USD 3.8 billion between the years 2020 and 2029 on sales volume of over 11,000 units[11]. We expect the market growth to exceed these figures considering the number of already proposed satellites within this timeframe is a multiple of that and each satellite is expected to require typically four units each. Key market participants like SpaceX, Amazon and OneWeb are already actively expanding constellation projects into the thousands or tens of thousands of satellites, or soon will be. Laser communication technology is critical for constellation operators, representing a major business opportunity for Mynaric.

We believe that laser communication will eventually be attractive to a wide range of diversified markets across a number of industries. For example, we believe that laser communication will offer significant advantages for high quantity IoT connectivity involving significant volumes of devices and for private optical mesh networks and

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[9] https://www.nsr.com/research/government-military-satellite-communications-17th-edition/
[10] https://crsreports.congress.gov/product/pdf/IF/IF11493
[11] https://www.nsr.com/nsr-report-constellations-drive-a-3-8-billion-opportunity-for-optical-satcom-equipment/

backbone connectivity for industries such as aviation. In addition, laser-enabled quantum key distribution (QKD) from space to on premise optical ground stations may offer widely accessible data security. Laser communication may also play a key role for broadband connectivity through high-altitude platforms (including balloons and drones) functioning as semi-permanent telecommunication platforms in the stratosphere providing regionally limited and/or temporary broadband services comparable to Facebook's Project Aquila or Google's Project Loon.

The Mynaric Group occupies a high-innovation market segment that holds significant growth opportunities. We believe that overall the market will continue to develop in ways favorable for Mynaric over the long term, and accordingly foresee continuing business growth.

We believe that the ability to manufacture laser communication terminals at scale will be a key differentiator as laser communication proliferates. We have made significant investments in our manufacturing infrastructure and have demonstrated a proven ability to manufacture both our CONDOR and HAWK terminals. Our recently completed production facility in Germany has state-of-the-art capabilities, which we believe provide an advantage versus our competitors.

While laser communication is in the early stages of development, we expect to benefit from our strong technical expertise and first mover advantage in industrializing laser communication technology, paving the way for large-scale deployment. We are deeply engaged with pioneering customers and well-positioned in the government market with respect to both of our flagship products, our CONDOR inter-satellite link terminal and HAWK airborne terminal.

c) Forecast

Economic Forecast

The upswing of the global economy is continuing, but the momentum has weakened, because of new Covid-19 surges and supply chain issues. In view of the highly contagious delta variant of the virus new waves of infection in the coming months are expected, with a noticeable impact on the economy especially where vaccination rates are still low. Pandemic outbreaks in critical links of global supply chains have led to longer than expected supply disruptions, which has increased inflation in many countries. Overall, risks to the economic outlook have increased. However, as vaccination progresses and the associated risks of infection are reduced, conditions are likely to improve further in the coming months, although the approach to a normal level of business activity is likely to take longer than expected.[12]

Despite this, the IWF (International Monetary Fund) expects a growth of the global economy for 2021 of 5.9 % which is more than sufficient to recover the shrink of -3.1% in last year. For 2022 the growth of the global economy is projected by the IWF at 4.9 %.[13]

For the German economy the growth prospects for 2021 have been revised down to 3.1% reflecting supply disruptions which led to shortages of key inputs weighing on manufacturing output. In contrast to this, the expected growth for 2022 have been revised upward to 4.6%.[14]

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[12] IWF, World economic outlook, Oct. 2021
[13] IWF, World economic outlook, Oct. 2021
[14] IWF, World economic outlook, Oct. 2021

The growth of the economy of the United States also has been adjusted down for 2021 to 6.0% due to large inventory drawdowns in the second quarter, in part reflecting supply disruptions, and softening consumption in the third quarter. For 2022 a growth of 5.2% is expected.[15]

The economy of the EURO-Zone is expected to expand by 5.0% in 2021 and 4.3% in 2022.[16]

Forecast industry environment

We believe that the increasing need for fast, secure and ubiquitous network connectivity opens up significant growth potential for laser communication in the near- to medium-term. Current demand for laser communication is predominantly driven by government needs, with the U.S. government spearheading the adoption of laser communication technology. MarketsandMarkets estimates that the military communications market, one of the fastest growing defense segments, is expected to account for approximately $40.6 billion in spending by 2025, [17] with total global defense spending reaching more than $2.1 trillion by 2025.[18]

While government funding is currently driving laser communication demand, we see increasing activity in the commercial market. In particular, we expect the space segment to grow, as space-enabled broadband connectivity has become central to businesses and individuals. To keep pace with growing demand from underserved regions and an increasing number of applications, network operators will need to look beyond terrestrial infrastructure. The inherent capabilities of laser communication technology can help network operators address these key challenges. For example, by establishing laser-enabled optical mesh networks through satellites in LEO or MEO, laser communication may enable such satellites to perform as virtual cell towers connecting various devices, such as ships, aircraft, cars, satellites, trains and even terrestrial cell towers, providing hundreds of kilometers of coverage radius per network node compared to only a few kilometers provided by terrestrial cell towers. According to Grand View Research, the aggregate telecommunication services market is expected to increase to approximately $2.2 trillion by 2025[19] and, according to investment manager ARK Invest, the satellite broadband market is expected to reach $50 to $100 billion in the medium term. [20]

Forecast Mynaric – government market

In connection with the SDA's NDSA, in September 2020, we were awarded the first part of an expected multimillion Euro contract in the mid-seven-digit range for the delivery of our CONDOR terminals. In August 2021 the SDA issued a request for proposal for acquisition of 126 satellites equipped with four optical communications terminals each for which Mynaric submitted multiple bids to several satellite manufacturers. The SDA announced that contract awards are expected in early 2022.[21]

In October 2020, we were selected by Telesat to supply multiple units of our CONDOR terminals for Telesat's work on DARPA's Blackjack program. Our CONDOR terminals are scheduled to be delivered in the second half of

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[15] IWF, World economic outlook, Oct. 2021
[16] IWF, World economic outlook, Oct. 2021
[17] https://www.marketsandmarkets.com/Market-Reports/military-communications-market-66198542.html
[18] Based on our assumption of a compound annual growth rate of 2%, based on historical growth rates published by the Stockholm International Peace Research Institute.
[19] https://www.grandviewresearch.com/industry-analysis/global-telecom-services-market
[20] https://research.ark-invest.com/hubfs/1_Download_Files_ARK-Invest/White_Papers/ARK%E2%80%93Invest_Big-Ideas_2021.pdf
[21] https://sam.gov/opp/4dc7bce3c9924d2c81901caa9b07938e/view

2021 to Lockheed Martin, which is acting as DARPA's system integrator. As part of our engagement in the Black-jack program, we agreed to establish the industry's first laser communication interoperability laboratory in Los Angeles that will simulate conditions in space to test interoperability between different vendors' terminals. In Q3 2021 DARPA announced the Space-Based Adaptive Communications Node (Space-BACN) program that aims to create a low-cost, reconfigurable optical communications terminals that adapt to most optical intersatellite link (OISL) standards. The 40-month program utilizes a simplified and accelerated solicitation process and expects to issue initial contract awards in Q4 2021.[22]

In 2020, we received an order for two of our HAWK terminals from a U.S. aerospace and defense customer, introducing our HAWK product to the U.S. government market, which were delivered in the fourth quarter of 2020. In October 2021 successful flight tests were conducted. Through this partnership, we believe that we are well-positioned to successfully introduce our HAWK terminal to other U.S. government programs.

In October 2021, Mynaric and the European company H3 HATS announced the successful start of a joint demonstration campaign to showcase laser communication capabilities for high-altitude long endurance aircraft using industrialized optical communications terminals. Initial flights of the campaign demonstrated key performance criteria of Mynaric's HAWK product in pre-series production onboard one of H3 HATS' aircraft. The partnership between Mynaric and H3 HATS foresees an expansion of HAWK's suitable mission envelope in upcoming flights and joint customer demonstrations going forward.

We believe that by positioning ourselves well within initial government programs in both the space and airborne markets, we will be poised to take advantage of future government initiatives in the U.S. and the other geographies in which we operate.

Forecast Mynaric – commercial market

Well-funded aerospace companies such as SpaceX (Elon Musk), OneWeb, Telesat and Kuiper (Amazon) have committed substantial resources to deploying satellite mega-constellations, which are expected to be connected with each other through OISLs. SpaceX already has a number of Starlink satellites equipped with OISLs in orbit and has started to equip all future Starlink satellites with lasers from Q3 2021.[23] OneWeb announced in March 2021 that its second generation of satellites will use OISLs for interconnection.[24] Canadian-based Telesat, an established satellite operator, and Kuiper (Amazon), have announced that they are working on a high-speed, low-latency broadband network. Telesat awarded Thales-Alenia Space with the manufacturing of the satellite constellation that will utilize laser communication capabilities.[25]

As a result of our government track record and our first mover advantage, we have been able to secure initial wins in the commercial market. In May 2021, we signed an MoU with Cloud Constellation, a constellation builder seeking to deploy OISLs in its planned LEO-based constellation. On July 30, 2021, we entered into a definitive agreement with SpaceLink, a commercial constellation builder seeking to develop a MEO-based constellation that deploys OISLs to relay data for space systems in LEO. Under the SpaceLink agreement, we have agreed to

[22] https://www.darpa.mil/news-events/2021-09-13
[23] https://www.satellitetoday.com/broadband/2021/08/26/next-starlink-satellites-will-have-inter-satellite-links-shotwell-says/
[24] https://www.capacitymedia.com/articles/3827854/oneweb-plans-optical-links-for-next-generation-of-satellites
[25] https://www.thalesgroup.com/en/worldwide/space/press-release/thales-alenia-space-selected-telesat-build-its-broad-band-298

develop a new laser communication terminal for SpaceLink's satellites in MEO. We have also agreed to sell more than 40 laser communication terminals to SpaceLink, comprising such newly developed MEO terminals as well as our CONDOR terminals. Additionally, in July 2021, we signed an MoU with JR Aerospace, an Indian investment and technology company, to accelerate our entry into the Indian aerospace market. Finally, in August 2021 we received a purchase order from an undisclosed commercial customer. The undisclosed customer is scheduled to receive initial product deliveries from Q4 2022 and has secured options for up to 20 units.

Based on our current set-up, we expect to be able to increase production output from close to a dozen terminals in 2020 to 50 terminals in 2021, a triple-digit volume production rate in 2022 and up to 2,000 units in the mid-term.

By realizing learning curve benefits as we have scaled from singular prototype production to pre-serial production, we have already reduced our material costs per unit by more than 60%. We expect to be able to further reduce both material costs and assembly costs in connection with the commencement of serial production. We believe that by focusing on cost-efficient solutions and by improving our superior production capabilities, we will be able to significantly decrease the costs of deploying laser communication for our customers and target markets.

The number of Company employees is growing from month to month. The experience and knowledge of our extremely diverse team of high-level experts and managers keep the Company steadily moving forward.

The market for aerospace laser communication products is still relatively young, and no historical benchmarks or relevant referenceable trends for it exist. In view of the dynamic market changes currently taking place, financial projections and estimates are subject to considerable uncertainty at this time. Given this nascent stage of the market Mynaric does not provide quantitative guidance for the second half of 2021 or fiscal year 2022.

The budgeted investments in property plant and equipment for 2021 were increased in comparison to the budgeted investment at the beginning of the year 2021 due to the speeding up of the setting up of the production line in Germany and the decision to set up a development and production facility in the USA. As a result, these investments will be higher than the level of the fiscal year 2020. Regarding the development investments the budget remained the same as at the beginning of the year 2021.

As planned, the revenues 2021 will be significant higher in comparison to 2020. Although, some of the prospected revenue for 2021 will be realized until 2022. Nevertheless, the revenues expected for the second half of 2021, will be significantly higher than the revenues of the first six months of 2021.

Due to the further planned strong growth of the company, the start of the pre-serial production and due to the completion of the development of our SPACE technology in March 2021 and the therefore associated termination of the capitalization of own work, the expected consolidated net loss for the year and the net cash from operating activities will be as budgeted lower than for the fiscal 2020.

Nonetheless, Mynaric does generally anticipate a robust rise in demand for laser communication products over the next few years and believes the Group is well-positioned in the market for business growth. In view of current market developments Mynaric anticipates a substantial rise in orders as well as sales revenue in 2022, as well as significantly increasing costs as production capacity and the product portfolio is further expanded.

Mynaric is only partially able to cover its business expenses from subsidies and sales revenue from development services under its former business model and from existing product sales. Mynaric is estimating revenues from product sales to rise substantially over the fiscal years ahead so that the firm will achieve operational profitability in the medium term.

The Company monitors the liquidity and financial needs of the Mynaric Group on an ongoing basis and in close coordination with the members of the Mynaric AG Supervisory Board. We believe that future of the Mynaric Group as a going concern is secure based on realistic scenario planning and projections, expecting business growth as well as with the currently available credit line of approximately €25 million and in particular the planned US IPO. These expectations underlie the accounting and measurements per the 2020 restated annual financial statements 6 months interim financial statements ended June 30, 2021.

Gilching, October 30, 2021

The Management Board

Bulent Altan	Stefan Berndt-von Bülow	Joachim Horwath
CEO	CFO	CTO

Condensed consolidated statements of profit or loss and other comprehensive income for the six months ended June 30, 2021 and 2020

in € thousand	Note	2021	2020*) (restated)
Revenue	7.	1,349	90
Change in inventories of finished goods and work in progress		988	740
Own work capitalized		2,471	4,752
Other operating income		271	451
Cost of materials		-4,431	-2,522
Personnel expenses	8.	-10,812	-7,585
Depreciation, amortisation and impairment of other intangible assets and property, plant and equipment		-1,916	-814
Other operating expenses		-4,160	-2,146
Operating profit/loss (EBIT)		**-16,240**	**-7,034**
Interest and similar income		0	17
Interest and similar expenses		-7	0
Net foreign exchange gain / (loss)		170	-36
Net Finance costs		**163**	**-19**
Profit/loss before tax (EBT)		**-16,077**	**-7,053**
Income tax expense		0	0
Consolidated net profit/loss for the year		**-16,077**	**-7,053**
Other comprehensive income/loss			
Items which may be subsequently reclassified to profit and loss			
Foreign operations – foreign currency translation differences		-138	23
Total		**-138**	**23**
Other comprehensive income/loss for the period after tax		**-138**	**23**
Total comprehensive income/loss for the period		**-16,215**	**-7,030**
Basic number of shares		4,085,855	3,135,365
Diluted number of shares		4,085,855	3,135,365
Basic earnings per share in EUR		-3.93	-2.25
Diluted earnings per share in EUR		-3.93	-2.25

*) The comparative information is restated to correct the errors. See Notes 18.

Condensed consolidated statements of financial position as of June 30, 2021 and December 31, 2020

ASSETS in € thousand	**Note**	**06/30/2021**	**12/31/2020*) (restated)**
Assets			
Intangible assets	11.	19,845	17,884
Right-of-use assets	12.	7,848	7,942
Property, plant and equipment	13.	12,729	10,075
Other non-current financial assets		401	359
Non-current assets		**40,823**	**36,260**
Inventories		9,071	5,230
Trade receivables		0	550
Other financial and non-financial assets	14.	3,749	1,338
Cash and cash equivalents		18,444	43,198
Current assets		**31,264**	**50,316**
TOTAL ASSETS		**72,087**	**86,576**

EQUITY AND LIABILITIES in € thousand	**Note**	**06/30/2021**	**12/31/2020*) (restated)**
Equity			
Share capital	15.	4,093	3,995
Capital reserve	8.	113,869	108,189
Prepaid share reserve		0	5,500
Exchange rate differences		176	314
Accumulated deficit		-63,367	-47,290
TOTAL EQUITY		**54,771**	**70,708**
Liabilities			
Provisions		194	172
Non-current lease liabilities		6,654	6,800
Non-current liabilities		**6,848**	**6,972**
Provisions		983	1,005
Current lease liabilities		1,281	1,156
Trade and other payables		6,512	5,128
Contract liabilities	7.	1,166	1,196
Other financial and non-financial liabilities		526	411
Current liabilities		**10,468**	**8,896**
Total liabilities		**17,316**	**15,868**
TOTAL EQUITY AND LIABILITIES		**72,087**	**86,576**

*) The comparative information is restated to correct the errors. See Notes 18.

Condensed consolidated statements of changes in equity for the six months ended June 30, 2021 and 2020

in € thousand	*Share capital*	*Capital reserve*	*Prepaid share reserve*	*Exchange rate differences*	*Accumulated deficit*	*Total*
Balance at 1 January 2020, as previsously reported	**2,904**	**45,368**	**0**	**-53**	**-23,369**	**24,851**
Impact of correction of errors	0	1,041	0	0	-3,280	-2,239
Balance at January 1, 2020, restated	**2,904**	**46,409**	**0**	**-53**	**-26,649**	**22,612**
Issue of ordinary shares	290	12,053				12,343
Share issue costs		-716				-716
Equity-settled share-based payments		926				926
Consolidated net loss for the year					-7,053	-7,053
Other comprehensive income				23		23
Balance at June 30, 2020, restated	**3,194**	**58,672**	**0**	**-30**	**-33,702**	**28,134**
Balance at 1 January 2021, as previsously reported	**4,093**	**112,417**	**0**	**314**	**-46,113**	**70,710**
Impact of correction of errors	-98	-4,228	5,500	0	-1,177	-2
Balance at January 1, 2021, restated	**3,995**	**108,189**	**5,500**	**314**	**-47,290**	**70,708**
Issue of ordinary shares	98	5,402	-5,500			0
Share issue costs		0				0
Equity-settled share-based payments		278				278
Consolidated net loss for the year					-16,077	-16,077
Other comprehensive income				-138		-138
Balance at June 30, 2021	**4,093**	**113,869**	**0**	**176**	**-63,367**	**54,771**

Condensed consolidated statements of cash flows for the six months ended June 30, 2021 and 2020

in € thousand	Note	2021	2020*) (restated)
Cash flows from operating activities			
Consolidated net profit/loss for the year		**-16,077**	**-7,053**
Adjustments for:			
Depreciation, amortization and impairments		1,920	814
Gain from disposals of fixed assets		30	2
Interest and similar income		7	-17
Equity-settled share-based payment transactions		278	926
Changes in:			
Inventories		-3,839	-2,954
Trade receivables		562	0
Other financial and non-financial assets		-2,448	-1,080
Provisions		0	455
Trade and other payables		1,463	1,168
Contract liabilities		-25	-215
Other financial and non-financial liabilities		79	64
Net foreign exchange gain / (loss)		-170	36
Net cash from operating activities		**-18,220**	**-7,854**
Cash flows from investing activities			
Acquisition of intangible assets		-2,505	-4,748
Acquisition of property, plant and equipment		-3,467	-1,630
Proceeds from other financial assets		0	778
Net cash used in investing activities		**-5,972**	**-5,600**
Cash flows from financing activities			
Proceeds from issue of share capital		0	11,627
Payments of lease liabilities		-504	-335
Interests received		0	17
Interests paid		-84	-65
Net cash from financing activities		**-588**	**11,244**
Net increase/decrease in cash and cash equivalents		**-24,780**	**-2,210**
Cash and cash equivalents at January 1		43,198	8,914
Effects of movements in exchange rates on cash held		26	-4
Cash and cash equivalents at June 30		**18,444**	**6,700**

*) The comparative information is restated to correct the errors. See Notes 18.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS OF JUNE 30, 2021, AND FOR THE SIX MONTHS ENDED JUNE 30, 2021 AND 2020

1. General Information

Mynaric AG (the Company or Mynaric) has its registered office at Dornierstraße 19 in 82205 Gilching, Germany. The objective of the Company is the development, manufacture, sale, and operation of laser communication network equipment, software, systems, and solutions, particularly for aerospace applications and related products. Mynaric AG is the ultimate parent company of the Group which finances and actively manages its subsidiaries. The Mynaric Group engages primarily in the manufacturing and sale of products and projects, and in the provision of services related to laser technology, particularly for applications in aerospace, and satellite services.

Mynaric AG has three operating subsidiaries as of June 30, 2021.

The interim consolidated financial statements of Mynaric were authorized for issue by the Management Board on October 30, 2021.

2. Basis of Accounting

These interim condensed consolidated financial statements as of June 30, 2021 and for the six months ended June 30, 2021 and 2020 were prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting', as issued by the International Accounting Standards Board ("IASB") as endorsed by the European Union ("IFRS-EU"). The interim condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for fiscal year 2020, which have been prepared in accordance with IFRS-EU, taking into account the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC),and the supplementary requirements of § 315e of the German Commercial Code (HGB).They do not include all of the information required for a complete set of annual financial statements prepared in accordance with IFRS. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group´s financial position and results since the last annual financial statements.

The interim condensed consolidated financial statements are prepared under the assumption that the business will continue as a going concern.

3. Impacts to the consolidated financial statements due to Covid-19 pandemic

The effects of the coronavirus pandemic on economic development in individual countries, and ultimately on Mynaric AG and its subsidiaries, will depend to a large extent on the further spread of the virus and on the speed and effectiveness of measures being taken to contain it. Based on currently available information, it is extremely difficult to estimate how long the economy will suffer due to the coronavirus pandemic and how severe the negative impact on the economy will be. The financial effects and economic consequences for Mynaric AG and its subsidiaries are similarly unpredictable at this time.

4. Basis of Consolidation and Accounting Policies

The consolidation and accounting policies applied by Mynaric Group in these interim condensed consolidated financial statements are the same as those applied by Mynaric Group in its consolidated financial statements for fiscal 2020, except for:

Income taxes

In accordance with IAS 34 (Interim Financial Reporting) income tax expense for the condensed consolidated interim financial statements is calculated on the basis of the average annual tax rate that is expected for the entire fiscal year. The effective tax rate is 0% for the six months ended June 30, 2020 and 0% for the six months ended June 30, 2021.

The main reason for the change of the average annual tax rate is expected loss for the year.

5. Material judgments, estimates and assumptions

The preparation of the consolidated financial statements requires the Management Board to make judgments and estimates that affect the application of accounting policies and the amounts reported for assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are continuously reviewed. Revisions of estimates are accounted for on a prospective basis.

In preparing the interim condensed consolidated financial statements, the significant judgments made by management in applying Mynaric Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for fiscal 2020.

6. Segment reporting and information on geographical areas

In accordance with IFRS 8 (Operating Segments), the segments are created based on the management approach. Accordingly, segments must be classified and disclosures for these segments must be made based on the criteria used internally by the chief operating decision maker (CODM) for the allocation of resources and the evaluation of performance by the components of the entity. At Mynaric AG, the CODMs are the members of the Management Board who allocate resources and evaluate performance based on the Management Board reports submitted to them. With the goal of an efficient allocation of resources the segments were changed as of end of December 31, 2020, so that management monitors Air and Space segments separately. The presentation of the prior year segment reporting was changed in accordance with IAS 8 to conform with the current year presentation. The segment reporting below was prepared in accordance with this definition. The key indicators are revenue and EBIT.

The Air segment includes the Company's HAWK AIR terminals. The Space segment includes the Company's CONDOR terminals.

	Six months ended June 30, 2021				
in € thousand	Air	Space	Not allocated		Group
Revenue	0	1,349	0		1,349
Change in inventories of finished goods and work in progress	420	568	0		988
Own work capitalized	0	2,471	0		2,471
Other operating income	24	247	0		271
Cost of materials	-1,079	-3,352	0		-4,431
Personnel expenses	-2,859	-7,901	-52	[1]	-10,812
Depreciation, amortisation and impairment of other intangible assets and property, plant and equipment	-482	-1,434	0		-1,916
Other operating expenses	-533	-3,236	-391	[2]	-4,160
Operating profit/loss (EBIT)	**-4,509**	**-11,288**	**-443**		**-16,240**
Interest and similar income					0
Interest and similar expenses					-7
Net foreign exchange gain / (loss)					170
Net Finance costs					**163**
Profit/loss before tax (EBT)					**-16,077**
Income tax expense					0
Consolidated net profit/loss for period					**-16,077**

[1] Including expenses for IPO-bonus to the board of management and selected employees.
[2] Including expenses for preparation of the financial statements and for audit of the financial statements as well as Supervisory Board remuneration.

in € thousand	Six months ended June 30, 2020[3] Air	Space	Not allocated		Group
Revenue	0	90	0		90
Change in inventories of finished goods and work in progress	740	0	0		740
Own work capitalized	1,422	3,330	0		4,752
Other operating income	175	276	0		451
Cost of materials	-696	-1,826	0		-2,522
Personnel expenses	-2,756	-4,829	0		-7,585
Depreciation, amortisation and impairment of other intangible assets and property, plant and equipment	-384	-430	0		-814
Other operating expenses	-627	-1,408	-111	[4]	-2,146
Operating profit/loss (EBIT)	**-2,126**	**-4,797**	**-111**		**-7,034**
Interest and similar income					17
Interest and similar expenses					0
Net foreign exchange gain / (loss)					-36
Net Finance costs					**-19**
Profit/loss before tax (EBT)					**-7,053**
Income tax expense					0
Consolidated net profit/loss for the period					**-7,053**

An amount of €1,240 thousand (six months ended June 30, 2020: €90 thousand), corresponding to a share of 92% (previous period: 100%) of total revenue, was attributable to one customer of the Mynaric Group.

With respect to the information on geographical regions, revenue is allocated to the countries based on the country of destination.

Revenue can be broken down by country as follows:

Segment Space	Six Months Ended	
€ thousand	June 30, 2021	June 30, 2020[5]
USA	1,349	0
Belgium	0	90
Total	**1,349**	**90**

[3] The information is restated to correct the errors. See Notes 18.
[4] Including expenses for preparation of the financial statements and for audit of the financial statements as well as Supervisory Board remuneration.
[5] The information is restated to correct the errors. See Notes 18.

With respect to the information on geographical regions, non-current assets are allocated to the location of the respective asset. Non-current assets can be broken down by country as follows:

€ thousand	June 30, 2021	December 31, 2020[6]
Germany		
Intangible assets	19,845	17,884
Property, plant, and equipment	11,831	9,849
Right-of-use assets	6,436	6,886
Germany, total	38,112	34,619
USA		
Intangible assets	0	0
Property, plant, and equipment	899	226
Right-of-use assets	1,411	1,056
USA, total	2,310	1,282
Total	**40,422**	**35,901**

7. Revenue

Revenues from contracts with customers refer to the delivery of goods or the provision of services. They are recognized both at a point in time and also, partially, over time. The deliveries comprise the sales of HAWK AIR and CONDOR terminals. Services mainly consist of the provision of development and training services relating to the laser terminals manufactured by Mynaric.

a) Disaggregation of revenue

Revenue is broken down as follows:

	Six Months Ended	
€ thousand	June 30, 2021	June 30, 2020[7]
Deliveries	433	0
Services	916	90
Total	**1,349**	**90**

b) Contract balances

The contract liabilities in the amount of €1,166 thousand (December 31, 2020: €1,195 thousand)[8] consist of payments in advance made by customers of Mynaric presented in accordance with IFRS 15. An amount of €915 thousand recognized in contract liabilities at the beginning of the period has been recognized as revenue in the six months ended June 30, 2021.

[6] The information is restated to correct the errors. See Notes 18.
[7] The information is restated to correct the errors. See Notes 18.
[8] Information has been restated due to classifications. See Notes 18.

8. Share-based payments

2019 Stock Option Plan

During the six months ended June 30, 2021 Mynaric granted 20,350 stocks options to selected employees under the 2019 Stock option plan. The conditions remain the same as described in the financial statements as of December 31, 2020.

Granting of stock options to Mr. Altan

In fiscal year 2019, a shareholder of Mynaric AG granted Mr. Altan, the Chief Executive Officer and a member of the management board of Mynaric AG, the right to acquire 56,700 shares of the Company from such shareholder at a price of €25.00 per share. The exercise of Mr. Altan's option right was subject to a number of conditions, including Mr. Altan's continued employment until December 31, 2019 with Mynaric AG and the successful exercise of option rights pursuant to separate option agreement under which the granting shareholder was an optionholder. All conditions under the option agreement with Mr. Altan were fulfilled in December 2020.

The information in regard of options granted to Mr. Altan is restated to correct the errors. See Note 19.

2021 Stock Option Plan

During the six months ended June 30, 2021, Mynaric granted 100,000 stock options to the management board under a new 2021 Stock Option Plan. A stock option entitles the holder to the right to purchase Company shares at the relevant exercise price. The vesting period for the exercise of the options is four years, starting on the grant date of such options. The options may be exercised within a period of three years after the expiration of the vesting period provided that the performance target has been achieved. The performance target is linked to the absolute price performance of the Company shares during the vesting period. The stock options can be exercised only if the volume-weighted six-month average price of the Company shares in Xetra trading (or a comparable successor system) at the Frankfurt Stock Exchange exceeds the exercise price by 20% or more upon the expiry of the lock-up period.

The stock option grants under the 2017, 2019, 2020, 2021 Stock Option Plans, and the stock options granted to Mr. Altan by selected shareholders are classified and measured as equity-settled share-based payments in accordance with IFRS 2. Accordingly, the fair value is determined only once on the grant date. The determined expense must then be amortized over the vesting period.

The measurement of the existing stock option plans was based on the Monte Carlo Simulation model or the Binomial model, considering the terms and conditions for the options. The table below shows the inputs used for valuing the stock options granted for Mr. Altan in the year 2019 and the during the six months ended June 30, 2021 correspondingly:

	Tranche Mr. Altan	Tranche 2021 I	Tranche 2021 II
Exercise price (in €)	25.00	68.97	71.15
Term in years	1.74	7.00	7.00
Remaining term in years	0.35	6.75	7.00
Share price as of the valuation date (in €)	43.39	64.20	80.20
Expected dividend yield (in %)	0.00	0.00	0.00
Expected volatility (in %)	51.31	34.46	36.90
Risk-free interest rate (in %)	-0.82	-0,53	-0,40
Option value (in €)	20.40	14.18	25.17

The total expense for share-based payments recognized in the reporting period is €278 thousand (six months ended June 30, 2020: €926 thousand). The share-based payments recognized in the capital reserve amount to €2,581 thousand as of June 30, 2021 (December 31, 2020: €2,303 thousand).

The additional restated expenses for share based payments recognized in the year 2019 amounts to €1,041 thousand.

The share-based payments recognized in the restated capital reserve amount to €1,178 thousand as of December 31, 2019. See Note 19.

US IPO Bonus

On June 20, 2021, the Group granted its managing directors and selected employees an IPO cash bonus (the "US IPO Bonus Plan"). The grantees will receive a bonus payment in the case of a successful closing of an offering of our shares or of ADSs representing our shares on the New York Stock Exchange or NASDAQ. The amounts to be paid to the beneficiaries under the IPO Bonus Plan depends on the gross proceeds raised in the offering. If the gross proceeds are below $ 100 million, no IPO bonus will be paid out. In the case the gross proceeds are between $ 100 and $ 150 million, the IPO bonus will increase on a linear basis starting in a range between 0.15 % and 0.35 % up to a range between 0.3 % and 0.7 %. Managing directors are only entitled to receive the bonus after providing services until the IPO and 12 months after the IPO, whereas all other employees need to provide services until the IPO. The amount of cash payment is determined as a percentage of the gross proceeds in an US listing.

The fair value of the US IPO Bonus Plan has been measured using a Monte Carlo simulation. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs used in the measurement of the fair values at grant date and measurement date of the US IPO Bonus Plan were as follows:

	Grant Date June 20, 2021	**Measurement Date June 30, 2021**
Share Price (in €)	73.80	80.20
Expected volatility (in %)	38.56	30.88
Expected dividend yield (in %)	0.00	0.00
Risk-free interest rate (in %)	-0.66	-0.66

Expected volatility has been based on an evaluation of the historical volatility for matching maturities of Mynaric peer group. The expected term of the instruments has been based on historical experience and general option holder behavior.

Details of the liabilities arising from the IPO bonus as of June 30, 2021 were as follows:

€ thousand	June 30, 2021
Total carrying amount of liabilities for US IPO bonus	52

During the half year period 2021 Mynaric recognized a total expense € 52 thousand from the US IPO Bonus Plan.

9. Changes in Inventories of Finished Goods and Work in Progress

The increase in inventories of finished goods and work in progress primarily results from the Space terminals, and Air terminals currently in the production phase. Changes in inventories are as follows:

€ thousand	Six Months Ended	
	June 30, 2021	June 30, 2020[9]
Increase in inventories of work in progress	18	467
Increase in inventories of finished goods	970	393
Write-downs	0	-120
Total changes in inventories	988	740

The write-downs in the six months ended June 30, 2020 presented refer to HAWK AIR terminals that were written down to their recoverable amount.

10. Own Work Capitalized

Own work capitalized consists of expenses that are used to construct property, plant and equipment or develop intangible assets. Own work capitalized are as follows:

€ thousand	Six Months Ended	
	June 30, 2021	June 30, 2020[10]
Development costs	2.345	4.590
Property, plant and equipment	126	162
Total	2.471	4.752

11. Intangible Assets

a) Acquisitions and Disposals of Software and Licenses

During the six months ended June 30, 2021 the group acquired software and licenses with cost of €80 thousand (six months ended June 30, 2020: €102 thousand).

[9] The information is restated to correct the errors. See Notes 18.
[10] The information is restated to correct the errors. See Notes 18.

Assets with a carrying amount of € 8 thousand were disposed of during the six months ended June 30, 2021 (six months ended June 30, 2020: € 0 thousand).

b) Capitalization of Development Costs[11]

During the six months ended June 30, 2021 Mynaric capitalized development costs for the basic SPACE technology of €2,345 thousand.

In the six months ended June 30, 2020 development costs for the basic AIR and SPACE technologies of €4,590 thousand were capitalized.

The development projects presented refer to capitalized costs for the development of the basic SPACE and AIR technologies, which represent the technological foundation for the HAWK AIR and CONDOR products.

In the first six months of 2021, finance expenses in the amount of €71 thousand (six months ended June 30, 2020: €63 thousand) were capitalized as cost of the development projects in accordance with IAS 23.

The development activities for the basic technology Space were completed in March 2021. The amortization of the associated capitalized development costs for Space technology started on March 1, 2021 applying the useful life of 15 years.

12. Right-of-use Assets

During the six months ended June 30, 2021, Mynaric entered in a new lease agreement for an office in Washington (DC), USA. On lease commencement, the Group recognized €442 thousand of right right-of-use asset and lease liability.

13. Property, Plant, and Equipment

a) Acquisitions and Disposals[12]

Investments in property, plant, and equipment made in in the first six month of 2021 in the amount of €3,478 thousand (six months ended June 30, 2020: €1,745 thousand) referred primarily to the expansion of production capacities at the plants in Gilching and Oberpfaffenhofen in Germany. Among other things, this involved significant installations in a rented production hall and the setup of an additional production line. Investments were also made in laboratory and test equipment. A substantial amount was also invested for expansion of the Mynaric USA site in Los Angeles, USA.

In first six months of 2021, finance expenses in the amount of €7 thousand (six months ended June 30, 2020: €2 thousand) were recorded as cost of property, plant, and equipment in accordance with IAS 23.

Assets with a carrying amount of €22 thousand were disposed of during the six months ended June 30, 2021 (six months ended June 30, 2020: € 2 thousand).

b) Outstanding Purchase Orders for Property, Plant, and Equipment

As of June 30, 2021, the group has open financial obligations from outstanding purchase orders for property, plant, and equipment in the amount of €536 thousand (June 30, 2020: €1,607 thousand).

[11] The comparative information is restated to correct theerrors. See Notes 18.
[12] The comparative information is restated to correct the errors. See Notes 18.

14. Other financial and non-financial assets

Other short term financial and non-financial assets include €994 thousand of IPO preparation costs.

15. Capital and Reserves

a) Issue of ordinary shares

During the six months ended June 30, 2021, share capital was increased to €4,092,948 through the issuance of a total of 98,214 bearer shares with a nominal value of €1.00 per share. This was due to the following transaction:

- On July 31, 2020, the Management Board adopted a resolution, based on the consent of the Supervisory Board, to issue a convertible bond in the amount of €5,000,000 on the basis of the 2020/II Contingent Capital. In accordance with the terms and conditions of the convertible bond, individual bonds with a nominal amount of €100,000.00 each, plus unpaid accrued interest, may be converted into no-par value bearer shares with a pro rata amount in the Company’s share capital of €1.00 per share. The conversion right was exercised based on a conversion declaration dated December 22, 2020. On January 14, 2021, bonds in the amount of €5,000,000, plus interest in a total amount of €500,000, were converted into 98,214 new no-par value bearer shares in the Company's share capital of €1.00 per share based on a price of € 56.00 per share and with dividend entitlement beginning on January 1, 2020.

As a result, in the restated financial statements the Company shows the prepaid share reserve with the amount of € 5,500,000 as December 31, 2020 which was transferred to share capital and capital reserve during 6 month period ended June 30, 2021.

c) Conditional capital

On May 14, 2021, the Annual General Meeting resolved to create 2021/I Conditional Capital and an additional 2021/II Conditional Capital.

2021/I Conditional Capital

Based on an authorization of the Annual General Meeting on May 14, 2021, 2021/I Conditional Capital was created, which led to a contingent increase in the Company's share capital by up to €457,501.00 through the issue of up to 457,501 new no-par value bearer shares.

The Management Board is authorized, subject to the consent of the Supervisory Board, to issue on one or more occasions until May 13, 2026 convertible bonds and/or bonds with warrants issued to the bearer with a term of not more than 20 years, and to grant to the bondholders conversion and/or option rights to new shares of the Company with a pro rata amount in the share capital of up to a total of €457,501.00 pursuant to the terms and conditions of the convertible bonds and/or bonds with warrants.

2021/II Conditional Capital

Based on an authorization of the Annual General Meeting on May 14, 2021, 2021/II Conditional Capital was created which led to a contingent increase in the Company's share capital by up to €103,321.00 through the issue of up to 103,321 new no-par value bearer shares.

The Supervisory Board is authorized, to grant stock option rights for shares to members of the Management Board of the Company on one or more occasions until May 13, 2026.

b) Authorized Capital

On May 14, 2021, the Annual General Meeting resolved to create 2021/I Authorized Capital and an additional 2021/II Authorized Capital and to rescind the Authorized Capital 2020.

2021/I Authorized Capital

The Management Board is authorized, subject to the consent of the Supervisory Board, to increase the Company's share capital on one or more occasions until May 13, 2026 by up to a total amount of €1,841,827.00 through the issue of up to 1,841,827 new no-par-value bearer shares against cash contributions and/or contributions in kind.

2021/II Authorized Capital

The Management Board is authorized, subject to the consent of the Supervisory Board, to increase the Company's share capital on one or more occasions until May 13, 2026 by up to a total amount of €204,647.00 through the issue of up to 204,647 new no-par-value bearer shares against cash contributions and/or contributions in kind.

Shareholders subscription rights are excluded. Authorized Capital 2021/II serves to deliver shares of the Company to service restricted stock units (RSUs) granted under the Company's Restricted Stock Unit Program (RSUP) to selected employees of the Company and its affiliates in accordance with the RSUP in return for the contribution of the respective payment entitlements arising under the RSUs.

16. Related Party Disclosures

In accordance with IAS 24 (Related Party Disclosures), persons or companies which are influenced by the reporting entity or which can exert influence on the reporting entity must be disclosed unless such parties are already included in the consolidated financial statements as a consolidated company. Key management personnel consist of the members of the Management and the Supervisory boards.

a) Related party transactions

During the six months ended June 30, 2021, there are no related party expenses involving MCConsult Dr. Peschko (six months ended June 30, 2020: €180 thousand). Trade and other payables reported as of the reporting date include outstanding obligations from transactions with MCConsult Dr. Peschko as a related party in the amount of €363 thousand (June 30, 2020: €54 thousand).

During the six months ended June 30, 2021, the related party expenses involving Pinsent Masons LLP amounted to €1 thousand (six months ended June 30, 2020: €144 thousand). Trade and other payables reported as of the reporting date include outstanding obligations from transactions with Pinsent Masons LLP in the amount of €0 thousand (June 30, 2021: €12 thousand).

b) Remuneration for members of the Management Board

Stock options

In the six months ended June 30, 2021 a new Stock Option Plan 2021 has been set up to exclusively grant stock option rights for shares to members of the Management Board of the Company.

In the context of this plan, stock options were issued to the Management Board in the six months ended June 2021, which entitle the holder to subscribe to Mynaric shares. Detailed information about the granted stock options are presented in Note 8. Share-based payments.

Remuneration granted

The remuneration granted to the Management Board in the six months ended June 30, 2021 is broken down as follows:

			Long-term variable remuneration		
Six Months ended	Basic remuneration in € thousand	Short-term variable remuneration in € thousand	Number of stock options granted	Recognized as expense in € thousand	Total in € thousand
June 30, 2021	345	191	100,000	101	636
June 30, 2020	297	196	3,000	487	980

The amounts in the table for the chairman of the Management Board, Bulent Altan, include remuneration received in his capacity as CEO of the subsidiary Mynaric USA Inc.

c) Supervisory Board remuneration

The remuneration system of the Supervisory Board is based on the Company's size, the duties and responsibilities of the Supervisory Board members, and the Company's economic situation and expected future development. The remuneration of the Supervisory Board is governed by section 14 of the Company's Articles of Association, which was amended on the Annual General Meeting on May 14, 2021. Accordingly, the Supervisory Board members receive a fixed annual remuneration, payable after the end of the fiscal year. The remuneration amounts to €30,000 per year, with the chairman receiving twice that amount and the deputy chairman receiving one and a half times this amount. An attendance fee of €500 are paid for Supervisory Board meetings. Members of the Supervisory Board receive reimbursement for their out-of-pocket expenses, however, as well as reimbursement of the value-added tax on their remuneration and out-of-pocket expenses. In addition, the Company bears the costs of D&O liability insurance for the Supervisory Board members. The Company does not grant any loans to the Supervisory Board members.

17. Financial Instruments and Financial Risk Management

a) Financial instruments

The financial instruments were allocated to the following categories:

€ thousand	June 30, 2021		Dec. 31, 2020[13]	
	Current	Non-current	Current	Non-current
Amortized cost (AmC)				
Other financial assets	44	401	76	359
Cash and cash equivalents	18,444	0	43,198	0
Trade receivables	0	0	550	0
Total	**18.488**	**401**	**43,824**	**359**
Cost (FLAC)				
Trade and other payables	6,512	0	5,128	0
Lease liabilities	1,281	6,654	1,156	6,800
Other financial liabilities	80	0	24	0
Total	**7,873**	**6,654**	**6,308**	**6,800**

For other financial assets, trade receivables, and cash and cash equivalents, it is assumed that their carrying amounts correspond to their fair values due to their short terms.

The carrying amount of non-current financial assets of the AmC category approximates the fair value. These include bank balances and non-interest-bearing security deposits. The carrying amount approximates fair value due to the current low interest rate level.

The carrying amount of current financial liabilities measured at amortized cost (FLAC), such as trade payables and other financial liabilities, corresponds to the fair value due to their short terms. The lease liabilities are discounted in accordance with the requirements set out in IFRS 16.

The net gains/losses by measurement category are as follows:

in € thousand			Six Months ended June 30, 2021 Other income and expense items, or gain and loss items
Financial assets	AmC	Measured at amortized cost	0

in € thousand			Six Months ended June 30, 2020 Other income and expense items, or gain and loss items
Financial assets	AmC	Measured at amortized cost	0

[13] Comparative information has been re-presented due to reclassifications. See Notes 18.

b) Liquidity risk

On September 15, 2021, the Company entered into a credit agreement with a credit line of approximately €25 million. The loan agreement has a term until March 31, 2022 with a conditional option for a one-time extension for three months.

For the six months ended June 30, 2021, the Group recognized a net loss of €16.0 million. The Group's net current assets as at June 30, 2021 were €54.8 million. As of October 29, 2021, the Group has €24.7 million in available liquidity primarily consisting of cash and cash equivalents and unused credit lines available as well as other highly liquid assets. Management has planned for significant increases in revenue and cash flows in fiscal 2022 as it ramps up its commercial production of CONDOR and HAWK terminals. While some of the revenues planned for fiscal 2022 are subject to firm contractual commitments, significant amounts are not or are based on management's expectations that more than the contractually agreed minimum number of terminals will be ordered by the respective customers. Furthermore, management is actively pursuing multiple commercial opportunities to sell its CONDOR and HAWK terminals to an expanding customer base. In light of the uncertainties associated with realizing its operational plan, management is actively pursuing various additional funding options including both equity and debt financing. The primary focus of management is on completing an IPO in the United States which management believes would provide sufficient financing for at least the foreseeable future. Simultaneously management is also in discussions with a variety of other potential investors which are ongoing and are in varying stages; however, none of these have yet been firmly committed to as of the date of these financial statements. While management believes it will be successful in obtaining additional financing in a timely manner to fund its operational and financial obligations, specifically through an IPO, the factors described above represent material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realize its assets and discharge its liabilities in the normal course of business.

These condensed consolidated interim financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

18. Correction of errors

During 2021, the Group discovered several errors in the financial statements since 2018, which resulted from mathematical errors and errors in applying accounting policies. The errors have been corrected by restating each of the affected financial statement line items for prior periods.

Partially these errors have already been corrected in the annual financial statements as of December 31, 2020. The company removed the non-GAAP measure "Output" from Statement of profit and loss and other comprehensive income.

The following tables summarize the impacts of the errors on the Group´s consolidated financial statements, which have not already been corrected in financial statements as of December 31, 2020.

Consolidated statements of financial position

January 01, 2020				
in € thousand	**As previously reported**[14]	**Error-adjustments I and II**	**Classification errors**	**As restated**
Assets				
Intangible assets	10.224	-1.444	0	8.780
Right-of-use assets	6.700	110	0	6.810
Property, plant and equipment	3.855	-15	0	3.840
Other non-current financial assets	226	0	-30	196
Non-current assets	**21.005**	**-1.349**	-30	**19.626**
Inventories	2.878	-479	0	2.399
Trade receivables	76	0	-76	0
Current tax assets	11	0	-11	0
Other financial and non-financial assets	1.652	0	117	1.769
Cash and cash equivalents	8.914	0	**0**	8.914
Current assets	**13.531**	**-479**	30	**13.082**
TOTAL ASSETS	**34.536**	**-1.828**	0	**32.708**
Equity				
Share capital	2.904	0	0	2.904
Capital reserve	45.368	1.041	0	46.409
Exchange rate differences	-53	0	0	-53
Accumulated deficit	-23.369	-3.280	0	-26.649
TOTAL EQUITY	**24.851**	**-2.239**	0	**22.612**
Liabilities				
Provisions	25	98	-6	117
Non-current lease liabilities	6.080	-108	0	5.972
Non-current liabilities	**6.105**	**-10**	-6	**6.089**
Provisions	1.531	-34	-1.248	249
Current lease liabilities	664	126	0	790
Trade and other payables	1.207	0	1.254	2.461
Contract liabilities	0	330	0	330
Other financial and non-financial liabilities	177	0	0	177
Current liabilities	**3.580**	**421**	6	**4.007**
Total liabilities	**9.685**	**411**	0	**10.096**
TOTAL EQUITY AND LIABILITIES	**34.536**	**-1.828**	0	**32.708**

[14] The presentation "as previously reported" corresponds to the previously reported adjusted balances as of December 31, 2019 in the consolidated financial statements for the year ended December 31, 2020.

December 31, 2020				
in € thousand	**As previously reported**	**Error-adjustments I and II**	**Classification errors**	**As restated**
Assets				
Intangible assets	17.884	0	0	17.884
Right-of-use assets	7.942	0	0	7.942
Property, plant and equipment	10.077	-3	0	10.074
Other non-current financial assets	359	0	0	359
Non-current assets	**36.262**	**-3**	0	**36.259**
Inventories	5.230	0	0	5.230
Trade receivables	550	0	0	550
Other financial and non-financial assets	1.339	0	0	1.339
Cash and cash equivalents	43.198	0	**0**	43.198
Current assets	**50.317**	**0**	0	**50.317**
TOTAL ASSETS	**86.579**	**-3**	0	**86.576**
Equity				
Share capital	4.093	-98	0	3.995
Capital reserve	112.417	-4.228	0	108.189
Prepaid share reserve	0	5.500	0	5.500
Exchange rate differences	314	0	0	314
Accumulated deficit	-46.113	-1.177	0	-47.290
TOTAL EQUITY	**70.711**	**-3**	0	**70.708**
Liabilities				
Provisions	178	0	-6	172
Non-current lease liabilities	6.800	0	0	6.800
Non-current liabilities	**6.978**	**0**	-6	**6.972**
Provisions	4.417	0	-3.412	1.005
Current lease liabilities	1.156	0	0	1.156
Trade and other payables	1.710	0	3.418	5.128
Contract liabilities	299	0	897	1.196
Other financial and non-financial liabilities	1.308	0	-897	411
Current liabilities	**8.890**	**0**	6	**8.896**
Total liabilities	**15.868**	**0**	0	**15.868**
TOTAL EQUITY AND LIABILITIES	**86.579**	**-3**	0	**86.576**

Consolidated statements of profit or loss and other comprehensive income

For the six months ended June 30, 2020				
in € thousand	**As previously reported**	**Error-adjustments I and II**	**Classification errors**	**As restated**
Revenue	255	-165	0	90
Change in inventories of finished goods and work in progress	910	10	-181	739
Own work capitalized	4.814	-62	0	4.752
Other operating income	491	0	-39	452
Cost of materials	-2.698	163	13	-2.522
Personnel expenses	-7.515	45	-115	-7.585
Depreciation, amortisation and impairment of other intangible assets and property, plant and equipment	-884	70	0	-814
Other operating expenses	-3.077	573	358	-2.146
Operating profit/loss (EBIT)	**-7.704**	**634**	**36**	**-7.034**
Interest and similar income	17	0	0	17
Interest and similar expenses	-65	65	0	0
Net foreign exchange gain / (loss)	0	0	-36	-36
Net Finance costs	**-48**	**65**	**-36**	**-19**
Profit/loss before tax (EBT)	**-7.752**	**699**	**0**	**-7.053**
Income tax expense	-198	198	0	0
Consolidated net profit/loss for the year	**-7.950**	**897**	**0**	**-7.053**
Other comprehensive income/loss				
Items which may be subsequently reclassified to profit and loss				
Foreign operations – foreign currency translation differences	34	-11	0	23
Total	**34**	**-11**	**0**	**23**
Other comprehensive income/loss for the period after tax	**34**	**-11**	**0**	**23**
Total comprehensive income/loss for the period	**-7.916**	**886**	**0**	**-7.030**

Basic number of shares	3.135.690	-325	0	3.135.365
Diluted number of shares	3.142.974	-7.609	0	3.135.365
Basic earnings per share in EUR	-2,54	0,29	0,00	-2,25
Diluted earnings per share in EUR	-2,53	0,28	0,00	-2,25

Consolidated Statements of Cash Flows

For the six months ended June 30, 2020				
in € thousand	**As previously reported**[15]	**Error adjustments I and II**	**Classification errors**	**As restated**
Cash flows from operating activities				
Consolidated net profit/loss for the year	**-7.950**	**897**	**0**	**-7.053**
Adjustments for:				
Income tax expense	198	-198	0	0
Depreciation, amortization and impairments	884	-70	0	814
Gain from disposals of fixed assets	0	0	2	2
Interest and similar income	0	0	-17	-17
Equity-settled share-based payment transactions	926	0	0	926
Changes in:				
Inventories	-2.896	-208	150	-2.954
Trade receivables	-163	9	154	0
Other financial and non-financial assets	-779	-10	-291	-1.080
Provisions	931	17	-492	455
Trade and other payables	791	-76	453	1.168
Contract liabilities	115	-330	0	-215
Other financial and non-financial liabilities	72	13	-21	64
Net foreign exchange gain / (loss)	0	36	0	36
Net cash from operating activities	**-7.870**	**78**	**-62**	**-7.854**
Cash flows from investing activities				
Acquisition of intangible assets	-4.758	66	-56	-4.748
Acquisition of property, plant and equipment	-1.740	-3	113	-1.630
Proceeds from other financial assets	778	0	0	778
Proceeds from disposal of non-current assets	2	0	-2	0
Net cash used in investing activities	**-5.718**	**62**	**55**	**-5.601**
Cash flows from financing activities				
Proceeds from issue of share capital	11.627	0	0	11.627
Payments of lease liabilities	-330	-5	0	-335
Interests received	0	0	17	17
Interests paid	0	-65	0	-65
Net cash from financing activities	**11.297**	**-70**	**17**	**11.244**
Exchange differences	43	-33	-10	0
Net increase/decrease in cash and cash equivalents	**-2.248**	**38**	**0**	**-2.210**
Cash and cash equivalents at January 1	8.914	0	0	8.914
Effects of movements in exchange rates on cash held	-9	5	0	-4
Cash and cash equivalents at June 30	**6.657**	**43**	**0**	**6.700**

[15] The presentation of the previously reported statement of cash flows includes the following adjustments:

- Change in the calculation of the Cash flows from operating activities beginning with consolidated net profit/loss for the period instead of Operating profit/loss (EBIT).
- Further breakdown of the change in balance sheet items.

a) Classification errors

With regards to the Consolidated statement of financial position as of January 01, 2020 the Group did the following reclassifications due to erroneous presentation:

Classification error	Description
1	• Reclassification of a security deposit with an amount of €30 thousand from other non-current financial assets to other financial and non-financial assets.
2	• Reclassification of a receivable for breach of contract with an amount of €76 from trade receivables to other financial and non-financial assets.
3	• Reclassification of receivables for capital gains tax with an amount of €11 thousand from current tax assets to other financial and non-financial assets.
4	• Reclassification of recognized archiving costs with an amount of €6 thousand from the provisions (non-current) to trade and other payables.
5	• Reclassification of recognized accruals with an amount of €1,248 thousand from the provisions (current) to trade and other payables.

With regards to the Consolidated statement of financial position as of December 31, 2020 the Group did the following reclassifications due to erroneous presentation:

Classification error	Description
1	• Reclassification of recognized archiving costs with an amount of €6 thousand from the provisions (non-current) to trade and other payables.
2	• Reclassification of recognized accruals with an amount of €3,412 thousand from the provisions (current) to trade and other payables.
3	• Reclassification of a payments received from a customer with an amount of €897 thousand from the other financial and non-financial liabilities to the contract liabilities.

With regards to the Consolidated statements of profit or loss and other comprehensive income for the six months ended June 30, 2020 the Group did the following reclassifications due to erroneous presentation:

Classification error	Description
1	• Reclassification of expenses for write downs on inventory (finished goods and work in progress) with an amount of €168 thousand from other operating expenses to change in inventories of finished goods and work in progress.
2	• Reclassification of cost of materials with an amount of €13 thousand from cost of materials to change in inventories of finished goods and work in progress.
3	• Reclassification of foreign currency gains with an amount of €39 thousand from other operating income to net foreign exchange gain / (loss).
4	• Reclassification of employee benefits for a member of the management board with an amount of €115 thousand from other operating expenses to personnel expenses.
5	• Reclassification of foreign currency losses with an amount of €75 thousand from other operating expenses to net foreign exchange gain / (loss).

The material reclassifications with regards to the Consolidated Statements of Cash Flows for the six months ended June 30, 2020 are as follows:

Classification error	Description
1	• Change in the calculation of the Cash flows from operating activities beginning with Consolidated net profit/loss for the period instead of Operating profit/loss (EBIT).
2	• Reclassification of cashflows with regards to interest paid and interest received from Cash flows from operating activities to Cash flows from financing activities.
3	• Reclassification of cash flows from changes in inventories with an amount of €150 thousand to cash flows from change in other financial and non-financial assets due to reclassification of advanced payments for inventory from inventory to other financial and non-financial assets in the statement of financial position as of December 31, 2019 and June 30, 2020.
4	• Reclassification of cash flows from changes in trade receivables with an amount of €154 thousand to cash flows from change in other financial and non-financial assets due to reclassification of receivables from sponsored projects from trade receivables to other financial and non-financial assets in the statement of financial position as of June 30, 2020.
5	• Reclassification of cash flows from changes in other financial and non-financial assets with an amount of €11 thousand to cash flows from proceeds from other financial assets due to reclassification of receivables for capital gains tax from income tax receivables to other non-current financial assets in the statement of financial position as of December 31, 2019 and June 30, 2020.
6	• Reclassification of cash flows from changes in provisions with an amount of €492 thousand to cash flows from changes in trade and other payables due to reclassification of recognized accruals from the provisions (non-current and current) to trade and other payables in the statement of financial position as of December 31, 2019 and June 30, 2020.
7	• Reclassification of cash flows from changes in trade and other payables with an amount of €-52 thousand to cash flows acquisition of intangible assets.
8	• Reclassification of cash flows from changes in trade and other payables with an amount of €113 thousand to cash flows from acquisition of property, plant and equipment.
9	• Reclassification of result of exchange rate differences to the cash flows from operating activities and consideration of the impacts of exchange rate differences on the Cash Flows in the line-items presented.

b) Error-adjustments I

During 2021 the Group discovered the following errors in the financial statements since 2018:

Error	Nature of error	Impact on the financial statements
IFRS 16	• Two lease contracts were missed to be presented in the balance sheet. • Costs for the restoration of a leased office-building were not included in the right of use of a lease contract.	• Right of use assets, non-current lease liabilities, current lease liabilities, non-current provisions and related depreciation and interest expenses were understated, other operating expenses were overstated.
Capitalized development costs	• General and administrative costs were incorrectly capitalized as development costs. • Mathematically mistakes in the calculation of surcharge rates for the capitalization of intangible assets. • Missed capitalization of borrowing cost as development costs as required by IAS 23.	• Intangible assets, the related own worked capitalized and amortization were overstated. • With regards to the missed capitalization of borrowing cost as development costs intangible assets were understated, interest and similar expenses were overstated.
Property, plant and equipment	• General and administrative costs were incorrectly considered as production costs of property, plant, and equipment. • Mathematically mistakes in the calculation of surcharge rates for the capitalization of production costs of property, plant and equipment. • Missed capitalization of borrowing cost as manufacturing costs of fixed assets as required by IAS 23.	• Property, plant and equipment, own worked capitalized, related depreciation were overstated. • With regards to the missed capitalization of borrowing cost as acquisitions costs property, plant and equipment were understated, and the interest and similar expenses were overstated.
Inventory	• General and administrative costs were incorrectly considered as production costs for inventories. • Mathematical mistakes in the calculation of surcharge rates for production costs. • Mistakes regarding the revaluation of inventory to the net realizable value.	• Inventories and change in inventories of finished goods and work in progress were overstated. • With regards to the mistakes for revaluation of inventories to its net realizable value the inventories and cost of materials were overstated.
Diluted number of shares	• The calculation of the diluted number of shares was incorrect because potential shares were included in the calculation although their effect on the loss per share would have been anti-dilutive.	• The diluted number of shares was overstated and the diluted loss per share was understated.

The errors have been corrected by restating each of the affected financial statement line items for prior periods. Corresponding cash flows were restated accordingly.

The following tables summarize the impacts on the Group´s consolidated financial statements.

Consolidated statements of financial position

January 01, 2020	error-adjustments I				
in € thousand	IFRS 16	Capitalized develop-ment costs	Property, plant and equipment	Inventory	Total
Assets					
Intangible assets	0	-1.444	0	0	-1.444
Right-of-use assets	110	0	0	0	110
Property, plant and equipment	0	0	-14	0	-14
Non-current assets	**110**	**-1.444**	**-14**	**0**	**-1.348**
Inventories	0	0	0	-479	-479
Current assets	**0**	**0**	0	**-479**	**-479**
TOTAL ASSETS	**110**	**-1.444**	**-14**	**-479**	**-1.827**
Equity					
Accumulated deficit	-7	-1.444	-14	-479	-1.944
TOTAL EQUITY	**-7**	**-1.444**	**-14**	**-479**	**-1.944**
Liabilities					
Provisions	98	0	0	0	98
Non-current lease liabilities	-108	0	0	0	-108
Non-current liabilities	**-10**	**0**	0	**0**	**-10**
Current lease liabilities	126	0	0	0	126
Current liabilities	**126**	**0**	0	**0**	**126**
Total liabilities	**116**	**0**	0	**0**	**116**
TOTAL EQUITY AND LIABILITIES	**110**	**-1.444**	**-14**	**-479**	**-1.827**

December 31, 2020	error-adjustments I				
in € thousand	IFRS 16	Capitalized develop-ment costs	Property, plant and equipment	Inventory	Total
Assets					
Property, plant and equipment	0	0	-3	0	-3
Non-current assets	**0**	**0**	**-3**	**0**	**-3**
Current assets	**0**	**0**	**0**	**0**	**0**
TOTAL ASSETS	**0**	**0**	**-3**	**0**	**-3**
Equity					
Accumulated deficit	0	0	-3	0	-3
TOTAL EQUITY	**0**	**0**	**-3**	**0**	**-3**
Liabilities					
Non-current liabilities	**0**	**0**	**0**	**0**	**0**
Current liabilities	**0**	**0**	**0**	**0**	**0**
Total liabilities	**0**	**0**	**0**	**0**	**0**
TOTAL EQUITY AND LIABILITIES	**0**	**0**	**-3**	**0**	**-3**

Consolidated statements of profit or loss and other comprehensive income

For the six months ended June 30, 2020	error-adjustments I				
in € thousand	**IFRS 16**	**Capitalized develop-ment costs**	**Property, plant and equipment**	**Inventory**	**Total**
Change in inventories of finished goods and work in progress	0	0	0	10	10
Own work capitalized	0	-66	4	0	-63
Cost of materials	0	0	0	242	242
Depreciation, amortisation and impair-ment of other intangible assets and property, plant and equipment	-8	78	0	0	69
Other operating expenses	5	0	0	-45	-39
Operating profit/loss (EBIT)	**-3**	**12**	**4**	**207**	**220**
Interest and similar expenses	0	63	2	0	65
Net Finance costs	**0**	**63**	**2**	**0**	**65**
Profit/loss before tax (EBT)	**-3**	**75**	**6**	**207**	**284**
Consolidated net profit/loss for the year	**-3**	**75**	**6**	**207**	**284**
Other comprehensive income/loss for the period after tax	**0**	**0**	**0**	**0**	**0**
Total comprehensive income/loss for the period	**-3**	**75**	**6**	**207**	**284**
Basic earnings per share in EUR	0,00	0,02	0,00	0,07	0,09
Diluted earnings per share in EUR	0,00	0,02	0,00	0,07	0,09

Consolidated Statements of Cash Flows

For the six months ended June 30, 2020		**error-adjustments I**			
in € thousand	**IFRS 16**	**Capitalized develop-ment costs**	**Property, plant and equipment**	**Inventory**	**Total**
Cash flows from operating activities					
Consolidated net profit/loss for the period	**-3**	**75**	**5**	**207**	**284**
Adjustments for:					
Depreciation, amortization and impairments	8	-77	0	0	-69
Changes in:					
Inventories	0	0	0	-207	-207
Net cash from operating activities	**5**	**-3**	**5**	**0**	**7**
Cash flows from investing activities					
Acquisition of intangible assets	0	66	0	0	66
Acquisition of property, plant and equipment	0	0	-3	0	-3
Net cash used in investing activities	**0**	**66**	**-3**	**0**	**63**
Cash flows from financing activities					
Payments of lease liabilities	-5	0	0	0	-5
Interests paid	0	-63	-2	0	-65
Net cash from financing activities	**-5**	**-63**	**-2**	**0**	**-70**
Net increase/decrease in cash and cash equivalents	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at January 1	0	0	0	0	0
Cash and cash equivalents at June 30	**0**	**0**	**0**	**0**	**0**

c) Error-adjustments II

During 2021 the Group discovered the following errors in the financial statements since 2018:

Error	Nature of error	Impact on the financial statements
Revenue	• Mynaric received a prepayment from customer during the years 2019 and 2020. Although the performance obligation was not satisfied, the Group recognized revenue. The execution of the contract with customer was subsequently prohibited by German Federal Government. • Revenue was erroneously neither reversed in 2019 nor in 2020, but the company provisioned the full amount only during 6 month ended June 30, 2020. • This transaction was recorded through other operating expenses line.	• Revenue and other operating expenses were overstated. The Contract liabilities was understated as of December 31, 2019.
Liabilities	• An accrual for internal cost of the financial statement's preparation was incorrectly recognized.	• Provisions and other operating expenses were overstated.
Equity	• Deferred tax expenses related to costs of capital increase were incorrectly recognized in the consolidated statement of profit and loss and capital reserve during the years 2017-2019. • There was a mistake in assessing the timepoint of the conversion declaration of a convertible bond, resulting in inappropriate recognition of the conversion of the convertible bond in the share capital and the capital reserve as of December 31, 2020. The issuance of new shares became effective in January 2021 and cannot be recognized with share capital and capital reserve as of December 31, 2020. • There was a mathematical mistake in the calculation of the share-based payments in the Financial Statements as of December 31, 2020 resulting in understatement of personnel expenses and capital reserve. • In fiscal year 2019, a shareholder of Mynaric AG granted a member of the management board of Mynaric AG, the right to acquire shares of the Company. This transaction was not recognized as equity-settled share-based-payment in accordance with IFRS 2 in the Consolidated Financial Statements as of December 31, 2019.	• Income tax expenses, accumulated deficit and capital reserve were overstated. • Regarding the mistake in assessing the timepoint of the conversion declaration of a convertible bond the share capital and the capital reserve were overstated, and the prepaid share reserve were understated in the Financial Statements as of December 31, 2020. • Regarding the mathematical mistake in the calculation of the share-based payments the capital reserve and the personal expenses were understated. • Regarding the granting of stock option to a member of management board, personnel expenses, the capital reserve and the accumulated deficit were understated.

Error	Nature of error	Impact on the financial statements
Mynaric USA	• Several closing entries in the accounts of the subsidiary Mynaric USA Inc. as of June 30, 2020 were missing. • Incorrect exchange rate was used to translate foreign operation financial statements into the presentation currency of the Group financial statements	• Other operating expenses were understated. • The misstatement had no impact on the reported statements of financial position as of 31 December 2020.

The errors have been corrected by restating each of the affected financial statement line items for prior periods. The following tables summarize the impacts on the Group´s consolidated financial statements.

Corresponding cash flows were restated accordingly.

Consolidated statements of financial position

January 01, 2020		**error-adjustments II**		
in € thousand	**Revenue**	**Liabilities**	**Equity**	**Total**
Assets				
Non-current assets	**0**	**0**	**0**	**0**
Current assets	**0**	**0**	**0**	**0**
TOTAL ASSETS	**0**	**0**	**0**	**0**
Equity				
Capital reserve	0	0	1,041	1,041
Accumulated deficit	-330	35	-1,041	-1,336
TOTAL EQUITY	**-330**	**35**	**0**	**-295**
Liabilities				
Non-current liabilities	**0**	**0**	0	**0**
Provisions	0	-35	0	-35
Contract liabilities	330	0	0	330
Current liabilities	**330**	**-35**	**0**	**295**
Total liabilities	**330**	**-35**	**0**	**295**
TOTAL EQUITY AND LIABILITIES	**0**	**0**	**0**	**0**

December 31, 2020	error-adjustments II			
in € thousand	Revenue	Liabilities	Equity	Total
Assets				
Non-current assets	**0**	**0**	**0**	**0**
Current assets	**0**	**0**	**0**	**0**
TOTAL ASSETS	**0**	**0**	**0**	**0**
Equity				
Share capital	0	0	-98	-98
Capital reserve	0	0	-4.228	-4.228
Prepaid share reserve	0	0	5.500	5.500
Accumulated deficit	0	0	-1.174	-1.174
TOTAL EQUITY	**0**	**0**	**0**	**0**
Liabilities				
Non-current liabilities	**0**	**0**	**0**	**0**
Current liabilities	**0**	**0**	**0**	**0**
Total liabilities	**0**	**0**	**0**	**0**
TOTAL EQUITY AND LIABILITIES	**0**	**0**	**0**	**0**

Consolidated statements of profit or loss and other comprehensive income

For the six months ended June 30, 2020	error-adjustments II				
in € thousand	Revenue	Liabilities	Equity	Mynaric USA	Total
Revenue	-165	0	0	0	-165
Cost of materials	0	0	0	-79	-79
Personnel expenses	0	0	0	45	45
Other operating expenses	495	-9	0	127	613
Operating profit/loss (EBIT)	**330**	**-9**	**0**	**93**	**414**
Net Finance costs	**0**	**0**	**0**	**0**	**0**
Profit/loss before tax (EBT)	**330**	**-9**	**0**	**93**	**414**
Income tax expense	0	0	198	0	198
Consolidated net profit/loss for the year	**330**	**-9**	**198**	**93**	**612**
Other comprehensive income/loss					
Items which may be subsequently re-classified to profit and loss					
Foreign operations – foreign currency translation differences	0	0	0	-11	-11
Total	**0**	**0**	**0**	**-11**	**-11**
Other comprehensive income/loss for the period after tax	**0**	**0**	**0**	**-11**	**-11**
Total comprehensive income/loss for the period	**330**	**-9**	**198**	**82**	**601**
Basic earnings per share in EUR	0,11	0,00	0,06	0,03	0,20
Diluted earnings per share in EUR	0,11	0,00	0,06	0,03	0,20

Consolidated Statements of Cash Flows

For the six months ended June 30, 2020			error-adjustments II		
in € thousand	Revenue	Liabilities	Equity	Mynaric USA	Total
Cash flows from operating activities					
Consolidated net profit/loss for the period	**330**	**-9**	**198**	**93**	**612**
Adjustments for:					
Income tax expense	0	0	-198	0	-198
Changes in:					
Trade receivables	0	9	0	0	9
Other financial and non-financial assets	0	0	0	-10	-10
Provisions	0	0	0	17	17
Contract liabilities	-330	0	0	0	-330
Trade and other payables	0	0	0	-78	-78
Other financial and non-financial liabilities	0	0	0	13	13
Net foreign exchange gain / (loss)	0	0	0	36	36
Net cash from operating activities	**0**	**0**	**0**	**71**	**71**
Cash flows from investing activities					
Net cash used in investing activities	**0**	**0**	**0**	**0**	**0**
Cash flows from financing activities					
Net cash from financing activities	**0**	**0**	**0**	**0**	**0**
Exchange differences	0	0	0	-32	-32
Net increase/decrease in cash and cash equivalents	**0**	**0**	**0**	**39**	**39**
Cash and cash equivalents at January 1	0	0	0	0	0
Effects of movements in exchange rates on cash held	0	0	0	4	4
Cash and cash equivalents at June 30	**0**	**0**	**0**	**43**	**43**

19. Additional correction of errors to previously published financial statements

During 2021, the Group discovered several errors in the financial statements since 2018, which resulted from mathematical errors and errors in applying accounting policies. The errors have been corrected by restating each of the affected financial statement line items for prior periods.

In addition to the adjustment's disclosures made under Note 18 the Group decided to disclose the impact on the financial statements of the latest publicly available financial statements as of December 31, 2020.

The following tables summarize the impacts on the Group´s consolidated financial statements.

Consolidated statements of financial position

January 01, 2019				
in € thousand	**As previously reported**	**Error adjustments I and II**	**Classification errors**	**As restated**
Assets				
Intangible assets	4.235	-840	0	3.395
Right-of-use assets	0	11	0	11
Property, plant and equipment	2.451	0	0	2.451
Other non-current financial assets	1.565	0	0	1.565
Non-current assets	**8.251**	**-829**	0	**7.422**
Inventories	2.003	-466	-362	1.175
Trade receivables	317	0	0	317
Other financial and non-financial assets	1.269	5	362	1.636
Cash and cash equivalents	12.923	0	**0**	12.923
Current assets	**16.512**	**-461**	0	**16.051**
TOTAL ASSETS	**24.763**	**-1.290**	0	**23.473**
Equity				
Share capital	2.704	0	0	2.704
Capital reserve	35.689	-645	0	35.044
Exchange rate differences	-10	0	0	-10
Accumulated deficit	-16.347	-641	0	-16.988
TOTAL EQUITY	**22.037**	**-1.287**	0	**20.750**
Liabilities				
Provisions	26	0	0	26
Non-current lease liabilities	0	8	0	8
Non-current liabilities	**26**	**8**	0	**34**
Provisions	1.284	-14	0	1.270
Current lease liabilities	0	3	0	3
Trade and other payables	1.270	0	0	1.270
Other financial and non-financial liabilities	146	0	0	146
Current liabilities	**2.700**	**-11**	0	**2.689**
Total liabilities	**2.726**	**-3**	0	**2.723**
TOTAL EQUITY AND LIABILITIES	**24.763**	**-1.290**	0	**23.473**

Consolidated statements of profit or loss and other comprehensive income

For the year ended December 31, 2019				
in € thousand	**As previously reported**	**Error adjustments I and II**	**Classification errors**	**As restated**
Revenue	444	-330	0	114
Change in inventories of finished goods and work in progress	527	-13	0	514
Own work capitalized	6.185	-774	0	5.411
Other operating income	734	0	-164	570
Cost of materials	-2.790	0	0	-2.790
Personnel expenses	-8.179	-1.041	-274	-9.493
Depreciation, amortisation and impairment of other intangible assets and property, plant and equipment	-1.175	55	4	-1.116
Other operating expenses	-3.426	23	352	-3.052
Operating profit/loss (EBIT)	**-7.680**	**-2.080**	**-82**	**-9.842**
Interest and similar income	105	-33	0	72
Interest and similar expenses	-92	92	0	0
Net foreign exchange gain / (loss)	0	28	82	110
Net Finance costs	**13**	**87**	**82**	**182**
Profit/loss before tax (EBT)	**-7.667**	**-1.993**	**0**	**-9.660**
Income tax expense	0	0	0	0
Consolidated net profit/loss for the year	**-7.667**	**-1.993**	**0**	**-9.660**
Other comprehensive income/loss				
Items which may be subsequently reclassified to profit and loss				
Foreign operations – foreign currency translation differences	-43	0	0	-43
Total	**-43**	**0**	**0**	**-43**
Other comprehensive income/loss for the period after tax	**-43**	**0**	**0**	**-43**
Total comprehensive income/loss for the period	**-7.710**	**-1.993**	**0**	**-9.703**
Basic number of shares	2.831.427	0	0	2.831.427
Diluted number of shares	2.831.427	0	0	2.831.427
Basic earnings per share in EUR	-2,71	-0,70	0,00	-3,41
Diluted earnings per share in EUR	-2,71	-0,70	0,00	-3,41

For the year ended December 31, 2020				
in € thousand	**As previously reported**	**Error adjustments I and II**	**Classification errors**	**As restated**
Revenue	679	0	0	679
Change in inventories of finished goods and work in progress	-976	479	0	-497
Own work capitalized	9.137	1.293	-1.055	9.375
Other operating income	601	-36	-27	538
Cost of materials	-6.221	0	0	-6.221
Personnel expenses	-16.683	-133	0	-16.816
Depreciation, amortisation and impairment of other intangible assets and property, plant and equipment	-2.017	174	0	-1.843
Other operating expenses	-6.227	326	558	-5.343
Operating profit/loss (EBIT)	**-21.707**	**2.104**	**-524**	**-20.128**
Interest and similar income	18	0	0	18
Interest and similar expenses	-1.055	0	1.055	0
Net foreign exchange gain / (loss)	0	0	-531	-531
Net Finance costs	**-1.037**	**0**	**524**	**-513**
Profit/loss before tax (EBT)	**-22.745**	**2.104**	**0**	**-20.641**
Income tax expense	1	-1	0	0
Consolidated net profit/loss for the year	**-22.744**	**2.103**	**0**	**-20.641**
Other comprehensive income/loss				
Items which may be subsequently reclassified to profit and loss				
Foreign operations – foreign currency translation differences	366	0	0	366
Total	**366**	**0**	**0**	**366**
Other comprehensive income/loss for the period after tax	**366**	**0**	**0**	**366**
Total comprehensive income/loss for the period	**-22.378**	**2.103**	**0**	**-20.275**
Basic number of shares	3.353.850	-4.447	0	3.349.403
Diluted number of shares	3.392.050	-42.647	0	3.349.403
Basic earnings per share in EUR	-6,78	0,62	0,00	-6,16
Diluted earnings per share in EUR	-6,71	0,55	0,00	-6,16

Consolidated Statements of Cash Flows

For the year ended December 31, 2019				
in € thousand	**As previously reported**	**Error adjustments I and II**	**Classification errors**	**As restated**
Cash flows from operating activities				
Consolidated net profit/loss for the year	**-7.667**	**-1.993**	**0**	**-9.660**
Adjustments for:				
Depreciation, amortization and impairments	1.175	-54	-4	1.117
Gain from disposals of fixed assets	-3	3	0	0
Interest and similar income	-13	-60	0	-73
Equity-settled share-based payment transactions	105	1.041	0	1.146
Changes in:				
Inventories	-1.252	12	15	-1.225
Trade receivables	241	0	76	317
Other financial and non-financial assets	-240	65	-34	-209
Provisions	247	-22	-482	-257
Contract liabilities	0	330	0	330
Trade and other payables	-63	0	335	272
Other financial and non-financial liabilities	33	0	0	33
Net foreign exchange gain / (loss)	-106	0	-4	-110
Net cash from operating activities	**-7.543**	**-677**	**-99**	**-8.319**
Cash flows from investing activities				
Acquisition of intangible assets	-6.100	763	60	-5.277
Acquisition of property, plant and equipment	-1.988	12	86	-1.890
Proceeds from other financial assets	0	0	1.571	1.571
Net cash used in investing activities	**-8.088**	**775**	**1.717**	**-5.596**
Cash flows from financing activities				
Proceeds from issue of share capital	10.419	0	0	10.419
Payments of lease liabilities	-435	-4	0	-439
Interests received	105	-98	0	7
Interests paid	-92	0	0	-92
Proceeds from other financial assets	1.562	0	-1.562	0
Net cash from financing activities	**11.559**	**-102**	**-1.562**	**9.895**
Net increase/decrease in cash and cash equivalents	**-4.072**	**-4**	**56**	**-4.020**
Cash and cash equivalents at January 1	12.923	0	0	12.923
Effects of movements in exchange rates on cash held	63	4	-56	11
Cash and cash equivalents at December 31	**8.914**	**0**	**0**	**8.914**

For the year ended December 31, 2020				
in € thousand	As previously reported	Error adjustments I and II	Classification errors	As restated
Cash flows from operating activities				
Consolidated net profit/loss for the year	**-22.744**	**2.103**	**0**	**-20.641**
Adjustments for:				
Income tax expense	-1	0	0	-1
Depreciation, amortization and impairments	2.018	-178	0	1.840
Gain from disposals of fixed assets	51	0	0	51
Interest and similar income	-17	0	0	-17
Equity-settled share-based payment transactions	992	133	0	1.125
Changes in:				
Inventories	-2.042	-856	0	-2.898
Trade receivables	-514	0	-76	-590
Other financial and non-financial assets	-988	312	76	-600
Provisions	2.880	35	-2.164	751
Trade and other payables	258	0	2.164	2.422
Contract liabilities	312	-330	897	879
Other financial and non-financial liabilities	1.110	0	-897	213
Net foreign exchange gain / (loss)	531	0	0	531
Net cash from operating activities	**-18.154**	**1.219**	**0**	**-16.935**
Cash flows from investing activities				
Acquisition of intangible assets	-7.005	-1.281	0	-8.286
Acquisition of property, plant and equipment	-6.716	-8	0	-6.724
Proceeds from other financial assets	0	0	740	740
Net cash used in investing activities	**-13.721**	**-1.289**	**740**	**-14.270**
Cash flows from financing activities				
Proceeds from issue of share capital	61.746	0	0	61.746
Proceeds from issue of convertible notes	5.000	0	0	5.000
Proceeds from short-term loans	2.500	0	0	2.500
Repayment of short-term loans	-2.500	0	0	-2.500
Payments of lease liabilities	-679	5	0	-674
Interests received	18	65	0	83
Interests paid	-555	0	0	-555
Proceeds from other financial assets	740	0	-740	0
Net cash from financing activities	**66.270**	**70**	**-740**	**65.600**
Net increase/decrease in cash and cash equivalents	**34.395**	**0**	**0**	**34.395**
Cash and cash equivalents at January 1	8.914	0	0	8.914
Effects of movements in exchange rates on cash held	-111	0	0	-111
Cash and cash equivalents at December 31	**43.198**	**0**	**0**	**43.198**

a) Classification errors

With regards to the Consolidated statements of financial position as of January 01, 2019 the Group did the following reclassifications:

Classification error	Description
1	• Reclassification of advanced payments for inventory with an amount of €362 thousand form inventories to other financial and non-financial assets.

With regards to the Consolidated statements of financial position as of December 31, 2019 the Group did the reclassifications which have been already described for the reclassification errors with regards to the Consolidated statements of financial position as of January 01, 2020, see Note 18.

With regards to the Consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2019 the Group did the following reclassifications:

Classification error	Description
1	• Reclassification of employee benefits for a member of the management board with an amount of €274 thousand from other operating expenses to personnel expenses.
2	Reclassification of foreign currency translation gains with an amount of €164 thousand from other operating income to net foreign exchange gain / (loss)
3	• Reclassification of foreign currency translation losses with an amount of €81 thousand from other operating expenses to net foreign exchange gain / (loss).

With regards to the Consolidated statements of profit or loss and other comprehensive income for year ended December 31, 2020 the Group did the following reclassifications:

Classification error	Description
1	• Change in the presentation of capitalized borrowing costs in accordance with IAS 23 with an amount of €1,055 thousand which was previously shown as part of the own work capitalized are now presented as deduction value of the interest and similar expenses.
2	• Reclassification of foreign currency exchange gains with an amount of €27 thousand from other operating income to net foreign exchange gain / (loss)
3	• Reclassification of foreign currency exchange losses with an amount of €558 thousand from other operating expenses to net foreign exchange gain / (loss).

The material reclassifications with regards to the Consolidated Statements of Cash Flows for the year ended December 31, 2019 are as follows:

Classification error	Description
1	• Reclassification of a receivable for breach of contract with an amount of €76 from trade receivables to other financial and non-financial assets.
2	• Reclassification of cash flows from changes in provisions with an amount of €482 thousand to cash flows from changes in trade and other payables due to reclassification of recognized accruals from the provisions (non-current and current) to trade and other payables (accruals) in the statement of financial position as of December 31, 2019 and December 31, 2018.
3	• Reclassification of cash flows from changes in trade and other payables with an amount of €57 thousand to cash flows acquisition of intangible assets.
4	• Reclassification of cash flows from changes in trade and other payables with an amount of €86 thousand to cash flows from acquisition of property, plant and equipment.
5	• Reclassification of result of exchange rate differences to the cash flows from operating activities and consideration of the impacts of exchange rate differences for each line-item presented.
6	• Reclassification of cash flows from Proceeds from other financial assets in the amount of €1,562 thousand from Financing activities to Investing activities.

The material reclassifications with regards to the Consolidated Statements of Cash Flows for the year ended December 31, 2020 are as follows:

Classification error	Description
1	• Reclassification of a receivable for breach of contract with an amount of €76 from trade receivables to other financial and non-financial assets.
2	• Reclassification of cash flows from changes in provisions with an amount of €2,164 thousand to cash flows from changes in trade and other payables due to reclassification of recognized accruals from the provisions (non-current and current) to trade and other payables (accruals) in the statement of financial position as of December 31, 2020 and December 31, 2019
3	• Reclassification of cash flows from changes in other financial and non-financial liabilities with an amount of €897 thousand to cash flows from changes in contract liabilities due to reclassification of a payments received from a customer with an amount from the other financial and non-financial liabilities to the contract liabilities in the statement of financial position as of December 31, 2020 and December 31, 2019
4	• Reclassification of cash flows from Proceeds from other financial assets in the amount of €740 thousand from Financing activities to Investing activities.

b) Error-adjustments I

During 2021 the Group discovered the following misstatements in the financial statements since 2018:

Error	Nature of error	Impact on the financial statements
IFRS 16	• Two lease contracts were missed to be presented in the balance sheet. • Costs for the restoration of a leased office-building were not included in the right of use of a lease contract.	• Right of use assets, non-current lease liabilities, current lease liabilities, non-current provisions and related depreciation and interest expenses were understated, other operating expenses were overstated.
Capitalized development costs	• General and administrative costs were incorrectly capitalized as development costs. • Mathematically mistakes in the calculation of surcharge rates for the capitalization of intangible assets. • Missed capitalization of borrowing cost as manufacturing costs as required by IAS 23.	• Intangible assets, the related own worked capitalized and amortization were overstated. • With regards to the missed capitalization of borrowing cost as development costs intangible assets were understated, interest and similar expenses were overstated.
Property, plant and equipment	• General and administrative costs were incorrectly considered as production costs of property, plant and equipment. • Mathematically mistakes in the calculation of surcharge rates for the capitalization of production costs of property, plant and equipment. Missed capitalization of borrowing cost as manufacturing costs of fixed assets as required by IAS 23.	• Property, plant and equipment, own worked capitalized, and related depreciation were overstated. • With regards to the missed capitalization of borrowing cost as acquisitions costs property, plant, and equipment were understated, and the interest and similar expenses were overstated.
Inventory	• General and administrative costs were incorrectly considered as production costs for inventories. • Mathematical mistakes in the calculation of surcharge rates for production costs. • Mistakes regarding the revaluation of inventory to the net realizable value.	• Inventories and change in inventories of finished goods and work in progress were overstated. • With regards to the mistakes for revaluation of inventories to its net realizable value the inventories and cost of materials were overstated.
Diluted number of shares	• The calculation of the diluted number of shares was incorrect because potential shares were included in the calculation although their effect on the loss per share would have been anti-dilutive.	• The diluted number of shares was overstated and the diluted loss per share was understated.

The errors have been corrected by restating each of the affected financial statement line items for prior periods. Corresponding cash flows were restated accordingly.

The following tables summarize the impacts on the Group´s consolidated financial statements.

Consolidated statements of financial position

January 01, 2019	error-adjustments I				
in € thousand	**IFRS 16**	**Capitalized develop-ment costs**	**Property, plant and equipment**	**Inventory**	**Total**
Assets					
Intangible assets	0	-840	0	0	-840
Right-of-use assets	11	0	0	0	11
Non-current assets	**11**	**-840**	0	**0**	**-829**
Current assets	**0**	**0**	0	**-466**	**-466**
TOTAL ASSETS	**11**	**-840**	**0**	**-466**	**-1.295**
Equity					
Accumulated deficit	0	-840	0	-466	-1.306
TOTAL EQUITY	**0**	**-840**	**0**	**-466**	**-1.306**
Liabilities					
Non-current lease liabilities	9	0	0	0	9
Non-current liabilities	**8**	**0**	0	**0**	**8**
Current lease liabilities	3	0	0	0	3
Current liabilities	**3**	**0**	0	**0**	**3**
Total liabilities	**11**	**0**	0	**0**	**11**
TOTAL EQUITY AND LIABILITIES	**11**	**-840**	**0**	**-466**	**-1.295**

Consolidated statements of profit or loss and other comprehensive income

For the year ended December 31, 2019	error-adjustments I				
in € thousand	**IFRS 16**	**Capitalized develop-ment costs**	**Property, plant and equipment**	**Inventory**	**Total**
Change in inventories of finished goods and work in progress	0	0	0	-13	-13
Own work capitalized	0	-762	-12	0	-774
Depreciation, amortisation and im-pairment of other intangible assets and property, plant and equipment	-11	66	0	0	55
Other operating expenses	5	0	-3	0	2
Operating profit/loss (EBIT)	**-6**	**-696**	**-15**	**-13**	**-730**
Interest and similar expenses	0	91	1	0	92
Net Finance costs	**0**	**91**	**1**	**0**	**92**
Profit/loss before tax (EBT)	**-6**	**-604**	**-14**	**-13**	**-638**
Consolidated net profit/loss for the year	**-6**	**-604**	**-14**	**-13**	**-638**
Other comprehensive income/loss for the period after tax	**0**	**0**	**0**	**0**	**0**
Total comprehensive income/loss for the period	**-6**	**-604**	**-14**	**-13**	**-638**
Basic earnings per share in EUR	0,00	-0,21	-0,01	0,00	-0,23
Diluted earnings per share in EUR	0,00	-0,21	-0,01	0,00	-0,23

For the year ended December 31, 2020	error-adjustments I				
in € thousand	IFRS 16	Capitalized develop-ment costs	Property, plant and equipment	Inventory	Total
Change in inventories of finished goods and work in progress	0	0	0	479	479
Own work capitalized	0	1.281	12	0	1.293
Depreciation, amortisation and impairment of other intangible assets and property, plant and equipment	11	164	0	0	175
Other operating expenses	-5	0	0	0	-5
Operating profit/loss (EBIT)	**6**	**1.444**	**12**	**479**	**1.941**
Net Finance costs	**0**	**0**	**0**	**0**	**0**
Profit/loss before tax (EBT)	**6**	**1.444**	**12**	**479**	**1.941**
Consolidated net profit/loss for the year	**6**	**1.444**	**12**	**479**	**1.941**
Other comprehensive income/loss for the period after tax	**0**	**0**	**0**	**0**	**0**
Total comprehensive income/loss for the period	**6**	**1.444**	**12**	**479**	**1.941**
Basic earnings per share in EUR	0,00	0,43	0,00	0,14	0,58
Diluted earnings per share in EUR	0,00	0,43	0,00	0,14	0,58

Consolidated Statements of Cash Flows

For the year ended December 31, 2019	error-adjustments I				
in € thousand	IFRS 16	Capitalized develop-ment costs	Property, plant and equipment	Inventory	Total
Cash flows from operating activities					
Consolidated net profit/loss for the year	**-7**	**-604**	**-14**	**-13**	**-638**
Adjustments for:					
Depreciation, amortization and impairments	11	-66	0	0	-55
Gain from disposals of fixed assets	0	0	3	0	3
Interest and similar income	0	-92	-1	0	-93
Changes in:					
Inventories	0	0	0	13	13
Net cash from operating activities	**5**	**-762**	**-12**	**0**	**-769**
Cash flows from investing activities					
Acquisition of intangible assets	0	762	0	0	762
Acquisition of property, plant and equipment	0	0	12	0	12
Net cash used in investing activities	**0**	**762**	**12**	**0**	**774**
Cash flows from financing activities					
Payments of lease liabilities	-4	0	0	0	-4
Net cash from financing activities	**-5**	**0**	**0**	**0**	**-5**
Net increase/decrease in cash and cash equivalents	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at January 1	0	0	0	0	0
Cash and cash equivalents at December 31	**0**	**0**	**0**	**0**	**0**

For the year ended December 31, 2020	error-adjustments I				
in € thousand	**IFRS 16**	**Capitalized develop-ment costs**	**Property, plant and equipment**	**Inventory**	**Total**
Cash flows from operating activities					
Consolidated net profit/loss for the year	**7**	**1.444**	**11**	**479**	**1.941**
Adjustments for:					
Depreciation, amortization and impair-ments	-12	-163	-3	0	-178
Changes in:					
Inventories	0	0	0	-856	-856
Other financial and non-financial as-sets	0	0	0	377	377
Net cash from operating activities	**-5**	**1.281**	**8**	**0**	**1.284**
Cash flows from investing activities					
Acquisition of intangible assets	0	-1.281	0	0	-1.281
Acquisition of property, plant and equip-ment	0	0	-8	0	-8
Net cash used in investing activities	**0**	**-1.281**	**-8**	**0**	**-1.289**
Cash flows from financing activities					
Payments of lease liabilities	5	0	0	0	5
Net cash from financing activities	**5**	**0**	**0**	**0**	**5**
Net increase/decrease in cash and cash equivalents	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at January 1	0	0	0	0	0
Cash and cash equivalents at December 31	**0**	**0**	**0**	**0**	**0**

c) Error-adjustments II

During 2021 the Group discovered the following misstatements in the financial statements since 2018:

Error	Nature of error	Impact on the financial statements
Revenue	• Mynaric received a prepayment from customer during the years 2019 and 2020. Although the performance obligation was not satisfied by the Group, the company has recognized revenue. The execution of the contract with customer was subsequently prohibited by German Federal Government. • Revenue was erroneously neither reversed in 2019 nor in 2020, but the company provisioned the full amount only during 6 month ended June 30, 2020. • This transaction was recorded through other operating expenses line.	• Revenue and other operating expenses were overstated. Contract liabilities was understated as of December 31, 2019.
Liabilities	• An accrual for internal cost of the financial statement's preparation was incorrectly recognized.	• Provisions and other operating expenses were overstated.
Equity	• Deferred tax expenses related to costs of capital increase were incorrectly recognized in the consolidated statement of profit and loss and capital reserve during the years 2017-2019. • There was a mistake in assessing the timepoint of the conversion declaration of a convertible bond, resulting in inappropriate recognition of the conversion of the convertible bond in the share capital and the capital reserve as of December 31, 2020. The issuance of new shares became effective in January 2021 and cannot be recognized with share capital and capital reserve as of December 31, 2020. • There was a mathematical mistake in the calculation of the share-based payments in the Financial Statements as of December 31, 2020. • In fiscal year 2019, a shareholder of Mynaric AG granted a member of the management board of Mynaric AG, the right to acquire shares of the Company. This transaction was not recognized as equity-settled share-based-payment in accordance with IFRS 2 in the Consolidated Financial Statements as of December 31, 2019.	• Income tax expenses, accumulated deficit and capital reserve were overstated. • Regarding the mistake in assessing the timepoint of the conversion declaration of a convertible bond the share capital and the capital reserve were overstated, and the prepaid share reserve were understated in the Financial Statements as of December 31, 2020. • Regarding the mathematical mistake in the calculation of the share-based payments the capital reserve and the personal expenses were understated. • Regarding the granting of stock option to a member of management board, personnel expenses, the capital reserve and the accumulated deficit were understated.

The errors have been corrected by restating each of the affected financial statement line items for prior periods. Corresponding cash flows were restated accordingly.

The following tables summarize the impacts on the Group´s consolidated financial statements.

Consolidated statements of financial position

January 01, 2019		**error-adjustments II**		
in € thousand	**Revenue**	**Liabilities**	**Equity**	**Total**
Assets				
Non-current assets	**0**	**0**	0	**0**
Other financial and non-financial assets	0	5	0	5
Current assets	**0**	**5**	0	**5**
TOTAL ASSETS	**0**	**5**	0	**5**
Equity				
Capital reserve	0	0	-645	-645
Accumulated deficit	0	19	645	664
TOTAL EQUITY	**0**	**19**	0	**19**
Liabilities				
Non-current liabilities	**0**	**0**	0	**0**
Provisions	0	-14	0	-14
Current liabilities	**0**	**-14**	0	**-14**
Total liabilities	**0**	**-14**	0	**-14**
TOTAL EQUITY AND LIABILITIES	**0**	**5**	0	**5**

Consolidated statements of profit or loss and other comprehensive income

For the year ended December 31, 2019		**error-adjustments II**		
in € thousand	**Revenue**	**Liabilities**	**Equity**	**Total**
Revenue	-330	0	0	-330
Personnel expenses	0	0	-1.041	-1.041
Other operating expenses	0	21	0	21
Operating profit/loss (EBIT)	**-330**	**21**	**-1.041**	**-1.350**
Interest and similar income	0	-33	0	-33
Net foreign exchange gain / (loss)	0	28	0	28
Net Finance costs	**0**	**-5**	**0**	**-5**
Profit/loss before tax (EBT)	**-330**	**16**	**-1.041**	**-1.355**
Income tax expense	0	0	0	0
Consolidated net profit/loss for the year	**-330**	**16**	**-1.041**	**-1.355**
Other comprehensive income/loss for the period after tax	**0**	**0**	**0**	**0**
Total comprehensive income/loss for the period	**-330**	**16**	**-1.041**	**-1.355**
Basic earnings per share in EUR	-0,12	0,01	-0,37	-0,48
Diluted earnings per share in EUR	-0,12	0,01	-0,37	-0,48

For the year ended December 31, 2020	error-adjustments II			
in € thousand	Revenue	Liabilities	Equity	Total
Other operating income	0	-36	0	-36
Personnel expenses	0	0	-133	-133
Other operating expenses	330	0	0	330
Operating profit/loss (EBIT)	**330**	**-36**	**-133**	**161**
Net Finance costs	**0**	**0**	**0**	**0**
Profit/loss before tax (EBT)	**330**	**-36**	**-133**	**161**
Consolidated net profit/loss for the year	**330**	**-36**	**-133**	**161**
Other comprehensive income/loss for the period after tax	**0**	**0**	**0**	**0**
Total comprehensive income/loss for the period	**330**	**-36**	**-133**	**161**
Basic earnings per share in EUR	0,10	-0,01	-0,04	0,05
Diluted earnings per share in EUR	0,10	-0,01	-0,04	0,05

Consolidated Statements of Cash Flows

For the year ended December 31, 2020	error-adjustments II			
in € thousand	Revenue	Liabilities	Equity	Total
Cash flows from operating activities				
Consolidated net profit/loss for the period	**-330**	**15**	**-1,041**	**-1.356**
Adjustments for:				
Interest and similar income	0	33	0	33
Equity-settled share-based payment transactions	0	0	1.041	1.041
Changes in:				
Other financial and non-financial assets	0	65	0	65
Provisions	0	-21	0	-21
Contract liabilities	330	0	0	330
Net cash from operating activities	**0**	**93**	**0**	**93**
Cash flows from investing activities				
Net cash used in investing activities	**0**	**0**	**0**	**0**
Cash flows from financing activities				
Interests received	0	-98	0	-98
Net cash from financing activities	**0**	**-98**	**0**	**-98**
Net increase/decrease in cash and cash equivalents	**0**	**-5**	**0**	**-5**
Cash and cash equivalents at January 1	0	0	0	0
Effects of movements in exchange rates on cash held	0	5	0	5
Cash and cash equivalents at December 31	**0**	**0**	**0**	**0**

For the year ended December 31, 2020	error-adjustments II			
in € thousand	**Revenue**	**Liabilities**	**Equity**	**Total**
Cash flows from operating activities				
Consolidated net profit/loss for the period	**330**	**-35**	**-133**	**162**
Adjustments for:				
Equity-settled share-based payment transactions	0	0	133	133
Changes in:				
Other financial and non-financial assets	0	-65	0	-65
Provisions	0	35	0	-35
Contract liabilities	-330	0	0	-330
Net cash from operating activities	**0**	**-65**	**0**	**-65**
Cash flows from investing activities				
Net cash used in investing activities	**0**	**0**	**0**	**0**
Cash flows from financing activities				
Interests received	0	65	0	65
Net cash from financing activities	**0**	**65**	**0**	**65**
Net increase/decrease in cash and cash equivalents	**0**	**0**	**0**	**0**
Cash and cash equivalents at January 1	0	0	0	0
Cash and cash equivalents at December 31	**0**	**0**	**0**	**0**

20. Governing bodies of the Company

The Management Board consists of the following members:

- Bulent Altan, CEO, Master of Science in Aerospace, Playa Vista, California
- Stefan Berndt-von Bülow, CFO, graduate in business administration, Tutzing
- Joachim Horwath, CTO, Dipl.-Ing, Gilching (since February 17, 2021)

The Supervisory Board consists of the following members:

- Dr. Manfred Krischke, Chairman, CEO of Cloudeo AG
- Peter Müller-Brühl, Deputy Chairman , COO of GreenCom Networks AG
- Steve Geskos, member of the Supervisory Board, Managing Director Rose Park Advisors (since May 14, 2021)
- Hans Königsmann, member of the Supervisory Board, Former vice president of flight reliability at SpaceX (since October 14, 2021)
- Vincent Wobbe, member of the Supervisory Board, Head of Public Markets Investments Apeiron Investment Group (since June 24, 2021)
- Dr. Gerd Gruppe, Deputy Chairman, member of the Executive Board of DLR i.R. (until October 5, 2021)
- Thomas Hanke, member of the Supervisory Board, graduate in business administration, M&A consultant (until June 24, 2021)
- Dr. Thomas Billeter, member of the Supervisory Board, investor and business angel (until May 14, 2021)

21. Events after the reporting date

On July 01, 2021, 69,169 subscription rights in the form of restricted stock units (RSUs) were granted to the employees of the Mynaric Group. Under the RSU Program, each beneficiary will be granted a specific Euro amount, which will be converted into a certain number of RSUs, which is dependent on the six-month average closing price of the shares or share certificates.

RSUs will vest in instalments over a four-year vesting period as follows:

- 25% of the RSUs vest 12 months after the grant date;
- The remaining unvested RSUs will vest in equal amounts each quarter thereafter.

At the discretion of the Company, vested RSUs are settled either (i) by way of new shares utilizing the Authorized Capital 2021/II (as described below under “Description of Share Capital and Articles of Association—Conditional Capital”), (ii) by way of a cash settlement, or (iii) a combination of both.

The granting of RSUs from the RSUP 2021 was classified and measured as equity-settled share-based payment in accordance with IFRS 2.

On October 20, 2021 Mynaric files registration statement for proposed Initial Public Offering of American Depositary Shares and listing on Nasdaq by filling a registration statement on Form F-1 with the U.S. Securities and Exchange Commission (“SEC”) relating to a proposed offering and sale in the United States of shares of Mynaric represented by American Depositary Shares (“ADSs”). The registration statement has not yet become effective and the final number of ADSs to be offered and their price have not yet been determined.

Mynaric’s shares are currently listed in the Scale segment of the Frankfurt Stock Exchange in Germany and included in the Scale 30 index. Mynaric has applied for a listing of the ADSs on the Nasdaq Stock Market in the

United States under the ticker symbol “MYNA”. The new shares underlying the ADSs will be issued from Mynaric’s authorized capital.

Gilching, October 30, 2021

The Management Board

Bulent Altan	Stefan Berndt-von Bülow	Joachim Horwath
CEO	CFO	CTO

RESPONSIBILITY STATEMENT BY THE COMPANY'S LEGAL REPRESENTATIVES

" To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the Interim Group Financial Statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the Interim Group Management Report includes a true and fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year."

Gilching, October 30, 2021

The Management Board

Bulent Altan	Stefan Berndt-von Bülow	Joachim Horwath
CEO	CFO	CTO