



PRESS RELEASE

Amsterdam, 22 February 2022

Dutch Star Companies TWO publishes 2021 FY results

Dutch Star Companies TWO B.V. ("the Company"), a special purpose acquisition company, listed on Euronext Amsterdam (symbol: DSC2) that has announced on 23 December 2021 to pursue a business combination with Cabka Group GmbH, publishes its preliminary unaudited annual results 2021, today.

Publication of the Annual Report and audited results Dutch Star Companies TWO 2021 are scheduled for 13 April 2022.

HIGHLIGHTS DSCT 2021

DSCT and Cabka Group GmbH, a leading integrated circular production company, announced that they had entered into a non-binding heads of agreement on 23 December 2021. This was followed by an announcement that DSCT and Cabka had reached an agreement for a business combination on 10 January 2022. The business combination is expected to become effective on 1 March 2022, subject to EGM approval on 28 February 2022.

SUMMARY 2021 FY RESULTS

DSCT has suffered an after-tax loss of € 3,215,788 over the period of 1 October 2020 through 31 December 2021. The loss includes €794,444 in operating expenses and €636,704 attributable to the negative interest rates for large commercial deposits and for the largest portion (€ 2,374,168) to the fair value recognition of the Warrant liabilities on DSCT's balance sheet. This is expensed through the profit and loss for accounting purposes only, following the positive valuation development of the issued warrants to investors. Furthermore, this Warrant expense is a non-cash item. Due to the negative interest, the money held in escrow and on the Company's bank account decreased towards € 108,712,404 on 31 December 2021. The Company will be able to contribute at least €108 million in cash for the business combination with Cabka on 1 March 2022; €63.3 million will be used to buy-out minority shareholders and the remainder will be invested as growth capital for Cabka.

P&L AND BALANCE SHEET DSCT 2021

An overview of the main financial statement of DSCT in 2021 is provided in the following 4 tables:

Table 1. Statement of profit and loss and other comprehensive income

Table 2. Statement of financial position

Table 3. Statement of changes in equity

Table 4. Statement of cash flows

TABLE 1.

Consolidated statement of profit and loss and other comprehensive income

(all amounts in €)	Period of 1-10-2020 up to 31-12-2021
	Unaudited
Bank expenses	€ -
Administrative expenses	€ -
Service Fees	€ (794,444)
Operating expenses	€ (794,444)
Operating Loss	€ (794,444)
Changes in warrant value	€ (2,374,168)
Interest Expense	€ (637,704)
Effective Interest on redeemable ordinary shares	€ 590,528
Finance costs - net	€ (2,421,344)
Net loss before income tax	€ (3,215,788)
Income Taxes	€ -
Net loss for the period	€ (3,215,788)

TABLE 2.

Consolidated statement of financial position

(all amounts in €)

	31-12-2021		At incorporation	
	Unaudited		Unaudited	
Assets				
Cash and cash equivalents	€	108,712,404	€	14,000
Total current assets	€	108,712,404	€	14,000
Total assets	€	108,712,404	€	14,000
Equity				
Issued and paid-up share capital	€	33,553	€	14,000
Share Premium	€	-	€	-
Other reserves	€	-	€	-
Result for the year	€	(3,215,788)	€	-
Total Equity	€	(3,182,234)	€	14,000
Liabilities				
<i>Long term liabilities</i>				
Redeemable ordinary shares	€	108,309,511	€	-
IPO warrants	€	3,474,168	€	-
Total non-current liabilities	€	111,783,679	€	-
<i>Current liabilities</i>				
Interest liability	€	49,847	€	-
Other payables	€	61,112	€	-
Total current liabilities	€	110,959	€	-
Total Liabilities	€	111,894,639	€	-
Total Equity plus Liabilities	€	108,712,404	€	14,000

TABLE 3.

Consolidated Statement of changes in equity

(all amounts in €)

	Issued and paid-up share capital		Accumulated deficits		Reserve Treasury Shares		Total equity	
	Unaudited		Unaudited		Unaudited		Unaudited	
Balance beginning of the period (as at 1 October 2020)	€	14,000	€	-			€	14,000
Profit/(loss) for the period	€	-	€	(3,215,788)			€	(3,215,788)
Total comprehensive income and expense for the period	€	-	€	(3,215,788)			€	(3,215,788)
Contributions by and distributions to owners								
Shares issued	€	19,553	€	-	€	404,559	€	424,113
Shares repurchased					€	(404,559)	€	(404,559)
Total contributions by and distributions to owners	€	19,553	€	-	€	-	€	19,553
Balance at 31 December 2021	€	33,553	€	(3,215,788)	€	-	€	(3,182,234)

TABLE 4.
Consolidated statement of cash flows

(all amounts in €)	Period of 1-10-2020 up to 31-12-2021	
	<u>Unaudited</u>	
Operating result	€	(733,332)
Changes in working capital	€	-
Interest expenses	€	(587,857)
Cash flow from operating activities	€	(1,321,189)
Share Capital increase from proceeds IPO	€	19,553
Ordinary shares proceeds IPO	€	110,000,040
Cash flow from financing activities	€	110,019,593
Cash flow from investing activities	€	-
Net cash flow	€	108,698,404
Begin amount cash and cash equivalents	€	14,000
Ending amount cash and cash equivalents	€	108,712,404

PROSPECTUS & SHAREHOLDER CIRCULAR

More information about DSCT and the IPO can be found in the Prospectus dated 16 November 2020 which has been approved by the Dutch Authority for the Financial Markets, the AFM and on the website at www.dutchstarcompanies.com.

More information on the intended business combination with Cabka can be found in the shareholder circular published on the Company's website <https://www.dutchstarcompanies.com/dutch-star-companies-two/>. The rationale for the proposed Business Combination and additional information on the transaction was already published in a joint press release of the Company and Cabka, on 23 December 2021.

PRESS AND INVESTOR INFORMATION

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ABOUT DUTCH STAR COMPANIES

The name Dutch Star Companies refers to the objective to raise capital and to acquire a significant minority stake in a single Dutch high performing 'star company' with principal business operations in Europe, preferably in the Netherlands. Dutch Star Companies is originated in 2017 by Gerbrand ter Brugge on behalf of Oaklins, Niek Hoek and Stephan Nanninga.



DISCLAIMER

This announcement does not constitute a prospectus or shareholder circular. Any shareholder of DSCT should make any investment decisions with regard to the proposed Business Combination solely on the basis of information that is contained in the shareholder circular that has been made generally available in the Netherlands in connection with the proposed Business Combination. Copies of the shareholder circular may be obtained at no cost through the website of DSCT.

This press release may include statements, including DSCT's, Cabka's and/or the Combined Company's financial and operational medium-term objectives that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect DSCT's and Cabka's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Combined Company's business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made.

This document contains information that qualifies as inside information within the meaning of Article 7(1) of Regulation (EU) No 596/2014 on market abuse.