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As filed with the Securities and Exchange Commission on September 21, 2020.

Registration No. 333-248599

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1 to

FORM F-1

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

VIA optronics AG

(Exact name of Registrant as specified in its charter)

Not Applicable

(Translation of Registrant's name into English)

Federal Republic of Germany	**3674**	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

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90411 Nuremberg, Germany
+49 (0) 911 597 575-0
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

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Approximate date of commencement of proposed sale to the public:
As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, please check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933. Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered[1]	Proposed Maximum Aggregate Offering Price[2][3]	Amount of Registration Fee[4]
Ordinary shares, €1.00 notional value per share	$115,000,000	$14,927

(1) American depositary shares, or ADSs, issuable upon deposit of the ordinary shares registered hereby will be registered under a separate Registration Statement on Form F-6. Every 5 ADSs will represent 1 ordinary share.

(2) Estimated solely for the purpose of determining the amount of the registration fee in accordance with Rule 457(o) under the Securities Act of 1933, as amended.

(3) Includes ordinary shares represented by ADSs that may be purchased by the underwriters pursuant to an option to purchase additional ADSs.

(4) $12,980 was previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We and the selling shareholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED SEPTEMBER 21, 2020

PRELIMINARY PROSPECTUS

6,250,000 American Depositary Shares

VIA optronics AG

Representing 1,250,000 Ordinary Shares

$ per American Depositary Share

This is the initial public offering of VIA optronics AG, a German stock corporation. We are offering American Depositary Shares, or ADSs. Every 5 ADSs will represent 1 ordinary share with a notional value of €1.00 per share. No public market currently exists for our ordinary shares or ADSs. We anticipate that the initial public offering price will be between $15.00 and $17.00 per ADS.

Our ADSs have been approved for listing on The New York Stock Exchange under the symbol "VIAO."

Upon the completion of this offering, we may qualify as a "controlled company" under the corporate governance standards of the New York Stock Exchange and may be eligible to rely upon exemptions from certain corporate governance requirements of such rules. See "Prospectus Summary—Implications of Being a Controlled Company." We are both an "emerging growth company" as that term is defined in the Jumpstart Our Business Startups Act of 2012 and a "foreign private issuer" as defined under the U.S. federal securities laws, and as such may elect to comply with certain reduced public company reporting requirements for this and future filings. See "Prospectus Summary—Implications of Being an Emerging Growth Company" and "Prospectus Summary—Implications of Being a Foreign Private Issuer."

Investing in the ADSs involves risks. See "Risk Factors" beginning on page 18.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Share	Per ADS	Total
Public offering price	$	$	$
Underwriting discounts and commissions	$	$	$
Proceeds to VIA optronics AG (before expenses)	$	$	$

Corning Research & Development Corporation, or Corning, one of our commercial partners, has agreed to purchase ADSs at an aggregate purchase price of approximately $20 million in a separate concurrent private placement, that we expect will be completed shortly after the completion of this offering, at a price per ADS equal to 95% of the initial public offering price in this offering. The sale of ADSs to Corning will not be registered under the Securities Act of 1933, as amended. While the closing of the concurrent private placement is conditioned on the closing of this offering, the closing of this offering is not conditioned upon the closing of such concurrent private placement.

The underwriters have a 30-day option to purchase up to 937,500 additional ADSs from the selling shareholders identified in this prospectus to cover over-allotments, if any. We will not receive any proceeds from the sale of ADSs by the selling shareholders.

Delivery of the ADSs will be made against payment in New York, New York on or about , 2020.

Neither the Securities and Exchange Commission nor any state securities commission has approved of anyone's investment in these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Sole Bookrunning Manager

Berenberg

Lead Manager

Craig-Hallum Capital Group

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You should rely only on the information contained in this prospectus or contained in any free writing prospectus we file with the Securities and Exchange Commission, or the SEC. Neither we, the selling shareholders nor the underwriters have authorized anyone to provide you with additional information or information different from that contained in this prospectus or in any free writing prospectus filed with the SEC. We and the selling shareholders are offering to sell, and seeking offers to buy, the ADSs only in jurisdictions where offers and sales of these securities are legally permitted. The information contained in this prospectus or in any free writing prospectus we file is accurate only as of its date, regardless of the time of delivery of this prospectus or of any sale of the ADSs. Our business, financial condition, results of operation and prospects may have changed since that date.

Until 25 days after the date of this prospectus, federal securities laws may require all dealers that buy, sell, or trade the ADSs, whether or not participating in this offering, to deliver a prospectus. This requirement is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

For investors outside the United States: neither we, the selling shareholders nor the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction, other than the United States, where action for that purpose is required. Persons outside the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the ADSs and the distribution of this prospectus outside of the United States.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Prior to June 25, 2019, we conducted our business through VIA optronics GmbH and its consolidated subsidiaries. On June 25, 2019, the shareholders of VIA optronics GmbH contributed the shares they held in VIA optronics GmbH to VIA optronics AG by way of a contribution in kind against issuance of new shares (*Sacheinlage gegen Gewährung von neuen Aktien*) to the newly established VIA optronics AG. Following this contribution, our financial statements present the results of VIA optronics AG and its consolidated subsidiaries. Unless otherwise indicated or the context implies otherwise:

- "VIA optronics," "VIA," "Company," "we," "us" and "our" refers to VIA optronics AG (from the date of the contribution described above), its direct subsidiary VIA optronics GmbH and its indirect subsidiaries on a consolidated basis;
- "shares" or "ordinary shares" refers to our ordinary shares;
- "ADSs" refers to American Depositary Shares, every 5 of which represent 1 ordinary share; and
- "ADRs" refers to American Depositary Receipts, which may evidence the ADSs.

All references in this prospectus to "U.S. dollars," "USD" or "$" are to the legal currency of the United States and all references to "€" or "euro" are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the treaty establishing the European Community, as amended. Our consolidated financial statements are presented in euros. Throughout this prospectus and solely for convenience, we have converted euros to U.S. dollars at the noon buying rate of €1.00=US$1.1198, as certified by the European Central Bank at June 30, 2020, unless otherwise indicated.

Unless otherwise indicated, the consolidated financial statements and related notes included in this prospectus have been prepared in accordance with International Accounting Standards and also comply with International Financial Reporting Standards, or IFRS, and interpretations issued by the International Accounting Standards Board, or IASB, which differ in certain significant respects from U.S. generally accepted accounting principles, or U.S. GAAP. Financial information in thousands or millions, and percentage figures in this prospectus have been rounded. Rounded total and sub-total figures in tables in this prospectus may differ marginally from unrounded figures indicated elsewhere in this prospectus or in the consolidated financial statements. Moreover, rounded individual figures and percentages may not produce the exact arithmetic totals and sub-totals indicated elsewhere in this prospectus.

Max VU is a trademark of ours that we use in this prospectus. This prospectus also includes trademarks, tradenames and service marks that are the property of other organizations. Solely for convenience, our trademarks and tradenames referred to in this prospectus appear without the ® and ™ symbols, but those references are not intended to indicate, in any way, that we will not assert our rights, or the rights of the applicable licensor to our trademark and tradenames to the fullest extent under applicable law.

INDUSTRY AND MARKET DATA

This prospectus contains estimates and other statistical data prepared by independent parties and by us relating to market size and growth and other data about our industry. We obtained the industry and market data in this prospectus from our own research as well as from industry and general publications, surveys and studies conducted by third parties, some of which may not be publicly available.

Industry publications, research, surveys, studies and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and

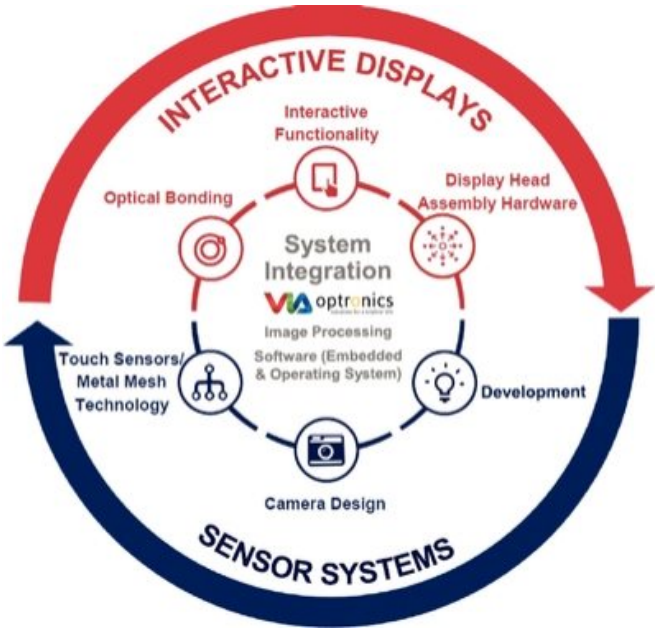
completeness of such information is not guaranteed. To our knowledge, certain third-party industry data referenced herein includes estimates and projections regarding, among other figures, our total addressable market, that take into account early and preliminary information about the known and potential future effects of the worldwide coronavirus (COVID-19) pandemic, the impact of which are continuing and evolving over time. Accordingly, those third-party projections may be overstated and should not be given undue weight. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and uncertainties as the other forward-looking statements in this prospectus. These forecasts and forward-looking information are subject to uncertainty and risk due to a variety of factors, including those described under "Risk Factors." These and other factors could cause results to differ materially from those expressed in our forecasts or estimates or those of independent third parties.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. This summary does not contain all of the information that you should consider in making your investment decision. Before investing in the ADSs, you should read this entire prospectus carefully, including the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes, for a more complete understanding of our business and this offering.

Our Company

We are a leading provider of enhanced display solutions for multiple end-markets in which superior functionality or durability is a critical differentiating factor. Our customizable technology is well-suited for our target end-markets, in particular customers operating in high-end markets that have unique specifications, and in demanding environments that pose technical and optical challenges for displays, such as bright ambient light, vibration and shock, extreme temperatures and condensation. Our solutions combine our expertise in interactive display head assembly, comprising a display, cover lens and potentially touch sensors, and proprietary bonding technologies. We also develop, manufacture and sell customized and application-specific metal mesh touch sensors and electrode base film materials for use in touch modules or other touch products. Recently, we have introduced integrated, camera-enhanced and interactive displays, or interactive display solutions, that leverage our expertise in display solutions and touch sensor technology, as well as camera module design and related software capabilities. We believe that interactive display solutions will be critical to support the evolution of everyday life digital applications, such as touch- and camera-enabled consumer electronics, and the development of complex applications, such as advanced driver assistance systems. Our portfolio of offerings enables thin display assemblies and high optical clarity, which decreases power consumption and increases readability. We provide a wide range of customized display solutions, including curved display panels and solutions integrating multiple display touch assemblies under a single cover lens. In the future, we aspire to become one of the leading technology platforms for interactive display solutions in our target end-markets.



Our differentiated technologies include our proprietary silicone-based bonding material, or *VIA bond plus*, our patented optical bonding processes, or *Max VU*™, display enhancement technologies, our metal mesh touch sensor technology and camera module design capabilities. Our optical bonding processes utilize *VIA bond plus* for display head assemblies, or DHAs, without using potentially damaging mechanical force, to eliminate air gaps and other distorting features common to conventional technologies. Our metal mesh touch sensor technology enables high precision functionality and is based on a metal grid patterned on a transparent electrode base film that can be laminated to virtually any type, size and shape of cover lens material. In addition to our proprietary technologies and processes, we have expertise in working with collaborators to implement specialized production methods, such as cold forming technology, that enable innovation in product development. We custom-design camera modules for contract manufacturing by Integrated Micro-Electronics, Inc., or IMI, an affiliate of our majority shareholder and commercial partner, for integration into our solutions or our customers' end-solutions, such as driver monitoring systems. We believe our suite of differentiated technologies and our related intellectual property, engineering expertise and commercial collaborations give us a competitive edge.

Our customers operate in the automotive, consumer electronics and industrial/specialized applications markets.

- Our automotive solutions can be found in the products of companies such as BMW, Ferrari, General Motors and Rolls Royce. Our automotive applications include displays for navigation, instrument clusters, rear seat entertainment and infotainment systems and, increasingly, interactive display systems.

- Our consumer electronic solutions can be found in the products of companies such as Dell, HP, Lenovo, Mutto and Sharp. Our consumer applications include solutions for notebooks, tablets and all-in-one monitors.

- Our industrial/specialized application solutions can be found in the offerings of companies such as 3M, Dell, Emirates Airlines, GE, Honeywell, John Deere and Siemens. Our industrial/specialized applications include in-flight entertainment displays, ruggedized laptops, marine navigational systems and fish-finders, agricultural equipment, surround views, digital signage, interactive conference room displays and defense applications.

We currently have over 500 projects in process, either in the acquisition, development or industrialization phase or in production, for a combination of existing and potential new customers. These projects include arrangements we entered into during the course of 2019 and 2020, including with several automotive Original Equipment Manufacturers, or OEMs, that produce luxury and electric vehicles to design prototypes relating to enhanced automotive solutions, including an interactive complete dashboard display cluster assembly using Corning's cold-formed glass technology, an optically bonded display head assembly using a plastic cover lens (which represents a unique material application within the automotive market) and advanced automotive camera module technologies. The advanced automotive camera module technologies we are developing in these prototypes include driver assistance features and autonomous driver support, such as driver monitoring (including facial recognition and other driver recognition technologies and driver alertness features) and surround view, which are technologies that promote enhanced vehicle performance and safety. We expect to complete development of these OEM prototypes during 2020 and 2021. These potential customers are not contractually obligated to purchase a minimum quantity of units until a purchase order is executed. However, we believe this current development pipeline supports our goal of becoming a leading provider of high-end interactive display solutions for OEMs, as well as suppliers that supply parts directly to OEMs, which are referred to as Tier-1 suppliers.

For the year ended December 31, 2019, we generated revenue, net loss and EBITDA of €137.2 million, €13.4 million and €(4.4) million, respectively, and, for the six months ended June 30, 2020, we generated revenue, net loss and EBITDA of €64.9 million, €0.9 million and €3.9 million, respectively, despite production-related delays and other challenges that we and our customers have faced as a result of the COVID-19 pandemic. Our performance in the first half of 2020 may not be indicative of our full-year performance. We are headquartered in Nuremberg, Germany and had 585 staff working on our sites worldwide as of June 30, 2020, including through secondment and service agreements as well as agreements with professional dispatch firms. We maintain production facilities in Germany, China and Japan and, through our subsidiaries, operate sales offices in Taiwan and the United States. In 2019, we served over 70 customers and in the first six months of 2020, we served over 60 customers around the world.

Our Industry

Digital displays have become pervasive in everyday life. Technological advancements, quality improvements and cost reductions have collectively helped to make displays ubiquitous in nearly every industry. In response to the growing demand for and broadening applications of display technology, optical bonding, touch sensor technologies and interactive system solutions have become critical to achieving the diverse and highly specific requirements of customers in various end-markets. We estimate that we have an addressable market for our display solutions of at least $43.5 billion. Our estimate was derived from the Markets and Markets Research Pvt. Ltd., or MarketsandMarkets, report dated May 2020, which indicated approximately $107.0 billion of global revenue from the sale of displays in 2020. The addressable market derived from the MarketsandMarkets report includes both interactive displays that incorporate enhanced functionality, such as camera module or touch sensors, as well as non-interactive displays. Therefore, the addressable market for our enhanced interactive display solutions is a subset of the total addressable display market. Within the total global display market, MarketsandMarkets attributed an estimated $63.5 billion in 2020 to TVs, smartphones, smart wearables, other display products such as E-readers and medical devices and other display technologies such as E-paper, which we do not address today nor expect to address in the future. According to the MarketsandMarkets report dated May 2020, the global market for industrialized/specialized applications is expected to grow at a compounded annual growth rate, or CAGR, of 9.1%, from $7.8 billion estimated in 2020 to an estimated $11.0 billion in 2024, and the global market for automotive displays is expected to grow at a CAGR of 14.5%, from $4.8 billion estimated in 2020 to an estimated $8.2 billion in 2024. We estimate that the addressable market for our display solutions may grow to approximately $49.5 billion in 2024, based on our estimate of the addressable market in 2020 and the estimations of MarketsandMarkets for global revenues from the sale of displays. In addition, MarketsandMarkets estimates that the display subsectors of (i) business-to-business enterprise, (ii) education, (iii) aerospace and defense, (iv) global retail, hospitality, banking, financial services and insurance, and (v) sports and entertainment will grow at CAGRs of 17%, 13%, 21%, 18%, and 21%, respectively, from 2020 to 2024.

To our knowledge, certain third-party industry data referenced herein includes estimates and projections regarding, among other figures, our total addressable market, that take into account early and preliminary information about the known and potential future effects of the worldwide COVID-19 pandemic, the impacts of which are continuing and evolving over time. Accordingly, those projections may be overstated and should not be given undue weight.

Our Competitive Strengths

We believe the following key strengths will help us to maintain and enhance our competitive position:

Proprietary bonding materials, patented processes and innovative technology. We believe that our proprietary silicone-based bonding material, patented optical bonding processes and metal mesh touch sensor technology as well as camera module design competence and in-house design capabilities are key enablers of our success in our target end-markets. We have a differentiated portfolio of patented optical bonding and metal mesh touch sensor technology and in-house manufacturing capabilities. In combination with VTS-Touchsensor Co., Ltd., or VTS, as of July 31, 2020, we had an aggregate of 111 granted patents and 53 additional pending patent applications relating to our optical bonding processes, metal mesh touch sensor technology and component parts used in our customized production equipment. *VIA bond plus* is our proprietary silicone-based bonding material utilized for all of our bonding applications. In contrast to organic substances such as acrylates, *VIA bond plus* is repairable, non-shrinking, non-yellowing, environmentally friendly and stable at extreme temperatures. *Max VU* is our patented dry-bonding process that enables display head assembly without potentially damaging mechanical force, thereby increasing production yield, reducing potential LCD damage and minimizing

undesired optical side effects. In addition, our copper-based metal mesh touch sensor technology offers significantly higher conductivity that enhance touch performance, including stylus/pen sensitivity and glove functionality. Cutting-edge technology in viewing and sensing applications as well as a combination of those technologies improves interactive display solutions, for example driver monitoring and surround view systems in automobiles. The key technical advantages of our camera modules and sensing applications include custom design, thermal management, durability, and access to IMI's patent-pending 6-axis active alignment technology.

Technological expertise well-suited for complex applications and demanding environments. We are a pioneer in designing and developing customizable display solutions that address the most demanding technological and environmental challenges. These challenges include, but are not limited to, bright ambient light, vibration and shock, extreme temperatures, condensation, dust and other specialized conditions, as well as the need for enhanced touch sensitivity, curved form factors and designs that incorporate multiple interactive displays under a single formed cover lens. Our technological expertise in combination with our deep customer and commercial partner collaborations, including our collaboration with Corning, with respect to cold form glass technology, enables us to meet these challenges and act as a sole source supplier for certain customers, including, for example, select customers in ruggedized applications and the automotive industry. We continue to dedicate significant research and development resources to address these challenges and expand our interactive display solutions capabilities, touch sensor technology, as well as camera module design and related software capabilities. Further, we leverage the experience we have gained in the high-end consumer market, which is generally characterized by early adoption of new technologies and shorter product life cycles, to anticipate industry trends and innovate solutions for our automotive and industrial/specialized applications markets.

Efficient global production with integrated, automated and scalable capacity. With our modern production sites in Germany, China and Japan, we have the ability to meet customers' specific requirements with regards to design, volume and manufacturing location. Our production sites in Germany and China operate on an integrated basis so that a project initiated in one site can be moved to another site without needing to incur costly or time-consuming delays in production site customization, which enables more nimble production capacity. Our flexible production lines can provide solutions for a wide range of display screen sizes. Our bonding facilities are equipped with manual, semi-automated and fully automated production lines capable of handling various production volumes, from specialized small-batch runs to high volume production. We leverage our customized equipment and manufacturing knowledge to quickly clean, re-tool and ramp up our production lines to maximize utilization.

Highly integrated supply chain for our core technology. We design and/or manufacture the majority of the subassemblies (e.g., enhanced displays, touch modules, display touch assemblies and camera modules) used in our interactive display systems and purchase specific components from third parties (e.g., camera sensors or LCD open cells), including IMI, an affiliate of our majority shareholder, as needed. This provides us with flexibility to produce a wide range of metal mesh sensors, which enables us to offer a broad selection of products to our customers to fit their particular needs. In addition, our largely integrated models provide our customers with their own production efficiencies to the extent that they opt to use us as their single source supplier for interactive displays. Our business model also allows us to integrate more of our own metal mesh technology into the interactive display systems that we produce. We believe the level of our supply chain integration differentiates us from our competitors and adds value to our production capabilities.

Early and deep design collaboration with Original Equipment Manufacturers. Due to the increasing integration of display, touch, and/or camera module functionality into novel design assemblies, we often engage with OEMs, either directly or through third-party suppliers, early in their design and

development processes. We utilize our deep engineering and research and development resources and operating expertise to partner with OEMs on product design, qualification, manufacturing and testing and collaborate with them to provide comprehensive and customized solutions that meet their specific requirements. We believe this approach creates a competitive advantage for us, as it has enabled us to form long-term relationships with our OEM customers and it has provided us with an understanding of the OEMs' technology roadmaps, allowing us to develop innovative and advanced solutions to meet their current and future needs. The combination of our technological expertise and our collaborative relationships allows us to develop new applications, such as touch-enabled controls on an automotive center console, and enables us to be a sole source supplier for certain OEMs.

Proven engineering and experienced management team. We have assembled a team of talented technical professionals with significant knowledge and expertise across our technologies. We also have an experienced global management team with extensive expertise in enhanced display solutions, system integration and manufacturing, and a strong track record of management experience at companies including Aptiv, AU Optronics, Dell and Siemens.

Commitment to innovation. We have committed significant resources in recent periods to technological advancements in our product offerings, including acquiring touch sensor technology from VTS in 2018 and enhancing our camera module development capabilities in 2019. Such technological advancements include our interactive display solutions which leverage our expertise in display solutions and touch sensor technology, as well as camera module design and related software capabilities. We believe that interactive display solutions will be critical to support the development of advanced and complex applications, such as advanced driver assistance systems, and we believe that we are well-positioned to meet the next generation of innovation challenges for these technologies.

Our Growth Strategy

Our goal is to become a leading provider of interactive display solutions, in particular to OEMs and their Tier-1 suppliers, specifically within the automotive and industrial/specialized markets, and to continue to deliver innovative products to our customers in the consumer end-market. The key elements of our strategy to achieve this goal are:

Expand our interactive display systems capabilities. We aim to expand our capabilities to serve as an interactive display system provider in the automotive, consumer electronics and industrial/specialized applications markets by combining system design, camera modules, software functionality and other hardware components. We plan to achieve this goal by utilizing our extensive intellectual property portfolio, process know-how, and optical bonding and metal mesh touch sensor and camera module technologies to expand our in-house technological capabilities. We also plan to expand our research and development efforts through increased investment in our engineering and software development activities, including the hiring of additional personnel. We may also seek to augment our solutions by acquiring new technologies and expertise, with an initial focus on embedded systems and software development, including by acquiring other companies or assets, hiring technical teams or entering into strategic alliances.

Leverage our metal mesh technology for touch-enabled displays. We believe our metal mesh touch sensor technology is particularly well-suited for large display sizes and flexible form applications, and we intend to accelerate its broader adoption across our end-markets. Our goal is to expand our touch sensor technology beyond the consumer market by focusing on embedding metal mesh touch displays into the product offerings of new and existing automotive and industrial/specialized customers. To accomplish this, we intend to leverage our ability to produce both the electrode base film and related metal mesh touch sensors, which enables us to offer our customers both component parts as well as complete display solutions. We believe offering this optionality positions us to become a one-stop touch solutions provider. In addition, to increasingly attract higher margin solutions for automotive and

industrial/specialized customers, we also intend to leverage our ability to customize our metal mesh touch sensor technology and integrate customized touch sensors into our interactive display solutions. We expect that an increasing number of these customers will adopt our in-house metal mesh display touch sensor technology as high-precision touch functionality continues to become more desired by end users.

Deepen our existing customer base. We intend to expand our relationships with existing customers across our three markets—automotive, consumer and industrial/specialized—and our aim is to capture an increasing amount of their business across the technologies that we offer, with a special focus on interactive display business. Our objective is to be the supplier of choice and to service all of our customers' needs in this space. To achieve this, we plan to continue leveraging and developing our technological capabilities, engineering talents and sales and marketing proficiency. For example, with respect to our automotive customers, we are increasingly collaborating in the early stages of the OEM design and development process on interactive display systems for car interiors, which have become, and we believe will continue to be, differentiating factors for the driver experience. We are similarly engaged at early stages with our industrial/specialized customers in order to provide them with highly customized solutions for their projects. We expect to convert these close, early-stage collaborations for higher margin solutions into even deeper long-term relationships with customers. With respect to our consumer customers, we see significant potential to increase our share of their business in the areas of display, touch and display head assembly, especially in light of the recent surge in remote working, which has further increased demand for the types of products that house our components.

Continue to expand our customer base. We intend to acquire new customers particularly within our automotive and industrial/specialized markets. We believe we are well-positioned to further penetrate these markets given our technological expertise, our differentiated touch sensor technology, our ability to produce products for use in demanding environments, our collaboration with Corning to utilize cold forming technology, our increasing focus on developing advanced camera modules and related software and our strong reputation within the automotive industry. We believe our technological capabilities, production know-how and research and development expertise will enable us to continue to improve our products' functionality and performance and will facilitate our ability to develop products and enhancements, enable new applications and expand our customer base within our core end-markets.

Concurrent Private Placement

Corning, one of our commercial partners, has agreed to purchase 1,315,785 ADSs, assuming an initial offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus, at an aggregate purchase price of approximately $20 million in a separate concurrent private placement, that we expect will be completed shortly after the completion of this offering, at a price per ADS equal to 95% of the initial public offering price in this offering. The sale of ADSs to Corning will not be registered under the Securities Act of 1933, as amended, and is subject to limited conditions set forth in the investment agreement. While the closing of the concurrent private placement is conditioned on the closing of this offering, the closing of this offering is not conditioned upon the closing of such concurrent private placement.

Company History

Our business is conducted through VIA optronics GmbH, registered in the commercial register of the local court (*Amtsgericht*) of Nuremberg under HRB 22650, and its subsidiaries. VIA optronics GmbH was established on May 12, 2006 with an initial share capital of €25,000. The company has its registered seat in Schwarzenbruck.

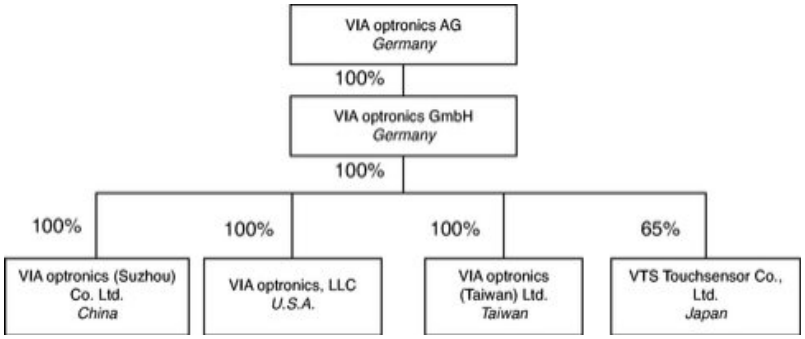
Because a company in the form of a GmbH cannot be used for an initial public offering, the shareholders of VIA optronics GmbH decided to create a new company in the form of a German stock

corporation (*Aktiengesellschaft or AG*), VIA optronics AG, to serve as a holding company for the VIA optronics group and as the vehicle issuing the ADS for the initial public offering and listing on the New York Stock Exchange. On January 4, 2019, the shareholders of VIA optronics GmbH incorporated VIA optronics AG, which was registered in the commercial register of the local court of Nuremberg under HRB 36200 on March 18, 2019 with an initial share capital of €100,000. The shareholders of VIA optronics GmbH contributed all shares they held in VIA optronics GmbH to VIA optronics AG on June 25, 2019 by way of a contribution in kind against issuance of shares (*Sachkapitalerhöhung*). As a result of this contribution, VIA optronics AG became the holding company for VIA optronics GmbH and its subsidiaries.

Our website is *www.via-optronics.com*. This website address is included in this prospectus as an inactive textual reference only. The information and other content appearing on our website are not part of this prospectus. Our agent for service of process in the United States is VIA optronics, LLC, located at 6220 Hazeltine National Dr., Suite 120, Orlando, FL 32822, telephone number (407) 745-5031.

Organizational Chart

The following chart shows the organizational structure of VIA optronics AG and its direct and indirect subsidiaries as of the date hereof. See "Description of Company History and Share Capital—Incorporation of the Company."



Office Location

Our principal executive offices are located at Sieboldstrasse 18, 90411 Nuremberg, Germany, and our telephone number is +49 (0) 911 597 575 0.

Our Risks and Challenges

You should carefully consider all of the information set forth in this prospectus prior to making an investment in the ADSs. Our ability to implement our business strategy is subject to numerous risks and uncertainties. Actual results could differ materially from our forward-looking statements due to a number of factors, including, without limitation, risks related to:

- our ability to meet customers' requirements for quality and performance or their demands as to timing or quantity;
- our dependence upon sales to certain customers and material fluctuation in purchase volumes period on period;
- our dependence upon our relationships with our strategic partners;

- our ability to develop new products and win business, to convert project wins into revenue and to manage our costs during the product development cycle;
- the impact of the ongoing COVID-19 pandemic;
- our ability to adapt to risks inherent in doing business on a global level and in particular in China, including tariffs, trade wars, pandemics (such as COVID-19), economic and geopolitical instability and changes in regulatory requirements;
- the length of the product development cycle for our OEM, Tier-1 Supplier and other customers;
- our dependence upon the commercial success of our customers' products;
- our dependence upon a limited number of suppliers for a number of our raw materials and equipment, including the silicone material used in *VIA bond plus*;
- delays in the production of our direct customers' product offerings, including due to performance issues with, or supply shortages of, component parts unrelated to our solutions;
- volatility in the prices or availability of certain components and raw materials used in our business;
- our ability to protect our know how, trade secrets and other intellectual property;
- our ability to manage the expansion of our operations effectively;
- our ability to attract and retain key management or other key personnel;
- our ability to raise additional capital on attractive terms, or at all, if needed; and
- the other risks described in the "Risk Factors" section of this prospectus and elsewhere in this prospectus.

Implications of Being an Emerging Growth Company

As a company with less than $1.07 billion in revenue for our fiscal year ended December 31, 2019, we qualify as an "emerging growth company" as defined in Section 2(a) of the U.S. Securities Act of 1933, as amended, or the Securities Act, as modified by the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As an emerging growth company, we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including, but not limited to:

- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, or the SOX Act;
- reduced disclosure obligations regarding executive compensation; and
- not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board, or PCAOB, regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements.

We may choose to take advantage of some or all of the available exemptions and have taken advantage of some of these exemptions in this prospectus. Accordingly, the information contained herein may be different from the information you receive from other public companies in which you hold shares. We do not know if some investors will find the ADSs less attractive as a result of our use of these or other exemptions. The result may be a less active trading market for the ADSs and increased volatility in the price of the ADSs.

In addition, Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. In other words, an emerging growth company can delay the adoption of some accounting standards until the date those standards apply to companies that are not publicly traded. We currently prepare our financial statements in accordance with IFRS, as issued by the IASB, which does not have separate provisions for publicly traded and private companies.

We will remain an emerging growth company until the earliest of (a) the last day of our fiscal year during which we had total annual gross revenue of at least $1.07 billion; (b) the last day of our fiscal year following the fifth anniversary of the date of the first sale of ADSs in this offering; (c) the date on which we have, during the previous three-year period, issued more than $1.0 billion in non-convertible debt; or (d) the date on which we are deemed to be a "large accelerated filer" under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Once we cease to be an emerging growth company, we will not be entitled to the exemptions provided to emerging growth companies in the JOBS Act.

Implications of Being a Foreign Private Issuer

Upon consummation of this offering, we will report under the Exchange Act as a non-U.S. company with foreign private issuer status. Even after we no longer qualify as an emerging growth company, as long as we qualify as a foreign private issuer under the Exchange Act, we will be exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including:

- the rules under the Exchange Act requiring domestic filers to issue financial statements prepared under U.S. GAAP;
- the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and
- the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q, containing unaudited financial and other specified information, and current reports on Form 8-K, upon the occurrence of specified significant events.

We will file with the SEC, within four months after the end of each fiscal year, or such applicable time as required by the SEC, an annual report on Form 20-F containing financial statements audited by an independent registered public accounting firm.

We may take advantage of these exemptions until such time as we are no longer a foreign private issuer. We would cease to be a foreign private issuer at such time as more than 50% of our outstanding voting securities are held by U.S. residents and any of the following three circumstances applies (i) the majority of our executive officers or directors are U.S. citizens or residents, (ii) more than 50% of our assets are located in the United States or (iii) our business is administered principally in the United States.

Both foreign private issuers and emerging growth companies are also exempt from certain more extensive executive compensation disclosure rules. Thus, even if we no longer qualify as an emerging growth company but remain a foreign private issuer, we will continue to be exempt from the more extensive compensation disclosure requirements for companies that are neither an emerging growth company nor a foreign private issuer and will continue to be permitted to follow our home country practice on such matters.

Implications of Being a Controlled Company

Upon the completion of this offering, in addition to qualifying as a foreign private issuer under the Exchange Act, we may qualify as a "controlled company" under the corporate governance standards of the New York Stock Exchange and may be eligible to rely upon exemptions from certain corporate governance requirements of such rules to the extent we are not otherwise exempt as a foreign private issuer. Under the New York Stock Exchange corporate governance standards, a "controlled company" may elect not to comply with certain corporate governance requirements, including the requirements that:

- a majority of its board of directors consist of "independent directors" as defined under the rules of the New York Stock Exchange;
- its director nominees be selected, or recommended for its board of directors' selection by a nominating/governance committee comprised solely of independent directors; and
- the compensation of its executive officers be determined, or recommended to the board of directors for determination, by a compensation committee comprised solely of independent directors.

Even if we qualify as a "controlled company" upon the consummation of the offering, we do not expect to take advantage of any of the applicable exemptions under the New York Stock Exchange corporate governance standards except to the extent we are otherwise exempt from such standards as a foreign private issuer; however, there can be no assurance that we will not elect to do so in the future if we are eligible.

The Offering

ADSs offered by VIA optronics AG	6,250,000 ADSs
ADSs to be sold to Corning in the concurrent private placement	1,315,785 ADSs
ADSs to be outstanding immediately after this offering and the concurrent private placement	7,565,785 ADSs
Ordinary shares to be outstanding immediately after this offering and the concurrent private placement	4,513,157 ordinary shares
Offering price	We currently estimate that the initial public offering price per ADS will be between $15.00 and $17.00.
Over-allotment option	937,500 ADSs from the selling shareholders.
Selling shareholders	Coöperatief IMI Europe U.A. and Jürgen Eichner
The ADSs	Every 5 ADSs represent 1 ordinary share. The depositary, the custodian or any of their respective nominees will hold the ordinary shares and any other rights or property underlying your ADSs. You will have rights as provided in the deposit agreement. You may cancel your ADSs and withdraw the underlying ordinary shares as provided, and pursuant to the limitations set forth in, the deposit agreement. The depositary will charge you fees for, among other acts, any such cancellation. We and the depositary may amend the deposit agreement without your consent. If you continue to hold your ADSs, you agree to be bound by the terms of the deposit agreement then in effect. To better understand the terms of the ADSs, you should carefully read the "Description of American Depositary Shares" section of this prospectus. You should also read the deposit agreement, which is an exhibit to the Registration Statement of which this prospectus forms a part.
Depositary	The Bank of New York Mellon
Custodian	The Bank of New York Mellon SA/NV, and any other custodian as may be appointed pursuant to the deposit agreement.

Use of proceeds	We expect to receive total net proceeds from this offering of approximately $83.1 million, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, assuming an initial offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus. We will also receive net proceeds of approximately $19.6 million from the sale of 1,315,785 ADSs in the concurrent private placement to Corning, after deducting the estimated commissions to Berenberg Capital Markets LLC, or Berenberg, based on a price per ADS equal to 95% of the initial public offering price in this offering. We intend to use the net proceeds of this offering and the concurrent private placement for the following purposes: (i) research and development, including research and development relating to interactive display solutions and other camera-enhanced displays, three dimensional displays, new sensor technologies, software enhancements and embedded computing; (ii) potential acquisitions of targets that could enhance our interactive solutions for the automotive and/or industrial/specialized markets although we do not have agreements or commitments for any material acquisitions at this time; (iii) expansion of our sales, marketing and distribution teams; (iv) improvements in and expansion of our existing production capabilities, including with respect to cold forming production, by improving automation and expanding capacity in our facilities in Germany and Japan and expanding our manufacturing facilities in new geographies; and (v) general corporate purposes, including, without limitation, working capital. See "Use of Proceeds." We will not receive any proceeds from the sale of ADSs offered by the selling shareholders, if any, pursuant to the underwriters' exercise of the over-allotment option.
Dividend policy	We have no present intention of declaring or paying any dividends in the foreseeable future. See "Dividend Policy."
Risk factors	You should carefully read the information set forth in the "Risk Factors" section of this prospectus beginning on page 14 and the other information set forth in this prospectus before deciding to invest in the ADSs.

Directed ADS program	At our request, the underwriters have reserved for sale, at the initial public offering price, up to 187,500 ADSs, or 3.0% of the ADSs offered by this prospectus (excluding the ADSs that may be issued upon the underwriters' exercise of their option to purchase additional ADSs), to certain of our directors, officers and employees and persons having relationships with us. The sales will be made by Berenberg, as the directed ADS program administrator, or its affiliates or its selling agents. If purchased by persons who are not officers or directors, the ADSs will not be subject to a lock-up restriction. If purchased by any officer or director, the ADSs will be subject to a 180-day lock-up restriction. We do not currently know the extent to which these related persons will participate in the directed ADS program. The number of ADSs available for sale to the general public, referred to as the general public ADSs, will be reduced to the extent that these persons purchase all or a portion of the reserved ADSs. Any reserved ADSs not so purchased will be offered by the underwriters to the general public on the same basis as the other ADSs offered by this prospectus. Likewise, to the extent demand by these persons exceeds the number of ADSs reserved for sale in the program, and there are remaining ADSs available for sale to these persons after the general public ADSs have first been offered for sale to the general public, then such remaining ADSs may be sold to these persons at the discretion of the underwriters.
NYSE trading symbol	Our ADSs have been approved for listing on the NYSE under the symbol "VIAO."

The number of our ordinary shares to be outstanding after this offering and the concurrent private placement is based on 3,000,000 ordinary shares outstanding as of June 30, 2020. Unless otherwise indicated, all information in this prospectus assumes that the underwriters do not exercise their over-allotment option and that there is no purchase of ADSs by our directors, officers, employees or persons having relationships with us through our directed ADS program. Unless otherwise noted, the information in this prospectus assumes the issuance and sale of 1,315,785 ADSs in the concurrent private placement to Corning at 95% of the assumed initial public offering price. The number of ordinary shares outstanding after this offering is dependent on the number of ADSs sold to Corning in the concurrent private placement, which will change based on the initial public offering price per ADS in this offering.

Summary Consolidated Financial and Other Data

The financial data as of and for the years ended December 31, 2019, 2018 and 2017 have been derived from our audited consolidated financial statements and the related notes, which are included elsewhere in this prospectus and which have been prepared in accordance with IFRS as issued by the IASB and audited in accordance with the standards of the PCAOB. The summary unaudited interim consolidated statements of operations and other comprehensive income (loss) data for the six months ended June 30, 2020 and 2019 and the summary unaudited interim consolidated statement of financial position data as of June 30, 2020 have been derived from our unaudited interim consolidated financial statements and the related notes, which are included elsewhere in this prospectus. The unaudited interim consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements and in the opinion of management reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of such unaudited interim consolidated financial statements.

The historical results presented below are not necessarily indicative of the financial results to be expected for any future periods. You should read this information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Selected Consolidated Financial and Other Data" and our consolidated financial statements and related notes, each included elsewhere in this prospectus.

	Six Months Ended June 30,			Year Ended December 31,			
Consolidated Statements of Operations and Other Comprehensive Income (Loss) Data:	**2020**	**2020**	**2019**	**2019**	**2019**	**2018 (restated*)**	**2017**
	($ in thousands)[1]	**(€ in thousands)**		**($ in thousands)[1]**	**(€ in thousands)**		
	(unaudited)						
Revenue	$ 72,626	€ 64,856	€ 70,563	$ 153,671	€ 137,231	€ 171,679	€ 131,031
Cost of sales	(61,805)	(55,193)	(63,485)	(142,450)	(127,210)	(149,873)	(113,232)
Gross profit	10,821	9,663	7,078	11,222	10,021	21,806	17,799
Selling expenses	(2,499)	(2,232)	(2,256)	(4,761)	(4,252)	(4,295)	(3,735)
General administrative expenses	(7,070)	(6,314)	(7,653)	(14,778)	(13,197)	(13,267)	(7,988)
Research and development expenses	(1,187)	(1,060)	(542)	(2,788)	(2,490)	(1,337)	(798)
Other operating income (expenses), net[2]	408	364	617	(1,183)	(1,056)	1,991	33
Operating income/(loss)	471	421	(2,756)	(12,289)	(10,974)	4,898	5,311
Financial result	(797)	(712)	(782)	(1,839)	(1,642)	(1,142)	(696)
(Loss)/profit before tax	(326)	(291)	(3,538)	(14,127)	(12,616)	3,756	4,615
Income tax expense	(645)	(576)	1,078	(831)	(742)	(378)	(1,262)
Net (loss)/profit	(971)	(867)	(2,460)	(14,958)	(13,358)	3,378	3,354
Exchange differences on translation of foreign operations	(251)	(224)	48	131	117	23	(165)
Comprehensive (loss) income	(1,222)	(1,091)	(2,412)	(14,827)	(13,241)	3,402	3,189
Earning/(loss) per share	(0.34)	(0.30)	(0.56)	(4.40)	(3.93)	1.37	1.16

	As of June 30,			As of December 31,		
Consolidated Statements of Financial Position Data:	**2020 (As Adjusted)[3]**	**2020**	**2020**	**2019 (Actual)**	**2019 (Actual)**	**2018**
	(€ in thousands)	**($ in thousands)[1]**	**(€ in thousands)**	**($ in thousands)[1]**	**(€ in thousands)**	
		(unaudited)				
Cash and cash equivalents	€ 99,740	$ 8,027	€ 7,168	$ 10,453	€ 9,335	€ 9,943
Working capital	(12,475)	(12,475)	(11,140)	(12,767)	(11,401)	1,251
Total assets	177,517	85,804	76,624	91,443	81,660	80,571
Total liabilities	85,814	85,814	76,633	90,231	80,578	66,348
Total equity	91,703	(10)	(9)	1,212	1,082	14,223

Other Data:	Six Months Ended June 30, 2020 ($ in thousands)(1) (unaudited)	Six Months Ended June 30, 2020 (€ in thousands) (unaudited)	Six Months Ended June 30, 2019 (unaudited)	Year Ended December 31, 2019 ($ in thousands)(1)	Year Ended December 31, 2019 (€ in thousands)	Year Ended December 31, 2018 (€ in thousands)	Year Ended December 31, 2017 (€ in thousands)
Gross margin(4)	14.9%	14.9%	10.0%	7.3%	7.3%	12.7%*	13.6%
EBITDA(5)	$4,404	€3,933	€ 286	$ (4,969)	€ (4,437)	€8,110	€5,940
Adjusted EBITDA(5)	4,404	3,933	286	(4,969)	(4,437)	9,140	6,436
Adjusted net (loss)/profit(5)	(971)	(867)	(2,460)	(14,958)	(13,358)	4,081	3,713
Adjusted EBITDA margin(5)	6.1%	6.1%	0.4%	(3.2)%	(3.2)%	5.3%	4.9%

* The 2018 consolidated statement of operations and other comprehensive income (loss) has been restated to correct an error. Refer to Note 2.4 of the 2019 consolidated financial statements for additional information.

(1) Amounts in this column are not audited and have been converted from euros to U.S. dollars solely for the convenience of the reader.

(2) Amount is shown on a net basis solely for convenience of the reader. Please refer to VIA optronics AG's consolidated financial statements and related notes, each included elsewhere in this prospectus, for a presentation of Other operating income and Other operating expense on a gross basis.

(3) Gives effect to the sale of 6,250,000 ADSs by us in this offering and the sale of 1,315,785 ADSs in the concurrent private placement to Corning at 95% of the initial public offering price, in each case assuming an initial public offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus. A $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the as adjusted amount of each of cash and cash equivalents, total assets and total equity by €5.2 ($5.8) million assuming the number of ADSs offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each increase (decrease) of 1.0 million in the number of ADSs offered by us at the assumed initial public offering price would increase (decrease) the as adjusted amount of each of cash and cash equivalents, total assets and total equity by €13.3 ($14.9) million after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. As adjusted cash and cash equivalents, total assets and total equity do not reflect approximately €7.0 million of costs and expenses related to this offering already paid as of June 30, 2020.

(4) We define gross margin as gross profit stated as a percentage of revenues.

(5) Our management and supervisory boards utilize both IFRS and non-IFRS measures in a number of ways, including to facilitate the determination of our allocation of resources, to measure our performance against budgeted and forecasted financial plans and to establish and measure a portion of management's compensation.

The non-IFRS measures used by our management and supervisory boards include:

- EBITDA, which we define as net profit (loss) calculated in accordance with IFRS before financial result, taxes, depreciation and amortization; for purposes of our EBITDA calculation, we define "financial result" to include financial result as calculated in accordance with IFRS and foreign exchange gains (losses) on intercompany indebtedness;
- Adjusted EBITDA, which we define as net profit/(loss) calculated in accordance with IFRS before financial result, taxes, depreciation and amortization, acquisition-related costs incurred in connection with our acquisition of a 65% interest in VTS, including the effect of any acquisition fair value adjustment to revenue, and costs relating to the relocation of our headquarters to Nuremberg; for purposes of our Adjusted EBITDA calculation, we define "financial result" to include financial result as calculated in accordance with IFRS and foreign exchange gains (losses) on intercompany indebtedness;
- Adjusted EBITDA margin, which we define as Adjusted EBITDA stated as a percentage of revenue; and
- Adjusted net (loss)/profit, which we define as net (loss)/profit calculated in accordance with IFRS before the after tax impacts of acquisition related costs incurred in connection with our acquisition of a 65% interest in VTS, including the effect of any acquisition fair value adjustment to revenue, and costs relating to the relocation of our headquarters to Nuremberg; for purposes of our calculation of Adjusted Net Profit/(Loss), we calculate the tax impacts assuming an effective tax rate of 31.8% and 27.4% based on the rate of VIA optronics GmbH for fiscal years ended ended December 31, 2018 and 2017, respectively, representing, in each case, the German statutory income tax rate, plus any applicable German solidarity surcharges plus any applicable municipal trade taxes.

Our management and supervisory boards believe these non-IFRS measures are helpful tools in understanding certain aspects of our financial performance and are important supplemental measures of operating performance because they eliminate items that may have less bearing on our operating performance and highlight trends that may not otherwise be apparent when relying solely on IFRS financial measures. As an example, our acquisition of VTS in 2018 included acquisition-related costs, such as costs attributable to the consummation of the transaction and integration of VTS as a consolidated subsidiary (composed substantially of professional services fees, including legal, accounting and other consultants) and any transition compensation costs, and were not considered to be related to the continuing operation of VTS's business and are generally not relevant to assessing or estimating the long-term performance of VTS. We also believe that these non-IFRS measures are useful to investors and other users of our financial statements in evaluating our performance because these measures are the same measures used by our management and supervisory boards for these purposes.

While we use non-IFRS measures as a tool to enhance our understanding of certain aspects of our financial performance, we do not believe that these non-IFRS measures are a substitute for, or are superior to, the information provided by IFRS results. As

such, the presentation of non-IFRS measures is not intended to be considered in isolation or as a substitute for any measure prepared in accordance with IFRS. The primary limitations associated with the use of non-IFRS measures as compared to IFRS results are that non-IFRS measures may not be comparable to similarly titled measures used by other companies in our industry and that non-IFRS measures may exclude financial information that some investors may consider important in evaluating our performance. Because of these and other limitations, you should consider our non-IFRS measures alongside the directly comparable IFRS-based financial performance measures, including our net profit/(loss), net profit margin and our other IFRS financial results. Management addresses the inherent limitations associated with using non-IFRS measures through disclosure of such limitations, presentation of our financial statements in accordance with IFRS and reconciliation of EBITDA, Adjusted EBITDA, Adjusted EBITDA margin and Adjusted net profit/(loss) to the most directly comparable IFRS measure, net profit/(loss). Further, management also reviews IFRS measures and measures such as our level of capital expenditures, research and development expenditures, and interest expense, among other items.

Set forth below are reconciliations of each non-IFRS measure to the most directly comparable financial measure prepared in accordance with IFRS, in order to enable investors to perform their own analysis of our operating results.

	Six Months Ended June 30,			Year Ended December 31,			
	2020	2020	2019	2019	2019	2018	2017
	($ in thousands)[A]	(€ in thousands)		($ in thousands)[A]	(€ in thousands)		
	(unaudited)						
Net (loss)/profit	$ (971)	€ (867)	€ (2,460)	$ (14,958)	€ (13,358)	€ 3,378	€ 3,353
Adjustments:							
Financial result	797	712	782	1,839	1,642	1,142	696
Foreign exchange gains (losses) on intercompany indebtedness	—	—	—	—	—	—	87
Income tax expense/(benefit)	645	576	(1,079)	831	742	378	1,262
Depreciation and amortization	3,933	3,512	3,043	7,320	6,537	3,212	542
EBITDA	4,404	3,933	286	(4,969)	(4,437)	8,110	5,940
Adjustments:							
Acquisition-related costs	—	—	—	—	—	894	496
Relocation costs	—	—	—	—	—	136	—
Adjusted EBITDA	4,404	3,933	286	(4,969)	(4,437)	9,140	6,436
Revenue	72,626	64,856	70,563	153,671	137,231	171,679	131,031
Adjusted EBITDA margin	6.1%	6.1%	0.4%	(3.2)%	(3.2)%	5.3%	4.9%
Net (loss)/profit	(971)	(867)	(2,460)	—	—	3,378	3,353
Adjustments:							
Acquisition-related costs	—	—	—	—	—	610	360
Relocation costs	—	—	—	—	—	93	—
Adjusted net (loss)/profit	(971)	(867)	(2,460)	(14,958)	(13,358)	4,081	3,713

(A) Amounts in this column are not audited and have been converted from euros to U.S. dollars solely for the convenience of the reader.

RISK FACTORS

Investing in the ADSs involves a high degree of risk. You should carefully consider the risks described below, together with all of the other information included in this prospectus, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes, before making an investment decision. If any of the following risks actually occurs, our business, financial condition and operating results could be harmed. In that case, the trading price of the ADSs could decline and you might lose all or part of your investment.

Risks Related to Our Business and Industry

Our solutions may not meet our customers' requirements, which could result in a loss of customers or business.

Our products must meet our customers' exacting standards for quality, performance and timely delivery. We design our solutions, usually in conjunction with our customers, on a project-by-project basis to meet specific customer specifications. By way of example, each metal mesh touch sensor must be customized to reflect the sensor pattern specified by our customer and the camera lenses in our camera modules must be aligned at the right angle within the sensor housing to enable proper viewing and functionality. Even for those projects where we have the autonomy to select certain components for integration into a finished display, we must select components that satisfy our customers' technical requirements. We have in the past had, and may in the future have, products that do not meet our customers' requirements due to production deficiencies, inability to produce the requested amount of products on time or other reasons. Any failure to satisfy our customers' requirements in the past have resulted in, and in the future could result in, customers reducing or ceasing their business with us, or could require that we incur additional costs, for example by sourcing alternative components for use in the products that we deliver, which would have a material adverse effect on our business, financial condition and results of operations.

Our failure to develop, introduce and produce new products, solutions and technologies or enhancements to existing products, solutions and technologies on a timely basis, at sufficient quality or quantity, or at competitive prices, could harm our ability to attract and retain customers.

We and our customers operate in intensely competitive industries that are characterized by rapidly evolving technology, frequent product introductions and ongoing demands for ever greater performance and functionality. New products and new or improved technologies, such as the three dimensional glass-on frame cold forming technology developed by one of our commercial partners, Corning, or new industry standards in the end-user markets, can render other existing products and services obsolete and unmarketable and motivate our customers to seek our support or the support of others in designing and manufacturing new products and/or to demand reductions in price for existing products and solutions. We therefore must continually identify, design, develop and introduce new and updated solutions for a variety of industries with improved features to remain competitive. To do this, we must:

- design innovative and performance-improving features that differentiate our products and solutions from those of our competitors, such as application to curved surfaces, enhanced touch sensitivity, expanded camera-enhanced functionality, thinner display sizes, infrared and facial recognition and seamless system integration, such that our OEM customers are able to offer products that are differentiated from their competition;

- accurately define and design new products and solutions to meet market needs, such as electronic rearview mirror replacement systems and autonomous driving solutions, which require significantly enhanced software and other technical expertise;

- anticipate changes in end-user preferences with respect to end products, such as widespread use of touch functionality and interactive display solutions;
- rapidly develop and produce our products and solutions at competitive prices and quality;
- anticipate and respond effectively to technological changes or product announcements by others; and
- provide effective post-sales support to our direct customers for defects in our new products and solutions following deployment.

The process of developing new products and solutions and enhancing existing products and solutions is complex, lengthy, costly and uncertain. In certain instances, we may be dependent on collaborations with commercial partners to develop new products and solutions, such as Corning with respect to cold-formed glass applications or IMI, an affiliate of our majority shareholder, with respect to camera module design and functionality. If we are unable to maximize these or other collaborations or are unable to find future collaboration partners, or if the commercial relationship were to break down, our ability to develop new solutions may be adversely impacted. If we fail to anticipate our customers' changing needs or emerging technological trends, our market share and results of operations could materially suffer. We must make long-term investments in our research and development capabilities, including product development and equipment customization, develop or obtain appropriate know-how and intellectual property and commit significant resources, including to enhance and prepare our production capacity and software design capabilities, before knowing whether our predictions will accurately reflect customer demand for our products and solutions. As we design and develop new technological solutions, including interactive display solutions, we may face challenges and additional costs, in particular in areas like camera module design and software development where we have less experience. Furthermore, we may incur development costs on specific customer projects, and we may not be able to recoup such costs if our customers do not purchase the number of units that we expect. If we are unable to adapt our products to new technological industry standards or customer requirements, including with respect to the incorporation of enhanced features (such as interactive camera module technology or facial recognition) or functionality (such as glove functionality and software interactivity), the market's acceptance of our products and solutions could decline and our results would suffer. Furthermore, even if we are able to develop new products and solutions or enhance our existing products to meet our customers' expectations, if we are unable to achieve such developments on a cost effective basis or at sufficient quality or quantity, our customers may elect not to purchase our products or solutions and we may lose market share.

There are numerous potential alternatives to our display and touch technologies and materials and camera modules.

Optically bonded displays are more expensive than organically bonded (or air-gapped) displays and, as a result, may not be best suited for applications, specifically within the consumer electronics market, in which the highest quality performance characteristics (such as highly responsive touch functionality, sunlight readability and shock and temperature resistance) are not required. A number of companies produce organically bonded displays that do not have these high quality performance characteristics, but can compete with our display offerings in other ways. In addition, our optically bonded displays must compete with displays that are optically bonded using different techniques than the ones we employ, including liquid or dry optical bonding using epoxy or polyurethane. Companies are making substantial investments in, and conducting research to, improve the characteristics of these organically bonded displays and alternative optical bonding techniques that may improve functionality or lower the cost of their optically bonded displays. This could cause our customers to choose such products over our offerings. With respect to the cold forming technology we are developing with our collaborator, Corning, alternatives in the market exist, including "hot formed" products. The hot

forming process is more complicated and more expensive as compared to the cold forming process, which produces flat glass which is then shaped or molded after processing and held in place by a frame. In the hot forming process, glass is heated and shaped and, once formed, processed (for example, coated or colored). The technical complexities of the process of handling a non-flat glass also results in a significantly lower yield, which increases production costs of hot formed glass. The advantage of hot formed glass, however, is that it is not under mechanical tension after forming, unlike cold formed glass which needs to be held in place by a frame after forming.

Our metal mesh touch sensor technology is subject to competition from other producers of metal mesh touch sensors that use copper as the conductive material, silver mesh sensor and nano layer technologies that facilitate touch-enabled display capability, and from the integration of in-cell or on-cell touch sensing functionality into displays. Advances in these technologies may result in increased competition to our metal mesh touch sensor technology, the impact of which may be compounded as enhanced touch-enabled displays replace existing conventional displays. In addition, our camera modules and related solutions are subject to competition from other producers. See "Business—Competition."

We face intense competition within our industry and our competitors may introduce new display or touch sensor and/or camera-enabled solutions and specifications faster than we do, at lower prices or with better performance characteristics, may manage to reduce their costs at a greater rate than we do, or may benefit from support from corporate parents. Our failure to compete effectively with them could materially adversely affect our business, net assets, financial condition and results of operations.

We face global competition in the market for display solutions and competition for our touch sensor and camera-enabled solutions. Some of our current and potential competitors may have a number of advantages over us, including:

- a longer operating history;
- greater name recognition and marketing power;
- preferred vendor status with our existing and potential customers, including OEMs and Tier-1 suppliers;
- significantly greater financial, technical, research and development, personnel, sales and marketing and other resources, including benefiting from support from governments or corporate parents;
- the ability to respond more quickly to new or changing opportunities, technologies and customer requirements;
- more experience developing and manufacturing specific technologies and/or related software;
- broader product and services offerings to provide more complete solutions; and
- lower cost structures.

Consolidation among our competitors could also result in the formation of larger competitors with greater market share and greater financial and technological resources than we have, further increasing competition in the markets we serve. Furthermore, in some cases, our customers for certain products or services, such as consigned optical bonding services, may also be our competitors with respect to other aspects of our business, such as producing enhanced display solutions, and they could cease purchasing products or services from us.

Despite our planned investments in research and development and engineering, our products and process technologies may fail to keep pace with our competitors' ability to produce new technologies, higher quality display solutions at a lower cost, and our competitors may be able to offer their products

on a more price-competitive basis than we can. If our development fails to keep pace, and as a result of the intense competition in the market for display solutions and competition for touch sensor solutions, we may encounter significant pricing pressure and/or suffer losses in market share. For example, our competitors have in the past and may again in the future lower prices in order to increase their market share, which would ultimately reduce the prices we may realize from our customers. If we are unable to defend our market share by continually developing new products and solutions and/or reducing our own cost base, the pricing pressure exerted by our competitors could cause us to lose important customers or lead to falling average selling prices and declining margins. We may not be able to offset the effects of any price reductions with an increase in the number of products sold, cost reductions or otherwise, which could adversely affect our business, financial condition and results of operations. See "Business—Competition" for more information on competition in our business.

A limited number of customers account for a significant portion of our revenue. These customers can exert a significant amount of negotiating leverage over us, and revenue from them can be volatile. The loss of, or a substantial decline in sales to, one or more of these customers could have a material adverse effect on our revenue and profitability.

For 2019, 2018 and 2017, we derived 73.7%, 82.5% and 89.0%, respectively, of our revenue from our five largest customers, and 30.5%, 28.4% and 40.9%, respectively, of our revenue from our largest customer. For the six months ended June 30, 2020, we derived 80.3% of our revenue from our five largest customers, Dell, Pegatron, Toppan, AU Optronics and TOA, who comprised 40.6%, 17.9%, 14.3%, 4.1% and 3.4% of revenue, respectively. We expect to continue to derive a significant percentage of our revenue from a limited number of customers for the foreseeable future, and our results of operations may fluctuate materially as a result of changes in such customers' buying patterns. For example, during the year ended December 31, 2019, our revenues declined approximately 24.6% in our display solutions segment as compared to the comparable period in 2018, principally due to lower than anticipated sales to three key consumer end-market customers, Dell, AU Optronics and Mutto.

The decline in revenue from Dell during this period resulted from delays in Dell's production cycle that were triggered by a shortage in Intel microprocessor chips, which are central to Dell's product offerings. As a result of these production delays, Dell reduced its purchases with us during this period.

The decline in revenue from Mutto during 2019 resulted from Mutto performing its requisite optical bonding process in-house pursuant to a license they requested from us for our patented optical bonding technology. The revenue that we generated from licensing our technology to Mutto was lower than the revenue we generated from sales to Mutto in 2018; however, we granted Mutto a license to our technology because of the importance of, our relationship with Mutto to our business as a whole.

The decline in revenue from AU Optronics during 2019 resulted from lower sales by AU Optronics to one of their customers that experienced production declines during this period, which led AU Optronics to correspondingly reduce their purchases from us during the relevant period.

While the simultaneous combination of these events was unusual for our business, we are not necessarily able to anticipate or influence external events, such as customer production delays and the availability of component parts, and one or more such events could occur at any time or from time to time which, individually or in combination, could materially and adversely impact our sales, revenues and profitability.

Moreover, our top customers may decide not to continue to purchase products from us at current levels or at all. The loss of any significant customer (or customers that in the aggregate represent a significant portion of our revenue) or a material reduction in the amount of business we undertake with such customers could have a material adverse effect on our revenue and profitability.

In addition, our customers can demand and have in the past demanded reduced prices or other pricing, quality or delivery commitments as a condition to their purchasing from us or increasing their

purchase volume, which can, among other things, result in reduced gross margins in order to maintain or expand our market share. If we are unable to retain and expand our business with our customers on favorable terms, or if we are unable to achieve gross margins that are similar to or more favorable than the gross margins we have historically achieved, our business, financial condition and results of operations may be materially adversely affected.

Our customers' negotiating leverage can also result in customer arrangements that may contain liability risk to us. For example, some of our customers require that we provide them with indemnification against certain liabilities, including claims of losses by their customers caused by our products. Any increase in our customers' negotiating leverage, including with respect to indemnification, may expose us to increased liability risk, which, if realized, may have a material adverse effect on our business, financial condition and results of operations.

Because we do not generally have long-term agreements with our customers and our customers generally are not obligated to purchase a minimum quantity of products or services from us, we could fail to match our production with our customers' demand. Our results may suffer if we are not able to adequately forecast demand for our products.

It is not industry practice to enter into firm, long-term purchase commitments. Sales to our customers and arrangements for prototype development are generally governed by framework agreements that do not include minimum purchase quantity requirements. Although we consult with major customers who typically provide us with forecasts of their product requirements, customers may choose to operate under non-binding arrangements, may not contract for products as forecasted, may cancel orders that they do place or reduce the quantities ordered from us for a number of reasons and with limited or no notice. They may also discontinue their relationship with us at any time, potentially without penalty. The timing of customer orders can have a material impact on our revenue and result in volatility of revenue period-on-period. If we are unable to predict accurately the amount of products needed to meet customer requirements, or if customers were to unexpectedly cancel or reduce a large number of orders simultaneously, as we experienced in 2019, our production could significantly exceed our customers' demand and, due to the bespoke nature of many of our products, it would be difficult to find alternative customers for the unsold product and we would be unable to quickly transition production to alternative projects. This could materially and adversely affect our business, financial condition and results of operations.

In addition, in the automotive end-market we may be required to deliver products over a long period of time without having any commitments from our customers to purchase minimum volumes of such products throughout that period and/or maintain replacement inventory and spare parts to support post-sale maintenance obligations. This means that our production facilities need to maintain the capability to produce such products over a long period of time, potentially on short notice, including through reserving or re-tooling machines which could be used for other projects, in order to meet demands for our products over time. As a result, we also need to maintain spare inventory in good working condition for extended periods which can be difficult and involve significant expense. In addition, until we are awarded a project and the relevant operating procedures are determined, changes in design, product specification, quantities and materials may occur which could make it difficult for us to meet the customer's demand on the schedule the customer requires. Failure to meet the demands of our customers in the automotive end-market could materially and adversely affect our business, financial condition and results of operations, as well as harm our reputation and relationships with our automotive customers.

We are highly dependent on the success of our customers and their sales to certain end-markets.

Our customers are not the end users of our product offerings, but rather they use our products and solutions as a part of their products, which are ultimately sold to an end user. In the case of metal

mesh touch sensors, we usually function as a component supplier selling touch sensors to third parties for incorporation into their own finished products, which are subsequently sold to OEMs, Tier-1 suppliers and other suppliers for inclusion in end-user products. Our success depends in large part on the ability of our customers to market and sell their end products that incorporate our products. If any of our customers' end product marketing efforts are unsuccessful or if our customers experience a decrease in demand for such products such as with AU Optonics in 2019, our sales and/or profitability will be reduced. Some of the end-markets in which our customers operate are characterized by intense competition, rapid technological change and economic uncertainty, and as such we may be unable to replace the revenue associated with the loss of any one key customer with new business relationships. If we are unable to collaborate with and secure design wins with successful OEMs, we may not create meaningful demand for our products. Moreover, if any of our customers choose to focus their efforts on programs and end products that do not incorporate our products and solutions, we may experience decreased demand for our products. Any of these circumstances may materially and adversely affect our business, financial condition and results of operations.

Our business and financial condition may be materially and adversely affected by the ongoing novel COVID-19 pandemic.

A significant outbreak of contagious diseases in the human population that causes a widespread health crisis could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could affect our operating results. In particular, the impact of the COVID-19 pandemic, including widespread illness, market downturns, restrictions on business and individual activities, changes in consumer behavior, and uncertainty regarding the future course of the pandemic, has created significant volatility in the global economy and led to a steep drop in economic activity and a sharp reduction in demand for certain of the end products in which our products are installed, including automobiles. We have taken numerous steps to mitigate the impact of the pandemic on our cost base and results of operations, including implementing a work-from-home policy for non-manufacturing employees and alternative production shifts for our manufacturing operations. Furthermore, we engaged in cost reduction activities such as ceasing the recruitment of personnel. However, the impact of the pandemic on our revenue during the three months ended March 31, 2020 was material, and has adversely affected our supply chains, logistics, and the availability of our workforce, and there can be no assurance that our cost saving initiatives will be successful or that COVID-19 will not continue to have an adverse impact on our revenue.

We derive a significant portion of our revenue from China and have manufacturing facilities in China and Japan. As a result of the COVID-19 pandemic, our operations have experienced certain delays and disruptions, including temporary suspension of operations. In March 2020, the Chinese government imposed temporary closures of all factories, including our production facilities located in Suzhou, China for a period of one week. In addition, due to travel restrictions within China as a result of the COVID-19 pandemic, it took several weeks after re-opening for our facilities to return to 100% production capacity. In Japan, VTS temporarily halted production for two weeks in March 2020 due to decreased order volume, but has since resumed normal production capacity. In addition, the COVID-19 pandemic has significantly disrupted, and may continue to disrupt, the industries in which our customers and suppliers do business, including in particular the automotive industry. Such disruptions include the manufacturing, delivery, overall supply chain of our customers and suppliers and a reduction in automobile sales globally. As a result, we may experience declines in the production and distribution of our products, and the loss of sales and production volumes may be volatile.

If the global economic effects caused by the pandemic continue or increase, overall customer demand in certain markets may continue to decline which would have a material and adverse effect on our business, results of operations and financial condition.

A prolonged downturn in regional and global economic conditions would likely result in us experiencing a significantly negative cash flow.

In addition, if the COVID-19 pandemic continues or worsens and a significant portion of our workforce, our suppliers' workforce, or our customers' workforce are affected, either directly or due to new or extended government closures, associated work stoppages, facility closures or other similar occurrences could halt or further delay production.

The full impact of the COVID-19 pandemic on our financial condition and results of operations will depend on future developments, such as the ultimate duration and scope of the outbreak, its impact on our customers and suppliers, how quickly, and to what extent normal economic and operating conditions, and the demand for our products across our end-markets can resume and whether the pandemic leads to recessionary conditions in any of our key markets that may continue to impact customer demand and the financial instability or operating viability of our suppliers and customers. While we have not experienced prolonged supply chain interruptions or material cancellations of orders, the rapid development and fluidity of the situation presents uncertainty and risk with respect to our business, financial condition and results of operations.

We are dependent upon our relationship with Toppan, the minority owner of VTS, with respect to the production and sale of our metal mesh touch sensor technology.

We produce and sell our metal mesh touch sensors and films through VTS, our subsidiary in which Toppan is the minority investor. In 2019, 17.4% of our revenue was generated by VTS. VTS's business operations were established through a series of commercial agreements between us (or VTS) and Toppan. These agreements include: a shareholder agreement, an intellectual property transfer agreement, an intellectual property license agreement, facility lease agreements, employee secondment agreements a business assistance agreement and an R&D and consignment agreement. Pursuant to these agreements, Toppan transferred patents and patent applications relating to its sensor technologies to VTS. Additionally, Toppan agreed to lease to VTS plant buildings for two manufacturing sites in Japan to produce VTS's products, and to provide the majority of plant employees. VTS's research and development activities are delegated to Toppan under an R&D and consignment agreement. The shareholders agreement also includes certain non-competition, lock-up and deadlock put/call provisions that govern certain of our and Toppan's rights and obligations with respect to VTS. The deadlock put/call provisions additionally provide that in the event of a deadlock between us and Toppan, we could be entitled to or become obligated to acquire all of Toppan's interest in VTS at certain pre-negotiated price thresholds. Under the commercial agreements with Toppan, if Toppan ceases to own an equity interest in VTS, Toppan is permitted to terminate these commercial agreements without our consent.

Accordingly, the continuation and success of our metal mesh business is highly dependent on Toppan and on our agreements with Toppan. There can be no assurance that we will be able to complete the registration process for any patent applications transferred by Toppan to VTS to perfect VTS's rights in such intellectual property or that VTS will have access to the most qualified Toppan personnel for purposes of carrying out its operations. If any of the commercial agreements with Toppan were to terminate, our relationship with Toppan were to deteriorate or if Toppan elected to prioritize its wholly-owned business over that of VTS, VTS' business operations would be materially and adversely impacted and it would have a material adverse effect on our ability to produce and sell metal mesh touch sensors and recognize the related revenue. In addition, if we were were obligated pursuant to the put/call provisions in the shareholders agreement to acquire all of Toppan's interest in VTS our cash flow in the relevant period would be materially and adversely affected. The occurence of these or related events would have a material adverse effect on our business, financial condition and results of operation and financial condition.

We may not be able to maximize the benefits of our strategic partnership with Toppan or effectively collaborate with them in the future.

On March 29, 2018, we acquired a 65% interest in VTS from Toppan. We have only jointly operated VTS with Toppan for a limited period of time and continue to develop our strategic relationship. We may not be able to maximize the benefits of our strategic partnership with Toppan in the future or may not collaborate with them effectively, and our failure to do so successfully may have a material adverse effect on our business, financial condition and results of operations, including, among other things, through disruption of operations at facilities we lease from Toppan, loss of Toppan employees providing services to VTS, failure to successfully execute on and maximize the benefits to us under ongoing agreements with Toppan, potential infringement of third-party intellectual property rights by products manufactured by VTS based on intellectual property rights licensed/obtained from Toppan or those developed by VTS with the assistance of Toppan and issues relating to regulatory compliance in production processes operated by Toppan employees.

Winning business is often subject to a competitive selection process that can be lengthy and requires us to incur significant expense, and we may not be selected.

In many cases, we must win competitive selection processes, resulting in so-called "design wins," before we can supply customers with our products and solutions. These selection processes can range from approximately six months to 30 months, depending on the end-markets and the customers and can require us to incur significant design and development expenditures. We may not win the competitive selection process and may never generate any revenue despite incurring significant design and development expenditures, including prototype development and tooling costs. The new product selection processes we seek to enter are determined by our sales team based on their judgment and experience. Even if we are successful in obtaining design wins, there is no guarantee that our sales team will have identified and pursued the most lucrative selection processes or those that will generate revenue. Because we typically focus on only a few customers in a given product area, the loss of a design win may result in our failure to have our technologies added to new generation products in that area. This can result in lost sales and could hurt our position in future competitive selection processes to the extent we are not perceived as being a technology leader.

After winning a product design for one of our customers, we may still experience delays ranging from one quarter to eight quarters (depending on the end-market and the specific life cycle of each product) in generating revenue as a result of lengthy customer development and design cycles or we may be unable to ramp up production for customers, in particular new customers, on a timely basis. In addition, a change, delay or cancellation of a customer's plans could significantly adversely affect our financial results, as we may have incurred significant expense and generated no revenue or materially less revenue than we expected. Finally, even if a design is introduced, if our customers fail to successfully market and sell their products, it could materially adversely affect our business, financial condition, and results of operations.

We may not realize our strategies, including our goal of becoming a leading provider of interactive display solutions, in particular to OEMs and their Tier-1 suppliers.

Our goal is to become a leading provider of interactive display solutions, in particular to OEMs and their Tier-1 suppliers, specifically within the automotive and industrial/specialized markets, and to continue to deliver innovative products for our customers in the consumer end-market. However, we may be unsuccessful in achieving this goal. We believe our primary risk to achieving this goal is related to maintaining and developing required design resources in timely manner. In addition, overall demand and market conditions may impact our ability to achieve this goal.

Furthermore, even if we are able to collaborate with key OEMs as a design partner to incorporate our products and solutions into their end products and produce attractive interactive display solutions,

there are always unforeseeable risks such as technical problems, which could result in OEMs reducing their use of our products and solutions or ceasing their collaborations with us entirely.

Our OEM, Tier-1 supplier and other customers' product offerings can be subject to lengthy development periods, making it difficult to predict when and whether we will receive revenue for our products that are incorporated into their offerings.

The product development process for our OEM, Tier-1 supplier and other customers can be lengthy, and in some instances may last for longer than two years, in particular when we are developing prototypes for evaluation and use by new customers. We may not earn revenue from our solutions unless and until products featuring our technologies are shipped to our customers, and prior to such time we may incur unreimbursed costs, which at times may be significant, for product development. Throughout the product development process, we face the risk that a manufacturer or supplier may delay the incorporation of, or choose not to incorporate, our technologies into its products, making it difficult for us to predict the revenue we may receive, if any. Furthermore, the expectations set out by our OEM and supplier customers in our framework agreements with respect to the timing for shipment of end-user products and realization of related revenue and ongoing sales forecasts may be inaccurate in whole or in part. After a product launches, our revenue still depends on market acceptance of the end-user product and the option packages if our technology is an option (for example, a navigation or entertainment unit), which are likely to be determined by many factors beyond our control.

Our solutions are one of many components incorporated into our customers' product offerings and our business may be harmed, potentially significantly, if our direct customers experience delays in the production of their product offerings, including due to performance issues with, or supply shortages of, component parts unrelated to our solutions.

Our customers generally use our products and solutions as a component or portion of their offerings to their own customers, who in turn sell these offerings to end users. Accordingly, our success depends in large part on the ability of our customers to market and sell their offerings that incorporate our products and solutions. Our customers' product offerings are usually complex and may involve many different systems and components, and their ability to sell their products depends on many factors, including the availability of component parts, raw materials and other necessary services; the proper functioning of each of these components and the timeliness and effectiveness of their own processes. Supply delays, raw material shortages or the failure or under-performance of components unrelated to our products and solutions may impact our business even when we are able to deliver our products and services timely and defect-free. These factors may cause delays in our customers' production cycles, may cause our customers to cut back or delay their purchases of our products and solutions or may lead them to cease purchases from us entirely for periods of time while they address their production issues. Because our customer agreements typically do not specify minimum order requirements by our customers, our customers usually have no obligation to purchase our solutions if they experience supply issues unrelated to our solutions, or to make any prepayments to us. For example, during the year ended December 31, 2019, our revenues declined approximately 24.6% in our display solutions segment as compared to the comparable period in 2018, principally due to lower than anticipated sales to three key consumer end-market customers, Dell, AU Optronics and Mutto.

The decline in revenue from Dell during this period resulted from delays in Dell's production cycle that were triggered by a shortage in Intel microprocessor chips, which are central to Dell's product offerings. As a result of these production delays, Dell reduced its purchases with us during this period.

The decline in revenue from Mutto during 2019 resulted from Mutto performing its requisite optical bonding process in-house pursuant to a license they requested from us for our patented optical bonding technology. The revenue that we generated from licensing our technology to Mutto was lower than the revenue we generated from sales to Mutto in 2018; however, we granted Mutto a license to our technology because of the importance of, our relationship with Mutto to our business as a whole.

The decline in revenue from AU Optronics during 2019 resulted from lower sales by AU Optronics to one of their customers that experienced production declines during this period, which led AU Optronics to correspondingly reduce their purchases from us during the relevant period.

During any period in which one or more key customers materially reduces or suspends purchasing our products or solutions we may incur stranded costs or accumulate inventories that are not readily saleable to other customers or at all and we may be unable to shift our production capacity to other projects that have equivalent or more favorable cost structures. Production issues or delays like these may occur in the future, often with little or no advance notice. As a result, any issues with respect to the manufacture or production of our customers' products could materially and adversely affect our ability to sell our solutions and may materially and adversely affect our business, financial condition and results of operations.

We depend on a limited number of suppliers, some of which are sole sources, and our business could be disrupted if they are unable to meet our needs.

We depend on a limited number of suppliers of our key materials, including bonding materials and custom equipment used to manufacture and test our products, and key design tools used in the design, testing and manufacturing of our products. We currently source all of our requirements for the silicone base materials used in our *VIA bond plus* from a sole supplier, Wacker Chemie AG, or Wacker. With suppliers other than Wacker, we do not have long-term agreements and instead purchase materials and equipment through a purchase order process. As a result, these suppliers may stop supplying us materials and equipment, limit the allocation of supply and equipment to us due to increased industry demand or significantly increase their prices at any time and with little or no advance notice. From time to time, our suppliers have limited supply or change their pricing terms with little or no advance notice, and our agreements with them generally do not provide remedies for such events. The impact to us of such adverse actions by our suppliers in the future could be heightened because of our reliance on sole source suppliers or a limited number of suppliers and could result in delivery problems, reduced control over product pricing and quality, including because our sole source suppliers could prioritize other customers' business over ours. These suppliers could also exert a significant amount of negotiating leverage over us, which may require us to accept higher prices or other obligations in order to maintain or expand our relationship. Some of our suppliers may experience financial difficulties that could prevent them from supplying us materials, or equipment used in the design and manufacture of our products. In addition, our suppliers, including our sole source suppliers, may experience manufacturing delays or shut downs due to circumstances beyond their control such as labor issues, political unrest or natural disasters. Our suppliers, including our sole source suppliers, could also determine to discontinue the manufacture of materials, components, equipment or tools that may be difficult for us to obtain from alternative sources. In addition, the suppliers of design tools that we rely on may not maintain or advance the capabilities of their tools in a manner sufficient to meet the technological requirements for us to design advanced products or provide such tools to us at reasonable prices.

Further, the industry in which our suppliers operate is subject to a trend of consolidation. To the extent this trend continues, we may become dependent on even fewer suppliers to meet our material and equipment needs. In the event we need to establish relationships with additional suppliers, doing so may be a time-consuming process and would require significant training and education of such suppliers, and there are no assurances that we would be able to enter into necessary arrangements with these additional suppliers in time to avoid supply constraints in sole sourced components or that such suppliers would be able to immediately perform at levels required to meet our requirements and/or specifications.

We are dependent upon Wacker as the sole source of the base silicone material used in our VIA bond plus adhesive. Should Wacker become unable to supply us with sufficient quantities of these materials, we may be unable to replace these supplies with alternative materials quickly, on reasonable terms or at all.

Wacker is the sole supplier to us of the base silicone material we use to prepare our *VIA bond plus* adhesive, a critical element in our optical bonding process. We are party to a Framework Cooperation Agreement with Wacker, dated April 8, 2019, that replaced an earlier agreement between Wacker and us originally signed in 2013. Wacker currently produces silicone materials in accordance with specifications we have provided, and in the context of our commercial relationship with Wacker, those specifications have been refined and developed over a period of years under the prior agreement.

With respect to the continued supply of silicone materials, the new Framework Cooperation Agreement provides as follows: (i) Wacker is required to exclusively provide us with the base silicone material used in our *VIA bond plus* adhesive per the specifications set forth in such agreement so long as we satisfy a minimum delivery amount per calendar year, (ii) we are required to purchase all of our requirements of our silicone materials from Wacker, if the silicone material is suitable for the project and approved by our customer and except to the extent that Wacker is unable to meet our requirements (which Wacker is required to confirm in writing within one week of our request for material) in which event we are permitted to obtain a suitable different material, (iii) the price of such material shall be mutually negotiated each year during the fourth quarter, with the contract being terminable if the parties are not able to agree on terms and (iv) Wacker's liability is limited as it solely warrants that the silicone material will meet the specifications provided in the agreement. The Framework Cooperation Agreement has an initial term ending December 31, 2021 and thereafter automatically renews for successive one year terms unless it is earlier terminated on six months' advance notice.

The new Framework Cooperation Agreement also establishes Wacker and us as development partners for materials in the area of optical bonding. The agreement further provides that it is not intended to affect any pre-existing intellectual property rights of the parties or to effect any cross-licensing of intellectual property.

We have qualified an alternative supplier for a different silicone material to use in the preparation of the bonding adhesive employed in our optical bonding process if Wacker is at any time unable to fulfill our requirements. However, we may be unsuccessful in obtaining alternative sources of supply if such supplier, or any alternative suppliers, are unable to deliver silicone materials of the same quality or quantity, on similar commercial terms or in as timely a manner as Wacker has delivered silicone materials in the past. We must also ensure that we do not infringe any intellectual property rights of others, including Wacker, in our sourcing from alternative suppliers. Further, Wacker could insist on price increases that will not be acceptable to us, including price increases effective in 2021, and therefore result either in the termination of the agreement, which could cause uncertainties in the sourcing of the base silicone material, or, if we have no reasonable alternative to accepting the higher prices, could cause our margins to decrease. If we are not able to secure an alternate source of supply for our bonding material, on commercially reasonable terms, our ability to fulfill customer orders could be materially and adversely impacted and we could experience a material and adverse effect on our financial condition, results of operations or cash flows.

We have a limited number of suppliers and our business may be harmed if they were to interrupt supply or increase prices.

Any supply deficiencies in the industry relating to the quantities of materials, equipment or tools we use to design and manufacture our products, or a reduction in the quality of such materials, equipment or tools, could materially and adversely affect our ability to fulfill customer orders and, as a result, our results of operations. Our manufacturing operations depend upon obtaining deliveries of base equipment at reasonable prices and on a timely basis to enable our customization and utilization

of such equipment in our manufacturing process. Our proprietary equipment is sophisticated and complex and it may be difficult for us to rapidly substitute one supplier for another or one piece of equipment for another. We aim to have multiple suppliers for all equipment needed in our production processes including camera modules, but given that we operate in a highly technologically driven market, there may be a limited number of suppliers available for certain customized production equipment.

In addition, lead times for the purchase of certain materials, equipment and tools from suppliers have increased and in some instances have exceeded the lead times provided to us by our customers. In some cases, these lead time increases have limited our ability to respond to or meet customer demand. We have in the past, and may in the future, experience delays or reductions in supply shipments, which could reduce our revenue and profitability. In addition, potential regulatory changes, including tariffs or other restrictions imposed by the United States or others, could in the future prohibit, or increase our costs relating to, the use of suppliers in certain regions, including China. If key components or materials are unavailable or limited in availability, our costs would increase and our revenue would decline.

The expansion of production facilities by us or malfunction of our current equipment may put additional pressure on our supply chain. If we are unable to obtain any equipment necessary to expand our production capacity in a timely manner, we may be unable to ramp up production according to our plan or fulfill our customer orders, which could negatively impact our business, financial condition and results of operations.

We operate without contracts with some of our suppliers.

In the ordinary course of business and consistent with industry practice, we operate without contracts with some of our suppliers, particularly in Asia. These suppliers currently include suppliers of off-the-shelf displays that we incorporate into certain product offerings when required by our customers or when it is cost effective to do so because our enhanced display capabilities are not needed. In the event that we encounter any disruptions or disagreements with these suppliers, we may face difficulty in seeking remedies and enforcing judgments in the absence of a contract governing our commercial relationship with these suppliers. In addition, some agreements with our suppliers have expired and have not been re-negotiated. Any inability to enter into new agreements with these suppliers in a timely manner could result in us having to agree to less favorable terms, could disrupt our supply of materials and could increase our risk of litigation in the event that these suppliers cease performing under the prior contracts during the course of our negotiations with them.

We may face volatility in the prices or availability of certain components and raw materials used in our business, which could adversely impact the competitive position of our products or may result in a decrease of margins and profits.

We use various components, including silicones, cover lenses, backlights, display housings, and raw materials, such as copper, in our products. The costs of components and raw materials depend to a large extent on the world market prices, which may be subject to significant fluctuations beyond our control.

If the prices for raw materials and purchased components were to rise, our manufacturing costs could increase. If our manufacturing costs increase, we could be forced to cover our need for these raw materials and purchased components with higher prices of our products, which could result in lower sales, or if we are not able to increase prices due to fixed price contracts, competitive pressure or otherwise, to lower margins and profitability. We do not hedge raw material prices. Furthermore, to the extent that we rely on components that are pre-assembled or manufactured for others, a shortage in such components would require us to find alternative manufacturers of these components or to manufacture these components ourselves, which may be time consuming, costly or not possible.

Shortages of necessary raw materials or component parts may also cause a sharp rise in their prices. In the event of any disruption or delay in supply, it may be difficult to locate alternative sources of components from one or several suppliers and doing so may require a significant amount of time and resources. A delay in the delivery of necessary raw materials or component parts could result in delays in projects or delivery of products, which could ultimately delay deliveries of our products to our customers. If we were permanently to lose a supplier of or access to important raw materials or component parts, we also might be forced to alter the design of certain of our products in order to use raw materials or component parts from other suppliers. In extreme cases, this could mean that we would be at least temporarily unable to produce, supply or service certain of our products. Such inability could impair our relationship with our customers and have a material adverse effect on our business, financial condition and results of operations.

We utilize floating and fixed pricing arrangements with our customers. Unless specifically agreed with customers, if a contract with a customer provides for fixed prices, it is generally difficult for us to pass on increased prices for raw materials and purchased components. Sustained increases in prices for raw materials and purchased components that cannot be passed onto our customers would have a material adverse effect on our business, financial condition and results of operations.

We face payment risk from our customers.

We are subject to a number of trade risks including long accounts receivable payment cycles and difficulties in collecting accounts receivable in certain countries. For example, our accounts receivable are generally subject to 60 to 90 day payment cycles. We may be unable to successfully manage all of these risks, many of which are outside our control, which could lead to payment default by a customer.

We currently have no insurance coverage for such payment defaults. Delays in the implementation of, or in payments related to, significant orders and projects may also have a negative effect on the timing of our revenue, which may adversely impact our operating results and our ability to make capital expenditures or investment in research and development. Any interruption in the realization of our revenues could require us to engage in short term borrowings under our existing working capital financing facilities, or require us to seek additional sources of financing, in order to meet our working capital requirements, which would result in increased borrowing costs. These would impact our profitability, assuming we are able to source such borrowings; if we are unable to finance our capital expenditures or research and development activities in full or in part, it could materially affect our business, financial condition, and results of operations.

We may misallocate our research and development resources or have insufficient resources to conduct the necessary level of research and development to remain competitive.

As interactive display technology becomes more advanced, and as we implement our strategies, we expect our research and development costs to grow, including as a percentage of our revenues, and we may be unable to keep increases in these costs from adversely affecting our profitability. We may also devote significant research and development resources to technologies or products that turn out to be unsuccessful or to secure new customers that ultimately do not purchase products. Commitments to developing any new product must be made well in advance of sales, and customer demands and technology may change while we are in development, rendering our products and solutions outdated or uncompetitive before their introduction and therefore difficult to sell profitably or at all. We must therefore anticipate both future demand and the technology features that will be required to supply such demand. If we suffer from reduced revenues or cash flows or incur losses as a result of a market downturn or otherwise, we may not be able to devote sufficient resources to the research and development needed to remain competitive in a timely manner or at all. Our failure to properly allocate research and development resources could materially and adversely affect our business, financial condition and results of operations.

If there is a decline in the average selling prices of display or touch sensor solutions we sell, or if prices decrease faster than we are able to reduce our costs, our margins may be adversely affected.

The average selling prices of our display solutions, including optical bonding, camera module and metal mesh technology, may decline as a result of, among other factors, technological advancements leading to cost reductions and increased competition. In general, the prices of new products in our target markets generally decline over time. Although we seek to focus our efforts on technologically advanced solutions that we believe to be less susceptible to these downward pressures on selling prices, we may not succeed in prioritizing these higher margin products in our product mix, or prices of these products may also fluctuate or decline, albeit at a slower rate. The average selling price for the display solutions we produce may decrease faster than we anticipate and are able to reduce our manufacturing costs. We may also be unable to keep pace with technological advancements in our end-marks, enabling our competitors to produce more competitive technologies for which our customers are willing to pay higher prices. The potential loss of customers, competitive lead, and market share would adversely affect our gross margins would decrease and our business, financial condition and results of operations may be materially and adversely affected.

Products that contain, or are perceived to contain, defects or errors or that are otherwise incompatible with their intended end use may not be readily marketable or could impose significant costs on us.

The design and production processes for our display solutions are highly complex. It is possible that we may produce products that contain or are perceived to contain defects or errors, or are otherwise incompatible with their intended uses. We may incur substantial costs in remedying such defects or errors, which could include material inventory write-downs. Moreover, if actual or perceived problems with nonconforming, defective or incompatible products occur after we have shipped the products, we might not only bear direct liability for providing replacements or otherwise compensating customers but could also suffer from long-term damage to our relationship with important customers or to our reputation in the industry generally.

Our product offerings are complex and may contain undetected defects, which could lead to product reworks or recalls and harm our reputation and future sales.

Our enhanced display head assemblies and subassemblies involve the production and combination of several highly technical components, many of which involve fragile materials. Our metal mesh touch sensors and camera modules are customized to meet customer specifications and involve a multi-stage process to generate a metal mesh film, imprint the touch sensor panel and blacken the conductive copper material. A defect or error could occur in any step of our production process, including defects that would not be readily apparent upon completion of production. Any failure to provide high quality and reliable products, whether caused by our own failure or failures of our suppliers or OEM customers, could damage our reputation and reduce demand for our products and services. Our products have in the past contained, and may in the future contain, defects, some of which may go undetected for some time. For example, certain displays made for one of our customer experienced peeling issues in the past. Some deficiencies in our products may only be discovered after a customer's product incorporating our solution has been delivered to end users or may only be detected in use under certain operating conditions. Given the technical sophistication of most of our products, we may encounter problems or delays with our products, despite the technical validation processes and testing we implement. In addition, some of our product offerings may be used in connection with safety features, such as advanced driver assistance systems in cars, which may expose us to particularly heightened risks if our products are defective. Any defects discovered in our products after delivery could result in reworking of returned products or product recalls, including recalls of our customers' products to the extent a defect is only discovered after commercial release of our customers' products. Any defects, reworks or product recalls could result in loss of revenue, loss of customers, and increased

service and product liability and/or warranty costs, any of which may have a material adverse effect on our business, financial condition and results of operations.

We have substantial sales and operations in China, which exposes us to risks inherent in doing business there.

Our business operations in China and our sales to Chinese customers are critical to our success. As of June 30, 2020, we had approximately 364 employees, including contractors, at our production facility in Suzhou. Moreover, in 2019, 41.9% of our revenues were derived from China. As a result, downturns in the Chinese economy could materially adversely affect our results of operations. For example, our revenues declined 20.1% in 2019 in part due to an economic slowdown in China and China's overall economy has been negatively affected by the COVID-19 pandemic in the six months ended June 30, 2020. The Chinese economy differs from the economies of other developed countries in many respects, including the level of government involvement, level of development, growth rate and control of foreign exchange and allocation of resources. The Chinese economy to some extent has been in a long-term transition from a planned economy to a more market-oriented economy. Despite some reforms of this nature, the government continues to exercise significant control over China's economy by way of the allocation of resources, control over foreign currency-denominated obligations and monetary policy and provision of preferential treatment to particular industries or companies. We cannot predict the future economic policies of the Chinese government or their effect on the regional or global economy, or on us or our business and industry, and we cannot predict other governments' economic policies toward China.

The imposition of tariffs and trade restrictions as a result of international trade disputes, trade wars, or changes in trade policies may adversely affect our sales and profitability. For example, in recent years the U.S. government imposed and proposed, among other actions, new or higher tariffs on specified imported products originating from China in response to what it characterizes as unfair trade practices, and China has responded by imposing and proposing new or higher tariffs on specified products including some semiconductors fabricated in the United States. There can be no assurance that these trade tensions will improve or that a broader trade agreement will be successfully negotiated between the United States and China to reduce or eliminate these tariffs or that trade tensions will not expand to other markets, including the European Union. These tariffs, and the related geopolitical uncertainty between the United States and China, and potentially other countries, may cause decreased end-market demand for our products from distributors and other customers, which could have a material adverse effect on our business, financial condition and results of operations. For example, certain of our future foreign customers may respond to the imposition of tariffs or threat of tariffs on products we produce in China by delaying purchase orders, purchasing products from our competitors or developing their own products. While we have been able to adapt to these risks through maintaining integrated manufacturing capabilities outside China, we may need to further expand our manufacturing operations in countries other than China, such as the Philippines, or move our operations out of China in order to meet customer demands, which would be expensive and could consume significant management resources. Ongoing international trade disputes and changes in trade policies and the political and economic environment could also impact economic activity and lead to a general contraction of customer demand. Future actions or escalations by either the United States or China, or other countries, that affect trade relations may also impact our business, or that of our suppliers or customers, and we cannot provide any assurances as to whether such actions will occur or the form that they may take.

Our ability to operate in China may also be materially adversely affected by changes in Chinese laws and regulations such as those related to, among other things, taxation, environmental regulations, land use rights, intellectual property, currency controls, network security, employee benefits and overtime policies and other matters. Our operations in China are subject to numerous laws, regulations, rules and specifications relating to human health and safety and the environment. Applicable laws, rules and regulations often lack clarity and it is difficult to predict how any of these laws, rules and

regulations will be enforced. If we or our employees or agents violate, or are alleged to have violated, any of these laws, rules and regulations, we or our employees could be subject to civil or criminal penalties, damages or fines, or our employees or agents could be detained, imprisoned or prevented from entering China, any of which could materially adversely affect our business, financial condition and results of operations.

We may be subject to product liability suits and losses in sales, which could adversely affect our business.

Products or systems we develop or inputs third parties produce for inclusion in our product offerings may have quality defects or fail to meet specifications and requirements. If such a defect were to arise, it could result in a product recall or a product liability claim against us and we have been subject to immaterial product liability claims from time to time. Some of our customers also require that we provide them with indemnification against certain liabilities, including claims of losses by their customers caused by our products. In addition, some of our product offerings may be used in connection with safety features, such as advanced driver assistance systems in cars, which may expose us to particularly heightened risks if our products are defective. Any such recalls or product liability claims could be costly, could harm our reputation, could lead to customer losses or affect our ability to sell our products and could have a material adverse impact on our business, results of operations and financial condition or cause our products to be less attractive to customers than those of our competitors.

We face risks relating to our contractual and statutory warranties.

We grant comprehensive contractual warranties to our customers on the products we develop and sell, which typically last for 12 months and in some cases up to 36 months and in some rare cases longer. This includes, to some extent, guarantees on the performance of our products and services for contractually determined periods of time. In addition, statutory warranties also apply to our products. In the future we could be subject to substantial claims under warranties, especially in the case of an unexpectedly large volume of product failures.

Risks Related to Our Intellectual Property

We may not be able to protect our trade secrets and other confidential information.

While some of our technology is covered by patents that we own or have applied for, or is licensed under patents belonging to others, such as Corning with respect to their cold forming technology, Toppan with respect to our metal mesh touch sensor technology and IMI with respect to their patent-pending 6-axis active alignment technology, much of our key technology is not protected by patents. We have devoted substantial resources to the development of our technology, trade secrets, know-how and other unregistered intellectual property rights. In order to protect our trade secrets, know-how and proprietary information, we rely in significant part on confidentiality arrangements and invention assignment agreements with our employees, licensees, independent contractors, advisers, resellers and customers. We have not have entered into confidentiality arrangements or invention assignment agreements with all of our past and present employees, licensees, independent contractors, advisers, resellers and customers. This exposes us to the risk that these persons could claim that we use or infringe on their intellectual property rights. Even when we have entered into such an agreement, these arrangements may be difficult and costly to enforce and may not be effective to convey ownership of inventions, may not be effective to prevent willful or unintentional disclosure of confidential information, including trade secrets or may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. Also, effective trade secret and know-how protection may not be or, due to changes in trade secret or employment law, may no longer be available in every country in which our services are available or where we have employees or independent contractors. In addition, if others independently discover trade secrets and proprietary information we would not be able to assert trade secret rights against such parties.

Because we cannot legally prevent one or more other companies from developing similar or identical technology to our unpatented technology, it is likely that, over time, one or more other companies will be able to replicate our technology, thereby reducing the technological advantages we believe we possess today. Our customers, including certain licensees who are also our competitors, could misappropriate our intellectual property. If we do not adequately protect our technology or are legally unable to do so, or are unable to develop new technology that can be protected by patents or as trade secrets, we may face increased competition from other companies using technology similar to ours, which may adversely affect our business, financial condition and results of operations.

If we are unable to obtain patent protection for or otherwise protect our intellectual property rights, our business could suffer.

We rely on a combination of patents, trademarks, trade secrets and confidentiality agreements and other contractual arrangements with our employees, customers and others to protect the intellectual property that is important to our competitive position. Our success depends, in part, on our ability to obtain patent protection for or maintain as trade secrets our proprietary products, technologies and inventions and to maintain the confidentiality of our trade secrets and know-how, operate without infringing upon the proprietary rights of others and prevent others from infringing upon our business proprietary rights.

Any of our existing or future patents or other intellectual property rights may be challenged, invalidated or circumvented, or may otherwise fail to provide us with meaningful protection or any competitive advantage. In addition, our pending patent applications may not be granted, and we may not be able to obtain foreign patents or may choose not to file applications for patents corresponding to our U.S. and European patents in other jurisdictions. The laws of certain countries outside the United States and Europe may not provide the same level of patent protection as in the United States and Europe, so even if we assert our patents or obtain additional patents in countries outside of the United States and Europe, effective enforcement of such patents may not be available.

For example, the legal regime of intellectual property protection in China is still evolving. The level of protection available for intellectual property in China differs in significant respects from that of other jurisdictions and may be viewed as insufficient under certain circumstances due to local judicial protectionism, challenges in obtaining evidence and comparatively small damage awards. It is often difficult to register, maintain and enforce intellectual property rights in China. Statutory laws and regulations are subject to judicial interpretation and enforcement and may not be applied consistently due to the lack of clear guidance on statutory interpretation. Protection of intellectual property in China can be costly, and we may be unable to promptly become aware of and police any unauthorized use of our intellectual property in China. If the measures we take to protect our intellectual property under Chinese law are inadequate, we may incur losses arising from infringement of our intellectual property by parties providing services or selling products that employ our technology or are based on it and that are competitive with our services or products. In 2016, we filed a patent dispute claim against a competitor in Chinese court, alleging infringement by the competitor and disputing ownership of four patents relating to our optical bonding process, and we ultimately withdrew the case after determining we had a low likelihood of success. We may face similar scenarios in the future.

Furthermore, patents are jurisdictional in nature and therefore only protect us in certain markets, rather than globally. In addition, patents and some other intellectual property rights are only granted for a limited period of time and our ability to compete may suffer from the expiration of some of these rights.

In addition, competitors may infringe, misappropriate or otherwise misuse our intellectual property. Costly and time consuming litigation could be necessary to enforce our intellectual property against such third-party infringement, and such litigation may be unsuccessful in whole or in part. We may not have sufficient financial or other resources to conduct such actions, which typically last years

before a legal judgment or settlement is obtained. If we are not adequately protected, our competitive position and results of operations could be harmed.

We may be subject to claims that our intellectual property infringes the rights of others. These claims may be expensive and time-consuming to defend, and we may be prevented from manufacturing, licensing or selling products or marketing services that are determined to infringe upon the rights of others.

While we strive to avoid infringing the intellectual property rights of third parties, we may fail to avoid infringement claims being made against us. Our products and technology, including the technology that we obtain from third parties, may infringe the intellectual property rights of third parties. Patent applications in the United States and most other countries are confidential for a period of time until they are published, and the publication of discoveries in scientific or patent literature typically lags actual discoveries by several months or more. As a result, the nature of claims contained in unpublished patent filings around the world is unknown to us, and we cannot be certain that we were the first to conceive inventions covered by our patents or patent applications or that we were the first to file patent applications covering such inventions. Furthermore, it is not possible to know in which countries patent holders may choose to extend their filings under the Patent Cooperation Treaty or other mechanisms. In addition, patent infringements may also result from our use of processes and products, and our other activities in the ordinary course of business. We may be subject to intellectual property infringement claims from individuals, vendors and other companies, including those that are in the business of asserting patents, but are not commercializing products in our or adjacent business fields.

Any claims that our products or processes infringe the intellectual property rights of others, regardless of the merit or of the final resolution of such claims, could cause us to incur potentially significant costs in responding to, defending and resolving such claims. In connection with the enforcement of our intellectual property rights, opposing third parties from obtaining patent rights or disputes related to the validity or alleged infringement of our or third-party intellectual property rights, including patent rights, we have been and may in the future be subject or party to claims, negotiations or complex, protracted litigation. We may be prevented from using technology that a contracting party may claim was developed jointly with it. We may be required to enter into license agreements, to resolve these claims, obligating us to pay royalty fees, which may be material, to make use of third parties' intellectual property, to develop non-infringing substitute technology (which may be time consuming, costly or ultimately unsuccessful) or to enter into costly settlement agreements on terms that are unfavorable to us, for example by preventing us from manufacturing or licensing certain of our products or technologies with respect to which we currently believe we have unfettered rights. We may also find ourselves required to indemnify our sales agents, our customers or the end users of our products or services against infringement claims made against them based on our products or services. Moreover, customers have previously requested indemnity for infringement claims that we do not believe implicate our technology. Such a refusal of indemnity can lead to a dispute with sales agents, customers and/or end users. We may also be subjected to injunctions restricting our sale of allegedly infringing products and our use of allegedly infringing technology. This could cause severe disruptions to our operations or the markets in which we compete. Furthermore, an adverse decision in any legal action involving intellectual property rights or an unfavorable settlement agreement could limit the scope of our intellectual property rights and the value of the related technology.

Therefore, any infringement by us or our licensors of the intellectual property rights of third parties may have a material adverse effect on our business, financial condition and results of operations.

We may be subject to claims that our employees have wrongfully used or disclosed alleged trade secrets and know-how of their former employers.

Certain of our past and present employees, consultants and independent contractors were previously employed at other display solutions companies, including our competitors or potential competitors. Some of these employees, consultants and independent contractors may have executed invention assignment agreements and/or non-disclosure and non-competition agreements in connection with their previous employment. Even in the absence of such agreements, such employees, consultants and independent contractors may be prohibited from sharing proprietary information or know-how of their former employers. Although we try to ensure that our employees, consultants and independent contractors do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these persons have used or disclosed intellectual property, including trade secrets or other proprietary information, of their former employers, which may lead to disputes regarding ownership of intellectual property created by such employees, consultants or independent contractors. We are not currently aware of any threatened or pending claims related to these matters, but in the future litigation may be necessary to defend against such claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable personnel or intellectual property rights. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management. As we expand our operations into the United States and elsewhere, we may face similar claims with regard to our future employees in these countries.

Certain of our employees and patents are subject to German legal provisions on employee inventors.

Many of our employees work in Germany and are subject to German employment law. Ideas, developments, discoveries and inventions made by such employees and consultants in connection with their work are subject to the provisions of the German Act on Employees' Inventions, which regulates the ownership of, and compensation for inventions made by employees. Under this Act, an employer may generally demand rights to an invention made by an employee and is deemed to have done so if the employer does not "release" the invention within four months after the employee gives notice of the invention. The employer must pay appropriate consideration, generally in the form of a single payment or royalties on the future revenue derived from such invention, and this might have to be revised, if the circumstances on which the calculation of the consideration was based change so significantly that the previous agreement becomes unacceptable for one side. Disputes can occur, and have occurred, between our current or former employees pertaining to alleged violations of the Act on Employees' Inventions. Any such actions may be costly to defend and may take up our management's time and efforts whether or not we ultimately prevail in the dispute. If we are required to pay additional compensation or face other disputes under the Act on Employees' Inventions, our business, financial condition and results of operations could be adversely affected.

Obtaining and maintaining our intellectual property protection depends on compliance with various procedural, documentary, payment and other requirements imposed by governmental agencies, and our patent and other intellectual property protections could be reduced or eliminated if we fail to comply with these requirements.

Periodic maintenance fees on any issued patent, trademark and design and utility model are due to be paid to the U.S. Patent and Trademark Office (USPTO) and other intellectual property agencies in countries in which we currently hold patents (such as Japan, Taiwan, China and Germany), in several stages over the lifetime of these rights. The USPTO and various other governmental agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the application process. While an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in

partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. If we or our exclusive licensors fail to maintain the patents and patent applications covering our products and processes, our competitive position would be adversely affected.

Risks Related to Our Operations

We may not be able to manufacture our products in the requested time frame or in volumes sufficient to meet customer demands, which could result in delayed or lost revenue and harm to our reputation.

Given the high level of sophisticated functionality embedded in our products, our manufacturing processes are complex. We may need significant time and resources to set up manufacturing lines and tailor their processes to meet specific customers' product requirements. Therefore, it may take us longer than anticipated or cost us more than we had budgeted to set up our production lines.

The complexity of our manufacturing processes may also make it difficult for us to ramp up our production volumes to the levels required to fulfill our customers' orders on time or cause us to be unable to fulfill their orders at all. These difficulties may result in lower manufacturing yields and may make it more difficult for us to scale to higher production volumes in respect of certain products or overall. If we are unable to manufacture our products in the requested time frame or in volumes sufficient to meet demand, our customers could postpone or cancel orders, or seek alternative suppliers for these products. They could also seek to replace the products they had ordered from us with products that are easier to manufacture and that accordingly produce less revenue. Any of these events would harm our reputation and ability to win additional business, adversely affecting our results of operations, including our ability to generate revenues from new customers.

If we are successful in winning additional contracts and increasing our order levels, we may need to add additional facilities in the future to meet customer demand. If we are not able to build or acquire and open such facilities in a timely and cost-effective manner, we may not be able to produce our products in volumes or at the times required. Furthermore, even if we are able to open new production facilities, if the operations at those facilities or at our existing facilities are materially disrupted, whether by pandemics, natural disasters, demonstrations, acts of terror, or otherwise, we would be unable to fulfill customer orders for the period of the disruption, we would not be able to recognize revenues on orders, we could suffer damage to our reputation, we could also suffer lost orders or cancellations, and we might need to modify our standard sales terms to secure the commitment of new customers during the period of the disruption and perhaps longer. These risks could be amplified as we seek to design and manufacture increasingly technically sophisticated products and solutions, including interactive display solutions. Depending on the cause of the disruption, we could incur significant costs to remedy the disruption and resume product shipments. Such a disruption could have an adverse effect on our business, financial condition and results of operations.

We may not be able to manage the expansion of our operations effectively in order to achieve projected levels of growth.

We have expanded our operating capacity significantly in recent years, including relocating our headquarters and one of our manufacturing facilities to Nuremberg, Germany in April 2018. Our current business plan calls for further expansion and operating improvements over the next several years, including cold forming production, improvement in automation in our facilities in Germany and Japan and expanding our geographical operations including, for example the Philippines. If we do not make these expansions, we may be unable to grow our business as quickly as we aim to and may be unable to get design wins for certain customer projects, such as the manufacturing of large displays in

capacities that exceed what we are currently capable of producing. If we are unable to improve and increase automation of production, we may be unable to improve the scaling of our margin. We anticipate that further development of our infrastructure and an increase in the number of our employees will be required to achieve the planned broadening of our product offerings and client base and our ongoing international growth. Failing to adequately upgrade our production infrastructure, including increasing automation of our manufacturing process, or to maximize our production capacity, could have a negative impact on our ability to satisfy our customers' orders and could adversely affect our results of operations. In addition, we must increase our engineering, marketing and services staff in multiple geographies in order to support new development, marketing and service activities to meet the needs of both new and existing customers. Our ability to successfully increase our development, marketing, organizational capabilities and service efforts is not guaranteed, and if we are not able to successfully increase such efforts, our ability to grow our business as intended may be hindered, which could adversely affect our business, financial condition and results of operations.

We may be unable to recoup our investments if we bring new production facilities online in times of overcapacity.

It is difficult to predict future supply and demand in the market for our display solutions. It takes up to two years to plan, finance, construct and equip a new facility. Therefore, we must make any decision to build a new facility, or to re-equip or re-organize an existing facility, with a forecast of what the supply and demand ratio is likely to be when the facility comes online. We must also consider that the supply and demand ratio may be subject to change due to changes in market conditions. In addition, our investments in new facilities may not generate a return due to there being no addressable market, or the former addressable market shifting between the time planning on the facility commences and the time the facility comes online. The capital expenditures required to construct and equip a new facility would be significant, partially as a result of our need to ensure that any new facility complies with environmental, health and safety and other regulatory requirements. For more information, see "Business—Government Regulation."

If prices decline during the time when we are ramping up production at new facilities, or if we fail to receive the necessary amount of customer orders, this could force us to decide to suspend manufacturing at these facilities. This would also prevent us from recouping our investments as planned or at all, which could have a material and adverse effect on our business, financial condition and results of operations.

We may not be able to effectively manage the expansion of our workforce in order to support our projected levels of growth.

Because our products are often designed in close collaboration with our customers, our manufacturing and production teams, along with our sales and research and development personnel, are often actively involved in multiple stages of our customers' product design, development and production processes. As our business continues to grow, we intend to expand our operations within these groups over the next several years, including cold forming production and improvement in automation in our facilities in Germany and Japan. To support these upgrades and enhancements, we intend to increase our engineering, marketing and services staff in multiple geographies in order to support new development, marketing and service activities to meet the needs of both new and existing customers. We may not be able to successfully manage this expansion. We may not be able to hire, retain, or accurately predict the size, skills or experience of the workforce needed to increase and support such efforts. If we fail to successfully increase our development, marketing, organizational capabilities and service efforts, we may not be able to grow our business as intended, which could adversely affect our results of operations.

Our operations could suffer if we are unable to attract and retain key management or other key scientific or other personnel.

Our success depends on the continued service and performance of our senior management and other key personnel, including personnel provided by Toppan in connection with our subsidiary VTS. Our senior management team particularly Jürgen Eichner, our Chief Executive Officer, is critical to the global management of our business and operations, as well as to the development of our strategy and our technology. The loss of any members of our senior management team, particularly Mr. Eichner, could delay or prevent the successful implementation of our growth strategy or could otherwise adversely affect our ability to manage our company effectively and carry out our business plan. Members of our senior management team may resign at any time, even though they have service agreements with us. High demand exists for experienced senior management and other key personnel in our industry, and there can be no assurance that we will be able to retain such senior management or key personnel. We do not carry key-man insurance on any member of our senior management team.

Our growth and success will also depend on our ability to attract and retain additional highly-qualified scientific, technical, sales and managerial personnel as well as accounting and finance personnel with appropriate public company experience. We have experienced and expect to continue to experience intense competition for qualified personnel. While we intend to continue to provide competitive compensation packages to attract and retain key personnel, some of our competitors for these employees have greater resources and more experience than us, making it difficult for us to compete successfully for key personnel. If we cannot attract and retain sufficiently qualified technical personnel, we may be unable to develop and commercialize new products or new applications for existing products. Furthermore, possible shortages of key personnel (including any limitation on the performance of their duties or short term or long term absences as a result of COVID-19), including engineers, in the regions surrounding our facilities could require us to pay more to hire and retain key personnel, thereby increasing our costs and affecting our profitability.

Our management team has limited public company experience.

We have never operated as a public company. Our entire management team, as well as other company personnel, will need to devote substantial time to compliance, and may not effectively or efficiently manage our transition into a public company. We will need to develop the expertise necessary to comply with the numerous regulatory and other requirements applicable to publicly listed companies, including requirements relating to corporate governance, listing standards, notification requirements and securities and investor relations issues, which will divert management attention and may prove costly. As a public company, we will need to add new functions, such as investor relations, and will need to devote attention to compliance and to the controls required of public companies and related training of personnel. We will incur additional costs and expenses in connection with those functions. For instance, we may need to hire additional employees to satisfy those functions or may need to rely on consultants for certain purposes. If we utilize the assistance of consultants to aid with compliance as we transition to being a public company, we may incur increased consultancy fees. If we are unable to effectively comply with the regulations applicable to public companies or if we are unable to produce accurate and timely financial statements, which may result in material misstatements in our financial statements or possible restatement of financial results, our stock price may be materially adversely affected, and we may be unable to maintain compliance with the listing requirements of The New York Stock Exchange. Any such failures could also result in litigation or regulatory actions by the SEC or other regulatory authorities, loss of investor confidence, delisting of our securities, harm to our reputation and diversion of financial and management resources from the operation of our business, any of which could materially adversely affect our business, financial condition, results of operations and growth prospects.

We have identified a material weakness in our internal controls over financial reporting and may identify additional material weaknesses in the future that may cause us to fail to meet our reporting obligations or result in material misstatements in our financial statements. If we fail to remediate our material weakness, we may not be able to report our financial results accurately or to prevent fraud.

Our management is responsible for establishing and maintaining internal controls over financial reporting, disclosure controls, and complying with the other requirements of the Sarbanes-Oxley Act and the rules promulgated by the SEC thereunder. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with international financial reporting standards. A material weakness is defined as a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected by the company's internal controls on a timely basis.

Prior to this offering, we have been operating as a private company that was not required to comply with the obligations of a public company with respect to internal controls over financial reporting. We have historically operated with limited accounting personnel and other resources with which to address our internal controls over financial reporting.

In connection with the audit of our 2019, 2018 and 2017 financial statements in preparation for this offering, our auditors identified a material weakness, primarily related to the lack of sufficient accounting and supervisory personnel who have the appropriate level of technical accounting experience and training and a lack of consistent application of accounting processes and procedures by our accounting personnel. These deficiencies constitute a material weakness in our internal controls over financial reporting in both design and operation. As a result of the material weakness, a material error was discovered that required restatement of the 2018 consolidated financial statements for accurate presentation in accordance with International Financial Reporting Standards. Additionally, management failed to identify audit adjustments in various areas including but not limited to income taxes and lease accounting. The material weakness remained unremediated as of December 31, 2019. For more information about this restatement, refer to Note 2.4, Restatement of Prior Year, in our audited consolidated financial statements included elsewhere in this prospectus.

We have commenced a plan to remediate this material weakness; however, our overall control environment is still immature and may expose us to errors, losses or fraud. Our remediation plan includes the hiring of additional staff that have begun to address this weakness. Additionally, we intend to document and implement consistent accounting policies and procedures and provide additional training to our accounting and finance staff as well as hire a financial consultant. We currently expect that we will have completed our plan to remediate this weakness within the next twelve months, assuming that we do not identify any additional deficiencies and that implementation of our plan progresses in accordance with present expectations. However, we cannot at this time, provide an estimate of the costs we expect to incur in connection with implementing our plan to remediate this material weakness. These remediation measures may be time consuming, costly, and might place significant demands on our financial and operational resources. If we are unable to successfully remediate this material weakness or successfully rely on outside advisors with expertise in these matters to assist us in the preparation of our financial statements, our financial statements could contain material misstatements that, when discovered in the future, could cause us to fail to meet our future reporting obligations and cause the price of our ADSs to decline.

In addition, we assessed the presentation of our consolidated statement of operations and other comprehensive income (loss) and concluded that it was necessary to restate our previously issued financial statements for the year ended December 31, 2018 in order to correct an error in presentation. We restated certain production-related costs from general administrative expenses to cost of sales

within our Sensor Technologies segment. For more information about this restatement, refer to Note 2.4, Restatement of Prior Year, in our audited consolidated financial statements included elsewhere in this prospectus.

As a consequence of becoming a public company, we will be subject to additional regulatory compliance, including Section 404 of the Sarbanes-Oxley Act of 2002. Any failure to comply could have a significant and adverse effect on our business and reputation.

As a public company and for as long as we are an "emerging growth company" under the JOBS Act, our independent registered public accounting firm will not be required to make a formal assessment of the effectiveness of our internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act. Beginning with our Form 20-F for the fiscal year ending December 31, 2021 we will be required to comply with the SEC's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act, which require our senior officers to certify financial and other information in our annual reports and attest to the effectiveness of control over financial reporting.

Furthermore, once we cease to be an emerging growth company, our independent registered public accounting firm will only be required to attest to the effectiveness of our internal controls over financial reporting depending on our market capitalization. As a result, for so long as we are entitled to avail ourselves of such relief or exemptions we will not obtain an independent assessment of the effectiveness of our internal controls which could detect problems that our management's assessment might not and our management cannot guarantee that our internal controls and disclosure controls will prevent all possible errors or all instances of fraud.

If we are not able to establish and maintain an effective system of internal controls and otherwise implement the requirements of Section 404 in a timely manner or with adequate compliance, our independent registered public accounting firm may issue an adverse opinion due to ineffective internal controls over financial reporting and we may be subject to sanctions or investigation by regulatory authorities, such as the SEC. As a result of misstatements or restatements in our financial statements or an adverse assessment by management or auditors about the effectiveness of our internal controls, there could be a negative reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. In addition, we may be required to incur costs to improve our internal controls system and to hire additional qualified personnel. Any such action could negatively affect our business and reputation.

To achieve compliance with Section 404 within the prescribed period, we will be engaged in documenting and evaluating our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Hence, there is a risk that we will not be able to conclude, within the prescribed timeframe or at all, that our internal control over financial reporting is effective as required by Section 404, which could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. As a result, the market price of the ADSs could be negatively affected, and we could become subject to investigations by the stock exchange on which the ADSs are listed, the SEC or other regulatory authorities, which could require additional financial and management resources, and have a significant and adverse effect on our business and reputation.

If we fail to maintain an effective system of internal control over financial reporting in the future, we may not be able to accurately report our financial condition, results of operations or cash flows, which may adversely affect investor confidence in us.

Prior to this offering we were not required to maintain internal controls over financial reporting that complied with the obligations of a public company and there is no guarantee that we will be able to implement adequate procedures in a timely manner, or at all. Consequently, we may be unable to detect and react to risks arising in the course of our business. In addition, any failure to establish or maintain an effective system of internal controls over financial reporting could limit our ability to report our financial results accurately and in a timely manner or to detect and prevent fraud.

An inability to adapt our internal controls as well as our reporting and risk management procedures to the requirements of a public company could have a material adverse effect on our business, financial condition, results of operations and prospects.

We will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices. As a public company, and particularly if we were to lose our status as an emerging growth company in the future, we will incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of The New York Stock Exchange and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance.

We are evaluating these rules and regulations, and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

We may undertake mergers, acquisitions or investments to diversify or expand our business, which may pose risks to our business and dilute the ownership of our existing shareholders, and we may not realize the anticipated benefits of these mergers, acquisitions or investments.

As part of our growth and product diversification strategy, we intend to continue to evaluate opportunities to acquire or invest in other businesses or existing businesses, intellectual property or technologies. We also intend to expand the breadth of markets we can address or enhance our technical capabilities by adding capabilities or technology that we do not have in-house, including by expanding our in-house software capabilities. We aim to become an interactive display system provider in all of our markets by combining system design, interactive displays, other hardware components and software functionality to create fully interactive display systems. We may seek to complement our organic growth by acquiring new technologies or personnel, including by acquiring other companies or assets adding value to our service offerings, particularly by enhancing our interactive solutions for automotive and/or industrial/specialized markets and software competencies relating to sensor technologies which may in the future include voice and facial recognition and other sensor technologies such as gesture, proximity and hovering.

Mergers, acquisitions or investments that we have entered into and may enter into in the future entail a number of risks that could materially and adversely affect our business, operating and financial results, including, among others:

- problems integrating the acquired operations, technologies or products into our existing business and products;
- diversion of management's time and attention from our core business;
- conflicts with joint venture partners;
- adverse effect on our existing business relationships with direct or indirect customers;
- need for financial resources above our planned investment levels;
- failures in realizing anticipated synergies;
- difficulties in retaining business relationships with suppliers and customers of the acquired company;
- risks associated with entering markets in which we lack experience, including entering markets that ultimately prove to be unprofitable or incompatible with our technology;
- potential tax risks associated with acquiring companies or assets;
- potential loss of key employees of the acquired company; and
- potential write-offs of acquired assets.

Any acquisition that we do make would pose risks related to the integration of the acquired business or technology with our business. We cannot be certain that we will be able to achieve the benefits we expect from any particular acquisition or investment. Our failure to address these risks successfully may have a material adverse effect on our business, financial condition and results of operations. Any such acquisition or investment will likely require a significant amount of capital investment, which would decrease the amount of cash available for working capital or capital expenditures. In addition, if we use our equity securities to pay for acquisitions, the value of your ADSs and the underlying ordinary shares may be diluted. If we borrow funds to finance acquisitions, such debt instruments may contain restrictive covenants that can, among other things, restrict us from distributing dividends.

We may need to raise additional capital from time to time to meet our growth goals and may be unable to do so on attractive terms, or at all.

We intend to continue to make investments to support the growth of our business and may require additional funds to respond to business challenges, including the need to complement our growth strategy, increase market share in our current markets or expand into other markets, or broaden our technology, intellectual property or service capabilities. Accordingly, we may require additional investments of capital from time to time, and our existing sources of cash and any funds generated from operations may not provide us with sufficient capital. For various reasons, including any non-compliance with existing or future lending arrangements, additional financing may not be available when needed, or may not be available on terms favorable to us. If we fail to obtain adequate capital on a timely basis or if capital cannot be obtained on terms satisfactory to us or in an amount or manner permitted by any restrictive covenants contained in lending or other arrangements in place as of such time, we may not be able to achieve our planned rate of growth, which will adversely affect our business, financial condition and results of operations.

The manufacture, supply and shipment of our products and related product costs are dependent upon effective logistics management of our global supply chain and any failure to manage these logistics could increase our costs, negatively impact our relationships with our customers and have a material adverse effect on our revenues and profitability.

The manufacture, supply and shipment of our product offerings involve multiple parties within a global supply chain, including raw material providers and component and module manufacturers who provide inputs such as cover lenses, display housing, backlights and related components. Managing the costs of logistics related to our supply chain is critical to our ability to sell our products at competitive prices. For example, fluctuations in the cost or time required to route bonding materials and touch sensors among our production facilities in Germany, China and Japan could have a material impact on the end costs of our products. We may be unable to manage the logistics of our global supply chain effectively, which may hinder us from meeting customer demands or could cause our logistics costs to increase. Any of these developments could have a material adverse effect on our revenues and profitability.

We utilize distributors to market certain of our products and solutions, and they may not be successful in doing so.

We maintain strategic relationships with distributors to market certain of our products and solutions and support certain functionality. If we are unsuccessful in establishing or maintaining our strategic relationships with these distributors or if our distributors are unable to successfully market our products, our ability to compete in the marketplace, to reach new customers and geographies or to grow our revenue could be impaired and our operating results could suffer. Although we believe we could develop relationships with new or replacement distributors if necessary, we may be unable to sufficiently educate those distributors on our product portfolio or may be unable to sufficiently incentivize their sales and distribution efforts on our behalf.

We rely on our information technology systems to manage numerous aspects of our business and customer and supplier relationships, and a disruption of these systems could adversely affect our results of operations.

We rely on our information technology, or IT, systems to manage numerous aspects of our business and provide analytical information to management. Our IT systems allow us to efficiently manage development projects, purchase products from our suppliers, provide procurement and logistic services, ship products to our customers on a timely basis, maintain cost-effective operations, provide historical and projected financial reports, comply with fiscal and regulatory requirements, and provide services to our customers. Our IT systems are an essential component of our business and growth strategies, and a disruption to our IT systems could significantly limit our ability to manage and operate our business efficiently. Although we take steps to secure our IT systems, including our computer systems, intranet and internet sites, email and other telecommunications and data networks, the security measures we have implemented may not be effective and our systems may be vulnerable to, among other things, damage and interruption from power loss, including as a result of natural disasters, computer system and network failures, loss of telecommunication services, operator negligence, loss of data, security breaches, computer viruses and other disruptive events. Any such disruption could adversely affect our reputation, brand and financial condition.

Some of our employees are employed subject to local laws that are less favorable to employers than the laws of the United States.

A large portion of our employees are employed in countries in which employment laws provide greater bargaining or other rights to employees than the laws of the United States. Such favorable employment rights require us to expend greater time and expense in making changes to employees' terms of employment or making staff reductions, and to work collaboratively with the legal representatives of the employees to effect any changes to labor arrangements.

As of June 30, 2020, we had approximately 585 persons working for us under employment and secondment agreements, and agreements with external dispatch firms, including 68 employees from Toppan providing services to VTS pursuant to secondment agreements and the Business Assistance Agreement and 45 workers dispatched to VTS from professional dispatch firms. None of our employees are currently unionized or have established a works council as employees' representative body. However, we cannot rule out that our employees become members of unions or decide to establish works councils in the future in which cases we would be subject to information, consultation and cooperation obligations towards such works councils or unions as determined by the relevant applicable laws. For example, if a works council would be established in Germany, any proposed changes in the collective working conditions, staff changes and restructuring efforts would be subject to consultation with, and eventual approval by the works council.

The limits of the local laws to which we are subject, including whether our employees decide to become members of unions or establish a works council, may limit management's flexibility in making changes to elements of our business that concern our workforce. Further, any significant dispute with our employees could result in a significant disruption of our operations or higher ongoing labor costs.

Labor disruptions could materially adversely affect our business, financial condition and results of operations.

Although we believe that we have a good working relationship with our employees, a strike, work stoppage, slowdown or significant dispute with our employees could result in a significant disruption of our operations or higher ongoing labor costs. While we have not experienced any material work stoppages at any of our facilities, any stoppage or slowdown could cause material interruptions in manufacturing, and we cannot assure you that alternate qualified capacity would be available on a timely basis, or at all. As a result, labor disruptions at any of our facilities could materially adversely affect our business, financial condition and results of operations.

Workplace accidents could result in substantial remedial obligations and damage our reputation.

We have had and may in the future experience, workplace accidents or incidents. Accidents or other incidents that occur at our facilities or involve our personnel or operations, could result in claims for damages or governmental remedial action against us. The amount of any costs, including fines or damages payments that we might incur under such circumstances could substantially exceed any insurance we have to cover such losses. Any of these events, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations and could adversely affect our reputation.

Natural disasters and other unforeseeable events could result in delays in or cancellations of shipments of products and lead to a loss of production facilities and thereby negatively affect our business activities.

We have production sites and other operations in locations subject to natural occurrences such as severe weather and geological events that could disrupt operations. A natural disaster that results in a prolonged disruption to our operations may adversely affect our results and financial condition including preventing us from fulfilling orders and the loss of customer qualification of certain production facilities may cause us to suffer damage to our reputation.

We may become involved in litigation and regulatory proceedings, including relating to intellectual property infringement, which could require significant attention from our management and result in significant expense to us and disruptions in our business.

We have been and may become involved in lawsuits and/or regulatory actions relating to our business, such as commercial contract claims, employment claims or other examinations and investigations. Some of these proceedings may claim significant damages or cause reputational harm. Due to the inherent uncertainties of litigation and regulatory proceedings, we cannot accurately predict

the ultimate outcome of any proceeding. An unfavorable outcome could materially adversely affect our business, financial condition and results of operations or limit our ability to engage in certain of our business activities. In addition, regardless of the outcome of any litigation or regulatory proceeding, any proceedings are often expensive, time-consuming, disruptive to normal business operations and require significant attention from our management.

We may be at risk for non-compliance with applicable laws and regulations, including the risk of extortion and violation of anticorruption laws.

Operating a global business, including in certain countries where corruption is considered to be widespread, requires us to comply with the laws and regulations of various jurisdictions. In particular, our operations are subject to anticorruption laws and regulations, which include the U.S. Foreign Corrupt Practices Act of 1977, or the FCPA, the UK Bribery Act of 2010, and anti-bribery laws and regulations in other countries, including those having implemented the OECD Anti-Bribery Convention. Anticorruption laws prohibit corporations and individuals from paying, offering to pay, or authorizing the payment of anything of value to another person, including but not limited to a government official, government staff member, political party, or political candidate in an attempt to obtain or retain business or to otherwise improperly influence a person; the laws are broad and many apply to private as well as public bribery and also penalize the receipt as well as the giving of bribes. In the course of establishing and expanding our commercial operations and seeking regulatory approvals in the EU, the United States, and internationally, we will need to establish and expand business relationships with various third parties and will interact more frequently with various officials, including regulatory authorities who may be deemed to be "foreign officials" under the FCPA or similar laws, or who may otherwise be candidates for illicit payments in exchange for improper benefits. We are subject to the risk that our employees and others over whom we have less control, such as Toppan employees who are seconded to VTS, distributors and other agents, may fail to comply with such laws and regulations. It is not always possible to identify and deter misconduct by our employees, distributors and other third parties, and the precautions we take to detect and prevent prohibited activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations.

Our operations may also be subject to applicable laws and regulations on economic sanctions and export controls, including those administered by the United States and the EU, which are complex and may be violated inadvertently. Such laws may restrict or prohibit the export or sale of our products to certain countries or persons altogether. Changes to export and economic sanctions laws and regulations, or changes in the countries, governments, persons, or technologies targeted by such laws and regulations could result in our decreased ability to sell or export our products, and adversely affect our business, financial condition, and results of operations.

If we violate any of the anti-bribery, economic sanctions, export control and abuse laws, we could be subject to fines, confiscation of profits or legal sanctions, such as termination of authorizations, licenses, concessions and financing agreements, suspension of our operations or prohibitions on contracting with public authorities. Any such violation could have a material adverse effect on our financial condition, business, prospects and results of operations. In addition, any alleged violations of these laws could damage our reputation and ability to do business.

We may not have adequate insurance for potential liabilities, including liabilities arising from product warranty claims and litigation.

In the ordinary course of business, we have been, and in the future may be, subject to various product and non-product related claims, lawsuits and administrative proceedings seeking damages or other remedies arising out of our commercial operations, including litigation related to defects in our products. We maintain insurance to cover potential exposures; however, our insurance coverage is

subject to various exclusions, self-retentions and deductibles, may be inadequate or unavailable to protect us fully, and may be cancelled or otherwise terminated by the insurer. Furthermore, we face the following additional risks under our insurance coverage:

- we may not be able to continue to obtain insurance coverage on commercially reasonable terms, or at all;
- we may be faced with types of liabilities that are not covered under our insurance policies, such as environmental contamination or terrorist attacks, and that exceed any amounts that we may have reserved for such liabilities;
- the amount of any liabilities that we may face may exceed our policy limits; and
- we may incur losses resulting from interruption of our business that may not be fully covered under our insurance policies.

Even a partially uninsured claim of significant size, if successful, could have a material adverse effect on our business, financial condition, results of operations and liquidity. Moreover, even if we successfully defend ourselves against any such claim, we could be forced to spend a substantial amount of money on litigation expenses, our management could be required to spend valuable time in the defense against these claims and our reputation could suffer, any of which could adversely affect our results of operations.

A large or a number of smaller product liability judgments against us could exceed our insurance coverage and might result in a material loss to us. In addition, publicity resulting from an actual or perceived problem with one of our products could harm our reputation and reduce demand for our product offerings. Actual or threatened product liability suits may adversely affect our business, financial condition and results of operations.

Changes in data privacy and data protection laws and regulations, or any failure to comply with such laws and regulations, could adversely impact our business.

Our business is subject to a wide variety of laws and regulations in the United States and internationally designed to protect the privacy of clients, customers, employees and other third parties. The interpretation and application of such laws and regulations is uncertain and evolving and it is possible that changes in the interpretation of these laws could require us to change our practices. For example, the EU General Data Protection Regulation, or GDPR, which went into effect in May 2018, imposes a range of new compliance obligations and increases financial penalties for non-compliance and extends the scope of the EU data protection law to all companies processing data of EU residents, regardless of the company's location. We are currently in compliance with the data protection and privacy regulations under the GDPR and have engaged a professional adviser to serve as our external compliance officer as permitted by the GDPR. Complying with the GDPR and other privacy and data protection laws could cause us to incur substantial costs or require us to change our business practices in a manner adverse to our business. In addition, if we fail to comply with these laws or regulations, we could be subject to significant litigation, monetary damages, regulatory enforcement actions or fines in one or more jurisdictions.

Our business and operations could suffer in the event of cybersecurity breaches or disruptions to our information technology environment.

As with all enterprise information systems, our systems, which contain critical information about our business (including intellectual property and confidential information of our customers, vendors and employees), could be penetrated by outside parties intent on extracting information, corrupting information, or disrupting business processes.

Despite our efforts to protect sensitive information and confidential and personal data and to comply with and implement data security measures, our facilities and systems may be vulnerable to security breaches and other data loss, including cyber-attacks. It is not possible to predict the impact on our business of the future loss, alteration or misappropriation of information in our possession related to us, our employees, former employees, customers or suppliers. Depending on their nature and scope, these threats could potentially lead to improper use of our systems and networks, manipulation and destruction of proprietary or key data or product non-compliance. Unauthorized access and breaches of our security measures could disrupt our business operations and could result in failures or interruptions in our computer systems and in the loss of assets (including our intellectual property and confidential business information). Such breaches could also result in inadvertent disclosure, or unapproved dissemination of proprietary, sensitive or confidential information about the company, our employees, our vendors, or our customers and could result in litigation, violations of various data privacy regulations in some jurisdictions, and also potentially result in liability to us. This could damage our reputation, or otherwise harm our business, financial condition, or results of operations. Additionally, the devotion of additional resources to the security of our information technology systems in the future could significantly increase the cost of doing business.

We are subject to environmental, health and safety laws and regulations, which could subject us to liabilities, increase our costs or restrict our business or operations in the future.

Our manufacturing operations and our products are subject to a variety of environmental, health and safety laws and regulations in each of the jurisdictions in which we operate or sell our products. These laws and regulations govern, among other things, the handling and disposal of hazardous substances and wastes (such as the cleaning chemicals used in our production facilities and the chemicals used in the copper etching process for our metal mesh touch sensors) employee health and safety and the use of hazardous materials in, and the recycling of, our products. Failure to comply with present and future environmental, health and safety requirements, or the identification of contamination, could cause us to incur substantial costs, monetary fines, civil or criminal penalties and curtailment of operations.

The identification of environmental issues, including instances of non-compliance and/or accidents, could subject us to substantial remedial obligations or liabilities, increase our costs, or restrict our business or operations in the future.

We are subject to a number of environmental and health and safety laws and regulations that have become more stringent over time. More vigorous enforcement of current environmental, health and safety requirements by regulatory agencies, the enactment of more stringent laws and regulations or other unanticipated events may result in the identification of presently unidentified environmental conditions, or liabilities of which we are currently unaware. The results of these environmental conditions or liabilities could restrict our ability to use or expand our facilities, require us to incur additional expenses or require us to modify our manufacturing processes or the contents of our products. This could have a material adverse effect on our reputation, business, financial condition and results of operations.

Political, Geographical and Economic Risks

A further or continued slowdown in the global economy could materially and adversely affect our business, results of operations and financial condition.

A further or continued slowdown in the global economy could adversely affect demand in our markets and negatively impact the electronic products sales from which we generate our income. A further or continued global economic downturn could also lead to a prolonged slowdown in our business, with side effects including significant decreases in orders from our customers, insolvency of key suppliers resulting in raw material constraints and product delays, inability of customers to obtain

credit to finance purchases of our products and/or customer insolvencies and counterparty failures negatively impacting our operations. In addition, a further or continued downturn in the economy could slow down the adoption of new technologies by our customers or cause our customers to shift their purchases to lower cost, less demanding technologies as opposed to more expensive, newer technologies we may develop. Because of such factors, we believe the level of demand for our products and projections of future revenue and operating results will be difficult to predict. If any economic downturn occurs in the future or the current downturn worsens or is prolonged, our business, results of operations and financial condition may be affected materially and adversely.

Political events, trade sanctions, war, terrorism, public health issues, natural disasters and other circumstances could have a material adverse effect on our financial condition and operating results.

War, terrorism, geopolitical uncertainties, public health issues (including but not limited to the COVID-19 pandemic), trade sanctions and other business interruptions have caused and could cause damage or disruption to international commerce and the global economy, and thus could have a strong negative effect on our business and our suppliers, logistics providers, contract manufacturers and customers. Our business operations are subject to interruption by natural disasters, fire, power shortages, nuclear power plant accidents, terrorist attacks, and other hostile acts, labor disputes, public health issues, and other events beyond our control. For example, in response to the COVID-19 pandemic, in March 2020, the Chinese government imposed temporary closures of all factories, including our production facilities located in Suzhou, China for a period of one week. In addition, due to travel restrictions within China as a result of the COVID-19 pandemic, it took several weeks after re-opening for our facilities to return to 100% production capacity. In Japan, VTS temporarily halted production for two weeks in March 2020 due to decreased order volume, but has since resumed normal production capacity. Such events could also decrease demand for our products, make it difficult or impossible for us or our contract manufacturers to make and deliver products to our customers or receive components from our suppliers, and create delays and inefficiencies in our supply chain. Major public health issues, including pandemics, can cause, and in the case of COVID-19, have caused, our business to be negatively affected by, for example, more stringent employee travel restrictions, additional limitations in freight services, governmental actions limiting the movement of products between regions, delays in production ramps of new products, and disruption in the operations of our contract manufacturers and suppliers. Certain critical business operations, including certain of our suppliers and contract manufacturers, are in locations that could be affected by natural disasters. In the event of a natural disaster, losses, significant recovery time and substantial expenditures could be required to resume operations and our financial condition and operating results could be materially adversely affected.

Our business activities and international expansion activities outside of Germany and the European Union subject us to various risks and our failure to manage these risks could adversely affect our results of operations.

Our business is subject to a wide range of risks associated with doing business globally. Our sales outside of the European Union represented 96.6% and 97.5% of our total revenue in 2019 and 2018, respectively. One element of our growth strategy is to pursue opportunities for our business in several areas of the world, any or all of which could be adversely affected by the risks set forth below, or the risks of which we are currently unaware. Accordingly, we face significant operational risks as a result of doing business internationally, such as:

- fluctuations in foreign currency exchange rates;
- potentially longer sales and payment cycles;
- potentially greater difficulties and delays in collecting accounts receivable;
- potentially adverse tax consequences;

- challenges in providing solutions across a significant distance in different languages and among different cultures;
- different, complex and changing laws governing intellectual property rights, which in certain countries sometimes afford reduced protection of intellectual property rights;
- difficulties in staffing and managing foreign operations, particularly in new geographic locations;
- restrictions imposed by local labor practices and laws applicable to our business and operations;
- rapid changes in government, economic and political policies and conditions, political or civil unrest or instability, terrorism or pandemics (including but not limited to the COVID-19 pandemic) and other similar outbreaks or events;
- operating in countries with a higher incidence of corruption and fraudulent business practices;
- seasonal reduction in business activity in certain parts of the world;
- costs and difficulties of customizing products for foreign countries;
- compliance with a wide variety of complex foreign laws, treaties and regulations;
- transportation delays;
- tariffs, trade barriers and other regulatory or contractual limitations on our ability to sell or develop our products in certain foreign markets; and
- becoming subject to the laws, regulations and court system of multiple jurisdictions.

Our failure to manage the market and operational risks associated with our international operations effectively could limit the future growth of our business and adversely affect our results of operations.

Our international operations pose currency risks, which may adversely affect our operating results and net income.

Our operating results may be affected by fluctuations in currency exchange rates and our ability to effectively manage our currency transaction and translation risks. Our business in terms of purchases and sales is mainly processed in the local currencies of our group entities, which are their functional currencies (euro, Chinese renminbi, U.S. dollar, Japanese yen). We use euro as a group presentational currency. As we realize our strategy to further expand internationally, our exposure to currency risks will increase. In addition, there is a possibility that currency exchange rates will experience greater fluctuation if a country currently using the euro as its currency ceases to do so. We do not manage our foreign currency exposure in a manner that would eliminate the effects of changes in foreign exchange rates. Therefore, changes in exchange rates between these foreign currencies and the euro will affect our revenue, cost of goods sold and operating expenses and margins, and could result in exchange losses in any given reporting period.

We incur currency transaction risks whenever we enter into either a purchase or a sale transaction using a different currency from the currency in which we receive revenue. In such cases we may suffer an exchange loss because we do not currently engage in currency forward contracts, options, swaps or other instruments to address this risk.

The volatility of exchange rates could hinder our ability to effectively manage or hedge our currency transaction risks and any volatility in currency exchange rates could have an adverse effect on our revenue or results of operations.

We are subject to international tax laws, tariffs and potential tax audits that could affect our financial results.

We are subject to international tax laws, tariffs and potential tax audits. The application of these laws and their interpretation in different jurisdictions affect our international operations in complex

ways and are subject to change, and some changes may be retroactively applied. Our tax liabilities in the different countries where we operate depend, in part, on transfer pricing and administrative charges among us and our subsidiaries.

These arrangements require us to make judgments with which tax authorities may disagree, potentially resulting in the assessment of material additional taxes, penalties, interest or other charges to resolve these issues.

We also could be materially affected by the resolution of issues arising from tax audits or examinations. Tax authorities could impose additional tariffs, duties, taxes, penalties and interest on us, for example if tax audits find that permanent establishments for tax purposes exist, if net operating losses are found not to be available to offset taxable income, if the deduction of business expenses or interest expenses is denied for tax purposes, if payments are held to be subject to withholding taxes, or if taxable services are deemed to have been rendered.

German corporate income tax, trade tax and VAT tax audits have not yet been conducted for 2015 and onwards for VIA optronics GmbH. Formal Chinese tax audits have not been conducted for 2017 and onwards. None of the group companies has been subject to tax audits in the U.S., Japan or in Taiwan.

Transactions that we have structured in light of current tax rules could have material and adverse consequences for us if tax rules change. Tax audits, changes in tax laws, their application and interpretation or imposition of any new or increased tariffs, duties and taxes could increase our tax burden and materially and adversely affect our sales, profits and financial condition and could have an adverse effect on our business, net assets, or results of operations. Such factors could also cause us to expend significant time and resources and/or cause investors to lose confidence in our reported financial information.

Risks Related to the American Depositary Shares and this Offering

The closing of this offering is not conditioned upon the closing of the private placement of shares to Corning. Corning may elect not to consummate the concurrent private placement if the initial public offering has not closed by a specified date, if there is an uncured material breach of the commercial agreements we entered into concurrently with our execution of the investment agreement, or if certain of the representations and warranties we made in the investment agreement are not accurate. Should Corning elect not to consummate the private placement, this may adversely affect our business, harm our reputation, or cause our share price to decline.

Corning, one of our commercial partners, has agreed to purchase 1,315,785 ADSs, assuming an initial offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus, at an aggregate purchase price of approximately $20 million in a separate concurrent private placement, that we expect will be completed shortly after the completion of this offering, at a price per ADS equal to 95% of the initial public offering price in this offering. The sale of ADSs to Corning will not be registered under the Securities Act of 1933, as amended. We provided Corning with customary representations, warranties and indemnities in the investment agreement and we have agreed to allow Corning to include its ADSs in certain registrations we may file after this offering until the second anniversary of the closing of this offering and thereafter to the extent Corning's securities are not then freely tradeable under Rule 144 of the Securities Act. Corning is required to pay the purchase price for its ADSs within three business days of the receipt of the excerpt from the commercial register relating to the corresponding increase in our registered share capital. The closing of this offering is not conditioned upon the closing of the private placement.

Corning may elect not to consummate the concurrent private placement if the initial public offering has not closed by a specified date, if there is an uncured material breach of the commercial agreements we entered into with Corning concurrently with our execution of the investment agreement,

or if certain of the representations and warranties we made in the investment agreement are not accurate.

If the closing of the private placement is delayed for any reason, including due to a delay in registration of the corresponding increase in our registered share capital, or were a dispute to arise with Corning over our commercial agreements with them or that a representation or warranty is inaccurate, or if Corning does not for any reason consummate the private placement at all, this may adversely affect our business, harm our reputation, or cause our share price to decline.

There is no established trading market for the ADSs or our ordinary shares.

This offering constitutes our initial public offering of ADSs, and no public market for the ADSs or our ordinary shares currently exists. Our ADSs have been approved for listing on The New York Stock Exchange, or the NYSE, subject to completion of customary procedures in the United States. Any delay in the commencement of trading of the ADSs on the NYSE would impair the liquidity of the market for the ADSs and make it more difficult for holders to sell the ADSs. We do not intend to list our ordinary shares on a trading market and therefore do not expect that a trading market will develop for our ordinary shares not represented by the ADSs.

Even if the ADSs are listed on the NYSE, an active trading market for the ADSs may fail to develop or be sustained after this offering is completed. The initial offering price will be determined by negotiations among the lead underwriters and us. Among the factors considered in determining the initial offering price will be our results of operations, our current financial condition, our future prospects, our management and the economic conditions in and future prospects for our industry. However, following this offering, the ADSs may trade at a price lower than the offering price.

In addition, the stock market has generally experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of listed companies. Broad market and industry factors may negatively affect the market price of the ADSs, regardless of our actual operating performance. The market price and liquidity of the market for the ADSs that will prevail in the market after this offering may be higher or lower than the price you pay and may be significantly affected by numerous factors, some of which are beyond our control. These factors include:

- significant volatility in the market price and trading volume of securities of companies in our sector, which is not necessarily related to the operating performance of these companies;
- the mix of products that we sell, and related services that we provide, during any period;
- delays between our expenditures to develop and market new products and the generation of sales from those products;
- changes in the amount that we spend to develop, acquire or license new products, technologies or businesses;
- changes in our expenditures to promote our products and services;
- the success or failure of research and development projects of us or our competitors;
- announcements of acquisitions by us or one of our competitors;
- the general tendency toward volatility in the market prices of shares of companies that rely on technology and innovation;
- changes in applicable laws;
- changes or perceived changes in earnings or variations in operating results;
- any shortfall in our financial results compared to the levels expected by investors or securities analysts; and
- general economic trends and other external factors.

You will incur immediate and substantial dilution as a result of this offering.

If you purchase ADSs in this offering, you will incur immediate and substantial dilution of €2.85 ($3.19) per ADS, after giving effect to the sale by us of the 6,250,000 ADSs (representing 1,250,000 ordinary shares) offered by us in the offering and the sale by us of 1,315,785 ADSs (representing 263,157 ordinary shares) to Corning in the concurrent private placement, based on a 5% discount to the offering price of $16.00 per ADS, with an ordinary share to ADS ratio of 5 to 1, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. Dilution for this purpose represents the difference between the price per ADS paid by new investors and net tangible book value per ADS immediately after the completion of the offering. As a result of the dilution to investors purchasing ADSs in this offering, investors may receive significantly less than the purchase price paid in this offering, if anything, in the event of our liquidation.

We have broad discretion to determine how to use the funds raised in this offering and may use them in ways that may not enhance our operating results or the price of the ADSs.

Our management will have considerable discretion in the application of the portion of the net proceeds from this offering and the concurrent private placement that we will receive, and could spend the proceeds from this offering in ways that do not improve our results of operation or enhance the value of the ADSs. Shareholders may not be able to assess whether the proceeds are being used appropriately. We intend to use the net proceeds of this offering for the purposes described in the "Use of Proceeds" section of this prospectus. The failure of management to apply these funds effectively could result in financial losses that could have a material adverse effect on our business, financial condition and results of operations, which could cause the price of the ADSs to decline.

We have no present intention to pay dividends on our ordinary shares in the foreseeable future and, consequently, your only opportunity to achieve a return on your investment during that time is if the price of the ADSs appreciates.

We have no present intention to pay dividends on our ordinary shares in the foreseeable future. Any recommendation by our management and supervisory boards to pay dividends will depend on many factors, including our financial condition, results of operations, legal requirements and other factors. Accordingly, if the price of the ADSs declines in the foreseeable future, you will incur a loss on your investment, without the likelihood that this loss will be offset in part or at all by potential future cash dividends.

You may not receive distributions on our ordinary shares represented by the ADSs or any value for them.

Under the terms of the deposit agreement, the depositary for the ADSs has agreed to pay to you the cash dividends or other distributions it or the custodian receives on our ordinary shares or other deposited securities after deducting its fees and expenses. You will receive these distributions in proportion to the number of our ordinary shares your ADSs represent. However, in accordance with the limitations set forth in the deposit agreement, it may be unlawful or impractical to make a distribution available to holders of ADSs. In addition, distributions of rights to subscribe for additional ordinary shares or ADSs, distributions payable in cash or additional ordinary shares or ADSs at the election of the recipient or distributions of property other than cash, ordinary shares or rights to subscribe for additional ordinary shares or ADSs will only be made to holders of ADSs if we request such rights be made available to holders of ADSs. We have no obligation to take any other action to permit the distribution of the ADSs, ordinary shares, rights or anything else to holders of ADSs. This means that you may not receive the distributions we make on our ordinary shares or any value from them if it is unlawful or impractical for us to make them available for you. These restrictions may have a material adverse effect on the value of your ADSs.

If securities or industry analysts cease publishing research, or publish inaccurate or unfavorable research about our business, our ADS price and trading volume could decline.

The trading market for the ADSs will depend in part on the research and reports that securities or industry analysts publish about us or our business. If one or more of the analysts who covers us downgrades our shares or ADSs or publishes inaccurate or unfavorable research about our business, our share and ADS price may decline. If one or more of these analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our shares and ADSs could decrease, which might cause our share and ADS price and trading volume to decline.

Holders of ADSs are not treated as shareholders of our company.

By participating in this offering you will become a holder of ADSs with underlying shares in a German public company. Holders of ADSs are not treated as our shareholders, unless they withdraw the shares underlying the ADSs from the depositary. The depositary is the holder of the shares underlying the ADSs. Holders of ADSs therefore do not have any rights as shareholders of our company, other than the rights that they have pursuant to the deposit agreement.

You may not be able to exercise your right to vote the shares underlying your ADSs.

Holders of ADSs may exercise voting rights with respect to the shares represented by the ADSs only in accordance with the provisions of the deposit agreement. You may instruct the depositary to vote the number of whole deposited shares your ADSs represent. The depositary will notify you of shareholders' meetings or other solicitations of consents and arrange to deliver our voting materials to you if we ask it to. Those materials will describe the matters to be voted on and explain how you may instruct the depositary how to vote. For instructions to be valid, they must reach the depositary by a date set by the depositary.

You may instruct the depositary to vote the shares underlying your ADSs. Otherwise, you will not be able to exercise your right to vote, unless you withdraw the shares underlying the ADSs you hold. We cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote your shares. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions provided that any such failure is in good faith. This means that you may not be able to exercise your right to vote and there may be no remedies available to you if the shares underlying your ADSs are not voted as you requested. If we do not instruct the depositary to obtain your voting instructions, you can still instruct the depositary how to vote, and the depositary may vote as you instruct, but it is not required to do so.

Our principal shareholder owns a significant percentage of our ordinary shares and will be able to exert significant influence over matters subject to shareholder approval.

Prior to this offering, two shareholders beneficially owned 100% of our ordinary shares. Upon consummation of this offering and the concurrent private placement, that same group will hold approximately 67% of our outstanding ordinary shares (including ordinary shares represented by ADSs) and our largest shareholder, Coöperatief IMI Europe U.A., will hold approximately 51% of our ordinary shares (including ordinary shares represented by ADSs), in each case assuming the underwriters do not exercise their option to purchase additional ADSs. Coöperatief IMI Europe U.A. will retain effective control over the outcome of all matters requiring shareholder approval, including elections of members of our supervisory board, amendments to our organizational documents and the approval of any merger, spin-off, sale of assets or other major corporate transaction following the consummation of the offering. If, at the consummation of the offering or in the future, Coöperatief IMI Europe U.A. controls a majority of the voting power of all classes of our shares entitled to vote

generally in the election of directors, we would be eligible to be treated as a "controlled company" within the meaning of the corporate governance standards of the New York Stock Exchange. Under these corporate governance standards, a "controlled company" may elect not to comply with certain corporate governance requirements, including the requirements that:

- a majority of its board of directors consist of "independent directors" as defined under the rules of the New York Stock Exchange;
- its director nominees be selected, or recommended for its board of directors' selection by a nominating/governance committee comprised solely of independent directors; and
- the compensation of its executive officers be determined, or recommended to the board of directors for determination, by a compensation committee comprised solely of independent directors.

Even if we qualify as a "controlled company" upon the consummation of the offering, we do not expect to take advantage of any of the applicable exemptions under the New York Stock Exchange corporate governance standards except to the extent we are exempt from such standards as a foreign private issuer under the Exchange Act; however, there can be no assurance that we will not elect to do so in the future if we are eligible. Coöperatief IMI Europe U.A.'s ownership position and/or our future election to utilize exemptions available to a "controlled company" may prevent or discourage unsolicited acquisition proposals or offers for our ordinary shares or ADSs that you may feel are in your best interest as one of our shareholders. The interests of these shareholders may not always coincide with your interests or the interests of other shareholders and they may act in a manner that advances their best interests and not necessarily those of other shareholders, including seeking a premium value for their ordinary shares, which might affect the prevailing market price for the ADSs.

Future sales, or the perception of future sales, of a substantial number of our shares or ADSs could adversely affect the price of the ADSs, and actual sales of our equity will dilute shareholders and ADS holders.

All of our shares that were issued and outstanding before this offering, as well as the shares underlying the ADSs to be sold to Corning in the concurrent private placement, are subject to a 180-day contractual lock-up in connection with this offering. Berenberg may permit our current shareholders and Corning to sell ordinary shares prior to the expiration of the lock-up agreements. The members of our management board and our supervisory board have not signed lockup agreements because they do not hold any equity securities in our company as of the date of this prospectus. See "Underwriting." If our existing shareholders sell, or indicate an intent to sell, substantial amounts of ADSs in the public market after the 180-day contractual lock-up and the other legal restrictions on resale discussed in this prospectus lapse, or if we indicate an intent to sell substantial amounts of our ordinary shares or ADSs to raise additional capital, the trading price of the ADSs could decline significantly and could decline below the initial public offering price.

After the lock-up agreements pertaining to this offering expire, and based on the number of ordinary shares outstanding upon completion of this offering and the concurrent private placement, approximately 16,315,785 additional ADSs (equivalent to 3,263,157 ordinary shares) will be eligible for sale in the public market, subject to any applicable volume limitations under Rule 144 under the Securities Act.

See "Shares and ADSs Eligible for Future Sale" for a more detailed description of sales that may occur in the future. If these additional ordinary shares are sold, or if it is perceived that they will be sold in the public market, the trading price of the ADSs could decline substantially.

Your right as a holder of ADSs to participate in any future preemptive subscription rights issues or to elect to receive dividends in shares may be limited, which may cause dilution to your holdings.

Under German law, the existing shareholders have a preemptive right to subscribe for shares offered in proportion to the amount of shares they hold in connection with any offering of shares. However, a shareholders' meeting may vote, by a majority that represents at least three quarters of the share capital represented at the meeting, to waive this preemptive right for all shareholders provided that, from the company's perspective, there exists good and objective cause for such waiver.

Certain non-German shareholders may not be able to exercise their preemptive subscription rights in our future offerings due to the legislation and regulations of their home country. For example, ADS holders in the United States will not be entitled to exercise or sell such rights unless we register the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirement is available. In addition, the deposit agreement provides that the depositary need not make rights available to you unless the distribution to ADS holders of both the rights and any related securities are either registered under the Securities Act or exempted from registration under the Securities Act. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective. Moreover, we may not be able to establish an exemption from registration under the Securities Act. Accordingly, ADS holders may be unable to participate in our rights offerings and may experience dilution in their holdings. In addition, if the depositary is unable to sell rights that are not exercised or not distributed or if the sale is not lawful or reasonably practicable, it will allow the rights to lapse, in which case you will receive no value for these rights.

As a foreign private issuer, we are exempt from a number of rules under the U.S. securities laws and are permitted to file less information with the SEC than U.S. companies. This may limit the information available to holders of ADSs.

We are a "foreign private issuer," as defined in the SEC rules and regulations, and, consequently, we are not subject to all of the disclosure requirements applicable to companies organized within the United States. For example, we are exempt from certain rules under the Exchange Act that regulate disclosure obligations and procedural requirements related to the solicitation of proxies, consents or authorizations applicable to a security registered under the Exchange Act. In addition, members of our management board and supervisory board and our principal shareholders are exempt from the reporting and "short-swing" profit recovery provisions of Section 16 of the Exchange Act and related rules with respect to their purchases and sales of our securities. Moreover, we are not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. public companies. Accordingly, there may be less publicly-available information concerning our company than there is for U.S. public companies.

As a foreign private issuer, we file an annual report on Form 20-F within four months of the close of each year ended December 31 and furnish reports on Form 6-K relating to certain material events promptly after we publicly announce these events. However, although we intend to issue quarterly financial information, because of the above exemptions for foreign private issuers, we are not required to do so, and, therefore, holders of ADSs will not be afforded the same protections or information generally available to investors holding shares in public companies organized in the United States.

As a foreign private issuer, we are not subject to certain New York Stock Exchange corporate governance rules applicable to U.S. listed companies.

We rely on provisions in the New York Stock Exchange Listed Company Manual that permit us to follow our home country corporate governance practices with regard to certain aspects of corporate governance. This allows us to follow German corporate law and the German Corporate Governance

Code, which differ in significant respects from the corporate governance requirements applicable to U.S. companies listed on the New York Stock Exchange.

In accordance with our New York Stock Exchange listing, our Audit Committee is required to comply with or satisfy an exemption from the provisions of Section 301 of the Sarbanes-Oxley Act and Rule 10A-3 of the Exchange Act, both of which are also applicable to listed U.S. companies. Because we are a foreign private issuer, however, we generally are permitted to follow home country practice in lieu of the corporate governance standards provided in the New York Stock Exchange Listed Company Manual. In particular, we are not required to comply with the requirements that the members of our Audit Committee satisfy financial literacy standards, that a majority of the members of our supervisory board must be independent, that our Audit Committee and Compensation and Nomination Committee adopt written charters and that we adopt and disclose corporate governance guidelines. If some investors find the ADSs less attractive as a result of these differences, there may be a less active trading market for the ADSs and the price of the ADSs may be more volatile. See "Management—Differences between Our Corporate Governance Practices and Those Set Forth in the New York Stock Exchange Listed Company Manual."

U.S. holders of ADSs may suffer adverse tax consequences if we are characterized as a passive foreign investment company.

A non-U.S. corporation will be classified as a passive foreign investment company, or PFIC, for U.S. federal income tax purposes for any taxable year, if either (i) 75% or more of its gross income for such year consists of certain types of "passive" income or (ii) 50% or more of the value of its assets (determined on the basis of a quarterly average) during such year produce or are held for the production of passive income. Passive income generally includes dividends, interest, royalties, rents, annuities, net gains from the sale or exchange of property producing such income and net foreign currency gains. In addition, a non-U.S. corporation will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, more than 25% (by value) of the stock.

In the event we were treated as a PFIC, U.S. holders (as defined in "Taxation—U.S. Taxation") of the ADSs could be subject to adverse U.S. federal income tax consequences. These consequences include the following: (i) if the ADSs are "marketable stock" for purposes of the PFIC rules and a U.S. holder makes a mark-to-market election with respect to its ADSs, the U.S. holder will be required to include annually in its U.S. federal taxable income an amount reflecting any year end increase in the value of its ADSs, (ii) if a U.S. holder does not make a mark-to-market election, it may incur significant additional U.S. federal income taxes on income resulting from certain distributions on, or any gain from the disposition of, the ADSs, as such income generally would be allocated over the U.S. holder's holding period for its ADSs and subject to tax at the highest rates of U.S. federal income taxation in effect for such years, with an interest charge then imposed on the resulting taxes in respect of such income, and (iii) dividends paid by us would not be eligible for reduced individual rates of U.S. federal income tax. In addition, U.S. holders that own an interest in a PFIC are required to file additional U.S. federal tax information returns. Because PFIC status is based on our income, assets and activities for the entire taxable year, which we expect may vary substantially over time, it is not possible to determine whether we will be characterized as a PFIC for any taxable year until after the close of the taxable year. Moreover, we must determine our PFIC status annually based on tests that are factual in nature, and our status in future years will depend on our income, assets and activities in each of those years. There can be no assurance that we will not be considered a PFIC for any taxable year.

A U.S. holder may in certain circumstances mitigate the adverse tax consequences of the PFIC rules by either electing to mark their ADSs to market, provided the ADSs are considered "marketable" for the purposes of the PFIC rules, or by filing an election to treat the PFIC as a qualified electing fund, or a QEF. In the event that we are or become a PFIC, we do not intend to comply with the

reporting requirements necessary to permit U.S. holders to elect to treat us as a QEF. See "Taxation—U.S. Taxation—Additional United States Federal Income Tax Consequences —PFIC Rules."

We may lose our foreign private issuer status in the future, which could result in significant additional costs and expenses.

While we currently qualify as a foreign private issuer, the determination of foreign private issuer status is made annually on the last business day of an issuer's most recently completed second fiscal quarter.

In the future, we would lose our foreign private issuer status if we fail to meet the requirements necessary to maintain our foreign private issuer status as of the relevant determination date. Our foreign private issuer status will be tested on June 30 of each year. We are currently testing our foreign private issuer status as of June 30, 2020, and we expect that we retained our status as of such date. However, in the future we may lose that status. This could occur if, for instance, a majority of our shareholders of record were U.S. citizens or residents and a majority of our executive officers or directors were U.S. citizens or residents or if a majority of our assets were located in the United States.

The regulatory and compliance costs to us under U.S. securities laws as a U.S. domestic issuer may be significantly more than the costs we incur as a foreign private issuer. If we cease to be a foreign private issuer, we could be required to file periodic reports and registration statements on U.S. domestic issuer forms with the SEC, which are more detailed and extensive in certain respects than the forms available to a foreign private issuer. We would be required under current SEC rules to prepare our financial statements in accordance with U.S. GAAP rather than IFRS. Such conversion of our financial statements to U.S. GAAP would involve significant time and cost, and we would still be required to prepare financial statements in accordance with IFRS. In addition, we may lose our ability to rely upon exemptions from certain corporate governance requirements on United States stock exchanges that are available to foreign private issuers such as the ones described above and exemptions from procedural requirements related to the solicitation of proxies.

We are eligible to be treated as an "emerging growth company", as defined in the JOBS Act, and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make the ADSs less attractive to investors.

We are an emerging growth company, as defined in the JOBS Act. For as long as we continue to be an emerging growth company, we may take advantage of exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including (1) the ability to include only two years of audited financial statements and only two years of related Management's Discussion and Analysis of Financial Condition and Results of Operations disclosure; (2) an exemption from the auditor attestation requirement in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act; (3) to the extent that we no longer qualify as a foreign private issuer, (a) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements; and (b) exemptions from the requirements of holding a nonbinding advisory vote on executive compensation, including golden parachute compensation; and (4) an exemption from compliance with the requirement that the PCAOB has adopted regarding a supplement to the auditor's report providing additional information about the audit and the financial statements.

We may take advantage of these provisions for up to five years or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company if we have more than $1.07 billion in annual revenue, have more than $700 million in market value of our shares held by non-affiliates, or issue more than $1.0 billion of nonconvertible debt over a three-year period. We may choose to take advantage of some but not all of these reduced burdens. For example,

Section 107 of the JOBS Act provides that an emerging growth company that uses U.S. GAAP for financial reporting can use the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. Given that we currently report and expect to continue to report under IFRS we have irrevocably elected not to avail ourselves of this extended transition period and, as a result, we will adopt new or revised accounting standards on the relevant dates on which adoption of such standards is required by the IASB. We have taken advantage of reduced reporting requirements in this prospectus. Accordingly, the information contained herein may be different than the information you receive from other public companies in which you hold equity securities.

U.S. investors may have difficulty enforcing civil liabilities against our company and members of our supervisory board and management board and the experts named in this prospectus.

Certain members of our supervisory board and management board and the experts named in this prospectus are non-residents of the United States, and all or a substantial portion of the assets of such persons are located outside the United States. As a result, it may not be possible, or may be very difficult, to serve process on such persons or us in the United States or to enforce judgments obtained in U.S. courts against them or us based on civil liability provisions of the securities laws of the United States. In addition, awards of punitive damages in actions brought in the United States or elsewhere may be unenforceable in Germany. An award for monetary damages under the U.S. securities laws would be considered punitive if it does not seek to compensate the claimant for loss or damage suffered and is intended to punish the defendant. The enforceability of any judgment in Germany will depend on the particular facts of the case as well as the laws and treaties in effect at the time. Litigation in Germany is also subject to rules of procedure that differ from the U.S. rules, including with respect to the taking and admissibility of evidence, the conduct of the proceedings and the allocation of costs. With very narrow exceptions, proceedings in Germany would have to be conducted in the German language, and all documents submitted to the court would, in principle, have to be translated into German. For these reasons, it may be difficult for a U.S. investor to bring an original action based upon the civil liability provisions of the U.S. federal securities laws against us, certain members of our supervisory board and management board and the experts named in this prospectus in a German court. The United States and Germany do not currently have a treaty providing for recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters, though recognition and enforcement of foreign judgments in Germany is possible in accordance with applicable German laws.

You may be subject to limitations on transfers of your ADSs.

Your ADSs are transferable on the books of the depositary. However, the depositary may close its transfer books at any time or from time to time when it deems expedient in connection with the performance of its duties. In addition, the depositary may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary deems it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

We will incur significant increased costs as a result of operating as a company that is subject to reporting obligations in the United States, and our management will be required to devote substantial time to new compliance initiatives.

As a company that is subject to reporting obligations in the United States, we will incur significant legal, accounting, insurance and other expenses that we did not previously incur. In addition, the SOX Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act and related rules implemented by the SEC and the NYSE have imposed various requirements on public companies, including

requiring establishment and maintenance of effective disclosure and financial controls. These costs will increase at the time when we are no longer an emerging growth company eligible to rely on exemptions under the JOBS Act from certain disclosure and governance requirements if we cease to qualify as a foreign private issuer. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantial costs to maintain the same or similar coverage. These laws and regulations could also make it more difficult and expensive for us to attract and retain qualified persons to serve on our supervisory board or its committees or on our management board. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of the ADSs, fines, sanctions and other regulatory action and potentially civil litigation.

Your rights as a shareholder in a German corporation may differ from your rights as a shareholder in a U.S. corporation.

We are organized as a stock corporation (*Aktiengesellschaft* or AG) under the laws of Germany, and by participating in this offering you will become a holder of ADSs of a German stock corporation. You should be aware that the rights of shareholders of a German stock corporation under German law differ in important respects from those of shareholders of a U.S. corporation. These differences include, in particular:

- Under German law, certain important resolutions, including, for example, capital decreases, measures under the German Transformation Act (*Umwandlungsgesetz*), such as mergers, conversions and spin-offs, the issuance of convertible bonds or bonds with warrants attached and the dissolution of the German stock corporation apart from insolvency and certain other proceedings, require the vote of a 75% majority of the capital represented at the relevant shareholders' meeting (*Hauptversammlung*). Therefore, the holder or holders of a blocking minority of more than 25% or, depending on the attendance level at the shareholders' meeting, the holder or holders of a smaller percentage of the shares in a German stock corporation may be able to block any such votes, possibly to our detriment or the detriment of our other shareholders.

- As a general rule under German law, a shareholder has no direct recourse against the members of the management board (*Vorstand*) or supervisory board (*Aufsichtsrat*) of a German stock corporation in the event that they have breached their duty of loyalty or duty of care to the German stock corporation. Apart from insolvency or other special circumstances, only the German stock corporation itself has the right to claim damages from members of the management board or the supervisory board. A German stock corporation may waive or settle such damage claims only if at least three years have passed since the violation of a duty occurred and the shareholders approve the waiver or settlement at the shareholders' meeting with a simple majority of the share capital represented at such meeting, unless a minority holding, in the aggregate, 10% or more of the German stock corporation's share capital objects to the shareholder resolution approving the waiver or settlement and has its objection formally recorded in the minutes of the shareholder meeting by a German civil law notary.

- By subscribing or purchasing ADSs you will not become a shareholder of the Company.

For more information, we have provided summaries of relevant German corporate law and of our articles of association under "Management" and "Description of Company History and Share Capital."

Exchange rate fluctuations may reduce the amount of U.S. dollars you receive in respect of any dividends or other distributions we may pay in the future in connection with your ADSs.

We do not currently intend to declare or pay any dividends in the foreseeable future. Under German law, the determination of whether we have made sufficient profits to pay dividends is made on the basis of our unconsolidated annual financial statements prepared in accordance with German generally accepted accounting principles as set forth in the German Commercial Code (*Handelsgesetzbuch*). Exchange rate fluctuations may affect the amount in U.S. dollars that our shareholders receive when we declare and pay in euros cash dividends or other cash distributions, if any. Such fluctuations could adversely affect the value of the ADSs and, in turn, the U.S. dollar proceeds that holders receive from the sale of the ADSs.

We are limited in our ability to increase our share capital under German law, which may make it difficult for us to raise additional capital to fund our operations in a timely manner.

Under German law and according to our articles of association, an increase of our share capital requires a resolution passed at our shareholders' meeting with both a simple majority of the share capital represented at the meeting, unless a capital increase can be executed using the authorized capital of the Company. A capital increase from authorized capital requires a resolution of the management board to such effect and the approval of the supervisory board. The aggregate nominal amount of the authorized capital created by the shareholders may not exceed one-half of the share capital existing at the time of registration of the authorized capital with the commercial register and the authorized capital may only be created for a period of up to five years. In addition, every holder of ordinary shares is generally entitled to subscription rights (commonly known as preemptive rights) relating to any new shares issued in connection with a capital increase in proportion to the number of shares he or she holds in the corporation's existing share capital, and a minimum subscription period of two weeks must be provided for the exercise of such subscription rights, although holders of ordinary shares may resolve to exclude subscription rights under certain circumstances. Given these and other restrictions under German law, it may be difficult for us to access capital markets quickly to raise additional capital that may be needed to fund our operations. For additional information, see the summaries of German law under "Description of Company History and Share Capital."

In the event that the ADSs do not qualify as ADRs under the ADR Tax Circular, U.S. treaty beneficiaries and German tax resident holders of ADSs could be subject to adverse consequences.

In the event that the ADSs do not qualify as ADRs under the ADR Tax Circular (both as defined in "Taxation—German Taxation of ADSs—General"), the U.S. and German tax consequences of acquiring, owning and disposing of the ADSs applicable to U.S. treaty beneficiaries (as defined in "Taxation—German Taxation of ADSs—Taxation of Non-German Resident U.S. Holders") and German tax resident holders of ADSs could differ significantly from the U.S. and German tax consequences described in "Taxation." The qualification of the ADSs for German tax purposes in this case is uncertain.

In particular, in the event that the ADSs fail to qualify as ADRs, U.S. treaty beneficiaries and German tax resident holders of ADSs could be subject to adverse U.S. and German tax consequences, respectively, which could include the following: (i) the U.S. treaty beneficiaries will not be entitled to claim a refund of the portion of the otherwise applicable 26.375% German withholding tax on dividends relating to the ADSs that exceeds the applicable Treaty (as defined in "Taxation—German Taxation of ADSs—Taxation of Non-German Resident U.S. Holders") rate and (ii) the German tax resident holders will not be entitled to any tax exemptions in relation to dividends and capital gains relating to the ADSs (see "Taxation—German Taxation of ADSs—Taxation of German Resident Holders").

ADSs holders may not be entitled to a jury trial with respect to claims arising under the deposit agreement, which could result in less favorable outcomes to the plaintiff(s) in any such action.

The deposit agreement governing the ADSs representing our ordinary shares provides that, to the fullest extent permitted by law, ADS holders waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to our shares, the ADSs or the deposit agreement, including any claim under the U.S. federal securities laws.

If we or the depositary opposed a jury trial demand based on the waiver, the court would determine whether the waiver was enforceable based on the facts and circumstances of that case in accordance with the applicable state and federal law. To our knowledge, the enforceability of a contractual pre-dispute jury trial waiver in connection with claims arising under the federal securities laws has not been finally adjudicated by the United States Supreme Court. However, we believe that a contractual pre-dispute jury trial waiver provision is generally enforceable, including under the laws of the State of New York, which govern the deposit agreement, by a federal or state court in the City of New York, which has non-exclusive jurisdiction over matters arising under the deposit agreement. In determining whether to enforce a contractual pre-dispute jury trial waiver provision, courts will generally consider whether a party knowingly, intelligently and voluntarily waived the right to a jury trial. We believe that this is the case with respect to the deposit agreement and the ADSs. It is advisable that you consult legal counsel regarding the jury waiver provision before entering into the deposit agreement.

If you or any other holders or beneficial owners of ADSs bring a claim against us or the depositary in connection with matters arising under the deposit agreement or the ADSs, including claims under federal securities laws, you or such other holder or beneficial owner may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us and / or the depositary. If a lawsuit is brought against us and/or the depositary under the deposit agreement, it may be heard only by a judge or justice of the applicable trial court, which would be conducted according to different civil procedures and may result in different outcomes than a trial by jury would have had, including results that could be less favorable to the plaintiff(s) in any such action.

Nevertheless, if this jury trial waiver provision is not permitted by applicable law, an action could proceed under the terms of the deposit agreement with a jury trial. No condition, stipulation or provision of the deposit agreement or ADSs serves as a waiver by any holder or beneficial owner of ADSs or by us or the depositary of compliance with any substantive provision of the U.S. federal securities laws and the rules and regulations promulgated thereunder.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements concerning our business, operations and financial performance and condition as well as our plans, objectives and expectations for our business operations and financial performance and condition. Any statements that are not of historical facts may be deemed to be forward-looking statements. You can identify these forward-looking statements by words such as "believes," "estimates," "anticipates," "expects," "plans," "intends," "may," "could," "might," "will," "should," "aims" or other similar expressions that convey uncertainty of future events or outcomes. Forward-looking statements appear in a number of places throughout this prospectus and include statements regarding our intentions, beliefs, assumptions, projections, outlook, analyses or current expectations concerning, among other things, our intellectual property position, results of operations, cash needs, spending of the proceeds from this offering, financial condition, liquidity, prospects, growth and strategies, the industry in which we operate and the trends that may affect the industry or us.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics and industry change, and depend on economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. Although we believe that we have a reasonable basis for each forward-looking statement contained in this prospectus, we caution you that forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control. All of our forward-looking statements are subject to risks and uncertainties that may cause our actual results to differ materially from our expectations.

Actual results could differ materially from our forward-looking statements due to a number of factors, including, without limitation, risks related to:

- our ability to meet customers' requirements for quality and performance or their demands as to timing or quantity;
- our dependence upon sales to certain customers and material fluctuation in purchase volumes period on period;
- our dependence upon our relationships with our strategic partners;
- our ability to develop new products and win business, to convert project wins into revenue and to manage our costs during the product development cycle;
- the impact of the ongoing COVID-19 pandemic;
- our ability to adapt to risks inherent in doing business on a global level and in particular in China, including tariffs, trade wars, pandemics (such as COVID-19), economic and geopolitical instability and changes in regulatory requirements;
- the length of the product development cycle for our OEM, Tier-1 Supplier, and other customers;
- our dependence upon the commercial success of our customers' products;
- our dependence upon a limited number of suppliers for a number of our raw materials and equipment, including the silicone material used in *VIA bond plus*;
- delays in the production of our direct customers' product offerings, including due to performance issues with, or supply shortages of, component parts unrelated to our solutions;
- volatility in the prices or availability of certain components and raw materials used in our business;
- our ability to protect our know how, trade secrets and other intellectual property;

- our ability to manage the expansion of our operations effectively;
- our ability to attract and retain key management or other key personnel;
- our ability to raise additional capital on attractive terms, or at all, if needed; and
- the other risks described in the "Risk Factors" section of this prospectus and elsewhere in this prospectus.

Any forward-looking statements that we make in this prospectus speak only as of the date of such statement, and we undertake, except as may be required by law, no obligation to update such statements to reflect events or circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data. You should, however, review the factors and risks we describe in the reports we will file from time to time with the SEC after the date of this prospectus. See "Where You Can Find More Information."

You should also read carefully the risk factors described in the "Risk Factors" section of this prospectus and elsewhere in this prospectus to better understand the risks and uncertainties inherent in our business and underlying any forward-looking statements. As a result of these factors, we cannot assure you that the forward-looking statements in this prospectus will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified timeframe, or at all.

USE OF PROCEEDS

We estimate that the net proceeds to us from this offering, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, will be approximately $83.1 million, assuming an initial offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus. We will also receive net proceeds of approximately $19.6 million from the sale of 1,315,785 ADSs in the concurrent private placement to Corning at a price equal to 95% of the initial public offering price, after deducting the estimated commissions to Berenberg, assuming an initial public offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus. The closing of this offering is not contingent upon the closing of the concurrent private placement with Corning.

A $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per ADS would increase (decrease) the net proceeds to us from this offering by approximately $5.8 million. An increase (decrease) of 1.0 million in the number of ADSs offered by us would increase (decrease) the net proceeds to us by $14.9 million. An increase or decrease in the assumed initial public offering price and/or number of ADSs offered by us in this offering will have no impact on the net proceeds to us from the concurrent private placement.

We will not receive any proceeds from the sale of ADSs by the selling shareholders. See "Principal and Selling Shareholders" and "Underwriting."

We intend to use the net proceeds of this offering and the concurrent private placement for the following purposes:

- approximately $15 million for research and development, including research and development relating to interactive display solutions and other camera-enhanced displays, three dimensional displays, new sensor technologies, software enhancements and embedded computing;
- approximately $25 million for potential acquisitions of targets that could enhance our interactive solutions for the automotive and/or industrial/specialized markets although we do not have agreements or commitments for any material acquisitions at this time;
- approximately $4 million for expansion of our sales, marketing and distribution teams;
- approximately $13 million for improvements in and expansion of our existing production capabilities, including with respect to cold forming production by improving automation and expanding capacity in our facilities in Germany and Japan and expanding our manufacturing facilities in new geographies; and
- the remainder for general corporate purposes, including, without limitation, working capital.

The foregoing represents our current intentions with respect to the use and allocation of the net proceeds of this offering and the concurrent private placement based upon our present plans and business conditions, but our management will have significant flexibility and discretion in applying the net proceeds. The occurrence of unforeseen events or changed market and business conditions could result in the application of the net proceeds of this offering or the concurrent private placement in a manner other than as described above. Pending our use of the net proceeds as described above, we may invest the net proceeds in short-term bank deposits or invest them in interest-bearing, investment grade securities.

DIVIDEND POLICY

We have no present intention of declaring or paying any dividends in the foreseeable future. Any recommendation by our management board and supervisory board to pay dividends will depend on many factors, including our financial condition, results of operations, legal requirements, capital requirements, business prospects and other factors.

All of the shares represented by the ADSs offered by this prospectus will generally have the same dividend rights as all of our other outstanding shares. However, the depositary may limit distributions based on practical considerations and legal limitations. See "Description of American Depositary Shares—Dividends and Distributions." Any distribution of dividends proposed by our management board and supervisory board requires the approval of our shareholders in a shareholders' meeting. See "Description of Company History and Share Capital—Dividend Rights," which explains in more detail the procedures we must follow and the German law provisions that determine whether we are entitled to declare a dividend.

For information regarding the German withholding tax applicable to dividends and related United States refund procedures, see "Taxation—German Taxation of ADSs."

CAPITALIZATION

The following table sets forth our capitalization as of June 30, 2020:

- on an actual basis;
- as adjusted to reflect the sale by us of 6,250,000 ADSs in this offering, assuming an initial public offering of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us; and
- as adjusted to further reflect the sale by us of 1,315,785 ADSs in the concurrent private placement to Corning at a price equal to 95% of the initial public offering price, assuming an initial public offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated commissions to Berenberg.

Because the consummation of this offering is a condition precedent to the consummation of the concurrent private placement, we will not receive any proceeds from, or issue any ADS in, the concurrent private placement without the concurrent consummation of this offering.

Each $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the as adjusted amount of each of total shareholders' equity and total capitalization by €5.2 million ($5.8 million), assuming the number of ADSs offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each increase (decrease) of 1.0 million in the number of ADSs offered by us at the assumed initial public offering price would increase (decrease) the as adjusted amount of each of total shareholders' equity and total capitalization by €13.3 million ($14.9 million), after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this together with "Selected Consolidated Financial and Other Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the audited consolidated financial statements of VIA optronics AG and related notes included elsewhere in this prospectus.

	As of June 30, 2020		
	Actual	As Adjusted for the Offering	As Adjusted for the Offering and the Concurrent Private Placement
	(in thousands)		
Long-term loan liabilities	€ 2,181	€ 2,181	€ 2,181
Short-term loan liabilities	30,983	30,983	30,983
Shareholders' equity:			
Share capital	3,000	4,250	4,513
Capital reserve	4,170	77,130	94,369
Accumulated deficit	(7,241)	(7,241)	(7,241)
Currency translation reserve	(265)	(265)	(265)
Non-controlling interests	327	327	327
Total shareholders' equity	(9)	74,201	91,903
Total capitalization	€ 33,155	€ 107,635	€ 124,867

DILUTION

If you invest in the ADSs in this offering, your interest will be diluted immediately to the extent of the difference between the initial public offering price per ADS and the pro forma net tangible book value per ADS after this offering. Dilution results from the fact that the initial public offering price per ADS is substantially in excess of the net tangible book value per ADS attributable to our existing shareholders for our ordinary shares that will be outstanding immediately prior to the closing of this offering. We calculate net tangible book value per ordinary share by dividing the net tangible book value (total assets less intangible assets and total liabilities) by the number of outstanding ordinary shares. For purposes of illustration, the following discussion assumes that all of our outstanding shares both before and after this offering are in the form of ADSs, every 5 ADSs representing 1 ordinary share. Dilution is determined by subtracting net tangible book value per ADS from the assumed initial public offering price per ADS.

Our net tangible book value as of June 30, 2020 was €(5.2) million ($(5.8) million), or €(3.42) ($(3.83)) per ordinary share and $(0.77) per ADS. After giving effect to the sale by us of the ADSs in this offering at an assumed initial public offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, and the sale by us of 1,315,785 ADSs in the concurrent private placement, at 95% of such assumed initial public offering price, and after deducting the estimated commissions to Berenberg, our pro forma net tangible book value as of June 30, 2020 would have been approximately €86.5 million ($96.9 million), or €57.19 ($64.05) per ordinary share and $12.81 per ADS. This amount represents an immediate increase in our pro forma net tangible book value of €60.61 ($67.87) per ordinary share, or $13.57 per ADS, to our existing shareholders and an immediate dilution of €14.25 ($15.95) per ordinary share, or $3.19 per ADS, to investors purchasing the ADSs in this offering at the assumed initial public offering price.

The following table illustrates this dilution per ADS:

	Per ADS (in $)		Per ADS (in €)	
Assumed initial public offering price		16.00		14.29
Net tangible book value per ADS as of June 30, 2020 before the change attributable to investors purchasing ADSs and attributable to Corning in this offering	(0.77)		(0.68)	
Increase in net tangible book value attributable to investors purchasing ADSs in this offering	10.98		9.81	
Increase in net tangible book value attributable to Corning in the concurrent private placement	2.59		2.31	
Pro forma net tangible book value as of June 30, 2020 after giving effect to this offering and the concurrent private placement		12.81		11.44
Dilution to new investors		3.19		2.85

A $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) our pro forma net tangible book value after this offering and the concurrent private placement by €0.69 ($0.77) per ADS, and the dilution in pro forma net tangible book value to new investors by €0.69 ($0.77) per ADS, assuming that the number of ADSs offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Each increase of 1.0 million ADSs in the number of ADSs offered by us would increase our pro forma net tangible book value after this offering and the concurrent private placement by €0.22 ($0.24) per ADS and decrease the dilution to investors participating in this offering by approximately €0.22 ($0.24) per ADS, assuming that the assumed initial public offering price remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each decrease of 1.0 million ADSs in the number of ADSs offered by us would decrease our pro forma net tangible book value after this offering and the concurrent private placement by €0.28 ($0.32) per ADS and increase the dilution to investors participating in this offering by €0.28 ($0.32) per ADS, assuming the assumed public offering price remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes on a pro forma basis, as of June 30, 2020, the differences between the shareholders as of June 30, 2020 and the new investors with respect to the number of ordinary shares purchased from us, the total consideration paid and the average price per ordinary share paid by existing shareholders, Corning and by investors participating in this offering at an assumed initial public offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of the prospectus, before deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us:

	Ordinary Shares Purchased		Total Consideration		Average Price per Ordinary Share	Average Price per ADS
	Number	Percent	Amount	Percent		
			(in $)		(in $)	(in $)
Existing shareholders	3,000,000	66%	3,359,400	3%	1.12	0.22
Corning	263,157*	6%	19,999,932	16%	76.00	15.20
New investors	1,250,000*	28%	100,000,000	81%	80.00	16.00
Total	4,513,157	100%	123,359,332	100%		

* Represents ordinary shares underlying ADSs.

A $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) total consideration paid by new investors by $6.3 million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same.

If the underwriters exercise their option to purchase additional ADSs from the selling shareholders in full, our existing shareholders would own 2,812,500 ordinary shares or, 62%, in the aggregate, Corning would own 263,157 ordinary shares underlying ADSs or 6% of our ordinary shares, and our new investors would own 1,437,500 ordinary shares underlying ADSs in the aggregate, representing 32% of our ordinary shares.

The number of our ordinary shares to be outstanding after this offering and the concurrent private placement is based on 3,000,000 ordinary shares outstanding as of June 30, 2020.

To the extent we grant options or other equity awards to our employees or members of our management board in the future, and those options or other equity awards are exercised in the future or other issuances of our ordinary shares are made, there will be further dilution to new investors.

SELECTED CONSOLIDATED FINANCIAL AND OTHER DATA

We present below selected consolidated historical financial and other data for VIA optronics AG. The financial data as of December 31, 2019 and 2018 and for the years ended December 31, 2019, 2018 and 2017 have been derived from our audited consolidated financial statements and the related notes, which are included elsewhere in this prospectus and which have been prepared in accordance with IFRS as issued by the IASB and audited in accordance with the standards of the PCAOB. The summary unaudited interim consolidated statements of operations and other comprehensive income (loss) data for the six months ended June 30, 2020 and 2019 and the summary consolidated statement of financial position data as of June 30, 2020 have been derived from our unaudited interim consolidated financial statements and the related notes, which are included elsewhere in this prospectus. The unaudited interim consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements and in the opinion of management reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of such unaudited interim consolidated financial statements.

VIA optronics AG's historical results are not necessarily indicative of the financial results to be expected in any future periods. You should read this information in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Capitalization" and VIA optronics AG's audited consolidated financial statements and related notes, each included elsewhere in this prospectus. Our historical results are not necessarily indicative of results for future periods.

	Six Months Ended June 30,			Year Ended December 31,			
Consolidated Statements of Operations and Comprehensive Income (Loss):	**2020**	**2020**	**2019**	**2019**	**2019**	**2018 (restated*)**	**2017**
	($ in thousands)[1]	**(€ in thousands)**		**($ in thousands)[1]**	**(€ in thousands, except per share data)**		
	(unaudited)						
Revenue	$ 72,626	€ 64,856	€ 70,563	$ 153,671	€ 137,231	€ 171,679	€ 131,031
Cost of sales	(61,805)	(55,193)	(63,485)	(142,450)	(127,210)	(149,873)	(113,232)
Gross profit	10,821	9,663	7,078	11,222	10,021	21,806	17,799
Selling expenses	(2,499)	(2,232)	(2,256)	(4,761)	(4,252)	(4,295)	(3,735)
General administrative expenses	(7,070)	(6,314)	(7,653)	(14,778)	(13,197)	(13,267)	(7,988)
Research and development expenses	(1,187)	(1,060)	(542)	(2,788)	(2,490)	(1,337)	(798)
Other operating income (expenses), net(2)	408	364	617	(1,183)	(1,056)	1,991	33
Operating income/(loss)	471	421	(2,756)	(12,289)	(10,974)	4,898	5,311
Financial result	(797)	(712)	(782)	(1,839)	(1,642)	(1,142)	(696)
(Loss)/(profit) before tax	(326)	(291)	(3,538)	(14,127)	(12,616)	3,756	4,615
Income tax expense	(645)	(576)	1,078	(831)	(742)	(378)	(1,262)
Net (loss)/profit	(971)	(867)	(2,460)	(14,958)	(13,358)	3,378	3,354
Exchange differences on translation of foreign operations	(251)	(224)	48	131	117	23	(165)
Comprehensive (loss)/income	(1,222)	(1,091)	(2,412)	(14,827)	(13,241)	3,402	3,189
Earning/(loss) per share	(0.34)	(0.30)	(0.56)	(4.40)	(3.93)	1.37	1.16

	As of June 30,			As of December 31,		
Consolidated Statements of Financial Position Data:	**2020 (As Adjusted)[3]**	**2020**	**2020**	**2019**	**2019**	**2018**
	(€ in thousands)	**($ in thousands)[1]**	**(€ in thousands)**	**($ in thousands)[1]**	**(€ in thousands)**	
		(unaudited)				
Cash and cash equivalents	€ 99,740	$ 8,027	€ 7,168	$ 10,453	€ 9,335	€ 9,943
Working capital	(12,475)	(12,475)	(11,140)	(12,767)	(11,401)	1,251
Total assets	177,517	85,804	€ 76,624	91,443	81,660	80,571
Total liabilities	85,814	85,814	76,633	90,231	80,578	66,348
Total equity	91,703	(10)	€ (9)	1,212	1,082	14,223

Other Data:	Six Months Ended June 30,			Year Ended December 31,			
	2020	2020	2019	2019	2019	2018	2017
	($ in thousands)(1)	(€ in thousands)		($ in thousands)(1)	(€ in thousands)		
	(unaudited)						
Gross margin(4)	14.9%	14.9%	10.0%	7.3%	7.3%	12.7%*	13.6%
EBITDA(5)	$4,404	€3,933	€ 286	$ (4,969)	€ (4,437)	€ 8,110	€ 5,940
Adjusted EBITDA(5)	4,404	3,933	286	(4,969)	(4,437)	9,140	6,436
Adjusted net (loss)/profit(5)	(971)	(867)	(2,460)	(14,958)	(13,358)	4,081	3,713
Adjusted EBITDA margin(5)	6.1%	6.1%	0.4%	(3.2)%	(3.2)%	5.3%	4.9%

* The 2018 consolidated statement of operations and other comprehensive income (loss) has been restated to correct an error. Refer to Note 2.4 of the 2019 consolidated financial statements for additional information.

(1) Amounts in this column are not audited and have been converted from euros to U.S. dollars solely for the convenience of the reader.

(2) Amount is shown on a net basis solely for convenience of the reader. Please refer to VIA optronics AG's consolidated financial statements and related notes, each included elsewhere in this prospectus, for a presentation of Other operating income and Other operating expense on a gross basis.

(3) Gives effect to the sale of 6,250,000 ADSs by us in this offering and the sale of 1,315,785 ADSs in the concurrent private placement to Corning at 95% of the initial public offering price, in each case assuming an initial public offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus. A $1.00 increase (decrease) in the assumed initial public offering price of $16.00 per ADS, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the as adjusted amount of each of cash and cash equivalents, total assets and total equity by €5.2 ($5.8) million assuming the number of ADSs offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each increase (decrease) of 1.0 million in the number of ADSs offered by us at the assumed initial public offering price would increase (decrease) the as adjusted amount of each of cash and cash equivalents, total assets and total equity by €13.3 ($14.9) million after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. As adjusted cash and cash equivalents, total assets and total equity do not reflect approximately €7.0 million of costs and expenses related to this offering already paid as of June 30, 2020.

(4) We define gross margin as gross profit stated as a percentage of revenues.

(5) Our management and supervisory boards utilize both IFRS and non-IFRS measures in a number of ways, including to facilitate the determination of our allocation of resources, to measure our performance against budgeted and forecasted financial plans and to establish and measure a portion of management's compensation.

The non-IFRS measures used by our management and supervisory boards include:

- EBITDA, which we define as net profit/(loss) calculated in accordance with IFRS before financial result, taxes, depreciation and amortization; for purposes of our EBITDA calculation, we define "financial result" to include financial result as calculated in accordance with IFRS and foreign exchange gains (losses) on intercompany indebtedness;
- Adjusted EBITDA, which we define as net profit/(loss) calculated in accordance with IFRS before financial result, taxes, depreciation and amortization, acquisition-related costs incurred in connection with our acquisition of a 65% interest in VTS, including the effect of any acquisition fair value adjustment to revenue, and costs relating to the relocation of our headquarters to Nuremberg; for purposes of our Adjusted EBITDA calculation, we define "financial result" to include financial result as calculated in accordance with IFRS and foreign exchange gains (losses) on intercompany indebtedness;
- Adjusted EBITDA margin, which we define as Adjusted EBITDA stated as a percentage of revenue; and
- Adjusted net (loss)/profit, which we define as net (loss)/profit calculated in accordance with IFRS before the after tax impacts of acquisition related costs incurred in connection with our acquisition of a 65% interest in VTS, including the effect of any acquisition fair value adjustment to revenue, and costs relating to the relocation of our headquarters to Nuremberg; for purposes of our calculation of Adjusted Net Profit/(Loss), we calculate the tax impacts assuming an effective tax rate of 31.8% and 27.4% based on the rate of VIA optronics GmbH for fiscal years ended ended December 31, 2018 and 2017, respectively, representing, in each case, the German statutory income tax rate, plus any applicable German solidarity surcharges plus any applicable municipal trade taxes.

Our management and supervisory boards believe these non-IFRS measures are helpful tools in understanding certain aspects of our financial performance and are important supplemental measures of operating performance because they eliminate items that may have less bearing on our operating performance and highlight trends that may not otherwise be apparent when relying solely on IFRS financial measures. As an example, our acquisition of VTS in 2018 included acquisition-related costs, such as costs attributable to the consummation of the transaction and integration of VTS as a consolidated subsidiary (composed substantially of professional services fees, including legal, accounting and other consultants) and any transition compensation costs, and were not considered to be related to the continuing operation of VTS's business and are generally not relevant to assessing or estimating the long-term performance of VTS. We also believe that these non-IFRS measures are useful to investors and other users of our financial statements in evaluating our performance because these measures are the same measures used by our management and supervisory boards for these purposes.

While we use non-IFRS measures as a tool to enhance our understanding of certain aspects of our financial performance, we do not believe that these non-IFRS measures are a substitute for, or are superior to, the information provided by IFRS results. As

such, the presentation of non-IFRS measures is not intended to be considered in isolation or as a substitute for any measure prepared in accordance with IFRS. The primary limitations associated with the use of non-IFRS measures as compared to IFRS results are that non-IFRS measures may not be comparable to similarly titled measures used by other companies in our industry and that non-IFRS measures may exclude financial information that some investors may consider important in evaluating our performance. Because of these and other limitations, you should consider our non-IFRS measures alongside the directly comparable IFRS-based financial performance measures, including our net profit/(loss), net profit margin and our other IFRS financial results. Management addresses the inherent limitations associated with using non-IFRS measures through disclosure of such limitations, presentation of our financial statements in accordance with IFRS and reconciliation of EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Net Profit/(Loss) to the most directly comparable IFRS measure, net profit/(loss). Further, management also reviews IFRS measures and measures such as our level of capital expenditures, research and development expenditures, and interest expense, among other items.

Set forth below are reconciliations of each non-IFRS measure to the most directly comparable financial measure prepared in accordance with IFRS, in order to enable investors to perform their own analysis of our operating results.

	Six Months Ended June 30,			Year Ended December 31,			
	2020	2020	2019	2019	2019	2018	2017
	($ in thousands)[A]	(€ in thousands)		($ in thousands)[A]	(€ in thousands)		
	(unaudited)						
Net (loss)/profit	$ (971)	€ (867)	€ (2,460)	$ (14,958)	€ (13,358)	€ 3,378	€ 3,353
Adjustments:							
Financial result	797	712	782	1,839	1,642	1,142	(696)
Foreign exchange gains (losses) on intercompany indebtedness	—	—	—	—	—	—	87
Income tax expense (benefit)	645	576	(1,079)	831	742	378	1,262
Depreciation and amortization	3,933	3,512	3,043	7,320	6,537	3,212	542
EBITDA	4,404	3,933	286	(4,969)	(4,437)	8,110	5,940
Adjustments:							
Acquisition-related costs	—	—	—	—	—	894	496
Offering costs	—	—	—	—	—	136	—
Adjusted EBITDA	4,404	3,933	286	(4,969)	(4,437)	9,140	6,436
Revenue	72,626	64,856	70,563	153,671	137,231	171,679	131,031
Adjusted EBITDA margin	6.1%	6.1%	0.4%	(3.2)%	(3.2)%	5.3%	4.9%
Net (loss)/profit	(971)	(867)	(2,460)	(14,958)	(13,358)	3,378	3,353
Adjustments:							
Acquisition-related costs	—	—	—	—	—	610	360
Offering costs	—	—	—	—	—	93	—
Adjusted net (loss)/profit	(971)	(867)	(2,460)	(14,958)	(13,358)	4,081	3,713

(A) Amounts in this column are not audited and have been converted from euros to U.S. dollars solely for the convenience of the reader.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the section entitled "Selected Consolidated Financial and Other Data" and VIA optronics AG's consolidated financial statements and the related notes thereto included elsewhere in this prospectus. In addition to historical financial information, the following discussion contains forward-looking statements that reflect our plans, estimates and opinions. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences or cause our actual results or the timing of selected events to differ materially from those anticipated in these forward-looking statements include those set forth under "Risk Factors," "Special Note Regarding Forward-Looking Statements" and elsewhere in this prospectus.

Overview

We are a leading provider of enhanced display solutions for multiple end-markets in which superior functionality or durability is a critical differentiating factor. Our customizable technology is well-suited for our target end-markets, in particular customers operating in high-end markets that have unique specifications, and in demanding environments that pose technical and optical challenges for displays, such as bright ambient light, vibration and shock, extreme temperatures and condensation. Our solutions combine our expertise in interactive display head assembly, comprising a display, cover lens and potentially touch sensors, and proprietary bonding technologies. We also develop, manufacture and sell customized and application-specific metal mesh touch sensors and electrode base film materials for use in touch modules or other touch products. Recently, we have introduced integrated, camera-enhanced and interactive displays, or interactive display solutions, that leverage our expertise in display solutions and touch sensor technology, as well as camera module design and related software capabilities. We believe that interactive display solutions will be critical to support the evolution of everyday life digital applications, such as touch- and camera-enabled consumer electronics, and the development of complex applications, such as advanced driver assistance systems. Our portfolio of offerings enables thin display assemblies and high optical clarity, which decreases power consumption and increases readability. We provide a wide range of customized display solutions, including curved display panels and solutions integrating multiple display touch assemblies under a single cover lens. In the future, we aspire to become one of the leading technology platforms for interactive display solutions in our target end-markets.

A history of our product development, manufacturing and sales and marketing efforts is summarized as follows:

- Following our inception in 2006, we primarily focused on manufacturing and selling enhanced non-touch display solutions based on our optical bonding technology;
- Over time and in response to market demand, we began manufacturing and selling enhanced touch-enabled display solutions using our optical bonding technology, in addition to our traditional non-touch bonded displays, and offering optical bonding services and licensing of our *Max VU* optical bonding processes offerings;
- Following our acquisition of a majority interest in VTS, the assets and business operations of which were formerly wholly-owned by Toppan, in March 2018 we gained access to VTS's metal mesh touch sensor production capabilities and technological design know-how. Through VTS, we are able to provide touch sensors in the production of our enhanced display solutions, expanding our own in-house display offerings, and we also sell metal mesh touch sensors directly (and through Toppan as the minority owner of VTS) to third-party customers;
- In August 2018, we began our strategic partnership with Corning, whereby we leveraged our optronics core competencies in the area of optical bonding, copper metal mesh touch sensor technology for high performing touch functions and automative camera module technology

combined with Corning's core competencies in the area of cold forming glass. In March 2019, we entered into commercial development agreements with Corning and in January 2020, we initiated mass production of automotive interior curved display systems utilizing our core technologies; and

- In 2019, we entered into services and framework agreements with IMI to enhance our camera module technological expertise.

Since 2012, we have shipped more than 6.3 million displays worldwide and we have a proven track record of developing and delivering enhanced display solutions that meet our customers' quality and performance standards.

As a result of the VTS acquisition in fiscal year 2018, our business was divided into two segments: a display solutions segment and a sensor technologies segment.

Our key financial metrics by segment are as follows:

	Six Months Ended June 30,[1]				Year Ended December 31,[1]			
	2020		2019		2019		2018	
	Display Solutions	Sensor Technologies	Display Solutions	Sensor Technologies	Display Solutions	Sensor Technologies	Display Solutions	Sensor Technologies
	(€ in thousands)							
External revenues	53,334	11,521	58,293	12,270	113,359	23,873	150,315	21,364
Inter-segment revenues		1,599		737	—	2,138	278	—
Total revenues	**53,334**	**13,120**	**58,293**	**13,007**	**113,359**	**26,010**	**150,593**	**21,364**
Gross profit (loss)[2]	**7,614**	**2,147**	**8,201**	**(1,123)**	**11,976**	**(1,954)**	**20,458**	**1,123**
Operating income (loss)	236	224	549	(3,296)	(4,641)	(6,332)	4,231	(2,413)
Depreciation and amortization	1,260	2,251	948	2,094	2,055	4,482	757	2,455
EBITDA	**1,496**	**2,476**	**1,498**	**(1,202)**	**(2,586)**	**1,851**	**4,988**	**42**

(1) See Note 23 of our consolidated financial statements and Note 3 of our unaudited interim consolidated financial statements, included elsewhere in this prospectus, for additional reconciliation information.

(2) Gross profit for the Sensor Technologies column for the year ended December 31, 2018, has been restated to correct an error. Refer to Note 2.4 of our consolidated financial statements included elsewhere in this prospectus for additional information.

In our display solutions segment, we focus on the development, production and sale of interactive display solutions using our optical bonding technology. We provide optical bonding on either a consignment basis (meaning our customer directly sources all of the necessary product components and we apply our patented *Max VU* bonding process to assemble such components) or a full service basis (meaning we source the necessary product components and perform the related optical bonding). In limited cases, we also offer licenses for our *Max VU* optical bonding processes and sell related bonding equipment to select customers. Additionally, beginning in 2019, we began providing certain customers with automotive camera module technology and research and development engineering services. For the years ended December 31, 2019, 2018 and 2017, we generated €113.4 million, €150.3 million and €131.0 million, respectively, in revenue, and €(4.6) million, €4.2 million and €5.3 million, respectively, in operating income (loss), from our display solutions segment. As a result of the COVID-19 global pandemic, business interruptions caused a decrease in customer orders during the six months ended June 30, 2020, in particular during the first quarter. Additionally, during this period, the Chinese government imposed production-limiting measures, which led to reduced output of our production facilities located in China. Consequently, for the six months ended June 30, 2020 and 2019, we generated €53.3 million and €58.3 million, respectively, in revenue, and €0.2 million and €0.5 million, respectively, in operating income, from our display solutions segment.

In our sensor technologies segment, we focus on the development, production and sale of metal mesh touch sensors, both for use in our own enhanced display solutions and as component parts to third-party customers, and the development of other sensor components and technologies that can be incorporated into our interactive display solutions. We did not generate revenue from our sensor

technologies segment prior to our 2018 acquisition of a majority interest in VTS. For the years ended December 31, 2019 and 2018, we generated €26.0 million, €21.4 million, respectively, in revenue and €(6.3) million and €(2.4) million, respectively, in operating income (loss), from our sensor technologies segment. Business interruptions and reductions in end-customer demand due to the COVID-19 global pandemic caused a decrease in customer orders. In Japan, our production was temporarily halted for two weeks in March 2020. Consequently, for the six months ended June 30, 2020 and 2019, we generated €13.1 million and €13.0 million, respectively, in revenue and €0.2 million and €(3.3) million, respectively, in operating income (loss), from our sensor technologies segment.

Our customers operate in the automotive, consumer electronics and industrial/specialized applications markets. Our offerings are foundational to our customers' products and our customers rely upon us to meet their demanding production and quality specifications, as well as their inventory and quantity requirements. Our sales process is principally geared towards interactive display solutions using our optical bonding technology, customized metal mesh touch sensors and camera modules. Following our acquisition of a majority interest in VTS, we have further integrated the utilization of metal mesh touch sensors in the production of our touch-enabled enhanced display solutions to the extent that these sensors are compatible with our customers' specifications. We also offer metal mesh touch sensors as a stand-alone product to third parties for integration in their products. We are increasingly focused on producing interactive display solutions, integrating our display and metal mesh touch sensor technology and expertise with advance camera modules.

Our customers and design partners include many of the world's largest display and system manufacturers in the automotive, consumer electronics and industrial/specialized applications markets. We principally sell our products to OEMs and Tier-1 suppliers. Our technological expertise in combination with our deep customer and commercial partner collaborations, including our collaboration with Corning with respect to cold form glass technology, enables us to meet challenges and act as a sole source supplier for certain customers, including, for example, select customers in ruggedized applications and the automotive industry. We market and sell our products and solutions primarily through our internal direct sales force, supported by outside sales representatives and distributors, including Toppan.

We often have significant engagement with and act as a design partner to the OEMs, who may be our direct customers or our indirect customers through their Tier-1 suppliers. We believe that engaging with OEM customers in their design activities provides us with an advantage over competitors who are not engaged in OEM design activities and provides us with early visibility into our customers' technology and product roadmaps. This early access allows us to develop solutions that meet their long-term needs and best position ourselves for engagement on future business opportunities. We believe our track record of technological and product performance, high quality, cost effectiveness, and on-time deliveries have resulted in our position as a leading provider of optical bonding solutions and metal mesh touch sensors. We believe our strong relationship with our OEM and Tier-1 supplier customers, many of which are currently developing new products and applications that can incorporate our solutions, will also continue to position us as a source of supply for their future product offerings.

Our customers' product life cycles vary significantly depending on their end-market, with consumer electronics being approximately 1-1.5 years, automotive being approximately 3-7 years and industrial/specialized applications being approximately 3-10+ years. The length of our product development and sales cycle in both of our segments, generally varies from nine months to three years during which time we often incur research and development, production and other costs, much of which may not be reimbursed. Accordingly, revenues may be recognized significantly later than when a product is initially introduced for sale and we may not see a positive margin impact from a new customer contract for several years, if at all. Therefore, revenue from our current products, projects or customer portfolio is not necessarily an indicator of our future sales or profitability, because our future sales are likely to be comprised of a different mix of products which have different margin profiles.

We report our results in euros, which we consider our functional currency.

In anticipation of this offering, on June 25, 2019 we completed a corporate reorganization, pursuant to which VIA optronics AG became the holding company for VIA optronics GmbH and its subsidiaries, see "Description of Company History and Share Capital" for more information.

Key Business Metrics

We monitor certain key operating metrics to help us evaluate trends, establish budgets, measure the effectiveness and efficiency of our operations and gauge our cash generation, including:

- Revenue;
- Gross margin, which we define as gross profit stated as a percentage of revenues;
- EBITDA, which we define as net profit (loss) calculated in accordance with IFRS before financial result, taxes, depreciation and amortization; for purposes of our EBITDA calculation, we define "financial result" to include financial result as calculated in accordance with IFRS and foreign exchange gains (losses) on intercompany indebtedness;
- Adjusted EBITDA, which we define as net profit (loss) calculated in accordance with IFRS before financial result, taxes, depreciation and amortization, acquisition-related costs incurred in connection with our acquisition of a 65% interest in VTS, including the effect of any acquisition fair value adjustment to revenue, and costs relating to the relocation of our headquarters to Nuremberg; for purposes of our Adjusted EBITDA calculation, we define "financial result" to include financial result as calculated in accordance with IFRS and foreign exchange gains (losses) on intercompany indebtedness;
- Adjusted EBITDA Margin, which we define as Adjusted EBITDA stated as a percentage of revenue; and
- Adjusted Net (Loss)/Profit, which we define as net (loss)/profit calculated in accordance with IFRS before the after tax impacts of acquisition related costs incurred in connection with our acquisition of a 65% interest in VTS, including the effect of any acquisition fair value adjustment to revenue, and costs relating to the relocation of our headquarters to Nuremberg; for purposes of our calculation of Adjusted Net Profit (Loss), we calculate the tax impacts assuming an effective tax rate of 31.8% and 27.4% based on the rate of VIA optronics GmbH for fiscal years ended ended December 31, 2018 and 2017, respectively, representing, in each case, the German statutory income tax rate, plus any applicable German solidarity surcharges plus any applicable municipal trade taxes.

These metrics include both IFRS and non-IFRS measures. Our management and supervisory boards utilize both IFRS and non-IFRS measures in a number of ways, including to facilitate the determination of our allocation of resources, to measure our performance against budgeted and forecasted financial plans and to establish and measure a portion of management's compensation. Our management and supervisory boards believe these non-IFRS measures are helpful tools in understanding certain aspects of our financial performance and are important supplemental measures of operating performance because they eliminate items that may have less bearing on our operating performance and highlight trends that may not otherwise be apparent when relying solely on IFRS financial measures. As an example, our acquisition of VTS in 2018 included acquisition-related costs, such as costs attributable to the consummation of the transaction and integration of VTS as a consolidated subsidiary (composed substantially of professional services fees, including legal, accounting and other consultants) and any transition compensation costs, and were not considered to be related to the continuing operation of VTS's business and are generally not relevant to assessing or estimating the long-term performance of VTS. We also believe that these non-IFRS measures are useful to investors and other users of our financial statements in evaluating our performance because these measures are the same measures used by our management and supervisory boards for these purposes.

While we use non-IFRS measures as a tool to enhance our understanding of certain aspects of our financial performance, we do not believe that these non-IFRS measures are a substitute for, or are

superior to, the information provided by IFRS results. As such, the presentation of non-IFRS measures is not intended to be considered in isolation or as a substitute for any measure prepared in accordance with IFRS. The primary limitations associated with the use of non-IFRS measures as compared to IFRS results are that non-IFRS measures may not be comparable to similarly titled measures used by other companies in our industry and that non-IFRS measures may exclude financial information that some investors may consider important in evaluating our performance. Because of these and other limitations, you should consider our non-IFRS measures alongside the directly comparable IFRS-based financial performance measures, including our net profit/(loss), net profit margin and our other IFRS financial results. Management addresses the inherent limitations associated with using non-IFRS measures through disclosure of such limitations, presentation of our financial statements in accordance with IFRS and reconciliation of EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted Net Profit/(Loss) to the most directly comparable IFRS measure, net profit/(loss). Further, management also reviews IFRS measures and measures such as our level of capital expenditures, research and development expenditures, and interest expense, among other items.

Set forth below are reconciliations of each non-IFRS measure to the most directly comparable financial measure prepared in accordance with IFRS, in order to enable investors to perform their own analysis of our operating results.

	Six Months Ended June 30,		Year Ended December 31,		
	2020	2019	2019	2018	2017
			(€ in thousands)		
	(unaudited)				
Net (loss)/profit	€(867)	€(2,460)	€(13,358)	€3,378	€3,353
Adjustments:					
Financial result	712	782	1,642	1,142	696
Foreign exchange gains (losses) on intercompany indebtedness	—	—	—	—	87
Income tax expense (benefit)	576	(1,079)	742	378	1,262
Depreciation and amortization	3,512	3,043	6,537	3,212	542
EBITDA	3,933	286	(4,437)	8,110	5,940
Adjustments:					
Acquisition-related costs	—	—	—	894	496
Relocation costs	—	—	—	136	—
Adjusted EBITDA	3,933	286	(4,437)	9,140	6,436
Revenue	64,855	70,563	137,231	171,679	131,031
Adjusted EBITDA margin	6.1%	0.4%	(3.2)%	5.3%	4.9%
Net (loss)/profit	(867)	(2,460)	(13,358)	3,378	3,353
Adjustments:					
Acquisition-related costs	—	—	—	610	360
Relocation costs	—	—	—	93	—
Adjusted net (loss)/profit	(867)	(2,460)	(13,358)	4,081	3,713

Key Factors Impacting our Results of Operations

Our business and historical financial condition and results of operations have been affected by a number of important factors that we believe will continue to affect our financial condition and results of operations in the future. Our results are primarily affected by the following factors:

Success of Design Wins with Potential and Existing Customers. We believe our enhanced display solutions offer high-quality and advanced functionality, which combined with our ability to meet our

customers' production volume requirements makes us an attractive choice to existing and potential customers. In order to get our solutions designed into OEMs' products, we work with our current and potential OEMs and/or their Tier-1 or other suppliers to understand their product roadmaps and strategies. We incur costs, including research and development costs relating to design engineering and prototype manufacturing, such as with our current automotive project pipeline, as well as tooling costs in connection with our pursuit of new design wins, that may not be accompanied by or lead to revenues, including with respect to projects for which our customers may not purchase our solutions even after we have obtained a design win due to factors unrelated to the quality or availability of our solutions. These costs can be significant and may not be reimbursed. With respect to our automotive customers, we are increasingly collaborating in the early stages of the OEM design and development process on interactive display systems for car interiors, which have become, and we believe will continue to be, differentiating factors for the driver experience. We consider design wins to be critical to our future success. We define a design win as the successful completion of the evaluation stage, where an OEM has tested our product, verified that our product meets its requirements, qualified our interactive display solutions for their products and delivered a letter to us indicating that we have been awarded the project. The revenue that we generate, if any, from each design win, and the cost incurred to achieve each design win and prepare for production of the products, can be material and can vary significantly. The product development process for our OEM, Tier-1 supplier and other customers can be lengthy, and in some instances may last for longer than two years. We may not earn revenue from our solutions unless and until products featuring our technologies are shipped to our customers, and prior to such time we may incur unreimbursed costs, which at times may be significant, for product development. Our sales expectations are based on forecasts from our existing customers, internal estimates of existing and potential customer demands and internal estimates of overall market trends. We anticipate that our costs in connection with new design wins will increase as we pursue additional opportunities with new and existing customers, including in furtherance of our strategy of becoming an interactive display system provider.

Investment in Growth. We have invested, and intend to continue making investments, to expand our operations, increase our headcount, develop our products and differentiated technologies to support our growth and expand our infrastructure. For the years ended December 31, 2019, 2018 and 2017, we incurred capital expenditures of €1,819,240, €2,374,230 and €1,055,326, respectively, and for the six months ended June 30, 2020 and 2019, we incurred capital expenditures of €520,184 and €807,983, respectively, in connection with continued investments in technical equipment, machines and other equipment in furtherance of our goal of becoming an interactive display system provider. We expect our total operating expenses to increase, potentially significantly, in the foreseeable future to meet our growth objectives. We plan to continue to invest in our sales and support operations to further broaden our support and coverage of our existing customer base, in addition to developing new customer relationships and generating design wins. We also intend to continue to invest additional resources in research and development to support the development of our products and differentiated technologies. For the years ended December 31, 2019, 2018 and 2017, our research and development expenses were €2,490,259, €1,336,840, and €797,999, respectively. For the six months ended June 30, 2020 and 2019, our research and development expenses were €1,060,315 and €542,298, respectively, and are principally related to increased research and development costs associated with camera module technology. This includes amounts to support research and development efforts initiated in prior periods and therefore not related to new client acquisitions or future product development. We expect that our research and development expenses, including prototype development costs related to future automotive projects, will increase, potentially significantly, in the future as we pursue additional opportunities and in furtherance of our strategies. Any investments we make in our sales and marketing operations or research and development will occur in advance of experiencing any benefits from such investments, and the return on these investments may be lower than we expect or nonexistent.

Pricing and Product Cost. Our gross margin has been and will continue to be affected by a variety of factors, including the timing of changes in pricing, changes in our product mix, shipment volumes, market prices for our customers' products, changes in the purchase price of our raw materials and changes in the purchase price of third-party components integrated into our enhanced display solutions and direct labor costs. In general, newly introduced products and products with higher performance and functionality, as well as more complex displays used in more challenging and demanding environments (such as industrial/specialized applications), tend to be priced higher than more mature products or products with fewer features (such as in the consumer market). In addition, as we shift production of certain of our products out of China and expand production capacity in other geographies, we expect that our labor costs may increase and we may not be able to pass the increased costs onto our customers. We expect that in certain cases the average selling prices during the life cycle of our project related products can decline as they mature. When selling prices decline, we seek to offset this effect by reducing our costs of raw materials and components as part of our overall manufacturing expenses. If we are unable to maintain overall average selling prices or offset any declines in average selling prices with realized savings on product costs, our gross margin will decline.

The Ability of our Customers to Produce and Sell Their Products. Our customers generally use our products and solutions as a component or a portion of their offerings to their own customers, who in turn sell these offerings to end users. Accordingly, our success depends in large part on the ability of our customers to market and sell their offerings that incorporate our products and solutions. Our customers' product offerings are usually complex and may involve many different systems and components, and their ability to sell their products depends on many factors, including the availability of component parts, raw materials and other necessary services; the proper functioning of each of these components and the timeliness and effectiveness of their own processes. Supply or production delays, raw material shortages or the failure or under-performance of components unrelated to our products and solutions may impact our business even when we are able to deliver our products and services timely and defect-free. These factors may cause delays in our customers' production cycles, may cause our customers to cut back or delay their purchases of our products and solutions or may lead them to cease purchases from us entirely for periods of time while they address their production issues. Because our customer agreements typically do not specify minimum order requirements by our customers, our customers usually have no obligation to purchase our solutions if they experience supply issues unrelated to our solutions, or to make any prepayments to us. This dynamic materially affected our revenues in 2019, during which a global shortage of Intel microprocessor chips led our largest customer to delay orders from us. In addition, the COVID-19 pandemic has affected the demand for certain of our customers' products, which had an impact on our revenues for the six months ended June 30, 2020. This dynamic resulted and may in the future result in significant period-on-period volatility in our results of operations.

Our Customer Mix. We operate in two segments and deliver products to customers in three different end-markets: automotive, consumer electronics and industrial/specialized applications. Since 2017, our display solutions segment has experienced a significant change in sales mix by end-markets. In 2017, sales in this segment were predominantly to customers in the consumer end-market and since then, our sales mix has moved toward a more balanced portfolio with the largest concentration being customers in the industrial/specialized applications end-market, followed by consumer and then automotive applications. This rebalancing of our sales mix partially related to our reclassification of ruggedized laptops from consumer applications to industrial/specialized applications in 2018. We sell different types of products into our various customer end-markets such as displays for board computers (automotive), touch displays for consumer appliances (consumer electronics) and highly readable displays for different industrial or medical machines (industrial/specialized applications). We expect customers in industrial/specialized applications end-market to be the largest source of sales and customers in automotive applications and consumer applications to represent slightly lower shares of our sales. This change in sales mix by end-market has generally improved our gross margin and is

expected to continue to improve, as sales to customers in the consumer end-market usually contribute lower gross margin in comparison to those to customers in the industrial/specialized applications and automotive end-markets, as our gross margins generally are higher with more specialized product development. In the first half of 2020 the trends of shifting sales mix continued; however the expected share of the industrial/specialized end-market is expected to be reached in the coming years. An increase in projects with greater margin contributions yielded a higher gross margin in the first half of 2020 compared to the same period in 2019. In our sensor technology segment most of our product sales are used in consumer-related products; however, we are seeing increased use by customers with products in the industrial/specialized applications and automotive end-market. We expect that this increase will accelerate in the future, but that, at least for the next two years, customers in the consumer end-market will to continue to contribute the largest proportion of sales in our sensor technologies segment.

Based on historical experience, we typically generate increased revenue in the second half of the year compared to the first half of the year driven by holiday season demand for consumer products, increased spending by our customers to meet end-of-year budgets, and new product launch cycles in the automotive end market. Conversely revenue in the first quarter is typically the lowest in the year. There can be no assurance, however, that those historical trends will continue for 2020 or in future periods.

Product Development Efforts and Product Lifecycles of our Existing and Potential Customers. Our customers' product life cycles, or the time they wish to purchase and use a particular design, vary significantly depending on their end-market, typically lasting multiple years. Based on our experience, we typically expect life cycles to be approximately 1 to 3 years for consumer electronics, 3 to 7 years in automotive and 3 to 10 or more years in industrial/specialized applications. We estimate our customers' product life cycles on a case-by-case basis, given the close contacts we have with our customers. For consumer electronics products, it typically takes us approximately three months to respond to conceptual requests for information, or RFIs, approximately three months to receive requests for quotes, or RFQs, or business awards, approximately six months to complete development and sampling before we commence commercial shipments, and one to one and a half years to ramp up mass production, and we provide ongoing service for an additional two to three years. For automotive applications, it typically takes us approximately six months to three years to respond to conceptual RFIs, approximately one year to receive RFQs or business awards, two to three years to complete development and sampling before we commence commercial shipments, and three to seven years to ramp up mass production, and we provide ongoing service for an additional eight to ten years. For industrial/specialized applications, it typically takes us approximately one to two years to respond to conceptual RFIs, three to six months to receive RFQs or business awards, one to one and a half years to complete development and sampling before we commence commercial shipments, and three to at least ten years to ramp up mass production, and we provide ongoing service for an additional one to ten years. Consumer electronics products generally have shorter development timelines and automotive and industrialized/specialized products have longer development timelines. As noted above, costs we incur to develop and produce new products can be significant and may not be reimbursed. Commercial shipments of our products can continue for a period exceeding ten years, depending on the end-market or application.

Volatility of Revenues and Operating Cost Levels Due to Currency Exchange Fluctuations. With our multinational presence and our need to source materials from multiple locations to produce our enhanced display solutions, we incur revenues and operating costs in currencies other than the euro. Any currency fluctuation can lead to a corresponding effect on those revenues and operating costs, which in turn can have a material impact on our net income and EBIDTA in certain periods. Additional information on transaction and currency translation risks and our efforts to manage them are contained in "—Quantitative and Qualitative Disclosure About Market Risk."

Identification, Consummation and Integration of Acquisitions. Part of our strategy is to acquire and consolidate complementary businesses or technologies, including research and development capabilities, where possible and on favorable terms. Any future acquisitions could limit year-to-year comparisons of our results of operations. We may also incur substantial debt, issue additional equity securities or use other funding sources to fund future acquisitions. The efforts in integrating newly-acquired companies may affect our results of operations as well as divert management attention and other resources.

Key Components of our Results of Operations

We consider a variety of performance and financial metrics to assess the performance of our business. The following discussion describes the components of our statement of operations and other comprehensive income (loss) and certain key factors affecting our results of operations.

Revenue

Substantially all of our revenue is derived from the sale of our enhanced display solutions and metal mesh touch sensors. We also derive revenue from the provision of optical bonding services and from licensing of our optical bonding process and related sale of equipment. Additionally, beginning in 2019, our display solutions segment began generating revenues from providing automotive camera module research and development engineering services to certain customers. As a company with a global reach, our revenues are generated from sales to customers located in markets in Asia, Europe and the Americas (North and South America). In the segment footnote to the financial statements, located elsewhere in this prospectus, we also present revenues based on the geographical location of our subsidiary that bills the customer.

Cost of Sales

Our total cost of sales consists of the costs associated with the manufacturing (including raw materials costs) and distribution of our products, and other costs (e.g., depreciation and amortization, production-related personnel expenses, freight expenses, inventory write downs, repair of production machinery, rework, warehousing and product warranty). Beginning in 2019, we also incurred personnel, seconded personnel and equipment costs in delivering automotive camera module research and development engineering services. Certain of our traditionally fixed costs, such as production related personnel expenses, are capable of transitioning to variable costs by more efficiently applying the automated aspects of our production lines to reduce labor and associated overhead costs.

Gross Profit

Our gross profit consists of the difference between our revenue and our cost of sales.

Selling Expenses

Our selling expenses mainly consist of personnel expenses (including wages, salaries and bonuses, and social security costs) for our sales and marketing staff, marketing and advertising expenses, internal cost allocations, travel and other expenses. Other expenses include rental fees, car fleet expenses, depreciation and amortization, and sales representative and distributor commissions. Our marketing and advertising expenses are comprised of fees for our attendance at industry fairs, advertisements, press services, web-based marketing as well as other marketing expenses, including product samples used to market our solutions. As a result of our international expansion and increasing complexity of our enhanced display solutions, as well as anticipated increases in revenues, we believe that our total selling expenses are likely to increase both in absolute terms and as a percentage of revenues over the next few years.

General Administrative Expenses

Our general administrative expenses mainly consist of personnel expenses (including wages, salaries and bonuses, and social security costs) for our administrative staff, rent, building and maintenance expenses as well as other expenses. The other expenses include items such as legal, consulting and audit fees, general maintenance expenses, fees for third party services, depreciation and amortization, travel expenses as well as insurance premiums. As a public company, we expect our general administrative expenses to increase both in absolute terms and as a percentage of revenues as we are required to deploy additional resources to comply with the increased capital markets, financial reporting and regulatory requirements.

Research and Development Expenses

We incur research and development expenses in connection with the design and development of our solutions, including to improve the technical capabilities of our product offerings generally and in connection with project-based client-driven specifications and requirements. Our research and development expenses consist of personnel expenses, fees for third-party research and development services, supplies and other expenses. We expect that our research and development expenses could increase as a percentage of revenue to the extent that our development and design costs, specifically within automotive applications, increase and as we focus increasingly on developing products and services directly for automotive customers as well as research and development relating to interactive display solutions and other camera-enhanced displays, three dimensional displays, new sensor technologies, software enhancements and embedded computing.

We incur research and development costs in relation to internal research and development projects. Product development costs under IFRS are generally required to be capitalized if the product being developed is technically and commercially viable, the costs of the development can be measured reliably, there are probable future economic benefits from the development and we have sufficient intent and resources to complete the development and use or sell the resulting asset. Other development expenditures that do not meet these criteria are recognized as incurred. We expense research costs as incurred. We have not capitalized any development costs as of June 30, 2020 or in any prior period.

Other Operating Income and Expenses

Our other operating income and expense consists of income from foreign currency transaction gains or losses, losses on disposal of fixed assets, non-income taxes, bad debt provisions, damages/insurance proceeds, indemnities due to inadequate quality of third-party materials received by us, and miscellaneous income or expense. Foreign currency transaction gains or losses arise from transactions denominated in a foreign currency when the transaction date and settlement date differs.

Financial Result

Financial result is financial income less financial expenses. Financial income consists of interest income on our cash and cash equivalents. Interest income is recognized as it accrues, using the effective interest method. Financial expenses include interest expenses related to our financing facilities and the impact of currency exchange fluctuations on the principal balance of our outstanding financing facilities that are denominated in currencies other than euros.

Income Tax Expenses

The income tax expense for the period comprises current and deferred income tax. Income taxes are recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Exchange Differences on Translation of Foreign Operations

Exchange differences on translation of foreign operations are primarily driven by fluctuations between the euro and functional currencies of our subsidiaries which include the Japanese yen, Chinese renminbi and US dollar and are recognized in other comprehensive income.

Other Categories of Expenses Affecting Results

Depreciation and Amortization Expenses

Depreciation and amortization expenses are included in our cost of sales, general administrative and selling expenses. Following our adoption of IFRS 16, effective January 1, 2019, our depreciation expenses are primarily related to our rental and lease costs and the equipment we use in the development and production of our products. Our amortization expenses are primarily related to the amortization of other intangible assets such as patents and software licenses, and beginning in 2018 following the acquisition of VTS, amortization of intangible assets, primarily, customer relationships. The table below sets forth the allocation of our depreciation and amortization expenses among our cost of sales, general administrative and selling expenses:

	Six Months Ended June 30,		Year Ended December 31,		
	2020	2019	2019	2018	2017
	(€ in thousands)				
	(unaudited)				
Cost of sales	€ 2,647	€ 2,412	€ 5,146	€ 2,675	€ 288
General administrative expenses	264	380	853	180	254
Selling expenses	601	251	538	357	—
Total depreciation and amortization expenses	3,512	3,043	6,537	3,212	542

Deferred Offering Costs

As of June 30, 2020, we had capitalized €7,086,616 in deferred offering costs, an increase of €617,145 compared to December 31, 2019. These costs are comprised of fees and expenses of professional advisers, as well as travel costs, as of June 30, 2020. The deferred costs will be reclassified to shareholders' equity and offset against IPO proceeds upon completion of the offering. In the event the offering is abandoned or terminated, deferred offering costs will be expensed immediately.

COVID-19 Pandemic

In December 2019, a novel strain of coronavirus, since named SARS-CoV-2, causing the disease known as COVID-19, was reported in China. Since then, COVID-19 has spread globally, including throughout the United Kingdom and Europe, as well as the United States. In March 2020, the World Health Organization declared the outbreak of COVID-19 as a "pandemic," or worldwide spread of a new disease. In response, many countries around the world, including the European Union and the United States, have imposed quarantines and restrictions on travel and mass gatherings to slow the spread of the virus, and have closed non-essential businesses.

We could be materially and adversely affected by the risks, or the public perception of the risks, related to an epidemic, pandemic, outbreak, or other public health crisis, such as the recent outbreak of COVID-19. During one week of the COVID-19 pandemic, the Chinese government imposed production-limiting measures, and then travel restrictions within China for several weeks thereafter, which led to reduced output of our production facilities located in China and increased net costs of component parts due to increased labor costs. In Japan, VTS temporarily halted production for two

weeks in March 2020 due to decreased order volume but has since resumed normal production capacity. In addition, the COVID-19 pandemic has affected our revenues, resulting in part in decreased sales for the six months ended June 30, 2020 of 8.1% as compared to the six months ended June 30, 2019 and a 22.1% decrease in revenue in the three months ended March 31, 2020 compared to the three months ended March 31, 2019. We have taken numerous steps to mitigate the impact of the pandemic on our results of operations, including implementing a work-from-home policy for non-manufacturing employees and alternative production shifts for our manufacturing operations. Furthermore, we engaged in cost reduction activities such as ceasing the recruitment of personnel. However, the impact of the pandemic on our revenue during the three months ended March 31, 2020 was material, and has adversely affected our supply chains, logistics, and the availability of our workforce. COVID-19 has continued to impact customer demand in 2020, which we believe has muted revenue growth this year, and there can be no assurance that COVID-19 will not continue to have an adverse impact on our revenue and margins in future periods.

The ultimate extent of the impact of any epidemic, pandemic, outbreak, or other public health crisis on our business, financial condition and results of operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of such epidemic, pandemic, outbreak, or other public health crisis and actions taken to contain or prevent the further spread, among others. Accordingly, we cannot predict the extent to which our business, financial condition and results of operations will be affected.

Six Months Ended June 30, 2020 Compared to June 30, 2019

Results of Operations

The following table sets forth data from our statement of operations and other comprehensive income/loss both on an actual basis and as a percentage of revenues for the periods indicated:

	Six Months Ended June 30,				Period Over Period Change (2020 v. 2019)	
	2020		2019			
	Amount (€ in thousands)	Percentage of Revenue	Amount (€ in thousands)	Percentage of Revenue	Amount (€ in thousands)	Percentage
	(unaudited)					
Revenue	64,856	100%	70,563	100%	(5,707)	(8.1)%
Cost of sales	(55,193)	85.1	(63,485)	90.0	(8,293)	(13.1)
Gross profit	**9,663**	14.9	**7,078**	10.0	**2,585**	36.5
Selling expenses	(2,232)	3.4	(2,256)	3.2	24	1.1
General administrative expenses	(6,314)	9.7	(7,653)	10.8	(1,339)	(17.5)
Research and development expenses	(1,060)	1.6	(542)	0.8	518	95.6
Other operating income (expenses), net(1)	364	0.6	617	0.9	253	(41.0)
Operating income(loss)	**421**	0.6	**(2,756)**	3.9	**3,177**	115.3
Financial result	(712)	1.1	(782)	1.1	70	9.0
Profit/(loss) before tax	**(291)**	0.5	**(3,538)**	5.0	**3,247**	91.8
Income tax benefit/(expense)	(576)	0.9	1,079	1.5	(1,655)	(153.4)
Net (loss)/profit	**(867)**	1.3	**(2,460)**	3.5	**1,593**	64.8
Other comprehensive income						
Exchange differences on translation of foreign operations	(224)	0.3	48	0.07	(272)	(566.7)
Comprehensive income/(loss)	**(1,091)**	1.7	**(2,412)**	3.4	**1,321**	54.8

(1) Amount is shown on a net basis solely for convenience of the reader. Please refer to our condensed consolidated financial statements and related notes, each included elsewhere in this prospectus, for a presentation of Other operating income and Other operating expense on a gross basis.

Revenue

Our revenue decreased €5,707,379, or 8.1%, to €64,855,561 for the six months ended June 30, 2020 as compared to €70,562,940 for June 30, 2019. This was due to decreased sales of €2,371,602, €1,918,176 and €1,417,601 to customers in our American, Asian and European markets, respectively. The decline in revenues was mainly due to decreased orders by our customers, particularly during the first three months of 2020, when our revenues decreased by 21.9% compared to the first three months of 2019, which we believe was due primarily to the business interruptions caused by the COVID-19 global pandemic. Additionally, during this period, the Chinese government imposed production-limiting measures, which led to reduced output of our production facilities located in China. In Japan, our production was temporarily halted for two weeks in March 2020. While these limitations on our production further impacted our ability to fulfill sales during the six months ended June 30, 2020, we experienced a 52.3% increase in revenues in the three months ended June 30, 2020 compared to the

three months ended March 31, 2020. Revenue from our display solutions segment decreased €4,958,260, or 8.5%, to €53,334,248 for the six months ended June 30, 2020 as compared to €58,292,508 for June 30, 2019 and revenue from our sensor technologies segment decreased €749,119, or 6.1%, to €11,521,313 for the six months ended June 30, 2020 as compared to €12,270,432 for June 30, 2019.

Cost of Sales and Gross Profit

Costs of sales decreased €8,292,446, or 13.1%, to €55,192,476 for the six months ended June 30, 2020 as compared to €63,484,922 for June 30, 2019, which generally corresponds with the decline in revenue for the period. Total gross profit increased €2,585,067, or 36.5%, to €9,663,085 for the six months ended June 30, 2020 from €7,078,018 for June 30, 2019. Gross profit increased by 18.7% in the three months ended June 30, 2020 compared to March 31, 2020, primarily due to lessened impact from the COVID-19 shutdowns of certain of our production facilities in the first quarter of 2020. Gross profit from our display solutions and sensor technologies segments for the six months ended June 30, 2020 was €7,614,201 and €2,147,156, respectively. Our gross profit for our display solutions segment decreased €586,826, or 7.2% to €7,614,201, for the six months ended June 30, 2020 as compared to €8,201,027 for June 30, 2019, primarily driven by the amount of our costs that are fixed costs and therefore unaffected by changes in our revenues. We also experienced a reduction in license revenue of €369,552 in the six months ended June 30, 2020 compared to June 30, 2019; such revenue has no associated cost of sales and thus has a direct impact on our gross profit for our display solutions segment. Our gross profit for our sensor technologies segment increased €3,270,165, or 291.2%, to €2,147,156 for the six months ended June 30, 2020 as compared to €(1,123,009) for June 30, 2019. During the six months ended June 30, 2020, gross profit in our sensor technologies segment was positively impacted by greater utilization of our in-house production capabilities with less dependency on purchasing films from third party suppliers, which negatively impacted our gross profit in the six months ended June 30, 2019. Beginning in the fourth quarter of 2019, in response to decreases in revenue, we took steps to manage our variable costs by more efficiently applying the automated aspects of our production lines to reduce labor and overhead costs and minimize production waste, consolidating various management roles and positions and reducing our seconded workforce, which we refer to as our cost saving program. Our total gross margin was 14.9% for the six months ended June 30, 2020, and was higher than our total gross margin of 10.0% for the six months ended June 30, 2019. Gross margin for our display solutions segment was 14.3% for the six months ended June 30, 2020, while gross margin for our sensor technologies segment was higher at 18.6%.

Selling Expenses

Our selling expenses decreased €24,492, or 1.1%, to €2,231,807 for the six months ended June 30, 2020 as compared to €2,256,299 for June 30, 2019. The decrease reflects the reduction in travel-related costs for customer visits, as we conducted much of our selling activities remotely through online media due to the COVID-19 pandemic.

General Administrative Expenses

Our general administrative expenses decreased €1,339,746, or 17.5%, to €6,313,632 for the six months ended June 30, 2020 as compared to €7,653,378 for June 30, 2019. This decrease was mainly due to a reduction in personnel costs as a result of cost savings programs in the sensor technologies segment.

Research and Development Expenses

Our research and development expenses increased €518,017, or 95.5%, to €1,060,315 for the six months ended June 30, 2020 as compared to €542,298 for June 30, 2019. This increase was primarily due to our increased research into automotive camera module technologies.

Other Operating Income and Other Operating Expenses

On a net basis, other operating income (expenses), decreased €253,830, or 41.1%, for the six months ended June 30, 2020 to €363,725 as compared to €617,556 for June 30, 2019. Other operating income and expenses consisted mainly of exchange gains and losses, movements in the bad debt allowances and other partially offsetting miscellaneous income and expense items.

Financial Result

Our financial result decreased by €69,761, or 8.9%, to a loss of €712,008 for the six months ended June 30, 2020 as compared to a loss of €781,770 for June 30, 2019. This decrease was due to the lower interest rates on our borrowings under our bank loans.

Three Months Ended June 30, 2020 Compared to June 30, 2019

The following table sets forth data from our statement of operations and other comprehensive income/loss both on an actual basis and as a percentage of revenues for the periods indicated:

	Three Months Ended June 30,				Period over Period Change (2020 v. 2019)	
	2020		2019			
	Amount (€ in thousands)	Percentage of Revenue	Amount (€ in thousands)	Percentage of Revenue	Amount (€ in thousands)	Percentage
	(unaudited)					
Revenue	€ 39,172	100%	€ 37,685	100%	€ 1,487	3.9%
Cost of sales	(33,923)	(86.6)	(33,264)	(88.3)	(659)	(2.0)
Gross profit	**5,249**	13.4	**4,421**	11.7	828	18.73
Selling expenses	(1,097)	(2.8)	(1,175)	(3.1)	78	6.7
General administrative expenses	(3,230)	8.2	(3,867)	(10.3)	637	16.7
Research and development expenses	(491)	(1.3)	(334)	(0.9)	(157)	(47.0)
Other operating income (expenses), net(1)	446	1.1	470	1.2	(24)	(5.0)
Operating income(loss)	**877**	2.2	**(485)**	(1.3)	1,362	280.8
Financial result	(319)	(0.8)	(415)	(1.1)	96	23.2
Profit/(loss) before tax	**558**	1.4	**(900)**	(2.4)	1,458	162.0
Income tax benefit/(expense)	(407)	(1.0)	351	0.9	(758)	(215.9)
Net (loss)/profit	**151**	0.4	**(549)**	(1.5)	700	127.5
Other comprehensive income						
Exchange differences on translation of foreign operations	(174)	(0.4)	(481)	(1.3)	307	63.8
Comprehensive income/(loss)	**(23)**	(0.1)	**(1,030)**	(2.7)	1,007	97.8

(1) Amount is shown on a net basis solely for convenience of the reader. Please refer to our consolidated financial statements and related notes, each included elsewhere in this prospectus, for a presentation of Other operating income and Other operating expense on a gross basis.

Results of Operations

Revenue

Our revenue increased €1,487,162, or 3.9%, to €39,172,259 for the three months ended June 30, 2020 as compared to €37,685,097 for June 30, 2019. This was primarily due to the increased sales of €2,349,247 to customers in our Asian market, offset partially by decreased sales of €739,685 and €122,401 to customers in our European and American markets, respectively. Revenue from our display solutions segment remained relatively consistent with a slight decrease of €34,486, or 0.1%, to €32,554,214 for the three months ended June 30, 2020 as compared to €32,588,703 for June 30, 2019. Revenue from our sensor technologies segment increased €1,521,648, or 29.9%, to €6,618,042 for the three months ended June 30, 2020 as compared to €5,096,394 for June 30, 2019. The increase in revenue is largely driven by higher sales to certain consumer end-market customers, principally Dell, which, in the prior year, had experienced a shortage of Intel microprocessor chips that are central to their product offerings and had caused a decline in our revenues in the three months ended June 30, 2019. The microprocessor chip shortage was resolved late in 2019. Additionally, our sales to consumer end-market customers increased as a result of the COVID-19 pandemic. Due to travel restrictions and "stay-at-home" orders imposed by governmental agencies, many organizations and companies implemented work-from-home policies which led to increased consumer electronic purchases, resulting in an uptick in the sales of consumer products containing our products. However, sales of our products to customers in the automotive and industrial/specialized applications end-markets declined due to these industries having been particularly impacted by global demand decreases as a result of the COVID-19 pandemic.

Cost of Sales and Gross Profit

Costs of sales increased by €659,425, or 2.0%, to €33,923,274 for the three months ended June 30, 2020 as compared to €33,263,849 for June 30, 2019. During the same period, our revenue increased at a higher rate than our costs of sales. Total gross profit increased €827,737, or 18.7%, to €5,248,985 for the three months ended June 30, 2020 from €4,421,248 for June 30, 2019. Gross profit from our display solutions and sensor technologies segments for the three months ended June 30, 2020 was 3,658,201 and €1,657,004, respectively. Our gross profit for our display solutions segment decreased €1,736,524, or 32.2%, for the three months ended June 30, 2020 as compared to June 30, 2019, primarily driven by the increase in our sales mix of certain significant customers. Those customers primarily operate in the consumer electronics industry for which a lower margin is earned as this industry is extremely competitive. We also experienced a reduction in license revenue of €373,520 in three months ended June 30, 2020 compared to June 30, 2019; such revenue has no associated cost of sales and thus has a direct impact on our gross profit for our display solutions segment. Our gross profit for our sensor technologies segment increased €2,630,481, or 270.2%, for the three months ended June 30, 2020 as compared to June 30, 2019, primarily driven by a change in product mix and a greater utilization of our in-house production capabilities with less dependency on purchasing films from third party suppliers. Externally-sourced films are more expensive than those we produce in-house, require high minimum purchase quantities and yield lower production volumes. Our total gross margin was 13.4% for the three months ended June 30, 2020 which was higher compared to our total gross margin of 11.7% for June 30, 2019. Gross margin for our display solutions segment was 11.2% for the three months ended June 30, 2020, while gross margin for our sensor technologies segment was higher at 21.9%. Furthermore, the cost saving program started in the fourth quarter of 2019 had a positive effect on gross profit and margin in the quarter.

Selling Expenses

Our selling expenses decreased €78,323, or 6.7%, to €1,096,923 for the three months ended June 30, 2020 as compared to €1,175,246 for June 30, 2019. This decrease was primarily due to a

reduction in travel-related costs for customer visits, as we conducted much of our selling activities remotely through online media due to the COVID-19 pandemic.

General Administrative Expenses

Our general administrative expenses decreased €636,970, or 16.5%, to €3,230,316 for the three months ended June 30, 2020 as compared to €3,867,286 for June 30, 2019. This decrease was mainly due to decreased personnel costs of €766,559 as a result of cost savings programs in the sensor technologies segment.

Research and Development Expenses

Our research and development increased €157,320, or 47.0%, to €491,014 for the three months ended June 30, 2020 as compared to €333,694 for June 30, 2019. This increase was primarily due to our increased research of automotive camera module technologies.

Other Operating Income and Other Operating Expenses

On a net basis, other operating income (expenses) decreased €23,676, or 5.0%, to €446,386 for the three months ended June 30, 2020 as compared to €470,062 for June 30, 2019. Like in the previous period, other operating income and expenses consisted mainly of exchange gains and losses, movements in bad debt allowances and other partially offsetting miscellaneous income and expense items.

Financial Result

Our financial result decreased by €96,077, or 23.2%, to a loss of €318,944 for the three months ended June 30, 2020 as compared to a loss of €415,021 for June 30, 2019. This slight decrease was due to the reduced interest rate on our borrowings under our bank loans.

Year Ended December 31, 2019 Compared to December 31, 2018

Results of Operations

The following table sets forth our statement of operations and other comprehensive income (loss) data both on an actual basis and as a percentage of revenues for the periods indicated:

	Year Ended December 31,				Period Over Period Change (2019 v. 2018)	
	2019		2018 (restated[(2)])			
	Amount (€ in thousands)	Percentage of Revenue	Amount (€ in thousands)	Percentage of Revenue	Amount (€ in thousands)	Percentage
Revenue	€ 137,231	100%	171,679	100%	(34,448)	(20.1)%
Cost of sales	(127,210)	92.7	(149,873)	87.3	22,663	15.1
Gross profit	**10,021**	7.3	**21,806**	12.7	**(11,785)**	(54.1)
Selling expenses	(4,252)	3.1	(4,295)	2.5	43	1.0
General administrative expenses	(13,197)	9.6	(13,267)	7.7	70	0.5
Research and development expenses	(2,490)	1.8	(1,337)	0.8	(1,153)	(86.2)
Other operating income (expenses), net(1)	(1,056)	0.8	1,991	1.2	(3,047)	(153.0)
Operating (loss) income	**(10,974)**	8.0	**4,898**	2.9	**(15,872)**	(324.1)
Financial result	(1,642)	1.2	(1,142)	0.7	(500)	(43.8)
(Loss) profit before tax	**(12,616)**	9.2	**3,756**	2.2	**(16,372)**	(435.9)
Income tax expense	(742)	0.5	(378)	0.2	(364)	(96.3)
Net (loss)/profit	**(13,358)**	9.7	**3,378**	2.0	**(16,736)**	(495.4)
Other comprehensive income						
Exchange differences on translation of foreign operations	117	0.1	23	0.0	94	408.7
Comprehensive (loss)/income	**(13,241)**	9.6	**3,402**	2.0	**(16,642)**	(489.3)

(1) Amount is shown on a net basis solely for convenience of the reader. Please refer to our consolidated financial statements and related notes, each included elsewhere in this prospectus, for a presentation of Other operating income and Other operating expense on a gross basis.

(2) The 2018 consolidated statement of operations and other comprehensive income (loss) has been restated to correct an error. Refer to Note 2.4 of the 2019 consolidated financial statements for additional information.

Revenue

Our revenue decreased €34,447,559, or 20.1% to €137,231,335 in 2019 as compared to €171,678,894 in 2018. This was primarily due to the decreased sales of €34,705,731 and €154,126 to customers in our Asian and American markets, respectively, offset partially by increased sales of €390,664 to customers in our European market. Revenue from our display solutions segment decreased €36,956,541, or 24.6%, in 2019. This decrease was partially offset by a €2,508,982, or 11.7%, increase in revenues from our sensor technologies segment, which we established when we purchased VTS on March 28, 2018, as a result of it being in operation for the entire year 2019. This increase in revenues was offset during this period due to lower than anticipated sales to certain consumer end-market customers, namely Dell, who experienced delays in their production cycles due to the global shortage in Intel microprocessor chips that are central to their product offerings.

The decline in revenue from our display solutions segment was primarily driven by a €48,639,198 reduction in revenue from three of our customers, Dell, AU Optronics and Mutto. The decline in revenue from Dell during this period resulted from delays in Dell's production cycle that were triggered by a shortage in Intel microprocessor chips, which are central to Dell's product offerings. As a result of these production delays, Dell reduced its purchases from us during this period. The decline in revenue

from Mutto during 2019 resulted from Mutto performing its requisite optical bonding process in-house pursuant to a license they requested from us for our patented optical bonding technology. The revenue that we generated from licensing our technology to Mutto was lower than the revenue we generated from sales to Mutto in 2018; however, we granted Mutto a license to our technology because of the importance of, our relationship with Mutto to our business as a whole. The decline in revenue from AU Optronics during 2019 resulted from lower sales by AU Optronics to one of their customers that experienced production declines during this period, which led AU Optronics to correspondingly reduce their purchases from us during the relevant period.

The decreases in revenues from Mutto and AU Optronics affected our Chinese subsidiary's sales. In addition we experienced a decline in licensing revenue due to a reduced focus in licensing our patented *Max VU*™ optical bonding process. These revenue declines were partially offset by increased revenues from our industrial/specialized applications and automotive customers and from €2,324,044 in revenues generated from providing certain automotive camera module research and development engineering services to certain customers in 2019 (nil in 2018) as part of our continuing strategy to be an integrated solutions provider.

Cost of Sales and Gross Profit

Costs of sales decreased €22,663,750, or 15.1%, to €127,209,624 in 2019 as compared to €149,873,374 in 2018, which generally corresponds with the decline in revenue for the relevant period; the decrease in cost of sales was partially offset by the recognition of €946,242 in additional licensing fees for patents used in our sensor technologies segment. Total gross profit decreased €11,783,809, or 54.0%, to €10,021,711 in 2019 from €21,805,520 in 2018. Gross profit/(loss) from our display solutions and sensor technologies segments in 2019 was €11,975,923 and €(1,954,212), respectively. Our gross profit for our display solutions segment decreased €8,481,668, or 41.5% in 2019 as compared to 2018, primarily driven by the amount of our costs that are fixed costs, primarily personnel and equipment-related maintenance and depreciation costs, and therefore unaffected by changes in our revenues. In 2019, in response to decreases in revenue, we took steps to manage our variable costs by implementing our cost saving program. We also experienced a reduction in license revenue of €2,329,111 in 2019 compared to in 2018; such revenue has no associated cost of sales and thus has a direct impact on our gross profit for our display solutions segment. Our total gross margin was 7.3% for 2019 compared to our total gross margin of 12.7% for 2018. Gross margin for our display solutions segment was 10.6% for 2019, while gross margin for our sensor technologies segment was significantly lower at (8.2)%. In 2019, the gross profit and gross margin in our sensor technologies segment decreased primarily due to fixed personnel costs remaining relatively unchanged compared to 2018 without proportionately increased revenues to offset them. The gross profit and gross margin in our sensor technologies segment was also negatively impacted by inventory stock costs relating to our purchase of third party metal mesh films to satisfy heightened demand for our product at a time which we experienced production capacity limitations. Satisfying this demand required us to purchase films from an external source that were more expensive than those we produce in-house, at high minimum quantities and which yielded lower production volumes. This also caused us to incur related costs and expenses in connection with using such films and the aforementioned additional patent licensing fees. During the fourth quarter of 2019, we began qualifying additional external suppliers to enable more efficient production yields.

Selling Expenses

Our selling expenses decreased slightly by €43,173, or 1.0%, to €4,252,062 for 2019 as compared to €4,295,235 for 2018 as a result of decreased ongoing sales activities to support our strategic initiatives. Our selling expenses increased as a percentage of revenue in 2019 to 3.1% from 2.5%

General Administrative Expenses

Our general administrative expenses decreased slightly by €69,496, or 0.5%, to €13,197,135 for 2019 as compared to €13,266,631 for 2018 as we continued to support the administrative needs of our operations. Our general administrative expenses increased as a percentage of revenue in 2019 to 9.6% from 7.7% in 2018.

Research and Development Expenses

Our research and development expenses increased €1,153,419, or 86.3%, to €2,490,259 for 2019 as compared to €1,336,840 for 2018. This increase was mainly due to the full year impact of research and development costs in our sensor technologies segment, which we established when we purchased VTS on March 28, 2018, following its integration into our business, and from personnel costs, incurred in our display solutions segment for activities which enabled us to provide automotive camera module research and development engineering services, which were not incurred in 2018. Our research and development expenses increased as a percentage of revenue in 2019 to 1.8% from 0.8%

Other Operating Income and Other Operating Expenses

On a net basis, other operating income (expense), decreased €3,047,343 for 2019 to €(1,056,146) as compared to €1,991,197 in 2018. This decrease is primarily due to the absence in 2019 of a €2,992,660 bargain purchase gain associated with our VTS acquisition during 2018 (described in Note 5 of our consolidated financial statements and the related notes, which are included elsewhere in this prospectus) and a €317,042 increase in expense from bad debt allowances.

Financial Result

Our financial result decreased by €500,591 or 43.9%, to €(1,642,182) for 2019 as compared to €(1,141,591) for 2018. This decrease almost entirely relates to increased interest expenses on our borrowings under our bank loans.

Year Ended December 31, 2018 Compared to Year Ended December 31, 2017

Results of Operations

The following table sets forth our statement of operations and other comprehensive income (loss) data both on an actual basis and as a percentage of revenues for the periods indicated:

	Year Ended December 31,				Period Over Period Change (2018 v. 2017)	
	2018 (restated[2])		2017			
	Amount (€ in thousands)	Percentage of Revenue	Amount (€ in thousands)	Percentage of Revenue	Amount (€ in thousands)	Percentage
Revenue	€ 171,679	100%	€ 131,031	100%	€ 40,648	31.0%
Cost of sales	(149,873)	87.3	(113,232)	86.4	36,641	32.4
Gross profit	**21,806**	12.7	**17,799**	13.6	**4,007**	**22.5**
Selling expenses	(4,295)	2.5	(3,735)	2.9	560	15.0
General administrative expenses	(13,267)	7.7	(7,988)	6.1	5,279	66.1
Research and development expenses	(1,337)	0.8	(798)	0.6	539	67.5
Other operating income (expenses), net(1)	1,991	1.2	33	0.0	1,958	5,933.3
Operating income	**4,898**	2.9	**5,311**	4.1	**(413)**	**(7.8)**
Financial result	(1,142)	0.7	(696)	0.5	446	64.1
Profit before tax	**3,756**	2.2	**4,615**	3.5	**(859)**	**(18.6)**
Income tax expense	(378)	0.2	(1,262)	1.0	(884)	(70.0)
Net profit	**3,378**	2.0	**3,354**	2.6	**25**	**0.7**
Other comprehensive income						
Exchange differences on translation of foreign operations	23	0.0	(165)	0.1	188	113.9
Comprehensive income	**3,402**	2.0	**3,189**	2.4	**213**	**6.7**

(1) Amount is shown on a net basis solely for convenience of the reader. Please refer to VIA optronics AG's consolidated financial statements and related notes, each included elsewhere in this prospectus, for a presentation of Other operating income and Other operating expense on a gross basis.

(2) The 2018 consolidated statement of operations and other comprehensive income (loss) has been restated to correct an error. Refer to Note 2.4 of the 2019 consolidated financial statements for additional information.

Revenue

Our revenues increased €40,647,483, or 31.0%, to €171,678,894 in 2018 as compared to €131,031,411 in 2017. This increase was mainly due to the addition of €21,363,541 of revenue generated by our sensor technologies segment following our acquisition of a majority interest in VTS on March 29, 2018. Revenue from our display solutions segment increased €19,283,942, or 14.7%, in 2018. This was primarily due to the increased sales of €35,254,490, €3,943,318 and €1,449,675 to customers in our Asian, American and European markets, respectively. The total number of displays sold in our display solutions segment during 2018 remained relatively flat, however, the average selling price of such displays increased at levels generally in line with our percentage increase in our revenues during 2018 as our sales mix became more concentrated toward customers in the industrial/specialized applications end-market with whom we achieve higher selling prices due primarily to their ability to achieve higher selling prices, as they offer more premium products to their end customers.

Cost of Sales and Gross Profit

Costs of sales increased €36,641,862, or 32.4%, to €149,873,374 in 2018 as compared to €113,231,512 in 2017, which is generally in line with our growth in revenue. Total gross profit increased €4,005,621, or 22.5%, to €21,805,520 in 2018 from €17,799,899 in 2017. All of our revenue and gross profit in 2017 was realized from our display solutions segment. Gross profit from our display solutions and sensor technologies segments in 2018 was €20,457,591 and €1,123,471, respectively, after eliminating inter-segment consolidation adjustments of €224,459. Our gross profit for our display solutions segment increased €2,657,692, or 14.9%, in 2018 as compared to 2017, primarily relating to the high gross profit and favorable margin from our VIA Suzhou operations. Our total gross margin of 12.7% in 2018 was slightly lower as compared to a total gross margin of 13.6% in 2017. In 2018, gross margin for our display solutions segment was 13.6%, while gross margin for our sensor technologies segment was lower at 5.3%. This is primarily due to the fact that our metal mesh touch sensors are generally more costly to produce than our display solutions.

Selling Expenses

Our selling expenses increased €560,305, or 15.0%, to €4,295,235 in 2018 as compared to €3,734,930 in 2017. The increase in our selling expenses primarily relates to increases in our employee benefits of €753,957, depreciation and amortization of €356,331 and purchased services of €182,365, which amount was partially offset by a decrease in lease and contingent rent expenses of €852,012.

General Administrative Expenses

Our general administrative expenses increased €5,278,141, or 66.1%, to €13,266,631 in 2018 as compared to €7,988,490 in 2017. This increase was mainly due to the significant increase in our employee headcount resulting in higher personnel expenses attributable to our acquisition of a majority of VTS on March 29, 2018. This increase was mainly due to higher vehicle and travel expenses of €1,713,133, employee benefits of €1,724,785, consultancy and audit costs of €806,277, lease and contingent rent of €718,980 as well as taxes, other dues and charges of €355,810. Our general administrative expenses increased significantly as a percentage of our revenue in 2018 to 7.7%.

Research and Development Expenses

Our research and development expenses increased €538,841, or 67.5%, to €1,336,840 in 2018 as compared to €797,999 in 2017. This increase was mainly due to the costs of purchased services by VTS and higher consumption of materials, including quality and testing equipment, to support existing and future research and development projects. Research and development expenses increased as a percentage of our revenues to 0.8% in 2018 from 0.6% in 2017.

Other Operating Income and Other Operating Expenses

On a net basis, other operating income (expense), increased €1,958,591 in 2018 to €1,991,197 as compared to €32,605 in 2017. This increase is primarily due to our recognition of a €2,992,660 bargain purchase gain associated with our acquisition of a majority of VTS, which was partially offset by a €954,484 increase in miscellaneous other operating expenses, such as tooling expenses, off-site expenses and customs duties. The relationship of our exchange gains and losses in 2018 remained essentially flat as compared to 2017.

Financial Result

Our financial result decreased €445,581, or 64.0%, to €(1,141,591) in 2018 as compared to €(696,010) in 2017. This increase almost entirely relates to increased interest expenses of €1,140,047 on our borrowings under our bank loans due to a €17,890,788 increase in the aggregate amount of our

outstanding borrowings in 2018, which was principally driven by increased working capital requirements and the establishment of a new working capital loan to support VTS's operations in Japan.

Liquidity and Capital Resources

To date, we have financed our operations primarily through sales of our products and services, including licensing, as well as borrowings under our working capital and equipment financing facilities. As of June 30, 2020, we had cash and cash equivalents of €7,167,862 and we had access to seven credit and equipment financing facilities, two of which were with banks located in Germany, four of which were with banks located in China and one of which was with a bank located in Japan. We have an aggregate availability of €9.6 million under the German facilities, CNY 175 million under the Chinese facilities and 263 million Japanese yen under the Japanese facilities to support our short term working capital and capital expenditure requirements, of which €8.0 million, CNY 152.5 million and 133.7 million Japanese yen, respectively, or €30,983,164 in the aggregate, were outstanding as of June 30, 2020 as compared to an aggregate of €28,648,651 outstanding as of December 31, 2019. At June 30, 2020, the blended interest rate of these facilities was 2.9% for the German facilities, 3.3% for the Chinese facilities and approximately 1.0% for the Japanese facilities. These facilities generally require repayment within six months except for the long term Japanese facility which matures on October 31, 2023. We are not bound by any restrictive covenants with respect to these working capital facilities, however the subsidiaries that are borrowers under certain of these bank loans have pledged a portion of their receivables to the applicable lender up to the drawn balance of the respective loans to support the obligations under such loans. Historically we have been able to obtain replacement working capital financing upon the maturity of our bank loans. Additionally, in 2019, our majority shareholder provided us with a €2 million loan due for repayment in February 2021.

We generally receive payment from our customers within 60-90 days of the date of delivery of our products and services to our customers and maintain 30-60 day payment terms with our suppliers. We have historically used cash generated from our operations and short-term borrowings under our existing working capital financing facilities to fund our working capital requirements.

Future Capital Requirements

We believe that our existing cash and cash equivalents, together with the net proceeds of this offering and availability under our current or future working capital and equipment financing facilities, will be sufficient to meet our working capital requirements for at least the next 12 months. Our future capital requirements will depend on many factors, including our growth rate and any acquisitions we may complete. In the event that additional financing is required from outside sources, we may be unable to raise the funds on acceptable terms, if at all. If we are unable to raise additional capital when desired, our business, operating results and financial condition could be adversely affected.

Cash flows

	Six Months Ended June 30,		Year Ended December 31,		
	2020	2019	2019	2018	2017
	(unaudited)		(€ in thousands)		
Net cash provided by (used in) operating activities	€ (1,874)	€ (3,261)	€ 5,256	€ (8,903)	€ (2,041)
Net cash used in investing activities	(474)	(1,003)	(3,091)	(3,822)	(1,167)
Net cash provided by (used in) financing activities	169	1,696	(2,795)	15,994	3,752
Net increase (decrease) in cash and cash equivalents	(2,179)	(2,568)	(630)	3,269	544
Cash and cash equivalents at the end of the period	7,168	7,413	9,335	9,943	6,623

Net cash provided by (used in) operating activities

For the six months ended June 30, 2020, our net cash used in operating activities decreased €1,387,320 to €1,873,520 as compared to €3,260,840 for the six months ended June 30, 2019. This decrease corresponds primarily to decreased income tax payments and increased trade receivables collections during the six months ended June 30, 2020 as compared to the six months ended June 30, 2019.

In 2019, our net cash provided by operating activities increased €14,159,420 to €5,255,966 as compared to a net cash usage of €(8,903,454) for 2018. This increase was primarily due to increased collections of trade accounts receivable, decreased payment of other liabilities and decreased inventories at fiscal year-end, partially offset by the loss before income taxes.

In 2018, our net cash used in operating activities increased €6,862,317 to €8,903,454 as compared to €2,041,137 for 2017. This increase was primarily due to an increase in our trade and other receivables of €15,701,254 primarily related to our general increase in sales volume. This was partially offset by an increase in deferred income taxes and taxes payable of €3,624,634 and a decrease in our inventories of €1,344,330, which primarily related to VTS having a different inventory cycle than our display solutions segment.

In 2017, our net cash used in operating activities was €2,041,137, which was primarily driven by a €15,483,667 increase in our inventories which was driven by increased sales activity over the prior period. This was partially offset by increases in our trade and other payable of €6,891,676 and provisions and employee benefits of €1,661,749, which primarily related to our increased sales and the general growth of our business operations.

Net cash used in investing activities

For the six months ended June 30, 2020, our net cash used in investing activities decreased €529,092 to €474,471 as compared to €1,003,563 for the six months ended June 30, 2019. This decrease was due to lower purchases of property, equipment and intangible assets.

In 2019, our net cash used in investing activities was €3,090,987, representing a decrease of €730,835 as compared to 2018. This decrease primarily related to the absence in 2019 of our 2018 payment of €1,286,356 to purchase for our 65% interest in VTS, net of cash acquired in the acquisitions, and of costs in 2018 for related acquired property and equipment an intangible assets. These decreases were partially offset by €1,554,787 in payments to purchase additional intangible assets, primarily relating to software, licenses and patents.

In 2018, our net cash used in investing activities was €3,821,822, representing an increase of €2,655,258 as compared to 2017. This increase primarily related to our payment of €1,286,356 in purchase price for our 65% interest in VTS, net of cash acquired in the acquisition, and increases in the costs of related acquired property and equipment an intangible assets relating to VTS.

In 2017, our net cash used in investing activities of €1,166,564 consisted primarily of €1,055,326 in costs of acquired property and equipment and €113,814 in the cost of acquired intangible assets.

Net cash provided by (used in) financing activities

For the six months ended June 30, 2020, we had net cash provided by financing activities of €168,876 as a result of our receipt of €21,243,472 in proceeds from borrowings under our working capital loans, largely offset by €19,482,272 in loan repayments, €685,730 in interest paid on our outstanding working capital loans and €906,594 in payments of lease liabilities.

In 2019, our net cash used in financing activities was €2,795,253, partially as a result of our receipt of €59,368,855 in proceeds from borrowings under our working capital loans, primarily offset by €

58,931,938 in loan repayments and €1,584,082 in interest paid on our outstanding working capital loans. Additionally, €1,748,088 in cash outflows for lease payments was included in financing activities as required under IFRS 16 *Leases* which we adopted effective January 1, 2019. Prior to this date, such payments were presented as a component of operating activities.

In 2018, we had net cash provided by financing activities of €15,993,868 as a result of our receipt of €57,975,438 in proceeds from borrowings under our working capital loans, primarily offset by €41,284,325 in loan repayments and €697,245 in interest paid on our outstanding working capital loans.

In 2017, we had net cash provided by financing activities of €3,752,070 as a result of our receipt of €28,048,840 in proceeds from borrowings under our working capital loans, primarily offset by €23,655,058 in loan repayments and €641,712 in interest paid on our outstanding working capital loans.

Contractual Obligations

Our principal longer-term contractual obligations consist of equipment financing facilities and lease liabilities.

The following table sets forth information on our contractual obligations by due date as of December 31, 2019:

	December 31, 2019			
	(€ in thousands)			
	Total	Less Than 1 Year	1 - 5 Years	More Than 5 Years
Bank overdrafts, lines of credit and long-term debt[1][2]	31,445,928	30,349,651	1,096,277	—
Lease liabilities	12,671,059	3,348,791	6,500,743	2,821,525
Total	44,116,987	33,698,442	7,597,920	2,821,525

(1) Excludes interest. See "—Liquidity and Capital Resources".

(2) During the six months ended June 30, 2020, we borrowed €5.6 million under one of our Chinese facilities, which carries an interest rate of 3.07% and matures in March 2021. We also extended the maturities on the amounts outstanding as of December 31, 2019 under other facilities. See Note 5 to our consolidated financial statements as of and for the six months ended June 30, 2020. As a result of these developments, current and non-current loans have changed as of June 30, 2020 compared to December 31, 2019 from €28.7 million to €31.0 million and from €2.8 million to €2.2 million, respectively.

Off-Balance Sheet Transactions

Since our inception, we have not engaged in any off-balance sheet arrangements, including the use of structured finance or special purpose entities.

Impact of Inflation

Our consolidated statement of comprehensive income and consolidated statement of financial position are presented based on historical cost. While it is difficult to accurately measure the impact of inflation due to the imprecise nature of the estimates required, we believe the effects of inflation, if any, on our consolidated statement of comprehensive income and statement of financial position have been immaterial.

Quantitative and Qualitative Disclosure about Market Risk

We are exposed to market risk from fluctuations in interest rates and foreign currency exchange rates which may adversely affect our results of operations and financial condition. The market risk is the risk that the fair value or the future cash flow of a financial instrument fluctuates due to changes in the market prices. The primary market risks to which we are exposed are interest rate risk and foreign exchange risk.

Interest Rate Risk

Interest rate risk includes the influence of positive and negative changes to interest rates on our profit, equity, or cash flow in the current or any future reporting period. Interest rate risks from financial instruments arise mainly in connection with financial liabilities, including borrowings under our existing working capital and equipment financing facilities. With the amount of cash and cash equivalents and financial instruments that we maintained at December 31, 2018, a hypothetical increase or decrease of one percentage point, or 100 basis points, in interest rates, would not have had a material effect on our financial statements.

Foreign Exchange Risk

We are exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases/expenses and borrowings are denominated and the respective functional currencies of our group companies. Our functional currency is the euro. The currencies in which transactions are primarily denominated are euros, U.S. dollars, Japanese yen and Chinese renminbi.

The foreign exchange risks we face result from translation risk and transaction risk.

Translation risk describes the risk from changes to the statement of financial position and statement of comprehensive income items of a subsidiary due to changes to the exchange rates when converting local individual financial statements into presentation currency. The changes caused by currency fluctuations when translating statement of financial position items are recognized in equity. We are currently exposed to translation risk with respect to three subsidiaries, specifically with respect to translation of U.S. dollars, Chinese renminbi and Japanese yen to euros, our currency for financial reporting purposes. We estimate that a 10% change in the value of the Euro versus the value of the U.S. dollar and Japanese Yen would change our reported financial liabilities in 2019 by €2.3 million and €3,545, respectively. There is no hedging of this risk.

Transaction risk is the risk that the value of future foreign payments may change due to exchange rate fluctuations. We operate internationally and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to euros. Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

Credit Risk

Credit risk, also known as risk of default, is the risk that a customer or counterparty to a financial instrument fails to meet its contractual obligations. Our credit risk arises principally from our receivables from customers and varies from customer to customer. We conduct extensive credit assessments of our customers during the customer acquisition phase. Thereafter, outstanding receivables from customers are monitored regularly and put through a formal collection process in order to convert such receivables to cash. Any remaining credit risk is reviewed and provided for individually.

Critical Accounting Policies, Significant Estimates and Judgments

The preparation of our consolidated financial statements requires our management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about or changes in these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities for future periods. On an ongoing basis, we evaluate our estimates, assumptions and judgments.

We based our assumptions and estimates on parameters available when our consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond our control. Such changes are reflected in the assumptions when they occur.

For a comprehensive description of our critical accounting policies refer to Note 2 in the notes to our consolidated financial statements appearing elsewhere in this registration statement for a description of all of our significant accounting policies.

The following paragraphs discuss the items that we believe are the critical accounting policies most affected by significant management estimates and judgments.

Revenue

For certain projects within our display solutions segment, we enter into contracts with our customers to acquire, on their behalf, displays produced by third-party suppliers. Under these contracts, we provide procurement services. We determined that we control the goods before they are transferred to customers, and we have the ability to direct the use of the displays or obtain benefits from the displays. The following factors indicate that we control the goods before they are being transferred to customers.

- We are primarily responsible for fulfilling the promise to provide the specified displays or systems;
- We assume inventory risk before or the specified displays have been transferred to the customer as we purchase the specified displays and take them into inventory before the displays are bonded and shipped to our customers; and
- We have discretion in establishing the price for the specified displays.

Therefore, we determined that we are principal in these contracts. The actual amount of revenue recognized could differ from the values derived from these judgments made if conditions change and such changes have an impact on the assumptions or judgments used.

Contingent Liabilities

From time to time, we may be involved in various claims and legal proceedings relating to claims arising out of our operations. Periodically, and at year end, we review the status of all significant outstanding matters to assess the potential financial exposure.

When (i) it is probable that an asset has been impaired or a liability has been incurred and (ii) the amount of the loss can be reasonably estimated, we record the estimated loss in our consolidated statements of operations. We provide disclosure in the notes to the consolidated financial statements for loss contingencies that do not meet both of these conditions if there is a reasonable possibility that a loss may have been incurred that would be material to the financial statements. Significant judgment is required to determine the probability that a liability has been incurred and whether such liability is reasonably estimable. We base accruals made on the best information available at the time, which can

be highly subjective. The final outcome of these matters could vary significantly from the amounts included in the accompanying consolidated financial statements.

Purchase Price Allocation and Acquisitions

We assign the value of the consideration transferred to acquire a business to the tangible assets and identifiable intangible assets acquired and liabilities assumed on the basis of their fair values at the date of acquisition.

When determining the fair values of assets acquired and liabilities assumed, we make significant estimates and assumptions. We generally base the measurement of fair value on the present value of future discounted cash flows. The discounted cash flows model indicates the fair value of the reporting unit based on the present value of the cash flows that we expect the reporting unit to generate in the future. Our significant estimates in the discounted cash flows model include our forecasted revenues, weighted average cost of capital as well as the term of use of the tangible assets.

Our estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates.

Taxes

We record income taxes under the liability method. Deferred tax assets and liabilities reflect our estimation of the future tax consequences of temporary differences between the carrying amounts of assets and liabilities for book and tax purposes. We determine deferred income taxes based on the differences in accounting methods and timing between financial statement and income tax reporting. Accordingly, we determine the deferred tax asset or liability for each temporary difference based on the enacted tax rates expected to be in effect when we realize the underlying items of income and expense. We consider many factors when assessing the likelihood of future realization of our deferred tax assets, including our recent earnings experience by jurisdiction, expectations of future taxable income, and the carryforward periods available to us for tax reporting purposes, as well as other relevant factors. Therefore, actual income taxes could materially vary from these estimates.

Policy applicable after IFRS 16 adoption

We assesses at inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

This policy is applied to contracts entered into, on or after January 1, 2019, as well as those existing as of the date of this prospectus and which were previously identified as leases. See Note 3.1 to our consolidated financial statements included elsewhere in this prospectus for additional information on the effect of IFRS 16 adoption.

The Company as a lessee

We apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. We recognize lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Lease liability

The lease liability is initially measured at the present value of the outstanding lease payments at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, our incremental borrowing rate. We use our incremental borrowing rate as the discount rate.

We determine our incremental borrowing rate by obtaining interest rates from various external financing sources and make certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in our estimate of the amount expected to be payable under a residual value guarantee, if we changes our assessment of whether we will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount for the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

We apply the short-term lease recognition exemption to leases for IT equipment with an initial lease term of 12 months or less. It also applies the low-value assets recognition exemption to leases of equipment considered to be low value. For these leases, expense is recognized on a straight-line basis over the lease term.

Extension options

Some property leases contain extension options exercisable by us up to one year before the end of the non-cancellable contract period. Where practicable, we seek to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by us and not by the lessors. We assess at lease commencement date whether it is reasonably certain to exercise the extension options. We re-assess whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within our control.

Provision for Expected Credit Losses of Trade Receivables and Contract Assets

We use a provision matrix to calculate expected credit losses, or ECLs, for trade receivables. The provision rates are based on days past due for customers that have similar loss patterns.

The provision matrix is initially based on our historical observed default rates. We then calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year, which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted upward. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. Our historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Provisions

A provision is recognized if, as a result of a past event, we have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. A provision for warranties is recognized when the underlying products or

services are sold, based on historical warranty experience and a weighting of possible outcomes against their associated probabilities.

Management's estimations are based on the best information available related to historical experience and expected future costs and are subject to change over time.

Leases

With the adoption of IFRS 16 effective January 1, 2019, we recognize a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, our incremental borrowing rate. Generally, we use our incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by the lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Management has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether management is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized.

Emerging Growth Company Status

We are an "emerging growth company" as defined in JOBS Act, enacted in April 2012. As a result, we are able to take advantage of certain exemptions from various public company reporting requirements, including, among other things, the requirement to have our internal controls over financial reporting audited by an independent registered public accounting firm pursuant to Section 404(b) of the Sarbanes-Oxley Act. We may take advantage of these exemptions until the earliest of: (i) the last day of the first fiscal year in which our annual gross revenues exceed $1.07 billion; (ii) the last day of the fiscal year following the fifth anniversary of the closing of this offering; (iii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which will occur if the market value of our common equity held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter; and (iv) the date on which we have issued more than $1.0 billion in non-convertible debt securities during any three-year period.

BUSINESS

Overview

We are a leading provider of enhanced display solutions for multiple end-markets in which superior functionality or durability is a critical differentiating factor. Our customizable technology is well-suited for our target end-markets, in particular customers operating in high-end markets that have unique specifications, and in demanding environments that pose technical and optical challenges for displays, such as bright ambient light, vibration and shock, extreme temperatures and condensation. Our solutions combine our expertise in interactive display head assembly, comprising a display, cover lens and potentially touch sensors, and proprietary bonding technologies. We also develop, manufacture and sell customized and application-specific metal mesh touch sensors and electrode base film materials for use in touch modules or other touch products. Recently, we have introduced integrated, camera-enhanced and interactive displays, or interactive display solutions, that leverage our expertise in display solutions and touch sensor technology, as well as camera module design and related software capabilities. We believe that interactive display solutions will be critical to support the evolution of everyday life digital applications, such as touch- and camera-enabled consumer electronics, and the development of complex applications, such as advanced driver assistance systems. Our portfolio of offerings enables thin display assemblies and high optical clarity, which decreases power consumption and increases readability. We provide a wide range of customized display solutions, including curved display panels and solutions integrating multiple display touch assemblies under a single cover lens. In the future, we aspire to become one of the leading technology platforms for interactive display solutions in our target end-markets.

Our differentiated technologies include our proprietary silicone-based bonding material, or *VIA bond plus*, our patented optical bonding processes, or *Max VU*™, display enhancement technologies, our metal mesh touch sensor technology and camera module design capabilities. Our optical bonding processes utilize *VIA bond plus* for display head assemblies, or DHAs, without using potentially damaging mechanical force, to eliminate air gaps and other distorting features common to conventional technologies. Our metal mesh touch sensor technology enables high precision functionality and is based on a metal grid patterned on a transparent electrode base film that can be laminated to virtually any type, size and shape of cover lens material. In addition to our proprietary technologies and processes, we have expertise in working with collaborators to implement specialized production methods, such as cold forming technology, that enable innovation in product development. We custom-design camera modules for contract manufacturing by IMI, an affiliate of our majority shareholder and commercial partner, for integration into our solutions or our customers' end-solutions, such as driver monitoring systems. We believe our suite of differentiated technologies and our related intellectual property, engineering expertise and commercial collaborations give us a competitive edge.

Our customers operate in the automotive, consumer electronics and industrial/specialized applications markets.

- Our automotive solutions can be found in the products of companies such as BMW, Ferrari, General Motors and Rolls Royce. Our automotive applications include displays for navigation, instrument clusters, rear seat entertainment and infotainment systems and, increasingly, interactive display systems.

- Our consumer electronic solutions can be found in the products of companies such as Dell, HP, Lenovo, Mutto and Sharp. Our consumer applications include solutions for notebooks, tablets and all-in-one monitors.

- Our industrial/specialized application solutions can be found in the offerings of companies such as 3M, Dell, Emirates Airlines, GE, Honeywell, John Deere and Siemens. Our industrial/specialized applications include in-flight entertainment displays, ruggedized laptops, marine navigational systems and fish-finders, agricultural equipment, surround views, digital signage, interactive conference room displays and defense applications.

We currently have over 500 projects in process, either in the acquisition, development or industrialization phase or in production, for a combination of existing and potential new customers. These projects include arrangements we entered into during the course of 2019 and 2020, including with several automotive OEMs that produce luxury and electric vehicles to design prototypes relating to enhanced automotive solutions, including an interactive complete dashboard display cluster assembly using Corning's cold-formed glass technology, an optically bonded display head assembly using a plastic cover lens (which represents a unique material application within the automotive market) and advanced automotive camera module technologies. The advanced automotive camera module technologies we are developing in these prototypes include driver assistance features and autonomous driver support, such as driver monitoring (including facial recognition and other driver recognition technologies and driver alertness features) and surround view, which are technologies that promote enhanced vehicle performance and safety. We expect to complete development of these OEM prototypes during 2020 and 2021. These potential customers are not contractually obligated to purchase a minimum quantity of units until a purchase order is executed. However, we believe this current development pipeline supports our goal of becoming a leading provider of high-end interactive display solutions for OEMs, as well as suppliers that supply parts directly to OEMs, which are referred to as Tier-1 suppliers.

For the year ended December 31, 2019, we generated revenue, net loss and EBITDA of €137.2 million, €13.4 million and €(4.4) million, respectively, and for the six months ended June 30, 2020, we generated revenue, net loss and EBITDA of €64.9 million, €0.9 million and €3.9 million, respectively, despite production-related delays and other challenges that we and our customers have faced as a result of the COVID-19 pandemic. Our performance in the first half of 2020 may not be indicative of our full-year performance. We are headquartered in Nuremberg, Germany and had over 585 staff working on our sites worldwide as of June 30, 2020, including through secondment and service agreements as well as agreements with professional dispatch firms. We maintain production facilities in Germany, China and Japan and, through our subsidiaries, operate sales offices in Taiwan and the United States. In 2019, we served over 70 customers and in the first six months of 2020, we served over 60 customers around the world.

Our Competitive Strengths

We believe the following key strengths will help us to maintain and enhance our competitive position:

Proprietary bonding materials, patented processes and innovative technology. We believe that our proprietary silicone-based bonding material, patented optical bonding processes and metal mesh touch sensor technology as well as camera module design competence and in-house design capabilities are key enablers of our success in our target end-markets. We have a differentiated portfolio of patented optical bonding and metal mesh touch sensor technology and in-house manufacturing capabilities. In combination with VTS, as of July 31, 2020, we had an aggregate of 111 granted patents and 53 additional pending patent applications relating to our optical bonding processes, metal mesh touch sensor technology and component parts used in our customized production equipment. *VIA bond plus* is our proprietary silicone-based bonding material utilized for all of our bonding applications. In contrast to organic substances such as acrylates, *VIA bond plus* is repairable, non-shrinking, non-yellowing, environmentally friendly and stable at extreme temperatures. *Max VU* is our patented dry-bonding process that enables display head assembly without potentially damaging mechanical force, thereby increasing production yield, reducing potential LCD damage and minimizing undesired optical side effects. In addition, our copper-based metal mesh touch sensor technology offers significantly higher conductivity that enhance touch performance, including stylus/pen sensitivity and glove functionality. Cutting-edge technology in viewing and sensing applications as well as a combination of those technologies improves interactive display solutions, for example driver monitoring and surround view systems in automobiles. The key technical advantages of our camera modules and sensing applications

include custom design, thermal management, durability, and access to IMI's patent-pending 6-axis active alignment technology.

Technological expertise well-suited for complex applications and demanding environments. We are a pioneer in designing and developing customizable display solutions that address the most demanding technological and environmental challenges. These challenges include, but are not limited to, bright ambient light, vibration and shock, extreme temperatures, condensation, dust and other specialized conditions, as well as the need for enhanced touch sensitivity, curved form factors and designs that incorporate multiple interactive displays under a single formed cover lens. Our technological expertise in combination with our deep customer and commercial partner collaborations, including our collaboration with Corning, with respect to cold form glass technology, enables us to meet these challenges and act as a sole source supplier for certain customers, including, for example, select customers in ruggedized applications and the automotive industry. We continue to dedicate significant research and development resources to address these challenges and expand our interactive display solutions capabilities, touch sensor technology, as well as camera module design and related software capabilities. Further, we leverage the experience we have gained in the high-end consumer market, which is generally characterized by early adoption of new technologies and shorter product life cycles, to anticipate industry trends and innovate solutions for our automotive and industrial/specialized applications markets.

Efficient global production with integrated, automated and scalable capacity. With our modern production sites in Germany, China and Japan, we have the ability to meet customers' specific requirements with regards to design, volume and manufacturing location. Our production sites in Germany and China operate on an integrated basis so that a project initiated in one site can be moved to another site without needing to incur costly or time-consuming delays in production site customization, which enables more nimble production capacity. Our flexible production lines can provide solutions for a wide range of display screen sizes. Our bonding facilities are equipped with manual, semi-automated and fully automated production lines capable of handling various production volumes, from specialized small-batch runs to high volume production. We leverage our customized equipment and manufacturing knowledge to quickly clean, re-tool and ramp up our production lines to maximize utilization.

Highly integrated supply chain for our core technology. We design and/or manufacture the majority of the subassemblies (e.g., enhanced displays, touch modules, display touch assemblies and camera modules) used in our interactive display systems and purchase specific components from third parties (e.g., camera sensors or LCD open cells), including IMI, an affiliate of our majority shareholder, as needed. This provides us with flexibility to produce a wide range of metal mesh sensors, which enables us to offer a broad selection of products to our customers to fit their particular needs. In addition, our largely integrated models provide our customers with their own production efficiencies to the extent that they opt to use us as their single source supplier for interactive displays. Our business model also allows us to integrate more of our own metal mesh technology into the interactive display systems that we produce. We believe the level of our supply chain integration differentiates us from our competitors and adds value to our production capabilities.

Early and deep design collaboration with Original Equipment Manufacturers. Due to the increasing integration of display, touch, and/or camera module functionality into novel design assemblies, we often engage with OEMs, either directly or through third-party suppliers, early in their design and development processes. We utilize our deep engineering and research and development resources and operating expertise to partner with OEMs on product design, qualification, manufacturing and testing and collaborate with them to provide comprehensive and customized solutions that meet their specific requirements. We believe this approach creates a competitive advantage for us, as it has enabled us to form long-term relationships with our OEM customers and it has provided us with an understanding of the OEMs' technology roadmaps, allowing us to develop innovative and advanced solutions to meet

their current and future needs. The combination of our technological expertise and our collaborative relationships allows us to develop new applications, such as touch-enabled controls on an automotive center console, and enables us to be a sole source supplier for certain OEMs.

Proven engineering and experienced management team. We have assembled a team of talented technical professionals with significant knowledge and expertise across our technologies. We also have an experienced global management team with extensive expertise in enhanced display solutions, system integration and manufacturing, and a strong track record of management experience at companies including Aptiv, AU Optronics, Dell and Siemens.

Commitment to innovation. We have committed significant resources in recent periods to technological advancements in our product offerings, including acquiring touch sensor technology from VTS in 2018 and enhancing our camera module development capabilities in 2019. Such technological advancements include our interactive display solutions which leverage our expertise in display solutions and touch sensor technology, as well as camera module design and related software capabilities. We believe that interactive display solutions will be critical to support the development of advanced and complex applications, such as advanced driver assistance systems, and we believe that we are well-positioned to meet the next generation of innovation challenges for these technologies.

Our Growth Strategy

Our goal is to become a leading provider of interactive display solutions, in particular to OEMs and their Tier-1 suppliers, specifically within the automotive and industrial/specialized markets, and to continue to deliver innovative products to our customers in the consumer end-market. The key elements of our strategy to achieve this goal are:

Expand our interactive display systems capabilities. We aim to expand our capabilities to serve as an interactive display system provider in the automotive, consumer electronics and industrial/specialized applications markets by combining system design, camera modules, software functionality and other hardware components. We plan to achieve this goal by utilizing our extensive intellectual property portfolio, process know-how, and optical bonding and metal mesh touch sensor and camera module technologies to expand our in-house technological capabilities. We also plan to expand our research and development efforts through increased investment in our engineering and software development activities, including the hiring of additional personnel. We may also seek to augment our solutions by acquiring new technologies and expertise with an initial focus on embedded systems and software development, including by acquiring other companies or assets, hiring technical teams or entering into strategic alliances.

Leverage our metal mesh technology for touch-enabled displays. We believe our metal mesh touch sensor technology is particularly well-suited for large display sizes and flexible form applications, and we intend to accelerate its broader adoption across our end-markets. Our goal is to expand our touch sensor technology beyond the consumer market by focusing on embedding metal mesh touch displays into the product offerings of new and existing automotive and industrial/specialized customers. To accomplish this, we intend to leverage our ability to produce both the electrode base film and related metal mesh touch sensors, which enables us to offer our customers both component parts as well as complete display solutions. We believe offering this optionality positions us to become a one-stop touch solutions provider. In addition, to increasingly attract higher margin solutions for automotive and industrial/specialized customers, we also intend to leverage our ability to customize our metal mesh touch sensor technology and integrate customized touch sensors into our interactive display solutions. We expect that an increasing number of these customers will adopt our in-house metal mesh display touch sensor technology as high-precision touch functionality continues to become more desired by end users.

Deepen our existing customer base. We intend to expand our relationships with existing customers across our three markets—automotive, consumer and industrial/specialized—and our aim is to capture an increasing amount of their business across the technologies that we offer, with a special focus on interactive display business. Our objective is to be the supplier of choice and to service all of our customers' needs in this space. To achieve this, we plan to continue leveraging and developing our technological capabilities, engineering talents and sales and marketing proficiency. For example, with respect to our automotive customers, we are increasingly collaborating in the early stages of the OEM design and development process on interactive display systems for car interiors, which have become, and we believe will continue to be, differentiating factors for the driver experience. We are similarly engaged at early stages with our industrial/specialized customers in order to provide them with highly customized solutions for their projects. We expect to convert these close, early-stage collaborations for higher margin solutions into even deeper long-term relationships with customers. With respect to our consumer customers, we see significant potential to increase our share of their business in the areas of display, touch and display head assembly, especially in light of the recent surge in remote working, which has further increased demand for the types of products that house our components.

Continue to expand our customer base. We intend to acquire new customers particularly within our automotive and industrial/specialized markets. We believe we are well-positioned to further penetrate these markets given our technological expertise, our differentiated touch sensor technology, our ability to produce products for use in demanding environments, our collaboration with Corning to utilize cold forming technology, our increasing focus on developing advanced camera modules and related software and our strong reputation within the automotive industry. We believe our technological capabilities, production know-how and research and development expertise will enable us to continue to improve our products' functionality and performance and will facilitate our ability to develop products and enhancements, enable new applications and expand our customer base within our core end-markets.

Industry Overview

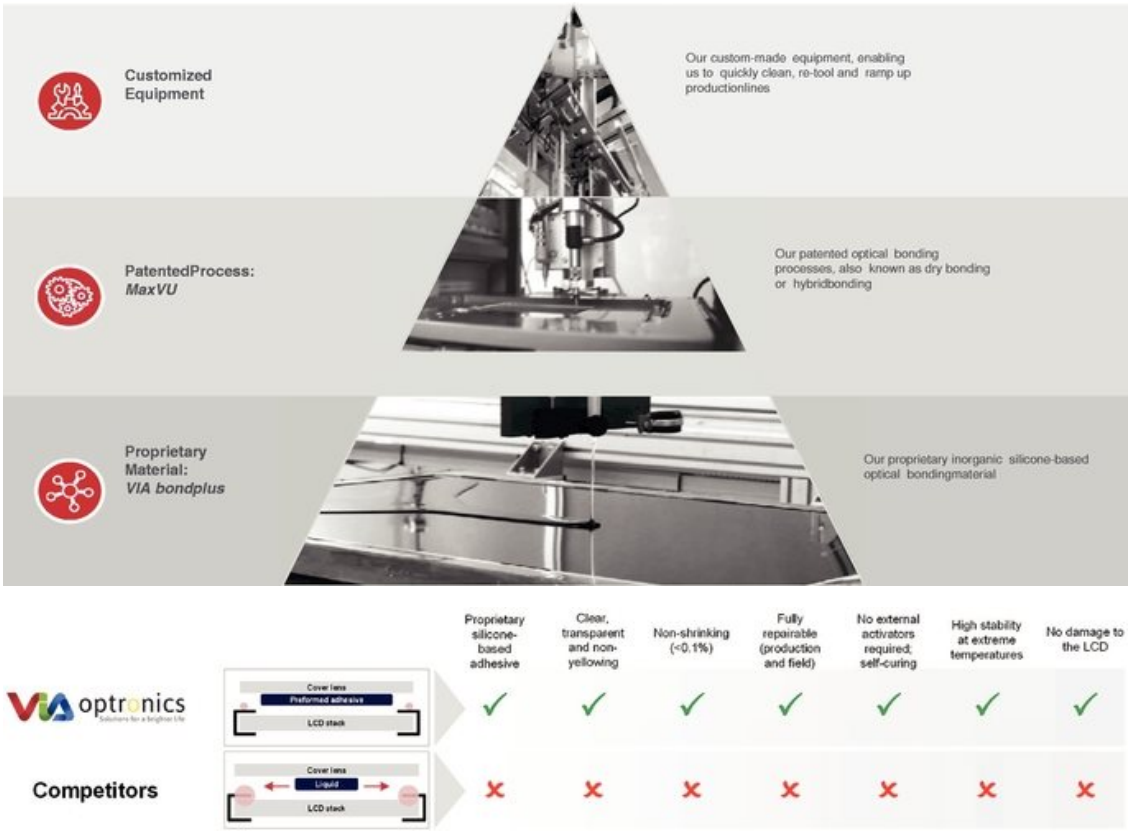
Digital displays have become pervasive in everyday life. Technological advancements, quality improvements and cost reductions have collectively helped to make displays ubiquitous in nearly every industry. In response to the growing demand and broadening applications of display technology, optical bonding, touch sensor and camera module integration technologies have become critical to achieving the diverse and highly specific requirements of customers in various end-markets. These products may be offered as stand-alone products or may be fully integrated into an interactive display system. Advanced driver-assistance systems, or ADAS, is an example of technological innovation in the automotive industry which utilizes these integrated technologies. In addition, ADAS uses software systems to support the automobile operator's decision-making process. As technologies advance, these software systems will be capable of replacing human-operator decision-making and may support fully autonomous drive functionality. This trend will increase the importance of the electronic control unit and related software and applications that are included in interactive display systems.

Optical Bonding and Display Enhancement

Optical bonding is a process in which a clear, optical-grade adhesive, such as silicone or acrylate, is placed between various components of the DHA, which may include an LCD panel, touch sensor layer and cover lens, to bind the components of the DHA and eliminate the presence of an air gap. It is an alternative process to the traditional method of applying an adhesive tape or material around the edge of the display, which leaves a layer of air in between the various components. Displays that contain an air gap generally have lower optical performance (e.g., lack of sunlight readability, lower brightness) due to reflections occurring at the internal optical surfaces of a display assembly (such as the LCD panel and cover lens). Optical bonding eliminates nearly all internal reflection due to better matching of the index of refraction of the optical surfaces.

A number of benefits can be achieved by using optical bonding rather than traditional methods, such as reduced internal reflection that results in improved readability while reducing backlight power requirements, preventing moisture and impurities from penetrating the display assembly stack, and reducing sensitivity to shock and vibration. As a result, displays with optical bonding are generally easier to read and more durable, and facilitate a longer battery life. Optical bonding also results in a higher degree of stability of displays, which permits thinner displays to be produced. Importantly, optical bonding can be used with many types of display technologies, including the two most common types, LCD and Organic Light Emitting Diode, or OLED, and new microLED technology. As such, optical bonding is becoming the de facto standard for a wide range of display solutions.

The clarity achieved with optical bonding enables readable in sunlight. In addition, our technology allows us to optimize the optical film stack, increase backlight brightness and apply film to the glass, which can add a transflective component, so that the light that is not reflected on the surface of the display can enter and support the backlight system.



Touch Sensors

The global market for touch-enabled displays has gained significant momentum over the past few years as users have adopted the simplicity of point and touch as a mode of input. In addition, it has become less costly to integrate touch sensors directly into a display due to, among other things, decreased component costs.

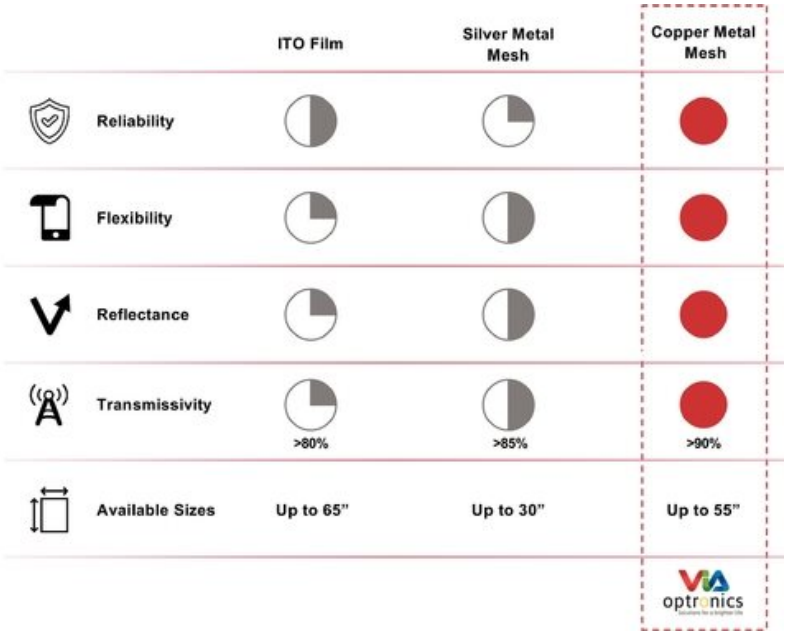
First generation resistive touch sensor technology required pressure to complete a circuit between electrode layers. As a result, this legacy technology was only responsive to touch when pressure was

applied by objects such as a fingertip or a stylus pen, leading to slow response time, less precision and generally an inability to respond to multiple touchpoints.

In recent years, the touch technology market has focused on projective capacitive, or PCAP, touch sensor technologies. PCAP touch screens use two transparent electrode layers that are placed between a cover lens and the display. A touch is detected when a touching object (such as a fingertip or pen) changes the capacitive field created by the combination of two electrode layers oriented on the x- and y-axes rather than by applying physical pressure to the cover lens. The electrode layers are designed in a specific pattern (typically a grid for metal mesh sensors), with the potential points of touch recognition corresponding to the number of intersections between the rows and columns contained within the grid. Capacitive touch screens can be self-capacitive (meaning the device only recognizes a single touch point at a time) or mutual capacitive (meaning the device can recognize multiple touch locations simultaneously).

Metal mesh is a type of projected capacitive PCAP technology in which the electrode layer is made of a very thin layer of a conductive metal grid, either copper or silver. Compared with indium tin oxide, or ITO, a conductive electrode material used in traditional PCAP technologies, metal mesh provides certain advantages, including higher conductivity and a higher tolerance to bending, while maintaining the same transparency and providing more accurate touch functionality across multiple touch locations. The advantages of using metal mesh technology are well-suited for large display sizes and flexible form factors, which are currently costlier to produce when using existing PCAP technology. The performance of a metal mesh touch sensor is largely dependent upon the conductive metal utilized in the electrode layer, such as copper or silver. While some of our competitors use silver, we believe the physical properties of copper give it a number of advantages over silver, such as higher durability and reliability, lower cost and lower tendency to oxidize, which causes the metal to lose efficiency as an electrical conductor. While there are greater technological challenges to working with copper as opposed to silver, such as achieving optical transparency with a darker material, we believe the benefits of using copper outweigh the challenges.

The image below illustrates our view as to the benefits of copper metal mesh compared to certain other technologies.



Cameras

Cameras have been traditionally used for surveillance or viewing applications. As camera module technology has developed, cameras are also increasingly being used as sensors to detect traffic signs, people, cars and other objects. This technology depends on a clean image covering the desired viewing angle and algorithms to detect objects in the camera's image stream. Like our interactive system displays, cameras are sensitive to environmental conditions, in particular heat. Heat resistance is critical to camera performance as heat impacts image quality and can disrupt the precisely designed and aligned camera lens.

We custom design our camera modules to ensure proper lens alignment as a part of our production process. In addition, we use a "bare die" sensor, or an unpackaged sensor, in our camera modules. The absence of senor packaging enhances camera module performance because it allows us to achieve a smaller sensor footprint within the camera module as compared to a packaged part and also brings the thermal conductive potting material used in our module into direct contact with the sensor's semiconductor which is more efficient for regulating temperature of the component thereby maintaining image quality and functionality.

Electronic Control Unit

The electronic control unit is a device responsible for controlling the interactive display system. All displays, camera modules and touch screens are connected to the electronic control unit. We develop drivers for our components (display, touch, camera module) to achieve maximum performance. Depending on a customer's need, we develop functions like hovering, gesture recognition for touch screens, glove compatibility or add commercially available library elements to support other functions such as object recognition.

Interactive Display System

An interactive display system is comprised of several elements: a display, camera module and touch sensors with an ECU, allowing the user to interact with a display and, in some cases, allowing the display to observe and react to the user or other external inputs.

Our Market Opportunity

The proliferation of tablets, smartphones and other personal devices has increased the prevalence of displays in the consumer market, while the rising demand for dynamic visual communication, the increasing use of interactive displays and lower costs for these displays are driving the growth of displays in non-traditional verticals beyond the consumer electronics end-market. In addition, the rapid expansion of the flexible display market, the rising demand for OLED-based devices and the technological development of more energy-efficient and higher specification displays are emerging as key drivers of sustained display market growth. We estimate that we have an addressable market for our display solutions of at least $43.5 billion. Our estimate was derived from MarketsandMarkets' report dated May 2020, which indicated approximately $107.0 billion of global revenue from the sale of displays in 2020. The addressable market derived from the MarketsandMarkets report includes both interactive displays that incorporate enhanced functionality, such as camera module or touch sensors, as well as non-interactive displays. Therefore, the addressable market for our enhanced interactive display solutions is a subset of the total addressable display market. Within the total global display market, MarketsandMarkets attributed an estimated $63.5 billion in 2020 to TVs, smartphones, smart wearables, other display products such as E-readers and medical devices and other display technologies such as E-paper, which we do not address today nor expect to address in the future. According to the MarketsandMarkets report dated May 2020, the global market for industrialized/specialized applications is expected to grow at a compounded annual growth rate, or CAGR, of 9.1%, from $7.8 billion estimated in 2020 to an estimated $11.0 billion in 2024, and the global market for automotive displays

is expected to grow at a CAGR of of 14.5% from $4.8 billion estimated in 2020 to an estimated $8.2 billion in 2024. We estimate that the addressable market for our display solutions may grow to approximately $49.5 billion in 2024, based on our estimate of the addressable market in 2020 and the estimations of MarketsandMarkets for global revenues from the sale of displays. In addition, MarketsandMarkets estimates that the display subsectors of (i) business-to-business enterprise, (ii) education, (iii) aerospace and defense, (iv) global retail, hospitality, banking, financial services and insurance, and (v) sports and entertainment will grow at CAGRs of 17%, 13%, 21%, 18%, and 21%, respectively, from 2020 to 2024.

We believe a number of trends are expanding our market opportunity:

The number and complexity of displays in automotive applications continue to increase. The increasing electrification of vehicles and the shift towards a more autonomous or assisted driving experience are propelling the demand for displays in the automotive market. Automotive displays, as of today, consist primarily of instrument cluster, center infotainment unit and rear seat entertainment. Increasingly, the market has introduced cars with cameras and display combinations instead of traditional mirrors as mirror replacement systems, or eMirrors. In addition to the number of displays in vehicles increasing, auto manufacturers are interested in incorporating previously manually controlled elements (such as temperature controls and stereo functions) into a single, frequently touch-enabled, display solution. Accordingly, the complexity and form factors have expanded to include multi-panel and non-standard shapes and configurations, requiring significant display assembly manufacturing and integration expertise. Displays used in automotive applications are integral to vehicle operation and performance, and must meet a variety of stringent requirements such as broad viewing angles, high brightness, wide temperature ranges and extended product lifetimes and, for certain displays, other operational and safety requirements. According to the MarketsandMarkets report dated May 2020, in the automotive sector there was approximately $6.6 billion in revenue from the sale of displays in 2018 and an estimated $7.8 billion in revenue from the sale of displays in 2019. MarketsandMarkets also projects that the sale of displays in the automotive sector will grow to approximately $8.2 billion in 2024 with an annual growth rate of 3.3% between 2018 and 2024 taking into account declined sales due to the effects of the COVID-19 pandemic in the next few years.

Industrial and other specialized display applications are a demanding and high-growth segment. The increasing demand to improve user experience, information communication and advertising are driving the proliferation of digital displays in a number of sectors such as transportation, heavy machinery, retail, education, finance, defense, avionics and marine applications. The proliferation of digital technology, decrease in product cost and increase in touch-panel size are also expanding the application of interactive, touch-enabled displays. Examples of industrial/specialized applications include touch monitors used for shopping mall directories, digital signage for advertisement inside and outside of banks, large touch-enabled digital canvases used by professional animation studios, touch displays used in classrooms, cockpit displays used in aircraft, heat-resistant displays used by firefighters and ruggedized displays for industrial and military operators. The MarketsandMarkets report dated May 2020 indicates that global revenue from the sale of displays used in all products (excluding automotive), including PC monitors and laptops, smartphones, smart wearables, tablets and TVs, was approximately $10.9 billion in 2018 and estimates that such revenue was approximately $12.0 billion in 2019, and that it will stay relatively flat with estimated revenues of approximately $11.0 billion in 2024 taking into account declined sales due to the effects of the COVID-19 pandemic in the next several years.

Consumer electronics remain the mature foundation of the display market. In the consumer market, tablets and notebooks have become a popular alternative to stationary desktops. Given the portability of these devices and their use in outdoor environments, attributes such as sunlight readability, durability, touch functionality and thin and light design remain essential. Over the last decade, consumer device displays have changed from being bulky and space-consuming to slim and bezel-less, driving the need for increasingly complex customization of display solutions. The market is also

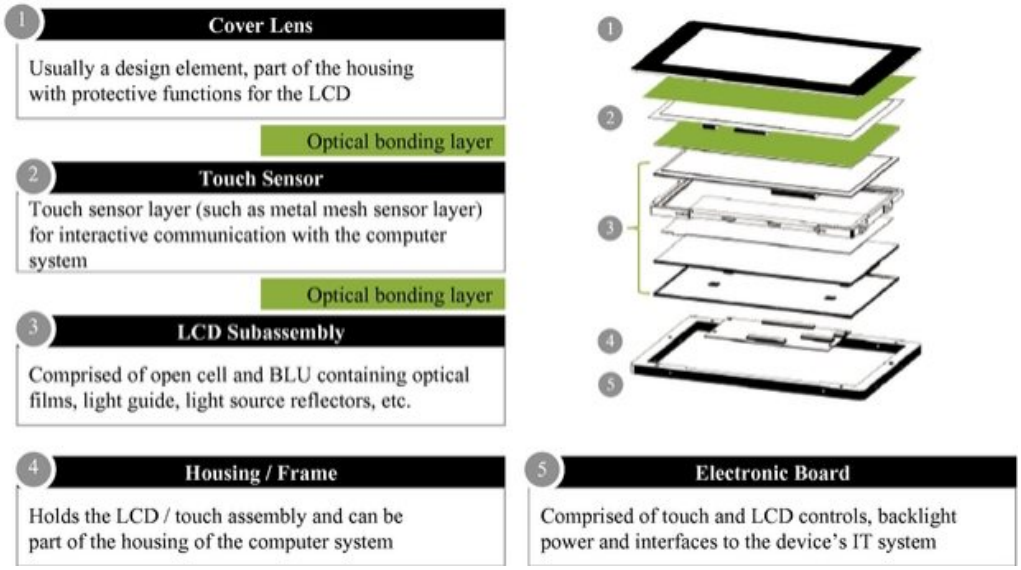
adopting emerging technologies such as flexible display and OLED that could enable more rugged, lighter weight and even thinner display solutions, as well as give rise to novel applications, such as transparent displays. The confluence of the need for portability, increasing design customization and emerging display technologies are driving the demand for enhanced display solutions, a trend we have experienced during the COVID-19 pandemic. As such, we believe we will continue to gain market share from conventional display solution providers.

To our knowledge, certain third-party industry data referenced herein includes estimates and projections regarding, among other figures, our total addressable market, that takes into account early and preliminary information about the known and potential future effects of the worldwide COVID-19 pandemic the impacts of which are continuing and evolving over time. Accordingly, those projections may be overstated and should not be given undue weight.

Enhanced Display Solutions

Currently, our enhanced display solutions include DHAs and sub-assemblies such as touch panel assemblies and LCD-touch assemblies. A DHA is a subsystem, consisting of multiple optical and electrical overlays that are designed to be combined with or integrated into another system. The component layers of our DHAs, and their subassemblies, are assembled using our proprietary *Max VU* optical bonding processes and can incorporate a touch panel if desired. A touch panel subassembly consists of a cover lens and a touch sensor. An LCD subassembly includes an open cell (without backlight) LCD glass matrix and a backlight unit, or BLU, containing optical films, light guide, light source reflectors and other layers.

The image below demonstrates the structure of a typical DHA with touch functionality.



As an enhanced display solutions provider, we are able to design DHAs by identifying the required components and deliver finished DHAs incorporating components sourced from a combination of in-house and third-party suppliers.

Optical Bonding

Our optical bonding technologies include our proprietary *VIA bond plus* material, our patented *Max VU* bonding processes (mainly *Max VU II or Max VU III*, our dry bonding processes) and related equipment customization.

- *VIA bond plus Materials.* *VIA bond plus* is our proprietary inorganic silicone-based optical bonding material used for all of our bonding applications. *VIA bond plus* supports long lasting, optically enhanced and sunlight readable display solutions. It enables slim product design as well as flexible applications on bendable, foldable and curved display surfaces.

  We believe our inorganic silicone-based optical bonding material offers several advantages over organic bonding materials, such as acrylates. For example, acrylate-based materials shrink by approximately 2-3% or more over time, gradually deteriorating the optical bonding layer. Acrylates also react to UV light and become yellow over their lifetime. As a result, images from displays change color, become dimmer due to decreased transparency and require additional power consumption to compensate for the loss in optical performance. Moreover, displays bonded with acrylate materials usually cannot be repaired because the hardened material cannot be removed from the display components without destroying them. As a result, acrylate-based display assemblies are less environmentally friendly because the component parts often cannot be recycled and reused.

  We believe *VIA bond plus* provides the following key benefits compared to competing bonding materials:

VIA Bond Plus	**Competing Technologies**
• Clear, transparent and non-yellowing	• Yellows over time
• Fully repairable (production and field)	• Limited or no reparability
• High stability at extreme temperatures	• Less stability at extreme temperatures
• Tailorable hardness	• No flexibility for hardness
• No external activators required; self-curing	• Require an external activator to cure (UV or heat)
• Non-shrinking (<0.1%)	• Subject to shrinkage (2-3% or more)
• Non-toxic and environmentally friendly	• Generates fumes that require additional production precautions and component parts often cannot be recycled

  Pursuant to the terms of our Framework Collaboration Agreement with Wacker, Wacker is our exclusive supplier of the base materials used in our *VIA bond plus.* We are the inventor and sole owner of the proprietary formula relating to the combination of silicon base materials used to create *VIA bond plus*, and the method of application of *VIA bond plus* to display components. We currently source all of our requirements for the silicon base materials used in our *VIA bond plus* from a sole supplier. We are actively working to develop alternative sources of materials to be used in our bonding processes, including by developing our own internal supply.

- *Max VU II and III Bonding Processes (Max VU).* *Max VU II* and *III*, our patented optical bonding processes, are also known as dry bonding or hybrid bonding. We first apply our *VIA bond plus* liquid silicone-based optical bonding material onto a substrate, such as the cover lens, touch panel or the display. As a material capable of fully curing without any external activation such as UV light, the *VIA bond plus* liquid is pre-cured to become a soft and gel-like layer with favorable adhesive properties. In the next step, the substrate with the adhesive layer is optically bonded (laminated) to a second substrate (such as a cover lens, touch panel or display) without mechanical force (i.e., without pressure). After, *VIA bond plus* self-cures until the material is fully cured. For pre-curing as well as final curing, moderate heat may be applied to accelerate

the process, but is not necessary to complete the curing process. This curing process without external activation and optical bonding process without mechanical force are distinguishing features of *Max VU*.

Unlike *Max VU*, competing technologies typically use a wet process that dispenses a liquid adhesive onto a display, and then applies pressure to the cover lens with mechanical force to squeeze the liquid adhesive from the middle of the substrate to the edges of the display.

We believe *Max VU* provides the following key benefits compared to bonding processes that apply mechanical force:

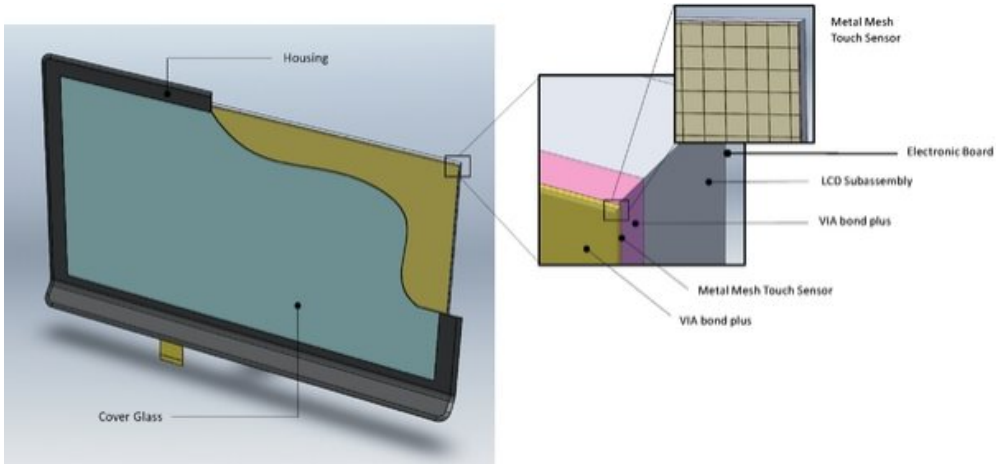
Max VU	**Competing Technologies**
• No adhesive will flow into the backlight and damage the LCD	• Liquid may be squeezed into the BLU and damage the LCD
• Superior control on bond line thickness and tolerance	• Difficult to control the amount of liquid and pressure that needs to be applied
• No sealing required, which preserves any available LCD warranty	• Sealing invalidates LCD warranty as the seal may not be capable of being removed or repaired
• No pressure or glow marks	• Pressure on LCD may cause glow marks

- *Bonding Services and Licensing.* We provide optical bonding services to customers who provide us with display components they have independently defined and/or sourced from third parties. Bonding services revenue represented 18.8% of our 2019 revenue. Additionally, for selected customers who wish to employ our optical bonding process within their own production facilities, we offer a licensing model pursuant to which we provide our *VIA bond plus* material, optical bonding process know-how and customized equipment necessary to facilitate our *Max VU* process directly to the licensee customer. Through our dedicated service and support, we believe we are able to provide seamless installation and a high level of quality control to our licensee customers. Licensing is a small portion of our business and accounted for 2.0% of our revenue in 2019.

Metal Mesh Touch Sensors

Through VTS, our majority-owned subsidiary acquired in March 2018 in which Toppan is the minority owner, we develop and manufacture a complete suite of metal mesh touch sensors and electrode base film materials for use in touch panels. A touch-enabled display requires a touch panel including a touch sensor in order to deliver the desired touch functionality. Our touch sensors utilize copper-based metal mesh technology. Metal mesh technology has been successfully introduced into the market as a replacement for legacy ITO technologies and offers several advantages, the most important of which is the higher conductivity of the metal material as compared to ITO. Improved conductivity enhances touch performance and enables features and functions such as use with thick cover lenses and in larger display sizes, as well as pen and glove functionality.

The image below demonstrates the structure of a typical display that includes a metal mesh touch sensor.



- *Electrode Base Film.* We produce our copper electrode base films by applying a copper layer to a substrate, such as Polyethylenterephthalate, or PET, or Cyclo-Olefin-Polymer, or COP, using a sputtering process. Sputtering is a technique in which thin films of atomic material are deposited onto a substrate surface. We produce our electrode base films at our production facility in Satte, Japan on a roll-to-roll, high volume basis, which maximizes cost efficiencies. We intend to leverage our ability to produce both the electrode base film and the related metal mesh touch sensors differentiates us from our competitors. Our ability to produce both component parts necessary to complete a metal mesh touch sensor enables us to control the supply chain, provides flexibility to develop all types of metal mesh sensors and provides our customers with production efficiencies by turning to us as a single source supplier. Additionally, our production capabilities and engineering allow us to use third-party electrode base films in our touch sensor production, which enables us to produce touch sensors using materials other than copper and to mitigate potential capacity shortages in our electrode base films.

- *Touch Sensors.* Each metal mesh touch sensor must be customized for the specific sensor pattern needed for the active display area of the finished display. Each touch sensor requires two electrode layers (oriented on the x- and y- axes), which can be produced on two different substrates, commonly referred to as an FF structure, or on the top and bottom of a single substrate, commonly referred to as an F2 structure. F2 structures are generally preferable because they facilitate slimmer design and provide superior optical performance due to the presence of only a single substrate layer. F2 structures are also more efficient to produce because the x- and y-layers of a sensor can be produced in a single production step. FF structures are commonly used in medium, large and ultra large display sizes, whereas F2 structures are more commonly used in small and medium displays, principally within the automotive and consumer electronics products. Based on our patented patterning technology and proprietary production process, we have the ability to produce both FF and F2 structures. We believe there is currently only one other company in the market that is capable of higher-volume production of metal mesh based F2 structures.

Our copper-based mesh sensors are produced using a multi-step photolithography process. First, a photoresist material is applied to the copper electrode base film. Second, as the result of a UV exposure process, the sensor layout is realized on the photoresist level with the assistance of a customized photomask. Finally, a copper etching process is performed to realize the customized metal

mesh sensor structure, followed by a cleaning process to remove any remaining photoresist. Our metal mesh touch sensors can be used with different types of cover lenses and in different shapes, which we believe will enable us to continue to develop touch sensors that meet future requirements of our current end-markets as well as for new fields of application.

We believe our copper-based metal mesh touch sensors provide the following key benefits compared to competing touch sensors using ITO technology:

VTS Touch Sensors	Competing Technologies
• Fast response time due to high conductivity and transmissivity	• Slower response times
• Precise touch sensitivity	• Decreased touch sensitivity due to lower conductivity
• Superior glove and pen functionality	• Limited glove and pen functionality
• Flexibility, bendability and narrow wiring design enabling design freedom, including application on curved surfaces and narrower display housing borders or zero bezel designs	• Limitation of application due to non-flexibility/bendability
• High reliability due to the stability of the copper material	• Lower reliability due to instability of indium
• Better optical performance and higher transmittance	• Lower transmittance depending on ITO-layer thickness
• Screen sizes up to 85 inches	• Screen sizes up to 65 inches

We expect that an increasing number of our customers will adopt our in-house metal mesh touch sensor technology as high-precision touch functionality becomes more prevalent.

Cameras

We also custom design camera modules using image sensors we purchase from third-party suppliers to address the fast-growing demand in the automotive and industrial/specialized markets for integrated, camera-enhanced and interactive displays. Whether they are part of an ADAS system in a car, surround view for agriculture equipment or a monitoring system on a ship, we see the demand for our dynamic, advanced camera module technology rapidly increasing.

We design camera modules, adjust the camera lens to the viewing angle of the image sensor and align the sensor, utilizing IMI's patent-pending 6-axis-active alignment technology that we access pursuant to our Service and Support Agreement with IMI. We then integrate this assembly into an ultra-lightweight housing that is resistant to temperature, shock and vibration for automotive and industrial/specialized applications.

We are supporting this development through camera module engineering and research and development personnel, including through the services of an experienced camera module design team currently seconded to us by IMI. We believe this is another important step towards realizing our aspiration of becoming an interactive display system provider that offers not only components and subsystems, but also complete systems that fully integrate components in a seamless offering. An example of such an offering is eMirror systems combining camera modules, interactive displays, electronic control units and software interface in a tightly integrated package.

The image below illustrates the technical strengths of our camera modules.

Electronic Control Unit (ECU)

The ECU is a device responsible for controlling the interactive display system. All displays, camera modules and touch screens are connected to the ECU. We develop drivers for our components (display, touch, camera module) to achieve maximum performance. Depending on a customer's need, we develop functions like hovering, gesture recognition for touch screens, glove compatibility or add commercially available library elements to support other functions such as object recognition.

Interactive Display System

An interactive display system is comprised of several elements: a display, camera module and touch sensors with an ECU. We are able to design and produce displays, camera modules and touch sensors in-house and perform any related optical bonding processes necessary to manufacture the interactive display system. Almost all of our interactive display systems are designed specifically for individual client projects. Components we purchase from third-party suppliers for inclusion in an interactive display system differ based on customer specifications and can include glass, open cell LCD glass matrices, light guides and films, electronic components, housing and sensors or subassemblies where commercially appropriate.

The image below illustrates the ingredients of an interactive display system.

Cold Form Glass Collaboration with Corning

In 2019 we entered into a strategic partnership with Corning, whereby we are seeking to leverage our core competencies in the area of displays, optical bonding, copper metal mesh touch sensor technology and automative camera module technology combined with Corning's core competencies in the area of cold forming glass. As part of this collaboration, we are designing the production equipment used for the cold form process. In January 2020, we initiated mass production of automotive interior curved display systems utilizing these technologies.

Sales and Marketing

We market and sell our products and solutions primarily through our internal direct sales force, supported by outside sales representatives and distributors. Our direct sales force is organized among our four sales offices in Germany, China, Taiwan and the United States. We currently have two sales agents or distributors in Asia, with territories covering Japan and Korea, and one sales agent in the United States. In addition, we employ a direct sales manager who is primarily focused on automotive customers, globally. Our sales personnel receive substantial technical assistance and support from our internal technical marketing and engineering teams. Sales frequently result from multi-level sales efforts that involve senior management, engineers, and our sales personnel interacting with our customers' decision-makers throughout the product design, development and order process. Our customers often provide our sales force with insight into how our products will be integrated into our customers' solutions and frequently look to us as a design partner. This sales process requires us to develop strong customer relationships and to work collaboratively with our customers to fulfill their needs. The period of time from our initial contact with a prospective or current customer to the receipt of an actual purchase order (including time relating to the qualification process) depends on the end-markets and is frequently a year or even more, with such period being longer for more complex solutions such as in the automotive and industrial/specialized applications. Prospective customers often perform extensive testing before our products and solutions are incorporated into their own product offerings. This phase of our sales cycle can take several months and purchase arrangements may not be entered into until

after this phase is completed. Our customers' product life cycles typically last multiple years, with consumer electronics being approximately 1-1.5 years, automotive being approximately 3-7 years and industrial/specialized applications being approximately 3-10+ years.

With respect to metal mesh touch sensors and film produced by VTS, both we and Toppan have dedicated sales teams who provide sales services. Our dedicated sales force, as well as Toppan's, is contracted under a bilateral distribution agreement, providing distributor services to VTS. See "Business—Strategic Alliance Agreements" for a description of the distribution agreement and other material agreements with Toppan.

As of June 30, 2020, we employed 40 sales and marketing professionals, with such professionals based in each of our locations. For the year ended December 31, 2019, our selling expenses totaled €4.3 million and represented 3.1% of revenue and for the six months ended June 30, 2020 our selling expenses totaled €2.8 million and represented 4.4% of revenue.

Customers

Our customers and design partners include many of the world's largest display and system manufacturers in the automotive, consumer electronics and industrial/specialized applications markets. We principally sell our products to OEMs, Tier-1 suppliers and other suppliers. We often have significant engagement with and act as a design partner to OEMs, who may be our direct customers or may be our indirect customers through their Tier-1 suppliers. We believe our track record of technological and product performance, high quality, cost effectiveness, and on-time deliveries have resulted in our position as a leading provider of optical bonding solutions and metal mesh touch sensors. We have received industry awards such as the Top Ten Innovative Brand award from the Asia New Energy Automobile Network in 2019, and various excellent supplier awards from customers such as Mutto, Dell, Pegatron, Samsung and Innolux in recent years. We believe our strong relationships with our OEM and Tier-1 supplier customers, many of which are currently developing new products and applications that can incorporate our solutions, will continue to position us as a source of supply for their future product offerings.

Our most significant customers during 2019 were Dell, Toppan, Pegatron and Mutto with sales to these customers accounting for 31%, 17%, 15% and 9%, respectively, of our revenue that year. For the six months ended June 30, 2020, Dell, Pegatron and Toppan were the most significant customers representing 41%, 18%, and 18%, respectively, of our revenue of that period. During 2018, Dell, Mutto, AU Optronics and Toppan accounted for 28%, 21%, 13% and 12%, respectively, of our revenue for that year. Dell has been a customer since 2009 and Mutto has been a customer since 2014.

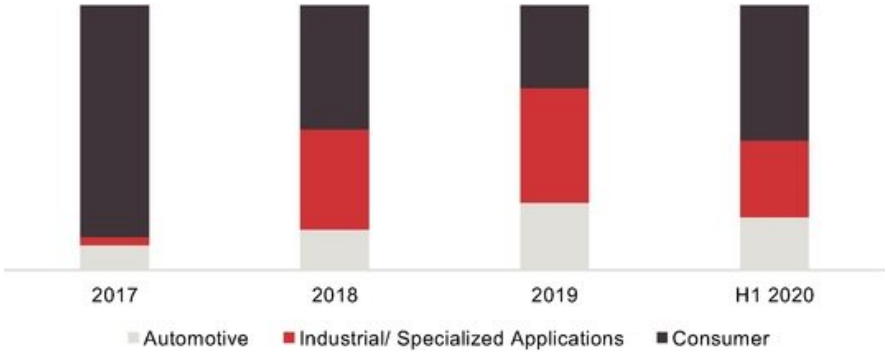
Our customers operate in the automotive, consumer electronics and industrial/specialized applications markets.

- Our automotive solutions can be found in the products of companies such as BMW, Ferrari, General Motors and Rolls Royce. Our automotive applications include displays for navigation, instrument clusters, rear seat entertainment and infotainment systems and, increasingly, interactive display systems.

- Our consumer electronic solutions can be found in the products of companies such as Dell, HP, Lenovo, Mutto and Sharp. Our consumer applications include solutions for notebooks, tablets and all-in-one monitors.

- Our industrial/specialized application solutions can be found in the offerings of companies such as 3M, Dell, Emirates Airlines, GE, Honeywell, John Deere and Siemens. Our industrial/specialized applications include in-flight entertainment displays, ruggedized laptops, marine navigational systems and fish-finders, agricultural equipment, surround views, digital signage, interactive conference room displays and defense applications.

The image below illustrates the historical split of revenue in our Display Solutions segment from sales to customers in our three key end markets.



We currently have over 500 projects in process, either in the acquisition, development or industrialization phase or in production, for a combination of existing and potential new customers. These projects include arrangements we entered into during the course of 2019 and 2020, including with several automotive OEMs that produce luxury and electric vehicles to design prototypes relating to enhanced automotive solutions, including an interactive complete dashboard display cluster assembly using Corning's cold-formed glass technology, an optically bonded display head assembly using a plastic cover lens (which represents a unique material application within the automotive market) and advanced automotive camera module technologies. The advanced automotive camera module technologies we are developing in these prototypes include driver assistance features and autonomous driver support, such as driver monitoring (including facial recognition and other driver recognition technologies and driver alertness features) and surround view, which are technologies that promote enhanced vehicle performance and safety. We expect to complete development of these OEM prototypes during 2020 and 2021. These potential customers are not contractually obligated to purchase a minimum quantity of units until a purchase order is executed. However, we believe this current development pipeline supports our goal of becoming a leading provider of high-end interactive display solutions for OEMs, as well as Tier-1 suppliers.

Depending on the purchasing and process requirements of our customers, we are able to offer design, development and manufacturing services to OEMs as well as to Tier-1 and other suppliers. On some projects, we are not involved with the design and development of solutions, and instead OEMs and their partners may determine design and pricing requirements and make the overall decisions regarding the use of optical bonding, touch or display solutions in their products.

In general, our customers place orders with us for the purchase of our products and solutions, take title to the products and solutions purchased upon delivery by us, and pay us for those purchases based on agreed payment terms. In general, our customers have no return right, except for warranty provisions, and no right to cancel an order once the order has been placed. Purchase orders are typically under longer-term framework agreements between us and the customer. Generally, we do not recognize revenue from sales of our products until our solutions have been delivered to our customers.

Backlog

Our backlog consists of products for which purchase orders have been received and are scheduled for shipment based on customer schedules. Most orders are subject to rescheduling by customers with limited or no penalties.

As of June 30, 2020, we had a backlog of orders of €46.6 million, an increase of €15.4 million compared with a backlog of orders as of December 31, 2019 of €31.2 million. Because of the possibility

of customer changes in product shipment schedules and/or quantities, our backlog as of a particular date may not necessarily be indicative of revenue for any succeeding period and we do not rely on backlog to project our business or anticipate our performance.

Research and Development

We currently conduct ongoing research and development activities primarily in Germany as well as in China and Japan that focus on advancing our existing optical bonding and metal mesh technologies, improving our current product solutions, developing new products, improving functionality and manufacturing processes, enhancing the quality and performance of our product solutions and expanding our technologies to position ourselves as a critical and innovative supplier in our customers' supply chains. Certain employees of IMI, an affiliate of our majority shareholder, who are located in the Philippines are also engaged in related research and development activities for our benefit. Our goal is to continue to provide our customers with innovative solutions that address their requirements and improve their competitive positions, including co-developing custom solutions where necessary. Our long-term goal is to offer integrated interactive display systems which incorporate our proven optical bonding solutions and touch sensor technology, and may in the future include voice and facial recognition and other sensor technologies such as gesture, proximity and hovering. We expect to expand our research and development efforts relating to our optical bonding, metal mesh touch sensor technologies and system capabilities in each of the geographies in which we currently conduct such efforts. In addition, we believe our technology can be used in a variety of additional applications, such as algorithm development, traffic sign recognition and autonomous driving. We also anticipate the need for continued development and improvement in the custom equipment used in our production processes to facilitate new display applications, reduce our costs or accelerate the speed of production. We intend to expand our research and development efforts through increased investment in our engineering activities, including the hiring of additional engineering personnel. We may complement our organic growth by acquiring new technologies or personnel to the extent they are available on favorable terms. To date, our research and development efforts have been funded by revenue generated from our operations.

We believe our innovative and interactive technologies can be applied to many diverse products, and we believe the incorporation of interactive display technology is a key factor in the differentiation of these products. Our research, product development, and engineering teams frequently work directly with our customers to design custom solutions for specific applications. We focus on enabling our customers to overcome their technical barriers and enhance the performance and design of their products.

For the year ended December 31, 2019, our research and development expenses totaled €2.5 million and represented 1.8% of revenue. For the six months ended June 30, 2020, our research and development expenses totaled €1.1 million and represented 1.6% of revenue.

Manufacturing

We have four production sites, which are located at our headquarters in Nuremberg, Germany, in Suzhou, China and in Satte and Shiga, Japan.

All of our production sites include cleanrooms specific to our production necessities rated Class 1,000 and 10,000, which denotes the number of particles of size 0.5 µm or larger permitted per cubic foot of air. A cleanroom with a lower number of such particles is cleaner and will be rated accordingly pursuant to applicable ISO and/or ITAF standards. The sites in Nuremberg and Suzhou are part of our display solution and optical bonding business, while the Japanese production sites relate to our metal mesh touch sensor technology production.

The production sites in Nuremberg and Suzhou employ manual, semi-automated and fully automated production lines and can handle different sizes of displays up to 100 inches in diagonal size. The production is based on process know-how, which is partially patented, as well as our proprietary *VIA bond plus* materials, which are exclusively produced for us on a contract basis. Most of the machinery used in our production process is designed and developed by us and manufactured by third-party suppliers. Component materials such as display, housing, electronic parts or BLUs are purchased directly by us from third-party suppliers or are purchased from or provided by our customers. We seek to limit loss due to unused or obsolete inventory and components by generally purchasing raw materials only as required by customers' purchase orders. We ship directly to our customers globally or via custom-free hubs. We maintain internal supply chain and project management organizations that oversee our production processes and our component inventory requirements to facilitate cost and timing efficiencies in our manufacturing processes. As of June 30, 2020, we had 36 employees dedicated to these functions.

Both of our Japanese production sites are located inside factories of Toppan and are operated pursuant to lease and business assistance agreements. The production process is mainly operated by Toppan employees who are dedicated to VTS production on a secondment basis pursuant to secondment agreements. The primary raw materials used in production at these facilities are purchased by VTS with support from Toppan's purchasing team, leveraging pre-negotiated Toppan procurement conditions. See "Business—Strategic Alliance Agreements" for a description of the lease and secondment agreements and other material agreements with Toppan.

Because our products are often designed in close collaboration with our customers, our manufacturing and production teams, along with our sales and research and development personnel, are often actively involved in multiple stages of our customers' product design, development and production processes. As our business continues to grow, we intend to expand our operations within these groups over the next several years, including cold forming production and improvement in automation in our facilities in Germany and Japan. To support these upgrades and enhancements, we intend to increase our engineering, marketing and services staff in multiple geographies in order to support new development, marketing and service activities to meet the needs of both new and existing customers. We believe that the achievement of these expansion efforts may require substantial capital expenditures.

As of June 30, 2020, our manufacturing facilities operated at approximately 36.7% of capacity in Nuremberg, 29% of capacity in Suzhou (based on an average production size of 10 inches per unit), 75% of capacity in Satte and Shiga. We have installed a new auto-line in our Nuremberg facility, which is expected to increase our manufacturing capacity in Nuremberg the future. The time required to establish and validate a new production facility would be significant, and we regularly review our manufacturing capacity to enable management to make informed decisions regarding potential changes needed to meet customer demand.

The image below illustrates the location of our manufacturing, R&D and engineering and sales and support facilities.

Intellectual Property Rights

Our success and ability to compete depend in part on our ability to maintain the proprietary aspects of our technologies and products. We rely on a combination of patents, trademarks, trade secrets, licensing and collaboration agreements, confidentiality agreements, and other statutory and contractual provisions to protect our intellectual property, but these measures may provide only limited protection.

Patents

In combination with VTS, as of July 31, 2020, we held 21 active patent families (i.e., groups of patents/patent applications for an invention filed in different countries that are based on the same priority (the first application)), including 111 granted patents covering certain display systems and customized equipment relating to our optical bonding technology and conductive film, electrodes and touch panels and display devices relating to our metal mesh touch sensor technology, and had an additional 53 pending patent applications worldwide.

These patent assets are complemented by our marketing, business development, applications, production and operations know-how and our ongoing research and development efforts.

Trade Secrets

As is true in our industry generally, the development of our products, processes and materials has involved a considerable amount of experience, manufacturing, operating and processing know-how and research and development techniques. We protect our proprietary processes and technologies with a blend of patent protection and trade secret protection. As part of our overall intellectual property strategy, we protect our non-patented proprietary knowledge as trade secrets through confidentiality controls such as nondisclosure and confidentiality agreements.

Licenses and Collaboration Agreements

We are a party to various licenses, collaborations and other arrangements that allow us to practice and improve our technology under a range of patents, patent applications and other intellectual property. These include the licensing and collaboration agreements with Toppan that are described in more detail under the heading "Business—Strategic Alliance Agreements."

Trademarks

We have trademark protection for the word and figurative trademarks "Max VU", in each of the United States, Germany, China and the European Union. We have received trademark protection for "VIA optronics" in Germany.

Competition

Our optical bonded display solutions and metal mesh touch sensors are sold into end-markets for automotive, consumer electronics and industrial/specialized applications. These end-markets are characterized by rapidly changing technology and intense competition.

Our principal competitors in automotive application markets are display makers with their own optical bonding capabilities such as AU Optronics, INX, Tianma, JDI and SHARP as well as Tier-1 suppliers, such as Continental and Alpine. Our principal competitors in the sale of optical bonded display solutions for consumer electronics applications are TPK, Henghao, Shenzen Laibao Hi-Tech, GIS, Mutto and O-film. Our main competitors in the sale of optical bonded display solutions for industrial/specialized applications are primarily smaller regional companies such as Data Modul, Faytech and Data Image. In certain strategic cases, in order to expand our optical bonding capacity in different markets, we partner with competitors by granting them a time limited license containing know-how about our process and delivery of our material for their manufacture of products for end users. For example, Continental is a licensee of our technology in addition to being a competitor, and may from time to time also purchase components from us. Mutto is also a licensee of our technology and produces certain panels itself but utilizes our products and services for more critical products.

Our principal competitor within metal mesh touch sensor technology is Fujifilm, which is also capable of producing F2 structures but uses silver (rather than copper) based metal mesh. We also compete with producers of existing ITO sensors and a limited set of smaller competitors who produce silver and copper-based metal mesh touch sensors but who focus more on the medium to larger-sized FF structure.

Facilities

Information concerning our properties is set forth below as of June 30, 2020.

Location	Size (Sq. Meters)	ISO Certification*	Focus	Lease Termination Date
Nuremberg, Germany	4,435	N/A	Corporate Headquarters; Display Solutions Manufacturing and Sales Silicon Sales Camera Module Sales	October 31, 2025
Schwarzenbruck, Germany	28	N/A	Offices	N/A
Suzhou, China	10,257	ISO 9001:2015 ISO 14001:2015 IATF 16949:2016	Display Solutions Sales	March 31, 2021
Satte, Japan	1,676	ISO 9001:2008 JIS Q 9001:2008	Film for Metal Mesh Sensor Technology	March 31, 2023
Shiga, Japan	10,957.8	ISO 9001:2008 JIS Q 9001:2008	Sensors for Metal Mesh Sensor Technology	May 31, 2023
Taipei, Taiwan	VIA sales: 58.84 VTS sales: 13.85	N/A	Sales Offices	September 18, 2021** July 31, 2021
Orlando, Florida	199	ISO 9001:2015	Sales Office	February 28, 2022

* The ISO 9000 family of standards relates to quality management systems and is designed to help organizations ensure that they meet the needs of customers and other stakeholders.

** As of June 30, 2020, the VTS sales office had a termination date of September 18, 2019. The lease was renewed in August 2020 with a termination date of September 18, 2021.

We do not currently own any real property. We believe that our existing facilities are adequate for our current and foreseeable requirements.

Employees

As of June 30, 2020, we had a total of approximately 585 persons working for us under employment and secondment agreements and agreements with external dispatch firms as described below, including 463 in operations (such as Production, Strategic Purchasing, Global Quality and Processes, Engineering, Supply Chain Management), 51 in finance and administration (such as human resources, information technology, legal and general administration); 40 in sales and marketing (including licensing); and 31 in research and development. Of these staff, 84 were located in Germany, 498, in the aggregate, in China, Japan and Taiwan, and 3 in the United States. In addition to our direct employees, as of June 30, 2020, we utilized the services of 315 individuals, in the aggregate, in China and Japan, on a contract basis to support our flexible production capacity which aids in balancing production volume variations, which are included into the abovementioned aggregate staff counts. At VTS, we are serviced by a total of 118 employees as of June 30, 2020, including five direct employees, 55 secondees from Toppan and 13 Toppan employees providing services to us under our business agreement with Toppan, including 8 in research and development, and further 45 are dispatched to VTS from professional dispatch firms. Of the aggregate staff working VTS sites, 83 were located in Shiga, Japan, 29 were located in Satte, Japan, and 6 were located in Hino City (Tokyo, Japan). We consider our relationship with our employees to be good, and none of our employees are represented by a union in collective bargaining with us.

Competition for qualified personnel in our industry is extremely intense, particularly for engineering and other technical personnel. We intend to hire personnel across our locations to support the growth of our business, and our success depends, in part, on our continued ability to attract, hire, and retain qualified personnel.

Our success also depends in part on employees at our Japanese production sites who are employed by Toppan and dedicated to VTS production on a secondment basis pursuant to secondment agreements, meaning that these employees are under VTS's reporting and management structure but remain employees of Toppan and subject to the terms of any employment contracts with Toppan. While VTS bears the cost of the seconded employees, including their salaries, benefits and certain travel and commuting expenses, Toppan generally controls the hiring and firing of such employees and can end the secondment period for designated employees with 30 days' advance notice, subject to providing replacement employees. VTS may make commercially reasonable requests to Toppan to replace seconded employees if VTS can demonstrate that the seconded employee is not competent and the replacement does not deprive Toppan of employees required for its own operations. The secondment arrangement will expire on March 26, 2021 unless we request an extension in writing at least 6 months prior to such date, at which point we would negotiate an extension with Toppan in good faith, subject to consent of the seconded employees.

Strategic Alliance Agreements

Agreements with Toppan Printing Co., Ltd.

We have entered into a series of agreements in connection with our acquisition of a majority interest in VTS and the establishment of the governance and other operational and commercial rights and obligations of VIA, VTS and Toppan relating to VTS. These agreements and the material terms thereof are summarized below.

On November 30, 2017, we entered a Framework Agreement with Toppan to establish VTS in Japan for the purpose of developing, manufacturing and marketing (i) copper touch sensors used in touch panel modules and (ii) copper PET film used in touch panel sensors. Pursuant to the Framework Agreement, Toppan incorporated VTS-Touchsensor Co., Ltd. (f/k/a Toppan Touch Panel Products Co., Ltd.) as its wholly-owned subsidiary and transferred certain assets forming the business operations of VTS through a corporate spin-off proceeding (*kaisha bunkatsu*) under the Companies Act of Japan.

On March 23, 2018, we entered into a Share Purchase Agreement with Toppan, pursuant to which we obtained 65% of the outstanding shares of common stock of VTS-Touchsensor Co., Ltd. from Toppan for upfront cash consideration of 211,231,000 Japanese Yen (excluding tax). The purchase price for our shares was later reduced to 168,146,444 Japanese Yen (excluding tax) in accordance with the final determination of an inventory-based purchase price adjustment provided for in the Share Purchase Agreement.

Concurrently with our acquisition of our shares in VTS, we entered into a Shareholders Agreement with Toppan that governs the rights and obligations of the parties as shareholders of VTS. The material terms of the Shareholders Agreement are as follows:

- The Shareholders Agreement provides that the Board of Directors of VTS shall consist of up to 3 members, with two members designated by us and one designated by Toppan. Additionally, we have the right to designate the Representative Director of VTS from among our directors, who has the authority to execute the decisions of the Board of Directors pursuant to the Companies Act. We also are entitled to appoint a statutory auditor, who assumes the supervisory and monitoring role over directors under the Companies Act.

- The Shareholders Agreement provides that certain actions must not be taken unless approved by resolution of the Board of Directors with the affirmative vote of the member designated by Toppan. Such board reserved matters include modification of VTS's business plan, consummating investments in new business lines, as well as the purchase of assets, incurrence of indebtedness, the leasing of real property, or other expenditures exceeding certain threshold

amounts. The Shareholders Agreement also provides that certain actions must not be taken unless approved by resolution of the shareholders with the affirmative vote of Toppan. Such shareholder reserved matters include the taking of certain material corporate actions, such as mergers, corporate spin-off or business transfer, as well as the amendment of the articles of incorporation, the establishment of subsidiaries, the issuance of new shares in VTS, and remuneration of directors.

- We may exercise a call option for the shares held by Toppan, and Toppan may exercise a put option for the shares held by Toppan, under the following circumstances:

  - In case of a deadlock (defined as lack of resolution on a matter after consideration at two successive board meetings or shareholder meetings, as applicable, for the respective reserved matter), we may purchase the shares held by Toppan at 103% of an agreed going concern valuation based on the price a buyer would pay for all of VTS in an arm's length transaction (adjusted for net debt), or the Going Concern FMV, or Toppan may sell its shares to us at 97% of such valuation.

  - In case of "material breach" of certain provisions of the Shareholders Agreement (including the board appointment and removal provisions, the lock-up restrictions, the right of first refusal, the tag-along and the restrictive covenant provisions), if the breaching party is Toppan, we may purchase the shares held by Toppan at 50% of the Going Concern FMV, and if we are the breaching party, Toppan has the right to sell its shares to us at 150% of the agreed going concern valuation.

  - If VTS generates net losses for three consecutive years and if the shareholders are unable to reach a viable plan for VTS, we may purchase, or Toppan may request us to purchase, Toppan's shares in VTS at an agreed net asset valuation.

- During a non-compete period ending on the later of (i) either shareholder ceasing to hold any shares in VTS or (ii) March 28, 2021, neither shareholder shall, directly or indirectly (i.e., through its affiliates), manufacture copper touch sensors used in touch panel modules or copper PET film used in touch panel sensors, in each case, anywhere in the world.

- Until March 23, 2020, neither shareholder may transfer its interest in VTS to a third party, other than certain permitted transfers to affiliates, except in connection with a merger, consolidation or other business combination that has been approved in accordance with the governance provisions of the shareholders agreement, including by Toppan.

- Following the expiration of the lock-up period, neither shareholder may sell its interest in VTS to a third party purchaser for value without first offering the other party a right of first refusal to acquire its interest on the same terms and conditions proposed by the third party purchaser.

In accordance with the Framework Agreement, VTS also entered into certain commercial agreements with Toppan (or its affiliate, as applicable), to obtain the necessary assets, technologies, human resources and facilities to carry on VTS's business operations.

The material terms of these commercial agreements are as follows:

- *Employee Secondment Agreements*: On March 29, 2018, VTS entered into employee secondment agreements with each of Toppan and Toppan Electronics Products Co., Ltd., or TEP, a wholly owned subsidiary of Toppan, pursuant to which Toppan seconds 16 employees and TEP seconds 38 employees at two VTS manufacturing sites located in Shiga and Satte Japan. The secondment period for each secondee is set on an individual basis, with most secondees serving a three-year secondment period ending in March 2021. As of December 31, 2019, the seconded employees represented approximately 45.8% of VTS's employees at the Shiga and Satte sites.

VTS may request the extension of the secondment period or convert a secondee to a direct employee of VTS by providing six months' prior notice before the expiration of the applicable secondment period, and VTS and Toppan agree to engage in good faith negotiation to accommodate VTS's request, subject to the consent of the seconded employee. VTS may also request that secondees be replaced or their positions adjusted by delivering written notice to Toppan and engaging in mutual negotiation with Toppan following such request. Under the secondment agreements Toppan is responsible for the administration of the secondees' employment terms, conditions and benefits and Toppan's service policies, including holiday and vacation policies, apply. The cost of the secondees' salaries, pensions, employee-related government taxes and benefits are allocated to VTS. The secondment agreements may be terminated upon an insolvency event of either party, either party's uncured material breach of the agreement, if we cease to control a majority interest in VTS or if Toppan no longer holds any interest in VTS.

- *Facility Lease Agreements*: On March 29, 2018, VTS entered two facility lease agreements with Toppan relating to the manufacturing facilities located in Shiga and Satte. Both facilities are located within the premises owned by Toppan and certain administrative services associated with the leases are provided by Toppan Techno Co., Ltd., an affiliate of Toppan. The Shiga lease provides for an initial term of five years with an option in favor of VTS to renew the term for an additional five years. The Satte lease provides for a term of two years and may be extended by mutual agreement by the parties and has been extended under its terms through March 31, 2021. Each lease provides for rental amounts to be paid in equal monthly installments during the life of the lease, except that (i) rental payment for the first year of each lease may be made in 48 equal monthly installments with the first payment deferred until April 2019 and (ii) rental payment for the second year of each lease was paid in one lump sum in March 2020, subject, in each case, to the application of 2% interest. Both lease agreements allocate a portion of certain shared maintenance and administrative costs to VTS. The lease agreements may be terminated upon an insolvency event of either party, either party's uncured material breach of the agreements, if we cease to control a majority interest in VTS or if Toppan no longer holds any interest in VTS.

- *Business Assistance Agreement*: Under this agreement, effective March 26, 2018, Toppan provides VTS with certain operational support services, such as sales and production control (including pricing and quotation proposal), manufacturing design operation, procurement, accounting, environmental regulatory compliance, general administration of seconded employees, product shipping and quality control. Additionally, Toppan will allocate an appropriate number of staff with the qualifications to perform these services. The cost of the personnel performing the operational support services is allocated to VTS at fixed monthly rates based on the number of individuals and time dedicated to performing such services. VTS and Toppan also collaborate to use a shared administration system. The business assistance agreement has a three-year term and is terminable by VTS on 30 days' prior written notice, upon an insolvency event of either party, either party's uncured material breach of the agreement, if we cease to control a majority interest in VTS or if Toppan no longer holds any interest in VTS.

- *IP Transfer Agreement*: VTS entered into a Transferred IP Purchase Agreement with Toppan on March 29, 2018, pursuant to which, Toppan transferred certain patent applications and issued patents relating to copper touch panel sensors and copper PET film to VTS for a purchase price of 568,675,000 Japanese Yen (exclusive of consumption tax), which was paid in installments ending on March 31, 2019. Pursuant to the terms of the IP Transfer Agreement, the completion of the application registration process with respect to transferred but unissued patents was assumed by VTS. VTS has made substantial progress in connection with completing such registrations.

- *IP License Agreement*: Pursuant to the IP License Agreement effective March 29, 2018, Toppan granted VTS a non-exclusive, worldwide license for certain patents (including applications) and certain know-how developed by Toppan (such rights, the Licensed IP) for the purpose of manufacturing, selling, or importing/exporting VTS's products. In general, this agreement remains in force and effective until the expiration of the last licensed patent, unless terminated earlier by either party upon a payment default by VTS, an insolvency event of either party, either party's uncured material breach of the agreement, if we cease to control a majority interest in VTS. In connection with this agreement, VTS agreed to pay Toppan a low single-digit royalty on the total sale proceeds of the VTS products covered by the license, with such royalty fee payable monthly. Toppan provided VTS with certain customary representations and warranties regarding its intellectual property rights in the Licensed IP, including valid ownership and sufficiency of the Licensed IP.

- *R&D and Consignment Agreement*: Pursuant to this agreement dated March 29, 2018, as amended on November 7, 2019, December 6, 2019 and June 23, 2020, Toppan agreed to make available 7 Toppan employees to perform certain research and development services in accordance with a scheduled plan prepared by VTS. The R&D and Consignment Agreement has an initial term of three years. VTS pays a fixed monthly fee for the research and development services, which is calculated generally based on Toppan's staffing costs with applicable mark-up rates. The R&D and Consignment Agreement provides that any inventions and discoveries developed through the performance of the research and development services shall become the properties either of VTS or Toppan or jointly owned by both parties, depending on the underlying intellectual property which became the basis of such inventions and the nature/usage of the inventions. The R&D and Consignment Agreement may be terminated upon an insolvency event of either party, either party's uncured material breach of the agreement, if we cease to control a majority interest in VTS or if Toppan no longer holds any interest in VTS.

- *Distribution Agreement*: Pursuant to this agreement dated March 29, 2018, as amended on November 7, 2019, April 24, 2020 and June 23, 2020, VTS appointed Toppan to serve as a non-exclusive distributor of copper touch panel sensors used in touch panel modules and copper PET film used in touch panel sensors during the term of the agreement. Pursuant to the terms of the agreement, Toppan agrees to use commercially reasonable efforts to promote, sell and distribute the covered products and establish and maintain a sales organization for this purpose. The distribution agreement has an initial three year term and automatically renews for successive one-year terms unless terminated by either party on six months' notice. The distribution agreement may also be terminated upon an insolvency event of either party or either party's uncured material breach of the agreement.

Framework Collaboration Agreement with Wacker Chemie AG

We are party to a Framework Cooperation Agreement with Wacker, dated April 8, 2019, that replaced an earlier agreement between Wacker and us originally signed in 2013. Pursuant to the agreement, Wacker is the sole supplier to us of the base silicone material we use to prepare our *VIA bond plus* adhesive, a critical element in our optical bonding process. The silicone material has been improved and refined in accordance with our specifications over a number of years under the prior agreement.

With respect to the continued supply of silicone materials, the new Framework Cooperation Agreement provides as follows: (i) Wacker is required to exclusively provide us with the base silicone material used in our *VIA bond plus* adhesive per the specifications set forth in such agreement so long as we satisfy a minimum delivery amount per calendar year, (ii) we are required to purchase all of our requirements of our silicone materials from Wacker, if the silicone material is suitable for the project and approved by our customer and except to the extent that Wacker is unable to meet our

requirements (which Wacker is required to confirm in writing within one week of our request for material) in which event we are permitted to obtain a suitable different material, (iii) the price of such material shall be mutually negotiated each year during the fourth quarter, with the contract being terminable if the parties are not able to agree on terms and (iv) Wacker's liability is limited as it solely warrants that the silicone material will meet the specifications provided in the agreement. The Framework Cooperation Agreement has an initial term ending December 31, 2021 and thereafter automatically renews for successive one year terms unless it is earlier terminated on six months' advance notice. While the contract may be renewed for additional periods, the exclusive relationship with Wacker terminates no later December 31, 2021.

The Framework Cooperation Agreement also establishes Wacker and us as development partners for materials in the area of optical bonding, providing that Wacker will be identified to customers as the bearer of expertise in the manufacturing of products required for optical bonding and we will be identified to customers as the bearer of expertise with respect to the processing, assembly, development and optimization of applications and the development of assembly equipment. The agreement also provides that it is not intended to affect any pre-existing intellectual property rights of the parties or to effect any cross-licensing of intellectual property.

Collaboration with Corning

Pursuant to an investment agreement dated March 7, 2019, Corning, one of our commercial partners, has agreed to purchase 1,315,785 ADSs, assuming an initial offering price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus, at an aggregate purchase price of approximately $20 million in a separate concurrent private placement, that we expect will be completed shortly after the completion of this offering, at a price per ADS equal to 95% of the initial public offering price in this offering. The sale of ADSs to Corning will not be registered under the Securities Act of 1933, as amended. We provided Corning with customary representations, warranties and indemnities in the investment agreement and we have agreed to allow Corning to include its ADSs in certain registrations we may file after this offering until the second anniversary of the closing of this offering and thereafter to the extent Corning's securities are not then freely tradeable under Rule 144 of the Securities Act. Corning is required to pay the purchase price for its ADSs within three business days of the receipt of the excerpt from the commercial register relating to the corresponding increase in our registered share capital.

The closing of this offering is not conditioned upon the closing of the private placement of shares to Corning. See "Risk Factors—Risks Related to American Depositary Shares and this Offering—The closing of this offering is not conditioned upon the closing of the private placement of shares to Corning. Corning may elect not to consummate the concurrent private placement if the initial public offering has not closed by a specified date, if there is an uncured material breach of the commercial agreement we entered into concurrently with our execution of the investment agreement, or if certain of the representations and warranties we made in the investment agreement are not accurate."

We also have entered into three commercial agreements with Corning Auto Glass Solutions, LLC or one of its affiliates (Corning) to collaborate on the development and manufacture of glass-on frame cold formed, or three dimensional formed surface, products for automotive interiors employing our optical bonding technology and Corning's cold forming technology which enables three-dimensional (3D) shaped cover glass designs, including automotive dashboard and instrument clusters made out of a single piece of formed glass. Automotive interiors includes cockpit and interior solutions of passenger vehicles, including automobiles, trucks, aircraft, seacraft and trains. The agreements include provisions relating to development, supply, manufacturing, cost-sharing and exclusivity, and delineate the respective intellectual property rights of the parties. Each agreement has an initial term of ten (10) years from the effective date of March 6, 2019, unless earlier terminated pursuant to its terms, and will thereafter automatically renew for one (1) or more additional three-year periods upon expiration of the

initial term, as applicable, subject to certain notice requirements. We have no financial commitments under the agreements until work orders are entered into.

Agreements with IMI

Service and Support Agreement

Our subsidiary Via optronics GmbH entered into a Service and Support Agreement effective January 7, 2019, with IMI, an affiliate of our shareholder, pursuant to which IMI agreed to provide development support services to Via optronics GmbH by providing 14 dedicated employees for contract development support services. Additional dedicated employees can be added by mutual agreement of the parties. Via optronics GmbH pays a fixed monthly fee for each dedicated employee which covers all costs for five (5) workdays a week. In addition, Via optronics GmbH bears sole responsibility for any potential taxes, assessments, and other similar payments which accrue under this agreement. Each party disclaims any ownership rights to other party's background intellectual property and provides that any intellectual property that is developed by the parties in the course of performing the development support services under the agreement is solely owned by Via optronics GmbH. The Service and Support Agreement has an unlimited term unless terminated by either party on at least 30 days' written notice.

Framework Development Agreement

Via optronics GmbH also entered into a Framework Development Agreement with IMI that was effective November 1, 2018. Pursuant to this agreement, Via optronics GmbH agreed to provide IMI, development and research services for camera module projects. The scope of any relevant services to be provided by Via optronics GmbH is to be set forth in separate statements of work which are negotiated in good faith by the parties, which statements of work will contain any terms and conditions with regard to contract periods and payment conditions. IMI, pays a fixed hourly rate for each employee of Via optronics GmbH performing services under this agreement. In addition, IMI, bears sole responsibility for any potential taxes, assessments, and other similar payments which will accrue under this agreement. The agreement disclaims any ownership rights to other party's background intellectual property and provides that any intellectual property that is developed by the parties in the course of performing any statement of work is solely owned by Via optronics GmbH. The Framework Development Agreement has an unlimited term unless terminated by either party on at least 30 days' written notice.

Government Regulation

We are subject to environmental, health and safety regulations in Germany, as well as in the countries where our products are used or sold or produced.

Germany

Legal Requirements for Manufacturing Sites, Facilities and Operations

Emissions Control Law

Our production processes generate emissions, in particular noise. As a result, we are subject to the rules and regulations of the Federal Emissions Control Act (*Bundesimmissionsschutzgesetz*, or BImSchG). The Federal Emissions Control Act contains provisions aiming at the prevention of harmful effects on the environment caused by air pollution, noise, vibration and similar environmental emissions. Companies causing such environmental emissions in Germany are subject to the supervision of the Federal Environment Agency and require a permit to perform their activities causing such emissions. We currently do not require any permits to be granted under the Federal Emissions Control

Act as the emissions (such as noise) caused by our operations do not exceed certain threshold levels as determined by the Federal Emission Control Act.

As our products are mainly manufactured by machines, we are also required to comply with the 32nd Regulation on the Implementation of the Federal Emissions Control Act, or Ordinance on Equipment and Machine Noise Protection (*Geräte- und Maschinenlärmschutzverordnung—32. BImSchV*). We are further subject to the 1st Regulation on the Implementation of the Federal Emission Control Act, or Ordinance on Small and Medium-sized Firing Installations (*Verordnung über kleine und mittlere Feuerungsanlagen—1. BImschV*) as we use ovens for temperature testing of our products as part of our quality management. We are in compliance in all material aspects with these emission control laws.

Production, Possession and Handling of Waste and Dangerous Goods

Our business activities result in the generation, possession and handling of waste. We are subject to the German Act on Recycling (*Kreislaufwirtschaftsgesetz*, or KrWG) and the corresponding ordinances. In accordance therewith, the generation, possession and handling of waste is subject to several obligations, depending, among other things, on the characteristics of the waste concerned. As producer (*Erzeuger*) and possessor (*Besitzer*) of waste, we are generally responsible for the proper handling of such waste, and we are in compliance in all material aspects with the relevant rules and regulations.

Section 50 of the KrWG requires producers, possessors, collectors and transporters of waste and disposal firms to verify to the competent authority the proper disposal of hazardous waste (*gefährliche Abfälle*). Whether a certain substance qualifies as hazardous waste is determined according to the German Ordinance on the European Waste List *(Verordnung über das Europäische Abfallverzeichnis*). Save for ethanol-containing cleanser in low volumes we do not use or produce any hazardous waste in our production process.

We additionally comply in all material aspects with the requirements of the Battery Law (*Batteriegesetz,* or BattG) by disposing the batteries we use in an environmental-friendly way. We also comply with the provisions of the Packaging Law (*Verpackungsgesetz,* or VerpackG) which entered into force on 1 January 2019, replacing the Packaging Ordinance (*Verpackungsverordnung*). The Packaging Law applies to all distributors who put packaging into commercial circulation on the German market for the first time (referred to as "manufacturers")—i.e. both for national producers and for importers. The Packaging Law requires manufacturers to register and participate in a disposal and recycling system in relation to its product packaging.

Furthermore, we comply in all material aspects with the Regulation (EC) No. 1907/2006 of the European Parliament and of the Council of December 18, 2006 concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH). The European Union adopted the REACH Regulation to improve the protection of human health and the environment from the risks that can be posed by hazardous chemicals. In general, we do not use any hazardous chemicals other than ethanol-containing cleanser in our production process which, given the low volumes used by us, cannot be expected to have a negative impact on the environment.

Product Safety

Directive 2001/95/EC of the European Parliament and of the Council of December 3, 2001 on general product safety, which has been implemented in Germany by the German Product Safety Act (*Produktsicherheitsgesetz*, or ProdSG) as well as various governmental regulations (*Rechtsverordnungen*) on the safety of specific products and product groups, impose various obligations on manufactures. The German Product Safety Act applies whenever products are made available on the market, exhibited or first used in the context of a commercial activity, unless other legal provisions provide for corresponding or more far-reaching provisions on user protection.

Under the German Product Safety Act, a product may be made available on the market only if it complies with specific regulations applicable to such product, or, in the absence of such specific regulations, if its intended or foreseeable use does not put the health and safety of persons at risk.

In addition to compliance with this general safety requirement, if products are made available to consumers, manufacturers must provide consumers with the necessary information allowing them to assess the risks inherent in such product where such risks are not obvious without adequate warnings and to take precautions against those risks. If manufacturers or distributors of consumer products become aware that a product is dangerous, they must notify the competent authorities and, where required, cooperate with them. Under certain circumstances, a product may have to be recalled. Our company has never been subject to a claim or order to recall any of its products under the German Product Safety Act.

Potential Fault-Based Liability and Strict Liability related to Products

In accordance with general principles of German civil law, we may be subject to fault-based liability for damages (*Schadensersatz*) caused by a breach of contract or unlawful infringement of legally protected rights of others by our own acts but also by any actions of individuals that work or undertake tasks for us or on our behalf in accordance with Sections 278 and 831 of the German Civil Code (*Bürgerliches Gesetzbuch* or BGB).

Under the German Product Liability Act (*Produkthaftungsgesetz*, or ProdHaftG) we may be strictly liable (i.e. liable regardless of our fault), as a "producer" for damages caused by a defective product. "Producer" means any participant in the production process, or importer, of a defective product, any person putting a name, trademark or other distinguishing feature on the product, and any person supplying a product whose actual producer cannot be identified. "Defectiveness" means the lack of compliance with safety requirements which the general public is entitled to expect when taking into account, among other things, the presentation of the product and the uses to which it can reasonably be put. We are not involved in any pending or threatened product liability cases or claims under the German Product Liability Act or other applicable regulations regarding product liability.

Liability for Environmental Damages

In the event of damage to persons or property caused by our facilities, we may additionally be strictly liable under the German Act on Liability for Environmental Damage (*Umwelthaftungsgesetz*, or UmwHG) or under the German Environmental Damage Act (*Umweltschadensgesetz,* or UmwSG), and the members of our management board, our supervisory board and our employees may even incur criminal liability under the German Criminal Code (*Strafgesetzbuch,* or StGB). We are not involved in any pending or threatened cases or claims under the German Act on Liability for Environmental Damage or the German Environmental Damage Act.

Occupational Health and Safety Requirement.

Occupational health and safety laws are applicable where a work environment may pose threats to employees. German law on occupational safety is heavily influenced by the requirements of the laws of the European Union. The key rules on occupational safety in Germany are contained in the German Act on Occupational Safety (*Arbeitsschutzgesetz*, or ArbSchG), which requires employers to provide for their employees' safety. This general obligation has been put into effect through several ordinances (*Rechtsverordnungen*) under the German Act on Occupational Safety, which are, in turn, more fully specified in technical guidelines. Among the relevant ordinances applicable to us is the Workplaces Ordinance (*Arbeitsstättenverordnung*), which contains various regulations on workplace conditions relating to, for example, ventilation, temperature and illumination. We are in compliance in all material aspects with the occupational and safety laws that are applicable to us.

In addition, we are monitored by the employers' liability insurance association (*Berufsgenossenschaft*). All companies in Germany are required to be member of the *Berufsgenossenschaft*, which is monitoring the companies regarding compliance with occupational health and safety requirements.

Data Protection and Data Privacy

Data protection in general

The collection, processing and other use of personal data is extensively regulated by European and national legislation. At the EU level, Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016, also known as the General Data Protection Regulation, or GDPR, entered into force on May 25, 2018. In Germany, the General Data Protection Regulation is supplemented and modified by the German Federal Data Protection Act (*Bundesdatenschutzgesetz,* or BDSG), which was recently amended with effect from May 25, 2018, as well as data protection statutes on state level.

In general, the GDPR regulates when and how personal data may be collected, for what purposes it may be processed, for how long such data may be stored and to whom and how it may be transferred. The GDPR contains strict requirements for obtaining the consent of data subjects (*i.e.* the persons to whom personal data relates) regarding the use and processing of their personal data. Such consent may be withdrawn at any time without cause, disallowing the continued use of the data concerned. In addition, transfer of personal data to recipients outside the EEA is subject to specific requirements. In connection with our business operations, we store personal data of customers in our CRM and ERP systems as part of our sales processes.

The GDPR also requires businesses to take organizational measures such as the appointment of a data protection officer (*Datenschutzbeauftragter*), who, inter alia, monitors compliance with the requirements of the GDPR. We have retained an external data protection officer which monitors compliance with the GDPR. In addition, it may require a so-called privacy impact assessment in cases where an envisaged data processing operation is likely to result in high risk to the rights and freedoms of individuals concerned.

In addition to the GDPR and the German Data Protection Act, various sector-specific statues set forth specific rules which apply to certain industries or businesses and, within their respective scope, override the general provisions of the German Data Protection Act.

Individual rights of data subjects

Under the GDPR data subjects, inter alia, have the right to require information about what data has been recorded with respect to them, how their data is being processed, the right to data portability as well as the right to restrict certain processing of their data. Furthermore, the GDPR establishes a "right to be forgotten". As a result, a data subject may require that data relating to such data subject be deleted where, for example, the data subject has withdrawn his or her consent to use or storage of such data.

Consequences of non-compliance

Under the GDPR, any violation of applicable provisions may result in severe fines. Depending on the infringement, fines up to the higher of 4% of the annual worldwide turnover of the "undertaking" (which, in connection with a company that belongs to a corporate group, may relate to the entire group) for the last fiscal year or €20.0 million may be imposed. In addition, the GDPR grants individual data subjects the right to claim damages for violation of their rights under the GDPR.

China

Production, Possession and Handling of Waste and Dangerous Goods

Our business activities in China result in the generation and discharging of waste, including hazardous waste. Pursuant to the *PRC Environmental Protection Law* promulgated on December 26, 1989, amended on April 24, 2014, and effective as of January 1, 2015, as well as the *Measures for Pollutant Discharge Permitting Administration (for Trial Implementation)* promulgated on January 10, 2018 and effective as of the same date, a pollutant discharging entity shall hold a pollutant discharge permit as legally required, and the handling of hazardous waste is subject to special obligations such as registering with local authorities and helping authorities track the transfer of the hazardous waste to a qualified hazardous waste disposal entity. Our Chinese subsidiary has obtained the required permits.

Legal Requirements Related to Products

Product Safety

Pursuant to the *Product Quality Law of PRC* promulgated on February 22, 1993 and amended on July 8, 2000, August 27, 2009 and December 29, 2018, companies are prohibited from producing or selling products that do not meet applicable standards and requirements for safeguarding human health and ensuring human and property safety. Products must be free from unreasonable dangers threatening human and property safety. Where a defective product causes physical injury to a person or property damage, the aggrieved party may make a claim for compensation from the producer or the seller of the product. Producers and sellers of non-compliant products may be ordered to cease the production or sale of the products and could be subject to confiscation of the products and/or fines. Earnings from sales in contravention of such standards or requirements may also be confiscated, and in severe cases, an offender's business license may be revoked.

Work Safety

Under relevant work safety laws and regulations, including the *Work Safety Law of the PRC* which was promulgated on June 29, 2002, amended on August 27, 2009, August 31, 2014, and effective as of December 1, 2014, production and operating business entities must establish objectives and measures for work safety and improve the working environment and conditions for workers in a planned and systematic way. A work safety protection scheme must also be set up to implement a work safety responsibility system. In addition, production and operating business entities must arrange for work safety training and provide employees with protective equipment that meets the national standards or industrial standards. An entity or its relevant persons-in-charge who have failed to perform such safety measures will be required to rectify within a time limit or face administrative penalties. If the failure is not rectified within the prescribed time limit, the entity may be ordered to suspend business until such time as the failure is rectified, and serious violations may result in criminal liabilities. We are in compliance with the Work Safety Law.

Environmental Protection

Pursuant to the *Environmental Protection Law of the PRC* promulgated on December 26, 1989, amended on April 24, 2014 and effective on January 1, 2015, any entity which discharges or will discharge pollutants during the course of its operations or other activities must implement effective environmental protection safeguards and procedures to control and properly treat waste gas, waste water, waste residue, dust, noise vibrations, electromagnetic radiation and other hazards produced during such activities.

Environmental protection authorities impose various administrative penalties on persons or enterprises in violation of the *Environmental Protection Law*. Such penalties include warnings, fines,

orders to rectify within the prescribed period, orders to cease construction, orders to restrict or suspend production, orders to make recovery, orders to disclose relevant information or make an announcement, imposition of administrative action against relevant responsible persons, and orders to shut down enterprises. Any person or entity that pollutes the environment resulting in damage could also be held liable under the *Tort Law of the PRC*. In addition, environmental organizations may also bring lawsuits against any entity that discharges pollutants detrimental to the public welfare.

Potential Liability for Products and Environmental Losses

Our business activities in China are exposed to product liability and liability for environmental damage.

Our Chinese subsidiary is engaged in the production and sales of the display screen and the TFT-LCD display panel and relevant products and processes. As a producer, our Chinese subsidiary may be held strictly liable (i.e., liable regardless of our fault) for damages caused by a defective product. Pursuant to the *PRC Product Quality Law*, producers may be protected from liability only if they can prove the case falls into one of the following three circumstances: (i) the products have not been put into circulation; (ii) the defects were non-existent when the products were put into circulation; or (iii) the defects could not be found at the time of circulation due to scientific and technological reasons. Punitive compensation could be available if the producer or seller knowingly produces or sells a defective product that causes death or serious damages to the health of others.

As for the environmental liabilities, according to the *PRC Tort Law*, polluters are strictly liable for any damages caused to the environment. Any entity which discharges pollutants shall assume the burden to prove that it should not be liable or its liability could be mitigated under certain circumstances as provided for by law or to prove that there is no causation between its conduct and the harm. Even if the entity complies with all the national or local pollutant discharge standards, it may still be held liable in accordance with a judicial interpretation issued by Supreme People's Court on the liability for environmental torts.

Japan

Legal Requirements for Manufacturing Sites, Facilities and Operations

Production, Possession and Handling of Waste and Dangerous Goods or Those Otherwise Harmful to the Environment

Under the Waste Management and Public Cleansing Law of Japan (Act No. 137 of December 25, 1970; the "Waste Management Law"), a business operator must, among other things, appropriately dispose of its industrial waste pursuant to the cabinet ordinance promulgated under the Waste Management Law regarding the disposal and transportation of industrial wastes, or otherwise entrust transportation and disposal of industrial waste to a waste management firm with a permit issued by the applicable prefectural governor under the Waste Management Law.

Under the Act on Rational Use and Proper Management of Fluorocarbons (Act No. 64 of June 22, 2001), users of specified products such as commercial refrigerators or air conditioners containing fluorocarbon refrigerants, must, among other things, conduct examinations, and are required to report fluorocarbon leakage over certain amounts to the competent minister. Further, maintenance operators of such specified products (retained by such users) must engage with professional collections firms registered with prefectural government, which handles collection of fluorocarbons and filings to the relevant governor.

Emission/Effluent/Noise Control

Under the Water Pollution Prevention Act of Japan (Act No. 138 of December 25, 1970), a plant operator or other business entity which discharges water from a "Specified Facility" must, among other things, register such Specified Facility in advance with the applicable prefectural governor. A "Specified Facility" is a facility discharging water that either (i) contains harmful substances, such as cadmium, as specified by the cabinet ordinance, or (ii) has a level of pollution likely to negatively affect living conditions as measured by the cabinet ordinance, including based on chemical oxygen demand. The operator of such Specified Facility must, among other requirements, comply with the effluent standards set forth by the ministerial ordinance of the Ministry of Environment, and periodically measure the pollution level of discharged water.

Under the Act on Confirmation, etc. of Release Amounts of Specific Chemical Substances in the Environment and Promotion of Improvements to the Management Thereof (Act No. 86 of July 13, 1999; the "PRTR Act"), a business operator that handles designated chemical substances which pose a risk to human health or wildlife habitats (or materials easily transformed into such substances), must, among other things, measure and confirm the released amount and the transferred amount, and notify annually the competent minister such as the Minister of Economy, Trade and Industry (via prefectural governor) of such released amount and the transferred amount, pursuant to the applicable regulations set by such competent minister.

Under the Air Pollution Control Act (Act No. 97 of June 10, 1968), a business operator must, among other things, take necessary measures to determine the status of the emission and dispersal into the atmosphere of "hazardous air pollutants" associated with their business activities, and to control such emission and dispersal. Copper and its compound are designated as materials which could be classified as hazardous air pollutants.

Under the Noise Regulation Act (Act No. 98 of June 10, 1968), a business operator with certain noise-generating facilities located in a designated area must, among other things, comply with the maximum noise generation standards under the Act, which are respectively specified based on the time periods (mid-day, morning/evening and night) and the nature of areas (residential, industrial, etc.).

Legal Requirements Related to Products

Product Safety

Under the Industry Safety and Health Act (Act No. 57 of June 8, 1972; the "ISHA"), a business entity which delivers products containing certain material classified as harmful under the ISHA is required, among other things, to notify certain matters set forth by the ministerial ordinance of the Ministry of Health, Labor and Welfare upon delivery of such products, in writing or by other method as prescribed by such ordinance. Further, under the Fire Services Act (Act No. 186 of July 24, 1948), a party who stores or handles designated combustibles such as synthetic resins, must notify the applicable regional fire station director in advance.

Occupational Health and Safety Requirements

Under the relevant work safety laws and regulations, including the ISHA, an employer such as our Japanese subsidiary must comply with the standards for preventing industrial accidents set forth in the ISHA, and ensure the safety and health of workers in workplaces by creating a comfortable work environment and improving working conditions. Further, an employer must, depending on the size and the nature of its plants as set forth by the ministerial regulations of the ISHA, appoint a general safety and health manager in charge of each workplace, to establish measures to, among other things, prevent physical risks or health hazards to workers, provide education on occupational health and safety, and

prevent workplace accidents. Our manufacturing sites in Japan are in compliance with the relevant work safety laws and regulations in all material respects, including the ISHA.

Environmental Protection

The Basic Environment Law (Act No. 91 of November 19, 1993; the "Basic Environment Act") sets forth the basic policy with respect to the environmental obligations of a business operator, and generally requires such business operator: (i) to take appropriate measures to prevent pollution and preserve the environment, (ii) to take appropriate measures for disposal of products which become waste, (iii) to make efforts to reduce the environmental burden in the use or disposal of products, including utilizing raw materials that minimize such environmental impact, and (iv) to cooperate with national and local governments with respect to environment preservation policy. The Basic Environment Act is intended to promote measures to mitigate global warming, and to further promote measures to reduce carbon emissions under the Act on Rationalizing Energy Use (Act No. 49 of June 22, 1979; the "Energy Use Act"), as amended. Also refer to *Legal Requirements for Manufacturing Sites, Facilities and Operations—Production, Possession and Handling of Waste and Dangerous Goods*, and—*Legal Requirements for Manufacturing Sites, Facilities and Operations Emission/Effluent Control.*

Potential Liability for Products and Environmental Losses

Manufacturing business operations in Japan are potentially exposed to product liability and liability for environmental damages, including the liabilities enumerated below.

A manufacturer of products may be strictly liable for damages caused by a defective product. Pursuant to the Product Liability Act of Japan (Act No. 85 of July 1, 1994; the "PL Act"), manufacturers are liable for damages arising from the deprivation of life, health or property of others that is caused by the defect in the delivered product unless, (i) such defect could not have been discovered given the state of scientific or technical knowledge at the time when the manufacturer delivered the product or (ii) in case where the product is used as a component or raw material in another product, if the defect occurred primarily because of the compliance with the instructions concerning the design given by the manufacturer of such other product, and that the manufacturer is not negligent with respect to the occurrence of such defect. The scope of damage (indemnification) will be determined pursuant to general tort and contract principles under the Civil Code of Japan (Act No. 89 of April 27, 1896).

With respect to environmental liabilities, under the Water Pollution Prevention Act, polluters are strictly liable for any damages caused on human life or health, resulting from the discharge of polluted water or waste water containing harmful substances, in connection with their business operations. If an accident occurs at a Specified Facility that results in the discharge of water containing harmful substances likely to harm human health or living conditions, the operator of such Specified Facility must immediately take measures to prevent subsequent discharge or permeation of water containing harmful substances, and must notify the prefecture governor of such measures taken.

Worldwide

Our operations and the activities of our employees, contractors and agents around the world are subject to the laws and regulations of numerous countries, including the United States and Taiwan. These laws and regulations include data privacy requirements, labor relations laws, tax laws, anti-competition regulations, prohibitions on payments to governmental officials, import and trade restrictions and export requirements. Violations of these laws and regulations could result in fines, criminal sanctions against our officers, our employees, or us and may result in prohibitions on the conduct of our business. Any such violations could also result in prohibitions on our ability to offer our

products and services in one or more countries and could materially damage our reputation, our ability to attract and retain employees, our business and our operating results.

Our operations (particularly in those countries with developing economies) are also subject to risks of violations of laws prohibiting improper payments and bribery, including the U.S. Foreign Corrupt Practices Act of 1977, the U.K. Bribery Act of 2010 and similar regulations in other jurisdictions. Although we intend to implement policies and procedures designed to ensure compliance with these laws, our employees, contractors and agents may take actions in violation of such policies. Any such violations, even if prohibited by our policies, could subject us to civil or criminal penalties or otherwise have an adverse effect on our business and reputation.

Legal Proceedings

From time to time, we may be subject to various claims or legal, arbitral or administrative proceedings that arise in the ordinary course of our business. We are currently not a party to, and we are not aware of any threat of, any legal, arbitral or administrative proceedings which, in the opinion of our management, is likely to have a material adverse effect on our business, financial condition or results of operations.

Insurance

We maintain comprehensive business liability insurance coverage (*Betriebshaftpflichtversicherung*) for our business operations in Germany, as well as in the United States and China where we have operations. In addition, we intend to obtain directors and officers liability insurance, which will cover expenses, capped at a certain amount, that our management and supervisory board members and our executive managers may incur in connection with their conduct as members of our management and supervisory boards or executive managers. We maintain insurance policies/a group insurance policy for our employees covering occupational accidents, car insurance policies, a legal expenses insurance policy and also insurance covering the risks of damaging our assets, business interruptions, transport risks and foreign travel health costs. We consider the insurance coverage we have to be adequate in light of the risks we face.

MANAGEMENT

Overview

We are a German stock corporation (*Aktiengesellschaft*, or *AG*) with our registered offices in Germany. We are subject to German legislation on stock corporations, most importantly the German Stock Corporation Act (*Aktiengesetz*). In accordance with the German Stock Corporation Act, our corporate bodies are the management board (*Vorstand*), the supervisory board (*Aufsichtsrat*) and the shareholders' meeting (*Hauptversammlung*). Our management board and supervisory board are entirely separate and, as a rule, no individual may simultaneously be a member of both the management board and the supervisory board.

Our management board is responsible for the day-to-day management of our business in accordance with applicable laws, our articles of association (*Satzung*) and the management board's internal rules of procedure (*Geschäftsordnung*). Our management board represents us in our dealings with third parties and is responsible for implementing an internal monitoring system for risk management purposes.

The principal function of our supervisory board is to supervise our management board. The supervisory board is also responsible for appointing and dismissing the members of our management board and representing us in connection with transactions between a current or former member of the management board and us.

Under German law, members of the management board and the supervisory board owe a duty of loyalty and care to us. In carrying out their duties, management board and supervisory board members are required to exercise the standard of care of a prudent and diligent businessperson or supervisory board member, as the case may be. If they fail to observe the appropriate standard of care, they may become liable to the company.

In carrying out their duties, members of the management board and the supervisory board may take into account a broad range of considerations when making decisions. These considerations include the company's interests and the interests of our shareholders, employees, creditors and, to a limited extent, the general public, while respecting the rights of our shareholders to be treated equally.

Our supervisory board has comprehensive monitoring responsibilities. To ensure that our supervisory board is in a position to carry out these functions properly, our management board must, among other duties, regularly report to our supervisory board regarding our current business operations and future business planning (including financial, investment and personnel planning). In addition, our supervisory board is entitled to request special reports from the management board at any time.

Under German law, our shareholders have no direct recourse against the members of our management board or supervisory board if they have breached their duty of loyalty and care to us. Apart from insolvency or other special circumstances, only we have the ability to claim damages from the management board and supervisory board members. We may only waive these claims to damages or settle these claims if at least three years have passed since the violation of a duty occurred, and our shareholders approve the waiver or settlement at a shareholders' meeting with a simple majority of the votes cast at such meeting. However, a waiver or settlement is not permitted if shareholders who in the aggregate hold one-tenth or more of our share capital object to the waiver or settlement and have their objection formally recorded in the minutes of the shareholder meeting by a German civil law notary.

The following description, as far as it relates to our articles of association, is based on our articles of association, as adopted by our general shareholders' meeting on July 4, 2019.

Supervisory Board

Our supervisory board currently consists of five members. All members of our current supervisory board were elected by the shareholders' meeting in accordance with the provisions of the German Stock Corporation Act. As we grow, our supervisory board may be required to include employee representatives subject to the provisions of the German One-Third Employee Representation Act (*Drittelbeteiligungsgesetz*), which applies to companies that on a regular basis employ more than 500 employees in Germany (on a headcount basis), or the German Codetermination Act (*Mitbestimmungsgesetz*), which applies to companies that on a regular basis employ more than 2,000 employees in Germany (on a headcount basis). Based on the size of our workforce, none of these provisions currently apply to us and we are not required to include employee representatives as members of our supervisory board.

Under German law, the members of a supervisory board may be elected for a maximum term of approximately five years, depending on the date of the annual general shareholders' meeting at which the members of the supervisory board are elected. This time period may not extend past the end of the shareholders' meeting ratifying the acts of the supervisory board for the fourth full financial year following the commencement of their respective terms of office. For example, if a potential supervisory board member is elected in May 2020, his or her term of office may not extend past the shareholders' meeting ratifying the acts of the supervisory board in the financial year 2024.

Re-election, including repeated re-election, is permissible. The shareholders' meeting may specify a term of office for individual members or all of the members of our supervisory board that is shorter than the maximum term of office and, subject to statutory limits, may set different start and end dates for the term of office of individual supervisory board members.

Members of our supervisory board may be dismissed at any time during their term of office by a resolution of the shareholders' meeting adopted by a simple majority of the votes cast at such meeting. In addition, any member of our supervisory board may resign at any time by giving one month's written notice of his or her resignation to the Chairman of our supervisory board or, in case the Chairman resigns, to the Vice Chairman. Our supervisory board may agree upon a shorter notice period.

The shareholders' meeting may, at the time when it elects the members of the supervisory board, also elect one or more substitute members. Should the term of office of a member of our supervisory board end prematurely the substitute member will replace such supervisory board member for the remainder of his or her original term of office. Currently, no substitute members have been elected or have been proposed to be elected.

Our supervisory board elects a Chairman and a Vice Chairman from among its members. The Vice Chairman assumes the Chairman's responsibilities and duties whenever the Chairman is unable to discharge his or her duties. Anil Kumar Doradla, Anthony John Best, Diosdado P. Banatao, Jerome S. Tan and Dr. Heiko Frank were elected as members of our supervisory board. The members of our supervisory board have elected Dr. Heiko Frank as Chairman of the supervisory board and Jerome S. Tan as Vice Chairman of the supervisory board, each for his respective term of office.

German law does not require the majority of our supervisory board members to be independent. However, pursuant to a recommendation contained in the German Corporate Governance Code (as in force as of the day of filing of this prospectus), the supervisory board shall include such number of independent members as it considers appropriate, taking into account the shareholder structure. A supervisory board member is deemed independent if such member is independent from the company and its management board and independent from a controlling shareholder.

According to the recommendations of the German Corporate Governance Code the majority of the supervisory board members shall be independent from the company and its management board. A member of the supervisory board is deemed independent from the company and its management board

if such member has no personal or business relationship with the company or the management board that may cause a substantial, and not merely temporary, conflict of interest.

In case the supervisory board is composed of up to six (6) members, at least one member of the supervisory board shall be independent from the controlling shareholder. In case the supervisory board comprises more than six (6) members, at least two (2) members of the supervisory board shall be independent from the controlling shareholder. A member of the supervisory board is considered independent from a controlling shareholder if neither such supervisory board member nor its close family members are a controlling shareholder or part of the executive board of a controlling shareholder and no personal or business relationship with the controlling shareholder exists that may cause a substantial, and not merely temporary, conflict of interest.

The supervisory board passed a resolution, as recommended by the German Corporate Governance Code, setting forth targets for the composition of the supervisory board, and determined that at least three out of the five supervisory board members should be independent within the meaning of the German Corporate Governance Code.

Our supervisory board has also determined that a majority of our supervisory board members are independent directors in accordance with the listing standards of the New York Stock Exchange. The independence definition of the New York Stock Exchange considers a number of factors and includes a series of objective tests to ensure, among other things, that the supervisory board member is not currently employed by us, and has not been for the last three years, and prohibits the supervisory board member or any of his or her family members from engaging in enumerated types of business dealings with us. As required by the rules of the New York Stock Exchange, our supervisory board has affirmatively determined as to three supervisory board members, Messrs Banatao, Best and Doradla, that no relationships exist between such supervisory board member or any family member of such supervisory board member and our company, or any entities affiliated with our company, which, in the opinion of our supervisory board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a supervisory board member. For the purpose of determining the independence of our supervisory board members, our supervisory board reviewed and discussed information provided by the members of the supervisory board and by us with regard to each supervisory board member's business and personal activities and relationships as they may relate to us, our management and our shareholders and their affiliated entities.

The supervisory board meets at least four times per year, twice during each of the first and the second half of each financial year. Our articles of association and the supervisory board's rules of procedure provide that a quorum of the supervisory board members is achieved if at least three of its members, participate in the vote. Abstention is regarded as participation in the vote, but is not included in the calculation of the votes cast. Members of our supervisory board are deemed to be participating in a vote if they participate via telephone or video conference, as long as no other member of the supervisory board objects to such form of participation. Any absent member may also participate in the vote by submitting his or her written vote through another member.

Resolutions of our supervisory board are passed with a simple majority of the votes cast, unless otherwise required by law, our articles of association or the rules of procedure of our supervisory board. In the event of a tied vote, the Chairman has the tie-breaking vote.

Under the German Stock Corporation Act, our supervisory board is not permitted to make management decisions. However, in accordance with German law, our supervisory board determined on July 25, 2019 that certain matters require its prior consent, including:

- any material changes to our business strategy;
- the approval of our budget, including our operational and investment budget as well as our related financing plan;

- capital expenditures or investments (including leasing agreements) exceeding €1,000,000 for a single investment, and investments where the total amount of the investments exceeds €2,000,000 per financial year;
- the purchase or sale of real estate or legal entities or the purchase, sale, creation, extension, reduction or termination of business activities, including tangible or intangible assets, where the relevant price or value, in each case, exceeds €1,000,000;
- M&A activities, including the acquisition or sale of businesses, shares or securities;
- the execution or amendment of an agreement for or relating to borrowing, lending, underwriting guarantees or suretyships or assuming similar liabilities outside the ordinary course of business where each amount exceeds €1,000,000;
- the conclusion or amendment of credit agreements exceeding €2,000,000 or the extension of existing credit lines by more than €2,000,000;
- the conclusion or amendment of an operating lease, land lease or rental agreement in relation to real estate, buildings or similar objects, if our obligations associated with such agreement exceed €500,000 per year;
- expenditures or capital investments exceeding €1,000,000 in each case;
- any material change or amendment to our code of conduct;
- the adoption of pension plans and the commitment to and payment of pensions;
- the hiring of executives and employees with a fixed annual salary exceeding €260,000, as well as hiring personnel if the number of new hires exceeds 5% of the budgeted full time workforce (by headcount) for the respective financial year;
- the conclusion or amendment of transactions between the company and any member of the management board, as well as persons or companies associated with a member of the management board, including relatives of the aforesaid persons within the meaning of Section 15 of the German Tax Code (*Abgabenordnung*);
- the sale, disposal or licensing of material intellectual property rights outside the company's ordinary course of business;
- the conclusion, amendment or termination of agreements concerning risky financial transactions such as swaps, options, forward sales or purchases, futures and other financial derivatives and combinations thereof; and
- the creation, amendment or termination of employee stock option programs or virtual phantom stock option programs or any other bonus or incentive plans for employees.

In addition to the matters that our supervisory board has determined from time to time to require its prior consent, as a matter of German law, certain transactions or other matters may only be carried out or implemented subject to our supervisory board's prior consent.

The rules of procedure of our supervisory board provide that a supervisory board member may not continue to serve on our supervisory board past his or her 75th birthday.

The following table sets forth the names and functions of the current members of our supervisory board, their ages, their terms (which expire on the date of the relevant year's general shareholders' meeting) and their principal occupations outside of the company as of June 30, 2020:

Name	Age	Term Expires	Principal Occupation
Diosdado P. Banatao	74	2021	Chairman of Blaize Inc. ("Blaize")
Anthony John Best	59	2025	Strategic Financial Director and Advisor of Surface Technology International Inc.
Anil Kumar Doradla	51	2025	Chief Financial Officer of Grid Dynamics International, Inc. ("Grid Dynamics")
Dr. Heiko Frank (Chairman)	55	2025	Managing Director of Kloepfel Corporate Finance GmbH
Jerome S. Tan (Vice Chairman)	58	2025	Chief Financial Officer of IMI

The business address of the members of our supervisory board is the same as our business address: VIA optronics AG, Sieboldstrasse 18, 90411 Nuremberg, Germany.

The following is a brief summary of the business experience of the members of our supervisory board:

Diosdado Banatao, an American citizen, became a member of our supervisory board in July 2019. Mr. Banatao founded and currently serves as Chairman of Blaize and as Emeritus Chairman of INPHI Inc. ("INPHI"). Blaize and INPHI are both portfolio companies of Tallwood Venture Capital. He previously served as Chairman and as a member of the compensation committee of Thinci Inc. and as executive Chairman of Wave Computing Inc. Wave Computing Inc. Blaize, INPHI and Thinci Inc. are all portfolio companies of Tallwood Venture Capital. In 2000, Mr. Banatao founded Tallwood Venture Capital, a venture capital investment firm with approximately €300 million of assets under management, where he previously served as a Managing Director. Mr. Banatao holds a bachelor of science in electric engineering from the Mapua Institute of Technology in the Philippines, a master of science in electrical engineering and computer science from Stanford University, and a doctor of technology (honoris causa) from the Mindanao State University. Mr. Banatao was awarded the Master Entrepreneur of the Year Award in 1997 by Ernst & Young, Inc. Magazine and Merrill Lynch Business Financial Services. We believe that Mr. Banatao's diverse and long-term experience as founder and leader of various technology firms provides him with valuable insights into our operations and industry, enabling him to contribute diverse experience and expertise to our supervisory board.

Anthony John Best, a British citizen, became a member of our supervisory board in July 2019. Mr. Best has served as an alternate director of Surface Technology International Inc. since May 2017. Previously, Mr. Best has served as a director of Surface Technology International Inc. between 2010 and 2017, and as a trustee director in manufacturing and consultancy of HSSMI Ltd. between 2015 and 2019. Additionally, Mr. Best served as a fund director of Renshaw Bay LLP from 2012 until 2016 and was a Chairman of SME capital Ltd. between June 2015 and January 2020. Mr. Best received a bachelor degree in politics, philosophy and economics from Oxford University. We believe that Mr. Best's long term experience in business and finance provides him with valuable insights into our business, particularly in the area of finance.

Anil Kumar Doradla, an American citizen, became a member of our supervisory board in July 2019. He has served as chief financial officer of Grid Dynamics since November 2019. Before this position at Grid Dynamics, Mr. Doradla served as chief financial officer of Airgain Inc. between 2018 and 2020 and as an equity research analyst at William Blair between 2008 and 2018. Mr. Doradla received a Bachelor's degree in technology from the Sri Venkatesawara University in Tirupati in India. He also holds a master of science from the Virginia Tech University, and completed his master in business administration in business, finance and management at the University of Texas at Austin. We believe

that Mr. Doradla's experience in the area of business and finance, including his role as Chief Financial Officer at Grid Dynamics, provide him with valuable insights into our business, particularly in the area of finance.

Dr. Heiko Frank, a German citizen, became a member of our supervisory board in January 2019 and currently serves as the Chairman of our supervisory board. Dr. Frank served as member of the advisory board (*Beirat*) of our subsidiary VIA optronics GmbH prior to our corporate reorganization. Between February 2013 and March 2016, Dr. Frank served as a management board member of IMAP M&A Consultants AG. Since April 2016, Dr. Frank has been a shareholder in and has served as Managing Director of Kloepfel Corporate Finance GmbH, a financial advisory firm. Dr. Frank served as a member of the advisory board of Alphasystems GmbH from April 2009 until December 2014, and as deputy Chairman of the supervisory board of SchwabenMobil Nahverkehrsgesellschaft GmbH from June 2007 until October 2018. Since July 2007, he has served as Chairman of the supervisory board of the German stocklisted CPU Softwarehouse AG, and since November 2017, as a member of the advisory board of Interconnect GmbH. Since March 2000, he has been active as a commercial judge at the regional court (*Landgericht*) in Augsburg, Germany, and since 2016, he has served as a member of the curatorship at the FOM University of Applied Sciences for Economics and Management. Dr. Frank received a diploma in business administration from the University of Augsburg, and a doctorate (Dr. rer. pol.) in business administration from the University of Augsburg and constructed his thesis on local electronic media. We believe that Dr. Frank's diverse and long-term experience in M&A, corporate finance advisory positions, and his roles as an advisory and supervisory board member at the above-mentioned companies, provide him with valuable insights into our business, particularly in the areas of financing and acquisition opportunities. Additionally, his focus on IT and technology companies gives him insight into our operations and industry, enabling him to provide our supervisory board with a broad range of knowledge. We also believe that Dr. Frank's service as a member of the advisory board (*Beirat*) of our subsidiary VIA optronics GmbH and his previous role as Statutory Auditor at our joint venture, VTS-Touchsensor Co., Ltd., prior to this offering and our corporate reorganization ensures continuity in the oversight of our company's business.

Jerome S. Tan, a Singaporean citizen, became a member of our supervisory board in January 2019 and currently serves as the Vice Chairman of our supervisory board. Mr. Tan served as a member of the advisory board (*Beirat*) of our subsidiary VIA optronics GmbH prior to this offering and our corporate reorganization. Mr. Tan has served as Senior Managing Director and the Global Chief Financial Officer of IMI, an affiliate of our largest shareholder, since January 1, 2011 where he is responsible for providing leadership, direction and management of the Finance functions including Treasury, Financial Planning & Analysis and Controllership. He brings more than 30 years of broad experience and various achievements in finance, strategic planning, business development and acquisition/integration. He has assumed regional leadership roles in multi-national Banking and Finance companies, and Food and Beverage industry located in different countries in the Asia Pacific Region. Prior to joining IMI, he was with the General Electric Company holding various regional and operating roles in Finance and Business Development including CFO for CNBC / NBC Universal Asia Pacific, CFO of GE Money Singapore and GE Money Bank in the Philippines. Before taking on operating CFO positions, he was the Regional FP&A Leader for GE Money Asia; and a Business Development Director for GE Capital responsible for mergers and acquisition. Prior to joining GE, he was also a key member of the management team of San Miguel Brewing International Ltd., managing Treasury and Financial Planning, and Corporate Planning and Business Development. He started his career in banking as an Associate in Robert Fleming, Inc. based in New York and was also an Assistant Director in First Pacific Bank Asia, Ltd. in Hong Kong. Mr. Tan has also served as a member of the advisory board (*Beirat*) of MT Technologies GmbH, Germany since September 2018. Mr. Tan received a bachelor of arts in Economics from De La Salle University in the Philippines and a master in business administration in General Management from the University of Virginia, Darden School of Business. We believe Mr. Tan's long-term experience and role as Chief Financial Officer of several international

companies provides our supervisory board with expertise in financial matters and his service as a member of the advisory board (*Beirat*) of our subsidiary VIA optronics GmbH prior to this offering and our corporate reorganization ensures continuity in the oversight of our company's business.

Supervisory Board Practices

Decisions are generally made by our supervisory board as a whole; however, decisions on certain matters may be delegated to committees of our supervisory board to the extent permitted by law. The Chairman, or if he or she is unable to do so, the Vice Chairman, chairs the meetings of the supervisory board and determines the order in which the agenda items are discussed, the method and order of the voting, any adjournment of the discussion and passing of resolutions on individual agenda items after a due assessment of the circumstances.

In addition, under German law, each member of the supervisory board is obliged to carry out his or her duties and responsibilities in person, and such duties and responsibilities cannot be generally and permanently delegated to third parties. However, the supervisory board and its committees have the right to retain third-party experts for the review and analysis of specific matters within the scope of the supervisory board's control and supervisory function under German law. We would bear the cost of any such experts that are retained by the supervisory board or any of its committees within the scope of their responsibilities.

Pursuant to Section 107 para. 3 of the German Stock Corporation Act, the supervisory board may form committees from among its members and charge them with the performance of specific tasks. The committees' tasks, responsibilities and processes are determined by the supervisory board. The supervisory board may delegate to one or more committees all tasks and responsibilities not reserved for the supervisory board as a whole as a matter of mandatory law.

Pursuant to its internal rules of procedure, the supervisory board has established a Compensation and Nomination Committee and an Audit Committee.

Compensation and Nomination Committee

Pursuant to our articles of association and the rules of procedure of our supervisory board, the Compensation and Nomination Committee prepares hiring and personnel decisions of the supervisory board and performs the following functions:

- preparation of the supervisory board's resolutions regarding the conclusion, amendment and termination of service agreements of members of the management board, taking into account the compensation system adopted by the supervisory board;
- preparation of the supervisory board's resolutions regarding the compensation of the members of the management board pursuant to Section 87 of the German Stock Corporation Act;
- preparation of the supervisory board's resolutions regarding the compensation system for the management board, including the key contractual provisions, and providing the supervisory board with the information necessary to perform a review of the compensation system on a regular basis;
- representation of the company *vis-à-vis* former members of the management board pursuant to Section 112 of the German Stock Corporation Act;
- approving outside employment of and outside positions by management board members pursuant to Section 88 of the German Stock Corporation Act;
- approval of agreements with supervisory board members pursuant to Section 114 of the German Stock Corporation Act; and

- identifying suitable candidates who may be proposed for election as supervisory board members to the shareholders' meeting.

The Compensation and Nomination Committee monitors the management board's compliance with the rules of procedure of the management board.

The Compensation and Nomination Committee consists of three members, Mr. Jerome Tan, Mr. Best and Mr. Doradla. Our supervisory board has determined that a majority of the members of the Compensation and Nomination Committee satisfy the independence requirements under German law and the New York Stock Exchange listing standards. Mr. Tan has been elected Chairman of the Compensation and Nomination Committee.

Audit Committee

Our Audit Committee assists the supervisory board in overseeing the accuracy and integrity of our accounting and financial reporting processes, along with the audits of our financial statements. The Audit Committee also oversees the effectiveness of our internal control system, our compliance with legal and regulatory requirements, evaluates the independence and qualifications of the independent auditors, and oversees the performance of such auditors.

The Audit Committee's duties and responsibilities include, among others:

- the review of our accounting processes;
- the review of the effectiveness of our internal control systems, risk management and compliance;
- the review and the handling of matters and processes related to auditor independence;
- the recommendation of external auditors for approval by the shareholders' meeting, the commissioning of the auditors to conduct the audit, agreeing on additional services to be provided by the auditors within the scope of the auditor's assignment, the determination of the scope and the key areas of review of the audit, agreeing upon the auditors' compensation and oversight of the auditors' work (including resolution of disagreements with the auditors);
- the preparation of the supervisory board's resolution on our financial statements;
- reviewing our interim financial statements that are made public or otherwise filed with any securities regulatory authority;
- monitoring our bookkeeping and records; and
- the establishment of procedures for (i) the receipt, retention and treatment of complaints we receive regarding accounting, internal accounting controls or auditing matters and (ii) the submission by our employees of concerns regarding questionable accounting or auditing matters.

The Audit Committee consists of three members: Diosdado Banatao, Anthony John Best and Anil Kumar Doradla. According to the New York Stock Exchange listing standards, the Exchange Act and our rules of procedure for the Supervisory Board, all members of our Audit Committee must be independent. Our supervisory board has determined that each member of the Audit Committee qualifies as independent within the meaning of the New York Stock Exchange listing standards, the Exchange Act and the German Corporate Governance Code, and meets the financial literacy requirement of the New York Stock Exchange listing standards.

Mr. Doradla is the Chairman of our Audit Committee. Pursuant to the German Corporate Governance Code, the Chairman of the Audit Committee shall not be the Chairman of our supervisory board. In addition, the Chairman of the Audit Committee shall be independent from the company, the management board and from the controlling shareholder and have specific expertise in accounting and internal control procedures. Our supervisory board has determined that the Chairman of the Audit Committee, Mr. Doradla, in view of his in deep knowledge and experience in the application of accounting principles and internal control procedures, has the required expertise within the meaning of the German Corporate Governance Code. The relevant SEC rules list a number of ways that an audit committee financial expert may gain the required experience, including as a principal financial officer of a company, as is the case with Mr. Doradla. Based on Mr. Doradla's aforementioned financial expertise and professional experience as Chief Financial Officer of Grid Dynamics, he also qualifies as an "audit committee financial expert" under the relevant SEC rules.

Management Board

Overview

Under our articles of association, the management board must consist of one or more persons. The supervisory board determines the exact number of members on the management board and appoints the Chairman and the deputy Chairman of the management board, if any. Currently, the management board consists of two members, Jürgen Eichner, appointed as Chief Executive Officer, and Daniel Jürgens, appointed as Chief Financial Officer.

The members of our management board conduct the day-to-day business of our company in accordance with applicable laws, our articles of association and the rules of procedure for the management board. The management board generally responsible for the management of our company and for handling our day-to-day business relations with third parties, the internal organization of our business and communications with our shareholders. In addition, the management board is responsible for:

- the preparation of our annual financial statements;
- making a proposal to be submitted to our shareholders' meeting on how our profits (if any) should be allocated (such proposal to be submitted simultaneously to the supervisory board); and
- regular reporting to the supervisory board on our current operating and financial performance, our budgeting and planning processes, and our performance in relation thereto and on future business planning (including strategic, financial, investment and personnel planning).

The supervisory board can appoint the members of the management board for a maximum term of five years. According to the recommendations by the German Corporate Governance Code, the first-time appointment of management board members shall be for a period not more than three (3) years. Reappointment or extension, including a repeated reappointment or extension, of the term for up to five years is permissible. The supervisory board may only revoke the appointment of a management board member prior to the expiration of his or her term for good cause, such as for gross breach of fiduciary duties or if the shareholders' meeting passes a vote of no-confidence with respect to such member, unless the supervisory board deems the no-confidence vote to be clearly unreasonable. The supervisory board is also responsible for entering into, amending and terminating service agreements with the management board members and, in general, for representing us in disputes involving the management board irrespective of whether in or out of the court.

Our supervisory board may delegate any of these tasks to one of its committees, subject to certain exceptions in which resolutions have to be taken by the supervisory board as a whole. Pursuant to our current rules of procedure for the supervisory board, our supervisory board has delegated certain tasks to the Audit Committee and certain other tasks to the Compensation and Nomination Committee. For more details see sections "—Compensation and Nomination Committee" and "—Audit Committee."

According to our articles of association, as long as there are two or more management board members, either (i) two management board members or (ii) one management board member acting jointly with an authorized representative (*Prokurist*) have the authority to act on our behalf. The supervisory board may grant any management board member the right to represent us alone and may release any member of the management board from the restrictions on multiple representation (*Mehrfachvertretung*) under Section 181, 2nd alternative of the German Civil Code (*Bürgerliches Gesetzbuch)*.

Based on a resolution of the supervisory board, all members of the management board were released from the restrictions on multiple representation. Such release does not affect the fiduciary duties of the management board members towards our company.

The rules of procedure for our management board provide that certain matters require a resolution adopted by the management board, in addition to matters for which a resolution adopted by the management board is required by law or our articles of association. Such matters include the following:

- the management board's reports to inform the supervisory board;
- the management board's quarterly and semi-annual reports as required by applicable securities laws;
- fundamental organizational measures, such as the execution of, or amendment to, domination and profit and loss transfer agreements (Section 291 *et seqq.* of the German Stock Corporation Act), transformation measures within the meaning of the German Transformation Act (*Umwandlungsgesetz*), sale or acquisition of material company assets as well as issues of strategy and business planning as set out in Section 90 para. 1 no. 1 of the German Stock Corporation Act;
- measures related to the implementation and control of a monitoring system as set forth in Section 91 para. 2 of the German Stock Corporation Act;
- the issuance of the compliance statement pursuant to Section 161 para. 1 of the German Stock Corporation Act;
- the preparation of the consolidated and unconsolidated financial statements (including the management report) as well as comparable reports issued by the company voluntarily or based upon securities laws;
- convening of the general shareholders' meeting and preparation of the agenda, including the management board's proposals for matters to be discussed and, where applicable, voted on at the meeting; or
- matters with respect to which the chairman or any two members of the management board (in case the management board was enlarged) have requested a resolution by the management board.

The management board has the authority to determine our business areas and operating segments. It must also decide upon the internal allocation of responsibility for certain business areas and operating segments among the various members of the management board, by setting up a business responsibilities plan (*Geschäftsverteilungsplan*). While all members of the management board continue to bear joint responsibility for the management of the company, we have adopted a business responsibilities plan assigning the following primary responsibilities to our members of the management board:

The Chief Executive Officer, currently Jürgen Eichner, has the following primary responsibilities: overseeing our marketing and sourcing, sales and operations, research and development, technology, production, human resources, information technology and quality management functions.

The Chief Financial Officer, currently Daniel Jürgens, has the following primary responsibilities: overseeing our controlling, accounting, and legal functions.

The rules of procedure of our supervisory board provide that a management board member may not continue to serve on our management board past his or her 65th birthday.

Members of the Management Board

The following table sets forth the names and functions of the current members of our management board, their ages and their terms as of June 30, 2020:

Name	Age	Term Ends	Position
Jürgen Eichner	60	2022	Chief Executive Officer
Daniel Jürgens	51	2022	Chief Financial Officer

The business address of the members of our management board is the same as our business address: VIA optronics AG, Sieboldstrasse 18, 90411 Nuremberg, Germany.

The following is a brief summary of the business experience of the members of our management board:

Jürgen Eichner became a member of our management board in January 2019. After founding VIA optronics GmbH in 2005, Mr. Eichner has served as a Managing Director and Chief Executive Officer of our subsidiary VIA optronics GmbH since 2006. From 2000 to 2004, Mr. Eichner served as Head of Sales EMEA for White Electronics Design Corporation, and from 1998 to 2000, he served as business development manager and as a director of the service group "Professional Services" of Origin Germany B.V. Between 1985 and 1998, he served as a development engineer, project manager, group leader and as the head of the Electronic Service Center of Diehl Stiftung & Co. KG. Mr. Eichner graduated with a master of science in electronics engineering from the University of Applied Sciences of Nuremberg.

Daniel Jürgens became a member of our management board in January 2019. Mr. Jürgens has served as a Managing Director of our subsidiary VIA optronics GmbH, since 2015 and has been VIA optronics GmbH's Chief Financial Officer since June 2015. From 2014 to 2015, Mr. Jürgens was employed by IMAP M&A Consultants AG in Mannheim, Germany, serving as a partner and providing M&A consulting services. Mr. Jürgens served as Chief Financial Officer of Elephant Seven AG in 2005 and 2006. Since 2002, Mr. Jürgens has been a shareholder and Managing Director of iBRAIN Consulting Group GmbH, an M&A consulting services company. Mr. Jürgens received a diploma in business administration from Ludwig-Maximilian-Universität, Munich.

Compensation of Management Board and Supervisory Board Members

Compensation of Management Board Members

In connection with this offering, we expect to enter into service agreements with the current members of our management board, which are described below in more detail. These agreements provide for an annual fixed base salary and an annual performance award (annual bonus) with a target of up to 100% of the annual fixed base salary. The annual fixed base salary will be adjusted annually at the time of the annual collective wage increase for employees of the Bavarian metal industry at a percentage rate equal to the percentage rate at which the salaries of employees at the highest level of the pay scale for employees of the Bavarian metal industry are increased. The performance targets of the annual bonus are tied to financial indicators, such as annual profit.

Adjustments to the fixed base salary of our management board members are to be considered annually based on inflation, competitive environment and individual performance.

In addition to the fixed and variable remuneration components, the members of our management board are entitled to additional benefits under the terms of their service agreements, including

company car arrangements, mobile phone, as well as to reimbursement of necessary and reasonable expenses. Our company has obtained directors' & officers' indemnity insurance policies for the benefit of the members of our management board covering the statutory liability arising from their activities in this capacity.

We believe that the service agreements between us and the members of our management board provide for payments and benefits that are in line with customary market practice for similar companies who are operating in our industry.

In 2020, the two members of our management board are entitled to receive a total compensation package of up to €1,150,000, which includes base salary, bonus payments and other compensation as a result of additional benefits described above.

Service Agreements

Service Agreement with Jürgen Eichner

In connection with this offering, we expect to enter into a service agreement with Jürgen Eichner to serve as our Chief Executive Officer and a member of our management board. The service agreement includes an initial fixed term until December 31, 2022. In the event the company terminates the service agreement for any reason other than for material breach of his duties, Mr. Eichner shall be entitled to a lump sum severance payment equal to one month's base salary per year of service since June 1, 2006.

The service agreement with Mr. Eichner provides for a two-year non-compete covenant after termination of his service agreement. Mr. Eichner is entitled to salary continuation during the term of the non-compete covenant equal to 50% of the aggregate amount of his annual fixed base salary plus annual bonus, which amount shall be payable pro rata in equal monthly installments during the term of such covenant.

Service Agreement with Daniel Jürgens

In connection with this offering, we expect to enter into a service agreement with Daniel Jürgens to serve as Chief Financial Officer and a member of our management board. The service agreement includes an initial fixed term until December 31, 2022, during which it can be terminated by Mr. Jürgens upon six months' prior written notice to the end of a calendar month.

The service agreement provides for a two-year non-compete covenant after termination of his service agreement. Mr. Jürgens is entitled to salary continuation during the term of the non-compete covenant equal to 50% of the aggregate amount of his annual fixed base salary plus annual bonus, which amount shall be payable pro rata in equal monthly installments during the term of such covenant.

Compensation of Supervisory Board Members

On August 25, 2020, the annual general shareholders' meeting adopted the following remuneration system for the members of our supervisory board to our shareholders at our first annual general shareholders' meeting:

- Ordinary members of the supervisory board will receive a fixed remuneration in the amount of €20,000 per annum. The Chairman and Vice Chairman of the supervisory board will receive a fixed remuneration in the amount of €40,000 per annum and €30,000 per annum, respectively. The Chairman of the Audit Committee will receive a fixed remuneration in the amount of €30,000 per annum.

- If more than four supervisory board meetings are held during a calendar year, the members of the supervisory board will receive €5,000 for each additional physical meeting. Beyond this, we

will generally not compensate the supervisory board members for their attendance of supervisory board meetings.

- The members of the supervisory board will be entitled to reimbursement of their reasonable, documented expenses (including, but not limited to, travel, board and lodging and telecommunication expenses).

- Value added tax payable on their remuneration and expenses shall be added, where applicable.

This remuneration system will therefore remain in force until amended or terminated by our general shareholders' meeting.

Remuneration and Benefits in the Financial Year 2019

The members of the current management board of VIA optronics AG (established on January 4, 2019) also serve as Managing Directors of our subsidiary and former group holding company VIA optronics GmbH.

The compensation system of VIA optronics GmbH for its Managing Directors consists of an annual fixed salary and a variable compensation component, the payment of which is dependent on the achievement by the company of pre-agreed financial targets. With the contribution of VIA optronics GmbH into our company, the Managing Director service contracts of Mr. Jürgens and Mr. Eichner have been fully replaced by new management board member service contracts at the level of VIA optronics AG. Under the new management board member service contracts, neither Mr. Jürgens nor Mr. Eichner will receive separate remuneration for the services rendered in their capacity as Managing Directors of VIA optronics GmbH. Instead, the services rendered in their capacity as Managing Directors of VIA optronics GmbH will be covered by the compensation granted under the management board member service contracts with our company (see "—Compensation of Management Board Members" above).

As Managing Directors of VIA optronics GmbH, Mr. Eichner and Mr. Jürgens received total combined remuneration (base and variable) of €874,836 in respect of the financial year 2019. In addition, Mr. Eichner and Mr. Jürgens received customary fringe benefits such as a company car, mobile phone, accident insurance coverage in the aggregate amount of €550,000 and employer contributions to their health insurance up to the contribution maximum.

Two of our current supervisory board members, Dr. Frank and Mr. Tan, served as members of the advisory board (*Beirat*) of our subsidiary and former group holding company, VIA optronics GmbH. Dr. Frank received remuneration for his service on the advisory board of VIA optronics GmbH in an amount of €5,000 per year during the financial years 2018 and 2019.

Equity Incentive Plan

We are evaluating the benefits of establishing, prior to or after this offering, an equity incentive plan. The general purpose of such an incentive plan would be to motivate, retain and attract highly-qualified and valued senior management and other key personnel, and to promote the success of our business.

The types of awards that could be granted under such an incentive plan may include restricted options, restricted stock units, restricted stock (either as ADSs or as our ordinary shares), stock appreciation rights, performance stock or stock units, any other award based on our stock or the value of our stock, or a combination of the aforementioned instruments.

These awards could be granted to management board members, members of the senior management and selected other key personnel, on defined dates in consideration of annual performance and potential individual rating, in case of promotion to a higher job level and in relation to one-time events specified in the plan.

German Corporate Governance Code

The German Corporate Governance Code, or Corporate Governance Code sets out recognized standards of good and responsible corporate governance. The current version of the Corporate Governance Code is the version as amended as of December 16, 2019 and published in the German Federal Gazette (*Bundesanzeiger*) on March 20, 2020.

The Corporate Governance Code contains principles (*Grundsätze*), recommendations (*Empfehlungen)* and suggestions (*Anregungen)* relating to the management and supervision of German companies whose shares are listed on the regulated market of a stock exchange, and companies that both have other securities listed on a regulated market of a stock exchange and initiated the trading of their shares on a multilateral trading facility (MTF). The principles (*Grundsätze*) constitute only a purely informal reproduction of significant legal requirements under German substantive law. It follows nationally and internationally recognized standards for good and responsible corporate governance. The purpose of the Corporate Governance Code is to make the German system of corporate governance transparent for investors. The Corporate Governance Code includes corporate governance recommendations and suggestions with respect to shareholders and shareholders' meetings, the management board and the supervisory board, transparency, accounting policies and auditing.

There is no obligation to comply with the recommendations or suggestions of the Corporate Governance Code. The German Stock Corporation Act only requires that the management board and supervisory board of a German company subject to the Corporate Governance Code issue an annual declaration that either (i) states that the company has complied with the recommendations of the Corporate Governance Code or (ii) lists the recommendations that the company has not complied with and explains its reasons for deviating from the recommendations of the Corporate Governance Code (compliance statement, or *Entsprechenserklärung)*. In addition, a company subject to the Corporate Governance Code is also required to state in its annual compliance statement whether it intends to comply with the recommendations or list the recommendations it does not intend to comply with in the future. These compliance statements must be permanently published on the company's website. Non-compliance with suggestions contained in the Corporate Governance Code need not be disclosed.

The Corporate Governance Code is primarily addressed to German companies whose shares are listed on the regulated market of a stock exchange, and companies that both have other securities listed on a regulated market of a stock exchange and initiated the trading of their shares on a MTF. While not free from doubt, upon listing of our ADSs on the New York Stock Exchange our company may fall within the scope of application of the Corporate Governance Code and, as a consequence, we may be required to issue the annual compliance statements described above.

Despite the remaining uncertainty as to whether the Corporate Governance Code applies to us, we have chosen to apply the Corporate Governance Code. Consistent therewith, the rules of procedure of our management board and the rules of procedure of our supervisory board provide that each body is obliged to comply with the recommendations of the Corporate Governance Code, except for those recommendations listed in our annual compliance statement that we explicitly state we do not comply with.

In particular, we intend to comply with the following significant recommendations of the Corporate Governance Code: (i) the supervisory board has established a compensation and nomination committee (*Vergütungs-und Nominierungsausschuss*) as well as an audit committee (*Prüfungsausschuss*); (ii) the management board and supervisory board will report annually on issues in the form of a corporate governance statement (*Erklärung zur Unternehmensführung*) pursuant to Section 289f HGB, and will publish this report in connection with the annual compliance statement.

However, we may deviate from certain other recommendations and suggestions of the Corporate Governance Code in various respects. All deviations from the Corporate Governance Code recommendations will be published in our annual compliance statements.

Code of Business Conduct and Ethics

In connection with the consummation of this offering, we intend to adopt a written code of business conduct and ethics, or code of conduct, which will outline the principles of legal and ethical business conduct under which we do business. The code of conduct will apply to all of our supervisory board members, management board members and employees. Upon the effectiveness of the registration statement of which this prospectus forms a part, the full text of the code of conduct will be available on our website at *www.via-optronics.com*. This website address is included in this prospectus as an inactive textual reference only. The information and other content appearing on our website are not part of this prospectus. Any amendments to, or waivers from, the provisions of the code of conduct applicable to members of our supervisory board and management board will be disclosed on our website promptly following the date of such amendment or waiver.

Differences between Our Corporate Governance Practices and Those Set Forth in the New York Stock Exchange Listed Company Manual

In general, under Section 303A.11 of the New York Stock Exchange Listed Company Manual, foreign private issuers such as us are permitted to follow home country corporate governance practices instead of certain provisions of the New York Stock Exchange Listed Company Manual without having to seek individual exemptions from the New York Stock Exchange. A foreign private issuer making its initial U.S. listing on the New York Stock Exchange and following home country corporate governance practices in lieu of the corresponding corporate governance provisions of the New York Stock Exchange Listed Company Manual must disclose in its registration statement or on its website any significant ways in which its corporate governance practices differ from those followed by U.S. companies under the New York Stock Exchange Listed Company Manual. In addition, we also may qualify for certain exemptions under the New York Stock Exchange Listed Company Manual as a foreign private issuer that may affect our corporate governance practices.

The significant differences between the corporate governance practices that we follow and those set forth in the New York Stock Exchange Listed Company Manual are described below:

- Section 303A.01 of the New York Stock Exchange Listed Company Manual requires listed companies to have a majority of independent directors. There is no requirement under German law that the majority of the members of a supervisory board be independent. However, the German Corporate Governance Code and the rules of procedure of our supervisory board provide that the supervisory board should be composed of an "appropriate" number of independent members. We consider three of the current members of the supervisory board as independent within the meaning of the New York Stock Exchange Listed Company Manual and the German Corporate Governance Code.

- Section 303A.04(b) of the New York Stock Exchange Listed Company Manual requires all companies listed on the New York Stock Exchange to have a written nomination committee charter. German law does not require a separate charter for a nomination committee. Instead, the responsibilities of our Compensation and Nomination Committee are set forth in the rules of procedure of our supervisory board and in the applicable German laws.

- Section 303A.05(b) of the New York Stock Exchange Listed Company Manual requires all companies listed on the New York Stock Exchange to have a written compensation committee charter. German law does not require a separate charter for a compensation committee. Instead, the responsibilities of our Compensation and Nomination Committee are set forth in the rules of procedure of our supervisory board and in the applicable German laws.

- Section 303A.07(a) of the New York Stock Exchange Listed Company Manual requires each member of the audit committee of a listed company to be financially literate and also requires that at least one audit committee member have accounting or related financial management expertise. The German Corporate Governance Code contains a recommendation that the

chairman of the audit committee of a listed company have expertise in the areas of accounting and internal control procedures. Accordingly, the rules of procedure of our supervisory board stipulate that the Chairman of our Audit Committee shall have special expertise and experience regarding accounting principles and internal control procedures. The Chairman of the Audit Committee, Anil Kumar Doradla, fulfills these requirements. Although we believe that all members of our Audit Committee are financially literate, neither German law, nor the rules of procedure of our supervisory board, require all members of our Audit Committee to be financially literate.

- Section 303A.07(b) of the New York Stock Exchange Listed Company Manual requires all companies listed on the New York Stock Exchange to have a written audit committee charter. German law does not require a separate charter for an audit committee. Instead, the responsibilities of our Audit Committee are set forth in the rules of procedure of our supervisory board and in the applicable German laws.

- Section 303A.09 of the New York Stock Exchange Listed Company Manual requires all listed companies to adopt and disclose corporate governance guidelines. German law does not require a company to adopt separate corporate governance guidelines. Instead, we follow the German Corporate Governance Code as described above. In addition, certain of the subjects to be addressed in the corporate governance guidelines pursuant to Section 303A.09 are contained in the rules of procedure of our supervisory board.

Share Ownership by Members of Supervisory Board and Management Board

Supervisory Board

None.

Management Board

Our Chief Executive Officer and one of the selling shareholders in this offering, Jürgen Eichner, currently holds 720,000 of our ordinary shares, which represented 24% of our ordinary shares immediately prior to the consummation of this offering and the concurrent private placement. See "Principal and Selling Shareholders." Daniel Jürgens does not hold any of our shares.

RELATED PARTY TRANSACTIONS

Since January 1, 2017, there has not been, nor is there currently proposed, any material transaction or series of similar material transactions to which we were or are a party in which any of the members of our supervisory board or management board, executive officers, holders of more than 10% of any class of our voting securities, or any member of the immediate family of any of the foregoing persons, had or will have a direct or indirect material interest, other than the compensation and shareholding arrangements we describe in the "Management" and "Principal and Selling Shareholders" sections of this prospectus and the transactions we describe below.

Shareholders' Agreement

On January 25, 2019, we entered into a shareholders' agreement with our existing shareholders to replace the existing shareholders agreement previously entered into by VIA optronics GmbH and our existing shareholders in 2016. The shareholders' agreement defines the rights and obligations of the parties thereto as our shareholders and includes, *inter alia*, voting and approval requirements, rights of first refusal, tag-along and drag-along rights and potential redemption procedures. The shareholders' agreement automatically terminates upon closing and settlement of an initial public offering of our company and will, thus, cease to be applicable at the time of listing of our ADSs on the New York Stock Exchange.

On July 25, 2019, we entered into a shareholders' agreement with our existing shareholders to replace the shareholders' agreement dated January 25, 2019 which terminates upon the listing of our ADSs on the New York Stock Exchange. The new shareholders' agreement provides for a certain voting agreement among our existing shareholders in relation to the nomination and exercise of the voting rights in relation of the election of members of our supervisory board. In addition, the new shareholders' agreement also provides for a right of first refusal in favor of Coöperatief IMI Europe U.A. in case Mr. Eichner intends to sell his shares in our company.

Strategic Alliance Agreements

See "Business—Strategic Alliance Agreements—Agreements with Toppan Printing Co., Ltd." for a description of material agreements with Toppan, the minority owner of VTS-Touchsensor Co., Ltd.

Property Lease Agreement

Our subsidiary VIA optronics GmbH has leased 28.42 square meters of office space located at Lettenfeldstrasse 15, Schwarzenbruck, Germany from our CEO, Jürgen Eichner pursuant to a lease agreement dated June 1, 2006, as amended from time to time. The initial net rent amounted to €730.00 per month, with prepayment for operating costs in an amount of €220.00 net per month (plus 19% VAT). Since 2011, the rent and prepayment for operating costs have been reduced to an aggregate net amount of €360.00 (plus 19% VAT) due to a reduction of the space leased. The lease agreement has an unlimited term and can be terminated by either party with three months' notice to the end of a calendar month.

Service Agreements

We have entered into service agreements with the members of our management board. See "Management—Compensation of Management Board and Supervisory Board Members—Service Agreements."

Loan Agreement with Coöoperatief IMI Europe U.A.

In December 2019, VIA optronics AG received a €2,000,000 loan from Coöoperatief IMI Europe U.A., our majority shareholder. The loan is due in February 2021 with no penalty on full or partial early repayment and accrues interest at a rate equivalent to that due by VIA optronics GmbH on its working capital loan facility of from Bayern LB (Bayerische Landesbank). See Note 24 of the consolidated financial statements for additional information.

Service and Support Agreement and Framework Development Agreement with IMI

See "Business—Strategic Alliance Agreements—Agreements with IMI" for a description of commercial agreements with IMI, an affiliate of our majority shareholder, and Note 24 of the consolidated financial statements for additional information.

Employment Agreement of Joselene Eichner

Joselene Eichner, the wife of our CEO and shareholder Jürgen Eichner, has been employed by VIA optronics GmbH since January 1, 2007 as a part-time (20 hours / week) administrative assistant under an employment agreement dated December 28, 2006. Her major responsibilities include assisting and supporting the human resources department of VIA optronics GmbH. As remuneration for her services, Mrs. Eichner receives a monthly fixed salary of €2,500. She is further entitled to a company car with a monthly net leasing rate of €709.43 and a mobile phone (phone costs being paid by VIA optronics GmbH). In addition, the company pays retirement benefits contributions to a defined contribution plan amounting to €180 per month.

Relationship with Kloepfel Corporate Finance GmbH

Dr. Heiko Frank, a member of our supervisory board, holds 25.1% of the shares and serves as managing director of Kloepfel Corporate Finance GmbH, or Kloepfel. Kloepfel has served as an advisor to our business since April 2016, including in connection with the investment by our current shareholder Coöperatief IMI Europe U.A. in VIA optronics GmbH, the acquisition by VIA optronics GmbH of the 65% ownership interest in VTS-Touchsensor Co., Ltd. and in connection with this offering. Pursuant to a project contract dated as of July 1, 2018, and amended on July 25, 2019, Kloepfel is providing general advisory, management and coordination services in connection with our pursuit of this offering. Under the project contract, Kloepfel is entitled to (i) a monthly retainer, (ii) a success fee equal to 0.95% of the gross proceeds of this offering, which fee is payable upon consummation of the offering and (iii) reimbursement of out-of-pocket expenses, subject to certain caps. The project contract is terminable on at least two weeks' advance written notice.

Role of Dr. Heiko Frank as "Statutory Auditor" at VTS-Touchsensor Co., Ltd.

Dr. Heiko Frank, a member of our supervisory board, was appointed as "statutory auditor" of our Japanese subsidiary VTS-Touchsensor Co., Ltd. in 2018. Pursuant to Japanese law, a "statutory auditor" is appointed for a term of four years. The major responsibilities of the statutory auditor include the general supervision and monitoring authority of the relevant company and its directors. This includes the duty to monitor the status of the company's business operations and its assets and liabilities, the review of the company's financial statements, business reports prepared for submission to each shareholders' meeting and preparation of an audit (business monitoring) report for each business year. The statutory auditor's responsibilities also include monitoring and supervising the compliance of the company's directors with applicable laws and the company's articles of incorporation. He resigned from his position as "statutory auditor" on March 18, 2020.

Indemnity and Cost Sharing Agreement

In connection with this offering, we intend to enter into an indemnity and cost sharing agreement with the selling shareholders. Under this agreement, the selling shareholders will agree (i) to indemnify us from certain liability risks and (ii) to assume parts of the transaction costs, in each case arising out of or in connection with this offering.

Contribution of VIA optronics GmbH into VIA optronics AG

See "Description of Company History and Share Capital—Establishment of VIA optronics AG and Contribution of VIA optronics GmbH."

Directed ADS Program

At our request, the underwriters have reserved up to 3.0% of the ADSs offered by this prospectus for sale, at the initial public offering price per ADS, to certain of our directors, officers and employees and persons having relationships with us. The sales will be made by Berenberg, as the directed ADS program administrator, or its affiliates or its selling agents. We do not currently know the extent to which these related persons will participate in the directed ADS program.

PRINCIPAL AND SELLING SHAREHOLDERS

The following table sets forth information, as of June 30, 2020, regarding the beneficial ownership of our ordinary shares: (i) prior to the consummation of this offering and (ii) as adjusted to reflect the sale of the ADSs in this offering and the sale of ADSs to Corning in the concurrent private placement, for:

- members of our supervisory board;
- members of our management board, which includes one of the selling shareholders;
- members of our supervisory board and management board as a group; and
- each person who is known by us to own beneficially more than 5% of our outstanding ordinary shares, which includes one of the selling shareholders.

The column entitled "Ordinary Shares Beneficially Owned Prior to this Offering—Percent" is based on 3,000,000 ordinary shares of VIA optronics AG outstanding as of June 30, 2020. The columns entitled "Ordinary Shares Beneficially Owned After this Offering—Excluding Exercise of Option—Percent" and "Ordinary Shares Beneficially Owned After this Offering—Including Exercise of Option—Percent" are both based on 4,513,157 ordinary shares, including those underlying ADSs to be issued by VIA optronics AG, and outstanding immediately after the closing of this offering and the concurrent private placement, assuming an initial purchase price of $16.00 per ADS, the midpoint of the price range set forth on the cover page of this prospectus.

The following table does not reflect any ADSs that may be purchased pursuant to our directed ADS program described under "Related Party Transactions—Directed ADS Program" or any potential purchases of ADSs made as part of this offering. If any ADSs are purchased by our existing principal shareholders, directors or their affiliated entities, the number and percentage of our ordinary shares beneficially owned by them after this offering will differ from those set forth in the following table.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days of June 30, 2020, including through the vesting of deferred share awards, exercise of any option, warrant or other right or the conversion of any other security. These shares, however, if any, are not included in the computation of the percentage ownership of any other person. Unless otherwise indicated, the business address of each such person is c/o VIA optronics AG, Sieboldstrasse 18, 90411 Nuremberg, Germany.

	Ordinary Shares Beneficially Owned Prior to this Offering		Ordinary Shares Sold in this Offering (Assuming Exercise in full of Option)[4]	Ordinary Shares Beneficially Owned After this Offering[5]			
				Excluding Exercise of Option		Including Exercise of Option	
	Number[1]	Percent[1]	Number	Number	Percent	Number	Percent
5% Shareholders:							
Coöperatief IMI Europe U.A.[2]	2,280,000	76%	125,000	2,280,000	51%	2,155,000	48%
Corning Research & Development Corporation[3]	—	—	—	263,157	6%	263,157	6%
Supervisory Board and Management Board Members:							
Diosdado P. Banatao	—	—	—	—	—	—	—
Anthony John Best	—	—	—	—	—	—	—
Anil Kumar Doradla	—	—	—	—	—	—	—
Dr. Heiko Frank	—	—	—	—	—	—	—
Jerome S. Tan	—	—	—	—	—	—	—
Jürgen Eichner	720,000	24%	62,500	720,000	16%	657,500	15%
Daniel Jürgens	—	—	—	—	—	—	—
All members of our supervisory board and management board as a group (7 persons):	720,000	24%	62,500	720,000	16%	657,500	15%

(1) Except as otherwise indicated, the persons named in this table have sole voting and investment power with respect to all ordinary shares shown as beneficially owned by them, subject to community property laws where applicable and to the information contained in the footnotes to this table.

(2) The address of Coöperatief IMI Europe U.A. is Herikerberweg 238 Luna ArenA, 1101 CM, Amsterdam, Noord-Holland, Netherlands. No natural person has sole voting or dispositive control over the shares owned by Coöperatief IMI Europe U.A.; however, Fernando Zobel de Ayala and Jaime Augusto Zobel de Ayala each control, indirectly, 30.25% of the interests owned by Coöperatief IMI Europe U.A. Fernando Zobel de Ayala and Jaime Augusto Zobel de Ayala each have an address of c/o Mermac, Inc., 3rd Floor Makati Stock Exchange Building, Ayala Avenue, Makati City, Philippines.

(3) The address of Corning Research & Development Corporation is One Riverfront Plaza, Corning, NY 14831, USA. Corning Research & Development Corporation is a subsidiary of Corning, Inc., a publicly-listed company in the United States. Shares shown as beneficially owned after this offering are to be acquired in the concurrent private placement.

(4) Ordinary shares sold in the form of ADSs.

(5) Including ordinary shares underlying ADSs.

As of June 30, 2020, VIA optronics AG had two individual holders of record entered in its share register, neither of whom we believe to be residents of the United States. The number of individual holders of record is based exclusively upon our share register and does not address whether a share or shares may be held by the holder of record on behalf of more than one person or institution who may be deemed to be the beneficial owner of a share or shares in our company.

None of our shareholders will have different voting rights from other shareholders after the closing of this offering. We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

DESCRIPTION OF COMPANY HISTORY AND SHARE CAPITAL

The following description is a summary of our company history and certain information relating to our share capital as well as certain provisions of our articles of association and the German Stock Corporation Act. Unless otherwise stated, the description insofar as it relates to our articles of association is based on the amended version of our articles of association as of July 4, 2019, which was registered in the commercial register on July 23, 2019. This summary does not purport to be complete and speaks as of the date of this prospectus. Copies of the articles of association will be publicly available from the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) in Nuremberg, Germany, electronically at *www.unternehmensregister.de* and as an exhibit to the registration statement of which this prospectus forms a part.

Company History

Our business is conducted through VIA optronics GmbH, registered in the commercial register of the local court of Nuremberg under HRB 22650, and its subsidiaries. VIA optronics GmbH was established by our CEO Jürgen Eichner on May 12, 2006, with an initial share capital of €25,000.00. The company has its registered seat in Schwarzenbruck.

In 2016, following several equity financing transactions with different investors aimed at providing VIA optronics GmbH with additional funds for the growth and expansion of its operations, Coöperatief IMI Europe U.A. acquired the shares held by the various investors in VIA optronics GmbH resulting in Jürgen Eichner holding 24% and Coöperatief IMI Europe U.A. holding 76% of the entire issued share capital of VIA optronics GmbH.

Because it is not legally possible to use a company in the form of a GmbH for an initial public offering, the shareholders of VIA optronics GmbH decided to create VIA optronics AG, a new company in the form of a German stock corporation (*Aktiengesellschaft or AG*). VIA optronics AG serves as the holding company for the VIA optronics group, and as the vehicle issuing the ADS for the initial public offering and listing on the New York Stock Exchange.

Establishment of VIA optronics AG and Contribution of VIA optronics GmbH

VIA optronics AG was incorporated on January 4, 2019 and registered in the commercial register of the local court of Nuremberg under number HRB 36200, with the shareholders of VIA optronics GmbH as the sole founding shareholders.

On April 18, 2019 the shareholders of VIA optronics GmbH contributed the shares they held in VIA optronics GmbH to VIA optronics AG by way of a contribution in kind against issuance of new shares (*Sacheinlage gegen Gewährung von neuen Aktien*). As a result of this contribution, our share capital was increased from €100,000 by €2,900,000 to €3,000,000 in the form of a capital increase by way of a contribution in kind (*Sachkapitalerhöhung*) through issuance of 2,900,000 ordinary shares, each with a nominal value of €1.00 per share, to the former shareholders of VIA optronics GmbH (and founding shareholders of VIA optronics AG) as consideration for their contributions.

The contribution of the VIA optronics GmbH shares to VIA optronics AG became legally effective with the registration of the capital increase by way of a contribution in kind with the commercial register of VIA optronics AG on June 25, 2019. With the effectiveness of the contribution and the capital increase by way of a contribution in kind VIA optronics AG became the sole shareholder of VIA optronics GmbH and the founding shareholders of VIA optronics AG (and former shareholders of VIA optronics GmbH) received the new shares in VIA optronics AG issued in the capital increase proportionate to the shareholdings in VIA optronics GmbH shares they contributed.

Share Capital

As of the date of this prospectus, our share capital registered in the commercial register amounts to €3,000,000, which is divided into 3,000,000 ordinary registered shares (*Namensaktien*). All shares are no par-value shares (*Stückaktien ohne Nennbetrag*).

Form, Certification and Transferability of the Shares

Our shares are in registered form. The form and content of our share certificates, any dividend certificates, renewal certificates and interest coupons are determined by our management board with the approval of our supervisory board. The shareholders do not have the right to have their shares certificated, to the extent permitted by law and to the extent certification is not required by the stock exchange on which the shares are admitted to trading. In the event that we decide to issue share certificates, we are permitted to issue share certificates that represent one or more shares.

All of our outstanding shares are no par-value ordinary registered shares. Under German law, if a resolution regarding a capital increase does not specify whether the newly issued shares resulting from the capital increase will be in bearer or registered form, such shares will be no par-value ordinary registered shares by default. Any resolution regarding a capital increase may determine the profit participation of the new shares resulting from such capital increase.

Our shares are freely transferable under German law.

General Information on Capital Measures

Pursuant to our articles of association, an increase of our share capital generally requires a resolution passed at our shareholders' meeting with a simple majority of the votes cast at the relevant shareholders' meeting. The shareholders may also resolve to create authorized share capital (*Genehmigtes Kapital*), authorizing our management board to increase our registered share capital with the consent of our supervisory board within a period of five years by issuing shares for a certain total amount up to the authorized capital amount. Authorized capital is a German law concept that allows us to issue shares without going through the process of obtaining a shareholders' resolution. The aggregate nominal amount of the authorized capital resolved by the shareholders may not exceed one-half of the share capital existing at the time of registration of the authorized capital with the commercial register.

Furthermore, our shareholders may resolve to amend or create conditional capital (*Bedingtes Kapital*) for certain purposes: the issuance of conversion or subscription rights to holders of convertible bonds, the preparation of a merger with another company or the issuance of subscription rights to employees and members of the management board of our company or of an affiliated company. According to German law, the aggregate nominal amount of the conditional capital resolved at the shareholders' meeting may not exceed one-half of the share capital existing at the time of the shareholders' meeting adopting such resolution. The aggregate nominal amount of the conditional capital resolved for the purpose of granting subscription rights to employees and members of the management board of our company or of an affiliated company may not exceed 10% of the share capital existing at the time of the shareholders' meeting adopting such resolution.

According to German law, any resolution pertaining to the creation of authorized or conditional capital requires a majority of at least three-quarters of the share capital represented in the relevant shareholder vote. The shareholders may also resolve to increase the share capital from reserves by converting capital reserve and profit reserves into share capital. Pursuant to our articles of association, any resolution pertaining to an increase in share capital from reserves requires the vote of a simple majority of the share capital represented in the relevant shareholder vote.

Any resolution relating to a reduction of our share capital requires a majority of at least three-quarters of the share capital represented in the relevant shareholder vote according to mandatory German law.

Changes in Our Share Capital during the Last Three Financial Years

VIA optronics AG was incorporated on January 4, 2019 with an initial share capital of €100,000. Since then, our share capital has changed as follows:

- As result of the capital increase by way of a contribution in kind of the shares in VIA optronics GmbH into VIA optronics AG, VIA optronics AG increased its share capital by €2,900,000, from €100,000 to €3,000,000 by issuing 2,900,000 ordinary shares to the shareholders of VIA optronics GmbH as consideration for the transfer and contribution of their shares in VIA optronics GmbH to VIA optronics AG.

- On , 2020, the share capital was increased against contribution in cash from € to up to € by issuing up to ordinary shares, each with a nominal value of €1.00 per share, under exclusion of the statutory subscription rights of the shareholders. The implementation of this capital increase will be registered with the commercial register on , 2020. The ADSs representing the new shares resulting from this capital increase will form part of this offering.

Authorized Capital

Our authorized capital as of the date of this prospectus amounts to €1,500,000 and was resolved by our shareholders' meeting on July 4, 2019. Under this authorized capital, the management board is authorized, subject to the consent of the supervisory board, to increase the company's share capital by up to €1,500,000 through one or more issuances on or before June 30, 2024 by issuance of 1,500,000 new no par-value registered shares against cash contributions or contributions in kind. With the consent of the supervisory board, the management board is authorized to exclude the shareholders' subscription rights in the following circumstances:

- to exclude fractional amounts resulting from the subscription ratio from the statutory subscription right of the shareholders;

- in the case of increases of the share capital against contributions in kind, in particular, in order to acquire companies, divisions of companies or interests in companies; or

- if the increase of the share capital is against contribution in cash, and if the issue price of the new shares is not substantially lower (as defined in the German Stock Corporation Act) than the exchange price for our shares of the same class and having the same terms already listed at the time of the final determination of the issue price. For this purpose, the market price may also be considered the market price of an ADS listed on the New York Stock Exchange divided by the number of our shares or multiplied by the fraction of our shares represented by an ADS, as the case may be. In addition, the amount of the share capital represented by the shares issued pursuant to this authorization under the exclusion of the statutory subscription rights may not exceed 10% of the share capital at the time this authorization comes into effect or is exercised. The 10% threshold includes new or treasury shares of our company issued or transferred during the term of this authorized capital on another legal basis under the exclusion of statutory subscription rights pursuant to Section 71 para 1 number 8 sentence 5 and Section 186 para 3 sentence 4 of the German Stock Corporation Act.

Subscription Rights

According to the German Stock Corporation Act, every shareholder is generally entitled to subscription rights (commonly known as preemptive rights) if new shares convertible bonds, bonds with warrants, profit-participation rights or profit-sharing bonds are issued in proportion to the number of shares he or she holds in the corporation's existing share capital. Under German law, these rights do not apply to shares issued out of conditional capital. A minimum subscription period of two weeks must be provided for the exercise of such subscription rights.

Under German law, the shareholders' meeting may pass a resolution excluding subscription rights if a majority of at least three-quarters of the share capital represented in the relevant shareholder vote adopts the resolution. To exclude subscription rights, the management board must also make available a report to the shareholders justifying the exclusion and demonstrating that the company's interest in excluding the subscription rights outweighs the shareholders' interest in maintaining their rights. The justification may be subject to judicial review. Under German law, the exclusion of subscription rights in connection with the issuance of new shares is permitted, in particular, if we increase the share capital against cash contributions, if the amount of the capital increase does not exceed 10% of the existing share capital and the issue price of the new shares is not significantly lower than the market price of our shares. For this purpose, the market price may also be considered the market price of an ADS listed on the New York Stock Exchange divided by the number of our shares or the fraction of one of our shares represented by an ADS, as the case may be.

Shareholders' Meetings, Resolutions and Voting Rights

Pursuant to our articles of association, shareholders' meetings may be held at our registered offices, at the registered seat of a German stock exchange or in a German city with more than 100,000 inhabitants. In general, shareholders' meetings are convened by our management board. Separately, the supervisory board is required to convene a shareholders' meeting in cases where this is required as a matter of statutory law (i.e., if calling a meeting is required in the best interest of our company). In addition, shareholders who, individually or as a group, own shares in our company that represent at least 5% of our share capital may request that our management board convene a shareholders' meeting. If our management board does not convene a shareholders' meeting upon such a request, the shareholders may petition in German court for authorization to convene a shareholders' meeting.

Pursuant to our articles of association, the convening notice for a shareholders' meeting must be made public at least 36 days prior to the meeting. Shareholders who, individually or as a group, own shares in our company that represent at least 5% or €500,000 of our share capital may require that modified or additional items be added to the agenda of the shareholders' meeting and that these items be published prior to the shareholders' meeting.

Under German law, our annual general shareholders' meeting must take place within the first eight months of each financial year. Among other things, the general shareholders' meeting is authorized and required to adopt resolutions on the following issues:

- use of our annual net profit determined in accordance with German generally accepted accounting principles;
- discharge of the actions taken by the members of our management board and our supervisory board;
- the approval of our statutory auditors;
- increases or decreases in our share capital;
- the election of supervisory board members; and

- to the extent legally required, the approval of our financial statements.

Each share carries one vote at our shareholders' meeting.

Our articles of association provide in Article 20 that the resolutions of the shareholders' meeting are adopted by a simple majority of the votes cast, unless otherwise required by law or the articles of association.

Neither German law nor our articles of association provide for a minimum participation as a quorum for our shareholders' meetings.

Under German law, certain resolutions of fundamental importance require a majority of at least three-quarters of the share capital represented in the relevant shareholder vote. Resolutions of fundamental importance include, in particular, capital increases with exclusion of subscription rights, capital decreases, the creation of authorized or conditional capital, the dissolution of a company, a merger into or with another company, split-offs and split-ups, the conclusion of inter-company agreements (*Unternehmensverträge*) as defined in the German Stock Corporation Act (in particular control agreements (*Beherrschungsverträge*) and profit and loss transfer agreements (*Ergebnisabführungsverträge*)), and a change of the legal form of a company.

Dividend Rights

Under German law, distributions of dividends on shares for a given financial year are generally determined by a process in which the management board and supervisory board submit a proposal to our annual general shareholders' meeting held in the subsequent financial year and such annual general shareholders' meeting adopts a resolution.

German law provides that a resolution concerning dividends and distribution thereof may be adopted only if the company's unconsolidated financial statements prepared in accordance with German GAAP show a net profit. In determining the profit available for distribution, the result for the relevant year must be adjusted for profits and losses brought forward from the previous year and for withdrawals from or transfers to reserves. Certain reserves are required by law and must be deducted when calculating the profit available for distribution.

Shareholders participate in profit distributions in proportion to the number of shares they hold. Dividends on shares resolved by the general shareholders' meeting are paid annually, shortly after the general shareholders' meeting, in accordance with the German Stock Corporation Act and the rules of the respective clearing system. Dividend payment claims are subject to a three-year statute of limitation.

We have never declared or paid any dividends to our shareholders and, as of the date of this prospectus, have no intention to declare or pay any dividends in the foreseeable future. For information about the tax considerations relating to dividend payments, please see "Taxation—German Taxation of ADSs."

Liquidation Rights

Apart from liquidation e.g., as a result of insolvency proceedings, we may be liquidated with a vote of a majority of at least three-quarters of the share capital represented in the relevant shareholder vote. If we are liquidated, any assets remaining after all of our liabilities have been paid off will be distributed among our shareholders in proportion to their holdings in accordance with German statutory law. The German Stock Corporation Act provides certain protections for creditors which must be observed in the event of liquidation.

Authorization to Acquire Our Own Shares

We may not acquire our own shares unless authorized by the shareholders' meeting or in other very limited circumstances as set out in the German Stock Corporation Act. Shareholders may not grant a share repurchase authorization lasting for more than five years. The German Stock Corporation Act generally limits repurchases to 10% of our share capital and resales must generally be made either on a stock exchange, in a manner that treats all shareholders equally, or in accordance with the rules that apply to subscription rights relating to a capital increase. The shareholders' meeting adopted a resolution on July 4, 2019 authorizing the management board, for a period until June 30, 2024, subject to the consent of the supervisory board and provided it complies with the legal requirement of equal treatment, to purchase our shares in an amount up to 10% of our total share capital. The shares may be purchased by means of a purchase on a stock exchange or an offer to all shareholders in one or more tranches and may be used for any purpose permitted by law. The management board is authorized to redeem the purchased shares without further resolution by the shareholders' meeting. The management board is also authorized to sell the purchased shares in other ways than a sale on a stock exchange or an offer to all shareholders under full or partial exclusion of the statutory subscription rights of the shareholders with the supervisory board's consent as follows: (i) to exclude shareholders' subscription rights for fractional amounts, (ii) by selling the purchased shares against contributions in kind, and (iii) by selling the purchased shares against cash consideration, if the consideration is not significantly lower than the market price at the time of the sale.

Squeeze-Out of Minority Shareholders

Under German law, the shareholders' meeting of a stock corporation may resolve upon request of a shareholder that holds shares that represent at least 95% of the share capital, that the shares held by any remaining minority shareholders be transferred to such shareholder against payment of "adequate cash compensation" (*Ausschluss von Minderheitsaktionären)*. This amount must take into account the full value of the company at the time of the resolution, which is generally determined using the future earnings value method (*Ertragswertmethode*).

A squeeze-out in context of a merger (*umwandlungsrechtlicher Squeeze-Out*) only requires a majority shareholder to hold at least 90% of the share capital.

Objects and Purpose of Our Company

Our business purpose, as described in section 2 of our articles of association, is the production and distribution of electronic assemblies, in particular components and system solutions for optoelectronics and display technologies as well as the provision of services relating thereto.

We may engage in all business activities which serve, directly or indirectly, our business purpose. In particular, we are allowed to invest in, acquire interests in and dispose of other companies, and to establish domestic and foreign branch offices and subsidiaries.

Registration of the Company with Commercial Register

We are a German stock corporation that is organized under the laws of Germany. On March 18, 2019, our company was registered in the commercial register of the local court in Nuremberg, Germany under the number HRB 36200.

Differences in Corporate Law

The applicable provisions of the German Stock Corporation Act (*Aktiengesetz*) differ from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of certain

differences between the provisions of the German Stock Corporation Act applicable to us and the Delaware General Corporation Law relating to shareholders' rights and protections.

	Germany	Delaware
Board System	Under German law, a stock corporation has a two-tier board structure composed of the management board (*Vorstand*) and the supervisory board (*Aufsichtsrat*). The management board is responsible for running the company's day-to-day business and affairs and representing the company in dealings with third parties. The supervisory board has a control and supervisory function. The supervisory board does not actively manage the company but certain management board actions require the approval of the supervisory board.	Under Delaware law, a corporation has a unitary board structure and it is the responsibility of the board of directors to appoint and oversee the management of the corporation on behalf of and in the best interests of the shareholders of the corporation. Management is responsible for running the corporation and overseeing its day-to-day operations.
Number of Board Members / Directors	Under German law, the management board of a stock corporation must have at least one member, and the number of members shall be determined in the manner provided in the company's articles of association. The supervisory board of a stock corporation must have at least three but—depending on the share capital—no more than 21 members, whereby the number of supervisory board members must be divisible by three if this is necessary for the fulfilment of employee co-determination requirements. The articles of association of the company must specify if the supervisory board has more than three members.	Under Delaware law, a corporation must have at least one director and the number of directors shall be fixed by or in the manner provided in the bylaws.

Germany	Delaware
Supervisory board members are either appointed by the shareholders' meeting or determined by one or more individual shareholders based on a delegation right for such shareholders provided for in the company's articles of association. Depending on the number of employees of the company, the supervisory board may be required to include employee representatives subject to the provisions of the German One-Third Employee Representation Act, (*Drittelbeteiligungsgesetz*), which applies to companies that have at least 500 employees in Germany, or the German Codetermination Act (*Mitbestimmungsgesetz*), which applies to companies that have at least 2,000 employees in Germany. Such rules result in different appointment rules for supervisory board members: In companies which are subject to the German One-Third Employee Representation Act, two-thirds of supervisory board members are representatives of the shareholders, while one-third are representatives of the employees. In companies which are subject to the German Codetermination Act, half of the supervisory board members are representatives of the shareholders and the other half are representatives of the employees. In the event of a tie, the Chairman has the tie-breaking vote. The employee representatives in the supervisory board are elected by the employees following certain procedures set forth in applicable law. Additionally, the supervisory board of German stock corporations that are both listed and subject to the German Codetermination Act must be composed of at least 30% women or men, depending on which is the less represented group.	

	Germany	Delaware
Appointment and Removal of Board Members / Directors	Members of the management board of a German stock corporation are appointed by the supervisory board for a maximum period of five years. Reappointment, including repeated reappointment, is permissible. The supervisory board may remove a member of the management board prior to the expiration of his or her term only for good cause, such as for gross breach of fiduciary duties or if the shareholders' meeting passes a vote of no-confidence with respect to such member, unless the supervisory board deems the no-confidence vote to be clearly unreasonable. The shareholders themselves are not entitled to appoint or dismiss the members of the management board. Under German law, a member of a supervisory board may be elected for a term of up to approximately five years depending on the date of the annual shareholders' meeting at which such member is elected, which is the standard term of office. Reelection, including repeated reelection, is permissible. Prior to the expiration of his or her term, supervisory board members which have been appointed by the shareholders' meeting may be removed by a resolution of the general meeting requiring a three-quarter majority of the votes cast, unless otherwise provided by the company's articles of association. Supervisory board members who are delegated by a shareholder or the company's employees may be revoked and the resulting vacancy filled at the sole discretion of such shareholder or the employees.	Under Delaware law, any director or the entire board of directors may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors, except (a) unless the certificate of incorporation provides otherwise, in the case of a corporation whose board of directors is classified, shareholders may effect such removal only for cause, or (b) in the case of a corporation having cumulative voting, if less than the entire board of directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire board of directors, or, if there are classes of directors, at an election of the class of directors of which he is a part.

	Germany	Delaware
Vacancies on the Boards	Under German law, vacant positions on the management board are filled by the supervisory board in accordance with the general rules of appointment, which provide that vacancies are filled by the simple majority of supervisory board votes cast, unless otherwise provided by the company's articles of association. In case of emergencies, a vacant position on the management board may be filled by an individual appointed by the court. If the number of supervisory board members falls below the number of members required for a quorum, or the minimum number of members required by law or the articles of association, upon application to the court having jurisdiction by the management board, a member of the supervisory board or a shareholder to the competent court, the vacant position on the supervisory board may be filled by an individual appointed by the court.	Under Delaware law, vacancies and newly created directorships may be filled by a majority of the directors then in office (even though less than a quorum) or by a sole remaining director unless (a) otherwise provided in the certificate of incorporation or by-laws of the corporation or (b) the certificate of incorporation directs that a particular class of stock is to elect such director, in which case a majority of the other directors elected by such class, or a sole remaining director elected by such class, will fill such vacancy.
Annual Shareholders' Meeting	Under German law, a stock corporation must hold an annual shareholders' meeting within eight months of the end of its financial year. Unless otherwise provided for in the articles of association, the shareholders' meeting shall be held at the company's seat or, if applicable, at the venue where its shares are listed.	Under Delaware law, the annual meeting of stockholders shall be held at such place, on such date and at such time as may be designated from time to time by the board of directors or as provided in the certificate of incorporation or by the bylaws.

	Germany	Delaware
Calling of Shareholders' Meetings	Under German law, extraordinary shareholders' meetings, in addition to the annual shareholders' meetings, may be called by the management board, or if calling a meeting is required in the best interest of the company, having jurisdiction by the supervisory board. Shareholders holding shares representing at least 5% of the company's share capital may request that the management board convenes an extraordinary shareholders' meeting. If the management board does not convene a shareholders' meeting upon such a request, the shareholders may petition the German court having jurisdiction for authorization to convene a shareholders' meeting.	Under Delaware law, special meetings of the stockholders may be called by the board of directors or by such person or persons as may be authorized by the certificate of incorporation or by the bylaws.
Notice of Shareholders' Meetings	Under German law, unless a longer period is provided for in the articles of association, the shareholders must be given at least 30 days' advance notice of the shareholders' meeting. Such notices must at least specify the name of the company, the statutory seat of the company as well as the location, date and time of the shareholders' meeting. In addition, the invitation must contain the agenda items as well as the management board's and the supervisory board's voting proposal for each agenda item. The formalities relating to calling and holding a shareholders' meeting can be waived, provided that all shareholders eligible to attend the shareholders' meeting are present or represented at the meeting and grant their consent.	Under Delaware law, unless otherwise provided in the certificate of incorporation or bylaws, written notice of any meeting of the stockholders must be given to each stockholder entitled to vote at the meeting not less than ten nor more than 60 days before the date of the meeting and shall specify the place, date, hour, and purpose or purposes of the meeting.

	Germany	Delaware
Proxy Voting	Under German law, a shareholder may authorize another person to attend, speak and vote at a shareholders' meeting of the company on such shareholder's behalf by proxy. With respect to management board meetings, a management board member may issue a proxy to another management board member to represent him or her at the meeting and vote on his or her behalf. With respect to supervisory board meetings, a supervisory board member may participate in a vote by written vote issued to, and presented at the meeting by, another supervisory board member or a third party entitled to attend the supervisory board meeting.	Under Delaware law, at any meeting of stockholders, a stockholder may designate another person to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A director of a Delaware corporation may not issue a proxy representing the director's voting rights as a director.
Pre-emptive / Subscription Rights	Under German law, existing shareholders have statutory subscription rights with respect to any new shares or securities convertible into shares issued *pro rata* to the nominal value of their respective holdings in the company, unless (i) shareholders holding shares representing three-quarters of the registered share capital represented in the relevant shareholder vote have resolved upon the full or partial exclusion of the subscription rights and (ii) such exclusion is justified by good and objective cause. No separate resolution on the exclusion of subscription rights is required if all shareholders waive their statutory subscription rights.	Under Delaware law, stockholders have no pre-emptive rights to subscribe to additional issues of stock or to any security convertible into such stock unless, and except to the extent that, such rights are expressly provided for in the certificate of incorporation.

	Germany	Delaware
Authority to Allot	Under German law, the management board may not allot shares, grant rights to subscribe for or to convert any security into shares unless a shareholder resolution has been passed at the company's shareholders' meeting granting the management board such authority—subject to the approval of the supervisory board -, in each case in accordance with the provisions of the German Stock Corporation Act.	Under Delaware law, if the corporation's certificate of incorporation so provides, the board of directors has the power to authorize the issuance of stock. It may authorize capital stock to be issued for consideration consisting of cash, any tangible or intangible property or any benefit to the corporation or any combination thereof. It may determine the amount of such consideration by approving a formula. In the absence of actual fraud in the transaction, the judgment of the directors as to the value of such consideration is conclusive.
Voting Rights	Under German law, each share, except for statutory preferred non-voting shares (*nicht stimmberechtigte Vorzugsaktien*), entitles its holder to vote at the shareholders' meeting and to participate with such number of votes with respect to one share which correspond to the quota of such share in the company's share capital. While German law does not provide for a minimum attendance quorum for general meetings, the company's articles of association may so provide. In general, resolutions adopted at a shareholders' meeting may be passed by a simple majority of votes cast, unless a higher majority is required by law or under the company's articles of association.	Delaware law provides that, unless otherwise provided in the certificate of incorporation, each stockholder is entitled to one vote for each share of capital stock held by such stockholder.

	Germany	Delaware
Shareholder Vote on Certain Transactions	Under German law, certain shareholders' resolutions of fundamental importance require a majority of at least three-quarters of the share capital present or represented in the vote. Resolutions of fundamental importance include, in particular, capital increases with exclusion of subscription rights, capital decreases, the creation of authorized or conditional share capital, the dissolution of a company, a merger into or with another company, split-offs and split-ups, the conclusion of inter-company agreements (*Unternehmensverträge*), in particular domination agreements (*Beherrschungsverträge*) and profit and loss transfer agreements (*Ergebnisabführungsverträge*), and a change of the legal form of a company.	Generally, under Delaware law, unless the certificate of incorporation provides for the vote of a larger portion of the stock, completion of a merger, consolidation, sale, lease or exchange of all or substantially all of a corporation's assets or dissolution requires: • the approval of the board of directors; and • approval by the vote of the holders of a majority of the outstanding stock or, if the certificate of incorporation provides for more or less than one vote per share, a majority of the votes of the outstanding stock of a corporation entitled to vote on the matter.

	Germany	Delaware
Liability of Directors and Officers	Under German law, any provision, whether contained in the company's articles of association or any contract or otherwise, that purports to exempt a management board or supervisory board member from any liability that would otherwise result from any negligence, default, breach of duty or breach of trust in relation to the company is void. Under German law, members of both the management board and members of the supervisory board are liable to the company, and in certain cases to third parties or shareholders, for any damage caused to them due to a breach of such member's duty of care. Apart from insolvency or special circumstances, only the company has the right to claim damages from members of either board. The company may waive claims for damages against a negligent management board or supervisory board member only after the expiry of three years and with the approval of such waiver by the shareholders' meeting with a simple majority of the votes cast, unless shareholders who, in the aggregate, hold one-tenth or more of the company's share capital object to the waiver and have their objection formally recorded in the minutes of the shareholder meeting by a German civil law notary.	Under Delaware law, a corporation's certificate of incorporation may include a provision eliminating or limiting the personal liability of a director to the corporation and its stockholders for damages arising from a breach of fiduciary duty as a director. However, no provision can limit the liability of a director for: • any breach of the director's duty of loyalty to the corporation or its stockholders; • acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; • intentional or negligent payment of unlawful dividends or stock purchases or redemptions; or • any transaction from which the director derives an improper personal benefit.

	Germany	Delaware
Standard of Conduct for Directors and Officers	Under German law, management board members and supervisory board members must conduct their affairs with "the care and diligence of a prudent business person," or a prudent supervisory board member, as the case may be, and act in the best interests of the company. The scope of the fiduciary duties of management board members and supervisory board members is determined by German legislation and interpreted by the German courts. Statutory and fiduciary duties of members of the management board to the company include, among others: • to act in accordance with the law, the company's articles of association and the rules of procedure for the management board, if any; • to report to the supervisory board on a regular basis as well as on certain important occasions; • to exercise reasonable care, skill and diligence; • to maintain a proper accounting system; • to not compete, directly or indirectly, with the company without permission by the supervisory board; and • if the company is insolvent, to ensure that no further transactions are entered into on behalf of the company.	Delaware law does not contain specific provisions setting forth the standard of conduct of a director. The scope of the fiduciary duties of directors is generally determined by the courts of the State of Delaware. In general, directors have a duty to act without self-interest, on a well-informed basis and in a manner they reasonably believe to be in the best interest of the stockholders. Directors of a Delaware corporation owe fiduciary duties of care and loyalty to the corporation and to its shareholders. The duty of care generally requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself or herself of all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director act in a manner he or she reasonably believes to be in the best interests of the corporation. He or she must not use his or her corporate position for personal gain or advantage. In general, but subject to certain exceptions, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interest of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Delaware courts have also imposed a heightened standard of conduct upon directors of a Delaware corporation who take any action designed to defeat a threatened change in control of the corporation.

	Germany	Delaware
	Members of the supervisory board owe substantially the same statutory and fiduciary duties to the company as members of the management board. Additionally, their duties include: • to effectively supervise the company's affairs and the management board; • to evaluate and issue a resolution on certain transactions which may only be carried out by the management board with the consent of the supervisory board; • to approve the company's financial statements; • to appoint the management board members and to represent the company in transactions between the company and members of the management board; and • to approve service contracts between individual members of the management board and the company.	In addition, under Delaware law, when the board of directors of a Delaware corporation approves the sale or break-up of a corporation, the board of directors may, in certain circumstances, have a duty to obtain the highest value reasonably available to the shareholders.
Stockholder Suits	Under German law, generally, the company, rather than its shareholders, is the proper claimant in an action with respect to a wrong committed against the company or an irregularity in the company's internal management or supervision. Accordingly, such claims may only be raised by the company represented by its management board, or, in the case of a wrong committed by a member of the management board, by the supervisory board. Additionally, pursuant to German case law, the supervisory board is generally obliged to pursue the company's claims against the management board, unless in exceptional circumstances it is in the best interest of the company not to pursue such claims.	Under Delaware law, a stockholder may initiate a derivative action to enforce a right of a corporation if the corporation fails to enforce the right itself. The complaint must: • state that the plaintiff was a stockholder at the time of the transaction of which the plaintiff complains or that the plaintiff's shares thereafter devolved on the plaintiff by operation of law; and • allege with particularity the efforts made by the plaintiff to obtain the action the plaintiff desires from the directors and the reasons for the plaintiff's failure to obtain the action; or • state the reasons for not making the effort.

Germany	Delaware
The management board, or, if a claim is made against a member of the management board, the supervisory board, is obliged to pursue the company's claims against the relevant individuals if so resolved by the shareholders' meeting with a simple majority of votes cast. By way of the admissibility procedure (*Klagezulassungsverfahren*), shareholders can request that a representative pursues the claim on behalf of the company. If the company is unable to fulfill its obligations vis-à-vis third parties, the company's creditors may pursue the company's damage claims against members of the management board for certain wrongdoings. Under certain circumstances, shareholders can bring damage claims of the company against members of its management board on the company's behalf. In order to bring such a claim, the claimant alone or together with other shareholders needs to hold shares representing at least 1% or a participation of €100,000 in the company's share capital. Additionally, the claimant must have its claim approved in special procedures.	Additionally, the plaintiff must remain a stockholder through the duration of the derivative suit. The action will not be dismissed or compromised without the approval of the Delaware Court of Chancery.

DESCRIPTION OF AMERICAN DEPOSITARY SHARES

The Bank of New York Mellon, as depositary, will register and deliver American Depositary Shares, also referred to as ADSs. Every 5 ADSs will represent 1 ordinary share (or a right to receive a share) deposited with The Bank of New York Mellon SA/NV, as custodian for the depositary in Germany. Each ADS will also represent any other securities, cash or other property which may be held by the depositary. The deposited shares together with any other securities, cash or other property held by the depositary are referred to as the deposited securities. The depositary's office at which the ADSs will be administered and its principal executive office are located at 240 Greenwich Street, New York, New York 10286.

You may hold ADSs either (A) directly (i) by having an American Depositary Receipt, also referred to as an ADR, which is a certificate evidencing a specific number of ADSs, registered in your name, or (ii) by having uncertificated ADSs registered in your name, or (B) indirectly by holding a security entitlement in ADSs through your broker or other financial institution that is a direct or indirect participant in The Depository Trust Company, also called DTC. If you hold ADSs directly, you are a registered ADS holder, also referred to as an ADS holder. This description assumes you are an ADS holder. If you hold the ADSs indirectly, you must rely on the procedures of your broker or other financial institution to assert the rights of ADS holders described in this section. You should consult with your broker or financial institution to find out what those procedures are.

Registered holders of uncertificated ADSs will receive statements from the depositary confirming their holdings.

As an ADS holder, we will not treat you as one of our shareholders and you will not have shareholder rights. German law governs shareholder rights. The depositary will be the holder of the shares underlying your ADSs. As a registered holder of ADSs, you will have ADS holder rights. A deposit agreement among us, the depositary, ADS holders and all other persons indirectly or beneficially holding ADSs sets out ADS holder rights as well as the rights and obligations of the depositary. New York law governs the deposit agreement and the ADSs.

The following is a summary of the material provisions of the deposit agreement. For more complete information, you should read the entire deposit agreement and the form of ADR. Directions on how to obtain copies of those documents are provided under "Where You Can Find More Information."

Dividends and Other Distributions

How will you receive dividends and other distributions on the shares?

The depositary has agreed to pay or distribute to ADS holders the cash dividends or other distributions it or the custodian receives on shares or other deposited securities, upon payment or deduction of its fees and expenses. You will receive these distributions in proportion to the number of shares your ADSs represent.

Cash. The depositary will convert any cash dividend or other cash distribution we pay on the shares into U.S. dollars, if it can do so on a reasonable basis and can transfer the U.S. dollars to the United States. If that is not possible or if any government approval is needed and cannot be obtained, the deposit agreement allows the depositary to distribute the foreign currency only to those ADS holders to whom it is possible to do so. It will hold the foreign currency it cannot convert for the account of the ADS holders who have not been paid. It will not invest the foreign currency and it will not be liable for any interest.

Before making a distribution, any withholding taxes, or other governmental charges that must be paid will be deducted. See "Taxation." The depositary will distribute only whole U.S. dollars and

cents and will round fractional cents to the nearest whole cent. *If the exchange rates fluctuate during a time when the depositary cannot convert the foreign currency, you may lose some of the value of the distribution.*

Shares. The depositary may distribute additional ADSs representing any shares we distribute as a dividend or free distribution. The depositary will only distribute whole ADSs. It will sell shares which would require it to deliver a fraction of an ADS (or ADSs representing those shares) and distribute the net proceeds in the same way as it does with cash. If the depositary does not distribute additional ADSs, the outstanding ADSs will also represent the new shares. The depositary may sell a portion of the distributed shares (or ADSs representing those shares) sufficient to pay its fees and expenses in connection with that distribution.

Rights to purchase additional shares. If we offer holders of our securities any rights to subscribe for additional shares or any other rights, the depositary may (i) exercise those rights on behalf of ADS holders, (ii) distribute those rights to ADS holders or (iii) sell those rights and distribute the net proceeds to ADS holders, in each case after deduction or upon payment of its fees and expenses. To the extent the depositary does not do any of those things, it will allow the rights to lapse. *In that case, you will receive no value for them.* The depositary will exercise or distribute rights only if we ask it to and provide satisfactory assurances to the depositary that it is legal to do so. If the depositary will exercise rights, it will purchase the securities to which the rights relate and distribute those securities or, in the case of shares, new ADSs representing the new shares, to subscribing ADS holders, but only if ADS holders have paid the exercise price to the depositary. U.S. securities laws may restrict the ability of the depositary to distribute rights or ADSs or other securities issued on exercise of rights to all or certain ADS holders, and the securities distributed may be subject to restrictions on transfer.

Other Distributions. The depositary will send to ADS holders anything else we distribute on deposited securities by any means it thinks is legal, fair and practical. If it cannot make the distribution in that way, the depositary has a choice. It may decide to sell what we distributed and distribute the net proceeds, in the same way as it does with cash. Or, it may decide to hold what we distributed, in which case ADSs will also represent the newly distributed property. However, the depositary is not required to distribute any securities (other than ADSs) to ADS holders unless it receives satisfactory evidence from us that it is legal to make that distribution. The depositary may sell a portion of the distributed securities or property sufficient to pay its fees and expenses in connection with that distribution. U.S. securities laws may restrict the ability of the depositary to distribute securities to all or certain ADS holders, and the securities distributed may be subject to restrictions on transfer.

The depositary is not responsible if it decides that it is unlawful or impractical to make a distribution available to any ADS holders. We have no obligation to register ADSs, shares, rights or other securities under the Securities Act. We also have no obligation to take any other action to permit the distribution of ADSs, shares, rights or anything else to ADS holders. *This means that you may not receive the distributions we make on our shares or any value for them if it is illegal or impractical for us to make them available to you*.

Deposit, Withdrawal and Cancellation

How are ADSs issued?

The depositary will deliver ADSs if you or your broker deposits shares or evidence of rights to receive shares with the custodian. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the depositary will register the appropriate number of ADSs in the names you request and will deliver the ADSs to or upon the order of the person or persons that made the deposit.

How can ADS holders withdraw the deposited securities?

You may surrender your ADSs to the depositary for the purpose of withdrawal. Upon payment of its fees and expenses and of any taxes or charges, such as stamp taxes or stock transfer taxes or fees, the depositary will deliver the shares and any other deposited securities underlying the ADSs to the ADS holder or a person the ADS holder designates at the office of the custodian. Or, at your request, risk and expense, the depositary will deliver the deposited securities at its office, if feasible. However, the depositary is not required to accept surrender of ADSs to the extent it would require delivery of a fraction of a deposited share or other security. The depositary may charge you a fee and its expenses for instructing the custodian regarding delivery of deposited securities.

How do ADS holders interchange between certificated ADSs and uncertificated ADSs?

You may surrender your ADR to the depositary for the purpose of exchanging your ADR for uncertificated ADSs. The depositary will cancel that ADR and will send to the ADS holder a statement confirming that the ADS holder is the registered holder of uncertificated ADSs. Upon receipt by the depositary of a proper instruction from a registered holder of uncertificated ADSs requesting the exchange of uncertificated ADSs for certificated ADSs, the depositary will execute and deliver to the ADS holder an ADR evidencing those ADSs.

Voting Rights

How do you vote?

ADS holders may instruct the depositary how to vote the number of deposited shares their ADSs represent. If we request the depositary to solicit your voting instructions (and we are not required to do so), the depositary will notify you of a shareholders' meeting and send or make voting materials available to you. Those materials will describe the matters to be voted on and explain how ADS holders may instruct the depositary how to vote. For instructions to be valid, they must reach the depositary by a date set by the depositary. The depositary will try, as far as practical, subject to the laws of Germany and the provisions of our articles of association or similar documents, to vote or to have its agents vote the shares or other deposited securities as instructed by ADS holders. If we do not request the depositary to solicit your voting instructions, you can still send voting instructions, and, in that case, the depositary may try to vote as you instruct, but it is not required to do so.

Except by instructing the depositary as described above, you won't be able to exercise voting rights unless you surrender your ADSs and withdraw the shares. However, you may not know about the meeting enough in advance to withdraw the shares. In any event, the depositary will not exercise any discretion in voting deposited securities and it will only vote or attempt to vote as instructed.

We cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote your shares. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. *This means that you may not be able to exercise voting rights and there may be nothing you can do if your shares are not voted as you requested.*

In order to give you a reasonable opportunity to instruct the depositary as to the exercise of voting rights relating to Deposited Securities, if we request the Depositary to act, we agree to give the depositary notice of any such meeting and details concerning the matters to be voted upon at least 40 days in advance of the meeting date.

Fees and Expenses

Persons Depositing or Withdrawing Shares or ADS Holders Must Pay:	For:
$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)	Issuance of ADSs, including issuances resulting from a distribution of shares or rights or other property
	Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates
$.05 (or less) per ADS	Any cash distribution to ADS holders
A fee equivalent to the fee that would be payable if securities distributed to you had been shares and the shares had been deposited for issuance of ADSs	Distribution of securities distributed to holders of deposited securities (including rights) that are distributed by the depositary to ADS holders
$.05 (or less) per ADS per calendar year	Depositary services
Registration or transfer fees	Transfer and registration of shares on our share register to or from the name of the depositary or its agent when you deposit or withdraw shares
Expenses of the depositary	Cable and facsimile transmissions (when expressly provided in the deposit agreement)
	Converting foreign currency to U.S. dollars
Taxes and other governmental charges the depositary or the custodian has to pay on any ADSs or shares underlying ADSs, such as stock transfer taxes, stamp duty or withholding taxes	As necessary
Any charges incurred by the depositary or its agents for servicing the deposited securities	As necessary

The depositary collects its fees for delivery and surrender of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deduction from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may collect any of its fees by deduction from any cash distribution payable (or by selling a portion of securities or other property distributable) to ADS holders that are obligated to pay those fees. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

From time to time, the depositary may make payments to us to reimburse us for costs and expenses generally arising out of establishment and maintenance of the ADS program, waive fees and expenses for services provided to us by the depositary or share revenue from the fees collected from ADS holders. In performing its duties under the deposit agreement, the depositary may use brokers, dealers, foreign currency dealers or other service providers that are owned by or affiliated with the depositary and that may earn or share fees, spreads or commissions.

The depositary may convert currency itself or through any of its affiliates and, in those cases, acts as principal for its own account and not as agent, advisor, broker or fiduciary on behalf of any other person and earns revenue, including, without limitation, transaction spreads, that it will retain for its own account. The revenue is based on, among other things, the difference between the exchange rate assigned to the currency conversion made under the deposit agreement and the rate that the depositary or its affiliate receives when buying or selling foreign currency for its own account. The depositary makes no representation that the exchange rate used or obtained in any currency conversion under the deposit agreement will be the most favorable rate that could be obtained at the time or that the method by which that rate will be determined will be the most favorable to ADS holders, subject to the depositary's obligations under the deposit agreement. The methodology used to determine exchange rates used in currency conversions is available upon request.

Payment of Taxes

You will be responsible for any taxes or other governmental charges payable on your ADSs or on the deposited securities represented by any of your ADSs. The depositary may refuse to register any transfer of your ADSs or allow you to withdraw the deposited securities represented by your ADSs until those taxes or other charges are paid. It may apply payments owed to you or sell deposited securities represented by your American Depositary Shares to pay any taxes owed and you will remain liable for any deficiency. If the depositary sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to ADS holders any proceeds, or send to ADS holders any property, remaining after it has paid the taxes.

Tender and Exchange Offers; Redemption, Replacement or Cancellation of Deposited Securities

The depositary will not tender deposited securities in any voluntary tender or exchange offer unless instructed to do by an ADS holder surrendering ADSs and subject to any conditions or procedures the depositary may establish.

If deposited securities are redeemed for cash in a transaction that is mandatory for the depositary as a holder of deposited securities, the depositary will call for surrender of a corresponding number of ADSs and distribute the net redemption money to the holders of called ADSs upon surrender of those ADSs.

If there is any change in the deposited securities such as a sub-division, combination or other reclassification, or any merger, consolidation, recapitalization or reorganization affecting the issuer of deposited securities in which the depositary receives new securities in exchange for or in lieu of the old deposited securities, the depositary will hold those replacement securities as deposited securities under the deposit agreement. However, if the depositary decides it would not be lawful and practical to hold the replacement securities because those securities could not be distributed to ADS holders or for any other reason, the depositary may instead sell the replacement securities and distribute the net proceeds upon surrender of the ADSs.

If there is a replacement of the deposited securities and the depositary will continue to hold the replacement securities, the depositary may distribute new ADSs representing the new deposited securities or ask you to surrender your outstanding ADRs in exchange for new ADRs identifying the new deposited securities.

If there are no deposited securities underlying ADSs, including if the deposited securities are cancelled, or if the deposited securities underlying ADSs have become apparently worthless, the depositary may call for surrender or of those ADSs or cancel those ADSs upon notice to the ADS holders.

Amendment and Termination

How may the deposit agreement be amended?

We may agree with the depositary to amend the deposit agreement and the ADRs without your consent for any reason. If an amendment adds or increases fees or charges, except for taxes and other governmental charges or expenses of the depositary for registration fees, facsimile costs, delivery charges or similar items, or prejudices a substantial right of ADS holders, it will not become effective for outstanding ADSs until 30 days after the depositary notifies ADS holders of the amendment. *At the time an amendment becomes effective, you are considered, by continuing to hold your ADSs, to agree to the amendment and to be bound by the ADRs and the deposit agreement as amended*.

How may the deposit agreement be terminated?

The depositary will initiate termination of the deposit agreement if we instruct it to do so. The depositary may initiate termination of the deposit agreement if

- 60 days have passed since the depositary told us it wants to resign but a successor depositary has not been appointed and accepted its appointment;
- we delist the ADSs from an exchange on which they were listed and do not list the ADSs on another exchange;
- we appear to be insolvent or enter insolvency proceedings
- all or substantially all the value of the deposited securities has been distributed either in cash or in the form of securities;
- there are no deposited securities underlying the ADSs or the underlying deposited securities have become apparently worthless; or
- there has been a replacement of deposited securities.

If the deposit agreement will terminate, the depositary will notify ADS holders at least 90 days before the termination date. At any time after the termination date, the depositary may sell the deposited securities. After that, the depositary will hold the money it received on the sale, as well as any other cash it is holding under the deposit agreement, unsegregated and without liability for interest, for the *pro rata* benefit of the ADS holders that have not surrendered their ADSs. Normally, the depositary will sell as soon as practicable after the termination date.

After the termination date and before the depositary sells, ADS holders can still surrender their ADSs and receive delivery of deposited securities, except that the depositary may refuse to accept a surrender for the purpose of withdrawing deposited securities or reverse previously accepted surrenders of that kind if it would interfere with the selling process. The depositary may refuse to accept a surrender for the purpose of withdrawing sale proceeds until all the deposited securities have been sold. The depositary will continue to collect distributions on deposited securities, but, after the termination date, the depositary is not required to register any transfer of ADSs or distribute any dividends or other distributions on deposited securities to the ADSs holder (until they surrender their ADSs) or give any notices or perform any other duties under the deposit agreement except as described in this paragraph.

Limitations on Obligations and Liability

Limits on our Obligations and the Obligations of the Depositary; Limits on Liability to Holders of ADSs

The deposit agreement expressly limits our obligations and the obligations of the depositary. It also limits our liability and the liability of the depositary. We and the depositary:

- are only obligated to take the actions specifically set forth in the deposit agreement without negligence or bad faith, and the depositary will not be a fiduciary or have any fiduciary duty to holders of ADSs;
- are not liable if we are or it is prevented or delayed by law or by events or circumstances beyond our or its control from performing our or its obligations under the deposit agreement;
- are not liable if we or it exercises discretion permitted under the deposit agreement;
- are not liable for the inability of any holder of ADSs to benefit from any distribution on deposited securities that is not made available to holders of ADSs under the terms of the deposit agreement, or for any special, consequential or punitive damages for any breach of the terms of the deposit agreement;
- have no obligation to become involved in a lawsuit or other proceeding related to the ADSs or the deposit agreement on your behalf or on behalf of any other person;
- may rely upon any documents we believe or it believes in good faith to be genuine and to have been signed or presented by the proper person;
- are not liable for the acts or omissions of any securities depository, clearing agency or settlement system; and
- the depositary has no duty to make any determination or provide any information as to our tax status, or any liability for any tax consequences that may be incurred by ADS holders as a result of owning or holding ADSs or be liable for the inability or failure of an ADS holder to obtain the benefit of a foreign tax credit, reduced rate of withholding or refund of amounts withheld in respect of tax or any other tax benefit.

In the deposit agreement, we and the depositary agree to indemnify each other under certain circumstances.

Requirements for Depositary Actions

Before the depositary will deliver or register a transfer of ADSs, make a distribution on ADSs, or permit withdrawal of shares, the depositary may require:

- payment of stock transfer or other taxes or other governmental charges and transfer or registration fees charged by third parties for the transfer of any shares or other deposited securities;
- satisfactory proof of the identity and genuineness of any signature or other information it deems necessary; and
- compliance with regulations it may establish, from time to time, consistent with the deposit agreement, including presentation of transfer documents.

The depositary may refuse to deliver ADSs or register transfers of ADSs when the transfer books of the depositary or our transfer books are closed or at any time if the depositary or we think it advisable to do so.

Your Right to Receive the Shares Underlying your ADSs

ADS holders have the right to cancel their ADSs and withdraw the underlying shares at any time except:

- when temporary delays arise because: (i) the depositary has closed its transfer books or we have closed our transfer books; (ii) the transfer of shares is blocked to permit voting at a shareholders' meeting; or (iii) we are paying a dividend on our shares;
- when you owe money to pay fees, taxes and similar charges; or
- when it is necessary to prohibit withdrawals in order to comply with any laws or governmental regulations that apply to ADSs or to the withdrawal of shares or other deposited securities.

This right of withdrawal may not be limited by any other provision of the deposit agreement.

Direct Registration System

In the deposit agreement, all parties to the deposit agreement acknowledge that the Direct Registration System, also referred to as DRS, and Profile Modification System, also referred to as Profile, will apply to the ADSs. DRS is a system administered by DTC that facilitates interchange between registered holding of uncertificated ADSs and holding of security entitlements in ADSs through DTC and a DTC participant. Profile is a feature of DRS that allows a DTC participant, claiming to act on behalf of a registered holder of uncertificated ADSs, to direct the depositary to register a transfer of those ADSs to DTC or its nominee and to deliver those ADSs to the DTC account of that DTC participant without receipt by the depositary of prior authorization from the ADS holder to register that transfer.

In connection with and in accordance with the arrangements and procedures relating to DRS/Profile, the parties to the deposit agreement understand that the depositary will not determine whether the DTC participant that is claiming to be acting on behalf of an ADS holder in requesting registration of transfer and delivery as described in the paragraph above has the actual authority to act on behalf of the ADS holder (notwithstanding any requirements under the Uniform Commercial Code). In the deposit agreement, the parties agree that the depositary's reliance on and compliance with instructions received by the depositary through the DRS/Profile system and in accordance with the deposit agreement will not constitute negligence or bad faith on the part of the depositary.

Shareholder communications; inspection of register of holders of ADSs

The depositary will make available for your inspection at its office all communications that it receives from us as a holder of deposited securities that we make generally available to holders of deposited securities. The depositary will send you copies of those communications or otherwise make those communications available to you if we ask it to. You have a right to inspect the register of holders of ADSs, but not for the purpose of contacting those holders about a matter unrelated to our business or the ADSs.

Jury Trial Waiver

The deposit agreement provides that, to the extent permitted by law, ADS holders waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to the ADSs or the deposit agreement. We believe the deposit agreement's jury trial waiver is enforceable; however, if an ADS holder were to seek a jury trial of any claim they may have against us or the depositary arising out of or relating to the ADSs or the deposit agreement and we or the depositary opposed such a jury trial demand based on the waiver, the court would determine whether the waiver was enforceable in the facts and circumstances of that case in accordance with applicable case law. However, you will not, by agreeing to the terms of the deposit agreement, be deemed to have waived our or the depositary's compliance with U.S. federal securities laws and the rules and regulations promulgated thereunder.

SHARES AND ADSs ELIGIBLE FOR FUTURE SALE

Upon completion of this offering and the concurrent private placement, 7,565,785 ADSs will be outstanding, representing approximately 34% of our outstanding ordinary shares, assuming no exercise of the over-allotment option. All of the ADSs sold in this offering will be freely transferable by persons other than by our "affiliates" without restriction or further registration under the Securities Act. Sales of substantial amounts of ADSs in the public market could adversely affect prevailing market prices of the ADSs. Prior to this offering, there has been no public market for our ordinary shares or the ADSs, and although our ADSs have been approved for listing on the New York Stock Exchange, we cannot assure you that a regular trading market will develop in the ADSs. We do not intend to list our ordinary shares on a trading market and therefore do not expect that a trading market will develop for our ordinary shares not represented by the ADSs. Furthermore, since no ordinary shares or ADSs will be available for sale by our shareholders after the completion of this offering because of the contractual and legal restrictions on resale described below, sales of substantial numbers of ADSs in the public market after these restrictions lapse could adversely affect the prevailing market price and our ability to raise equity capital in the future.

Lock-Up Agreements

We, our current shareholders and Corning have agreed to certain restrictions on our and their ability to sell additional ADSs or ordinary shares for a period of 180 days after the date of this prospectus. Other than Jürgen Eichner, the members of our management board and our supervisory board have not signed lockup agreements because they do not hold any equity securities in our company as of the date of this prospectus. We and they have agreed not to directly or indirectly offer for sale, sell, contract to sell, grant any option for the sale of, or otherwise issue or dispose of, any ADSs or ordinary shares, options or warrants to acquire ADSs or ordinary shares, or any related security or instrument, without the prior written consent of Berenberg. The agreements provide exceptions for, among other things, sales to underwriters pursuant to the underwriting agreement. For more information, see "Underwriting."

Rule 144

In general, under Rule 144 under the Securities Act as in effect on the date of this prospectus, beginning 90 days after the effective date of the registration statement of which this prospectus forms a part, a person who is not an affiliate of ours at any time during the three months preceding a sale, and who has held their ordinary shares for at least six months, as measured by SEC rule, including the holding period of any prior owner other than one of our affiliates, may sell ordinary shares without restriction, provided current public information about us is available. In addition, under Rule 144, any person who is not an affiliate of ours at any time during the three months preceding a sale, and who has held their ordinary shares for at least one year, as measured by SEC rule, including the holding period of any prior owner other than one of our affiliates, would be entitled to sell an unlimited number of ordinary shares immediately upon consummation of this offering without regard to whether current public information about us is available.

Beginning 90 days after the effective date of the registration statement of which this prospectus forms a part, a person who is an affiliate of ours and who has beneficially owned "restricted" ordinary shares for at least six months, as measured by applicable SEC rules, including the holding period of any prior owner other than one of our affiliates, is entitled to sell a number of restricted ordinary shares within any three-month period that does not exceed the greater of:

- 1% of the number of ordinary shares then outstanding, in the form of ADSs or otherwise, which will equal approximately 45,132 ordinary shares immediately after this offering; and

- the average weekly trading volume of the ADSs on the New York Stock Exchange during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Sales of restricted ordinary shares under Rule 144 held by our affiliates are also subject to requirements regarding the manner of sale, notice and the availability of current public information about us. Rule 144 also requires that affiliates relying on Rule 144 to sell ordinary shares that are not restricted shares must nonetheless comply with the same restrictions applicable to restricted shares, other than the holding period requirement.

In addition, in each case, these ordinary shares would remain subject to lock-up arrangements and would only become eligible for sale when the lock-up period expires.

Regulation S

Regulation S under the Securities Act provides that shares owned by any person may be sold without registration in the United States, provided that the sale is effected in an offshore transaction and no directed selling efforts are made in the United States (as these terms are defined in Regulation S), subject to certain other conditions. In general, this means that our shares may be sold outside the United States without registration in the United States being required.

Rule 701

Under Rule 701 under the Securities Act, ordinary shares acquired upon the exercise of options or pursuant to other rights granted under a written compensatory stock or option plan or other written agreement in compliance with Rule 701 may be resold, by:

- persons other than affiliates, beginning 90 days after the effective date of the registration statement of which this prospectus forms a part, subject only to the manner-of-sale provisions of Rule 144; and

- our affiliates, beginning 90 days after the effective date of the registration statement of which this prospectus forms a part, subject to the manner-of-sale and volume limitations, current public information and filing requirements of Rule 144, in each case, without compliance with the six-month holding period requirement of Rule 144.

Equity Plans

If we adopt an equity incentive plan, we intend to file one or more registration statements under the Securities Act after the consummation of this offering to register all ordinary shares and/or ADSs issued or issuable pursuant to such equity incentive plan, see "Management—Compensation of Management Board and Supervisory Board Members—Equity Incentive Plan" for more details about the potential incentive plan. We expect to file the registration statements covering such ordinary shares shortly after the later of the date of this prospectus or the implementation of such equity incentive plan, permitting the resale of such shares by non-affiliates in the public market without restriction under the Securities Act and the sale by affiliates in the public market subject to compliance with the resale provisions of Rule 144.

EXCHANGE CONTROLS AND LIMITATIONS AFFECTING SHAREHOLDERS

There are currently no legal restrictions in Germany on international capital movements and foreign exchange transactions, except in limited embargo circumstances (*Teilembargo*) relating to certain areas, entities or persons as a result of applicable resolutions adopted by the United Nations and the EU. Restrictions currently exist with respect to, among others, Belarus, Congo, Egypt, Eritrea, Guinea, Guinea-Bissau, Iran, Iraq, Ivory Coast, Lebanon, Liberia, Libya, North Korea, Somalia, South Sudan, Sudan, Syria, Tunisia and Zimbabwe.

For statistical purposes, there are, however, limited notification requirements regarding transactions involving cross-border monetary transfers. With some exceptions, every corporation or individual residing in Germany must report to the German Central Bank (*Deutsche Bundesbank*) (i) any payment received from, or made to, a non-resident corporation or individual that exceeds €12,500 (or the equivalent in a foreign currency) and (ii) in case the sum of claims against, or liabilities payable to, non-residents or corporations exceeds €5,000,000 (or the equivalent in a foreign currency) at the end of any calendar month. Payments include cash payments made by means of direct debit, checks and bills, remittances denominated in euros and other currencies made through financial institutions, as well as netting and clearing arrangements.

TAXATION

The following discussion describes the material U.S. federal income tax and German tax consequences of acquiring, owning and disposing of the ADSs. It does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to purchase ADSs by any particular investor, including tax considerations that arise from rules of general application to all taxpayers or to certain classes of taxpayers that are generally assumed to be known by investors. In particular, this discussion does not address tax considerations applicable to a U.S. holder (as defined in "—U.S. Taxation" below) or other holder that may be subject to special tax rules, including, without limitation, brokers or dealers in securities or currencies, traders in securities electing mark to market, notional principal contracts or currencies, Medicare contribution tax, financial institutions, insurance companies, U.S. expatriates and inverted companies, certain stapled companies, tax-exempt organizations, tax-deferred or other retirement accounts, regulated investment companies, real estate investment trusts, a person that holds ADSs as part of a hedge, straddle, conversion or other integrated transaction for tax purposes, a person that purchases or sells ADSs as part of a wash sale for tax purposes, a person whose functional currency for tax purposes is not the U.S. dollar, a person subject to the U.S. alternative minimum tax, a person who does not hold the ADSs as capital assets for tax purposes, or a person that owns or is deemed to own 10% or more of the company's stock (by vote or value). In addition, the discussion does not address tax consequences to an entity treated as a partnership (or other pass-through entity) for U.S. federal income tax purposes that holds ADSs. Prospective purchasers that are partners in a partnership holding ADSs should consult their own tax advisors.

German Taxation

The following discussion describes the material German tax consequences of acquiring, owning and disposing of ADSs. With the exception of the subsection "Income Taxation of German Tax Resident Holders" below, which provides an overview of dividend taxation of holders that are tax resident in Germany, this discussion applies only to U.S. treaty beneficiaries (defined below) that acquire ADSs in the offering.

This discussion is based on German tax laws, including, but not limited to, circulars issued by German tax authorities, which are not binding on the German courts, and the Treaty (as defined below). It is based upon tax laws in effect as of the date of this prospectus. These laws are subject to change, possibly on a retroactive basis. There is no assurance that German tax authorities will not challenge one or more of the tax consequences described in this discussion.

This discussion does not address the treatment of ADSs that are (i) held in connection with a permanent establishment or fixed base through which a U.S. treaty beneficiary carries on business or performs personal services in Germany or (ii) part of business assets for which a permanent representative in Germany has been appointed.

In addition, this discussion is based upon the assumption that each obligation in the deposit agreement and any related agreement will be performed in accordance with its terms. It does not purport to be a comprehensive or exhaustive description of all German tax considerations that may be of relevance in the context of acquiring, owning and disposing of ADSs.

Prospective holders of ADSs should consult their own tax advisors regarding the German tax consequences of the purchase, ownership and disposition of ADSs in light of their particular circumstances, including the effect of any state, local, or other foreign or domestic laws or changes in tax law or interpretation.

German Taxation of ADSs

This subsection "German Taxation of ADSs" is the opinion of Dechert LLP insofar as it relates to legal conclusions with respect to matters of applicable German tax law as in effect on the effective date of the Registration Statement of which this prospectus forms a part.

General German Tax Treatment of ADSs

As of the date hereof, no published German tax court decisions exist as to all aspects of the German tax treatment of ADRs or ADSs. However, based on the circular issued by the German Federal Ministry of Finance (*Bundesfinanzministerium*) dated May 24, 2013, reference number IV C 1-S2204/12/10003, as amended by the circular dated December 18, 2018, reference number IV C 1-S2204/12, jointly the "ADR Tax Circular," for German tax purposes, the ADSs should represent a beneficial ownership interest in the underlying shares of the company and qualify as ADRs for the purpose of the ADR Tax Circular. If the ADSs qualify as ADRs under the ADR Tax Circular, dividends will accordingly be attributable to holders of ADSs for tax purposes, and not to the legal owner of the ordinary shares (i.e., the financial institution on behalf of which the ordinary shares are stored at a domestic depository for the ADS holders). Furthermore, holders of ADSs will be treated as beneficial owners of the capital of the company with respect to capital gains (see below in section "—German Taxation of Capital Gains of the U.S. Treaty Beneficiaries of the ADSs"). However, investors should note that circulars published by the German tax authorities (including the ADR Tax Circular) are not binding on German courts, including German tax courts, and it is uncertain whether a German court would follow the ADR Tax Circular in determining the German tax treatment of the ADSs. Nevertheless, for the purpose of this German tax section it is assumed that the ADSs qualify as ADRs within the meaning of the ADR Tax Circular.

Taxation of Non-German Resident U.S. Holders

The following discussion describes material German tax consequences for a holder that is a U.S. treaty beneficiary of acquiring, owning and disposing of ADSs. For purposes of this discussion, a "U.S. treaty beneficiary" is a resident of the United States for purposes of the Convention between the Federal Republic of Germany and United States of America for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and Capital and certain other Taxes in the version published as of June 4, 2008 (*Abkommen zwischen der Bundesrepublik Deutschland und den Vereinigten Staaten von Amerika zur Vermeidung der Doppelbesteuerung und zur Verhinderung der Steuerverkürzung auf dem Gebiet der Steuern vom Einkommen und vom Vermögen und einiger anderer Steuern in der Fassung der Bekanntmachung vom 4. Juni 2008*) as published in the German Federal Law Gazette 2008 vol. II pp. 611/851 (hereinafter referred to as the "Treaty") who is fully eligible for benefits under the Treaty.

A holder will be a U.S. treaty beneficiary entitled to full Treaty benefits in respect of the ADSs if it is, *inter alia*:

- the beneficial owner of the ADSs (and the dividends paid with respect thereto);
- a U.S. holder (as defined below);
- not also a resident of Germany for German tax purposes; and
- not subject to the limitation on benefits restrictions (*i.e.*, anti-treaty shopping article of the Treaty or German domestic rules) that applies in limited circumstances.

Special rules apply to pension funds and certain other tax-exempt investors.

General Rules for the Taxation of Non-German Tax Resident Holders of ADSs.

Non-German resident holders of ADSs are subject to German taxation with respect to certain German source income (*beschränkte Steuerpflicht*). According to the ADR Tax Circular, income from the shares should be attributed to the holders of ADSs for German tax purposes. As a consequence, income from the ADSs should be treated as German source income (dividend distributions of a corporate with a statutory seat and/or its place of central management in Germany). However, the repayment of capital contributions (*Einlagenrückgewähr*) for tax purposes is considered as reduction of the acquisition costs of the respective shares rather than as dividend payment (subject to proper tax declaration by the company in accordance with German tax law).

The full amount of a dividend distributed by the company to a non-German resident holder is subject as a matter of principal to (final) German withholding tax at an aggregate rate of 26.375% (25% income tax plus 5.5% solidarity surcharge thereon). The relevant dividend is deemed to be received for German tax purposes at the payout date as determined by the company's general shareholders' meeting, or if such date is not specified, the day after such general shareholders' meeting. The amount of the relevant taxable income is based on the gross amount in Euro; any expenses and costs related to such taxable income in principle should not reduce the taxable income.

German withholding tax on capital income (*Kapitalertragsteuer*) is withheld and remitted to the competent German tax authorities by (i) the German dividend disbursing agent (i.e., a German credit institution, financial services institution (each including the German branch of a foreign enterprise), German securities trading enterprise or German securities trading bank (each as defined in the German Banking Act (*Kreditwesengesetz*)) that holds or administers the underlying shares in custody and (a) disburses or credits the dividend income from the underlying shares, (b) disburses or credits the dividend income from the underlying shares on delivery of the dividend coupons or (c) disburses such dividend income to a foreign agent, or (ii) the central securities depository (*Wertpapiersammelbank)* in terms of the German Depositary Act (*Depotgesetz*) holding the underlying shares in a collective deposit, if such central securities depository disburses the dividend income from the underlying shares to a foreign agent, regardless of whether a holder must report the dividend for tax purposes and regardless of whether or not a holder is a resident of Germany.

Pursuant to the provisions of the Treaty, the German withholding tax may not exceed 15% of the gross dividends collected by U.S. treaty beneficiaries. The excess of the total withholding tax, including the solidarity surcharge, over the maximum rate of withholding tax permitted by the Treaty is refunded to U.S. treaty beneficiaries upon application (subject to presenting a German withholding tax certificate which can only be issued if the company has confirmed in writing to the German depositary the number of ADSs issued and that all of the ADSs issued at the issuance date were covered by an equivalent number of German shares deposited with the German depositary (circular by the German Federal Ministry of Finance, dated December 18, 2018, reference number IV C 1-S 2204/12/10003)). For example, for a declared dividend in the amount of €100, a U.S. treaty beneficiary initially receives €73.625 (€100 minus the 26.375% withholding tax including solidarity surcharge). The U.S. treaty beneficiary is entitled to a partial withholding tax refund from the German tax authorities in the amount of €11.375 of the gross dividend (€100). As a result, the U.S. treaty beneficiary ultimately receives a total amount of €85 (85% of the declared dividend) following the refund of the excess withholding. However, such a refund is subject to the German anti-avoidance treaty shopping rule (as described below in section "—Withholding Tax Refund for U.S. Treaty Beneficiaries").

A reduced permitted German withholding tax rate of 5% would apply according to the Treaty provisions, if the U.S. treaty beneficiary is a corporation and holds directly at least 10% of the voting shares of the dividend paying company.

German Taxation of Capital Gains of U.S. Treaty Beneficiaries of the ADSs. Capital gains from the disposition of ADSs realized by a non-German tax resident holder who does not maintain a permanent

establishment or other taxable presence in Germany will be treated as German source income and be subject to German (corporate) income tax if such holder at any time during the five years preceding the disposition, directly or indirectly, owned 1% or more of the company's share capital (or other equity related instruments, as specified by law), irrespective of whether through the ADSs or shares of the company. If such holder had acquired the ADSs without consideration, the previous owner's holding period and quota would be taken into account when calculating the above holding period and the participation threshold.

However, U.S. treaty beneficiaries are eligible for treaty benefits under the Treaty (as described above in the section "—Taxation of Non-German Resident U.S. Holders"). Pursuant to the Treaty, U.S. treaty beneficiaries are not subject to German tax with any capital gain derived from the sale of the ADSs, even under the circumstances described in the preceding paragraph and therefore will not be taxed on capital gains from the disposition of the ADSs.

German statutory law obliges a German disbursing agent to levy withholding tax on capital gains from the sale of ADSs or other securities held in a custodial account in Germany. With regard to the German taxation of capital gains, German disbursing agent means a German credit institution or the financial services institution, including a German branch of a foreign enterprise, or a German securities trading enterprise or a German securities trading bank (each as defined in the German Banking Act (*Kreditwesengesetz*)) that holds the ADSs in custody or administers the ADSs for the investor or conducts sales or other dispositions and disburses or credits the income from the ADSs to the holder of the ADSs. It should be noted that the German statutory law does not explicitly condition the obligation to withhold taxes on capital gains being subject to taxation in Germany under German statutory law or on an applicable income tax treaty permitting Germany to tax such capital gains. However, a circular issued by the German Federal Ministry of Finance, dated January 18, 2016, reference number IV C 1-S2252/08/10004:017 (published in the German Federal Tax Gazette 2016 vol. I pp. 85), as amended from time to time, provides that German taxes on capital gains need not be withheld when the holder of the custody account is not a resident of Germany for tax purposes and the income is not subject to German taxation. The circular further states that there is no obligation to withhold such tax even if the non-German resident holder owns 1% or more of the share capital of a German corporation. Although circulars issued by the German Federal Ministry of Finance are in principle only binding on the German tax authorities, a German disbursing agent is expected not to withhold tax on capital gains derived by a U.S. treaty beneficiary from the disposition of ADSs held in a custodial account in Germany, unless that the holder of the ADSs does not provide evidence on its tax status as non-German tax resident.

Withholding Tax Refund for U.S. Treaty Beneficiaries. U.S. treaty beneficiaries are generally eligible for treaty benefits under the Treaty (as described above in Section "—Taxation of Non-German Resident U.S. Holders"). Accordingly, U.S. treaty beneficiaries are entitled to claim a refund of the portion of the otherwise applicable 26.375% German withholding tax on dividends that exceeds the applicable Treaty rate (subject to presenting a German withholding tax certificate). However, in respect of dividends, the refund described in the preceding paragraph is only possible if, due to special rules on the restriction of withholding tax credit, the following three cumulative requirements are met: (i) the holder must qualify as beneficial owner of the ADSs for an uninterrupted minimum holding period of 45 days within a period starting 45 days prior to and ending 45 days after the due date of the dividends, (ii) the holder has to bear at least 70% of the change in value risk related to the ADSs during the minimum holding period as described under (i) of this paragraph and has not entered into (acting by itself or through a related party) hedging transactions which lower the change in value risk by more than 30%, and (iii) the holder must not be obliged to fully or largely compensate directly or indirectly the dividends to third parties. If these requirements are not met, then for a holder not being tax-resident in Germany who applied for a full or partial refund of the withholding tax pursuant to a double taxation treaty, no refund is available. This restriction generally does only apply if (a) the tax on

the dividends underlying the refund application is below 15% of the gross amount of the dividends pursuant to a double taxation treaty and (b) the holder does not directly own 10% or more of the shares in the company and is subject to income taxes in its state of residence, without being tax-exempt. The restriction of the withholding tax credit does not apply if the holder has beneficially owned the ADSs for at least one uninterrupted year until receipt (*Zufluss*) of the dividends.

However, as previously discussed, investors should note that it is unclear how the German tax administration will apply the refund process to dividends on the ADSs. Further, such refund is subject to the German anti-avoidance treaty shopping rule according to section 50d para. 3 of the German Income Tax Act (*Einkommensteuergesetz*). Generally, this rule requires that the U.S. treaty beneficiary (in case it is a non-German resident company) maintains its own administrative substance and conducts its own business activities. In particular, a foreign company shall not have the right to a full or partial refund to the extent persons holding ownership interests in the company would not be entitled to the refund if they would have derived the income directly and the gross income realized by the foreign company is not caused by the business activities of the foreign company, and there are either no economic or other considerable reasons for the interposition of the foreign company, or the foreign company does not participate in general commerce by means of a business organization with resources appropriate to its business purpose. However, this shall not apply if the foreign company's principal class of stock is regularly traded in substantial volume on a recognized stock exchange, or if the foreign company is subject to the provisions of the German Investment Tax Act (*Investmentsteuergesetz*). Furthermore, the European Court of Justice recently decided that the German anti-avoidance treaty shopping rule, as described before, is not in line with the requirements of the European Directive 2011/96EC (the European Parent Subsidiary Directive), as amended from time to time, but this decision will not directly affect non-European resident holders of shares. Therefore, whether or not and to which extent the anti-avoidance treaty shopping rule applies, has to be analyzed on a case by case basis taking into account all relevant tests. In addition, the interpretation of these tests is disputed and until the time of filing of this prospectus no published decisions of the German Federal Finance Court (*Bundesfinanzhof*) dealing with the interpretation of these tests exist.

Due to the legal structure of the ADSs, only limited guidance of the German tax authorities exists on the practical application of this procedure with respect to the ADSs.

Income Taxation of German Tax Resident Holders

This subsection provides an overview of general taxation principles applicable to the holders of ADSs who are tax resident in Germany. A holder is a German tax resident if, in case of an individual, he or she maintains a residence (*Wohnsitz*) or his or her habitual abode (*gewöhnlicher Aufenthalt*) in Germany or if, in case of a corporation, it has its place of central management (*Geschäftsleitung*) or a statutory seat (*Sitz*) in Germany.

The German dividend and capital gains taxation rules applicable to German tax residents require a distinction between ADSs held as private assets (*Privatvermögen*) and ADSs held as business assets (*Betriebsvermögen*).

ADSs held as Private Assets (Privatvermögen). If ADSs are held as private assets by a German tax resident individual, dividends and capital gains are taxed as capital income (*Einkünfte aus Kapitalvermögen*) and are principally subject to 25% German flat rate income tax on capital income (*Abgeltungsteuer*) (plus a 5.5% solidarity surcharge (*Solidaritätszuschlag*) thereon, resulting in an aggregate rate of 26.375% and plus church tax (*Kirchensteuer*), if applicable), which is generally levied in the form of withholding tax on capital income (*Kapitalertragsteuer*). The holder is taxed on gross capital income (including dividends or gains with respect to ADSs), less the annual saver's tax-free allowance (*Sparer-Pauschbetrag*) of currently €801 for an individual or €1,602 for married couples and registered civil unions (*eingetragene Lebenspartnerschaften*) filing jointly. The deduction of actual expenses relating to the capital income (including dividends or gains with respect to ADSs) is not permitted.

The withholding tax on capital income generally settles the income tax liability of the holder with respect to the capital income. However, private investors may request the application of their personal progressive income tax rate on the whole income from capital investments in a given year if this results in a lower tax liability. If this is the case, any tax withheld in excess will be refunded during the personal income tax assessment procedure.

Losses resulting from the disposal of ADSs can only be offset with capital gains from the disposition of shares of corporations (*Aktien*) and other ADSs treated similar to shares. If, however, a holder directly or indirectly held at least 1% of the share capital of the company at any time during the five years preceding the disposition, the German flat rate income tax on capital income does not apply with regard to such capital gain, but 60% of the capital gain resulting from the disposition are taxable at the holder's personal progressive income tax rate (plus 5.5% solidarity surcharge and church tax, if applicable, thereon). Correspondingly, only 60% of any capital losses and disposal costs are tax deductible.

ADSs held as Business Assets (Betriebsvermögen). In case the ADSs are held as business assets, the actual taxation depends on the legal form of the holder (i.e., whether the holder is a corporation or an individual). Irrespective of the legal form of the holder, dividends are generally subject to the aggregate withholding tax rate of 26.375%, unless the holder of the ADSs is an investment fund (*Investmentfonds*) subject to German investment taxation. The tax actually withheld is credited against the respective holder's final (corporate or personal) income tax liability. Due to special rules on the restriction of withholding tax credits in respect of dividends, a full withholding tax credit requires that the following three cumulative requirements are met: (i) the holder must qualify as beneficial owner of the ADSs for an uninterrupted minimum holding period of 45 days within a period starting 45 days prior to and ending 45 days after the due date of the dividends, (ii) the holder has to bear at least 70% of the change in value risk related to the ADSs during the minimum holding period as described under (i) of this paragraph and has not entered into (acting by itself or through a related party) hedging transactions which lower the change in value risk by more than 30%, and (iii) the holder must not be obliged to fully or largely compensate directly or indirectly the dividends to third parties. If these requirements are not met, three-fifths of the withholding tax imposed on the dividends must not be credited against the holder's corporate income tax or income tax liability, but may, upon application, be deducted from the holder's tax base for the relevant tax assessment period. A holder that is generally subject to German income tax or corporate income tax and that has received gross dividends without any deduction of withholding tax due to a tax exemption without qualifying for a full tax credit under the aforementioned requirements has to notify the competent local tax office accordingly and has to make a payment in the amount of the omitted withholding tax deduction. The special rules on the restriction of withholding tax credit do not apply to a holder whose overall dividend earnings within an assessment period do not exceed €20,000 or that has been the beneficial owner of the ADSs for at least one uninterrupted year until receipt (Zufluss) of the dividends. To the extent the amount withheld exceeds the (corporate or personal) income tax liability, the withholding tax will be refunded, provided that certain requirements are met.

With regard to holders in the legal form of a corporation, capital gains from ADSs are in general effectively 95% tax exempt from corporate income tax (including solidarity surcharge) and trade tax. In contrast, dividends from ADSs are only 95% exempt from corporate income tax, if the corporation holds at least 10% of the share capital in the company at the beginning of the respective calendar year. To the extent ADSs and/or shares of 10% or more of the company have been acquired during a calendar year, the acquisition will be deemed to be made at the beginning of the calendar year. Furthermore, dividends are subject to trade tax (*Gewerbesteuer*), unless the holder holds at least 15% of the share capital in the company at the beginning of the tax assessment period. In the latter case, effectively 95% of the dividends are exempt from trade tax.

Business expenses and capital losses actually incurred in connection with ADSs might not be tax deductible for corporate income and trade tax purposes except if certain requirements are met. This concerns in particular expenses which are related to the disposition of ADSs.

With regard to individuals holding ADSs as business assets, 60% of dividends and capital gains are taxed at the personal progressive income tax rate of the holder of ADSs (plus 5.5% solidarity surcharge and church tax, if applicable, thereon). Correspondingly, only 60% of business expenses related to the respective income are principally deductible for income tax purposes. Furthermore, trade tax may apply, provided the ADSs are held as assets of a German trade or business (*Gewerbebetrieb*) of the holder, but the resulting trade tax might be credited against the income tax liability of the holder pursuant to a lump sum procedure.

Special taxation rules apply to German tax resident credit institutions (*Kreditinstitute*), financial services institutions (*Finanzdienstleistungsinstitute*), financial enterprises (*Finanzunternehmen*), life insurance and health insurance companies (*Lebens- und Krankenversicherungsunternehmen*), pension funds (*Pensionsfonds*) and investment funds (*Investmentfonds*).

German Inheritance and Gift Tax (*Erbschaft- und Schenkungsteuer)*

Generally, a transfer of ADSs by a holder at death or by way of gift will be subject to German gift or inheritance tax, respectively, if (i) the decedent or donor, or the heir, donee or other transferee is resident in Germany at the time of the transfer, or with respect to German citizens who are not resident in Germany, if the decedent or donor, or the heir, donee or other transferee has not been continuously outside of Germany for a period of more than five years; (ii) the ADSs or ordinary shares are part of the business property of a permanent establishment or a fixed base in Germany; or (iii) the ADSs or ordinary shares subject to such transfer form part of a portfolio that represents 10% or more of the registered share capital of the company and has been held, directly or indirectly, by the decedent.

However, the right of Germany to impose gift or inheritance tax on a non-resident shareholder may be limited by an applicable estate tax treaty. In the case of a U.S. resident holder, a transfer of ADSs by a U.S. resident holder at death or by way of gift generally will not be subject to German gift or inheritance tax pursuant to the estate tax treaty between the U.S. and Germany (Convention between the Federal Republic of Germany and the United States of America for the Avoidance of Double Taxation with respect to Estate, Gift and Inheritance Taxes, German Federal Law Gazette 1982 vol. II page 846, as amended by the Protocol of December 14, 1998 and as published on December 21, 2000, German Federal Law Gazette 2001 vol. II, page 65; the "Estate Tax Treaty") provided the decedent or donor, or the heir, donee or other transferee was not domiciled in Germany for purposes of the Estate Tax Treaty at the time the gift was made, or at the time of the decedent's death, and the ADSs were not held in connection with a permanent establishment or a fixed base in Germany. In general, the Estate Tax Treaty provides a credit against the U.S. federal gift or estate tax liability for the amount of gift or inheritance tax paid in Germany, subject to certain limitations, in a case where the ADSs or ordinary shares are subject to German gift or inheritance tax and U.S. federal gift or estate tax.

Other German Taxes

There are currently no German net worth, transfer, stamp or other similar taxes that would apply to a U.S. holder on the acquisition, ownership, sale or other disposition of the ADSs. Certain member states of the European Union are considering introducing a financial transaction tax (*Finanztransaktionssteuer*) which, if and when introduced, may also be applicable on sales and/or transfer of ADS.

Information and Reporting Requirements

The Organization for Economic Co-Operation and Development released the Common Reporting Standard ("CRS") designed to create a global standard for the automatic exchange of financial account information, similar to the information to be reported under FATCA.

Under the CRS and legislation enacted in Germany to implement the CRS, generally certain information needs to be disclosed about investors in the shares, the ultimate beneficial owners and/or controllers, and their investment in and returns from the shares.

All prospective investors should consult with their own tax advisors regarding the tax consequences of their investment in the ADSs.

U.S. Taxation

The following discussion describes the material U.S. federal income tax consequences that are relevant with respect to the acquisition, ownership and disposition of the ADSs by U.S. holders. The information provided below is based on the Internal Revenue Code of 1986, as amended, or the Code, Internal Revenue Service, or IRS, rulings and pronouncements, and judicial decisions all as now in effect and all of which are subject to change or differing interpretations, possibly with retroactive effect. It does not provide a complete analysis of all potential tax considerations. For example, the opinion does not describe the effect of the U.S. federal estate and gift tax laws, the Foreign Account Tax Compliance Act (including the U.S. Treasury regulations promulgated thereunder and intergovernmental agreements entered into in connection therewith) or the effects of any foreign, state or local laws that may be applicable to a U.S. holder.

For purposes of this opinion, a "U.S. holder" is a beneficial owner of ADSs that for U.S. federal income tax purposes, is (1) an individual who is a citizen or resident of the United States, (2) a corporation, or an entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or any state of the United States, including the District of Columbia, (3) an estate, the income of which is subject to U.S. federal income taxation regardless of its source, or (4) a trust, if it (i) is subject to the primary supervision of a U.S. court and the control of one or more U.S. persons or (ii) has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

If a partnership (including an entity or arrangement, domestic or foreign, treated as a partnership for U.S. federal income tax purposes) holds ADSs, the tax treatment of a partner in the partnership will depend upon the status of the partner and the activities of the partnership. A holder of ADSs that is a partnership, and partners in such partnership, should consult their own tax advisors about the U.S federal income and estate tax consequences of purchasing, owning and disposing of the ADSs.

In general, a U.S. holder of ADSs should be treated as the owner of our ordinary shares for U.S. federal income tax purposes. U.S. holders should consult their own tax advisers concerning the tax consequences of converting ADSs to ordinary shares.

Each prospective holder of ADSs should consult its own tax advisors regarding the U.S. federal, state and local or other tax consequences of acquiring, owning and disposing of the company's ADSs in light of their particular circumstances. U.S. holders should also review the discussion under "—German Taxation of ADSs" for the German tax consequences to a U.S holder of the ownership of the ADSs.

Distributions

Under the United States federal income tax laws, and subject to the PFIC rules (as discussed below under "—Additional United States Federal Income Tax Consequences—PFIC Rules"), the gross amount of any distribution of cash or property that is actually or constructively received by a U.S. holder with respect to its ADSs will be a dividend includible in gross income of a U.S. holder as

ordinary dividend income to the extent the amount of such distribution is paid out of our current or accumulated earnings and profits, as determined for U.S. federal income tax purposes. We do not, however, expect to determine earnings and profits in accordance with U.S. federal income tax principles. Therefore, you should expect that a distribution will generally be treated as a dividend. To the extent the amount of such distribution exceeds our current and accumulated earnings and profits for the taxable year of the distribution, it will be treated first as a non-taxable return of capital to the extent of such U.S. holder's adjusted tax basis in its ADSs, and to the extent the amount of such distribution exceeds such adjusted tax basis, will be treated as gain from the sale or exchange of the ADSs. If you are a non-corporate U.S. holder, dividends paid to you that constitute qualified dividend income should be taxable to you at a preferential rate (rather than the higher rates of tax generally applicable to items of ordinary income) provided that you hold the ADSs for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date and meet other holding period requirements. If we are a PFIC (as discussed below under "—Additional United States Federal Income Tax Consequences—PFIC Rules"), distributions paid by us with respect ADSs will not be eligible for the preferential income tax rate. Prospective investors should consult their own tax advisors regarding the taxation of distributions under these rules.

You must include the gross amount of any dividend payment with respect to the ADSs without reduction for German taxes withheld from the dividend payment even though you do not in fact receive the amount associated with the withheld German tax. The gross amount of the dividend is taxable to you when you receive the dividend, actually or constructively. We expect that dividends paid on the ADSs will not be eligible for the dividends-received deduction generally available to corporate U.S. holders.

Subject to applicable limitations, some of which vary depending upon a U.S. holder's particular circumstances, German taxes withheld from dividends (net of any potential refunds described under "—German Taxation—Taxation of Non-German Resident U.S. Holders—Withholding Tax Refund for U.S. Treaty Beneficiaries") on the ADSs can be claimed as a credit against the U.S. holder's U.S. federal income tax liability. For purposes of the U.S. foreign tax credit rules, dividends with respect to our ADS should constitute income from sources outside of the United States and should generally be passive income. In lieu of claiming a foreign tax credit, U.S. holders may, at their election, deduct foreign taxes, including any German income tax, in computing their taxable income, subject to generally applicable limitations under U.S. law. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the taxable year. The rules governing foreign tax credits are complex and prospective investors should consult their own tax advisors regarding the implications of the foreign tax credit provisions for them, in light of their particular situation.

The gross amount of any dividend paid in foreign currency will be included in the gross income of a U.S. holder in an amount equal to the U.S. dollar value of the foreign currency calculated by reference to the exchange rate in effect on the date the dividend distribution is received by the depositary, regardless of whether the payment is in fact converted into U.S. dollars. If the foreign currency is converted into U.S. dollars on the date of receipt by the depositary, a U.S. holder generally should not be required to recognize foreign currency gain or loss in respect of the dividend. If the foreign currency received is not converted into U.S. dollars on the date of receipt, a U.S. holder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any gain or loss on a subsequent conversion or other disposition of the foreign currency will be treated as ordinary income or loss, and will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. The amount of any distribution of property other than cash will be the fair market value of the property on the date of the distribution, less the sum of any encumbrance assumed by the U.S. holder.

U.S. Taxation of Sale or Other Disposition

Subject to the discussion below under "—Additional United States Federal Income Tax Consequences—PFIC Rules," a U.S. holder will generally recognize a gain or loss for U.S. federal income tax purposes upon the sale, exchange or other disposition of ADSs in an amount equal to the difference between the U.S. dollar value of the amount realized from such sale, exchange or other disposition and the U.S. holder's tax basis in such ADSs. Such gain or loss generally will be capital gain or loss. Capital gain of a non-corporate U.S. holder recognized on the sale or other disposition of ADSs held for more than one year is generally eligible for a reduced rate of taxation. The gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. Consequently, if a German withholding tax is imposed on the sale or disposition of the shares, a U.S. holder that does not receive significant foreign source income from other sources may not be able to derive effective United States foreign tax credit benefits in respect of such German taxes. The deductibility of capital losses is subject to limitations.

A U.S. holder that receives foreign currency on the sale or other disposition of ADSs will realize an amount equal to the U.S. dollar value of the foreign currency calculated by reference to the exchange rate in effect on the date of sale or other disposition (or, in the case of cash basis and electing accrual basis taxpayers, the U.S. dollar value of the foreign currency on the settlement date) provided that the ADSs are treated as being "traded on an established securities market." An accrual basis U.S. holder that does not elect to determine the amount realized using the exchange rate in effect on the settlement date will recognize foreign currency gain or loss equal to the difference between the U.S. dollar value of the amount received based on the exchange rate in effect on the date of the sale or other disposition and the settlement date. A U.S. holder will have a tax basis in the currency received equal to the U.S. dollar value of the foreign currency calculated by reference to the exchange rate in effect on the settlement date. If a U.S. holder receives foreign currency upon a sale or exchange of ADSs, gain or loss, if any, recognized on the settlement date or subsequent sale, conversion or disposition of such foreign currency will be ordinary income or loss, and will generally be income or loss from sources within the United States for foreign tax credit limitation purposes and will not be eligible for the reduced tax rate applicable to long-term capital gains. However, if such foreign currency is converted into U.S. dollars on the date received by the U.S. holder, a cash basis or electing accrual U.S. holder should not recognize any gain or loss on such conversion. If an accrual basis U.S. holder makes the election described in the first sentence of this paragraph, it must be applied consistently from year to year and cannot be revoked without the consent of the IRS.

Redemption

A redemption of ADSs by us will be treated as a sale of the redeemed ADSs by the U.S. holder or as a distribution to the U.S. holder (which is taxable as described above under "—Distributions"). U.S. holders are urged to consult their tax advisors regarding the treatment of a redemption of ADSs.

Additional United States Federal Income Tax Consequences

PFIC Rules. Special adverse U.S. federal income tax rules apply to U.S. holders owning shares of stock in a PFIC. In general, if you are a U.S. holder, we will be a PFIC with respect to you if, taking into account our proportionate share of the income and assets of our subsidiaries under applicable "look-through" rules, for any taxable year in which you held the ADSs: (i) at least 75% of our gross income for the taxable year is passive income or (ii) at least 50% of the value, determined on the basis of a quarterly average, of our assets is attributable to assets that produce or are held for the production of passive income. We are still completing our analysis to determine whether we think there is a material risk that we could be classified as a PFIC for the taxable year ending December 31, 2020; however, it is possible that we will not be a PFIC for the taxable year ending December 31, 2020 depending on the final composition of our cash (including the cash raised in this offering) and other

assets at the end of 2020. Once our analysis is complete, we will notify our shareholders of our determination.

Passive income generally includes dividends, interest, royalties, rents (other than certain rents and royalties derived in the active conduct of a trade or business), annuities and gains from the disposition of assets that produce passive income. Any cash we hold, including the cash raised in this offering, generally will be treated as held for the production of passive income for the purpose of the PFIC test, and any income generated from cash or other liquid assets generally will be treated as passive income for such purpose. If a foreign corporation owns at least 25% by value of the stock of another corporation, the foreign corporation is treated for purposes of the PFIC tests as owning its proportionate share of the assets of the other corporation, and as receiving directly its proportionate share of the other corporation's income.

If we were to be treated as a PFIC, except as otherwise provided by election regimes described below, a U.S. holder would be subject to special adverse tax rules with respect to (i) "excess distributions" received on the ADSs and (ii) any gain recognized upon a sale or other disposition (including a pledge) of the ADSs. A U.S. holder would be treated as if it had realized such gain and "excess distributions" ratably over its holding period for the ADSs and would be taxed at the highest tax rate in effect for each such year to which the gain was allocated, together with an interest charge in respect of the tax attributable to each such year. Special rules apply for calculating the amount of the foreign tax credit with respect to "excess distributions" by a PFIC.

With certain exceptions, a U.S. holder's ADSs will be treated as stock in a PFIC if we were a PFIC at any time during the U.S. holder's holding period in for its ADSs, even if we are not currently a PFIC.

Dividends that a U.S. holder receives from us will not be eligible for the special tax rates applicable to qualified dividend income if we are treated as a PFIC, either in the taxable year of the distribution or the preceding taxable year, but instead will be taxable at rates applicable to ordinary income.

In general, if a U.S. holder owns stock in a PFIC that is treated as "marketable stock," the U.S. holder may make a mark-to-market election. Stock will be marketable if they are "regularly traded" on a "qualified exchange" or other market within the meaning of applicable U.S. Treasury regulations, including the New York Stock Exchange. If a U.S. holder makes this election, the U.S. holder will not be subject to all of the PFIC rules described above. Instead, in general, the U.S. holder will include as ordinary income the excess, if any, of the fair market value of its ADSs at the end of the taxable year over the U.S. holder's adjusted basis in its ADSs. Similarly, any gain realized on the sale, exchange or other disposition of the ADSs will be treated as ordinary income, and will not be eligible for the favorable tax rates applicable to qualified dividend income or long-term capital gains. The U.S. holder will also be allowed to take an ordinary loss in respect of the excess, if any, of the adjusted basis of its ADSs over the fair market value at the end of the taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). A U.S. holder's basis in the ADSs will be adjusted to reflect any such income or loss amounts recognized under these rules. Once made, the election cannot be revoked without the consent of the IRS unless the ADSs cease to be marketable.

A U.S. holder may in certain circumstances also mitigate adverse tax consequences of the PFIC rules by filing an election to treat the PFIC as a QEF if the PFIC complies with certain reporting requirements. However, in the event that we are or become a PFIC, we do not intend to comply with such reporting requirements necessary to permit U.S. holders to elect to treat us as a QEF.

U.S. holders should consult their own tax advisors regarding the application of the PFIC rules to their investment in the ADSs and the elections discussed above.

Information with Respect to Interests in PFICs. If we are were to be treated as a PFIC, owners of the ADSs (including, potentially, indirect owners) would be required to file an information report, currently on IRS Form 8621, with respect to such interest on their tax returns, subject to certain exceptions. U.S. holders are urged to consult their tax advisors regarding the application of these rules to their ownership of the ADSs.

Information with Respect to Foreign Financial Assets. Owners of "specified foreign financial assets" with an aggregate value in excess of $50,000 (and in some circumstances, a higher threshold) may be required to file IRS Form 8938 (Statement of Specified Foreign Financial Assets) with respect to such assets on their tax returns. "Specified foreign financial assets" may include financial accounts maintained by foreign financial institutions, as well as any of the following, if they are held for investment and not held in accounts maintained by financial institutions: (i) stocks and securities issued by non-U.S. persons, (ii) financial instruments and contracts held for investment that have non-U.S. issuers or counterparties, and (iii) interests in foreign entities. U.S. holders are urged to consult their tax advisors regarding the application of these rules to their ownership of the ADSs. The understatement of income attributable to "specified foreign financial assets" in excess of U.S. $5,000 extends the statute of limitations with respect to the tax return to six years after the return was filed. U.S. holders who fail to report the required information could be subject to substantial penalties.

Backup Withholding and Information Reporting. Backup withholding and information reporting requirements will generally apply to certain payments to U.S. holders of dividends on ADSs and proceeds from the sale or other disposition of the ADSs. We, our agent, a broker or any paying agent, may be required to withhold tax from any payment that is subject to backup withholding unless the U.S. holder (1) is an exempt payee, or (2) provides the U.S. holder's correct taxpayer identification number and complies with applicable certification requirements.

Backup withholding is not an additional tax. Any amounts withheld from a payment to a U.S. holder of ADSs under the backup withholding rules can be credited against any U.S. federal income tax liability of the U.S. holder, provided the required information is timely furnished to the IRS. A U.S. holder generally may obtain a refund of any amounts withheld under the backup withholding rules that exceed the U.S. holder's income tax liability by filing a refund claim with the IRS. Prospective investors should consult their own tax advisors as to their qualification and procedure for exemption from backup withholding.

UNDERWRITING

Berenberg is acting as sole bookrunning manager of the offering and as representative of the underwriters named below. Subject to the terms and conditions stated in the underwriting agreement dated , each underwriter named below has severally agreed to purchase, and we have agreed to sell to that underwriter, the number of ADSs set forth opposite the underwriter's name.

Underwriters	Number of ADSs
Berenberg Capital Markets LLC	
Craig-Hallum Capital Group LLC	
Total	6,250,000

All the shares that we are offering will be represented by ADSs.

The underwriting agreement provides that the obligations of the underwriters to purchase the ADSs included in this offering are subject to certain conditions precedent. The underwriters are obligated to purchase all the ADSs (other than those covered by the over-allotment option described below) if they purchase any of the ADSs.

ADSs sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any ADSs sold by the underwriters to securities dealers may be sold at a discount from the initial public offering price not to exceed $ per ADS. If all the ADSs are not sold at the initial offering price, the underwriters may change the offering price and the other selling terms. Berenberg has advised us and the selling shareholders that the underwriters do not intend to make sales to discretionary accounts.

If the underwriters sell more ADSs than the total number set forth in the table above, the selling shareholders have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to additional ADSs at the public offering price less the underwriting discount. The underwriters may exercise the option solely for the purpose of covering over-allotments, if any, in connection with this offering. To the extent the option is exercised, each underwriter must purchase a number of additional ADSs approximately proportionate to that underwriter's initial purchase commitment. Any ADSs issued or sold under the option will be issued and sold on the same terms and conditions as the other ADSs that are the subject of this offering.

For reasons of German law, Joh. Berenberg, Gossler & Co. KG will initially subscribe for all of the new ordinary shares represented by ADSs, we are selling, on behalf and for the account of the underwriters at an issue price of €1.00 per new ordinary share. This issue price will be credited against the amount due from the underwriters at closing.

We, our current shareholders and Corning have agreed that, for a period of 180 days from the date of this prospectus, we will not, without the prior written consent of Berenberg, dispose of or hedge any of our ordinary shares, ADSs, or any securities convertible into or exchangeable for our ordinary shares. Berenberg in its sole discretion may release any of the securities subject to these lock-up agreements at any time, which, in the case of officers and directors, shall be with notice. The members of our management board and our supervisory board have not signed lockup agreements because they do not hold any equity securities in our company as of the date of this prospectus.

Prior to this offering, there has been no public market for the ADSs. Consequently, the initial public offering price for the ADSs was determined by negotiations among us, the selling shareholders and Berenberg. Among the factors considered in determining the initial public offering price were our results of operations, our current financial condition, our future prospects, our markets, the economic conditions in and future prospects for the industry in which we compete, our management, and currently prevailing general conditions in the equity securities markets, including current market valuations of publicly traded companies considered comparable to our company. We cannot assure you,

however, that the price at which the ADSs will sell in the public market after this offering will not be lower than the initial public offering price or that an active trading market in the ADSs will develop and continue after this offering.

Our ADSs have been approved for listing on the New York Stock Exchange under the symbol "VIAO".

The following table shows the underwriting discounts and commissions that we and the selling shareholders are to pay to the underwriters in connection with this offering. These amounts are shown assuming both no exercise and full exercise of the underwriters' over-allotment option.

	Paid by VIA optronics AG		Paid by Selling Shareholders	
	No Exercise	Full Exercise	No Exercise	Full Exercise
Per ADS	$	$	$	$
Total	$	$	$	$

We estimate that the total expenses of the offering payable by us, excluding underwriting discounts and commissions, will be approximately $9.9 million. We have also agreed to reimburse the underwriters for expenses relating to clearance of this offering with the Financial Industry Regulatory Authority, Inc. up to $30,000.

We will pay a private placement fee to Berenberg in respect of the concurrent private placement equal to 2% of the aggregate purchase price paid by Corning.

To meet German law requirements, Berenberg initially subscribed, in its own name but for the account of the underwriters, for all shares underlying the ADSs to be sold by us in the offering at an initial subscription price per share equal to the nominal value per share. The subscription price will be credited against the amount due from the underwriters at closing.

In connection with the offering, the underwriters may purchase and sell ADSs in the open market. Purchases and sales of ADSs in the open market may include short sales, purchases to cover short positions, which may include purchases pursuant to the over-allotment option, and stabilizing purchases.

- Short sales involve secondary market sales by the underwriters of a greater number of ADSs than they are required to purchase in the offering.
    - "Covered" short sales are sales of ADSs in an amount up to the number of ADSs represented by the underwriters' over-allotment option.
    - "Naked" short sales are sales of ADSs in an amount in excess of the number of ADSs represented by the underwriters' over-allotment option.
- Covering transactions involve purchases of ADSs either pursuant to the underwriters' over-allotment option or in the open market in order to cover short positions.
    - To close a naked short position, the underwriters must purchase ADSs in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the ADSs in the open market after pricing that could adversely affect investors who purchase in the offering.
    - To close a covered short position, the underwriters must purchase ADSs in the open market or must exercise the over-allotment option. In determining the source of ADSs to close the covered short position, the underwriters will consider, among other things, the price of ADSs available for purchase in the open market as compared to the price at which they may purchase ADSs through the over-allotment option.
- Stabilizing transactions involve bids to purchase ADSs so long as the stabilizing bids do not exceed a specified maximum.

Purchases to cover short positions and stabilizing purchases, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of the ADSs. They may also cause the price of the ADSs to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The underwriters may conduct these transactions on the New York Stock Exchange, in the over-the-counter market or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

The underwriters are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The underwriters and their respective affiliates have from time to time engaged and may in the future, engage in transactions with and perform services for us, and our affiliates, in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses. In the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

We and the selling shareholders have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

Directed ADS Program

At our request, the underwriters have reserved up to 3.0% of the ADSs offered by this prospectus for sale, at the initial public offering price per ADS, to certain of our directors, officers and employees and persons having relationships with us. The sales will be made by Berenberg, as the directed ADS program administrator, or its affiliates or its selling agents. We do not currently know the extent to which these related persons will participate in the directed ADS program.

If purchased by persons who are not officers or directors, the ADSs will not be subject to a lock-up restriction. If purchased by any officer or director, the ADSs will be subject to a 180-day lock-up restriction. The underwriters will receive the same underwriting discount on any ADSs purchased by these persons as they will on any other ADSs sold to the public in this offering. The number of ADSs available for sale to the general public in this offering, referred to as the general public ADSs, will be reduced to the extent these persons purchase the directed ADSs in the program. Any directed ADSs not so purchased will be offered by the underwriters to the general public on the same terms as the other ADSs. Likewise, to the extent demand by these persons exceeds the number of directed ADSs reserved for sale in the program, and there are remaining ADSs available for sale to these persons after the general public ADSs have first been offered for sale to the general public, then such remaining ADSs may be sold to these persons at the discretion of the underwriters.

Notice to Prospective Investors in the European Economic Area and the United Kingdom

In relation to each Member State of the European Economic Area and the United Kingdom (each a "Relevant State"), no ADSs have been offered or will be offered pursuant to the offering to the public in that Relevant State prior to the publication of a prospectus in relation to the ADSs which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in

accordance with the Prospectus Regulation, except that it may make an offer to the public in that Relevant State of any ADSs at any time under the following exemptions under the Prospectus Regulation:

a) to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the representative for any such offer; or

c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the ADSs shall require us or the representative to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires any ADSs or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the representative and the company that it is a "qualified investor" within the meaning of Article 2(e) of the Prospectus Regulation. In the case of any ADSs being offered to a financial intermediary as that term is used in the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the ADSs acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any ADSs to the public other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of the representative have been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an "offer to the public" in relation to the ADSs in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any ADSs to be offered so as to enable an investor to decide to purchase or subscribe for any ADSs, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Notice to Prospective Investors in the United Kingdom

Each underwriter has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, or FSMA, received by it in connection with the issue or sale of our ADSs in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to our ADSs in, from or otherwise involving the United Kingdom.

Notice to Prospective Investors in France

Neither this prospectus nor any other offering material relating to the ADSs described in this prospectus has been submitted to the clearance procedures of the *Autorité des Marchés Financiers* or of the competent authority of another member state of the European Economic Area and notified to the *Autorité des Marchés Financiers.* The ADSs have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France. Neither this prospectus nor any other offering material relating to the ADSs has been or will be:

- released, issued, distributed or caused to be released, issued or distributed to the public in France; or
- used in connection with any offer for subscription or sale of the ADSs to the public in France.

Such offers, sales and distributions will be made in France only:

- to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint* d'investisseurs), in each case investing for their own account, all as defined in, and in accordance with, articles L.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*;

- to investment services providers authorized to engage in portfolio management on behalf of third parties; or

- in a transaction that, in accordance with article L.411-2-II-1°-or-2°-or 3° of the French *Code* monétaire *et financier* and article 211-2 of the General Regulations (*Règlement Général*) of the *Autorité des Marchés Financiers*, does not constitute a public offer (*appel public à l'épargne*).

The ADSs may be resold directly or indirectly, only in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 through L.621-8-3 of the French *Code monétaire et financier*.

Notice to Prospective Investors in Switzerland

The ADSs may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the ADSs or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, Legend Biotech Corporation, or the ADSs have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of ADSs will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA ("FINMA"), and the offer of ADSs has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of ADSs.

Notice to Prospective Investors in Canada

The ADSs may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the ADSs must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in Hong Kong

Our ADSs may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong), and no advertisement, invitation, or document relating to our ADSs may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to our ADSs which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Notice to Prospective Investors in Japan

No registration pursuant to Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "FIEL") has been made or will be made with respect to the solicitation of the application for the acquisition of the ADSs.

Accordingly, the ADSs have not been, directly or indirectly, offered or sold and will not be, directly or indirectly, offered or sold in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements, and otherwise in compliance with, the FIEL and the other applicable laws and regulations of Japan.

For Qualified Institutional Investors ("QII")

Please note that the solicitation for newly-issued or secondary securities (each as described in Paragraph 2, Article 4 of the FIEL) in relation to the ADSs constitutes either a "QII only private placement" or a "QII only secondary distribution" (each as described in Paragraph 1, Article 23-13 of the FIEL). Disclosure regarding any such solicitation, as is otherwise prescribed in Paragraph 1, Article 4 of the FIEL, has not been made in relation to the ADSs. The ADSs may only be transferred to QIIs.

For Non-QII Investors

Please note that the solicitation for newly-issued or secondary securities (each as described in Paragraph 2, Article 4 of the FIEL) in relation to the ADSs constitutes either a "small number private placement" or a "small number private secondary distribution" (each as is described in Paragraph 4, Article 23-13 of the FIEL). Disclosure regarding any such solicitation, as is otherwise prescribed in Paragraph 1, Article 4 of the FIEL, has not been made in relation to the ADSs. The ADSs may only be transferred en bloc without subdivision to a single investor.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of our ADSs may not be circulated or distributed, nor may our ADSs be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore, as modified or

amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where our ADSs are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired our ADSs pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor under Section 274 of the SFA or to a relevant person defined in section 275(2) of the SFA, or any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Solely for purposes of the notification requirements under Section 309B(1)(c) of the SFA, the ADSs are "prescribed capital markets products" (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Notice to Prospective Investors in the Philippines

THE ADSS BEING OFFERED OR SOLD HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH THE PHILIPPINE SECURITIES AND EXCHANGE COMMISSION, OR THE PSEC, UNDER THE SECURITIES REGULATION CODE OF THE PHILIPPINES, OR THE SRC. ANY FUTURE OFFER OR SALE OF THE ADSS WITHIN THE PHILIPPINES IS SUBJECT TO THE REGISTRATION REQUIREMENTS UNDER THE SRC UNLESS SUCH OFFER OR SALE QUALIFIES AS A TRANSACTION EXEMPT FROM THE REGISTRATION UNDER THE SRC.

Accordingly, this prospectus, and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the ADSs, may not be circulated or distributed in the Philippines, and the ADSs may not be offered or sold, or be made the subject of an invitation for subscription or purchase, to persons in the Philippines, other than (i) to qualified buyers pursuant to Section 10.1(l) of the SRC and the relevant implementing rules and regulations of the SRC and (ii) by persons licensed to make such offers or sales in the Philippines. We have not obtained and will not obtain confirmation from the PSEC that the offer and sale of such Securities within the Philippines qualifies as an exempt transaction.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission ("ASIC"), in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the "Corporations Act"), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the ADSs may only be made to persons (the "Exempt Investors") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the ADSs without disclosure to investors under Chapter 6D of the Corporations Act.

The ADSs applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring ADSs must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

EXPENSES RELATED TO THIS OFFERING

The following table sets forth the main expenses we and the selling shareholders will be required to pay in connection with this offering, other than the underwriting discounts and commissions. All amounts are estimated, except the SEC registration fee, the NYSE listing fee and the FINRA filing fee:

Expenses	Amount
SEC registration fee	$ 14,927
FINRA filing fee	15,500
NYSE listing fee	75,000
Legal fees and expenses	2,880,200
Accounting fees and expenses	3,000,000
Printing fees	275,000
Depositary expenses	—
Other fees and expenses	3,639,373
Total	$ 9,900,000

LEGAL MATTERS

The validity of the shares and the ADSs with respect to German and U.S. federal law and New York state law in connection with this offering will be passed upon for us by Dechert LLP, our German and U.S. counsel. Certain legal matters with respect to U.S. federal law and New York state law in connection with this offering will be passed upon for the underwriters by Cooley (UK) LLP, U.S. counsel for the underwriters. Certain legal matters with respect to German law in connection with this offering will be passed upon for the underwriters by Skadden, Arps, Slate, Meagher & Flom LLP, German counsel for the underwriters.

EXPERTS

The consolidated financial statements of VIA optronics AG as of December 31, 2019 and 2018 and for each of the three years in the period ended December 31, 2019 appearing in this prospectus and registration statement have been audited by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, an independent registered public accounting firm with offices at Am Tullnaupark 8, 90402, Nuremberg, Germany, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of said firm as experts in auditing and accounting.

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

We are organized as a German stock corporation (*Aktiengesellschaft* or *AG*), and our registered offices and most of our assets are located outside of the United States. In addition, most of the members of our management board, our supervisory board, our senior management and the experts named herein are residents of Germany and jurisdictions other than the United States. As a result, it may not be possible for you to effect service of process within the United States upon these individuals or upon VIA optronics AG or to enforce judgments obtained in U.S. courts based on the civil liability provisions of the U.S. securities laws against VIA optronics AG in the United States. Awards of punitive damages in actions brought in the United States or elsewhere are generally not enforceable in Germany. In addition, actions brought in a German court against VIA optronics AG or the members of its management board and supervisory board, its senior management and the experts named herein to enforce liabilities based on U.S. federal securities laws may be subject to certain restrictions; in particular, German courts generally do not award punitive damages. Litigation in Germany is also subject to rules of procedure that differ from the U.S. rules, including with respect to the taking and admissibility of evidence, the conduct of the proceedings and the allocation of costs. With very narrow exceptions, proceedings in Germany would have to be conducted in the German language, and all

documents submitted to the court would, in principle, have to be translated into German. For these reasons, it may be difficult for a U.S. investor to bring an original action in a German court predicated upon the civil liability provisions of the U.S. federal securities laws against us, the members of our management board, supervisory board and senior management and the experts named in this prospectus. In addition, even if a judgment against our company, the non-U.S. members of our management board, supervisory board, senior management or the experts named in this prospectus based on the civil liability provisions of the U.S. federal securities laws is obtained, a U.S. investor may not be able to enforce it in U.S. or German courts.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a Registration Statement on Form F-1 under the Securities Act, including amendments and relevant exhibits and schedules, covering the underlying ordinary shares represented by the ADSs to be sold in this offering. We have also filed with the SEC a related Registration Statement on Form F-6 to register the ADSs. This prospectus, which constitutes a part of the Registration Statement, summarizes material provisions of contracts and other documents included in the Registration Statement. Since this prospectus does not contain all of the information contained in the Registration Statement, you should read the Registration Statement and its exhibits and schedules for further information with respect to us and the ADSs.

Immediately upon the effectiveness of the Registration Statement, we will become subject to periodic reporting and other informational requirements of the Exchange Act as applicable to foreign private issuers. Our annual reports on Form 20-F for the year ended December 31, 2020 and for all subsequent years will be due within four months after fiscal year end. We are not required to disclose certain other information that is required from U.S. domestic issuers. Also, as a foreign private issuer, we are exempt from the rules of the Exchange Act prescribing the furnishing of proxy statements to shareholders and members of our management board and supervisory board and our principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act.

You may review and copy the Registration Statement, reports and other information we file at the SEC's internet site at http://www.sec.gov, which contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC.

As a foreign private issuer, we are also exempt from the requirements of Regulation FD (Fair Disclosure) which, generally, are meant to ensure that select groups of investors are not privy to specific information about an issuer before other investors. We are, however, still subject to the anti-fraud and anti-manipulation rules of the SEC, such as Rule 10b-5 of the Exchange Act. Since many of the disclosure obligations required of us as a foreign private issuer are different than those required by other U.S. domestic reporting companies, our shareholders, potential shareholders and the investing public in general should not expect to receive information about us in the same amount and at the same time as information is received from, or provided by, other U.S. domestic reporting companies. We are liable for violations of the rules and regulations of the SEC which do apply to us as a foreign private issuer.

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VIA optronics AG

Interim Condensed Consolidated Statements of Financial Position as of

June 30, 2020 and December 31, 2019

EUR	Note	June 30, 2020 (unaudited)	December 31, 2019
Assets			
Non-current assets		**22,339,866**	**24,935,283**
Intangible assets		5,160,351	6,033,571
Property and equipment		16,761,957	18,576,268
Other financial assets		155,037	156,757
Deferred tax assets	11	262,521	168,687
Current assets		**54,284,300**	**56,724,662**
Inventories		16,276,481	14,485,822
Trade accounts receivables	4	20,142,460	25,224,456
Current tax assets		95,085	75,923
Other non-financial assets	7	10,602,412	7,603,338
Cash and cash equivalents		7,167,862	9,335,123
Total assets		**76,624,166**	**81,659,945**
Equity and liabilities			
Equity attributable to equity holders of the parent		**(336,173)**	**800,620**
Share capital		3,000,000	3,000,000
Capital reserve		4,169,843	4,169,843
Accumulated deficit		(7,241,121)	(6,331,002)
Currency translation reserve		(264,895)	(38,221)
Non-controlling interests		**327,495**	**281,658**
Total Equity		**(8,678)**	**1,082,278**
Non-current liabilities		**11,208,906**	**12,452,059**
Loans	5	2,180,673	2,797,277
Provisions	6	135,126	134,476
Lease liabilities		8,118,486	8,816,494
Deferred tax liabilities	12	774,621	703,812
Current liabilities		**65,423,938**	**68,125,608**
Loans	5	30,983,164	28,648,651
Trade accounts payable	4	21,264,696	24,147,955
Current tax liabilities		327,685	255,221
Provisions	6	457,355	1,993,833
Lease liabilities		2,607,971	3,155,469
Other financial liabilities		4,785,841	5,837,124
Other non-financial liabilities		4,997,226	4,087,355
Total equity and liabilities		**76,624,166**	**81,659,945**

Interim Condensed Consolidated Statements of Operations and Other Comprehensive Income (Loss)

for the three and six months ended June 30, 2020 and 2019

EUR, except share amounts	Note	Three Months Ended June 30,		Six Months Ended June 30,	
		2020	2019	2020	2019
		(unaudited)			
Revenue	8	39,172,259	37,685,097	64,855,561	70,562,940
Cost of sales		(33,923,274)	(33,263,849)	(55,192,476)	(63,484,922)
Gross profit		**5,248,985**	**4,421,248**	**9,663,085**	**7,078,018**
Selling expenses		(1,096,923)	(1,175,246)	(2,231,807)	(2,256,299)
General administrative expenses	9	(3,230,316)	(3,867,286)	(6,313,632)	(7,653,378)
Research and development expenses	10	(491,014)	(333,694)	(1,060,315)	(542,298)
Other operating income		1,072,975	574,254	1,593,315	1,623,920
Other operating expenses		(626,589)	(104,192)	(1,229,590)	(1,006,364)
Operating (loss)/income		**877,118**	**(484,916)**	**421,056**	**(2,756,401)**
Financial result		(318,945)	(415,022)	(712,008)	(781,771)
(Loss)/profit before tax		**558,173**	**(899,938)**	**(290,952)**	**(3,538,172)**
Income tax expense	11	(407,298)	350,859	(575,785)	1,078,552
Net (loss)/profit		**150,875**	**(549,079)**	**(866,737)**	**(2,459,620)**
Which is attributable to:					
Owners of the company		(15,642)	(15,122)	(910,121)	(1,677,063)
Non-controlling interests		166,517	(533,956)	43,384	(782,557)
		150,875	**(549,079)**	**(866,737)**	**(2,459,620)**
Other comprehensive income / (loss):					
Exchange differences on translation of foreign operations		**(173,677)**	**(481,051)**	**(224,222)**	**47,999**
Comprehensive (loss)/income		**(22,802)**	**(1,030,130)**	**(1,090,959)**	**(2,411,621)**
Which is attributable to:					
Owners of the company		(185,856)	(514,738)	(1,136,796)	(1,634,980)
Non-controlling interests		163,054	(515,392)	45,837	(776,641)
Weighted average of shares outstanding		3,000,000	3,000,000	3,000,000	2,983,300
Loss per share in EUR (basic and diluted)		(0.01)	(0.01)	(0.30)	(0.56)

Interim Condensed Consolidated Statements of Changes in Equity

for the six months ended June 30, 2020 and 2019

	Equity Attributable to Owners of the Company (Unaudited)							
	Share Capital	Subscribed Capital	Capital Reserve	(Accumulated Deficit) / Retained Earnings	Currency Translation Reserve	Total	Non Controlling Interests Total	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
At January 1, 2020	**3,000,000**	**—**	**4,169,843**	**(6,331,002)**	**(38,220)**	**800,620**	**281,658**	**1,082,278**
Net profit / (loss)	—	—	—	(910,121)	—	(910,121)	43,384	(866,737)
Foreign currency translation effect	—	—	—	—	(226,675)	(226,675)	2,455	(224,220)
Total comprehensive income	**—**	**—**	**—**	**(910,121)**	**(226,675)**	**(1,136,796)**	**45,837**	**(1,090,959)**
At June 30, 2020	**3,000,000**	**—**	**4,169,843**	**(7,241,121)**	**(264,895)**	**(336,173)**	**327,495**	**(8,678)**
At January 1, 2019	**—**	**73,327**	**6,996,516**	**5,428,182**	**(69,615)**	**12,428,410**	**1,794,790**	**14,223,200**
Net profit / (loss)	—	—	—	(1,677,063)	—	(1,677,063)	(782,557)	(2,459,620)
Foreign currency translation effect	—	—	—	—	(11,882)	(11,882)	59,881	47,999
Total comprehensive income	**—**	**—**	**—**	**(1,677,063)**	**(11,882)**	**(1,688,945)**	**(722,675)**	**(2,411,621)**
Issue of share capital upon formation (Note 1)	100,000	—	—	—	—	100,000	—	100,000
Effect of contribution in kind (Note 1)	2,900,000	(73,327)	(2,826,673)	—	—	—	—	—
At June 30, 2019	**3,000,000**	**—**	**4,169,843**	**3,751,119**	**(81,497)**	**10,839,465**	**1,072,115**	**11,911,580**

Interim Condensed Consolidated Statements of Cash Flows

for the six months ended June 30, 2020 and 2019

EUR	Six Months Ended June 30, 2020	2019
	(unaudited)	
Cash flows from operating activities		
Net (loss)/profit	(866,737)	(2,459,620)
Adjustments for:		
—Depreciation and amortization	3,511,547	3,042,574
—Impairment loss on trade accounts receivables	134,893	127,622
—Financial result	680,548	781,770
—Foreign currency effect	(280,141)	595,666
—Income tax (benefit)/expense	575,784	(1,078,552)
Changes in:		
—Inventories	(1,790,660)	7,324,352
—Trade accounts receivables and other assets	1,930,589	(10,883,261)
—Prepayments	(145,924)	(35,115)
—Trade accounts payable and other liabilities	(3,561,246)	1,077,553
—Provisions	(1,535,828)	(1,010,105)
—Current and deferred income taxes	(196,750)	975,723
Income taxes paid	(329,595)	(1,719,447)
Net cash used in operating activities	**(1,873,520)**	**(3,260,840)**
Cash flow from investing activities		
Acquisition of property, equipment and intangible assets	(474,471)	(1,003,563)
Net cash used in investing activities	**(474,471)**	**(1,003,563)**
Cash flow from financing activities		
Proceeds from issue of share capital	—	100,000
Interest paid	(685,730)	(701,578)
Proceeds from loans and borrowings	21,243,472	31,043,411
Repayment of loans and borrowings	(19,482,272)	(28,159,703)
Payment of lease liabilities	(906,594)	(585,765)
Net cash provided by financing activities	**168,876**	**1,696,365**
Net (decrease) / increase in cash and cash equivalents	**(2,179,115)**	**(2,568,038)**
Cash and cash equivalents at 1 January	9,335,123	9,943,184
Foreign currency effect	11,854	37,719
Cash and cash equivalents at June 30	**7,167,862**	**7,412,865**

VIA optronics AG

Notes to the Interim Condensed Consolidated Financial Statements

June 30, 2020

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Notes to the Interim Condensed Consolidated Financial Statements (Continued)

June 30, 2020

1. Corporate information

VIA optronics AG (the "Company" or "VIA") together with its subsidiaries (the "Group" or "VIA Group") is a leading provider of enhanced display solutions for multiple end markets in which superior functionality or durability is a critical differentiating factor.

The Company's technology is particularly well-suited for demanding environments that pose technical and optical challenges for displays, such as bright ambient light, vibration and shock, extreme temperatures and condensation. VIA's solutions combine VIA's expertise in integrated display head assembly and proprietary bonding technologies. VIA's portfolio of offerings enables thin display designs and high optical clarity, which decreases power consumption and increases readability. The Company provides a broad range of customized display solutions across a broad range of display sizes, including curved display panels and solutions integrating multiple displays under one cover lens. In addition, VIA engages in the production of metal mesh touch sensor technology and electrode base film.

The Company is registered in the commercial register of the local court (Amtsgericht) of Nuremberg under HRB 36200 and has its registered seat in Nuremberg. As discussed in Note 5 of the Group's annual consolidated financial statements for the year ended December 31, 2019, during the six months ended June 30, 2019, the Group had a corporate reorganization by which VIA optronics AG became the parent company of the Group. There were no changes to the Group during the six months ended June 30, 2020.

2. Significant accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial statements as of June 30, 2020 and for the three and six months ended June 30, 2020 and 2019 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board (IASB). The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated financial statements as of and for the year ended December 31, 2019. The Group has prepared the financial statements as of June 30, 2020 and for the three and six months ended June 30, 2020 on a going concern basis.

The interim condensed consolidated financial statements were authorized by the members of the Management Board on August 17, 2020.

The presentation currency of the group is the euro (EUR).

2.2 New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2019. The new and amended standards and interpretations applied for the first time as of January 1, 2020, as disclosed in the notes to the consolidated financial statements for the year ended December 31, 2019, and listed below, had no impact on the interim condensed consolidated financial statements of the Group as of and for the three and six months ended June 30, 2020. The unaudited interim consolidated financial statements have

VIA optronics AG

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

June 30, 2020

2. Significant accounting policies (Continued)

been prepared on a basis consistent with our audited consolidated financial statements and in the opinion of management reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of such unaudited interim consolidated financial statements.

- Amendments to References to the Conceptual Framework in IFRS Standards
- Amendments to IAS 1 and IAS 8—Definition of Material
- Amendments to IFRS 3—Definition of a Business
- Amendments to IFRS 9, IAS 39 and IFRS 7—Interest Rate Benchmark Reform

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2.3 Assessment of COVID-19 impact

During the six months ended June 30, 2020, the Group experienced certain impacts of the COVID-19 pandemic, which are described in Note 27 of the consolidated financial statements as of and for the year ended December 31, 2019. The Group has taken measures to minimize the impact of the pandemic and to ensure that its employees and business partners continue to be safe while interacting together. The Group does not expect that the impact of the COVID-19 pandemic will have a material adverse effect on its financial condition or liquidity; however, the fluidity of the situation presents uncertainty and risk with respect to the Group, its performance and its financial results. Given the uncertainties and ongoing developments, it is not practicable to provide a quantitative estimate of the potential impact of this outbreak on the Group.

3. Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is comprised of the CEO and the CFO of VIA. The VIA Group operates within two operating segments, "Display Solutions" and "Sensor Technologies".

Segment performance is evaluated based on revenue, gross profit, EBITDA and net profit (loss).

Inter-segment services provided included handling/management fees from the segment "Display Solutions" to the segment "Sensor Technologies" as well as the sale of the raw materials from the segment "Sensor Technologies" to the segment "Display Solutions".

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Notes to the Interim Condensed Consolidated Financial Statements (Continued)

June 30, 2020

3. Segments (Continued)

VIA Group's key financial metrics by segment are as follows:

For six months ended June 30, 2020 and 2019

Six Months Ended June 30, 2020 in EUR	Display Solutions	Sensor Technologies	Total Segments	Consolidation Adjustments	Consolidated Total
External revenues	53,334,248	11,521,313	64,855,561	—	64,855,561
Inter-segment revenues	—	1,598,915	1,598,915	(1,598,915)	—
Total revenues	**53,334,248**	**13,120,228**	**66,454,476**	**(1,598,915)**	**64,855,561**
Gross profit	**7,614,201**	**2,147,156**	**9,761,357**	**(98,272)**	**9,663,085**
Operating income (loss)	235,651	224,394	460,045	(38,989)	421,056
Depreciation and amortization	1,260,217	2,251,330	3,511,547	—	3,511,547
EBITDA	**1,495,869**	**2,475,723**	**3,971,592**	**(38,989)**	**3,932,603**
Net profit (loss)	**(990,692)**	**123,955**	**(866,737)**	**—**	**(866,737)**
Capital expenditure	**290,874**	**229,310**	**520,184**	**—**	**520,184**

Six Months Ended June 30, 2019 in EUR	Display Solutions	Sensor Technologies	Total Segments	Consolidation Adjustments	Consolidated Total
External revenues	58,292,508	12,270,432	70,562,940	—	70,562,940
Inter-segment revenues	—	736,680	736,680	(736,680)	—
Total revenues	**58,292,508**	**13,007,112**	**71,299,620**	**(736,680)**	**70,562,940**
Gross profit	**8,201,027**	**(1,123,009)**	**7,078,018**	**—**	**7,078,018**
Operating income (loss)	549,190	(3,295,825)	(2,746,635)	(9,766)	(2,756,401)
Depreciation and amortization	948,361	2,094,213	3,042,574	—	3,042,574
EBITDA	**1,497,551**	**(1,201,612)**	**295,939**	**(9,766)**	**286,173**
Net profit / (loss)	**(223,742)**	**(2,235,878)**	**(2,459,620)**	**—**	**(2,459,620)**
Capital expenditure	**638,820**	**169,163**	**807,983**	**—**	**807,983**

For three months ended June 30, 2020 and 2019

Three Months Ended June 30, 2020 in EUR	Display Solutions	Sensor Technologies	Total Segments	Consolidation Adjustments	Consolidated Total
External revenues	32,554,217	6,618,042	39,172,259	—	39,172,259
Inter-segment revenues	—	954,625	954,625	(954,625)	—
Total revenues	**32,554,217**	**7,572,667**	**40,126,884**	**(954,625)**	**39,172,259**
Gross profit	**3,658,201**	**1,657,004**	**5,315,205**	**(66,220)**	**5,248,985**
Operating income (loss)	372,103	524,667	896,770	(19,652)	877,118
Depreciation and amortization	640,684	1,093,189	1,733,873	—	1,733,873
EBITDA	**1,012,787**	**1,617,856**	**2,630,643**	**(19,652)**	**2,610,991**
Net profit (loss)	**(324,889)**	**475,764**	**150,875**	**—**	**150,875**
Capital expenditure	**186,118**	**136,122**	**322,240**	**—**	**322,240**

VIA optronics AG

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

June 30, 2020

3. Segments (Continued)

Three Months Ended June 30, 2019 in EUR	Display Solutions	Sensor Technologies	Total Segments	Consolidation Adjustments	Consolidated Total
External revenues	32,588,703	5,096,394	37,685,097	—	37,685,097
Inter-segment revenues	—	486,974	486,974	(486,974)	—
Total revenues	**32,588,703**	**5,583,368**	**38,172,071**	**(486,974)**	**37,685,097**
Gross profit	**5,394,725**	**(973,477)**	**4,421,248**	**—**	**4,421,248**
Operating income (loss)	1,727,920	(2,293,964)	(566,044)	81,128	(484,916)
Depreciation and amortization	482,297	1,062,468	1,544,765	—	1,544,765
EBITDA	**2,210,217**	**(1,231,496)**	**978,721**	**81,128**	**1,059,849**
Net profit (loss)	**908,571**	**(1,548,609)**	**(640,038)**	**90,959**	**(549,079)**
Capital expenditure	**92,967**	**108,735**	**201,702**	**—**	**201,702**

Segment Assets in EUR	Display Solutions	Sensor Technologies	Total Segments	Consolidation Adjustments	Consolidated Total
As of June 30, 2020	63,614,844	20,541,515	84,156,359	(7,532,193)	76,624,166
As of December 31, 2019	66,327,315	22,185,549	88,512,864	(6,852,919)	81,659,945

Segment Liabilities	Display Solutions	Sensor Technologies	Total Segments	Consolidation Adjustments	Consolidated Total
As of June 30, 2020	63,272,866	19,605,815	82,878,681	(6,245,837)	76,632,844
As of December 31, 2019	64,763,418	21,380,811	86,144,229	(5,566,563)	80,577,666

4. Trade accounts receivable and payable

As of June 30, 2020, there was a decrease in both trade accounts receivable and trade accounts payable of the Group as compared to at December 31, 2019. Trade accounts receivable decreased from TEUR 25,224 to TEUR 20,142 due primarily to higher collections relative to revenues recognized from sales. Collections were additionally impacted due to the reduction of the length of the payment terms for some customers in Asia following renegotiation of these terms.

Accounts payable decreased by TEUR 2,883 from TEUR 24,148 as of December 31, 2019 to TEUR 21,265 as of June 30, 2020 as a result of reduced procurement during the six months ended June 30, 2020. Additionally, during the six months ended June 30, 2020, the Group paid TEUR 834 for an IP license purchase and certain legal fees recognized in trade accounts payable as of December 31, 2019.

5. Loans

During the six months ended June 30, 2020, the Group drew down TEUR 5,571 under its SPD Bank loan facility, which carries an interest rate of 3.07% and matures in March 2021. The Group also extended the maturities on the amounts outstanding as of December 31, 2019 on its Bayern LB, Deutsche Bank, CZBANK, CITIC BANK, and ICBC Bank loans to August 2020, September 2020, November 2020, December 2020 and December 2020, respectively.

As a result of these developments, current and non-current loans have changed as of June 30, 2020 compared to December 31, 2019 from TEUR 28,649 to TEUR 30,983 and from TEUR 2,797 to TEUR 2,181, respectively.

VIA optronics AG

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

June 30, 2020

6. Provisions

As of June 30, 2020, current provisions decreased from TEUR 1,994 to TEUR 457 mainly as a result of payment of the TEUR 1,638 in patent licensing fee provisions, which had been recorded at December 31, 2019. However, reimbursement by a third-party of TEUR 513, which was determined to be probable, but not virtually certain, as of December 31, 2019, is still unpaid as of June 30, 2020. As management's assessment of collectability has not changed since December 31, 2019, no associated asset has been recognized as of June 30, 2020.

7. Other current non-financial assets

Other current non-financial assets increased from TEUR 7,603 as of December 31, 2019 to TEUR 10,602 as of June 30, 2020 mainly due to the recognition of contract assets of TEUR 2,002 based on a confirmation of ownership transfer from one of the Group's main customers. Other current non-financial assets also increased from recognition of an additional TEUR 617 in deferred offering costs.

8. Revenue

During the three and six months ended June 30, 2020 and June 30, 2019, VIA Group generated revenues as follows:

In EUR	3 Months Ended June 30, 2020	3 Months Ended June 30, 2019	6 Months Ended June 30, 2020	6 Months Ended June 30, 2019
Display solutions	**32,554,217**	**32,588,703**	**53,334,248**	**58,292,508**
Full Service Model	24,762,243	25,539,284	42,056,710	50,777,271
Consignment Model	7,196,705	4,866,733	10,337,570	5,332,551
R&D Services	595,269	2,182,686	939,968	2,182,686
Sensor Technologies	6,618,042	5,096,394	11,521,313	12,270,432
Total revenues	**39,172,259**	**37,685,097**	**64,855,561**	**70,562,940**

Revenue by Region	3 Months Ended June 30, 2020	3 Months Ended June 30, 2019	6 Months Ended June 30, 2020	6 Months Ended June 30, 2019
Asia	18,784,132	21,648,347	34,565,149	42,185,238
thereof China	*12,166,090*	*15,815,273*	*23,043,836*	*29,178,126*
thereof Japan	*6,618,042*	*5,833,074*	*11,521,313*	*13,007,112*
Europe *(Germany)*	19,485,391	14,450,814	28,333,145	23,500,233
North America *(United States)*	902,736	1,585,936	1,957,267	4,877,469
Total revenues	**39,172,259**	**37,685,097**	**64,855,561**	**70,562,940**

9. General administrative expenses

During the three and six months ended June 30, 2020, general administrative expenses have decreased in comparison to the same periods of 2019 primarily due to decreased personnel costs as a result of cost rationalization in the Sensor Technologies segment as well as to lower financial statement audit costs.

VIA optronics AG

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

June 30, 2020

10. Research and development expenses

During the three and six months ended June 30, 2020, research and development expenses increased in comparison to the same periods of 2019 due primarily to the Group's increased research into automotive camera technologies.

11. Income Taxes

VIA Group operates in a number of tax jurisdictions and, for its interim condensed consolidated financial statements, it estimates the average annual effective income tax rate for each taxing jurisdiction and applies each to the respective interim period profit before tax of each jurisdiction. For entities which are loss making and for which there is no evidence for future taxable income, in the six months ended June 30, 2020, VIA Group recognized no deferred tax assets (TEUR 623 as of June 30, 2019) on current losses. Income tax expense for the three and six months ended June 30, 2020, primarily relates to the profit before tax of VIA Suzhou.

12. Financial instruments

Financial assets and liabilities at carrying amount

The following tables present the carrying amount and the fair values of financial assets and liabilities to the definitions and categories of IFRS 9 as at June 30, 2020 and December 31, 2019, respectively:

		June 30, 2020	
In EUR	Category According to IFRS 9**	Carrying Amount	Fair Value*
Assets			
Other Non-current financial assets	AC	155,037	155,037
Trade accounts receivables	AC	20,142,460	20,142,460
Other current financial assets			
Cash and cash equivalents	AC	7,167,862	7,167,862
Liabilities			
Non-current interest bearing loans and borrowings	AC	2,180,673	2,060,043
Current liabilities			
Current interest bearing loans and borrowings			
Bank loans	AC	30,983,164	30,983,164
Trade accounts payable	AC	21,264,696	21,264,696
Other current financial liabilities			
Financial liabilities due to third parties	AC	850,588	850,588
Invoices not yet received	AC	3,309,169	3,309,169
Miscellaneous other financial liabilities	AC	626,084	626,084

VIA optronics AG

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

June 30, 2020

12. Financial instruments (Continued)

In EUR	Category According to IFRS 9**	December 31, 2019 Carrying Amount	December 31, 2019 Fair Value*
Assets			
Other Non-current financial assets	AC	156,757	156,757
Trade accounts receivables	AC	25,224,456	25,224,456
Other current financial assets			
Cash and cash equivalents	AC	9,335,123	9,335,123
Liabilities			
Non-current interest bearing loans and borrowings	AC	2,797,277	2,702,122
Current liabilities			
Current interest bearing loans and borrowings			
Bank loans	AC	28,648,651	28,648,651
Trade accounts payable	AC	24,147,955	24,147,955
Other current financial liabilities			
Financial liabilities due to third parties	AC	851,032	851,032
Invoices not yet received	AC	4,972,937	4,972,937
Miscellaneous other financial liabilities	AC	13,155	13,155

* Carrying amount approximates fair value except for non-current interest-bearing loans and borrowings

** The term "AC" stands for measurement at Amortized Cost

13. Related party disclosures

Integrated Micro-Electronics, Inc.

As of June 30, 2020, the Group had a net balance of TEUR 112 due to (December 31, 2019: TEUR 94 due from) the majority shareholder, Integrated Micro-Electronics, Inc. (IMI) in relation to an automotive camera R&D engineering services arrangement. The amounts recognized under this arrangement were as follows:

	3 Months Ended June 30, 2020	3 Months Ended June 30, 2019	6 Months Ended June 30, 2020	6 Months Ended June 30, 2019
Revenue	—	TEUR 990	—	TEUR 990
Cost of sales	TEUR 45	TEUR 216	TEUR 45	TEUR 216
Research and development expenses	TEUR 103	—	TEUR 211	—

A loan from IMI of TEUR 2,000 outstanding as of December 31, 2019 and June 30, 2020 is due for repayment in February 2021. The terms of the loan are discussed in Note 24 of the annual consolidated financial statements for the year ended December 31, 2019.

VIA optronics AG

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

June 30, 2020

13. Related party disclosures (Continued)

Kloepfel Corporate Finance GmbH

Dr. Heiko Frank, Chairman of the Supervisory Board, is Managing Director and a 25.1% owner of Kloepfel Corporate Finance GmbH (Kloepfel). Pursuant to a project contract dated as of July 1, 2018, and amended on July 25, 2019, Kloepfel provides the Group general advisory, management and coordination services for the Group's pursuit of a public equity offering as well as other strategic opportunities. Under the project contract, Kloepfel is entitled to (i) a monthly retainer, (ii) a success fee equal to 0.95% of the gross proceeds of an offering, which fee is payable upon consummation of such an offering and (iii) reimbursement of out-of-pocket expenses, subject to certain caps. Expenses recognized for Kloepfel's services were as follows:

	3 Months Ended June 30, 2020	3 Months Ended June 30, 2019	6 Months Ended June 30, 2020	6 Months Ended June 30, 2019
General administrative expenses	TEUR 28	TEUR 30	TEUR 65	TEUR 68

Additionally, as of June 30, 2020 and December 31, 2019, TEUR 575 and TEUR 463 relating to Kloepfel's services were recognized as deferred offering costs in other current non-financial assets in our interim condensed consolidated statements of financial position.

A non-interest bearing loan of TUSD 50 was due from the VIA Group CEO and minority shareholder, Jürgen Eichner, to the Group was recognized as of June 30, 2020 (December 31, 2019: nil) and there is no due repayment term agreed. Additionally, the Group has leased office spaces in Schwarzenbruck from its CEO and minority shareholder. The rent for the three and six months ended June 30, 2020 and 2019 were TEUR 1.4 and TEUR 2.8, respectively, in both years.

Joselene Eichner, the wife of VIA Group CEO and minority shareholder Jürgen Eichner, is an employee of VIA optronics GmbH. As remuneration for her services, Mrs. Eichner receives a monthly fixed salary, a company car with a monthly leasing, a mobile phone and retirement benefits contributions to a defined contribution plan. For the three and six months ended June 30, 2020 and 2019, this renumeration amounted to TEUR 11 and TEUR 22, respectively, in both years.

Supervisory Board

For the three and six months ended June 30, 2020, fees for the supervisory board members were as follows in the table below. As of June 30, 2020, TEUR 8 were payable by the Group (December 31, 2019: nil).

	3 Months Ended June 30, 2020	6 Months Ended June 30, 2020	3 Months Ended June 30, 2019	6 Months Ended June 30, 2019
Supervisory Board Compensation	TEUR 12.5	TEUR 25	—	—

14. Earnings per share

Basic earnings per share are calculated in accordance with IAS 33 from the earnings attributable to VIA optronics AG shareholders and the weighted average number of shares outstanding during the period. As there are no dilutive securities, diluted earnings per share correspond to basic earnings per share.

VIA optronics AG

Notes to the Interim Condensed Consolidated Financial Statements (Continued)

June 30, 2020

14. Earnings per share (Continued)

The number of shares outstanding as of June 30, 2020 was 3,000,000. Until the legal formation of VIA optronics AG, 2,900,000 shares were used as the basis for the calculation of earnings per share.

15. Subsequent events

Subsequent to June 30, 2020 through the date of authorization for issuance of these interim condensed consolidated financial statements there were no material subsequent events to disclose.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Management Board of VIA optronics AG

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of VIA optronics AG (the Company) as of December 31, 2019 and 2018, the related consolidated statements of operations and other comprehensive income (loss), changes in equity and cash flows for each of the three years in the period ended December 31, 2019, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019, in conformity with International Financial Reporting Standards as issued by International Accounting Standards Board (IFRS).

Restatement of 2018 Financial Statements

As discussed in Note 2.4 to the consolidated financial statements, the 2018 consolidated financial statements have been restated to correct a misstatement.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young GmbH Wirtschaftprüfungsgesellschaft

We have served as the Company's auditor since 2015.

Nuremberg, Germany
June 25, 2020

VIA optronics AG

Consolidated Statements of Financial Position

December 31, 2019 and 2018

EUR	Note	12/31/2019	12/31/2018
Assets			
Non-current assets		**24,935,283**	**18,239,927**
Intangible assets	6	6,033,571	6,126,567
Property and equipment	7	18,576,268	10,026,881
Other financial assets		156,757	148,628
Deferred tax assets	21	168,687	1,937,851
Current assets		**56,724,662**	**62,331,333**
Inventories	8	14,485,822	20,479,146
Trade accounts receivables	9	25,224,456	28,348,708
Current tax assets	21	75,923	33,775
Other financial assets		—	98,965
Other non-financial assets	10	7,603,338	3,427,555
Cash and cash equivalents		9,335,123	9,943,184
Total assets		**81,659,945**	**80,571,260**
Equity and liabilities			
Equity attributable to equity holders of the parent		**800,620**	**12,428,410**
Share capital	5	3,000,000	—
Subscribed capital	5	—	73,327
Capital reserve	5	4,169,843	6,996,516
(Accumulated Deficit) / Retained earnings		(6,331,002)	5,428,182
Currency translation reserve		(38,221)	(69,615)
Non-controlling interests		**281,658**	**1,794,790**
Total Equity		**1,082,278**	**14,223,200**
Non-current liabilities		**12,452,059**	**5,267,693**
Loans	11	2,797,277	3,111,482
Provisions	12	134,476	132,333
Lease liabilities	15	8,816,494	—
Deferred tax liabilities	21	703,812	2,023,878
Current liabilities		**68,125,608**	**61,080,367**
Loans	11	28,648,651	27,393,564
Trade accounts payable		24,147,955	24,575,369
Current tax liabilities	21	255,221	802,321
Provisions	12	1,993,833	2,164,951
Lease liabilities	15	3,155,469	—
Other financial liabilities	13	5,837,124	3,474,752
Other non-financial liabilities	14	4,087,355	2,669,410
Total equity and liabilities		**81,659,945**	**80,571,260**

Consolidated Statements of Operations and Other Comprehensive Income (Loss)

for the years ended December 31, 2019, 2018 and 2017

EUR, except share amounts	Note	2019	Restated 2018	2017
Revenue	17	137,231,335	171,678,894	131,031,411
Cost of sales	18	(127,209,624)	(149,873,374)	(113,231,512)
Gross profit		**10,021,711**	**21,805,520**	**17,799,899**
Selling expenses	18	(4,252,062)	(4,295,235)	(3,734,930)
General administrative expenses	18	(13,197,135)	(13,266,631)	(7,988,490)
Research and development expenses	18	(2,490,259)	(1,336,840)	(797,999)
Other operating income	19	2,358,997	5,022,477	5,892,131
Other operating expenses	19	(3,415,143)	(3,031,280)	(5,859,526)
Operating (loss)/income		**(10,973,891)**	**4,898,011**	**5,311,085**
Financial result	20	(1,642,182)	(1,141,591)	(696,010)
(Loss)/Profit before tax		**(12,616,073)**	**3,756,420**	**4,615,075**
Income tax expense	21	(741,564)	(378,110)	(1,261,535)
Net (loss)/profit		**(13,357,637)**	**3,378,310**	**3,353,540**
Which is attributable to:				
Owners of the company		(11,759,184)	3,959,134	3,353,540
Non-controlling interests		(1,598,453)	(580,824)	—
Other comprehensive income / (loss):				
Exchange differences on translation of foreign operations		**116,717**	**23,309**	**(165,036)**
Comprehensive (loss)/income		**(13,240,920)**	**3,401,619**	**3,188,504**
Which is attributable to:				
Owners of the company		(11,727,788)	3,910,914	3,188,504
Non-controlling interests		(1,513,132)	(509,295)	—
Weighted average of shares outstanding		2,991,600	2,900,000	2,900,000
(Loss)/earnings per share in EUR (basic and diluted)		**(3.93)**	**1.37**	**1.16**

Consolidated Statements of Cash Flows

for the years ended December 31, 2019, 2018 and 2017

EUR	2019	2018	2017
Cash flows from operating activities			
Net (loss) / profit	(13,357,637)	3,378,310	3,353,540
Adjustments for:			
—Depreciation of property and equipment	4,907,832	2,116,496	407,170
—Amortization of intangible assets	1,629,195	1,095,954	134,897
—Impairment loss on trade receivables	284,758	169,012	67,808
—Financial result	1,642,182	1,141,591	696,010
—Gain from a bargain purchase	—	(2,992,660)	—
—Foreign currency effect	527,879	178,003	(502,780)
—Income tax expense	741,565	378,110	1,261,535
Changes in:			
—Inventories	5,993,324	1,344,330	(15,483,667)
—Trade accounts receivables and other assets	(1,287,603)	(15,701,254)	509,130
—Prepayments	295,698	(673,275)	363,652
—Trade accounts payable and other liabilities	4,887,316	(633,895)	6,891,676
—Provisions	(168,975)	475,700	1,661,749
—Current and deferred income taxes	406,924	3,624,634	(239,423)
Income taxes paid	(1,246,492)	(2,804,510)	(1,162,434)
Net cash provided by (used in) operating activities	**5,255,966**	**(8,903,454)**	**(2,041,137)**
Cash flow from investing activities			
Interest received	—	—	2,576
Acquisition of a subsidiary, net of cash acquired	—	(1,286,356)	—
Acquisition of property and equipment	(1,536,200)	(2,374,230)	(1,055,326)
Acquisition of intangible assets	(1,554,787)	(161,236)	(113,814)
Net cash used in investing activities	**(3,090,987)**	**(3,821,822)**	**(1,166,564)**
Cash flow from financing activities			
Proceeds from issue of share capital	100,000	—	—
Interest paid	(1,584,082)	(697,245)	(641,712)
Proceeds from loans and borrowings	59,368,855	57,975,438	28,048,840
Repayment loans and borrowings	(58,931,938)	(41,284,325)	(23,655,058)
Payment of lease liabilities	(1,748,088)	—	—
Net cash provided by (used in) financing activities	**(2,795,253)**	**15,993,868**	**3,752,070**
Net (decrease) / increase in cash and cash equivalents	**(630,274)**	**3,268,592**	**544,369**
Cash and cash equivalents at January 1	9,943,184	6,623,477	5,772,012
Foreign currency effect	22,213	51,115	307,096
Cash and cash equivalents at December 31	**9,335,123**	**9,943,184**	**6,623,477**

Consolidated Statements of Changes in Equity

for the years ended December 31, 2019, 2018 and 2017

	Equity Attributable to Owners of the Company							
	Share Capital	Subscribed Capital	Capital Reserve	(Accumulated Deficit) / Retained Earnings	Currency Translation Reserve	Total	Non-Controlling Interests Total	Total
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	
January 1, 2017	—	73,327	6,996,516	(1,797,619)	143,641	5,415,865	—	5,415,865
Net profit	—	—	—	3,353,540	—	3,353,540	—	3,353,540
Foreign currency translation effect	—	—	—	—	(165,036)	(165,036)	—	(165,036)
Total comprehensive income	—	—	—	3,353,540	(165,036)	3,188,504	—	3,188,504
December 31, 2017	—	73,327	6,996,516	1,555,921	(21,395)	8,604,369	—	8,604,369
Effect of adoption of new accounting standards	—	—	—	(86,873)	—	(86,873)	—	(86,873)
January 1, 2018	—	73,327	6,996,516	1,469,048	(21,395)	8,517,496	—	8,517,496
Net profit / (loss)	—	—	—	3,959,134	—	3,959,134	(580,824)	3,378,310
Foreign currency translation effect	—	—	—	—	(48,220)	(48,220)	71,529	23,309
Total comprehensive income	—	—	—	3,959,134	(48,220)	3,910,914	(509,295)	3,401,619
Non-controlling interests arising on a business combination	—	—	—	—	—	—	2,304,085	2,304,085
December 31, 2018	—	73,327	6,996,516	5,428,182	(69,615)	12,428,410	1,794,790	14,223,200
Net (loss)	—	—	—	(11,759,184)	—	(11,759,184)	(1,598,453)	(13,357,637)
Foreign currency translation effect	—	—	—	—	31,396	31,396	85,321	116,717
Total comprehensive income	—	—	—	(11,759,184)	31,396	(11,727,788)	(1,513,132)	(13,240,920)
Issue of share capital upon formation (Note 5)	100,000	—	—	—	—	100,000	—	100,000
Effect of contribution in kind (Note 5)	2,900,000	(73,327)	(2,826,673)	—	—	—	—	—
December 31, 2019	3,000,000	—	4,169,843	(6,331,002)	(38,221)	800,620	281,658	1,082,278

VIA optronics AG

Notes to the Consolidated Financial Statements

December 31, 2019, 2018 and 2017

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

1. Corporate information

VIA optronics AG (the "Company" or "VIA") together with its subsidiaries (the "Group" or "VIA Group") is a leading provider of enhanced display solutions for multiple end markets in which superior functionality or durability is a critical differentiating factor. See Note 5 regarding the corporate reorganization in 2019.

The Company's technology is particularly well-suited for demanding environments that pose technical and optical challenges for displays, such as bright ambient light, vibration and shock, extreme temperatures and condensation. VIA's solutions combine VIA's expertise in integrated display head assembly and proprietary bonding technologies. VIA's portfolio of offerings enables thin display designs and high optical clarity, which decreases power consumption and increases readability. The Company provides a broad range of customized display solutions across a broad range of display sizes, including curved display panels and solutions integrating multiple displays under one cover lens. Furthermore, beginning in 2018, VIA engages in the production of metal mesh touch sensor technology and electrode base film.

The Company is registered in the commercial register of the local court (Amtsgericht) of Nuremberg under HRB 36200 and has its registered seat in Nuremberg, Germany.

VIA maintains production facilities in Germany, China and Japan. Through its subsidiaries, VIA maintains and operates sales offices in Taiwan and the United States. As of December 31, 2019, subsidiaries included in the consolidated financial statements are as follows:

- VIA optronics GmbH, Schwarzenbruck, Germany
- VIA optronics LLC, Orlando, Florida, USA (hereafter referred to as "VIA LLC")
- VIA optronics (Suzhou) Co., Ltd., Suzhou, China (hereafter referred to as "VIA Suzhou")
- VTS-Touchsensor Co., Ltd., Higashi Omi, Japan (hereafter referred to as "VTS") (see Note 2.3, Business Combination and Goodwill)
- VIA optronics (Taiwan) Ltd., Taipei, Taiwan (hereafter referred to as "VIA Taiwan")

The financial year of all Group entities corresponds to the calendar year.

VIA is a subsidiary of Integrated Micro-Electronics, Inc, ("IMI") a Philippines-based Company. IMI is part of Ayala Group which is a publicly listed entity in the Philippines. The ultimate parent company is Mermac Inc., a Philippines-based company. VIA is owned 76% by IMI and 24% by Jürgen Eichner (CEO and founder). The consolidated financial statements of the Company comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the VIA Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

All amounts in the consolidated financial statements are reported in Euro ("EUR"), except where otherwise stated.

The Group presents assets and liabilities in the consolidated statements of financial position based on current or non-current classification. An asset is current when it is: expected to be realized within twelve months after the reporting period; or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current. A liability is current when it is due to be settled within twelve months after the reporting period. The Group classifies all other liabilities as non-current.

The consolidated statements of operations and other comprehensive income (loss) have been prepared using the cost of sales method under IFRS. The financial statements have been prepared on a historical cost basis.

The consolidated financial statements were authorized by the members of the Management Board on June 25, 2020.

2.2 Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities and the results of operations and cash flows of the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of the subsidiaries are prepared using consistent accounting policies. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated.

2.3 Business Combination and Goodwill

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

When the Group acquires a business, it assesses the identifiable financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

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

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

excess of the fair value of net assets acquired over the aggregate consideration transferred, then a bargain purchase gain is recognized in the statement of operations.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

2.4 Restatement of prior year

The 2018 consolidated statement of operations and other comprehensive income (loss) has been corrected by restating production-related costs of TEUR 1,221 from General administrative expenses to Cost of sales within the Sensor Technologies segment. The effect of this restatement impacts the year ended December 31, 2018 and is as follows:

	As Reported	Restated
Cost of sales	148,651,889	149,873,374
Gross profit	23,027,005	21,805,520
General administrative expenses	14,488,116	13,266,631

Additionally, the Sensor Technologies column and related totals for gross profit in Note 23 Segments, for the year ended December 31, 2018, have also been restated to reflect this correction as follows:

	Sensor Technologies	Total Segments	Consolidated Total
Gross profit (As Reported)	2,344,955	22,802,546	23,027,005
Gross profit (Restated)	1,123,471	21,581,062	21,805,520

2.5 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.5.1 Fair value measurement

Fair value is a market-based measurement. For some assets and liabilities, observable market transactions or market information is available. For other assets and liabilities, observable market transactions or market information might not be available. When a price for an identical asset or liability is not observable, another valuation technique is used. To increase consistency and comparability in fair value measurements there are three levels of the fair value hierarchy:

- Level 1—Inputs use quoted prices in active markets for identical assets or liabilities
- Level 2—Inputs are inputs, other than quoted prices included within Level 1, which are observable either directly or indirectly

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

- Level 3—Inputs are unobservable and have values estimated by management based on market participant assumptions which are reasonably available

2.5.2 Revenue from contracts with customers

The Group generates revenue from the production and sale of enhanced display solutions using optical bonding technology and of metal mesh touch sensors. VIA provides optical bonding on either a consignment basis (meaning its customer directly sources all of the necessary product components and the Group applies its patented MaxVU bonding process to assemble such components) or a full service basis (meaning the Group will source the necessary product components and perform the related optical bonding) and R&D engineering services. In the sensor technologies segment, the Group focuses on the development, production and sale of metal mesh touch sensors and the development of other sensor components and technologies that can be incorporated into the Group's integrated display solutions. A small portion of the Group's revenues is derived from licenses for its MaxVU optical bonding processes and sales of related bonding equipment to select customers; together these comprised less than 2.3% of the Group's revenues for 2019, 2018 and 2017.

Although there are several components which are used in the bonding process, these components are highly integrated in a way that the customer cannot benefit from either the bonding service or the components used in the bonding process independent from each other. As a result, the fully bonded display is a separate performance obligation both under the consignment model as well as the full service model.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranty). Based on a detailed evaluation (e.g. whether warranties provided are service-type warranties), the Group evaluated that these promises are not separate performance obligations. Therefore, no portion of the transaction price needs to be allocated to those promises.

Under certain contracts performed on a full service basis, Group entities source components such as displays from either the customer or suppliers of the customer. The Group evaluated whether payments for such components are considered payables to customers and concluded that those payments are in exchange for a distinct good. Therefore, such payments are classified to cost of sales in the consolidated statements of operations and other comprehensive income (loss).

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

For optical bonding services performed under the consignment model, revenue is recognized at a point in time based on the fact that the assets created have alternative use to the Group entities. This is when the enhancement process is finalized, the customer removes the enhanced products from the consignment stock and is invoiced, according to contract.

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

For the sale of products under the full service model, revenue is recognized at a point in time when control of the products are transferred to the customers, generally on delivery of the products.

For R&D engineering services, revenue is recognized over-time as the customer simultaneously receives and consumes the benefits provided by the Group's performance completed to date.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract assets are subject to impairment assessment. Refer to Note 2.5.11.

Trade accounts receivable

A receivable is recognized when an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). See Note 2.5.8 for accounting policies of financial assets.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract. See note 3,1.

2.5.3 Taxes

Income tax expense comprises current and deferred tax and is recognized in profit or loss except to the extent that it arises from a business combination, or items recognized directly in equity or other comprehensive income (OCI).

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted in the countries in which the Group operates at the reporting date. Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that they are recoverable.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities and applying the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

2.5.4 Foreign currencies

Functional and presentation currency

The Group's consolidated financial statements are presented in Euros, which is also the parent company's functional currency. The Group determines the functional currency for each entity and the respective financial statements are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of Group companies using the exchange rates at the dates the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in the consolidated statements of operations.

Foreign currency translation

Upon consolidation, the assets and liabilities of foreign operations are translated into Euros at the rate of exchange prevailing at the reporting date and the consolidated statements of operations and other comprehensive income (loss) are translated at the average rates. The exchange differences arising on translation for consolidation are recognized in OCI. Upon disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to the statement of operations.

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

A summary of exchange rates to the Euro for currencies in which the Group operates is as follows:

(€1 Equals)	Average Rates for the Year Ending Dec. 31 2019	Spot Rates at Dec. 31 2019
USD	1.1175	1.1234
CNY	7.7487	7.8205
JPY	121.5518	121.9400
TWD	34.5837	33.6811

(€1 Equals)	Average Rates for the Year Ending Dec. 31 2018	Spot Rates at Dec. 31 2018
USD	1.1816	1.1450
CNY	7.8074	7.8751
JPY	130.4618	125.8500

(€1 Equals)	Average Rates for the Year Ending Dec. 31 2017	Spot Rates at Dec. 31 2017
USD	1.1297	1.1993
CNY	7.6290	7.8044

2.5.5 Property and equipment

Property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Evaluation of impairment of non-financial assets is described in 2.5.10.

Cost includes expenditures that are directly attributable to the acquisition of the asset or self-constructed assets in addition to any costs incurred in order to bring the assets into operating condition. The cost of an item of property and equipment includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located to the extent there is an obligation to do so. An asset retirement obligation for such costs is recorded upon acquisition. The costs for dismantling and removing are recognized and measured in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

The Group has recognized asset retirement obligations to return certain of the Group's premises to their original condition.

Property and equipment are depreciated to their estimated residual values using the straight-line method over their estimated useful lives. The depreciation is recognized in the statements of operations.

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

Estimated useful lives are as follows:

Estimated useful lives of property and equipment

	Years
Technical equipment and machinery	3 - 13
Factory, office and other equipment	3 - 13

Gains or losses on disposal of property and equipment are recognized in the statements of operations.

Repairs and maintenance are expensed as incurred.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.5.6 Leases

Policy applicable after IFRS 16 adoption

The Group assesses at inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

This policy is applied to contracts entered into, on or after January 1, 2019, as well as those existing as of this date and which were previously identified as leases. See 3.1 for additional information on the effect of IFRS 16 adoption.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognizes a right-of-use asset at the lease commencement date. Right-of-use assets are initially measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Rights-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

	Years
Buildings	3 - 10
Factory, office and other equipment	3

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. Refer to 2.5.10 Impairment of non-financial assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Group presents right-of-use assets in 'property and equipment' in the statement of financial position.

Lease liability

The lease liability is initially measured at the present value of the outstanding lease payments at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount for the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases for IT equipment with an initial lease term of 12 months or less. It also applies the low-value assets recognition exemption to

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

leases of equipment considered to be low value. For these leases, expense is recognized on a straight-line basis over the lease term.

Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group re-assesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

Policy applicable before IFRS 16 adoption

At the inception of an arrangement, the Group determines whether the arrangement is or contains a lease. The classification of leases is based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership and otherwise is an operating lease.

The leased assets are measured initially at an amount equal to the lower of the fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset or depreciated over the shorter of the lease term and its useful life.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability and are allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

2.5.7 Intangible Assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Intangible assets are amortized using the straight-line method over their estimated useful lives. The amortization is recognized in profit or loss.

The Group had no development expenditures that met the requirements for capitalization and thus none have been capitalized. The Group does not have any intangible assets with indefinite useful lives.

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

Estimated useful lives are as follows:

Estimated useful lives of intangible assets

	Years
Customer relationships	5
Software and Patents	5
Licenses	2

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

2.5.8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Until December 31, 2017, financial instruments were accounted under IAS 39. Beginning January 1, 2018, IFRS 9 (Financial instruments) was applied.

For the change in accounting for the financial assets and liabilities based on the adoption of IFRS 9, refer to 3.1.

Financial assets

Initial recognition and measurement

Under IFRS 9 financial assets are classified, at initial recognition at amortized cost, fair value through other comprehensive income (OCI), or fair value through profit or loss. All of the Group's financial assets are measured at amortized cost as the financial assets' contractual cash flows give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding and as the business model of the Group is to collect contractual cash flows. Generally, the Group initially measures a financial asset at its fair value plus transaction costs. Trade receivables do not contain significant a significant financing component and are measured at the transaction price in accordance with 2.5.2 Revenue from contracts with customers.

Subsequent measurement

For subsequent measurement, financial assets are measured at amortized cost, measured using the effective interest method and are subject to impairment. The Group's financial assets at amortized cost include trade accounts receivable and other financial assets (current and non-current), as well as cash and cash equivalents. Gains and losses are recognized in the statements of operations when the asset is derecognized, modified or impaired.

Derecognition

A financial asset is derecognized when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

2. Significant accounting policies (Continued)

Financial liabilities

The Group's financial liabilities include trade and other payables as well as loans and borrowings, including bank overdrafts.

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss or as financial liabilities at amortized cost. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the statements of operations when the liabilities are derecognized as well as through the amortization process. Payables are recognized at the amount expected to settle or discharge the liability.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

2.5.9 Inventories

Inventories are measured at the lower of cost or net realizable value. The cost of inventories is based on the first-in first-out principle, and includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overhead based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs to make the sale.

2.5.10 Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (property and equipment, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets within the scope of IAS 36 are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs ("cash-generating units").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value

2. Significant accounting policies (Continued)

using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognized in the statements of operations. They are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.5.11 Impairment of financial assets

Until December 31, 2017, IAS 39 was applied (see Note 2.5.8), using the following accounting policies for the impairment of financial assets.

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. Objective evidence indicates that a loss event has occurred that had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, and indications that a debtor or issuer will enter bankruptcy.

An entity first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the entity determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

Beginning January 1, 2018, the following accounting policy was applied in accordance with IFRS 9 (Financial instruments—see section 2.5.8).

The Group recognizes loss allowances for expected credit losses (ECLs) for financial assets measured at amortized cost under the general approach of IFRS 9. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables (and contract assets) the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

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Notes to the Consolidated Financial Statements (Continued)

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2. Significant accounting policies (Continued)

For bank deposits and other financial receivables not classified as fair value through profit or loss the general approach of IFRS 9 is used.

The Group considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.5.12 Cash and cash equivalents

Cash and cash equivalents represent cash at banks, cash on hand and short-term deposits with original maturities of three months or less from the date of acquisition.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.5.13 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

A provision for warranties is recognized when the underlying products or services are sold, based on historical warranty experience and a weighting of possible outcomes against their associated probabilities.

For several leased buildings, the Group has installed leasehold improvements primarily related to cleanrooms and a provision related to the asset retirement obligation has been recognized (see Note 2.5.5).

2.5.14 Pensions and other post-employment benefits

Pensions and similar obligations relate to the Group's statutory pension obligations for defined contribution plans. Obligations for contributions to defined contribution plans are recognized as an expense in the statements of operations. The Group has no defined benefit plans.

2.5.15 Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM is comprised of the CEO and the CFO of VIA. Prior to the financial year 2018, the Group only had one operating segment, "Display Solutions". Since the acquisition of VTS in 2018 the Group reports two operating segments, "Display Solutions" and "Sensor Technologies". No operating segments have been aggregated to form the reportable segments.

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Notes to the Consolidated Financial Statements (Continued)

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2. Significant accounting policies (Continued)

Although Display Solutions includes a number of different applications for optical bonding services, the process, customers and economic characteristics are similar. The Display Solutions facilities have the capability of serving both the consignment and full service models.

The acquisition of VTS (see Note 5) provided a horizontal extension of the value chain, but its operations are not significantly interrelated to other group entities. Therefore, the Group has a new operating segment which is separately reviewed by the CODM. The segment Sensor Technologies engages in the production of metal mesh touch sensor technology and electrode base film.

The CODM monitors the operating results of its segments separately for the purpose of making decisions regarding resource allocation and performance assessment. Segment performance is evaluated based on revenue, gross profit, EBITDA and net profit (loss). Segment performance is not evaluated based on the measures of Operating income (loss) and Depreciation and amortization, which are presented in the tables below to reconcile gross profit to EBITDA.

No inter-segment supply of goods occurred during the reporting period. Inter-segment services provided included handling/management fee from the segment "Display Solutions" to the segment "Sensor Technologies".

The Group defines segment assets, segment liabilities and capital expenditure, as the total assets, total liabilities, and total capital expenditure relating to the specific operating segment of the Group.

2.5.16 Related parties

Related parties are members of the Group's supervisory board, executive officers, key management personnel or holders of more than 20% of its shares. The key management personnel according to IAS 24 are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including director of the Group. As of December 31, 2019, 2018 and 2017, the shareholders are IMI and Jürgen Eichner who own 76% and 24% of VIA, respectively. The ultimate parent company is Mermac Inc., a Philippines-based Company.

3. Accounting Standards

3.1 Initial application of financial reporting standards issued by the IASB

The Group adopted IFRS 16 as of January 1, 2019 as well as IFRS 9 and IFRS 15 as of January 1, 2018. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

IFRS 16—Leases

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognize most leases on the balance sheet.

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Notes to the Consolidated Financial Statements (Continued)

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3. Accounting Standards (Continued)

As of January 1, 2019, VIA Group initially applied IFRS 16 using the modified retrospective approach. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application. The Group elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at January 1, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. No adjustment to the opening balance of retained earnings at January 1, 2019 was required with no restatement of comparative information.

VIA Group as a lessee

VIA Group primarily leases offices, factory facilities and vehicles.

As a lessee, VIA Group previously classified leases as either operating or finance leases. Refer to Note 2.5.6 for the accounting policy prior to IFRS 16 adoption. Upon adoption, VIA Group recognized right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term and leases of low value assets

Transition

Previously, VIA Group classified all of its leases as operating leases under IAS 17. Some leases include an option to renew the lease for an additional time period after the end of the non-cancellable period.

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group applied the following available practical expedients:

- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Impacts on transition

Upon transition to IFRS 16, the Group recognized additional lease liabilities and additional right-of-use assets at an amount equal to the lease liability. No differences were recognized in retained earnings at transition. The impact on transition is summarized below.

EUR	1/1/2019
Right-of-use assets presented in property and equipment	11,825,810
Lease liabilities	11,825,810

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Notes to the Consolidated Financial Statements (Continued)

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3. Accounting Standards (Continued)

Due to the recognition of corresponding lease liabilities and right-of-use assets, taxable and deductible temporary differences arise, accordingly, deferred tax assets and liabilities have been recognized on those differences.

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate as of January 1, 2019. The weighted average rate applied is 2.1%. The lease liabilities as at January 1, 2019 are reconciled to the operating lease commitments as of December 31, 2018 as follows:

EUR	01/01/2019
Operating lease commitment as at December 31, 2018	6,885,912
Less: Discounting of operating lease commitments	(358,049)
Discounted operating lease commitments using the incremental borrowing rate as at January 1, 2019	6,527,863
Less:	
Commitments relating to short-term leases	(4,734)
Commitments relating to leases of low-value assets	(15,537)
Add:	
Discounted payments in optional extension periods not as at December 31, 2018	5,318,218
Lease liabilities as at January 1, 2019	11,825,810

Impacts for the period

As a result of applying IFRS 16, in relation to those leases, VIA Group has recognized depreciation and interest expense, instead of operating lease expense. During the financial year 2019, VIA Group recognized TEUR 1,869 of depreciation charges and TEUR 227 of interest expense from these leases.

IFRIC 23—Uncertainty over Income Tax Treatments

This interpretation clarifies to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. This interpretation does not have an impact on the consolidated financial statements. It clarifies how to apply the recognition and measurement requirements in IAS 12 when there is uncertainty over income tax treatments. The Group is consistently analyzing its income tax positions. As far as it is not probable that a tax treatment is accepted by taxation authorities, the Group is considering the effect on current and deferred income taxes, based on an estimation of the most likely amount or the expected value. The estimated effect may change due to discussions with the tax authorities, new tax legislation or new tax jurisdiction.

IFRS 9—Financial Instruments

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after January 1, 2018, bringing together all three

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Notes to the Consolidated Financial Statements (Continued)

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3. Accounting Standards (Continued)

aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

The Group applied IFRS 9 prospectively, with an initial application date of January 1, 2018. The Group has not restated the comparative information for 2017, which continues to be reported under IAS 39. Differences arising from the adoption of IFRS 9 have been recognized directly in retained earnings as at January 1, 2018.

In EUR	1/1/2018
Assets	
Decrease in trade accounts receivable	(118,455)
Total assets	**(118,455)**
Liabilities	
Decrease in deferred tax liabilities	31,581
Total liabilities	**31,581**
Total adjustments to equity:	**86,873**
Decrease in retained earnings	86,873

The nature of the adjustment for trade accounts receivable is as follows:

Classification and measurement

Under IFRS 9, debt instruments are subsequently measured at fair value through profit or loss, amortized cost, or fair value through OCI. The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Group's business model was made as of the date of initial application, January 1, 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of IFRS 9 did not have a significant impact to the Group.

The following are the changes in the classification of the Group's financial assets:

Trade accounts receivable are classified as Loans and receivables under IAS 39 as at December 31, 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

3. Accounting Standards (Continued)

of principal and interest. These are classified and measured as Debt instruments at amortized cost under IFRS 9 beginning January 1, 2018 as follows:

In EUR		Amortized Cost
IAS 39 Measurement categories		
Loans and receivables		
Trade accounts receivable*	14,046,223	13,927,778
		13,927,778

* The change in carrying amount is a result of additional ECL (expected credit loss) impairment allowance. See the discussion on impairment below.

The Group has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the Group's financial liabilities.

Impairment

The adoption of IFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the Group to recognize an allowance for ECLs for all debt instruments not held at fair value through profit or loss.

Upon adoption of IFRS 9 the Group recognized additional impairment on the Group's trade accounts receivable of EUR 118,455, which resulted in a decrease in retained earnings of EUR 118,455 as at January 1, 2018.

The reconciliation of the impairment allowances in accordance with IAS 39 as of December 31, 2017 to the opening loss allowances determined in accordance with IFRS 9 as of January 1, 2018 was as follows:

In EUR	Allowance for Impairment Under IAS 39 as at December 31, 2017	Remeasurement Through Retained Earnings	ECL Under IFRS 9 as at January 1, 2018
Loans and receivables under IAS 39 / IFRS 9	67,808	118,455	186,263
	67,808	**118,455**	**186,263**

IAS 1,82(ba) requires that the statements of operations and other comprehensive income (loss) includes line items that present the impairment losses (including reversals of impairment losses or impairment gains) determined in accordance with IFRS 9. The Group did not present its impairment losses determined in accordance with IFRS 9 separately in the statements of operations as the amounts are not considered material. As of December 31, 2018 and 2017, the Group classified the impairment of trade receivables in other expenses.

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

3. Accounting Standards (Continued)

Other adjustments

In addition to the adjustments described above, related deferred taxes were adjusted to retained earnings upon adoption of IFRS 9 as at January 1, 2018.

IFRS 15—Revenue from contracts with customers

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. IFRS 15 establishes a five-step model that applies to revenue arising from contracts with customers. Under IFRS 15 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue.

The Group exercises judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with its customers. The new standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires additional disclosures.

The Group adopted IFRS 15 using the modified retrospective method as of January 1, 2018. The Group elected to apply the standard to all contracts as at January 1, 2018.

The adoption of IFRS 15 did not result in a material impact on the Group's consolidated financial statements. Therefore, no adjustment to retained earnings as of January 1, 2018 was required.

Advances received from customers

Before the adoption of IFRS 15, the Group presented advances received from customers as deferred revenue in the statement of financial position in Other current financial liabilities. Under IFRS 15, the Group reclassified TEUR 711 from deferred revenue (current) to contract liabilities (current) as at January 1, 2018. As at December 31, 2018, IFRS 15 contract liabilities decreased to TEUR 38 (see Note 14).

The impact of adopting IFRS 15 on the Group's statement of financial position as at January 1, 2018 was as follows:

	Amounts Prepared Under		
In EUR	IFRS 15 January 1, 2018	Previous IFRS December 31, 2017	Increase/ (Decrease)
Other non-financial liabilities (current)			
Contract liabilities	711,702	—	711,702
Deferred revenue		711,702	(711,702)

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

3. Accounting Standards (Continued)

3.2 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Standard/Interpretation	Effective Date	Subject of Standard/ Interpretation or Amendment	Expected Impact on the VIA Group
Definition of a Business (Amendments to IFRS 3	01.01.2020	The amendment clarifies the minimum requirements for a business and changes several aspects of the standard. New illustrative examples were provided along with the amendments.	This clarification is not expected to have a material impact on the consolidated financial statements.
Definition of Material (Amendments to IAS 1 and 8)	01.01.2020	The amendments align the definition of 'material' across the standards and to clarifies certain aspects of the definition.	This clarification is not expected to have a material impact on the consolidated financial statements.
Amendments to IAS 1: Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	01.01.2020	Clarifies whether debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current in the statement of financial position.	This clarification is not expected to have a material impact on the consolidated financial statements.
Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform	01.01.2020	Provides temporary relief from applying specific hedge accounting requirements to hedging relationships directly affected by IBOR reform.	This clarification is not expected to have a material impact on the consolidated financial statements.
Amendments to References to the Conceptual Framework in IFRS Standards	01.01.2020	Updates various IFRS standards for references to and quotes from the Conceptual Framework or indicates which version of the framework is being referenced.	This clarification is not expected to have a material impact on the consolidated financial statements.

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

4. Significant accounting judgements, estimates and assumptions

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the consolidated financial statements as well as the key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined as follows.

4.1 Revenue from contracts with customers

Principal versus agent considerations

The Group enters into contracts with certain of its customers to acquire, on their behalf, displays produced by third-party suppliers. Under these contracts, the Group provides procurement services. The Group determined that it does control the goods before they are transferred to customers, and it does have the ability to direct the use of the displays or obtain benefits from the displays. The following factors indicate that the Group does control the goods before they are being transferred to customers. Therefore, the Group determined that it is principal in these contracts.

- The Group is primarily responsible for fulfilling the promise to provide the specified displays
- The Group has inventory risk before or after the specified displays have been transferred to the customer as it purchases displays and takes them into inventory before the displays are bonded and shipped to the customers
- The Group has discretion in establishing the price for the specified displays

4.2 Provision for expected credit losses of trade receivables and contract assets

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for customers that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group then calibrates the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year, which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted upward. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

4. Significant accounting judgements, estimates and assumptions (Continued)

4.3 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. A provision for warranties is recognized when the underlying products or services are sold, based on historical warranty experience and a weighting of possible outcomes against their associated probabilities.

Management's estimations are based on the best information available related to historical experience and expected future costs and are subject to change over time.

4.4 Contingent liabilities

From time to time, the Group may be involved in various claims and legal proceedings relating to claims arising out of its operations, as discussed further in Note 16—Commitments and contingencies. Periodically, and at each financial period end, the Group reviews the status of all significant outstanding matters to assess the potential financial exposure.

When (i) it is probable that an asset has been impaired or a liability has been incurred and (ii) the amount of the loss can be reasonably estimated, the Group records the estimated loss in its consolidated statements of operations and other comprehensive income (loss). The Group provides disclosure in the notes to the consolidated financial statements for loss contingencies that do not meet both of these conditions if there is a reasonable possibility that a loss may have been incurred that would be material to the financial statements. Significant judgment is required to determine the probability that a liability has been incurred and whether such liability is reasonably estimable. The Group bases accruals made on the best information available at the time, which can be highly subjective. The final outcome of these matters could vary significantly from the amounts included in the accompanying consolidated financial statements.

4.5 Income taxes

The Group records income taxes under the liability method. Deferred tax assets and liabilities reflect the Group's estimation of the future tax consequences of temporary differences between the carrying amounts of assets and liabilities for book and tax purposes. The Group determines deferred income taxes based on the differences in accounting methods and timing between financial statement and income tax reporting. Accordingly, the Group determines the deferred tax asset or liability for each temporary difference based on the enacted tax rates expected to be in effect when the Group realizes the underlying items of income and expense. The Group considers many factors when assessing the likelihood of future realization of its deferred tax assets, including its recent earnings experience by jurisdiction, expectations of future taxable income, and the carryforward periods available to the Group for tax reporting purposes, as well as other relevant factors. Therefore, actual income taxes could materially vary from these estimates.

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

4. Significant accounting judgements, estimates and assumptions (Continued)

4.6 Purchase price allocation

The Group assigns the value of the consideration transferred to acquire a business to the tangible assets and identifiable intangible assets acquired and liabilities assumed on the basis of their fair values at the date of acquisition.

When determining the fair values of assets acquired and liabilities assumed, the Group makes significant estimates and assumptions. The Group generally bases the measurement of fair value on the present value of future discounted cash flows. The discounted cash flows model indicates the fair value of the reporting unit based on the present value of the cash flows that the Group expects the reporting unit to generate in the future. The Group's significant estimates in the discounted cash flows model includes forecasted revenues, weighted average costs of capital as well as the term of use of the tangible assets.

The Group's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates.

4.7 Lease renewal options

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. Group considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset).

5. Changes in the Group

The following are the consolidated subsidiaries of VIA optronics AG:

		Ownership Interest %		Net Profit (Loss) in EUR		Equity in EUR	
Name	**Place of Business**	**12/31/2019**	**12/31/2018**	**2019**	**2018**	**12/31/2019**	**12/31/2018**
VIA optronics GmbH	Schwarzenbruck, Germany	100	*	(7,485,107)	*	(4,130,440)	*
VIA optronics LLC	Orlando, Florida, USA	100	100	(518,604)	326,012	(1,897,939)	(1,355,978)
VIA optronics (Suzhou) Co., Ltd.	Suzhou, China	100	100	547,204	5,309,218	15,603,019	14,688,455
VIA optronics (Taiwan) Ltd.	Taipei, Taiwan	100	100	(17,695)	—	130,282	—
VTS-Touchsensor Co., Ltd	Higashi Omi, Japan	65	65	(4,567,009)	(1,659,499)	804,738	5,190,768

* See Reorganization of the Group's structure section below

Reorganization of the Groups' structure

On January 4, 2019, the shareholders of VIA optronics GmbH formed VIA optronics AG, a stock corporation under German law with nominal share capital of TEUR 100. Upon formation, VIA

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

5. Changes in the Group (Continued)

optronics AG's equity consisted of 100,000 ordinary shares with no par value and a stated value of one Euro (EUR 1) and each shareholder owned the same proportionate interest as in VIA optronics GmbH. On April 18, 2019, the shareholders of VIA optronics GmbH contributed the shares that they held in VIA optronics GmbH to VIA optronics AG by way of a contribution in kind against issuance of new shares. As a result of this contribution, the share capital was increased from TEUR 100 by TEUR 2,900 to TEUR 3,000 in the form of a capital increase by way of a contribution in kind through issuance of 2,900,000 ordinary shares, each with a nominal value of EUR 1 per share, to the former shareholders of VIA optronics GmbH (who are also the founding shareholders of VIA optronics AG) as consideration for their contributions. On June 25, 2019, the contribution of the VIA optronics GmbH shares to VIA optronics AG became legally effective with the registration of the capital increase with the commercial register. With the effectiveness of the contribution and the capital increase by way of a contribution in kind, VIA optronics AG became the sole shareholder of VIA optronics GmbH and the founding shareholders of VIA optronics AG (and former shareholders of VIA optronics GmbH) received the new shares in VIA optronics AG issued in the capital increase proportionate to the shareholdings in VIA optronics GmbH shares that they contributed.

The contribution in kind and resulting reorganization was recognized as a business combination under common control (transaction under common control) using the book value method. As a result, the difference between the nominal value of new shares issued by VIA optronics AG for the acquisition of the shares of VIA optronics AG (TEUR 2,900) and VIA optronics GmbH's own share capital (TEUR 73) has been accounted for through capital reserve and subscribed capital in the consolidated statement of financial position.

Due to the common control nature of the transaction, the prior-year comparative disclosures required by IFRS have been presented as if the legal structure of VIA optronics AG had already existed, including earnings per share (see Note 25). Hence the financial statements of VIA optronics AG are effectively the successor to VIA optronics GmbH.

Foundation of Taiwan Subsidiary

On January 2, 2019, VIA optronics (Taiwan) Ltd was founded as a new subsidiary with the purpose of conducting the sales activities for the Group. VIA optronics AG indirectly holds all shares of VIA optronics (Taiwan) Ltd.

Acquisition of VTS

On March 29, 2018, VIA acquired 65% of the shares and voting rights in VTS-Touchsensor Co., Ltd., Higashi Omi, Japan, a developer and manufacturer of metal mesh touch sensor technologies and electrode base film, from Toppan Touch Panels Products Co., Ltd., ("Toppan"). VIA has power over VTS because the relevant activities are directed through voting rights and potential voting rights (deadlock call right). VIA's rights are substantive when all available facts and circumstances are considered and they provide VIA with the current ability to direct the relevant activities of VTS. Simultaneous with the acquisition, VTS and Toppan entered into a sale and transfer agreement regarding special technology relevant for the production of touch sensors.

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

5. Changes in the Group (Continued)

With the acquisition, VIA significantly advanced its vertical integration as VTS produces significant components for VIA's existing product portfolio in the display technology business. Moreover, VIA could further improve its business relations in the Japanese market and gain additional production know-how.

At the acquisition date, the Group elected to measure the non-controlling interests in the acquiree at the proportionate share (35%) of the acquiree's identifiable net assets.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of VTS as at the date of acquisition were:

	Fair Value Recognized on Acquisition in EUR
Assets	
Buildings and improvements	15,304
Machinery and equipment	5,866,261
Other equipment	60,227
Customer relationships	2,111,156
Technology	4,304,231
Other intangible assets	3,442
Inventories	1,096,447
Other receivables	151,378
Liabilities	
Non-current financial liabilities	(4,304,231)
Deferred tax liabilities	(2,721,114)
Total identifiable net assets at fair value	**6,583,101**
Non-controlling interest measured at proportionate share in net assets at fair value	(2,304,085)
Gain from bargain purchase arising on acquisition	(2,992,660)
Purchase consideration transferred	**1,286,356**

As of December 31, 2018, the Group reassessed whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviewed the procedures used to measure the amounts to be recognized at the acquisition date. This reassessment confirmed the fair value of the net assets acquired. As Toppan had not operated VTS as a separate entity prior to the sale of the controlling interest to the Group, the bargain purchase gain resulted primarily from the step-up in the fair value of certain machinery and equipment that Toppan had fully depreciated and fair value related to intangible assets for customer relationships that were not recognized as internally developed intangible assets by Toppan. The Group therefore recognized the gain from bargain purchase from the acquisition amounting to TEUR 2,993, which was recognized as other operating income in the statement of operations.

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

5. Changes in the Group (Continued)

Transaction costs for due diligence, legal and notary fees in 2018 of TEUR 775 (2017: TEUR 512) were expensed and are included in general administrative expenses. The purchase consideration of the acquisition was paid in cash.

No further changes in Group took place as of December 31, 2019.

6. Intangible assets

In EUR	Software, Licenses and Patents	Customer Relationships	In Process	Total
Cost				
Balance at January 1, 2018	**658,118**	**—**	**10,636**	**668,754**
Additions	161,236		—	161,236
Acquisition of a subsidiary	4,304,231	2,111,156		6,415,387
Foreign currency effect	192,688	92,122		284,810
Balance at December 31, 2018	**5,316,273**	**2,203,278**	**10,636**	**7,530,187**
Additions	1,262,694	—	84,490	1,347,185
Transfer	95,126	—	(95,126)	—
Foreign currency effect	128,169	60,845	—	189,014
Balance at December 31, 2019	**6,802,262**	**2,264,124**	**—**	**9,066,386**

In EUR	Software	Customer Relationships	In Process	Total
Accumulated amortization				
Balance at January 1, 2018	**(307,666)**	**—**	**—**	**(307,666)**
Amortization	(739,623)	(356,331)	—	(1,095,954)
Balance at December 31, 2018	**(1,047,289)**	**(356,331)**	**—**	**(1,403,620)**
Amortization	(1,119,260)	(509,935)	—	(1,629,195)
Balance at December 31, 2019	**(2,166,549)**	**(866,266)**	**—**	**(3,032,815)**
Carrying amounts				
At January 1, 2018	**350,452**	**—**	**10,636**	**361,088**
At December 31, 2018	**4,268,984**	**1,846,947**	**10,636**	**6,126,567**
At December 31, 2019	**4,635,713**	**1,397,857**	**—**	**6,033,571**

There were no impairment losses and subsequent reversals concerning intangible assets in 2019, 2018 or 2017.

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

7. Property and equipment

In EUR	Buildings	Technical Equipment and Machines	Factory, Office, Other Equipment and Leasehold Improvements	Assets Under Construction	Total
Cost					
Balance at January 1, 2018	**—**	**4,332,416**	**2,673,519**	**437,774**	**7,443,709**
Additions	—	1,004,853	419,872	949,505	2,374,230
Transfers	—	613,197	9,603	(622,800)	—
Acquisition of a subsidiary	—	5,866,261	75,530	—	5,941,791
Disposals	—	—	—	—	—
Foreign currency effect	—	217,787	1,607	(1,949)	217,446
Balance at December 31, 2018	**—**	**12,034,514**	**3,180,131**	**762,530**	**15,977,175**
Recognition of right-of-use asset on initial application of IFRS 16	11,725,800	—	100,010	—	11,825,810
Balance at January 1, 2019	**11,725,800**	**12,034,514**	**3,280,141**	**762,530**	**27,802,985**
Additions	—	283,044	590,687	534,600	1,408,331
Transfers	—	609,322	202,476	(811,798)	—
Disposals	—	(99,898)	(71,580)	(84,490)	(255,968)
Foreign currency effect	204,865	190,545	7,280	12,298	414,989
Balance at December 31, 2019	**11,930,665**	**13,017,527**	**4,009,004**	**413,140**	**29,370,337**
Accumulated depreciation					
Balance at January 1, 2018	**—**	**(1,707,582)**	**(2,126,216)**	**—**	**(3,833,798)**
Depreciation charge for the year	—	(1,947,678)	(168,818)	—	(2,116,496)
Disposals	—	—	—	—	—
Balance at December 31, 2018	**—**	**(3,655,260)**	**(2,295,034)**	**—**	**(5,950,294)**
Depreciation charge for the year	(1,805,706)	(2,794,104)	(308,023)	—	(4,907,832)
Disposals	—	35,482	28,575	—	64,057
Balance at December 31, 2019	**(1,805,706)**	**(6,413,881)**	**(2,574,482)**	**—**	**(10,794,069)**
Carrying amounts					
At January 1, 2018	**—**	**2,624,834**	**547,303**	**437,774**	**3,609,911**
At December 31, 2018	**—**	**8,379,254**	**885,097**	**762,530**	**10,026,881**
At January 1, 2019	**11,725,800**	**8,379,254**	**985,107**	**762,530**	**21,852,691**
At December 31, 2019	**10,124,960**	**6,603,646**	**1,434,522**	**413,140**	**18,576,268**

There have been no impairment losses or reversals of impairment in 2019, 2018 or 2017.

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

7. Property and equipment (Continued)

Right-of-use assets in property and equipment at December 31, 2019 were as follows:

EUR	Buildings	Factory, Office, Other Equipment and Leasehold Improvements	Total
Balance at December 31, 2019	10,124,960	113,373	10,238,332

8. Inventories

In EUR	12/31/2019	12/31/2018
Raw materials and supplies	7,377,176	8,990,362
Work in progress	879,729	1,413,155
Finished goods and merchandise	6,228,917	10,075,629
Inventories	**14,485,822**	**20,479,146**

During 2019, an amount of TEUR 100,987 (2018: TEUR 134,453; 2017: TEUR 107,639) for inventories was recognized as cost of sales.

There was no write-down on inventory to net realizable value in 2019 (2018: TEUR 700; 2017: TEUR 0).

9. Trade accounts receivable

All trade accounts receivable are from third parties and have maturities within one year. At the balance sheet date, all trade accounts receivable are non-interest bearing.

The following table provides information about the expected credit loss rates (ECLs) and recognized loss impairments for trade accounts receivables as at December 31, 2019 and December 31, 2018.

		Trade Receivables					
		Days Past Due					
December 31, 2019 in EUR	Current	<30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	>120 Days	Total
Expected credit loss rate	1.05%	1.64%	1.81%	5.86%	2.74%	5.50%	2.00%
Estimated total gross carrying amount at default	17,488,498	2,842,760	1,072,661	815,992	247,442	4,126,903	26,594,255
Expected credit loss	(182,809)	(46,649)	(19,402)	(47,854)	(6,788)	(227,166)	(530,668)
Impairment loss						(839,131)	(839,131)
Trade accounts receivables	**17,305,689**	**2,796,111**	**1,053,259**	**768,138**	**240,654**	**3,060,606**	**25,224,456**

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

9. Trade accounts receivable (Continued)

		Days Past Due					
December 31, 2018 in EUR	**Current**	**<30 Days**	**31 - 60 Days**	**61 - 90 Days**	**91 - 120 Days**	**>120 Days**	**Total**
Expected credit loss rate	0.78%	0.28%	4.62%	2.40%	3.26%	8.21%	1.16%
Estimated total gross carrying amount at default	20,755,231	5,056,705	338,105	1,224,592	822,038	1,123,418	29,320,089
Expected credit loss	(162,598)	(14,321)	(15,625)	(29,423)	(26,792)	(92,241)	(341,000)
Impairment loss						(630,381)	(630,381)
Trade accounts receivables	**20,592,633**	**5,042,384**	**322,480**	**1,195,169**	**795,246**	**400,796**	**28,348,708**

The allowances of the trade accounts receivable developed as follows:

	EUR
Balance at January 1, 2018	**359,743**
Impairment loss	255,885
Provision for expected credit losses	341,000
Currency translation effect	14,753
Balance at December 31, 2018	**971,381**
Impairment loss	200,812
Provision for expected credit losses	189,668
Currency translation effect	7,939
Balance at December 31, 2019	**1,369,800**

10. Other current non-financial assets

In EUR	**12/31/2019**	**12/31/2018**
Deferred offering costs	6,469,471	2,060,706
Contract assets	715,962	—
Value added tax refund	228,987	429,945
Recourse right	—	427,175
Miscellaneous	77,976	418,805
Prepaid expenses	83,377	85,759
Receivables from employees < 1 year	27,565	5,165
Total	**7,603,338**	**3,427,555**

Deferred offering costs will be reclassified as a cost to equity when the equity transaction is recognized or recognized in profit or loss if the equity transaction is no longer expected to be completed. Contract assets result from revenue recognition from products without an alternative use and where the Group has an enforceable right to payment.

As of December 31, 2018, miscellaneous other current non-financial assets include TEUR 360 of deposits.

VIA optronics AG

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December 31, 2019, 2018 and 2017

10. Other current non-financial assets (Continued)

The recourse right represented a corresponding asset related to funds held in a third-party escrow account related to a legal dispute with a former employee; refer to Note 12 for details. Prepaid expenses mainly include prepayments for rent, insurance and supply contracts.

11. Loans

	Interest Rates	Maturity	Contract Currency	In Contract Currencies 12/31/2019	EUR 12/31/2019
	%				
Current loans					
Bank overdrafts			EUR	26,420	26,420
Shareholder*	*	*	EUR	*2,000,000	*2,000,000
Bayern LB	1.86 - 4.00%	01/31 - 06/26/20	EUR	7,100,000	7,100,000
Deutsche Bank	1.95%	01/17 - 03/04/20	EUR	2,500,000	2,500,000
CZBANK	4.80 - 5.00%	01/14 - 05/25/20	USD	3,035,712	2,707,977
CITIC BANK	3.78 - 3.99%	01/10 - 06/12/20	USD	9,406,690	8,390,859
ICBC Bank	3.92 - 4.15%	01/21 - 05/21/20	USD	4,631,324	4,131,327
CCB Bank	2.87%	02/19/20	USD	780,000	695,791
Shiga Bank	1.67%	11/30/2023	JPY	133,680,000	1,096,277
Total current loans					**28,648,651**
Non-current loans					
Shiga Bank	1.67%	11/30/2023	JPY	341,100,000	2,797,277
Total non-current loans					**2,797,277**

* As of December 31, 2019, VIA had received funds of TEUR 2,000 as a loan from IMI, a shareholder and related-party of VIA; see Note 24 for additional information.

	Interest Rates	Maturity	Contract Currency	In Contract Currencies 12/31/2018	EUR 12/31/2018
	%				
Current loans					
Bank overdrafts			EUR	1,442,298	1,442,298
Bayern LB	1.92 - 2.00%	02/28 - 04/29/19	EUR	9,100,000	9,100,000
Deutsche Bank	1.95%	01/16 - 03/04/19	EUR	1,500,000	1,500,000
Sparkasse	5.35%	06/30/2019	EUR	54,450	54,450
SPD bank	4.69 - 4.85%	03/26 - 04/28/19	USD	5,040,000	4,427,611
CZBANK	4.80 - 5.05%	03/14 - 04/17/19	USD	4,312,500	3,758,371
CITIC BANK	4.52 - 4.99%	01/26 - 06/05/19	USD	7,107,487	6,315,602
Shiga Bank	1.67%	11/30/2023	JPY	100,080,000	795,232
Total current loans					27,393,564
Non-current loans					
Shiga Bank	**1.67%**	11/30/2023	JPY	391,580,000	3,111,482
Total non-current loans					3,111,482

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Notes to the Consolidated Financial Statements (Continued)

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11. Loans (Continued)

As collateral, the Group has pledged a portion of its trade accounts receivable up to amounts drawn under the respective loans, in support of these obligations (2019: TEUR 15,926; 2018: TEUR 14,502).

All loans were concluded under normal market conditions. Refer to Note 27 for additional information regarding the Group's loans subsequent to December 31, 2019.

	Loans EUR	Financial Liabilities Due to Third Parties* EUR	Lease Liabilities EUR	Share Capital EUR	Total EUR
Cash flows from financing activities					
Proceeds from loans and borrowings	57,975,438	—	—	—	**57,975,438**
Repayment of loans and borrowings	(40,910,654)	(373,671)	—	—	**(41,284,325)**
Interest paid	(697,245)	—	—	—	**(697,245)**
Net cash provided by (used in) financing activities	**16,367,539**	**(373,671)**	**—**	**—**	**15,993,868**
Foreign currency effect	**704,623**	**—**	—	—	**704,623**
Interest expense	**818,626**	**—**	—	—	**818,626**
Balance at December 31, 2018	**30,505,046**	921,954	—	—	**31,427,000**
Recognition of lease liabilities on initial application of IFRS 16	—	—	11,825,810	—	**11,825,810**
Balance at January 1, 2019	**30,505,046**	**921,954**	**11,825,810**	**—**	**43,252,810**
Cash flows from financing activities					
Proceeds from issue of share capital	—	—	—	100,000	**100,000**
Proceeds from loans and borrowings	59,368,855	—	—	—	**59,368,855**
Repayment of loans and borrowings	(58,861,016)	(70,922)	—	—	**(58,931,938)**
Payment of lease liabilities	—	—	(1,748,088)	—	**(1,748,088)**
Interest paid	1,357,141	—	(226,941)	—	**(1,584,082)**
Net cash provided by (used in) financing activities	**(849,303)**	**(70,922)**	**(1,975,029)**	**100,000**	**(2,795,253)**
Foreign currency effect	433,043	—	204,370	—	**637,413**
New leases	—	—	76,953	—	**76,953**
Interest expense—paid	1,357,141	—	226,941	—	**1,584,082**
Balance at December 31, 2019	**31,445,928**	**851,032**	**10,359,045**	**100,000**	**42,756,005**

* disclosed in the other current financial liabilities (see Note 13)

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Notes to the Consolidated Financial Statements (Continued)

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12. Provisions

In EUR	Warranties	Asset Retirement Obligation	Litigation	Other	Total
Balance at January 1, 2018	**1,179,024**	**26,001**	**427,175**	**189,384**	**1,821,584**
Additions	300,220	105,024	—	171,613	576,857
Reversals	(49,436)	—	—	—	(49,436)
Usage	—		—	(45,552)	(45,552)
Unwinding of discount	—	1,544	—	—	1,544
Currency translation effect	(7,477)	(236)	—	—	(7,713)
Balance at December 31, 2018	**1,422,331**	**132,333**	**427,175**	**315,445**	**2,297,284**
Non-current	—	132,333	—	—	132,333
Current	1,422,331	—	427,175	315,445	2,164,951
Total	**1,422,331**	**132,333**	**427,175**	**315,445**	**2,297,284**
Balance at January 1, 2019	**1,422,331**	**132,333**	**427,175**	**315,445**	**2,297,284**
Additions	74,648	—	—	1,481,970	1,556,618
Reversals	(996,144)	—	—	—	(996,144)
Usage	—	—	(427,175)	(315,445)	(742,620)
Unwinding of discount	—	1,964	—	—	1,964
Currency translation effect	15,746	179	—	(4,717)	11,208
Balance at December 31, 2019	**516,581**	**134,476**	**—**	**1,477,253**	**2,128,310**
Non-current	—	134,476	—	—	134,476
Current	516,581	—	—	1,477,253	1,993,833
Total	**516,581**	**134,476**	**—**	**1,477,253**	**2,128,309**

At December 31, 2019, other provisions was mainly comprised of a provision for payment of patent licensing fees; as of this date, it was probable that TEUR 513 of this provision would be reimbursed by a third-party resulting in a reduction to other operating expenses in a future period. However, as the reimbursement was not virtually certain as of December 31, 2019, no amount has been recognized for it as of this date.

The provision for warranties relates mainly to products sold during the respective year. The provision has been estimated based on historical warranty data associated with similar products and services. The Group expects to settle these obligations over the next year. The reversal of TEUR 996 in 2019 resulted from the legal obligation for a specific warranty provision lapsing in the year.

Furthermore, the Group has asset retirement obligations to return certain of the Group's premises to their original condition. The asset retirement obligation is not expected to be fulfilled in less than five years.

In the ordinary course of business, the Group is party to lawsuits. In 2018, the Group recognized a provision for litigation related to a legal dispute with a former employee. As part of the sale agreement between the Group's former and current shareholder, an escrow account was established for the benefit

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

12. Provisions (Continued)

of the Company to the extent such matter is resolved. Accordingly, the Group had recorded for this case an amount as other non-financial asset equal to this liability. The legal dispute concerning this matter was resolved during 2019 in the amount accrued at December 31, 2018.

13. Other current financial liabilities

In EUR	12/31/2019	12/31/2018
Financial liabilities due to third parties	851,032	921,954
Invoices not yet received	4,972,937	2,452,395
Customers with credit balances	—	7,050
Miscellaneous other financial liabilities	13,155	93,353
Total	**5,837,124**	**3,474,752**

The financial liabilities due to third parties consist mainly of a commercial agreement with Intel which has an effective interest rate of approximately 3.53% and with repayment through December 31, 2020.

14. Other current non-financial liabilities

In EUR	12/31/2019	12/31/2018
Liabilities due to personnel bonus	2,263,758	1,804,148
Social security liabilities	162,544	105,423
Tax liabilities other than income taxes	424,443	100,755
Liabilities for remaining leave	302,597	200,800
Contract liabilities	334,123	38,427
Accrued expenses and miscellaneous other non-financial liabilities	599,890	419,857
Total	**4,087,355**	**2,669,410**

Accrued expenses and miscellaneous other current non-financial liabilities mainly consist of freight, professional services and office supplies accruals (2019: TEUR 525; 2018: TEUR 241).

15. Leases

Leases as a lessee (IFRS 16)

The Group has lease contracts for various items of office, plant and vehicles used in its operations. Leases of office and plant have lease terms between 3 and 18 years, while motor vehicles generally have lease terms of 3 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. For certain leases, the Group is restricted from entering into any sub-lease agreements. There are several lease contracts that include extension and termination options, which are further discussed below.

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

15. Leases (Continued)

The extension options representing the undiscounted potential future rental payments for the lease contracts which are not included in the lease liabilities for the VIA Group as on December 31, 2019 amount to TEUR 5,421.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amounts of right-of-use assets recognized and the movements during the period were as follows:

Right-of-use assets

In EUR	Buildings	Factory, Office and Other Equipment	Total
Balance at January 1, 2019	**11,725,800**	**100,010**	**11,825,810**
Depreciation charge for the year	(1,805,706)	(63,590)	**(1,869,296)**
Additions to right-of-use assets		76,953	**76,953**
Foreign currency effect	204,865	—	**204,865**
Balance at December 31, 2019	**10,124,960**	**113,373**	**10,238,332**

The carrying amounts of lease liabilities (included under current and non-current financial liabilities) and the movements during the period as well as the amounts recognized in profit or loss were as follows:

Lease Liability

In EUR	Lease Liability
Balance at January 1, 2019	**(11,825,810)**
Additions	(1,689,870)
Accretion of interest	(226,942)
Payments	1,975,029
Foreign currency effect	(204,370)
Balance at December 31, 2019	**(11,971,963)**
Current	**(3,155,469)**
Non-current	**(8,816,494)**

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

15. Leases (Continued)

Amounts recognized in profit or loss

In EUR	2019
2019—Leases under IFRS 16	
Depreciation expense of right-of-use assets	1,869,296
Interest on lease liabilities	(226,941)
Expenses relating to short-term leases	4,018
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	46,506
	1,692,879

The Group had total cash outflows for all leases of TEUR 2,026 in 2019.

16. Commitments and contingencies

16.1 Contingent liabilities

From time to time, the Group may be involved in various claims and legal proceedings relating to claims arising out of its operations. As of December 31, 2019, there are eight legal out-of-court and court disputes related to production issues. The dispute processes are still ongoing, and the estimated claims are assessed to have potential loss of TEUR 343. Based on present facts, the outcome is uncertain; however, management believes a loss is not probable.

16.2 Operating leases

The Group leases buildings, cars and other equipment which are classified as operating leases. In 2018, the operating lease payments amount to TEUR 1,417 (2017: TEUR 940).

Future minimum lease payments due to non-cancellable operating leases are as follows as at December 31, 2018:

OPERATING LEASE COMMITMENTS

In EUR	2018
< 1 year	2,514,316
> 1 year < 5 years	3,497,572
> 5 years	874,024
Total	**6,885,912**

For information on lease payments in 2019, see Note 15 and see Note 19 for a maturity analysis of lease liabilities.

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

17. Revenue

In EUR	2019	2018	2017
Display Solutions	**113,358,812**	**150,315,353**	**131,031,411**
Full Service Model	104,534,027	148,118,965	129,115,182
Consignment Model	6,500,740	2,196,388	1,916,229
R&D Engineering Services	2,324,045	—	—
Sensor Technologies	23,872,523	21,363,541	—
Total	**137,231,335**	**171,678,894**	**131,031,411**

The Group has no remaining performance obligations which have an original expected term of more than one year.

Contract Balances

In EUR	2019	2018	2017
Trade accounts receivables (see Note 9)	25,224,456	28,348,708	14,046,223
Contract liabilities	334,123	38,427	—

In EUR	2019	2018	January 1, 2018
Trade accounts receivables (see Note 9)	25,224,456	28,348,708	14,046,223
Contract liabilities	334,123	38,427	—
Contract assets	715,962	—	—

Contract liabilities include advances on orders received from customers. The development of contract liabilities and revenue recognized therefrom is as follows:

In EUR	Contract Liabilities
Balance at January 1, 2018	711,702
Deferred during the year	1,255,840
Recognized as revenue during the year	(1,929,115)
Balance at December 31, 2018	**38,427**
Deferred during the year	334,123
Recognized as revenue during the year	(38,427)
Balance at December 31, 2019	**334,123**

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

18. Expenses by nature

Expenses by nature were as follows:

In EUR	2019	2018	2017
Raw materials and consumables	101,070,401	134,453,049	107,639,735
Salaries, wages and employee benefits	24,676,137	18,073,070	10,593,908
Consultancy and professional fees	3,574,695	2,144,300	1,344,898
Advertising, vehicle and travel expenses	2,552,183	3,691,559	1,342,551
Warranty	(921,496)	252,125	1,065,676
Lease expenses	217,855	1,417,331	939,453
Purchased services	1,798,175	3,186,693	748,188
Taxes, insurance costs, and other dues	2,073,989	914,185	733,038
Depreciation and amortisation	6,537,027	3,212,450	542,068
Maintenance	1,611,234	237,948	148,572
Other	3,958,880	1,189,369	654,843
Total	**147,149,080**	**168,772,079**	**125,752,930**

Salary, wages and employee benefits included salaries and wages which amounted to TEUR 22,724 in 2019 (2018: TEUR 16,239; 2017: TEUR 9,765) and social security contributions which amounted to TEUR 2,188 in 2019 (2018: TEUR 1,848; 2017: TEUR 1,295). In 2019, Warranty includes a benefit from the reversal of a TEUR 996 warranty provision in the year; refer to Note 12 for additional information.

In 2019 the category "Other" contains utilities expenses in the amount of TEUR 1,593 (2018: TEUR 147), other R&D expenses of TEUR 1,162 (2018: TEUR 0), miscellaneous small amounts, primarily comprised of approximately TEUR 174 (2018: TEUR 234; 2017: TEUR 148) for cafeteria expenses, TEUR 131 (2018: TEUR 94) for quality and testing expenses and TEUR 0 (2018: TEUR 148) for relocation expenses.

19. Other income and other expenses

19.1 Other operating income

Other operating income consists of exchange gains, damages/insurance proceeds and miscellaneous.

In EUR	2019	2018	2017
Exchange gains	911,779	1,297,223	5,275,050
Damages/insurance proceeds	21,224	15,099	8,797
Bargain purchase gain	—	2,992,660	—
Miscellaneous other operating income	1,425,994	717,495	608,284
Total	**2,358,997**	**5,022,477**	**5,892,131**

In 2019, miscellaneous other operating income mainly consists of tooling income (TEUR 771).

In 2018, miscellaneous other operating income mainly consisted of the tooling and non-recurring engineering and testing charges which were charged to the customer TEUR 345, other accrual release

19. Other income and other expenses (Continued)

(TEUR 77), indemnities due to inadequate quality of received material (TEUR 70), government allowance (TEUR 40) and other small amounts of miscellaneous income.

In 2017, miscellaneous other operating income mainly consisted of non-recurring engineering and testing charges which were charged to the customer (TEUR 200), indemnities due to inadequate quality of received material (TEUR 180) and other small amounts of miscellaneous income.

19.2 Other operating expenses

Other operating expenses include exchange losses, losses on disposal of fixed assets, other taxes, increase in bad debt provisions and miscellaneous.

In EUR	2019	2018	2017
Exchange losses	937,045	1,355,207	5,334,055
Losses on disposals of assets	16,565	—	—
Other taxes	1,190	8,039	—
Increase in bad debt provisions	572,928	255,886	67,808
Miscellaneous other operating expenses	1,887,415	1,412,148	457,663
Total	**3,415,143**	**3,031,280**	**5,859,526**

In 2019, miscellaneous other operating expense mainly consists of tooling expense in the amount of TEUR 766 (2018: TEUR 560) and accrued licensing fees of TEUR 520 (2018: 0). In 2018, they also included off-site expenses of TEUR 285, custom duties of TEUR 181 and other miscellaneous expenses.

20. Financial result

In EUR	2019	2018	2017
Interest income on:			
—Loans, bank deposits and receivables	3,771	—	2,576
Total interest income arising from financial assets not measured at fair value through profit or loss	3,771	—	2,576
Finance income	3,771	—	2,576
Interest expense	(1,645,953)	(1,140,047)	(698,220)
Unwind of discount on site restoration provision	—	(1,544)	(366)
Finance costs	(1,645,953)	(1,141,591)	(698,586)
Net finance costs recognized in profit or loss	**(1,642,182)**	**(1,141,591)**	**(696,010)**

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

21. Taxes on income

21.1 Income tax expense

Income tax expense include current and deferred income taxes as follows:

In EUR	2019	2018	2017
Current tax expense	201,953	1,883,669	1,733,071
Adjustments in respect of current income tax of previous year	156,800	275,895	175,455
Deferred income tax charge / (benefit)	382,812	(1,781,454)	(646,991)
Income tax expense	741,565	378,110	1,261,535

Both VIA and VIA optronics GmbH are subject to corporate income tax and trade tax in Germany. The statutory corporate income tax rate of VIA in 2019 is 15,0% plus solidarity surcharge of 5.5% thereon (15.83% in total). The municipal trade tax in 2019 is approximately 16.35%.

For the year ending December 31, 2019, the statutory German corporate income tax rate applicable to VIA optronics GmbH is 31.9% (2018: 31.8%, 2017: 27.4%). It consists of the corporate income tax rate of 15.0% plus solidarity surcharge of 5.5% and the variable municipal trade tax of 16.1% (in 2018—16.0%, 2017—11.6%). The change in the municipal trade tax is due to the relocation of the business establishment from Altdorf to Nuremberg, with Nuremberg having a higher trade tax rate.

For the Group's subsidiaries, VIA LLC (USA) a tax rate of 26.5% (2018: 27.0%; 2017: 40.0%), for VIA Suzhou (China) a tax rate of 25.0% in 2019, 2018 and 2017 and for VTS (Japan) a tax rate of 34,1% (2018: 33.9%) is applicable. For the newly founded entity VIA Taiwan the tax rate applicable in 2019 is 20%.

21.2 Effective tax rate

After VIA's foundation, the German statutory corporate tax rate applicable to VIA as the parent company of the Group (32.2%), was used to reconcile the relationship between tax expenses and accounting profit or loss. For the years ending December 31, 2018 and 2017, the German statutory corporate tax rate applicable to VIA optronics GmbH as the then parent company of the Group was

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

21. Taxes on income (Continued)

used (2018: 31.8%, 2017: 27.4%). The reconciliation of the Group's statutory tax rate to its effective tax rate is as follows:

In EUR	2019	2018	2017
(Loss)/Profit before tax	(12,616,073)	3,756,420	4,615,075
Tax under domestic (German) tax rate	4,058,591	(1,195,744)	(1,264,637)
Effect of tax rate in foreign jurisdictions	119,823	545,310	112,991
Tax effect of:			
Changes in domestic tax rate	(11,938)	70,954	—
Non-deductible expenses	(47,925)	(71,349)	(50,081)
Current-year losses for which no deferred tax asset is recognized	(2,582,253)	—	(136,510)
Write off (reversal) of deferred tax assets for tax losses carried forward or deductible temporary differences	(2,089,536)	113,383	—
Non-deductible withholding taxes	(195,123)	(275,868)	(200,110)
Permanent difference from business combination	—	719,359	—
Income tax for prior years	(892)	(275,895)	175,455
Others	7,688	(8,260)	101,357
Income tax expense	**(741,565)**	**(378,110)**	**(1,261,535)**
Effective tax rate	**5.88%**	**10.07%**	**27.34%**

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

21. Taxes on income (Continued)

21.3 Deferred Taxes

The components of deferred tax balances are as follows:

	2019		2018		2017	
In EUR	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities	Deferred Tax Assets	Deferred Tax Liabilities
Non-current assets						
Intangible assets	115,923	(476,530)	—	(576,234)	333	—
Property and equipment	—	(4,155,783)	—	(1,589,665)	3,282	—
Other financial assets	—	—	45,633	—		
Current assets						
Inventories	312,529	—	317,440	—	394,075	—
Trade accounts receivables	50,849	(13,913)	305,873	(19,992)	234,320	—
Other current assets	—	(2,319,362)	—	(732,527)	—	—
Cash and cash equivalents	13,596	—	48,119	—	33,045	—
Non-current liabilities						
Loans	—	—	—	—	—	(1,481)
Provisions	34,740	—	40,339		6,500	
Other financial liabilities	—	—	—	(11,221)	—	(12,176)
Lease liabilities	2,803,625	—	—	—	—	—
Current liabilities						
Loans	—	—	29,772	—	—	—
Trade accounts payable	880,190	(86,100)	138,878	—	—	(8,924)
Provisions	—	—	237,526	(232,600)	97,410	—
Lease liabilities	484,298	—	—	—	—	—
Other financial liabilities	39,935	—	15,983	—	140,799	—
Other non-financial liabilities	15,778	(4,011)	10,324	—	43,754	—
Losses carried forward	1,769,111	—	1,886,325	—	—	—
Deferred Taxes before netting	**6,520,574**	**(7,055,699)**	**3,076,212**	**(3,162,239)**	**953,518**	**(22,581)**
Netting	(6,351,887)	6,351,887	(1,138,361)	1,138,361	(22,581)	22,581
Deferred Taxes netted	**168,687**	**(703,812)**	**1,937,851**	**(2,023,878)**	**930,937**	**—**

Deferred tax assets are recognized on unused tax losses to the extent that it is probable that taxable profits will be available in the future against which the unused tax losses can be utilized. In this regard, management exercises judgment as to the expected timing and the amount of the taxable profits and measures deferred tax assets on unused tax losses accordingly.

Due to continuing losses, in 2019 the Company determined that the recoverability of the deferred tax assets for VIA, VIA optronics GmbH, VIA LLC, VTS and VIA Taiwan, in excess of recoverable deferred tax liabilities, was not deemed probable. Therefore, deferred tax assets were written off by TEUR 2,090 and deferred taxes of TEUR 2,582 for current tax losses were not recognized. As a result, for deductible temporary differences of TEUR 1,233, no deferred tax asset was recognized.

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Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

21. Taxes on income (Continued)

In Germany, the Group had accumulated corporate income tax losses carried forward of TEUR 17,658 (2018: TEUR 6,029) and trade tax losses carried forward of TEUR 17,246 (2018: TEUR 5,824). In 2019, no deferred tax assets were recognized for corporate income tax losses carried forward of TEUR 13,351 and trade tax losses carried forward of TEUR 12,939; in 2018, deferred tax assets in the amount of TEUR 1,886 were recognized on total accumulated tax loss carryforwards. The losses are available indefinitely for offsetting against future taxable profits.

In other countries, the Group had accumulated tax losses carried forward of TEUR 5,043 (2018: TEUR 2,713). For TEUR 4,126 (2018: TEUR 2,713), no deferred tax asset was recognized. The non-recognized tax losses of VTS (Japan) (TEUR 850) can be carried forward for 10 years. Carry forward of tax losses from VIA LLC until 2017 of TEUR 2,902 are limited to a carryforward-period of 20 years.

Deferred taxes charged to equity in 2019 were TEUR 67 (2018: TER 32), which resulted from the foreign currency reserve adjustment. In 2018, a deferred tax liability of TEUR 2,857 was initially recognized as a result of the acquisition of the shares in VTS.

Deferred tax liabilities relating to outside based differences in the amount of TEUR 156 (2018: TEUR 207) are not recognized. The outside basis differences, which are indefinitely reinvested, amount to TEUR 490 (2018: TEUR 649).

22. Market Risk Management and Financial Instruments

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management approach focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the Group.

Management regularly reviews the Group's risk management objectives to ensure that risks are identified and managed appropriately. The Supervisory Board is made aware of and reviews management's risk assessments prior to entering into significant transactions.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade accounts receivable and contract assets) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade accounts receivable and contract assets

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group evaluates this risk through detailed ageing analysis and also detailed analysis of the credit worthiness of the consumers. The Group follows risk control procedures to assess the credit quality of the customers taking into account their financial position, past experience and other factors. The compliance with credit limits by

22. Market Risk Management and Financial Instruments (Continued)

corporate customers is regularly monitored by management. As of December 31, 2019, the carrying amount of primary financial instruments is comprised of trade accounts receivables and contract assets and the amount of TEUR 25,940 (2018: TEUR 28,349) represents the maximum exposure to credit risk for those financial instruments. As of December 31, 2019, 20% and 12% of trade accounts receivable were due from two customers, respectively, and 17% of trade accounts receivables were due from and 100% of contract assets relate to another individual customer. Trade accounts receivable are unsecured.

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default.

The table in Note 9 provides information about the exposure to credit risk and ECLs for trade receivables for corporate customers as at December 31, 2019 and December 31, 2018. The Group uses an allowance matrix to measure the ECLs of trade accounts receivable from individual customers, which comprise a very large number of small balances.

Cash deposits

The Group's maximum exposure to credit risk for the components of the statement of financial position at December 31, 2019 and December 31, 2018 is the carrying amount of cash and cash equivalents in the statements of financial position. The Group believes the risk of loss of carrying amount is remote and mitigated in part by spreading cash deposits across different subsidiaries and banks.

Interest rate risk

Interest rate risk includes the influence of positive and negative changes to interest rates on the Group's profit, equity, or cash flow in the current or any future reporting period. Interest rate risks from financial instruments arise mainly in connection with financial liabilities, including borrowings under the Group's existing working capital and equipment financing facilities. With the amount of cash and cash equivalents and financial instruments that the Group maintained at December 31, 2019 and December 31, 2018, a hypothetical increase or decrease of one percentage point, or 100 basis points, in interest rates, would not have had a material effect on the Group's financial statements.

Liquidity risk

The primary objective of the Group's liquidity and capital management is to monitor the availability of cash and capital in order to support its business expansion and growth. The Group manages its liquidity and capital structure with reference to economic conditions, performance of its local operations and local regulations. The table below presents the contractual undiscounted cash flows relating to the Group's financial liabilities at the balance sheet date. The cash flows are grouped

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

22. Market Risk Management and Financial Instruments (Continued)

based on the remaining period to the contractual maturity date. The Group has sufficient funds to meet these commitments as they become due.

In EUR	Up to 1 Year	Between 1 and 3 Years	More Than 3 Years
Balance at December 31, 2019			
Non-current loans	—	2,832,316	—
Current loans	28,850,173	—	—
Trade accounts payable	24,147,955	—	—
Lease liabilities	3,348,791	4,777,899	4,544,369
Other current financial liabilities	5,837,124	—	—
Total	**62,184,043**	**7,610,215**	**4,544,369**
Balance at December 31, 2018			
Non-current loans	—	2,385,697	725,785
Current loans	27,393,564	—	—
Trade accounts payable	24,575,369	—	—
Other current financial liabilities	3,474,752	—	—
Total	**55,443,685**	**2,385,697**	**725,785**

The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Based on the cash flow forecast for 2020, the Group has sufficient liquidity as at December 31, 2019 for the next twelve months.

Foreign exchange risk

The Group operates globally and is exposed to foreign exchange risk arising from exposure to various currencies in the ordinary course of business. The Group's exposures primarily consist of the U.S. dollar, Chinese Renminbi and Japanese Yen. Foreign exchange risk arises from commercial transactions and recognized financial assets and liabilities denominated in a currency other than the functional currency of the entity.

The following tables demonstrate the sensitivity to a reasonably possible change in the exchange rates of Euros for Chinese Renminbi, U.S. Dollar and Japanese Yen:

Balances at December 31, 2019

In EUR	Trade Accounts Receivables	Current Interest-Bearing Loans and Borrowings	Trade Accounts Payable	Other Current Financial Liabilities	Currency Risk Exposure	Change of Risk (bps)	Impact on Profit (+) or Loss (–) in Euro
Balance at December 31, 2019							
Amounts in USD	4,053,992	(17,853,725)	(3,487,841)	—	25,395,559	+/– 1,000	+/– 2,260,598
Amounts in JPY	—	—	(4,323,071)	—	4,323,071	+/– 1,000	+/– 3,545

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

22. Market Risk Management and Financial Instruments (Continued)

Balances at December 31, 2018

In EUR	Trade Accounts Receivables	Current Interest-Bearing Loans and Borrowings	Trade Accounts Payable	Other Current Financial Liabilities	Currency Risk Exposure	Change of Risk (bps)	Impact on Profit (+) or Loss (–) in Euro
Balance at December 31, 2018							
Amounts in USD	490,924	(16,459,987)	(327,248)	—	17,278,159	+/– 1,000	+/– 1,509,009
Amounts in JPY	—	—	(4,603,571)	—	4,603,571	+/– 1,000	+/– 3658
Amounts in EUR	—	—	(73,510)	—	73,510	+/– 1,000	+/– 7,351

Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors capital through regular review of cash and cash equivalent balances at each subsidiary, trade account receivables collection and trade accounts payables to manage credit demand. Management also regularly monitors sufficiency of credit lines and interest-bearing loans, diversification of banks and lenders and updated cash flow forecasts.

Financial assets and liabilities at carrying amount

The following table presents the carrying amount and the fair values of financial assets and liabilities to the definitions and categories of IFRS 9 as at December 31, 2019 and as at December 31, 2018. The respective fair value of financial instruments as of the reporting dates is also presented:

		December 31, 2019	
In EUR	Category According to IFRS 9	Carrying Amount	Fair Value*
Assets			
Other Non-current financial assets	AC	156,757	156,757
Trade accounts receivables	AC	25,224,456	25,224,456
Other current financial assets			
Cash and cash equivalents	AC	9,335,123	9,335,123
Liabilities			
Non-current interest bearing loans and borrowings	AC	2,797,277	2,702,122
Current liabilities			
Current interest bearing loans and borrowings			
Bank loans	AC	28,648,651	28,648,651
Trade accounts payable	AC	24,147,955	24,147,955
Other current financial liabilities			
Financial liabilities due to third parties	AC	851,032	851,032
Invoices not yet received	AC	4,972,937	4,972,937
Miscellaneous other financial liabilities	AC	13,155	13,155

The term AC stands for Measurement at Amortized Cost

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

22. Market Risk Management and Financial Instruments (Continued)

		December 31, 2018	
In EUR	Category According to IFRS 9	Carrying Amount	Fair Value*
Assets			
Other Non-current financial assets	AC	148,628	148,628
Trade accounts receivables	AC	28,348,708	28,348,708
Other current financial assets			
Suppliers' accounts with debit balances	AC	98,965	98,965
Cash and cash equivalents	AC	9,943,184	9,943,184
Liabilities			
Non-current interest bearing loans and borrowings	AC	3,111,482	3,109,254
Current liabilities			
Current interest bearing loans and borrowings			
Bank loans	AC	27,393,564	27,393,564
Trade accounts payable	AC	24,575,369	24,575,369
Other current financial liabilities			
Financial liabilities due to third parties	AC	921,954	921,954
Invoices not yet received	AC	2,452,395	2,452,395
Customers with credit balances	AC	7,050	7,050
Other	AC	93,353	93,353

* Carrying amount approximates fair values

23. Segments

The Group's key financial metrics by segment are as follows:

12/31/2019 In EUR	Display Solutions	Sensor Technologies	Total Segments	Consolidation Adjustments	Consolidated Total
External revenues	113,358,812	23,872,523	137,231,335	—	137,231,335
Inter-segment revenues	—	2,137,760	2,137,760	(2,137,760)	—
Total revenues	**113,358,812**	**26,010,283**	**139,369,095**	**(2,137,760)**	**137,231,335**
Gross profit (loss)	**11,975,923**	**(1,954,212)**	**10,021,711**	**—**	**10,021,711**
Operating income (loss)	(4,641,040)	(6,332,421)	(10,973,461)	(430)	(10,973,891)
Depreciation and amortization	2,055,365	4,481,663	6,537,028	—	6,537,028
EBITDA	**(2,585,675)**	**(1,850,758)**	**(4,436,433)**	**(430)**	**(4,436,863)**
Net income (loss)	**(8,790,628)**	**(4,567,009)**	**(13,358,331)**	**(694)**	**(13,357,637)**
Segment assets	**66,327,315**	**22,185,549**	**88,512,864**	**(6,852,919)**	**81,659,945**
Capital expenditure	**1,595,428**	**223,812**	**1,819,240**	**—**	**1,819,240**
Segment liabilities	**64,763,418**	**21,380,811**	**86,144,229**	**(5,566,563)**	**80,577,666**

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

23. Segments (Continued)

12/31/2018 (Restated; see 2.4) In EUR	Display Solutions	Sensor Technologies	Total Segments	Consolidation Adjustments	Consolidated Total
External revenues	150,315,353	21,363,541	171,678,894	—	171,678,894
Inter-segment revenues	277,536	—	277,536	(277,536)	—
Total revenues	**150,592,889**	**21,363,541**	**171,956,430**	**(277,536)**	**171,678,894**
Gross profit	20,457,591	1,123,471	21,581,062	224,458	21,805,520
Operating income (loss)	4,230,694	(2,413,161)	1,817,533	3,080,478	4,898,011
Depreciation and amortization	757,394	2,455,056	3,212,450	—	3,212,450
EBITDA	4,988,088	41,895	5,029,983	3,080,478	8,110,461
Net income (loss)	1,957,857	(1,659,499)	298,358	3,079,952	3,378,310
Segment assets	**61,958,634**	**23,610,114**	**85,568,748**	**(4,997,488)**	**80,571,260**
Capital expenditure	**1,580,313**	**793,917**	**2,374,230**	**—**	**2,374,230**
Segment liabilities	**51,727,139**	**18,419,346**	**70,146,485**	**(3,798,425)**	**66,348,060**

Geographic information

The Group's geographical distribution of revenues, property and equipment and intangible assets is within the three regions Asia, Europe as well as North America. The distribution of revenue (based on the Group location which bills the customer), property and equipment and intangible assets is as follows:

Revenue by Region	12/31/2019 in EUR	12/31/2018 in EUR	12/31/2017 in EUR
Asia	81,362,926	109,026,165	67,668,217
thereof China	*57,490,403*	*87,662,624*	*67,668,217*
thereof Japan	*23,872,523*	*21,363,541*	—
Europe *(Germany)*	48,218,014	54,852,549	59,786,720
North America *(United States)*	7,650,395	7,800,180	3,576,474
Total revenues	**137,231,335**	**171,678,894**	**131,031,411**

Property and Equipment/ Intangible Assets by Region	12/31/2019 in EUR	12/31/2018 in EUR
Asia	18,260,599	14,498,170
thereof China	*4,910,153*	*3,276,448*
thereof Japan	*13,350,447*	*11,221,722*
Europe *(Germany)*	6,274,556	1,642,321
North America *(United States)*	74,783	12,957
Total	**24,609,838**	**16,153,448**

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

23. Segments (Continued)

In the year ended December 31, 2019, the Display Solutions segment had two customers who each individually comprised 30% and 14% (2018: three customers comprised: 29%, 21% and 13%; 2017: two customers comprised 41% and 35%) of the Group's revenues and the Sensor Technologies segment had one customer in 2019, which comprised 17% (2018: 12%) of the Group's revenue.

24. Related party disclosures

The following is a description of related party transactions the Group has entered into with any members of its supervisory and advisory board, its executive officers or holders of more than 20% of any class of its voting securities.

Transactions with shareholders

The shareholders are Integrated Micro-Electronics, Inc. (IMI) and Jürgen Eichner who own 76% and 24% of VIA, respectively.

On December 27, 2019, the Group received funds in an amount of TEUR 2,000 from IMI as a loan and agreed to negotiate, in good faith, the loan terms. As of December 31, 2019, an agreement defining the loan terms had not been formally executed. Subsequent to December 31, 2019, in June 2020, a loan agreement was executed and set an interest rate equivalent to the rate due by VIA optronics GmbH on its working capital loan facility from Bayern LB (see Note 11), which was fixed at 1,93% as of December 31, 2019. The interest rate is applicable as of the date the funds were disbursed and is adjustable as of the 1st of each month to the rate in effect on the Bayern LB loan facility. Additionally, the loan is due 14 months following the funds disbursement with no penalty on full or partial early repayment.

During 2019, certain R&D engineering services were provided to IMI (TEUR 1,158 recognized in revenues) and received from IMI (TEUR 1,064 recognized in cost of sales and research and development expenses), which resulted in a net balance of TEUR 94 in receivables, due to the Group, which were outstanding as of December 31, 2019.

Additionally, the Group has leased office spaces in Schwarzenbruck from its CEO Jürgen Eichner. The annual rent amounts to TEUR 5 (2018: TEUR 6).

Compensation of key management personnel

Executive management (CEO and CFO) has authority and responsibility for planning, directing and controlling the activities of the Group, and is considered to be key management personnel. In the financial year ended December 31, 2019, the key management personnel as defined above received short-term employee benefits as total compensation in the amount of TEUR 874 (2018: TEUR 846; 2017: TEUR 878).

Compensation of supervisory / advisory board

One member of the supervisory board received remuneration for his respective services in an amount of TEUR 5 during financial year 2019 (advisory board 2018: TEUR 5).

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

25. Earnings (Loss) per share

Basic earnings per share are calculated in accordance with IAS 33 based on the earnings (or loss) attributable to VIA optronics AG shareholders and the weighted averages number of shares outstanding during the period.

The number of shares outstanding as of December 31, 2019 was 3,000,000. The weighted average of shares outstanding for twelve months ended December 31, 2019 was 2,991,600. Until legal formation of VIA optronics AG, 2,900,000 shares were used as the basis for the calculation of earnings per share based on the number of shares issued for the contribution in kind of VIA optronics GmbH.

Diluted earnings per share correspond to basic earnings per share.

EUR	2019	2018	2017
(Loss)/Income after taxes from continuing operations (attributable to VIA optronics AG shareholders)	(11,759,184)	3,959,134	3,353,540
Weighted average of shares outstanding	2,991,600	2,900,000	2,900,000
(Loss)/Earnings per share in EUR (basic and diluted)	**(3.93)**	**1.37**	**1.16**

26. Other Information

26.1 Employees

The Group had an average of 681 employees (2018: 663; 2017: 591) in the reporting period. The employees are divided in industrial employees and commercial employees. In 2019, the industrial employees amounted to 487 (2018: 465; 2017: 500) and the commercial employees amounted to 194 (2018: 198; 2017: 91).

27. Events after the reporting period

Subsequent to December 31, 2019, the Group drew down TEUR 5,571 under its SPD Bank loan facility, which carries an interest rate of 3.07% and matures in March 2021. The Group also extended the maturities on the amounts outstanding as of December 31, 2019 on its Bayern LB, Deutsche Bank, CZBANK, CITIC BANK, and ICBC Bank loans to August 2020, September 2020, November 2020, December 2020 and December 2020, respectively.

In January 2020, the World Health Organization (WHO) declared the outbreak of novel coronavirus (COVID-19) a public health emergency of international concern. Since then, it spread across mainland China and the Chinese government imposed production-limiting measures. The situation led to the lowering of the planned production output of the Groups' production facilities located in China. In March 2020, the WHO classified the COVID-19 outbreak as a global pandemic based on the rapid increase in exposure globally. The COVID-19 pandemic has resulted in the implementation of significant governmental measures to control the spread of the virus, including quarantines, travel restrictions, business shutdowns and restrictions on the movement of people in many countries globally. In addition, the global economy has experienced substantial volatility, including impacts from the world financial markets.

VIA optronics AG

Notes to the Consolidated Financial Statements (Continued)

December 31, 2019, 2018 and 2017

27. Events after the reporting period (Continued)

In Japan, VTS temporarily halted production for two weeks in March 2020 due to decreased order volume but has since resumed normal production capacity. The Group has taken a series of actions aimed at safeguarding the Group's employees and business associates in Germany, including implementing a work-from-home policy for employees except for those related to manufacturing.

The Group has not experienced significant supply chain interruptions or material cancellations of orders; however, the rapid development and fluidity of the situation presents uncertainty and risk with respect to the Group, its performance and its financial results. Given the uncertainties and ongoing developments, it is not practicable to provide a quantitative estimate of the potential impact of this outbreak on the Group.

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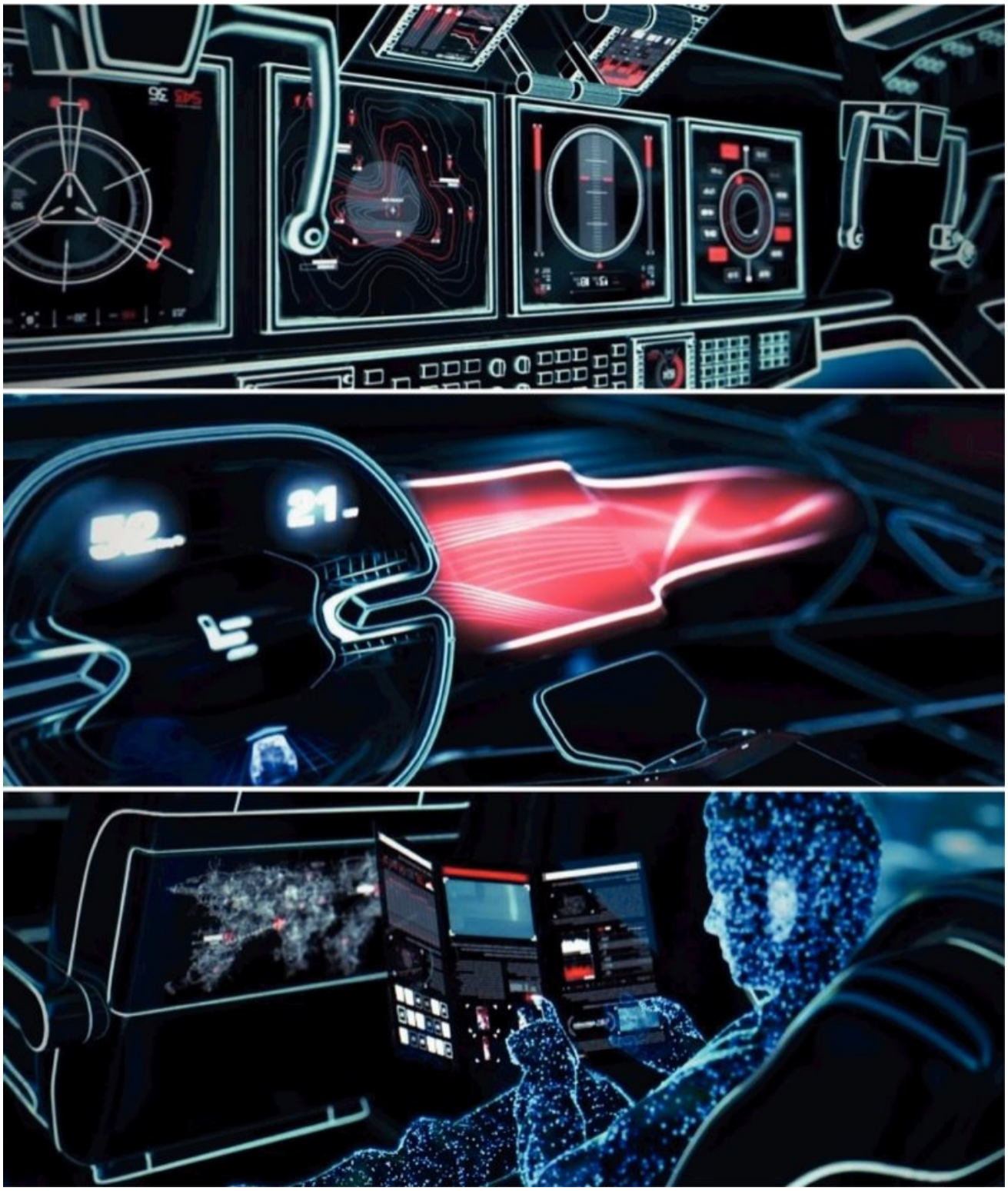

American Depositary Shares
Representing Ordinary Shares

PRELIMINARY PROSPECTUS

, 2020

Sole Bookrunning Manager

Berenberg

Lead Manager

Craig-Hallum Capital Group

Until , 2020 (25 days after the date of this prospectus), all dealers that buy, sell or trade ADSs or our ordinary shares, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II INFORMATION NOT REQUIRED IN PROSPECTUS.

Item 6. *Indemnification of Directors and Officers*

Under German law, we may not, as a general matter, indemnify members of our management board and supervisory board. Certain limited exceptions may apply if the indemnification is in the legitimate interest of our company. We will indemnify our management board and supervisory board members, to the extent permissible under German law, from and against any liabilities arising out of or in connection with their services to us.

We provide directors' and officers' liability insurance for the members of our management and supervisory boards against civil liabilities, which they may incur in connection with their activities on behalf of our company. We intend to expand our insurance coverage against such liabilities, including by providing for coverage against liabilities under the Securities Act.

In the underwriting agreement, the form of which is filed as Exhibit 1.1 to this Registration Statement, the underwriters will agree to indemnify, under certain conditions, us, the members of our management board and persons who control our company within the meaning of the Securities Act, against certain liabilities, but only to the extent that such liabilities are caused by information relating to the underwriters furnished to us in writing expressly for use in this Registration Statement and certain other disclosure documents.

Item 7. *Recent Sales of Unregistered Securities*

Effective June 25, 2019, the shareholders of VIA optronics GmbH contributed all shares in VIA optronics GmbH into VIA optronics AG by way of a contribution in kind against issuance of shares (*Sachkapitalerhöhung*). As a result of this contribution, VIA optronics AG became the holding company for VIA optronics GmbH and its subsidiaries. We have not otherwise sold or transferred any unregistered securities within the past three years.

Item 8. *Exhibits and Financial Statement Schedule*

Exhibit Number	Description of Exhibit
1.1	Form of Underwriting Agreement
3.1	Articles of Association of VIA optronics AG
3.2	Rules of Procedure of the Supervisory Board of VIA optronics AG
3.3	Rules of Procedure of the Management Board of VIA optronics AG
4.1	Form of specimen of ordinary registered share certificate and English translation
4.2	Form of Deposit Agreement
4.3	Form of American Depositary Receipt (included in Exhibit 4.2)
5.1	Opinion of Dechert LLP
8.1	Opinion of Dechert LLP as to U.S. tax matters
8.2	Opinion of Dechert LLP as to German tax matters
10.1	Shareholders Agreement, dated January 25, 2019, by and among VIA optronics AG, Coöperatief IMI Europe U.A. and Jürgen Eichner
10.2^†	Framework Cooperation Agreement, dated April 8, 2019, by and between VIA optronics GmbH and Wacker Chemie AG

Exhibit Number	Description of Exhibit
10.3^	Investment Agreement, dated as of March 7, 2019, by and among VIA optronics AG, VIA optronics GmbH and Corning Research & Development Corporation, as amended September 30, 2019 and March 24, 2020
10.4**	Framework Agreement, dated November 30, 2017, by and between VIA optronics GmbH and Toppan Printing Co., Ltd.
10.5^	Shareholders' Agreement, dated March 23, 2018, by and between VIA optronics GmbH and Toppan Printing Co., Ltd.
10.6^	Employee Secondment Agreement (Toppan), dated March 29, 2018, by and between VTS-Touchsensor Co., Ltd. and Toppan Printing Co., Ltd.
10.7^	Employee Secondment Agreement (TEP), dated March 29, 2018, by and between VTS-Touchsensor Co., Ltd. and Toppan Electronics Products Co., Ltd.
10.8^	Shiga Facility Lease Agreement, dated March 29, 2018, by and between VTS-Touchsensor Co., Ltd. and Toppan Printing Co., Ltd.
10.9^**	Satte Facility Lease Agreement, dated March 29, 2018, by and between VTS-Touchsensor Co., Ltd. and Toppan Printing Co., Ltd., as amended June 23, 2020
10.10**	Business Assistance Agreement, dated March 29, 2018, by and between VTS-Touchsensor Co., Ltd. and Toppan Printing Co., Ltd., as amended April 1, 2019 and April 1, 2020
10.11^†	Transferred IP Purchase Agreement, dated March 29, 2018, by and between VTS-Touchsensor Co., Ltd. and Toppan Touch Panel Products, Co., Ltd.
10.12^†	IP License Agreement, dated March 29, 2018, by and between VTS-Touchsensor Co., Ltd. and Toppan Printing Co., Ltd.
10.13^**	R&D and Consignment Agreement, dated March 29, 2018, by and between VTS-Touchsensor Co., Ltd. and Toppan Printing Co., Ltd., as amended November 7, 2019, December 6, 2019 and June 23, 2020
10.14^	Distribution Agreement, dated March 29, 2018, by and between VTS-Touchsensor Co., Ltd. and Toppan Printing Co., Ltd., as amended June 23, 2020
10.15^†	Project Contract, dated as of July 1, 2018, by and between VIA optronics GmbH and Kloepfel Corporate Finance GmbH as amended July 25, 2019
10.16^**	Service and Support Agreement, dated January 7, 2019, by and between Integrated Micro-Electronics, Inc..and VIA optronics GmbH
10.17^**	Framework Development Agreement, effective as of November 1, 2018, by and between Integrated Micro-Electronics, Inc. and VIA optronics GmbH
10.18	Shareholders Agreement, dated July 11, 2019, by and among VIA optronics AG, Cöoperatief IMI Europe U.A. and Jürgen Eichner
21.1	List of Subsidiaries.

Exhibit Number	Description of Exhibit
23.1	Consent of Dechert LLP (included in Exhibits 5.1, 8.1 and 8.2)
23.2	Consent of Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft
24.1^	Powers of Attorney

^ Previously filed.

** An attachment or portion of this exhibit has been omitted (i) pursuant to Item 601(a)(5) of Regulation S-K because the information contained therein is not material and is not otherwise publicly disclosed or (ii) pursuant to Item 601(a)(6) because it includes information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy. The Registrant will furnish supplementally a copy of the attachment to the Securities and Exchange Commission or its staff upon request.

† Portions of this exhibit have been omitted because they are both (i) not material and (ii) would likely cause competitive harm to the Company if publicly disclosed.

Item 9. ***Undertakings***

(a) The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the provisions described under Item 6 above, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted against the Registrant by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The undersigned Registrant hereby undertakes that:

(i) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(ii) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-1 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Munich, Germany on September 21, 2020.

VIA optronics AG

By: /s/ JÜRGEN EICHNER

Name: Jürgen Eichner
Title: Chief Executive Officer

Pursuant to the requirements of the United States Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature		Date
/s/ JÜRGEN EICHNER Jürgen Eichner	Chief Executive Officer and Member of the Management Board (Principal Executive Officer)	September 21, 2020
/s/ DANIEL JÜRGENS Daniel Jürgens	Chief Financial Officer and Member of Management Board (Principal Financial Officer and Principal Accounting Officer)	September 21, 2020
* Diosdado Banatao	Member of Supervisory Board	September 21, 2020
* Jerome Tan	Member of Supervisory Board	September 21, 2020
* Dr. Heiko Frank	Member of Supervisory Board	September 21, 2020
* Anil Doradla	Member of Supervisory Board	September 21, 2020
* Anthony Best	Member of Supervisory Board	September 21, 2020

*By: /s/ DANIEL JÜRGENS
Daniel Jürgens
Attorney-in-Fact

SIGNATURE OF AUTHORIZED REPRESENTATIVE IN THE UNITED STATES

Pursuant to the requirements of the United States Securities Act of 1933, as amended, the undersigned, the registrant's duly authorized representative in the United States has signed this Registration Statement in Munich, Germany on September 21, 2020.

VIA optronics, LLC

By: /s/ JÜRGEN EICHNER

Name: Jürgen Eichner
Title: Authorized Signatory

Exhibit 1.1

VIA optronics AG

[•] American Depositary Shares

Each representing [•] Ordinary Shares

UNDERWRITING AGREEMENT

New York, New York
[*Date*]

Berenberg Capital Markets LLC
As Representative of the several Underwriters listed in Schedule I hereto,

c/o Berenberg Capital Markets LLC
1251 Avenue of the Americas, 53rd Floor
New York, New York 10020

Ladies and Gentlemen:

VIA optronics AG is a stock corporation (*Aktiengesellschaft*) incorporated in the Federal Republic of Germany ("Germany") and registered in the commercial register of the Local Court in Nuremberg (the "Commercial Register") under the number HRB 36200 (the "Company"). The share capital of the Company in the amount of €3,000,000 consists of 3,000,000 ordinary registered shares with no par value ("Shares"), with a pro rata amount of such total share capital attributable to each Share equal to €1.00, held by (i) Jürgen Eichner, born August 2, 1960, and domiciled as set forth in Schedule II ("Eichner"), and (ii) Coöperatief IMI Europe U.A., a cooperative with limited liability (*uitgesloten aansprakelijkheid*) incorporated in the Netherlands and registered in the commercial register of Amsterdam under the number 52638146 ("IMI Europe," together with Eichner, the "Selling Shareholders" and the Shares held by the Selling Shareholders as of the date hereof, the "Existing Shares").

The Company agrees with the several Underwriters named in Schedule I (the "Underwriters") to this underwriting agreement (this "Agreement"), for whom you (the "Representative") are acting as representative, to issue and sell, and the Underwriters severally agree to purchase, an aggregate of [●] new Shares of the Company (the "Firm Underlying Shares") in the form of [●] American Depositary Shares (the "Firm ADSs" and together with the "Firm Underlying Shares" the "Firm Securities") resulting from an increase in the share capital of the Company (the "Capital Increase") against contributions in cash.

The Selling Shareholders agree to sell to the Underwriters, at the option of the Underwriters, an aggregate of up to [●] additional Existing Shares of the Company (the "Option Underlying Shares") in the form of [●] American Depositary Shares (the "Option ADSs," and together with the Option Underlying Shares the "Option Securities"). The Firm Securities and the Option Securities are hereinafter together referred to as the "Offered Securities". The Firm ADSs and the Option ADSs are hereinafter referred to as "ADSs," and the ADSs and the Shares are hereinafter together referred to as the "Securities".

Every five ADSs will represent one Share of the Company. The ADSs will be evidenced by American Depositary Receipts ("ADRs") to be issued pursuant to a Deposit Agreement ("Deposit Agreement"), to be dated as of the date hereof, to be entered into among The Bank of New York Mellon, as depositary (the "Depositary"), the Company and all holders and beneficial owners from time to time of the ADRs. Each reference herein to an ADR shall include the corresponding ADS, and vice versa. The Offered Securities will be offered in a public offering in the United States of America (the "Offering").

As part of the Offering, Berenberg Capital Markets LLC (the "Designated Underwriter") has agreed to reserve out of the Securities set forth opposite its name on Schedule I to this Agreement, up to [●] Firm Underlying Shares in the form of American Depositary Shares, for sale to the Company's employees, officers, and directors and other parties associated with the Company (collectively, "Participants"), as set forth in the Prospectus under the heading "Underwriting" (the "Directed ADS Program"). The Securities to be sold by the Designated Underwriter or its affiliates or selling agents pursuant to the Directed ADS Program (the "Directed ADSs") will be sold by the Designated Underwriter, or its affiliates or selling agents, as the case may be, pursuant to this Agreement at the public offering price of $[●] per ADS (the "Public Offering Price"). Any Directed ADSs not orally confirmed

for purchase by any Participants by [7:30 A.M.] New York City time on the business day following the date on which this Agreement is executed will be offered to the public by the Designated Underwriter as set forth in the Prospectus.

As used in this Agreement,

the "Registration Statement" means the registration statement referred to in Section 1(a)(i) hereof, including the exhibits, schedules and financial statements and a prospectus relating to the Offered Securities and the information, if any, deemed part of such registration statement pursuant to Rule 430A ("Rule 430A") under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "Securities Act"), as amended at the date and time that this Agreement is executed and delivered by the parties hereto (the "Execution Time"), and, in the event any post-effective amendment thereto or any registration statement and any amendments thereto filed pursuant to Rule 462(b) under the Securities Act (a "Rule 462(b) Registration Statement") becomes effective prior to the Closing Date (as defined in Section 2 hereof), shall also mean such registration statement as so amended or such Rule 462(b) Registration Statement, as the case may be;

the "Effective Date" means each date and time that the Registration Statement, any post-effective amendment or amendments thereto or any Rule 462(b) Registration Statement became or becomes effective;

the "Preliminary Prospectus" means any preliminary prospectus with respect to the offering of the Offered Securities in the United States of America (the "United States") included in the Registration Statement at the Effective Date that omits information with respect to the Securities and the offering thereof permitted to be omitted from the Registration Statement when it becomes effective pursuant to Rule 430A ("Rule 430A Information");

the "Prospectus" means the prospectus with respect to the offering of the Offered Securities in the United States that is first filed with the Securities and Exchange Commission (the "Commission") pursuant to Rule 424(b) ("Rule 424(b)") under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "Securities Act") after the Execution Time;

and the "Disclosure Package" means (i) the Preliminary Prospectus, as generally distributed to investors and used to offer the Offered Securities, (ii) any issuer free writing prospectus, as defined in Rule 433 under the Securities Act ("Rule 433" and, any such issuer free writing prospectus, an "Issuer Free Writing Prospectus"), identified in Schedule III hereto, and (iii) any other free writing prospectus, as defined in Rule 405 under the Securities Act ("Rule 405" and, any such free writing prospectus, a "Free Writing Prospectus"), that the parties hereto shall hereafter expressly agree in writing to treat as part of the Disclosure Package.

1. Representations and Warranties.

(a) *Representations and Warranties of the Company*. The Company represents and warrants to, and agrees with, each Underwriter as set forth below in this paragraph (a).

(i) *Filing and Effectiveness of Registration Statement*. The Company has prepared and filed with the Commission a Registration Statement (File No. 333-248599) on Form F-1, including the related Preliminary Prospectus, for the registration of the offering and sale of the Offered Securities under the Securities Act. Such Registration Statement, including any amendments thereto filed prior to the Execution Time, has become effective. The Company may have filed one or more amendments thereto, including the related Preliminary Prospectus,

each of which has previously been furnished to you. The Company will file with the Commission a Final Prospectus relating to the Securities in accordance with Rule 424(b) after the Execution Time. As filed, such Final Prospectus shall contain all information with respect to the Offered Securities and the offering thereof in the form of ADSs required by the Securities Act and, except to the extent the Representative shall agree in writing to a modification, shall be in all substantive respects in the form furnished to you prior to the Execution Time or, to the extent not completed at the Execution Time, shall contain only such specific additional information and other changes (beyond that contained in the latest Preliminary Prospectus) as the Company has advised you, prior to the Execution Time, will be included or made therein.

(ii) *Compliance with Securities Act Requirements*. (i) On the Effective Date, the Registration Statement did, and when the Prospectus is first filed in accordance with Rule 424(b), on the Closing Date and on each Option Closing Date (in each case as defined in Section 2 hereof), the Prospectus (and any supplements thereto) will, comply in all material respects with the applicable requirements of the Securities Act and the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "Exchange Act"); (ii) on the Effective Date and at the Execution Time, the Registration Statement did not and, on the Subscription Date, on the Closing Date and on each Option Closing Date (in each case as defined in Section 2 hereof), the Registration Statement will not, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading; and (iii) on the date of any filing pursuant to Rule 424(b), on the Closing Date and on each Option Closing Date (in each case as defined in Section 2 hereof), the Prospectus (together with any supplement thereto) will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representations or warranties as to the information contained in or omitted from the Registration Statement or the Prospectus (or any supplement thereto) in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter through the Representative specifically for inclusion in the Registration Statement or the Prospectus (or any supplement thereto), it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 6 hereof.

(iii) *Filing and Effectiveness of Registration Statement in respect of the ADSs*. The Company has filed with the Commission a registration statement (File No. 333-248714) on Form F-6 for the registration under the Securities Act of the offering and sale of the ADSs (such registration statement together with any supplements thereto, the "ADR Registration Statement"). The Company may have filed one or more amendments thereto, each of which has previously been furnished to you. Such ADR Registration Statement (i), at the time of its effectiveness, did comply and, at the Execution Time, on the Subscription Date, on the Closing Date and on each Option Closing Date (in each case as defined in Section 2 hereof), will comply, in all material respects, with the applicable requirements of the Securities Act and the rules thereunder and (ii), at the time of its Effective Date and at the Execution Time, did not and, on the Subscription Date, on the Closing Date and on each Option Closing Date (in each case as defined in Section 2 hereof), will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading.

(iv) *ADSs*. Upon issuance by the Depositary of ADRs evidencing ADSs against deposit of Shares in accordance with the provisions of the Deposit Agreement, such ADRs will be duly and validly issued and persons in whose names the ADRs are registered will be entitled to the rights specified in the ADRs and in the Deposit Agreement; and upon the sale and delivery to

the Underwriters of the ADRs, and payment therefor, pursuant to this Agreement, the Underwriters will acquire good, marketable and valid title to such ADRs, free and clear of all pledges, liens, security interests, charges, claims or encumbrances of any kind; and the Deposit Agreement and the ADRs conform in all material respects to the descriptions thereof contained in the Disclosure Package and will conform in all material respects to the descriptions thereof contained in the Prospectus.

(v) *Concurrent Private Placement — Securities Laws*. The issuance and sale of Shares ("Private Placement Shares") by the Company to Corning Research & Development Corporation ("Corning"), pursuant to an Investment Agreement ("Corning Investment Agreement") dated March 7, 2019, as amended September 30, 2019 and March 24, 2020 (the "Concurrent Private Placement"), is exempt from the registration requirements of Section 5 of the Securities Act. The Concurrent Private Placement will not be integrated with this Offering.

(vi) *[Reserved]*

(vii) *Absence of Stamp Duties and Transfer Taxes*. No stamp or other issuance or transaction, transfer, documentary, registration, withholding or other taxes or duties, including any interest and penalties imposed in the Federal Republic of Germany (jointly the "Transfer Taxes") are payable by or on behalf of the Underwriters or the purchasers of the Offered Securities in connection with (A) the sale and delivery of Firm Underlying Shares by the Company, in accordance with the terms of this Agreement, (B) the transfer of the title to the Firm Underlying Shares to the Depositary, the deposit of the Firm Underlying Shares with the participant of Clearstream designated by the Depositary and the issuance by the Depositary of the ADRs evidencing the ADSs, (C) the sale and delivery by the Underwriters of Firm Underlying Shares or ADS representing such Firm Underlying Shares in accordance with the terms of this Agreement to purchasers thereof, or (D) the execution and delivery of this Agreement.

(viii) *Dividends and Payments in Foreign Currency*. Except as described in each of the Disclosure Package and the Prospectus, (i) all dividends and other distributions declared and payable on the Shares may under current German law and regulations be paid to the Depositary and to the holders of Offered Securities, as the case may be, in Euros and may be converted into foreign currency that may be transferred out of Germany in accordance with the Deposit Agreement and (ii) all such payments made to holders thereof or therein who are non-residents of Germany will not be subject to income, withholding or other taxes under laws and regulations of Germany or any political subdivision or taxing authority thereof or therein and will otherwise be free and clear of any other tax, duty, withholding or deduction in Germany or any political subdivision or taxing authority thereof or therein and without the necessity of obtaining any governmental authorization in Germany or any political subdivision or taxing authority thereof or therein.

(ix) *Passive Foreign Investment Company*. The Company was not a Passive Foreign Investment Company ("PFIC") within the meaning of Section 1297 of the United States Internal Revenue Code of 1986, as amended, for its most recent taxable year and does not expect to be a PFIC for its current taxable year or in the foreseeable future.

(x) *Disclosure Package*. (i) The Disclosure Package, (ii) each electronic road show, when taken together as a whole with the Disclosure Package, and (iii) any individual Written Testing-the-Waters Communication (as defined in Section 1(a)(xiii) hereof), when taken together as a whole with the Disclosure Package does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein,

in the light of the circumstances under which they were made, not misleading. The preceding sentence does not apply to statements in or omissions from the Disclosure Package based upon and in conformity with written information furnished to the Company by any Underwriter through the Representative specifically for use therein, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the information described as such in Section 6 hereof.

(xi) *Ineligible Issuer*. (i) At the time of filing the Registration Statement and (ii) as of the Execution Time (with such date being used as the determination date for purposes of this clause (ii)), the Company was not and is not an Ineligible Issuer (as defined in Rule 405), without taking account of any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an Ineligible Issuer.

(xii) *Emerging Growth Company*. From the time of initial confidential submission of the Registration Statement to the Commission (or, if earlier, the first date on which the Company engaged directly or through any person authorized to act on its behalf in any Testing-the-Waters Communication) through the Execution Time, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act (an "Emerging Growth Company"). "Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on Section 5(d) of the Securities Act.

(xiii) *Testing-the-Waters Communication*. The Company (i) has not alone engaged in any Testing-the-Waters Communication and (ii) has not authorized anyone other than the Underwriters to engage in Testing-the-Waters Communications. The Company reconfirms that the Underwriters have been authorized to act on its behalf in undertaking Testing-the-Waters Communications. The Company has not distributed any Written Testing-the-Waters Communications. "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405.

(xiv) *Issuer Free Writing Prospectus*. Each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the Offering, did not and will not include any information that conflicts with the information contained in the Registration Statement. The foregoing sentence does not apply to statements in or omissions from any Issuer Free Writing Prospectus based upon and in conformity with written information furnished to the Company by any Underwriter through the Representative specifically for use therein, it being understood and agreed that the only such information furnished by or on behalf of any Underwriter consists of the information described as such in Section 6 hereof.

(xv) *XBRL*. The interactive data in the eXtensible Business Reporting Language ("XBRL") included as an exhibit to the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(xvi) *Good Standing*. Each of the Company and its subsidiaries has been duly formed or incorporated, as applicable, and is validly existing and is in good standing under the laws of the jurisdiction in which it is chartered or organized with full power and authority to own or lease, as the case may be, and to operate its properties and conduct its business as described in the Disclosure Package and the Prospectus, and is duly qualified to do business as a foreign corporation and is in good standing under the laws of each jurisdiction which requires such qualification, except where the failure to be so qualified or in good standing would not reasonably

be expected, individually or in the aggregate, to have a material adverse effect on the condition (financial or otherwise), prospects, earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business (a "Material Adverse Effect").

(xvii) *Offered Securities*. The Offered Securities and all other outstanding shares of capital stock of the Company have been or, when issued will be, duly authorized; the equity capitalization of the Company is as set forth in the Disclosure Package and the Prospectus; all outstanding shares of capital stock of the Company, including the Firm Underlying Shares when subscribed, paid for and registered in the Commercial Register and delivered as provided herein, are, and, when the Offered Securities have been delivered and paid for in accordance with this Agreement on the Closing Date or each Option Closing Date (in each case as defined in Section 2 hereof), will be, validly issued, fully paid, non-assessable, freely transferable and free of any third party rights and conform to the description of the Offered Securities contained in the Disclosure Package and the Prospectus; any preemptive rights of any existing shareholders in connection with the offer and sale of the Offered Securities are validly excluded or waived and will be validly excluded or waived at the respective time of delivery; and none of the outstanding shares of capital stock of the Company have been issued in violation of any preemptive or similar rights of any security holder; and the Company has not distributed, and will not distribute, assets to any of its shareholders in a manner that would qualify as an unlawful repayment of capital (*Einlagenrückgewähr*).

(xviii) *Capital Stock of Subsidiaries*. All the outstanding shares of capital stock of each subsidiary have been duly and validly authorized and issued and are fully paid and non-assessable, and, except as otherwise set forth in the Disclosure Package and the Prospectus, all outstanding shares of capital stock of the subsidiaries are owned by the Company either directly or through wholly owned subsidiaries free and clear of any perfected security interest or any other security interests, claims, liens or encumbrances.

(xix) *Finder's Fee*. Except as disclosed in the Registration Statement, the Disclosure Package and the Prospectus, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this Offering.

(xx) *Listing*. The Offered Securities have been approved for listing on the New York Stock Exchange, subject to notice of issuance.

(xxi) *Material Contracts*. There is no franchise, contract or other document of a character required to be described in the Registration Statement, ADR Registration Statement or Prospectus, or to be filed as an exhibit thereto, which is not described or filed as required (and the Preliminary Prospectus contains in all material respects the same description of the foregoing matters that will be contained in the Prospectus).

(xxii) *Due Authorization; Valid Agreements*. (i) Each of this Agreement, the Deposit Agreement and the indemnification and cost reimbursement agreement entered into on September 21, 2020 between the Company and the Selling Shareholders in relation to certain Offering-related costs, expenses and liability risks (the "Indemnification and Cost Reimbursement Agreement") has been duly authorized, executed and delivered by the Company and (ii) this Agreement, the Deposit Agreement (assuming the Depositary has satisfied those legal requirements that are applicable to it to the extent necessary to make the Deposit Agreement

enforceable against it) and the Indemnification and Cost Reimbursement Agreement constitute under applicable U.S. law and German law a valid, binding and enforceable agreement of the Company, except in the case of clauses (ii) and (iii) for any such breach, violation or imposition as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(xxiii) *No Material Adverse Change in Business*. Except as disclosed in the Disclosure Package and the Prospectus, since June 30, 2020, (i) there has been no change, nor any development or event involving a prospective change, in the condition (financial or otherwise), results of operations, business, properties or prospects of the Company and its subsidiaries, taken as a whole that is material and adverse to the Company and its subsidiaries, (ii) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock and (iii) there has been no material adverse change in the capital stock, short-term indebtedness, long-term indebtedness, net current assets or net assets of the Company and its subsidiaries.

(xxiv) *Investment Company Act*. The Company is not and, after giving effect to the offering and sale of the Offered Securities and the application of the proceeds thereof as described in the Disclosure Package and the Prospectus, will not be an "Investment Company" as defined in the Investment Company Act of 1940, as amended.

(xxv) *Absence of Further Requirements*. No consent, approval, authorization, filing with or order of any relevant court or governmental agency or body is required in connection with the transactions contemplated herein or in the Deposit Agreement, except (i) such as have been obtained under the Securities Act or from Financial Industry Regulatory Authority, Inc. ("FINRA"), (ii) such as may be required under the "blue sky" or similar laws of any U.S. or foreign jurisdiction in connection with the purchase and distribution of the Offered Securities by the Underwriters in the manner contemplated herein and in the Disclosure Package and the Prospectus and (iii) for the filing of the application for registration of the Capital Increase and the registration of the Capital Increase with the Commercial Register. Any consent, approval or authorization of any third party that is required to reference the name of such third party in the Registration Statement, Preliminary Prospectus, Disclosure Package, Prospectus, each Issuer Free Writing Prospectus and Free Writing Prospectus, if any, and any electronic road show, has been obtained.

(xxvi) *Absence of Defaults and Conflicts Resulting from Transaction*. Neither the issue and sale of the Offered Securities nor the consummation of any other of the transactions herein contemplated or the fulfillment of the terms hereof, of the Deposit Agreement or of the Indemnification and Cost Reimbursement Agreement will conflict with, result in a breach or violation of, or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any of its subsidiaries pursuant to, (i) the charter or by-laws of the Company or any of its subsidiaries, (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company or any of its subsidiaries is a party or bound or to which its or their property is subject, or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or any of its subsidiaries of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or any of its subsidiaries or any of its or their properties, except in the case of clauses (ii) and (iii) for any such breach, violation or imposition as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(xxvii) *Registration Rights*. No holders of securities of the Company have rights to the registration of such securities under the Registration Statement.

(xxviii) *Financial Statements*. The consolidated historical financial statements and schedules of the Company and its consolidated subsidiaries included in the Disclosure Package, the Prospectus and the Registration Statement present fairly the financial condition, results of operations and cash flows of the Company and its consolidated subsidiaries as of the dates and for the periods indicated, comply as to form with the applicable accounting requirements of the Securities Act and have been prepared in conformity with international financial reporting standards and applied on a consistent basis throughout the periods involved (except as otherwise noted therein); the selected financial data set forth under the caption "Selected Consolidated Financial and Other Data" in the Disclosure Package, the Prospectus and Registration Statement fairly present, in all material respects, on the basis stated in the Disclosure Package, the Prospectus and the Registration Statement, the information included therein.

(xxix) *Litigation*. No action, suit or proceeding (including any inquiries or investigations) by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries or its or their property is pending or, to the knowledge of the Company, threatened that (i) would reasonably be expected to have a material adverse effect on the performance of this Agreement and the Deposit Agreement or the consummation of any of the transactions contemplated hereby or (ii) would reasonably be expected to have a Material Adverse Effect, except as set forth in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto).

(xxx) *Title to Property; Leases*. Each of the Company and each of its subsidiaries owns or leases all such properties and assets as are necessary to the conduct of its operations as presently conducted except as would not reasonably be expected to have a Material Adverse Effect.

(xxxi) *Absence of Existing Defaults and Conflicts*. Neither the Company nor any subsidiary is in violation or default of (i) any provision of its charter or bylaws, (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which it is a party or bound or to which its property is subject, or (iii) any statute, law, rule, regulation, judgment, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or such subsidiary or any of its properties, as applicable, except in the case of clauses (ii) and (iii) for any such breach, violation or imposition as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(xxxii) *Independent Public Accountants*. Ernst & Young GmbH, who have certified certain financial statements of the Company and its consolidated subsidiaries and delivered their report with respect to the audited consolidated financial statements and schedules included in the Disclosure Package and the Prospectus, are independent public accountants with respect to the Company within the meaning of the Securities Act and the applicable published rules and regulations thereunder.

(xxxiii) *Absence of Tax Issues*. The Company and its subsidiaries have filed all tax returns that are required to be filed or have requested extensions thereof and have paid all taxes required to be paid by them and any other assessment, fine or penalty levied against them, to the extent that any of the foregoing is due and payable and is not being contested in good faith,

except as would not reasonably be expected to have a Material Adverse Effect; and, except as set forth in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto), there is no tax deficiency which has been or might reasonably be expected to be asserted or threatened against the Company or any of its subsidiaries, except as would not reasonably be expected to have a Material Adverse Effect.

(xxxiv) *Absence of Labor Dispute*. No labor problem or dispute with the employees of the Company or any of its subsidiaries exists or is threatened or imminent, and the Company is not aware of any existing or imminent labor disturbance by the employees of any of its or its subsidiaries' principal suppliers, contractors or customers, that would reasonably be expected to have a Material Adverse Effect, except as set forth in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto).

(xxxv) *Insurance Coverage*. The Company and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and customary in the businesses in which they are engaged; all policies of insurance and fidelity or surety bonds insuring the Company or any of its subsidiaries or their respective businesses, assets, employees, officers and directors are in full force and effect; the Company and its subsidiaries are in compliance with the terms of such policies and instruments in all material respects; and there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; neither the Company nor any such subsidiary has been refused any insurance coverage sought or applied for; and neither the Company nor any such subsidiary has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not reasonably be expected have a Material Adverse Effect, except as set forth in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto).

(xxxvi) *Subsidiary Dividends*. No subsidiary of the Company is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's property or assets to the Company or any other subsidiary of the Company, except as described in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto) and except, in each case, for any prohibition that would not have or be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect.

(xxxvii) *Possession of Licenses and Permits*. The Company and its subsidiaries possess all licenses, certificates, permits and other authorizations issued by all applicable authorities necessary to conduct their respective businesses, except where the failure to possess such licenses, certificates, permits and other authorizations would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and neither the Company nor any such subsidiary has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would reasonably be expected to have a Material Adverse Effect, except as set forth in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto).

(xxxviii) *Internal Controls*. Except as set forth in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto), the Company and each

subsidiary maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; and (v) the interactive data in the XBRL included in the Registration Statement, the Preliminary Prospectus and the Prospectus is in compliance with the Commission's published rules, regulations and guidelines applicable thereto. Except as set forth in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto), the Company and its subsidiaries' internal controls over financial reporting are effective and the Company and its subsidiaries are not aware of any material weakness in their internal controls over financial reporting. Upon consummation of the Offering, the Company's system of internal controls will be overseen by the audit committee (*Prüfungsausschuss*) of the Company's Supervisory Board (*Aufsichtsrat*). Except as set forth in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto), the Company has not publicly disclosed or reported to the audit committee or the Supervisory Board a significant deficiency, material weakness, change in internal accounting controls, or fraud involving management or other employees who have a significant role in internal accounting controls.

(xxxix) *Absence of Accounting Issues*. To the Company's knowledge, the audit committee is not reviewing or investigating, and neither the Company's independent auditors nor its internal auditors have recommended that the audit committee review or investigate, (i) adding to, deleting, changing the application of, or changing the Company's disclosure with respect to any of the Company's material accounting policies; or (ii) any matter which would reasonably be expected to result in a restatement of the Company's financial statements and the schedules attached thereto for the annual or interim periods for which financial statements are included in the Disclosure Package and the Prospectus.

(xl) *Disclosure Controls and Procedures*. The Company and its subsidiaries maintain "disclosure controls and procedures" (as such term is defined in Rule 13a-15I under the Exchange Act) that have been designed to ensure that material information relating to the Company and its subsidiaries is made known to the Company's principal executive officer and principal financial officer by others within those entities and such disclosure controls and procedures are effective in all material respects to perform the functions for which they were established.

(xli) *Absence of Manipulation*. The Company has not taken, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, under the Exchange Act or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

(xlii) *Environmental Laws (Compliance)*. The Company and its subsidiaries are (i) in compliance with any and all applicable foreign, federal, state and local laws and regulations and any order of any governmental agency or body or any court, domestic or foreign, relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("Environmental Laws"), (ii) have received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) have not received notice of any actual or potential liability under any environmental law, except where such non-compliance

with Environmental Laws, failure to receive required permits, licenses or other approvals, or liability would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, except as set forth in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto). Except as set forth in the Disclosure Package and the Prospectus, neither the Company nor any of the subsidiaries has been named as a "potentially responsible party" under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

(xliii) *Environmental Laws (Monitoring)*. In the ordinary course of its business, the Company periodically reviews the effect of Environmental Laws on the business, operations and properties of the Company and its subsidiaries, in the course of which it identifies and evaluates associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws, or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties). On the basis of such review, the Company has reasonably concluded that such associated costs and liabilities would not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect, except as set forth in the Disclosure Package and the Prospectus (exclusive of any amendment or supplement thereto).

(xliv) *Absence of Compensation Issues*. None of the following events has occurred, exists or is reasonably likely to occur that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) a failure by the Company or any of its subsidiaries to fulfill its obligations, if any, under the minimum funding standards of Section 302 of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the regulations and published interpretations thereunder with respect to any defined benefit plan subject thereto; (ii) an audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other federal or state governmental agency or any foreign regulatory agency with respect to the employment or compensation of employees by any of the Company or any of its subsidiaries; (iii) any breach of any contractual obligation, or any violation of law or applicable qualification standards, with respect to (x) any employee benefit plans, agreements or arrangements or (y) the employment or compensation of employees by the Company or any of its subsidiaries; (iv) any event or condition giving rise to a liability under Title IV of ERISA; or (v) the filing of a claim by, for or in respect of one or more employees or former employees of the Company or any of its subsidiaries related to (x) any employee benefit plans, agreements or arrangements or (y) their employment or compensation.

(xlv) *Compliance with Sarbanes-Oxley Act and Exchange Rules*. There is and has been no failure on the part of any of the Company, the Company's Supervisory Board (*Aufsichtsrat*) and Management Board (*Vorstand*) and any of the Company's directors or officers, in their capacities as such, to comply with any provision of the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated thereunder (the "Sarbanes-Oxley Act") that are in effect and with which the Company is required to comply as of the Effective Date, including Section 402 relating to loans and Sections 302 and 906 relating to certifications. Upon the listing of the ADSs, the Company will be in compliance with the rules of the New York Stock Exchange ("Exchange Rules"), including those of its corporate governance standards applicable to foreign private issuers.

(xlvi) *Compliance with Anti-Bribery Laws*. Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee, affiliate or other person acting on behalf of the Company or any of its subsidiaries is aware of or

has taken any action, directly or indirectly, that could result in a violation or a sanction for violation by such persons of the Foreign Corrupt Practices Act of 1977 or the U.K. Bribery Act 2010, each as may be amended, or similar law of any other relevant jurisdiction, or the rules or regulations thereunder; and the Company and its subsidiaries have instituted and maintain policies and procedures to ensure compliance therewith. No part of the proceeds of the Offering will be used, directly or indirectly, in violation of the Foreign Corrupt Practices Act of 1977 or the U.K. Bribery Act 2010, each as may be amended, or similar law of any other relevant jurisdiction, or the rules or regulations thereunder.

(xlvii) *Compliance with Anti-Money Laundering Laws*. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements and the money laundering statutes and the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any relevant governmental agency (collectively, the "Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(xlviii) *Compliance with Sanctions Laws (I)*. Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries (i) is, or is controlled or 50% or more owned in the aggregate by or is acting on behalf of, one or more individuals or entities that are currently the subject of any sanctions administered or enforced by the United States (including any administered or enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State or the Bureau of Industry and Security of the U.S. Department of Commerce), the United Nations Security Council, the European Union, a member state of the European Union (including sanctions administered or enforced by Her Majesty's Treasury of the United Kingdom) or other relevant sanctions authority (collectively, "Sanctions" and such persons, "Sanctioned Persons" and each such person, a "Sanctioned Person"), (ii) is located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions that broadly prohibit dealings with that country or territory (collectively, "Sanctioned Countries" and each, a "Sanctioned Country") or (iii) will, directly or indirectly, use the proceeds of this Offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other individual or entity in any manner that would result in a violation of any Sanctions by, or could result in the imposition of Sanctions against, any individual or entity (including any individual or entity participating in the Offering, whether as underwriter, advisor, investor or otherwise).

(xlix) *Compliance with Sanctions Laws (II)*. Neither the Company nor any of its subsidiaries has engaged in any dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country, in the preceding three years, nor does the Company or any of its subsidiaries have any plans to engage in dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country.

(l) *Significant Subsidiaries*. The subsidiaries listed on Schedule IV attached hereto are the only significant subsidiaries of the Company as defined by Rule 1-02 of Regulation S-X.

(li) *Intellectual Property*. Except in each case as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and except as otherwise

disclosed in the Disclosure Package and Prospectus, the Company and its subsidiaries own, possess, license or have other rights to use all patents, patent applications, trade and service marks, trade and service mark registrations, trade names, copyrights, licenses, inventions, trade secrets, technology, know-how and other intellectual property (collectively, the "Intellectual Property") necessary for the conduct of the Company's business as now conducted or as proposed in the Disclosure Package and Prospectus to be conducted. Except as set forth in the Disclosure Package and the Prospectus and except, in each case as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect (a) to the Company's knowledge, there are no rights of third parties to any such Intellectual Property and such Intellectual Property is owned by the Company free and clear of all material liens, security interests, or encumbrances; (b) to the Company's knowledge, there is no material infringement by third parties of any such Intellectual Property; (c) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others against the Company challenging the Company's rights in or to any such Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (d) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any such Intellectual Property, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (e) to the Company's knowledge, the patents, trademarks and copyrights held or licensed by the Company included within the Intellectual Property are valid, enforceable and subsisting, and the patent, trademark, and copyright applications included within the Intellectual Property are subsisting and have not been abandoned; (f) there is no pending or, to the Company's knowledge, threatened action, suit, proceeding or claim by others that the Company infringes or otherwise violates any patent, trademark, copyright, trade secret or other proprietary rights of others, and the Company is unaware of any facts which would form a reasonable basis for any such claim; (g) to the Company's knowledge, the development, manufacture, sale, and any currently proposed use of any of the products, proposed products or processes of the Company referred to in the Disclosure Package and the Prospectus, in the current or proposed conduct of the business of the Company, do not currently, and will not upon commercialization, to the Company's knowledge, infringe any right or valid patent claim of any third party; and (h) all patents and patent applications owned by or licensed to the Company or under which the Company has rights have, to the Company's knowledge, been duly and properly filed and maintained and to the Company's knowledge, there are no material defects in any of the patents or patent applications in the Intellectual Property. The Company and its subsidiaries have taken and will maintain commercially reasonable measures to prevent the unauthorized dissemination or publication of their respective Intellectual Property and, to the extent contractually required to do so, the Intellectual Property of third parties in their possession. To the Company's knowledge, no employee, consultant or independent contractor of the Company is in or has ever been in violation in any material respect of any term of any employment contract, patent disclosure agreement, invention assignment agreement, non-competition agreement, non-solicitation agreement nondisclosure agreement or any restrictive covenant to or with a former employer or independent contractor where the basis of such violation relates to such employee's employment or independent contractor's engagement with the Company or actions undertaken while employed or engaged with the Company.

(lii) *Fair Summaries*. The statements contained in the Disclosure Package and the Prospectus under the captions "Prospectus Summary — Implications of Being an Emerging Growth Company," "Prospectus Summary — Implications of Being a Foreign Private Issuer," "Prospectus Summary — Implications of Being a Controlled Company," "Risk Factors — Risks Related to the American Depositary Shares and this Offering," "Management's Discussion and Analysis of Financial Condition and Results of Operations — Emerging Growth Company Status," "Business — Strategic Alliance Agreements," "Business — Government Regulation,"

"Business — Data Protection and Data Privacy," "Business — Legal Proceedings," "Management — German Corporate Governance Code," "Related Party Transactions," "Description of Company History and Share Capital" and "Description of American Depositary Shares," in each case insofar as such statements summarize legal matters, agreements, documents, or proceedings discussed therein, are accurate and fair summaries of such legal matters, agreements, documents or proceedings, and the statements contained in the Disclosure Package and the Prospectus under the caption "Taxation," insofar as such statements purport to summarize certain federal income tax laws of the United States and certain tax laws of Germany, constitute a fair summary of the principal U.S. federal income tax consequences and German tax consequences, respectively, of an investment in the Securities.

(liii) *Cybersecurity.* (i) Except as may be included in the Registration Statement, the Disclosure Package and the Prospectus, (x) to the Company's knowledge, there has been no material security breach or other material compromise of or relating to any of the Company's or its subsidiaries' information technology and computer systems, networks, hardware, software, data (including the data of their respective customers, employees, suppliers, vendors and any third party data maintained by or on behalf of them), equipment or technology (collectively, "IT Systems and Data") and (y) the Company and its subsidiaries have not been notified in writing of, and have no knowledge of any event or condition that would reasonably be expected to result in, any material security breach or other material compromise to their IT Systems and Data; (ii) the Company and its subsidiaries are, to the best of their knowledge, presently in compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any relevant court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of IT Systems and Data and to the protection of such IT Systems and Data from unauthorized use, access, misappropriation or modification, except as would not, in the case of this clause (ii), individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (iii) the Company and its subsidiaries have implemented backup and disaster recovery technology consistent with industry standards and practices.

(liv) *Statistical and Market-Related Data*. (i) Any third-party statistical and market-related data included in the Registration Statement, the Disclosure Package or the Prospectus, including but not limited to the market reports referred to in the Disclosure Package and the Prospectus under the heading "Business — Our Market Opportunity," are based on or derived from sources that the Company reasonably believes to be reliable and accurate, and (ii) the Company's expectations or estimates included in the Registration Statement, the Disclosure Package or the Prospectus based on such third-party statistical and market-related data represent the Company's good faith expectations or estimates.

(lv) *Lending Relationship*. Except as disclosed in the Registration Statement, the Disclosure Package and the Prospectus, the Company (i) does not have any material lending or other relationship with any bank or lending affiliate of any Underwriter and (ii) does not intend to use any of the proceeds from the sale of the Offered Securities hereunder to repay any outstanding debt owed to any affiliate of any Underwriter.

(lvi) *Personal Jurisdiction*. The Company has validly and irrevocably submitted to the personal jurisdiction of any state or Federal court in the City of New York, New York, and has validly and irrevocably waived any objection to the venue of a proceeding in any such court.

(lvii) *Absence of Immunity from Jurisdiction*. Neither the Company nor any of its subsidiaries nor any of its or their properties or assets has any immunity from the jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to

judgment, attachment in aid of execution or otherwise) under the laws of (i) any jurisdiction in which they own or lease property or assets, (ii) the United States or the State of New York, or (iii) Germany or any political subdivision thereof with respect to themselves or their property and assets.

(lviii) *Contribution of VIA optronics GmbH Shares*. The Existing Shares issued to the Selling Shareholders in connection with an increase in the stated share capital of the Company by €2,900,000.00 from €100,000.00 to €3,000,000.00, resolved by the shareholders' meeting of the Company on April 18, 2019 and registered with the Commercial Register on July 4, 2019, against contribution to the Company by the Selling Shareholders of the shares of VIA optronics GmbH (the "Contribution in Kind") were upon issuance and, on the Closing Date and each Option Closing Date, will be validly issued, fully paid (with the value of the VIA optronics GmbH shares contributed being at least equal to the full nominal amount of the Existing Shares so issued and are non-assessable. The Contribution in Kind and the contribution agreement relating thereto between the Selling Shareholders and the Company dated April 12, 2019 are fully compliant with the requirements applicable to post-formation acquisitions (*Nachgründungen*) as set forth in Sec. 52 of the German Stock Corporation Act (*Aktiengesetz*).

Furthermore, the Company represents and warrants to the Designated Underwriter that the Registration Statement, the Prospectus, any preliminary prospectus and any Issuer Free Writing Prospectuses comply, and any further amendments or supplements thereto will comply, with any applicable laws or regulations of foreign jurisdictions in which the Prospectus or any preliminary prospectus and any Issuer Free Writing Prospectus, as amended or supplemented, if applicable, are distributed in connection with the Directed ADS Program, and that no authorization, approval, consent, license, order, registration or qualification of or with any government, governmental instrumentality or court, other than such as have been obtained, is necessary under the securities laws and regulations of foreign jurisdictions in which the Directed ADSs are offered outside the United States. The Company has not offered, or caused the Underwriters to offer, Securities to any person pursuant to the Directed ADS Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company to alter the customer's or supplier's level or type of business with the Company, or (ii) a trade journalist or publication to write or publish favorable information about the Company or its products.

Any certificate signed by any officer of the Company and delivered to the Representative or counsel for the Underwriters in connection with the Offering shall be deemed a representation and warranty by the Company, as to matters covered thereby as of the date thereof, to each Underwriter.

(b) Each Selling Shareholder, severally and not jointly, solely as to itself or himself, represents and warrants to, and agrees with, each Underwriter as set forth below in this paragraph (b):

(i) *Good Standing*. If the Selling Shareholder is an entity, such Selling Shareholder has been duly formed or incorporated, as applicable, and is validly existing and is in good standing under the laws of the jurisdiction in which it is chartered or organized with full power and authority to enter into and perform under this Agreement, and is in good standing under the laws of its jurisdiction of organization if such jurisdiction requires such qualification, except where the failure to be so qualified or in good standing would not reasonably be expected, individually or in the aggregate, to have a material adverse effect on the condition (financial or otherwise), prospects, earnings, business or properties of such Selling Shareholder and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business (a "Selling Shareholder Material Adverse Effect").

(ii) [Reserved].

(iii) *Option Securities*. Such Selling Shareholder has and, on each Option Closing Date (as defined in Section 2 hereof), will have, valid and unencumbered title to the Option Underlying Shares to be delivered by such Selling Shareholder on each such Option Closing Date (as defined in Section 2 hereof) and the power and authority to enter into this Agreement and to sell, assign, transfer and deliver the Option Underlying Shares to be delivered by such Selling Shareholder on each such Option Closing Date (as defined in Section 2 hereof) hereunder; and upon the delivery to The Bank of New York Mellon SA/NV, as custodian (the "Custodian") of and payment for the Option Underlying Shares on each such Option Closing Date (as defined in Section 2 hereof), the Depositary through the Custodian will, subject to the Deposit Agreement, acquire valid and unencumbered title to the Option Underlying Shares to be delivered by such Selling Shareholder on each such Option Closing Date (as defined in Section 2 hereof). Upon the deposit of the Option Underlying Shares with the Custodian pursuant to the Deposit Agreement in accordance with the terms thereof against issuance by the Depositary of Option ADRs representing the Option ADSs, all right, title and interest in such Option Underlying Shares, subject to the Deposit Agreement, will be transferred to the Depositary or its nominee, as the case may be, free and clear of all liens, encumbrances, claims or other third-party rights, subject to the Deposit Agreement; and upon delivery of the Option ADRs and payment therefor pursuant hereto, good and valid title to such Option ADRs, free and clear of all liens, encumbrances, equities or adverse claims, will pass to the several Underwriters.

(iv) *Absence of Manipulation*. Such Selling Shareholder has not taken, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, under the Exchange Act or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

(v) *Custody*. One or more global share certificate(s) held by such Selling Shareholder representing the Existing Shares (each an "Existing Share Certificate") have been delivered to Clearstream Banking AG ("Clearstream Frankfurt"), to enable the delivery of the Option Underlying Shares held by such Selling Shareholder to the Depositary through the Custodian by way of book-entry in the securities account of the Custodian; the Option Underlying Shares represented by the Existing Share Certificate(s) so held in custody for such Selling Shareholder are subject to the interests under this Agreement of the Underwriters; the arrangements for custody of the Option Underlying Shares by the Custodian, made by such Selling Shareholder under this Agreement, are not subject to termination by any acts of such Selling Shareholder, or by operation of law, whether by the death or incapacity of such Selling Shareholder or the occurrence of any other event; and if any such death, incapacity or any other such event shall occur before the delivery of the Option Securities held by such Selling Shareholder under this Agreement, the Option Underlying Shares held by such Selling Shareholder will be delivered by the Custodian in accordance with the terms and conditions of this Agreement as if such death, incapacity or other event had not occurred, regardless of whether or not the Custodian shall have received notice of such death, incapacity or other event.

(vi) *Due Authorization; Valid Agreements*. (i) Each of this Agreement and the Indemnification and Cost Reimbursement Agreement has been duly authorized, executed and delivered by such Selling Shareholder and (ii) this Agreement and the Indemnification and Cost Reimbursement Agreement constitute under applicable U.S. law and German law a valid, binding and enforceable agreement of the Company, except in the case of clauses (ii) and (iii) for any such breach, violation or imposition as would not reasonably be expected, individually or in the aggregate, to have a Selling Shareholder Material Adverse Effect.

(vii) *Absence of Further Requirements*. No consent, approval, authorization or order of any relevant court or governmental agency or body is required for the consummation by such Selling Shareholder of the transactions contemplated by this Agreement, except (i) such as may have been obtained under the Securities Act or FINRA and (ii) such as may be required under the blue sky laws of any jurisdiction and the securities laws of any jurisdiction outside the United States, in connection with the purchase and distribution of the Underlying Shares by the Underwriters and (iii) such other approvals as have been obtained.

(viii) *Absence of Defaults and Conflicts Resulting from Transaction*. None of the execution and delivery of this Agreement, the Deposit Agreement and the Indemnification and Cost Reimbursement Agreement, the deposit of the Option Underlying Shares being sold by such Selling Shareholder with the Custodian in accordance with the terms of the Deposit Agreement, the sale of the Offered Securities being sold by such Selling Shareholder or the consummation of any other of the transactions contemplated by this Agreement or the fulfillment of the terms hereof by such Selling Shareholder will conflict with, result in a breach or violation of, or constitute a default under (i) the terms of any indenture or other agreement or instrument to which such Selling Shareholder is a party or bound, or (ii) any judgment, order or decree applicable to such Selling Shareholder of any court, regulatory body, administrative agency, governmental body or arbitrator having jurisdiction over such Selling Shareholder.

(ix) *Absence of Stamp Duties and Transfer Taxes*. No Transfer Taxes are payable by or on behalf of the Underwriters in connection with (A) the sale and delivery of the Underlying Shares to be sold by such Selling Shareholder, in the manner contemplated by this Agreement, (B) the deposit with the Custodian of the Underlying Shares and the issuance by the Depositary of the ADRs evidencing the ADSs, (C) the sale and delivery by the Underwriters of the Offered Securities as contemplated herein, or (D) the execution and delivery of this Agreement.

(x) *Disclosure Package, ADR Registration Statement, Registration Statement*. Such Selling Shareholder is familiar with the Disclosure Package, the Prospectus, the ADR Registration Statement and the Registration Statement and has no knowledge of any material fact, condition or information not disclosed in the Disclosure Package and the Prospectus or any supplement thereto which has adversely affected or may adversely affect the business of the Company or any of its subsidiaries; and the sale of Offered Securities by such Selling Shareholder pursuant hereto is not prompted by any information concerning the Company or any of its subsidiaries which is not set forth in the Disclosure Package and the Prospectus.

(xi) *Assumption of Certain Representations and Warranties of the Company*. In respect of any statements in or omissions from the Registration Statement and the ADR Registration Statement, the Disclosure Package, the Prospectus or any Free Writing Prospectus or any amendment or supplement thereto used by the Company or any Underwriter, as the case may be, made in reliance upon and in conformity with information furnished in writing to the Company by such Selling Shareholder specifically for use in connection with the preparation thereof, such Selling Shareholder hereby makes the same representations and warranties to each Underwriter as the Company makes to such Underwriter under paragraphs (a)(ii) and (a)(x) of this Section.

(xii) *Finder's Fee*. There are no contracts, agreements or understandings between such Selling Shareholder and any person that would give rise to a valid claim against such Selling Shareholder or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this Offering.

(xiii) *Personal Jurisdiction*. If such Selling Shareholder is a natural person, such Selling Shareholder has validly and irrevocably submitted to the personal jurisdiction of any state or Federal court in the City of New York, New York, and has validly and irrevocably waived any objection to the venue of a proceeding in any such court.

(xiv) *Absence of Immunity to Jurisdiction*. Neither such Selling Shareholder nor any of its respective properties or assets has any immunity from the jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise) under the laws of (i) any jurisdiction in which it owns or lease property or assets, (ii) the United States or the State of New York or (iii) Germany or any political subdivision thereof.

(xv) *Compliance with Anti-Bribery Laws*. Such Selling Shareholder nor, to the knowledge of such Selling Shareholder, any agent or other person acting on behalf of such Selling Shareholder is aware of or has taken any action, directly or indirectly, that could result in a violation or a sanction for violation by such persons of the Foreign Corrupt Practices Act of 1977 or the U.K. Bribery Act 2010, each as may be amended, or similar law of any other relevant jurisdiction, or the rules or regulations thereunder. No part of the proceeds of the Offering received by such Selling Shareholder will be used, directly or indirectly, in violation of the Foreign Corrupt Practices Act of 1977 or the U.K. Bribery Act 2010, each as may be amended, or similar law of any other relevant jurisdiction, or the rules or regulations thereunder.

(xvi) *Compliance with Anti-Money Laundering Laws*. No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving such Selling Shareholder with respect to the Money Laundering Laws is pending or, to the knowledge of such Selling Shareholder, threatened.

(xvii) *Compliance with Sanctions Laws (I)*. Such Selling Shareholder nor, to the knowledge of such Selling Shareholder, any agent or other person acting on behalf of such Selling Shareholder (i) is, or is controlled or 50% or more owned (as applicable) in the aggregate by or is acting on behalf of, one or more Sanctioned Persons, (ii) is located, organized or resident (as applicable) in a Sanctioned Country or (iii) will, directly or indirectly, use the proceeds of this Offering received by such Selling Shareholder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other individual or entity (as applicable) in any manner that would result in a violation of any Sanctions by, or could result in the imposition of Sanctions against, any individual or entity (including any individual or entity participating in the Offering, whether as underwriter, advisor, investor or otherwise).

(xviii) *Compliance with Sanctions Laws (II)*. Such Selling Shareholder has not engaged in any dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country, in the preceding three years, nor does either Selling Shareholder have any plans to engage in dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country.

Any certificate signed by a Selling Shareholder and delivered to the Representative or counsel for the Underwriters in connection with the Offering shall be deemed a representation and warranty by such Selling Shareholder, as to matters covered thereby as of the date thereof, to each Underwriter.

2. Purchase, Sale and Delivery of and Payment for the Offered Securities.

(a) Purchase of Firm ADSs

(i) Each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to:

(1) purchase from the Company the respective number of Firm ADSs set forth opposite such Underwriter's name in Schedule I hereto;

(2) cause Joh. Berenberg, Gossler & Co. KG (the "German Subscription Agent"), acting in its own name but for the account of the several Underwriters, (x) to subscribe, on [•], 2020 (the "Subscription Date"), for the Firm Underlying Shares at an issue price of €1.00 (the "Issue Price") per Firm Underlying Share (i.e. the Issue Price multiplied by the number of the Firm Underlying Shares, with such product being the "Aggregate Issue Price") by way of executing and delivering to the Company one subscription certificate (*Zeichnungsschein*) for the Firm Underlying Shares in the form attached as Exhibit A hereto (the "Subscription Certificate"), duly signed in duplicate form pursuant to Section 185 of the German Stock Corporation Act (Aktiengesetz or "AktG"), such Subscription Certificate, in accordance with its terms, to expire at 11:30 a.m. Frankfurt am Main time on [•], 2020, (y) to pay the Aggregate Issue Price to the Company by crediting, with value date as of [•], 2020 the Aggregate Issue Price into a special account opened at the German Subscription Agent and entitled "VIA optronics AG -Sonderkonto IPO/KE- " (the "Capital Increase Account"), such account to be noninterest bearing and free of charges (including negative interest), and (z) upon credit of the Aggregate Issue Price to the Capital Increase Account, to deliver to the Company a bank confirmation (*Einzahlungsbestätigung*) in the form attached as Exhibit B hereto (the "Bank Confirmation") confirming such credit (Sections 188(2), 36(2), 36a(1) and 37(1) AktG).

(3) cause Berenberg Capital Markets LLC (the "Settlement Agent"), acting for the account of the several Underwriters, to transfer to the German Subscription Agent on the Closing Date the U.S. dollars amount required by the German Subscription Agent to convert U.S. dollars into an euro amount equal to the Aggregate Issue Price at the Closing Date (the "USD Equivalent Amount").

(ii) Promptly upon receipt of the Subscription Certificate and Bank Confirmation pursuant to paragraph (a)(i)(2) above, the Company shall take all measures necessary to effect the registration of the Capital Increase with the Commercial Register. Copies of all documents filed with the Commercial Register shall be delivered to the German Subscription Agent. Promptly upon the registration of the Capital Increase in the Commercial Register, but at the latest by 12:00 (noon) Frankfurt am Main Time on [•], 2020, the Company shall, by telefax or pdf-document attached to an email, with two original certified copies to follow promptly by courier, furnish the German Subscription Agent with a certified copy of the registration notice of the Commercial Register, a certified copy of the chronological excerpt from the Commercial Register and a certified copy of the articles of association of the Company, each evidencing the Capital Increase. If the registration with the Commercial Register of the Capital Increase in an amount of €[•] has not been effected by 11:30 a.m. Frankfurt am Main time on [•], 2020, the Subscription Certificate for the Firm Underlying Shares shall expire and the Settlement Agent, on behalf of the several Underwriters, may obtain repayment of the Issue Price for the Firm Underlying Shares by

way of instructing the German Subscription Agent to cancel the credit of the Aggregate Issue Price for the Firm Underlying Shares to the Capital Increase Account. In such event, the Representative, on behalf of the several Underwriters, may cause the German Subscription Agent to submit to the Company a new Subscription Certificate for the Firm Underlying Shares (to expire in accordance with its terms on a date to be determined by the Representative on behalf of the several Underwriters) and the Company shall use its best efforts to effect the registration of the Capital Increase in the Commercial Register. If the Representative, on behalf of the several Underwriters, has not caused a submission of a new Subscription Certificate for the Firm Underlying Shares to the Company on or prior to [•], 2020, all obligations of the Underwriters to purchase, subscribe for and pay for the Firm Underlying Shares shall terminate. In this event the reimbursement obligation of the Company and the Selling Shareholders with respect to costs, charges and expenses incurred pursuant to the terms of Section 5 and the provisions set forth in Section 6 of this Agreement shall remain in full force and effect.

(iii) Each Underwriter, agrees, severally and not jointly, to cause the German Subscription Agent, acting in its own name, but for the account of the several Underwriters, to transfer title to the Firm Underlying Shares to the Depositary on the Closing Date (as defined below), to enable the delivery by the Depositary of the Firm ADSs to the Settlement Agent for the account of the several Underwriters, for subsequent delivery to the other several Underwriters or to investors, as the case may be, by way of book-entry on the Closing Date.

(iv) Promptly on the day on which the Capital Increase in relation to the Firm Underlying Shares is registered in the Commercial Register, the Company shall deliver to the German Subscription Agent one global share certificate in the form set forth as Exhibit C hereto representing the Firm Underlying Shares and each Underwriter, agrees, severally and not jointly, to cause the German Subscription Agent, acting in its own name, but for the account of the several Underwriters, to deliver such global share certificate to Clearstream Frankfurt, and procure the Firm Underlying Shares to be credited to such securities account with a participant of Clearstream as the Depositary may designate.

(b) Offering of Offered Securities by Underwriters; Delivery and Payment.

(i) It is understood that the several Underwriters are to make an Offering of the Offered Securities in the manner contemplated in the Registration Statement as soon as the Representative deems it advisable to do so. In connection with the Offering, the Offered Securities will be offered in a public offering in the United States of America.

(ii) Payment for the Firm ADS to be sold hereunder is to be made subject to the conditions set forth herein, in same day funds by wire transfer to the account(s) designated by the Company to the Settlement Agent in writing (the "Company's Account") against delivery of the Firm ADSs to the Settlement Agent for the account of the several Underwriters, by way of book-entry, with any transfer taxes payable in connection with the sale of such ADSs (including any transfer taxes payable with respect to the underlying Firm Underlying Shares) duly paid by the Company. Such payment and delivery are to be made through the facilities of the Depositary no later than 10:00 a.m., New York Time, on September 29, 2020, or at such other time or place on the same or such other date, not later than the second business day thereafter as the Representative and the Company shall agree upon, such time and date being herein referred to in this Agreement as the "Closing Date."

(iii) The aggregate U.S. dollar amount to be paid by the several Underwriters to the Company on the Closing Date in respect of the Firm ADSs shall be $[•] per ADS (the

"Purchase Price") multiplied by the number of Firm ADS to be delivered on such date, less (i) the USD Equivalent Amount and[(ii) any agreed expenses payable but not yet paid by the Company to the Underwriters pursuant to (and evidenced as provided in) Section 3(c) hereof (the "Excess Proceeds Amount"). Solely for purposes of calculating the Excess Proceeds Amount, the Aggregate Issue Price shall convert from euro into U.S. dollars by applying the exchange rate, which the German Subscription Agent, acting for the account of the Settlement Agent obtained at the time it converted U.S. dollars into a euro amount for purposes of making the payment of the Aggregate Issue Price to Capital Increase Account. The Excess Proceeds Amount shall be paid by the Settlement Agent, on behalf of the several Underwriters and in satisfaction of their respective obligations to purchase the Firm ADSs hereunder, for value at the Closing Date, to the Company in U.S. dollars in the Company's Account. The Settlement Agent shall, promptly after the Excess Proceeds Amount has been paid to the Company, shall instruct the German Subscription Agent to transfer the complete balance on the Capital Increase Account for value at the Closing Date to the Company's Account.

(c) Over-Allotment Option.

(i) Upon written notice from the Representative given to the Company and the Selling Shareholders from time to time not more than 30 days subsequent to the date of the Prospectus, the Underwriters may purchase all or less than all of the Option ADS at the Purchase Price per Option ADS. Each Selling Shareholder agrees, severally but not jointly, as and to the extent indicated by Schedule 2 hereto, to sell to the Underwriters the number of Option ADS specified in such notice and the Underwriters agree, severally and not jointly, to purchase such Option ADS. Such Option ADS shall be purchased for the account of each Underwriter in the same proportion as the number of Firm ADS set forth opposite such Underwriter's name bears to the total number of Firm ADS (subject to adjustment by the Representative to eliminate fractions) and may be purchased by the Underwriters only for the purpose of covering over-allotments made in connection with the sale of the Offered Securities. No Option ADS shall be sold or delivered unless the Offered Securities previously have been, or simultaneously are, sold and delivered. The right to purchase the Option Underlying Shares or any portion thereof may be exercised from time to time and to the extent not previously exercised may be surrendered and terminated at any time upon notice by the Representative to the Company.

(ii) The time for the delivery of and payment for any Option ADS, being herein referred to as the "Option Closing Date," which may be the Closing Date, shall be determined by the Representative and the Company but shall be not later than five full business days after written notice of election to purchase Option Underlying Shares is given. The Option ADS being purchased on the Option Closing Date are represented on the Existing Share Certificate(s) previously delivered to Clearstream Frankfurt and are held in custody by the Custodian, and the Selling Shareholders will transfer title with respect to these Option Underlying Shares to the Depositary on or prior to the Option Closing Date, to enable delivery by the Depositary of the Option ADSs in respect thereof to the Settlement Agent for the account of the several Underwriters, for subsequent delivery to the several Underwriters or to investors, as the case may be, by way of book-entry against payment of the aggregate purchase price for such Option ADSs, which shall be at the Purchase Price multiplied by the number of Option ADSs sold, in same day funds by wire transfer to the account designated by each Selling Shareholder to the Settlement Agent as set forth on Schedule V hereto.

3. Agreements.

(a) The Company agrees with the several Underwriters that:

(i) *Additional Filings*. Prior to the termination of the Offering, the Company will not file any amendment of the Registration Statement or the ADR Registration Statement or supplement to the Prospectus or any Rule 462(b) Registration Statement unless the Company has furnished you a copy for your review prior to filing and will not file any such proposed amendment or supplement to which you reasonably object. The Company will cause the Prospectus, properly completed, and any supplement thereto to be filed in a form approved by the Representative with the Commission pursuant to the applicable paragraph of Rule 424(b) within the time period prescribed and will provide evidence satisfactory to the Representative of such timely filing.

(ii) *Filing of Amendments; Response to Commission Requests.* The Company will promptly advise the Representative (i) when the Prospectus, and any supplement thereto, shall have been filed (if required) with the Commission pursuant to Rule 424(b) or when any Rule 462(b) Registration Statement or the ADR Registration Statement shall have been filed with the Commission, (ii) when, prior to termination of the Offering, any amendment to the Registration Statement or the ADR Registration Statement shall have been filed or become effective, (iii) of any request by the Commission or its staff for any amendment of the Registration Statement, the ADR Registration Statement or any Rule 462(b) Registration Statement, or for any supplement to the Prospectus or for any additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the ADR Registration Statement or of any notice objecting to their use or the institution or threatening of any proceeding for that purpose and (v) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the institution or threatening of any proceeding for such purpose. The Company will use its best efforts to prevent the issuance of any such stop order or the occurrence of any such suspension or objection to the use of the Registration Statement and, upon such issuance, occurrence or notice of objection, to obtain as soon as possible the withdrawal of such stop order or relief from such occurrence or objection, including, if necessary, by filing an amendment to the Registration Statement or the ADR Registration Statement or a new registration statement and using its best efforts to have such amendment or new registration statement declared effective as soon as practicable.

(iii) *Duty to Amend or Supplement the Disclosure Package.* If, at any time prior to the filing of the Prospectus pursuant to Rule 424(b), any event occurs as a result of which the Disclosure Package would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein in the light of the circumstances under which they were made or the circumstances then prevailing not misleading, the Company will (i) notify promptly the Representative so that any use of the Disclosure Package may cease until it is amended or supplemented; (ii) amend or supplement the Disclosure Package to correct such statement or omission; and (iii) supply any amendment or supplement to you in such quantities as you may reasonably request.

(iv) *Duty to Amend or Supplement the Final Prospectus.* If, at any time when a prospectus relating to the Offered Securities is required to be delivered under the Securities Act (including in circumstances where such requirement may be satisfied pursuant to Rule 172 under the Securities Act ("Rule 172")), any event occurs as a result of which the Prospectus as then supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein in the light of the circumstances under which they were made or the circumstances then prevailing not misleading, or if it shall be necessary to amend the Registration Statement or supplement the Prospectus to comply with the Securities Act or the rules thereunder, the Company promptly will (i) notify the Representative of

any such event; (ii) prepare and file with the Commission, subject to the second sentence of paragraph (i) above, an amendment or supplement which will correct such statement or omission or effect such compliance; and (iii) supply any supplemented Prospectus to you in such quantities as you may reasonably request.

(v) *Availability of Earnings Statement.* As soon as practicable, the Company will make generally available to its security holders and to the Representative an earnings statement or statements of the Company and its subsidiaries which will satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 under the Securities Act.

(vi) *Copies of Registration Statements and Prospectus.* The Company will furnish to the Representative and counsel for the Underwriters, without charge, signed copies of the Registration Statement and the ADR Registration Statement (including exhibits thereto) and to each other Underwriter a copy of the Registration Statement and the ADR Registration Statement (without exhibits thereto) and, so long as delivery of a prospectus by an underwriter or dealer may be required (including in circumstances where such requirement may be satisfied pursuant to Rule 172) by the Securities Act, as many copies of the Preliminary Prospectus, the Prospectus and each Issuer Free Writing Prospectus and any supplement thereto as the Representative may reasonably request. The Company and the Selling Shareholders will pay the expenses of printing or other production of all documents relating to the Offering, it being understood that the Company and the Selling Shareholders have agreed on a split of any costs and expenses internally in line with German corporate law requirements.

(vii) *Qualification of Offered Securities.* The Company will arrange, if necessary, for the qualification of the Offered Securities for sale under the laws of such jurisdictions as the Representative may designate and will maintain such qualifications in effect so long as required for the distribution of the Securities; provided that in no event shall the Company be obligated to (i) qualify to do business in any jurisdiction where it is not now so qualified or (ii) to take any action that would subject it to service of process in suits, other than those arising out of the offering or sale of the Offered Securities, in any jurisdiction where it is not now so subject, (iii) subject itself to taxation in any such jurisdiction or (iv) qualify the Offered Securities for sale pursuant to a public offering other than in the United States.

(viii) *Lock-Up Period*. The Company will not, without the prior written consent of Berenberg Capital Markets LLC, offer, sell, issue, contract to sell, pledge, or otherwise dispose of, (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Company or any affiliate of the Company or any person in privity with the Company or any affiliate of the Company) directly or indirectly, including the filing (or participation in the filing) of a registration statement with the Commission in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Exchange Act, any Shares or ADSs or any securities convertible into, or exercisable, or exchangeable for, Shares or ADSs; or publicly announce an intention to effect any such transaction, for a period of 180 days after the date of this Agreement (the "Lock-Up Period"), provided, however, that (1) the Company may issue and sell Shares pursuant to any employee stock option plan, stock ownership plan or dividend reinvestment plan of the Company in effect at the Execution Time or adopted during the Lock-Up Period; provided, that any such Shares are not freely transferrable during the Lock-Up Period, (2) the Company may issue Shares issuable upon the conversion of securities or the exercise of warrants outstanding at the Execution Time, (3) the Company may issue Ordinary Shares or other securities pursuant to agreements to do so described in the Disclosure Package to the extent the

amounts issuable thereunder are described in the Disclosure Package; (4) the Company may issue the Private Placement Shares to Corning in the Concurrent Private Placement as described in the Prospectus; and (5) the Company may issue shares or other securities issued in connection with a transaction that includes a commercial relationship (including joint ventures, marketing or distribution arrangements, collaboration agreements or intellectual property license agreements) or any acquisition of assets or not less than a majority or controlling portion of the equity of another entity provided that, (x) in the cases (1) to (5), that each recipient of the issued shares or securities agrees in writing to be bound by the restrictions pursuant to this paragraph (viii) for the duration that such restrictions remain in effect at the time of the issuance and (y) in the case of clause (5), the aggregate number of shares issued or issuable does not exceed 10% of the number of shares outstanding immediately after the Offering. The Company will provide the Representative the lock-up letters (the "Lock-Up Letters") described in Section 4(m) hereof (and substantially in the form of Exhibit D hereto) from the shareholders described in Schedule VI hereto.

(ix) *Press Release*. If Berenberg Capital Markets LLC, in its sole discretion, agrees to release or waive the restrictions set forth in a Lock-Up Letter for an officer or director of the Company and provides the Company with notice (substantially in the form of Exhibit E hereto) of the impending release or waiver at least three Business Days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver by a press release substantially in the form of Exhibit F hereto through a major news service at least two Business Days before the effective date of the release or waiver.

(x) *Absence of Manipulation.* The Company will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, under the Exchange Act or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

(xi) *Directed ADS Program*.

(1) The Company agrees to pay (i) all reasonable and documented out-of-pocket fees and disbursements of counsel incurred by the Underwriters in connection with the Directed ADS Program, not to exceed $5,000, (ii) all reasonable and documented out-of-pocket costs and expenses incurred by the Underwriters in connection with the printing (or reproduction) and delivery (including postage, air freight charges and charges for counting and packaging) of copies of the Directed ADS Program material and (iii) all stamp duties, similar taxes or duties or other taxes, if any, incurred by the Underwriters in connection with the Directed ADS Program.

(2) To ensure that the Directed ADSs will be restricted to the extent required by FINRA or the FINRA Rules from sale, transfer, assignment, pledge or hypothecation for a period of three (3) months following the effective date of the offering, the Company will direct the transfer agent to place stop transfer restrictions upon such securities for such period of time.

(xii) *(Issuer) Free Writing Prospectus*. The Company agrees that, unless it has or shall have obtained the prior written consent of the Representative, and each Underwriter, severally and not jointly, agrees with the Company that, unless it has or shall have obtained, as the case may be, the prior written consent of the Company, it has not made and will not make any offer relating to the Offered Securities that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a Free Writing Prospectus required to be filed by the Company

with the Commission or retained by the Company under Rule 433; provided that the prior written consent of the parties hereto shall be deemed to have been given in respect of the Free Writing Prospectuses included in Schedule III hereto and any electronic road show. Any such free writing prospectus consented to by the Representative or the Company is hereinafter referred to as a "Permitted Free Writing Prospectus." The Company agrees that (x) it has treated and will treat, as the case may be, each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus and (y) it has complied and will comply, as the case may be, with the requirements of Rule 164 under the Securities Act ("Rule 164") and Rule 433 applicable to any Permitted Free Writing Prospectus, including in respect of timely filing with the Commission, legending and record keeping.

(xiii) *Emerging Growth Company*. The Company will promptly notify the Representative if the Company ceases to be an Emerging Growth Company at any time prior to the later of (a) completion of the distribution of the Offered Securities within the meaning of the Securities Act and (b) completion of the Lock-Up Period referred to in Section (viii) hereof.

(xiv) *Written Testing-the-Waters Communication*. If at any time following the distribution of any Written Testing-the-Waters Communication, any event occurs as a result of which such Written Testing-the-Waters Communication would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein in the light of the circumstances under which they were made or the circumstances then prevailing not misleading, the Company will (i) notify promptly the Representative so that use of the Written Testing-the-Waters Communication may cease until it is amended or supplemented; (ii) amend or supplement the Written Testing-the-Waters Communication to correct such statement or omission; and (iii) supply any amendment or supplement to the Representative in such quantities as may be reasonably requested.

(xv) *Use of Proceeds*. The Company will use the net proceeds received in connection with this Offering in the manner described in the "Use of Proceeds" section of the Disclosure Package and the Prospectus and, except as disclosed in the Disclosure Package and the Prospectus, the Company does not intend to use any of the proceeds from the sale of the Offered Securities hereunder to repay any outstanding debt owed to any affiliate of any Underwriter.

(xvi) *Annual Report to Shareholders*. During the period of five years hereafter, the Company will furnish to the Representative and, upon request, to each of the other Underwriters, as soon as practicable after the end of each fiscal year, a copy of its annual report to shareholders for such year; and the Company will furnish to the Representative from time to time such other information concerning the Company as the Representative may reasonably request. However, so long as the Company is subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act and is timely filing reports with the Commission on its Electronic Data Gathering, Analysis and Retrieval system, it is not required to furnish such reports or statements to the Underwriters.

Furthermore, the Company covenants with the Designated Underwriter that the Company will comply with all applicable securities and other applicable laws, rules and regulations in each foreign jurisdiction in which the Directed ADSs are offered in connection with the Directed ADS Program.

(b) Each Selling Shareholder severally and not jointly, solely as to itself or himself, agrees with the several Underwriters that:

(i) *Absence of Manipulation.* Such Selling Shareholder will not take, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, under the Exchange Act or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Offered Securities.

(ii) *Changes and New Information*. Such Selling Shareholder will advise you promptly, and if requested by you, will confirm such advice in writing, so long as delivery of a prospectus relating to the Securities by an underwriter or dealer may be required under the Securities Act, of (i) any material change in the Company's condition (financial or otherwise), prospects, earnings, business or properties, (ii) any change in information in the Registration Statement, the ADR Registration Statement, the Prospectus, the Preliminary Prospectus or any Free Writing Prospectus or any amendment or supplement thereto relating to such Selling Shareholder or (iii) any new material information relating to the Company or relating to any matter stated in the Prospectus or any Free Writing Prospectus which comes to the attention of such Selling Shareholder.

(iii) *Use of Proceeds*. Except as disclosed in the Disclosure Package and the Prospectus, such Selling Shareholder does not intend to use any of the proceeds from the sale of the Offered Securities sold by such Selling Shareholder hereunder to repay any outstanding debt owed to any affiliate of any Underwriter.

(iv) *Sanctions*. Such Selling Shareholder will not, directly or indirectly, use the proceeds of this Offering received by such Selling Shareholder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person in any manner that will result in a violation of Sanctions by, or could result in the imposition of Sanctions against, any person (including any person participating in the Offering, whether as underwriter, advisor, investor or otherwise).

(v) *Free Writing Prospectus*. Such Selling Shareholder represents that it has not prepared or had prepared on its behalf or used or referred to, and agrees that it will not prepare or have prepared on its behalf or use or refer to, any Free Writing Prospectus, and has not distributed and will not distribute any written materials in connection with the offer or sale of the Offered Securities.

(vi) *Deposit of the Firm Underlying Shares.* Such Selling Shareholder shall, prior to the applicable Option Closing Date, deposit the Option Underlying Shares underlying the ADSs held by it to be sold hereunder with the Custodian.

(vii) *IRS Form.* Such Selling Shareholder shall deliver to the Representative, prior to or at the Closing Date, a properly completed and executed Internal Revenue Service ("IRS") Form W-9 or IRS Form W-8, as appropriate, together with all required attachments to such form.

(c) The Company and the Selling Shareholders agree with the several Underwriters that:

(i) *Costs and Expenses*. The Company and the Selling Shareholders, severally and not jointly, agree to pay the costs and expenses relating to the following matters, it being understood that the Company and the Selling Shareholders have agreed on a split of any costs and expenses internally in line with German corporate law requirements: (i) the preparation, printing or reproduction and filing with the Commission of the Registration Statement (including financial statements and exhibits thereto), the Preliminary Prospectus, the Prospectus, each Issuer Free Writing Prospectus, the ADR Registration Statement, and each amendment or supplement to any

of them; (ii) the preparation of the Deposit Agreement, the deposit of the Firm Underlying Shares under the Deposit Agreement, the issuance thereunder of ADSs representing such deposited Firm Underlying Shares, the issuance of ADRs evidencing such ADSs and the fees of the Depositary; (iii) the printing (or reproduction) and delivery (including postage, air freight charges and charges for counting and packaging) of such copies of the Registration Statement, the Preliminary Prospectus, the Prospectus, the ADR Registration Statement, and each Issuer Free Writing Prospectus and all amendments or supplements to any of them, as may, in each case, be reasonably requested for use in connection with the Offering; (iv) the preparation, printing, authentication, issuance and delivery of certificates for the Securities, including any stamp or transfer taxes in connection with the original issuance and sale of the Securities; (v) the printing (or reproduction) and delivery of this Agreement, any blue sky memorandum and all other agreements or documents printed (or reproduced) and delivered in connection with the Offering; (vi) the registration of the Offered Securities under the Exchange Act and the listing of the Offered Securities on the New York Stock Exchange; (vii) any registration or qualification of the Offered Securities for offer and sale under the securities or blue sky laws of the several states (including filing fees and the reasonable fees and expenses of counsel for the Underwriters relating to such registration and qualification, provided that such counsel fees and expenses shall not exceed $10,000); (viii) any filings required to be made with FINRA (including filing fees and the reasonable fees and expenses of counsel for the Underwriters relating to such filings, provided that such counsel fees and expenses shall not exceed $30,000); (ix) the transportation and other expenses incurred by or on behalf of Company representatives in connection with presentations to prospective purchasers of the Offered Securities; (x) the fees and expenses of the Company's accountants and the fees and expenses of counsel (including local and special counsel) for the Company and the Selling Shareholders; and (xi) all other costs and expenses incident to the performance by the Company and the Selling Shareholders of their obligations under this Agreement.

(ii) *Stamp and Other Taxes.* The Company and the Selling Shareholders, severally and not jointly, will indemnify and hold harmless the Underwriters against any Transfer Taxes on (i) the creation, issue and sale of the Offered Securities, and (ii) the execution and delivery of this Agreement, and the performance of the obligations under it. All payments to be made by the Company or the Selling Shareholders hereunder shall be made without withholding or deduction for or on account of any present or future taxes, duties or governmental charges whatsoever unless the Company or the Selling Shareholders are compelled by law to deduct or withhold such taxes, duties or charges. In that event, the Company or the Selling Shareholders shall pay such additional amounts as may be necessary in order that the net amounts received after such withholding or deduction shall equal the amounts that would have been received if no withholding or deduction had been made.

(iii) *Real Property Holding Corporation.* If either Selling Shareholder is not a U.S. person for U.S. federal income tax purposes, the Company will deliver to each Underwriter (or its agent), on or before the Closing Date, (i) a certificate with respect to the Company's status as a "United States real property holding corporation," dated not more than thirty (30) days prior to the Closing Date, as described in Treasury regulations sections 1.897-2(h) and 1.445-2(c)(3), and (ii) proof of delivery to the IRS of the required notice, as described in Treasury regulations section 1.897-2(h)(2).

4. Conditions to the Obligations of the Underwriters. The obligations of the Underwriters to purchase the Firm Securities and the Option Securities, as the case may be, shall be subject to the accuracy of the representations and warranties on the part of the Company and the Selling Shareholders contained in this Agreement as of the Execution Time, the Closing Date and each Option Closing Date, to

the accuracy of the statements of the Company and of any Selling Shareholder made in any certificates pursuant to the provisions hereof, to the performance by the Company and each Selling Shareholder of their respective obligations under this Agreement and to the following additional conditions:

(a) *Registration Compliance; No Stop Order*. No order suspending the effectiveness of the Registration Statement or the ADR Registration Statement (including, for avoidance of doubt, any Rule 462(b) Registration Statement) shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before or, to the knowledge of the Company, threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 5(c) hereof.

(b) *No Material Adverse Change*. Since the date of this Agreement, no event or condition of a type described in Section 1(a)(xxiii) hereof shall have occurred or shall exist, which event or condition is not described or contemplated in the Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representative makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the ADSs on the Closing Date or the Option Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Disclosure Package and the Prospectus.

(c) *Company Officer's Certificate*. The Representative shall have received, on and as of the Closing Date or the applicable Option Closing Date, as the case may be, a certificate of the chief financial officer of the Company and one additional member of the management board or another senior executive officer of the Company who is reasonably satisfactory to the Representative, in each case in their capacity as officers of the Company and not in their individual capacity (i) confirming that such officers have carefully reviewed the Registration Statement, the Disclosure Package and the Prospectus and, to the knowledge of such officers, the representations set forth in Section 1(a) hereof are true and correct, (ii) confirming that the Company has complied in all material respects with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or the applicable Option Closing Date, as the case may be, and (iii) no stop order suspending the effectiveness of the Registration Statement (including, for avoidance of doubt, any Rule 462(b) Registration Statement), or any post-effective amendment thereto, shall be in effect and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before or, to the knowledge of the Company, threatened by the Commission.

(d) *Chief Financial Officer's Certificate.* The Representative shall have received, on and as of the Closing Date or the applicable Option Closing Date, a certificate signed by the Chief Financial Officer of the Company, in his capacity as such, with respect to certain financial and accounting information in the Registration Statement, the Disclosure Package and the Prospectus, in form and substance reasonably satisfactory to the Representative.

(e) *Selling Shareholder Certificates.* The Representative shall have received, on and as of the applicable Option Closing Date, a certificate of each Selling Shareholder, in form and substance reasonably satisfactory to the Representative, (A) confirming that the representations of such Selling Stockholder set forth in Section 1(b) are true and correct and (B) that such Selling Shareholder has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder in all material respects at or prior to the Closing Date or the applicable Option Closing Date, as the case may be.

(f) *Comfort Letters*. On the date of this Agreement and on the Closing Date or the applicable Optional Closing Date, as the case may be, (i) Ernst & Young GmbH shall have furnished to the Representative, at the request of the Company, letters, dated the respective date of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representative, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information of the Company and its consolidated subsidiaries contained in or incorporated by reference in each of the Registration Statement, the Disclosure Package and the Prospectus; provided, that the letter delivered by Ernst & Young GmbH on the Closing Date or the applicable Optional Closing Date, as the case may be, shall use a "cut-off" date no more than two business days prior to such Closing Date or such Optional Closing Date, as the case may be.

(g) *Opinion and 10b-5 Statement of Counsel for the Company*. Dechert LLP, counsel for the Company, shall have furnished to the Representative, at the request of the Company, (i) their written U.S. opinion and 10b-5 statement and (ii) a German opinion, each dated the Closing Date or the applicable Option Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representative.

(h) *Opinion of Counsel for the Depositary*. Emmet, Marvin & Martin, LLP, counsel for the Depositary, shall have furnished to the Representative, their written opinion, dated the Closing Date or the applicable Option Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representative.

(i) *Opinion of Counsel for the Selling Shareholders*. (i) Dechert LLP, counsel for Eichner, shall have furnished to the Representative their written opinion, dated the Closing or the applicable Option Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representative and (ii) NautaDutilh N.V., counsel for IMI Europe, shall have furnished to the Representative their Dutch law written opinion, dated the Closing Date or the applicable Option Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representative.

(j) *Opinion and 10b-5 Statement of Counsel for the Underwriters*. The Representative shall have received on and as of the Closing Date or the applicable Option Closing Date, as the case may be, (i) a U.S. opinion and 10b-5 statement, addressed to the Underwriters, of Cooley LLP, U.S. counsel for the Underwriters and (ii) a German opinion, addressed to the Underwriters, of Skadden, Arps, Slate, Meagher & Flom LLP, German counsel for the Underwriters with respect to such matters as the Representative may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(k) *No Legal Impediment to Issuance and Sale*. No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date or the applicable Option Closing Date, as the case may be, prevent the issuance or sale of the Underwritten ADSs or the sale of the Option ADSs; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date or the applicable Option Closing Date, as the case may be, prevent the issuance or sale of the ADSs.

(l) *Exchange Listing*. The ADSs to be delivered on the Closing Date or the applicable Option Closing Date, as the case may be, shall have been duly listed on the NYSE, subject to official notice of issuance.

(m) *Lock-up Agreements*. The "lock-up" agreements, each substantially in the form of Exhibit D hereto, between you and certain shareholders identified in Schedule VI hereto relating to sales and certain other dispositions of Shares, ADSs or certain other securities, delivered to you on or before the date hereof, shall be full force and effect on the Closing Date or the applicable Option Closing Date, as the case may be.

(n) *Deposit Agreement*. The Company and the Depositary shall have executed and delivered the Deposit Agreement and the Deposit Agreement shall be in full force and effect. The Depositary shall have delivered to the Company certificates reasonably satisfactory to the Underwriters evidencing the deposit with the Depositary or its nominee of the Firm Underlying Shares and any Option Underlying Shares being so deposited against issuance of ADRs evidencing the ADSs to be delivered by the Company at the Closing Date or the applicable Option Closing Date, as the case may be, and the execution, countersignature (if applicable), issuance and delivery of ADRs evidencing such ADSs pursuant to the Deposit Agreement.

(o) *Corporate Authorizations*. The Representative shall have received (i) notarially certified copies of the resolutions of (i) the shareholders' meeting of the Company (A) to increase the share capital of the Company against contributions in cash by an amount of [up to] €[•] through the issuance, under exclusion of the existing shareholders' statutory preemptive rights to the extent not waived by them, of [•] New Underlying Shares at the Issue Price for each New Underlying Share, and with full dividend entitlement for fiscal year [•, 2020], (B) to authorize the Company's management board (*Vorstand*) to determine, with the consent of the Company's supervisory board (*Aufsichtsrat*), all further details of the Capital Increase; (ii) copies of the resolutions of the Company's management board, authorizing the execution of this Agreement, the Deposit Agreement and the Indemnification and Cost Reimbursement Agreement, and (iii) copies of the resolutions of the Company's supervisory board, approving the above resolutions of the Company's management board.

(p) *Commercial Register Excerpts*. The Company shall have delivered to the German Subscription Agent, in accordance with, and at the time provided for in Section 2(a)(ii) hereof, in case of the New Underlying Shares to be issued on the Closing Date, (i) a duly executed global share certificate evidencing the New Underlying Shares and (ii) a certified excerpt from the commercial register (*Handelsregister*) pertaining to the Company evidencing the capital increase represented by the New Underlying Shares.

(q) *Additional Information upon Representative's Request*. The Company and the Selling Shareholders will furnish the Representative with such information, opinions, certificates, letters and documents as the Representative reasonably request. The Representative may in its sole discretion waive on behalf of the Underwriters compliance with any conditions to the obligations of the Underwriters hereunder, whether in respect of the Subscription Date, the Pricing Date, the Closing Date, each Option Closing Date or otherwise.

If any of the conditions specified in this Section 4 shall not have been fulfilled when and as provided in this Agreement, or if any of the opinions and certificates mentioned above or elsewhere in this Agreement shall not be reasonably satisfactory in form and substance to the Representative and counsel for the Underwriters, this Agreement and all obligations of the Underwriters hereunder may be canceled at, or at any time prior to, the Closing Date by the Representative. Notice of such cancellation shall be given to the Company and the Selling Shareholders in writing or by telephone or facsimile confirmed in writing.

5. Reimbursement of Underwriters' Expenses. If the sale of the Offered Securities provided for in this Agreement is not consummated because any condition to the obligations of the Underwriters set forth

in Section 3(c)(iii) hereof is not satisfied, because of any termination pursuant to Section 8 hereof or because of any refusal, inability or failure on the part of the Company or either Selling Shareholder to perform any agreement herein or comply with any provision hereof other than by reason of a default by any of the Underwriters, the Company will (i) reimburse the Underwriters severally through Berenberg Capital Markets LLC on demand for all expenses (including reasonable fees and disbursements of counsel) that shall have been incurred by them in connection with the proposed purchase and sale of the Offered Securities and (ii) if applicable, indemnify the Underwriters or contribute to their losses pursuant to Section 6, it being understood that the Company and the Selling Shareholders have agreed on a split of any costs and expenses internally in line with German corporate law requirements. If the Company is required to make any payments to the Underwriters under this Section 5 because of either Selling Shareholder's refusal, inability or failure to satisfy any condition to the obligations of the Underwriters set forth in Section 3(c)(iii), such Selling Shareholder, pro rata in proportion to the percentage of Offered Securities to be sold by it, shall reimburse the Company on demand for all amounts so paid.

6. Indemnification and Contribution.

(a) *Indemnification of Underwriters by the Company*. The Company agrees to indemnify and hold harmless each Underwriter, the directors, officers, employees, affiliates and agents of each Underwriter and each person who controls any Underwriter within the meaning of either the Securities Act or the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Securities Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement for the registration of the Securities as originally filed or in any amendment thereof, or in the ADR Registration Statement as originally filed or in any amendment thereof, or in the Preliminary Prospectus, or in the Prospectus, any Issuer Free Writing Prospectus or in any Written Testing-the-Waters Communication or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and agrees to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action, it being understood that the Company and the Selling Shareholders have agreed on a split of any payments to be made hereunder internally in line with German corporate law requirements; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company by or on behalf of any Underwriter through the Representative specifically for inclusion therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described in paragraph (c) below. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

(b) *Indemnification of Underwriters by the Selling Shareholders*. Each Selling Shareholder agrees, severally but not jointly, to indemnify and hold harmless each Underwriter, the directors, officers, employees, affiliates and agents of each Underwriter and each person who controls any Underwriter within the meaning of either the Securities Act or the Exchange Act against any and all losses, claims, damages or liabilities, to which they or any of them may become subject under the Securities Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained

in the Registration Statement for the registration of the Securities as originally filed or in any amendment thereof, or in the ADR Registration Statement as originally filed or in any amendment thereof, or in the Preliminary Prospectus, or in the Prospectus, any Issuer Free Writing Prospectus or in any Written Testing-the-Waters Communication or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case solely insofar as the losses, claims, damages or liabilities out of any untrue statement or omission or alleged untrue statement is made, in reliance upon and in conformity with written information furnished to the Company by the Selling Shareholders expressly for use therein, and agrees to reimburse each such indemnified party, as incurred, for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action, it being understood that the Selling Shareholders and the Company have agreed on a split of any payments to be made hereunder internally in line with German corporate law requirements; provided, however, that the that the provisions of this subsection 6(b) shall only apply in the event that an Underwriter shall obtain a final non-appealable judgment, order or decree against the Selling Shareholder for amounts payable by the Selling Shareholder to such Underwriter pursuant to this Section 6, which judgment remains unstayed, unsatisfied and undischarged for a period of ninety (90) days or more; provided further, that Selling Shareholders will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made therein in reliance upon and in conformity with written information furnished to the Company by or on behalf of any Underwriter through the Representative specifically for inclusion therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described in paragraph (c) below. This indemnity agreement will be in addition to any liability which the Selling Shareholders may otherwise have. Notwithstanding the provisions of this paragraph (b), in no event shall a Selling Shareholder be liable under this paragraph (b) to indemnify any amount in excess of the amount received directly or indirectly by such Selling Shareholder pursuant to the sale of the Securities.

(c) *Indemnification of the Designated Underwriter by the Company with respect to the Directed ADS Program*. The Company agrees to indemnify and hold harmless the Designated Underwriter, the directors, officers, employees, affiliates and agents of Berenberg Capital Markets LLC and each person, who controls the Designated Underwriter within the meaning of either the Securities Act or the Exchange Act ("Berenberg Entities"), from and against any and all losses, claims, damages and liabilities to which they may become subject under the Securities Act, the Exchange Act or other Federal or state statutory law or regulation, at common law or otherwise (including, without limitation, any legal or other expenses reasonably incurred in connection with defending or investigating any such action or claim), insofar as such losses, claims damages or liabilities (or actions in respect thereof) (i) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the prospectus wrapper material prepared by or with the consent of the Company for distribution in foreign jurisdictions in connection with the Directed ADS Program attached to the Prospectus, any preliminary prospectus or any Issuer Free Writing Prospectus, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statement therein, when considered in conjunction with the Prospectus or any applicable preliminary prospectus, not misleading; (ii) caused by the failure of any Participant to pay for and accept delivery of the securities which immediately following the Effective Date of the Registration Statement, were subject to a properly confirmed agreement to purchase; or (iii) related to, arising out of, or in connection with the Directed ADS Program, except that this clause (iii) shall not apply to the extent that such loss, claim, damage or liability is finally judicially determined to have resulted primarily from the gross negligence or willful misconduct of the Berenberg Entities.

(d) *Indemnification of the Company and of the Selling Shareholders by the Underwriters*. Each Underwriter severally and not jointly agrees to indemnify and hold harmless the Company, each of its directors, each of its officers who signs the Registration Statement or the ADR Registration Statement, and each person who controls the Company within the meaning of either the Securities Act or the Exchange Act and the Selling Shareholders, to the same extent as the foregoing indemnity to each Underwriter, but only with reference to written information relating to such Underwriter furnished to the Company by or on behalf of such Underwriter through the Representative specifically for inclusion in the documents referred to in the foregoing indemnity. This indemnity agreement will be in addition to any liability which any Underwriter may otherwise have. The Company and the Selling Shareholders acknowledge that the statements set forth in the second sentence of the fourth paragraph, the second and third sentences in the fifth paragraph, the first sentence of the fourteenth paragraph and the third sentence in the fifteenth paragraph, each under the caption "Underwriting" in the Preliminary Prospectus and the Prospectus, constitute the only information furnished in writing by or on behalf of the several Underwriters for inclusion in the Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus.

(e) *Actions against Parties; Notification*. Promptly after receipt by an indemnified party under this Section 6 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 6, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under paragraph (a), (c) or (d) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantial rights and defenses and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in paragraph (a), (c) or (d) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel retained by the indemnified party or parties except as set forth below); provided, however, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable and documented fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest, (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party, (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party. Notwithstanding anything contained herein to the contrary, if indemnity may be sought pursuant to Section 6(c) hereof in respect of such action or proceeding, then in addition to such separate firm for the indemnified

parties, the indemnifying party shall be liable for the reasonable and documented out-of-pocket fees and expenses of not more than one separate firm (in addition to any local counsel) for the Designated Underwriter, the directors, officers, employees and agents of the Designated Underwriter, and all persons, if any, who control the Designated Underwriter within the meaning of either the Securities Act or the Exchange Act for the defense of any losses, claims, damages and liabilities arising out of the Directed ADS Program.

(f) *Contribution*. In the event that the indemnity provided in paragraph (a), (c) or (d) of this Section 6 is unavailable to or insufficient to hold harmless an indemnified party for any reason, the Company and each Selling Shareholder, jointly and severally, and the Underwriters severally agree to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending the same) (collectively, "Losses") to which the Company, the Selling Shareholders and one or more of the Underwriters may be subject in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Shareholders on the one hand and by the Underwriters on the other from the Offering. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the Company and each Selling Shareholder, severally and not jointly, and the Underwriters severally shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and the Selling Shareholders on the one hand and of the Underwriters on the other in connection with the statements or omissions which resulted in such Losses as well as any other relevant equitable considerations. Benefits received by the Company and the Selling Shareholders shall be deemed to be equal to the total net proceeds from the Offering (before deducting expenses) received by it, and benefits received by the Underwriters shall be deemed to be equal to the total Underwriting Discounts and commissions, in each case as set forth on the cover page of the Prospectus. Relative fault shall be determined by reference to, among other things, whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided by the Company or the Selling Shareholders on the one hand or the Underwriters on the other, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Company, the Selling Shareholders and the Underwriters agree that it would not be just and equitable if contribution were determined by pro rata allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (f), in no event shall any Underwriter be required to contribute any amount in excess of the amount by which the total Underwriting Discounts and commissions received by such Underwriter with respect to the Offering exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. Notwithstanding the provisions of this paragraph (f), in no event shall a Selling Shareholder be liable under this paragraph (f) to contribute any amount in excess of the amount received directly or indirectly by such Selling Shareholder pursuant to the sale of the Securities. Notwithstanding the provisions of this paragraph (f), no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 6, each person who controls an Underwriter within the meaning of either the Securities Act or the Exchange Act and each director, officer, employee, affiliate and agent of an Underwriter shall have the same rights to contribution as such Underwriter, and each person who controls the Company within the meaning of either the Securities Act or the Exchange Act, each officer of the Company who shall have signed the Registration Statement and the ADR Registration Statement and each director of the Company shall have the same rights to contribution as the Company, subject in each case to the applicable terms and conditions of this paragraph (f).

7. Default by an Underwriter. If any one or more Underwriters shall fail to purchase and pay for any of the Offered Securities agreed to be purchased by such Underwriter or Underwriters under this Agreement and such failure to purchase shall constitute a default in the performance of its or their obligations under this Agreement, the remaining Underwriters shall be obligated severally to take up and pay for (in the respective proportions which the amount of Securities set forth opposite their names in Schedule I hereto bears to the aggregate amount of Securities set forth opposite the names of all the remaining Underwriters) the Offered Securities which the defaulting Underwriter or Underwriters agreed but failed to purchase; provided, however, that in the event that the aggregate amount of Securities which the defaulting Underwriter or Underwriters agreed but failed to purchase shall exceed 10% of the aggregate amount of Offered Securities set forth in Schedule I hereto, the remaining Underwriters shall have the right to purchase all, but shall not be under any obligation to purchase any, of the Offered Securities, and if such non-defaulting Underwriters do not purchase all the Offered Securities, this Agreement will terminate without liability to any non-defaulting Underwriter, the Selling Shareholders or the Company. In the event that a termination pursuant to this Section 7 occurs after the Firm Underlying Shares have been subscribed for by the German Subscription Agent on behalf and for the account of the Underwriters in accordance with Section 2(a)(i) above, the procedures described in Section 8(a) shall apply. In the event of a default by any Underwriter as set forth in this Section 7, the Closing Date shall be postponed for such period, not exceeding five Business Days, as the Representative shall determine in order that the required changes in the Registration Statement, the ADR Registration Statement and the Prospectus or in any other documents or arrangements may be effected. Nothing contained in this Agreement shall relieve any defaulting Underwriter of its liability, if any, to the Company, the Selling Shareholders and any non-defaulting Underwriter for damages occasioned by its default under this Agreement.

8. Termination / Downsizing.

(a) *Termination in Case of a Termination Event*. The Representative may at its option and in its sole discretion on behalf of the several Underwriters terminate this Agreement at any given time on or prior to the Closing Date, or in case of the Option Securities, prior to the applicable Option Closing Date, by notice to the Company and the Selling Shareholders if the Representative determines that (x) any of the conditions referred to in Section 4 shall not be satisfied; or (y) a material adverse change referred to in Section 1(a)(xxiii) has occurred (each of the events set forth in above, a "Termination Event"), it being understood that before the Representative terminates this Agreement in accordance with this Section 8(a) hereof, it shall notify the Company and the Selling Shareholders, if practicable in the sole discretion of the Representative. Upon the occurrence of a Termination Event the following shall apply:

(i) *Prior to Filing of Subscription Certificate*. Should the Termination Event occur before the Subscription Certificate for the Firm Underlying Shares has been filed with the Commercial Register, the obligation of the several Underwriters, through the German Subscription Agent, to subscribe the Firm Underlying Shares and the obligation of the Underwriters to acquire the Offered Securities may be cancelled and this Agreement may be terminated by the Representative at its option and in its sole discretion on behalf of the several Underwriters and, in such circumstances, the Company shall return the Subscription Certificate for the Firm Underlying Shares and the Bank Confirmation to the Representative and release any funds already credited to the Capital Increase Account for the benefit of the Representative.

(ii) *Subsequent to Filing*. If a Termination Event occurs after all documents required for the registration of the Capital Increase have been filed with the Commercial Register, the Representative may at its option and in its sole discretion, on behalf of the several Underwriters, terminate this Agreement and request from the Company by written notification to

the Company to employ its best efforts to procure a withdrawal of the application for registration of the Capital Increase with the Commercial Register. If the application is withdrawn successfully, the obligation of the several Underwriters, through the German Subscription Agent, to subscribe to the Firm Underlying Shares and the obligation of the Underwriters to acquire the Offered Securities shall terminate and the Company shall return the Subscription Certificate for the Firm Underlying Shares and the Bank Confirmation to the Representative and release any funds already credited to the Capital Increase Account for the benefit of the Representative.

(iii) *Subsequent to Registration of Capital Increase*. If the Termination Event occurs after registration of the Capital Increase or on a date on which the application for the registration of the Capital Increase with the Commercial Register can no longer be withdrawn, or if despite a request a withdrawal does not occur for other reasons, the following shall apply:

(1) the Representative at its option and in its sole discretion, on behalf of the several Underwriters, may terminate this Agreement on behalf of the several Underwriters; provided, however, that the obligation of the Underwriters hereunder to acquire the Firm Shares at the Issue Price shall remain in force and survive any such termination. The Representative may, however, release the other Underwriters of this obligation in its sole discretion. Subject to the foregoing, in the event of any such termination, the obligations of the Underwriters towards the Company and the Selling Shareholders to acquire and offer Securities terminate.

(2) The Representative shall have the right to sell to the Selling Shareholders, and the Selling Shareholders shall have the obligation to purchase from the Representative, all of the Firm Underlying Shares against payment to the Representative of the Issue Price of such Firm Underlying Shares. Any such sale by the Representative to the Selling Shareholders shall be consummated within a period of ten business days following the termination notification in accordance with this Section 8.

(3) If the sale of the Firm Underlying Shares to the Selling Shareholders pursuant to paragraph (2) above is not consummated within a period of ten business days following the termination notification in accordance with this Section 8 or either Selling Shareholder fails to comply with its obligation under paragraph (2) above, to purchase the Firm Underlying Shares from the Representative, the Company may, to the extent legally possible, designate one or more third parties to whom all or the remaining Firm Underlying Shares shall be sold in whole within a period not exceeding ten business days, and the Company shall cause such third party or parties to pay to the Underwriters a purchase price per Firm Underlying Share determined by the Company, which shall be at least equal to the Issue Price plus any costs and expenses per Firm Underlying Share incurred by the Underwriters in connection with the financing of the Issue Price from the Subscription Date to the date of such sale, any other costs and expenses per Firm Underlying Share arising from the foregoing procedures as well as any other costs and expenses pursuant to Section 3(c)(i). From the proceeds of such sale, the Underwriters shall forward to the Company any proceeds received by them from such disposition less the Aggregate Issue Price credited directly to the Capital Increase Account. In the event that either Selling Shareholder has failed to comply with its obligation under paragraph (2) above, to purchase the Firm Underlying Shares from the Representative, such Selling Shareholder shall be liable to the Representative for all losses, if any, incurred by them as a result of the sale of the Firm Underlying Shares to a third party or third parties designated by the Company pursuant to this paragraph (3) or the sale to any other person

pursuant to paragraph (4) below, in each case as compared to a (hypothetical) sale of the Firm Underlying Shares to the Selling Shareholders pursuant to paragraph (2) above.

(4) If and to the extent the Company fails to designate such third party or third parties within the period set forth above in paragraph (3), or if following such designation the sale of the Firm Underlying Shares to the designated third party or parties pursuant to paragraph (3) above is not consummated within the period set forth therein, the Underwriters shall also be entitled to sell the Firm Underlying Shares to any other person or person as they deem best in their sole discretion and, in the event of any such sale, shall forward to the Company any proceeds received by them from such disposition less the amount credited to the Capital Increase Account and less (a) the Issue Price converted from euro into U.S. dollar multiplied by the number of Firm Underlying Shares sold in accordance with this Section 8(a)(iii)(4), (b) an amount equal to the difference between the Public Offering Price and the Purchase Price multiplied by the number of Firm Underlying Shares sold in accordance with this Section 8(a)(iii)(4), (c) any costs and expenses incurred by the Underwriters in connection with the financing of the Aggregate Issue Price from the date of the subscription of the Firm Underlying Shares to the date of such sale, (d) any other costs and expenses per Firm Underlying Share incurred by the Underwriters in connection with or arising from the foregoing procedures, as well as (e) any other costs and expenses per Firm Underlying Share reimbursable pursuant to Section 5.

(iv) *Determination by Company or Selling Shareholders*. If the Company or either Selling Shareholder determines that any of the conditions precedent described in Section 7 above is not or no longer fulfilled at any time after execution of this Agreement and prior to the Closing Date, or that a material adverse change referred to in Section 1(a)(xxiii) above has occurred, it shall notify the Representative of such circumstances without undue delay.

(b) *Termination in other Cases*. Without prejudice to paragraph (a) above, this Agreement shall be subject to termination in the absolute discretion of the Representative, by notice given to the Company prior to delivery of and payment for the Offered Securities, if at any time prior to such delivery and payment (i) trading in the Company's ADSs shall have been suspended by the Commission or the New York Stock Exchange or trading in securities generally on the New York Stock Exchange shall have been suspended or limited or minimum prices shall have been established on either of such exchanges, (ii) a banking moratorium shall have been declared by U.S. Federal, New York State or German authorities, (iii) there shall have occurred a material disruption in commercial banking or securities settlement or clearance services or (iv) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States or Germany of a national emergency or war, or other calamity or crisis the effect of which on financial markets is such as to make it, in the sole judgment of the Representative, impractical or inadvisable to proceed with the offering or delivery of the Securities as contemplated by the Preliminary Prospectus and the Prospectus (exclusive of any amendment or supplement thereto). In the event that a termination pursuant to this subsection occurs after the Firm Underlying Shares have been subscribed for by the German Subscription Agent on behalf and for the account of the Underwriters in accordance with Section 2(a)(i) above, the procedures described in Section (a) shall apply.

9. Representations and Indemnities to Survive. The respective agreements, representations, warranties, indemnities and other statements of the Company or its officers or directors, of the Selling Shareholders and of the Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of any Underwriter, the Selling Shareholders or the Company or any of the officers, directors, employees, agents, affiliates or controlling

persons (as applicable) referred to in Section 6 hereof, and will survive delivery of and payment for the Securities. The provisions of Sections 5 and 7 hereof shall survive the termination or cancellation of this Agreement.

10. Notices. All communications hereunder will be in writing and effective only on receipt, and, if sent to the Representative, will be mailed, delivered or telefaxed to Berenberg Capital Markets LLC, 1251 Avenue of the Americas, 53rd Floor, New York, New York 10020, Attention: Equity Capital Markets; or, if sent to the Company, will be mailed, delivered or telefaxed to VIA optronics AG at Sieboldstr. 18, 90411 Nuremberg, Germany, +49 (911) 597 575-110, Attention: Kathrin Bickelbacher; or if sent to the Selling Shareholders, will be mailed, delivered or telefaxed and confirmed to it at the address set forth in Schedule II hereto.

11. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers, directors, employees, agents and controlling persons (as applicable) referred to in Section 6 hereof, and no other person will have any right or obligation hereunder.

12. Representation of Underwriters. The Representative will act for the several Underwriters in connection with this transaction, and any action under this Agreement taken by the Representative will be binding upon all the Underwriters.

13. Jurisdiction. Each of the Company and the Selling Shareholders agree that any suit, action or proceeding against the Company brought by any Underwriter, the directors, officers, employees, affiliates and agents of any Underwriter, or by any person who controls any Underwriter, arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in any State or U.S. federal court in The City of New York and County of New York, and waives any objection which it may now or hereafter have to the laying of venue of any such proceeding, and irrevocably submits to the non-exclusive jurisdiction of such courts in any suit, action or proceeding. Each of the Company and the Selling Shareholders has appointed VIA optronics, LLC, 6220 Hazeltine National Dr., Suite 120, Orlando, FL 32822, Attention: Jürgen Eichner as its authorized agent (the "Authorized Agent") upon whom process may be served in any suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated herein that may be instituted in any State or U.S. federal court in The City of New York and County of New York, by any Underwriter, the directors, officers, employees, affiliates and agents of any Underwriter, or by any person who controls any Underwriter, and expressly accepts the non-exclusive jurisdiction of any such court in respect of any such suit, action or proceeding. Each of the Company and the Selling Shareholders hereby represents and warrants that the Authorized Agent has accepted such appointment and has agreed to act as said agent for service of process, and each of the Company and the Selling Shareholders agrees to take any and all action, including the filing of any and all documents that may be necessary to continue such appointment in full force and effect as aforesaid. Service of process upon the Authorized Agent shall be deemed, in every respect, effective service of process upon each of the Company and the Selling Shareholder. Notwithstanding the foregoing, any action arising out of or based upon this Agreement may be instituted by any Underwriter, the directors, officers, employees and agents of any Underwriter, or by any person who controls any Underwriter, in any court of competent jurisdiction in Germany.

14. No Fiduciary Duty. The Company and the Selling Shareholders hereby acknowledge that (a) the purchase and sale of the Offered Securities pursuant to this Agreement is an arm's-length commercial transaction between the Company and the Selling Shareholders, on the one hand, and the Underwriters and any affiliate through which it may be acting, on the other, (b) the Underwriters are acting as principal and not as an agent or fiduciary of the Company or the Selling Shareholder, (c) the Company's engagement of the Underwriters in connection with the Offering and the process leading up to the

Offering is as independent contractors and not in any other capacity and (d) none of the activities of the Underwriters in connection with the transactions contemplated herein constitutes a recommendation, investment advice, or solicitation of any action by the Underwriters with respect to any entity or natural person. Furthermore, the Company and the Selling Shareholders agree that they are solely responsible for making their own judgments in connection with the Offering (irrespective of whether any of the Underwriters has advised or is currently advising the Company or the Selling Shareholders on related or other matters). The Company and the Selling Shareholders agree that they will not claim that the Underwriters have rendered advisory services of any nature or respect, or owe an agency, fiduciary or similar duty to the Company or the Selling Shareholders, in connection with such transaction or the process leading thereto.

15. Integration. This Agreement supersedes all prior agreements and understandings (whether written or oral) between the Company, the Selling Shareholders and the Underwriters, or any of them, with respect to the subject matter hereof. For the avoidance of doubt, the provisions of this Section 15 do not apply to, and this Agreement does not supersede, the Indemnification and Cost Reimbursement Agreement.

16. Applicable Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed within the State of New York.

17. Currency. Each reference in this Agreement to U.S. Dollars (the "Relevant Currency") is of the essence. To the fullest extent permitted by law, the obligations of each of the Company and the Selling Shareholders in respect of any amount due under this Agreement will, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the relevant currency that the party entitled to receive such payment may, in accordance with its normal procedures, purchase with the sum paid in such other currency (after any premium and costs of exchange) on the Business Day immediately following the day on which such party receives such payment. If the amount in the relevant currency that may be so purchased for any reason falls short of the amount originally due, the Company or the Selling Shareholders making such payment will pay such additional amounts, in the relevant currency, as may be necessary to compensate for the shortfall. Any obligation of any of the Company or the Selling Shareholders not discharged by such payment will, to the fullest extent permitted by applicable law, be due as a separate and independent obligation and, until discharged as provided herein, will continue in full force and effect.

18. Recognition of the U.S. Special Resolution Regimes.

(a) *Transfer.* In the event that any Underwriter that is a Covered Entity (as defined below) becomes subject to a proceeding under a U.S. Special Resolution Regime (as defined below), the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime (as defined below) if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) *Default Rights.* In the event that any Underwriter that is a Covered Entity (as defined below) or a BHC Act Affiliate (as defined below) of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime (as defined below), Default Rights (as defined below) under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights (as defined below) could be exercised under the U.S. Special Resolution Regime (as defined below) if this Agreement were governed by the laws of the United States or a state of the United States.

(c) *Definitions.* As used in this Section 18 only, the meaning of the following terms is as follows: "Affiliate" has the meaning given in section 2(k) of the Bank Holding Company Act (12 U.S.C. 1841(k)) and section 225.2(a) of the Board's Regulation Y (12 CFR 225.2(a)). "Default Right" means any: (i) Right of a party, whether contractual or otherwise (including, without limitation, rights incorporated by reference to any other contract, agreement, or document, and rights afforded by statute, civil code, regulation, and common law), to liquidate, terminate, cancel, rescind, or accelerate such agreement or transactions thereunder, set off or net amounts owing in respect thereto (except rights related to sameday payment netting), exercise remedies in respect of collateral or other credit support or property related thereto (including the purchase and sale of property), demand payment or delivery thereunder or in respect thereof (other than a right or operation of a contractual provision arising solely from a change in the value of collateral or margin or a change in the amount of an economic exposure), suspend, delay, or defer payment or performance thereunder, or modify the obligations of a party thereunder, or any similar rights; and (ii) Right or contractual provision that alters the amount of collateral or margin that must be provided with respect to an exposure thereunder, including by altering any initial amount, threshold amount, variation margin, minimum transfer amount, the margin value of collateral, or any similar amount, that entitles a party to demand the return of any collateral or margin transferred by it to the other party or a custodian or that modifies a transferee's right to reuse collateral or margin (if such right previously existed), or any similar rights, in each case, other than a right or operation of a contractual provision arising solely from a change in the value of collateral or margin or a change in the amount of an economic exposure. "U.S. Special Resolution Regime" means the Federal Deposit Insurance Act (12 U.S.C. 1811—1835a) and regulations promulgated thereunder and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (12 U.S.C. 5381—5394) and regulations promulgated thereunder.

19. Waiver of Immunity. To the extent that any of the Company or the Selling Shareholders has or hereafter may acquire any immunity (sovereign or otherwise) from any legal action, suit or proceeding, from jurisdiction of any court or from set-off or any legal process (whether service or notice, attachment in aid or otherwise) with respect to itself or any of its property, each of the Company and the Selling Shareholders hereby irrevocably waives and agrees not to plead or claim such immunity in respect of its obligations under this Agreement

20. Waiver of Jury Trial. The Company and each Selling Shareholder hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

21. Counterparts. This Agreement may be signed in one or more counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

22. Headings. The section and paragraph headings used herein are for convenience only and shall not affect the construction hereof.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding agreement among the Company, the Selling Shareholders and the several Underwriters.

Very truly yours,

VIA optronics AG

By: _____
Name:
Title:

Jürgen Eichner

By: _____
Name: Jürgen Eichner

Coöperatief IMI Europe U.A.

By: _____
Name:
Title:

[*Signature Page to Underwriting Agreement*]

This Agreement is hereby confirmed and accepted as of the date first above written.

Berenberg Capital Markets LLC

For itself and the other several
Underwriters named in Schedule I to
this Agreement.

By: Berenberg Capital Markets LLC

By: _____
Name:
Title:

By: _____
Name:
Title:

[*Signature Page to Underwriting Agreement*]

SCHEDULE I

Underwriters	Number of Firm ADSs to be Purchased
Berenberg Capital Markets LLC	[•]
Craig-Hallum Capital Group LLC	[•]
Total	

SCHEDULE II

Selling Shareholders	Maximum Number of Option ADSs to be Sold
Jürgen Eichner, Lettenfeldstraße 15, D-90592 Schwarzenbruck Facsimile number: +49 911 597 575-110	[•]
Coöperatief IMI Europe U.A. Luna ArenA Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands	[•]
Total	[•]

SCHEDULE III

Free Writing Prospectuses included in the Disclosure Package

SCHEDULE IV

Significant Subsidiaries of the Company as defined by Rule 1-02 of Regulation S-X

VIA optronics GmbH
VIA optronics (Suzhou) Co., Ltd.
VTS-Touchsensor Co., Ltd.

SCHEDULE V

Selling Shareholder	Option ADSs Proceeds Account Information
Jürgen Eichner	
Coöperatief IMI Europe U.A.	

SCHEDULE VI

Persons for which the Company is required to furnish Lock-up Letters

Coöperatief IMI Europe U.A.
Jürgen Eichner
Corning Research and Development Corp.

EXHIBIT A

FORM OF SUBSCRIPTION CERTIFICATE

EXHIBIT B

FORM OF BANK CONFIRMATION

EXHIBIT C

FORM OF GLOBAL SHARE CERTIFICATE

EXHIBIT D

FORM OF LOCK-UP LETTER

VIA optronics AG
Public Offering of American Depositary Shares representing Ordinary Shares

[*Date*]

Berenberg Capital Markets LLC
As Representative of the several Underwriters

c/o Berenberg Capital Markets LLC
1251 Avenue of the Americas, 53rd Floor
New York, New York 10020

Ladies and Gentlemen:

This letter is being delivered to you in connection with the proposed Underwriting Agreement (the "Underwriting Agreement"), between VIA optronics AG, a German stock corporation (*Aktiengesellschaft*) (the "Company"), and you as representative of a group of Underwriters (the "Underwriters") named therein, relating to an underwritten public offering of American Depositary Shares ("ADSs") representing ordinary shares with a notional value of €1.00 each ("Shares") of the Company (the "Offering").

In order to induce you and the other Underwriters to enter into the Underwriting Agreement, the undersigned will not, without the prior written consent of Berenberg Capital Markets LLC, offer, sell, contract to sell, pledge or otherwise dispose of, (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the undersigned or any affiliate of the undersigned or any person in privity with the undersigned or any affiliate of the undersigned), directly or indirectly, including the filing (or participation in the filing) of a registration statement with the Securities and Exchange Commission in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Securities and Exchange Commission promulgated thereunder with respect to, any Shares or ADSs or any securities convertible into, or exercisable or exchangeable for Shares or ADSs, or publicly announce an intention to effect any such transaction, for a period from the date hereof until 180 days after the date of the Underwriting Agreement (the "Lock-Up Period"), other than:

(i) Shares or ADSs disposed of as a bona fide gift or gifts approved by Berenberg Capital Markets LLC where each recipient of a gift of shares of Shares or ADSs agrees in writing to be bound by the same restrictions in place for the undersigned pursuant to this letter for the duration that such restrictions remain in effect at the time of transfer;

(ii) the surrender or forfeiture by the undersigned of Shares or ADSs to the Company, or the disposition of Shares or ADSs by the undersigned, in each case, solely to satisfy tax obligations or other obligations as a result of testate succession or intestate distribution;

(iii) transfers of Shares or ADSs or any security convertible into or exercisable for Shares or ADSs to an "immediate family member" (for purposes of this letter agreement, "immediate family member" shall mean any relationship by blood, marriage, civil union or adoption, and shall include former spouses and partners, not more remote than first cousin) or a trust for the benefit of the undersigned or an immediate family member or to any corporation, partnership, limited liability company or other entity that is a direct or indirect affiliate of the undersigned and/or one or more immediate family members of the undersigned in a transaction not involving a disposition for value or as part of a divorce decree, legal divorce or separation or separation agreement, *provided* that (1) each recipient of such Shares, ADSs or other securities agrees in writing to be bound by the same restrictions in place for the undersigned pursuant to this letter for the duration that such restrictions remain in effect at the time of transfer and (2) no filing under the Exchange Act is made by or on behalf of the undersigned or the Company prior to the expiration of the Lock-Up Period with regard to any such Shares, ADSs or other securities;

(iv) transfers of Shares or ADSs or any security convertible into or exercisable for Shares or ADSs upon death by will or intestate succession;

(v) the establishment of one or more contracts, instructions or plans (a "Plan") that satisfies all of the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act *provided* that no sales of the undersigned's Shares or ADSs shall be made pursuant to such a Plan prior to the expiration of the Lock-up Period and no public announcement or filing under the Exchange Act is made by or on behalf of the undersigned or the Company regarding the establishment of such plan (other than a filing on Form 13F or a filing on Schedule 13D or Schedule 13G (or 13D-A or 13G-A) that is required by law to be made after the expiration of the Lock-up Period);

(vi) any Shares or ADSs acquired by the undersigned in the open market or in the Offering (other than any issuer-directed Shares or ADS purchased in the Offering by an officer or director of the Company), *provided* that no filing or public announcement related to the acquired Shares or ADSs under the Exchange Act is made prior to the expiration of the Lock-Up Period; and

(vii) any Shares or ADSs sold in the Offering in accordance with the Underwriting Agreement.

If the undersigned is an officer or director of the Company, (i) the undersigned further agrees that the foregoing restrictions shall be equally applicable to any issuer-directed shares of Shares or ADSs the undersigned may purchase in the Offering, if applicable, (ii) Berenberg Capital Markets LLC agrees that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of Shares or ADSs, Berenberg Capital Markets LLC will notify the Company of the impending release or waiver, [and] (iii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver by press release through a major news service at least two business days before the effective date of the release or waiver, [and (iv) the undersigned further agrees that the foregoing

restrictions shall be equally applicable to any issuer-directed ADSs the undersigned may purchase in the Offering]. Any release or waiver granted by Berenberg Capital Markets LLC hereunder to any such officer or director shall only be effective two business days after the publication date of such press release. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration and (b) the transferee has agreed in writing to be bound by the same terms described in this letter to the extent and for the duration that such terms remain in effect at the time of the transfer.

Notwithstanding anything to the contrary contained herein, this letter agreement will automatically terminate and the undersigned will be released from all of his, her or its obligations hereunder upon the earliest to occur, if any, of (i) the date that the Company, on the one hand, or you, on the other hand, advises in writing, prior to the execution of the Underwriting Agreement, that it has determined not to proceed with the Offering, (ii) the date, prior to the execution of the Underwriting Agreement, that the Company withdraws the Registration Statement, (iii) the date that the Underwriting Agreement is terminated (other than the provisions thereof which survive termination) prior to payment for and delivery of the ADSs to be sold thereunder, or (iv) December 1, 2020, in the event that the Underwriting Agreement has not been executed by such date (*provided* that the Company may by written notice to the undersigned prior to December 1, 2020 extend such date for a period of up to an additional three months).

[Signature Page Follows]

If for any reason the Underwriting Agreement shall be terminated prior to the Closing Date (as defined in the Underwriting Agreement), the agreement set forth above shall likewise be terminated.

Yours very truly,

By: _____
Name:
Title:

[Signature Page to Lock-Up Agreement]

EXHIBIT E

FORM OF WAIVER OF LOCK-UP

[insert letterhead of relevant Representative]

VIA optronics AG
Public Offering of American Depositary Shares representing Ordinary Shares

[*Date*]

[name and address of officer or director requesting waiver]

Dear Mr./Ms. [insert name]:

This letter is being delivered to you in connection with the offering by VIA optronics AG (the "Company") of American Depositary Shares ("ADSs") representing ordinary shares with a notional value of €[•] each ("Shares") of the Company (the "Offering") and the lock-up letter dated [•] (the "Lock-up Letter"), executed by you in connection with such Offering, and your request for a [waiver] [release] dated [•], with respect to [•] shares of [ADSs] [Shares].

Berenberg Capital Markets LLC hereby agrees to [waive] [release] the transfer restrictions set forth in the Lock-up Letter, but only with respect to the [ADSs] [Shares], effective [•]; provided, however, that such [waiver] [release] is conditioned on the Company announcing the impending [waiver] [release] by press release through a major news service at least two business days before effectiveness of such [waiver] [release]. This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Letter shall remain in full force and effect.

Yours very truly,

Berenberg Capital Markets LLC

By: _____
Name:
Title:

cc: [•]

EXHIBIT F

FORM OF PRESS RELEASE

VIA optronics AG
[insert date]

VIA optronics AG (the "Company") announced today that Berenberg Capital Markets LLC, the lead book-running manager in the Company's recent public sale of [•] American Depositary Shares ("ADSs") representing the Company's Shares, is [waiving] [releasing] a lock-up restriction with respect to [•] shares of the Company's [ADSs] [Shares] held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on [•], and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Exhibit 3.1

URNr. / 2019
vom 04.07.2019

Satzungsbescheinigung
gemäß § 181 AktG

Amtsgericht Nürnberg, HRB 36 200

Firma VIA optronics AG
mit dem Sitz in Nürnberg

Anschrift: 90411 Nürnberg, Sieboldstraße 18

Hiermit bescheinige ich gemäß § 181 AktG, dass übereinstimmen:

1. die geänderten Bestimmungen des Gesellschaftsvertrages mit dem Beschluss vom 04.07.2019 über die Änderung;

2. die unveränderten Bestimmungen mit dem zuletzt beim Registergericht eingereichten vollständigen Wortlaut des Gesellschaftsvertrages.

München, den 04.07.2019

/s/ Dr. Thomas Wachter
Dr. Thomas Wachter
Notar, München

Satzung der
VIA optronics AG

I.
ALLGEMEINE BESTIMMUNGEN

§1.
Firma, Sitz und Dauer

(1) Die Firma der Gesellschaft lautet VIA optronics AG.

(2) Die Gesellschaft hat ihren Sitz in Nürnberg.

(3) Die Gesellschaft ist auf unbestimmte Zeit errichtet.

§2.
Gegenstand des Unternehmens

(1) Gegenstand des Unternehmens der Gesellschaft ist die Herstellung und der Vertrieb elektronischer Baugruppen, insbesondere Komponenten und Systemlösungen für die Optoelektronik und Displaytechnik, sowie damit zusammenhängende Dienstleistungen.

(2) Die Gesellschaft ist zur Durchführung aller Geschäftsaktivitäten berechtigt, die dem Geschäftsgegenstand mittelbar oder unmittelbar dienen oder nützlich sind. Der Gesellschaft ist es insbesondere gestattet, sich an anderen Gesellschaften zu beteiligen, andere Gesellschaften zu erwerben, zu veräußern und Tochtergesellschaften oder Zweigniederlassungen im In- und Ausland zu errichten. Sie darf auch Grundbesitz erwerben.

Articles of Association of
VIA optronics AG

I.
GENERAL PROVISIONS

§1.
Name, Registered Office and Duration

(1) The name of the company is VIA optronics AG.

(2) The registered office of the company is in Nuremberg.

(3) The company is established for an indefinite period.

§2.
Object of the Company

(1) The object of the company is the production and distribution of electronic assemblies, in particular components and system solutions for optoelectronics and display technologies as well as services relating thereto.

(2) The company may engage in all business activities which serve, directly or indirectly, the object of the company. The company is in particular allowed to invest in, acquire interests in and dispose of other companies, and to establish domestic and foreign branch offices and subsidiaries. The company may also acquire real estate.

§3.
Bekanntmachungen und Informationsübermittlung

Die Bekanntmachungen der Gesellschaft erfolgen im Bundesanzeiger.

§3.
Notices and Transmission of Information

Announcements of the company shall be published in the German Federal Gazette (*Bundesanzeiger*).

II.
GRUNDKAPITAL UND AKTIEN

II.
REGISTERED SHARE CAPITAL AND SHARES

§4.
Höhe und Einteilung des Grundkapitals

(1) Das Grundkapital der Gesellschaft beträgt EUR 3.000.000,00 (in Worten: Euro drei Millionen).

(2) Es ist eingeteilt in 3.000.000 (in Worten: drei Millionen) auf den Namen lautende nennwertlose Stückaktien.

§4.
Amount and Division of Registered Share Capital

(1) The company's share capital amounts to EUR 3,000,000.00 (in words: Euro three Million).

(2) It is divided into 3,000,000 (in words: three Million) no par value registered shares.

§5.
Genehmigtes Kapital

(1) Der Vorstand ist ermächtigt, mit Zustimmung des Aufsichtsrats das Grundkapital der Gesellschaft in der Zeit bis zum 30. Juni 2024 einmalig oder mehrmals um insgesamt bis zu EUR 1.500.000,00 (in Worten: Euro eine Million fünfhunderttausend) durch Ausgabe von bis zu 1.500.000 (in Worten: eine Million fünfhunderttausend) neuen auf den Namen lautenden Stammaktien gegen Bareinlagen oder Sacheinlagen zuerhöhen (***Genehmigtes Kapital***).

(2) Den Aktionären ist grundsätzlich ein Bezugsrecht einzuräumen. Das gesetzliche Bezugsrecht kann auch in der Weise gewährt werden, indem die neuen Aktien von einem Kreditinstitut oder einem nach § 53 Abs. 1 Satz 1 oder nach § 53b Abs. 1 Satz 1 oder

§5.
Authorized Share Capital

(1) In the period ending on 30 June 2024 the management board is authorised, subject to the consent of the supervisory board, to increase the company's registered share capital in one or more tranches by up to EUR 1,500,000.00 (in words: Euro one million fivehundredthousand) in aggregate by issuing up to 1,500,000 (in words: one million fivehundredthousand) new no par value registered shares against cash contribution or contributions in kind (***Authorised Capital***).

(2) In principle, shareholders are to be granted a subscription right for new shares. The statutory subscription right may also be offered in such a way that the new shares are taken over by a bank or by a financial institution acting pursuant to Section 53

Abs. 7 des Gesetzes über das Kreditwesen tätigen Unternehmen mit der Verpflichtung übernommen werden, sie den Aktionären mittelbar im Sinne von § 186 Abs. 5 AktG zum Bezug anzubieten.

Der Vorstand ist jedoch ermächtigt, das gesetzliche Bezugsrecht der Aktionäre mit Zustimmung des Aufsichtsrats für eine oder mehrere Kapitalerhöhungen im Rahmen des Genehmigten Kapitals auszuschließen,

(i) um Spitzenbeträge, die sich aufgrund des Bezugsverhältnisses ergeben, vom Bezugsrecht der Aktionäre auszunehmen;

(ii) bei Sachkapitalerhöhungen, wenn die Gesellschaft ein hinreichendes Interesse am Erwerb des Einlagegegenstands hat und der Einlagegegenstand nicht durch einen Barkauf erworben werden kann, auch nicht durch Finanzierung im Wege einer Barkapitalerhöhung, insbesondere — aber ohne Beschränkung hierauf — zum Erwerb von Unternehmen, Unternehmensteilen oder Beteiligungen an Unternehmen; oder

(iii) wenn die Kapitalerhöhung gegen Bareinlagen erfolgt und der Ausgabepreis der neuen Aktien den Börsenkurs der bereits an der Börse gehandelten Aktien gleicher Gattung und Ausstattung im Zeitpunkt der endgültigen Festlegung des Ausgabebetrages nicht wesentlich im Sinne der §§ 203 Abs. 1 und 2, 186 Abs. 3 Satz 4 AktG unterschreitet und der auf die nach dieser Ziffer (iii)

para. 1 sentence 1 or Section 53b para. 1 sentence 1 or para. 7 of the German Banking Code (*Gesetz über das Kreditwesen*) with the obligation to offer them indirectly to the shareholders for subscription within the meaning of Section 186 para. 5 of the German Stock Corporation Code (*Aktiengesetz; AktG*).

However, the management board is authorised, subject the consent of the supervisory board, to exclude the statutory subscription right in relation to one or more increases of the share capital within the scope of the Authorised Capital,

(i) to exclude fractional amounts resulting from the subscription ratio from the statutory subscription right of the shareholders;

(ii) in relation to capital increases against contributions in kind, in case the Company has a reasonable interest in the acquisition of the asset which is subject to the contribution and if such asset can not be acquired by way of a purchase, even not with a financing by way of a cash capital increase, particularly — but not exclusively — with regard to the acquisition of companies, parts of companies or holdings in companies; or

(iii) in the case that the increase of the share capital is against contribution in cash and provided that the issue price of the new shares is not substantially lower (within the meaning of Sections 203 para. 1 and 2, 186 para. 3 sentence 4 AktG) than the stock exchange price for shares in the Company of the same class and having the same conditions already listed at the time of the final

unter Ausschluss des Bezugsrechts gemäß § 186 Abs. 3 Satz 4 AktG ausgegebenen neuen Aktien entfallende anteilige Betrag des Grundkapitals insgesamt 10 % des Grundkapitals nicht überschreitet, und zwar weder des im Zeitpunkt des Wirksamwerdens noch im Zeitpunkt der Ausübung dieser Ermächtigung vorhandenen Grundkapitals. Als Börsenpreis gilt auch der Preis eines an der New Yorker Börse (New York Stock Exchange, "**NYSE**") notierten *American Depository Receipt* ("**ADR**"), multipliziert mit der Anzahl der ADRs, die eine Aktie repräsentieren. Auf die Höchstgrenze von 10 % des Grundkapitals sind ferner diejenigen neuen oder eigenen Aktien der Gesellschaft oder ADRs anzurechnen, die während der Laufzeit dieses genehmigten Kapitals auf anderer Grundlage unter Ausschluss des Bezugsrechts der Aktionäre gemäß § 71 Abs. 1 Nr. 8 S. 5 AktG oder § 186 Abs. 3 Satz 4 AktG ausgegeben oder veräußert werden.

(3) Über den weiteren Inhalt der Aktienrechte und die Bedingungen der Aktienausgabe entscheidet der Vorstand mit Zustimmung des Aufsichtsrates.

(4) Der Aufsichtsrat ist ermächtigt, die Fassung der Satzung der Gesellschaft nach Durchführung der Kapitalerhöhungen oder nach Ablauf der Ermächtigungsfrist ohne Ausnutzung des Genehmigten Kapitals zu ändern."

determination of the issue price and provided that the amount of the share capital represented by the shares issued pursuant to this lit (iii) under the exclusion of the statutory subscription right as set forth in Section 186 para. 3 sentence 4 AktG does not exceed 10% of the share capital at the time of this authorisation coming into effect or being exercised. The stock market price may also be determined by the market price of an American Depository Receipt ("**ADR**") listed on the New York Stock Exchange ("**NYSE**"), multiplied by the number of ADRs which represent a share. The said threshold of 10% shall also include new or treasury shares of the Company and ADRs, which are issued or transferred during the term of this authorized share capital on another legal basis while excluding the subscription right pursuant to Section 71 paragraph 1 number 8 sentence 5 AktG or Section 186 para. 3 sentence 4 AktG.

(3) The management board determines, subject to the consent of the supervisory board, the further details regarding the rights attached to the shares and the conditions of the share issue.

(4) The supervisory board is authorised to amend the wording of the articles of association of the company following the increase of the share capital or following the expiry of the period, for which the authorisation has been granted and in which the authorisation has not been employed."

§6.
Bedingtes Kapital

[Frei]

§7.
Namensaktien, Aktienurkunden

(1) Die Aktien werden als Namensaktien ausgegeben.

(2) Ein Anspruch der Aktionäre auf Verbriefung ihrer Anteile ist ausgeschlossen, soweit dies gesetzlich zulässig und nicht eine Verbriefung nach den Regeln einer Börse erforderlich ist, an der die Aktie zum Handel zugelassen ist. Die Gesellschaft ist berechtigt, Aktienurkunden auszustellen, die einzelne Aktien (Einzelaktien) oder mehrere Aktien (Sammelaktien) verkörpern.

(3) Die Form und den Inhalt von Aktienurkunden, etwaigen Gewinnanteils-und Erneuerungsscheinen setzt der Vorstand mit zustimmung des Aufsichtsrats fest. Die Aktienurkunden werden durch den Vorstand allein unterzeichnet. Das Gleiche gilt für Schuldverschreibungen oder Zins¬scheine.

§8.
[Frei]

III.
DER VORSTAND

§9.
Zusammensetzung und Geschäftsordnung

(1) Der Vorstand besteht aus einem oder (1) mehreren Mitgliedern. Der Aufsichtsrat bestimmt die konkrete Zahl der Mitglieder des Vorstands. Er kann einen Vorsitzenden des Vorstands sowie einen stellvertretenden Vorsitzenden oder einen Vorstandssprecher

§6.
Conditional Capital

[Blank]

§7.
Registered Shares, Share Certificates

(1) Shares are issued as registered shares.

(2) Any rights of the shareholders to the securitization of their shares is excluded to the extent permitted by law and that the securitization is not required under the rules of any stock exchange on which the shares are admitted to trading. The company is entitled to issue share certificates representing individual shares (single shares) or several shares (global shares).

(3) The management board shall determine the form and content of share certificates and any dividend warrants and renewal coupons with the consent of the supervisory board. The share certificates shall solely be signed by the management board. The same applies to bonds and interest coupons.

§8.
[Blank]

III.
THE MANAGEMENT BOARD

§9.
Composition and Rules of Procedure

(1) The management board consists of one or more persons. The supervisory board shall determine the specific number of members of the management board. It may appoint a chairman and a deputy chairman of the management board or a spokesman and a

Sowie einen stellvertretenden Vorstandssprecher emennen.

(2) Die Beschlüsse des Vorstands werden, Soweit die Satzung oder die Geschäftsordnung des Vorstands nicht etwas anderes vorsehen, mit einfacher Stimmenmehrheit gefasst. Bei Stimmengleichheit entscheidet die Stimme des Vorsitzenden des Vorstands. Falls kein Vorsitzender ernannt ist oder der Vorsitzende sich nicht an der Abstimmung beteiligt, gilt bei Stimmengleichheit ein Antrag als abgelehnt.

(3) Der Aufsichtsrat erlässt für den Vorstand eine Geschäftsordnung und legt hierin insbesondere auch Geschäfte fest, zu deren Vornahme die Zustimmung des Aufsichtsrats erforderlich ist.

§10.
Vertretung der Gesellschaft

(1) Die Gesellschaft wird gemeinsam durch zwei Vorstandsmitglieder oder durch ein Vorstandsmitglied zusammen mit einem Prokuristen vertreten. Hat die Gesellschaft nur einen Vorstand, so ist dieser alleinvertretungsberechtigt. § 112 AktG bleibt unberührt.

(2) Der Aufsichtsrat kann bestimmen, dass einzelne oder alle Vorstandsmitglieder einzelvertretungsbefugt sind. Der Aufsichtsrat kann einzelnen oder allen Vorstandsmitgliedern und zur gesetzlichen Vertretung gemeinsam mit einem Vorstandsmitglied berechtigten Prokuristen generell oder für den Einzelfall Befreiung von der Beschränkung des § 181 Alt. 2 BGB erteilen.

deputy spokesman of the management board.

(2) Unless otherwise provided for by the articles of association or the rules of procedure of the management board, the management board shall pass resolutions by a simple majority of votes cast. In the event of a tie of votes, the chairman of the management board shall have a casting vote. if no chairman is appointed or the chairman does not participate in the vote, a proposal for a resolution is deemed to be rejected in case of a tie of votes.

(3) The supervisory board shall pass rules of procedure for the management board and shall, in particular, set forth the transactions which require the consent of the supervisory board.

§10.
Representation of the Company

(1) The company is jointly represented by two members of the management board or by one member of the management board together with an authorised signatory (*Prokurist*). In case the management board consists of only one person, this person represents the company alone. Section 112 AktG shall remain unaffected.

(2) The supervisory board may determine that certain or all members of the management board have sole power of attorney. The supervisory board may generally or in individual cases exempt certain or all members of the management board as well as authorized signatories who are authorised in conjunction with one member of the management board, from the restriction of Section 181, 2nd Case of the German Civil Code (*Bürgerliches Gesetzbuch; **BGB***).

IV.
DER AUFSICHTSRAT

§11.
Zusammensetzung, Amtsdauer und Amtsniederlegung

(1) Der Aufsichtsrat besteht aus fünf Mitgliedern.

(2) Die Wahl der Mitglieder des Aufsichtsrats erfolgt längstens für die Zeit bis zur Beendigung der Hauptversammlung, die über die Entlastung für das vierte Geschäftsjahr nach dem Beginn der Amtszeit beschließt. Hierbei wird das Geschäftsjahr, in welchem die Amtszeit beginnt, nicht mitgerechnet. Die Hauptversammlung kann eine kürzere Amtszeit bestimmen. Eine Wiederwahl ist möglich.

(3) Die Hauptversammlung kann für die von ihr zu wählenden Aufsichtsratsmitglieder Ersatzmitglieder bestellen, die nach näherer Bestimmung durch die Hauptversammlung Mitglieder des Aufsichtsrats werden, wenn Aufsichtsratsmitglieder vorzeitig aus dem Aufsichtsrat ausscheiden. Das Aufsichtsratsamt des Ersatzmitglieds erlischt in diesem Fall mit Beendigung der nächsten Hauptversammlung, die nach seinem Amtsantritt stattfindet, sofern auf dieser Hauptversammlung eine Ersatzwahl vorgenommen wird. Wird auf der Hauptversammlung keine Ersatzwahl vorgenommen, so verlängert sich die Amtszeit des Ersatzmitglieds bis zum Ende der Amtszeit des vorzeitig ausgeschiedenen Aufsichtsratsmitglieds. Ersatzwahlen erfolgen für den Rest der Amtszeit des ausgeschiedenen Mitglieds.

IV.
THE SUPERVISORY BOARD

§11.
Composition, Term of Office, Resignation from Office

(1) The supervisory board consists of five members.

(2) The election of the supervisory board members shall be made for no longer than the period until the end of the general shareholders' meeting, which decides on the approval of the management's business actions for the fourth financial year after the commencement of the term of office. The financial year in which the term of office commences is not included in this calculation. A shorter term of office can be specified in the general shareholders' meeting. Members may be re-elected.

(3) The general shareholders' meeting may appoint replacement members for the supervisory board members to be elected, who become members of the supervisory board pursuant to further provisions made by the general shareholders' meeting, if members of the supervisory board leave office prematurely. If a replacement member replaces a member who has left, then his term of office shall expire at the end of the next general shareholders' meeting taking place after his appointment to office if a replacement election takes place during this general shareholders' meeting. If no replacement member is appointed during the general shareholders' meeting, the office of the replacement member shall extend until the end of the full term of office of the supervisory board member who left office prematurely. The election of replacement members shall take place for the remainder of the term of office of the member who has left.

(4) Jedes Aufsichtsratsmitglied oder Ersatzmitglied kann sein Amt auch ohne wichtigen Grund durch Erklärung in Textform gegenüber der Gesellschaft, vertreten durch den Vorsitzenden des Aufsichtsrats — oder im Falle einer Amtsniederlegung durch den Vorsitzenden, vertreten durch seinen Stellvertreter — unter Einhaltung einer Frist von einem Monat niederlegen. Der nach Satz 1 Empfangsberechtigte kann einer Verkürzung der Frist oder einem Verzicht auf die Wahrung der Frist zustimmen. Das Recht zur Amtsniederlegung aus wichtigem Grund bleibt hiervon unberührt.

(4) Supervisory board members or replacement members may resign from the supervisory board even without good cause, by giving written notification to the Company, represented by the chairman of the supervisory board or, in case the chairman resigns, his deputy, with a notice period of one month. The person entitled to receive the notice pursuant to the immediately preceding sentence may approve to a shorter notice period or waive the adherence of the notice period. The right to resign from office for good cause shall remain unaffected.

§12.
Vorsitzender und Stellvertreter

(1) Der Aufsichtsrat wählt im Anschluss an die ordentliche Hauptversammlung, mit deren Beendigung die Amtszeit der von der Hauptversammlung gewählten Mitglieder beginnt, in einer Sitzung, zu der es einer besonderen Einladung nicht bedarf, aus seiner Mitte für die Dauer ihrer jeweiligen Amtszeit einen Vorsitzenden und einen stellvertretenden Vorsitzenden.

(2) Scheidet der Vorsitzende oder sein Stellvertreter vorzeitig aus dem Amt aus, so hat der Aufsichtsrat unverzüglich eine Neuwahl für die restliche Amtszeit des Ausgeschiedenen vorzunehmen.

(3) Sind der Vorsitzende und sein Stellvertreter an der Wahrnehmung ihrer Aufgaben verhindert, so hat diese Aufgaben für die Dauer der Verhinderung das an Lebensjahren älteste Aufsichtsratsmitglied zu übernehmen.

§12.
Chairman and Deputy Chairman

(1) Subsequent to the general shareholders' meeting at which the office of the members elected during the general shareholders' meeting expires, a supervisory board meeting shall take place which does not have to be specially convened, in which the supervisory board elects a chairman and a deputy chairman from its midst for the duration of the relevant period of office.

(2) In the event that the chairman or the deputy chairman leaves office prematurely, the supervisory board shall re-elect a new chairman or deputy chairman without delay for the remaining period of office of the chairman or deputy chairman who has left office.

(3) In the event that the chairman or the deputy chairman are unable to carry out their responsibilities, the oldest member of the supervisory board shall take on these responsibilities for the duration that they are prevented from doing so.

§13.
Einberufung und Beschlussfassung

(1) Der Vorsitzende des Aufsichtsrats oder, im Falle seiner Verhinderung, sein Stellvertreter berufen die Sitzungen des Aufsichtsrats ein und bestimmen den Tagungsort. Die Einladung erfolgt in Textform (z.B. per Brief, Telefax oder E Mail) an die dem Vorstand zuletzt bekannt gegebene Anschrift. In dringenden Fällen kann der Vorsitzende auch fernmündlich einladen.

(2) Die Einladung soll unter Einhaltung einer Frist von 14 Tagen erfolgen und die einzelnen Punkte der Tagesordnung angeben. In dringenden Fällen kann die Einberufungsfrist abgekürzt werden. Die Arbeitsunterlagen sollen den Aufsichtsratsmitgliedern rechtzeitig, nach Möglichkeit zusammen mit der Einladung zur Sitzung, zugesandt werden. Für die Berechnung der vorstehend angegebenen Frist ist jeweils die Absendung der Einladung maßgebend.

(3) Der Aufsichtsrat ist beschlussfähig, wenn mindestens drei Mitglieder an der Beschlussfassung teilnehmen. Ein Mitglied nimmt auch dann an der Beschlussfassung teil, wenn es sich in der Abstimmung der Stimme enthält.

(4) Beschlüsse des Aufsichtsrats werden, soweit das Gesetz nicht zwingend etwas anderes bestimmt, mit einfacher Mehrheit der abgegebenen Stimmen gefasst. Bei Stimmengleichheit entscheidet die Stimme des Vorsitzenden des Aufsichtsrats (Stichentscheid); das gilt auch bei Wahlen. Falls kein Vorsitzender ernannt ist oder der Vorsitzende sich nicht an der Abstimmung beteiligt, gilt bei Stimmengleichheit ein Antrag als abgelehnt.

§13.
Convocation and Voting

(1) The chairman of the supervisory board or, in the event that he is unavailable, his deputy, shall convene the meetings of the supervisory board and shall determine the venue of such meeting. The invitation to the meeting shall be made in writing (e.g. by letter, fax or e-mail) to the last address given to the management board. In urgent cases, the Chairman may convene the meeting by telephone.

(2) The invitation should be made with a notice period of 14 days and should stipulate the items of the agenda. In urgent cases the notice period can be reduced. The working documents should be sent to the members of the supervisory board in due time, if possible together with the invitation to the meeting. The date on the invitation is authoritative for the calculation of the aforesaid notice period.

(3) The supervisory board has a quorum if at least three members participate in the passing of resolutions. A member also participates in the passing of resolutions if he withholds his vote.

(4) Resolutions of the supervisory board are passed with a simple majority of the votes cast unless there is a contrary mandatory provision by statute. In case of a tie vote, the chairman of the supervisory board shall have the decisive vote (casting vote); this also applies during elections. In the event that no chairman is appointed or the chairman does not participate in the voting, an application is considered rejected in the event of a tie vote.

(5) Die Beschlüsse des Aufsichtsrats warden regelmäßig in Sitzungen gefasst. Beschlussfassungen außerhalb von Sitzungen können auch mündlich, fernmündlich, schriftlich, per Telefax, per E-Mail oder mittels sonstiger gebräuchlicher Kommunikationsmittel, insbesondere per Videokonferenz, erfolgen, wenn alle Aufsichtsratsmitglieder an der Beschlussfassung teilnehmen oder wenn der Vorsitzende des Aufsichtsrats diese Art der Abstimmung anordnet und kein Mitglied des Aufsichtsrats dieser Art der Abstimmung innerhalb einer vom Vorsitzenden zu bestimmenden, angemessenen Frist widerspricht.

(6) Abwesende Mitglieder des Aufsichtsrats können an Beschlussfassungen des Aufsichtsrats dadurch teilnehmen, dass sie durch andere Aufsichtsratsmitglieder schriftliche Stimmabgaben überreichen lassen. Darüber hinaus können sie ihre Stimme während der Sitzung oder nachträglich innerhalb einer vom Vorsitzenden des Aufsichtsrats zu bestimmenden angemessenen Frist fernmündlich, per Telefax, per E-Mail oder mittels sonstiger gebräuchlicher Telekommunikationsmittel, insbesondere per Videozuschaltung, abgeben, sofern kein anwesendes Mitglied des Aufsichtsrats dieser Art der Abstimmung widerspricht.

(7) Der Vorsitzende ist ermächtigt, im Namen des Aufsichtsrats die zur Durchführung der Beschlüsse des Aufsichtsrats erforderlichen Willenserklärungen abzugeben. Der Vorsitzende ist ermächtigt, Erklärungen für den Aufsichtsrat entgegenzunehmen. Ist er verhindert, hat sein Stellvertreter diese Befugnisse.

(8) Über jede Sitzung des Aufsichtsrats ist eine Niederschrift anzufertigen, die vom Vorsitzenden zu unterzeichnen ist. In der

(5) The resolutions of the supervisory board are made regularly during meetings. Resolutions outside of meetings can also be made orally, by telephone, in writing, by fax, by e-mail or by other usual means of communication, in particular via video conferencing, if all members of the supervisory board participate in the resolution or if the chairman of the supervisory board decides upon this type of voting and no member of the supervisory board objects to this type of voting within the reasonable notice period determined by the chairman.

(6) Absent members of the supervisory board can participate in resolutions of the supervisory board by another member of the supervisory board handing in their written vote. They may additionally submit their vote during the meeting or in retrospect within a reasonable notice period determined by the chairman of the supervisory board by telephone, fax, e-mail or by other usual means of communication, in particular via video conferencing, as long as no member of the supervisory board present objects to this type of voting.

(7) The chairman is authorized to submit any declarations of intent on behalf of the supervisory board, which are necessary to execute the resolutions of the supervisory board. The chairman is authorized to accept declarations on behalf of the supervisory board. If the chairman is prevented, his deputy shall have such authorization.

(8) Minutes must be prepared for each meeting of the supervisory board and these must be signed by the chairman. The minutes must

Niederschrift sind Ort und Tag der Sitzung, die Teilnehmer, die Gegenstände der Tagesordnung, der wesentliche Inhalt der Verhandlung und die Beschlüsse des Aufsichtsrats wiederzugeben. Beschlüsse außerhalb von Sitzungen werden vom Vorsitzenden schriftlich festgehalten, und diese Niederschrift ist allen Aufsichtsratsmit-gliedern unverzüglich zuzuleiten.

include the location and date of the meeting, the participants, the items on the agenda, the main contents of the meeting and the resolutions passed by the supervisory board. Resolutions passed outside of meetings will be recorded in writing by the chairman and these minutes must be distributed to all members of the supervisory board without undue delay.

§14.
Geschäftsordnung des Aufsichtsrats; Satzungsänderungen

(1) Der Aufsichtsrat gibt sich eine Geschäftsordnung im Rahmen der gesetzlichen Vorschriften und der Bestimmungen dieser Satzung.

(2) Der Aufsichtsrat ist befugt, Änderungen der Satzung zu beschließen, die nur deren Fassung betreffen.

§14.
Rules of Procedure of the Supervisory Board; Amendments to the Articles of Association

(1) The supervisory board shall adopt its rules of procedure in accordance with the applicable law and these articles of association.

(2) The supervisory board is authorized to resolve amendments to the articles of association that relate solely to their wording.

§15.
Vergütung

Die Vergütung der Mitglieder des Aufsichtsrats wird von der Hauptversammlung bewilligt.

§15.
Remuneration

The remuneration of the members of the supervisory board is determined by the general shareholders' meeting.

V.
HAUPTVERSAMMLUNG

V.
GENERAL SHAREHOLDERS' MEETING

§16.
Ort und Einberufung

(1) Die Hauptversammlung wird durch den Vorstand oder, in den gesetzlich vorgeschriebenen Fällen, durch den Aufsichtsrat einberufen. Sie findet nach Wahl des einberufenden Organs am Sitz der Gesellschaft, am Sitz einer deutschen Wertpapierbörse oder in einer deutschen Stadt mit mehr als 100.000 Einwohnern statt.

§16.
Venue and Convening of Meeting

(1) The general shareholders' meeting is convened (i.e. notice must be given) by the management board or, in the cases provided for by law, by the supervisory board. It takes place, following the election of the convening body, at the registered office of the Company, at the registered office of a German stock exchange or in a German city with more than 100,000 residents.

(2) Die Hauptversammlung ist mindestens 36 Tage vor dem Tage der Hauptversammlung einzuberufen. Der Tag der Hauptversammlung und der Tag der Einberufung sind dabei nicht mitzurechnen.

(2) The general shareholders' meeting must be convened (i.e. notice must be given) at least 36 days prior to the day of the general shareholders' meeting. The time limit does neither include the day of the convocation of the meeting nor the day of the general shareholders' meeting.

§17.
Teilnahme an / Übertragung der Hauptversammlung

§17.
Participation in I Transmission of General Shareholders' Meeting

(1) Zur Teilnahme an der Hauptversammlung und zur Ausübung des Stimmrechts werden diejenigen Aktionäre zugelassen, die im Aktienregister der Gesellschaft eingetragen sind und deren Anmeldung zur Teilnahme bei der Gesellschaft oder einer anderen in der Einberufung bezeichneten Stelle sechs Tage vor der Hauptversammlung in Textform (§ 126b BGB) in deutscher oder englischer Sprache zugegangen ist. Der Tag der Hauptversammlung und der Tag des Zugangs sind nicht mitzurechnen.

(1) The shareholders who are registered with the share register of the company and whose application for participation is received by the company or any other body designated in the notice of the respective general shareholders' meeting six days before the general shareholders' meeting in text form (Section 126b BGB) in German or English are entitled to participate in the general shareholders' meeting and exercise the voting rights. The day of the general shareholders' meeting and the day of receipt are to be disregarded when calculating such period.

(2) Der Vorsitzende der Hauptversammlung ist berechtigt, die Bild- und Tonübertragung der Hauptversammlung über elektronische Medien in einer von ihm näher zu bestimmenden Weise zuzulassen, sofern dies in der Einberufung zu der Hauptversammlung angekündigt wurde.

(2) The chairman of the general shareholders' meeting is authorised to allow the audiovisual transmission of the general shareholders' meeting via electronic media in a manner to be further specified by him, provided that this has been stated in the notice of the general shareholders' meeting.

§18.
Stimmrecht

§18.
Voting Right

(1) Jede Aktie gewährt in der Hauptversammlung eine Stimme.

(1) Each share grants one vote in the general shareholders' meeting.

(2) Das Stimmrecht kann durch Bevollmächtigte ausgeübt werden. Der Bevollmächtigte kann auch ein von der Gesellschaft benannter Stimmrechtsvertreter sein. Soweit nicht

(2) Voting rights may be exercised by authorized proxies. The authorized proxy may also be a proxy appointed by the Company. As far as statutory regulations or

gesetzliche Vorschriften oder die Gesellschaft in der Einberufung Erleichterungen vorsehen, ist die Vollmacht in Textform (§ 126b BGB) zu erteilen.

(3) Der Vorstand kann in der Einberufung der Hauptversammlung vorsehen, dass Aktionäre ihre Stimmen auch ohne an der Versammlung teilzunehmen, schriftlich oder im Wege elektronischer Kommunikation abgeben dürfen (Briefwahl).

§19.
Vorsitz in der Hauptversammlung

(1) Den Vorsitz in der Hauptversammlung führt der Vorsitzende des Aufsichtsrats oder ein anderes vom ihm bestimmtes Aufsichtsratsmitglied. Ist der Vorsitzende des Aufsichtsrats bzw. das von ihm zum Vorsitzenden der Hauptversammlung bestimmte Aufsichtsratsmitglied verhindert, so wählen die in der Hauptversammlung anwesenden Aufsichtsratsmitglieder den Vorsitzenden der Hauptversammlung.

(2) Der Vorsitzende leitet die Verhandlungen und bestimmt die Reihenfolge der Verhandlungsgegenstände sowie die Art und Form der Abstimmung.

(3) Der Vorsitzende ist ermächtigt, das Frage- und Rederecht des Aktionärs zeitlich angemessen zu beschränken und Näheres dazu zu bestimmen.

§20.
Beschlussfassung

Die Beschlüsse der Hauptversammlung werden, soweit nicht zwingende Vorschriften des Aktiengesetzes oder diese Satzung etwas

the Company in the convocation do not provide for relief, the authorization must be made in writing (Section 126b BGB).

(3) he management board may also stipulate in the convocation to the general shareholders' meeting that shareholders may submit their votes in writing or by means of electronic communication without attending the general shareholders' meeting (vote by mail).

§19.
Chair of General Shareholders' Meeting

(1) The chairman of the supervisory board or another member of the supervisory board appointed by him shall chair the general shareholders' meeting. In the event that the chairman of the supervisory board or the supervisory board member appointed by him as chairman of the general shareholders' meeting is unavailable, the chairman of the general shareholders' meeting shall be appointed by the members of the supervisory board attending the general shareholders' meeting.

(2) The chairman shall chair the proceedings and determine the order of the items to be dealt with as well as the type and form of the voting.

(3) With regard to the right of the shareholders to speak and submit questions, the chairman may limit the time shareholders have to do so and to stipulate further rules in this regard.

§20.
Adoption of Resolutions

The resolutions of the general shareholders' meeting will be passed by a simple majority vote, unless mandatory regulations of the German Stock

Abweichendes bestimmen, mit einfacher Mehrheit der abgegebenen Stimmen gefasst. Soweit das Aktiengesetz außerdem zur Beschlussfassung eine Mehrheit des bei der Beschlussfassung vertretenen Grundkapitals vorschreibt, genügt, sofern dies gesetzlich zulässig ist, die einfache Mehrheit des vertretenen Kapitals.

Corporation Act or other statutory regulations or these articles of association provide for deviating provisions. As far as the German Stock Corporation Act additionally prescribes for passing the resolution a majority of the share capital to be represented during the passing of the resolution, the simple majority of the represented capital will be sufficient as far as this is legally admissible.

VI.
JAHRESABSCHLUSS

§21.
Geschäftsjahr, Rechnungslegung

(1) Geschäftsjahr ist das Kalenderjahr.

(2) Der Vorstand hat in den ersten drei Monaten des Geschäftsjahres den Jahresabschluss für das vergangene Geschäftsjahr (Bilanz nebst Gewinn- und Verlustrechnung sowie Anhang) und den Lagebericht sowie — soweit rechtlich erforderlich - den Konzernabschluss und Konzernlagebericht aufzustellen und unverzüglich nach der Aufstellung dem Aufsichtsrat und dem vom Aufsichtsrat beauftragten Abschlussprüfer vorzulegen. Zugleich hat der Vorstand dem Aufsichtsrat den Vorschlag vorzulegen, den er der Hauptversammlung für die Verwendung des Bilanzgewinns machen will.

(3) Der Aufsichtsrat hat den Jahresabschluss, den Lagebericht und den Vorschlag für die Verwendung des Bilanzgewinns sowie den Konzernabschluss und Konzernlagebericht zu prüfen und über das Ergebnis schriftlich an die Hauptversammlung zu berichten. Er hat seinen Bericht innerhalb eines Monats, nachdem ihm die Vorlagen zugegangen sind, dem Vorstand zuzuleiten. Am Schluss des Berichts hat der Aufsichtsrat zu erklären, ob er den vom Vorstand aufgestellten Jahresabschluss und — soweit vorhanden -

VI.
ANNUAL FINANCIAL STATEMENTS

§21.
Financial Year, Accounting

(1) The financial year is the calendar year.

(2) The management board shall prepare within the first three months of a financial year the annual financial statement for the past financial year (balance sheet in addition to income statement with notes) and the management report as well as —if legally necessary - the group financial statement and the group management report, and must submit these to the supervisory board and the auditor appointed by the supervisory board without undue delay. At the same time, the management board must submit to the supervisory board the proposal for the appropriation of profits which the management board wishes to present to the general shareholders' meeting.

(3) The supervisory board is to review the annual financial statement, the management report and the proposal for appropriation of the net distributable profit as well as — if applicable - the group financial statement and group management report and is to report of its review in writing to the general shareholders' meetings on the results. The supervisory board must submit its report to the management board within one month after it has received the presented documents. At the end of the report, the

Konzernabschluss billigt. Billigt der Aufsichtsrat nach Prüfung den Jahresabschluss, ist dieser festgestellt.

supervisory board must declare whether it approves the annual financial statement and — if applicable - the group financial statement prepared by the management board. Once the supervisory board has approved the annual financial statement following the examination, the annual financial statement is confirmed.

§22.
Verwendung des Jahresüberschusses

(1) Stellen Vorstand und Aufsichtsrat den Jahresabschluss fest, so können sie Beträge bis zur Hälfte des Jahresüberschusses in andere Gewinnrücklagen einstellen. Sie sind darüber hinaus ermächtigt, weitere Beträge bis zu 100% des Jahresüberschusses in andere Gewinnrücklagen einzustellen, solange und soweit die anderen Gewinnrücklagen die Hälfte des Grundkapitals nicht übersteigen und auch nach der Einstellung nicht übersteigen würden.

(2) Bei der Errechnung des gemäß Absatz (1) in andere Gewinnrücklagen einzustellenden Teils des Jahresüberschusses sind vorweg Zuweisungen zur gesetzlichen Rücklage und Verlustvorträge abzuziehen.

§22.
Appropriation of Annual Profit

(1) Once the management board and the supervisory board have approved the annual financial statement, they may transfer up to half of the annual profit into other retained earnings. They are additionally authorized to transfer further amounts up to 100% of the annual profit into other retained earnings as long as and as far as the other retained earnings do not exceed half of the share capital and will not exceed these after the payment.

(2) In relation to the calculation of the portion of the annual profit that may be transferred into other retained earnings in accordance with paragraph (1), the allocations to the statutory provisions and losses carried forward must be deducted in advance.

§23.
Gewinnverwendung und Maßstab für die Gewinnbeteiligung der Aktionäre

(1) Die Hauptversammlung beschließt über die Verwendung des sich aus dem festgestellten Jahresabschluss ergebenden Bilanzgewinns.

(2) Die Hauptversammlung kann neben oder anstelle einer Barausschüttung auch eine Ausschüttung von Sachwerten beschließen, wenn es sich bei den auszuschüttenden Sachwerten um solche handelt, die auf einem

§23.
Appropriation of Profits and Basis for Shareholders' Profit Participation

(1) The general shareholders' meeting shall resolve the appropriation of the balance sheet profit established in the annual financial statement.

(2) The General Meeting may decide that the distribution may be a dividend in kind instead of or in addition to a cash dividend if the dividends in kind are traded in the market in the sense of Section 3 para. 2 AktG.

Markt im Sinne von § 3 Abs. 2 AktG gehandelt werden.

(3) Die Gewinnanteile der Aktionäre bestimmen sich nach ihren Anteilen am Grundkapital.

(4) Bei einer Kapitalerhöhung kann die Gewinnbeteiligung abweichend von § 60 Abs. 2 AktG bestimmt werden.

VII.
SCHLUSSBESTIMMUNGEN

§24.
Gründungsaufwand

Die Gesellschaft trägt die Kosten ihrer Gründung (Gerichtsgebühren, Veröffentlichungskosten, Notargebühren) bis zu einem geschätzten Betrag von EUR 5.000.

§25.
Maßgebliche Sprache

Allein die deutsche Fassung dieser Satzung ist maßgeblich. Die englische Fassung ist lediglich eine Übersetzung.

(3) The shareholders' profit sharing is determined by their proportion of the share capital.

(4) In the event of an increase in capital, the profit sharing can be determined in deviation of Section 60 para 2 AktG.

VII.
FINAL PROVISIONS

§24.
Incorporation Costs

The company shall bear the costs of its incorporation (court fees, costs for publication, notary fees) up to an estimated amount of EUR 5,000.

§25.
Prevailing Language

The German version of these articles of association shall prevail. The English version is for convenience purposes only.

GESCHÄFTSORDNUNG
FÜR DEN AUFSICHTSRAT
DER
VIA OPTRONICS AG

Der Aufsichtsrat der Via optronics AG hat durch Beschluss vom 25. Juli 2019 seine Geschäftsordnung für den Aufsichtsrat wie folgt festgestellt:

§ 1
Allgemeine Vorschriften

1. Der Aufsichtsrat berät und überwacht den Vorstand bei der Leitung des Unternehmens.

2. Der Aufsichtsrat führt seine Geschäfte nach den Vorschriften der Gesetze, der Satzung der Gesellschaft, dem Deutschen Corporate Governance Kodex (soweit nicht in der Entsprechungserklärung Abweichungen veröffentlicht wurden) und dieser Geschäftsordnung. Bei der Wahrnehmung seiner Aufgaben arbeitet der Aufsichtsrat vertrauensvoll mit dem Vorstand zum Wohle des Unternehmens eng zusammen.

3. Der Aufsichtsrat überprüft regelmäßig, mindestens jedoch alle zwei Jahre, die Effizienz seiner Tätigkeit.

§ 2
Zusammensetzung des Aufsichtsrats

1. Dem Aufsichtsrat gehören mindestens drei Mitglieder an.

2. Jedes Aufsichtsratsmitglied soll über die zur ordnungsgemäßen Wahrnehmung der Aufgaben erforderlichen Kenntnisse, Fähigkeiten und fachlichen Erfahrungen verfügen und hinreichend unabhängig sein. Die Amtszeit eines Aufsichtsratsmitglieds soll nicht über dessen 75. Geburtstag und nicht über 12 Jahre hinaus fortdauern

3. Bei den Vorschlägen zur Wahl von Aufsichtsratsmitgliedern durch die Hauptversammlung soll auf die folgenden Grundsätze geachtet werden:

RULES OF PROCEDURE OF THE
SUPERVISORY BOARD
OF
VIA OPTRONICS AG

By way of a resolution dated 25 July 2019 the Supervisory Board of Via optronics AG has adopted the following rules of procedure for the supervisory board:

§ 1
General Provisions

1. The Supervisory Board shall advise and supervise the Management Board in its management of the Company.

2. The Supervisory Board shall conduct its business in accordance with applicable law, the Company's articles of association (the ***Articles of Association***), the German Corporate Governance Code (unless deviations have been disclosed in the applicable declaration of adherence) and these rules of procedure. In fulfilling its duties, it shall cooperate closely, in good faith, with the Management Board in pursuing the best interests of the Company.

3. The Supervisory Board shall review the efficiency of its activities on a regular basis, at least once every two years.

§ 2
Members of the Supervisory Board

1. The Supervisory Board shall be composed of not less than three members.

2. Each member of the Supervisory Board shall have the required knowledge, abilities and relevant experience to fulfil his/her duties properly and shall be sufficiently independent. The tenure of a Supervisory Board member shall not be extended beyond his/her 75th birthday or 12 years.

3. The Supervisory Board's proposals for the election of new members of the Supervisory Board by the general shareholders' meeting shall take into account the following principles:

a) Kandidaten, die dem Vorstand einer anderen börsennotierten Gesellschaft angehören, dürfen nicht zum Mitglied des Aufsichtsrats gewählt werden, wenn sie mehr als zwei Aufsichtsratsmandate in börsennotierten Gesellschaften wahrnehmen, die nicht dem Konzern derjenigen Gesellschaft angehören, in der die Vorstandstätigkeit ausgeübt wird.

a) Candidates who are members of the management board of another listed company shall not serve on the Supervisory Board if they hold more than two supervisory board seats at listed companies which do not belong to the group of the company at which the management board position is held.

b) Dem Aufsichtsrat sollen nicht mehr als zwei ehemalige Mitglieder des Vorstands angehören. Aufsichtsratsmitglieder sollen nicht in einer nahen familiären Beziehung mit einem Mitglied des Vorstands stehen und sollen in den zwei Jahren vor der Ernennung kein Mitglied des Vorstands der Gesellschaft gewesen sein. Aufsichtsratsmitglieder sollen keine Organfunktion oder Beratungsaufgaben bei wesentlichen Wettbewerbern des Unternehmens ausüben.

b) No more than two former members of the Company's Management Board shall serve on the Supervisory Board. Supervisory Board members shall not have a close family relationship with a member of the Management Board and shall not have been a member of the Management Board of the Company in the two years prior to appointment. Members of the Supervisory Board shall not hold directorships or similar positions, or work in an advisory capacity, at major competitors of the Company.

c) Die Bestellung eines ehemaligen Vorstandsmitglieds (insbesondere des Vorstandsvorsitzenden) zum Aufsichtsratsvorsitzenden oder zum Vorsitzenden eines Aufsichtsratsausschusses soll nicht die Regel sein. Wenn eine solche Bestellung vorgeschlagen wird, muss diese in der Hauptversammlung besonders begründet werden.

c) A previous member of the Management Board (especially the chairman of the Management Board) should generally not be appointed as chairman of the Supervisory Board or as chairman of a Committee. If such appointment is proposed, it must be firmly justified at the general shareholders' meeting.

d) Dem Aufsichtsrat sollen nach seiner Einschätzung eine angemessene Anzahl unabhängiger Mitglieder angehören. Ein Aufsichtsratsmitglied ist als unabhängig anzusehen, wenn es in keiner geschäftlichen oder persönlichen Beziehung zu der Gesellschaft oder deren Vorstand steht, die einen Interessenskonflikt begründen könnte.

d) In its opinion, the Supervisory Board should comprise a reasonable number of independent members. A member of the Supervisory Board is independent if the member has no business or personal relationship with the Company or its Management Board which could constitute a conflict of interest.

e) Ein Aufsichtsratsmitglied soll nicht in dem Jahr bis zu seiner

e) A member of the Supervisory Board shall not have maintained

Ernennung direkt oder als Gesellschafter oder in verantwortlicher Funktion einer Unternehmung eine wesentliche geschäftliche Beziehung mit der Gesellschaft oder einem von dieser abhängigen Unternehmen unterhalten haben.

f) Ein Aufsichtsratsmitglied soll neben seiner Vergütung für die Tätigkeit im Aufsichtsrat keine wesentlich andere variable Vergütung von der Gesellschaft oder einem von dieser anderen abhängigen Unternehmen erhalten.

g) Das Aufsichtsratsmitglied soll kein kontrollierender Aktionär sein oder einem geschäftsführenden Organ eines kontrollierenden Aktionärs angehören oder in einer persönlichen oder geschäftlichen Beziehung zu einem kontrollierenden Aktionär stehen.

h) Bei den Vorschlägen zur Wahl von Aufsichtsratsmitgliedern soll auf die internationale Tätigkeit des Unternehmens sowie auf die Vielfalt (*Diversity*) geachtet werden, insbesondere durch eine angemessene Beteiligung von Frauen.

§ 3
Rechte und Pflichten der Aufsichtsratsmitglieder

1. Die Mitglieder des Aufsichtsrats haben die gleichen Rechte und Pflichten, sofern das Gesetz, die Satzung oder diese Geschäftsordnung nichts anderes bestimmen. An Aufträge und Weisungen sind sie nicht gebunden.

2. Die Mitglieder des Aufsichtsrats haben über vertrauliche Angaben und Geheimnisse der Gesellschaft, insbesondere vertrauliche Berichte und Beratungen, die ihnen durch ihre Tätigkeit im Aufsichtsrat bekannt werden, Stillschweigen zu bewahren. Diese Verpflichtung gilt auch nach dem Ausscheiden aus dem Amt. Mit Beendigung der Mitgliedschaft im Aufsichtsrat sind alle im Besitz des

a material business relationship with the company or a company dependent on it in the year up to his appointment either directly or as a shareholder or in a responsible function of a company.

f) A member of the Supervisory Board shall not receive any material variable remuneration other than his remuneration for his work on the Supervisory Board from the Company or from any other dependent company of the Company.

g) The member of the Supervisory Board shall not be a controlling shareholder or belong to an executive body of a controlling shareholder or have a personal or business relationship with a controlling shareholder.

h) Attention shall be paid to the international activities of the Company and diversity with regard to the proposals for the election of members of the Supervisory Board, in particular through the adequate participation of women.

§ 3
Rights and Obligations of the Members of the Supervisory Board

1. All members of the Supervisory Board shall have the same rights and duties unless otherwise determined by applicable law, the Articles of Association or these rules of procedure. They are not bound by mandates or instructions.

2. The members of the Supervisory Board shall be bound to strict confidentiality with regard to confidential information and secrets of the Company (especially confidential reports and consultations) to which they gain access through their service on the Supervisory Board. This obligation continues to apply after they have left office. All confidential documents must be returned to the chairman of the Supervisory Board when a member’s

ausscheidenden Aufsichtsratsmitglieds befindlichen vertraulichen Unterlagen an den Aufsichtsratsvorsitzenden zurückzugeben.

3. Jedes Mitglied des Aufsichtsrats ist dem Unternehmensinteresse verpflichtet. Es darf bei seinen Entscheidungen weder persönliche Interessen verfolgen noch Geschäftschancen, die dem Unternehmen zustehen, für sich nutzen.

4. Jedes Aufsichtsratsmitglied hat dem Aufsichtsratsvorsitzenden gegenüber jegliche Interessenkonflikte offen zu legen, insbesondere solche, die aufgrund einer Beratung oder Organfunktion bei Kunden, Lieferanten, Kreditgebern oder sonstigen Geschäftspartnern entstehen könnten. Der Aufsichtsratsvorsitzende veranlasst gegebenenfalls eine Beratung im Vergütungs- und Nominierungsausschuss des Aufsichtsrats. Der Aufsichtsratsvorsitzende hat den Aufsichtsrat oder den Vergütungs- und Nominierungsausschuss über eigene Interessenkonflikte zu unterrichten.

5. Jedes Mitglied des Aufsichtsrats ist verpflichtet, den Kauf und Verkauf von Aktien der Gesellschaft sowie ihrer Tochtergesellschaften, von Optionen sowie sonstigen Derivaten auf diese unverzüglich der Gesellschaft bekannt zu geben.

6. Der Aufsichtsrat soll in seinem Bericht an die Hauptversammlung über aufgetretene Interessenkonflikte und deren Behandlung informieren. Wesentliche und nicht nur vorübergehende Interessenkonflikte in der Person eines Aufsichtsratsmitglieds sollten zur Beendigung des Mandats führen.

7. Der Aufsichtsrat bestellt und entlässt die Mitglieder des Vorstands. Bei der Zusammensetzung des Vorstands soll der Aufsichtsrat auf Vielfalt (*Diversity*) achten. Die Amtszeit eines Vorstandsmitglieds soll nicht über dessen 65. Geburtstag hinaus fortdauern. Der Aufsichtsrat soll gemeinsam mit dem Vorstand für eine langfristige Nachfolgeplanung sorgen. Der Aufsichtsrat soll eine Wiederbestellung von Vorstandsmitgliedern früher als ein Jahr vor dem Ende der Amtsperiode unter gleichzeitiger Aufhebung der laufenden

membership of the Supervisory Board comes to an end.

3. Each member of the Supervisory Board shall act in the Company's best interests. No member of the Supervisory Board may pursue personal interests in his/her decisions or personally engage business opportunities intended for the Company.

4. Each member of the Supervisory Board shall inform the chairman of the Supervisory Board of potential conflicts of interest, especially those which may arise through a consultant or directorship function with clients, suppliers, lenders or other business associates. If necessary, the chairman of the Supervisory Board will arrange for the matter to be discussed by the Compensation and Nomination Committee. The chairman of the Supervisory Board shall inform the Supervisory Board or the Compensation and Nomination Committee of his own conflicts of interest.

5. Each member of the Supervisory Board shall inform the Company without undue delay of any purchase or sale of shares in the Company or any of its subsidiaries and of any options or other derivatives in relation to such shares.

6. The Supervisory Board shall inform the annual shareholders' meeting in its annual report (*Bericht des Aufsichtsrates*) of any arising conflicts of interest and the handling thereof material and lasting conflicts of interest concerning a Supervisory Board member should lead to the termination of the mandate.

7. The Supervisory Board appoints and dismisses the members of the Management Board. When appointing the Management Board, the Supervisory Board shall respect diversity. The tenure of a member of the Management Board shall not be extended beyond his/her 65th birthday. Together with the Management Board, it shall ensure that there is long-term succession planning. Only under special circumstances shall the Supervisory Board terminate a current appointment and reappoint members of the Management

Bestellung nur bei Vorliegen besonderer Umstände vornehmen.

§ 4
Aufsichtsratsvorsitzender und Stellvertreter

1. Der Aufsichtsrat wählt nach Maßgabe des Aktiengesetzes und der Satzung unter der Leitung des ältesten anwesenden Aufsichtsratsmitglieds aus seiner Mitte einen Vorsitzenden und dessen Stellvertreter. Die Wahl erfolgt jeweils für die Dauer der Mitgliedschaft im Aufsichtsrat.

2. Scheidet der Aufsichtsratsvorsitzende oder sein Stellvertreter während der Amtszeit aus, so hat der Aufsichtsrat unverzüglich einen Nachfolger für die restliche Amtszeit des Ausgeschiedenen zu wählen.

3. Der Aufsichtsratsvorsitzende ist zur Abgabe jeglicher Willenserklärungen im Namen des Aufsichtsrats berechtigt, die zur Umsetzung der Aufsichtsratsbeschlüsse erforderlich sind. Der Aufsichtsratsvorsitzende ist befugt, Erklärungen für den Aufsichtsrat entgegenzunehmen. Sollte der Aufsichtsratsvorsitzende verhindert sein, hat der Stellvertreter diese Rechte und Pflichten.

§ 5
Einberufung von Sitzungen

1. Der Aufsichtsrat muss mindestens zwei Sitzungen in den ersten beiden Quartalen und mindestens zwei Sitzungen in den letzten beiden Quartalen jedes Kalenderjahres abhalten. Weitere Sitzungen werden nach Bedarf einberufen.

2. Der Aufsichtsratsvorsitzende informiert den Aufsichtsrat insbesondere über wichtige Ereignisse, die ihm vom Vorstandsvorsitzenden mitgeteilt wurden und von grundlegender Bedeutung für die Beurteilung der Lage und der Entwicklung des Unternehmens sowie für die Geschäftsleitung des Unternehmens sind, und beruft erforderlichenfalls eine außerordentliche Sitzung des Aufsichtsrats ein.

Board earlier than one year prior to the end of their current tenure.

§ 4
Chairman and Deputy Chairman of the Supervisory Board

1. As provided by the German Stock Corporation Act (*Aktiengesetz*, ***AktG***) and the Articles of Association, under the direction of the oldest Supervisory Board member present, the Supervisory Board shall elect a chairman and a deputy chairman from among its members; elected in each case for the duration of their membership on the Supervisory Board.

2. Should one of the aforementioned retire during their tenure, the Supervisory Board shall immediately elect a successor to serve during the remaining term of the retired member.

3. The chairman of the Supervisory Board shall be authorized, on behalf of the Supervisory Board, to make declarations necessary to implement the resolutions of the Supervisory Board. The chairman of the Supervisory Board is authorized to accept declarations addressed to the Supervisory Board. If the chairman of the Supervisory Board is incapacitated the deputy chairman shall have such authorities.

§ 5
Convening of Meetings

1. The Supervisory Board shall hold at least two meetings in the first two quarters and at least two meetings in the second two quarters of each calendar year. Additional meetings shall be held if necessary.

2. In particular, the chairman of the Supervisory Board shall inform the Supervisory Board and, if required, convene an extraordinary meeting of the Supervisory Board if he is informed by the chairman of the Management Board of important events which are essential for the assessment of the situation and development as well as for the management of the Company.

3. Der Aufsichtsratsvorsitzende oder, wenn dieser verhindert ist, dessen Stellvertreter, beruft die Sitzungen des Aufsichtsrats ein und bestimmt den Ort der Sitzung. Die Sitzungen werden in Textform (z.B. per Brief, Telefax oder Email) an die Adresse bekanntgegeben, die dem Vorstand zuletzt mitgeteilt wurde. In dringenden Fällen kann der Aufsichtsratsvorsitzende Sitzungen auch telefonisch einberufen.

4. Die Sitzung wird mit einer Frist von 14 Tagen unter Angabe der Tagesordnung bekanntgegeben. In dringenden Fällen kann die Frist abgekürzt werden. Den Aufsichtsratmitgliedern werden zusammen mit der Bekanntgabe der Sitzung, jedenfalls aber rechtzeitig vor der Sitzung, Arbeitsdokumente zugesandt. Zum Zwecke der Berechnung der genannten Bekanntgabefrist ist das Absenden der Mitteilung maßgeblich.

5. Jedes Mitglied des Aufsichtsrats oder des Vorstands kann unter Angabe des Zwecks und der Gründe vom Aufsichtsratsvorsitzenden die unverzügliche Einberufung des Aufsichtsrats verlangen. Wird dem Verlangen nicht entsprochen, so kann das Mitglied des Aufsichtsrats oder des Vorstands unter Angabe einer Tagesordnung selbst den Aufsichtsrat einberufen.

6. Anträge einzelner Mitglieder des Aufsichtsrats oder des Vorstands, die vor Absendung der Tagesordnung eingehen, sind auf die Tagesordnung zu setzen.

7. Der Vorstand nimmt an den Sitzungen des Aufsichtsrats teil, soweit der Aufsichtsratsvorsitzende nichts anderes bestimmt.

§ 6
Sitzungen

1. Der Aufsichtsratsvorsitzende leitet die Sitzungen des Aufsichtsrats. Er bestimmt die Reihenfolge der Sitzungsgegenstände sowie die Art der Abstimmung.

3. The chairman of the Supervisory Board or, if unavailable, his deputy, shall convene the meetings of the Supervisory Board and determine the venue of the meeting. Notices of the meetings shall be sent in written form (e.g. by letter, fax or e-mail) to the address last made known to the Management Board. In urgent cases, the chairman of the Supervisory Board can also call meetings by telephone.

4. Notice of the meeting is given with 14 days' notice and such notice shall state the individual items on the agenda. In urgent cases, the notice period can be shortened. Working documents are sent to the members of the Supervisory Board, together with the notice of the meeting, but in any case sufficiently in advance. The aforementioned notice period is calculated from the time the notice is sent.

5. Each member of the Supervisory Board or the Management Board, indicating the purpose and the reasons for the request, shall be entitled to have the chairman of the Supervisory Board convene a meeting of the Supervisory Board without delay. Should this request be denied, the member of the Supervisory Board or the Management Board may provide an agenda and convene the Supervisory Board themselves.

6. Proposals for resolutions by individual members of either the Supervisory Board or the Management Board shall be placed on the agenda if received before the agenda is circulated.

7. The Management Board shall attend the meetings of the Supervisory Board unless the chairman of the Supervisory Board decides otherwise.

§ 6
Meetings

1. The chairman of the Supervisory Board shall conduct the meetings of the Supervisory Board. He shall determine the order in which items are dealt with as well as the type of voting procedure.

2. Der Aufsichtsratsvorsitzende bestimmt die Verhandlungssprache. Ist ein Mitglied des Aufsichtsrats der Verhandlungssprache nicht mächtig, so hat der Aufsichtsratsvorsitzende für die Herbeiziehung eines Simultandolmetschers Sorge zu tragen.

3. Beschlüsse des Aufsichtsrats werden grundsätzlich in Sitzungen gefasst. Außerhalb von Sitzungen können Beschlüsse mündlich, telefonisch, schriftlich, per Email oder durch jede andere übliche Form der Telekommunikation, insbesondere per Videokonferenz gefasst werden, wenn alle Aufsichtsratmitglieder an der Beschlussfassung teilnehmen oder wenn der Aufsichtsratsvorsitzende dies anordnet und kein Aufsichtsratmitglied innerhalb einer angemessenen Zeit, die der Aufsichtratsvorsitzende in seiner Anordnung bestimmt, der Beschlussfassung auf diesem Wege widerspricht.

4. Abwesende Aufsichtsratsmitglieder können an der Beschlussfassung teilnehmen, indem sie ihre Stimmabgaben in Schriftform durch anwesende Mitglieder überreichen lassen. Die Aufsichtsratmitglieder können ihre Stimme während der Sitzung oder in einem angemessenen Zeitraum danach, den der Aufsichtsratsvorsitzende bestimmt, auch per Telefon, Telefax, Email oder durch jede andere übliche Form der Telekommunikation unter der Voraussetzung abgeben, dass kein Aufsichtsratmitglied einer derartigen Stimmabgabe widersprochen hat.

5. Die Beschlussfähigkeit des Aufsichtsrats richtet sich nach dem Gesetz und der Satzung. Beschlüsse bedürfen der Mehrheit der abgegebenen Stimmen, sofern sich aus zwingenden Gesetzesbestimmungen oder der Satzung nichts anderes ergibt. Enthält sich ein Aufsichtsratmitglied seiner Stimme, so gilt dies als Teilnahme an der Beschlussfassung.

6. Ergibt eine Abstimmung Stimmengleichheit, so steht dem Aufsichtsratsvorsitzenden das Recht zum Stichentscheid zu. Gemäß § 6 Abs. 4 dieser Geschäftsordnung kann das Recht zum Stichentscheid auch schriftlich

2. The chairman of the Supervisory Board also determines the language in which the meeting shall be conducted. If a member of the Supervisory Board does not speak the language so determined, the chairman of the Supervisory Board shall procure a simultaneous interpreter.

3. Resolutions of the Supervisory Board shall generally adopted in meetings. Outside of meetings, resolutions can be adopted orally, by telephone, in writing, by fax, by e-mail or by any other common means of communication, in particular by video conference, if all members of the Supervisory Board participate in the adoption of the resolution or if the chairman of the Supervisory Board orders, and no member of the Supervisory Board objects to the adoption of the resolution by any such means within a reasonable period of time determined by the chairman of the Supervisory Board and stated in his order.

4. Absent members of the Supervisory Board can participate in the voting by submitting their votes in written form through other members present at the meeting. They can also cast their votes during a meeting or following the meeting within a reasonable period of time to be determined by the chairman of the Supervisory Board by telephone, by fax, by e-mail or by any other common means of communication, provided that no member of the Supervisory Board objects to voting by such means.

5. The quorum for the Supervisory Board shall be determined by the law and the Articles of Association. Resolutions shall be adopted by a majority of the votes cast unless otherwise provided by applicable mandatory law or the Articles of Association. A member is also deemed to have participated in the vote on the adoption of a resolution if he abstains from voting.

6. In the event of a tie, the chairman of the Supervisory Board shall have a tie-breaking vote. Pursuant to Section 6 para. 4 of these rules of procedure, this tie-breaking vote may also be submitted in written form. If no chairman of the Supervisory

ausgeübt werden. Sofern kein Aufsichtsratvorsitzender bestellt ist oder der Aufsichtsratsvorsitzende nicht an der Beschlussfassung teilnimmt, gilt der Beschluss im Falle einer Stimmengleichheit als abgelehnt.

Board is appointed or if the chairman of the Supervisory Board does not participate in the resolution, the resolution shall be deemed rejected in case of a tie of votes.

7. Über Gegenstände, die nicht auf der Tagesordnung stehen, darf verhandelt werden, wenn die anwesenden Aufsichtsratsmitglieder dies mit einfacher Mehrheit beschließen. Beschlüsse über solche Gegenstände dürfen nur gefasst werden, wenn in der Sitzung kein Aufsichtsratsmitglied widerspricht und alle abwesenden Mitglieder diesem Verfahren innerhalb einer vom Aufsichtsratsvorsitzenden zu bestimmenden Frist nachträglich zustimmen.

7. Items not included in the agenda may be debated if the majority of the members of the Supervisory Board choose to do so. Resolutions on such items may only be adopted if no member raises an objection in the meeting and all the absent members subsequently approve this procedure within a period to be set by the chairman of the Supervisory Board.

8. Der Aufsichtsratsvorsitzende bestellt einen Protokollführer und entscheidet über die Zuziehung von Sachverständigen und Auskunftspersonen zur Beratung über einzelne Gegenstände der Tagesordnung.

8. The chairman of the Supervisory Board shall arrange for a person to take down the minutes and decides whether to call upon experts or other persons able to provide information for dealing with individual points on the agenda.

9. Über die Sitzungen des Aufsichtsrats sind Niederschriften anzufertigen, die vom Aufsichtsratsvorsitzenden zu unterzeichnen sind. In der Niederschrift sind Ort und Tag der Sitzung, die Teilnehmer, die Gegenstände der Tagesordnung, der wesentliche Inhalt der Verhandlungen und die Beschlüsse des Aufsichtsrats anzugeben. Über einen Beschluss, der außerhalb von Sitzungen gefasst wird, ist eine schriftliche Niederschrift anzufertigen, die unverzüglich allen Aufsichtsratmitgliedern zugesandt wird. Die Niederschriften sind in der vom Aufsichtsratsvorsitzenden nach § 6 Abs. 2 dieser Geschäftsordnung bestimmten Sprache anzufertigen und nachfolgend in eine Sprache zu übersetzen, die von dem Aufsichtsratsmitglied bzw. den Aufsichtsratsmitgliedern gesprochen wird bzw. werden, welcher bzw. welche die Sprache, in der die Sitzung abgehalten wurde, nicht spricht bzw. sprechen.

9. Minutes are kept for each meeting of the Supervisory Board which shall be signed by the chairman of the Supervisory Board. The minutes shall state the place and the day of the meeting, those present, the items on the agenda, the essential content of what was discussed and any resolutions passed by the Supervisory Board. Any resolution adopted outside of meetings shall be recorded in writing and such minutes shall be sent to all members of the Supervisory Board immediately. Minutes shall be kept in the language determined by the chairman of the Supervisory Board pursuant to Section 6 para. 2 of these rules of procedure and subsequently translated into a language spoken by the members of the Supervisory Board, if any, who do not speak the language in which the meeting was conducted.

10. Die Niederschriften nach § 6 Abs. 9 dieser Geschäftsordnung sind allen Aufsichtsratsmitgliedern zuzusenden. Sie gelten als genehmigt, wenn kein Mitglied des Aufsichtsrats, das an der

10. The minutes pursuant to Section 6 para. 9 of these rules of procedure shall be sent to all members of the Supervisory Board. They shall be deemed approved if no member of the Supervisory Board who

Beschlussfassung teilgenommen hat, innerhalb von vier Wochen nach Absendung der Niederschrift schriftlich beim Aufsichtsratsvorsitzenden widerspricht.

took part in the voting submits a written objection to the chairman of the Supervisory Board within four weeks of the minutes being sent.

§ 7
Ausschüsse

1. Der Aufsichtsrat bildet und besetzt aus seiner Mitte die folgenden Ausschüsse:

   a) einen Nominierungs- und Vergütungsausschuss,

   b) einen Prüfungsausschuss.

2. Der Aufsichtsrat kann aus seiner Mitte weitere Ausschüsse bilden und besetzen und ihnen, soweit gesetzlich zulässig, ebenso wie den in § 7 Abs. 1 dieser Geschäftsordnung genannten Ausschüssen, Entscheidungsbefugnisse übertragen.

3. Die für den Aufsichtsrat in der Satzung und dieser Geschäftsordnung getroffenen Regelungen gelten entsprechend für die innere Organisation der Ausschüsse, soweit nicht nachfolgend Abweichendes bestimmt ist.

§ 7
Committees

1. From among its members, the Supervisory Board shall set up and appoint the following Committees:

   a) a Compensation and Nomination Committee,

   b) an Audit Committee.

2. From among its members, the Supervisory Board may set up and appoint further committees and, to the extent legally possible, transfer to them decision-making powers similar to those of the committees mentioned in Section 7 para. 1 of these rules of procedure.

3. The regulations established for the Supervisory Board in the Articles of Association and these rules of procedure apply accordingly to the internal organization of the committees unless otherwise provided below.

§ 8
Mitglieder der Ausschüsse

1. Die Mitglieder der Ausschüsse werden in der konstituierenden Aufsichtsratssitzung für die Dauer ihrer Amtszeit als Aufsichtsratsmitglieder bestellt.

2. Die Ausschüsse sind — soweit sie anstelle des Aufsichtsrats Entscheidungen treffen — beschlussfähig, wenn mindestens drei ihrer Mitglieder an der Beschlussfassung teilnehmen.

3. Der jeweilige Ausschussvorsitzende berichtet regelmäßig an den Aufsichtsrat über die Tätigkeit des Ausschusses.

§ 8
Committee Members

1. The members of the committees are appointed at the constituent meeting of the Supervisory Board for their entire tenure as members of the Supervisory Board.

2. A Committee, insofar as it shall make decisions on behalf of the Supervisory Board, shall have a quorum to adopt resolutions if at least three of its members participate.

3. Each committee's chairman shall report to the Supervisory Board on the activity of the committee on a regular basis.

§ 9
Vergütungs- und Nominierungsausschuss

1. Der Vergütungs- und Nominierungsausschuss besteht aus

§ 9
Compensation and Nomination Committee

1. The Compensation and Nomination Committee shall be composed of the chairman

dem Vorsitzenden und zwei weiteren Mitgliedern des Aufsichtsrats. Der Vergütungs- und Nominierungsausschuss wählt unter der Leitung des ältesten anwesenden Vergütungs- und Nominierungsausschussmitglieds aus seiner Mitte einen Vorsitzenden. Die Wahl erfolgt jeweils für die Dauer der Mitgliedschaft im Vergütungs- und Nominierungsausschuss.

2. Der Vergütungs- und Nominierungsausschuss bereitet die Personalentscheidungen und die Sitzungen des Aufsichtsrats vor und hat die folgenden Aufgaben:

a) Vorbereitung der Beschlüsse des Aufsichtsrats über den Abschluss, die Änderung und die Beendigung von Anstellungsverträgen von Mitgliedern des Vorstands unter Berücksichtigung des vom Aufsichtsrat beschlossenen Vergütungssystems;

b) Vorbereitung der Beschlüsse des Aufsichtsrats über die Vergütung der Vorstandsmitglieder gemäß § 87 AktG;

c) Vorbereitung der Beschlüsse des Aufsichtsrats über das Vergütungssystem für den Vorstand, einschließlich der wesentlichen Vertragsregelungen, und Bereitstellung der Informationen, die der Aufsichtsrat benötigt, um eine regelmäßige Überprüfung des Vergütungssystems durchzuführen;

d) Vertretung der Gesellschaft gegenüber ehemaligen Vorstandsmitgliedern gemäß § 112 AktG;

e) Einwilligung zu Nebenbeschäfti-gungen sowie zu anderweitigen Tätigkeiten eines Vorstandsmit-glieds nach § 88 AktG;

and two other members of the Supervisory Board. Under the direction of the oldest Compensation and Nomination Committee member present, the Compensation and Nomination Committee shall elect a chairman from among the members of the Compensation and Nomination Committee; elected in each case for the duration of their membership on the Compensation and Nomination Committee.

2. The Compensation and Nomination Committee shall prepare the staffing decisions of the Supervisory Board and the meetings of the Supervisory Board and have the following assignments:

a) preparation of the supervisory board’s resolutions regarding the conclusion, amendment and termination of service agreements of members of the management board, taking into account the compensation system adopted by the supervisory board;

b) preparation of the supervisory board’s resolutions regarding the compensation of the members of the management board pursuant to Section 87 of the German Stock Corporation Act;

c) preparation of the supervisory board’s resolutions regarding the compensation system for the management board, including the key contractual provisions, and providing the supervisory board with the information necessary to perform a review of the compensation system on a regular basis;

d) representation of the company vis-à-vis former members of the management board pursuant to Section 112 of the German Stock Corporation Act;

e) approving outside employment of and outside positions by management board members pursuant to Section 88 of the German Stock Corporation Act;

f) Zustimmung zu Verträgen mit Aufsichtsratsmitgliedern nach § 114 AktG;

g) Auswahl geeigneter Kandidaten, die zur Wahl als Aufsichtsratsmitglieder in der Hauptversammlung vorgeschlagen werden können.

3. Der Vergütungs- und Nominierungsausschuss überwacht die Einhaltung der Geschäftsordnung des Vorstands. Der Vergütungs- und Nominierungsausschuss wird vom Vorstand gemäß § 9 Abs. 1 der Geschäftsordnung des Vorstands informiert.

§ 10
Prüfungsausschuss

1. Dem Prüfungsausschuss gehören drei Mitglieder an. Die Mitglieder des Prüfungsausschusses sollen in Übereinstimmung mit dem geltenden Recht unabhängig sein.

2. Der Prüfungsausschuss ist insbesondere zuständig für

a) die Überprüfung der Rechnungslegung,

b) die Überprüfung der Effektivität der unternehmensinternen Kontrolle, des Risikomanagements und der Einhaltung und Beachtung der gesetzlichen Bestimmungen und

c) die Überprüfung die Überprüfung und Behandlung von Angelegenheiten und Prozessen im Zusammenhang mit der Unabhängigkeit des Abschlussprüfers;

d) den Vorschlag externer Abschlussprüfer zur Billigung

f) approval of agreements with supervisory board members pursuant to Section 114 of the German Stock Corporation Act; and

g) identifying suitable candidates who may be proposed for election as supervisory board members to the shareholders' meeting.

3. The Compensation and Nomination Committee monitors adherence to the rules of procedure of the Management Board. The Compensation and Nomination Committee is informed by the Management Board pursuant to Section 9 para. 1 of the rules of procedure of the Management Board.

§ 10
Audit Committee

1. The Audit Committee shall be composed of three members. All members shall be independent in accordance with applicable law.

2. The Audit Committee shall be, above all, responsible for

a) the review of our accounting processes;

b) the review of the effectiveness of the internal control system, risk management and compliance;

c) the review and the handling of matters and processes related to auditor independence;

e) the recommendation of external auditors for approval by the

durch die Hauptversammlung; der Erteilung des Prüfungsauftrags an die Abschlussprüfer, der Zustimmung zu zusätzlichen, durch den Prüfungsauftrag abzudeckenden Leistungen oder der Festlegung von Prüfungsschwerpunkten und der Übereinkunft über die Honorarvereinbarung (einschließlich der Beilegung von Unstimmigkeiten).

f) die Vorbereitung der Beschlussfassung des Aufsichtsrats über den Jahresabschluss;

d) die prüferische Durchsicht der Zwischenabschlüsse, die veröffentlicht oder anderweitig bei einer Wertpapieraufsichtsbehörde hinterlegt sind.

e) die Überwachung der Buchführung und der Buchhaltung; und

f) die Einführung von Prozessen für (i) den Empfang, den Erhalt und die Behandlung von Beschwerden betreffend die Rechnungslegung, die interne Rechnungsprüfung oder Prüfungsangelegenheiten sowie für (ii) vertrauliche und anonyme Mitteilungen von Mitarbeitern betreffend fragwürdige Rechnungslegungs- oder Prüfungsangelegenheiten.

3. Der Vorsitzende des Prüfungsausschusses wird vom Aufsichtsrat gewählt. Der Vorsitzende des Prüfungsausschusses soll über besondere Kenntnisse und Erfahrungen in der Anwendung von Rechnungslegungsgrundsätzen und internen Kontrollverfahren verfügen und soll kein ehemaliges Vorstandsmitglied der Gesellschaft sein, dessen Bestellung vor weniger als zwei Jahren vor der Bestellung als Vorsitzender des Prüfungsausschusses endete.

shareholders' meeting, the commissioning of the auditors to conduct the audit, agreeing on additional services to be provided by the auditors within the scope of the auditor's assignment, the determination of the scope and the key areas of review of the audit, agreeing upon the auditors' compensation and oversight of the auditors' work (including resolution of disagreements with the auditors);

g) the preparation of the supervisory board's resolution on our financial statements;

h) reviewing the interim financial statements that are made public or otherwise filed with any securities regulatory authority;

i) monitoring the bookkeeping and records; and

j) the establishment of procedures for (i) the receipt, retention and treatment of complaints we receive regarding accounting, internal accounting controls or auditing matters and (ii) the submission by our employees of concerns regarding questionable accounting or auditing matters.

3. The chairman of the Audit Committee shall be elected by the Supervisory Board. The chairman of the Audit Committee shall have special knowledge and experience of the application of accounting principles and internal control procedures, and shall not be a former member of the Management Board of the Company whose appointment ended less than two years prior to his appointment as chairman of the Audit Committee.

§ 11
Prüfungsberichte und
Beratung über Abschlüsse

Die Prüfungsberichte werden den Aufsichtsratsmitgliedern gemäß § 170 Abs. 3 AktG zur Vorbereitung auf die Aufsichtsratssitzung, zu deren Tagesordnung die Beschlussfassung über den Konzern- und Jahresabschluss gehört, ausgehändigt oder übersandt. Die Anlagen und Erläuterungsteile zu den Prüfungsberichten werden nur den Mitgliedern des Prüfungsausschusses ausgehändigt oder übersandt; alle Aufsichtsratsmitglieder können diese Unterlagen jedoch einsehen.

§ 11
Auditors' Reports

The auditors' reports shall be handed over or sent to the members of the Supervisory Board pursuant to Section 170 para. 3 AktG in order to prepare for the Supervisory Board meeting whose agenda includes a resolution on the consolidated and unconsolidated financial statements. The appendices and notes to the auditors' reports shall be given or sent solely to the members of the Audit Committee; however, all members of the Supervisory Board may inspect these documents.

§ 12
Inkrafttreten und
maßgebliche Sprache

1. Diese Geschäftsordnung tritt am Tag des Aufsichtsratsbeschlusses in Kraft, mit dem über sie Beschluss gefasst wird, und gilt solange, bis sie durch den Aufsichtsrat verändert oder widerrufen wird.

2. Im Zweifelsfalle hat die englische Fassung Vorrang.

§ 12
Effective Date and
Prevailing Language

1. The rules of procedure shall be effective as of the date of the Supervisory Board resolution by which they are implemented and shall remain in force until amended or abolished by the Supervisory Board.

2. In cases of doubt, the English language version shall control.

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GESCHÄFTSORDNUNG
FÜR DEN VORSTAND
DER
VIA OPTRONICS AG

Aufgrund § 9 Abs. 3 der Satzung der VIA optronics AG („**Satzung**") und des Aufsichtsratsbeschlusses vom 25. Juli 2019 wird die folgende Geschäftsordnung für den Vorstand in Kraft gesetzt:

1. Allgemeine Vorschriften

1.1 Der Vorstand führt die Geschäfte der VIA optronics AG („**Gesellschaft**") unabhängig. Dabei hat er im besten Interesse der Gesellschaft zu handeln. Er entwickelt die strategische Ausrichtung der Gesellschaft in Zusammenarbeit mit dem Aufsichtsrat und diskutiert den aktuellen Stand ihrer Umsetzung in regelmäßigen Abständen mit dem Aufsichtsrat.

1.2 Der Vorstand führt die Geschäfte der Gesellschaft in Übereinstimmung mit dem Gesetz, der Satzung, dem Deutschen Corporate Governance Kodex gemäß § 161 Abs. 1 AktG (soweit nicht Abweichungen in der gültigen Entsprechenserklärung offengelegt wurden), dieser Geschäftsordnung und den jeweiligen Anstellungsverträgen. Er arbeitet mit den übrigen Organen der Gesellschaft zum Wohle der Gesellschaft vertrauensvoll zusammen.

1.3 Der Vorstand stellt sicher, dass die Gesellschaft alle Vorschriften des geltenden Rechts ebenso wie die internen Regeln der Gesellschaft und ihrer unmittelbaren und mittelbaren Tochtergesellschaften („**Tochtergesellschaften**", gemeinsam mit der Gesellschaft die „**VIA optronics Gruppe**") einhält und arbeitet darauf hin, dass auch die Gesellschaften der VIA optronics Gruppe diese Regeln einhalten; ferner gewährleistet der Vorstand ein angemessenes Risikomanagement und eine entsprechende Risikoüberwachung.

2. Mitglieder des Vorstands

2.1 Der Vorstand besteht aus einem oder mehreren Mitgliedern.

RULES OF PROCEDURE
OF THE MANAGEMENT BOARD
OF
VIA OPTRONICS AG

In accordance with Section 9 para. 3 of the articles of association of VIA optronics AG ("**Articles of Association**") and by way of a resolution of the Supervisory Board dated 25 July 2019, the following rules of procedure of the Management Board shall apply:

1. General Provisions

1.1 The Management Board shall be responsible for independently managing the business of VIA optronics AG ("**Company**"). In doing so, it shall be obliged to act in the Company's best interest. It shall develop the Company's strategic approach in coordination with the Supervisory Board and regularly discuss the current state of its implementation with the Supervisory Board.

1.2 The Management Board shall conduct the Company's business in accordance with applicable law, the Articles of Association, the German Corporate Governance Code pursuant to Section 161 para. 1 of the German Stock Corporation Act (*Aktiengesetz — "**AktG**"*) (unless deviations have been disclosed in the applicable compliance statement), these rules of procedure, and relevant employment contracts. It shall cooperate with the other bodies of the Company, in good faith, in the Company's best interest.

1.3 The Management Board shall ensure that all provisions of applicable law and internal policies of the Company and its direct and indirect subsidiaries ("**Subsidiaries**", jointly with the Company the "**VIA optronics Group**") are complied with by the Company and shall work to achieve their compliance by the VIA optronics Group companies; in addition, it shall ensure appropriate risk management and risk controlling.

2. Members of the Management Board

2.1 The Management Board shall be composed of one or more members.

2.2 Die Mitglieder des Vorstands tragen gemeinsam die Verantwortung für die gesamte Geschäftsführung. Sie arbeiten kollegial zusammen und unterrichten sich gegenseitig über alle wichtigen Vorgänge und Maßnahmen in ihren Zuständigkeitsbereichen.

2.3 Unbeschadet der Gesamtverantwortung aller Vorstandsmitglieder für die Geschäftsführung der Gesellschaft führt jedes Vorstandsmitglied die ihm ggf. durch einen Geschäftsverteilungsplan oder andere Vorstandsbeschlüsse zugewiesenen Bereiche in eigener Verantwortung.

3. Geschäftsverteilung

3.1 Der Vorstand legt die Geschäftsbereiche der Gesellschaft fest und unterteilt diese in Segmente. Der Vorstand kann im Einvernehmen mit dem Aufsichtsrat die Zuweisung von Verantwortlichkeiten der verschiedenen Mitglieder des Vorstandes für die einzelnen Geschäftsbereiche beschließen, indem er einen Geschäftsverteilungsplan aufstellt.

3.2 Jeder Beschluss über die Verabschiedung, die Änderung oder die Aufhebung des Geschäftsverteilungsplans muss einstimmig ergehen. Wenn ein einstimmiger Beschluss des Vorstandes nicht gefasst werden kann, so hat der Aufsichtsrat die Entscheidung zu treffen. Der Aufsichtsrat ist umgehend über die Verabschiedung, die Änderung oder die Aufhebung eines Geschäftsverteilungsplans zu unterrichten.

4. Rechte und Pflichten der Vorstandsmitglieder

Soweit der Vorstand einen Geschäftsverteilungsplan erlässt, finden die nachfolgenden Regelungen dieser Ziffer 4 Anwendung.

4.1 Die Verantwortlichkeit jedes einzelnen Vorstandsmitglieds wird durch den Geschäftsverteilungsplan festgelegt.

2.2 The members of the Management Board shall bear joint responsibility for the Company's management. They shall work together collegially and shall keep one another informed about all material business transactions and measures adopted in their respective areas of responsibility.

2.3 Notwithstanding the joint responsibility of the Management Board's members for the management of the Company, each Board member shall be individually responsible for the areas allocated to him in connection with an Organization Plan, if applicable, or other resolutions of the Management Board.

3. Business Responsibility

3.1 The Management Board shall determine the Company's business areas and combine them into segments. The Management Board can in mutual cooperation with the supervisory board determine the allocation of responsibilities for business areas and segments to the various members of the Management Board through an Organization Plan (*Geschäftsverteilungsplan*).

3.2 Any resolution on the enactment, any amendments or the revocation of the Organization Plan (*Geschäftsverteilungsplan*) shall require the approval of all members of the Management Board. If a unanimous decision of the Management Board cannot be reached, the Supervisory Board shall make the decision instead. The Supervisory Board shall be informed immediately about any Organization Plan and any amendment to it or its revocation.

4. Rights and Obligations of the Members of the Management Board

In case the Management Board adopts an Organization Plan this Section 4 shall apply.

4.1 The responsibilities of the individual members of the Management Board shall be determined by the Organization Plan (*Geschäftsverteilungsplan*).

4.2 Die Verantwortlichkeit jedes einzelnen Vorstandsmitglieds wird durch den Geschäftsverteilungsplan festgelegt.

4.3 Die Verantwortlichkeit jedes einzelnen Vorstandsmitglieds wird durch den Geschäftsverteilungsplan festgelegt.

4.4 Jedes Vorstandsmitglied ist verpflichtet, bei schwerwiegenden Bedenken bezüglich einer Angelegenheit eines anderen Ressorts eine Behandlung der Angelegenheit durch den gesamten Vorstand herbeizuführen, sofern die Bedenken nicht durch eine Aussprache mit den anderen Vorstandsmitgliedern oder dem Vorstandsvorsitzenden ausgeräumt werden können.

4.5 Jedes Vorstandsmitglied kann von den übrigen Vorstandsmitgliedern jederzeit Informationen über Angelegenheiten einfordern, welche in deren Verantwortungsbereich fallen. Der Vorstand ist in regelmäßigen Abständen von dem im Einzelfall verantwortlichen Vorstandsmitglied über Entwicklungen in dem jeweiligen Geschäftsbereich und Segment zu unterrichten. Soweit Maßnahmen und Geschäftsaktivitäten aus dem Verantwortungsbereich eines Vorstandsmitglieds den Verantwortungsbereich eines anderen Vorstandsmitglieds wesentlich berühren, haben sich die zuständigen Vorstandsmitglieder im Voraus abzustimmen.

4.6 Jedes Vorstandsmitglied kann verlangen, dass Maßnahmen oder Geschäfte aus dem Verantwortungsbereich eines anderen Vorstandsmitglieds, die seinen Verantwortungsbereich wesentlich berühren, eines Vorstandsbeschlusses bedürfen.

4.7 Die Vorstandsmitglieder sind gemeinschaftlich dafür verantwortlich, dass der Aufsichtsrat angemessen unterrichtet wird. Der Vorstand hat den Aufsichtsrat in regelmäßigen Abständen rechtzeitig und umfassend über alle Angelegenheiten der Gesellschaft im Zusammenhang mit der Planung, der Geschäftsentwicklung, der Risikosituation, dem Risikomanagement und der Einhaltung von § 90 AktG zu unterrichten. Der Vorstand soll Abweichungen des

4.2 The responsibilities of the individual members of the Management Board shall be determined by the Organization Plan (*Geschäftsverteilungsplan*).

4.3 The responsibilities of the individual members of the Management Board shall be determined by the Organization Plan (*Geschäftsverteilungsplan*).

4.4 Each Management Board member shall be obliged, in the event serious concern regarding another business area arises, to ensure that it is discussed by the full Management Board, unless the concerns can be overcome through discussion with the other board members or the chairman of the Management Board.

4.5 Each Management Board member shall, at any time, be entitled to demand information from the other members of the Management Board on individual matters relating to the areas for which they bear responsibility. The Management Board shall be regularly informed about developments in the individual business areas and segments by the respective board members. Insofar as the measures and business activities from the area of responsibility of one board member also substantially affect the area of responsibility of another board member, the board members in charge of these areas shall consult one another in advance.

4.6 Each Board member whose area of responsibility is substantially affected by the measures or business activities of a member of the Board with another area of responsibility, may request a resolution by the Management Board.

4.7 The members of the Management Board are jointly responsible for providing sufficient information to the Supervisory Board. The Management Board shall regularly inform the Supervisory Board, comprehensively and without delay, of all material issues to the Company with regard to planning, business development, risk situation, risk management and compliance in accordance with Section 90 AktG. The Management Board shall point out deviations of the actual business

Geschäftsbetriebs von den zuvor formulierten Plänen und Zielen und die Ursachen hierfür herausarbeiten sowie Vorschläge für geeignete Gegenmaßnahmen machen.

5. Zustimmungsbedürftige Geschäfte (Gesamtvorstand)

Neben Geschäften, welche bereits von Gesetzes wegen, aufgrund der Satzung oder nach dieser Geschäftsordnung eines Vorstandsbeschlusses bedürfen, sind folgende Maßnahmen nur auf der Grundlage eines Beschlusses des Gesamtvorstands durchzuführen:

5.1 die Erstellung der Berichte des Vorstands zur Information des Aufsichtsrats (Ziffer 8.1 dieser Geschäftsordnung) und der viertel- und halbjährlichen Berichte, welche aufgrund des einschlägigen Kapitalmarktrechts zu erstellen sind;

5.2 grundlegende Organisationsmaßnahmen wie etwa der Abschluss oder die Änderung von Unternehmensverträgen (§§ 291 ff. AktG), Umwandlungsmaßnahmen im Sinne des Umwandlungsgesetzes, die Veräußerung oder Akquisition wesentlicher Unternehmensteile sowie Angelegenheiten der Strategie- und Geschäftsplanung im Sinne des § 90 Abs. 1 Nr. 1 AktG;

5.3 Maßnahmen im Zusammenhang mit der Implementierung und der Kontrolle eines Überwachungssystems im Sinne von § 91 Abs. 2 AktG;

5.4 die Abgabe der Entsprechenserklärung gemäß § 161 Abs. 1 AktG;

5.5 die Aufstellung des Konzern- und Jahresabschlusses (einschließlich des Lageberichts) sowie vergleichbarer Berichte, welche die Gesellschaft freiwillig oder aufgrund kapitalmarktrechtlicher Bestimmungen veröffentlicht;

5.6 Einberufungen der Hauptversammlung sowie Anfragen und Beschlussvorschläge des Vorstands, welche in der Hauptversammlung behandelt und über welche abgestimmt werden soll; oder

development from previously formulated plans and targets, and indicate the reasons therefore and make suggestions for any counter-measures to be taken.

5. Transactions Requiring Approval of the Management Board

In addition to transactions for which a resolution adopted by the Management Board is required by law, by the Articles of Association or by these rules of procedure, the following matters shall require a resolution adopted by the Management Board:

5.1 the preparation of the Management Board's reporting to inform the Supervisory Board (Section 8.1 of these rules of procedure) and of the quarterly and semi-annual reports as required by the applicable capital market laws;

5.2 fundamental organisational measures, such as the conclusion of or amendment to company transfer agreements (Section 291 et seqq. AktG), transformation measures within the meaning of the German Transformation of Companies Act (*Umwandlungsgesetz*), sale or acquisition of material company assets as well as issues of strategy and business planning as set out in Section 90 para. 1 no. 1 AktG;

5.3 measures related to the implementation and controlling of a monitoring system as described in Section 91 para. 2 AktG;

5.4 the issuance of the compliance statement pursuant to Section 161 para. 1 AktG;

5.5 the preparation of the consolidated and unconsolidated financial statements (including the management report on the Company's business situation) as well as comparable reports issued by the Company voluntarily or based upon capital market rules;

5.6 convening of the general shareholders' meeting and the Management Board's requests and proposals for resolutions to be dealt with and voted on therein; or

5.7 Angelegenheiten, deren Beschlussfassung der Vorstandsvorsitzende oder zwei Vorstandsmitglieder verlangt haben.

6. Vorsitzender des Vorstands

6.1 Der Aufsichtsrat kann ein Mitglied des Vorstands zum Vorsitzenden ernennen. Ist ein Mitglied des Vorstands zum Vorsitzenden des Vorstands ernannt worden, finden die folgenden Regelungen in diesem § 6 Anwendung.

6.2 Die Koordination von Segmenten mit sich überschneidenden Aufgabenbereichen obliegt dem Vorstandsvorsitzenden. Der Vorstandsvorsitzende wirkt darauf hin, dass sich die Geschäftsführung einheitlich an den durch die Beschlussfassung des Vorstands definierten Zielen orientiert. Er ist berechtigt, von den übrigen Vorstandsmitgliedern jederzeit Informationen über die in ihren jeweiligen Verantwortlichkeitsbereich fallenden Geschäftsangelegenheiten zu verlangen; er kann auch entscheiden, dass er über bestimmte Geschäfte und bestimmte Arten von Geschäften im Voraus informiert wird.

6.3 Der Vorstandsvorsitzende repräsentiert den Vorstand und die Gesellschaft in der Öffentlichkeit, speziell im Umgang mit Behörden, Vereinigungen, Wirtschaftsverbänden und den Medien in Bezug auf Angelegenheiten, welche die Gesellschaft als Ganzes oder aber verschiedene Geschäftsbereiche oder Segmente betreffen, welche in den Verantwortlichkeitsbereich eines anderen Vorstandsmitglieds fallen. Alle Presseveröffentlichungen bedürfen der vorherigen Zustimmung des Vorstandsvorsitzenden.

6.4 Der Vorstandsvorsitzende koordiniert die Zusammenarbeit zwischen Vorstand und Aufsichtsrat. Er hält stetigen Kontakt mit dem Aufsichtsrat; er ist dafür verantwortlich, dass die gegenüber dem Aufsichtsrat bestehenden Berichtspflichten erfüllt werden und informiert den Aufsichtsratsvorsitzenden umgehend über Geschäfte, die der Zustimmung des Aufsichtsrats bedürfen, speziell über Unzulänglichkeiten im Zusammenhang mit dem gem. § 91 Abs. 2 AktG zu etablierenden Risikomanagementsystem. Alle Mitglieder des Vorstandes

5.7 matters with respect to which the Chairman or any two members of the Management Board have requested a resolution by the Management Board.

6. Chairman of the Management Board

6.1 The Supervisory Board can appoint one member of the management board as chairman. In case a chairman of the management board has been appointed the following rules in this Section 6 shall apply.

6.2 Coordination of segments with shared functions shall be incumbent upon the chairman of the Management Board. He shall endeavour to ensure that the conduct of the Company's business is uniformly oriented towards the objectives established by the resolutions of the Management Board. He is entitled, at any time, to demand information from the members of the Management Board on individual matters relating to the areas for which they bear responsibility and may decide that he shall be informed in advance about certain transactions and certain types of transactions.

6.3 The chairman of the Management Board shall represent the Board and the Company in the public sphere, especially in dealings with authorities, associations, business organizations and the media in matters which concern the Company as a whole or several business areas or segments from the area of responsibility of different Board members. All press statements require prior approval of the chairman of the Management Board.

6.4 The chairman of the Management Board shall organize the Management Board's cooperation with the Supervisory Board. He shall maintain regular contact with the Supervisory Board; he shall be responsible for reporting duties towards the Supervisory Board being fulfilled and informs the chairman of the Supervisory Board promptly about transactions requiring the approval of the Supervisory Board and especially about any deficiencies arising within the risk management system to be set up by the Management Board pursuant to Section 91 para. 2 AktG. All the members

unterstützen den Vorstandsvorsitzenden bei der Erfüllung seiner Pflichten.

7. Sitzungen und Beschlussfassungen des Vorstands

7.1 Der Vorstandsvorsitzende beruft die Vorstandssitzungen ein, er stellt die Tagesordnung zusammen und sitzt den Vorstandssitzungen vor. Der Vorstandsvorsitzende bestimmt die Reihenfolge, in welcher die Tagesordnungspunkte behandelt werden, ebenso wie die Reihenfolge, in der abgestimmt wird. Jedes Vorstandsmitglied hat einen Anspruch darauf, dass die von ihm vorgeschlagenen Angelegenheiten auf die Tagesordnung gesetzt werden. Kann der Vorstandsvorsitzende einer Sitzung nicht beiwohnen, so vertritt ihn das dienstälteste Vorstandsmitglied bei der Vorbereitung, Einberufung und dem Vorsitz der Vorstandssitzung. Soweit kein Mitglied des Vorstands zum Vorsitzenden des Vorstands ernannt worden ist, kann jeder Vorstand eine Vorstandssitzung einberufen.

7.2 Der Vorstand soll in zweiwöchigem Abstand zusammenkommen, wenigstens jedoch einmal im Monat. Auf Verlangen eines Vorstandsmitglieds ist eine Vorstandssitzung unverzüglich einzuberufen.

7.3 Der Vorstand ist beschlussfähig, wenn all seine Mitglieder Einladungen zur Vorstandssitzung erhalten haben und mindestens die Hälfte der Mitglieder bei der Beschlussfassung mitwirken. Abwesende Vorstandsmitglieder können an der Beschlussfassung teilnehmen, indem sie ihre Stimme schriftlich, per Telefax, telefonisch oder durch ein anderes gebräuchliches Telekommunikationsmittel übermitteln. Telefonische Stimmabgaben sind schriftlich zu bestätigen. Auch nachträgliche Stimmabgaben gelten als Teilnahme an der Beschlussfassung. Sie sind nur zulässig, wenn der Sitzungsleiter sie zulässt und eine Frist für ihre Abgabe bestimmt.

7.4 Außerhalb von Sitzungen können Beschlüsse im Umlaufverfahren oder in anderer Weise (zum Beispiel durch telefonische Stimmabgabe oder Stimmabgabe mittels sonstiger Telekommunikationsmittel, einschließlich

of the Management Board shall support him in fulfilling his duties.

7. Meetings and Resolutions of the Management Board

7.1 The chairman of the Management Board shall convene Board meetings, establish the agenda and chair the meetings of the Management Board. He shall determine the sequence in which the items on the agenda shall be dealt with, as well as the rules and sequence of voting. Each member of the Management Board shall have the right to demand that any items he may propose be put on the agenda. Should the chairman of the Management Board be unable to attend, the longest-serving member of the Management Board present shall serve as his proxy in preparing, convening and chairing Board meetings. In case no member of the management board has been appointed as chairman, each member of the management board can call a board meeting.

7.2 The Management Board shall meet every two weeks, and at least once each month. Any member of the Management Board can demand the immediate convening of a Board meeting.

7.3 The Management Board shall have a quorum if all its members shall have received invitations to the meeting and at least half of its members shall participate in adopting resolutions. Absent members of the Management Board may participate in adopting resolutions by submitting their written vote to the Chairman prior to or during the Management Board meeting by fax, email, telephone, or any other customary means of telecommunication; votes cast by telephone shall be confirmed in written form. Subsequently submitted votes also count toward participation in the adoption of resolutions. They are only admissible if the person chairing the meeting allows them and sets a deadline for their submission.

7.4 Resolutions may be adopted outside meetings either by circulating the documents or in any other form (*e.g.*, by casting of votes by telephone, via video conferencing or via other means of telecommunication (including email)).

E-Mail) gefasst werden. Soweit ein Vorstandsmitglied an solchen Beschlussfassungen nicht teilgenommen hat, ist es unverzüglich über die gefassten Beschlüsse zu unterrichten.

7.5 Der Vorstand hat sich bei der Beschlussfassung nach Kräften um Einstimmigkeit zu bemühen. Ist Einstimmigkeit nicht zu erzielen, so beschließt der Vorstand, soweit nicht durch Satzung oder Gesetz andere Mehrheiten vorgeschrieben sind, mit einfacher Mehrheit der an der Beschlussfassung teilnehmenden Vorstandsmitglieder. Bei Stimmengleichheit gibt die Stimme des Vorstandsvorsitzenden den Ausschlag.

7.6 Über die Sitzungen des Vorstands ist Protokoll in deutscher und/oder englischer Sprache zu führen, das vom Sitzungsleiter und Protokollführer zu unterzeichnen ist. Eine Abschrift dieses Protokolls ist allen Vorstandsmitgliedern unverzüglich zuzuleiten.

8. Informationen für den Aufsichtsrat

8.1 Der Vorstand hat, ungeachtet § 90 AktG, Ziffer 4.5 und Ziffer 6.4 dieser Geschäftsordnung sowie Ziffer 3 des Deutschen Corporate Governance Kodex, dem Aufsichtsrat alle Informationen zur Verfügung zu stellen, die für die Bewertung der wirtschaftlichen und finanziellen Situation der VIA optronics Gruppe von Bedeutung sind. Dies umfasst insbesondere die folgenden Informationen:

(a) Zu jeder Aufsichtsratssitzung, spätestens 30 Tage nach dem Ende eines Quartals, Quartalsberichte der Gesellschaft und der Tochtergesellschaften, bestehend aus Bilanz, Gewinn- und Verlustrechnung, Kapitalflussrechnung und Zwölf-Monats-Prognose. Die Bilanz und GuV der Gesellschaft und der Tochtergesellschaften sind aus dem Finanzwesen der Gesellschaft abgeleitet werden. Konsolidierte Daten sowie ein Soll-Ist-Vergleich soll zur Verfügung gestellt werden. Soweit für die Bewertung der aktuellen Situation kann der Aufsichtsrat Vorlage der wichtigsten Finanzkennzahlen sowie einen Vergleich zum entsprechenden

Insofar as a member of the Management Board has not participated in adopting such resolutions, he shall be informed immediately about the resolutions adopted.

7.5 The Management Board shall do everything in its power to ensure that its resolutions are adopted unanimously. Should unanimity not be achievable, a simple majority of the members of the Board participating in the vote may adopt resolutions, unless otherwise prescribed by the Articles of Association or by law. In the case of a tie, the chairman of the Management Board shall have a second, tie-breaking vote.

7.6 Minutes shall be kept of the meetings of the Management Board in the German and/or in the English language and signed by the chairman of the meeting and the person taking down the minutes. A copy of these minutes shall be sent immediately to all members of the Management Board.

8. Information for the Supervisory Board

8.1 Notwithstanding the provisions in § 90 AktG, Section 4.5 and Section 6.4 of these rules of procedure and of Section 3 of the German Corporate Governance Code The Management Board shall, report to the Supervisory Board on information which is of significance for assessing the economic and financial situation of the VIA optronics Group. This includes in particular the following information:

(a) To all Supervisory Board meetings, at least 30 days after the end of every quarter, quarterly status reports of the Company and its Subsidiaries, which comprise of a balance sheet, a profit and loss account and a cash flow account together with a twelve month rolling forecast shall be available. The Company and the Subsidiaries P&L and balance data shall be derived out of the financial systems of the Company. Consolidated data shall be available as well as budget vs. actual comparisons. In case it is necessary for the evaluation of the current situation, the Supervisory Board can request key financial figures and comparisons with the period of the preceding year.

Zeitraum aus dem vorangegangen Jahr verlangen.

(b) In den Zeiträumen zwischen den Quartalen sind auf Verlangen des Aufsichtsrats monatliche GuV, Bilanzen und Kapitalflussprognose innerhalb von 14 Tagen vorzulegen. Dabei sind die Berichte aus dem Finanzwesen der Gesellschaft zu verwenden.

(c) Spätestens 45 Tage vor Beginn des nächsten Geschäftsjahres ist das monatliche Budget für die VIA optronics Gruppe auf konsolidierter Basis für die nächsten zwei Geschäftsjahre sowie eine mittelfristige Planung für die jeweils folgenden drei Geschäftsjahre auf jährlicher Basis vorgelegt werden.

(d) Innerhalb von 90 Tagen nach Ende eine Geschäftsjahres ist der ungeprüfte konsolidierte Jahresabschluss der Gesellschaft und innerhalb weiterer 90 Tage der geprüfte konsolidierte Jahresabschluss der Gesellschaft vorzulegen.

(e) Unverzüglich nach Bekanntwerden ist ein Bericht über die wesentlichen Ereignisse, die eine wesentlich nachteilige Auswirkung auf das Geschäfts der Gesellschaft haben, vorzulegen.

Die zuvor genannten Berichte sind jedem Mitglied des Aufsichtsrats schriftlich oder per Email zu übersenden.

8.2 Bevor Entscheidungen von wesentlicher Bedeutung für die weitere Entwicklung der VIA optronics Gruppe getroffen werden, ist — ungeachtet etwaiger Zustimmungserfordernisse, die im Einzelfall bestehen — der Aufsichtsrat rechtzeitig zu konsultieren, Dies gilt insbesondere für Entscheidungen die über die täglichen Geschäftsaktivitäten hinausgehen und in der dem Aufsichtsrat bekannten betrieblichen Planung enthalten sind.

8.3 Der Aufsichtsrat kann jederzeit vom Vorstand die Vorlage von Berichten über die Geschehnisse der VIA optronics Gruppe verlangen, insbesondere über

(b) Upon request, at any time in between the quarters, monthly P&L, balance sheets and cash flow forecast shall be made available within 14 days. Reports out of the Company's financial systems shall be used.

(c) A budget of the VIA optronics Group prepared monthly on a consolidated basis for the actual next two financial years and a medium-term plan for the respective following three financial years on an annual basis shall be made available no later than 45 days prior to the next financial year.

(d) The unaudited consolidated financial statements of the Company within 90 days of the financial year end and within further 90 days audited consolidated financial statements of the Company shall be available.

(e) A report on material facts, which have a material detrimental effect on the Company's business, without undue delay after they have become known.

The above reports must be sent to each member of the Supervisory Board in writing or by email.

8.2 Before decisions are made which are of material importance for the further development of the VIA optronics Group, the Management Board must — notwithstanding the consent provisions that may exist in the individual case — consult the Supervisory Board in good time. This shall in particular apply to decisions, which go beyond the scope of the day-to-day business operations and are not contained in the corporate planning known to the Supervisory Board.

8.3 The Supervisory Board may at any time demand from the Management Board to provide reports on the affairs of the VIA optronics Group, in particular about

Fragen der Geschäftspolitik, der Verkaufsentwicklungen, der finanziellen Situation, der Gewinnerwartung und der Liquidität. Die Mitglieder des Vorstands sind verpflichtet, die verlangten Informationen und die Bücher und Unterlagen der Gesellschaft zur Verfügung zu stellen, so dass der Aufsichtsrat diese selbst prüfen kann oder durch einen zur beruflichen Verschwiegenheit verpflichteten Experten prüfen zu lassen.

8.4 Dem Aufsichtsrat ist Zugang zu den Büros und alle Informationen und Unterlagen, einschließlich interner Vorstandsdokumente, Geschäftsberichte, Entwicklungsberichte, Vorstandsbriefe, Korrespondenz mit Aktionären, Pressemitteilungen und Veröffentlichen sowie Zugang zum Senior Management zu gewähren.

8.5 Der Aufsichtsrat ist unverzüglich über Kaufangebote (indikative oder sonstige) betreffend die Aktien oder die Vermögensgegenstände der Gesellschaft.

9. Finanzplanung und Jahresbudget, Zustimmungsbedürftige Geschäfte (Aufsichtsrat)

9.1 Der Vorstand hat dem Aufsichtsrat die in Ziffer 8.1(c) vereinbarten betrieblichen Planungen und Budgets für die VIA optronics Gruppe bis spätestens 30 Tage vor Beginn des neuen Geschäftsjahres zur Zustimmung vorzulegen. Die wesentlichen Annahmen, auf denen die Planungen nach Ziffer 8.1(c) beruhen, und weitere wesentliche Grundlagen für die Planungen sind anzugeben und erforderlichenfalls im Detail zu erläutern.

9.2 Neben Geschäften, welche bereits von Gesetzes wegen, aufgrund einer unmittelbar geltenden Richtlinie oder Verordnung, aufgrund der Satzung oder nach dieser Geschäftsordnung der Zustimmung des Aufsichtsrates bedürfen, sind insbesondere folgende Geschäfte nur mit Zustimmung des Aufsichtsrates durchzuführen:

(a) alle wesentlichen Änderungen der Geschäftsstrategie;

(b) die Genehmigung des Budgets, einschließlich des Betriebs- und

questions of business policy, about the development of sales, the financial situation, the profit prospects and about the liquidity. The members of the Management Board are obliged to give the information demanded and to disclose the books and documents of the Company so that the Supervisory Board can audit them itself or can have them audited by an expert who is bound to professional duty of confidentiality.

8.4 The Supervisory Board is entitled to reasonable access to facilities and to all information and materials, including all internal management documents, reports of operations, reports of adverse developments, management letters, communications with shareholders, and press releases and registration statements, as well as access to all senior managers.

8.5 The Supervisory Board has to be informed immediately of any offer to purchase the Company indicative or otherwise, its assets or any of its share capital.

9. Financial Planning and the Annual Budget, Transactions Requiring Approval of the Supervisory Board

9.1 The Management Board must submit the corporate plans and budgets stipulated in Section 8.1(c) for the VIA optronics Group to the Supervisory Board by no later than 30 days prior to the beginning of the new financial year in order for them to be passed. The material assumptions upon which the plans under Section 8.1(c) are based and other material bases for the planning must be stated and, as the case may require, be explained in further detail.

9.2 Apart from transactions which must be approved by the Supervisory Board under a directly applicable directive or regulation or applicable law or the Articles of Association, in particular the following transactions to be undertaken by the Company require the prior approval of the Supervisory Board:

(a) any material changes to the business strategy;

(b) the approval of the budget, including the operational and investment

	Investitionsbudgets sowie des zugehörigen Finanzierungsplans;		budget as well as the related financing plan;
(c)	Ausgaben oder Investitionen (einschließlich Leasingverträgen), die jeweils einen Betrag von €1.000.000 übersteigen, und Investitionen, deren Gesamtbetrag €2.000.000 pro Geschäftsjahr übersteigen;	(c)	capital expenditures or investments (including leasing agreements) exceeding €1,000,000 for a single investment, and investments where the total amount of the investments exceeds €2,000,000 per financial year;
(d)	den Kauf oder Verkauf von Immobilien oder Gesellschaften oder den Kauf, Verkauf, die Schaffung, die Erweiterung, die Reduzierung oder die Einstellung von Geschäftstätigkeiten, einschließlich materieller oder immaterieller Vermögenswerte, wenn der maßgebliche Preis oder Wert jeweils €1.000.000 übersteigt;	(d)	the purchase or sale of real estate or legal entities or the purchase, sale, creation, extension, reduction or termination of business activities, including tangible or intangible assets, where the relevant price or value, in each case, exceeds €1,000,000;
(e)	M&A-Aktivitäten, einschließlich des Erwerbs oder der Veräußerung von Unternehmen, Aktien oder Wertpapieren;	(e)	M&A activities, including the acquisition or sale of businesses, shares or securities;
(f)	die Durchführung oder Änderung einer Vereinbarung über oder in Bezug auf die Aufnahme von Krediten, die Vergabe von Darlehen, versicherungstechnischen Garantien oder Bürgschaften oder der Übernahme ähnlicher Verbindlichkeiten außerhalb des normalen Geschäftsbetriebs, wenn sie jeweils den Betrag von €1.000.000 übersteigen;	(f)	execution or amendment of an agreement for or relating to borrowing, lending, underwriting guarantees or suretyships or assuming similar liabilities outside the ordinary course of business where each amount exceeds €1,000,000;
(g)	der Abschluss oder die Änderung von Kreditverträgen über €2.000.000 oder die Verlängerung bestehender Kreditlinien um mehr als €2.000.000;	(g)	the conclusion or amendment of credit agreements exceeding €2,000,000 or the extension of existing credit lines by more than €2,000,000;
(h)	der Abschluss oder die Änderung eines Operating-Leasing-, Erbbaurechts- oder Mietvertrages über Grundstücke, Gebäude oder ähnliche Gegenstände, wenn die mit diesem Vertrag verbundenen Verpflichtungen €500.000 pro Jahr übersteigen;	(h)	the conclusion or amendment of an operating lease, land lease or rental agreement in relation to real estate, buildings or similar objects, if the obligations associated with such agreement exceed €500,000 per year;
(i)	Ausgaben oder Investitionen, die jeweils mehr als €1.000.000 betragen;	(i)	expenditures or capital investments exceeding €1,000,000 in each case;

(j) jede wesentliche Änderung oder Ergänzung des Verhaltenskodex;

(k) die Einführung von Pensionsplänen sowie die Verpflichtung und Zahlung von Pensionen;

(l) die Einstellung von Führungskräften und Mitarbeitern mit einem festen Jahresgehalt von mehr als €260.000 sowie die Einstellung von Personal, wenn die Anzahl der Neueinstellungen 5% der für das jeweilige Geschäftsjahr geplanten Vollzeitkräfte (nach Mitarbeiterzahl) übersteigt;

(m) der Abschluss oder die Änderung von Geschäften zwischen der Gesellschaft und einem Mitglied des Vorstands sowie mit einem Mitglied des Vorstands verbundenen Personen oder Unternehmen, einschließlich der Angehörigen dieser Personen im Sinne von § 15 Abgabenordnung;

(n) der Verkauf, die Veräußerung oder die Lizenzierung von materiellen geistigen Eigentumsrechten außerhalb des normalen Geschäftsbetriebs des Unternehmens;

(o) der Abschluss, die Änderung oder die Beendigung von Vereinbarungen über risikoreiche Finanzgeschäfte wie Swaps, Optionen, Terminkäufe oder -verkäufe, Futures und andere Finanzderivate und Kombinationen derselben; und

(p) die Schaffung, Änderung oder Beendigung von Mitarbeiter-Aktienoptionsprogrammen oder virtuellen Phantom-Stock-Optionsprogrammen oder sonstigen Bonus- oder Incentive-Plänen für Mitarbeiter.

10. Wettbewerbsverbot, Interessenkonflikt

10.1 Die Vorstandsmitglieder unterliegen nach Maßgabe ihrer jeweiligen

(j) any material change or amendment to the code of conduct;

(k) the adoption of pension plans and the commitment to and payment of pensions;

(l) the hiring of executives and employees with a fixed annual salary exceeding € 260,000, as well as hiring personnel if the number of new hires exceeds 5% of the budgeted full time workforce (by headcount) for the respective financial year;

(m) the conclusion or amendment of transactions between the company and any member of the management board, as well as persons or companies associated with a member of the management board, including relatives of the aforesaid persons within the meaning of Section 15 of the German Tax Code (Abgabenordnung);

(n) the sale, disposal or licensing of material intellectual property rights outside the company's ordinary course of business;

(o) the conclusion, amendment or termination of agreements concerning risky financial transactions such as swaps, options, forward sales or purchases, futures and other financial derivatives and combinations thereof; and

(p) the creation, amendment or termination of employee stock option programs or virtual phantom stock option programs or any other bonus or incentive plans for employees.

10. Non-Compete, Conflicts of Interest

10.1 Subject to their respective service agreements, the members of the

Anstellungsverträge, einem Wettbewerbsverbot.

10.2 Die Vorstandsmitglieder bedürfen zur Ausübung von Nebentätigkeiten der Zustimmung des Aufsichtsrats, insbesondere zur Übernahme von Aufsichtsrats-, Beirats- und ähnlichen Mandaten sowie zum Eintritt in die Geschäftsleitung eines anderen Unternehmens.

10.3 Jedes Vorstandsmitglied hat Interessenkonflikte unverzüglich gegenüber dem Aufsichtsrat offenzulegen und die anderen Vorstandsmitglieder hiervon zu informieren.

10.4 Jedes Geschäft, welches die Gesellschaft mit einem Vorstandsmitglied oder mit einem Vorstandsmitglied nahestehenden Personen oder Gesellschaften abschließt, muss den einschlägigen branchentypischen Standards entsprechen. Jedes dieser Geschäfte bedarf der Zustimmung des Aufsichtsrats.

11. Inkrafttreten und maßgebliche Sprache

11.1 Diese Geschäftsordnung tritt am Tag des Aufsichtsratsbeschlusses in Kraft, mit dem über sie Beschluss gefasst wird, und gilt solange, bis sie durch den Aufsichtsrat verändert oder widerrufen wird.

11.2 Im Falle von Unstimmigkeiten zwischen der deutschen und der englischen Fassung dieser Geschäftsordnung hat die englische Fassung Vorrang.

Management Board are under a non-competition obligation.

10.2 The members of the Management Board require the approval of the Supervisory Board for accepting other positions or assignments, especially seats on supervisory, advisory and similar boards, as well as assuming an executive position at another company.

10.3 Each member of the Management Board shall disclose conflicts of interest immediately to the Supervisory Board and inform the other members of the Management Board.

10.4 Any transaction between the Company and any member of the Management Board, as well as persons or companies associated with a member of the Management Board, must comply with standards customary in the sector. Any such transaction requires the approval of the Supervisory Board.

11. Effective Date and Prevailing Language

11.1 The rules of procedure shall be effective as of the date of the Supervisory Board resolution by which they are implemented and shall remain in force until amended or abolished by the Supervisory Board.

11.2 In case of discrepancies between the German and the English version of these rules of procedure the English version shall prevail.

Annex 1

Geschäftsverteilungsplan
für den Vorstand der
VIA optronics AG
- Gültig ab 25. Juli 2019 -

Jürgen Eichner
Vorstandsvorsitzender (CEO)

1. Marketing und Beschaffung
2. Absatz und Vertrieb
3. Forschung und Entwicklung
4. Technologie
5. Produktion
6. Personalwesen
7. Informationstechnik
8. Qualitätsmanagement

Daniel Jürgens
Finanzvorstand (CFO)

1. Rechnungswesen
2. Controlling / Rechnungsprüfung
3. Recht

Schedule of Responsibilities
for the Management Board of
VIA optronics AG
- Effective as of 25 July 2019 -

Juergen Eichner
Chief Executive Officer (CEO)

1. Marketing and Sourcing
2. Sales and Operations
3. Research and Development
4. Technology
5. Production
6. Human Resources
7. Information Technology
8. Quality Management

Daniel Juergens
Chief Financial Officer (CFO)

1. Accounting
2. Controlling
3. Legal

Exhibit 4.1

WKN	A2TSG3
ISIN	DE000A2TSG37
Ordnungsnummer	002

VIA optronics AG
mit Sitz in Nürnberg

Globalurkunde

über bis zu [**Anzahl**] auf den Namen der [Joh. Berenberg, Gossler & Co. KG, Hamburg] lautende Namensstammaktien der VIA optronics AG, Nürnberg in Form von nennwertlosen Stückaktien mit einem rechnerischen Anteil am Grundkapital von jeweils EUR 1,00.

Stückenummern: 00 300 000 001 bis [•]

Die Anzahl der in dieser Globalurkunde verbrieften und begebenen Aktien ergibt sich aus der aktuellen EDV-basierten Depotdokumentation der Clearstream Banking AG, Frankfurt am Main.

Diese Globalurkunde ist ausschließlich zur Verwahrung bei Clearstream Banking AG, Frankfurt am Main, bestimmt.

Zu dieser Globalurkunde wurde kein Globalgewinnanteilschein ausgefertigt.

Die in dieser Globalurkunde verbrieften Aktien sind ab 01. Januar 2020 gewinnberechtigt.

Nürnberg, im September 2020

VIA optronics AG

vertreten durch

Daniel Jürgens
- *einzelvertretungsberechtigtes Mitglied des Vorstands* -

WKN	A2TSG3
ISIN	DE000A2TSG37
Serial number	002

VIA optronics AG
with registered office in Nuremberg

Global share certificate

Regarding up to [*number*] of registered ordinary shares of VIA optronics AG, Nuremberg, in the name of [Joh. Berenberg, Gossler & Co. KG, Hamburg] in the form of no-par value shares with a share in the total share capital of EUR 1.00 each.

Number: 00 300 000 001 to [•]

The number of shares certificated and issued in this global certificate results from the current computer-based securities account documentation of Clearstream Banking AG, Frankfurt am Main.

This global share certificate is exclusively dedicated for safekeeping at Clearstream Banking AG, Frankfurt am Main.

No global dividend certificate has been issued for this global share certificate.

The shares certificated in this global share certificate are entitled to participate in profits from January 1, 2020.

Nuremberg, September 2020

VIA optronics AG

represented by

Daniel Jürgens
- *Member of the Management Board with sole power of representation* -

Exhibit 4.2

VIA OPTRONICS AG

AND

THE BANK OF NEW YORK MELLON

As Depositary

AND

OWNERS AND HOLDERS OF AMERICAN DEPOSITARY SHARES

Deposit Agreement

, 2020

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DEPOSIT AGREEMENT

DEPOSIT AGREEMENT dated as of , 2020 among VIA OPTRONICS AG, a company incorporated under the laws of the Federal Republic of Germany (herein called the Company), THE BANK OF NEW YORK MELLON, a New York banking corporation (herein called the Depositary), and all Owners and Holders (each as hereinafter defined) from time to time of American Depositary Shares issued hereunder.

W I T N E S S E T H:

WHEREAS, the Company desires to provide, as set forth in this Deposit Agreement, for the deposit of Shares (as hereinafter defined) of the Company from time to time with the Depositary or with the Custodian (as hereinafter defined) under this Deposit Agreement, for the creation of American Depositary Shares representing the Shares so deposited and for the execution and delivery of American Depositary Receipts evidencing the American Depositary Shares; and

WHEREAS, the American Depositary Receipts are to be substantially in the form of Exhibit A annexed to this Deposit Agreement, with appropriate insertions, modifications and omissions, as set forth in this Deposit Agreement;

NOW, THEREFORE, in consideration of the premises, it is agreed by and between the parties hereto as follows:

ARTICLE 1. DEFINITIONS

The following definitions shall for all purposes, unless otherwise clearly indicated, apply to the respective terms used in this Deposit Agreement:

SECTION 1.1. American Depositary Shares.

The term "American Depositary Shares" shall mean the securities created under this Deposit Agreement representing rights with respect to the Deposited Securities. American Depositary Shares may be certificated securities evidenced by Receipts or uncertificated securities. The form of Receipt annexed as Exhibit A to this Deposit Agreement shall be the prospectus required under the Securities Act of 1933 for sales of both certificated and uncertificated American Depositary Shares. Except for those provisions of this Deposit Agreement that refer specifically to Receipts, all the provisions of this Deposit Agreement shall apply to both certificated and uncertificated American Depositary Shares.

Each American Depositary Share shall represent the number of Shares specified in Exhibit A to this Deposit Agreement, except that, if there is a distribution upon Deposited Securities covered by Section 4.3, a change in Deposited Securities covered by Section 4.8 with respect to which additional American Depositary Shares are not delivered or a sale of Deposited Securities under Section 3.2 or 4.8, each American Depositary Share shall thereafter represent

the amount of Shares or other Deposited Securities that are then on deposit per American Depositary Share after giving effect to that distribution, change or sale.

SECTION 1.2. Commission.

The term "Commission" shall mean the Securities and Exchange Commission of the United States or any successor governmental agency in the United States.

SECTION 1.3. Company.

The term "Company" shall mean VIA optronics AG, a company incorporated under the laws of the Federal Republic of Germany, and its successors.

SECTION 1.4. Custodian.

The term "Custodian" shall mean The Bank of New York Mellon SA/NV, acting through an office in Germany, as custodian for the Depositary in Germany for the purposes of this Deposit Agreement, and any other firm or corporation the Depositary appoints under Section 5.5 as a substitute or additional custodian under this Deposit Agreement, and shall also mean all of them collectively.

SECTION 1.5. Delisting Event.

A "Delisting Event" occurs if the American Depositary Shares are delisted from a securities exchange on which the American Depositary were listed and the Company has not listed or applied to list the American Depositary Shares on any other securities exchange.

SECTION 1.6. Deliver; Surrender.

(a) The term "deliver", or its noun form, when used with respect to Shares or other Deposited Securities, shall mean (i) book-entry transfer of those Shares or other Deposited Securities to an account maintained by an institution authorized under applicable law to effect transfers of such securities designated by the person entitled to that delivery or (ii) physical transfer of certificates evidencing those Shares or other Deposited Securities registered in the name of, or duly endorsed or accompanied by proper instruments of transfer to, the person entitled to that delivery.

(b) The term "deliver", or its noun form, when used with respect to American Depositary Shares, shall mean (i) registration of those American Depositary Shares in the name of DTC or its nominee and book-entry transfer of those American Depositary Shares to an account at DTC designated by the person entitled to that delivery, (ii) registration of those American Depositary Shares not evidenced by a Receipt on the books of the Depositary in the name requested by the person entitled to that delivery and mailing to that person of a statement confirming that registration or (iii) if requested by the person entitled to that delivery, execution and delivery at the Depositary's Office to the person entitled to that delivery of one or more Receipts evidencing those American Depositary Shares registered in the name requested by that person.

(c) The term "surrender", when used with respect to American Depositary Shares, shall mean (i) one or more book-entry transfers of American Depositary Shares to the DTC account of the Depositary, (ii) delivery to the Depositary at its Office of an instruction to surrender American Depositary Shares not evidenced by a Receipt or (iii) surrender to the Depositary at its Office of one or more Receipts evidencing American Depositary Shares.

SECTION 1.7. Deposit Agreement.

The term "Deposit Agreement" shall mean this Deposit Agreement, as it may be amended from time to time in accordance with the provisions of this Deposit Agreement.

SECTION 1.8. Depositary; Depositary's Office.

The term "Depositary" shall mean The Bank of New York Mellon, a New York banking corporation, and any successor as depositary under this Deposit Agreement. The term "Office", when used with respect to the Depositary, shall mean the office at which its depositary receipts business is administered, which, at the date of this Deposit Agreement, is located at 240 Greenwich Street, New York, New York 10286.

SECTION 1.9. Deposited Securities.

The term "Deposited Securities" as of any time shall mean Shares at such time deposited or deemed to be deposited under this Deposit Agreement, including without limitation, Shares that have not been successfully delivered upon surrender of American Depositary Shares, and any and all other securities, property and cash received by the Depositary or the Custodian in respect of Deposited Securities and at that time held under this Deposit Agreement.

SECTION 1.10. Disseminate.

The term "Disseminate," when referring to a notice or other information to be sent by the Depositary to Owners, shall mean (i) sending that information to Owners in paper form by mail or another means or (ii) with the consent of Owners, another procedure that has the effect of making the information available to Owners, which may include (A) sending the information by electronic mail or electronic messaging or (B) sending in paper form or by electronic mail or messaging a statement that the information is available and may be accessed by the Owner on an Internet website and that it will be sent in paper form upon request by the Owner, when that information is so available and is sent in paper form as promptly as practicable upon request.

SECTION 1.11. Dollars.

The term "Dollars" shall mean United States dollars.

SECTION 1.12. DTC.

The term "DTC" shall mean The Depository Trust Company or its successor.

SECTION 1.13. Foreign Registrar.

The term "Foreign Registrar" shall mean the entity that carries out the duties of registrar for the Shares and any other agent of the Company for the transfer and registration of Shares, including, without limitation, any securities depository for the Shares.

SECTION 1.14. Holder.

The term "Holder" shall mean any person holding a Receipt or a security entitlement or other interest in American Depositary Shares, whether for its own account or for the account of another person, but that is not the Owner of that Receipt or those American Depositary Shares.

SECTION 1.15. Insolvency Event.

An "Insolvency Event" occurs if the Company institutes proceedings to be adjudicated as bankrupt or insolvent, consents to the institution of bankruptcy or insolvency proceedings against it, files a petition or answer or consent seeking reorganization or relief under any applicable law in respect of bankruptcy or insolvency, consents to the filing of any petition of that kind or to the appointment of a receiver, liquidator, assignee, trustee, custodian or sequestrator (or other similar official) of it or any substantial part of its property or makes an assignment for the benefit of creditors, or if information becomes publicly available indicating that unsecured claims against the Company are not expected to be paid.

SECTION 1.16. Owner.

The term "Owner" shall mean the person in whose name American Depositary Shares are registered on the books of the Depositary maintained for that purpose.

SECTION 1.17. Receipts.

The term "Receipts" shall mean the American Depositary Receipts issued under this Deposit Agreement evidencing certificated American Depositary Shares, as the same may be amended from time to time in accordance with the provisions of this Deposit Agreement.

SECTION 1.18. Registrar.

The term "Registrar" shall mean any corporation or other entity that is appointed by the Depositary to register American Depositary Shares and transfers of American Depositary Shares as provided in this Deposit Agreement.

SECTION 1.19. Replacement.

The term "Replacement" shall have the meaning assigned to it in Section 4.8.

SECTION 1.20. Restricted Securities.

The term "Restricted Securities" shall mean Shares that (i) are "restricted securities," as defined in Rule 144 under the Securities Act of 1933, except for Shares that could be resold in reliance on Rule 144 without any conditions, (ii) are beneficially owned by an

officer, director (or person performing similar functions) or other affiliate of the Company, (iii) otherwise would require registration under the Securities Act of 1933 in connection with the public offer and sale thereof in the United States or (iv) are subject to other restrictions on sale or deposit under the laws of the Federal Republic of Germany, a shareholder agreement or the articles of association or similar document of the Company.

SECTION 1.21. Securities Act of 1933.

The term "Securities Act of 1933" shall mean the United States Securities Act of 1933, as from time to time amended.

SECTION 1.22. Shares.

The term "Shares" shall mean ordinary shares of the Company that are validly issued and outstanding, fully paid and nonassessable and that were not issued in violation of any pre-emptive or similar rights of the holders of outstanding securities of the Company; provided, however, that, if there shall occur any change in nominal or par value, a split-up or consolidation or any other reclassification or, upon the occurrence of an event described in Section 4.8, an exchange or conversion in respect of the Shares of the Company, the term "Shares" shall thereafter also mean the successor securities resulting from such change in nominal value, split-up or consolidation or such other reclassification or such exchange or conversion.

SECTION 1.23. SWIFT.

The term "SWIFT" shall mean the financial messaging network operated by the Society for Worldwide Interbank Financial Telecommunication, or its successor.

SECTION 1.24. Termination Option Event.

The term "Termination Option Event" shall mean an event of a kind defined as such in Section 4.1, 4.2 or 4.8.

ARTICLE 2. FORM OF RECEIPTS, DEPOSIT OF SHARES, DELIVERY, TRANSFER AND SURRENDER OF AMERICAN DEPOSITARY SHARES

SECTION 2.1. Form of Receipts; Registration and Transferability of American Depositary Shares.

Definitive Receipts shall be substantially in the form set forth in Exhibit A to this Deposit Agreement, with appropriate insertions, modifications and omissions, as permitted under this Deposit Agreement. No Receipt shall be entitled to any benefits under this Deposit Agreement or be valid or obligatory for any purpose, unless that Receipt has been (i) executed by the Depositary by the manual signature of a duly authorized officer of the Depositary or (ii) executed by the facsimile signature of a duly authorized officer of the Depositary and countersigned by the manual signature of a duly authorized signatory of the Depositary or the Registrar or a co-registrar. The Depositary shall maintain books on which (x) each Receipt so executed and delivered as provided in this Deposit Agreement and each transfer of that Receipt and (y) all American Depositary Shares delivered as provided in this Deposit Agreement and all registrations of transfer of American Depositary Shares, shall be registered. A Receipt bearing

the facsimile signature of a person that was at any time a proper officer of the Depositary shall, subject to the other provisions of this paragraph, bind the Depositary, even if that person was not a proper officer of the Depositary on the date of issuance of that Receipt.

The Receipts and statements confirming registration of American Depositary Shares may have incorporated in or attached to them such legends or recitals or modifications not inconsistent with the provisions of this Deposit Agreement as may be required by the Depositary or required to comply with any applicable law or regulations thereunder or with the rules and regulations of any securities exchange upon which American Depositary Shares may be listed or to conform with any usage with respect thereto, or to indicate any special limitations or restrictions to which any particular Receipts and American Depositary Shares are subject by reason of the date of issuance of the underlying Deposited Securities or otherwise.

American Depositary Shares evidenced by a Receipt, when the Receipt is properly endorsed or accompanied by proper instruments of transfer, shall be transferable as certificated registered securities under the laws of the State of New York. American Depositary Shares not evidenced by Receipts shall be transferable as uncertificated registered securities under the laws of the State of New York. The Depositary, notwithstanding any notice to the contrary, may treat the Owner of American Depositary Shares as the absolute owner thereof for the purpose of determining the person entitled to distribution of dividends or other distributions or to any notice provided for in this Deposit Agreement and for all other purposes, and neither the Depositary nor the Company shall have any obligation or be subject to any liability under this Deposit Agreement to any Holder of American Depositary Shares (but only to the Owner of those American Depositary Shares).

SECTION 2.2. Deposit of Shares.

Subject to the terms and conditions of this Deposit Agreement, Shares or evidence of rights to receive Shares may be deposited under this Deposit Agreement by delivery thereof to any Custodian, accompanied by any appropriate instruments or instructions for transfer, or endorsement, in form satisfactory to the Custodian.

As conditions of accepting Shares for deposit, the Depositary may require (i) any certification required by the Depositary or the Custodian in accordance with the provisions of this Deposit Agreement, (ii) a written order directing the Depositary to deliver to, or upon the written order of, the person or persons stated in that order American Depositary Shares representing those deposited Shares, (iii) evidence satisfactory to the Depositary that those Shares have been re-registered in the books of the Company or the Foreign Registrar in the name of the Depositary, a Custodian or a nominee of the Depositary or a Custodian, (iv) evidence satisfactory to the Depositary that any necessary approval for the transfer or deposit has been granted by any governmental body in each applicable jurisdiction and (v) an agreement or assignment, or other instrument satisfactory to the Depositary, that provides for the prompt transfer to the Custodian of any dividend, or right to subscribe for additional Shares or to receive other property, that any person in whose name those Shares are or have been recorded may thereafter receive upon or in respect of those Shares, or, in lieu thereof, such agreement of indemnity or other agreement as shall be satisfactory to the Depositary.

At the request and risk and expense of a person proposing to deposit Shares, and for the account of that person, the Depositary may receive certificates for Shares to be deposited, together with the other instruments specified in this Section, for the purpose of forwarding those Share certificates to the Custodian for deposit under this Deposit Agreement.

The Depositary shall instruct each Custodian that, upon each delivery to a Custodian of a certificate or certificates for Shares to be deposited under this Deposit Agreement, together with the other documents specified in this Section, that Custodian shall, as soon as transfer and recordation can be accomplished, present that certificate or those certificates to the Company or the Foreign Registrar, if applicable, for transfer and recordation of the Shares being deposited in the name of the Depositary or its nominee or that Custodian or its nominee.

Deposited Securities shall be held by the Depositary or by a Custodian for the account and to the order of the Depositary or at such other place or places as the Depositary shall determine.

SECTION 2.3. Delivery of American Depositary Shares.

The Depositary shall instruct each Custodian that, upon receipt by that Custodian of any deposit pursuant to Section 2.2, together with the other documents or evidence required under that Section, that Custodian shall notify the Depositary of that deposit and the person or persons to whom or upon whose written order American Depositary Shares are deliverable in respect thereof. Upon receiving a notice of a deposit from a Custodian, or upon the receipt of Shares or evidence of the right to receive Shares by the Depositary, the Depositary, subject to the terms and conditions of this Deposit Agreement, shall deliver, to or upon the order of the person or persons entitled thereto, the number of American Depositary Shares issuable in respect of that deposit, but only upon payment to the Depositary of the fees and expenses of the Depositary for the delivery of those American Depositary Shares as provided in Section 5.9, and of all taxes and governmental charges and fees payable in connection with that deposit and the transfer of the deposited Shares. However, the Depositary shall deliver only whole numbers of American Depositary Shares.

SECTION 2.4. Registration of Transfer of American Depositary Shares; Combination and Split-up of Receipts; Interchange of Certificated and Uncertificated American Depositary Shares.

The Depositary, subject to the terms and conditions of this Deposit Agreement, shall register a transfer of American Depositary Shares on its transfer books upon (i) in the case of certificated American Depositary Shares, surrender of the Receipt evidencing those American Depositary Shares, by the Owner or by a duly authorized attorney, properly endorsed or accompanied by proper instruments of transfer or (ii) in the case of uncertificated American Depositary Shares, receipt from the Owner of a proper instruction (including, for the avoidance of doubt, instructions through DRS and Profile as provided in Section 2.9), and, in either case, duly stamped as may be required by the laws of the State of New York and of the United States of America. Upon registration of a transfer, the Depositary shall deliver the transferred American Depositary Shares to or upon the order of the person entitled thereto.

The Depositary, subject to the terms and conditions of this Deposit Agreement, shall upon surrender of a Receipt or Receipts for the purpose of effecting a split-up or combination of such Receipt or Receipts, execute and deliver a new Receipt or Receipts for any authorized number of American Depositary Shares requested, evidencing the same aggregate number of American Depositary Shares as the Receipt or Receipts surrendered.

The Depositary, upon surrender of certificated American Depositary Shares for the purpose of exchanging for uncertificated American Depositary Shares, shall cancel the Receipt evidencing those certificated American Depositary Shares and send the Owner a statement confirming that the Owner is the owner of the same number of uncertificated American Depositary Shares. The Depositary, upon receipt of a proper instruction (including, for the avoidance of doubt, instructions through DRS and Profile as provided in Section 2.9) from the Owner of uncertificated American Depositary Shares for the purpose of exchanging for certificated American Depositary Shares, shall cancel those uncertificated American Depositary Shares and register and deliver to the Owner a Receipt evidencing the same number of certificated American Depositary Shares.

The Depositary may appoint one or more co-transfer agents for the purpose of effecting registration of transfers of American Depositary Shares and combinations and split-ups of Receipts at designated transfer offices on behalf of the Depositary. In carrying out its functions, a co-transfer agent may require evidence of authority and compliance with applicable laws and other requirements by Owners or persons entitled to American Depositary Shares and will be entitled to protection and indemnity to the same extent as the Depositary.

SECTION 2.5. Surrender of American Depositary Shares and Withdrawal of Deposited Securities.

Upon surrender of American Depositary Shares for the purpose of withdrawal of the Deposited Securities represented thereby and payment of the fee of the Depositary for the surrender of American Depositary Shares as provided in Section 5.9 and payment of all taxes and governmental charges payable in connection with that surrender and withdrawal of the Deposited Securities, and subject to the terms and conditions of this Deposit Agreement, the Owner of those American Depositary Shares shall be entitled to delivery (to the extent delivery can then be lawfully and practicably made), to or as instructed by that Owner, of the amount of Deposited Securities at the time represented by those American Depositary Shares, but not any money or other property as to which a record date for distribution to Owners has passed (since money or other property of that kind will be delivered or paid on the scheduled payment date to the Owner as of that record date), and except that the Depositary shall not be required to accept surrender of American Depositary Shares for the purpose of withdrawal to the extent it would require delivery of a fraction of a Deposited Security. That delivery shall be made, as provided in this Section, without unreasonable delay.

As a condition of accepting a surrender of American Depositary Shares for the purpose of withdrawal of Deposited Securities, the Depositary may require (i) that each surrendered Receipt be properly endorsed in blank or accompanied by proper instruments of transfer in blank and (ii) that the surrendering Owner execute and deliver to the Depositary a

written order directing the Depositary to cause the Deposited Securities being withdrawn to be delivered to or upon the written order of a person or persons designated in that order.

Thereupon, the Depositary shall direct the Custodian to deliver, subject to Sections 2.6, 3.1 and 3.2, the other terms and conditions of this Deposit Agreement and local market rules and practices, to the surrendering Owner or to or upon the written order of the person or persons designated in the order delivered to the Depositary as above provided, the amount of Deposited Securities represented by the surrendered American Depositary Shares, and the Depositary may charge the surrendering Owner a fee and its expenses for giving that direction by cable (including SWIFT) or facsimile transmission.

If Deposited Securities are delivered physically upon surrender of American Depositary Shares for the purpose of withdrawal, that delivery will be made at the Custodian's office, except that, at the request, risk and expense of an Owner surrendering American Depositary Shares for withdrawal of Deposited Securities, and for the account of that Owner, the Depositary shall direct the Custodian to forward any cash or other property comprising, and forward a certificate or certificates, if applicable, and other proper documents of title, if any, for, the Deposited Securities represented by the surrendered American Depositary Shares to the Depositary for delivery at the Depositary's Office or to another address specified in the order received from the surrendering Owner.

SECTION 2.6. Limitations on Delivery, Transfer and Surrender of American Depositary Shares.

As a condition precedent to the delivery, registration of transfer or surrender of any American Depositary Shares or split-up or combination of any Receipt or withdrawal of any Deposited Securities, the Depositary, Custodian or Registrar may require payment from the depositor of Shares or the presenter of the Receipt or instruction for registration of transfer or surrender of American Depositary Shares not evidenced by a Receipt of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees as provided in this Deposit Agreement, may require the production of proof satisfactory to it as to the identity and genuineness of any signature and may also require compliance with any regulations the Depositary may establish consistent with the provisions of this Deposit Agreement, including, without limitation, this Section 2.6.

The delivery of American Depositary Shares against deposit of Shares generally or against deposit of particular Shares may be suspended, or the registration of transfer of American Depositary Shares in particular instances may be refused, or the registration of transfer of outstanding American Depositary Shares generally may be suspended, during any period when the transfer books of the Depositary are closed, or if any such action is deemed necessary or advisable by the Depositary or the Company at any time or from time to time because of any requirement of law or of any government or governmental body or commission, or under any provision of this Deposit Agreement, or for any other reason. Notwithstanding anything to the contrary in this Deposit Agreement, the surrender of outstanding American Depositary Shares and withdrawal of Deposited Securities may not be suspended, subject only to (i) temporary

delays caused by closing of the transfer books of the Depositary or the Company or the Foreign Registrar, if applicable, or the deposit of Shares in connection with voting at a shareholders' meeting, or the payment of dividends, (ii) the payment of fees, taxes and similar charges, and (iii) compliance with any U.S. or foreign laws or governmental regulations relating to the American Depositary Shares or to the withdrawal of the Deposited Securities; in each case, the Depositary shall notify the Company as promptly as practicable of any such suspension that is outside the ordinary course of business.

The Depositary shall not knowingly accept for deposit under this Deposit Agreement any Shares that, at the time of deposit, are Restricted Securities.

SECTION 2.7. Lost Receipts, etc.

If a Receipt is mutilated, destroyed, lost or stolen, the Depositary shall deliver to the Owner the American Depositary Shares evidenced by that Receipt in uncertificated form or, if requested by the Owner, execute and deliver a new Receipt of like tenor in exchange and substitution for such mutilated Receipt, upon surrender and cancellation of that mutilated Receipt, or in lieu of and in substitution for that destroyed, lost or stolen Receipt. However, before the Depositary will deliver American Depositary Shares in uncertificated form or execute and deliver a new Receipt, in substitution for a destroyed, lost or stolen Receipt, the Owner must (a) file with the Depositary (i) a request for that replacement before the Depositary has notice that the Receipt has been acquired by a bona fide purchaser and (ii) a sufficient indemnity bond and (b) satisfy any other reasonable requirements imposed by the Depositary.

SECTION 2.8. Cancellation and Destruction of Surrendered Receipts.

The Depositary shall cancel all Receipts surrendered to it and is authorized to destroy Receipts so cancelled.

SECTION 2.9. DTC Direct Registration System and Profile Modification System.

(a) Notwithstanding the provisions of Section 2.4, the parties acknowledge that DTC's Direct Registration System ("DRS") and Profile Modification System ("Profile") apply to the American Depositary Shares upon acceptance thereof to DRS by DTC. DRS is the system administered by DTC that facilitates interchange between registered holding of uncertificated securities and holding of security entitlements in those securities through DTC and a DTC participant. Profile is a required feature of DRS that allows a DTC participant, claiming to act on behalf of an Owner of American Depositary Shares, to direct the Depositary to register a transfer of those American Depositary Shares to DTC or its nominee and to deliver those American Depositary Shares to the DTC account of that DTC participant without receipt by the Depositary of prior authorization from the Owner to register that transfer.

(b) In connection with DRS/Profile, the parties acknowledge that the Depositary will not determine whether the DTC participant that is claiming to be acting on behalf of an Owner in requesting a registration of transfer and delivery as described in paragraph (a) above has the actual authority to act on behalf of that Owner (notwithstanding any requirements under the Uniform Commercial Code). For the avoidance of doubt, the provisions of Sections 5.3 and 5.8 apply to the matters arising from the use of the DRS/Profile. The parties

agree that the Depositary's reliance on and compliance with instructions received by the Depositary through the DRS/Profile system and otherwise in accordance with this Deposit Agreement shall not constitute negligence or bad faith on the part of the Depositary.

ARTICLE 3. CERTAIN OBLIGATIONS OF OWNERS AND HOLDERS OF AMERICAN DEPOSITARY SHARES

SECTION 3.1. Filing Proofs, Certificates and Other Information.

Any person presenting Shares for deposit or any Owner or Holder may be required from time to time to file with the Depositary or the Custodian such proof of citizenship or residence, exchange control approval, or such information relating to the registration on the books of the Company or the Foreign Registrar, if applicable, to execute such certificates and to make such representations and warranties, as the Depositary may deem necessary or proper. The Depositary may withhold the delivery or registration of transfer of American Depositary Shares, the distribution of any dividend or other distribution or of the proceeds thereof or the delivery of any Deposited Securities until that proof or other information is filed or those certificates are executed or those representations and warranties are made. If requested in writing by the Company, the Depositary will provide the Company, as promptly as practicable and at the Company's expense, with copies of any such proofs, certificates or other information that it receives pursuant to this Section 3.1, to the extent that disclosure is permitted under applicable law.

SECTION 3.2. Liability of Owner for Taxes.

If any tax or other governmental charge shall become payable by the Custodian or the Depositary with respect to or in connection with any American Depositary Shares or any Deposited Securities represented by any American Depositary Shares or in connection with a transaction to which Section 4.8 applies, that tax or other governmental charge shall be payable by the Owner of those American Depositary Shares to the Depositary. The Depositary may refuse to register any transfer of those American Depositary Shares or any withdrawal of Deposited Securities represented by those American Depositary Shares until that payment is made, and may withhold any dividends or other distributions or the proceeds thereof, or may sell for the account of the Owner any part or all of the Deposited Securities represented by those American Depositary Shares and apply those dividends or other distributions or the net proceeds of any sale of that kind in payment of that tax or other governmental charge but, even after a sale of that kind, the Owner of those American Depositary Shares shall remain liable for any deficiency. The Depositary shall distribute any net proceeds of a sale made under this Section that are not used to pay taxes or governmental charges to the Owners entitled to them in accordance with Section 4.1. If the number of Shares represented by each American Depositary Share decreases as a result of a sale of Deposited Securities under this Section, the Depositary may call for surrender of the American Depositary Shares to be exchanged on a mandatory basis for a lesser number of American Depositary Shares and may sell American Depositary Shares to the extent necessary to avoid distributing fractions of American Depositary Shares in that exchange and distribute the net proceeds of that sale to the Owners entitled to them.

SECTION 3.3. Warranties on Deposit of Shares.

Every person depositing Shares under this Deposit Agreement shall be deemed thereby to represent and warrant that those Shares and each certificate therefor, if applicable, are validly issued, fully paid and nonassessable and were not issued in violation of any preemptive or similar rights of the holders of outstanding securities of the Company and that the person making that deposit is duly authorized so to do. Every depositing person shall also be deemed to represent that the Shares, at the time of deposit, are not Restricted Securities. All representations and warranties deemed made under this Section shall survive the deposit of Shares and delivery of American Depositary Shares.

SECTION 3.4. Disclosure of Interests.

When required in order to comply with applicable laws and regulations or the articles of association or similar document of the Company, or with the rules and regulations of any securities exchange upon which American Depositary Shares may be listed, the Company may from time to time request each Owner and Holder to provide to the Depositary information relating to: (a) the capacity in which it holds American Depositary Shares, (b) the identity of any Holders or other persons or entities then or previously interested in those American Depositary Shares and the nature of those interests and (c) any other matter where disclosure of such matter is required for that compliance. Each Owner and Holder agrees to provide all information known to it in response to a request made pursuant to this Section. Each Holder consents to the disclosure by the Depositary and the Owner or any other Holder through which it holds American Depositary Shares, directly or indirectly, of all information responsive to a request made pursuant to this Section relating to that Holder that is known to that Owner or other Holder. The Depositary agrees to use reasonable efforts to comply with written instructions requesting that the Depositary forward any request authorized under this Section to the Owners and to forward to the Company any responses it receives in response to that request. The Depositary may charge the Company a fee and its expenses for complying with requests under this Section 3.4.

Each Owner and Holder further agrees to comply with the laws and regulations of the Federal Republic of Germany (if and to the extent applicable) with respect to the disclosure requirements regarding ownership or potential for ownership of Shares, all as if the American Depositary Shares were the Shares represented thereby, which includes, inter alia, requirements to make notifications and filings within the required timeframes to the Company and any other authorities of the Federal Republic of Germany.

ARTICLE 4. THE DEPOSITED SECURITIES

SECTION 4.1. Cash Distributions.

Whenever the Depositary receives any cash dividend or other cash distribution on Deposited Securities, the Depositary shall, as promptly as practicable, subject to the provisions of Section 4.5, convert that dividend or other distribution into Dollars and distribute the amount thus received (net of the fees and expenses of the Depositary as provided in Section 5.9) to the Owners entitled thereto, in proportion to the number of American Depositary Shares representing those Deposited Securities held by them respectively; provided, however, that if the Custodian or the Depositary shall be required to withhold and does withhold from that cash dividend or other

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cash distribution an amount on account of taxes or other governmental charges, the amount distributed to the Owners of the American Depositary Shares representing those Deposited Securities shall be reduced accordingly. However, the Depositary will not pay any Owner a fraction of one cent, but will round each Owner's entitlement to the nearest whole cent.

The Company or its agent will remit to the appropriate governmental agency in each applicable jurisdiction all amounts withheld and owing to such agency.

If a cash distribution would represent a return of all or substantially all the value of the Deposited Securities underlying American Depositary Shares, the Depositary may require surrender of those American Depositary Shares and may require payment of or deduct the fee for surrender of American Depositary Shares (whether or not it is also requiring surrender of American Depositary Shares) as a condition of making that cash distribution. A distribution of that kind shall be a Termination Option Event.

SECTION 4.2. Distributions Other Than Cash, Shares or Rights.

Subject to the provisions of Sections 4.11 and 5.9, whenever the Depositary receives any distribution other than a distribution described in Section 4.1, 4.3 or 4.4 on Deposited Securities (but not in exchange for or in conversion or in lieu of Deposited Securities), the Depositary shall cause the securities or property received by it to be distributed to the Owners entitled thereto, after deduction or upon payment of any fees and expenses of the Depositary and any taxes or other governmental charges, in proportion to the number of American Depositary Shares representing such Deposited Securities held by them respectively, in any manner that the Depositary reasonably deems equitable and practicable for accomplishing that distribution (which may be a distribution of depositary shares representing the securities received); provided, however, that if in the opinion of the Depositary such distribution cannot be made proportionately among the Owners entitled thereto, or if for any other reason (including, but not limited to, any requirement that the Company or the Depositary withhold an amount on account of taxes or other governmental charges or that securities received must be registered under the Securities Act of 1933 in order to be distributed to Owners or Holders) the Depositary deems such distribution not to be lawful and feasible, the Depositary may, after consultation with the Company to the extent practicable, adopt such other method as it may deem equitable and practicable for the purpose of effecting such distribution, including, but not limited to, the public or private sale of the securities or property thus received, or any part thereof, and distribution of the net proceeds of any such sale (net of the fees and expenses of the Depositary as provided in Section 5.9) to the Owners entitled thereto, all in the manner and subject to the conditions set forth in Section 4.1. The Depositary may withhold any distribution of securities under this Section 4.2 if it has not received reasonably satisfactory assurances from the Company that the distribution does not require registration under the Securities Act of 1933. The Depositary may sell, by public or private sale, an amount of securities or other property it would otherwise distribute under this Section 4.2 that is sufficient to pay its fees and expenses in respect of that distribution.

If a distribution under this Section 4.2 would represent a return of all or substantially all the value of the Deposited Securities underlying American Depositary Shares, the Depositary may require surrender of those American Depositary Shares and may require

payment of or deduct the fee for surrender of American Depositary Shares (whether or not it is also requiring surrender of American Depositary Shares) as a condition of making that distribution. A distribution of that kind shall be a Termination Option Event.

SECTION 4.3. Distributions in Shares.

Whenever the Depositary receives any distribution on Deposited Securities consisting of a dividend in, or free distribution of, Shares, the Depositary may deliver to the Owners entitled thereto, in proportion to the number of American Depositary Shares representing those Deposited Securities held by them respectively, an aggregate number of American Depositary Shares representing the amount of Shares received as that dividend or free distribution, subject to the terms and conditions of this Deposit Agreement with respect to the deposit of Shares and issuance of American Depositary Shares, including withholding of any tax or governmental charge as provided in Section 4.11 and payment of the fees and expenses of the Depositary as provided in Section 5.9 (and the Depositary may sell, by public or private sale, an amount of the Shares received (or American Depositary Shares representing those Shares) sufficient to pay its fees and expenses in respect of that distribution). In lieu of delivering fractional American Depositary Shares, the Depositary may sell the amount of Shares represented by the aggregate of those fractions (or American Depositary Shares representing those Shares) and distribute the net proceeds, all in the manner and subject to the conditions described in Section 4.1. If and to the extent that additional American Depositary Shares are not delivered and Shares or American Depositary Shares are not sold, each American Depositary Share shall thenceforth also represent the additional Shares distributed on the Deposited Securities represented thereby.

If the Company declares a distribution in which holders of Deposited Securities have a right to elect whether to receive cash, Shares or other securities or a combination of those things, or a right to elect to have a distribution sold on their behalf, the Depositary may, after consultation with the Company, make that right of election available for exercise by Owners in any manner the Depositary considers to be lawful and practical. As a condition of making a distribution election right available to Owners, the Depositary may require reasonably satisfactory assurances from the Company that doing so does not require registration of any securities under the Securities Act of 1933.

SECTION 4.4. Rights.

(a) If rights are granted to the Depositary in respect of deposited Shares to purchase additional Shares or other securities, the Company and the Depositary shall endeavor to consult as to the actions, if any, the Depositary should take in connection with that grant of rights. The Depositary may, to the extent deemed by it to be lawful and practical (i) if requested in writing by the Company, grant to all or certain Owners rights to instruct the Depositary to purchase the securities to which the rights relate and deliver those securities or American Depositary Shares representing those securities to Owners, (ii) if requested in writing by the Company, deliver the rights to or to the order of certain Owners, or (iii) sell the rights to the extent practicable and distribute the net proceeds of that sale to Owners entitled to those proceeds. To the extent rights are not exercised, delivered or disposed of under (i), (ii) or (iii) above, the Depositary shall permit the rights to lapse unexercised.

(b) If the Depositary will act under (a)(i) above, the Company and the Depositary will enter into a separate agreement setting forth the conditions and procedures applicable to the particular offering. Upon instruction from an applicable Owner in the form the Depositary specified and upon payment by that Owner to the Depositary of an amount equal to the purchase price of the securities to be received upon the exercise of the rights, the Depositary shall, on behalf of that Owner, exercise the rights and purchase the securities. The purchased securities shall be delivered to, or as instructed by, the Depositary. The Depositary shall (i) deposit the purchased Shares under this Deposit Agreement and deliver American Depositary Shares representing those Shares to that Owner or (ii) deliver or cause the purchased Shares or other securities to be delivered to or to the order of that Owner. The Depositary will not act under (a)(i) above unless the offer and sale of the securities to which the rights relate are registered under the Securities Act of 1933 or the Depositary has received an opinion of United States counsel that is reasonably satisfactory to it to the effect that those securities may be sold and delivered to the applicable Owners without registration under the Securities Act of 1933.

(c) If the Depositary will act under (a)(ii) above, the Company and the Depositary will enter into a separate agreement setting forth the conditions and procedures applicable to the particular offering. Upon (i) the request of an applicable Owner to deliver the rights allocable to the American Depositary Shares of that Owner to an account specified by that Owner to which the rights can be delivered and (ii) receipt of such documents as the Company and the Depositary agreed to require to comply with applicable law, the Depositary will deliver those rights as requested by that Owner.

(d) If the Depositary will act under (a)(iii) above, the Depositary will use reasonable efforts to sell the rights in proportion to the number of American Depositary Shares held by the applicable Owners and pay the net proceeds to the Owners otherwise entitled to the rights that were sold, upon an averaged or other practical basis without regard to any distinctions among such Owners because of exchange restrictions or the date of delivery of any American Depositary Shares or otherwise.

(e) Payment or deduction of the fees of the Depositary as provided in Section 5.9 and payment or deduction of the expenses of the Depositary and any applicable taxes or other governmental charges shall be conditions of any delivery of securities or payment of cash proceeds under this Section 4.4.

(f) The Depositary shall not be responsible for any failure to determine that it may be lawful or feasible to make rights available to or exercise rights on behalf of Owners in general or any Owner in particular, or to sell rights.

SECTION 4.5. Conversion of Foreign Currency.

Whenever the Depositary or the Custodian receives foreign currency, by way of dividends or other distributions or the net proceeds from the sale of securities, property or rights, and if at the time of the receipt thereof the foreign currency so received can in the judgment of the Depositary be converted on a reasonable basis into Dollars and the resulting Dollars transferred to the United States, the Depositary shall convert or cause to be converted by sale or in any other manner that it may determine that foreign currency into Dollars, and those Dollars

shall be distributed to the Owners entitled thereto as promptly as practicable. A cash distribution may be made upon an averaged or other practicable basis without regard to any distinctions among Owners based on exchange restrictions, the date of delivery of any American Depositary Shares or otherwise and shall be net of any expenses of conversion into Dollars incurred by the Depositary as provided in Section 5.9.

If a conversion of foreign currency or the repatriation or distribution of Dollars can be effected only with the approval or license of any government or agency thereof, the Depositary may, but will not be required to, file an application for that approval or license.

If the Depositary determines that in its judgment any foreign currency received by the Depositary or the Custodian is not convertible on a reasonable basis into Dollars transferable to the United States, or if any approval or license of any government or agency thereof that is required for such conversion is not filed or sought by the Depositary or is not obtained within a reasonable period as determined by the Depositary, the Depositary may distribute the foreign currency received by the Depositary to, or in its discretion may hold such foreign currency uninvested and without liability for interest thereon for the respective accounts of, the Owners entitled to receive the same.

If any conversion of foreign currency, in whole or in part, cannot be effected for distribution to some of the Owners entitled thereto, the Depositary may in its discretion make that conversion and distribution in Dollars to the extent practicable and permissible to the Owners entitled thereto and may distribute the balance of the foreign currency received by the Depositary to, or hold that balance uninvested and without liability for interest thereon for the account of, the Owners entitled thereto.

The Depositary may convert currency itself or through any of its affiliates and, in those cases, acts as principal for its own account and not as agent, advisor, broker or fiduciary on behalf of any other person and earns revenue, including, without limitation, transaction spreads, that it will retain for its own account. The revenue is based on, among other things, the difference between the exchange rate assigned to the currency conversion made under this Deposit Agreement and the rate that the Depositary or its affiliate receives when buying or selling foreign currency for its own account. The Depositary makes no representation that the exchange rate used or obtained in any currency conversion under this Deposit Agreement will be the most favorable rate that could be obtained at the time or that the method by which that rate will be determined will be the most favorable to Owners, subject to the Depositary's obligations under Section 5.3. The methodology used to determine exchange rates used in currency conversions is available upon request.

SECTION 4.6. Fixing of Record Date.

Whenever a cash dividend, cash distribution or any other distribution is made on Deposited Securities or rights to purchase Shares or other securities are issued with respect to Deposited Securities (which rights will be delivered to or exercised or sold on behalf of Owners in accordance with Section 4.4) or the Depositary receives notice that a distribution or issuance of that kind will be made, or whenever the Depositary receives notice that a meeting of holders of Shares will be held in respect of which the Company has requested the Depositary to send a

notice under Section 4.7, or whenever the Depositary will assess a fee or charge against the Owners, or whenever the Depositary causes a change in the number of Shares that are represented by each American Depositary Share, or whenever the Depositary otherwise finds it necessary or convenient, the Depositary shall fix a record date, which shall be the same as, or as near as practicable to, any corresponding record date set by the Company with respect to Shares, (a) for the determination of the Owners (i) who shall be entitled to receive the benefit of that dividend or other distribution or those rights, (ii) who shall be entitled to give instructions for the exercise of voting rights at that meeting or (iii) who shall be responsible for that fee or charge or (iv) for any other purpose for which the record date was set, or (b) on or after which each American Depositary Share will represent the changed number of Shares. Subject to the provisions of Sections 4.1 through 4.5 and to the other terms and conditions of this Deposit Agreement, the Owners on a record date fixed by the Depositary shall be entitled to receive the amount distributable by the Depositary with respect to that dividend or other distribution or those rights or the net proceeds of sale thereof in proportion to the number of American Depositary Shares held by them respectively, to give voting instructions or to act in respect of the other matter for which that record date was fixed, or be responsible for that fee or charge, as the case may be.

SECTION 4.7. Voting of Deposited Shares.

(a) Upon receipt of notice of any meeting of holders of Shares at which holders of Shares will be entitled to vote, if requested in writing by the Company, the Depositary shall, as soon as practicable thereafter, Disseminate to the Owners a notice, the form of which shall be in the sole discretion of the Depositary, that shall contain (i) the information contained in the notice of meeting received by the Depositary, (ii) a statement that the Owners as of the close of business on a specified record date will be entitled, subject to any applicable provision of German law and of the articles of association or similar documents of the Company, to instruct the Depositary as to the exercise of the voting rights pertaining to the amount of Shares represented by their respective American Depositary Shares, (iii) a statement as to the manner in which those instructions may be given and (iv) the last date on which the Depositary will accept instructions (the "Instruction Cutoff Date").

(b) Upon the written request of an Owner of American Depositary Shares, as of the date of the request or, if a record date was specified by the Depositary, as of that record date, received on or before any Instruction Cutoff Date established by the Depositary, the Depositary may, and if the Depositary sent a notice under the preceding paragraph shall, endeavor, in so far as practicable, to vote or cause to be voted the amount of deposited Shares represented by those American Depositary Shares in accordance with the instructions set forth in that request. The Depositary shall not vote or attempt to exercise the right to vote that attaches to the deposited Shares other than in accordance with instructions given by Owners and received by the Depositary.

(c) There can be no assurance that Owners generally or any Owner in particular will receive the notice described in paragraph (a) above in time to enable Owners to give instructions to the Depositary prior to the Instruction Cutoff Date.

(d) In order to give Owners a reasonable opportunity to instruct the Depositary as to the exercise of voting rights relating to Shares, if the Company will request the Depositary to Disseminate a notice under paragraph (a) above, the Company shall give the Depositary notice of the meeting, details concerning the matters to be voted upon and copies of materials to be made available to holders of Shares in connection with the meeting not less than [40] days prior to the meeting date.

SECTION 4.8. Tender and Exchange Offers; Redemption, Replacement or Cancellation of Deposited Securities.

(a) The Depositary shall not tender any Deposited Securities in response to any voluntary cash tender offer, exchange offer or similar offer made to holders of Deposited Securities (a "Voluntary Offer"), except when instructed in writing to do so by an Owner surrendering American Depositary Shares and subject to any conditions or procedures the Depositary may require.

(b) If the Depositary receives a written notice that Deposited Securities have been redeemed for cash or otherwise purchased for cash in a transaction that is mandatory and binding on the Depositary as a holder of those Deposited Securities (a "Redemption"), the Depositary, at the expense of the Company, shall (i) if required, surrender Deposited Securities that have been redeemed to the issuer of those securities or its agent on the redemption date, (ii) Disseminate a notice to Owners (A) notifying them of that Redemption, (B) calling for surrender of a corresponding number of American Depositary Shares and (C) notifying them that the called American Depositary Shares have been converted into a right only to receive the money received by the Depositary upon that Redemption and those net proceeds shall be the Deposited Securities to which Owners of those converted American Depositary Shares shall be entitled upon surrenders of those American Depositary Shares in accordance with Section 2.5 or 6.2 and (iii) distribute the money received upon that Redemption as promptly as practicable to the Owners entitled to it upon surrender by them of called American Depositary Shares in accordance with Section 2.5 (and, for the avoidance of doubt, Owners shall not be entitled to receive that money under Section 4.1). If the Redemption affects less than all the Deposited Securities, the Depositary shall call for surrender a corresponding portion of the outstanding American Depositary Shares and only those American Depositary Shares will automatically be converted into a right to receive the net proceeds of the Redemption. The Depositary shall allocate the American Depositary Shares converted under the preceding sentence among the Owners pro-rata to their respective holdings of American Depositary Shares immediately prior to the Redemption, except that the allocations may be adjusted so that no fraction of a converted American Depositary Share is allocated to any Owner. A Redemption of all or substantially all of the Deposited Securities shall be a Termination Option Event.

(c) If the Depositary is notified of or there occurs any change in nominal value or any subdivision, combination or any other reclassification of the Deposited Securities or any recapitalization, reorganization, sale of assets substantially as an entirety, merger or consolidation affecting the issuer of the Deposited Securities or to which it is a party that is mandatory and binding on the Depositary as a holder of Deposited Securities and, as a result, securities or other property have been or will be delivered in exchange, conversion, replacement or in lieu of, Deposited Securities (a "Replacement"), the Depositary shall, if required, surrender

the old Deposited Securities affected by that Replacement of Shares and hold, as new Deposited Securities under this Deposit Agreement, the new securities or other property delivered to it in that Replacement. However, the Depositary may elect to sell those new Deposited Securities if in the opinion of the Depositary it is not lawful or not practical for it to hold those new Deposited Securities under this Deposit Agreement because those new Deposited Securities may not be distributed to Owners without registration under the Securities Act of 1933 or for any other reason, at public or private sale, at such places and on such terms as it deems proper and proceed as if those new Deposited Securities had been Redeemed under paragraph (b) above. A Replacement shall be a Termination Option Event.

(d) In the case of a Replacement where the new Deposited Securities will continue to be held under this Deposit Agreement, the Depositary may call for the surrender of outstanding Receipts to be exchanged for new Receipts specifically describing the new Deposited Securities and the number of those new Deposited Securities represented by each American Depositary Share. If the number of Shares represented by each American Depositary Share decreases as a result of a Replacement, the Depositary may call for surrender of the American Depositary Shares to be exchanged on a mandatory basis for a lesser number of American Depositary Shares and may sell American Depositary Shares to the extent necessary to avoid distributing fractions of American Depositary Shares in that exchange and distribute the net proceeds of that sale as promptly as practicable to the Owners entitled to them.

(e) If there are no Deposited Securities with respect to American Depositary Shares, including if the Deposited Securities are cancelled, or the Deposited Securities with respect to American Depositary Shares have become apparently worthless, the Depositary may call for surrender of those American Depositary Shares or may cancel those American Depositary Shares, upon notice to Owners, and that condition shall be a Termination Option Event.

SECTION 4.9. Reports.

The Depositary shall make available for inspection by Owners at its Office any reports and communications, including any proxy solicitation material, received from the Company which are both (a) received by the Depositary as the holder of the Deposited Securities and (b) made generally available to the holders of those Deposited Securities by the Company. The Company shall furnish reports and communications, including any proxy soliciting material to which this Section applies, to the Depositary in English, to the extent those materials are required to be translated into English pursuant to any regulations of the Commission.

SECTION 4.10. Lists of Owners.

Upon written request by the Company, the Depositary shall, as promptly as practicable, at the expense of the Company, furnish to it a list, as of a recent date, of the names, addresses and American Depositary Share holdings of all Owners.

SECTION 4.11. Withholding.

If the Depositary determines that any distribution received or to be made by the Depositary (including Shares and rights to subscribe therefor) is subject to any tax or other

governmental charge that the Depositary is obligated to withhold, the Depositary may sell, by public or private sale, all or a portion of the distributed property (including Shares and rights to subscribe therefor) in the amounts and manner the Depositary deems necessary and practicable to pay those taxes or charges, and the Depositary shall distribute the net proceeds of that sale, after deduction of those taxes or charges, to the Owners entitled thereto in proportion to the number of American Depositary Shares held by them respectively.

Services for Owners and Holders that may permit them to obtain reduced rates of tax withholding at source or reclaim excess tax withheld, and the fees and costs associated with using services of that kind, are not provided under, and are outside the scope of, this Deposit Agreement.

Each Owner and Holder agrees to indemnify the Company, the Depositary, the Custodian and their respective directors, employees, agents and affiliates for, and hold each of them harmless against, any claim by any governmental authority with respect to taxes, additions to tax, penalties or interest arising out of any refund of taxes, reduced withholding at source or other tax benefit received by it.

ARTICLE 5. THE DEPOSITARY, THE CUSTODIANS AND THE COMPANY

SECTION 5.1. Maintenance of Office and Transfer Books by the Depositary.

Until termination of this Deposit Agreement in accordance with its terms, the Depositary shall maintain facilities for the execution and delivery, registration, registration of transfers and surrender of American Depositary Shares in accordance with the provisions of this Deposit Agreement.

The Depositary shall keep books for the registration of American Depositary Shares, which shall be open for inspection by the Owners and the Company at the Depositary's Office during regular business hours, provided that such inspection is not for the purpose of communicating with Owners in the interest of a business or object other than the business of the Company or a matter related to this Deposit Agreement or the American Depositary Shares.

The Depositary may close the transfer books, at any time or from time to time, when deemed expedient by it in connection with the performance of its duties under this Deposit Agreement.

If any American Depositary Shares are listed on one or more stock exchanges, the Depositary shall act as Registrar or appoint a Registrar or one or more co-registrars for registry of those American Depositary Shares in accordance with any requirements of that exchange or those exchanges.

The Company shall have the right, at all reasonable times, to inspect transfer and registration records of the Depositary, the Custodian, the Registrar and any co-transfer agents or co-registrars and to require them to supply, at the Company's expense, copies of such portions of their records as the Company may reasonably request.

SECTION 5.2. Prevention or Delay of Performance by the Company or the Depositary.

Neither the Depositary nor the Company nor any of their respective directors, employees, agents or affiliates shall incur any liability to any Owner or Holder:

(i) if by reason of (A) any provision of any present or future law or regulation or other act of the government of the United States, any State of the United States or any other state or jurisdiction, or of any governmental or regulatory authority or stock exchange; (B) (in the case of the Depositary only) any provision, present or future, of the articles of association or similar document of the Company, or any provision of any securities issued or distributed by the Company, or any offering or distribution thereof; or (C) any event or circumstance, whether natural or caused by a person or persons, that is beyond the ability of the Depositary or the Company, as the case may be, to prevent or counteract by reasonable care or effort (including, but not limited to, earthquakes, floods, severe storms, fires, explosions, war, terrorism, civil unrest, labor disputes or criminal acts; interruptions or malfunctions of utility services, Internet or other communications lines or systems; unauthorized access to or attacks on computer systems or websites; or other failures or malfunctions of computer hardware or software or other systems or equipment), the Depositary or the Company is, directly or indirectly, prevented from, forbidden to or delayed in, or could be subject to any civil or criminal penalty on account of doing or performing and therefore does not do or perform, any act or thing that, by the terms of this Deposit Agreement or the Deposited Securities, it is provided shall be done or performed;

(ii) for any exercise of, or failure to exercise, any discretion provided for in this Deposit Agreement (including any determination by the Depositary to take, or not take, any action that this Deposit Agreement provides the Depositary may take);

(iii) for the inability of any Owner or Holder to benefit from any distribution, offering, right or other benefit that is made available to holders of Deposited Securities but is not, under the terms of this Deposit Agreement, made available to Owners or Holders; or

(iv) for any special, consequential or punitive damages for any breach of the terms of this Deposit Agreement.

Where, by the terms of a distribution to which Section 4.1, 4.2 or 4.3 applies, or an offering to which Section 4.4 applies, or for any other reason, that distribution or offering may not be made available to Owners, and the Depositary may not dispose of that distribution or offering on behalf of Owners and make the net proceeds available to Owners, then the Depositary shall not make that distribution or offering available to Owners, and shall allow any rights, if applicable, to lapse.

SECTION 5.3. Obligations of the Depositary and the Company.

Neither the Company nor any of its directors, officers, employees, agents or affiliates assumes any obligation nor shall any of them be subject to any liability under this Deposit Agreement to any Owner or Holder, except that the Company agrees to perform its obligations specifically set forth in this Deposit Agreement without negligence or bad faith.

Neither the Depositary nor any of its directors, officers, employees, agents or affiliates assumes any obligation nor shall any of them be subject to any liability under this Deposit Agreement to any Owner or Holder (including, without limitation, liability with respect to the validity or worth of the Deposited Securities), except that the Depositary agrees to perform its obligations specifically set forth in this Deposit Agreement without negligence or bad faith, and the Depositary shall not be a fiduciary or have any fiduciary duty to Owners or Holders.

Neither the Depositary nor the Company, or any of their respective directors, officers, employees, agents or affiliates, shall be under any obligation to appear in, prosecute or defend any action, suit or other proceeding in respect of any Deposited Securities or in respect of the American Depositary Shares on behalf of any Owner or Holder or any other person.

Each of the Depositary and the Company, and their respective directors, officers, employees, agents and affiliates, may rely, and shall be protected in relying upon, any written notice, request, direction or other document believed by it to be genuine and to have been signed or presented by the proper party or parties.

Neither the Depositary nor the Company, or any of their respective directors, officers, employees, agents or affiliates, shall be liable for any action or non-action by it in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Owner or any other person believed by it in good faith to be competent to give such advice or information.

The Depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the Depositary or in connection with any matter arising wholly after the removal or resignation of the Depositary, provided that in connection with the issue out of which such potential liability arises the Depositary performed its obligations without negligence or bad faith while it acted as Depositary.

The Depositary shall not be liable for the acts or omissions of any securities depository, clearing agency or settlement system in connection with or arising out of book-entry settlement of American Depositary Shares or Deposited Securities or otherwise.

In the absence of bad faith on its part, the Depositary shall not be responsible for any failure to carry out any instructions to vote any of the Deposited Securities, or for the manner in which any such vote is cast or the effect of any such vote.

The Depositary shall have no duty to make any determination or provide any information as to the tax status of the Company or any liability for any tax consequences that may be incurred by Owners or Holders as a result of owning or holding American Depositary Shares. The Depositary shall not be liable for the inability or failure of an Owner or Holder to obtain the benefit of a foreign tax credit, reduced rate of withholding or refund of amounts withheld in respect of tax or any other tax benefit.

No disclaimer of liability under the United States federal securities laws is intended by any provision of this Deposit Agreement.

SECTION 5.4. Resignation and Removal of the Depositary.

The Depositary may at any time resign as Depositary hereunder by written notice of its election so to do delivered to the Company, to become effective upon the appointment of a successor depositary and its acceptance of that appointment as provided in this Section. The effect of resignation if a successor depositary is not appointed is provided for in Section 6.2.

The Depositary may at any time be removed by the Company by 90 days' prior written notice of that removal, to become effective upon the later of (i) the 90th day after delivery of the notice to the Depositary and (ii) the appointment of a successor depositary and its acceptance of its appointment as provided in this Section.

If the Depositary resigns or is removed, the Company shall use its commercially reasonable efforts to appoint a successor depositary, which shall be a bank or trust company having an office in the Borough of Manhattan, The City of New York. Every successor depositary shall execute and deliver to the Company an instrument in writing accepting its appointment under this Deposit Agreement. If the Depositary receives notice from the Company that a successor depositary has been appointed following its resignation or removal, the Depositary, upon payment of all sums due it from the Company, shall, as promptly as practicable, deliver to its successor a register listing all the Owners and their respective holdings of outstanding American Depositary Shares and shall deliver the Deposited Securities to or to the order of its successor. When the Depositary has taken the actions specified in the preceding sentence (i) the successor shall become the Depositary and shall have all the rights and shall assume all the duties of the Depositary under this Deposit Agreement and (ii) the predecessor depositary shall cease to be the Depositary and shall be discharged and released from all obligations under this Deposit Agreement, except for its duties under Section 5.8 with respect to the time before that discharge. A successor Depositary shall notify the Owners of its appointment as soon as practical after assuming the duties of Depositary.

Any corporation or other entity into or with which the Depositary may be merged or consolidated shall be the successor of the Depositary without the execution or filing of any document or any further act.

SECTION 5.5. The Custodians.

The Custodian shall be subject at all times and in all respects to the directions of the Depositary and shall be responsible solely to it. The Depositary in its discretion may at any time appoint a substitute or additional custodian or custodians, each of which shall thereafter be one of the Custodians under this Deposit Agreement. If the Depositary receives notice that a Custodian is resigning and, upon the effectiveness of that resignation there would be no Custodian acting under this Deposit Agreement, the Depositary shall, as promptly as practicable after receiving that notice, appoint a substitute custodian or custodians, each of which shall thereafter be a Custodian under this Deposit Agreement. The Depositary shall require any Custodian that resigns or is removed to deliver all Deposited Securities held by it to another Custodian.

SECTION 5.6. Notices and Reports.

If the Company takes or decides to take any corporate action of a kind that is addressed in Sections 4.1 to 4.4, or 4.6 to 4.8, or that effects or will effect a change of the name or legal structure of the Company, or that effects or will effect a change to the Shares, the Company shall notify the Depositary and the Custodian of that action or decision as soon as it is lawful and practical to give that notice. The notice shall be in English and shall include all details that the Company is required to include in any notice to any governmental or regulatory authority or securities exchange or is required to make available generally to holders of Shares by publication or otherwise.

The Company will arrange for the translation into English, if not already in English, to the extent required pursuant to any regulations of the Commission, and the prompt transmittal by the Company to the Depositary and the Custodian of all notices and any other reports and communications which are made generally available by the Company to holders of its Shares. If requested in writing by the Company, the Depositary will Disseminate, at the Company's expense, those notices, reports and communications to all Owners or otherwise make them available to Owners in a manner that the Company specifies as substantially equivalent to the manner in which those communications are made available to holders of Shares and compliant with the requirements of any securities exchange on which the American Depositary Shares are listed. The Company will timely provide the Depositary with the quantity of such notices, reports, and communications, as requested by the Depositary from time to time, in order for the Depositary to effect that Dissemination.

The Company represents that as of the date of this Deposit Agreement, the statements in Article 11 of the Receipt with respect to the Company's obligation to file periodic reports under the United States Securities Exchange Act of 1934, as amended, are true and correct. The Company agrees to promptly notify the Depositary upon becoming aware of any change in the truth of any of those statements.

SECTION 5.7. Distribution of Additional Shares, Rights, etc.

If the Company or any affiliate of the Company determines to make any issuance or distribution of (1) additional Shares, (2) rights to subscribe for Shares, (3) securities convertible into Shares, or (4) rights to subscribe for such securities (each a "Distribution"), the Company shall notify the Depositary in writing in English as promptly as practicable and in any event before the Distribution starts and, if requested in writing by the Depositary, the Company shall promptly furnish to the Depositary either (i) evidence reasonably satisfactory to the Depositary that the Distribution is registered under the Securities Act of 1933 or (ii) a written opinion from U.S. counsel for the Company that is reasonably satisfactory to the Depositary, stating that the Distribution does not require, or, if made in the United States, would not require, registration under the Securities Act of 1933.

The Company agrees with the Depositary that neither the Company nor any company controlled by, controlling or under common control with the Company will at any time deposit any Shares that, at the time of deposit, are Restricted Securities.

SECTION 5.8. Indemnification.

The Company agrees to indemnify the Depositary, its directors, employees, agents and affiliates and each Custodian against, and hold each of them harmless from, any liability or expense (including, but not limited to any fees and expenses incurred in seeking, enforcing or collecting such indemnity and the reasonable fees and expenses of counsel) that may arise out of or in connection with (a) any registration with the Commission of American Depositary Shares or Deposited Securities or the offer or sale thereof or (b) acts performed or omitted, pursuant to the provisions of or in connection with this Deposit Agreement and the American Depositary Shares, as the same may be amended, modified or supplemented from time to time, (i) by either the Depositary or a Custodian or their respective directors, employees, agents and affiliates, except for any liability or expense arising out of the negligence or bad faith of either of them, or (ii) by the Company or any of its directors, employees, agents and affiliates.

The Depositary agrees to indemnify the Company, its directors, employees, agents and affiliates and hold them harmless from any liability or expense that may arise out of acts performed or omitted by the Depositary or any Custodian or their respective directors, employees, agents and affiliates due to their negligence or bad faith.

SECTION 5.9. Charges of Depositary.

The following charges shall be incurred by any party depositing or withdrawing Shares or by any party surrendering American Depositary Shares or to whom American Depositary Shares are issued (including, without limitation, issuance pursuant to a stock dividend or stock split declared by the Company or an exchange of stock regarding the American Depositary Shares or Deposited Securities or a delivery of American Depositary Shares pursuant to Section 4.3), or by Owners, as applicable: (1) taxes and other governmental charges, (2) such registration fees as may from time to time be in effect for the registration of transfers of Shares generally on the Share register of the Company or Foreign Registrar and applicable to transfers of Shares to or from the name of the Depositary or its nominee or the Custodian or its nominee on the making of deposits or withdrawals hereunder, (3) such cable (including SWIFT) and facsimile transmission fees and expenses as are expressly provided in this Deposit Agreement, (4) such expenses as are incurred by the Depositary in the conversion of foreign currency pursuant to Section 4.5, (5) a fee of $5.00 or less per 100 American Depositary Shares (or portion thereof) for the delivery of American Depositary Shares pursuant to Section 2.3, 4.3 or 4.4 and the surrender of American Depositary Shares pursuant to Section 2.5 or 6.2, (6) a fee of $.05 or less per American Depositary Share (or portion thereof) for any cash distribution made pursuant to this Deposit Agreement, including, but not limited to Sections 4.1 through 4.4 and Section 4.8, (7) a fee for the distribution of securities pursuant to Section 4.2 or of rights pursuant to Section 4.4 (where the Depositary will not exercise or sell those rights on behalf of Owners), such fee being in an amount equal to the fee for the execution and delivery of American Depositary Shares referred to above which would have been charged as a result of the deposit of such securities under this Deposit Agreement (for purposes of this item 7 treating all such securities as if they were Shares) but which securities are instead distributed by the Depositary to Owners, (8) in addition to any fee charged under item 6 above, a fee of $.05 or less per American Depositary Share (or portion thereof) per annum for depositary services, which will be payable as provided in item 9 below, and (9) any other charges payable by the Depositary or the Custodian, any of the Depositary's or Custodian's agents or the agents of the Depositary's or Custodian's agents, in connection with the servicing of Shares or other Deposited Securities

(which charges shall be assessed against Owners as of the date or dates set by the Depositary in accordance with Section 4.6 and shall be payable at the sole discretion of the Depositary by billing those Owners for those charges or by deducting those charges from one or more cash dividends or other cash distributions).

The Depositary may collect any of its fees by deduction from any cash distribution payable, or by selling a portion of any securities to be distributed, to Owners that are obligated to pay those fees.

In performing its duties under this Deposit Agreement, the Depositary may use brokers, dealers, foreign currency dealers or other service providers that are owned by or affiliated with the Depositary and that may earn or share fees, spreads or commissions.

The Depositary may own and deal in any class of securities of the Company and its affiliates and in American Depositary Shares.

SECTION 5.10. Retention of Depositary Documents.

The Depositary is authorized to destroy those documents, records, bills and other data compiled during the term of this Deposit Agreement at the times permitted by the laws or regulations governing the Depositary.

SECTION 5.11. Exclusivity.

Without prejudice to the Company's rights under Section 5.4, the Company agrees not to appoint any other depositary for issuance of depositary shares, depositary receipts or any similar securities or instruments so long as The Bank of New York Mellon is acting as Depositary under this Deposit Agreement.

SECTION 5.12. Information for Regulatory Compliance.

Each of the Company and the Depositary shall provide to the other, as promptly as practicable, information from its records or otherwise available to it that is reasonably requested by the other to permit the other to comply with applicable law or requirements of governmental or regulatory authorities.

ARTICLE 6. AMENDMENT AND TERMINATION

SECTION 6.1. Amendment.

The form of the Receipts and any provisions of this Deposit Agreement may at any time and from time to time be amended by agreement between the Company and the Depositary without the consent of Owners or Holders in any respect that they may deem necessary or desirable. Any amendment that would impose or increase any fees or charges (other than taxes and other governmental charges, registration fees, cable, telex or facsimile transmission costs, delivery costs or other such expenses), or that would otherwise prejudice any substantial existing right of Owners, shall, however, not become effective as to outstanding American Depositary Shares until the expiration of 30 days after notice of that amendment has

been Disseminated to the Owners of outstanding American Depositary Shares. Every Owner and Holder, at the time any amendment so becomes effective, shall be deemed, by continuing to hold American Depositary Shares or any interest therein, to consent and agree to that amendment and to be bound by this Deposit Agreement as amended thereby. Upon the effectiveness of an amendment to the form of Receipt, including a change in the number of Shares represented by each American Depositary Share, the Depositary may call for surrender of Receipts to be replaced with new Receipts in the amended form or call for surrender of American Depositary Shares to effect that change of ratio. In no event shall any amendment impair the right of the Owner to surrender American Depositary Shares and receive delivery of the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law.

SECTION 6.2. Termination.

(a) The Company may initiate termination of this Deposit Agreement by notice to the Depositary. The Depositary may initiate termination of this Deposit Agreement if (i) at any time 60 days shall have expired after the Depositary delivered to the Company a written resignation notice and a successor depositary has not been appointed and accepted its appointment as provided in Section 5.4, (ii) an Insolvency Event or Delisting Event occurs with respect to the Company or (iii) a Termination Option Event has occurred or will occur. If termination of this Deposit Agreement is initiated, the Depositary shall Disseminate a notice of termination to the Owners of all American Depositary Shares then outstanding setting a date for termination (the "Termination Date"), which shall be at least 90 days after the date of that notice, and this Deposit Agreement shall terminate on that Termination Date.

(b) After the Termination Date, the Company shall be discharged from all obligations under this Deposit Agreement except for its obligations to the Depositary under Sections 5.8 and 5.9.

(c) At any time after the Termination Date, the Depositary may sell the Deposited Securities then held under this Deposit Agreement and may thereafter hold uninvested the net proceeds of any such sale, together with any other cash then held by it hereunder, unsegregated and without liability for interest, for the pro rata benefit of the Owners of American Depositary Shares that remain outstanding, and those Owners will be general creditors of the Depositary with respect to those net proceeds and that other cash. After making that sale, the Depositary shall be discharged from all obligations under this Deposit Agreement, except (i) to account for the net proceeds and other cash (after deducting, in each case, the fee of the Depositary for the surrender of American Depositary Shares, any expenses for the account of the Owner of such American Depositary Shares in accordance with the terms and conditions of this Deposit Agreement and any applicable taxes or governmental charges) and (ii) for its obligations under Section 5.8 and (iii) to act as provided in paragraph (d) below.

(d) After the Termination Date, the Depositary shall continue to receive dividends and other distributions pertaining to Deposited Securities (that have not been sold), may sell rights and other property as provided in this Deposit Agreement and shall deliver Deposited Securities (or sale proceeds) upon surrender of American Depositary Shares (after payment or upon deduction, in each case, of the fee of the Depositary for the surrender of American Depositary Shares, any expenses for the account of the Owner of those American

Depositary Shares in accordance with the terms and conditions of this Deposit Agreement and any applicable taxes or governmental charges). After the Termination Date, the Depositary shall not accept deposits of Shares or deliver American Depositary Shares. After the Termination Date, (i) the Depositary may refuse to accept surrenders of American Depositary Shares for the purpose of withdrawal of Deposited Securities (that have not been sold) or reverse previously accepted surrenders of that kind that have not settled if in its judgment the requested withdrawal would interfere with its efforts to sell the Deposited Securities, (ii) the Depositary will not be required to deliver cash proceeds of the sale of Deposited Securities until all Deposited Securities have been sold and (iii) the Depositary may discontinue the registration of transfers of American Depositary Shares and suspend the distribution of dividends and other distributions on Deposited Securities to the Owners and need not give any further notices or perform any further acts under this Deposit Agreement except as provided in this Section.

ARTICLE 7. MISCELLANEOUS

SECTION 7.1. Counterparts; Signatures.

This Deposit Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of those counterparts shall constitute one and the same instrument. Copies of this Deposit Agreement shall be filed with the Depositary and the Custodians and shall be open to inspection by any Owner or Holder during regular business hours.

Any manual signature on this Deposit Agreement that is faxed, scanned or photocopied, and any electronic signature valid under the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001, *et. seq*., shall for all purposes have the same validity, legal effect and admissibility in evidence as an original manual signature, and the parties hereby waive any objection to the contrary.

SECTION 7.2. No Third Party Beneficiaries.

This Deposit Agreement is for the exclusive benefit of the Company, the Depositary, the Owners and the Holders and their respective successors and shall not be deemed to give any legal or equitable right, remedy or claim whatsoever to any other person.

SECTION 7.3. Severability.

In case any one or more of the provisions contained in this Deposit Agreement or in a Receipt should be or become invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained in this Deposit Agreement or that Receipt shall in no way be affected, prejudiced or disturbed thereby.

SECTION 7.4. Owners and Holders as Parties; Binding Effect.

The Owners and Holders from time to time shall be parties to this Deposit Agreement and shall be bound by all of the terms and conditions of this Deposit Agreement and of the Receipts by acceptance of American Depositary Shares or any interest therein.

SECTION 7.5. Notices.

Any and all notices to be given to the Company shall be in writing and shall be deemed to have been duly given if personally delivered or sent by domestic first class or international air mail or air courier or sent by facsimile transmission or email attaching a pdf or similar bit-mapped image of a signed writing, provided that receipt of the facsimile transmission or email has been confirmed by the recipient, addressed to VIA optronics AG, Sieboldstrasse 18, 90411 Nuremberg, Germany, Attention: , or any other place to which the Company may have transferred its principal office with notice to the Depositary.

Any and all notices to be given to the Depositary shall be in writing and shall be deemed to have been duly given if in English and personally delivered or sent by first class domestic or international air mail or air courier or sent by facsimile transmission or email attaching a pdf or similar bit-mapped image of a signed writing, addressed to The Bank of New York Mellon, 240 Greenwich Street, New York, New York 10286, Attention: Depositary Receipt Administration, or any other place to which the Depositary may have transferred its Office with notice to the Company.

Delivery of a notice to the Company or Depositary by mail or air courier shall be deemed effected when deposited, postage prepaid, in a post-office letter box or received by an air courier service. Delivery of a notice to the Company or Depositary sent by facsimile transmission or email shall be deemed effected when the recipient acknowledges receipt of that notice.

A notice to be given to an Owner shall be deemed to have been duly given when Disseminated to that Owner. Dissemination in paper form will be effective when personally delivered or sent by first class domestic or international air mail or air courier, addressed to that Owner at the address of that Owner as it appears on the transfer books for American Depositary Shares of the Depositary, or, if that Owner has filed with the Depositary a written request that notices intended for that Owner be mailed to some other address, at the address designated in that request. Dissemination in electronic form will be effective when sent in the manner consented to by the Owner to the electronic address most recently provided by the Owner for that purpose.

SECTION 7.6. Appointment of Agent for Service of Process; Submission to Jurisdiction; Jury Trial Waiver.

The Company hereby (i) designates and appoints the person named in Exhibit A to this Deposit Agreement, located in the State of New York, as the Company's authorized agent upon which process may be served in any suit or proceeding arising out of or relating to the Shares or Deposited Securities, the American Depositary Shares, the Receipts or this Deposit Agreement (a "Proceeding"), (ii) consents and submits to the jurisdiction of any state or federal court in the State of New York in which any Proceeding may be instituted and (iii) agrees that service of process upon said authorized agent shall be deemed in every respect effective service of process upon the Company in any Proceeding. The Company agrees to deliver to the Depositary, upon the execution and delivery of this Deposit Agreement, a written acceptance by the agent named in Exhibit A to this Deposit Agreement of its appointment as process agent. The

Company further agrees to take any and all action, including the filing of any and all such documents and instruments, as may be necessary to continue that designation and appointment in full force and effect, or to appoint and maintain the appointment of another process agent located in the United States as required above, and to deliver to the Depositary a written acceptance by that agent of that appointment, for so long as any American Depositary Shares or Receipts remain outstanding or this Deposit Agreement remains in force. In the event the Company fails to maintain the designation and appointment of a process agent in the United States in full force and effect, the Company hereby waives personal service of process upon it and consents that a service of process in connection with a Proceeding may be made by certified or registered mail, return receipt requested, directed to the Company at its address last specified for notices under this Deposit Agreement, and service so made shall be deemed completed five (5) days after the same shall have been so mailed.

EACH PARTY TO THIS DEPOSIT AGREEMENT (INCLUDING, FOR AVOIDANCE OF DOUBT, EACH OWNER AND HOLDER) HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING AGAINST THE COMPANY AND/OR THE DEPOSITARY DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THE SHARES OR OTHER DEPOSITED SECURITIES, THE AMERICAN DEPOSITARY SHARES OR THE RECEIPTS, THIS DEPOSIT AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREIN OR THEREIN, OR THE BREACH HEREOF OR THEREOF, INCLUDING, WITHOUT LIMITATION, ANY QUESTION REGARDING EXISTENCE, VALIDITY OR TERMINATION (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

SECTION 7.7. Waiver of Immunities.

To the extent that the Company or any of its properties, assets or revenues may have or may hereafter become entitled to, or have attributed to it, any right of immunity, on the grounds of sovereignty or otherwise, from any legal action, suit or proceeding, from the giving of any relief in any respect thereof, from setoff or counterclaim, from the jurisdiction of any court, from service of process, from attachment upon or prior to judgment, from attachment in aid of execution or judgment, or from execution of judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of any judgment, in any jurisdiction in which proceedings may at any time be commenced, with respect to its obligations, liabilities or any other matter under or arising out of or in connection with the Shares or Deposited Securities, the American Depositary Shares, the Receipts or this Deposit Agreement, the Company, to the fullest extent permitted by law, hereby irrevocably and unconditionally waives, and agrees not to plead or claim, any immunity of that kind and consents to relief and enforcement as provided above.

SECTION 7.8. Governing Law.

This Deposit Agreement and the Receipts shall be interpreted in accordance with and all rights hereunder and thereunder and provisions hereof and thereof shall be governed by the laws of the State of New York.

IN WITNESS WHEREOF, VIA OPTRONICS AG and THE BANK OF NEW YORK MELLON have duly executed this Deposit Agreement as of the day and year first set forth above and all Owners and Holders shall become parties hereto upon acceptance by them of American Depositary Shares or any interest therein.

VIA OPTRONICS AG

By: _____
Name: Jürgen Eichner
Title: Chief Executive Officer

THE BANK OF NEW YORK MELLON,
as Depositary

By: _____
Name: Robert W. Goad
Title: Managing Director

EXHIBIT A

AMERICAN DEPOSITARY SHARES
(Each American Depositary Share represents
deposited Shares)

THE BANK OF NEW YORK MELLON
AMERICAN DEPOSITARY RECEIPT
FOR ORDINARY SHARES OF
VIA OPTRONICS AG
(INCORPORATED UNDER THE LAWS OF THE FEDERAL REPUBLIC OF GERMANY)

The Bank of New York Mellon, as depositary (hereinafter called the "Depositary"), hereby certifies that , or registered assigns IS THE OWNER OF

AMERICAN DEPOSITARY SHARES

representing deposited ordinary shares (herein called "Shares") of VIA optronics AG, incorporated under the laws of the Federal Republic of Germany (herein called the "Company"). At the date hereof, each American Depositary Share represents Shares deposited or subject to deposit under the Deposit Agreement (as such term is hereinafter defined) with a custodian for the Depositary (herein called the "Custodian") that, as of the date of the Deposit Agreement, was The Bank of New York Mellon SA/NV, acting through an office located in Germany. The Depositary's Office and its principal executive office are located at 240 Greenwich Street, New York, N.Y. 10286.

THE DEPOSITARY'S OFFICE ADDRESS IS
240 GREENWICH STREET, NEW YORK, N.Y. 10286

1. THE DEPOSIT AGREEMENT.

This American Depositary Receipt is one of an issue (herein called "Receipts"), all issued and to be issued upon the terms and conditions set forth in the Deposit Agreement dated as of , 2020 (herein called the "Deposit Agreement") among the Company, the Depositary, and all Owners and Holders from time to time of American Depositary Shares issued thereunder, each of whom by accepting American Depositary Shares agrees to become a party thereto and become bound by all the terms and conditions thereof. The Deposit Agreement sets forth the rights of Owners and Holders and the rights and duties of the Depositary in respect of the Shares deposited thereunder and any and all other securities, property and cash from time to time received in respect of those Shares and held thereunder (those Shares, securities, property,

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and cash are herein called "Deposited Securities"). Copies of the Deposit Agreement are on file at the Depositary's Office in New York City and at the office of the Custodian.

The statements made on the face and reverse of this Receipt are summaries of certain provisions of the Deposit Agreement and are qualified by and subject to the detailed provisions of the Deposit Agreement, to which reference is hereby made. Capitalized terms defined in the Deposit Agreement and not defined herein shall have the meanings set forth in the Deposit Agreement.

2. SURRENDER OF AMERICAN DEPOSITARY SHARES AND WITHDRAWAL OF SHARES.

Upon surrender of American Depositary Shares for the purpose of withdrawal of the Deposited Securities represented thereby and payment of the fee of the Depositary for the surrender of American Depositary Shares as provided in Section 5.9 of the Deposit Agreement and payment of all taxes and governmental charges payable in connection with that surrender and withdrawal of the Deposited Securities, and subject to the terms and conditions of the Deposit Agreement, the Owner of those American Depositary Shares shall be entitled to delivery (to the extent delivery can then be lawfully and practicably made), to or as instructed by that Owner, of the amount of Deposited Securities at the time represented by those American Depositary Shares, but not any money or other property as to which a record date for distribution to Owners has passed (since money or other property of that kind will be delivered or paid on the scheduled payment date to the Owner as of that record date), and except that the Depositary shall not be required to accept surrender of American Depositary Shares for the purpose of withdrawal to the extent it would require delivery of a fraction of a Deposited Security. The Depositary shall direct the Custodian with respect to delivery of Deposited Securities and may charge the surrendering Owner a fee and its expenses for giving that direction by cable (including SWIFT) or facsimile transmission. If Deposited Securities are delivered physically upon surrender of American Depositary Shares for the purpose of withdrawal, that delivery will be made at the Custodian's office, except that, at the request, risk and expense of the surrendering Owner, and for the account of that Owner, the Depositary shall direct the Custodian to forward any cash or other property comprising, and forward a certificate or certificates, if applicable, and other proper documents of title, if any, for, the Deposited Securities represented by the surrendered American Depositary Shares to the Depositary for delivery at the Depositary's Office or to another address specified in the order received from the surrendering Owner.

3. REGISTRATION OF TRANSFER OF AMERICAN DEPOSITARY SHARES; COMBINATION AND SPLIT-UP OF RECEIPTS; INTERCHANGE OF CERTIFICATED AND UNCERTIFICATED AMERICAN DEPOSITARY SHARES.

The Depositary, subject to the terms and conditions of the Deposit Agreement, shall register a transfer of American Depositary Shares on its transfer books upon (i) in the case of certificated American Depositary Shares, surrender of the Receipt evidencing those American Depositary Shares, by the Owner or by a duly authorized attorney, properly endorsed or accompanied by proper instruments of transfer or (ii) in the case of uncertificated American Depositary Shares, receipt from the Owner of a proper instruction (including, for the avoidance of doubt, instructions through DRS and Profile as provided in Section 2.9 of that Agreement),

and, in either case, duly stamped as may be required by the laws of the State of New York and of the United States of America. Upon registration of a transfer, the Depositary shall deliver the transferred American Depositary Shares to or upon the order of the person entitled thereto.

The Depositary, subject to the terms and conditions of the Deposit Agreement, shall upon surrender of a Receipt or Receipts for the purpose of effecting a split-up or combination of such Receipt or Receipts, execute and deliver a new Receipt or Receipts for any authorized number of American Depositary Shares requested, evidencing the same aggregate number of American Depositary Shares as the Receipt or Receipts surrendered.

The Depositary, upon surrender of certificated American Depositary Shares for the purpose of exchanging for uncertificated American Depositary Shares, shall cancel the Receipt evidencing those certificated American Depositary Shares and send the Owner a statement confirming that the Owner is the owner of the same number of uncertificated American Depositary Shares. The Depositary, upon receipt of a proper instruction (including, for the avoidance of doubt, instructions through DRS and Profile as provided in Section 2.9 of the Deposit Agreement) from the Owner of uncertificated American Depositary Shares for the purpose of exchanging for certificated American Depositary Shares, shall cancel those uncertificated American Depositary Shares and register and deliver to the Owner a Receipt evidencing the same number of certificated American Depositary Shares.

As a condition precedent to the delivery, registration of transfer, or surrender of any American Depositary Shares or split-up or combination of any Receipt or withdrawal of any Deposited Securities, the Depositary, the Custodian, or Registrar may require payment from the depositor of the Shares or the presenter of the Receipt or instruction for registration of transfer or surrender of American Depositary Shares not evidenced by a Receipt of a sum sufficient to reimburse it for any tax or other governmental charge and any stock transfer or registration fee with respect thereto (including any such tax or charge and fee with respect to Shares being deposited or withdrawn) and payment of any applicable fees as provided in the Deposit Agreement, may require the production of proof satisfactory to it as to the identity and genuineness of any signature and may also require compliance with any regulations the Depositary may establish consistent with the provisions of the Deposit Agreement.

The delivery of American Depositary Shares against deposit of Shares generally or against deposit of particular Shares may be suspended, or the registration of transfer of American Depositary Shares in particular instances may be refused, or the registration of transfer of outstanding American Depositary Shares generally may be suspended, during any period when the transfer books of the Depositary are closed, or if any such action is deemed necessary or advisable by the Depositary or the Company at any time or from time to time because of any requirement of law or of any government or governmental body or commission, or under any provision of the Deposit Agreement, or for any other reason. Notwithstanding anything to the contrary in the Deposit Agreement or this Receipt, the surrender of outstanding American Depositary Shares and withdrawal of Deposited Securities may not be suspended subject only to (i) temporary delays caused by closing the transfer books of the Depositary or the Company or the Foreign Registrar, if applicable, or the deposit of Shares in connection with voting at a shareholders' meeting, or the payment of dividends, (ii) the payment of fees, taxes and similar charges, and (iii) compliance with any U.S. or foreign laws or governmental regulations relating

to the American Depositary Shares or to the withdrawal of the Deposited Securities. The Depositary shall not knowingly accept for deposit under the Deposit Agreement any Shares that, at the time of deposit, are Restricted Securities.

4. LIABILITY OF OWNER FOR TAXES.

If any tax or other governmental charge shall become payable by the Custodian or the Depositary with respect to or in connection with any American Depositary Shares or any Deposited Securities represented by any American Depositary Shares or in connection with a transaction to which Section 4.8 of the Deposit Agreement applies, that tax or other governmental charge shall be payable by the Owner of those American Depositary Shares to the Depositary. The Depositary may refuse to register any transfer of those American Depositary Shares or any withdrawal of Deposited Securities represented by those American Depositary Shares until that payment is made, and may withhold any dividends or other distributions or the proceeds thereof, or may sell for the account of the Owner any part or all of the Deposited Securities represented by those American Depositary Shares, and may apply those dividends or other distributions or the net proceeds of any sale of that kind in payment of that tax or other governmental charge but, even after a sale of that kind, the Owner shall remain liable for any deficiency. The Depositary shall distribute any net proceeds of a sale made under Section 3.2 of the Deposit Agreement that are not used to pay taxes or governmental charges to the Owners entitled to them in accordance with Section 4.1 of the Deposit Agreement. If the number of Shares represented by each American Depositary Share decreases as a result of a sale of Deposited Securities under Section 3.2 of the Deposit Agreement, the Depositary may call for surrender of the American Depositary Shares to be exchanged on a mandatory basis for a lesser number of American Depositary Shares and may sell American Depositary Shares to the extent necessary to avoid distributing fractions of American Depositary Shares in that exchange and distribute the net proceeds of that sale to the Owners entitled to them.

5. WARRANTIES ON DEPOSIT OF SHARES.

Every person depositing Shares under the Deposit Agreement shall be deemed thereby to represent and warrant that those Shares and each certificate therefor, if applicable, are validly issued, fully paid and nonassessable and were not issued in violation of any preemptive or similar rights of the holders of outstanding securities of the Company and that the person making that deposit is duly authorized so to do. Every depositing person shall also be deemed to represent that the Shares, at the time of deposit, are not Restricted Securities. All representations and warranties deemed made under Section 3.3 of the Deposit Agreement shall survive the deposit of Shares and delivery of American Depositary Shares.

6. FILING PROOFS, CERTIFICATES, AND OTHER INFORMATION.

Any person presenting Shares for deposit or any Owner or Holder may be required from time to time to file with the Depositary or the Custodian such proof of citizenship or residence, exchange control approval, or such information relating to the registration on the books of the Company or the Foreign Registrar, if applicable, to execute such certificates and to make such representations and warranties, as the Depositary may deem necessary or proper. The Depositary may withhold the delivery or registration of transfer of any American Depositary Shares, the

distribution of any dividend or other distribution or of the proceeds thereof or the delivery of any Deposited Securities until that proof or other information is filed or those certificates are executed or those representations and warranties are made. As conditions of accepting Shares for deposit, the Depositary may require (i) any certification required by the Depositary or the Custodian in accordance with the provisions of the Deposit Agreement, (ii) a written order directing the Depositary to deliver to, or upon the written order of, the person or persons stated in that order, the number of American Depositary Shares representing those Deposited Shares, (iii) evidence satisfactory to the Depositary that those Shares have been re-registered in the books of the Company or the Foreign Registrar in the name of the Depositary, a Custodian or a nominee of the Depositary or a Custodian, (iv) evidence satisfactory to the Depositary that any necessary approval has been granted by any governmental body in each applicable jurisdiction and (v) an agreement or assignment, or other instrument satisfactory to the Depositary, that provides for the prompt transfer to the Custodian of any dividend, or right to subscribe for additional Shares or to receive other property, that any person in whose name those Shares are or have been recorded may thereafter receive upon or in respect of those Shares, or, in lieu thereof, such agreement of indemnity or other agreement as shall be satisfactory to the Depositary.

7. CHARGES OF DEPOSITARY.

The following charges shall be incurred by any party depositing or withdrawing Shares or by any party surrendering American Depositary Shares or to whom American Depositary Shares are issued (including, without limitation, issuance pursuant to a stock dividend or stock split declared by the Company or an exchange of stock regarding the American Depositary Shares or Deposited Securities or a delivery of American Depositary Shares pursuant to Section 4.3 of the Deposit Agreement), or by Owners, as applicable: (1) taxes and other governmental charges, (2) such registration fees as may from time to time be in effect for the registration of transfers of Shares generally on the Share register of the Company or Foreign Registrar and applicable to transfers of Shares to or from the name of the Depositary or its nominee or the Custodian or its nominee on the making of deposits or withdrawals hereunder, (3) such cable (including SWIFT) and facsimile transmission fees and expenses as are expressly provided in the Deposit Agreement, (4) such expenses as are incurred by the Depositary in the conversion of foreign currency pursuant to Section 4.5 of the Deposit Agreement, (5) a fee of $5.00 or less per 100 American Depositary Shares (or portion thereof) for the delivery of American Depositary Shares pursuant to Section 2.3, 4.3 or 4.4 of the Deposit Agreement and the surrender of American Depositary Shares pursuant to Section 2.5 or 6.2 of the Deposit Agreement, (6) a fee of $.05 or less per American Depositary Share (or portion thereof) for any cash distribution made pursuant to the Deposit Agreement, including, but not limited to Sections 4.1 through 4.4 and 4.8 of the Deposit Agreement, (7) a fee for the distribution of securities pursuant to Section 4.2 of the Deposit Agreement or of rights pursuant to Section 4.4 of that Agreement (where the Depositary will not exercise or sell those rights on behalf of Owners), such fee being in an amount equal to the fee for the execution and delivery of American Depositary Shares referred to above which would have been charged as a result of the deposit of such securities under the Deposit Agreement (for purposes of this item 7 treating all such securities as if they were Shares) but which securities are instead distributed by the Depositary to Owners, (8) in addition to any fee charged under item 6, a fee of $.05 or less per American Depositary Share (or portion thereof) per annum for depositary services, which will be payable as provided in item 9 below, and (9) any other charges payable by the Depositary or the Custodian, any of the Depositary's or

Custodian's agents or the agents of the Depositary's or Custodian's agents, in connection with the servicing of Shares or other Deposited Securities (which charges shall be assessed against Owners as of the date or dates set by the Depositary in accordance with Section 4.6 of the Deposit Agreement and shall be payable at the sole discretion of the Depositary by billing those Owners for those charges or by deducting those charges from one or more cash dividends or other cash distributions).

The Depositary may collect any of its fees by deduction from any cash distribution payable, or by selling a portion of any securities to be distributed, to Owners that are obligated to pay those fees.

The Depositary may own and deal in any class of securities of the Company and its affiliates and in American Depositary Shares.

From time to time, the Depositary may make payments to the Company to reimburse the Company for costs and expenses generally arising out of establishment and maintenance of the American Depositary Shares program, waive fees and expenses for services provided by the Depositary or share revenue from the fees collected from Owners or Holders. In performing its duties under the Deposit Agreement, the Depositary may use brokers, dealers, foreign currency dealers or other service providers that are owned by or affiliated with the Depositary and that may earn or share fees, spreads or commissions.

8. DISCLOSURE OF INTERESTS.

When required in order to comply with applicable laws and regulations or the articles of association or similar document of the Company, or with the rules and regulations of any securities exchange upon which American Depositary Shares may be listed, the Company may from time to time request each Owner and Holder to provide to the Depositary information relating to: (a) the capacity in which it holds American Depositary Shares, (b) the identity of any Holders or other persons or entities then or previously interested in those American Depositary Shares and the nature of those interests and (c) any other matter where disclosure of such matter is required for that compliance. Each Owner and Holder agrees to provide all information known to it in response to a request made pursuant to Section 3.4 of the Deposit Agreement. Each Holder consents to the disclosure by the Depositary and the Owner or other Holder through which it holds American Depositary Shares, directly or indirectly, of all information responsive to a request made pursuant to that Section relating to that Holder that is known to that Owner or other Holder.

9. TITLE TO AMERICAN DEPOSITARY SHARES.

It is a condition of the American Depositary Shares, and every successive Owner and Holder of American Depositary Shares, by accepting or holding the same, consents and agrees that American Depositary Shares evidenced by a Receipt, when the Receipt is properly endorsed or accompanied by proper instruments of transfer, shall be transferable as certificated registered securities under the laws of the State of New York, and that American Depositary Shares not evidenced by Receipts shall be transferable as uncertificated registered securities under the laws of the State of New York. The Depositary, notwithstanding any notice to the contrary, may treat

the Owner of American Depositary Shares as the absolute owner thereof for the purpose of determining the person entitled to distribution of dividends or other distributions or to any notice provided for in the Deposit Agreement and for all other purposes, and neither the Depositary nor the Company shall have any obligation or be subject to any liability under the Deposit Agreement to any Holder of American Depositary Shares, but only to the Owner.

10. VALIDITY OF RECEIPT.

This Receipt shall not be entitled to any benefits under the Deposit Agreement or be valid or obligatory for any purpose, unless this Receipt shall have been (i) executed by the Depositary by the manual signature of a duly authorized officer of the Depositary or (ii) executed by the facsimile signature of a duly authorized officer of the Depositary and countersigned by the manual signature of a duly authorized signatory of the Depositary or the Registrar or a co-registrar.

11. REPORTS; INSPECTION OF TRANSFER BOOKS.

The Company is subject to the periodic reporting requirements of the Securities Exchange Act of 1934 and, accordingly, files certain reports with the Securities and Exchange Commission. Those reports will be available for inspection and copying through the Commission's EDGAR system or at public reference facilities maintained by the Commission in Washington, D.C.

The Depositary will make available for inspection by Owners at its Office any reports, notices and other communications, including any proxy soliciting material, received from the Company which are both (a) received by the Depositary as the holder of the Deposited Securities and (b) made generally available to the holders of those Deposited Securities by the Company. The Company shall furnish reports and communications, including any proxy soliciting material to which Section 4.9 of the Deposit Agreement applies, to the Depositary in English, to the extent such materials are required to be translated into English pursuant to any regulations of the Commission.

The Depositary will keep books for the registration of American Depositary Shares and transfers of American Depositary Shares, which shall be open for inspection by the Owners and the Company at the Depositary's Office during regular business hours, provided that such inspection shall not be for the purpose of communicating with Owners in the interest of a business or object other than the business of the Company or a matter related to the Deposit Agreement or the American Depositary Shares.

12. DIVIDENDS AND DISTRIBUTIONS.

Whenever the Depositary receives any cash dividend or other cash distribution on Deposited Securities, the Depositary will, if at the time of receipt thereof any amounts received in a foreign currency can in the judgment of the Depositary be converted on a reasonable basis into Dollars transferable to the United States, and, as promptly as practicable, subject to the Deposit Agreement, convert that dividend or other cash distribution into Dollars and distribute the amount thus received (net of the fees and expenses of the Depositary as provided in Article 7 hereof and Section 5.9 of the Deposit Agreement) to the Owners entitled thereto; provided,

however, that if the Custodian or the Depositary is required to withhold and does withhold from that cash dividend or other cash distribution an amount on account of taxes or other governmental charges, the amount distributed to the Owners of the American Depositary Shares representing those Deposited Securities shall be reduced accordingly. If a cash distribution would represent a return of all or substantially all the value of the Deposited Securities underlying American Depositary Shares, the Depositary may require surrender of those American Depositary Shares and may require payment of or deduct the fee for surrender of American Depositary Shares (whether or not it is also requiring surrender of American Depositary Shares) as a condition of making that cash distribution. A distribution of that kind shall be a Termination Option Event.

Subject to the provisions of Section 4.11 and 5.9 of the Deposit Agreement, whenever the Depositary receives any distribution other than a distribution described in Section 4.1, 4.3 or 4.4 of the Deposit Agreement on Deposited Securities (but not in exchange for or in conversion or in lieu of Deposited Securities), the Depositary will cause the securities or property received by it to be distributed to the Owners entitled thereto, after deduction or upon payment of any fees and expenses of the Depositary and any taxes or other governmental charges, in any manner that the Depositary deems equitable and practicable for accomplishing that distribution (which may be a distribution of depositary shares representing the securities received); provided, however, that if in the opinion of the Depositary such distribution cannot be made proportionately among the Owners entitled thereto, or if for any other reason the Depositary deems such distribution not to be lawful and feasible, the Depositary may, after consultation with the Company to the extent practicable, adopt such other method as it may deem equitable and practicable for the purpose of effecting such distribution, including, but not limited to, the public or private sale of the securities or property thus received, or any part thereof, and distribution of the net proceeds of any such sale (net of the fees and expenses of the Depositary as provided in Article 7 hereof and Section 5.9 of the Deposit Agreement) as promptly as practicable to the Owners entitled thereto all in the manner and subject to the conditions set forth in Section 4.1 of the Deposit Agreement. The Depositary may withhold any distribution of securities under Section 4.2 of the Deposit Agreement if it has not received reasonably satisfactory assurances from the Company that the distribution does not require registration under the Securities Act of 1933. The Depositary may sell, by public or private sale, an amount of securities or other property it would otherwise distribute under this Article that is sufficient to pay its fees and expenses in respect of that distribution. If a distribution under Section 4.2 of the Deposit Agreement would represent a return of all of substantially all the value of the Deposited Securities underlying American Depositary Shares, the Depositary may require surrender of those American Depositary Shares and may require payment of or deduct the fee for surrender of American Depositary Shares (whether or not it is also requiring surrender of American Depositary Shares) as a condition of making that distribution. A distribution of that kind shall be a Termination Option Event.

Whenever the Depositary receives any distribution consisting of a dividend in, or free distribution of, Shares, the Depositary may deliver to the Owners entitled thereto, an aggregate number of American Depositary Shares representing the amount of Shares received as that dividend or free distribution, subject to the terms and conditions of the Deposit Agreement with respect to the deposit of Shares and issuance of American Depositary Shares, including the withholding of any tax or other governmental charge as provided in Section 4.11 of the Deposit Agreement and the payment of the fees and expenses of the Depositary as provided in Article 7

hereof and Section 5.9 of the Deposit Agreement (and the Depositary may sell, by public or private sale, an amount of Shares received (or American Depositary Shares representing those Shares) sufficient to pay its fees and expenses in respect of that distribution). In lieu of delivering fractional American Depositary Shares, the Depositary may sell the amount of Shares represented by the aggregate of those fractions (or American Depositary Shares representing those Shares) and distribute the net proceeds as promptly as practicable, all in the manner and subject to the conditions described in Section 4.1 of the Deposit Agreement. If and to the extent that additional American Depositary Shares are not delivered and Shares or American Depositary Shares are not sold, each American Depositary Share shall thenceforth also represent the additional Shares distributed on the Deposited Securities represented thereby.

If the Company declares a distribution in which holders of Deposited Securities have a right to elect whether to receive cash, Shares or other securities or a combination of those things, or a right to elect to have a distribution sold on their behalf, the Depositary may, after consultation with the Company, make that right of election available for exercise by Owners any manner the Depositary considers to be lawful and practical. As a condition of making a distribution election right available to Owners, the Depositary may require reasonably satisfactory assurances from the Company that doing so does not require registration of any securities under the Securities Act of 1933.

If the Depositary determines that any distribution received or to be made by the Depositary (including Shares and rights to subscribe therefor) is subject to any tax or other governmental charge that the Depositary is obligated to withhold, the Depositary may sell, by public or private sale, all or a portion of the distributed property (including Shares and rights to subscribe therefor) in the amounts and manner the Depositary deems necessary and practicable to pay any those taxes or charges, and the Depositary shall distribute the net proceeds of that sale, after deduction of those taxes or charges, to the Owners entitled thereto in proportion to the number of American Depositary Shares held by them respectively.

Each Owner and Holder agrees to indemnify the Company, the Depositary, the Custodian and their respective directors, employees, agents and affiliates for, and hold each of them harmless against, any claim by any governmental authority with respect to taxes, additions to tax, penalties or interest arising out of any refund of taxes, reduced withholding at source or other tax benefit received by it. Services for Owners and Holders that may permit them to obtain reduced rates of tax withholding at source or reclaim excess tax withheld, and the fees and costs associated with using services of that kind, are not provided under, and are outside the scope of, the Deposit Agreement.

13. RIGHTS.

(a) If rights are granted to the Depositary in respect of deposited Shares to purchase additional Shares or other securities, the Company and the Depositary shall endeavor to consult as to the actions, if any, the Depositary should take in connection with that grant of rights. The Depositary may, to the extent deemed by it to be lawful and practical (i) if requested in writing by the Company, grant to all or certain Owners rights to instruct the Depositary to purchase the securities to which the rights relate and deliver those securities or American Depositary Shares representing those securities to Owners, (ii) if requested in writing by the Company, deliver the

rights to or to the order of certain Owners, or (iii) sell the rights to the extent practicable and distribute the net proceeds of that sale to Owners entitled to those proceeds. To the extent rights are not exercised, delivered or disposed of under (i), (ii) or (iii) above, the Depositary shall permit the rights to lapse unexercised.

(b) If the Depositary will act under (a)(i) above, the Company and the Depositary will enter into a separate agreement setting forth the conditions and procedures applicable to the particular offering. Upon instruction from an applicable Owner in the form the Depositary specified and upon payment by that Owner to the Depositary of an amount equal to the purchase price of the securities to be received upon the exercise of the rights, the Depositary shall, on behalf of that Owner, exercise the rights and purchase the securities. The purchased securities shall be delivered to, or as instructed by, the Depositary. The Depositary shall (i) deposit the purchased Shares under the Deposit Agreement and deliver American Depositary Shares representing those Shares to that Owner or (ii) deliver or cause the purchased Shares or other securities to be delivered to or to the order of that Owner. The Depositary will not act under (a)(i) above unless the offer and sale of the securities to which the rights relate are registered under the Securities Act of 1933 or the Depositary has received an opinion of United States counsel that is reasonably satisfactory to it to the effect that those securities may be sold and delivered to the applicable Owners without registration under the Securities Act of 1933.

(c) If the Depositary will act under (a)(ii) above, the Company and the Depositary will enter into a separate agreement setting forth the conditions and procedures applicable to the particular offering. Upon (i) the request of an applicable Owner to deliver the rights allocable to the American Depositary Shares of that Owner to an account specified by that Owner to which the rights can be delivered and (ii) receipt of such documents as the Company and the Depositary agreed to require to comply with applicable law, the Depositary will deliver those rights as requested by that Owner.

(d) If the Depositary will act under (a)(iii) above, the Depositary will use reasonable efforts to sell the rights in proportion to the number of American Depositary Shares held by the applicable Owners and pay the net proceeds to the Owners otherwise entitled to the rights that were sold, upon an averaged or other practical basis without regard to any distinctions among such Owners because of exchange restrictions or the date of delivery of any American Depositary Shares or otherwise.

(e) Payment or deduction of the fees of the Depositary as provided in Section 5.9 of the Deposit Agreement and payment or deduction of the expenses of the Depositary and any applicable taxes or other governmental charges shall be conditions of any delivery of securities or payment of cash proceeds under Section 4.4 of that Agreement.

(f) The Depositary shall not be responsible for any failure to determine that it may be lawful or feasible to make rights available to or exercise rights on behalf of Owners in general or any Owner in particular, or to sell rights.

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14. CONVERSION OF FOREIGN CURRENCY.

Whenever the Depositary or the Custodian receives foreign currency, by way of dividends or other distributions or the net proceeds from the sale of securities, property or rights, and if at the time of the receipt thereof the foreign currency so received can in the judgment of the Depositary be converted on a reasonable basis into Dollars and the resulting Dollars transferred to the United States, the Depositary shall convert or cause to be converted by sale or in any other manner that it may determine that foreign currency into Dollars, and those Dollars shall be distributed as promptly as practicable to the Owners entitled thereto. A cash distribution may be made upon an averaged or other practicable basis without regard to any distinctions among Owners based on exchange restrictions, the date of delivery of any American Depositary Shares or otherwise and shall be net of any expenses of conversion into Dollars incurred by the Depositary as provided in Section 5.9 of the Deposit Agreement.

If a conversion of foreign currency or the repatriation or distribution of Dollars can be effected only with the approval or license of any government or agency thereof, the Depositary may, but will not be required to, file an application for that approval or license.

If the Depositary determines that in its judgment any foreign currency received by the Depositary or the Custodian is not convertible on a reasonable basis into Dollars transferable to the United States, or if any approval or license of any government or agency thereof that is required for such conversion is not filed or sought by the Depositary or is not obtained within a reasonable period as determined by the Depositary, the Depositary may distribute the foreign currency received by the Depositary to, or in its discretion may hold such foreign currency uninvested and without liability for interest thereon for the respective accounts of, the Owners entitled to receive the same.

If any conversion of foreign currency, in whole or in part, cannot be effected for distribution to some of the Owners entitled thereto, the Depositary may in its discretion make that conversion and distribution in Dollars to the extent practicable and permissible to the Owners entitled thereto and may distribute the balance of the foreign currency received by the Depositary to, or hold that balance uninvested and without liability for interest thereon for the account of, the Owners entitled thereto.

The Depositary may convert currency itself or through any of its affiliates and, in those cases, acts as principal for its own account and not as agent, advisor, broker or fiduciary on behalf of any other person and earns revenue, including, without limitation, transaction spreads, that it will retain for its own account. The revenue is based on, among other things, the difference between the exchange rate assigned to the currency conversion made under the Deposit Agreement and the rate that the Depositary or its affiliate receives when buying or selling foreign currency for its own account. The Depositary makes no representation that the exchange rate used or obtained in any currency conversion under the Deposit Agreement will be the most favorable rate that could be obtained at the time or that the method by which that rate will be determined will be the most favorable to Owners, subject to the Depositary's obligations under Section 5.3 of that Agreement. The methodology used to determine exchange rates used in currency conversions is available upon request.

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15. RECORD DATES.

Whenever a cash dividend, cash distribution or any other distribution is made on Deposited Securities or rights to purchase Shares or other securities are issued with respect to Deposited Securities (which rights will be delivered to or exercised or sold on behalf of Owners in accordance with Section 4.4 of the Deposit Agreement) or the Depositary receives notice that a distribution or issuance of that kind will be made, or whenever the Depositary receives notice that a meeting of holders of Shares will be held in respect of which the Company has requested the Depositary to send a notice under Section 4.7 of the Deposit Agreement, or whenever the Depositary will assess a fee or charge against the Owners, or whenever the Depositary causes a change in the number of Shares that are represented by each American Depositary Share, or whenever the Depositary otherwise finds it necessary or convenient, the Depositary shall fix a record date, which shall be the same as, or as near as practicable to, any corresponding record date set by the Company with respect to Shares, (a) for the determination of the Owners (i) who shall be entitled to receive the benefit of that dividend or other distribution or those rights, (ii) who shall be entitled to give instructions for the exercise of voting rights at that meeting, (iii) who shall be responsible for that fee or charge or (iv) for any other purpose for which the record date was set, or (b) on or after which each American Depositary Share will represent the changed number of Shares. Subject to the provisions of Sections 4.1 through 4.5 of the Deposit Agreement and to the other terms and conditions of the Deposit Agreement, the Owners on a record date fixed by the Depositary shall be entitled to receive the amount distributable by the Depositary with respect to that dividend or other distribution or those rights or the net proceeds of sale thereof in proportion to the number of American Depositary Shares held by them respectively, to give voting instructions or to act in respect of the other matter for which that record date was fixed, or be responsible for that fee or charge, as the case may be.

16. VOTING OF DEPOSITED SHARES.

(a) Upon receipt of notice of any meeting of holders of Shares at which holders of Shares will be entitled to vote, if requested in writing by the Company, the Depositary shall, as soon as practicable thereafter, Disseminate to the Owners a notice, the form of which shall be in the sole discretion of the Depositary, that shall contain (i) the information contained in the notice of meeting received by the Depositary, (ii) a statement that the Owners as of the close of business on a specified record date will be entitled, subject to any applicable provision of German law and of the articles of association or similar documents of the Company, to instruct the Depositary as to the exercise of the voting rights pertaining to the amount of Shares represented by their respective American Depositary Shares, (iii) a statement as to the manner in which those instructions may be given and (iv) the last date on which the Depositary will accept instructions (the "Instruction Cutoff Date").

(b) Upon the written request of an Owner of American Depositary Shares, as of the date of the request or, if a record date was specified by the Depositary, as of that record date, received on or before any Instruction Cutoff Date established by the Depositary, the Depositary may, and if the Depositary sent a notice under the preceding paragraph shall, endeavor, in so far as practicable, to vote or cause to be voted the amount of deposited Shares represented by those American Depositary Shares in accordance with the instructions set forth in that request. The Depositary shall not vote or attempt to exercise the right to vote that attaches to the deposited Shares other than in accordance with instructions given by Owners and received by the Depositary.

(c) There can be no assurance that Owners generally or any Owner in particular will receive the notice described in paragraph (a) above in time to enable Owners to give instructions to the Depositary prior to the Instruction Cutoff Date.

(d) In order to give Owners a reasonable opportunity to instruct the Depositary as to the exercise of voting rights relating to Shares, if the Company will request the Depositary to Disseminate a notice under paragraph (a) above, the Company shall give the Depositary notice of the meeting, details concerning the matters to be voted upon and copies of materials to be made available to holders of Shares in connection with the meeting not less than [40] days prior to the meeting date.

17. TENDER AND EXCHANGE OFFERS; REDEMPTION, REPLACEMENT OR CANCELLATION OF DEPOSITED SECURITIES.

(a) The Depositary shall not tender any Deposited Securities in response to any voluntary cash tender offer, exchange offer or similar offer made to holders of Deposited Securities (a "Voluntary Offer"), except when instructed in writing to do so by an Owner surrendering American Depositary Shares and subject to any conditions or procedures the Depositary may require.

(b) If the Depositary receives a written notice that Deposited Securities have been redeemed for cash or otherwise purchased for cash in a transaction that is mandatory and binding on the Depositary as a holder of those Deposited Securities (a "Redemption"), the Depositary, at the expense of the Company, shall (i) if required, surrender Deposited Securities that have been redeemed to the issuer of those securities or its agent on the redemption date, (ii) Disseminate a notice to Owners (A) notifying them of that Redemption, (B) calling for surrender of a corresponding number of American Depositary Shares and (C) notifying them that the called American Depositary Shares have been converted into a right only to receive the money received by the Depositary upon that Redemption and those net proceeds shall be the Deposited Securities to which Owners of those converted American Depositary Shares shall be entitled upon surrenders of those American Depositary Shares in accordance with Section 2.5 or 6.2 of the Deposit Agreement and (iii) distribute the money received upon that Redemption as promptly as practicable to the Owners entitled to it upon surrender by them of called American Depositary Shares in accordance with Section 2.5 of that Agreement (and, for the avoidance of doubt, Owners shall not be entitled to receive that money under Section 4.1 of that Agreement). If the Redemption affects less than all the Deposited Securities, the Depositary shall call for surrender a corresponding portion of the outstanding American Depositary Shares and only those American Depositary Shares will automatically be converted into a right to receive the net proceeds of the Redemption. The Depositary shall allocate the American Depositary Shares converted under the preceding sentence among the Owners pro-rata to their respective holdings of American Depositary Shares immediately prior to the Redemption, except that the allocations may be adjusted so that no fraction of a converted American Depositary Share is allocated to any Owner. A Redemption of all or substantially all of the Deposited Securities shall be a Termination Option Event.

(c) If the Depositary is notified of or there occurs any change in nominal value or any subdivision, combination or any other reclassification of the Deposited Securities or any

recapitalization, reorganization, sale of assets substantially as an entirety, merger or consolidation affecting the issuer of the Deposited Securities or to which it is a party that is mandatory and binding on the Depositary as a holder of Deposited Securities and, as a result, securities or other property have been or will be delivered in exchange, conversion, replacement or in lieu of, Deposited Securities (a "Replacement"), the Depositary shall, if required, surrender the old Deposited Securities affected by that Replacement of Shares and hold, as new Deposited Securities under the Deposit Agreement, the new securities or other property delivered to it in that Replacement. However, the Depositary may elect to sell those new Deposited Securities if in the opinion of the Depositary it is not lawful or not practical for it to hold those new Deposited Securities under the Deposit Agreement because those new Deposited Securities may not be distributed to Owners without registration under the Securities Act of 1933 or for any other reason, at public or private sale, at such places and on such terms as it deems proper and proceed as if those new Deposited Securities had been Redeemed under paragraph (b) above. A Replacement shall be a Termination Option Event.

(d) In the case of a Replacement where the new Deposited Securities will continue to be held under the Deposit Agreement, the Depositary may call for the surrender of outstanding Receipts to be exchanged for new Receipts specifically describing the new Deposited Securities and the number of those new Deposited Securities represented by each American Depositary Share. If the number of Shares represented by each American Depositary Share decreases as a result of a Replacement, the Depositary may call for surrender of the American Depositary Shares to be exchanged on a mandatory basis for a lesser number of American Depositary Shares and may sell American Depositary Shares to the extent necessary to avoid distributing fractions of American Depositary Shares in that exchange and distribute the net proceeds of that sale as promptly as practicable to the Owners entitled to them.

(e) If there are no Deposited Securities with respect to American Depositary Shares, including if the Deposited Securities are cancelled, or the Deposited Securities with respect to American Depositary Shares become apparently worthless, the Depositary may call for surrender of those American Depositary Shares or may cancel those American Depositary Shares, upon notice to Owners, and that condition shall be a Termination Option Event.

18. LIABILITY OF THE COMPANY AND DEPOSITARY.

Neither the Depositary nor the Company nor any of their respective directors, employees, agents or affiliates shall incur any liability to any Owner or Holder:

(i) if by reason of (A) any provision of any present or future law or regulation or other act of the government of the United States, any State of the United States or any other state or jurisdiction, or of any governmental or regulatory authority or stock exchange; (B) (in the case of the Depositary only) any provision, present or future, of the articles of association or similar document of the Company, or by reason of any provision of any securities issued or distributed by the Company, or any offering or distribution thereof; or (C) any event or circumstance, whether natural or caused by a person or persons, that is beyond the ability of the Depositary or the Company, as the case may be, to prevent or counteract by reasonable care or effort (including, but not limited to earthquakes, floods, severe storms, fires, explosions, war, terrorism, civil unrest, labor disputes or criminal acts; interruptions or malfunctions of utility services,

Internet or other communications lines or systems; unauthorized access to or attacks on computer systems or websites; or other failures or malfunctions of computer hardware or software or other systems or equipment), the Depositary or the Company is, directly or indirectly, prevented from, forbidden to or delayed in, or could be subject to any civil or criminal penalty on account of doing or performing and therefore does not do or perform, any act or thing that, by the terms of the Deposit Agreement or the Deposited Securities, it is provided shall be done or performed;

(ii) for any exercise of, or failure to exercise, any discretion provided for in the Deposit Agreement (including any determination by the Depositary to take, or not take, any action that the Deposit Agreement provides the Depositary may take);

(iii) for the inability of any Owner or Holder to benefit from any distribution, offering, right or other benefit that is made available to holders of Deposited Securities but is not, under the terms of the Deposit Agreement, made available to Owners or Holders; or

(iv) for any special, consequential or punitive damages for any breach of the terms of the Deposit Agreement.

Where, by the terms of a distribution to which Section 4.1, 4.2 or 4.3 of the Deposit Agreement applies, or an offering to which Section 4.4 of that Agreement applies, or for any other reason, that distribution or offering may not be made available to Owners, and the Depositary may not dispose of that distribution or offering on behalf of Owners and make the net proceeds available to Owners, then the Depositary shall not make that distribution or offering available to Owners, and shall allow any rights, if applicable, to lapse.

Neither the Company nor the Depositary assumes any obligation or shall be subject to any liability under the Deposit Agreement to Owners or Holders, except that they agree to perform their obligations specifically set forth in the Deposit Agreement without negligence or bad faith. The Depositary shall not be a fiduciary or have any fiduciary duty to Owners or Holders. The Depositary shall not be subject to any liability with respect to the validity or worth of the Deposited Securities. Neither the Depositary nor the Company shall be under any obligation to appear in, prosecute or defend any action, suit, or other proceeding in respect of any Deposited Securities or in respect of the American Depositary Shares, on behalf of any Owner or Holder or other person. Neither the Depositary nor the Company shall be liable for any action or non-action by it in reliance upon the advice of or information from legal counsel, accountants, any person presenting Shares for deposit, any Owner or Holder, or any other person believed by it in good faith to be competent to give such advice or information. Each of the Depositary and the Company may rely, and shall be protected in relying upon, any written notice, request, direction or other document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Depositary shall not be liable for any acts or omissions made by a successor depositary whether in connection with a previous act or omission of the Depositary or in connection with a matter arising wholly after the removal or resignation of the Depositary, provided that in connection with the issue out of which such potential liability arises, the Depositary performed its obligations without negligence or bad faith while it acted as Depositary. The Depositary shall not be liable for the acts or omissions of any securities depository, clearing agency or settlement system in connection with or arising out of book-entry settlement of American Depositary Shares or Deposited Securities or otherwise. In the absence

of bad faith on its part, the Depositary shall not be responsible for any failure to carry out any instructions to vote any of the Deposited Securities or for the manner in which any such vote is cast or the effect of any such vote. The Depositary shall have no duty to make any determination or provide any information as to the tax status of the Company or any liability for any tax consequences that may be incurred by Owners or Holders as a result of owning or holding American Depositary Shares. The Depositary shall not be liable for the inability or failure of an Owner or Holder to obtain the benefit of a foreign tax credit, reduced rate of withholding or refund of amounts withheld in respect of tax or any other tax benefit. No disclaimer of liability under the United States federal securities laws is intended by any provision of the Deposit Agreement.

19. RESIGNATION AND REMOVAL OF THE DEPOSITARY; APPOINTMENT OF SUCCESSOR CUSTODIAN.

The Depositary may at any time resign as Depositary under the Deposit Agreement by written notice of its election so to do delivered to the Company, to become effective upon the appointment of a successor depositary and its acceptance of such appointment as provided in the Deposit Agreement. The Depositary may at any time be removed by the Company by 90 days' prior written notice of that removal, to become effective upon the later of (i) the 90th day after delivery of the notice to the Depositary and (ii) the appointment of a successor depositary and its acceptance of its appointment as provided in the Deposit Agreement. The Depositary in its discretion may at any time appoint a substitute or additional custodian or custodians.

20. AMENDMENT.

The form of the Receipts and any provisions of the Deposit Agreement may at any time and from time to time be amended by agreement between the Company and the Depositary without the consent of Owners or Holders in any respect which they may deem necessary or desirable. Any amendment that would impose or increase any fees or charges (other than taxes and other governmental charges, registration fees, cable, telex or facsimile transmission costs, delivery costs or other such expenses), or that would otherwise prejudice any substantial existing right of Owners, shall, however, not become effective as to outstanding American Depositary Shares until the expiration of 30 days after notice of that amendment has been Disseminated to the Owners of outstanding American Depositary Shares. Every Owner and Holder, at the time any amendment so becomes effective, shall be deemed, by continuing to hold American Depositary Shares or any interest therein, to consent and agree to that amendment and to be bound by the Deposit Agreement as amended thereby. Upon the effectiveness of an amendment to the form of Receipt, including a change in the number of Shares represented by each American Depositary Share, the Depositary may call for surrender of Receipts to be replaced with new Receipts in the amended form or call for surrender of American Depositary Shares to effect that change of ratio. In no event shall any amendment impair the right of the Owner to surrender American Depositary Shares and receive delivery of the Deposited Securities represented thereby, except in order to comply with mandatory provisions of applicable law.

21. TERMINATION OF DEPOSIT AGREEMENT.

(a) The Company may initiate termination of the Deposit Agreement by notice to the Depositary. The Depositary may initiate termination of the Deposit Agreement if (i) at any time 60 days shall have expired after the Depositary delivered to the Company a written resignation notice and a successor depositary has not been appointed and accepted its appointment as provided in Section 5.4 of that Agreement, (ii) an Insolvency Event or Delisting Event occurs with respect to the Company or (iii) a Termination Option Event has occurred or will occur. If termination of the Deposit Agreement is initiated, the Depositary shall Disseminate a notice of termination to the Owners of all American Depositary Shares then outstanding setting a date for termination (the "Termination Date"), which shall be at least 90 days after the date of that notice, and the Deposit Agreement shall terminate on that Termination Date.

(b) After the Termination Date, the Company shall be discharged from all obligations under the Deposit Agreement except for its obligations to the Depositary under Sections 5.8 and 5.9 of that Agreement.

(c) At any time after the Termination Date, the Depositary may sell the Deposited Securities then held under the Deposit Agreement and may thereafter hold uninvested the net proceeds of any such sale, together with any other cash then held by it hereunder, unsegregated and without liability for interest, for the pro rata benefit of the Owners of American Depositary Shares that remain outstanding, and those Owners will be general creditors of the Depositary with respect to those net proceeds and that other cash. After making that sale, the Depositary shall be discharged from all obligations under the Deposit Agreement, except (i) to account for the net proceeds and other cash (after deducting, in each case, the fee of the Depositary for the surrender of American Depositary Shares, any expenses for the account of the Owner of such American Depositary Shares in accordance with the terms and conditions of the Deposit Agreement and any applicable taxes or governmental charges) and (ii) for its obligations under Section 5.8 of that Agreement and (iii) to act as provided in paragraph (d) below.

(d) After the Termination Date, the Depositary shall continue to receive dividends and other distributions pertaining to Deposited Securities (that have not been sold), may sell rights and other property as provided in the Deposit Agreement and shall deliver Deposited Securities (or sale proceeds) upon surrender of American Depositary Shares (after payment or upon deduction, in each case, of the fee of the Depositary for the surrender of American Depositary Shares, any expenses for the account of the Owner of those American Depositary Shares in accordance with the terms and conditions of the Deposit Agreement and any applicable taxes or governmental charges). After the Termination Date, the Depositary shall not accept deposits of Shares or deliver American Depositary Shares. After the Termination Date, (i) the Depositary may refuse to accept surrenders of American Depositary Shares for the purpose of withdrawal of Deposited Securities (that have not been sold) or reverse previously accepted surrenders of that kind that have not settled if in its judgment the requested withdrawal would interfere with its efforts to sell the Deposited Securities, (ii) the Depositary will not be required to deliver cash proceeds of the sale of Deposited Securities until all Deposited Securities have been sold and (iii) the Depositary may discontinue the registration of transfers of American Depositary Shares and suspend the distribution of dividends and other distributions on Deposited Securities to the Owners and need not give any further notices or perform any further acts under the Deposit Agreement except as provided in Section 6.2 of that Agreement.

22. DTC DIRECT REGISTRATION SYSTEM AND PROFILE MODIFICATION SYSTEM.

(a) Notwithstanding the provisions of Section 2.4 of the Deposit Agreement, the parties acknowledge that DTC's Direct Registration System ("DRS") and Profile Modification System ("Profile") apply to the American Depositary Shares upon acceptance thereof to DRS by DTC. DRS is the system administered by DTC that facilitates interchange between registered holding of uncertificated securities and holding of security entitlements in those securities through DTC and a DTC participant. Profile is a required feature of DRS that allows a DTC participant, claiming to act on behalf of an Owner of American Depositary Shares, to direct the Depositary to register a transfer of those American Depositary Shares to DTC or its nominee and to deliver those American Depositary Shares to the DTC account of that DTC participant without receipt by the Depositary of prior authorization from the Owner to register that transfer.

(b) In connection with DRS/Profile, the parties acknowledge that the Depositary will not determine whether the DTC participant that is claiming to be acting on behalf of an Owner in requesting registration of transfer and delivery described in paragraph (a) above has the actual authority to act on behalf of that Owner (notwithstanding any requirements under the Uniform Commercial Code). For the avoidance of doubt, the provisions of Sections 5.3 and 5.8 of the Deposit Agreement apply to the matters arising from the use of the DRS/Profile. The parties agree that the Depositary's reliance on and compliance with instructions received by the Depositary through the DRS/Profile system and otherwise in accordance with the Deposit Agreement, shall not constitute negligence or bad faith on the part of the Depositary.

23. APPOINTMENT OF AGENT FOR SERVICE OF PROCESS; SUBMISSION TO JURISDICTION; JURY TRIAL WAIVER; WAIVER OF IMMUNITIES.

The Company has (i) appointed , located in the State of New York, as the Company's authorized agent upon which process may be served in any suit or proceeding arising out of or relating to the Shares or Deposited Securities, the American Depositary Shares, the Receipts or this Agreement, (ii) consented and submitted to the jurisdiction of any state or federal court in the State of New York in which any such suit or proceeding may be instituted, and (iii) agreed that service of process upon said authorized agent shall be deemed in every respect effective service of process upon the Company in any such suit or proceeding.

EACH PARTY TO THE DEPOSIT AGREEMENT (INCLUDING, FOR AVOIDANCE OF DOUBT, EACH OWNER AND HOLDER) THEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY SUIT, ACTION OR PROCEEDING AGAINST THE COMPANY AND/OR THE DEPOSITARY DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THE SHARES OR OTHER DEPOSITED SECURITIES, THE AMERICAN DEPOSITARY SHARES OR THE RECEIPTS, THE DEPOSIT AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREIN OR THEREIN, OR THE BREACH HEREOF OR THEREOF, INCLUDING, WITHOUT LIMITATION, ANY QUESTION REGARDING EXISTENCE, VALIDITY OR TERMINATION (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

To the extent that the Company or any of its properties, assets or revenues may have or hereafter become entitled to, or have attributed to it, any right of immunity, on the grounds of sovereignty or otherwise, from any legal action, suit or proceeding, from the giving of any relief in any respect thereof, from setoff or counterclaim, from the jurisdiction of any court, from service of process, from attachment upon or prior to judgment, from attachment in aid of execution or judgment, or other legal process or proceeding for the giving of any relief or for the enforcement of any judgment, in any jurisdiction in which proceedings may at any time be commenced, with respect to its obligations, liabilities or any other matter under or arising out of or in connection with the Shares or Deposited Securities, the American Depositary Shares, the Receipts or the Deposit Agreement, the Company, to the fullest extent permitted by law, hereby irrevocably and unconditionally waives, and agrees not to plead or claim, any such immunity and consents to such relief and enforcement.

Exhibit 5.1

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21 September 2020

VIA optronics AG
Sieboldstrasse 18
90411 Nuremberg
Germany

Re: VIA optronics AG

Ladies and Gentlemen,

1. We are acting as special German counsel to VIA optronics AG (the "Company"), a German stock corporation *(Aktiengesellschaft)* organized under the laws of Germany, as to matters of German law in connection with the proposed offering of American Depositary Shares evidenced by American Depositary Receipts (the "ADSs"), each representing a certain percentage of ownership interest of an ordinary registered share of the Company with a notional value of €1.00 per share, the underlying shares consisting of

(a) new ordinary shares created through a capital increase (the "Capital Increase") to be resolved by the shareholders of the Company on or around 24 September 2020 and to be registered with the commercial register of the local court *(Amtsgericht)* of Nuremberg, Germany, on or around 28 September 2020 (the "New Shares"); and

(b) existing ordinary shares from the holdings of Mr. Jürgen Eichner and Coöperatief IMI Europe U.A. to cover over-allotments, if any (the "Option Shares"),

as set out in the Underwriting Agreement to be concluded by and among the Company, the selling shareholders party thereto and Berenberg Capital Markets LLC, for itself and as representative of the several underwriters named in the Underwriting Agreement (the "Underwriting Agreement").

In our capacity as such counsel, we are familiar with (i) the proceedings relating to the establishment of the Company as a German stock corporation organized under the laws of Germany, and (ii) the German law related proceedings taken and proposed to be taken by the Company in connection with the issuance of the New Shares.

2. This opinion is being furnished in connection with the registration statement (as amended through the date hereof, the "Registration Statement") on Form F-1 filed by the Company with the Securities and Exchange Commission on 21 September, 2020 pursuant to the Securities Act of 1933, as amended (the "Securities Act"), and the rules and regulations promulgated thereunder (the "Rules").

3. In arriving at the opinions expressed below, we have examined originals or copies, certified or otherwise identified to our satisfaction, of:

(a) the Registration Statement;

(b) a copy of the articles of association *(Satzung)* of the Company as in effect as of the date hereof;

(c) a copy of an electronic excerpt from the commercial register *(Handelsregister)* of the local court *(Amtsgericht)* in Nuremberg, Germany, relating to the Company dated 20 September 2020;

(d) the draft, in substantially final form, of the resolutions of the Company's shareholders to be adopted during the Company's shareholders' meeting on or around 24 September, 2020 resolving on the Capital Increase;

(e) the draft, in substantially final form, of the subscription certificate (*Zeichnungsschein*) relating to the New Shares;

(f) the draft, in substantially final form, of the global share certificate (*Globalurkunde*) evidencing the New Shares;

(g) the draft, in substantially final form, of the application (the "Application") for the registration of the Capital Increase with the commercial register *(Handelsregister)* of the local court *(Amtsgericht)* of Nuremberg, Germany, (the "Commercial Register"), to be executed by the Company and by the chairman of the supervisory board *(Aufsichtsratsvorsitzender)* on or around 25 September, 2020; and

(h) such other documents and corporate records of the Company and such other instruments and certificates of the representatives of the Company and such other persons as we deemed appropriate as a basis for the opinions expressed below.

4. In rendering the opinions expressed below, we have relied, without independent verification, upon the following assumptions:

(a) The authenticity of all documents submitted to us as originals;

(b) The Capital Increase been duly registered with the commercial register *(Handelsregister)* of the local court *(Amtsgericht)* of Nuremberg, Germany;

(c) The conformity with their respective original documents of all documents submitted to us as copies, and the authenticity of the originals of such copied documents;

(d) The genuineness of all signatures (other than on behalf of the Company) on all documents submitted to us;

(e) That any natural person signing any agreement, instrument or other document was legally competent and equipped with the required authorization to sign such agreement, instrument or other document at the time of execution;

(f) That all authorizations, other than those authorizing the Company, with respect to which we have received copies of the resolutions, have been or will be validly issued and none of these authorizations has been revoked;

(g) All documents submitted to us and made as of a specific date, have not been amended, cancelled, or otherwise been altered since that date and until the date hereof;

(h) That all documents submitted to us in purported final draft form have been, or will be, executed in the form submitted; and

(i) The accuracy as to factual matters of each document we have reviewed.

5. On the basis of and in reliance upon the foregoing, and subject to the further assumptions and qualifications set forth below, it is our opinion that:

a. The Company is a German stock corporation *(Aktiengesellschaft)* duly registered with the commercial register *(Handelsregister)* of the local court *(Amtsgericht)* of Nuremberg, Federal Republic of Germany, and validly existing under the laws of the Federal Republic of Germany.

b. Upon due authorization of the issuance of the New Shares by all requisite corporate action on the part of the Company under German corporate law, subscription of and payment for the New Shares and upon registration of the implementation of the Capital Increase in the Commercial Register and due issuance, execution and delivery of the share certificate representing the New Shares, each as contemplated in the Registration Statement, the New Shares and the Option Shares will be validly issued, fully paid and non-assessable (*nicht nachschusspflichtig*).

6. This opinion is subject to the following:

Pursuant to Sections 57 *et seq.* and 71a of the German Stock Corporation Act (*Aktiengesetz* "AktG"), except for dividends or unless explicitly permitted under the AktG, no payments, other

distributions, financing arrangements, financial support, or other services of any kind may be made, directly or indirectly, by a stock corporation (*Aktiengesellschaft*) to current or future shareholders in their capacity as such.

The foregoing opinion is limited to the laws of Germany as in effect as of the date of this opinion and we express no opinion as to the laws of any other jurisdiction.

We have not verified, do not opine upon, and do not assume any responsibility for the accuracy, completeness, or reasonableness of any statement contained in any offering material relating to the New Shares, the Options Shares or the Company.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and to the references to our office under the caption "Legal Matters" in the Registration Statement. In giving this consent, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the Rules.

Best regards,

/s/ Dechert LLP

Federico G. Pappalardo
Rechtsanwalt
Partner

Exhibit 8.1

Dechert LLP

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September 21, 2020

VIA optronics AG
Sieboldstrasse 18
90411 Nuremberg, Germany

Re: VIA optronics AG Registration Statement on Form F-1

Ladies and Gentlemen:

We are acting as U.S. counsel for VIA optronics AG, a German stock corporation organized under the laws of the Federal Republic of Germany (the "Company"), with respect to certain legal matters in connection with the registration statement on Form F-1 (Registration No. 333- 333-248599) (as filed and amended, the "Registration Statement") originally filed by the Company on September 4, 2020 with the Securities and Exchange Commission (the "Commission") registering American Depositary Shares evidenced by American depositary receipts representing ordinary shares (including additional ordinary shares to cover over-allotments) of the Company, €1.00 notional value per share, under the Securities Act of 1933, as amended (the "Act"). You have requested our opinion concerning the statements in the Registration Statement under the caption "Taxation - U.S. Taxation."

This opinion is based on various facts and assumptions, and is conditioned upon certain representations made by the Company as to factual matters. In addition, this opinion is based upon the factual representations of the Company concerning its business, properties and governing documents as set forth in the Registration Statement.

In providing this opinion, we have made such legal and factual examinations and inquiries, including an examination of originals or copies certified or otherwise identified to our satisfaction of such documents, corporate records and other instruments, as we have deemed necessary or appropriate for purposes of this opinion. In our examination, we have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures thereon, the legal capacity of natural persons executing such

documents and the conformity to authentic original documents of all documents submitted to us as copies. For the purpose of our opinion, we have not made an independent investigation or audit of the facts set forth in the above-referenced documents. In addition, in rendering this opinion we have assumed the truth and accuracy of all representations and statements made to us which are qualified as to knowledge or belief, without regard to such qualification.

We are opining herein as to the effect on the subject transaction only of the federal income tax laws of the United States and we express no opinion with respect to the applicability thereto, or the effect thereon, of other federal laws, the laws of any state or any other jurisdiction or as to any matters of municipal law or the laws of any other local agencies within any state.

Based on such facts, assumptions and representations and subject to the limitations set forth herein and in the Registration Statement, we hereby confirm that all statements of legal conclusions set forth under the caption "Taxation - U.S. Taxation" in the Registration Statement constitute the opinion of Dechert LLP with respect to the matters contained therein as of the effective date of the Registration Statement, and are conditioned upon the assumptions, qualifications and limitations set forth therein. No opinion is expressed as to any matter not discussed herein.

This opinion is rendered to you as of the effective date of the Registration Statement, and we undertake no obligation to update this opinion subsequent to the date hereof. This opinion is based on various statutory provisions, regulations promulgated thereunder and interpretations thereof by the Internal Revenue Service and the courts having jurisdiction over such matters, all of which are subject to change either prospectively or retroactively. Also, any variation or difference in the facts from those set forth in the representations described above, including in the Registration Statement, may affect the conclusions stated herein.

This opinion is furnished to you, and is for your use in connection with the transactions set forth in the Registration Statement. This opinion may not be relied upon by you for any other purpose, or furnished to, assigned to, quoted to or relied upon by any other person, firm or other entity, for any purpose, without our prior written consent, except that this opinion may be relied upon by persons entitled to rely on it pursuant to applicable provisions of federal securities law.

Dechert LLP

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of our name under the caption “Legal Matters” in the Registration Statement. In giving such consent, we do not admit that we are within the category of persons whose consent is required under Section 7 of the Act, or the rules or regulations of the Commission promulgated thereunder.

Very truly yours,

/s/ Dechert LLP

Exhibit 8.2

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21 September, 2020

VIA optronics AG
Sieboldstrasse 18
90411 Nuremberg
Germany

Re: VIA optronics AG

Ladies and Gentlemen,

1. We have acted as special German tax counsel to VIA optronics AG, a German stock corporation organized under the laws of the Federal Republic of Germany (the "Company"), in connection with the registration statement on Form F-1, including the prospectus contained therein (together, as amended through the date hereof, the "Registration Statement"), originally filed by the Company with the U.S. Securities and Exchange Commission (the "Commission") under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and the rules and regulations promulgated thereunder (the "Rules") on 4 September, 2020, in connection with the issuance and sale by the Company of American Depositary Shares evidenced by American depositary receipts (the "ADSs"), which represent ordinary shares of the Company with a notional value of €1.00 per Ordinary Share (the "Ordinary Shares" and together with the ADSs, the "Offered Securities").

2. In arriving at the opinion expressed below under Section 5, we have examined and relied upon the following documents:

   (a) The Registration Statement;

   (b) the form of underwriting agreement to be entered into in connection with the issuance and sale by the Company of the Offered Securities to the several underwriters (the "Underwriters") by and among the Company, the selling shareholders party thereto and Berenberg Capital Markets LLC, for itself and as representative of the several underwriters named therein (the "Underwriting Agreement"), filed as Exhibit 1.1 to the Registration Statement;

   (c) the form of deposit agreement (the "Deposit Agreement"), to be entered into by the Company and The Bank of New York Mellon, as Depositary, filed as Exhibit 4.2 to the Registration Statement (the Underwriting Agreement and the Deposit Agreement, collectively, the "Documents"); and

   (d) any other documents referred to in the Registration Statement that in our judgment are necessary or appropriate to enable us to render the opinion expressed below.

We have made such investigations of law as we have deemed appropriate as a basis for the opinion expressed below under 5.

3. In arriving at the opinion expressed below under Section 5, we have, without independent investigation, assumed the following:

   (a) that the respective parties to all Documents and all persons having obligations there under will act in all respects at all relevant times in conformity with the requirements and provisions of the Documents; and

   (b) no person will conduct any activities on behalf of the Company other than as contemplated by the Documents.

4. In relation to the opinion expressed below under Section 5, the following qualifications apply:

   (a) The opinion is based on German tax law (including generally published (i) decisions by German tax courts and (ii) interpretation circulars issued by German tax authorities) as in effect on the date hereof.

   (b) The opinion may be affected by amendments to the tax law or to the regulations thereunder or by subsequent judicial or administrative interpretations thereof, which might be enacted or applied with retroactive effect. We express no opinion herein other than as to the tax law of the Federal Republic of Germany as in effect on the date hereof.

5. Based upon the foregoing, and subject to the assumptions, qualifications and limitations stated herein and in the Registration Statement, the discussions set forth under the heading "Taxation" in the subsections "German Taxation," "German Inheritance and Gift Tax (*Erbschaft- und Schenkungsteuer*)" and "Other German Taxes," to the extent that they contain statements of law or legal conclusions, represent our opinion with respect to and limited to the matters referred to therein.

We hereby consent to the filing of this opinion with the Commission as an exhibit to the Registration Statement and further consent to the use of our opinion under the heading "Taxation" in the Registration Statement. We also consent to the references to our firm under the headings "Taxation" and "Legal Matters" in the Registration Statement.

In giving these consents, we do not admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the Rules.

6. This opinion is addressed to and solely for the benefit of the Company and is not intended to create third party rights pursuant to Section 328 of the German Civil Code (*Bürgerliches Gesetzbuch*) (*Vertrag zu Gunsten Dritter* or *Vertrag mit Schutzwirkung zu Gunsten Dritter*)

and, except with our prior written consent, is not to be transmitted or disclosed to or used or relied upon by any other person, provided, however, that it may be relied upon by persons entitled to rely on it pursuant to applicable provisions of U.S. federal securities law.

7. This opinion is to be governed by and construed in accordance with German law as of the date hereof and the competent courts of Munich, Germany, shall have exclusive jurisdiction in connection with any disputes arising hereunder or in relation hereto.

Best regards,
/s/ Dechert LLP

Federico Pappalardo
Rechtsanwalt
Partner

Exhibit 10.1

STRICTLY CONFIDENTIAL

VIA OPTRONICS AG

SHAREHOLDERS' AGREEMENT

January 23, 2019

SHAREHOLDERS' AGREEMENT

between

1. **VIA optronics AG**

   Sieboldstraße 18, 90411 Nürnberg, Germany, formed by means of notarial deed of incorporation (notarial deed no. 23/2019), dated January 4,2019,

   - "**Company**" -

2. **Mr. Jürgen Eichner**

   Lettenfeldstr. 15, 90952 Schwarzenbruck Germany,

   - "**Mr. Eichner**" -

3. **Coöperatief IMI Europe U.A.**

   Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands,

   - "**IMI**" -

- the parties 2. and 3. each a "**Shareholder**" and jointly the "**Shareholders**" -

- the parties 1. through 3. each a "**Party**" and jointly the "**Parties**" -

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I. RECITALS

(A) The Company is a German stock corporation (*Aktiengesellschaft*) newly established with notarial deed of the notary public Dr. Thomas Wachter with offices in Munich (notarial deed no. 23/2019), dated January 4,2019, with registered seat in Nuremberg, Germany.

(B) The Company's registered nominal share capital (*Grundkapital*) currently amounts to EUR 100,000 (in words: Euro one hundred thousand) and is divided into 100,000 registered shares (*Namensaktien*) with no par value each and is currently held by the Shareholders as follows.

Shareholders	No. of Shares	Nominal Amount of each Share (in EUR)	Aggregate amount (in EUR)	Shareholding in %
Jürgen Eichner	24,000	1.00	24,000	24
Coöperatief IMI Europe U.A.	76,000	1.00	76,000	76
Total	100,000	1.00	100,000	100

(C) On August 16, 2016 Mr. Eichner and IMI entered into a share sale and purchase agreement (notarial deed D2448/2016 of the notary public Dr. Christoph Döbereiner, Munich) ("**SPA**") pursuant to which IMI acquired from Mr. Eichner and WHEB Ventures Private Equity Fund 2 LP in aggregate 76% of the registered share capital of VIA optronics GmbH, registered with the commercial register at the local court in Nuremberg under HRB 22650 ("**VIA GmbH**").

(D) VIA GmbH is active in the field of manufacturing and distributing optical bonding display solutions, in particular components and system solutions for optelectronics and display technology, as well as the provision of services in such areas. VIA GmbH holds the entire issued share capital of VIA optronics Suzhou Co. LTD (China) ("**VIA Ltd**") and VIA optronics LLC (USA) ("**VIA LCC**") (VIA Ltd and VIA LLC individually a "**Subsidiary**" and jointly the "**Subsidiaries**"). In addition, VIA GmbH holds a 65% ownership interest in VTS Touchsensor Co. Ltd. (Japan) ("**VTS**") which operates a

business that develops, manufactures and markets copper touch panel sensors used in touch panel modules and copper PET film used is touch panel sensors (VTS together with the Company, VIA GmbH and the Subsidiaries hereinafter the "**Group**").

(E) It is the common goal of the Shareholders that an initial public offering (an "**Initial Public Offering**" or "**IPO**") is the preferred option to realize the value of the Group, and subject to prevailing market conditions and after consultation of the Shareholders, the Company's board of directors shall be entitled to initiate an IPO process. In view of the contemplated IPO Mr. Eichner and IMI have both contributed their respective shares in VIA optronics GmbH into the Company in return for shares whereby the shareholding ratio has remained the same, i.e. Mr. Eichner holds 26% and IMI holds 74% of the registered share capital of the Company. The Company thereby has become the sole shareholder of VIA optronics GmbH.

(F) IMI and Mr. Eichner intend to govern their relationship amongst each other as shareholders of the Company by the provisions of this shareholders' agreement ("**Agreement**").

II. DEFINITIONS

1. Definitions

1.1 Capitalized terms used in this Agreement shall have the meaning set forth in this Agreement, as referred in the Index of Defined Terms section on page 3.

1.2 The headings are inserted for convenience only and shall not affect the interpretation of this Agreement.

1.3 Unless stated otherwise, all references to "Section" refer to the corresponding Section of this Agreement. Unless otherwise required by the context, words such as "herein", "hereunder" or the like refer to this Agreement in its entirety and not to a specific provision of this Agreement.

1.4 All words used in this Agreement shall be construed to be of such gender or number as the circumstances require.

1.5 The word "including" shall mean "including, without limitation," the word "in particular" shall mean "in particular, without limitation," none of which shall limit the preceding words or terms. The expressions "without undue delay" and "prompt" or "promptly" shall mean "unverzüglich" as defined in Section 121 German Civil Code (*Bürgerliches Gesetzbuch* — "**BGB**").

1.6 Any reference to a Party includes a reference to that Party's successors in title and permitted assignees.

1.7 A "person" includes a reference to any individual, legal entity, government, public authority, works council, employee representative body or other body (whether or not having separate legal personality).

1.8 A "**Business Day**" shall be a day on which the banks in Nuremberg, Germany, are open to transact normal commercial business.

III. GENERAL

2. General

2.1 The Shareholders shall exercise their rights as shareholders of the Company in accordance with the provisions of this Agreement and in accordance with the Company's articles of association ("**Articles of Association**"). In the event of a conflict between the provisions of this Agreement and the Articles of Association, to the extent legally permissible, the provisions of this Agreement shall prevail between the Parties and shall operate as voting agreement (*Stimmbindungsvereinbarung*).

2.2 Until the Articles of Association are registered with the commercial register, the Shareholders agree to treat themselves as if the Articles of Association were registered and effective.

IV. MANAGEMENT BOARD, SUPERVISORY BOARD, GENERAL MEETING

3. Management Board

3.1 The management board (*Vorstand*) of the Company ("**Management Board**") shall have responsibility for the management of the Company's business, save in respect of those matters which are specifically reserved to the Supervisory Board or the General Meeting either in this Agreement, by the Articles of Association, by the rules of procedure for the Management Board *(Geschäftsordnung für den Vorstand*) or by mandatory applicable law.

3.2 The Company shall initially have two (2) members of the Management Board. Members of the Management Board are appointed and removed by the Supervisory Board. The Supervisory Board shall further be entitled to increase or decrease the number of members of the Management Board and to determine the powers of representation of each of them and may, in particular, resolve that certain members of the Management Board may represent the Company only together with certain other members of the Management Board. Subject to the foregoing, all members of the Management Board shall have joint power of representation in accordance with the statutory provision.

3.3 The members of the Management Board shall be provided with new service contracts to reflect their increased responsibilities in relation to, and the new structure of, the VIA optronics group.

3.4 The Supervisory Board shall be also responsible for the conclusion, amendment and termination of service agreements with members of the Management Board.

3.5 The Supervisory Board shall be entitled to adopt, amend and cancel rules of procedure for the Management Board which shall provide for certain transactions and measures which shall require the prior approval of the Supervisory Board or the General Meeting.

3.6 Each year, the Management Board shall submit to the Supervisory Board in accordance with its instructions as to timing and scope an annual budget of the Company for its approval. Once approved, the Management Board shall work towards implementing the annual budget as approved and shall regularly report on the progress against such annual budget to the Supervisory Board; the Management Board shall forthwith inform the Supervisory Board if and when it becomes apparent that the approved budget cannot be implemented.

4. Supervisory Board

4.1 The Company's supervisory board (*Aufsichtsrat*) ("**Supervisory Board**") shall consist of three (3) members.

4.2 The members of the Supervisory Board shall be elected by the General Meeting, whereby IMI shall have the right to nominate two (2) persons and Mr. Eichner shall have the right to nominate one (1) person (including himself, provided he is not member of the board of directors at the relevant time) who shall be elected by the General Meeting as members of the Supervisory Board. Each Shareholder hereby undertakes to exercise its voting rights in a way to appoint the person(s) nominated as member(s) of the Supervisory Board by the other Party and, if so requested in writing by the other Party, to remove a member of the Supervisory Board which was appointed upon nomination by the other Party.

4.3 Furthermore, each Party has the right to nominate a substitute member for each member for the Supervisory Board nominated by it (to be elected by the General Meeting). Substitute members shall replace the retiring member for the duration of the remaining mandate but latest until the end of the General Meeting at which a new member is appointed in accordance with Section 4.2.

4.4 The Supervisory Board may adopt rules of procedures for the Supervisory Board (*Geschäftsordnung für den Aufsichtsrat*). Unless otherwise stipulated in the rules of procedure for the Supervisory Board:

4.4.1 Resolutions of the Supervisory Board are to be adopted with simple majority.

4.4.2 Members of the Supervisory Board who are absent at a meeting may participate in a resolution by submitting a written vote to the Supervisory Board via other members of the Supervisory Board or a third party which the absent Supervisory Board member has authorized by written declaration to participate in the relevant meeting of the Supervisory Board. Supervisory Board members may also in writing (email is deemed to be sufficient) authorize other Supervisory Board members to vote on their behalf.

5. General Meeting

5.1 The Company's general meeting (*Hauptversammlung*) ("**General Meeting**") shall in particular be responsible for and entitled to pass resolutions on the following matters concerning the Company:

5.1.1 any changes to the Articles of Association;

5.1.2 the reduction or increase of the issued and outstanding nominal share capital (*Grundkapital*) of the Company or the creation of any options or other rights to subscribe for or to convert into shares in the Company;

5.1.3 the initiation, implementation or completion of a liquidation, winding up or dissolution of the Company;

5.1.4 the distribution of any profits of the Company;

5.1.5 the appointment, removal and discharge of the members of the Supervisory Board; and

5.1.6 the appointment of the auditors for the Company.

5.2 The Shareholders' Meeting shall be convened in accordance with the Articles of Association and applicable statutory law.

5.3 For the period until December 31, 2019, IMI agrees that it will not seek to increase the issued and outstanding nominal share capital in a manner which results in Mr. Eichner's percentage shareholding in the Company to be reduced below 10% of the issued and outstanding nominal share capital of the Company, unless such capital increase is required to issue new shares of the Company that will be subscribed by, or sold to, one or more underwriters with a view to make a public offering of the Company's shares or any surrogates thereof in the context of an IPO.

5.4 Voting rights may be exercised by agents on the basis of a power of attorney that can be provided by fax or electronically.

V. FINANCING

6. Financing

6.1 No Shareholder shall be obliged to provide guarantees or security for any indebtedness of the Company, unless otherwise agreed by such Shareholder in writing.

6.2 Except as agreed otherwise, no Shareholder shall be obliged to provide any capital to the Company by way of subscription for Shares, by way of shareholder loans or otherwise.

VI. RISK MANAGEMENT, REPORTING

7. Risk Management

The Management Board shall procure that the Company and each subsidiary, existing or as may be established from time to time (jointly with the Company the "**Group**") will establish, maintain and duly administer an internal control system comprising policies, processes and such other features as are necessary or advisable to help ensure:

(i) the Group's effective and efficient operation by enabling it to manage significant business, operational, financial, compliance and other risks to achieving the Group's objectives;

(ii) the quality of the Group's internal and external reporting; and

(iii) compliance by the Group with any applicable laws and regulations binding on it.

8. Reporting

8.1 If and to the extent reasonably practical, the Management Board shall procure that the Company forwards at its cost to each Shareholder — with a copy to all Shareholders — all financial and business information reasonably available to it, which a Shareholder reasonably requires in order to fulfil its internal and external reporting requirements. In particular, the Company shall put in place systems and processes that will permit it to forward to IMI financial and business information as required by IMI's parent companies (to report its results in accordance with IFRS) on a monthly basis at the latest within five (5) Business Days after the last day of the month or at such other intervals or dates communicated by IMI to the Company and shall, until such processes have been set up, provide such information as reasonably available to it.

8.2 The Company shall provide to each member of the Supervisory Board all financial and business information and grant to each member of the Supervisory Board (or any third party authorized by the Supervisory Board for this purpose) access to the premises, employees and business records as the Supervisory Board reasonably requires or requests.

8.3 Within the first three (3) months of the fiscal year, the Management Board shall prepare the annual accounts and the management report for the past financial year, including the consolidated accounts, and shall submit them to the Supervisory Board without undue delay, together with a proposal for the appropriation of the balance sheet profits. The Supervisory Board shall examine the annual accounts, the management report and the proposal for the appropriation of the balance sheet profits, with the involvement of the Company's auditors.

8.4 The consolidated annual accounts of the Company must be audited by a certified auditor, to be appointed by the Supervisory Board.

VII. INTELLECTUAL PROPERTY RIGHTS

9. Intellectual Property Rights

Any intellectual property rights (including, without limitation, patents, trademarks, service marks, registered designs, copyrights, database rights, rights in designs, inventions and confidential information) which arise in the course of the Company's activities shall belong to the Company.

VIII. DEALING IN SHARES, CALL OPTION, EXIT PUT OPTION, 5% PUT OPTION

10. Dealing in Shares

10.1 No Shareholder shall do, or agree to do, any of the following during the continuance of this Agreement other than in accordance with this Agreement, or with the prior written consent of the Company:

10.1.1 transfer or dispose of any Share or any interest in any Share, whereby "transfer" includes any restructuring measures according to the German Transformation Act (Umwandlungsgesetz) and any other actions with result in a change of the direct or indirect ownership of the Shares;

10.1.2 pledge, mortgage, charge or otherwise encumber any Share or any interest in any Share;

10.1.3 grant an option over any Share or any interest in any Share; or

10.1.4 enter into any agreement in respect of the votes attached to any Share.

10.2 IMI shall be entitled to sell and transfer some or all of its Shares held by it to any of its affiliates in which case such Affiliate shall become a party to this Agreement and shall either replace IMI (if IMI sells and transfers all of its Shares to such affiliate) or act jointly with IMI in exercising its rights or fulfilling its obligations hereunder.

11. Call Option

11.1 After an initial standstill period until January 30, 2020, IMI shall have the right ("**Call Option**") to require that all Shares held by Mr. Eichner (or his successor in interest) in the Company at such time (hereinafter the "**Option Shares**") are sold and transferred to IMI if and when the service agreement between the Company or VIA optronics GmbH and Mr. Eichner (as amended from time to time) terminates (by termination for cause, by expiration or otherwise) ("**Triggering Event**").

11.2 If Mr. Eichner ceases to be a managing director of VIA optronics GmbH or a member of the Management Board of the Company and becomes a member of the Company's Supervisory Board instead, the Parties — prior to Mr. Eichner ceasing to be a managing director of VIA optronics GmbH or a member of the Management Board — shall jointly consider whether to extend the Call Option and the Exit Put Option. The Call Option and the Exit Put Option shall, however, have the same term (i.e. if the term for the Call Option is extended this is automatically deemed an equivalent extension of the term of the Exit Put Option).

11.3 The Call Option shall be exercised by way of written notice to Mr. Eichner (or if applicable his successor in interest) ("**Call Exercise Notice**"). Such Call Exercise Notice must be received within a period of six (6) months (i) after the Triggering Event occurred or (ii) January 30, 2020, whichever is later. If the Call Exercise Notice has not been received within this period, it lapses.

11.4 Notwithstanding the forgoing, IMI shall be entitled (but not required) to exercise the Call Option prior to January 30, 2020 if the service agreement between the Company and Mr. Eichner or between VIA optronics GmbH and Mr. Eichner has been terminated for good cause. In this case, the period during which IMI shall be entitled to exercise the Call Option shall be the time period between the termination for good cause becoming effective and June 30, 2020.

11.5 Upon timely receipt of the Call Exercise Notice, the Parties shall in good faith discuss and mutually agree the fair value of the Company as a whole and based on the ownership percentage which the Option Shares reflect in the total capital of the Company, the resulting fair value of the Option Shares. The fair value as so agreed shall be the "**Option Price**".

11.6 If the Parties fail to reach such mutual agreement on the Option Price (or a process how to determine the Option Price) within six (6) weeks after the Call Exercise Notice

has been received, either of the parties shall be entitled to apply to the Institute of Chartered Accountants in Germany (*Institut der Wirtschaftsprüfer in Deutschland e. V.*) to appoint an auditor to act as an expert (*Schiedsgutachter*) to determine the fair market value of the Company. The auditor so appointed ("**Expert**") shall determine such fair market value of the Company and the resulting fair value of the Option Shares (representing to ownership percentage which the Option Shares reflect in the total capital of the Company) acting as an expert arbitrator within the meaning of Section 317 BGB. The Parties shall take all such steps as are reasonably required by the Expert so that the Expert accepts its appointment as contemplated hereunder and shall, in particular, agree to the terms of reference and agree to pay the compensation for the Expert's engagement, as reasonably requested by the Expert. Each of the parties shall co-operate and procure that the Company co-operates with the Expert by providing the Expert with such information about the Group's business as the Expert reasonably requests. The Expert shall grant to each of the parties the opportunity to state their respective views as to the proper valuation of the Company. In determining the fair value of the Company the Expert shall apply the valuation method which such Expert deems appropriate to assess the price a willing buyer would be prepared to pay for the acquisition of the Company. The fair value of the Option Shares as so determined by the Expert shall then be the Option Price. The Expert shall also decide on the distribution of costs of its engagement applying the principles of Section 90, 91 German Civil Process Code (*Zivilprozessordnung — ZPO*) taking into account the respective positions the parties have taken in respect of the valuation of the Company.

11.7 Upon the determination of the Option Price in accordance with Sections 11.5 or 11.6 above the Parties shall document the sale and transfer of the Option Shares by executing the agreement as attached as Exhibit 11.7 (as appropriately completed). The Parties remain free to amend Exhibit 11.7 as mutually agreed and, if so agreed, they may in particular provide for payment of the Option Price in shares of IMI's parent company.

11.8 IMI welcomes and acknowledges the request of Mr. Eichner to potentially convert the Option Shares into shares in IMI's ultimate parent company, Ayala Corporation. For practical and legal reasons, such conversion is very unlikely to be possible by way of a direct exchange of shares but can instead likely be achieved by Mr. Eichner using the proceeds of the sale of the Option Shares to acquire shares in Ayala Corporation in the open market. IMI will provide Mr. Eichner with such assistance as IMI is reasonably able to provide in the context of such transaction, it being understood that its ability to do so is limited.

11.9 If the existing service agreement of Mr. Eichner with the Company or with Via optronics GmbH is not extended beyond January 1, 2020 and if such non-extension was caused by the Company failing to make an offer to Mr. Eichner for an extension

of the contract which provided for a compensation package which was not materially worse than the compensation package Mr. Eichner was entitled to at the time the service agreement expired, Mr. Eichner shall be entitled to extend the standstill period for the exercise of the Call Option and the Exit Put Option from January 30, 2020 to December 31, 2022. Such extension shall require a written notice by Mr. Eichner, such written notice (i) to unequivocally exercising his rights under this Section 11.9 and (ii) to be issued within four (4) weeks after the earlier of (x) the Supervisory Board notifying Mr. Eichner in writing that his service agreement will not be extended and advising him of his rights under this Section 11.9 and (y) January 1, 2020. Should Mr. Eichner exercise this right, the references in Sections 11.1, 11.3, 11.4 and 12.1, 12.2 and 12.3 to January 30, 2020, are replaced by reference to December 31, 2022. Otherwise the provisions under Sections 11 and 12 remain unaffected.

12. Exit Put Option

12.1 After an initial standstill period until January 30, 2020, Mr. Eichner shall have the right to require IMI (or if applicable its successor in interest) to purchase and acquire from Mr. Eichner ("**Exit Put Option**") all Option Shares if (i) a Triggering Event has occurred or (ii) the share capital of the Company has increased with the result that Mr. Eichner's percentage ownership in the Company has been reduced below 10% of the issued and outstanding nominal share capital *(Grundkapital)* of the Company (together the "**Exit Triggering Events**").

12.2 The Exit Put Option shall be exercised by way of written notice to IMI (or if applicable its successor in interest) ("**Exit Put Exercise Notice**"). Such Put Exercise Notice must be received within a period of six (6) months (i) after the Exit Triggering Event occurred or (ii) January 30, 2020, whichever is later. If the Exit Put Exercise Notice has not been received within this period, it lapses.

12.3 Notwithstanding the forgoing, Mr. Eichner shall be entitled (but not required) to exercise the Put Option prior to January 30, 2020 if he has terminated the service agreement between him and the Company or between him and VIA optronics GmbH for good cause. In this case, the period during which he shall be entitled to exercise the Put Option shall be the time period between the termination for cause becoming effective and June 30, 2020.

12.4 Upon timely receipt of the Put Exercise Notice, the parties shall determine (or have determined) the fair market value of the Option Shares in accordance with Sections 11.5 and 11.6 which shall apply *mutatis mutandis*.

12.5 Upon determination of the Option Price in accordance with Sections 11.5 and 11.6 above, the Parties shall document the sale and transfer of the Option Shares by executing the agreement as attached as Exhibit 11.7 (as appropriately completed).

13. 5% Put Option

13.1 Mr. Eichner shall have the right ("**5% Put Option**") to require IMI to acquire a Share in the nominal amount of 5,000 (reflecting 5% of the issued and outstanding nominal share capital of the Company) ("**5% Share**") at a price of EUR 3,100,000 (in words: Euro three million one hundred thousand) if IMI was entitled to a warranty claim under the SPA, further reduced by the additional amount which IMI would have been able to recover from Mr. Eichner if the 5% Share had been sold under the SPA (as then appropriately amended as to the relevant proportion).

13.2 The 5% Put Option may be exercised in accordance with Section 13.1 at any time between the first (1st) and the third (3rd) anniversary of September 14, 2016 ("**Third Anniversary**") provided that, if prior to the Third Anniversary the share capital of the Company is increased, the option may and must be exercised within three (3) months after the capital increase has been registered in the commercial register ("**Three Months Period**").

13.3 The 5% Put Option shall be exercised by way of written notice to IMI (or if applicable its successor in interest) ("**5% Put Exercise Notice**"). The 5% Put Option is considered to have been exercised at the time the 5% Put Exercise Notice is received by IMI (or if applicable its successor in interest).

13.4 If the 5% Put Exercise Notice is not received by the earlier of the Third Anniversary or the expiration of the Three Months Period, the 5% Put Option lapses.

13.5 Upon timely receipt of the 5% Put Exercise Notice, the Parties shall document the sale and transfer of the 5% Share by executing an agreement substantially in the form as attached as Exhibit 11.7 (as appropriately amended to reflect and implement the sale of a partial interest of Mr. Eichner *as* contemplated hereunder).

13.6 If either the Exit Put Option or the Call Option are exercised, all other options provided for hereunder (including the 5% Put Option) lapse provided that if at the time of such exercise, the 5% Put Option had not yet expired in accordance with Section 13.4 and had not been exercised, in determining the Option Price the Parties or, if applicable, the Expert shall attribute to the 5% Share a value of no less than EUR 3,100,000 (in words: Euro three million one hundred thousand) minus the amount of dividends or similar kinds of distribution, if any, distributed on account of these Shares between the date of this Agreement and the date of such sale and, if IMI was entitled to a warranty claim under the SPA, further reduced by the additional amount which IMI would have been able to recover from Mr. Eichner if the 5% Share had been sold under the SPA (as then appropriately amended as to the relevant proportion). Further, for the avoidance of doubt, this minimum value shall not in any way be relevant for the valuation of the Company as a whole or the remaining Shares to be valued.

IX. INITIAL PUBLIC OFFERING

14. Obligations in relation to IPO

14.1 It is the common goal of the Shareholders that an IPO of the Company's shares or surrogates of shares in the Company (e.g. American Depositary Receipts, "**ADRs**") on a recognized stock exchange is the preferred option to realize the value of the Company, and subject to prevailing market conditions and after consultation of the Shareholders the Company will be entitled to initiate an IPO.

14.2 Each Shareholder shall exercise its voting rights attached to its respective Shares in the Company and take any and all other customary and commercially reasonable action solely in its capacity as a Shareholder of the Company (including, without limitation, waiving any and all legal and/or statutory requirements as to form and notice for the calling and holding of a shareholders' meeting and the passing of a shareholders' resolution) to cooperate and support in its capacity as Shareholder any action or transaction as reasonably proposed to be taken by the Company in connection with such IPO. In particular, the Parties shall, to the extent legally possible, use its influence and admit that:

14.2.1 the Company prepares a data room and permits a due diligence;

14.2.2 the Company sets up a business plan;

14.2.3 the management of the Company performs any management presentations as required or feasible; and

14.2.4 the Company prepares an offering prospectus in line with applicable law.

14.3 The Shareholders shall not be obliged to provide any representations, warranties or undertakings in relation to an IPO, except as to the ownership of their shares sold in an IPO.

14.4 The underwriter may request, and the Shareholders shall then sign and accept agreements or undertakings concerning transfer restrictions relating to the listed shares on customary market terms and subject to the particularities of the IPO, notably transfer restrictions for a lock-up period which shall be reasonably determined by the underwriter in accordance with the then customary market practice and the particularities of the IPO to ensure a successful IPO (the "**IPO Lock-Up Period**"). The Shareholders will use best efforts to minimize any restrictions requested by the underwriter. Notwithstanding anything to the contrary herein, nothing in this Agreement shall restrict, or require any Shareholder from entering into a lockup agreement that restricts, any Shareholder from transferring any Shares acquired in the IPO or in open market transactions following the IPO.

14.5 The Parties shall have pro rata rights, but no obligation, to sell their Shares in the Company to the extent existing Shares are to be placed in the IPO through a secondary placement (the "**Secondary Placement**"). Should a Shareholder not (fully) exercise its rights to place its pro rata portion in the secondary placement the other Shareholder may increase the volume of its sale pro rata.

14.6 Subject to the IPO Lock-Up Period and customary co-ordination obligations for block trades, all Shareholders of the Company shall be free to dispose of their Shares in the Company upon completion of the IPO.

14.7 The costs of any IPO process (whether successful or not) initiated by the Company shall be borne by the Company and/or any of its subsidiaries, to the extent legally permitted and, if not so, by the Shareholders in proportion to the Shares sold or to be sold by them (based on sales proceeds) in such IPO.

X. NOTICES

15. Notices

All notices and other communications hereunder shall be made in writing and shall be sent by email or courier to the addresses as set forth in Exhibit 15 to this Agreement.

XI. MISCELLANEOUS

16. Interpretation

The terms printed in italics constitute German legal terms describing the meaning of the terms in the English language they refer to, and are to be taken into account when interpreting this Agreement.

17. Effective Date, Term

17.1 This Agreement shall become effective on the date of its execution. Each Party hereto may terminate this Agreement with six (6) months' prior notice or at any time mutually by written agreement of the Shareholders. The right to terminate this Agreement for good cause (*aus wichtigem Grund*) remains unaffected. Unless expressly agreed otherwise and subject to any applicable lock-up restrictions, the termination in accordance with this Section 17.1 shall leave the Call Option (Section 11), the Exit Put Option (Section 12) and the 5 % Put Option (Section 13) unaffected, these rights, if not exercised, expire and thereby terminate in accordance with their respective terms.

17.2 The Parties agree that conditional upon the Shareholders ceasing to be shareholders of VIA GmbH, this Agreement shall fully replace and supersede the shareholders

agreement concluded between Mr. Eichner and IMI on September 14, 20 relating to VIA GmbH ("**Old Shareholders Agreement**") which shall have no further effect thereafter. However, in case that there is a dispute amongst the Parties about the reading or interpretation of a clause of this Agreement, the respective provision of the Old Shareholders Agreement shall be taken into account for interpretation purposes.

17.3 This Agreement shall, with respect to all Parties, terminate automatically without the necessity of a notice of termination upon closing and settlement of an IPO.

18. Confidentiality

The Parties shall keep the content of this Agreement confidential, except if and to the extent (i) disclosure is expressly agreed among the Parties, or (ii) disclosure is required pursuant to any statute or law, official or judicial orders, or provisions or regulations relating to a stock exchange. Each Shareholder shall be further entitled to disclose the content of this Agreement to its partners, members, or any other holders of shares or interests in it, if reasonable measures are in place or have been taken that such recipient will keep the content of this Agreement confidential.

19. Form of Amendments and Statements

Amendments to this Agreement including any amendment of this Section 19 shall be required to be in writing in order to be effective, unless a stricter form requirement (e.g. a notarization) applies by mandatory law. Any statement, declaration, notification or other communication that is required to be in writing under this Agreement, shall suffice to be transmitted by email in order to be effective.

20. Severability

In the event that a provision of this Agreement is or becomes partly or entirely invalid or unenforceable or if this Agreement contains a gap or omission, the validity of the remaining provisions of this Agreement is not affected thereby. The partly or entirely invalid or unenforceable provision shall be deemed replaced in this case by a valid and enforceable provision, which the Parties would have agreed on had they been aware of the invalidity or unenforceability of the respective provision. The same applies in the event that this Agreement contains a gap or omission.

21. Transaction Costs

The Parties shall each bear their own costs incurred in connection with this Agreement and the transactions contemplated herein, provided, however, that the costs of any registration costs connected therewith shall be borne by the Company.

22. Governing Law

This Agreement is governed by and construed in accordance with the laws of the Federal Republic of Germany under exclusion of its rules of conflict of laws.

23. Jurisdiction

All disputes or claims arising out of or in connection with this Agreement (including all of its Annexes), including all disputes regarding the validity, performance or termination (in whole or in part) hereof, shall be finally settled according to the Arbitration Rules of the German Institution of Arbitration (*Schiedsgerichtsordnung der Deutschen Institution für Schiedsgerichtsbarkeit e.V. — DIS*) as applicable at the time of filing the claim, without recourse to the ordinary courts of law and to the exclusion of the jurisdiction of any (other) court or tribunal. The arbitration panel shall have its seat in Nuremberg, Germany. It shall be composed of three (3) arbitrators (of which the chairman must be a lawyer admitted to the German lawyers' bar) unless the matter of the dispute has a value of less than EUR 500,000.00, in which case there shall be only one (1) arbitrator who must be a lawyer admitted to the German lawyers' bar. The proceedings and correspondence shall be in the English language, provided, however that written evidence and other supporting documentation may also be submitted in the German language. The applicable substantive law shall be the laws of the Federal Republic of Germany.

[*Signature pages follows*]

25 January 2019	**/s/ VIA optronics AG**
Place, date	**VIA optronics AG**
25 January 2019	**/s/ Jürgen Eichner**
Place, date	**Jürgen Eichner**
Amsterdam, 24 January 2019	**/s/ Coöperatief IMI Europe U.A.**
Place, date	**Coöperatief IMI Europe U.A.**

Exhibit 10.4

FRAMEWORK AGREEMENT

between

VIA OPTRONICS GMBH

and

TOPPAN PRINTING CO., LTD.

dated

November 30, 2017

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Schedules and Exhibits

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Exhibit A — Ancillary Agreements

Exhibit B — Terms of Share Purchase Agreement

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Exhibit D — IP Transfer Agreement Terms

Exhibit E — IP License Agreement Terms

FRAMEWORK AGREEMENT

This Framework Agreement (this "**Agreement**") is entered into on [November 30], 2017 between VIA optronics GmbH, a company organized under the laws of Germany ("**VIA**"), and Toppan Printing Co., Ltd., a company organized under the laws of Japan ("**Toppan**"). Each of Toppan and VIA is referred to as a "**Party**", and together, as the "**Parties**".

RECITALS

A. Toppan operates a business in Japan that develops, manufactures, and markets copper touch panel sensors used in touch panel modules and copper PET film used in touch panel sensors (such products, the "**Products**", and such business, the "**Business**").

B. VIA is active in the field of optical bonding solutions.

C. The Parties wish to engage in the Business together by having Toppan transfer certain assets and liabilities of the Business to a newly formed company ("**Newco**") in which VIA will hold a 65% equity interest and Toppan a 35% equity interest.

D. In connection with the operation of the Business through Newco, the Parties will enter into several undertakings, pursuant to the Transaction Documents, regarding Newco's establishment and governance, a corporate spin-off, and commercial matters relating to the Business.

E. VIA wishes to purchase from Toppan, and Toppan wishes to transfer to VIA, certain assets and liabilities of the Business.

The Parties hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 **Definitions**. The following terms have the meanings specified or referred to below:

Action: Any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity.

Affiliate: Of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

Ancillary Agreements: The agreements listed in **Exhibit A**.

Antisocial Force: An organized crime group (*boryokudan*), a member of an organized crime group, an individual for whom five years have not elapsed from the date he or she ceased to be an organized crime group member, a quasi-constituent member thereof, an enterprise related to an organized crime group, a corporate racketeer (*sokaiya*), an extortionist advocating social movement, a special intelligence violence group, and other similar Persons (collectively, "**Organized Crime Group Member**"), and a Person who falls under any of the following:

(i) A Person that has any relationship by which its management is considered to be controlled by any Organized Crime Group Member,

(ii) A Person that has any relationship by which any Organized Crime Group Member is considered to be involved substantially in its management,

(iii) A Person that has any relationship by which it is considered to make unlawful use of any Organized Crime Group Member for the purpose of securing unjust advantage for itself or any third party or for causing damage to any third Person,

(iv) A Person that has any relationship by which it is considered to offer funds or provide benefits to any Organized Crime Group Member, or

(v) A person that has any officers or persons involved substantially in its management having socially condemnable relationships with any Organized Crime Group Member.

Antitrust Law: Statutes, rules, regulations, orders, decrees, administrative and judicial doctrines, and other Laws of any jurisdiction that are designed or intended to prohibit, restrict or regulate actions that may have the purpose or effect of creating a monopoly, lessening competition or restraining trade.

Business Day: Any day except Saturday, Sunday or any other day on which commercial banks located in Tokyo, Japan or Frankfurt, Germany are authorized or required by Law to be closed for business.

Closing: The consummation of the Spin-off, the Share Transfer, and the other transactions contemplated in **ARTICLE II**.

Companies Act: The Companies Act of Japan (Act No. 86 of July 26, 2005).

Data Room: The virtual data room relating to the Business established by Toppan and hosted by Firmex, as it existed on the Business Day immediately preceding the Closing Date, unless the Parties decide to close the data room earlier, in which case it will be as it existed on the Business Day before the data room closes.

Disclosure Schedule: The schedule attached as **Schedule 1** to this Agreement.

Encumbrance: Any mortgage, pledge, lien, charge, security interest, claim or other encumbrance.

Exchange Rate: For purposes of the Share Purchase Price, the IP Purchase Price, the Closing IP Purchase Price, the IP Purchase Price Balance, the Final Inventory Price, and the Target Inventory Valuation only, 1 USD equals 115 JPY.

Governmental Authority: Any national, prefectural, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court or tribunal of competent jurisdiction.

Governmental Order: Any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

Intellectual Property: Any of the following rights in any jurisdiction: (a) patents and patent applications, (b) trademarks, service marks, trade dress, and other proprietary indicia of goods and services, whether registered or unregistered, and the goodwill connected with the use of and symbolized by any of the foregoing, (c) original works of authorship in any medium of expression, whether or not published, all copyrights (whether registered or unregistered), all registrations and applications for registration of such copyrights all of the following and similar intangible property and related proprietary rights, and (d) confidential information, formulas, designs, devices, technology, know-how, research and development, inventions, methods, processes, compositions and other trade secrets, whether or not patentable.

Inventory: Work in progress, spare parts, photomasks, and supplies used by the Business to manufacture Products.

Law: Any statute, law, ordinance, regulation, rule, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

Losses: Actual out-of-pocket losses, damages, liabilities, costs or expenses.

NDA: The Non-Disclosure Agreement dated December 7, 2016 between Toppan and VIA.

Other Antitrust Approvals: Any approval, other than the Identified Antitrust Approvals, of any Governmental Authority in relation to Antitrust Laws that is required to complete the Share Transfer and the other transactions contemplated by the Transaction Documents.

Permits: All permits, licenses, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.

Person: An individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

Representative: With respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

Retained IP: The Intellectual Property set forth under the heading "Retained IP" in **Section 1.02** of the Disclosure Schedule.

Satte Facility: The facility located at 4237-1 Soushinden, Satte-shi, Saitama, 340-0013 Japan, that is currently being used by the Business.

Shiga Facility: The facility located at 1101-20, Myohoji-cho, Higashiomi, Shiga, 527-8566, Japan, that is currently being used by the Business.

Target Inventory Valuation: JPY200,896,000, which is equal to the valuation of the Inventory on August 31, 2017.

Termination Fee: JPY 55,000,000.

Toppan Account:

Transaction: The transactions contemplated by this Agreement and the Transaction Documents.

Transaction Documents: This Agreement and the Ancillary Agreements.

Transferred Assets: The assets set forth under the heading "Transferred Assets" in **Section 1.01** of the Disclosure Schedule.

Transferred IP: The Intellectual Property set forth under the heading "Transferred IP" in **Section 1.02** of the Disclosure Schedule.

Transferred Liabilities: The liabilities set forth under the heading "Transferred Liabilities" in **Section 1.01** of the Disclosure Schedule.

VIA Account:

Section 1.02 **Other Defined Terms**. In addition to the terms defined above, the following terms shall have the respective meanings given thereto in the articles indicated below:

Defined Term	Section
Agreement	Preamble
Antitrust Approvals	Section 6.04(b)
Balance Sheet	Section 6.06
Bank	Section 2.06(a)
Business	Recitals
Business Assistance Agreement	Section 2.07(a)
Closing Date	Section 3.01
Closing Date Inventory Statement	Section 2.09(a)
Closing IP Purchase Price	Section 2.02(a)
Direct Claim	Section 9.05(c)
Excluded Assets	Disclosure Schedule, Section 1.01
Excluded Liabilities	Disclosure Schedule, Section 1.01
Final Inventory Valuation	Section 2.09(c)
Governmental Approvals	Section 6.04(a)
Indemnified Party	Section 9.04
Indemnifying Party	Section 9.04
IP Purchase Price	Section 2.02(a)
IP Purchase Price Balance	Section 2.02(a)
Lease Agreement	Section 2.05
L/Cs	Section 2.06(a)
Loan	Section 2.01(e)
Loan Agreement	Section 2.01(e)
Manufacturing Agreement	Section 2.04
Newco	Recitals
Objection Notice	Section 2.09(c)
Party	Preamble
Perfection Actions	Section 2.02(a)
Products	Recitals
R&D Agreement	Section 2.07(c)
Re-employed Employees	Section 2.03(a)(i)
Seconded Employees	Section 2.03(b)(i)
Secondment Agreement	Section 2.03(b)(iii)
SHA	Section 2.01(d)
Share Purchase Price	Section 2.01(c)
Shares	Section 2.01(c)
Share Transfer	Section 2.01(c)
SPA	Section 2.01(c)
Spin-off	Section 2.01(a)

Spin-off Plan	Section 2.01(a)
System License Agreement	Section 2.07(b)
Third-Party Claim	Section 9.05(a)
Toppan	Preamble
Toppan Distribution Agreement	Section 2.07(d)
VIA	Preamble
VIA Distribution Agreement	Section 2.07(d)

ARTICLE II
OVERVIEW OF THE TRANSACTION

Section 2.01 L/**Cs, Competition Clearance, Spin-off; Share Transfer; Newco Governance**.

(a) ***L/Cs and Antitrust Approvals***. Promptly after execution of this Agreement, VIA shall deliver to Toppan the L/Cs and the Parties shall perform their obligations under **Section 6.04**.

(b) ***Spin-off***.

(i) Promptly after execution of this Agreement, Toppan shall begin (A) formulating a plan (the "**Spin-off Plan**") to transfer the Transferred Assets and Transferred Liabilities to Newco by means of an incorporation-type company split (*shinsetsu bunkatsu*) in accordance with the Companies Act (the "**Spin-off**") and (B) preparing the documentation and take other steps necessary to implement the Spin-off. Toppan shall not implement the Spin-off Plan without VIA's advance written consent, which consent VIA shall not unreasonably withhold, delay, or condition. Promptly following adoption of the Spin-off Plan, Toppan shall deliver a certified copy of the Spinoff Plan to VIA.

(ii) The Spin-off Plan will provide for the incorporation of Newco as a joint stock company (*kabushiki kaisha*) under Japanese law.

(iii) As promptly as possible after VIA has obtained the Antitrust Approvals, Toppan shall implement the Spin-off Plan and complete the Spin-off through the filing with the relevant legal affairs bureau of an application for Newco's commercial registry. Toppan shall show VIA a draft of the application at least seven Business Days before filing.

(c) ***Share Transfer***. At the Closing and immediately after the transfer of the Transferred Assets and Transferred Liabilities to Newco pursuant to the Spin-off, Toppan shall sell to VIA 65% of the Shares in exchange for payment by VIA to the Toppan Account of JPY211,231,000 (the "**Share Purchase Price**") pursuant to a share purchase agreement that incorporates the terms set forth in **Exhibit B** (such agreement, the "**SPA**," and such transfer of shares, the "**Share Transfer**"), such that following the Share Transfer, VIA will hold 65% of Newco's share capital and Toppan will hold 35% of Newco's share capital. The Parties shall exercise best efforts to finalize the SPA promptly

after execution of this Agreement and to execute the SPA promptly after it has been finalized, it being understood that the Share Transfer will occur, and other operative provisions of the SPA, will come into effect only when and if Closing occurs, and if this Agreement is terminated, the SPA will terminate automatically.

(d) ***Shareholders' Agreement***. At Closing and immediately after the Share Transfer, the Parties shall enter into a shareholders' agreement with respect to Newco that incorporates the terms set forth in **Exhibit C** (the "**SHA**"). The Parties shall exercise best efforts to finalize the SHA promptly after execution of this Agreement and to execute the SHA as promptly as practicable, it being understood that the operative provisions of the SHA will come into effect only when and if Closing occurs, and if this Agreement is terminated, the SHA will terminate automatically.

(e) ***Loan to Newco***. At the Closing and immediately after the Share Transfer, VIA shall extend a loan to Newco in the amount of JPY369,638,750, which represents 65% of the IP Purchase Price (the "**Loan**"), pursuant to a loan agreement between VIA and Newco (the "**Loan Agreement**") that the Parties shall negotiate in good faith. The Loan will be at arm's-length terms. The Parties shall cause Newco to use the entirety of the Loan proceeds to purchase the Transferred IP.

Section 2.02 Intellectual Property.

(a) ***Transfer of Transferred IP***. At the Closing and immediately after extension of the Loan, Toppan shall transfer to Newco the Transferred IP in exchange for JPY568,675,000 (the "**IP Purchase Price**"), pursuant to an intellectual property purchase agreement between Toppan and Newco that incorporates the terms set forth in **Exhibit D** (the "**IP Transfer Agreement**"). Newco shall pay the IP Purchase Price to Toppan as follows: (i) JPY369,638,750 at Closing (the "**Closing IP Purchase Price**") and (ii) the difference between the IP Purchase Price and the Closing IP Purchase Price (the "**IP Purchase Price Balance**") in installments pursuant to terms to be agreed by the Parties in the IP Transfer Agreement. Newco's obligation to pay the IP Purchase Price Balance will be secured by a security interest in all of Newco's assets in favor of Toppan. The Parties shall, and shall cause Newco to, enter into an agreement and to take all actions necessary to create and perfect such security interest (the "**Perfection Actions**"), in forms to be agreed by the Parties. The Parties further agree that any costs associated with the Perfection Actions (including, but not limited to, applicable stamp duties, registration fees, filing fees as well as judicial scrivener fees or patent attorney fees, if applicable) shall be borne by Newco. For the avoidance of doubt, Toppan is entitled place and establish security interests to cover the amount of the unpaid IP Purchase Price Balance over the assets of Newco, and if Toppan enforces such security interests, Toppan is entitled to recover only the amount of such unpaid IP Purchase Price Balance at the time of such enforcement from such asset(s) enforced, the value of which will be determined in a commercially reasonable manner.

(b) ***License of Retained IP***. At the Closing and simultaneously with the transfer of the Transferred IP, Toppan shall license to Newco the Retained IP pursuant to an intellectual property license agreement between Toppan and Newco that incorporates

the terms set forth in **Exhibit E** (the "**IP License Agreement**"). The consideration for the license of the Retained IP is included in the Share Purchase Price and no separate consideration for the Retained IP license will be required.

Section 2.03 Business Employees.

(a) ***Re-employed Employees***.

(i) The Parties shall exercise reasonable efforts to cause certain employees of Toppan and its Affiliates agreed in advance by the Parties (the "**Re-employed Employees**") to be employed by Newco at Closing immediately following the completion of the Spin-off, subject to their consent. It is anticipated that the Re-employed Employees will serve as management of Newco.

(ii) As part of their reasonable efforts, the Parties shall cause Newco to offer to each Re-employed Employee, for a period of at least three years after Closing, employment terms (including compensation and retirement allowance) and work conditions that are, in the aggregate, at least equivalent to his or her employment terms and work conditions immediately before Closing.

(iii) Toppan shall pay to each Re-employed Employee at Closing the retirement allowance *(taishokukin)* or otherwise applicable allowances/considerations that he or she is entitled to receive upon retirement at Closing under Toppan's work rules.

(iv) Neither Party will be required to offer a Re-employed Employee additional consideration to entice him or her to transfer to Newco in order for a Party to satisfy its reasonable efforts under this **Section 2.03(a)**.

(b) ***Seconded Employees***.

(i) The Parties shall negotiate in good faith to agree on a list of employees of Toppan and its Affiliates who are engaged in the manufacture, quality control, production management, production engineering, and line engineering of Products and who have the appropriate qualifications to be seconded to Newco (the "**Seconded Employees**"). In drawing up the list of Seconded Employees, the Parties shall take into account the distance between the employees' residence and Newco's facilities and Toppan's need for such employees to work for Toppan.

(ii) The duration of the Seconded Employees' term of secondment will be three years from the Closing Date.

(iii) The Parties shall negotiate in good faith a secondment agreement to be entered into at Closing between Newco and Toppan that will define the Parties' obligations with respect to the Seconded Employees (the "**Secondment Agreement**").

Section 2.04 Manufacturing Agreement. Toppan shall manufacture copper PET films at the Satte Facility for Newco for a post-Closing period to be agreed by the parties pursuant to a manufacturing agreement between Toppan and Newco (the "**Manufacturing Agreement**").

Section 2.05 Lease Agreement. Toppan shall lease space to Newco at the Shiga Facility for a post-Closing period to be agreed by the parties pursuant to a lease agreement between Toppan and Newco (the "**Lease Agreement**") and with lease payments that are consistent with prevailing rates in the area. The Parties shall cause Newco to use the leased premises as its headquarters.

Section 2.06 Bank Guarantee.

(a) Promptly after execution of this Agreement, the Parties shall negotiate the terms of one or more standby letters of credit (the "**L/Cs**") with a bank that is mutually agreeable to the Parties (the "**Bank**") naming Toppan as the beneficiary.

(i) One L/C will be in the amount of the Share Purchase Price and contain an undertaking by the Bank to pay the Share Purchase Price to Toppan if the Closing occurs.

(ii) The other L/Cs will relate to the Termination Fee to Toppan if the Closing does not occur and if VIA is obligated to pay the Termination Fee pursuant to **Section 8.02(a)**. The terms of these L/Cs will be negotiated by the Parties in good faith and these L/Cs may be delivered to Toppan separately from the first L/C.

(b) VIA shall pay all fees and costs associated with the L/Cs.

Section 2.07 Other Agreements.

(a) Toppan shall provide various services agreed by the Parties to support the Business, such as administrative and back-office support, procurement support, and design and mask support. The Parties shall negotiate in good faith the scope, duration, fees and other terms of any such services in a services agreement between Toppan and Newco (the "**Business Assistance Agreement**"). Among other terms, the Business Assistance Agreement will specify that all supplies that Toppan procures from third parties and sells to Newco will be sold without any margin on the price that Toppan pays third parties for those supplies.

(b) During the period agreed by the Parties, Toppan shall grant to Newco the right to use a production management software system developed by Toppan that is necessary to operate the Business. The fee payable by Newco to Toppan will be equal to 1% per annum of Newco's annual global sales of Products for as long as Toppan is the sole party providing the system to Newco. If VIA provides all or a portion of the system to Newco, the Parties shall negotiate in good faith an equitable adjustment to the fee that reflects each Party's contribution to Newco. The Parties shall negotiate in good faith the scope, duration and other terms of any such grant of right in a system license agreement between Toppan and Newco (the "**System License Agreement**").

(c) Toppan and Newco shall negotiate in good faith the terms of a joint development agreement or a research and development service agreement to be entered into between Toppan and Newco pursuant to which Toppan will provide research and development-related activities that are necessary for the Business (the "**R&D Agreement**"). The parties will discuss the treatment of know-how developed after Closing that (i) is owned exclusively by Toppan and (ii) is necessary for the manufacture of Products.

(d) It is contemplated that Newco will appoint Toppan and VIA as distributors to distribute Products manufactured by Newco. The Parties shall negotiate in good faith with Newco the scope, duration, and other terms of distribution agreements between Toppan and Newco (the "**Toppan Distribution Agreement**") and between VIA and Newco (the "**VIA Distribution Agreement**").

(e) If either of the Parties believes it would be advisable for the Parties to enter into another agreement in furtherance of the Transaction, they shall discuss the terms of such an agreement in good faith.

Section 2.08 Pre-Closing and Post-Closing Liabilities. Notwithstanding anything to the contrary contained in this Agreement and regardless of the definitions of Excluded Liabilities and Transferred Liabilities, the Parties agree that (i) Toppan shall be responsible for and Newco will not be responsible for any obligations and liabilities arising solely out of the Business operated by Toppan before the Closing, even if such obligations and liabilities arise after the Closing, and (ii) Newco shall be responsible for and Toppan will not be responsible for any obligations and liabilities arising out of the Business operated by, or any other activities of, Newco on or after the Closing.

Section 2.09 Share Purchase Price Adjustment.

(a) Between the date hereof and Closing, Toppan shall exercise reasonable commercial efforts to reduce the Inventory such that the Final Inventory Valuation is 1PY151,570,000. As part of these reasonable commercial efforts, Toppan shall disclose to VIA a non-binding plan to reduce its Inventory between the date hereof and Closing and Toppan shall report to VIA, by the 15th of each month between the date hereof and the Closing, Toppan's non-binding valuation of the Inventory as of the end of the previous month.

(b) Promptly after the Closing, Toppan shall review the Inventory and calculate the value of the Inventory as of the Closing Date. Toppan shall calculate the Inventory's valuation using the same methodology it used to calculate the Target Inventory Valuation. Within 30 days after the Closing Date, Toppan shall deliver to VIA a list of the Closing Date Inventory and its valuation as of the Closing Date (the "**Closing Date Inventory Statement**").

(c) If VIA disagrees with the Closing Date Inventory Statement, VIA must deliver written notice of its objection and the bases therefor (the "**Objection Notice**") within 15 business days after VIA's receipt of the Closing Date Inventory Statement. If

VIA does not deliver an Objection Notice within this 15-day period, the value of the Inventory on the Closing Date will be deemed final. If VIA delivers an Objection Notice within this 15-day period, the Parties shall discuss the area(s) of disagreement in the Closing Date Inventory Statement in good faith until they have agreed on the value of the Inventory on the Closing Date.

(d) Within five Business Days after the value of the Inventory on the Closing Date has become final or agreed pursuant to **Section 2.09(c)** (the "**Final Inventory Valuation**"), the Parties shall make the following adjustments to the Share Purchase Price:

(i) if the Final Inventory Valuation exceeds the Target Inventory Valuation, VIA shall pay the excess amount to the Toppan Account and the Share Purchase Price will be adjusted upward in the amount of the excess, and

(ii) if the Target Inventory Valuation exceeds the Final Inventory Valuation, Toppan shall pay the excess amount to the VIA Account and the Share Purchase Price will be adjusted downward in the amount of the excess.

Section 2.10 Further Assurances. Following the Closing, each Party shall execute and deliver any additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

ARTICLE III
CLOSING; CLOSING DELIVERABLES

Section 3.01 Closing. The Closing will take place at the Tokyo office of Jones Day 14 days after the completion of the Spin-off, unless any of the other conditions to closing set forth in **ARTICLE VII** have not been waived by the appropriate Party or satisfied before completion of the Spin-off (other than the conditions to be satisfied on the Closing Date, but subject to the waiver of those conditions by the appropriate Party or their satisfaction), in which case the Closing will take place within 14 days after waiver by the appropriate Party or satisfaction of all the conditions to closing set forth in **ARTICLE VII** (other than the conditions to be satisfied on the Closing Date, but subject to the waiver of those conditions by the appropriate Party or their satisfaction), or at such other times and places as the Parties may agree. The date on which the Closing occurs is called the "**Closing Date**." Unless the Parties agree otherwise, the Closing will be deemed to occur and be effective at the close of business on the Closing Date.

Section 3.02 Closing Deliverables and Actions.

(a) ***VIA Closing Deliverables and Actions***. VIA shall deliver the following documents and take the following actions at Closing:

(i) pay the Share Purchase Price to the Toppan Account,

(ii) make available the Loan amount to Newco,

(iii) cause Newco to pay the Closing IP Purchase Price to the Toppan Account in immediately available funds,

(iv) deliver its executed signature page to the SPA (if it has not already done so),

(v) deliver its executed signature page to the SHA (if it has not already done so),

(vi) deliver a fully executed copy of the Loan Agreement,

(vii) take all actions necessary, and deliver all signature pages and other documents necessary, to complete the Perfection Actions, and

(viii) deliver its signature page, as applicable, of any other Ancillary Agreement the Parties decide to execute or have executed at Closing.

(b) ***Toppan Closing Deliverables and Actions***. Toppan shall deliver the following documents and take the following actions at Closing:

(i) deliver to VIA a copy of the receipt of the application with the relevant legal affairs bureau for Newco's commercial registry,

(ii) deliver to VIA a certified copy of Newco shareholders' register duly and validly recording the Share Transfer from Toppan to VIA,

(iii) deliver its executed signature page to the SPA (if it has not already done so),

(iv) deliver its executed signature page to the SHA (if it has not already done so),

(v) deliver a fully executed copy of the IP Transfer Agreement,

(vi) deliver a fully executed copy of the IP License Agreement,

(vii) deliver a fully executed copy of the Secondment Agreement,

(viii) deliver a fully executed copy of the Manufacturing Agreement,

(ix) deliver a fully executed copy of the Lease Agreement,

(x) deliver a fully executed copy of the Business Assistance Agreement,

(xi) deliver a fully executed copy of the System License Agreement,

(xii) deliver a fully executed copy of the Toppan Distribution Agreement,

(xiii) deliver a fully executed copy of the VIA Distribution Agreement,

(xiv) deliver a fully executed copy of the R&D Agreement; and

(xv) deliver its signature page and Newco's signature page, as applicable, of any other Ancillary Agreement the Parties decide to execute or have executed at Closing.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF TOPPAN

Toppan represents and warrants to VIA that the statements contained in this **ARTICLE IV** are true and correct as of the date hereof and as of the Closing Date (or other date specified in the representations and warranties).

Section 4.01 Organization and Authority. Toppan is a company duly organized and validly existing under the Laws of Japan. Toppan has full corporate power and authority to enter into this Agreement and the Ancillary Agreement to which VIA is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Toppan of this Agreement and any Ancillary Agreement to which Toppan is a party, the performance by Toppan of its obligations hereunder and thereunder and the consummation by VIA of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of Toppan. This Agreement has been duly executed and delivered by Toppan, and (assuming due authorization, execution and delivery by VIA) this Agreement constitutes a legal, valid and binding obligation of Toppan enforceable against Toppan in accordance with its terms, except to the extent enforcement may be affected by laws relating to bankruptcy, reorganization, insolvency and creditors' rights and by the availability of injunctive relief, specific performance and other equitable remedies. When each Ancillary Agreement to which Toppan is or will be a party has been duly executed and delivered by Toppan (assuming due authorization, execution and delivery by each other party thereto), that Ancillary Agreement will constitute a legal and binding obligation of Toppan enforceable against it in accordance with its terms, except to the extent enforcement may be affected by laws relating to bankruptcy, reorganization, insolvency and creditors' rights and by the availability of injunctive relief, specific performance and other equitable remedies.

Section 4.02 No Conflicts; Consents. The execution, delivery and performance by Toppan of this Agreement and the Ancillary Agreement to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the articles of association or other organizational documents of Toppan or (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to Toppan. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to Toppan in connection with the execution and delivery of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby.

Section 4.03 **Legal Proceedings**. There are no Actions pending or, to Toppan's knowledge, threatened against Toppan or any of its Affiliates that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement and the Ancillary Agreements. No event has occurred or circumstances exist that may give rise or serve as a basis for any such Action.

Section 4.04 **Antisocial Forces**. Toppan is not an Antisocial Force and does not have any relationships or interactions with any Antisocial Force.

Section 4.05 **Title to Shares**; **Capitalization**. Immediately after completion of the Spin-off and on the Closing Date:

(a) Toppan will hold 100% of the share capital of Newco (the "**Shares**");

(b) Toppan will have legal title to the Shares, free and clear of all Encumbrances of any kind, and upon completion of the Share Transfer, VIA will receive legal title to Shares representing 65% of Newco's share capital, free and clear of all Encumbrances of any kind, and Toppan will have legal title to Shares representing 35% of Newco's share capital, free and clear of all Encumbrances of any kind;

(c) the Shares will represent 100% of Newco's authorized and issued and outstanding capital stock;

(d) there will be no outstanding options, warrants, call rights or commitments, or any other agreements of any character binding on Newco with respect to Newco's capital stock or obligating Newco to issue, transfer or sell, or cause to be issued, transferred or sold, any shares of capital stock of, or other equity interests in, Newco or securities convertible into or exchangeable for such shares, or equity interests, or obligating Newco to grant, extend or enter into any such option, warrant, call, right, commitment or other agreement; and

(e) there will be no voting trusts, proxies, shareholders' agreements or other agreements or understandings relating to Newco's capital stock to which Newco is a party or is bound with respect to voting any shares of Newco's capital stock.

Section 4.06 **Title to Transferred Assets**. Toppan owns and has good title to the Transferred Assets, free and clear of Encumbrances on the date hereof and immediately before the completion of the Spin-off.

Section 4.07 **Condition of Transferred Assets**. Except as set forth in **Section 4.07** of the Disclosure Schedule, the Transferred Assets are in good condition and are adequate for the uses to which they are being put, and none is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not material in nature or cost.

Section 4.08 **Spin-off**. Upon the completion of the Spin-off:

(a) the Spin-off will have been completed in accordance with the Spin-off Plan,

(b) the Spin-off will have been completed in accordance with applicable Law without any objections from creditors,

(c) Newco will be duly organized under the laws of Japan,

(d) the Transferred Assets will have been validly transferred to Newco,

(e) no Excluded Assets or Excluded Liabilities will have been transferred to Newco,

(f) Newco will have all the permits necessary for the continued conduct of the Business after the Closing in substantially the same manner as conducted immediately before the Closing, and on the Closing Date:

(g) Newco will own and have good title to the Transferred Assets, free and clear of Encumbrances, and

(h) Newco will have all the permits necessary for the continued conduct of the Business after the Closing in substantially the same manner as conducted immediately before the Closing.

Section 4.09 Sufficiency of non-Intellectual Property Assets. The Transferred Assets and the Re-employed Employees, together with the rights and services to be provided by Toppan to Newco pursuant to the Ancillary Agreements other than the IP License Agreement, are all the non-Intellectual Property assets and rights and services that are necessary and sufficient for the continued conduct of the Business after the Closing in substantially the same manner as conducted immediately before the Closing and constitute all the non-Intellectual Property rights, services, property and assets necessary to conduct the Business as currently conducted.

Section 4.10 Intellectual Property.

(a) The Transferred IP constitutes all patent rights and patent applications which, immediately before the Closing Date, (i) are owned exclusively by Toppan and (ii) are necessary for and used by Toppan exclusively for the manufacture, sale, and use of the Products. The heading entitled "Transferred IP" in **Section 1.02** of the Disclosure Schedule lists all pending patent applications included in the Transferred IP and their status.

(b) The Retained IP constitutes all patent rights and patent applications which, immediately before the Closing Date, (i) are owned exclusively by Toppan and (ii) are necessary for but not used by Toppan exclusively for the manufacture, sale, and use of the Products. The heading entitled "Retained IP" in **Section 1.02** of the Disclosure Schedule lists all pending patent applications included in the Retained IP and their status.

(c) Toppan owns all right, title and interest in and to the Transferred IP, free and clear of Encumbrances. None of the Transferred IP is subject to a license in favor of a third Person or to royalty payments to any third Person.

(d) Toppan has valid legal title to or contractual rights in all Retained IP as of the Closing.

(e) As of the date hereof, (i) Toppan is not subject to any lawsuit alleging that (A) the Products, as sold by Toppan immediately before the date hereof, or the manufacture, sale, or use of such Products, or (B) carrying out the Business as conducted by Toppan immediately before the date hereof, in the case of each of (A) and (B), by using Transferred IP or Retained IP, infringes the intellectual property rights of any third Person, and (ii) Toppan has not received or is not aware of any advance written notice of filing of such lawsuit from any third Person. If between the date hereof and the Closing Date Toppan receives written notice of a lawsuit or an allegation that the use of Transferred IP or Retained IP infringes the intellectual property rights of any third Person, Toppan shall promptly inform VIA thereof and the Parties shall discuss in good faith how to address the lawsuit or allegation.

Section 4.11 **Balance Sheet**. The Balance Sheet presents fairly, in all material respects, the financial condition of the Business as of the date of the Balance Sheet.

Section 4.12 **Brokers**. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any Ancillary Agreement based upon arrangements made by or on behalf of Toppan.

Section 4.13 **Exclusive Representations and Warranties**. The representations and warranties made by Toppan in this **ARTICLE IV** are the exclusive representations and warranties made by Toppan with respect to itself, the Transferred Assets, the Transferred IP, the Transferred Liabilities, the Business, or the Spin-off, other than representations and warranties relating to the Retained IP that Toppan will make in the IP License Agreement. Toppan hereby disclaims any other express or implied representations or warranties with respect to itself, the Transferred Assets, the Transferred IP, the Business, and the Spin-off, and VIA hereby waives such other express or implied representations or warranties. Notwithstanding the foregoing, Toppan represents and warrants that it has not intentionally disclosed (including through documents disclosed in the Data Room) to VIA or its Representatives any material information about the Transferred Assets, the Transferred IP, the Transferred Liabilities, the Business, or the Spin-off that Toppan knew to be materially false at the time of disclosure, nor has Toppan intentionally withheld information that would reasonably be expected to affect a reasonable buyer's willingness to undertake the Transaction. VIA acknowledges that no documents (other than this Agreement and the IP License Agreement), statement or information made available to it or its Representatives by Toppan or its Representatives contains, directly or indirectly, and none will be deemed, directly or indirectly, to contain, representations or warranties of Toppan with respect to itself, the Transferred Assets, the Transferred IP, the Transferred Liabilities, the Business, or the Spin-off.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF VIA

VIA represents and warrants to Toppan that the statements contained in this **ARTICLE V** are true and correct as of the date hereof and as of the Closing Date (or other date specified in the representations and warranties).

Section 5.01 Organization and Authority. VIA is a company duly organized and validly existing under the Laws of Germany. VIA has full corporate power and authority to enter into this Agreement and the Ancillary Agreement to which VIA is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by VIA of this Agreement and any Ancillary Agreement to which VIA is a party, the performance by VIA of its obligations hereunder and thereunder and the consummation by VIA of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of VIA. This Agreement has been duly executed and delivered by VIA, and (assuming due authorization, execution and delivery by Toppan) this Agreement constitutes a legal, valid and binding obligation of VIA enforceable against VIA in accordance with its terms, except to the extent enforcement may be affected by laws relating to bankruptcy, reorganization, insolvency and creditors' rights and by the availability of injunctive relief, specific performance and other equitable remedies. When each Ancillary Agreement to which VIA is or will be a party has been duly executed and delivered by VIA (assuming due authorization, execution and delivery by each other party thereto), that Ancillary Agreement will constitute a legal and binding obligation of VIA enforceable against it in accordance with its terms, except to the extent enforcement may be affected by laws relating to bankruptcy, reorganization, insolvency and creditors' rights and by the availability of injunctive relief, specific performance and other equitable remedies.

Section 5.02 No Conflicts; Consents. The execution, delivery and performance by VIA of this Agreement and the Ancillary Agreement to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the articles of association or other organizational documents of VIA or (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to VIA. No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to VIA in connection with the execution and delivery of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby.

Section 5.03 Legal Proceedings. There are no Actions pending or, to VIA's knowledge, threatened against VIA or any of its Affiliates that challenge or seek to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement and the Ancillary Agreement. No event has occurred or circumstances exist that may give rise or serve as a basis for any such Action.

Section 5.04 Sufficiency of Funds. VIA has sufficient cash on hand or other sources of immediately available funds to enable it to make payment of the Share Purchase Price, to extend the Loan, and to consummate the transactions contemplated by this Agreement and the Ancillary Agreements.

Section 5.05 **Antisocial Forces**. VIA is not an Antisocial Force and does not have any relationships or interactions with any Antisocial Force.

Section 5.06 **Brokers**. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement or any Ancillary Agreement based upon arrangements made by or on behalf of VIA.

Section 5.07 **Investigation by VIA**. VIA has conducted its own independent investigation, verification, review and analysis of the Spin-off, Transferred Assets, Transferred Liabilities, and the Business and its operations, results of operations, financial condition, technology and prospects. In entering into this Agreement, VIA acknowledges that it has relied solely upon the aforementioned investigation, review and analysis and not on any factual representations or opinions of Toppan or any of its Representatives, except the specific representations and warranties of Toppan set forth in **ARTICLE IV** of this Agreement. VIA acknowledges and agrees that, except as set forth in **ARTICLE IV** of this Agreement, neither Toppan nor any of its Representatives or any other Person makes, has made, or will make any oral or written representation or warranty (including in the Ancillary Agreements), either express or implied, as to the accuracy or completeness of any information relating to the Business, the Transferred Assets, the Transferred Liabilities, or the Spin-off in materials made available to VIA or its Representatives in the Data Room or otherwise.

ARTICLE VI
COVENANTS

Section 6.01 **Conduct of Business before Closing; Maintenance of Transferred IP**. From the date of this Agreement until the Closing, except as otherwise provided in this Agreement or consented to in writing by VIA (which consent VIA shall not unreasonably withhold, condition or delay), Toppan shall (a) conduct the Business in the ordinary course of business consistent with past practice and (b) use reasonable efforts to maintain and preserve the Transferred Assets and the Business' relationships with its customers and suppliers.

For purposes of this **Section 6.01**, "reasonable efforts" means that Toppan shall act in good faith and devote a level of effort and resources consistent with what a reasonable party to a purchase agreement exercising prudent business judgment would expend to preserve the assets of a target business until closing and to close a sale of the target business, including the expenditure of nonmaterial out-of-pocket costs and expenses in connection with taking actions that are necessary to perform the undertaking, but not including the expenditure of material amounts to perform the undertaking that the Party is not otherwise required to expend under the Agreement.

Section 6.02 **Access to Information**. From the date of this Agreement until the Closing, if VIA requires access to information relating to the Business, the Transferred Assets, or the Transferred Liabilities and the information is reasonably necessary to allow VIA to investigate new issues that have arisen in connection therewith and that are material in the context of the Transaction, Toppan shall disclose such information reasonably requested by VIA.

Section 6.03 **Closing Conditions**. From the date of this Agreement until the Closing, each Party shall use Reasonable Efforts to take such actions as are necessary to expeditiously satisfy the closing conditions set forth in **ARTICLE VII**.

Section 6.04 **Third-Person Consents; Antitrust Approvals**.

(a) Each Party shall act diligently and reasonably and shall, at the request of the other Party, use reasonable efforts to secure any consents, waivers and approvals of any third Person (including any Governmental Authority) required to be obtained to consummate the transactions contemplated by this Agreement and the Ancillary Agreements, except that before the Closing, neither VIA nor its Affiliates nor any of their respective Representatives shall contact any customer or supplier of the Business without Toppan's prior written consent (which consent Toppan shall not unreasonably withhold, condition or delay).

For purposes of this **Section 6.04(a)**, "reasonable efforts" means that the Party with the undertaking shall act in good faith and devote a level of effort and resources consistent with what a reasonable party to a purchase agreement with the intention of consummating the transaction and exercising prudent business judgement would expend to consummate a transaction, including the expenditure of internal resources and out-of-pocket costs and expenses in connection with taking actions that are necessary to perform the undertaking, but not including (i) the expenditure of material monetary amounts to perform the undertaking that the Party is not otherwise required to expend under the Agreement, (ii) the payment of any amount to any third Person (including any Governmental Authority) as consideration to obtain a consent, waiver, or approval, (iii) the commencement or participation in any litigation, (iv) the offer or grant of any accommodation to any third Person (including any Governmental Authority) as consideration to obtain a consent, waiver, or approval, or (v) the undertaking of any obligation or liability (in each case financial or otherwise) to any third Person (including any Governmental Authority) as consideration to obtain a consent, waiver, or approval.

(b) On the date hereof, VIA has concluded that the Share Transfer and the other transactions contemplated by the Transaction Documents will require it to make a filing with or to obtain the approval of the following Governmental Authorities in relation to Antitrust Laws: China and Germany (the "**Identified Antitrust Approvals**"). VIA shall use its best efforts to obtain, or cause to be obtained, as promptly as possible, the Identified Antitrust Approvals and the Other Antitrust Approvals (the "**Antitrust Approvals**"). In particular, VIA shall (i) make appropriate filing to the relevant Governmental Authorities in Germany for the Identified Antitrust Approval in Germany within 15 Business Days after the date hereof (ii) initiate contact with the relevant Governmental Authorities in connection with the filing for the Identified Antitrust Approvals in China within 15 Business Days after the date hereof and shall make an official filing submission with those Governmental Authorities as promptly as possible thereafter but in any event within 30 days after the date hereof, (iii) definitively identify all and Other Antitrust Approvals and notify Toppan of these approvals by December 13, (iv) make official filings for the Other Antitrust Approvals by December 29, 2017, and (iv) supply as promptly as practicable to those Governmental Authorities any additional

information and documentary material that they may request. VIA shall pay all filing fees required to paid to any Governmental Authority in connection with any required Antitrust Approval. VIA shall provide updates to Toppan on a regular basis and when requested by Toppan on the status of the efforts to obtain the Antitrust Approvals and shall take into account any comments provided by Toppan in relation to the Antitrust Approvals. Toppan shall cooperate with VIA in promptly seeking to obtain the Antitrust Approvals.

(c) Without limiting the generality of VIA's undertaking pursuant to this **Section 6.04**, VIA shall take any and all steps necessary to avoid or eliminate each and every impediment or to satisfy each and every condition under any Antitrust Law that may be asserted by any Governmental Authority so as to obtain the Antitrust Approvals and to allow the Parties to close the Share Transfer and other transactions contemplated under the Transaction Documents as promptly as possible, including proposing, negotiating, committing to and effecting, the sale, divestiture or disposition of any of its assets, properties or businesses or of the assets, properties or businesses to be acquired by it pursuant to this Agreement as is required by a Governmental Authority to obtain Antitrust Approval.

Section 6.05 Confidentiality.

(a) VIA acknowledges that the information being provided to it in connection with the transactions contemplated by the Transaction Documents is subject to the terms of the NDA, the terms of which are incorporated herein by reference. Effective upon, and only upon, the Closing, the obligations under the NDA will terminate except with respect to provisions regarding disclosure and use of confidential information not related to the Transferred Assets and Retained IP, which will continue indefinitely. If for any reason this Agreement is terminated prior to the Closing Date, the NDA will continue in full force and effect in accordance with its terms.

(b) VIA shall, and shall cause Newco after the Closing to, to the extent either of them has any nonpublic information not relating solely to the Transferred Assets and Retained IP (any such information, "**Toppan Information**") (i) treat Toppan Information strictly confidentially, (ii) not use Toppan Information for any purpose, and (iii) to the extent Toppan Information is documented or exists in written, photographical or other physical form, return such information (and any copies made thereof) to Toppan, and to the extent it is stored in electronic form, make a copy available to Toppan and expunge such information from any computer or other data carrier, in each case promptly after the Closing, and VIA shall, upon written request of Toppan, confirm to Toppan in writing compliance with these obligations by VIA and Newco.

Section 6.06 Balance Sheet. Before the Closing, the Parties shall discuss in good faith and agree on a balance sheet for Newco as of immediately following completion of the Spin-off (the "**Balance Sheet**").

Section 6.07 Transferred IP.

(a) Until Closing, Toppan will exercise commercially reasonable efforts consistent with Toppan's IP policies to prosecute the patent applications included in the Transferred IP and to maintain the patents included in the Transferred IP.

(b) The Parties shall cause Newco to take all necessary steps to record the transfer of the Transferred IP with the Japan Patent Office and other relevant patent offices and to perfect the transfer of the Transferred IP promptly after the Closing. Toppan shall provide reasonable assistance to Newco in this regard.

(c) Before Closing, Toppan shall inform VIA in writing of the estimated time and costs necessary for the issuance of the patent applications included in the Transferred IP. The Parties shall discuss these estimates and VIA shall, after discussion, acknowledge these estimates.

(d) After Closing, Newco shall be solely responsible for prosecuting any patent applications included in the Transferred IP. Toppan shall provide reasonable assistance to Newco with respect to ongoing patent applications in exchange for reasonable compensation payable by Newco as agreed by the Parties.

Section 6.08 Further Assurances. Following the Closing, each Party shall execute and deliver any additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

ARTICLE VII
CONDITIONS TO CLOSING

Section 7.01 Conditions to Obligations of Both Parties. The obligations of each Party to consummate the transactions contemplated by the Transaction Documents are subject to the fulfillment, at or before the Closing, of each of the following conditions:

(a) No Law is in effect, and no Governmental Authority has enacted, issued, promulgated, enforced or entered any Governmental Order, that has the effect of making the transactions contemplated by the Transaction Documents illegal, otherwise restraining, enjoining, or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.

(b) No waiting period (including any extensions thereof) under Antitrust Laws or investigation by a Governmental Authority relating to the transactions contemplated by the Transaction Documents is unexpired or pending.

Section 7.02 Conditions to Obligations of VIA. The obligation of VIA to consummate the transactions contemplated by the Transaction Documents is subject to the satisfaction of the following conditions:

(a) The representations and warranties of Toppan in this Agreement are true and correct in all material respects on the date hereof and on the Closing Date with the same effect as though made on such date (except those representations and warranties

that address matters only as of a specified date, the accuracy of which will be determined on that specified date in all respects).

(b) Toppan has duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other Transaction Documents to be performed or complied with by it before the Closing Date.

Section 7.03 Conditions to Obligations of Toppan. The obligation of Toppan to consummate the transactions contemplated by the Transaction Documents is subject to the satisfaction of the following conditions:

(a) The representations and warranties of VIA in this Agreement are true and correct in all material respects on the date hereof and on the Closing Date with the same effect as though made on such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which will be determined on that specified date in all respects).

(b) VIA has duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement and each of the other Transaction Documents to be performed or complied with by it before the Closing Date.

ARTICLE VIII
TERMINATION

Section 8.01 Termination. This Agreement may be terminated at any time before the Closing:

(a) by the mutual written consent of the Parties;

(b) by VIA by written notice to Toppan if:

(i) VIA is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by Toppan pursuant to this Agreement that would give rise to the failure of any of the conditions specified in **ARTICLE VII** and such breach, inaccuracy or failure has not been cured by Toppan within 20 days after Toppan's receipt of written notice of such breach from VIA; or

(ii) any condition set forth in **Section 7.01** or **Section 7.02** has not been, or if it becomes apparent that any such condition will not be, fulfilled by June 30, 2018, unless the failure is due to the failure of VIA to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing; or

(c) by Toppan by written notice to VIA if:

(i) Toppan is not then in material breach of any provision of this Agreement and there has been a breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by VIA pursuant to this Agreement that would give rise to the failure of any of the conditions specified in **ARTICLE VII** and such breach, inaccuracy or failure has not been cured by VIA within 20 days after VIA's receipt of written notice of such breach from Toppan; or

(ii) any condition set forth in **Section 7.01** or **Section 7.03** has not been, or if it becomes apparent that any of such condition will not be, fulfilled by June 30, 2018, unless such failure is due to the failure of Toppan to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing.

Section 8.02 Effect of Termination. If this Agreement is terminated in accordance with this **ARTICLE VIII**, this Agreement will immediately become void and:

(a) If Toppan terminates this Agreement pursuant to **Section 8.01(c)(i)**, VIA shall pay the Termination Fee in immediately available funds to the Toppan Account within 30 days after Toppan's notice of termination. VIA acknowledges that (i) the agreement contained in this **Section 8.02(a)** is an integral part of the transactions contemplated by this Agreement and (ii) in light of the difficulty of accurately determining actual damages upon Toppan's termination of this Agreement under circumstances in which the Termination Fee is payable pursuant to this **Section 8.02(a)**, Toppan's right to the Termination Fee constitutes a reasonable estimate of the losses that will be suffered by reason of any such termination of this Agreement and thus constitutes liquidated damages (and not a penalty). If VIA fails to pay the Termination Fee when due, VIA shall reimburse Toppan and its Affiliates for all reasonable costs and expenses actually incurred or accrued by them (including reasonable fees and expenses of counsel) in connection with any action (including the filing of any lawsuit) taken to collect payment of the Termination Fee, together with interest on such unpaid amounts at five percent per year calculated on a daily basis from the date the Termination Fee was required to be paid to the date of actual payment.

(b) If VIA terminates this Agreement pursuant to **Section 8.01(b)(i)**, Toppan shall pay the Termination Fee in immediately available funds to the VIA Account within 30 days after VIA's notice of termination. Toppan acknowledges that (i) the agreement contained in this **Section 8.02(a)** is an integral part of the transactions contemplated by this Agreement and (ii) in light of the difficulty of accurately determining actual damages upon VIA's termination of this Agreement under circumstances in which the Termination Fee is payable pursuant to this **Section 8.02(a)**, VIA's right to the Termination Fee constitutes a reasonable estimate of the losses that will be suffered by reason of any such termination of this Agreement and thus constitutes liquidated damages (and not a penalty). If Toppan fails to pay the Termination Fee when due, Toppan shall reimburse VIA and its Affiliates for all reasonable costs and expenses actually incurred or accrued by them (including reasonable fees and expenses of counsel) in connection with any action (including the filing of any lawsuit) taken to collect payment of the Termination

Fee, together with interest on such unpaid amounts at five percent per year calculated on a daily basis from the date the Termination Fee was required to be paid to the date of actual payment.

(c) Neither Party will have any liability except as set forth in **Section 8.02(a)** or **Section 8.02(b)** relating to payment of the Termination Fee, **Section 6.05**, this **ARTICLE VIII**, **ARTICLE IX**, **ARTICLE X**, or in any corresponding definitions set forth in **ARTICLE I**.

(d) Nothing herein relieves either Party from liability for fraud or for any breach of any provision of this Agreement before termination.

ARTICLE IX
INDEMNIFICATION

Section 9.01 **Survival**. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein will survive the Closing and will remain in full force and effect for a period of 12 months from the Closing Date. None of the covenants or other agreements contained in this Agreement will survive the Closing Date other than those which by their terms contemplate performance after the Closing Date, and each such surviving covenant and agreement will survive the Closing for the period contemplated by its terms. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching Party to the breaching Party before the expiration of the applicable survival period will not thereafter be barred by the expiration of that survival period and such claims will survive until finally resolved.

Section 9.02 **Indemnification by Toppan**. Subject to the other terms and conditions of this **ARTICLE IX**, Toppan shall indemnify VIA against, and shall hold VIA harmless from and against, any and all Losses incurred or sustained by, or imposed upon, VIA based upon, arising out of, with respect to or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of Toppan contained in this Agreement; or

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by Toppan pursuant to this Agreement.

Section 9.03 **Indemnification by VIA**. Subject to the other terms and conditions of this **ARTICLE IX**, VIA shall indemnify Toppan against, and shall hold Toppan harmless from and against, any and all Losses incurred or sustained by, or imposed upon, Toppan based upon, arising out of, with respect to or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of VIA contained in this Agreement; or

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by VIA pursuant to this Agreement.

Section 9.04 **Certain Limitations**. The party making a claim under this **ARTICLE IX** is referred to as the "**Indemnified Party**" and the party against whom that claim is asserted under this **ARTICLE IX** is referred to as the "**Indemnifying Party**." The indemnification provided for in **Section 9.02** and **Section 9.03** is subject to the following limitations:

(a) The Indemnifying Party will not be liable to the Indemnified Party for indemnification under **Section 9.02(a)** or **Section 9.03(a)**, as the case may be, until the aggregate amount of all Losses in respect of indemnification under **Section 9.02(a)** or **Section 9.03(a)** exceeds JPY10,000,000, in which event the Indemnifying Party shall pay or be liable only for Losses in excess of this amount.

(b) The aggregate amount of all Losses for which an Indemnifying Party shall be liable pursuant to **Section 9.02(a)** or **Section 9.03(a)**, as the case may be, will not exceed (i) 40% of the Share Purchase Price actually received by Toppan, if Toppan is the Indemnifying Party, or (ii) 20% of the Share Purchase Price, if VIA is the Indemnifying Party, unless VIA's indemnification obligation arises from its failure to pay the Share Purchase Price, in which event VIA's liability will not exceed 100% of the Share Purchase Price.

(c) Payments by an Indemnifying Party pursuant to **Section 9.02** or **Section 9.03** in respect of any Loss will be limited to the amount of any liability or damage that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment received or reasonably expected to be received by the Indemnified Party (or the Company) in respect of any such claim. The Indemnified Party shall use its commercially reasonable efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any Losses before seeking indemnification under this Agreement.

(d) Payments by an Indemnified Party pursuant to or in respect of any Loss will be reduced by an amount equal to any tax benefit realized as a result of such Loss by the Indemnified Party. If an Indemnified Party is required under this Agreement to indemnify an Indemnified Party for a Loss suffered by the Indemnified Party (the "**Indemnified Loss**") and if it is reasonably expected that the Indemnifiable Loss could lead the Indemnified Party to realize a tax benefit but the realization of the tax benefit is not certain when the Indemnifying Party must pay the Indemnifiable Loss, the Indemnifying Party may withhold payment of the portion of the Indemnifiable Loss equal to the reasonably expected tax benefit (the "**Anticipated Tax Benefit Amount**") until it is possible to confirm whether the tax benefit will be realized. As soon as the amount of the realized tax benefit has been confirmed, the Indemnifying Party shall pay to the Indemnified Party the difference between the withheld Anticipated Tax Benefit Amount and the actually realized tax benefit. For the avoidance of doubt, the Indemnifying Party shall pay the portion of the Indemnifiable Loss other than the Anticipated Tax Benefit Amount.

(e) In no event will any Indemnifying Party be liable to any Indemnified Party for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach

or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple.

(f) Each Indemnified Party shall take, and cause its Affiliates to take, all reasonable steps to mitigate any Loss upon becoming aware of any event or circumstance that would be reasonably expected to, or does, give rise thereto, including incurring costs only to the minimum extent necessary to remedy the breach that gives rise to such Loss.

(g) Toppan will not be liable under this Agreement for any Losses based upon or arising out of a fact or event that occurred before the Closing and that Toppan disclosed to VIA either (i) in the Disclosure Schedule, or (ii) in the Data Room.

Section 9.05 Indemnification Procedures.

(a) ***Third-Party Claims***. If any Indemnified Party receives notice of the assertion or commencement of any action, suit, claim or other legal proceeding made or brought by any Person who is not a party to this Agreement or an Affiliate of a Party to this Agreement or a Representative of the foregoing (a "**Third-Party Claim**") against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party prompt written notice thereof. The failure to give such prompt written notice will not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnified Party must describe the Third-Party Claim in reasonable detail, must include copies of all material written evidence thereof, and must specify the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party may participate in, or by giving written notice to the Indemnified Party, may assume the defense of, any Third-Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel, in which case the Indemnified Party shall cooperate in good faith in such defense. If the Indemnifying Party assumes the defense of any Third-Party Claim, subject to **Section 9.05(b)**, it may take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third-Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party may, at its own cost and expense, participate in the defense of any Third-Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defense thereof. If the Indemnifying Party elects not to compromise or defend such Third-Party Claim or fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement, the Indemnified Party may, subject to **Section 9.05(b)**, pay, compromise, defend such Third-Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third-Party Claim. The Parties shall cooperate with each other in all reasonable respects in connection with the defense of any Third-Party Claim, including making available (subject to the provisions of **Section 6.05)** records relating to such Third-Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending Party, management employees of the non-defending Party as may be reasonably necessary for the preparation of the defense of the Third-Party Claim.

(b) **Settlement of Third-Party Claims**. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into settlement of any Third-Party Claim without the advance written consent of the Indemnified Party (which consent the Indemnified Party shall not unreasonably withhold, delay, or condition), except as provided in this **Section 9.05(b)**. If a firm offer is made to settle a Third-Party Claim without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with the Third-Party Claim and the Indemnifying Party desires to accept and agree to the offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to the settlement offer within ten days after its receipt of the notice, the Indemnified Party may continue to contest or defend the Third-Party Claim, and in such event, the maximum liability of the Indemnifying Party as to the Third-Party Claim will not exceed the amount of the settlement offer. If the Indemnified Party fails to consent to the settlement offer and also fails to assume defense of the Third-Party Claim, the Indemnifying Party may settle the Third-Party Claim upon the terms set forth in the settlement offer.

(c) **Direct Claims**. If the Indemnified Party has a claim on account of a Loss that does not result from a Third-Party Claim (a "**Direct Claim**"), Indemnified Party shall assert the Direct Claim by giving the Indemnifying Party prompt written notice thereof. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnified Party must describe the Direct Claim in reasonable detail, must include copies of all material written evidence thereof, and must specify the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party must respond in writing to such Direct Claim within 30 days after its receipt of the notice. During this 30-day period, the Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Company's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within the 30-day period, the Indemnifying Party will be deemed to have rejected the claim, in which case the Indemnified Party may pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

Section 9.06 Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement will be treated by the Parties as an adjustment to the Share Purchase Price for tax purposes, unless otherwise required by Law or by tax authorities or other Governmental Authorities.

Section 9.07 **Exclusive Remedies**. The Parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from intentional fraud on the part of a Party in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, will be pursuant to the indemnification provisions set forth in this **ARTICLE IX**. Nothing in this **Section 9.07** limits either Party's right to seek any remedy on account of intentional misrepresentation or fraud by either Party.

ARTICLE X
MISCELLANEOUS

Section 10.01 **Expenses**. Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby will be paid by the Party incurring such costs and expenses.

Section 10.02 **Further Assurances**. In connection with this Agreement and the transactions contemplated hereby, each Party shall, at the request of the other Party, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be required to carry out the provisions hereof and give effect to the transactions contemplated hereby.

Section 10.03 **Notices**. All notices, requests, consents, claims, demands, waivers and other communications hereunder must be in writing and will be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) on the date sent by facsimile or e-mail of a PDF document, if sent during the recipient's normal business hours, and on the next Business Day, if sent after the recipient's normal business hours, on condition that the communication sent by facsimile or e-mail is also sent by certified or registered mail, return receipt requested, postage prepaid; or (c) if sent internationally, on the fifth day, and if sent within Japan, on the second day, after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the Parties at the following addresses (or at such other address for a Party of which that Party notifies the other Party in accordance with this **Section 10.03**):

If to VIA:

VIA optronics GmbH
Lettenfeldstr. 15, 90592 Schwarzenbruck
Facsimile:
E-mail: djuergens@via-optronics.com; jwoerle@via-optronics.com
Attention: Daniel Jürgens and Dr. Jasmin Wörle

With a copy to (which will not constitute notice):

Kloepfel Corporate Finance GmbH (Hauptsitz)
Rundfunkplatz 2
80335 Munchen
Facsimile:
E-mail:

Attention: Dr. Heiko Frank

Jones Day
Kamiyacho Prime Place
1-17, Toranomon 4-chome
Minato-ku, Tokyo 105-0001, JAPAN
E-mail: mushijima@jonesday.com
Attention: Makiko Ushijima

If to Toppan:

Toppan Printing Co., Ltd.
Toppan Shibaura Bldg., 3-19-26 Shibaura, Minato-ku, Tokyo 108-8539
Facsimile:
E-mail: teruo.ninomiya@toppan.co.jp,
kentaro.kitaoka@toppan.co.jp,
Attention: Teruo Ninomiya and Kentaro Kitaoka

With a copy to (which will not constitute notice):

southgate (registered association)
Pacific Square Kudan-Minami, 7th Fl
2-4-11 Kudan-Minami, Chiyoda-ku, Tokyo 102-0074, JAPAN
E-mail: emarcks@southgate-law.com
Attention: Eric Marcks

Section 10.04 **Headings**. The headings in this Agreement are for reference only and do not affect its interpretation.

Section 10.05 **Severability**. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, that invalidity, illegality or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable that term or provision in any other jurisdiction. Upon determination that any term or other provision is invalid, illegal or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect the Parties' original intent as closely as possible in a mutually acceptable manner so that the transactions contemplated hereby may be consummated as originally contemplated to the greatest extent possible.

Section 10.06 **Entire Agreement**. This Agreement and all related Exhibits and Schedules hereto constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to this subject matter (including the Touch Panel Business Project Term Sheet entered into by the Parties on July 13, 2017. In particular, **ARTICLE III** and **ARTICLE IX** constitute the sole and entire agreement of the Parties with respect to representations and warranties and indemnification and supersede all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, including those contained in the Ancillary Agreements, with respect to representations and warranties and indemnification.

Section 10.07 Successors and Assigns; Assignment. This Agreement is binding upon and will inure to the benefit of the Parties and their respective successors and permitted assigns. Neither Party shall assign its rights or obligations hereunder without the advance written consent of the other Party, which consent must not be unreasonably withheld or delayed by either Party. No assignment will relieve the assigning Party of any of its obligations hereunder.

Section 10.08 No Third-party Beneficiaries. This Agreement is for the sole benefit of the Parties (and their respective heirs, executors, administrators, successors and assigns) and nothing herein, express or implied, is intended to or will confer upon any other Person, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 10.09 Amendment and Modification; Waiver. This Agreement may be amended, modified or supplemented only by an agreement in writing signed by each Party. No waiver by either Party of any of the provisions hereof will be effective unless explicitly set forth in writing and signed by that Party. No waiver by either Party will be, or will be construed as, a waiver in respect of any failure, breach or default not expressly identified by that written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement will be, or will be construed as, a waiver thereof; nor will any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 10.10 Governing Law; Dispute Resolution.

(a) This Agreement is governed by and to be construed in accordance with the laws of Japan without giving effect to any choice or conflict of law provision or rule.

(b) The Parties shall endeavor to resolve any dispute, controversy or difference arising out of, in connection with, or related to this Agreement (a "**Dispute**") through good-faith negotiations. If a Dispute is not settled within 20 days after the receipt by a Party of a written request for negotiation under this **Section 10.10(b)**, the Dispute will be referred for consideration by the Parties' senior officers. The senior officers will have full authority to settle the Dispute.

(c) If the senior officers are unable to resolve the Dispute within 20 days after the receipt by a Party of a written request for consideration of the Dispute by senior officers under **Section 10.10(b)**, the Parties shall submit the Dispute to arbitration in Tokyo in accordance with the Commercial Arbitration Rules of the Japan Commercial Arbitration Association for final settlement. The Parties shall appoint three arbitrators in accordance with the rules and shall conduct the arbitration in English. The decision by the arbitration tribunal will be final and binding on the Parties and may be approved of or entered in (or otherwise be granted enforceability through necessary procedures by) any court having jurisdiction. The Parties consent to consolidation by the Japan Commercial Arbitration Association of arbitral proceedings initiated under this Agreement with arbitration proceedings initiated under any one or more of the Ancillary Agreements (notwithstanding the fact that those agreements may be governed by different laws).

Section 10.11 **Specific Performance**. The Parties agree that irreparable damage will occur if any provision of this Agreement is not performed in accordance with its terms and that the Parties are entitled to specific performance of its terms, in addition to any other remedy to which they are entitled at law or in equity.

Section 10.12 **Attorneys' Fees**. If any action at law or in equity is necessary to enforce or interpret the terms of the Agreement, the prevailing Party will be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which that Party may be entitled.

Section 10.13 **Counterparts**. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties execute this Agreement on the date stated in the introductory clause.

VIA OPTRONICS GMBH

By: /s/ Jürgen Eichner
Name: Jürgen Eichner
Title: Managing Director

VIA OPTRONICS GMBH

By: /s/ Daniel Jürgens
Name: Daniel Jürgens
Title: Managing Director

TOPPAN PRINTING CO., LTD.

By: /s/ Teruo Ninomiya
Name: Teruo Ninomiya
Title: Senior General Manager

Exhibit 10.10

BUSINESS ASSISTANCE AGREEMENT

This Business Assistance Agreement (the "**Agreement**") is entered into on March 29, 2018, between Toppan Printing Co., Ltd., a company organized under the laws of Japan ("**Toppan**"), and VTS-Touchsensor Co., Ltd. (formerly known as Toppan Touch Panel Products, Co., Ltd.), a company organized under the laws of Japan (the "**Company**"). This Agreement is effective from March 26, 2018 (the "**Effective Date**"). Each of Toppan and the Company is referred to as a "**Party**", and together, as the "**Parties**".

RECITALS

A. Toppan operates a business in Japan that develops, manufactures and markets copper touch panel sensors used in touch panel modules and copper PET film used in touch panel sensors (the "**Business**").

B. Toppan and VIA optronics GmbH, a company organized under the laws of Germany ("**VIA**"), entered into a Framework Agreement dated November 30, 2017 (the "**Framework Agreement**") pursuant to which (i) Toppan will transfer certain assets and liabilities relating to the Business to the Company and (ii) VIA will own 65% of the Company and Toppan will own 35% of the Company.

C. In accordance with Section 2.07(a) of the Framework Agreement, the Company desires to procure, and Toppan desires to provide, certain services to support the Business, including administrative and back-office support, procurement support and design and mask support.

The Parties hereby agree as follows:

1. **Term**.

(a) The term of this Agreement (the "**Term**") shall begin on the Effective Date, and shall continue for 3 years unless terminated earlier (i) in writing by the Company on the 30th day after the Company delivers a notice of termination to Toppan in writing or (ii) pursuant to **Section 1(b)**, **Section 1(c),** or **Section 1(d)**.

(b) Either Party may terminate this Agreement immediately upon giving written notice to the other Party if the other Party: (1) becomes insolvent or its liabilities exceeds its assets; (2) suspends payments or any drafts or checks drawn, issued, or undertaken by the other Party are dishonored, (3) becomes subject, voluntarily or involuntarily, to any bankruptcy, civil rehabilitation, corporate reorganization, or other legal procedure for debt restructuring or work-out (out-of-court procedure for its debts); or (4) is dissolved or liquidated or takes any corporate action for such purpose.

(c) Either Party may terminate this Agreement immediately upon giving written notice to the other Party if the other Party materially breaches this Agreement and, if such breach is curable, fails to cure such breach within 15 days after the first Party's written notice of such breach.

(d) Toppan may terminate this Agreement immediately upon giving written notice to the Company if (i) VIA, alone or in combination with its affiliates, no longer has a majority stake in the Company or the right to appoint a majority of the Company's board members, or (ii) Toppan no longer holds any shares in the Company.

2. **Services**.

(a) Toppan shall perform the services set forth on **Schedule 1** (the "**Services**") in accordance with the terms contained therein. The Services set forth on **Schedule 1** may be altered, from time to time, to expand, reduce or delete Services, to alter the scope of any of the Services, or to modify their frequency (in which case appropriate changes to the section of the Payment of the Work (Cost of Consignment), including the Standard Monthly Fee, may be made) upon mutual consent of the Parties, which consent shall revise **Schedule 1** and supersede and replace the **Schedule 1** then in effect. The Company shall furnish Toppan with such information and other reasonable assistance as is necessary to enable Toppan to perform the Services.

(b) Toppan will use reasonable and good care, skill and diligence to perform the Services, which shall be at minimum at the same level as Toppan provides or would provide to its own firm or to its other affiliates under similar circumstances.

3. **Staffing**. In the provision of Services, Toppan will allocate an appropriate number of staff with appropriate qualifications to perform the Services.

4. **Fees and Expenses**.

(a) In consideration for the Services provided by Toppan, the Company shall pay Toppan an amount equal to the aggregate figures listed in "(4) Payment of the work (Cost of consignment) - Standard Monthly Fee" in **Schedule 1**, subject to the adjustment set forth in Section 5 below (the "**Fees**").

(b) Toppan may, with the Company's consent, incur expenses, such as travel expenses, in connection with performance of the Services (the "**Expenses**"). Toppan shall pay the Expenses in the first instance and the Company shall reimburse Toppan for the Expenses. The Company acknowledges that if it does not grant its consent to Toppan's incurrence of an expense, Toppan will not be obligated to incur that expense and Toppan will not be deemed to have breached its obligation to perform a Service if the reason Toppan does not perform the Service is attributable to the Company's failure to consent to an expense that is necessary for Toppan's performance of the Service.

5. **Invoicing for Fees and Expenses**. Toppan shall calculate the Fees for Services rendered each month, taking into account the proportion of total work hours each Toppan staff spends on the Services (i.e., the Fees for a Toppan staff who spends 80% of his or her work time performing a Service would be that proportion multiplied by the Standard Monthly Fee

corresponding to the Service) will invoice the Company monthly for the Fees for Services rendered and for Expenses incurred through the end of each month. Each invoice shall include sufficient detail to support the Fees and Expenses set forth therein. All invoices will be in Japanese Yen. The Company will pay the invoiced amounts within 60 days of receipt of each invoice. Payments shall be made by wire transfer of immediately available funds to the following account, or such other account as Toppan may designate to the Company in writing:

6. **Supply Price**. Any supplies obtained from third parties sold by Toppan to the Company in connection with the provision of the Services shall be sold without any mark-up and at the price that Toppan paid for such supplies.

7. **Books and Records**. Toppan shall maintain accurate and complete books of account, documents and records relating to the provision of the Services for a period of five years from the creation of those books, and documents, and records. During the Term, Toppan agrees to provide the Company reasonable access to Toppan's books and records that it is obligated to maintain pursuant to the previous sentence as necessary to monitor the Services and invoicing therefor.

8. **Confidentiality**. Each Party agrees not to disclose the contents of this Agreement or the other Party's Confidential Information without the other Party's advance written consent. "**Confidential Information**" of a Party means all non-public or sensitive or proprietary information about or of that Party but does not include information (a) that has become publicly known through no breach by either Party of its confidentiality obligations hereunder, (b) that is independently and lawfully developed or obtained by a Party without access to the other Party's Confidential Information, (c) is or becomes available to a Party on a non-confidential basis from a third Person, on condition that that third Person is not and was not prohibited from disclosing that information, or (d) that was known by or in the possession of a Party before the disclosure of that information to that Party pursuant to this Agreement, on condition that, in the case of each of (a) through (d), the Party seeking to disclose such information has the burden of demonstrating that it is not Confidential Information: provided, however, each Party may disclose such Confidential Information to its affiliates, in each case on a need-to-know basis for the purpose of facilitating the performance of this Agreement, on condition that the disclosing Party cause its affiliates that have received any Confidential Information of the other Party to comply with this provision and that the disclosing Party be responsible for any act by such affiliates that would constitute a breach of this provision had the act been undertaken by the disclosing Party. A Party may disclose Confidential Information of the other Party if required pursuant to applicable law, regulation or a valid order issued by a court or governmental agency of competent jurisdiction, on condition that the Party first make commercially reasonable efforts to provide the other Party

(i) prompt written notice of such requirement so that the other Party may seek, at its sole cost and expense, a protective order or other remedy, and (ii) reasonable assistance, at the other Party's sole cost and expense, in opposing such disclosure or seeking a protective order or other limitations on disclosure.

9. **Relationship of the Parties**. In performing the Services, it is understood and agreed that Toppan will be deemed to be an independent contractor of the Company.

10. **Indemnification**.

(a) Toppan shall indemnify the Company from and against any loss, liability, damage or expense suffered or incurred as a result of Toppan's gross negligence or willful misconduct in performing the Services, in accordance to the general principals of applicable contract laws in Japan.

(b) WITH THE EXCEPTION OF THE FIRST SENTENCE IN SECTION 2(b), TOPPAN EXPRESSLY DISCLAIMS ALL WARRANTIES CONCERNING THE SERVICES (INCLUDING THE RESULTS OF THE SERVICES); WHETHER EXPRESS OR IMPLIED BY LAW.

(c) EXCEPT FOR DAMAGES ARISING FROM EITHER PARTY'S INTENTIONAL MISCONDUCT OR GROSS NEGLIGENCE, TO THE FULLEST EXTENT PERMITTED BY LAW, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, PUNITIVE, OR ENHANCED DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, PRODUCT LIABILITY, OR OTHERWISE (INCLUDING THE ENTRY INTO, PERFORMANCE, OR BREACH OF THIS AGREEMENT). UNDER NO CIRCUMSTANCES WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR DAMAGES IN EXCESS OF THE AMOUNT OF PAYMENTS RECEIVED BY TOPPAN UNDER THIS AGREEMENT.

11. **Communication**. All written or oral communication between the Parties related to this Agreement and that involve the participation of a Company officer, director, or employee who does not speak Japanese shall be in the English language. Other communications in connection with this Agreement between Japanese-speaking Toppan personnel and Japanese-speaking Company personnel may be in Japanese if it is efficient to do so and as long as any information exchanged in such communications that is material to the Company's operations or that should, by its nature, be conveyed to the Company board of directors, is subsequently recorded or conveyed to the Company board in English. All costs and expenses related to any translation or interpretation services required by either Party shall be borne by the Party requiring such translation or interpretation services.

12. **Notices**. All notices under this Agreement that are required to be in writing shall be given in writing upon receipt by either registered mail, return receipt requested, by recognized overnight courier, by email, or by such other means as the Parties mutually agree, as follows:

If to Toppan:

Toppan Printing Co., Ltd.
Toppan Shibaura Bldg.
3-19-26 Shibaura Minato-ku, Tokyo 108-8539
Email: teruo.ninomiya@toppan.co.jp
kentaro.kitaoka@toppan.co.jp
Attention: Teruo Ninomiya and Kentaro Kitaoka

If to the Company:

VTS-Touchsensor Products, Co., Ltd.
1101-20, Myohoji-cho, Higashiomi
Shiga, 527-0046, Japan
Email: JWoerle@via-optronics.com
Attention: Dr. Jasmin Wörle

With a copy (which will not constitute notice):

VIA optronics GmbH
Sieboldstr. 18, 90411 Nurnberg
E-mail: kbickelbacher@via-optronics.com
Attention: Kathrin Bickelbacher

Jones Day
Kamiyacho Prime Place
1-17, Toranomon 4-chome
Minato-ku, Tokyo 105-0001, JAPAN
E-mail: mushiiimaionesday.com
Attention: Makiko Ushijima

13. **Headings**. The headings in this Agreement are for reference only and do not affect its interpretation.

14. **Entire Agreement**. This Agreement, and all related Schedules hereto or Statements of Work delivered hereunder, constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to this subject matter.

15. **Successors and Assigns; Assignment**. This Agreement is binding upon and will inure to the benefit of the Parties and their respective successors and permitted assigns. Neither Party shall assign its rights or obligations hereunder without the advance written consent of the other Party, which consent must not be unreasonably withheld or delayed by either Party. No assignment will relieve the assigning Party of any of its obligations hereunder.

16. **No Third Party Beneficiaries**. This Agreement is for the sole benefit of the Parties (and their respective successors and assigns) and nothing herein, express or implied, is intended to or will confer upon any other Person, any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

17. **Amendment and Modification; Waiver**. This Agreement may be amended, modified or supplemented only by an agreement in writing signed by each Party. No waiver by either Party of any other provisions hereof will be effective unless explicitly set forth in writing and signed by that Party. No waiver by either Party will be, or will be construed as, a waiver in respect of any failure, breach or default not expressly identified by that written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement will be, or will be construed as, a waiver thereof, nor will any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

18. **Governing Law**. This Agreement shall be governed by and construed in accordance with the laws of Japan without giving effect to any choice or conflict of law provision or rule.

19. **Dispute Resolution**. The Parties shall endeavor to resolve any dispute, controversy or difference arising out of, in connection with, or related to this Agreement (a "**Dispute**") though good-faith negotiations. If a Dispute is not settled within 20 days after receipt by a Party of a written request for negotiation under this **Section 19**, the Dispute will be referred for consideration by the Parties' senior officers. The senior officers will have full authority to settle the Dispute. If the senior officers are unable to resolve the Dispute within 20 days after the receipt by a Party of a written request for consideration of the Dispute by senior officers under this **Section 19**, the Parties shall submit the Dispute to arbitration in Tokyo in accordance with the Commercial Arbitration Rules of the Japan Commercial Arbitration Association for final settlement. The Parties shall appoint three arbitrators in accordance with the rules and shall conduct the arbitration in English. The decision by the arbitration tribunal will be final and binding on the Parties and may be approved of or entered in (or otherwise be granted enforceability through necessary procedures by) any court having jurisdiction. The Parties consent to the consolidation by the Japan Commercial Arbitration Association of arbitral proceedings initiated under this Agreement with arbitration proceedings initiated under any one or more of the Ancillary Agreements (as defined in the Framework Agreement) (notwithstanding the fact that those agreements may be governed by different laws).

20. **Counterparts**. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission will be deemed to have the same legal effect as delivery of any original signed copy of this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Business Assistance Agreement on the date first stated above.

TOPPAN PRINTING CO., LTD.

By: /s/ Teruo Ninomiya
Name: Teruo Ninomiya

Title: Senior General Manager

IN WITNESS WHEREOF, the Parties have executed this Business Assistance Agreement on the date first stated above.

VTS-TOUCHSENSOR PRODUCTS, CO., LTD.

By: /s/ Dr. Jasmin Wörle
Name: Dr. Jasmin Wörle

Title: Representative Director

Schedule 1 Consignment Work List

Department	1) Scope of Work	2) Task	3) Deliverables	4) Payment of the work (Cost of consignment)			5)Expected Outcomes (e.g. PO issued financial data provided on xx date.)
				Proportion (Schedule)	Number of Persons/month	Standard Monthly Fee	
Sales/CS	Supporting Sales and production control	Preparation of price proposal, creation of quotation for customer submission Develop customer supply drawing, hold design review meeting Product arrangement Follow up delivery schedule Shipment arrangement Processing instructions at the time of complaint	Price Proposal, Quotation Design Review Minutes Payment date response form Shipping instructions Processing in the factory related to complaint processing	100%	2 persons	979, 276	Replying price to customer requirements Adjustment for customer's requested delivery date Delivery of products as expected Appropriate complaint handling
Design	Manufacturing design operation	1) Pattern design 2) CAD 3) Checking Drawing	1) Mask design instruction, customer approval drawing 2) 3) Mask Production drawing (toppan – mask vendor)	100% '33%x3 Persons'	6 persons 3 persons	5,213,904 551,782	1). Pattern design according to customer's request and get customer's approval. (TP Technical Opening 2T) 2) Instructions for manufacturing masks according to customers' requests (Manufacturing design (Shim)) 3) Instructions for manufacturing masks according to customers' requests
			1) Pattern Design	Takahiro Harada (Manager) Taro Sakamoto Kanae Bani Bi shi (Contract Engineer) Masaaki Serizawa (Contract Engineer) Muhammad Razin (Contract Engineer)			
			2)CAD, 3) Checking Drawing	Yasunori Kitagawa Tetsutaro Kawabata Kazuki Shima			
Procurement	Purchasing service agency	1) Main materials, sub-materials and equipment procurement 2) Purchasing specification maintenance 3) Vendor management 4) Repair price negotiation	Possible procurement under letterpress transaction Counterparty on concluding and maintenance Stable procurement through monitoring Possible procurement under letterpress transaction conditions (price, delivery date)	100%	2 persons	816,008	Price negotiation for cost reduction Reduction of workload of new company Reduction of workload of new company Reduction of workload of new company
Accounting	Accounting / accounting work of the new company, substitution for inventory calculation work	1) Bookkeeping business 2) Management of liability outstanding balance 3) Payment approval work 4) Calculation of valuation of products • work in process 0) Others VTS, work agreed on letterpress (assuming support for account owning and tax notice)	Based on Japanese GAAP Balance sheet • Profit and loss statement (draft) (Response and explanation such as confirmation / approval of contents and audit etc. Responsibility is out of scope)	100%	1 person	1,1478,001	Based on Japanese GAAP Balance sheet • profit and loss statement (draft) will be Prepared (Response and explanation such as confirmation / approval of contents and audit etc. Responsibility is out of scope)
Environment	Work related to environmental improvement	1) Government agency reporting of notification procedures and annual results (energy, chemicals, industrial waste) based on environmental laws of the new company 2) Follow-up system for industrial waste disposal (Support for concluding contract with contractor, support for electronic manifest operation) 3) Support for continuation of ISO 14001 certification	Conduct obligation to comply with government agency reports on environment Conclusion of contracts for contracting industrial waste • commissioned operation, electronic manifest operation support Continuation of ISO 14001 certification	30% 30% 40%	1 person 1person 1 person	197,871	Report notification procedures and yearly results (energy, chemical substances, industrial waste) based on environmental laws of VTS to government offices at an appropriate time. Support for concluding contract with contractor for industrial waste disposal, support for managing electronic manifest Continued ISO 14001 certification, prevention of environmental accidents
General Affairs	Administrative work of seconded employees	1) Labor management (such as attendance management, arrangement of medical examination etc.) 2) Personnel evaluation, personnel change correspondence (adjustment of appraisal of regular salary / bonus, correspondence of personnel change, organization of various in- house education, etc.) 3) Salary / bonus calculation, payment 4) Social insurance (health insurance / welfare pension) Employment insurance procedure 5) Contingency expense, checking of business trip settlement work (general affairs approval work ... BIT system) 6) Welfare welfare (welfare association, financial form, Izumi party, lek, various events, etc.) 7) Payment processing of expenses necessary for the operation of corporate activities (facility utility fee (gas, electricity & water), pest control • cleaning & garbage disposal fee, medical examination, postage	We provide time data (overtime work / temporary attendance time) from 1st of the current month to the end of this month by the next 7 business days. Before implementing the medical examination, notify the list of subjects and estimate amount. Adjustment result of adjustment of personnel evaluation (regular salary revision, bonus ... twice a year, grading promotion, supervisory appointment and dismissal) feedback, reflection on salary • bonus amount, notification of personnel change notification before implementation, notification before implementation of various In-house training Salary payment to seconded employees is 25th every month. Present invoiced labor cost to VTS from accounting (in the case of salary base at the end of the current month, on the basis of	100%	1 person	494,680	Realization of a healthy working environment conforming to laws and regulations. Employee health management. Reflect on the treatment according to appraisal, appropriate personnel allocation Execution obligation to pay consideration (compensation) for labor Response to social security system Completion obligation of liquidating expenses for principal Realization of safe and secure work environment Performing obligation to pay necessary expenses. Realization of a clean and safe work environment Realization of a healthy working environment in compliance with laws and regulations

		charge, uniform cleaning fee etc.), as agreed by the Company 8) Labor Insurance premium payment support (data provision to social insurance labor office)	labor cost the eighth business day of the next month) Payment of insurance premium. Regarding company burden amount, it is presented from accounting, including in labor cost. Payment is carried out at any time. We present billing expenses to VTS from accounting. Presentation from company accounting Presented from accounting by billing amount Provide data to the social insurance labor office at the annual renewal (June)				

Department	1) Scope of Work	2) Task	3) Deliverables	4) Payment of the work (Cost of consignment)			5)Expected Outcomes (e.g. PO issued financial data provided on xx date,)
				Proportion (Schedule)	Number of Persons/month	Standard Monthly Fee	
Production Control	Product shipping business	1) Acceptance / sorting of products: acceptance of shipped products from the VTS manufacturing department, sorting of customer delivered items and outsourced processed items 2) Issuance of product label: the work from issuance and pasting of packing exterior label required for product (including issuance and pasting of case mark of products to be shipped to overseas customers) 3) Shipment processing: creation of shipping processing details of finished products, reporting to VTS production management, issuance of invoice 4) Packing / shipping: work until issuance of a form required for shipping the product to the shipping company	Inventory table Product label Delivery note Packing / shipping: Issuance of a form required for shipping products	100%	2 persons	1,086,004	Acceptance of shipped products from the VTS manufacturing division, sorting customer delivered items and outsourced processed items. Issue and paste the product label as instructed by VTS. According to the Instructions of VTS, shipping processing: creation of shipping processing details of finished products, reporting to VTS production management and issuing invoice Follow the instructions of VTS to carry out the work from issuance of the form required for shipment to delivery to the shipping company.
Quality Control	QMS management secretariat Management of chemical substances contained in products BCP Management Office Safety risk assessment secretariat	1) Internal audit management, auditor training 2) New company OMS launch support 3) Support for acquisition of ISO 9001 certification 1) Supplier survey, preparation of report 2) Management of green procurement guidelines 1) Document management, BCP training (Note) Either delegate to letterpress or consult after April 1) Secretariat of in -process work risk analysis (publication setup)	Internal audit report, auditor certification Quality manual, upper standard revision ISO 9001 certification Product content survey report Green Procurement Guidelines Prepare for response in case of emergency Risk assessment table	15% 20% (2%) 5%	2 persons 1 person (1 person) 1 person	349,236	Construction and operation of the new company's OMS Acquired 1509001 certification Reduction of workload of new company Continuation of BCM and education and training based on BCP Risk reduction of occupational accidents

AMENDMENT TO
BUSINESS ASSISTANCE AGREEMENT

This Amendment to Business Assistance Agreement (this "Amendment") is dated as of April 1, 2019 (the "Amendment Effective Date"), and is by and between Toppan Printing Co., Ltd., a Japanese corporation with its principal place of business at 3-19-26 Shibaura Minato-ku, Tokyo 108-8539, Japan ("Toppan"), and VTS-Touchsensor Co., Ltd., a Japanese corporation with its principal place of business at1101-20, Myohoji-cho, Higashi-ohmi, Shiga 527-0046 Japan ("VTS"). Defined terms used herein not otherwise defined shall have the meaning ascribed to them in the Agreement (as defined below).

RECITALS

WHEREAS, the parties entered into BUSINESS ASSISTANCE AGREEMENT dated March 29, 2018 (the "Agreement").

WHEREAS, the parties wish to amend the terms and conditions of the Agreement.

AGREEMENT

NOW, THEREFORE, the parties hereto agree as follows:

1. **Amendment to SCHEDULE 1 Consignment Work List**. The parties hereto hereby delete SCHEDULE 1 Consignment Work List in its entirety and replace SCHEDULE 1 Consignment Work List to read as the SCHEDULE 1 Consignment Work List attached hereto.

2. **Term and Termination.** This Amendment shall take effect on April 1, 2019, and shall terminate on March 31, 2020.

3. **All Other Terms Remain in Effect.** Except and to the extent modified herein, all terms and conditions of the Agreement shall remain in full force and effect. This Amendment may be executed in any number of counterparts, and delivered via e-mail transmission, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto execute this Amendment as of the Amendment Effective Date.

Toppan		VTS	
Toppan Printing Co., Ltd.		VTS-Touchsensor Co., Ltd.	
By:	/s/ Yoji Tonooka	By:	/s/ Dr. Jasmin Wörle
Name:	Yoji Tonooka	Name:	Dr. Jasmin Wörle
Title	Senior General Manager	Title	Representative Director

AMENDMENT TO
BUSINESS ASSISTANCE AGREEMENT

This Amendment to Business Assistance Agreement (this "Amendment") is dated as of April 1, 2020 (the "Amendment Effective Date"), and is by and between Toppan Printing Co., Ltd., a Japanese-corporation with its principal place of business at 3-19-26 Shibaura Minato-ku, Tokyo 108-8539, Japan ("Toppan"). and VTS-Touchsensor Co., Ltd., a Japanese corporation with its principal place of business at 1101-20, Myohoji-cho, Higashi-ohmi, Shiga 527-0046 Japan ("VTS"). Defined terms used herein not otherwise defined shall have the meaning ascribed to them in the Agreement (as defined below).

RECITALS

WHEREAS, the parties entered into BUSINESS ASSISTANCE AGREEMENT dated March 29, 2018 and its first Amendment dated April 1, 2019 (the ''Agreement").

WHEREAS, the parties wish to amend the terms and conditions of the Agreement.

AGREEMENT

NOW, THEREFORE, the parties hereto agree as follows:

1. **Amendment to SCHEDULE 1 Consignment Work List.** The parties hereto hereby delete SCHEDULE 1 Consignment Work List in its entirety and replace SCHEDULE 1 Consignment Work List to read as the SCHEDULE 1 Consignment Work List attached hereto.

2. **Term and Termination.** This Amendment shall take effect on April 1, 2020, and shall terminate on March 25, 2021.

3. **All Other Terms Remain in Effect.** Except and to the extent modified herein, all terms and conditions of the Agreement shall remain in full force and effect. This Agreement may be delivered by facsimile or electronic (pdf) transmission, and facsimile or electronic (pdf) copies of executed documents shall be binding as originals.

IN WITNESS WHEREOF, the parties hereto execute this Amendment as of the Amendment Effective Date.

Toppan		VTS	
Toppan Printing Co., Ltd.		VTS-Touchsensor Co., Ltd.	
By:	/s/ Kazunori Katsumura	By:	/s/ Mario Bernardo N. Santos
Name:	Kazunori Katsumura	Name:	Mario Bernardo N.Santos
Title	Senior General Manager	Title	Managing Director

Exhibit 10.18

VIA OPTRONICS AG

SHAREHOLDERS' AGREEMENT

Execution Version

SHAREHOLDERS' AGREEMENT

between

1. **Mr. Jürgen Eichner**

   Lettenfeldstraße 15, 90592 Schwarzenbruck, Germany,

   - "**Mr. Eichner**" -

2. **Coöperatief IMI Europe U.A.**

   Luna ArenA, Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands,

   - "**IMI**" -

- the parties 1. and 2. each a "**Shareholder**" and jointly the "**Shareholders**" -

3. **VIA optronics AG**

   Sieboldstr. 18, 90411 Nuremberg, Germany

   - "**Company**" -

- the Shareholders and the Company jointly individually a "**Party**" and jointly the "**Parties**" -

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I. RECITALS

(A) The Shareholders are currently the sole owners of the Company.

(B) The Company and the Shareholders are contemplating to effect an initial public offering (an "**Initial Public Offering**" or "**IPO**") of certain securities representing the Company's shares (i.e. "**American Depositary Shares**" or "**ADS**") and their listing on the New York Stock Exchange. In view of the contemplated IPO Mr. Eichner and IMI have both contributed their respective shares they originally held in VIA optronics GmbH into the Company in return for shares of the Company, whereby the ratio of their respective shareholdings in the Company remained unchanged, i.e. as of the day hereof, Mr. Eichner holds 24% and IMI holds 76% of the registered share capital of the Company.

(C) IMI and Mr. Eichner intend to have their relationship as shareholders of the Company after the IPO governed by the provisions of this shareholders' agreement ("**Agreement**").

II. SUPERVISORY BOARD

1. Composition

The Company's supervisory board (*Aufsichtsrat*) ("**Supervisory Board**") consist currently of five (5) members.

2. Voting Agreement

The members of the Supervisory Board shall be elected by the General Meeting (*Hauptversammlung*) in accordance with applicable laws, whereby IMI and Mr. Eichner agree amongst themselves in the form of a voting agreement to exercise their respective voting rights in the General Meeting duly resolving upon the appointment of supervisory board members in such a way to ensure, to the extent possible and legally permissible, that one (1) person nominated by Mr. Eichner and two (2) persons nominated by IMI are elected by the General Meeting as Supervisory Board members. Each Shareholder hereby undertakes to exercise its voting rights in such ballot in favor of the appointment of those persons nominated by Mr. Eichner and IMI as members of the Supervisory Board as per the preceding sentence. The same voting agreement shall apply in relation to the removal of the members of the Supervisory Board which were nominated Mr. Eichner and IMI.

For the avoidance of doubts, the foregoing shall not restrict or limit the right of IMI and of Mr. Eichner to propose additional candidates for election to the Supervisory Board and to exercise their voting rights in favour of such candidates or in favour of any other candidates being proposed by any shareholder for election to the Supervisory Board,

always provided that both Shareholders exercise their voting rights in such way that one (1) candidate nominated by Mr. Eichner and the two (2) candidates nominated by IMI (as per the first sentence of this section 2) are elected as Supervisory Board members.

3. Substitute Members

Furthermore, each Shareholder has the right to nominate a substitute member for each member for the Supervisory Board nominated by it (to be elected by the General Meeting).

4. Cease of Application

The foregoing provisions in Sections II.2 and 3 shall cease to apply and no Shareholder shall have any rights and/or obligations thereunder if either of the Shareholders holds less than 5% of the registered capital of the Company.

III. RIGHT OF FIRST REFUSAL

5. Notification

If Mr. Eichner intends to sell and/or transfer shares of the Company, it being understood that this shall not apply for any intended sale and/or transfer of ADSs through the New York Stock Exchange, or to enter into a commercially equivalent transaction, Mr. Eichner shall notify without delay IMI and the Company in writing of such intention, stating the number of shares that he intends to sell and/or transfer (such shares the "**Sale Shares**", and such notification: the "**Notification**") as well as the following information:

5.1 name/firm name and address/registered office of the prospective acquirer;

5.2 purchase price or other consideration for the intended transfer, if any, and, in case of a consideration other than cash, the value of any non-cash consideration in cash according to the consideration's fair market value;

5.3 due date for payment of the purchase price and/or other consideration, if any; and

5.4 other material terms of the offer, e.g. representations and warranties that the prospective acquirer expects to be given by Mr. Eichner.

If Mr. Eichner intends to transfer shares for consideration other than cash, he shall, for the purpose of the right of first refusal under Section 6, indicate in the Notification the value of any non-cash consideration in cash according to the consideration's fair market value. In such event IMI shall be entitled to request that an independent expert's opinion on the consideration's fair market value is obtained, provided that

such request must be made in writing to Mr. Eichner within two (2) weeks as of receipt of the Notification. If such request is made within said time period, the Shareholders shall agree on the person of the independent expert, or, failing such agreement within a further two (2) weeks period, the independent expert shall be determined by the managing director (*geschäftsführender Vorstand*) of the Institute of Auditors in Dusseldorf (*Institut der Wirschaftsprüfer e.V.*). The outcome of the expert's opinion shall ultimately determine the consideration's fair market value for the purpose of the right of first refusal under Section 6 and (i) the fair market value as determined by the independent expert shall replace the fair market value originally stated by Mr. Eichner in the Notification, and (ii) the Notification shall be deemed to have been received by IMI at the date of receipt of the expert's opinion, and not at the date the original Notification has been received. In the event that the expert's opinion shows the consideration's fair market value to deviate by more than 10% from the value stated by Mr. Eichner, the latter shall bear the cost of the expert's opinion, otherwise IMI shall bear such cost.

6. Right of First Refusal

Upon receipt of the Notification from Mr. Eichner, IMI shall have a right of first refusal to acquire the Sale Shares at the terms and conditions set forth in the Notification ("**Right of First Refusal**"). The Right of First Refusal shall be exercised by IMI by giving a respective exercise notice ("**Purchase Statement**") to Mr. Eichner within 30 days as of receipt of the Notification. If IMI has exercised the Right of First Refusal, Mr. Eichner shall sell and transfer the Sale Shares to IMI within two (2) weeks following receipt of the Purchase Statement under the terms and conditions set forth in the Notification.

If IMI has not exercised its Right of First Refusal in full (i.e. in relation to all Sale Shares), then Mr. Eichner shall be free to sell and/or transfer the Sale Shares within two (2) months as of the lapse of the 30 days period set forth above to the acquirer stated in the Notification, but only in strict accordance with the terms and conditions set forth in the Notification.

If Mr. Eichner intends to convert his shares into ADSs with the purpose to sell those ADSs over the New York Stock Exchange then he must notify IMI of this intention and the Right of First Refusal pursuant to this Section 6 shall apply *mutatis mutandis* whereby the consideration for the acquisition of the shares Mr. Eichner intends to convert into ADSs shall be the average price per ADS traded on the New York Stock Exchange over a period of five (5) trading days prior to the notification being received by IMI about Mr. Eichner's intention to convert his shares into ADSs for the purpose of the sale.

IV. MISCELLANEOUS

7. Interpretation

The terms printed in italics constitute German legal terms describing the meaning of the terms in the English language they refer to, and are to be taken into account when interpreting this Agreement.

8. Effective Date, Term.

This Agreement shall become effective on the date of the IPO. Each Party hereto may terminate this Agreement with twelve (12) months' notice to the end of a calendar year, but in no event with effect to a date prior to December 31, 2030. The right to terminate this Agreement for good cause (*aus wichtigem Grund*) remains unaffected. This Agreement shall also terminate if either of the Shareholders disposes of all of its shares in the Company.

9. Confidentiality

The Parties shall keep the content of this Agreement confidential, except if and to the extent (i) disclosure is expressly agreed among the Parties, or (ii) disclosure is required pursuant to any statute or law, official or judicial orders, or provisions or regulations relating to a stock exchange. Each Party shall be further entitled to disclose the content of this Agreement to its partners, members, or any other holders of shares or interests in it, if reasonable measures are in place or have been taken that such recipient will keep the content of this Agreement confidential.

10. Form of Amendments and Statements

Amendments to this Agreement including any amendment of this Section IV.10 shall be required to be in writing in order to be effective, unless a stricter form requirement (e.g. a notarization) applies by mandatory law. Any statement, declaration, notification or other communication that is required to be in writing under this Agreement, shall suffice to be transmitted by email in order to be effective.

11. Severability

In the event that a provision of this Agreement is or becomes partly or entirely invalid or unenforceable or if this Agreement contains a gap or omission, the validity of the remaining provisions of this Agreement is not affected thereby. The partly or entirely invalid or unenforceable provision shall be deemed replaced in this case by a valid and enforceable provision, which the Parties would have agreed on had they been aware of the invalidity or unenforceability of the respective provision. The same applies in the event that this Agreement contains a gap or omission.

12. Governing Law

This Agreement is governed by and construed in accordance with the laws of the Federal Republic of Germany under exclusion of its rules of conflict of laws.

13. Jurisdiction

All disputes or claims arising out of or in connection with this Agreement, including all disputes regarding the validity, performance or termination (in whole or in part) hereof, shall be finally settled according to the Arbitration Rules of the German Institution of Arbitration (*Schiedsgerichtsordnung der Deutschen Institution für Schiedsgerichtsbarkeit e.V. — DIS*) as applicable at the time of filing the claim, without recourse to the ordinary courts of law and to the exclusion of the jurisdiction of any (other) court or tribunal. The arbitration panel shall have its seat in Nuremberg, Germany. It shall be composed of three (3) arbitrators (of which the chairman must be a lawyer admitted to the German lawyers' bar) unless the matter of the dispute has a value of less than EUR 500,000.00, in which case there shall be only one (1) arbitrator who must be a lawyer admitted to the German lawyers' bar. The proceedings and correspondence shall be in the English language, provided, however that written evidence and other supporting documentation may also be submitted in the German language. The applicable substantive law shall be the laws of the Federal Republic of Germany.

Schwarzenbruck, July 11, 2019	**/s/ Jürgen Eichner**
Place, date	**Jürgen Eichner**
Amsterdam, July 11, 2019	**/s/ Coöperatief IMI Europe U.A.**
Place, date	**Coöperatief IMI Europe U.A.**
Nuremberg, July 11, 2019	**/s/ VIA optronics AG**
Place, date	**VIA optronics AG**

Exhibit 21.1

Subsidiaries of the Registrant

VIA optronics GmbH (Germany)
VIA optronics LLC (USA)
(Suzhou) Co., Ltd. (China)
VIA optronics (Taiwan) Ltd. (Taiwan)
VTS-Touchsensor Co., Ltd. (Japan)

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated June 25, 2020, in Amendment No. 1 to the Registration Statement (Form F-1 No. 333-248599) and related Prospectus of VIA optronics AG for the registration of its ordinary shares.

/s/ Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft

Nuremberg, Germany

September 21, 2020