

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 20-F**

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended September 30, 2023

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-41836

**Birkenstock Holding plc**

(Exact name of Registrant as specified in its charter)

n/a

(Translation of Registrant's name into English)

Jersey

(Jurisdiction of incorporation or organization)

1-2 Berkeley Square

London W1J 6EA, United Kingdom

(Address of principal executive offices)

Dr. Johannes Liefke

Director Legal Affairs

1-2 Berkeley Square

London W1J 6EA, United Kingdom

Tel: +44 1534 835600

ir@birkenstock-holding.com

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary shares, no par value	BIRK	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act. **None.**

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act. **None.**

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report. **182,721,369 ordinary shares**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.  Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.  Yes  No

Note—Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer  Accelerated Filer  Non-Accelerated Filer   
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 13(a) of the Exchange 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.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing: U.S. GAAP  International Financial Reporting Standards as issued by the International Accounting Standards Board  Other

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.  Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  Yes  No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.  Yes  No

---

---

## TABLE OF CONTENTS

	Page
<a href="#">PRESENTATION OF FINANCIAL AND OTHER INFORMATION</a>	1
<a href="#">CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS</a>	5
<a href="#">PART I</a>	7
<a href="#">ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS</a>	7
<a href="#">ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE</a>	7
<a href="#">ITEM 3. KEY INFORMATION</a>	7
<a href="#">A. [Reserved]</a>	7
<a href="#">B. Capitalization and Indebtedness</a>	7
<a href="#">C. Reasons for the Offer and Use of Proceeds</a>	7
<a href="#">D. Risk Factors</a>	7
<a href="#">ITEM 4. INFORMATION ON THE COMPANY</a>	46
<a href="#">A. History and Development of the Company</a>	46
<a href="#">B. Business Overview</a>	46
<a href="#">C. Organizational Structure</a>	55
<a href="#">D. Property, Plants and Equipment</a>	56
<a href="#">ITEM 4A. UNRESOLVED STAFF COMMENTS</a>	56
<a href="#">ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS</a>	57
<a href="#">A. Operating Results</a>	57
<a href="#">B. Liquidity and Capital Resources</a>	70
<a href="#">C. Research and Development, Patents and Licenses</a>	75
<a href="#">D. Factors Affecting Performance and Trend Information</a>	75
<a href="#">E. Critical Accounting Estimates</a>	77
<a href="#">ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES</a>	79
<a href="#">A. Directors and Senior Management</a>	79
<a href="#">B. Compensation Principles of the Compensation of the Board of Directors and Executive Management</a>	82
<a href="#">C. Board Practices</a>	89
<a href="#">D. Employees</a>	90
<a href="#">E. Share Ownership</a>	90
<a href="#">F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation</a>	90
<a href="#">ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS</a>	91
<a href="#">A. Major Shareholders</a>	91
<a href="#">B. Related Party Transactions</a>	93
<a href="#">C. Interests of Experts and Counsel</a>	96
<a href="#">ITEM 8. FINANCIAL INFORMATION</a>	97
<a href="#">A. Consolidated Statements and Other Financial Information</a>	97
<a href="#">B. Significant Changes</a>	97
<a href="#">ITEM 9. THE OFFER AND LISTING</a>	97
<a href="#">A. Offer and Listing Details</a>	97
<a href="#">B. Plan of Distribution</a>	97
<a href="#">C. Markets</a>	97
<a href="#">D. Selling Shareholders</a>	97
<a href="#">E. Dilution</a>	97
<a href="#">F. Expenses of the Issue</a>	97
<a href="#">ITEM 10. ADDITIONAL INFORMATION</a>	98
<a href="#">A. Share Capital</a>	98
<a href="#">B. Memorandum and Articles of Association</a>	98
<a href="#">C. Material Contracts</a>	105
<a href="#">D. Exchange Controls</a>	105
<a href="#">E. Taxation</a>	105
<a href="#">F. Dividends and Paying Agents</a>	112
<a href="#">G. Statement by Experts</a>	112

H. Documents on Display	112
I. Subsidiary Information	113
J. Annual Report to Security Holders	113
ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	113
ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES	113
A. Debt Securities	113
B. Warrants and Rights	113
C. Other Securities	113
D. American Depositary Shares	113
PART II	114
ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES	114
ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS	114
ITEM 15. CONTROLS AND PROCEDURES	114
A. Disclosure Controls and Procedures	114
B. Management's Annual Report on Internal Controls Over Financial Reporting	115
C. Attestation Report of the Registered Independent Public Accounting Firm	115
D. Changes in Internal Control Over Financial Reporting	115
ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT	115
ITEM 16B. CODE OF ETHICS	116
ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES	116
ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES	116
ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS	116
ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT	117
ITEM 16G. CORPORATE GOVERNANCE	117
ITEM 16H. MINE SAFETY DISCLOSURE	117
ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS	117
ITEM 16J. INSIDER TRADING POLICIES	117
ITEM 16K. CYBERSECURITY	117
PART III	118
ITEM 17. FINANCIAL STATEMENTS	118
ITEM 18. FINANCIAL STATEMENTS	118
ITEM 19. EXHIBITS	119
SIGNATURES	121
INDEX TO FINANCIAL STATEMENTS	F-1

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Certain Definitions

Unless otherwise indicated or the context otherwise requires, all references in this Annual Report on Form 20-F (this "Annual Report") to "BIRKENSTOCK Group," "Birkenstock," the "Company," "we," "our," "ours," "us" or similar terms refer to Birkenstock Holding plc, together with all of its subsidiaries. References to the "selling shareholder" or "MidCo" are to BK LC Lux MidCo S.à r.l., a *société à responsabilité limitée* incorporated under the laws of the Grand Duchy of Luxembourg.

References to "Euro" or "€" means the currency of the member states of the European Monetary Union that have adopted or that adopt the single currency in accordance with the treaty establishing the European Community, as amended by the Treaty on European Union. All references to the "British Pound," "GBP" or "£" are to the legal currency of Jersey. All references to "U.S. Dollars," "Dollars," "USD" or "\$" are to the legal currency of the United States. All references to "Canadian Dollars" or "CAD" are to the legal currency of Canada. In this Annual Report, unless otherwise noted, amounts that are converted from Euro to U.S. Dollars are converted at an exchange rate of \$1.0796 per €1 and \$1.1975 per €1, the exchange rate as of September 30, 2023 and for the fiscal year ended September 30, 2023, respectively.

The following is a summary of certain other defined terms and concepts that we use throughout this Annual Report:

- *AB-Beteiligungs GmbH* refers to AB-Beteiligungs GmbH, an entity controlled by Alexander Birkenstock, one of our controlling shareholders prior to the Transaction;
- *ABL Facility* refers to the multicurrency asset-based loan facility established by the ABL Facility Agreement;
- *ABL Facility Agreement* refers to the asset-based-loan facility agreement entered into on April 28, 2021 by Birkenstock Group B.V. & Co. KG, Birkenstock US BidCo, Inc. and Birkenstock Limited Partner;
- *APMA* refers to the Asia-Pacific, Middle East and Africa region;
- *ASP* refers to average selling price;
- *B2B* refers to business-to-business;
- *Birkenstock Financing* refers to Birkenstock Financing S.à r.l.;
- *Birkenstock Limited Partner* refers to Birkenstock Limited Partner S.à r.l.;
- *CB Beteiligungs GmbH & Co. KG* refers to CB Beteiligungs GmbH & Co. KG, an entity controlled by Christian Birkenstock, one of our controlling shareholders prior to the Transaction;
- *CFC* refers to a controlled foreign corporation under the Code;
- *CGU* refers to cash generating unit;
- *DTC* refers to direct-to-consumer;
- *EEA* refers to the European Economic Area;
- *ESG* refers to environmental, social and governance;

- *EU* refers to the European Union;
- *EURIBOR* refers to Euro Interbank Offered Rate;
- *EUR TLB Facility* refers to the senior term loan facilities in the principal amount of €375.0 million under the Senior Term Facilities Agreement;
- *EVA* refers to ethylene-vinyl acetate;
- *Exchange Act* refers to the Securities Exchange Act of 1934, as amended;
- *GDPR* refers to the General Data Protection Regulation;
- *HMRC* refers to HM Revenue & Customs;
- *IFRS* refers to the International Financial Reporting Standards as issued by the International Accounting Standards Board;
- *Incremental Senior Term Facilities* refers to incremental facilities which may also be established under the Senior Term Facilities Agreement from time to time (including by way of an increase to any existing facilities or the establishment of new facilities);
- *IP* refers to intellectual property;
- *IPO* refers to the Company's initial public offering that closed on October 13, 2023;
- *IPO Date* refers to October 13, 2023;
- *IRS* refers to the U.S. Internal Revenue Service;
- *Jersey Companies Law* refers to the Companies (Jersey) Law 1991, as amended;
- *JFSC* refers to the Jersey Financial Services Commission;
- *L Catterton* refers to a U.S.-headquartered and consumer-focused investment firm that acquired a majority stake in BIRKENSTOCK through affiliated entities in 2021;
- *ManCo* refers to BK LC ManCo GmbH & Co. KG, an indirect parent entity of our Company;
- *MidCo* refers to BK LC Lux MidCo S.à r.l., an entity affiliated with L Catterton;
- *Notes* refers to the €430.0 million in aggregate principal amount of 5.25% Senior Notes due 2029 issued by Birkenstock Financing on April 29, 2021;
- *Order* refers to the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005;
- *PFIC* refers to a passive foreign investment company under the Code;
- *Predecessor Shareholders* refer to AB-Beteiligungs GmbH and CB Beteiligungs GmbH & Co. KG, collectively;
- *Principal Shareholder* refers to L Catterton and its affiliates, which include MidCo;

- *Privacy Laws* refers to the GDPR, UK GDPR, California Consumer Privacy Act as amended by the California Privacy Rights Act and other applicable data protection and privacy laws across various markets when taken together;
- *QEF Election* refers to a qualified electing fund election;
- *PU* refers to polyurethane;
- *Registration Rights Agreement* refers to the registration rights agreement entered into with MidCo on October 13, 2023;
- *SCCs* refer to standard contractual clauses approved by the European Commission;
- *SDRT* refers to UK stamp duty reserve tax;
- *SEC* refers to the United States Securities and Exchange Commission;
- *Securities Act* refers to the Securities Act of 1933, as amended;
- *Senior Credit Facilities* refers to the Senior Term Facilities and Incremental Senior Term Facilities when taken together;
- *Senior Term Facilities Agreement* refers to the senior facilities agreement entered into by Birkenstock Limited Partner on April 28, 2021;
- *Shareholders' Agreement* refers to the shareholders' agreement entered into with MidCo on October 13, 2023;
- *SOFR* refers to the Secured Overnight Financing Rate;
- *Tax Law* refers to the Income Tax (Jersey) Law 1961 (as amended);
- *The Code* refers to the Internal Revenue Code of 1986;
- *TRA* refers to the tax receivable agreement entered into with MidCo on October 10, 2023;
- *TRA Participants* refers to our pre-IPO owner, MidCo, any transferee holder(s) of rights under the TRA and any successor(s) thereto;
- *Transaction* refers to Birkenstock Holding plc's acquisition of the shares and certain assets that comprised the BIRKENSTOCK Group;
- *U.S.* refers to the United States of America;
- *U.S. GAAP* refers to U.S. generally accepted accounting principles;
- *UK* refers to the United Kingdom;
- *UK Addendum* refers to the UK international data transfer addendum to the SCCs;
- *UK GDPR* refers to the UK General Data Protection Regulation;
- *UKIDTA* refers to the UK International Data Transfer Agreement;

- *USD TLB Facility* refers to senior term loan facilities of \$850.0 million under the Senior Term Facilities Agreement; and
- *Vendor Loan* refers to the loan agreement with AB-Beteiligungs GmbH.

### **Financial Statements**

We maintain our books and records in Euros and prepare our consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

Birkenstock GmbH & Co. KG is the accounting predecessor of BK LC Lux Finco 2 S.à r.l., subsequently renamed Birkenstock Holding Limited on July 12, 2023, for financial reporting purposes. Birkenstock Holding Limited was converted to a Jersey public limited company and subsequently renamed Birkenstock Holding plc on October 4, 2023. The Company's financial statement presentation distinguishes the Company's presentations into two distinct periods, the period up to and including April 30, 2021, the Transaction's closing date (labeled "Predecessor"), and the period after that date (labeled "Successor") and are further distinguished as follows: the Successor periods represent fiscal 2023 ("2023 Successor Period"), fiscal 2022 ("2022 Successor Period") and the period from May 1, 2021 through September 30, 2021 ("2021 Successor Period" and, collectively with the 2022 Successor Period and the 2023 Successor Period, the "Successor Periods") and the Predecessor period represents the period from October 1, 2020 through April 30, 2021 (the "2021 Predecessor Period" or the "Predecessor Period"). The Predecessor Period and the Successor Periods (together, the "audited consolidated financial statements") have been separated by a vertical black line on the consolidated financial statements to highlight the fact that the financial information for such periods has been prepared under two different cost bases of accounting.

Our fiscal year ends September 30. References to "fiscal 2023" or "FY 2023" refer to the fiscal year ended September 30, 2023, and references to other fiscal years follow the same convention.

### **Basis of Consolidation**

The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

### **Rounding**

We have made rounding adjustments to some of the figures included in this Annual Report. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that preceded them. With respect to financial information set out in this Annual Report, a dash ("—") signifies that the relevant figure is not available or not applicable, while a zero ("0.0") signifies that the relevant figure is available but is or has been rounded to zero.

### **Trademarks and Trade Names**

We own or have rights to various trademarks, trade names or service marks that we use in connection with our business, including "BIRKENSTOCK," "Birko-Flor," "Birki," "Birk" and "Papilio," among others, and our other registered and common law trade names, trademarks and service marks, including our corporate logo. Solely for convenience, some of the trademarks, service marks and trade names referred to in this Annual Report are listed without the ™ and ® symbols, but we will assert, to the fullest extent under applicable law, rights to such trademarks, service marks and trade names.

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains statements that constitute forward-looking statements. Many of the forward-looking statements contained in this Annual Report can be identified by the use of forward-looking words such as “anticipate,” “believe,” “could,” “expect,” “should,” “plan,” “intend,” “estimate” and “potential,” among others. Forward-looking statements provide our current expectations, intentions or forecasts of future events. Forward-looking statements include statements about expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not statements of historical fact. Words or phrases such as “aim,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “guidance,” “intend,” “may,” “ongoing,” “plan,” “potential,” “predict,” “project,” “seek,” “should,” “target,” “will,” “would” or similar words or phrases, or the negatives of those words or phrases, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Our actual results could differ materially from those expected in our forward-looking statements for many reasons, including the factors described in “Item 3. Key Information—D. Risk Factors.” In addition, even if our actual results are consistent with the forward-looking statements contained in this Annual Report, those results or developments may not be indicative of results or developments in subsequent periods. For example, factors that could cause our actual results to vary from projected future results include, but are not limited to:

- our dependence on the image and reputation of the BIRKENSTOCK brand;
- the intense competition we face from both established companies and newer entrants into the market;
- our ability to execute our DTC growth strategy and risks associated with our e-commerce platforms;
- our ability to adapt to changes in consumer preferences and attract new customers;
- harm to our brand and market share due to counterfeit products;
- our ability to successfully operate and expand retail stores;
- losses and liabilities arising from leased and owned real estate;
- risks relating to our non-footwear products;
- failure to realize expected returns from our investments in our businesses and operations;
- our ability to adequately manage our acquisitions, investments or other strategic initiatives;
- our ability to manage our operations at our current size or manage future growth effectively;
- the effects of the COVID-19 pandemic and other global or regional health events;
- our dependence on third parties for our sales and distribution channels;
- risks related to the conversion of wholesale distribution markets to owned and operated markets and risks related to productivity or efficiency initiatives;

- operational challenges relating to the distribution of our products;
- deterioration or termination of relationships with major wholesale partners;
- seasonality, weather conditions and climate change;
- adverse events influencing the sustainability of our supply chain or our relationships with major suppliers or increases in raw materials or labor costs;
- our ability to effectively manage inventory;
- unforeseen business interruptions and other operational problems at our production facilities;
- disruptions to our shipping and delivery arrangements;
- failure to attract and retain key employees and deterioration of relationships with employees, employee representative bodies and stakeholders;
- risks relating to our intellectual property rights;
- risks relating to regulations governing the use and processing of personal data;
- disruption and security breaches affecting information technology systems;
- natural disasters, public health crises, political crises, civil unrest and other catastrophic events beyond control;
- economic conditions impacting consumer spending, such as inflation;
- currency exchange rate fluctuations;
- risks related to litigation, compliance and regulatory matters;
- risks and costs related to corporate responsibility and ESG matters;
- inadequate insurance coverage, or increased insurance costs;
- tax-related risks;
- risks related to our indebtedness;
- risks related to our status as a foreign private issuer and a “controlled company”;
- our ability to remediate our material weaknesses; and
- other factors discussed under “Item 3. Key Information—D. Risk Factors.”

Forward-looking statements speak only as of the date they are made, and we do not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

**PART I**

**ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

Not applicable.

**ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE**

Not applicable.

**ITEM 3. KEY INFORMATION**

**A. [Reserved]**

**B. Capitalization and Indebtedness**

Not applicable.

**C. Reasons for the Offer and Use of Proceeds**

Not applicable.

**D. Risk Factors**

In addition to the other information contained in this Annual Report and in other documents we file with or furnish to the SEC, the following risk factors should be considered in evaluating our business. Our business, financial condition and results of operations could be materially adversely affected as a result of any of these risks.

**Summary of Risk Factors**

The following is a summary of the more significant risk factors associated with an investment in our ordinary shares, which are more fully described below:

- our dependence on the image and reputation of the BIRKENSTOCK brand;
- the intense competition we face from both established companies and newer entrants into the market;
- our ability to execute our DTC growth strategy and risks associated with our e-commerce platforms;
- our ability to adapt to changes in consumer preferences and attract new customers;
- harm to our brand and market share due to counterfeit products;
- our ability to successfully operate and expand retail stores;
- failure to realize expected returns from our investments in our businesses and operations;
- risks related to business, economic, market and political conditions;
- risks related to global or regional health events, such as the recent COVID-19 pandemic;

- our dependence on third parties for our sales and distribution channels, as well as deterioration or termination of relationships with major wholesale partners;
- adverse events influencing the sustainability of our supply chain or our relationships with major suppliers, or increases in raw materials or labor costs;
- our ability to effectively manage inventory;
- unforeseen business interruptions and other operational problems at our production facilities, as well as disruptions to our shipping and delivery arrangements;
- failure to attract and retain key employees and deterioration of relationships with employees, employee representative bodies and stakeholders;
- adequate protection, maintenance and enforcement of our trademarks and other intellectual property rights;
- regulations governing the use and processing of personal data, as well as disruption and security breaches affecting information technology systems;
- risks related to international markets;
- material weaknesses identified in our internal control over financial reporting and our ability to remediate such material weaknesses;
- compliance with existing laws and regulations or changes in such laws and regulations;
- risks related to our amount of indebtedness, its restrictive covenants and our ability to repay our debt;
- our Principal Shareholder controls us, and their interests may conflict with ours or yours in the future; and
- our status as a foreign private issuer and as a “controlled company” within the meaning of the NYSE rules.

#### **Risks Related to Our Business, Brand, Products and Industry**

***Our success is dependent on the strength of our premium brand; if we are unable to maintain and enhance the value and reputation of our brand and/or counter any negative publicity, we may be unable to sell our products, which would harm our business and could materially adversely affect our business, financial condition and results of operations.***

Our business and financial performance is largely dependent on the image, perception and recognition of the BIRKENSTOCK brand, which, in turn, depends on many factors such as the distinctive character and quality of our products and product design, the image and presentation of our online and retail stores, our social media and content distribution activities, public relations and marketing and our general corporate and market profile, which can be adversely affected for reasons within and outside our control. For example, our products can be actively or mistakenly presented in a specific context not related to our brand (e.g., ethically, religiously, politically); we could experience customer dissatisfaction through our customer service in our DTC or B2B channels; we could have issues with our suppliers, such as quality control problems, which could affect the quality of our products or our reputation; and we could be the subject of negative publicity, including inaccurate adverse information.

Our brand value also depends on our ability to maintain positive consumer perception of our corporate integrity and culture, including with regard to the sustainability of our products. Negative claims or publicity involving us or our products, the third-party brands we partner with for collaborations or the production methods of any of our suppliers or the materials we or they source or use could seriously damage our reputation and brand image, regardless of whether such claims or publicity are accurate. In addition, we have been increasing our online presence through our expanding e-commerce business. Our social media presence amplifies consumer engagement with the BIRKENSTOCK brand; however, it reduces our control over brand perception due to the proliferation of consumer comments and hashtags and, thus, our brand could become associated with content that is not aligned with our values. Customers may provide feedback and public commentary about our products and other aspects of our business online through social media platforms and any negative information concerning us, whether accurate or not, may cause immediate harm to our brand without affording us an opportunity for redress or correction. Social media influencers or other endorsers of our products could engage in behavior that reflects poorly on our brand, the occurrence of which is beyond our control, and their behavior may be attributed to or associated with us or otherwise adversely affect us. Further, our brand reputation could be harmed if it becomes associated with negative media, such as if we or our senior executives were to take positions on social or other issues that may be unpopular with some consumers, which may impact our ability to attract or retain customers. Our brand reputation could also be harmed if we experience a cyber-attack or loss of consumer data. Adverse publicity could undermine consumer confidence in the BIRKENSTOCK brand and reduce long-term demand for our products, even if such publicity is unfounded. Moreover, our transformation from a historically family-owned German company to a publicly held company listed on a U.S. stock exchange may negatively impact our reputation. Any failure to maintain favorable brand recognition could have a material adverse effect on our business, financial condition and results of operations.

***We face intense competition from both established companies and newer entrants into the market, and our failure to compete effectively could have a negative impact on our revenues and our reputation.***

The footwear, skincare, accessories and sleep system industries are very competitive, and we expect to continue to face intense competitive pressures. Competitive factors that affect our market position include our ability to predict and respond to changing consumer preferences and tastes in a timely manner, our ability to continue marketing and developing new products that appeal to consumers, our ability to accurately predict customer demand and ensure product availability, the strength and recognition of the BIRKENSTOCK brand, our ability to price our products competitively, our ability to manage the impact of the rapidly changing retail environment and the expansion of our online presence, and our marketing and content distribution efforts.

Our competitors may have significantly greater financial resources, more developed consumer and customer bases or more comprehensive product lines and greater distribution capabilities, and may spend substantially more on product advertising, marketing and endorsements. Our competitors may also own more recognized brands, implement more effective marketing campaigns, adopt more aggressive pricing policies, make more attractive offers to potential employees and distribution partners, have a larger online presence or respond more quickly to changes in consumer preferences. Some of our competitors may be better able to take advantage of market opportunities and withstand market downturns better than we can. For example, we face competition from established competitors in our APMA segment, where we are a relatively new market entrant. Additionally, the general availability of offshore footwear manufacturing capacity allows for rapid expansion by competitors and new entrants in the footwear market. The majority of our branded peers have outsourced large parts of their value chain to third-party manufacturers in Asia, which may enable competitors to sustain more aggressive pricing policies compared to ours. We may be unable to compete successfully in the future, and increased competition may result in price reductions, reduced gross profit margins, loss of market share and an inability to generate cash flows that are sufficient to maintain or expand our development, which could have a material adverse effect on our business, financial condition and results of operations.

***If we are unable to effectively execute our DTC growth strategy, or if we encounter certain risks and uncertainties associated with our e-commerce platforms, our business may be harmed.***

Our DTC channel consists of our e-commerce sites and a network of owned retail stores. Since 2016, we have significantly expanded our DTC channel through the expansion of e-commerce, particularly in the United States. For the fiscal year ended September 30, 2023, our DTC channel represented 40% of our revenues. One of our strategies is to continue to increase the proportion of our revenues from e-commerce.

The success of our e-commerce business depends, in part, on our ability to offer attractive, reliable, secure and user-friendly online platforms for consumers across our markets, including by continuing to invest in our digital infrastructure and digital team. However, our e-commerce business also depends on factors over which we have limited control, including changing consumer preferences and buying trends. Any failure by us, or by any of our third-party digital partners, to provide attractive, reliable, secure and user-friendly online platforms could negatively impact the shopping experience of consumers, resulting in reduced website traffic, diminished loyalty to the BIRKENSTOCK brand and lost revenues.

We are also subject to certain additional risks and uncertainties associated with our e-commerce platforms, including changes in required technology interfaces, website downtime and other technical failures, costs and technical issues from website software upgrades, data and system security, computer viruses and changes in applicable international, federal and state regulations. We also must keep up-to-date with competitive technology trends, including, among other things, the use of new or improved technology, creative user interfaces and other e-commerce marketing tools, such as paid and unpaid search, and mobile applications, which may increase our costs and which may not succeed in increasing revenues or attracting consumers. In addition, the use of credit and debit cards in our online platform, which are handled by external service providers, are subject to rules relating to the processing of credit card payments.

Any of these risks could have a material adverse effect on our business, financial condition and results of operations. See also "*—Risks Related to Intellectual Property, Information Technology and Data Security and Privacy—Our operations, products, systems and services rely on complex IT systems and networks that are subject to the risk of disruption and security breaches.*"

***Our business is subject to changes in consumer preferences, and if we are unsuccessful in adapting to any such changes, it may adversely impact our business.***

Our continued success depends in part on the continued attractiveness of the design, styling, production, merchandising and pricing of our products to consumers. Our products must appeal to a consumer base whose preferences cannot be predicted with certainty and are subject to change as our industry is subject to sudden shifts in consumer trends and spending. Consumers also increasingly focus on ESG matters when making purchasing decisions. It is possible that consumer preferences may continue to change based on evolving ethical or social standards, such that certain of our products may potentially become less desirable to certain consumers.

As much of our business is highly concentrated on a single, discretionary product category, footwear, we are vulnerable to changes in consumer preferences that could harm our revenues, profitability and financial condition. We have experienced fluctuations in consumer demand for our products, and our success depends in large part on our ability to develop, market and deliver innovative and stylish products at a pace, intensity and price competitive with other brands in the markets in which we sell our products. Failure on our part to adequately predict and respond timely to consumer demand and market conditions and to regularly and rapidly develop innovative and stylish products and update core products could limit revenue growth, adversely affect consumer acceptance of our products, harm our competitive position and, if consumer demand for our footwear decreases in the future, our business, financial condition and results of operations could be materially adversely affected.

***Our future growth may depend on our marketing efforts, and any failure in our ability to increase or enhance our marketing position could adversely affect demand for our products.***

Our success and future growth depends on our ability to attract and retain consumers, which in part may depend on the effectiveness and efficiency of our marketing efforts, including our ability to continue to improve brand awareness, identify the most effective brand messaging and efficient levels of spending in each market, determine the appropriate creative messages and media mix for marketing and promotional expenditure and effectively manage marketing costs. In particular, we may need to increase our marketing spend in order to take advantage of growth opportunities in our growth markets, particularly in Asia and the Middle East. We may also be required to increase marketing spend in order to develop our e-commerce business consistent with our strategy. Any factors adversely affecting our ability to increase or enhance our marketing activities and capabilities could adversely affect demand for our products and in turn have a material adverse effect on our business, financial condition and results of operations.

***If we fail to attract new customers, retain existing customers or maintain or increase sales to customers, our business, financial condition and results of operations could be harmed.***

Our success depends in large part upon increased and repeat adoption of our products by our customers. In order to attract new customers and continue to expand our customer base, we must appeal to and attract customers who identify with our products. If the number of people who are willing to purchase our products does not continue to increase, if key international markets do not provide anticipated growth opportunities, if we fail to deliver a high-quality shopping experience or if our current or potential customers are not convinced that our products are superior to alternatives, then our ability to retain existing customers, acquire new customers and grow our business may be harmed. Further, we may not continue to attract new customers or increase our revenues at the same rates as we have in the past.

In addition, our future success depends in part on our ability to increase sales to our existing customers over time, as a significant portion of our net revenues is generated from sales to existing customers, particularly those existing customers who are highly engaged and make frequent and/or large purchases of the products we offer. If existing customers no longer find our products appealing or are not satisfied with our customer service or if we are unable to timely update our products to meet current trends and customer demands, our existing customers may not make purchases, or if they do, they may make fewer or smaller purchases in the future.

If we are unable to continue to attract new customers or our existing customers decrease their spending on the products we offer or fail to make repeat purchases of our products, our business, financial condition and results of operations could be harmed.

***Merchandise returns could harm our business.***

We allow customers to return products purchased through our e-commerce and owned retail stores. For example, for footwear and accessories, we generally accept merchandise returns for full refund or exchange if returned within 30 days of delivery. We do not refund shipping charges. Our revenue is reported net of sales tax, estimated returns, sales allowances and discounts. We estimate expected product returns based on our historical return rate adjusted for any known factors impacting expectations for future return rate. The return rate impacts reported revenues and profitability. The introduction of new products, changes in customer shopping habits or other competitive and general economic conditions could cause actual returns to exceed our estimates. If actual return costs differ from previous estimates, the amount of the liability and corresponding revenues are adjusted in the period in which such costs occur. In addition, from time to time, our products may be damaged in transit to the customer, which can also increase return rates. Returned goods may also be damaged in transit as part of the return process, which can impede our ability to resell the returned goods. From time to time, customers have abused our return policy by, for example, returning products that have been worn repeatedly for all or most of the 30-day return window and cannot be resold. Competitive pressures could cause us to alter our return policies or our shipping policies, which could result in an increase in damaged products and an increase in product returns. If the rate of product returns increases

significantly or if product return economics become less efficient, our business, financial condition and results of operations could be harmed.

***Counterfeit or “knock-off” products, as well as products that are “inspired-by-BIRKENSTOCK,” may siphon off demand we have created for our brand, and may result in customer confusion, harm to our brand, a loss of our market share or a decrease in our results of operations.***

We face competition from counterfeit or “knock-off” products manufactured and sold by third parties in violation of our IP rights, as well as from products that are inspired by our footwear in terms of design and style, including private label offerings by retailers. In the past, third parties have established websites to target users on Facebook or other social media platforms with “look alike” websites intended to trick users into believing that they were purchasing BIRKENSTOCK products at a steep discount. These activities of third parties have in the past and may in the future result in customer confusion, require us to incur additional administrative costs to manage customer complaints related to counterfeit goods or poor service, divert customers from us, cause us to miss out on sales opportunities and result in a loss of our market share. In addition, third parties may try to sell their counterfeit products through online platforms and marketplaces, taking advantage of business practices applicable to open market operating models. Should counterfeit products be successfully sold on e-commerce platforms managed by third parties, our brands and reputation could be damaged. In addition, we have refrained, and we may in the future refrain, from using certain third-party websites to distribute our products due to the selling of counterfeit products on such platforms.

In addressing these or similar issues in the future, we may also be required to incur substantial expenses to protect our brand and enforce our IP rights, including through legal action in Germany, the United States or other countries, which could negatively impact our business, financial condition and results of operations. These and similar “counterfeit” or “inspired-by-BIRKENSTOCK” issues could result in customer confusion, harm to our brand and/or a loss of our market share and in turn have a material adverse effect on our business, financial condition and results of operations.

***Our ability to successfully operate and expand retail stores depends on many factors.***

Our ability to successfully operate and expand our owned retail stores depends on many factors, including, among others, our ability to negotiate acceptable lease terms, including desired rent and tenant improvement allowances, achieve brand awareness, affinity and purchase intent in our markets, achieve increased revenues and gross profit margins at our stores, hire, train and retain store associates and field managers, assimilate store associates and field managers into our corporate culture and source and supply sufficient inventory levels. If we are unable to successfully operate any of our retail stores due to our failure to satisfy any of these factors, our business, financial condition and results of operations could be materially adversely affected.

***Leasing of significant amounts of real estate exposes us to possible liabilities and losses.***

We lease certain of our logistics and production sites, office spaces, retail spaces and storage spaces. Accordingly, we are subject to the risks associated with leasing real estate. Store leases generally require us to pay a fixed minimum rent and sometimes a variable amount based on a percentage of revenues at that location. For certain leases, if revenue targets are not achieved or if the revenue-based rent amount decreases below a certain minimum, the lessor may terminate the lease agreement, unless we agree to an increased fixed fee rent. Moreover, in relation to certain lease agreements entered into for retail space in shopping or outlet centers, we may also enter into a service and marketing agreement, specific to such shopping or outlet center, which may contain conditions that differ from the marketing practices we usually adopt. Some of our lease agreements provide for an annual automatic renewal if not terminated by either of the parties, which may allow our lessors to terminate on relatively short notice. If an existing or future store is not profitable, and we decide to close it, we may be committed to perform certain obligations under the applicable lease, including, among other things, paying rent for the balance of the applicable lease term. As each of our leases expires, if we do not have a renewal option, we may be unable to negotiate a renewal on commercially

acceptable terms, or at all, which could cause us to close stores in desirable locations. Any of the above could have a material adverse effect on our business, financial condition and results of operations.

***We own the majority of our production sites and our largest logistics site. Because real property investments are relatively illiquid, our ability to promptly sell one or more properties on reasonable terms in response to changing economic, financial and investment conditions may be limited and we may be forced to hold non-income producing properties for extended periods of time, exposing us to possible liabilities and losses.***

We own the majority of our production sites and our largest logistics site. Because real property investments are relatively illiquid, our ability to promptly sell one or more properties on reasonable terms in response to changing economic, financial and investment conditions may be limited and we may be forced to hold non-income producing properties for extended periods of time, exposing us to possible liabilities and losses. In addition, even if we are able to promptly sell one or more of our properties, we cannot predict whether we will be able to sell such properties for the price or on the terms that we set or whether any price or other terms offered by a prospective purchaser would be acceptable to us. We also cannot predict the length of time needed to find a willing purchaser and to close the sale of any property we might wish to sell. Switching production sites would involve increased expenses, including due to potential idling of existing owned production sites. Any of the above could expose us to possible liabilities and losses and have a material adverse effect on our business, financial condition and results of operations.

***Our non-footwear products face distinct risks, and our failure to successfully manage these businesses could have a negative impact on our profitability.***

In addition to our core footwear products, our product offering includes skincare, accessories and sleep systems. The successful operation and expansion of these products are subject to certain business and operational risks that are different from those we experience with our footwear products, including an intense competitive environment, where we face a number of large and specialized competitors with an established market presence. A failure to successfully manage these products could result in increased costs and a reduction of revenues affecting our profitability, as well as damage to our reputation and brands, which could in turn have a material adverse effect on our business, financial condition and results of operations.

***Our financial results may be adversely affected if substantial investments in businesses and operations fail to produce expected returns.***

From time to time, we may invest in technology, business infrastructure, new businesses, new product offerings, manufacturing innovation and the expansion of existing businesses, such as our investment in our Pasewalk, Germany production site, redesign of our Görlitz, Germany production site and investment in our Portuguese components operation, which require substantial cash investments and management attention. We believe cost-effective investments and further integration of our production operations are essential to business growth and profitability; however, significant investments are subject to risks and uncertainties inherent in developing a new business or expanding an existing business. The failure of any significant investment to provide expected returns or profitability could have a material adverse effect on our business, financial condition and results of operations.

***We may seek to grow our business through acquisitions of, or investments in, facilities or technologies or through other strategic initiatives; the failure to adequately manage these acquisitions, investments or initiatives, integrate them with our existing business or realize anticipated returns could adversely affect us.***

From time to time, we may consider opportunities to acquire or make investments in facilities or technologies or pursue other strategic initiatives that may enhance our capabilities or expand our production and supplier network. Acquisitions, investments and other strategic initiatives involve numerous risks, including problems integrating the acquired facilities or technologies, including issues maintaining uniform standards, procedures, controls, policies and culture; unanticipated costs associated with acquisitions, investments or other strategic initiatives; diversion of management's attention from our existing business; adverse effects on existing business relationships with suppliers, outsourced manufacturing partners and

other third parties; potential loss of key employees of acquired businesses; and increased legal and accounting compliance costs.

We may be unable to identify acquisitions, investments or other strategic initiatives we deem suitable. Even if we do, we may be unable to successfully complete any such transactions on favorable terms or at all, or to successfully integrate any acquired facilities or technologies into our business or retain any key personnel, suppliers or customers. Furthermore, even if we complete such transactions and effectively integrate the newly acquired business or strategic initiative into our existing operations, we may fail to realize the anticipated returns and/or fail to capture the expected benefits, such as strategic or operational synergies or cost savings. The efforts required to complete and integrate these transactions could be expensive and time-consuming and may disrupt our ongoing business and prevent management from focusing on our operations. If we are unable to identify suitable acquisitions, investments or other strategic initiatives, if we are unable to integrate any acquired facilities or technologies effectively or if we fail to realize anticipated returns or capture expected benefits, it could have a material adverse effect on our business, financial condition and results of operations.

***We have grown rapidly in recent years and we have limited operating experience at our current scale of operations. If we are unable to manage our operations at our current size or manage any future growth effectively, our brand image and financial performance may suffer.***

We have expanded rapidly, leading our transition to become a revered global brand and we have limited operating experience at our current size. Our substantial growth to date has placed a significant strain on our management systems and resources. If our operations continue to grow, of which there can be no assurance, we will be required to continue to expand our sales and marketing, product development and distribution functions, to upgrade our management information systems and other processes and to obtain more space for our production facilities. Moreover, our new innovations may require either new or different infrastructure, relationships or processes. Our continued growth could increase the strain on our resources, and we could experience serious operating difficulties, including difficulties in hiring, training and managing an increasing number of employees, difficulties in obtaining sufficient raw materials and manufacturing capacity to produce our products and delays in production and shipments. These difficulties would likely result in the erosion of our brand image and may have a material adverse effect on our business, financial condition and results of operations.

***Challenging business, economic, market or political conditions may adversely affect our business, financial condition and results of operations.***

Our business, financial condition and results of operations may be materially adversely affected by a challenging economic climate, including reductions in consumer spending, adverse changes in interest rates, adverse changes in currency exchange rates, volatile commodity and other markets, inflation and contraction in the availability of credit in the market. For example, discretionary spending generally declines during periods of economic uncertainty. In a prolonged economic downturn, we may experience declining revenues as a result of general reduced consumer spending. In addition, consumers have access to lower-priced offerings and, during economic downturns, may shift purchases to these lower-priced or other perceived value offerings. These trends also affect the business of our wholesale customers, which in turn has an adverse impact on our revenues from these distribution channels. As a result, a slow-down in the general economy may cause a decline in demand for our products. If economic conditions result in decreased spending on footwear and have a negative impact on our consumers and suppliers, our business, financial condition and results of operations may be materially adversely affected.

It is difficult to predict how economic conditions will develop, as they are impacted by macro movements of the financial markets and many other factors, including the stock, bond and derivatives markets as well as measures taken by various governmental and regulatory authorities and central banks. Uncertainty remains in the global markets and the global economy could experience another recession, or a depression, which could be more prolonged or have a greater financial impact than the global recession that began in 2008. Any downturns in general economic conditions that impact consumer spending, particularly in the

countries where we sell a significant portion of our products, could have a material adverse effect on our business, financial condition and results of operations.

Our business, financial condition and results of operations may also be materially adversely affected by a challenging political climate, including events such as invasions, wars, civil unrest and terrorist activities and the imposition of sanctions and importation limitations. As an example, the conflict between Israel and Hamas and the conflict between Russia and Ukraine have led to disruption, instability and volatility in global markets and industries. In response to the conflict between Russia and Ukraine, the United States, the EU and other governments in jurisdictions in which we operate have imposed sanctions and export controls against Russia and Russian interests, including restrictions on selling or importing goods, services or technology in or from affected regions and travel bans and asset freezes impacting connected individuals and political, military, business and financial organizations in Russia. Such governments have threatened additional sanctions and controls and may take other actions should the conflict further escalate. We have no operations in Russia or Ukraine, but the conflict continues to impact the surrounding region. In particular, the conflict and the responses thereto have increased the risk of energy shortages and resulted in further increases in energy costs for us and our suppliers, which were already high as a result of the existing inflationary environment. We have taken steps to mitigate the impact of any potential energy shortages by preparing contingency plans. While we have not had to effect any such contingency plans to date, we cannot guarantee that such plans, if implemented in the future, will be sufficient to mitigate any such shortages. In addition, rising energy costs have resulted in additional pricing negotiations with our suppliers, put upward pressure on our costs of materials and increased the risk that we may be unable to acquire the materials and services we need to continue to make certain products at acceptable prices, if at all. While we have not experienced material supply chain disruptions to date, we are unable to predict how the conflict between Russia and Ukraine will develop or guarantee that we will not experience material supply chain disruptions in the future, including as a result of the conflict between Israel and Hamas or the related Red Sea crisis, where Houthi forces based in Yemen and backed by Iran have been attacking freighters.

***Our business, financial condition and results of operations could be adversely affected by global or regional health events, such as the COVID-19 pandemic, and related government, private sector and individual consumer responsive actions.***

The COVID-19 pandemic negatively impacted the global economy, disrupted consumer spending and global supply chains, and created significant volatility and disruption of financial markets. The COVID-19 pandemic and related government, private sector, and individual consumer responsive actions negatively impacted our business operations, store traffic, employee availability, supply chain, financial condition, liquidity, and cash flows.

The occurrence or resurgence of global or regional health events, such as the COVID-19 pandemic, and related governmental, private sector and individual consumer responses, could contribute to a recession, depression, or global economic downturn, reduce store traffic and consumer spending, result in temporary or permanent closures of retail locations, offices, and factories, and could negatively impact the flow of goods. Such events could cause health officials to impose restrictions and recommend precautions to mitigate the health crisis such as the temporary closure of our stores, limitations on the number of visitors allowed in our stores at any single time, minimum physical distancing requirements, and limited operating hours. A health event could also, and has done so in case of the COVID-19 pandemic, negatively impact our employees, customers, and brand by reducing consumer willingness to visit stores, malls, and lifestyle centers, and employee willingness to staff our stores. A global or regional health event may also cause long-term changes to consumer shopping behavior, preferences and demand for our products that may have a material adverse effect on our business.

A global or regional health event could, and has done so in case of the COVID-19 pandemic, significantly and adversely impact our supply chain if the factories that manufacture our products, the distribution centers where we manage our inventory, or the operations of our logistics and other service providers are disrupted, temporarily closed, or experience worker shortages.

## **Risks Related to Our Sales and Distribution Channels**

### ***Our sales and distribution channels are dependent on cooperation with third parties.***

We rely on our ability to work together with third parties in our B2B channel to ensure that our products are sold in environments and in a manner consistent with our brand image. For the fiscal year ended September 30, 2023, sales through third parties in our B2B channel accounted for 60% of revenues. In the event of a dispute with a wholesaler or distributor, we may not have adequate contractual recourse, and insurance, if any, may not be sufficient to cover the cost of a potential claim. If we cannot replace or engage such third parties that meet our specifications in a short period of time, that could increase our expenses and cause shortages of our products. In addition, actions by these third-party sales and distribution channels that do not comply with our policies, such as presenting our products in a manner inconsistent with our preferred positioning or offering our products alongside "lookalike" products, could damage our brand and reputation. If our third-party partners do not maintain the standards of quality, brand positioning and exclusivity we require, or if they otherwise misuse the BIRKENSTOCK brand, there is a risk that our reputation and the integrity of the brand may be damaged. This may in turn have a material adverse effect on our business, financial condition and results of operations.

### ***We face risks arising from the transformation of our operations through the conversion of wholesale distribution markets to owned and operated markets, as well as any productivity or efficiency initiatives we undertake in the future.***

We continuously assess opportunities to streamline operations, achieve cost savings and fuel long-term profitable growth. For example, in some regions we have evolved our global distribution strategy from primarily wholesale distribution to operating through owned individual offices and local entities, with a view to having further distribution control as well as driving revenue. The implementation of our transformation strategy presents a number of significant risks, including: actual or perceived disruption of service or reduction in service levels to customers and consumers; actual or perceived disruption to suppliers, distribution networks and other important operational relationships and the inability to resolve potential conflicts in a timely manner; difficulty in obtaining timely delivery of products of acceptable quality from suppliers; diversion of management attention from ongoing business activities and strategic objectives; disruption to our culture; failure to maintain employee morale and retain key employees; and actual or threatened claims and law suits from current and/or former distributors.

In addition, relationships with certain of our distributors, particularly in markets outside of Europe, including in the APMA region, are not governed by written contracts, and disputes have arisen and may in the future arise with respect to such relationships, with such disputes potentially resulting in litigation or settlement proceedings. Such disputes may have a negative impact on our brand. Furthermore, if we experience adverse changes to our business, restructuring or reorganization activities may be required in the future. Due to these and other factors, we cannot predict whether we will fully realize the purpose and anticipated benefits or cost savings of any restructuring, productivity or efficiency initiatives, including the conversion of distributor markets to owned and operated markets, and, if we do not, this could have a material adverse effect on our business, financial condition and results of operations.

### ***If we encounter operational challenges relating to the distribution of our products, our business could be adversely affected.***

We rely on both our own and third-party logistics centers to warehouse and ship products to our e-commerce customers, retail stores, wholesale partners and distributors throughout the world. These centers are subject to operational risks, including, among other things, mechanical and IT system failure, work stoppages or increases in transportation costs and the impact of pandemics (including the COVID-19 pandemic), diminished vessel capacity, port congestion, cross border trade barriers (e.g., as a result of Brexit), natural disasters, political crises, civil unrest and other catastrophic events. Such disruption could have an adverse effect on the availability of our in-store and warehoused inventory and would divert financial and management resources. In addition, distribution capacity is dependent on the timely performance of services

by third parties, including the transportation of products to and from their distribution facilities. If we encounter problems with our distribution systems, whether our own or those of third parties, our ability to meet customer and consumer expectations, manage inventory, complete sales and achieve operating efficiencies could be adversely affected. Additionally, the success of our e-commerce business and the satisfaction of consumers depend on their timely receipt of products. The efficient flow of our products requires that our own and third-party operated distribution facilities have adequate capacity to support the current level of e-commerce sales and any anticipated increased levels that may follow from the planned growth of that part of our DTC channel. To the extent that any of these risks were to materialize, we could incur significantly higher costs and longer lead times associated with distributing our products to consumers and experience dissatisfaction from consumers, which could have a material adverse effect on our business, financial condition and results of operations.

In addition, we use independent distributors and wholesalers to sell our products in certain of our markets. Failure by our distributors or wholesalers to meet planned annual revenues goals or to make timely payments on amounts owed to us due to, for example, economic difficulties faced by such distributors could have an adverse effect on our business, financial condition and results of operations, and it may be difficult and costly to locate an acceptable substitute distributor or wholesaler. If a change in distributor or wholesaler becomes necessary, we may experience increased costs, as well as substantial disruption and a resulting loss of revenues and brand equity in the market where such distributor or wholesaler operates, which could have a material adverse effect on our business, financial condition and results of operations.

***If our relationship with one or more major wholesale partners deteriorates or terminates, our business could be adversely affected.***

While our strategy is to continue to grow our DTC channel, and in particular our e-commerce business, our ability to attract and retain strategic wholesale partners remains critical to our continued success and growth.

Our wholesale partners purchases generally occur on an order-by-order basis, under a variety of framework agreements. If any major wholesale partner decreases or ceases purchasing from us, cancels its orders, reduces the floor space, assortments, fixtures or advertising for our products or changes the manner of doing business with us for any reason, such actions could adversely affect our business. In addition, a decline in the performance or financial condition of a major wholesale partner, including bankruptcy or liquidation, could result in a material loss of revenues to us and cause us to limit or discontinue business with that partner, require us to assume more credit risk relating to our receivables from that partner or limit our ability to collect amounts related to previous purchases by that partner. For example, as a precautionary matter in light of the COVID-19 pandemic, we requested certain wholesale partners pay deposits for their orders. These measures and other measures we may adopt to mitigate credit risk, however, may not be successful. In addition, retail consolidation could lead to fewer wholesale partners, wholesale partners seeking more favorable price, payment or other terms from us and a decrease in the number of stores that carry our products. While we seek to insure credit risk, there can be no assurance that in the future we will be able to obtain credit risk insurance at commercially attractive terms or at all.

If our relationship with one or more major wholesale partners deteriorates or terminates, or if other changes occur in the wholesale channel that adversely impact our relationships with such third parties, this could lead to a material adverse effect on our business, financial condition and results of operations.

***Our reliance on services arrangements with third-party service providers exposes us to a range of potential operational risks.***

We have entered into a number of services arrangements with third-party service providers for the operation of distribution centers. In addition, we have entered into service agreements with third-party providers in Portugal, primarily for the outsourcing of closed-toe silhouette production. In the event the services of these service providers are disrupted or terminated and we do not engage suitable replacements on commercially acceptable terms or in a timely manner, we may not be able to effectively deliver our

products to consumers and our wholesale partners, which may have a material adverse effect on our business, financial condition and results of operations.

### **Risks Related to Our Supply Chain**

***Our business is affected by seasonality and weather conditions, which could result in fluctuations in our operating results.***

Our products, particularly our *Core Silhouettes*, were traditionally suited for warm weather. As a result, if the weather conditions varied significantly from typical conditions in our key markets, such as an unusually cold summer, consumer demand for our products could be adversely affected. In recent years, we have increased our sales of products suited for cold weather, such as winter sandals with fur and closed-toe silhouettes in order to reduce the seasonal peaks that our business is subject to. Nevertheless, our business remains affected by seasonality, and demand in our channels varies by time of year.

While we manufacture our footwear year-round, we build inventory between October and January to prepare for increased demand during the summer season of the subsequent year. Starting in May and during the warmer months of the year, demand for our products from our DTC channel increases. Demand for our products from our B2B channel increases from December through March. We incur significant additional expenses in advance of and during this period in anticipation of higher sales during that period, including the cost of additional inventory, which is stored on pallets in our warehouses until shipped, fixed cost such as rent and lease agreement for retail shops and outlets as well as depreciation and amortization of production plants.

Lower demand may result in excess inventory, which may require us to sell these products at discounted prices or to build up more finished goods inventory than expected incurring additional costs, which could, in turn, adversely affect our results of operations. At the same time, if we are unable to procure certain raw materials due to supply chain disruptions or fail to manufacture a sufficient quantity of merchandise, we may not have an adequate supply of products to meet consumer demand or if weather conditions permit us to sell seasonal products early in the season, this may reduce inventory levels needed to meet customers' needs later in that same season, which could have a negative impact on our revenues during our busiest season. Any inability to effectively manage seasonality and weather conditions could have a material adverse effect on our business, financial condition and results of operations.

***Any adverse events influencing either the sustainability of the supply chain or our relationship with any major supplier or any increases in the costs of raw materials or labor, or any scarcity thereof, could adversely affect our business.***

Our ability to competitively price our products depends on the cost of components, services, labor, equipment and raw materials, including leather and other materials used in the production of our products. The cost of services and materials is subject to change based on availability and market conditions that are difficult to predict. Various conditions, such as changes in food consumption patterns affecting the availability of leather, as well as changes in climate conditions impacting the availability of cork, jute or latex, affect the cost of our footwear. However, very few raw materials are traded as commodities (e.g., latex). We use certain public price and market tracking information as references for price developments. Factors such as weather and climate conditions, demand of competing industries (e.g., leather for car manufacturers, furniture) and general economic factors, such as global supply chain flows, supply and demand and raw material price developments, will affect the cost of our materials.

We source components and other raw materials (including leather, EVA, cork, adhesives, natural latex, jute, copper, wool felt and brass buckles) from suppliers located mainly in Europe, but also in Turkey, the Americas and Asia. Generally, we aim to source our materials from multiple suppliers and have policies to prevent dependence on any single supplier. However, for certain materials, we may rely on specific suppliers that are able to meet the level of quality and supply we require. For example, although our leathers are sourced from different tanneries, our requirement for materials of high quality may result in reducing the

---

pool of available tanneries that can meet such requirements. In addition, some of our products use materials of high technical complexity and high-quality standards, such as EVA, or that require specific IP rights, such as the EVA buckles. We also have some regional dependencies. For example, while we do have multiple cork suppliers, they are all based in Portugal, thus creating a specific geographical dependency, and we have similar regional dependencies for other raw materials. Such geographic dependencies expose us to risks in the case of, for example, extreme weather events affecting such areas.

Our relationships with suppliers are either based on individual purchase orders, on purchase orders governed by a framework agreement or on separate agreements governing the conditions for the supply of specific materials. Although our contracts with these suppliers contain provisions that ensure the suppliers are not able to terminate the contract on short notice, if one or more of these suppliers is unable to supply or decides to cease supplying us with raw materials and components, or decides to increase prices significantly due to price increases, shortages or for other reasons that may be beyond our control, we may be unable to identify alternative suppliers of such materials at a reasonable cost or at all and, in any event, it may take a significant period of time to receive any materials from alternative suppliers. Moreover, if we expand beyond the production capacity of our current suppliers as we continue to grow, we may not be able to find new suppliers with an appropriate level of expertise and capacity in a timely manner.

In addition, with some exceptions, our arrangements with our suppliers generally are not exclusive. As a result, our suppliers could provide similar products for our competitors, some of which could potentially purchase products in significantly greater volume. Further, while certain of our long-term contracts stipulate contractual exclusivity, those suppliers could choose to breach our agreements and work with our competitors. Our competitors could enter into restrictive or exclusive arrangements with our suppliers that could impair or eliminate our access to supplies. Our suppliers could also be acquired by our competitors, and may become our direct competitors, thus limiting or eliminating our access to supplies.

Our supply chain could also be materially adversely affected by a number of other factors, including, among other things, increasing costs of labor, scarcity of labor at our production sites or at our office locations, potential economic and political instability in countries where our suppliers are located, increases in shipping or other transportation costs, manufacturing and transportation delays and interruptions, whether as a result of natural disasters or force majeure events (including, without limitation, unrest, civil disorder, war, terrorist attacks, subversive activities or sabotage, fires, floods, explosions, other catastrophes, epidemics or pandemics, such as the COVID-19 pandemic), industrial action in the supply chain or other factors, supplier compliance with applicable laws and regulations, adverse fluctuations in currency exchange rates and changes in laws affecting the importation and taxation of goods, including duties, tariffs and quotas, or changes in the enforcement of those laws. We may also be subject to potential reputational damage if one or more of our suppliers violates or is alleged to have violated applicable laws or regulations including improper labor conditions or human rights abuses, fails to meet our requirements or does not meet industry standards and safety specifications.

Any of these risks, in isolation or in combination, could restrict the availability of merchandise or significantly increase the cost of such merchandise, require us to divert financial and management resources and subject us to reputational damage, any of which could have a material adverse effect on our business, financial condition and results of operations.

***Our operating results depend on effectively managing inventory levels, and any excess inventories or inventory shortages could harm our business.***

Efficient inventory management is a key component of our business success and profitability, and our ability to manage our inventories effectively is an important factor in our operations. Inventory shortages can impede our ability to meet demand, adversely affect the timing of shipments to customers and, consequently, diminish brand loyalty and decrease revenues. Conversely, excess inventories can result in lower gross profit margins if we lower prices in order to liquidate excess inventories. In addition, inventory may become obsolete as a result of changes in consumer preferences or otherwise. In most of our markets and channels, we forecast demand and pre-produce products based on such forecasts. However, our forecasts may not

accurately predict consumer trends or purchasing actions and therefore may not match actual demand. The accuracy of our forecasts is especially dependent on our overall lead time which is subject to several factors, including the lead time of material and service providers and the duration of our internal business process. Longer overall lead times may lead to less accurate forecasts. If we have inadequate inventory to meet customer demand, then we may experience delays in delivering products to customers. Conversely, if we have excess inventory, we may have to take unanticipated markdowns to dispose of such excess inventory. Any inability to effectively manage our inventory could have a material adverse effect on our business, financial condition and results of operations.

***Unforeseen business interruptions at our production facilities or other operational problems may lead to production bottlenecks or project delays.***

Our success depends in part on the uninterrupted and reliable operation of our manufacturing operations. Unforeseen disruption of a production facility could be caused by a number of events, including a maintenance outage, power or equipment failure, fires, floods, earthquakes or other natural disasters, social unrest or terrorist activity, work stoppages, public health concerns (including pandemics), regulatory measures or other operational problems. For instance, four of our manufacturing facilities experienced temporary shutdowns due to the COVID-19 pandemic in 2020.

A prolonged disruption at a manufacturing facility could result in production downtimes or temporary operation at reduced capacity preventing us from completing production in a timely manner, leading to loss of business volume and reduced productivity or profitability at a particular production site. Less severe problems involving our production facilities, such as missed shipment dates, split shipments, defective software or materials or logistics problems, could lead to delays. Any unplanned production downtime, stoppage at our facilities or project sites, serious accidents or other operational problems and delays, if significant, could have a material adverse effect on our business, financial condition and results of operations.

***Shipping and delivery are critical parts of our business and any changes in, or disruptions to, our shipping and delivery arrangements could adversely affect our business, financial condition and results of operations.***

We rely on several ocean, air parcel and “less than truckload” carriers to deliver the products we sell. If we are not able to negotiate acceptable pricing and other terms with these providers, or if these providers experience performance problems or other difficulties in processing our orders or delivering our products to customers, it could negatively impact our customers’ experience as well as our business, financial condition and results of operations. For example, changes to the terms of our shipping arrangements or the imposition of surcharges or surge pricing may adversely impact our margins and profitability. In addition, our ability to receive inbound inventory efficiently and ship merchandise to customers may be negatively affected by factors beyond our and these providers’ control, including pandemics, weather, fires, floodings, power losses, earthquakes, acts of war or terrorism or other events specifically impacting other shipping partners, such as labor disputes, financial difficulties, system failures and other disruptions to the operations of the shipping companies on which we rely. We have in the past experienced, and may in the future experience, shipping delays for reasons outside of our control. We are also subject to risks of damage or loss during delivery by our shipping vendors. If the products ordered by our customers are not delivered in a timely fashion, including to international customers, or are damaged or lost during the delivery process, our customers could become dissatisfied and cease buying products from us, which would adversely affect our business, financial condition and results of operations.

***Fluctuations in product costs and availability due to fuel price uncertainty could negatively impact our business, financial condition and results of operations.***

We rely upon various means of third-party transportation to deliver products from our manufacturing facilities to our distribution centers, from our distribution centers to our stores and directly to our customers. Consequently, our results may be affected by those factors affecting transportation, including the price of fuel and the availability of aircraft, ships, trucks and drivers. The price of fuel and demand for transportation services has fluctuated significantly in recent years and has resulted in increased costs for us. In addition,

changes in regulations may result in higher fuel costs through taxation, transportation restrictions or other means. Fluctuations in transportation costs and availability could adversely affect our business, financial condition and results of operations.

#### **Risks Related to Our Employees and Operations**

##### ***Our success depends substantially on our ability to attract, hire, train and retain experienced management and personnel.***

Our management team has substantial expertise and industry experience and the loss of key members of management could adversely affect our ability to implement our strategic objectives. Further, we are also dependent on personnel that are highly skilled and qualified in the consumer goods industry as well as in design, merchandising and digital activities.

Our success in attracting and retaining such personnel depends on a variety of factors, including the supply of qualified candidates in the relevant market, as well as our compensation and benefit programs, work environment, career development opportunities, commitment to diversity and public image. Competition for qualified personnel is increasing. Attracting new personnel also depends on the good brand image and the reputation of our Company. If our brand image is adversely impacted as a result of employee relations issues, such as issues related to discrimination, harassment or a lack of, or perceived lack of, support for diversity initiatives, our ability to hire and retain experienced personnel may be reduced. There can be no assurance that we will be successful in attracting and retaining experienced management and key technical personnel and any failure to do so could have a material adverse effect on our business, financial condition and results of operations.

##### ***We are highly dependent on the services and reputation of Oliver Reichert, our Chief Executive Officer.***

We are highly dependent on the services and reputation of Oliver Reichert, our Chief Executive Officer. Mr. Reichert is a significant influence on and driver of our business plan. If Mr. Reichert were to discontinue his service due to death, disability or any other reason, or if his reputation is adversely impacted by personal actions or omissions or other events within or outside his control, we may be significantly disadvantaged and we may have difficulty finding a successor. Further, we do not maintain key-person insurance for our senior management. Mr. Reichert's departure from the Company could have a material adverse effect on our business, financial condition and results of operations.

Mr. Reichert may also have significant responsibilities, and may devote a substantial amount of time serving, as managing director for the investment office of Christian Birkenstock as well as the former Birkenstock GmbH & Co. KG (now Ockenfels Group GmbH & Co. KG and its subsidiaries). A number of our properties are leased or subleased to our subsidiaries from such entities. We believe these arrangements are on an arm's length basis; however, a conflict may arise that could adversely affect the interests of our shareholders, including conflicts involving compliance with payment and performance obligations under existing leases or negotiation of the terms of and performance under additional leases we may enter into with these entities managed by Mr. Reichert. Such positions may generally give rise to fiduciary or other duties in conflict with the duties Mr. Reichert owes to us and may compete with his ability to devote a sufficient amount of attention toward his obligations to us, or to day-to-day activities of our business, leading to a material adverse effect on our business, financial condition and results of operations.

##### ***We are dependent on good relationships with our employees, employee representative bodies and other stakeholders.***

We are dependent on good relationships with our employees, employee representative bodies such as works councils (*Betriebsräte*) and group work council (*Konzernbetriebsrat*), and other stakeholders to successfully operate our business. Personnel expenses make up a significant portion of our costs and we are obliged to comply with various works council and other agreements that are in place with works councils and other employee representative bodies. In addition, we have a collective bargaining agreement in one of our

facilities in Germany. Employees at our German locations have traditionally been heavily unionized and we regularly conduct, or are involved in, negotiations with the relevant employee representative bodies. Any deterioration of these relationships could adversely impact our business, financial condition and results of operations.

While we believe that we have good relations with unions and employees generally today, there can be no assurance that such relations will not deteriorate and that we will not experience labor disputes in the future. We have faced strikes or similar types of conflicts with trade unions and our employees in the past and may face them again in the future. In particular, these could arise when current collective agreements expire or are to be negotiated. Any such strikes, conflicts, work stoppages or other industrial actions may disrupt our production and sales activities, damage our reputation and adversely affect our customer relations, which could in turn have a material adverse effect on our business, financial condition and results of operations.

Works council and collective agreements may impose obligations and restrictions on us that may adversely affect our flexibility to undertake adjustments to our workforce, restructurings, reorganizations and similar corporate actions. In addition, certain measures we undertake are generally subject to works councils' codetermination rights, in particular in relation to occupational pension schemes, the implementation and use of IT systems, variable remuneration schemes and working time systems. Potentially extensive exercise of codetermination rights by the works councils may result in operational difficulties and in us being prevented from implementing planned policy or IT system changes, among other things.

#### **Risks Related to Intellectual Property, Information Technology and Data Security and Privacy**

***If we are unable to adequately protect, maintain and enforce our trademarks and other IP rights, our business could be materially adversely affected.***

Our business is dependent on our ability to protect, maintain and enforce our trademarks and other IP rights. We own a portfolio of United States and international IP rights for our brands and certain of our product designs. Patent, trademark and other IP laws vary significantly throughout the world. A number of foreign countries do not protect IP rights to the same extent as they are protected in the United States. Therefore, our IP rights may not be as strong or as easily enforced outside of the United States. The BIRKENSTOCK brand is our most material IP asset. We endeavor to enforce our IP rights against any third parties that we believe are infringing, misappropriating or otherwise violating such rights. We cannot be sure that the actions we take to establish and protect our trademarks and other IP rights will be adequate, and we may not be able to prevent imitation of our products by others. Third parties have in the past and may in the future create counterfeit products using our brand and trademarks, or otherwise infringe, misappropriate or otherwise violate our IP rights. Monitoring unauthorized use of our IP is difficult and costly, and we may not always be able to secure protection for, become aware of or stop infringement, misappropriation or other violations of, our IP rights. From time to time, we may need to resort to litigation to enforce our IP rights, which could result in substantial costs and diversion of our resources. In addition, third parties may seek to challenge the validity or enforceability of our trademarks or other IP rights, and we cannot assure you that we will be successful in defending against all such claims.

Some of our footwear designs, including in several of our core products, are not protected by design patents or other design rights. This may mean that we cannot legally prevent third parties from creating "lookalike" products or products that otherwise use our designs. Beginning in 2018, we modified our approach to IP protection and enforcement and began to more consistently seek to register our design rights and seek to obtain patents on new products and to consistently enforce our IP rights against infringement. However, our ability to enforce our IP rights with respect to counterfeit or infringing products on the market may in some cases be challenged by defendants as barred in certain jurisdictions based on allegations that we failed to timely enforce our IP rights.

Any failure to protect or enforce our IP rights could diminish the value of our brands and could cause customer or consumer confusion. As a result of any of the foregoing, there could be a material adverse effect on our business, financial condition and results of operations.

***We may be subject to liability and other material adverse impacts on our business if we face claims that we infringe the trademarks, copyrights or other IP rights of third parties.***

We cannot be certain that the conduct of our business does not and will not infringe, misappropriate or otherwise violate the IP rights of others. While we try to avoid infringing IP rights, we may do so unknowingly. Any action to prosecute, enforce or defend any IP claim that is brought against us, regardless of merit or resolution, could be costly and may divert the efforts and attention of our management and design and technical personnel. We may not prevail in such proceedings given the complex design and technical issues and inherent uncertainties in IP litigation. If we are found to have infringed, misappropriated or otherwise violated IP rights of third parties, we could be required to pay substantial damages, seek to obtain licenses (which may not be available on commercially reasonable terms or at all), or cease making or selling certain products. Additionally, we may be required to redesign, reengineer or rebrand our products or packaging, if feasible. In the event of a successful claim of infringement against us, our business, financial condition and results of operations could be materially adversely affected.

***We may be unsuccessful in preventing a member of the Birkenstock family from using their surname as a company or product name.***

Our brand is named after the Birkenstock family that originally founded the business. We own and control the Birkenstock trademark as applied to goods and services of the Company, and to the extent rights have otherwise inured to the Company under applicable law. Under German trademark law, individuals with the "Birkenstock" surname are permitted to use their surname within a company name, provided the respective individual takes measures (i.e., such as adding their first name or other deviating features) to eliminate or at least reduce the risk of confusion with existing competing businesses that use "Birkenstock" in their company name, but this might not always prevent confusion. Although in the past German courts have imposed sanctions for infringement of prominent brand names through the licensing of surnames, the entitlement to use one's surname may include allowing a third-party to use the name "Birkenstock" as part of a company name, including potentially in a competing business, so long as it is not done in a misleading manner. While we have entered into an agreement with certain members of the Birkenstock family through which they have consented to our use of the "Birkenstock" surname in our corporate name and trademarks in perpetuity, if such agreement were to be terminated in accordance with its terms, challenged or otherwise held invalid, or if, in the future, we had any material unresolved disputes with the Birkenstock family, we may not be able to adequately protect our Company name and trademarks or may be prevented from using the "Birkenstock" surname for our legal entities and trademarks in the future. In other jurisdictions, there may be similar laws that could permit individuals with the "Birkenstock" surname to use such surname within a company name or trademark. Such uses are typically subject to local statutory restrictions, including applicable trademark laws. At least one member of the Birkenstock family has used the Birkenstock name in connection with an independent business unrelated to ours in the past. Any or all of these circumstances could have a material adverse effect on our business, financial condition and results of operations. See also "*Risks Related to Our Business, Brand, Products and Industry—Our success is dependent on the strength of our premium brand; if we are unable to maintain and enhance the value and reputation of our brand and/or counter any negative publicity, we may be unable to sell our products, which would harm our business and could materially adversely affect our business, financial condition and results of operations.*"

***We are subject to various Privacy Laws and regulations governing the use and processing of personal data and any failure to protect this data and/or sensitive/confidential information could harm our reputation and expose us to litigation.***

We collect, process, transmit and store personal, sensitive and confidential information, including our proprietary business information and that of customers (including users of our websites) and our wholesale partners, distributors, employees, suppliers and business partners. The protection of customer, employee and company data is critical to us. Customers have a high expectation that we will adequately protect their personal information from cyber-attack or other security breaches and only use such personal information as permitted by law. A significant breach of customer, employee or company data could damage our

reputation and result in lost revenues, fines or lawsuits. The secure processing, maintenance and transmission of this information is critical to our operations and business strategy. Despite our security measures, our IT and infrastructure have in the past been, and may in the future be, vulnerable to attacks by hackers or breaches due to employee error, malfeasance or other disruptions. Any such breach or attack could compromise, and have compromised, our networks and the information stored thereon or transmitted thereby could be accessed, publicly disclosed, lost or stolen. Because the methods used to obtain unauthorized access change frequently and may not be immediately detected, we may be unable to anticipate these methods or promptly implement preventative measures. Any unauthorized access, disclosure or other loss of information could result in legal claims or proceedings, liability under Privacy Laws (as defined below), disrupt our operations and the services we provide to customers and damage our reputation, which could adversely affect our business, financial condition and results of operations. See also “—Our operations, products, systems and services rely on complex IT systems and networks that are subject to the risk of disruption and security breaches.”

We are subject to a number of laws relating to information security, privacy and data protection, which include such laws and regulations as enacted, implemented and amended in the United States, the EU and its member states and the UK (regardless of where we have establishments) from time to time, including the Privacy Laws. Compliance with Privacy Laws requires adhering to stringent legal and operational obligations and therefore the dedication of substantial time and financial resources, which may increase over time (in particular in relation to any transfers of relevant personal data to third parties located in certain jurisdictions). Failure to comply with the Privacy Laws may result in us incurring fines and/or facing other enforcement action or reputational damage. For example, failure to comply with the GDPR or the UK GDPR, depending on the nature and severity of the breach, could attract regulatory penalties under both regimes for the same breach of up to the greater of: (i) €20 million / £17.5 million; and (ii) 4% of an entire group’s total annual worldwide turnover, as well as the possibility of other enforcement actions (such as suspension of processing activities and audits) and liabilities from third-party claims.

We are also subject to the GDPR and/or UK GDPR rules with respect to any cross-border transfers of personal data we make out of the EEA and/or the UK. Recent legal developments in the EU and the UK have created complexity regarding transfers of personal data from the EEA and/or the UK (as applicable) to the United States. We rely on various transfer mechanisms in order to be compliant with applicable Privacy Laws including the SCCs, the UKIDTA or the UK Addendum as approved by the European Commission or the government of the UK (as applicable). On March 21, 2022 the UKIDTA and the UK Addendum came into force, which may require us to expend significant resources to update our contractual arrangements that relied on the SCCs and to comply with the UK GDPR. Further, data protection authorities may require measures to be put in place in addition, or alternatively, to the SCCs for transfers to countries outside of the EEA, Switzerland and/or the UK. In addition to other impacts, we may experience additional costs to comply with these changes and we and our customers and service providers face the potential for regulators in the EEA, Switzerland and/or the UK to apply different standards to the transfer of personal data to the United States and other non-EEA and non-UK countries, and to block, or require ad hoc verification of measures taken with respect to certain data flows to the United States and other non-EEA and non-UK countries.

As supervisory authorities issue further guidance on personal data export mechanisms, including circumstances where the SCCs, UKIDTA and/or UK Addendum cannot be used and/or take enforcement action and/or carry out investigations, we could suffer additional costs, complaints and/or regulatory investigations or fines, and/or if we are otherwise unable to transfer personal data between and among countries and regions in which we operate, it could affect the manner in which we provide our services, the geographical location or segregation of our relevant systems and operations and could adversely affect our business, financial condition and results of operations.

***We are subject to payment-related risks.***

We accept payments using credit cards and debit cards and, as such, are subject to payment card association operating rules and certification requirements, including the Payment Card Industry Data Security

Standard, which is a security standard applicable to companies like ours that collect, store or transmit certain data regarding credit and debit cards, holders and transactions. We are also subject to rules governing electronic funds transfers. Such rules could change or be reinterpreted to make it difficult or impossible for us to comply. If we (or a third-party processing payment card transactions on our behalf) suffer a security breach affecting payment card information, we may have to pay onerous and significant fines, penalties and assessments arising out of the major card brands' rules and regulations, contractual indemnifications or liability contained in merchant agreements and similar contracts, and we may lose our ability to accept payment cards for payment for our goods which could materially impact our business, financial condition and results of operations.

***Our operations, products, systems and services rely on complex IT systems and networks that are subject to the risk of disruption and security breaches.***

We heavily rely on multiple and, in certain cases, older IT systems and networks to support our e-commerce business and for research, procurement, manufacturing, sales, logistics, business and other processes, including, among others, inventory tracking and transaction recording and processing. The consistent, efficient and secure operation of our IT systems and networks is therefore critical to the successful performance of our operations and the products we sell.

We continue to utilize various legacy hardware, software and operating systems, which may be vulnerable to increased risks, including the risk of system failures and disruptions. If such systems are not successfully upgraded or replaced in a timely manner, system outages, disruptions or delays or other issues may arise. From time to time, we upgrade our IT systems and networks. Such efforts to update our IT systems and networks may also divert the efforts and attention of our management and personnel across the business. We must also successfully integrate the technology systems of any acquired companies into our existing and future technology systems, including those of our customers, vendors, suppliers and other third-party service providers. If a new system does not function properly or is not adequately supported by third-party service providers and processes, it could affect our ability to produce, process and deliver customer orders and process and receive payments for our products.

Despite IT maintenance and security measures, our IT systems and networks are exposed to the risk of malfunctions and interruptions from a variety of sources, including equipment damage, deficient database design, power outages, computer viruses and a range of other hardware, software and network problems. We have experienced temporary outages in our IT systems in the past. Although we have countermeasures in place to prevent malfunctions and interruptions, any such malfunctions or interruptions could compromise the operational integrity of these systems and networks should our countermeasures fail in the future.

In addition, we rely on systems and websites that allow for the secure storage and transmission of proprietary or confidential information regarding our consumers, customers, suppliers, employees and others, including credit card information and personal information. We also store data in third-party data centers and use third-party servers or applications by means of cloud computing. As the importance of our e-commerce business continues to increase, the salience of this risk has increased.

Our systems, websites, data (wherever stored), software or networks and those of third parties (including data centers), are vulnerable to security breaches, including unauthorized access (from within our organization or by third parties), computer viruses or other malicious code and other cyber threats that could have a security impact. We may not be able to anticipate evolving techniques used to effect security breaches (which change frequently and may not be known until launched), or prevent attacks by hackers, including phishing or other cyber-attacks, or prevent breaches due to employee error or malfeasance, in a timely manner or at all. Cyber-attacks have become far more prevalent in the past few years, potentially leading to the theft or manipulation of confidential and proprietary information or loss of access to, or destruction of, data on our or third-party systems, as well as interruptions or malfunctions in our or third parties' operations.

In addition, our IT systems and networks and those of third parties with which we work have been in the past, and in the future may be, the target of cyber-attacks or other security breaches. For instance, we use

order, fulfillment and customer relationship management systems as part of our e-commerce operations and other sales channels and human resource management systems as part of our employee services and payroll processes, and such systems may be subject to security breaches. We implement mitigation measures from time to time, as we identify new threats and risks. We cannot assure you that such measures will be effective or that breaches or other cyber-attacks, including industrial espionage or ransomware attacks will not occur in the future. Failure to effectively prevent, detect and remediate security breaches, including attacks on our IT infrastructure by hackers, viruses, employee error or misconduct or other disruptions could seriously harm our operations and the operations of our customers. Such breaches may result, among other things, in unauthorized access to trade secrets, confidential business information and personal information, data losses, business interruptions, non-compliance with legal requirements, legal claims or proceedings, deterioration in customer relationships and reputational harm. See also *“We are subject to various Privacy Laws and regulations governing the use and processing of personal data, and any failure to protect this data and/or sensitive/confidential information could harm our reputation and expose us to litigation.”* In addition, due to the constantly evolving nature of security threats, we cannot predict the form and impact of any future incident, and the cost and operational expense of implementing, maintaining and enhancing protective measures to guard against increasingly complex and sophisticated cyber threats could increase significantly. While we regularly review our network security, backup and disaster recovery, enhanced training and other security measures to protect our systems and data, security measures cannot provide absolute security or guarantee that we will be successful in preventing or responding to every breach or disruption on a timely basis.

Furthermore, certain measures we may undertake to update our IT systems and networks may be subject to works councils' codetermination rights. While works councils have been co-operative in the past, a potentially extensive exercise of these co-determination rights may result in operational difficulties and in us being prevented from implementing planned policy or IT system changes. See *“Risks Related to Our Employees and Operations—We are dependent on good relationships with our employees and employee representative bodies and stakeholders.”*

Finally, although risk management is primarily the responsibility of the Company's management, our board of directors is responsible for overseeing management's identification, monitoring and management of risk. In particular, our board of directors, through its audit committee, is responsible for oversight of cybersecurity risks and our management is responsible for day-to-day risk management processes. Our board of directors has tasked management with the responsibility to manage our cybersecurity initiatives, including with respect to the Company's supply chain, suppliers and service providers. Our board of directors, with or potentially through its audit committee, expects to receive regular reports from management on material cybersecurity risks and the degree of the Company's exposure to those risks. Management has worked, and expects to continue to work, with third-party service providers, as appropriate, to monitor and, as appropriate, respond to cybersecurity risks. However, we cannot guarantee that these risk management processes will be effective at mitigating the risk to our IT systems and networks described above.

Any disruptions of our IT systems, including as a result of cyber-attacks and industrial espionage, may disrupt operations, or result in legal liability. The materialization of any of the above risks could have a material adverse effect on our business, financial condition and results of operations.

***Use of social media, cookies and other tracking technologies, emails, push notifications and text messages in ways that do not comply with applicable laws and regulations, lead to the loss or infringement of IP or result in unintended disclosure may harm our reputation or subject us to fines, lawsuits or other penalties.***

We use social media, cookies and other tracking technologies, emails and text messages as part of our omni-channel approach to marketing. As laws and regulations evolve to govern the use of these channels, the failure by us, our employees or third parties acting at our direction to comply with applicable laws and regulations in the use of these channels could adversely affect our reputation or subject us to fines, lawsuits (including class action) or other penalties. Any changes to marketing laws and regulations, their interpretation or enforcement by the government or private parties that further restrict the way we contact and communicate with our customers or potential customers could adversely affect our ability to attract customers and could

harm our business, financial condition and results of operations. In addition, our employees or third parties acting at our direction may knowingly or inadvertently make use of social media in ways that could lead to the loss or infringement of IP, as well as the public disclosure of proprietary, confidential or sensitive personal information of our business, employees, learners, partners or others. Information concerning us or our customers, whether accurate or not, may be posted on social media platforms at any time and may have an adverse impact on our brand, reputation or business. The harm may be immediate without affording us an opportunity for redress or correction and could have a material adverse effect on our reputation, business, financial condition and results of operations.

***Evolving government regulation of the internet and e-commerce, and unfavorable changes or failure by us to comply with these regulations could substantially harm our business, financial condition and results of operations.***

We are subject to general business regulations and laws as well as regulations and laws specifically governing the internet and e-commerce. Existing and future regulations and laws could impede the growth of the internet, e-commerce or mobile commerce, which could in turn adversely affect our growth. These regulations and laws may involve taxes, tariffs, privacy and data security, anti-spam, content protection, electronic contracts and communications, customer protection and internet neutrality. It is not clear how existing laws governing issues such as property ownership, sales and other taxes and customer privacy apply to the internet as the vast majority of these laws were adopted prior to the advent of the internet and do not contemplate or address the unique issues raised by the internet or e-commerce. It is possible that general business regulations and laws, or those specifically governing the internet or e-commerce, may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. We cannot be sure that our practices comply fully with all such laws and regulations. Any failure, or perceived failure, by us to comply with any of these laws or regulations could result in damage to our reputation, a loss in business and proceedings or actions against us by governmental entities, customers, suppliers or others. Any such proceeding or action could hurt our reputation, force us to spend significant amounts in defense of these proceedings, distract our management, increase our costs of doing business and decrease the use of our website by customers and suppliers and may result in the imposition of monetary liabilities. We may also be contractually liable to indemnify and hold harmless third parties from the costs or consequences of our own non-compliance with any such laws or regulations. As a result, adverse developments with respect to these laws and regulations could substantially harm our business, financial condition and results of operations.

**Risks Related to Economic, Market and Political Matters**

***Inflation could adversely impact our business, financial condition and results of operations.***

Inflation in the EU, the United States and other jurisdictions in which we operate began to rise significantly in late 2021 and continued to remain at high levels through 2022 and 2023. This is primarily believed to be the result of the economic impacts from the COVID-19 pandemic, including the global supply chain disruptions, government stimulus packages, strong economic recovery and associated widespread demand for goods, among other factors. For instance, global supply chain disruptions have resulted in shortages in materials, which has resulted in inflationary cost increases for materials, and could continue to cause costs to increase as well as scarcity of certain products. We are experiencing inflationary pressures in certain areas of our business, including with respect to employee wages and the cost of materials, although, to date, we have been able to mitigate such pressures through price increases and other measures. We cannot, however, predict any future trends in the rate of inflation or associated increases in our operating costs and how that may impact our business. To the extent we are unable to recover higher operating costs resulting from inflation or otherwise mitigate the impact of such costs on our business, our revenues and gross profit margins could decrease and our business, financial condition and results of operations could be adversely affected.

***Tariffs and other changes in international trade policy could adversely affect our business, financial condition and results of operations in the future.***

Materials and products imported into the EU, the United States and other countries are subject to import duties. While we have implemented internal measures to comply with applicable customs regulations and to properly calculate the import duties applicable to imported products, customs authorities may disagree with our claimed tariff treatment for certain products, resulting in unexpected costs that may not have been factored into the sales price of such products and our expected margins. In addition, we cannot predict whether future domestic and international laws, regulations or specific or broad trade remedy actions or international agreements may impose additional duties or other restrictions on the importation of products from one or more of our sourcing venues. Any such changes in legislation and government policy may have a material adverse effect on our business, including the imposition of tariffs on certain materials which could increase our product costs. For example, in recent periods, the U.S. government has announced various import tariffs on goods imported from certain trade partners, such as the EU and China, which have resulted and may continue to result in reciprocal tariffs on goods exported from the United States to such trade partners. Trade barriers and other governmental action related to tariffs or international trade agreements around the world have the potential to decrease demand for our products, negatively impact suppliers and adversely impact the economies in which we operate. Trade barriers and other governmental action related to tariffs or international trade agreements could increase the cost of raw materials and components used in certain of our products, which could in turn increase our cost of goods sold, which could have a material adverse effect on our business, financial condition and results of operations.

***We are exposed to currency exchange rate fluctuations.***

We operate and sell products globally, and, as a result, we generate a significant portion of our revenues and incur a significant portion of our expenses in currencies other than our functional currency, the Euro, including the U.S. Dollar, the Canadian Dollar, the British Pound and, to a lesser extent, various other currencies. We are particularly exposed to fluctuations in the exchange rate of the U.S. Dollar to the Euro because we have a significant presence in the United States, the transfer of goods from our German subsidiary to the U.S. subsidiary occurs in U.S. Dollars, and a large portion of our indebtedness is denominated in U.S. Dollars. In the fiscal year ended September 30, 2023, 62% of our revenues were in currencies other than Euro. Accordingly, movements in exchange rates between any of these currencies and the Euro have had from time to time and, in the future, could have a negative effect on our results of operations and financial condition to the extent there is a mismatch between our earnings in any foreign currency and our costs that are denominated in that currency.

Where possible, we manage foreign currency risk by matching same currency revenues to same currency expenses. However, we are exposed to risk as a result of the increasing amount of invoicing being done in local currency, particularly by our subsidiaries in the United States. Such currency risks are monitored by our senior management in the context of annual budgeting and the hedging strategy is adjusted from time to time during the course of the year. There is no guarantee that our hedging strategy will be successful.

In addition, while we report our results in Euro, we have revenues, expenses, assets and liabilities in other currencies, primarily as the result of our ownership of our subsidiaries located in other countries. Our subsidiaries' assets and liabilities are converted based on the exchange rate on the balance sheet date, and income statement items are converted based on the average exchange rate during the relevant financial period. Exchange rates have seen significant fluctuation in recent years, and significant increases in the value of the Euro relative to such currencies have had from time to time and, in the future, could have a material adverse effect on our reported financial results. As a result, any fluctuations in currency exchange rates could have a material adverse effect on our business, financial condition and results of operations.

## **Risks Related to Legal, Regulatory and Taxation Matters**

### ***We are subject to risks associated with international markets.***

As we market, sell and manufacture our products in many countries, we face a variety of risks generally associated with doing business in international markets and importing merchandise from these regions, including, among others, changes in the rate of economic growth, political instability resulting in the disruption of trade, trade disputes, expropriation or other governmental action, quotas and other trade regulations, export license requirements, delays associated with customs procedures, including increased security requirements applicable to foreign goods and measures related to the COVID-19 pandemic, Brexit, social unrest, war, terrorist activities or other armed conflicts, imposition of confiscatory taxation or adverse taxes, other charges and restrictions on imports, currency and exchange rate risks, changes in double tax treaties, risks related to labor practices increasing minimum wages and inflationary pressures, national and regional labor strikes, bribery and corruption, environmental matters or other issues in the foreign countries or factories in which our products are manufactured, risk of loss at sea or other delays in the delivery of products caused by transportation problems and increased costs of transportation.

We also sell our products and have operations in emerging markets, including Brazil, India and certain countries in Africa. Our operations in countries with less developed or less predictable legal systems present several risks, including legal uncertainty, bribery and corruption, civil disturbances, economic and governmental instability, differing business and operating practices, differing consumer behaviors and preferences and the imposition of exchange controls. The uncertainty of the legal environment in these countries, in particular with respect to the enforcement of IP rights, could limit our ability to enforce our rights and grow our business. In addition, we or any of our distributors or wholesale partners may be subject to legal proceedings regarding bribery and corruption in these countries, and we are unable to monitor the lawful conduct of our distributors and wholesale partners' operations.

Any of these risks could have a material adverse effect on our business, financial condition and results of operations.

### ***Compliance with existing laws and regulations or changes in any such laws and regulations could affect our business.***

We operate in a range of international markets and are subject to a variety of laws and regulations, and we routinely incur costs in complying with these laws and regulations. New laws or regulations or changes in existing laws and regulations, particularly those governing the sale of products or in other regulatory areas such as consumer credit, labor and employment (including whistleblowing), tax, competition, health and safety or environmental protection, may conceivably require extensive system and operating changes that may be difficult to implement and could increase our cost of doing business.

For example, we are subject to laws and regulations relating to the use of hazardous materials in our footwear production processes. If we fail to comply with these laws and regulations, we may face fines, lawsuits (including civil compensation claims), penalties or other sanctions, as well as damage to our image and brand. In addition, we could incur future expenditures to remediate past compliance failures that could have a material adverse effect on our business, financial condition and results of operations. Further, new laws and regulations are under discussion, including in Germany, that may result in significantly higher sanctions for any of our subsidiaries compared to the current law on administrative offences if management or other company personnel commit offences on behalf of any such subsidiary.

In addition, regulatory authorities may impose mandatory disclosure requirements with respect to ESG matters, including climate change. For example, in March 2022, the SEC issued a proposed rule that would require companies to make certain climate-related disclosures, including information about climate-related risks, greenhouse gas emissions and certain climate-related financial statement metrics. Compliance with this proposed rule may require us to invest substantial resources and require substantial oversight from our management and board of directors. In addition, there is a global trend towards climate-related financial

disclosure. A number of countries have established mandatory disclosure regimes and/or set timelines for the implementation of legislation regarding mandatory climate-related disclosure requirements.

ESG matters have also been the subject of increased focus by regulators, including in the EU and the U.S. For example, the European Commission has established a number of sustainability-related reporting and compliance regimes, including the Non-Financial Reporting Directive and the Corporate Sustainability Reporting Directive, which will enhance the scope and reporting requirements under the Non-Financial Reporting Directive, as well as proposals for new regulatory regimes that are aimed at, for example, prohibiting corporates from placing or making available on the EU market or exporting from the EU market products made with forced labor; requiring companies to identify, prevent, bring to an end, mitigate and account for adverse human rights and environmental impacts in operations, subsidiaries and value chains; and enhancing gender pay reporting requirements. Our EU-based business, as well as any global product sales into the EU, may bring us in scope of these requirements. Germany has also developed legislation requiring certain large companies to conduct human rights and environmental due diligence on their own and direct suppliers' operations.

In addition, changes in, alternative interpretations of or more stringent enforcement of existing laws and regulations in jurisdictions in which we currently operate can change the legal and regulatory environment, making compliance with all applicable laws and regulations more challenging. Changes in laws and regulations in the future could have an adverse economic impact on us by tightening restrictions, reducing our freedom to do business, increasing our costs of doing business, or reducing our profitability. In addition, the compliance costs associated with such evolving laws and regulations may be significant. Failure to comply with applicable laws or regulations can lead to civil, administrative or criminal penalties, including but not limited to fines or the revocation of permits and licenses that may be necessary for our business activities. We could also be required to pay damages or civil judgments in respect of third-party claims. Any actual or alleged failure to comply with applicable laws or regulations could also lead to adverse publicity and have a material adverse impact on our brand and reputation.

Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations.

***We rely on our suppliers, agents and distributors to comply with employment, environmental and other laws and regulations.***

We are in the process of implementing policies and procedures, including our Code of Conduct for Business Partners and audit procedures for assessing our suppliers' compliance with our Code of Conduct for Business Partners, to help ensure that our suppliers are in material compliance with our business terms, as well as employment, environmental, social and other relevant laws and regulations generally. We include the Code of Conduct for Business Partners as a mandatory component of all new and extended procurement agreements and we also implement similar procedures as part of new distribution and wholesale agreements. However, we can give no assurance that our suppliers, agents and distributors are or will remain in compliance with such contractual terms, laws or regulations, or that our audits will be sufficient in scope or frequency for us to become aware of any such non-compliance on a timely basis or at all. A violation, or allegations of a violation, of such laws or regulations, or failure to achieve particular standards, by any of these individuals or entities could lead to financial penalties, adverse publicity or a decline in public demand for our products, which could have a material adverse impact on our brand or reputation. Furthermore, any non-compliance could require us to incur expenditures or make changes to our supply chain and other business arrangements to ensure compliance. Any such events could have a material adverse effect on our business, financial condition and results of operations.

***We rely on a compliance system to prevent irregularities in business activities. Failure to comply with anti-corruption regulations and economic sanctions programs could result in fines, criminal penalties and an adverse effect on our business.***

We operate and sell products in, and source materials from, a number of countries throughout the world, including countries known to have a reputation for corruption. We are subject to the risk that we, our affiliated entities or our or their respective officers, managers, directors, employees and agents may take action determined to be in violation of anti-corruption laws, including the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010 and others. Our employees may be tempted to win business using illegal practices, in particular corruption, certain sales incentives or violation of antitrust laws. In some of the countries in which we operate, such practices may be the custom or expected, and our competitors may undertake such practices, increasing the pressure on us and our employees. In addition, we are required to comply with various economic sanctions programs, including those administered by the United Nations Security Council and the United States, including its Office of Foreign Assets Control, U.S. Department of the Treasury. These programs restrict us from conducting certain transactions or dealings involving certain sanctioned countries or persons.

Although we are currently developing our internal policies and procedures, which are designed to ensure compliance with applicable anti-corruption laws and sanctions regulations, we are continuing to develop our compliance strategy and there can be no assurance that such policies and procedures will be sufficient or that our employees, directors, managers, officers, partners, agents and service providers will not take actions in violation of our policies and procedures (or otherwise in violation of the relevant anti-corruption laws and sanctions regulations) for which they or we may ultimately be held responsible. Violations of anti-corruption laws and sanctions regulations could lead to criminal or financial penalties being imposed on us, limits being placed on our activities, authorizations or licenses being revoked, damage to our reputation and other consequences that could have a material adverse effect on our business, financial condition and results of operations. Furthermore, detecting, investigating and resolving actual or alleged violations is expensive and can consume significant time and attention of our senior management. Litigation or investigations relating to alleged or suspected violations of anti-corruption laws or sanctions regulations could also be costly. We cannot guarantee that our compliance and internal controls will protect us against actions taken by our officers, managers, directors, employees and agents that might be determined to be in violation of law.

***Increasing focus on corporate responsibility, specifically related to ESG matters, may impose additional costs, expose us to new risks and subject us to increasing scrutiny.***

Investors, shareholders, capital providers, customers and other stakeholder groups are increasingly focused on the ESG and sustainability practices of companies, including with respect to climate change, human rights and diversity, equity and inclusion. While we do not currently publicly disclose any quantifiable ESG or sustainability-related metrics or targets, if our ESG practices or the speed at which we adopt and implement them do not meet investor, customer or other stakeholder expectations and standards (which are continually evolving and may emphasize different priorities than the ones on which we choose to focus), then our brand, reputation and employee relationships may be negatively impacted. We could also incur additional costs and require additional resources to monitor, report and comply with various ESG frameworks and regulations and to implement our ESG initiatives. We depend on key raw material by-products such as leather which could be subject to price volatility and increased costs in the future due to potential broader market shifts stemming from the climate impact of beef production. Our commitment to largely using natural material from transparent sources in Europe and processing materials to high environmental and social standards could decrease our ability to compete with the prices of competitors who do not implement such ESG practices. Also, our failure, or perceived failure, to manage reputational threats and meet expectations with respect to socially responsible activities and sustainability commitments could negatively impact our brand credibility, employee relationships and the willingness of our customers and suppliers to do business with us.

***Climate change and related regulatory responses may adversely impact our business.***

There is increasing concern that climate change is occurring around the world as a gradual increase in global average temperatures due to increased concentration of carbon dioxide and other greenhouse gases in the atmosphere is causing significant changes in weather patterns around the globe and an increase in the frequency and severity of natural disasters. Changes in weather patterns and an increased frequency, intensity and duration of extreme weather conditions in the areas in which our retail stores, suppliers, manufacturers, customers, distribution centers, headquarters and vendors are located could, among other things, disrupt the operation of our supply chain, disrupt our data management and communications systems, increase our product costs and negatively impact consumer spending and/or demand for our products. For example, as a result of rising sea levels associated with climate change, certain of our retail locations in Europe and the United Arab Emirates could fall below the flood line in the next twenty years. As a result, the effects of climate change could have a long-term adverse impact on our business, financial condition and results of operations.

The physical changes prompted by climate change could result in changes in regulations or consumer preferences, which could in turn affect our business, financial condition and results of operations. In many of the countries in which we operate, governmental bodies are increasingly enacting legislation and regulations in response to the potential impacts of climate change. For example, in EU Member States, we are required to undergo energy audits every four years. In addition, the German government has set broader long-term carbon-reduction targets as well, and pursuant to such regulations, our business falls under the broad "industry" sector, a category that will need to reduce greenhouse gas emissions by 50.7% (from 1990 levels) by 2030. These laws and regulations, which may become mandatory, have the potential to impact our operations directly or indirectly as a result of required compliance by us, as well as by our suppliers, wholesale partners and distributors. In addition, our manufacturing processes may be affected by new regulations in response to climate change. If we are perceived as not taking appropriate steps to mitigate our impact on the environment, this could result in damage to our image and brand, which is particularly focused on socially conscious individuals.

In addition, we have taken, and may continue to take, voluntary steps to mitigate our impact on climate change. As a result, we may experience increases in energy, production, transportation and raw material costs, capital expenditure or insurance premiums and deductibles.

Any of these events could have a material adverse effect on our business, financial condition and results of operations.

***We are subject to the risk of litigation and other claims.***

In the ordinary course of our business we are, or may from time to time become, involved in various litigation matters and governmental or regulatory investigations, prosecutions or similar matters arising out of our current or future business, including personal injury, wrongful death claims, property damages and product safety, stewardship and liability claims, warranty obligations claims, alleged violations of environmental, health and safety laws criminal proceedings (such as those relating to injuries suffered by our employees, which could result in criminal liabilities of our legal representatives and administrative penalties against us), labor law related claims by employees, temporary workers or other external workers, claims by distributors, advisors and others. In addition, third-party litigation, including, but not limited to, litigation related to competition law, antitrust law, tax law, distribution law, intellectual property law and consumer protection and marketing laws, could have a materially adverse impact on us and the market environment in which we operate. When we determine that a significant risk of a future claim against us exists, we record provisions in an amount equal to our estimated liability. Our insurance or indemnities or amounts we have provisioned may not cover all claims that may be asserted against us, and any claims asserted against us, regardless of merit or eventual outcome, may harm our reputation.

We are involved in several litigation claims, as described in "Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Legal Proceedings." As a result of the proceedings

described therein, the amount of total provisions for disputes in our financial statements for future periods could increase. There can be no assurance that we will be successful in defending ourselves in pending or future litigation claims or similar matters under various laws or that product specific provisions will be sufficient to cover litigation costs. Moreover, it may be difficult for us to obtain and enforce claims related to existing litigation under the laws of certain countries in which we operate at affordable costs and without any materially adverse effects on our business in such country.

Any of these risks could result in considerable costs, including damages, legal fees and temporary or permanent bans on the marketing and sale of certain products and this could have a material adverse effect on our business, financial condition and results of operations.

***Our insurance coverage may not be sufficient and insurance premiums may increase.***

We maintain insurance coverage in relation to a number of risks associated with our business activities, including third-party (product) liability, property damage and business interruption, environmental damage, directors and officers liability and transport and vehicle insurance. These insurance policies may not cover all losses or damages resulting from the materialization of any of the risks discussed herein. There can be no assurance that our insurance providers will continue to grant coverage on commercially acceptable terms or at all. In addition, there are risks intentionally left uninsured (such as, but not limited to, customer or supplier insolvency, industrial disputes or specific natural hazards), and we therefore have no coverage against these events. Further, agreed limits and other restrictions (for example, exclusions) within the insurance coverage may prove to be too low or inadequate for compensating potential damages or losses, ultimately resulting in a gap in the insurance coverage. If we sustain damages for which there is no or insufficient insurance coverage, or if we have to pay higher insurance premiums or encounter restrictions on insurance coverage, this may have a material adverse effect on our business, financial condition and results of operations.

***Incidents at our production sites or finishing and distribution centers may cause environmental or other third-party damages.***

We directly operate production facilities and distribution warehouses in Germany as well as a production facility in Portugal, and rely on warehouses managed by external partners in Germany, in addition to a distribution network managed by third parties with warehouses throughout the world. Incidents at our production facilities and warehouses could result in injury to our employees or third parties or environmental damage, such as damage resulting from the accidental discharge of hazardous materials used in our production process.

Our product development and manufacturing processes involve the use of chemicals and other hazardous materials. These programs and processes expose us to risks of accidental contamination, events of non-compliance with environmental, health and safety laws and regulatory enforcement, personal injury, property damage and claims and litigation. If an accident occurs, or if contamination is discovered, we could be liable for clean-up obligations, damages or fines and could incur significant capital expenditures, which could have an adverse effect on our business, financial condition and results of operations.

In addition, the environmental laws of the jurisdictions in which we operate may impose obligations to clean up contaminated sites. These obligations may relate to sites that we acquire, own, occupy or operate, that we formerly owned, occupied or operated, or for which we may otherwise have retained liability or where waste from our operations was disposed. Were such environmental clean-up obligations to arise, they could significantly reduce our profitability. In particular, any financial accruals which we may make for these obligations might be insufficient if the assumptions underlying the accruals prove to be incorrect, or if we are held responsible for additional contamination.

We are also subject to various national and local laws and regulations pertaining to occupational health and safety that require us to maintain a safe workplace environment, maintain documentation of work-related injuries, illnesses and fatalities, complete workers' compensation loss reports, review the status of

outstanding workers' compensation claims and complete certain annual filings and postings. Failure to comply with these and other applicable occupational health and safety requirements could result in fines and penalties and could require us to undertake certain remedial actions or be subject to suspension of certain operations. From time to time, our employees are involved in health and safety-related incidents at our production facilities. These incidents have resulted and could result in the future in regulatory investigations and penalties, as well as regulatory and private claims.

Stricter environmental, health and safety laws and enforcement policies could result in substantial costs and liabilities for us, and could result in the handling, manufacture, use, reuse or disposal of substances or pollutants being subject to greater scrutiny by relevant regulatory authorities than is currently the case. Compliance with these laws could result in significant capital expenditures, as well as other costs, thereby potentially having a material adverse effect on our business, financial condition and results of operations.

***The UK City Code on Takeovers and Mergers, or the Takeover Code, may apply to the Company.***

The Takeover Code applies, among other things, to an offer for a public company whose registered office is in the UK (or the Channel Islands or the Isle of Man) and whose securities are not admitted to trading on a regulated market in the UK (or the Channel Islands or the Isle of Man) if the company is considered by the Panel on Takeovers and Mergers (the "Takeover Panel") to have its place of central management and control in the UK (or the Channel Islands or the Isle of Man). This is known as the "residency test." Under the Takeover Code, the Takeover Panel will determine whether the BIRKENSTOCK Group's place of central management and control is in the UK by looking at various factors, including the structure of the Company's board of directors, the functions of the directors of our board of directors and where they are resident.

If at the time of a takeover offer, the Takeover Panel determines that the BIRKENSTOCK Group's place of central management and control is in the UK, the Company would be subject to a number of rules and restrictions, including but not limited to the following: (i) the Company's ability to enter into deal protection arrangements with a bidder would be extremely limited; (ii) the Company might not, without the approval of shareholders, be able to perform certain actions that could have the effect of frustrating an offer, such as issuing shares or carrying out acquisitions or disposals; and (iii) the Company would be obliged to provide equality of information to all *bona fide* competing bidders.

A majority of the Company's board of directors resides outside of the UK, the Channel Islands and the Isle of Man. Accordingly, based upon the Company's current board and management structure and its intended plans for its directors and management and the directors and management of the rest of the BIRKENSTOCK Group, for the purposes of the Takeover Code, the BIRKENSTOCK Group is considered to have its place of central management and control outside the UK, the Channel Islands or the Isle of Man. The Takeover Code is not expected to apply to the Company. It is possible that, in the future, circumstances, in particular the composition of our board of directors, could change, which may cause the Takeover Code to apply to us.

***We may be exposed to transfer price risks in connection with our operating activities.***

We take advantage of our international network and centralize our strategic functions. In particular, we transfer and provide goods and services among our corporate group and have adopted a corporate tax transfer pricing model for the billing of intercompany services. There is a risk that tax authorities in individual countries will assess the relevant transfer prices differently from our tax transfer pricing model and address retroactive tax claims against our subsidiaries. Our tax transfer pricing model has not yet been agreed between the competent authorities and there can be no assurance that our transfer prices will be accepted by all the relevant authorities. If they fail to be accepted, this could have a material adverse effect on our business, financial condition and results of operations.

***We are subject to complex tax laws, and challenges to our tax position could adversely affect our business, financial condition and results of operations.***

We are subject to complex tax laws and regulations. We rely on generally available interpretations of applicable tax laws and regulations. We cannot be certain that the relevant tax authorities are in agreement with our interpretation of these laws and regulations. If our tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require us to pay taxes that we currently do not collect or increase the costs of our products to track and collect such taxes. We also face increasingly burdensome compliance and reporting requirements relating to such tax laws and regulations. Any of the foregoing could increase our costs of operations and have a negative effect on our reputation, business, financial condition and results of operations.

***Tax legislation may be enacted in the future that could negatively impact our current or future tax structure and effective tax rates.***

Long-standing international tax initiatives that determine each country's jurisdiction to tax cross-border international trade and profits are evolving as a result of, among other things, initiatives such as the Anti-Tax Avoidance Directives, as well as the Base Erosion and Profit Shifting reporting requirements, mandated and/or recommended by the EU, G8, G20 and Organization for Economic Cooperation and Development, including the imposition of a minimum global effective tax rate for multinational businesses regardless of the jurisdiction of operation and where profits are generated (Pillar Two). As these and other tax laws and related regulations change (including changes in the interpretation, approach and guidance of tax authorities), our financial results could be materially impacted. Given the unpredictability of these possible changes and their potential interdependency, it is difficult to assess whether the overall effect of such potential tax changes would be cumulatively positive or negative for our earnings and cash flow, but such changes could adversely affect our financial results.

***We are exposed to tax risks, which could arise in particular as a result of tax audits or past measures.***

Due to the global nature of our business, we are subject to income and other taxes in multiple jurisdictions. Significant judgment and estimation are required in determining our calculation and provision for income, sales, value-add and other taxes, including withholding taxes. In the ordinary course of our business, there are various transactions, including, for example, intercompany transactions based on cross-jurisdictional transfer pricing and transactions with specific documentation requirements, for which the ultimate tax assessment or the timing of the tax effect is uncertain and for which we have not received rulings from governmental authorities. We are audited regularly by tax authorities in Germany and from time to time by tax authorities in other jurisdictions. During such audits, our tax calculations and our interpretation of laws are reviewed by the applicable tax authorities, which may disagree with our tax estimates or judgments. Although we believe our tax estimates are reasonable, the final determination of any such tax audits or reviews could differ from our tax provisions and accruals and any additional tax liabilities resulting from such final determination or any interest or any penalties or any regulatory, administrative or other sanctions relating thereto could have a material adverse effect on our business, financial condition and results of operations.

While we attempt to assess in advance the likelihood of any adverse judgments or outcomes to these proceedings or claims, it is difficult to predict final outcomes with any degree of certainty. The final determination of any tax investigation, tax audit, tax review, tax litigation and appeal of a tax authority's decision or similar proceedings may differ materially from any estimate that may be reflected in our financial statements. An adverse outcome could have a material adverse effect on our business, financial condition and results of operations. In addition, changes in tax legislation or guidance could result in additional taxes and/or affect our tax rate, the carrying value of deferred tax assets or our deferred tax liabilities. Any tax audit, tax proceeding or changes in tax legislation or guidance could, as a result of the realization of any of the above risks, have a material adverse effect on our business, financial condition and results of operations.

In addition, certain Company entities were in the past or are currently part of fiscal unities, tax groups and other tax consolidation schemes. We cannot ensure that these entities will not be held liable for unpaid taxes of the members of such tax consolidation schemes (including members outside of our group) under statutory law or the contracts which formed or form the basis for the tax consolidation schemes. Furthermore, should such tax consolidation schemes not be accepted by the tax authorities and/or a tax court, taxes, interest and penalties may be imposed against entities of our group. Such liabilities may be substantial and could have a material adverse effect on our business, financial condition and results of operations.

***The anticipated benefits of the conversion (by way of re-domiciliation) of our Company from a Luxembourg private limited company to a Jersey public limited company may not be realized.***

We may not realize the benefits we anticipate from having converted (by way of re-domiciliation) the legal form of our Company from a Luxembourg private limited company to a Jersey private company and to a Jersey public limited company. Such conversions may result in greater than expected costs or encounter other difficulties. Our failure to realize the anticipated benefits could have an adverse effect on our business, financial condition and results of operations.

***Amendments to existing tax laws, rules or regulations or enactment of new unfavorable tax laws, rules or regulations could have an adverse effect on our business and financial performance.***

Many of the laws, rules or regulations imposing taxes and other similar obligations were established before the growth of the internet and e-commerce. Tax authorities in non-U.S. jurisdictions and at the U.S. federal, state and local levels are currently reviewing the appropriate treatment of companies engaged in e-commerce and considering changes to existing tax or other laws that could regulate our transmissions and/or levy sales, income, consumption, use or other taxes relating to our activities, and/or impose obligations on us to collect such taxes. For example, in March 2018, the European Commission proposed new rules for taxing digital business activities in the EU. In addition, state and local taxing authorities in the United States and taxing authorities in other countries have identified e-commerce platforms as a means to calculate, collect and remit indirect taxes for transactions taking place over the internet. Multiple U.S. states have enacted related legislation and other states are now considering such legislation. Furthermore, the U.S. Supreme Court recently held in *South Dakota v. Wayfair* that a U.S. state may require an online retailer to collect sales taxes imposed by that state, even if the retailer has no physical presence in that state, thus permitting a wider enforcement of such sales tax collection requirements. Such legislation could require us or our retailers and brands to incur substantial costs in order to comply, including costs associated with legal advice, tax calculation, collection, remittance and audit requirements, which could make selling in such markets less attractive and could adversely affect our business.

We cannot predict the effect of current attempts to impose taxes on commerce over the internet. If such tax or other laws, rules or regulations were amended, or if new unfavorable laws, rules or regulations were enacted, the results could increase our tax payments or other obligations, prospectively or retrospectively, subject us to interest and penalties, decrease the demand for our products if we pass on such costs to the consumer, result in increased costs to update or expand our technical or administrative infrastructure or effectively limit the scope of our business activities if we decided not to conduct business in particular jurisdictions. As a result, these changes may have a material adverse effect on our business, financial condition and results of operations.

**Risks Related to Our Tax Receivable Agreement**

***We have entered into a tax receivable agreement that requires us to make payments in relation to certain tax attributes of Birkenstock and its subsidiaries to our pre-IPO owner (or certain transferees or successors), and such payments are expected to be substantial.***

We entered into a tax receivable agreement with our pre-IPO owner, MidCo, that requires us to make payments to the TRA Participants (who initially shall be solely MidCo) equal to 85% of certain tax savings (or expected tax savings) in respect of the TRA Tax Attributes (as defined below) that were created by MidCo's

acquisition of the BIRKENSTOCK Group in 2021 or that are otherwise available to the Company as of the date of our IPO. Under the TRA, generally, we will retain the benefit of the remaining 15% of the applicable tax savings. See “Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Tax Receivable Agreement.” The timing of payments under the TRA will vary depending upon a number of factors, including the amount, character and timing of our and our subsidiaries’ taxable income in the future. These payments are expected to be substantial and will be made only to the TRA Participants, rather than to all of our shareholders. These payments could have a material adverse effect on our business, financial condition and results of operations. To the extent that we are unable to make payments under the TRA as a result of the terms of our debt agreements, such payments will be deferred and will accrue interest at a rate of SOFR plus 3.00% until paid.

***The TRA contains provisions that require, in certain cases, the acceleration of payments under the TRA to the TRA Participants, or payments which may significantly exceed the actual tax benefits we realize in respect of the TRA Tax Attributes.***

The terms of the TRA, in certain circumstances, including an early termination, certain changes of control, or breaches of any of our material obligations under it (such as a failure to make any payment when due, subject to a specified cure period), provide for our obligations under the TRA to accelerate and become payable in a lump sum amount equal to the present value of the anticipated future tax benefits calculated based on certain assumptions, including that we would have at such time sufficient taxable income to fully utilize the TRA Tax Attributes. Additionally, if we or any of our subsidiaries transfer any asset to a corporation with which we do not file a consolidated or combined tax return for applicable tax purposes, we will be treated as having sold that asset in a taxable transaction for purposes of determining certain amounts payable under the TRA. Similarly, in the event of a divestiture of any of our subsidiaries directly or indirectly resulting in a transfer of TRA Tax Attributes, the terms of the TRA provide for obligations under the TRA in respect of such transferred TRA Tax Attributes to accelerate and become payable in a lump sum amount equal to the present value of the anticipated future tax benefits with respect to such TRA Tax Attributes calculated based on the same assumptions applicable to the calculation of accelerated payment obligations in the circumstances described above (e.g., in the case of an early termination, certain changes of control, or breaches of any of our material obligations under the TRA). Further, although we do not believe that payments to MidCo under the TRA are subject to withholding tax, in case any such withholding tax were determined to apply, the Company could be liable for the taxes which should have been withheld, plus any applicable interest and penalties. As a result of the foregoing, (a) we could be required to make payments under the TRA that are greater than the specified percentage of the actual tax savings we realize in respect of the TRA Tax Attributes and (b) we may be required to make an immediate lump sum payment equal to the present value of the anticipated future tax savings, which payment may be required to be made years in advance of the actual realization of such future benefits, if any such benefits are ever realized. In these situations, our obligations under the TRA could have a substantial negative impact on our liquidity and could have the effect of adversely affecting our working capital and growth, and of delaying, deferring or preventing certain mergers, asset sales, other forms of business combinations or other changes of control.

In addition, payments under the TRA will be based on the tax reporting positions that we determine, consistent with the terms of the TRA. No TRA Participant will be required under any circumstances to make a payment or return a payment to us in respect of any portion of any payment previously made to such TRA Participant under the TRA if a tax reporting position relating to the TRA Tax Attributes is challenged. If it is determined that excess payments have been made under the TRA, certain future payments, if any, otherwise to be made will be reduced. As a result, in certain circumstances, including, for example, if a previously claimed deduction is subsequently disallowed, payments could be made under the TRA in amounts that exceed the specified percentage of the actual tax savings we realize in respect of the TRA Tax Attributes.

## Risks Related to Our Indebtedness

***We have a substantial amount of debt, and our substantial leverage and debt service obligations could materially adversely affect our business, financial position and results of operations and preclude us from satisfying our debt obligations.***

As of November 30, 2023, we had total indebtedness in the amount of €1,306.2 million (equivalent), primarily comprised of the Senior Term Facilities, the ABL Facility (undrawn), the Notes and the Vendor Loan. We anticipate that a certain level of leverage will continue to exist for the foreseeable future. Our substantial indebtedness may make it more difficult for us to satisfy our debt obligations and liabilities we may incur; increase our vulnerability to, and reducing our flexibility to respond to, general adverse economic and industry conditions; require the dedication of a substantial portion of our cash flow from operations to the payment of principal of, and interest on, our indebtedness, thereby reducing the availability of such cash flow to fund working capital, capital expenditures, acquisitions, joint ventures, product research and development or for other general corporate purposes; restrict us from pursuing acquisitions or exploiting business opportunities; limit our flexibility in planning for, or reacting to, changes in our business, the competitive environment and the industry in which we operate; negatively impact credit terms with our suppliers and other creditors; increase our exposure to interest rate increases because some of our indebtedness bears a floating rate of interest; place us at a competitive disadvantage compared to our competitors that are not as highly leveraged; limit our ability to obtain additional financing to fund future operations, capital expenditures, business opportunities, acquisitions and other general corporate purposes and increasing the cost of any future borrowings; and limit our ability to obtain additional capacity for issuance of bid, advance payment, performance and warranty guarantees for operative business purposes and increasing the cost of any future guarantee issuances.

Any of these or other consequences or events could have a material adverse effect on our business, financial condition and results of operations.

***We may incur more debt in the future, which may make it difficult for us to service our debt and impair our ability to operate our businesses.***

Despite our substantial leverage, we may incur additional debt in the future. Although the Senior Term Facilities Agreement and the indenture that governs the Notes contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of significant qualifications and exceptions, and under certain circumstances the amount of indebtedness that could be incurred in compliance with these restrictions could be substantial. If new debt is added to our existing debt levels, the related risks that we now face would increase. In addition, the Senior Term Facilities Agreement and the indenture that governs the Notes do not prevent us from incurring obligations that do not constitute indebtedness under those agreements. Our inability to service our debt could have a material adverse effect on our business, financial condition and results of operations.

***We are subject to restrictive covenants that limit our operating and financial flexibility.***

The Senior Term Facilities Agreement and the indenture that governs the Notes contain covenants which impose significant operating and financial restrictions on us. These agreements limit our ability to, among other things, incur or guarantee additional indebtedness or issue certain preferred stock; make certain restricted payments and investments; transfer or sell assets; enter into transactions with affiliates; create or incur certain liens; make certain loans, investments or acquisitions; issue or sell share capital of certain of our subsidiaries; create or incur restrictions on the ability of our subsidiaries to pay dividends or to make other payments to us; take certain actions that would impair the security interests in the collateral granted for the benefit of the holders of the Notes; merge, consolidate or transfer all or substantially all of our assets; and pay or redeem subordinated debt or equity.

All of these limitations are subject to significant exceptions and qualifications. Nevertheless, the covenants to which we are subject could limit our ability to finance our future operations and capital needs

and our ability to pursue business opportunities and activities that may be in our interest. Failure to comply with such covenants could result in an event of default and, as a result, our lenders could accelerate all of the amounts due.

***We require a significant amount of cash to service our debt and sustain our operations, which we may not be able to generate or raise.***

Our ability to make principal or interest payments when due on our indebtedness and to fund our ongoing operations and future capital expenditures depends on our future performance and ability to generate cash, which, to a certain extent, is subject to the success of our business strategy as well as general economic, financial, competitive, legislative, legal, regulatory and other factors, as well as other factors discussed in these “*Risk Factors*,” many of which are beyond our control.

We cannot assure you that our business will generate sufficient cash flows from operations, that currently anticipated growth, cost savings or efficiencies will be realized or that future debt financing will be available to us in an amount sufficient to enable us to pay our debts when due or to fund our other liquidity needs including the repayment of our debt at maturity. At the respective maturities of the Senior Term Facilities, the Notes or any other debt that we may incur, if we do not have sufficient cash flows from operations and other capital resources to pay our debt obligations, or to fund our other liquidity needs, we may be required to refinance or restructure our indebtedness.

If our future cash flows from operations and other capital resources are insufficient to pay our obligations as they mature or to fund our liquidity needs, we may be forced to sell assets, obtain additional debt or equity capital or restructure or refinance all or a portion of our debt on or before maturity.

The type, timing and terms of any future financing, restructuring, asset sales or other capital raising transactions will depend on our cash needs and the prevailing conditions in the financial markets. We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. In such an event, we may not have sufficient assets to repay any portion or all of our debt.

***We are a holding company and depend upon our subsidiaries for our cash flows.***

We are a holding company. All of our operations are conducted, and almost all of our assets are owned, by our subsidiaries. Consequently, our cash flows and our ability to meet our obligations depend upon the cash flows of our subsidiaries and the payment of funds by our subsidiaries to us in the form of dividends, distributions or otherwise. The ability of our subsidiaries to make any payments to us depends on their earnings and the terms of their indebtedness, including the terms of any credit facilities and legal restrictions. Any failure to receive dividends or distributions from our subsidiaries when needed could have a material adverse effect on our business, financial condition and results of operations.

***Some of our indebtedness, including the Senior Term Facilities, bears interest at floating rates that could rise significantly, thereby increasing our costs and reducing our cash flow.***

Debt under the Senior Term Facilities bears interest at a variable rate based on EURIBOR for Euro loans (subject to a zero floor if less than zero) and the forward-looking term rate based on SOFR plus the applicable credit adjustment spread (subject to a 0.5% floor if less than 0.5%) for U.S. Dollar loans in each case, plus an applicable margin. These interest rates have risen significantly recently and could continue to rise in the future, increasing our interest expense associated with these obligations, reducing cash flow available for capital expenditures and hindering our ability to make payments on our debt. Neither the Senior Term Facilities Agreement nor the indenture that governs the Senior Notes contain a covenant requiring us to hedge all or any portion of our floating rate debt. However, hedging measures have been taken in the form of a limited interest rate cap for the floating-rate EUR debt.

Although we may continue to enter into, extend or maintain certain hedging arrangements designed to fix a portion of these rates, there can be no assurance that hedging will continue to be available on

commercially reasonable terms. Hedging itself carries certain risks, including that we may need to pay a significant amount (including costs) to terminate any hedging arrangements. To the extent interest rates were to rise significantly, our interest expense would correspondingly increase, thus reducing cash flow.

#### **Risks Related to Our Ordinary Shares**

***Our Principal Shareholder controls us, and their interests may conflict with ours or yours in the future.***

As of November 30, 2023, our Principal Shareholder beneficially owns approximately 81.1% of our ordinary shares, with each ordinary share entitling the holder to one vote on all matters submitted to a vote of our shareholders. Moreover, we have agreed to nominate to our board of directors individuals designated by MidCo, which is controlled by our Principal Shareholder, in accordance with our shareholders' agreement. For so long as MidCo beneficially owns at least a majority of our ordinary shares, it will be entitled to designate for nomination a majority of our board of directors and effectively control the composition of our board of directors and the approval of actions requiring shareholder approval through their voting power. Even when MidCo ceases to own a majority of our ordinary shares, for so long as MidCo continues to own at least 5% of our ordinary shares, it will be entitled to designate for nomination a number of directors in proportion to its ownership of our ordinary shares, rounded up to the nearest whole person. In addition, at any time that our Principal Shareholder owns at least 40% of the Company's voting power, shareholders are permitted to take action by written consent if approved by a majority of the voting power of the Company, or two-thirds of the voting power of the Company, when required by Jersey law, and directors may be removed with or without cause by a majority of the voting power of the Company. Accordingly, for such periods of time, our Principal Shareholder will have significant influence with respect to our management, business plans and policies, including the appointment and removal of our officers. In particular, for so long as our Principal Shareholder continues to own a significant percentage of our ordinary shares, our Principal Shareholder will be able to cause or prevent a change of control of our Company or a change in the composition of our board of directors and could preclude any unsolicited acquisition of our Company. The concentration of ownership could deprive our shareholders of an opportunity to receive a premium for their ordinary shares as part of a sale of our Company and ultimately might affect the market price of our ordinary shares.

***Our Articles of Association contain provisions that could delay, discourage or prevent a takeover attempt even if a takeover attempt might be beneficial to our shareholders, and such provisions may adversely affect the market price of our ordinary shares.***

Provisions contained in our Articles of Association (as defined herein) could make it more difficult for a third party to acquire us. For example, our Articles of Association authorize our board of directors to determine the rights, preferences, privileges and restrictions of unissued series of preferred shares without any vote or action by our shareholders. Thus, our board of directors can authorize and issue preferred shares with voting or conversion rights that could adversely affect the voting or other rights of holders of our ordinary shares. These rights may have the effect of delaying, discouraging or preventing a takeover attempt of our Company even if a takeover attempt might be beneficial to our shareholders. Additionally, our Articles of Association impose various procedural and other requirements that could make it more difficult for shareholders to effect certain corporate actions. For example, our Articles of Association include advance notice requirements for nominations for election to our board of directors and for proposing matters that can be acted upon at shareholder meetings. Any of these provisions could also limit the price that certain investors might be willing to pay in the future for our ordinary shares.

***Our Articles of Association do not limit the ability of our Principal Shareholder and its affiliates to compete with us, and they and certain of our directors may have investments in businesses whose interests conflict with ours.***

Our Principal Shareholder and its affiliates engage in a broad spectrum of activities, including investments in businesses that may compete with us. In the ordinary course of their business activities, our Principal Shareholder and its affiliates may engage in activities in which their interests conflict with our interests or those of our shareholders. Our Articles of Association provide that none of our Principal

Shareholder or any of its affiliates or any of our directors who are not employed by us (including any non-employee director who serves as one of our officers in both his or her director and officer capacities) or his or her affiliates will have any duty to refrain from engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. Our Principal Shareholder and its affiliates also may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. In addition, our Principal Shareholder may have an interest in our pursuing acquisitions, divestitures and other transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to us and our shareholders.

***As a foreign private issuer and “controlled company” within the meaning of the NYSE corporate governance rules, we are permitted to, and we do, rely on exemptions from certain of the NYSE corporate governance standards. Our reliance on such exemptions may afford less protection to holders of our ordinary shares.***

The corporate governance rules of the NYSE require listed companies to have, among other things, a majority of independent directors and independent director oversight of executive compensation, nomination of directors and corporate governance matters. As a foreign private issuer, we are permitted to, and we do, follow home country practice in lieu of the above requirements. As long as we rely on the foreign private issuer exemption to certain of the NYSE corporate governance standards, a majority of the directors on our board of directors are not required to be independent directors, we are not required to have a compensation committee composed entirely of independent directors and director nominations are not required to be made, or recommended to our full board of directors, by our independent directors or by a nominations committee that consists entirely of independent directors. Therefore, our board of directors' approach to governance may be different from that of a board of directors consisting of a majority of independent directors, and, as a result, the management oversight of our Company may be more limited than if we were subject to all of the NYSE corporate governance standards. We are also subject to certain reduced disclosure obligations as a result of being a foreign private issuer. As such, investors do not have access to the same information as for similar companies that are not foreign private issuers.

In the event we no longer qualify as a foreign private issuer, if then applicable, we may rely on the “controlled company” exemption under the NYSE corporate governance rules. A “controlled company” under the NYSE corporate governance rules is a company of which more than 50% of the voting power is held by an individual, group or another company. Our Principal Shareholder controls a majority of the combined voting power of our outstanding shares, making us a “controlled company” within the meaning of the NYSE corporate governance rules. As a controlled company, we are eligible to, and, in the event we no longer qualify as a foreign private issuer, we may, elect not to comply with certain requirements of the NYSE corporate governance standards, including (i) the requirement that a majority of the board of directors consists of independent directors, (ii) the requirement that we have a compensation committee that is composed entirely of independent directors and (iii) the requirement that our director nominations be made, or recommended to our full board of directors, by our independent directors or by a nominations committee that consists entirely of independent directors.

Accordingly, our shareholders do not have the same protection afforded to shareholders of companies that are subject to all of the NYSE corporate governance standards, and the ability of our independent directors to influence our business policies and affairs may be reduced.

***We may lose our foreign private issuer status, which would then require us to comply with the Exchange Act's domestic reporting regime and cause us to incur significant legal, accounting and other expenses.***

We qualify as a foreign private issuer and therefore we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act applicable to U.S. domestic issuers. In order to maintain our current status as a foreign private issuer, either (i) a majority of our outstanding voting securities must be either directly or indirectly owned of record by nonresidents of the United States or (ii)(a) a majority of our executive officers or directors may not be United States citizens or residents, (b) more than 50% of our assets cannot be located in the United States and (c) our business must be administered principally outside the United States. If we lose this status, we would be required to comply

with the Exchange Act reporting and other requirements applicable to U.S. domestic issuers, which are more detailed and extensive than the requirements for foreign private issuers, and would require us to present our financial statements in accordance with U.S. GAAP, which could be time consuming and costly.

We may also be required to make changes in our corporate governance practices in accordance with various SEC and stock exchange rules. The regulatory and compliance costs to us under U.S. securities laws if we are required to comply with the reporting requirements applicable to a U.S. domestic issuer may be significantly higher than the cost we would incur as a foreign private issuer. As a result, we expect that a loss of foreign private issuer status would increase our legal and financial compliance costs and would make some activities highly time consuming and costly. We also expect that if we were required to comply with the rules and regulations applicable to U.S. domestic issuers, it may be more difficult and expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These rules and regulations could also make it more difficult for us to attract and retain qualified members of our board of directors.

***Future sales of our ordinary shares in the public market, or the perception that these sales might occur, could cause the market price of our ordinary shares to decline.***

Sales of a substantial number of our ordinary shares in the public market, or the perception that these sales might occur, could depress the market price of our ordinary shares and could impair our ability to raise capital through the sale of additional equity securities. Many of our equity holders existing prior to our IPO have substantial unrecognized gains on the value of the equity they hold, and therefore they may take steps to sell their shares or otherwise secure the unrecognized gains on those shares. We are unable to predict the timing of or the effect that such sales may have on the prevailing market price of our ordinary shares.

***We do not intend to pay cash dividends for the foreseeable future and, as a result, the ability of our shareholders to achieve a return on their investment will depend on appreciation in the price of our ordinary shares.***

We have never declared or paid cash dividends on our share capital. We currently intend to retain all available funds and future earnings, if any, to fund the development and expansion of our business, and we do not anticipate paying any cash dividends in the foreseeable future. Any future decisions regarding the declaration and payment of dividends will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, results of operation, contractual restrictions, capital requirements, business prospects and other factors our board of directors may deem relevant. In addition, payment of future dividends is subject to certain limitations pursuant to Jersey law. Accordingly, our shareholders may need to rely on sales of our ordinary shares after price appreciation, which may never occur, as the only way to realize any gains on their investment.

***The rights of our shareholders may differ from the rights typically offered to shareholders of a U.S. corporation.***

We are incorporated under Jersey law. The rights of holders of ordinary shares are governed by Jersey law, including the Jersey Companies Law, and by our Articles of Association. These rights differ in certain respects from the rights of shareholders in typical U.S. corporations. See "Item 10. Additional Information—B. Memorandum and Articles of Association" in this Annual Report for a description of the principal differences between the provisions of the Jersey Companies Law applicable to us and the Delaware General Corporation Law relating to shareholders' rights and protections.

Jersey is a British crown dependency and an island located off the coast of Normandy, France. Jersey is not a member of the EU. Jersey legislation regarding companies is largely based on English corporate law principles. However, there can be no assurance that Jersey law will not change in the future or that it will serve to protect investors in a similar fashion afforded under corporate law principles in the United States, which could adversely affect the rights of investors.

***U.S. shareholders may not be able to obtain judgments or enforce civil liabilities against us or our executive officers or our board of directors.***

We are organized and incorporated under the laws of Jersey with our registered office and domicile in Jersey and the majority of our assets are located outside the United States. Moreover, a number of our directors and executive officers are not residents of the United States, and all or a substantial portion of the assets of such persons are or may be located outside the United States. As a result, investors may not be able to effect service of process within the United States upon the Company or upon such persons, or to enforce judgments obtained against the Company or such persons in U.S. courts, including judgments in actions predicated upon the civil liability provisions of the federal securities laws of the United States. It is uncertain as to whether the courts of Jersey would entertain original actions based on U.S. federal or state securities laws, or enforce judgments from U.S. courts against us or our officers and directors which originated from actions alleging civil liability under U.S. federal or state securities laws.

The United States and Jersey do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Consequently, a final judgment for payment given by a court in the United States, whether or not predicated solely upon U.S. securities laws, may not be enforceable in Jersey.

#### **General Risk Factors**

***Natural disasters, public health crises, political crises and instability, civil unrest and other catastrophic events or events outside of our control may adversely affect our business.***

Natural disasters, such as fires, earthquakes, power shortages or outages, floods or monsoons, public health crises, such as pandemics and epidemics, political crises, such as terrorism, war, civil unrest, political instability or other conflicts, or other events outside of our control have in the past, and may in the future, adversely impact our revenues. In particular, our business may be materially adversely affected by events that could generally deter consumers from shopping in-store, both in relation to retail stores directly managed by us as well as in relation to stores or outlets supplied by us or our wholesale partners. Such events could also disrupt the internet or mobile networks and may also prevent or deter consumers from shopping through our e-commerce business, which could materially adversely affect our revenues.

In addition, if any of our facilities, including our distribution facilities, our own retail stores, the facilities or stores of our wholesale partners or the facilities of our suppliers, distributors or any of our other third-party service providers are affected by any such natural disasters, catastrophic events or other events outside of our control, our business, financial condition and results of operations could be materially adversely affected. Moreover, these types of events could negatively impact consumer spending in the impacted regions or, depending upon the severity, globally, which could have a material adverse effect on our business, financial condition and results of operations.

***If securities analysts do not publish research or reports about our business or if they publish negative evaluations of our ordinary shares, the price of our ordinary shares could decline.***

The trading market for our ordinary shares relies in part on the research and reports that industry or securities analysts publish about us or our business. If one or more of the analysts covering our business downgrade their evaluations of our ordinary shares or publish inaccurate or unfavorable research about our business, the price of our ordinary shares could decline. In addition, if our operating results fail to meet analyst forecasts, the price of our ordinary shares would likely decline. If one or more of these analysts cease to cover our ordinary shares, we could lose visibility in the market for our stock, which in turn could cause the price of our ordinary shares to decline.

***We have incurred, and will continue to incur, significant expenses and have devoted, and will continue to devote, other significant resources and management time as a result of being a public company, which may***

***negatively impact our financial performance and could cause our results of operations and financial condition to suffer.***

We have incurred, and will continue to incur, significant legal, accounting, insurance, information technology and other expenses as a result of being a public company. In addition, we have devoted, and will continue to devote, other significant resources and management time as a result of being a public company. Any of the foregoing could negatively impact our financial performance and could cause our results of operations and financial condition to suffer. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our ordinary shares, fines, sanctions and other regulatory action and potentially civil litigation, which could adversely impact our business, financial condition and results of operations.

***We have material weaknesses in our internal control over financial reporting and we identified a material weakness in the past. If we fail to remediate our material weaknesses or if we fail to establish and maintain an effective system of internal control over financial reporting, we may not be able to report our financial results accurately, meet our reporting obligations or prevent fraud. Any inability to report and file our financial results accurately and timely could harm our business and adversely impact the trading price of our securities.***

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 IFRS. 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 on a timely basis by the company's internal controls.

As described in our registration statement on Form F-1, in connection with the preparation of our IFRS financial statements included in that registration statement, we identified two material weaknesses, related to (i) a lack of sufficient accounting and supervisory personnel with the appropriate level of technical accounting experience and training and (ii) a lack of internal controls and processes, including a lack of segregation of duties and oversight of advisors, related to our financial statement close process, income taxes and cash flow statement presentation. These deficiencies represented material weaknesses in our internal control over financial reporting in both design and operation.

We identified measures required to remediate the material weaknesses. To remediate the first material weakness described above, we hired additional staff that have sufficient experience in maintaining books and records, preparing financial statements in accordance with IFRS, and the supervision thereof. Additionally, we expanded our accounting policies and procedures, adjusted our reporting structure so that our accounting department reports directly to our Chief Financial Officer, reduced the reliance on advisors and provided additional training to our accounting and finance staff. Due to these and other measures that we have implemented, management determined that the first material weakness described above had been remediated as of September 30, 2023.

For the second material weakness, we continue to formalize and implement additional internal controls that are relevant to prepare our financial statements, we have transitioned accounting close processes from outside advisors to within the company and we have implemented segregation of duties. However, as of September 30, 2023, this material weakness remains unremediated. The material weakness relates to a lack of formalized internal controls and processes, over our business process controls. Additionally, we have begun to formalize controls over our IT processes and applications that are relevant to the preparation of our financial statements, however we have ineffective controls over access management and change management for our enterprise resource planning systems. These deficiencies aggregate to a material weakness over our IT general controls for IT processes and applications that are relevant for the preparation of our financial statements. Refer to "Item 15. Controls and Procedures" of this Annual Report.

While we are working to remediate these material weaknesses as quickly and efficiently as possible, at this time we cannot provide an estimate of costs expected to be incurred in connection with implementing this remediation plan. 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 these material weaknesses, and if we are unable to produce accurate and timely 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 securities to decline.

We are subject to Section 404 of the Sarbanes-Oxley Act of 2002, which requires that we include a report of management on our internal control over financial reporting in our second annual report on Form 20-F. In addition, our independent registered public accounting firm must attest to and report on the effectiveness of our internal control over financial reporting when we no longer meet the definition of a non-accelerated filer. If we fail to achieve and maintain an effective internal control environment, we could suffer material misstatements in our financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could in turn limit our access to capital markets and harm our results of operations. Additionally, ineffective internal control over financial reporting could expose us to increased risk of fraud or misuse of corporate assets and subject us to potential delisting from the NYSE, regulatory investigations and civil or criminal sanctions.

***The value of goodwill, brand names or other intangible assets reported in our financial statements may need to be partially or fully impaired as a result of revaluations.***

As of September 30, 2023, our carrying amount of intangible assets, including goodwill, recorded on our consolidated statement of financial position was €3,299.7 million. Due to any potential adjustments, future financial statements for the Company could be materially different and may not be comparable to our financial statements included elsewhere in this Annual Report, including, but not limited to, risk of impairment of goodwill and intangible, increased depreciation and amortization expenses over the remaining lives of acquired assets. This could in turn have a material adverse effect on our financial condition and results of operations.

***If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our operating results could be adversely affected.***

The preparation of financial statements in conformity with IFRS accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions we believe to be reasonable under the circumstances at the time of the estimate. The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities and equity, and the amount of revenues and expenses that are not readily apparent from other sources. Significant assumptions and estimates used in preparing our consolidated financial statements include those related to revenue recognition, trade receivables allowance, leases, intangible assets, share-based compensation, employee benefits, provisions and taxes. Our operating results may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the price of our ordinary shares.

## ITEM 4. INFORMATION ON THE COMPANY

### A. History and Development of the Company

BIRKENSTOCK's origins date back to 1774. In 2021, L Catterton, a consumer-focused investment firm, invested and acquired a majority stake in BIRKENSTOCK through affiliated entities. Birkenstock Holding plc was formed on February 19, 2021 as BK LC Lux Finco 2 S.à r.l., a Luxembourg private limited liability company. On April 25, 2023, we changed our name from BK LC Lux Finco 2 S.à r.l. to Birkenstock Group Limited and converted (by way of re-domiciliation) the legal form of our Company to a Jersey private company. On July 12, 2023, we changed our name from Birkenstock Group Limited to Birkenstock Holding Limited. On October 4, 2023, we changed the legal status of our Company to a Jersey public limited company and our name from Birkenstock Holding Limited to Birkenstock Holding plc. Our registered offices are located at 47 Esplanade, St Helier, Jersey JE1 0BD, Channel Islands. Our principal executive offices are located at 1-2 Berkeley Square, London W1J 6EA, UK. Our telephone number is +44 1534 835600. Our agent for service of process in the United States is Puglisi & Associates located at 850 Library Avenue, Suite 204, Newark, Delaware 19711. Our website address is [www.birkenstock-holding.com](http://www.birkenstock-holding.com). The information contained on, or that can be accessed through, our website is not incorporated by reference into, and is not a part of, this Annual Report.

In October 2023, Birkenstock Holding plc became a publicly traded company on the New York Stock Exchange ("NYSE"). Our reports filed with or furnished to the SEC are available, free of charge, on our investor relations website at [www.birkenstock-holding.com](http://www.birkenstock-holding.com) as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The SEC maintains a website at <http://www.sec.gov> that contains reports and other information regarding us and other companies that file materials with the SEC electronically. We use our investor relations website as a means of disclosing material information. Accordingly, investors should monitor our investor relations website, in addition to following our press releases, SEC filings, and public conference calls and webcasts.

As described elsewhere in this Annual Report, our principal capital expenditures since October 1, 2020 relate to increasing the capacity of our production facilities, including the acquisition of a component manufacturing facility in Arouca, Portugal, the construction of our new factory in Pasewalk, Germany and the expansion of our factory in Görlitz, Germany, which has been funded from cash on hand. See Note 10 - *Property, plant and equipment* to our audited consolidated financial statements included in Item 18 — *Financial Information* of this Annual Report for further information on capital expenditures.

### B. Business Overview

#### Overview

BIRKENSTOCK is a revered global brand rooted in function, quality and tradition dating back to 1774. We are guided by a simple, yet fundamental insight: human beings are intended to walk barefoot on natural, yielding ground, a concept we refer to as "*Naturgewolltes Gehen*." Our purpose is to empower all people to walk as intended by nature. The legendary BIRKENSTOCK footbed represents the best alternative to walking barefoot, encouraging proper foot health by evenly distributing weight and reducing pressure points and friction. We believe our function-first approach is universally relevant; all humans — anywhere and everywhere — deserve to walk in our footbed.

We are German made. Our production capabilities reflect centuries-old traditions of craftsmanship and commitment to using only the highest quality materials. To ensure each product meets our rigorous quality standards, we operate a vertically integrated manufacturing base and produce all our footbeds in Germany. In addition, we assemble the vast majority of our products in Germany and produce the remainder elsewhere in the EU. We maintain strict control over our entire supply chain, responsibly sourcing materials that originate mainly from Europe.

The following table presents revenues by sales channels:

<i>(In thousands of Euros)</i>	Fiscal year ended September 30,		
	2023 Successor	2022 Successor	2021 Successor and Predecessor Periods
B2B	887,957	772,883	633,919
DTC	598,664	466,668	326,238
Corporate / Other	5,289	3,282	1,854
<b>Total revenues</b>	<b>1,491,911</b>	<b>1,242,833</b>	<b>962,011</b>

The following table presents our revenues by reportable segment:

<i>(In thousands of Euros)</i>	Fiscal year ended September 30,		
	2023 Successor	2022 Successor	2021 Successor and Predecessor Periods
Americas	804,690	667,387	487,993
Europe	529,507	449,131	375,292
APMA	152,424	123,033	96,872
Corporate / Other	5,289	3,282	1,854
<b>Total revenues</b>	<b>1,491,911</b>	<b>1,242,833</b>	<b>962,011</b>

### **Our Competitive Strengths**

We believe the following strengths are central to the power of our brand and business model:

#### ***Purpose Brand Built Around our Legendary Footbed and Products***

##### *An Orthopedic Tradition*

The heart of our brand is the footbed, which forms the core of our own orthopedic methodology, the “System Birkenstock.” The benefits of our system are supported by decades of research, podiatrist recommendations and consumer loyalty. Our purpose to empower all people to walk as intended by nature has created an enduring connection with our consumers, who recognize us for functionality, craftsmanship, German engineering, uncompromising quality and a differentiated product experience. This authentic connection with our consumers positions BIRKENSTOCK at the center of a shift toward conscious, responsible and health-oriented consumption instead of “fast fashion” or trend-chasing.

##### *Category-Defining, Universally Relevant Silhouettes*

While these innovations started orthopedically in nature, we have since launched several distinctive, instantly recognizable silhouettes that blend the functionality of our legendary footbed with timeless aesthetics. Many of these silhouettes — including our *Core Silhouettes*, the *Madrid*, *Arizona*, *Boston*, *Gizeh* and *Mayari* — have come to define and become synonymous with their respective categories, resulting in a distinct competitive advantage for our brand. All but one — the *Mayari* — have been in the market for over 40 years and continue to attract significant attention today. From the beginning, these silhouettes have been conceptualized, promoted and sold as unisex products, further supporting our fundamental purpose and driving mass appeal of the brand. These top selling models undergo regular seasonal makeovers and serve as the “canvas” for many of our collaborations created within our 1774 premium line, generating newness while allowing us to celebrate this core collection.

##### ***Proven Innovation Strategy***

We have developed an extensive archive of over 700 silhouettes through our differentiated innovation engine. We approach product innovation through two primary lenses: (1) “celebrating the archive” by utilizing distinct design elements to modify existing silhouettes and introduce newness in a low-risk manner and (2)

“building the archive” by leveraging our footbed as the development platform, enabling us to create new products from the “inside-out.”

Our approach leverages our product archive, market insights and whitespace analysis to identify areas where we can create trends from within and export those to the market through a proven roadmap of product development, demand creation and engineered distribution.

### ***Global Fan Community Enabling Efficient Demand Creation***

#### ***Broad and Democratic Fan Base***

We serve a global community of millions of highly engaged consumers, who we attract with our function-first collection of high-quality footwear. We attract a diverse range of consumers that transcends geography, gender, age and income.

Our holistic approach to foot health serves as the foundation for a globally accessible, relevant and democratized brand experience that serves a broad consumer base across usage occasions and price points.

#### ***Unparalleled Consumer Engagement and Loyalty***

Our diverse set of consumers discover our brand in many ways, sometimes not for the inherent orthopedic benefits, but become loyal fans through their continued use of our products.

#### ***Efficient Demand Creation***

The deep connection consumers feel with our beloved brand leads to significant word-of-mouth exposure and extensive, high-quality earned media, enabling highly efficient marketing spend.

Furthermore, we amplify BIRKENSTOCK in the cultural zeitgeist through calculated demand creation strategies, including through creative content developed by our content house as well as through strategic product collaborations led by our 1774 office in Paris. Our unique brand, iconic footbed and instantly recognizable aesthetic have generated significant unsolicited attention from well-known brands seeking to collaborate with us. We benefit from the unpaid advocacy and support that is the natural byproduct of celebrities, public figures and other influential fans who are frequently seen wearing our products.

### ***Engineered Distribution Approach***

#### ***Complementary Multi-Channel Strategy***

We optimize growth and profitability through a complementary, multi-channel distribution strategy for DTC and B2B. We operate our channels synergistically, utilizing the B2B channel to facilitate brand accessibility while steering consumers to our DTC channel, which offers our complete product range and access to our most desired and unique silhouettes. Across both channels, we execute a strategic allocation and product segmentation process, often down to the single door level, to ensure we sell the right product in the right channel at the right price point. This approach is centered on the strategic calibration of our ASP and employs key levers such as the expansion of our DTC channel, market conversions from third-party distributors, optimization of our wholesale partner network, increased overall share of premium products and strategic pricing. As a result, we drive top-line growth and margins, prevent brand dilution and deepen our connection to consumers.

#### ***Balanced Shift Towards DTC***

Our DTC footprint promotes direct consumer relationships and provides access to BIRKENSTOCK in its purest form. Our DTC channel enables us to express our brand identity, engage directly with our global fan base, capture real-time data on customer behavior and provide consumers with unique product access to our most distinctive styles. Additionally, our high levels of organic demand creation, together with higher ASPs,

support consistently attractive profitability in the DTC channel, which reached a 40% share of revenues in fiscal 2023.

#### *Intentional Wholesale Partnerships*

Our wholesale strategy is defined by intentionality in partner selection, identifying the best partners in each segment and price point. We segment our wholesale product line availability into specific retailer quality tiers, ensuring we allocate the right product to the right channel for the right consumer. For example, we limit access to our premium 1774 and certain collaboration products to a curated group of brand partners.

For our wholesale partners, we are a “must carry” brand based on the enthusiasm with which our consumers pursue our products.

#### **Vertically Integrated Manufacturing**

A key differentiator of BIRKENSTOCK is our vertically integrated manufacturing which creates strong competitive and operational advantages in an industry that has largely been offshoring production since the 1980s. During fiscal 2023, we assembled the vast majority of our overall products and produced 100% of our footbeds in our factories in Germany, with supplemental component manufacturing in Portugal. These facilities are critical to delivering the high-quality products our brand promises and our consumers expect. With nearly every silhouette requiring over 50 hands to complete, our skilled workers ensure we complete production in rigorous accordance with centuries-old know-how and craftsmanship.

Our approach to owned manufacturing ensures we produce our products to the highest quality standards, that we remain deliberate in the environmental resources we use and that we invest appropriately in innovation to support the brand’s continued growth.

#### **Our Growth Strategies**

We intend to expand our market share and drive sustainable growth and profitability through the following pillars, each of which represents a continuation of the proven strategies we have been executing over the past decade.

##### ***Expand and Enhance the Product Portfolio***

We will continue to expand our product archive through our “celebrate and build” approach to innovation, entering into new usage occasions while investing in categories we serve today through new and innovative offerings. We intend to diversify our product portfolio, strengthen loyalty with consumers who already love BIRKENSTOCK, drive higher penetration in our existing markets and channels and expand our reach and appeal across new consumers, geographies and usage occasions. Through the broad application of the BIRKENSTOCK footbed, we intend to develop our product offering through the following strategies:

- *Drive the Core Through “Inside-out” Innovation*
- *Strengthen Year-Round Product Mix with Closed-Toe Offerings*
- *Develop Presence in Underpenetrated Categories*
- *Leverage our Brand in Function-led, Non-Footwear Categories*

##### ***Drive Engineered Distribution on a Global Scale***

We will continue to leverage our engineered distribution approach to strategically allocate our production capacity across channels, regions and categories in a manner that supports our continued success. Specifically, we aim to drive growth across regions by continuing to operate our proven playbook in the U.S.

and Europe, where we have significantly grown our DTC channel while optimizing our B2B presence with wholesale partners who support our brand positioning.

We have extensive whitespace to grow within and outside of our largest geographies, the U.S. and Europe. We believe there are still sizable growth opportunities in key developed markets where the brand has a presence but remains significantly underpenetrated, including the UK, France, Southern Europe and Canada.

As we ramp up our production capacity, we will unlock the large growth potential of the APMA region, which has generated significant latent demand that we have been unable to fulfill in recent years given more limited supply.

#### ***Educate Fans on Our Brand Purpose and Grow the BIRKENSTOCK Fan Base***

We will continue to educate consumers globally about the advantages of BIRKENSTOCK products. We believe consumers become evangelists for our brand when they become aware of the merits of our superior functional design. The function of our products and the power of our brand has enabled us to build our Company largely through organic, unpaid sources, including word-of-mouth, repeat buying, earned media, high profile influencer support and our 1774 collaborations office. These organic factors support a virtuous cycle of consumer consideration, trial, conversion and repeat purchase.

While our brand has achieved substantial traction globally and those who have experienced our products demonstrate strong loyalty, our presence remains relatively nascent in many of our markets. We believe increasing consumer awareness of our brand, the functional benefits of our products and our constantly evolving product offering will generate substantial growth as we introduce new consumers to our brand and convert those who are aware of the brand into consumers.

#### ***Invest in and Optimize the Company to Support the Next Generation of Growth***

We will continue to invest in our people and our manufacturing and supply chain to support future growth. We will also seek operational improvements to drive efficiencies and increase the speed and flexibility of our operations.

- *Optimize and Expand our Production Capacity*
- *Expand our Owned and Third-Party Logistics Infrastructure*
- *Drive Operational Efficiencies*

#### ***Our Products***

We have developed a broad, unisex portfolio of footbed-based products, anchored by our iconic Core Silhouettes, the *Madrid, Arizona, Boston, Gizeh* and *Mayari*. While these silhouettes drive consistent, high-visibility revenues and represent a significant portion of our overall business, we also continue to expand our extensive archive by extending our existing silhouettes and launching new styles. This expands our reach across price points, usage occasions and product categories. We incorporate distinctive design elements and develop new materials to create newness while staying true to our heritage and uncompromising quality standards.

During fiscal 2023, we continued to incorporate our legendary footbed as the central functional element in our proven product formula as we celebrate and build our archive. We renewed existing silhouettes and introduced new ones by strategically using aesthetics, construction, design and materials updates that flex elements across uppers, outer soles, buckle details and other embellishments to deliver innovative functionality and renewed purpose. In doing so, we continued to broaden and deepen our product assortment across price bands, building on the success of our opening price point EVA line as well as collaborations through our 1774 line.

Alongside our classics, we have built our extensive archive by innovating new footwear silhouettes and developing other products. While staying true to our orthopedic heritage, we have created highly functional footwear products across a variety of usage occasions, including professional, active and outdoor, kids, home and orthopedic. Our recent offerings in these expansionary categories include our outdoor products where we have created new silhouettes by using PU direct injection technology to develop water-friendly and high-grip outsoles. Additionally, our use of EVA similarly expands our portfolio by creating products suitable for use in and around water. These developments broaden our potential product range across usage occasions by creating highly functional, water ready, anti-slip outsoles and more rugged constructions. We have also extended our brand's heritage in health into the sleep category, introducing a range of BIRKENSTOCK sleep systems that leverage our core expertise in orthopedic research and functional product design.

We are launching a new, highly functional prestige shoe care and footcare line made in Germany exclusively from materials of natural origin and rooted in our deep heritage in foot health, which we expect will be ready in fiscal 2024.

## **Our Operations**

### ***Responsible Sourcing***

We carefully manage our operations, including the sourcing of required raw materials and components. Our sourcing strategy is rooted in our core values of function, quality and tradition. We favor suppliers from Europe and strive to form long-lasting relationships built on mutual trust. We target a reliable and safe supply of high-quality goods that maximize the full functional potential of our products and enable efficient production. Generally, we source our materials from multiple suppliers and have policies to prevent dependence on any single supplier.

We utilize responsibly sourced raw materials in the production of our silhouettes in compliance with strict ethical and social standards based on industry best practices. Cork, one of the most prominent materials in our products, is an inherently sustainable and versatile material that can be harvested without harming the tree. Cork is also naturally lightweight, breathable and insulating. We source 100% of our cork from suppliers in Portugal.

We source other raw materials, including leather, EVA adhesives, natural latex, jute, wool felt and buckles from almost 200 suppliers located in Europe. Certain materials and components, representing less than 10% of the total value of our raw materials, originate from outside of Europe. Examples include jute and latex, which are not grown in Europe. We buy these materials from EU-based importers and have full transparency of their sources, who we visit frequently to ensure compliance with our strict guidelines on responsible sourcing practices. We are exposed to price fluctuations of materials and manage our exposure to price increases and volatility accordingly. For more information, see "Item 5. Operating and Financial Review and Prospects—D. Factors Affecting Performance and Trend Information—Sourcing and Supply Chain Management" in this Annual Report.

### ***Manufacturing and Production***

We engineer and produce 100% of our footwear within the European Union, which we believe is one of the safest and most regulated markets in the world.

Our vertical manufacturing and "made in Germany" approach enables us to control our operational footprint and apply a highly resilient, quality-first methodology. We set the highest standards for quality, efficiency and delivery, which we execute across all manufacturing sites with full transparency and control.

We believe our factories in Germany and our component operation in Portugal provide a unique platform that shortens lead-time to fulfill demand. Beyond our owned manufacturing, trusted long-term partners or our Portugal subsidiary produce a small remaining percentage of the components for our iconic

silhouettes. We invest in our manufacturing sites every year to further ensure the highest quality standards and expand our capacity.

We aim to add several million more pairs of product capacity over the next five years, which will allow us to accelerate expansion into untapped markets while maintaining control over our supply chain and product quality. We remain committed to our policy that all footwear production and engineering take place in Germany and that all manufacturing occurs in the EU to ensure the highest quality products are manufactured according to centuries-long tradition.

### **Quality Management**

We believe how things are made matters as much as the finished product itself. Our products are made to stand the test of time and designed to be long-lasting, durable and repairable. Our operations are built on the passion for delivering perfect products every day and we learn and act swiftly in case of deviations from our standards.

To ensure we uphold these values, we employ a strict quality management approach and have made significant investments into physical, chemical and visual inspection laboratories and facilities.

Our long-lasting quality and durability allow some consumers to keep pairs for over three decades with careful maintenance and repair.

### **Logistics**

We operate a reliable logistics system that utilizes in-house and third-party services to support our global market reach. Our logistics system provides preliminary and intermediate products to our production sites and ensures a demand-driven flow of finished goods to our markets. Our in-house logistics adds additional flexibility to our owned and controlled operations system, which enables us to deliver at short notice and grants us a competitive edge over other brands, particularly in Europe.

### **Environmental and Social Responsibility**

Environmental and social responsibility is naturally an important aspect of our core corporate values of function, quality and tradition.

With our stringent health and safety standards and procedures, we believe we ensure a safe and state-of-the-art workplace for every employee. We have initiated the ISO 45001 certification process for all of our German locations, which we plan to complete gradually by the end of 2025.

The new factory in Pasewalk is our first fully electrical energy-driven factory, without using gas or oil. A share of its electricity will be self-generated by a photovoltaics source, while the rest will be largely provided by renewable sources, with the respective share generated by renewable sources above the German average. Together with its green roof, heat recovery in compressed air generation and in the exhaust air system, and charging stations on the company parking lot, we believe this location presents the future direction of our facilities.

We take full responsibility for our sourcing of raw materials and components. We require all of our business partners to comply with our Supplier Code of Conduct relating to working conditions as well as certain environmental, employment and sourcing practices. A significant proportion of the materials we use are of natural origin, such as cork, natural latex, jute, leather and wool felt.

We believe our products are assembled in an efficient manner and we regularly evaluate how to optimize our energy usage and minimize waste. Additionally, we frequently undergo climate risk assessments and greenhouse gas emissions analyses to identify areas for improvement.

## **Seasonality**

Revenues from the sale of our footwear products generally skew towards the warmer months of the calendar year in our key markets, falling in our third and fourth fiscal quarters, ending in June and September, respectively. As a result, we typically build inventory between October and January through a rigorous planning process designed to optimize product availability and mitigate any possible supply and demand mismatch. Furthermore, we continue to diversify the seasonal exposure of our product portfolio by increasing the mix of closed-toe silhouettes, enabling us to serve additional usage occasions year-round.

## **Competition**

We are one of the leading brands in the global footwear market. The global footwear industry is a large and fragmented market. While this implies a competitive market structure, we believe there is significant opportunity for brands with strong awareness and high-quality products to take market share.

While we do not compete with any one single company with respect to the entire spectrum of our portfolio, competition is primarily based on brand awareness, product functionality, quality and durability, design and comfort and marketing and distribution. We believe our brand equity, paired with our superior products, with their orthopedic foundations, high-quality materials and focus on functionality, position us well to continue succeeding in the global wholesale, retail and e-commerce channels.

## **Intellectual Property**

Our long-term commercial success is connected to our ability to obtain and maintain IP protection for our brand and products, defend and enforce our IP rights, preserve the confidentiality of our trade secrets and prevent third parties from infringing, misappropriating or otherwise violating our IP rights. We seek to protect our investments made into the development of our products, brand and designs by relying on a combination of trademark, patent, copyright, trade secret and other IP laws as well as by contract (such as confidentiality agreements and development agreements).

We own a portfolio of IP rights in various jurisdictions. The BIRKENSTOCK brand is our most material IP asset. All of our material IP development and the registration process for new IP is conducted by our team in Germany. Over the last several years, we have increased our focus on educating employees about the value of our brand and design portfolio and have heavily invested additional resources into IP rights enforcement against third-party infringers, including those who seek to copy our iconic silhouettes. Our enforcement mechanisms include seizure measures, taking legal action where necessary and working with local jurisdictions to combat any counterfeiting operations.

We seek IP protection for protectable elements of certain of our shoe products, primarily as design patents in the United States and design registrations in other countries, as part of our overall global IP strategy.

We also rely, in part, on trade secrets to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection. For more information regarding the risks related to our IP, see "Item 3. Key Information—D. Risk Factors—Risks Related to Intellectual Property, Information Technology and Data Security and Privacy" in this Annual Report.

## **Corporate Citizenship**

We drive sustainable actions on three fronts: (i) people and communities, (ii) manufacturing processes and (iii) products. Our commitment to these actions has endured throughout our history and makes BIRKENSTOCK a trusted and responsible brand in footwear.

Our people and communities are essential for delivering the footbed to consumers globally. We meet or exceed the minimum wage standards and support our employees by providing additional benefits in all countries where we make our products.

Our owned manufacturing ensures our processes achieve a high level of transparency and compliance with EU environmental and social standards.

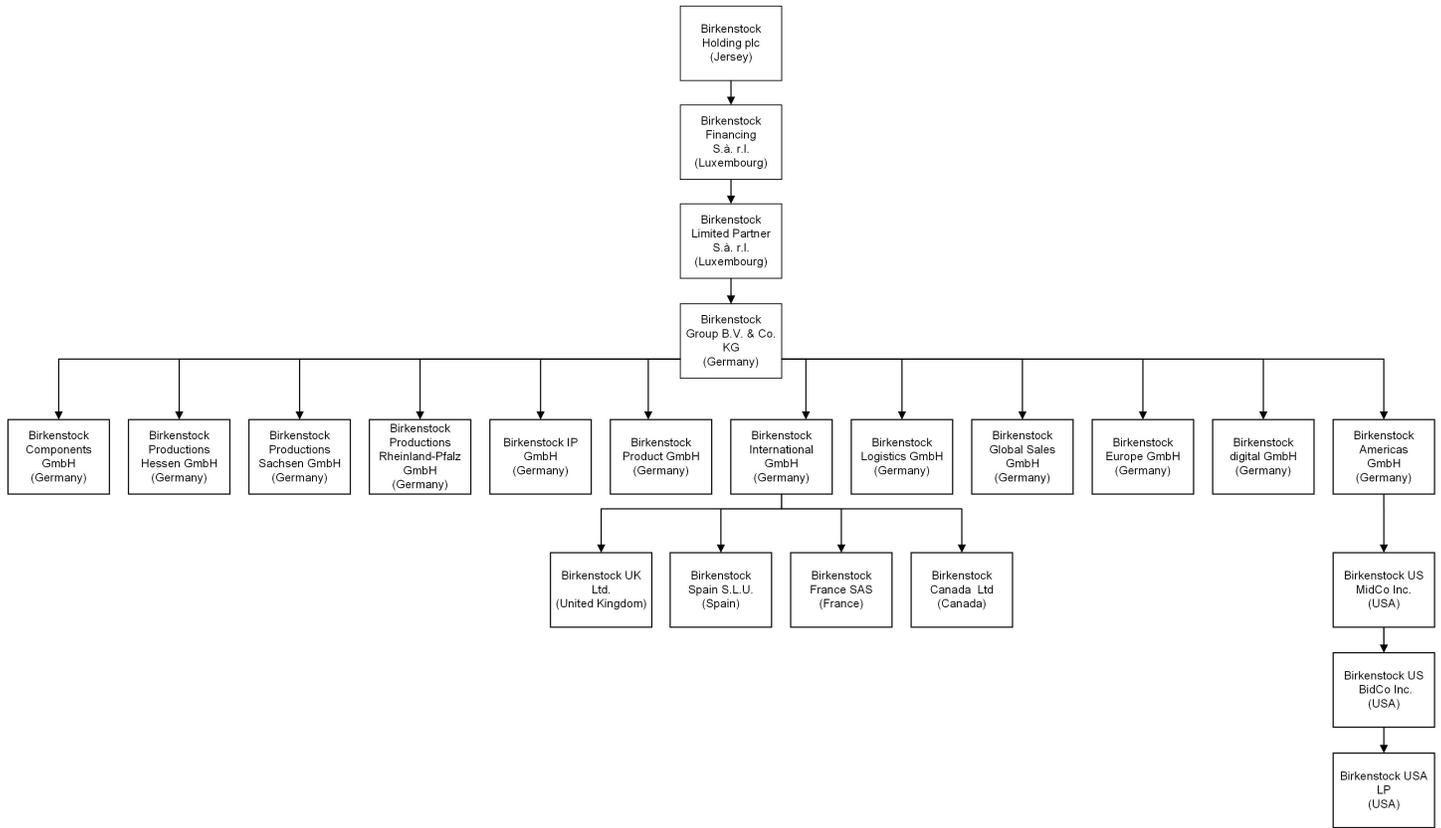
Our products are built to last, which differentiates us from brands which create products that need to be replaced frequently.

### **Regulatory Matters**

We are subject to the laws and regulations of the jurisdictions in which we operate, covering a wide variety of areas affecting general consumer protection and product safety, including health and safety, environmental, product quality and safety, competition, data protection and privacy, export and import controls, anti-corruption legislation, trade sanctions and labor laws. Generally, each region is primarily responsible for compliance with various local regulatory regimes applicable within its jurisdiction and there are regional lawyers in place to support. We have a central legal team that is primarily responsible for overseeing compliance with laws and regulations at BIRKENSTOCK, as well as supporting the regional teams across jurisdictions vis-à-vis compliance with the regulatory regimes. While BIRKENSTOCK does not operate in a heavily regulated industry, the legal team is well-staffed and engaged to deal with risks as they arise. See “Item 3. Key Information—D. Risk Factors—Risks Related to Legal, Regulatory and Taxation Matters—Compliance with existing laws and regulations or changes in any such laws and regulations could affect our business” in this Annual Report.

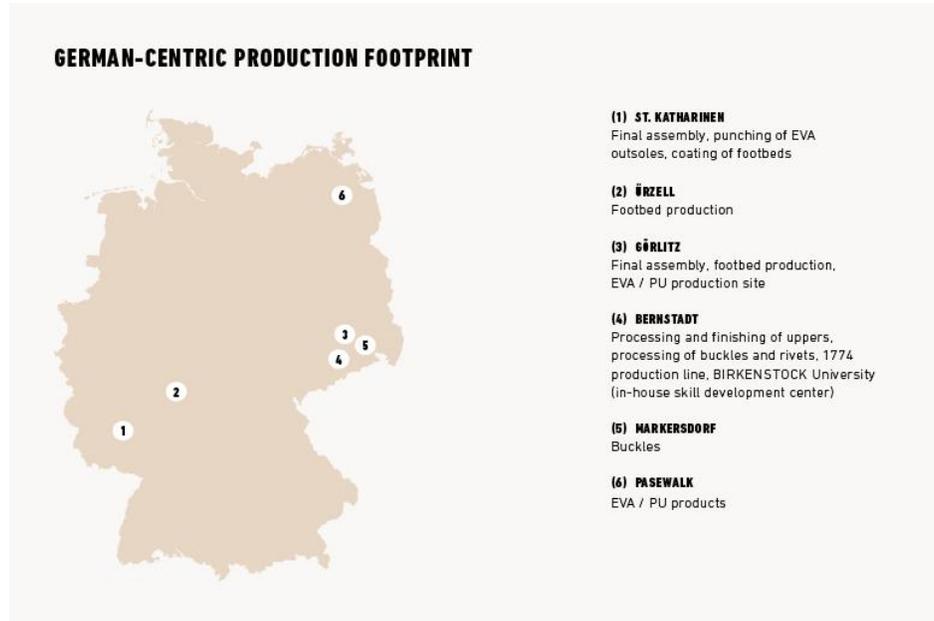
### C. Organizational Structure

A simplified organizational chart showing certain legal entities within our corporate structure is set forth below (all subsidiaries are, directly or indirectly, 100% owned by Birkenstock Holding plc):



#### D. Property, Plants and Equipment

We operate six manufacturing facilities in Germany, including our newest facility in Pasewalk, and one component manufacturing facility in Portugal. We own our St. Katharinen, Görlitz and Bernstadt manufacturing facilities and our component manufacturing facility in Portugal, which have a production space of approximately 32,000, 36,000, 20,000 and 7,000 square meters, respectively. We also own our Pasewalk manufacturing facility, which began operations in September 2023 and has a production space of approximately 37,000 square meters. We lease our Ürzell and Markersdorf manufacturing facilities, which have a production space of approximately 15,000 and 6,000 square meters, respectively. While we expect to renew such leases, if we are unable to do so, we believe suitable alternative space will be available to accommodate our operations.



We also own a distribution center in Germany and we lease office spaces, retail spaces and storage spaces across Europe, the Americas and APMA. We expect that our administrative, manufacturing and distribution facilities will be able to accommodate substantial growth of our operations for the foreseeable future. For information about future investments into capital expenditures, see "Item 5. Operations and Financial Review and Prospects — B. Liquidity and Capital Resources — Capital Expenditures." For information about historical investments into capital expenditures see Note 10 — *Property, plant and equipment* to our audited consolidated financial statements included in Item 18 — *Financial Information* of this Annual Report.

#### ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

## ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following discussion and analysis of our financial condition and results of operations should be read together with our audited consolidated financial statements as of September 30, 2023 and for fiscal 2023 (Successor), as of September 30, 2022 and for fiscal 2022 (Successor), for the period from May 1, 2021 through September 30, 2021 (Successor) and for the period from October 1, 2020 through April 30, 2021 (Predecessor) and the related notes and the other financial information included elsewhere in this Annual Report. In addition, management believes reviewing the Company's operating results for fiscal 2021, by combining the results of the 2021 Predecessor Period and the 2021 Successor Period, which we refer to as the "2021 Successor and Predecessor Periods," is more useful in discussing our overall operating performance when compared to fiscal 2022 and fiscal 2020. This discussion and analysis should also be read together with the sections of this Annual Report entitled "Cautionary Statement Regarding Forward-Looking Statements" and "Item 3. Key Information—D. Risk Factors." For comparative discussion and analysis related to the results of operations and changes in financial condition for fiscal 2022 compared to fiscal 2021, refer to "Management's Discussion and Analysis of Financial Condition and Results of Operation" in our final prospectus filed pursuant to Rule 424(b)(4) on October 10, 2023 with the SEC, available electronically at [www.sec.gov](http://www.sec.gov).

### A. Operating Results

#### Overview

BIRKENSTOCK is a revered global brand rooted in function, quality and tradition dating back to 1774. We are guided by a simple, yet fundamental insight: human beings are intended to walk barefoot on natural, yielding ground, a concept we refer to as "*Naturgewolltes Gehen*." Our purpose is to empower all people to walk as intended by nature. The legendary BIRKENSTOCK footbed represents the best alternative to walking barefoot, encouraging proper foot health by evenly distributing weight and reducing pressure points and friction. We believe our function-first approach is universally relevant; all humans — anywhere and everywhere — deserve to walk in our footbed.

We primarily generate revenues through the sale of footbed-based products from our broad portfolio of over 700 silhouettes, anchored by our iconic *Core Silhouettes*, the *Madrid*, *Arizona*, *Boston*, *Gizeh* and *Mayari*. We engineer and produce 100% of our products in the EU through our vertically integrated manufacturing operations, thereby ensuring each pair sold meets our rigorous quality standards. Our materials and components are primarily sourced from suppliers in Europe and processed under the highest environmental and social standards in the industry.

Our strongest, most developed segments are the Americas and Europe, which represented 54% and 35% of revenues in fiscal 2023, respectively. Our APMA segment has demonstrated considerable growth potential, which has not been fully realized historically due to the finite nature of our product supply as a result of limited production capacities, and our deliberate decisions to prioritize the Americas and Europe.

We optimize growth and profitability through a multi-channel DTC and B2B distribution strategy that we refer to as engineered distribution. We operate our channels synergistically, seeking to grow both simultaneously. We utilize the B2B channel to facilitate brand accessibility while steering consumers to our DTC channel, which offers our complete product range and access to our most desired and unique silhouettes. Across both channels, we execute a strategic allocation and product segmentation process, often down to the single door level, to ensure we sell the right product in the right channel at the right price point. This approach is centered on the strategic calibration of our ASP and employs key levers such as the expansion of our DTC channel, market conversions from third-party distributors, optimization of our wholesale partner network, increased overall share of premium products and strategic pricing. This process allows us to manage the finite nature of our production capacity with a rigorous focus on control of our brand image and profitability. As a result, we drive top-line growth and margins, prevent brand dilution and deepen our connection to consumers.

Our DTC footprint promotes direct consumer relationships and provides access to BIRKENSTOCK in its purest form. Our DTC channel enables us to express our brand identity, engage directly with our global fan base, capture real-time data on customer behavior and provide consumers with unique product access to our most distinctive styles. Additionally, our high levels of organic demand creation, together with higher ASPs, support consistently attractive profitability in the DTC channel.

Our wholesale strategy is defined by intentionality in partner selection and identifying the best partners in each segment and price point. We segment our wholesale product line availability into specific retailer quality tiers, ensuring we allocate the right product to the right channel for the right consumer. For example, we limit access to our premium 1774 and certain collaboration products to a curated group of brand partners.

For our wholesale partners, we are a “must carry” brand based on the enthusiasm with which our consumers pursue our products, as evidenced by our brand consistently being amongst the top performers in our core categories at most of our retail partners. We generate significantly more demand from existing and prospective wholesale customers than we can supply, putting us in an enviable position where we can create scarcity in the market and obtain favorable economic terms on wholesale distribution. The early placement of wholesale orders effectively determines sales to the end-consumer approximately six months in advance and aids in our production planning and allocation. In addition, sell-through transparency from important wholesalers provides real-time insight into the overall market and inventory dynamics.

In October 2023, we successfully completed our IPO. The proceeds from the IPO were \$473.6 million after deducting underwriting discounts and commissions but before deducting expenses. We used the proceeds from the IPO, together with cash on hand, to repay €100 million in aggregate principal amount of the Vendor Loan and \$450 million in aggregate principal amount of borrowings outstanding under the USD TLB Facility.

### **Key Financial Highlights**

Key highlights for fiscal year 2023 compared to fiscal year 2022 included:

- Revenues increasing from €1,242.8 million to €1,491.9 million, a 20% increase;
- Number of units sold increasing by 6% to €30.7 million;
- ASP increasing by 14%;
- DTC penetration increasing from 38% of revenues to 40% of revenues;
- Gross profit margin expanding from 60.3% to 62.1%;
- Adjusted gross profit margin decreasing from 62.3% to 62.1%;
- Net profit decreasing from €187.1 million to €75.0 million, with net profit margin contracting by 10.1 percentage points from 15.1% to 5.0%;
- Adjusted net profit increasing by 19% from €174.7 million to €207.2 million, with Adjusted net profit margin contracting by (0.1) percentage points from 14.0% to 13.9%;
- Adjusted EBITDA growing by 11% from €434.6 million to €482.7 million, with Adjusted EBITDA margin contracting 2.6 percentage points from 35.0% to 32.4%;
- Earnings per share decreasing by 60% from 1.02 to 0.41; and
- Adjusted basic / diluted earnings per share increasing by 18% from €0.96 to €1.13.

## Non-IFRS Financial Measures

We report our financial results in accordance with IFRS; however, management believes that certain non-IFRS financial measures provide useful information in measuring the operating performance and financial condition of the Company and are used by management to make decisions. Management believes this information presents helpful comparisons of financial performance between periods by excluding the effect of certain non-recurring items.

These measures do not have a standardized meaning prescribed by IFRS and therefore they may not be comparable to similarly titled measures presented by other companies, and they should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with IFRS.

### Constant Currency Revenue and Constant Currency Revenue Growth

<i>(In thousands of Euros)</i>	Year ended September 30,	
	2023	2022
Revenues	1,491,911	1,242,833
Revenues, constant currency	1,494,187	1,178,643
Revenue growth, constant currency	20 %	23 %

Our financial reporting currency is the Euro, and changes in foreign exchange rates can significantly affect our reported results and consolidated trends. The majority of non-Euro transactions are denominated in USD.

The effect of currency exchange rates on our business is an important factor in understanding period-to-period comparisons, which in turn are used in financial and operational decision-making. By viewing our results of operations on a constant currency basis, the effects of foreign currency volatility, which is not indicative of our actual results of operations, are eliminated, enhancing the ability to understand our operating performance.

Constant currency information compares results between periods as if exchange rates had remained constant. We define Constant currency revenue as total revenue excluding the effect of foreign exchange rate movements and use them to determine Constant currency revenue growth on a comparative basis. Constant currency revenue is calculated by translating the current period foreign currency revenues using the prior period exchange rate. Constant currency revenue growth is calculated by determining the increase in current period revenues over prior period revenues, where current period foreign currency revenues are translated using prior period exchange rates. For example, USD denominated Constant currency revenue for fiscal 2023 and fiscal 2022 were calculated using the rate of exchange of \$1.0796 to €1 and \$1.1975 to €1, respectively.

### Reconciliation of Constant Currency Revenue to Revenues

The table below presents a reconciliation of constant currency revenue to the most comparable IFRS measure, revenues, for the periods presented.

<i>(In thousands of Euros)</i>	Year ended September 30,	
	2023	2022
Revenues	1,491,911	1,242,833
Add (Less):		
U.S. Dollar impact <sup>(1)</sup>	(5,845)	(56,503)
Canadian Dollar impact <sup>(1)</sup>	2,905	(4,909)
Other <sup>(1)</sup>	5,216	(2,778)
<b>Constant currency revenue<sup>(1)</sup></b>	<b>1,494,187</b>	<b>1,178,643</b>

(1) Unaudited.

### Adjusted Gross Profit and Adjusted Gross Profit Margin

<i>(In thousands of Euros, unaudited)</i>	Year ended September 30,	
	2023	2022
Adjusted gross profit	925,793	774,169
Adjusted gross profit margin	62.1 %	62.3 %

We define Adjusted gross profit as gross profit, exclusive of the impact on inventory valuation of applying the acquisition method of accounting for the Transaction. Adjusted gross profit margin is defined as adjusted gross profit for the period divided by revenues for the same period.

#### Reconciliation of Adjusted Gross Profit to Gross Profit

The table below presents a reconciliation of Adjusted gross profit to the most comparable IFRS measure, gross profit, for the periods presented:

<i>(In thousands of Euros)</i>	Year ended September 30,	
	2023	2022
Gross profit	925,793	749,802
Add:		
Effect of applying the acquisition method of accounting for the Transaction under IFRS <sup>(2)</sup>	-	24,367
<b>Adjusted gross profit<sup>(2)</sup></b>	<b>925,793</b>	<b>774,169</b>

(1) Represents the effect of applying the acquisition method of accounting for the Transaction to inventory valuation and the subsequent impact on cost of sales. In fiscal 2022, cost of sales included inventory that had been measured at fair value as part of the Transaction. This effect amounted to €24.4 million for fiscal 2022.

(2) Unaudited.

### Adjusted EBITDA and Adjusted EBITDA Margin

<i>(In thousands of Euros, unaudited)</i>	Year ended September 30,	
	2023	2022
Adjusted EBITDA	482,706	434,555
Adjusted EBITDA margin	32.4 %	35.0 %

Adjusted EBITDA and Adjusted EBITDA margin are key performance measures that management uses to assess our operating performance, generate future operating plans and make strategic decisions regarding allocation of capital. Adjusted EBITDA is defined as net profit for the period adjusted for income tax expense, finance cost net, depreciation and amortization, further adjusted for the effect of events such as:

- Represents the effect of applying the acquisition method of accounting for the Transaction to inventory valuation and the subsequent impact on cost of sales (in fiscal 2022, cost of sales included inventory that had been measured at fair value as part of the Transaction);
- Transaction-related costs (which represent Transaction-related advisory costs);
- Realized and unrealized foreign exchange gain (loss);
- IPO-related costs consisting of consulting as well as legal fees;
- Share-based compensation expenses relating to the management investment plan;
- Other adjustments relating to non-recurring expenses that we do not consider representative of the operating performance of the business, primarily comprised of consulting fees for integration projects, restructuring expenses and relocation expenses.

## Reconciliation of Net Profit to Adjusted EBITDA

The table below presents a reconciliation of net profit to Adjusted EBITDA for the periods presented:

<i>(In thousands of Euros)</i>	Year ended September 30,	
	2023	2022
Net profit	75,022	187,111
Add:		
Income tax expense	78,630	63,413
Finance cost, net	107,036	112,503
Depreciation and amortization	83,413	81,261
<b>EBITDA</b>	<b>344,101</b>	<b>444,288</b>
<b>Add (Less) Adjustments:</b>		
Effect of applying the acquisition method of accounting for the Transaction under IFRS <sup>(2)</sup>	-	24,367
Transaction-related costs <sup>(3)</sup>	-	2,598
Realized and unrealized FX gains / losses <sup>(4)</sup>	36,056	(45,516)
IPO-related costs <sup>(5)</sup>	30,603	7,300
Share-based compensation expenses <sup>(6)</sup>	65,394	-
Other <sup>(7)</sup>	6,552	1,528
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>482,706</b>	<b>434,555</b>

(1) Unaudited.

(2) Represents the effect of applying the acquisition method of accounting for the Transaction to inventory valuation and the subsequent impact on cost of sales. In fiscal 2022, cost of sales included inventory that had been measured at fair value as part of the Transaction. This effect amounted to €24.4 million for fiscal 2022.

(3) Represents Transaction-related advisory costs of €2.6 million for fiscal 2022.

(4) Represents the primarily non-cash impact of foreign exchange rates within profit (loss). We do not consider these gains and losses representative of operating performance of the business because they are primarily driven by fluctuations in the USD to Euro foreign exchange rate on intercompany receivables for inventory and intercompany loans.

(5) Represents IPO-related costs, which include consulting as well as legal fees.

(6) Represents share-based compensation expenses relating to the management investment plan.

(7) Represents non-recurring expenses that we do not consider representative of the operating performance of the business, primarily comprised of relocation expenses of € 4.6 million for fiscal 2023, restructuring expenses of €2.0 million for fiscal 2023 and €0.8 million for fiscal 2022, and consulting fees for integration projects of €0.7 million for fiscal 2022.

## Adjusted Net Profit and Adjusted Net Profit Margin

<i>(In thousands of Euros, unaudited)</i>	Year ended September 30,	
	2023	2022
Adjusted Net Profit	207,152	174,682
Adjusted Net Profit margin	13.9 %	14.0 %

We define Adjusted net profit as net profit for the period adjusted for the effects of applying the acquisition method of accounting for the Transaction, Transaction-related costs, IPO-related costs, realized and unrealized foreign exchange gain (loss), share-based compensation expenses, other adjustments relating to non-recurring items such as restructuring and relocation, and the respective income tax effects as applicable. Adjusted net profit margin is defined as Adjusted net profit for the period divided by revenues for the same period.

### Reconciliation of Net Profit to Adjusted Net Profit

The table below presents a reconciliation of net profit to Adjusted net profit for the periods presented:

<i>(In thousands of Euros)</i>	Year ended September 30,	
	2023	2022
Net profit	75,022	187,111
<b>Add (Less) Adjustments:</b>		
Effect of applying the acquisition method of accounting for the Transaction under IFRS <sup>(2)</sup>	-	24,367
Transaction-related costs <sup>(3)</sup>	-	2,598
Realized and unrealized FX gains / losses <sup>(4)</sup>	36,056	(45,516)
IPO-related costs <sup>(1)(5)</sup>	30,603	7,300
Share-based compensation expenses <sup>(6)</sup>	65,394	-
Other <sup>(1)(7)</sup>	6,552	1,518
Tax adjustment <sup>(8)</sup>	(6,475)	(2,696)
<b>Adjusted net profit<sup>(1)</sup></b>	<b>207,152</b>	<b>174,682</b>

(1) Unaudited.

(2) Represents the effect of applying the acquisition method of accounting for the Transaction to inventory valuation and the subsequent impact on cost of sales. In fiscal 2022, cost of sales included inventory that had been measured at fair value as part of the Transaction. This effect amounted to €24.4 million for fiscal 2022.

(3) Represents Transaction-related advisory costs of €2.6 million for fiscal 2022.

(4) Represents the primarily non-cash impact of foreign exchange rates within profit (loss). We do not consider these gains and losses representative of operating performance of the business because they are primarily driven by fluctuations in the USD to Euro foreign exchange rate on intercompany receivables for inventory and intercompany loans.

(5) Represents IPO-related costs, which include consulting as well as legal fees.

(6) Represents share-based compensation expenses relating to the management investment plan.

(7) Represents non-recurring expenses that we do not consider representative of the operating performance of the business, primarily comprised of relocation expenses of € 4.6 million for fiscal 2023, restructuring expenses of €2.0 million for fiscal 2023 and €0.8 million for fiscal 2022, and consulting fees for integration projects of €0.7 million for fiscal 2022.

(8) Represents income tax effects for the adjustments as outlined above, except for unrealized foreign exchange gain (loss) as well as share-based compensation expenses since these have not been treated as tax deductible in the initial tax calculation.

### Adjusted Basic / Diluted Earnings Per Share

<i>(In Euros)</i>	Year ended September 30,	
	2023	2022
<b>Adjusted earnings per share</b>		
Basic	1.13	0.96
Diluted	1.13	0.96

We define Adjusted earnings per share as Adjusted net profit (loss) for the period divided by the number of shares outstanding.

## Reconciliation of Net Profit to Adjusted Earnings per share

The table below presents a reconciliation of Adjusted earnings per share to the most comparable IFRS measure, net profit, for the periods presented:

<i>(In thousands of Euros, except share and per share information)</i>	Year ended September 30,	
	2023	2022
Net profit	75,022	187,111
<b>Add (Less) Adjustments:</b>		
Effect of applying the acquisition method of accounting for the Transaction under IFRS <sup>(2)</sup>	-	24,367
Transaction-related costs <sup>(3)</sup>	-	2,598
Realized and unrealized FX gains / losses <sup>(4)</sup>	36,056	(45,516)
IPO-related costs <sup>(1)(5)</sup>	30,603	7,300
Share-based compensation expenses <sup>(6)</sup>	65,394	-
Other <sup>(1)(7)</sup>	6,552	1,518
Tax adjustment <sup>(8)</sup>	(6,475)	(2,696)
<b>Adjusted net profit<sup>(1)</sup></b>	<b>207,152</b>	<b>174,682</b>
Shares outstanding	182,721,369	182,721,369
<b>Adjusted earnings per share</b>		
Basic	1.13	0.96
Diluted	1.13	0.96

(1) Unaudited.

(2) Represents the effect of applying the acquisition method of accounting for the Transaction to inventory valuation and the subsequent impact on cost of sales. In fiscal 2022, cost of sales included inventory that had been measured at fair value as part of the Transaction. This effect amounted to €24.4 million for fiscal 2022.

(3) Represents Transaction-related advisory costs of €2.6 million for fiscal 2022.

(4) Represents the primarily non-cash impact of foreign exchange rates within profit (loss). We do not consider these gains and losses representative of operating performance of the business because they are primarily driven by fluctuations in the USD to Euro foreign exchange rate on intercompany receivables for inventory and intercompany loans.

(5) Represents IPO-related costs, which include consulting as well as legal fees.

(6) Represents share-based compensation expenses relating to the management investment plan.

(7) Represents non-recurring expenses that we do not consider representative of the operating performance of the business, primarily comprised of relocation expenses of € 4.6 million for fiscal 2023, restructuring expenses of €2.0 million for fiscal 2023 and €0.8 million for fiscal 2022, and consulting fees for integration projects of €0.7 million for fiscal 2022.

(8) Represents income tax effects for the adjustments as outlined above, except for unrealized foreign exchange gain (loss) as well as share-based compensation expenses since these have not been treated as tax deductible in the initial tax calculation.

## Factors Affecting Comparability of Financial Information

### The Transaction

Effective April 30, 2021, Birkenstock Holding plc (formerly known as Birkenstock Holding Limited, and, prior to that, Birkenstock Group Limited, and, prior to that, BK LC Lux Finco 2 S.à r.l.), which was incorporated on February 19, 2021, directly acquired the BIRKENSTOCK Group by way of the acquisition of shares and certain assets that comprised the BIRKENSTOCK Group (the "Transaction"). For additional information regarding the Transaction, including details of the consideration transferred and the fair values of assets acquired and liabilities assumed, refer to Note 6 — *Business Combinations* to the audited consolidated financial statements appearing elsewhere in this Annual Report. Prior to the Transaction, Birkenstock Holding plc had no material assets or liabilities and is considered the "Successor" to the "Predecessor" BIRKENSTOCK Group. The Transaction was accounted for as a business combination using the acquisition method of accounting, and the Successor financial statements reflect a new basis of accounting that is based on the fair value of assets acquired and liabilities assumed as of the effective date of the Transaction. As a result of the application of the acquisition method of accounting, the financial statements for the Predecessor Period and for the Successor Periods are presented on a different basis of accounting and are, therefore, not comparable, although they are all presented in accordance with IFRS.

The Company's financial statement presentation distinguishes the Company's presentations into two distinct periods, the Successor Periods and the Predecessor Period. The Predecessor Period and Successor

Periods have been separated by a vertical black line on the consolidated financial statements to highlight the fact that the financial information for such periods has been prepared under two different cost bases of accounting.

## **Segments**

Our three reportable segments align with our geographic operational hubs: the Americas, Europe, and APMA as described above, which contributed 54%, 35%, and 10% of revenues, respectively, in fiscal 2023. The Americas includes, among other markets, the United States, Brazil, Canada and Mexico. The United States is our largest and most important market in the Americas. Europe includes, among others, the key markets of Germany, France and the UK. Germany, the country of our primary operations and where the BIRKENSTOCK brand originated, accounts for the largest percentage of revenues in Europe. The largest markets in APMA include Australia, Japan, China, United Arab Emirates and India.

Revenues and costs not directly managed nor allocated to the geographic operational hubs are recorded in Corporate/Other. Corporate/Other immaterially contributed to our revenues in fiscal 2023.

## **Components of our Results of Operations**

### **Revenues**

Revenues are primarily recognized from the sale of our products, including sandals, closed-toe silhouettes and other products, such as skincare and accessories.

We are currently distributing across three reporting segments: Americas, Europe and APMA. Within each segment, we manage a multi-channel distribution strategy, divided between our DTC and B2B channels. Both channels are important to our strategy and provide differentiated economic benefits and insights.

B2B revenues are recognized when control of the goods has transferred, depending on the agreement with the customer. Following the transfer of control, the customer has the responsibility to sell the goods and bears the risks of obsolescence and loss in relation to the goods.

DTC channel revenues are recognized when control of the goods has transferred, either upon delivery to e-commerce consumers or at the point of sale in retail stores. Payment of the transaction price is due immediately when the consumer purchases the goods. When the control of goods has transferred, a refund liability recorded in other current financial liabilities and a corresponding adjustment to revenues is recognized for those products expected to be returned. The Company has a right to recover the product when consumers exercise their right of return, which results in recognizing a right to return goods asset included in other current assets and a corresponding reduction to cost of sales.

Other revenues are comprised of revenues not directly allocated to the geographical operating segments, as well as revenues generated by non-product categories. These categories include skincare and license revenues from fees paid to us by our licensees in exchange for the use of our trademarks on their products (primarily our sleep systems business). In addition, other revenues consist of revenues from real estate rentals and the sale of recyclable scrap materials from the production process.

### **Cost of sales**

Cost of sales is comprised primarily of four types of expenditures: (i) raw materials, (ii) consumables and supplies, (iii) purchased merchandise and (iv) personnel costs, including temporary personnel services. Additionally, it includes overhead costs for the production sites. Freight charges for transfer of work-in-progress inventory between production plants, logistical centers and warehouses as well as inbound freight for raw materials are also included in cost of sales. Cost of sales reflect the portion of costs which correspond to the units sold in a given period.

**Gross profit and gross profit margin**

Gross profit is revenues less cost of sales and gross profit margin measures our gross profit as a percentage of revenues.

**Selling and distribution expenses**

Selling and distribution expenses are comprised of our selling, marketing, product innovation and supply chain costs. These expenses are incurred to support and expand our wholesale partner relationships, grow brand awareness and deliver our products to B2B partners, e-commerce consumers and retail stores. These expenses include personnel expenses for sales representatives, processing fees in the DTC channel and depreciation and amortization expenses for store leases, customer relationships and other intangible assets.

Selling costs generally correlate with revenue recognition timing and, therefore, experience similar seasonal trends to revenues with the exception of retail store costs, which are primarily fixed and incurred evenly throughout the year. As a percentage of revenues, we expect these selling costs to increase modestly as our business evolves. This increase is expected to be driven primarily by the relative growth of our DTC channel, including the investment required to support additional e-commerce sites and retail stores.

Distribution expenses are largely variable in nature and primarily relate to leasing and third-party expenses for warehousing inventories and transportation costs associated with delivering products from distribution centers to B2B partners and end-consumers.

**General administrative expenses**

General administrative expenses consist of costs incurred in our corporate service functions, such as costs relating to the finance department, legal and consulting fees, HR and IT expenses and global strategic project costs. More specifically, the nature of these costs relates to corporate personnel costs (including salaries, variable incentive compensation and benefits), other professional service costs, rental and leasing expenses for corporate real estate, depreciation and amortization related to software, patents and other rights. General administrative expenses will increase as we grow and become a publicly traded company. We expect these expenses to decrease as a percentage of revenues as we grow due to economies of scale.

**Foreign exchange gain/(loss)**

The foreign currency exchange gain/(loss) consists primarily of differences in foreign exchange rates between the currencies in which our subsidiaries transact and their functional currencies as measured on the respective transaction date.

**Finance income/(cost), net**

Finance income represents interest earned from third party providers and income from the potential revaluation of the embedded derivative of the Notes.

Finance costs are comprised of interest payable to third party providers for term loan financing arrangements, Notes, Vendor Loan, leases, employee benefits, as well as expenses from the potential revaluation of the embedded derivative of the Notes. Finance costs are recognized in the consolidated income statement based on the effective interest method.

**Income tax (expense) benefit**

Income tax includes current income tax and income tax credits from deferred tax. Income tax is recognized in profit and loss except to the extent that it relates to items recognized in equity or other comprehensive income in which case the income tax expense is also recognized in equity or other comprehensive income. We are subject to income taxes in the jurisdictions in which we operate and,

consequently, income tax expense is a function of the allocation of taxable income by jurisdiction and the various activities that impact the timing of taxable events. Our subsidiaries in Germany and the U.S. primarily determine the effective tax rate.

## Results of Operations

### Comparison of the fiscal years ended September 30, 2023 and September 30, 2022

(In thousands of Euros)	Year ended September 30,		Change	% Change
	2023	2022		
Revenues	1,491,911	1,242,833	249,078	20 %
Cost of sales	(566,117)	(493,031)	(73,086)	15 %
<b>Gross profit</b>	<b>925,793</b>	<b>749,802</b>	<b>175,991</b>	<b>23 %</b>
<b>Operating expenses</b>				
Selling and distribution expenses	(455,851)	(347,371)	(108,480)	31 %
General administrative expenses	(171,388)	(86,589)	(84,799)	98 %
Foreign exchange gain (loss)	(36,056)	45,516	(81,572)	(179) %
Other income (loss), net	(1,810)	1,669	(3,479)	(208) %
<b>Profit from operations</b>	<b>260,688</b>	<b>363,027</b>	<b>(102,339)</b>	<b>(28) %</b>
Finance cost, net	(107,036)	(112,503)	5,467	(5) %
<b>Profit before tax</b>	<b>153,652</b>	<b>250,524</b>	<b>(96,872)</b>	<b>(39) %</b>
Income tax expense	(78,630)	(63,413)	(15,217)	24 %
<b>Net profit</b>	<b>75,022</b>	<b>187,111</b>	<b>(112,089)</b>	<b>(60) %</b>

### Revenues

Revenues for fiscal 2023 increased by €249.1 million, or 20%, to €1,491.9 million from €1,242.8 million for fiscal 2022 driven by broad-based growth across regions and channels. This increase was attributable to an increase in the number of units sold of 6% as well as an increase in ASP of 14%. The ASP increase was driven by higher DTC and closed-toe silhouette penetration, the effect of the retail price increase in December 2021 on the entirety of fiscal 2023 and the appreciation of the USD relative to the Euro. On a constant currency basis, revenues increased by 20%.

### Revenues by channel

(In thousands of Euros)	Year ended September 30,		Change	% Change
	2023	2022		
B2B	887,957	772,883	115,074	15 %
DTC	598,664	466,668	131,996	28 %
Corporate / Other	5,289	3,282	2,007	61 %
<b>Total Revenues</b>	<b>1,491,911</b>	<b>1,242,833</b>	<b>249,078</b>	<b>20 %</b>

Revenues generated by our B2B channel for fiscal 2023 increased by €115.1 million, or 15%, to €888.0 million from €772.9 million in fiscal 2022. The increase was primarily driven by strong growth across all regions, further supported by an overall increase in the number of units sold as well as a favorable category mix shift towards higher ASP product categories and the effect of the retail price increase implemented in December 2021 on the entirety of fiscal 2023.

Revenues generated by our DTC channel for fiscal 2023 increased by €132.0 million, or 28%, to €598.7 million from €466.7 million in fiscal 2022. The increase was primarily attributable to growth in the number of units sold, increased traffic and higher average order values resulting from price increases and product mix, offset by the strategic consolidation of retail stores in Europe, whereby we have closed legacy stores to focus on premium full-price stores, that temporarily led to fewer stores. Outsized growth in strategic product categories with higher price points, such as closed-toe silhouettes, leather products and shearing products that are predominately sold in BIRKENSTOCK-owned channels positively contributed to an increased DTC penetration of 40% in fiscal 2023, up from 38% in fiscal 2022.

Other revenues for fiscal 2023 increased by €2.0 million, or 61%, to €5.3 million from €3.3 million in fiscal 2022. This increase was primarily attributable to increased sales of leather material to our supplier for footbed cuttings, as well as increased sales of recyclable scrap materials from the production process.

### Cost of sales

<i>(In thousands of Euros)</i>	Year ended September 30,		Change	% Change
	2023	2022		
Cost of sales	(566,117)	(493,031)	(73,086)	15 %

Cost of sales in fiscal 2023 increased by €73.1 million, or 15%, to €566.1 million from €493.0 million in fiscal 2022. The increase was impacted by the effect on inventory valuation of applying the acquisition method of accounting for the Transaction of €24.4 million in fiscal 2022. Excluding the effects of the acquisition method of accounting for the Transaction, cost of sales increased by €97 million, or 21%. The increase was primarily attributable to an increase in number of units sold, an increased share of higher cost products, higher material prices and higher personnel expenses due to salary increases in the production facilities as of October 2022, including as a result of a federally mandated minimum wage increase in Germany.

### Gross profit and gross profit margin

<i>(In thousands of Euros)</i>	Year ended September 30,		Change	% Change
	2023	2022		
Gross profit	925,793	749,802	175,991	23 %
Gross profit margin	62.1 %	60.3 %	1.8 pp	

Gross profit for fiscal 2023 increased by €176.0 million, or 23%, to €925.8 million from €749.8 million in fiscal 2022. Gross profit margin for fiscal 2023 expanded by 1.8 percentage points to 62.1% from 60.3% in fiscal 2022. The expansion in gross profit and gross profit margin reflects higher ASP resulting from an improved product mix by steering consumers to premium products with higher price points, price increases and an increased DTC share of 40% for fiscal 2023 compared to 38% for fiscal 2022. These factors more than offset the impact of inflationary pressure on cost of sales, primarily to material and labor costs. Additionally, the increase was partially attributable to the impact on inventory valuation of applying the acquisition method of accounting for the Transaction of €24.4 million for fiscal 2022.

Excluding the effect of applying the acquisition method of accounting for the Transaction, gross profit for fiscal 2023 increased by €152 million, or 20%, while gross profit margin remained the same as fiscal 2022.

### Selling and distribution expenses

<i>(In thousands of Euros)</i>	Year ended September 30,		Change	% Change
	2023	2022		
Selling and distribution expenses	(455,851)	(347,371)	(108,480)	31 %

Selling and distribution expenses for fiscal 2023 increased by €108.5 million, or 31%, to €455.9 million from €347.4 million in fiscal 2022. The increase was primarily driven by higher fulfillment and variable online costs associated with increased DTC penetration of 40%. Additionally, personnel costs increased by €16.6 million driven primarily by salary increases, an increase in full-time equivalent staff and one-time costs of €7.4 million related to the management investment plan. Overall, selling and distribution expenses for fiscal 2023 increased at a higher rate than revenues, increasing to 30.6% of revenues compared to 27.9% of revenues in fiscal 2022.

### General administrative expenses

(In thousands of Euros)	Year ended September 30,		Change	% Change
	2023	2022		
General administrative expenses	(171,388)	(86,589)	(84,799)	98%

General administrative expenses for fiscal 2023 increased by €84.8 million, or 98%, to €171.4 million from €86.6 million in fiscal 2022. As a percentage of revenue, general administrative expenses increased by 4.5 percentage points to 11.5% for fiscal 2023 from 7.0% for fiscal 2022. The increase in general administrative expenses was primarily driven by an increase in personnel costs of €72.6 million of which €58.0 million is due to one-time costs related to the management investment plan, as well as to an increase in full-time equivalent staff and salary increases.

### Foreign exchange gain (loss)

Foreign exchange loss, net for fiscal 2023 increased by €81.6 million to €36.1 million from a foreign exchange gain, net of €45.5 million in fiscal 2022. The overall increase in foreign exchange loss was primarily driven by a depreciation of the USD relative to the Euro in fiscal 2023 as compared to an appreciation of the USD relative to the Euro during fiscal 2022. This led to a positive effect on the foreign exchange result for fiscal 2022 compared to a negative impact for fiscal 2023.

### Finance cost, net

Finance cost, net for fiscal 2023 decreased by €5.5 million, or 5%, to €107.0 million from €112.5 million in fiscal 2022. The decrease was primarily attributable to a positive revaluation impact of embedded derivatives in relation to the Notes of €43.9 million and was partially offset by an increase in interest expense of €37.4 million related to increased interest rates of the variable term loans and an increase interest expenses for leases by €3.3 million.

### Income tax expense

Income tax expense for fiscal 2023 increased by €15.2 million, or 24%, to €78.6 million from €63.4 million in fiscal 2022. In fiscal 2023, the effective tax rate was 51% compared to 25% in fiscal 2022.

The effective tax rate is mainly impacted by non-tax deductible expenses from the management investment program in fiscal 2023.

### Net profit

Net profit for fiscal 2023 decreased by €112.1 million, or 60%, to €75.0 million from €187.1 million in fiscal 2022. The decrease of net profit was primarily attributable to the increase in selling and distribution expenses and general administrative expense of 31% and 98%, respectively, as well as the negative swing of €81.6 million from a foreign exchange gain of €45.5 million in fiscal 2022 to a foreign exchange loss of €36.1 million in fiscal 2023. Net profit margin for fiscal 2023 contracted by 10.1 percentage points, to 5.0% from 15.1% in fiscal 2022.

### Adjusted EBITDA and Adjusted EBITDA margin for the Group

(In thousands of Euros)	Year ended September 30,		Change	% Change
	2023	2022		
Adjusted EBITDA	482,706	434,555	48,151	11%
Adjusted EBITDA margin	32.4%	35.0%	(2.6) pp	

Adjusted EBITDA for fiscal 2023 increased by €48.2 million, or 11%, to €482.7 million from €434.6 million in fiscal 2022, primarily due to revenue growth of 20%. Additionally, greater absolute profitability was

generated by an improved product mix, an increased share of sales in our own DTC channels and through price increases. Adjusted EBITDA margin for fiscal 2023 contracted 2.6 percentage points to 32.4% from 35.0% in fiscal 2022, due primarily to increased cost of sales and sales and distribution expenses in fiscal 2023. This reflects the impact of inflationary pressure throughout fiscal 2023 as compared to only partially impacting fiscal 2022. Additionally, with sales price increases introduced in early fiscal 2022, prior to a corresponding increase in costs, a temporary favorable sales growth relative to costs occurred in fiscal 2022. This resulted in a time lag between favorable and unfavorable inflationary impacts.

#### **Adjusted net profit and Adjusted net profit margin for the Group**

<i>(In thousands of Euros)</i>	Year ended September 30,		Change	% Change
	2023	2022		
Adjusted Net Profit	207,152	174,682	32,470	19 %
Adjusted Net Profit margin	13.9 %	14.0 %	(0.1) pp	

Adjusted net profit for fiscal 2023 increased by €32.5 million, or 19%, to €207.2 million from €174.7 million in fiscal 2022, primarily driven by revenue growth of 20%. Additionally, finance cost, net decreased by (5)%, positively contributing to the net profit on an adjusted basis.

#### **Revenues by segment**

<i>(In thousands of Euros)</i>	Year ended September 30,		Change	% Change
	2023	2022		
Americas	804,690	667,387	137,303	21 %
Europe	529,507	449,131	80,376	18 %
APMA	152,424	123,033	29,391	24 %
<b>Total reportable segment revenues</b>	<b>1,486,621</b>	<b>1,239,551</b>	<b>247,070</b>	<b>20 %</b>
Corporate/Other	5,289	3,282	2,007	61 %
<b>Group revenues</b>	<b>1,491,911</b>	<b>1,242,833</b>	<b>249,078</b>	<b>20 %</b>

Revenues for the Americas segment for fiscal 2023 increased by €137.3 million, or 21%, to €804.7 million from €667.4 million in fiscal 2022, driven by strong sales in both the B2B and DTC channels. Both channels demonstrated growth in unit volumes sold as well as ASP which in turn was supported by further penetration in closed-toe silhouettes.

Revenues for the Europe segment for fiscal 2023 increased by €80.4 million, or 18%, to €529.5 million from €449.1 million in fiscal 2022 driven by strong sales in both the B2B and DTC channels, with more pronounced growth in unit volumes sold as well as ASP in the DTC channel, demonstrating an increased DTC penetration.

Revenues for the APMA segment for fiscal 2023 increased by €29.4 million, or 24%, to €152.4 million from €123.0 million in fiscal 2022, driven by new retail store openings in the APMA region, strong online sales, and growth within the B2B channel, all of which demonstrated growth in both unit volumes sold and ASP.

Revenues for Corporate/Other for fiscal 2023 increased by €2.0 million, or 61% to €5.3 million from €3.3 million in fiscal 2022, driven by an increase in sales of leather material to our footbed cuttings supplier, as well as an increase in sales of recyclable scrap materials from the production process.

### Adjusted EBITDA and Adjusted EBITDA margin by segment

(In thousands of Euros)	Year ended September 30,		Change	% Change
	2023	2022		
Americas	291,712	259,944	31,768	12 %
	36.3 %	38.9 %	(2.6) pp	
Europe	167,407	146,592	20,815	14 %
	31.6 %	32.6 %	(1.0) pp	
APMA	44,488	38,973	5,515	14 %
	29.2 %	31.7 %	(2.5) pp	
<b>Reportable segment Adjusted EBITDA</b>	<b>503,607</b>	<b>445,509</b>	<b>58,098</b>	<b>13 %</b>
	<b>33.9 %</b>	<b>35.9 %</b>	<b>(2.0) pp</b>	
Corporate/Other	(20,901)	(10,954)	(9,947)	91 %
	-395.2 %	-333.8 %	(61.4) pp	
<b>Group Adjusted EBITDA</b>	<b>482,706</b>	<b>434,555</b>	<b>48,151</b>	<b>11 %</b>
<b>Adjusted EBITDA margin</b>	<b>32.4 %</b>	<b>35.0 %</b>	<b>(2.6) pp</b>	

Americas adjusted EBITDA for fiscal 2023 increased by €31.8 million, or 12%, to €291.7 million from €259.9 million in fiscal 2022 primarily due to revenue growth of 21% which was offset by an increase in operating expenses of 25%, driven primarily by higher selling and distribution expenses, variable online costs as well as logistics expenses resulting from the increased DTC penetration. Americas adjusted EBITDA margin contracted by 2.6 percentage points to 36.3% for fiscal 2023 from 38.9% in fiscal 2022.

Europe adjusted EBITDA for fiscal 2023 increased by €20.8 million, or 14%, to €167.4 million from €146.6 million in fiscal 2022, primarily due to revenue growth of 18%. The increase in adjusted EBITDA was supported by retail consolidation in the region, resulting in positive sales effects as described in our discussion of revenues generated by our DTC channel for fiscal 2023 above. Europe adjusted EBITDA margin contracted by 1.0 percentage point from 32.6% for fiscal 2022 to 31.6% for fiscal 2023 due to cost of sales as well as selling and distribution expenses growing faster than revenues.

APMA adjusted EBITDA for fiscal 2023 increased by €5.5 million, or 14%, to €44.5 million from €39.0 million in fiscal 2022, driven by revenue growth and offset by increased fulfillment and variable online costs related to the opening of retail stores in APMA. APMA adjusted EBITDA margin contracted by 2.5 percentage points from 31.7% in fiscal 2022 to 29.2% in fiscal 2023, due to increased costs to support the growth of our DTC channel in the region.

Corporate/Other adjusted EBITDA for fiscal 2023 decreased by €9.9 million to €(20.9) million from €(11.0) million in fiscal 2022, driven by an increase in operating expenses, primarily by increased overhead expenses for human resources, finance, controlling, tax and IT functions.

For reconciliations to the most directly comparable IFRS measure, see section above titled “— Non-IFRS Financial Measures” in this Annual Report.

### B. Liquidity and Capital Resources

Our primary liquidity requirements are to service our debt, to fund our operations and to fund other general corporate purposes. Our ability to generate cash from our operations depends on our future operating performance, which is dependent, to some extent, on general economic, financial, competitive, market, legislative, regulatory and other factors, many of which are beyond our control, as well as other factors including those discussed in this section and the section titled “Item 3. Key Information—D. Risk Factors” in this Annual Report. We expect to finance our operations and working capital needs for the next 12 months from cash generated through operations.

## Cash Flows

The following table summarizes the Company's consolidated statement of cash flows for fiscal 2023 and fiscal 2022.

<i>(in thousands of Euros)</i>	Year ended September 30,	
	2023	2022
<b>Total cash provided by (used in):</b>		
Operating activities	358,733	234,136
Investing activities	(100,732)	(71,646)
Financing activities	(199,285)	(105,317)
<b>Increase in cash and cash equivalents</b>	<b>58,716</b>	<b>57,173</b>
Effects of foreign currency exchange rate changes on cash and cash equivalents	(21,386)	14,562

### **Cash flows provided by operating activities**

Cash flows provided by operating activities for fiscal 2023 were €358.7 million compared to €234.1 million for fiscal 2022, driven by net profit of €75.0 million and adjustments to net profit for non-cash items of €364.2 million, less cash outflows for working capital of €80.5 million. Adjustments to net profit included finance costs, net of €107.0 million, and for non-cash items included depreciation and amortization of €83.4 million, income tax expense of €78.6 million, unrealized foreign exchange losses of €36.1 million and share-based compensation expenses of €65.4 million. Cash outflows for working capital were driven by inventories of €95.6 million and trade and other receivables of €26.7 million.

Cash flows provided by operating activities for fiscal 2022 were €234.1 million, driven by net profit of €187.1 million and adjustments to net profit for non-cash items of €192.0 million, less cash outflows for working capital of €145.0 million. Adjustments to net profit for non-cash items included depreciation and amortization of €81.3 million, finance costs, net of €112.5 million, income tax expense of €63.4 million, offset by unrealized foreign exchange gains of €46.4 million. Cash outflows for working capital were driven by inventories of €159.1 million.

### **Cash flows used in investing activities**

Cash flows used in investing activities for fiscal 2023 were €100.7 million compared to €71.6 million for fiscal 2022. The increase in cash flows used in investing activities of €29.1 million was primarily due to an increase in purchases of property, plant and equipment of €31.4 million, to €102.2 million, to increase capacity of our production facilities including our new factory in Pasewalk, Germany and for the expansion of our factory in Görlitz, Germany; this increase was partially offset by smaller decreases in other investing activities.

### **Cash flows used in financing activities**

Cash flows used in financing activities for fiscal 2023 were €199.3 million compared to €105.3 million for fiscal 2022, mainly driven by increased repayment of borrowings of €43.3 million and an increase of interest paid of €44.0 million.

Cash flows used in financing activities for fiscal 2022 were €105.3 million, driven by interest paid of €68.0 million and lease payments of €25.4 million.

## Indebtedness

The following table sets forth the amounts owed under the Company's debt instruments as of September 30, 2023 and September 30, 2022.

<i>(in thousands of Euros)</i>	Currency	Repayment	September 30,	
			2023	2022
Term Loan (EUR)	EUR	2028	375,000	375,000
Term Loan (USD)	USD	2028	730,159	852,354
Vendor Loan	EUR	2029	299,560	287,018
Notes	EUR	2029	428,500	428,500
Interest Payable			29,995	38,106
Senior Note Embedded Derivative			28,638	28,638
Amortization under the effective interest method			(46,163)	(51,875)
<b>Loans and borrowings</b>			<b>1,845,690</b>	<b>1,957,741</b>

### Term Loans

In connection with the Transaction, we entered into a Senior Term Facilities Agreement, which provides us with a Euro-denominated term loan facility in a principal amount of €375,000,000 and a USD-denominated term loan facility in a principal amount of \$850,000,000. The Euro-denominated loan bears interest at rates per annum equal to EURIBOR and the USD-denominated loan bears interest at rates per annum equal to Term SOFR, plus the applicable credit spread adjustment, plus in each case an applicable margin. The loans made under the Euro-denominated term loan facility mature in full on April 28, 2028. The loans made under the USD-denominated term loan facility amortize by 0.25% of their outstanding principal amount on a quarterly basis, with the balance to be repaid in full on April 28, 2028. The term loans are guaranteed on a secured basis by certain German and U.S. subsidiaries of Birkenstock Limited Partner S.à r.l. on a first-priority basis by certain of the assets of Birkenstock Limited Partner S.à r.l. and the guarantors, and on a second-priority basis by the ABL Priority Security.

On May 2, 2023, we made an early partial repayment of \$50.0 million on our USD TLB Facility.

On November 2, 2023, we made an early partial repayment of \$450.0 million on our USD TLB Facility.

### ABL Facility

In connection with the Transaction, we entered into the ABL Facility Agreement, which established a multicurrency asset-based loan facility, which includes sub-facilities for letters of credit and short-term borrowings referred to as swing line borrowings. Borrowings under the ABL Facility are made on a revolving basis and are available in an amount not to exceed the lesser of a maximum of €200,000,000 and the then-applicable borrowing base. As of September 30, 2023, the availability of collateral under the ABL borrowing base amounted to €423.6 million. No amounts were drawn under this facility as of September 30, 2023.

The ABL Facility is guaranteed on a secured basis by certain German and U.S. subsidiaries of Birkenstock Limited Partner S.à r.l. on a first-priority basis by the ABL Priority Security and on a second-lien basis by certain of the assets of Birkenstock Limited Partner S.à r.l. and the guarantors.

### Vendor Loan

In connection with the Transaction, we entered into a subordinated vendor loan agreement with AB-Beteiligungs GmbH for a principal amount of €275,000,000 that bears interest at a rate of 4.37% per annum. Interest is due annually upon the anniversary of the Transaction and at the Company's election may be paid in cash or, if not paid in cash, accrues on each annual interest payment date and is included in the principal amount of the Vendor Loan on and following such interest payment date. The Vendor Loan matures on October 30, 2029, which maturity date may be extended at the Company's election up to three times, with each extension up to six months. The Vendor Loan permits voluntary prepayments to be made and also entitles the

lender to require prepayment of outstanding amounts within a prescribed time period upon a change of control; a sale; or a listing that results in L Catterton ceasing to own, directly or indirectly, more than 35% of the Company's ordinary shares.

On October 16, 2023, we made an early partial repayment of €100.0 million on our Vendor Loan.

#### **Senior Notes and Embedded Derivative**

In connection with the Transaction, we issued €430,000,000 principal amount of senior notes that bear interest at a rate of 5.25% per annum. The Notes will mature on April 30, 2029. In 2022, the Company repurchased €1,500,000 principal amount of Notes in a one-off transaction.

As per the prepayment clause included in the Notes, the Company has recognized this agreement as a hybrid financial instrument which included an embedded derivative. The embedded derivative component was separated from the non-derivative host in the Consolidated Statements of Financial Position at fair value. The changes in the fair value of the derivative financial instrument were recognized in the Consolidated Statements of Comprehensive Income (Loss).

#### **Capital Expenditures**

In fiscal 2024, we expect to invest approximately €150 million of capital expenditures into growing production capacity in our Görlitz and Arouca manufacturing facilities, as well as retail store expansion. These investments are expected to be financed from cash generated through operations.

#### **Off-Balance Sheet Arrangements**

As of the balance sheet dates of September 30, 2023 and September 30, 2022, the Company has not engaged in any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

#### **Effects of Foreign Currency Fluctuations**

##### ***Transactional***

As a result of the geographic diversity of our customers and operations, we generate a significant portion of our revenues and incur a significant portion of our expenses in currencies other than the Euro, including USD, CAD, GBP and, to a lesser extent, various other currencies. As a result of our significant presence in the United States, we are particularly exposed to fluctuations in the exchange rate of the Euro to USD, and a large portion of our current indebtedness is denominated in USD. We are also exposed to currency exchange risks as a result of an increasing mix of revenues invoiced and expenses incurred in local currencies, particularly by our subsidiaries in the U.S. We generally seek to align costs with revenues denominated in the same currency, but we are not always able to do so, and our results of operations and financial condition will continue to be impacted by the volatility of the Euro against the USD. We manage our various currency exposures through economic hedging strategies. We annually evaluate the budgeted exchange rates for the following business year and consider the currency market outlook in determining our overall hedging strategy and activities for the next business year. We adjust our hedging strategies from time to time during the year as needed. Between fiscal 2022 and fiscal 2023, our hedging ratio was between 35% (minimum) and 60% (maximum) of our USD exposure on contracted forecasted sales to our subsidiary in the U.S. We use forward exchange contracts and forward exchange swaps and currency options to hedge our currency risks, most of which have a maturity date of less than one year from the date of initiation. Exchange rate fluctuations, particularly with respect to the exchange rate of the Euro to the USD, have had and are expected to continue to have an impact on the results of our operations. In respect to other monetary assets and liabilities denominated in foreign currencies, we aim to manage our net exposure by buying or selling foreign currencies at spot rates.

### ***Translational***

We report our historical consolidated financial statements in Euro. When translating a subsidiary's respective functional currency into our reporting currency, assets and liabilities of foreign operations, including goodwill, are translated using the exchange rates at the reporting date. Income and expense items are translated using the average exchange rates prevailing during the period. Equity is translated at historical exchange rates. All resulting foreign currency translation differences are recognized in other comprehensive income and accumulated in the foreign currency translation reserve. See Note 3 — *Significant Accounting Policies* to our audited consolidated financial statements included in Item 18 — *Financial Information* of this Annual Report for further discussion on the translational impact of foreign currency.

### **Quantitative and Qualitative Disclosures about Market Risk**

We are exposed to certain market risks arising from transactions in the normal course of our business. Such risk is principally associated with foreign currency risk, interest rate risk and credit risk.

#### ***Credit risk***

Credit risk involves the possibility that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Credit risk arises from the possibility that certain parties will be unable to discharge their obligations. The Company has a significant number of customers which minimizes the concentration of credit risk with a single counterparty. As of September 30, 2023, the Company did not have a concentration of receivables with any customer exceeding 10% of receivables. While the Company actively seeks to insure against credit risk, there can be no assurance that in the future it will be able to obtain credit risk insurance at commercially attractive terms, or at all. The Company currently has credit insurance in Spain, Canada and the US on selected partners.

The Company routinely assesses the financial strength of its customers through a combination of third-party financial reports, credit monitoring, publicly available information, and direct communication with those customers. The Company establishes payment terms with customers to mitigate credit risk and monitors its accounts receivable credit risk exposure.

#### ***Foreign exchange risk***

We operate in several countries and the two major functional currencies in which we transact are Euro and USD. As a result, our financial results could be affected by factors such as changes in foreign currency exchange rates or weak economic conditions in foreign markets. To reduce foreign currency fluctuation exposure, we enter into economic hedging arrangements with forward exchange and option contracts for transactions denominated in USD currency.

Our foreign exchange loss from currency translation was €36.1 million for 2023 and our foreign exchange gain from currency translation was €45.5 million for fiscal 2022. 48% and 48% of our revenues were generated in USD in the United States, which is our largest individual market, for fiscal 2023 and fiscal 2022, respectively. On the expense side, most of our expenses are incurred in Euros because raw materials and semi-finished products are purchased predominantly in Germany or otherwise within the EU and our core products manufactured in Germany.

Based on our USD denominated revenues of \$765.5 million in fiscal 2023, a depreciation of the USD against the Euro from \$1.10 to \$1.20 would result in lower Euro revenues of €58.0 million and corresponding lower Adjusted EBITDA of €42.0 million based on the cost structure of fiscal 2023.

### **Foreign exchange risk on borrowings**

Amounts available for borrowing under the Senior Term Facility and ABL Facility can be drawn in Euros and in USDs. The Company does not need to hedge a portion of its exposure to foreign currency exchange risk on principal and interest payments related to its USD-denominated borrowing under the Senior Facility Agreement due to the natural hedge through the strong cash generation of our US business. Based on our outstanding balances of €737.5 million (\$781.3 million) under the USD-denominated term loan facility as of September 30, 2023, a 10% depreciation in the value of the Euro compared to USD would have resulted in an increase of €81.9 million in our liabilities.

### **Interest rate risk**

Our exposure to interest rate risk is related to our Senior Term Facilities Agreement and ABL-Facility Agreement entered into on April 28, 2021, in connection with the Transaction, which bear interest based on floating reference rates. The loans under the Senior Term Facilities Agreement are denominated in U.S. Dollars and Euros. A one percentage point increase in market interest rates for all currencies in which the Company had cash and borrowings would have a negative effect on net profit (loss) in the amount of €11.6 million and €11.7 million for fiscal 2023 and fiscal 2022, respectively. A one percentage point decrease in market interest rates would have an approximately equal and opposite effect. In order to reduce the risk of increasing interest rates, the Company entered into an interest rate cap contract on June 20, 2023 for the floating-rate Euro debt in the amount of €375.0 million for a term of two years commencing on August 2, 2023. The ABL is currently not utilized and therefore has no impact on interest costs at present.

### **Commodities and raw materials risk**

Our exposure to commodities and raw materials pricing risk is managed through our Internal Sourcing department which is supported by Treasury and through our Sourcing Team reporting to our Chief Product Officer. Our Internal Sourcing department primarily addresses the purchasing in Europe of our Electricity and Gas requirements. The Internal Sourcing department will enter into forward contracts, where economically feasible, for both Gas and Electricity for up to 24 months of projected usage. During times of high price and supply volatility, we may instead choose to make purchases at spot rates until a more orderly market returns. The Sourcing Team evaluates all raw materials inventory components and executes bulk or spot purchases, as required.

### **C. Research and Development, Patents and Licenses**

Not applicable.

### **D. Factors Affecting Performance and Trend Information**

*Our business, results of operations and financial condition have been influenced and will continue to be influenced by the macroeconomic environment and the factors described below.*

#### **Ability to Increase Brand Awareness and Grow Consumer Base**

Our ability to increase brand awareness and grow our consumer base has and will continue to contribute meaningfully to our performance. The function of our products and the power of our brand has enabled us to build our company largely through organic, unpaid sources, including word-of-mouth, repeat buying, earned media and high-profile influencer support, in addition to our 1774 collaborations office. These organic factors support a virtuous cycle of consumer consideration, trial, conversion and repeat purchase. Future growth in our brand awareness will stem from a combination of organic, word-of-mouth marketing, brand collaborations, BIRKENSTOCK content production and disciplined investments in digital marketing.

### ***Product Innovation and Expansion***

The simultaneous innovation within and expansion of our product portfolio has contributed meaningfully to our performance. While we have a large product assortment comprised of over 700 silhouettes, our five iconic *Core Silhouettes*, the *Madrid, Arizona, Boston, Gizeh* and *Mayari*, represent the majority of our revenues. Historically, we have driven revenue growth for a silhouette through color and material innovation, as well as expansion of usage occasions, enabling us to introduce updated and refreshed styles to create trends and drive consumer excitement.

We intend to continue investing in innovation within our product portfolio, as well as the development and introduction of new silhouettes and product categories. We also continue to invest in the orthopedic heritage of our brand, including our recently formed biomechanics team focused on driving new technical innovations. We see significant opportunities to deepen our product reach in functionally-driven footwear categories by creating highly functional products across a variety of usage occasions, including professional, active and outdoor, kids, home and orthopedic. We believe that innovations in these product categories will enable the BIRKENSTOCK brand to reach new consumers, balance seasonality and broaden usage occasions.

### ***Global Growth Through Engineered Distribution***

Our engineered distribution is rooted in the local market intelligence of our sales and commercial organization. The successful execution of regionally tailored market development strategies has and will continue to be a key determinant of our performance. Strategic assessment of, and adaptation to regional channel dynamics, market maturity levels, existing distribution networks and consumer preferences and buying behavior is a hallmark characteristic of our engineered distribution approach.

Our strongest, most developed regions are the Americas, which accounted for 54% of revenues in fiscal 2023, and Europe, which accounted for 35% of revenues, while APMA represented 10% of revenues. APMA has demonstrated considerable growth potential, which historically has not been fully realized because of deliberate decisions to prioritize the Americas and Europe due to finite supply. With increasing available production capacity, we plan to further leverage our engineered distribution strategy in APMA, strategically allocating the right product across the right channels to educate consumers about BIRKENSTOCK and drive brand awareness, which we believe is key to expanding our presence and driving sales in the segment. While doing so, we plan to invest in infrastructure, distribution networks and personnel and marketing.

In the future, we will continue to leverage our engineered distribution model to expand in existing geographies, enter new markets and convert remaining distributor markets, as appropriate. To do so, we will deploy disciplined, regionally tailored approaches, allocating our production capacity across channels, regions and categories in a manner that supports continued growth and profitability.

### ***Ability to Manage Seasonality and Inventory***

Revenues from the sale of our footwear products generally skew towards the warmer months of the calendar year in our key markets, falling in our third and fourth fiscal quarters, ending in June and September, respectively. As a result, we typically build inventory between October and January through a rigorous planning process designed to optimize product availability and mitigate any possible supply and demand mismatch. Furthermore, we continue to diversify the seasonal exposure of our product portfolio by increasing the mix of closed-toe silhouettes, enabling us to serve additional usage occasions year-round.

### ***Sourcing and Supply Chain Management***

Raw materials, other consumables and personnel costs, including temporary personnel services, are our largest cost components. Our primary raw materials include components used for manufacturing uppers and footbeds, such as leather, synthetic materials (such as Birko-Flor, felt and textiles), buckles, cork, rubber, jute, soling sheets for the production of outsoles, EVA and polyurethane. Our exposure to price fluctuations in materials costs and the availability of raw materials, particularly leather, jute and cork, impact our margins

and affect our financial results. We manage exposure to price increases and volatility through long-term relationships with suppliers.

#### **E. Critical Accounting Estimates**

Our consolidated financial statements included elsewhere in this Annual Report have been prepared in accordance with IFRS as issued by the IASB. Management must make certain estimates and assumptions that affect the amounts reported in the financial statements, based on experience, existing and known circumstances, authoritative accounting guidance and pronouncements and other factors that management believes to be reasonable, but actual results could differ materially from these estimates. In line with our significant accounting policies as described in the notes to our consolidated financial statements included elsewhere in this Annual Report, we believe that the following accounting policies and estimates are critical to our business operations and understanding our financial results.

##### ***Share-based compensation expenses***

The cost of share issuances under the Company's management investment plan, an equity-settled share-based compensation plan, is determined by the number of awards expected to vest and their respective fair value at grant date using an appropriate valuation model. The model takes into account, among other things, a self-investment, the development of the Company's ordinary redeemable share price, the equity value, the discount rate, and a historical volatility derived from a peer group. The costs are recognized over the period in which the service and, where applicable, the vesting conditions are fulfilled (vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The grant date fair value, and thus the share-based compensation expense recognized, was particularly sensitive to the discount rate and projected EBITDA margin. A 50 basis points increase or decrease in the discount rate would have resulted in a €16.4 million reduction or €19.4 million increase in share-based compensation expense recognized in fiscal 2023, respectively.

A decrease or increase in the projected terminal value EBITDA margin of 50 basis points would have resulted in a €3.3 million reduction or €3.3 million increase in share-based compensation expense recognized in fiscal 2023, respectively.

##### ***Impairment of non-financial assets (goodwill, intangible assets, and property, plant and equipment)***

We are required to use judgment in determining the grouping of assets to identify their CGUs for the purposes of testing intangible assets, including goodwill, for impairment. Judgment is further required to determine appropriate groupings of CGUs for the level at which goodwill and intangible assets are tested for impairment. For the purpose of goodwill and indefinite-lived intangibles impairment testing, CGUs are grouped at the lowest level at which goodwill and indefinite-lived intangibles are monitored for internal management purposes. The goodwill and indefinite-lived impairment test is executed each year and at interim periods at any time management believes there are indications or evidence of impairment. For the purpose of intangible assets' impairment testing, intangible assets are assessed at the CGU level. In addition, judgment is used to determine whether a triggering event has occurred requiring an impairment test to be completed.

In determining the recoverable amount of a CGU or a group of CGUs, various estimates are employed. We determine value-in-use by applying estimates including projected revenue growth rates, EBITDA margins, costs, capital investment and working capital requirements consistent with strategic plans presented to the Board of Managers of MidCo, as well as discount rates and terminal growth rates. Discount rates are consistent with external industry information reflecting the risk associated with the specific Company and its cash flows.

**Income and other taxes**

The calculation of current and deferred income taxes requires management to make certain judgments regarding the tax rules in jurisdictions where the Company performs activities. Application of judgment is required regarding the classification of transactions and in assessing probable outcomes of claimed deductions including expectations about future operating results, the timing and reversal of temporary differences and possible audits of income tax and other tax filings by the tax authorities in the various jurisdictions in which the Company operates.

In determining the recoverable amount of deferred tax assets, we forecast future taxable income by legal entity and the period in which the income occurs to ensure that sufficient taxable income exists to utilize the attributes. Inputs to those projections are Board-approved financial forecasts and statutory tax rates. We apply significant judgment in identifying uncertainties over income tax treatments and adjust our uncertain tax provisions to be in line with information available. Tax and other provisions are set up for recognizable risks and uncertain liabilities and measured at the settlement amount required in accordance with reasonable commercial judgment.

**Business combinations**

All business combinations are accounted for by applying the acquisition method of accounting which requires measuring the cost of the acquisition and allocating, at the acquisition date, that cost to the assets acquired and liabilities assumed. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their estimated fair values at the acquisition date which is heavily based on management's judgment utilizing assumptions believed to be reasonable, but which are inherently uncertain. As a result, actual results may differ from estimates, which could also result in impairment charges in the future. As an estimate, adjustments to the initial values of the assets acquired and liabilities assumed may be required as additional information becomes available.

Acquisition-related costs are expensed as incurred and included in general administrative expenses.

When we acquire a business, we assess the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date.

**Recent Accounting Pronouncements**

For descriptions of recently issued accounting standards that may potentially impact our financial position and results of operations, refer to Note 3 — *Significant Accounting Policies* to the audited consolidated financial statements included elsewhere in this Annual Report.

## ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

### A. Directors and Senior Management

This section presents information about the directors of Birkenstock Holding plc and our executive officers/presidents of the operating business. The current business addresses for the directors of Birkenstock Holding plc is 1-2 Berkeley Square, London W1J 6EA, UK.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Alexandre Arnault	31	Director
J. Michael Chu	65	Director and Chair
Ruth Kennedy	58	Director
Nisha Kumar	53	Director
Anne Pitcher	67	Director
Nikhil Thukral	52	Director
Oliver Reichert	52	Chief Executive Officer and Director
Dr. Erik Massmann	58	Chief Financial Officer
Markus Baum	49	Chief Product Officer
Klaus Baumann	54	Chief Sales Officer
David Kahan	63	President Americas
Mehdi Nico Bouyakhf	49	President Europe
Jochen Gutzy	53	Chief Communications Officer
Christian Heesch	50	Chief Legal Officer
Mark Jensen	40	Chief Technical Operations Officer

The following is a brief biography of each of our directors and executive officers/presidents:

**Alexandre Arnault** has been a Director since October 2023. Mr. Arnault has been the Executive Vice President of Products and Communications at Tiffany & Co since January 2021. In this role, he develops and implements the company's communications and products strategy. He previously served as CEO of RIMOWA, a company he brought into the LVMH group and whose integration he oversaw for four years. Mr. Arnault has also focused on innovation and technology at LVMH and within the family holding company, Agache. In these roles, Mr. Arnault helped to define and implement a strategy to address the rise of e-commerce in the luxury goods industry. He has also been involved in making and monitoring numerous investments in technology companies in the United States and in Europe. Mr. Arnault graduated from Ecole Telecom ParisTech and holds a master's degree from Ecole Polytechnique. Mr. Arnault previously served on the board of directors of Carrefour. He brings to our board of directors his expertise in fashion, retail, technology and e-commerce.

**J. Michael Chu** has been a Director since April 2021 (including service as a director of MidCo) and is the chair of our board of directors. Mr. Chu has served as the Global Co-Chief Executive Officer and the co-founder of L Catterton since 1989. Mr. Chu also serves on the boards of directors of various portfolio investments of the L Catterton funds. Prior to forming L Catterton, Mr. Chu held a variety of senior positions with First Pacific Company, a Hong Kong-based publicly listed investment and management company, which he joined in 1983. His positions at First Pacific included Vice President and Corporate Treasurer, First Pacific (Hong Kong); Director of Finance, Hagemeyer N.V. (Netherlands); Vice President and Treasurer, Hibernia Bank (San Francisco); Chief Operating Officer, Comtrad, Inc. (New York); and Chief Operating Officer, Doyle Graf Raj (New York), an advertising firm. Mr. Chu graduated with a B.A. with highest honors in Psychology and Economics from Bates College, where he served for 18 years as a member of its Board of Trustees. He is also a member of the Committee of 100, the leading Chinese-American philanthropic organization.

**Ruth Kennedy** has been a Director since September 2023. Ms. Kennedy has worked as a consultant in the luxury brand, retail and hospitality consultancy sectors since 2012. Ms. Kennedy currently serves as a Non-Executive Director to Daylesford Organic Limited, Bamford Limited and Value Retail plc (The Bicester Village Shopping Collection). From 2012, Ms. Kennedy served on the board of directors for Belmond Limited,

a luxury hospitality business which was sold to LVMH in 2019, where she was also the Chair of the Nominating & Governance Committee. From 1990 to 2006, Ms. Kennedy served as the Managing Director for David Linley & Co Limited, a furniture and homeware company. Ms. Kennedy's early career included serving as an investment banker at SG Warburg & Co Limited, an investment banking firm, from 1987 to 1990. In 2021, Ms. Kennedy was appointed Chair of the UCL Global Business School for Health Advisory Board and was awarded Honorary Fellowships at both UCL and the University of Cambridge Judge Business School. In 2009, Ms. Kennedy founded the Louis Dundas Centre for Children's Palliative Care at Great Ormond Street Hospital and is a Patron of the Elton John AIDS Foundation. Ms. Kennedy received her L.L.B. from University of London (SOAS).

**Nisha Kumar** has been a Director since October 2023. Ms. Kumar served as the Managing Director, Chief Financial Officer and Chief Compliance Officer of Greenbriar Equity Group L.P., a private equity firm, from 2011 to 2021, where she was also a member of the management and investment committees. Prior to Greenbriar, Ms. Kumar served as Executive Vice President and Chief Financial Officer of AOL, the multi-billion dollar global consumer internet company and a reporting division of Time Warner, Inc. Ms. Kumar currently serves on the boards of directors and chairs the audit committees for RealTruck, a premier vertically integrated truck, Jeep® and off-road parts and accessories company in North America, the Legg Mason Partners Closed End Funds, owned by Franklin Templeton, and EPIC Acquisition Corp. She also serves on the board of directors for The India Fund, managed by Aberdeen Asset Management, where she is a member of the audit and nominating committees. Ms. Kumar received her AB degree, magna cum laude, from Harvard and Radcliffe Colleges in Government and her MBA from Harvard Business School.

**Anne Pitcher** has been a Director since October 2023. Ms. Pitcher has worked within the retail, luxury fashion and department store sectors since 1976. Ms. Pitcher currently serves as a director for Wittington Investments Limited (Holt Renfrew), National Gallery Group and Berry Brothers and Rudd. Ms. Pitcher was previously Managing Director of Selfridges Group from 2019 to 2022 and as Managing Director at Selfridges & Co. from 2015 through 2019. From 2004 to 2019, she served as Buying and Merchandising Director at Selfridges & Co. While Ms. Pitcher served at Selfridges, it was voted "Best Department Store in the World" by the Intercontinental Group of Department Stores on four consecutive occasions, which was a record in the history of the award. Ms. Pitcher also spearheaded the development of the Buying Better, Inspiring Change strategy, to forge a sustainable vision for Selfridges, which was awarded The Best Sustainability Campaign by a department store at The Global Department Store Summit in 2016. Prior to her time at Selfridges, Ms. Pitcher held positions at both Harvey Nichols and Harrods.

**Nikhil Thukral** has been a Director since April 2021 (including service as a director of MidCo). Mr. Thukral is a Managing Partner at L Catterton focused on the Buyout fund and has been with L Catterton since 2004. Prior to joining L Catterton, he was a Vice President at MidOcean Partners, a New York and London based private equity firm. Prior to MidOcean, Mr. Thukral spent three years with DB Capital Partners, the private equity arm of Deutsche Bank and the predecessor entity to MidOcean. While at MidOcean and DB Capital, he helped originate, evaluate, and monitor both control and minority investments in middle market companies in the consumer products and general industrial sectors. Prior to joining DB Capital, Mr. Thukral was an Associate in the Healthcare group at JP Morgan and Co., where he focused primarily on mergers and acquisitions and capital raising mandates for clients in the pharmaceutical and healthcare services sectors. Mr. Thukral graduated with a B.S. in Finance with High Honors from the University of Illinois at Urbana Champaign, and received his M.B.A. from the University of Chicago.

**Oliver Reichert** was appointed the Chief Executive Officer of the BIRKENSTOCK Group in 2013 and has been a Director since April 2021 (including service as a director of MidCo). Mr. Reichert is the first top manager from outside of the Birkenstock family to head the long-standing BIRKENSTOCK Group. Mr. Reichert has been with the BIRKENSTOCK Group since 2009 when Christian Birkenstock invited him to lead the transitional process from a loose group of 38 single entities with different shareholder and management structures into the BIRKENSTOCK Group in 2012. Since 2013, he has been leading the company as Chief Executive Officer. Mr. Reichert is the creative mastermind behind our unique success and growth story, the driving force behind our transformation and innovation, and our supreme brand ambassador and brand custodian. Prior to joining the

Company, Mr. Reichert held various positions at Deutsches Sportfernsehen (currently Sport1), including as a reporter and then as Chief Executive Officer between 2006 and 2009.

**Dr. Erik Massmann** was appointed Chief Financial Officer of the BIRKENSTOCK Group in 2023 and oversees the BIRKENSTOCK Group's Finance and Human Resources Departments. Mr. Massmann brings 30 years of professional experience to the job, including more than 20 years as Chief Financial Officer in various companies and industries. Mr. Massmann started his career in the corporate finance department of DG Bank AG. After being appointed the Chief Financial Officer of the software company IBS AG in 2001, he joined CompuGroup Medical AG in 2003 and served as Chief Financial Officer until 2009, being responsible for finance, corporate controls, HR and investor relations having led its initial public offering process in 2007. Personal&Informatik AG followed in 2010 until he joined Sportradar AG in 2014, a sports technology company. In 2020, Mr. Massmann joined the online fashion brand Oceans Apart, before joining BIRKENSTOCK in November 2022. Mr. Massmann graduated with a Diploma from the Freie Universität Berlin, where he also received his Doctorate in Economic and Political Sciences in 2003.

**Markus Baum** was appointed Chief Product Officer of the BIRKENSTOCK Group in 2019, where he is responsible for making sure all of BIRKENSTOCK's products are created in line with our fundamental functionality principles — maintaining the highest quality standards. Prior to his current appointment, Mr. Baum served as Global Director for Product Creation for the BIRKENSTOCK Group from 2017 to 2019. The step-up saw Mr. Baum additionally assuming responsibilities for the sourcing of materials and group quality management and of the BIRKENSTOCK Group's product engineering as well as overseeing the brand's efforts around bolstering its sustainability credentials. Starting his career with Roland Berger Strategy Consultants as Project Manager (1999-2003), Mr. Baum moved into the footwear arena with Adidas, where he worked in Sales, Brand and Product Management and other positions from 2003 to 2013, growing into key leadership roles in Europe. Afterwards he joined Jack Wolfskin's Footwear Division as a Director, where he served from 2013 to 2017. Mr. Baum graduated from the University of Cologne with a degree in business administration (*Diplom-Kaufmann*).

**Klaus Baumann** runs the BIRKENSTOCK Group's global sales operation. He was appointed Chief Sales Officer of the BIRKENSTOCK Group in 2015. He remains close to all global and brand-relevant themes, both viewing how products perform in markets across the world and organizing matters around new business fields, pricing and planning. Mr. Baumann also leads BIRKENSTOCK 1774, the BIRKENSTOCK Group's creative and innovation hub which shapes the name for the exclusive line of design collaborations with exceptional contemporary designers such as DIOR and Manolo Blahnik, forming a new type of creative exchange and a unique way to bring new products to BIRKENSTOCK's global market. A footwear aficionado, Mr. Baumann formerly worked with Spanish footwear brand Camper as Country Manager Northern Europe and in various other positions for 17 years before joining Birkenstock in 2015. Prior to his time at Camper, Mr. Baumann worked as Sales Manager for the Deutschland, Austria, Confœderatio Helvetica (Switzerland) ("DACH") market at Eightball Distribution. Mr. Baumann holds a Professional School degree in engineering.

**David Kahan** was appointed President Americas in 2013, and for more than a decade he has helped steer the BIRKENSTOCK Group to success in the Americas through his spirited leadership, passion for the footwear industry and keen understanding of the Company's values. Since taking up the post of President of BIRKENSTOCK Americas in June 2013, Mr. Kahan has championed the Made-in-Germany BIRKENSTOCK product in the region through collaborations with important retailers, in turn boosting brand recognition and helping sales increase. Mr. Kahan, whose previous postings include a key position with Reebok in the United States, has made bold decisions to achieve success for the BIRKENSTOCK Group. A lover of sneaker culture, Mr. Kahan has built up a strong array of contacts thanks to his decades in the industry. From beginning his career journey in the footwear department at retailer Macy's to working with Reebok across major collaborations, Mr. Kahan's love for the industry has never wavered. Mr. Kahan graduated with a Bachelor of Science from the State University of New York.

**Mehdi Nico Bouyakhf** was appointed President Europe in May 2021 and is responsible for business in the BIRKENSTOCK Group's second largest region. The role is a multi-faceted one, which sees him overseeing

distribution (DTC and wholesales partnerships), brand and merchandising management, finance and human resources in a dynamic context across the culturally diverse European continent. In this position, Mr. Bouyakhf, who joined the BIRKENSTOCK Group in May 2021, deals with 3,500 wholesale partners and manages distribution across 20 countries, with operating teams, offices and showrooms in more than 10 nations. With Germany being the territory where the BIRKENSTOCK brand originated, Mr. Bouyakhf understands the importance of the country as a key market but is also pursuing ambitious growth targets across the entire region. Mr. Bouyakhf previously worked with Nike for almost 20 years.

**Jochen Gutzy** was appointed Chief Communications Officer of the BIRKENSTOCK Group in March 2023. With extensive experience as a communications executive, he has played a key role in growing the BIRKENSTOCK Group's respected public image over the years. The economist and former journalist conceptualizes and executes the brand's comprehensive global communications strategy. Being an expert in dealing with growth, innovation, change and crisis, he joined the BIRKENSTOCK Group in June 2013 as Head of Corporate Communications and has been involved in the transformation of the BIRKENSTOCK Group. Mr. Gutzy spent a considerable part of his professional life at BIRKENSTOCK, barring an 18-month period where he took the reins at L'Oréal as Director of Corporate Communications for Germany and Austria. Returning to the BIRKENSTOCK Group in 2021, his tenure in his executive communications position has seen him guide the brand through the major acquisition from the LVMH-backed L Catterton that same year. Mr. Gutzy graduated with a masters degree in economics from the University of Hohenheim.

**Christian Heesch** was appointed Chief Legal Officer of the BIRKENSTOCK Group in March 2023, where he oversees the complete legal framework that the BIRKENSTOCK brand operates under internationally, managing all affairs in this section of the business. Currently a member of the BIRKENSTOCK Group's executive team, Mr. Heesch provides legal guidance to the Chief Executive Officer and senior management on matters ranging from IP law and compliance to commercial law including global distribution deals, sales and supply contracts, international litigation, labor law and all other legal matters. Mr. Heesch, who leads a global team of lawyers and legal experts, was previously one of the BIRKENSTOCK Group's external legal counsel. He joined the Company in February 2021 as Director of Legal after a successful career from 2003 to December 2022 as an equity partner at Duvinage Rechtsanwaltsgesellschaft mbH, a respected Munich-based boutique law firm, which specializes in the field of sports and media industry, startups and celebrities. During his time at Duvinage Rechtsanwaltsgesellschaft mbH, he helped clients across a broad range of matters, offering guidance on everything from corporate and labor law to advertising and licensing agreements, as well as work for the BIRKENSTOCK Group, a long-term client of Duvinage Rechtsanwaltsgesellschaft mbH. Mr. Heesch successfully completed his law studies at the Universities of Kiel and Hamburg with the second state exam.

**Mark Jensen** was appointed Chief Technical Operations Officer of the BIRKENSTOCK Group in August 2021. Mr. Jensen brings a wealth of experience and ambition to his role and orchestrates the Company's manufacturing and logistics sites and multiple external suppliers, aiding them in delivering manufacturing inventory to the BIRKENSTOCK Group that meets our high production standards. Mr. Jensen is responsible for more than 4,000 staff members, maintaining a positive working culture throughout the operations sphere. Mr. Jensen gained extensive management experience running major production operations for a period of over 13 years in Asia and beyond with the footwear brand Ecco, where he held various production and technical director roles in Thailand, Indonesia and Vietnam and worked as a General Manager in China. Mr. Jensen studied business administration and management at the University of Leicester, where he graduated with a degree in economics. He also studied global business at Nottingham Trent University, where he graduated with a post-graduate diploma degree in management.

## **B. Compensation Principles of the Compensation of the Board of Directors and Executive Management**

### ***Compensation of Directors and Senior Management***

For the fiscal year ended September 30, 2023, the aggregate compensation accrued or paid to members of our board of directors for services in all capacities was €20.4 thousand.

For the fiscal year ended September 30, 2023, the aggregate compensation accrued or paid to members of senior management for services in all capacities was €74.22 million. The amount set aside or accrued by us to provide pension, retirement or similar benefits to members of senior management amounted to a total of €0.73 million for the fiscal year ended September 30, 2023.

#### ***Post-IPO Compensation of Non-Employee Directors***

The Company pays each non-employee director, other than J. Michael Chu and Nikhil Thukral, \$125,000 per year of cash compensation and provides them with an annual equity grant issued under the Equity Plan consisting of restricted share units with a grant date value of \$75,000 for their service on our board of directors. Further, the Company pays an additional \$25,000 per year to the chair of the audit committee. There are no arrangements in place providing for additional benefits upon termination of office.

#### ***Management Investment Plan***

Certain members of senior management (including the executive officers) were provided an opportunity to acquire an indirect ownership interest in the Company through investments in ManCo in accordance with the management investment plan. ManCo was established to be a management ownership vehicle holding an ownership interest in MidCo. Members of senior management purchased interests in ManCo. No distributions will be made to holders of ManCo interests; however, upon a qualifying exit event (including an IPO), the partnership interests in ManCo may be converted into shares of the public listed entity. The converted shares will be subject to certain retention and disposition restrictions. We expect that the partnership interests in ManCo held by certain members of senior management will be converted into ordinary shares of the Company at or following expiration or release of the lock-up agreement entered into simultaneously with our IPO. The ordinary shares of the Company to be received by such members of senior management are currently outstanding and owned by MidCo, and no ordinary shares of the Company will be issued in connection with the conversion of the partnership interests in ManCo.

#### ***Annual Incentive Plan***

Members of senior management are generally eligible to receive a discretionary annual cash bonus based on achievement of pre-determined performance criteria. Performance goals are set annually and generally relate to corporate performance goals and individual goals.

#### **Senior Management Service and Employment Agreements**

##### ***Mr. Reichert Service Agreement***

We entered into a service agreement with Oliver Reichert effective May 1, 2021 pursuant to which he serves as the Company's Chairman and Chief Executive Officer (since 2013). The service agreement entitles Mr. Reichert to receive an annual base salary and annual bonus based on achievement of certain performance goals, as well as certain employee benefits, such as providing or reimbursing the cost of certain insurance and use of a company car. In the event of a good leaver termination, Mr. Reichert is entitled to certain benefits for a certain period following termination of his service agreement. Mr. Reichert is subject to certain restrictive covenants, including perpetual confidentiality and a one-year post-termination non-compete and non-solicit.

##### ***Dr. Massmann, Mr. Baum, Mr. Baumann, Mr. Bouyakhf, Mr. Gutzy, Mr. Heesch and Mr. Jensen Employment Agreements***

We entered into an employment agreement with Mr. Erik Massmann effective February 15, 2023, pursuant to which Mr. Massmann serves as the Chief Financial Officer of the Company. We entered into an employment agreement with Markus Baum effective July 1, 2019, pursuant to which Mr. Baum serves as the Company's Chief Product Officer, overseeing all product creation, design and development. We entered into an employment agreement with Klaus Baumann effective October 1, 2016, pursuant to which Mr. Baumann serves as the Company's Chief Sales Officer, overseeing the 1774 collaboration business and managing the

Company's regional operations in the APMA region. We entered into an employment agreement with Mehdi Nico Bouyakhf effective May 1, 2021, pursuant to which Mr. Bouyakhf currently serves as President Europe, overseeing all aspects of the Company's European Region. We entered into an employment agreement with Jochen Gutzy effective April 1, 2021, pursuant to which Mr. Gutzy currently serves as the Chief Communications Officer of the Company. We entered into an employment agreement with Christian Heesch effective March 1, 2021, pursuant to which Mr. Heesch currently serves as the Chief Legal Officer for the Company. We entered into an employment agreement with Mark Jensen effective August 1, 2021, pursuant to which Mr. Jensen serves as the Company's Chief Technical Operations Officer, overseeing the Company's owned factories, production and logistics operations.

The employment agreements entitle Mr. Massmann, Mr. Baum, Mr. Baumann, Mr. Bouyakhf, Mr. Gutzy, Mr. Heesch and Mr. Jensen to receive an annual base salary and annual bonus based on certain performance criteria. They are entitled to receive certain contributions by the Company to their respective health care plans and to a company car. The employment agreements can be terminated by either party with, in the case of Mr. Massmann, Mr. Baum, Mr. Bouyakhf, Mr. Gutzy, Mr. Heesch and Mr. Jensen, six months' notice and, in the case of Mr. Baumann, nine months' notice. The employment agreements subject Mr. Massmann, Mr. Baum, Mr. Baumann, Mr. Bouyakhf, Mr. Gutzy, Mr. Heesch and Mr. Jensen to certain restrictive covenants, including confidentiality and a two-year post-termination non-solicit.

#### ***Mr. Kahan Employment Agreement***

We entered into an employment agreement with David Kahan on June 1, 2013, as amended on May 27, 2016 and on February 17, 2021 and restated on May 31, 2023, pursuant to which Mr. Kahan serves as President Americas. Mr. Kahan's employment ends on September 30, 2027, unless terminated earlier in accordance with the agreement. The employment agreement entitles Mr. Kahan to receive an annual base salary and annual bonuses based on achievement of certain performance goals. Mr. Kahan is entitled to participate in the Company's health care plan and to a car allowance. In the event of a good leaver termination, Mr. Kahan is entitled to deferred compensation per an agreement dated May 29, 2019 and restated on May 31, 2023. The employment agreement also subjects Mr. Kahan to certain restrictive covenants, including perpetual confidentiality and a one-year post-termination non-compete and non-solicit.

#### ***2023 Equity Incentive Plan***

In connection with the IPO, the Company adopted the 2023 Omnibus Incentive Plan (the "Equity Plan"), pursuant to which employees, consultants and non-employee directors of our Company and our affiliates performing services for us, including our executive officers, are eligible to receive awards. The Equity Plan provides for the grant of share options (in the form of either non-qualified share options ("NSOs") or incentive share options ("ISOs")), share appreciation rights ("SARs"), restricted shares, restricted share units ("RSUs"), performance awards, other share-based awards, cash awards and substitute awards intended to align the interests of participants with those of our shareholders.

#### ***Securities Offered***

Subject to adjustment in the event of certain transactions or changes of capitalization in accordance with the Equity Plan, a total of 11,269,535 ordinary shares of the Company ("ordinary shares") was reserved for issuance pursuant to awards under the Equity Plan. No more than 11,269,535 ordinary shares under the Equity Plan may be issued pursuant to ISOs. Ordinary shares subject to an award that expires or is canceled, forfeited or otherwise terminated without delivery of shares, shares tendered in payment of an option, shares covered by a share-settled SAR or other award that were not issued upon settlement, and shares delivered or withheld to satisfy any tax withholding obligations will again be available for delivery pursuant to other awards under the Equity Plan.

### *Administration*

The Equity Plan is administered by a committee of our board of directors that has been authorized to administer the Equity Plan, except if no such committee is authorized by our board of directors, our board of directors will administer the Equity Plan (as applicable, the "Committee"). As of September 30, 2023, our board of directors administered the Equity Plan. The Committee has broad discretion to administer the Equity Plan, including the power to determine the eligible individuals to whom awards will be granted, the number and type of awards to be granted and the terms and conditions of awards. The Committee may also accelerate the vesting or exercise of any award and make all other determinations and to take all other actions necessary or advisable for the administration of the Equity Plan. To the extent the Committee is not our board of directors, our board of directors will retain the authority to take all actions permitted by the Committee under the Equity Plan.

### *Eligibility*

Employees, consultants and non-employee directors of our company and its affiliates are eligible to receive awards under the Equity Plan.

### *Non-Employee Director Compensation Limits*

Under the Equity Plan, in a single fiscal year, a non-employee director may not be granted awards for such individual's service on our board of directors having a value in excess of \$750,000 (except that, for any year in which a non-employee director first commences services on the Board, serves on a special committee of the Board or serves as lead director or chairperson of the Board, this limit is \$1,000,000). This limit does not apply to awards settled in cash.

### *Types of Awards*

*Options.* We may grant options to eligible persons, except that ISOs may only be granted to persons who are our employees or employees of one of our parents or subsidiaries, in accordance with Section 422 of the Code. The exercise price of an option cannot be less than 100% of the fair market value of an ordinary share on the date on which the option is granted and the option must not be exercisable for longer than ten years following the date of grant. However, in the case of an incentive option granted to an individual who owns (or is deemed to own) at least 10% of the total combined voting power of all classes of our equity securities, the exercise price of the option must be at least 110% of the fair market value of an ordinary share on the date of grant and the option must not be exercisable more than five years from the date of grant.

*SARs.* A SAR is the right to receive an amount equal to the excess of the fair market value of one ordinary share on the date of exercise over the grant price of the SAR. The grant price of a SAR cannot be less than 100% of the fair market value of an ordinary share on the date on which the SAR is granted. The term of a SAR may not exceed ten years. SARs may be granted in connection with, or independent of, other awards. The Committee has the discretion to determine other terms and conditions of an SAR award.

*Restricted Share Awards.* A restricted share award is a grant of ordinary shares subject to the restrictions on transferability and risk of forfeiture imposed by the Committee. Unless otherwise determined by the Committee and specified in the applicable award agreement, the holder of a restricted share award has rights as a shareholder, including the right to vote the ordinary shares subject to the restricted share award or to receive dividends on the ordinary shares subject to the restricted share award during the restriction period. The Committee may determine on what terms and conditions the participant will be entitled to dividends payable on the Restricted Shares.

*Restricted Share Units.* A RSU is a right to receive cash, ordinary shares or a combination of cash and ordinary shares at the end of a specified period equal to the fair market value of one ordinary share on the date of vesting. RSUs may be subject to the restrictions, including a risk of forfeiture, imposed by the Committee. The Committee may determine that a grant of RSUs will provide a participant a right to receive

dividend equivalents, which entitles the participant to receive the equivalent value (in cash or ordinary shares) of dividends paid on the underlying ordinary shares. Dividend equivalents may be paid currently or credited to an account, settled in cash or shares, and may be subject to the same restrictions as the RSUs with respect to which the dividend equivalents are granted.

*Performance Awards.* A performance award is an award that vests and/or becomes exercisable or distributable subject to the achievement of certain performance goals during a specified performance period, as established by the Committee. Performance awards may be granted alone or in addition to other awards under the Equity Plan, and may be paid in cash, ordinary shares, other property or any combination thereof, in the sole discretion of the Committee.

*Other Share-Based Awards.* Other share-based awards are awards denominated or payable in, valued in whole or in part by reference to, or otherwise based on or related to, the value of our ordinary shares.

*Cash Awards.* Cash awards may be granted on a free-standing basis or as an element of, a supplement to, or in lieu of any other award.

*Substitute Awards.* Awards may be granted under the Equity Plan in substitution for similar awards held for individuals who become participants as a result of a merger, consolidation or acquisition of another entity by or with the Company or one of our affiliates.

#### *Certain Transactions*

If any change is made to our capitalization, such as a share split, share combination, share dividend, exchange of share or other recapitalization, merger or otherwise, which results in an increase or decrease in the number of outstanding ordinary shares, appropriate adjustments will be made by the Committee in the shares subject to an award under the Equity Plan. The Committee also has the discretion to make certain adjustments to awards in the event of a change in control of the Company, such as the assumption or substitution of outstanding awards, the purchase of any outstanding awards in cash based on the applicable change in control price, the ability for participants to exercise any outstanding share options, SARs or other share-based awards upon the change in control (and if not exercised such awards will be terminated) and the acceleration of vesting or exercisability of any outstanding awards.

#### *Clawback*

All awards granted under the Equity Plan are subject to reduction, cancellation or recoupment under any written clawback policy that we may adopt, as well as any applicable law related to clawback, cancellation, recoupment, rescission, payback reduction or other similar actions.

#### *Plan Amendment and Termination*

The Board or the Committee may amend or terminate any award, award agreement or the Equity Plan at any time, provided that the rights of a participant granted an award prior to such amendment or termination may not be impaired without such participant's consent. In addition, shareholder approval will be required for any amendment to the extent necessary to comply with applicable law or exchange listing standards. The Committee will not have the authority, without the approval of shareholders, to amend any outstanding option or share appreciation right to reduce its exercise price per share. The Equity Plan will remain in effect for a period of ten years (unless earlier terminated by our board of directors).

#### *Non-U.S. Participants*

The Committee may modify award terms, establish subplans and/or adjust other terms and conditions of awards, subject to the share limits described above, in order to facilitate grants of awards subject to the laws and/or stock exchange rules of countries outside of the United States.

## **Employee Share Purchase Plan**

The Company adopted the 2023 Employee Share Purchase Plan (the "Employee Share Purchase Plan"). The following is a summary of the material features of the Employee Share Purchase Plan.

### *Purpose of the Employee Share Purchase Plan*

The purpose of the Employee Share Purchase Plan is to provide employees of the Company and its participating subsidiaries with the opportunity to purchase ordinary shares of the Company at a discount through accumulated payroll deductions during successive offering periods. We believe that the Employee Share Purchase Plan enhances such employees' sense of participation in our performance, aligns their interests with those of our shareholders, and is a powerful incentive and retention tool that would benefit our shareholders. The summary below, including the section titled "*Material U.S. Federal Income Tax Consequences*" describes the component of the plan that is intended to qualify under the provisions of Section 423 of the Code, and the administrator is authorized to provide separate offerings that are not intended to be qualified under Section 423 of the Code, which will be set forth in any supplements to or sub-plans of the Employee Share Purchase Plan to be adopted by the administrator and designed to comply with tax and securities laws and achieve other objectives for participants whose rights to make purchases under the Employee Share Purchase Plan are not intended to be qualified under Section 423 of the Code.

### *Eligibility and Administration*

The board of directors, as the administrator of the Employee Share Purchase Plan, administers and has authority to interpret the terms of the Employee Share Purchase Plan and determine eligibility of participants. The Company's board of directors may designate certain of the Company's subsidiaries as participating "designated subsidiaries" in the Employee Share Purchase Plan and may change these designations from time to time. Employees of the Company and its participating designated subsidiaries are eligible to participate in the Employee Share Purchase Plan if they meet the eligibility requirements under the Employee Share Purchase Plan established from time to time by the administrator. However, an employee may not be granted rights to purchase shares under the Employee Share Purchase Plan if such employee, immediately after the grant, would own (directly or through attribution) shares possessing 5% or more of the total combined voting power or value of all classes of shares of the Company or any of its subsidiaries.

Eligible employees become participants in the Employee Share Purchase Plan by enrolling and authorizing payroll deductions by the deadline established by the administrator prior to the first day of the applicable offering period. Non-employee directors and consultants are not eligible to participate in the Employee Share Purchase Plan. Employees who choose not to participate, or are not eligible to participate at the start of an offering period but who become eligible thereafter, may enroll in any subsequent offering period.

### *Shares Available for Awards*

A total of 3,756,511 ordinary shares are reserved for issuance under the Employee Share Purchase Plan. The number of shares subject to the Employee Share Purchase Plan may be adjusted for changes in our capitalization and certain corporate transactions, as described below under the heading "*Adjustments*." We cannot precisely predict the Company's share usage under the Employee Share Purchase Plan as it will depend on a range of factors including the level of the Company's employee participation, the contribution rates of participants, the trading price of ordinary shares and future hiring activity by the Company.

### *Participating in an Offering*

*Offering Periods and Purchase Periods.* Ordinary shares would be offered to eligible employees under the Employee Share Purchase Plan during offering periods. Offering periods under the Employee Share Purchase Plan commence when determined by the administrator. The length of an offering period under the Employee Share Purchase Plan is determined by the administrator and may be up to 27 months long.

Employee payroll deductions are used to purchase ordinary shares on the exercise date of an offering period. The exercise date for each offering period is the final trading day in the offering period. The administrator may, in its discretion, modify the terms of future offering periods.

*Enrollment and Contributions.* The Employee Share Purchase Plan permits participants to purchase ordinary shares through payroll deductions. The administrator will establish for each offering period the maximum percentage of each participant's eligible compensation as of each payroll date that may be deducted for purchase of ordinary shares under the Employee Share Purchase Plan. The administrator will establish the maximum number of shares that may be purchased by a participant during any offering period. In addition, no employee is permitted to accrue the right to purchase shares at a rate in excess of \$25,000 worth of ordinary shares during any calendar year.

*Purchase Rights.* On the first trading day of each offering period, each participant is automatically granted an option to purchase ordinary shares. The option expires on the last trading day of the applicable offering period and is exercised at that time to the extent of the payroll deductions accumulated during the offering period. Any remaining balance is carried forward to the next offering period unless the participant has elected to withdraw from the Employee Share Purchase Plan, as described below, or has ceased to be an eligible employee.

*Purchase Price.* The purchase price of the ordinary shares under the Employee Share Purchase Plan, in the absence of a contrary designation by the administrator, is 85% of the lower of the fair market value of ordinary shares on the first trading day of the offering period or on the final trading day of the offering period. The fair market value per ordinary share under the Employee Share Purchase Plan generally is the closing sales price of an ordinary share on the date for which fair market value is being determined, or if there is no closing sales price for an ordinary share on the date in question, the closing sales price for an ordinary share on the last preceding date for which such quotation exists.

*Withdrawal and Termination of Employment.* Participants may voluntarily end their participation in the Employee Share Purchase Plan at any time during an offering period prior to the end of the offering period by delivering written notice to the Company, and can elect to either (i) be paid their accrued payroll deductions that have not yet been used to purchase ordinary shares or (ii) exercise their option at the end of the applicable offering period, and then be paid any remaining accrued payroll deductions. Participation in the Employee Share Purchase Plan ends automatically upon a participant's termination of employment and any remaining accrued payroll deductions in the participant's account will be paid to such participant following such termination.

#### *Adjustments*

In the event of certain transactions or events affecting the ordinary shares, such as any share split, reverse share split, share dividend, combination or reclassification of the ordinary shares, or any other increase or decrease in the number of ordinary shares effected without receipt of consideration by the Company, the administrator will make equitable adjustments to the Employee Share Purchase Plan and outstanding rights under the Employee Share Purchase Plan. In addition, in the event of a proposed sale of all or substantially all of the assets of the Company, the merger of the Company with or into another company, or other transaction as set forth by the administrator in an offering document, each outstanding option will be assumed or an equivalent option will be substituted by the successor entity or a parent or subsidiary of the successor entity. If the successor entity or a parent or subsidiary of the successor entity refuses to assume or substitute outstanding options, any offering periods then in progress will be shortened with a new exercise date prior to the proposed sale or merger. The administrator will notify each participant in writing at least 10 business days prior to such new exercise date that the exercise date has been changed and the participant's option will be automatically exercised on such new exercise date. Further, in the event of a proposed dissolution or liquidation of the Company, any offering periods then in progress will be shortened with a new exercise date prior to the proposed dissolution or liquidation, and the administrator will notify each participant in writing in a similar manner as described above.

### *Foreign Participants*

As noted above, the administrator may provide special terms, establish supplements to, or amendments, restatements or alternative versions of the Employee Share Purchase Plan that are not intended to qualify under the provisions of Section 423 of the Code, subject to the share limits described above, in order to facilitate grants of awards subject to the laws and/or share exchange rules of countries outside of the United States.

### *Transferability*

A participant may not transfer rights granted under the Employee Share Purchase Plan other than by will or the laws of descent and distribution, and such rights are generally exercisable only by the participant.

### *Plan Amendment and Termination*

Our board of directors may amend, suspend or terminate the Employee Share Purchase Plan at any time and from time to time. However, shareholder approval must be obtained for any amendment that increases the aggregate number or changes the type of shares that may be sold pursuant to rights under the Employee Share Purchase Plan, changes the designation or class of employees who are eligible to participate in the Employee Share Purchase Plan or changes the Employee Share Purchase Plan in any way that would cause the Employee Share Purchase Plan to no longer be an “employee stock purchase plan” under Section 423(b) of the Code.

## **C. Board Practices**

### **Board of Directors**

Our board of directors is composed of seven members. The authorized number of directors may be changed by resolution of our board of directors, subject to the terms of the shareholders’ agreement described in “Item 7. Major Shareholders and Related Party Transactions—Related Party Transactions—Shareholders’ Agreement.” In accordance with our Articles of Association, our directors are divided into three classes serving staggered three-year terms. At each annual meeting of shareholders, our directors will be elected to succeed the class of directors whose terms have expired. Our directors are divided among the three classes as follows:

- the Class I directors consist of J. Michael Chu and Anne Pitcher, and their terms will expire at the first annual meeting of shareholders occurring after our IPO;
- the Class II directors consist of Nisha Kumar and Nikhil Thukral, and their terms will expire at the second annual meeting of shareholders occurring after our IPO; and
- the Class III directors consist of Alexandre Arnault, Ruth Kennedy and Oliver Reichert, and their terms will expire at the third annual meeting of shareholders occurring after our IPO.

Directors in a particular class will be elected for three-year terms at the annual meeting of shareholders in the year in which their terms expire. As a result, only one class of directors will be elected at each annual meeting of our shareholders, with the other classes continuing for the remainder of their respective three-year terms. Each director’s term continues until the election and qualification of their successor, or their earlier death, resignation, retirement, disqualification or removal.

### **Audit Committee**

Our audit committee is responsible for, among other matters: (1) appointing, compensating, retaining, evaluating, terminating and overseeing our independent registered public accounting firm; (2) discussing with our independent registered public accounting firm its independence from us; (3) reviewing with our

independent registered public accounting firm the matters required to be reviewed by applicable auditing requirements; (4) approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm; (5) overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the interim and annual financial statements that we file with the SEC; (6) reviewing and monitoring our internal controls, disclosure controls and procedures and compliance with legal and regulatory requirements; (7) designing and implementing our internal audit function and overseeing the internal audit function after its establishment; (8) discussing our policies with respect to risk assessment and risk management (including regarding cybersecurity compliance, risk and mitigation strategies); and (9) establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls, auditing and federal securities law matters.

Our audit committee consists of Ruth Kennedy, Nisha Kumar, Anne Pitcher and Nikhil Thukral, with Nisha Kumar serving as chairperson. Rule 10A-3 of the Exchange Act and NYSE rules require us to have one independent audit committee member upon the listing of our ordinary shares on the NYSE, a majority of independent directors within 90 days of the date of listing and all independent audit committee members within one year of the date of listing. We intend to comply with the independence requirements within the time periods specified. Our board of directors has determined that each of Ruth Kennedy, Nisha Kumar, Anne Pitcher and Nikhil Thukral is an "audit committee financial expert" as defined by applicable SEC rules. Our board of directors has adopted a written charter for the audit committee, which is available on our website.

#### **D. Employees**

One of our strongest assets is our human capital. We look for talented people who share our values of accountability, responsiveness, excellence, teamwork, respect and integrity. We are proud of our unique company culture, where ideas, innovation, collaboration and personal development are essential. We believe our brand, culture and employees are central to our success and our ability to attract, develop, motivate and retain highly skilled talent.

As of September 30, 2023, we employed approximately 6,300 individuals including approximately 5,300 full-time equivalent employees worldwide and approximately 800 contingent workers, primarily at our production sites in Germany. Of the 5,300 full-time employees, approximately 270 were employed in our corporate-owned stores, 170 were employed in distribution (logistics), 3,600 were employed in production and the remaining approximate 1,300 performed selling, general, administrative and other functions. We have a broad and diverse team, which was 55% female in total with more than 85 different nationalities represented as of September 30, 2023.

We are subject to, and comply with, local labor law requirements in all countries in which we operate. We have a group work council in the Birkenstock Group B.V. & Co. KG and five works councils established at production sites in Germany. We do not have any labor unions in the U.S. We do not currently foresee a shortage in the number of qualified personnel needed to operate our business. For more information, see "Item 3. Key Information—D. Risk Factors."

#### **E. Share Ownership**

Ownership of the Company's shares by its directors and executive officers as of November 30, 2023 is set forth in "Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders" of this Annual Report.

#### **F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation**

Not applicable.

## ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

### A. Major Shareholders

#### Security Ownership

The following table presents information relating to the beneficial ownership of our ordinary shares by:

- each person, or group of affiliated persons, known by us to own beneficially 5% or more of our outstanding ordinary shares; and
- each of our executive officers and directors.

The number of ordinary shares beneficially owned by each entity, person, executive officer or director is determined in accordance with the rules of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any ordinary shares over which the individual has sole or shared voting power or investment power as well as any such ordinary shares that the individual has the right to acquire within 60 days of November 30, 2023 through the exercise of any option or other right. Except as otherwise indicated, and subject to applicable community property laws, we believe that the persons named in the table have sole voting and investment power with respect to all ordinary shares held by that person based on information provided to us by such person.

The percentage of outstanding ordinary shares beneficially owned is based on 187,825,592 ordinary shares issued and outstanding as of November 30, 2023. Ordinary shares that a person has the right to acquire within 60 days of November 30, 2023 are deemed outstanding for purposes of computing the percentage ownership of the person holding such rights, but are not deemed outstanding for purposes of computing the percentage ownership of any other person, except with respect to the percentage ownership of all executive officers and directors as a group. Unless otherwise indicated below, the business address for each beneficial owner is 1-2 Berkeley Square, London W1J 6EA, UK.

Name of Beneficial Shareholder	Shares Beneficially Owned	
	Ordinary Shares	% of Ordinary Shares
<b>5% or Greater Shareholders:</b>		
Entities affiliated with L Catterton(1)	152,279,882	81.1%
Financière Agache SA(2)	10,352,863	5.5%
<b>Directors and Executive Officers(3):</b>		
Alexandre Arnault	—	—
J. Michael Chu(1)	152,279,882	81.1%
Ruth Kennedy	—	—
Nisha Kumar	—	—
Anne Pitcher	—	—
Nikhil Thukral	—	—
Oliver Reichert	—	—
Dr. Erik Massmann	—	—
Markus Baum	—	—
Klaus Baumann	—	—
David Kahan	—	—
Mehdi Nico Bouyakhf	—	—
Jochen Gutzy	—	—
Christian Heesch	—	—
Mark Jensen	—	—

\* Less than 1%

- (1) Consists of ordinary shares held by BK LC Lux MidCo S.à r.l., a *société à responsabilité limitée* incorporated under the laws of the Grand Duchy of Luxembourg. The management of BK LC Lux MidCo S.à r.l. is controlled by BK LC Lux SCA. BK LC Lux GP S.à r.l. is the general partner of BK LC Lux SCA. The management of BK LC Lux GP S.à r.l. is controlled by LC9 Caledonia AIV GP, LLP. LC9 Caledonia AIV GP, LLP is managed by its members, Catterton Caledonia 1 Limited and Catterton Caledonia 2 Limited. The management of each of Catterton Caledonia 1 Limited and Catterton Caledonia 2 Limited is controlled by its directors, J. Michael Chu and Scott A. Dahnke. As such, Messrs. Chu and Dahnke could be deemed to share voting and dispositive power with respect to the shares held by BK LC Lux MidCo S.à r.l. Messrs. Chu and Dahnke each disclaim beneficial ownership of such shares. The address of the entities and individuals mentioned in this footnote is 599 West Putnam Avenue, Greenwich, CT 06830.
- (2) Consists of ordinary shares held by Financière Agache SA, a company organized in France as a *société anonyme* ("Financière Agache"). Financière Agache is controlled by Agache SCA, a company organized in France as a *société en commandite par actions* with Bernard Arnault and Agache Commandité SAS as its *associés commandités* (similar to General Partners) ("Agache"). Bernard Arnault, an individual ("Mr. Arnault"), is the *gérant* (similar to a Managing General Partner) of Agache. Agache is controlled by Agache Commandité SAS, a company organized in France as a *société par actions simplifiée* ("Agache Commandité"). The principal executive office of Financière Agache is 11, rue François 1er, 75008 Paris, France. The principal executive office of Agache, Mr. Arnault and Agache Commandité is 41, avenue Montaigne, 75008 Paris, France. This information is based on a Schedule 13G filed with the SEC on October 18, 2023.
- (3) Each of the executive officers owns an indirect interest in the Company through investments in ManCo in accordance with the management investment plan. We expect that the partnership interests in ManCo will be converted into ordinary shares of the Company at or following expiration or release of the lock-up agreement with the Representatives as described in our final prospectus dated October 10, 2023, filed with the SEC on October 12, 2023, at which time the executive officers will obtain beneficial ownership in the ordinary shares of the Company received upon such conversion.

### **Significant Changes in Ownership**

On October 13, 2023, the Company completed an IPO on the New York Stock Exchange. In connection with the IPO, the Company issued and sold 10,752,688 ordinary shares, and MidCo sold 21,505,376 ordinary shares.

On October 13, 2023, the Company granted RSUs to certain of our non-employee directors with a grant date value of \$75,000 for their service on our board of directors. These RSUs will vest 100% on the earlier of (i) October 13, 2024 and (ii) the next annual shareholder meeting, so long as the RSU grantees provide services to the Company or an affiliate of ours until the vesting date. Refer to "Item 6. Directors, Senior Management and Employees—B. Compensation Principles of the Compensation of the Board of Directors and Executive Management" in this Annual Report.

On October 10, 2023, the Company entered into a tax receivable agreement with MidCo in consideration for the repurchase of 5,648,465 ordinary shares of the Company from MidCo.

On April 30, 2021, the Company completed the Transaction. For additional information regarding the Transaction, including details of the consideration transferred and the fair values of assets acquired and liabilities assumed, refer to "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Factors Affecting Comparability of Financial Information—The Transaction" and Note 6 — Business Combinations to the audited consolidated financial statements appearing elsewhere in this Annual Report.

According to a Schedule 13G filed with the SEC on October 18, 2023, Financière Agache SA beneficially owns more than 5% of our ordinary shares. To our knowledge, and based on Section 13 filings with the SEC, other than as disclosed in the table above, our other filings with the SEC and this Annual Report, there have been no other significant changes in the percentage ownership held by any major shareholder during the past three years.

### **Holder**

As of November 30, 2023, we had 6 shareholders of record. We estimate that as of November 30, 2023, approximately 98% of our outstanding ordinary shares were held by 5 U.S. shareholders of record.

## **B. Related Party Transactions**

*The following is a description of certain related party transactions we have entered into since October 1, 2022 with any of our executive officers, directors or their affiliates and holders of more than 5% of our ordinary shares in the aggregate, which we refer to as related parties, other than compensation arrangements which are described under "Item 6. Directors, Senior Management and Employees—B. Compensation Principles of the Compensation of the Board of Directors and Executive Management."*

L Catterton Management Company LLC, an entity controlled by our Principal Shareholder, and certain of its subsidiaries (collectively, "L Catterton Management") have provided management and other services to us. In fiscal 2023 we paid an aggregate of €0.4 million in consulting fees to L Catterton Management.

We maintain a long-term business relationship related to the production of advertising content with a modeling agency owned by a family member of our Chief Executive Officer. In fiscal 2023 we paid a gross remuneration including modelling fees of €0.2 million to such modeling agency.

We provide certain management services to Ockenfels Group GmbH & Co. KG ("Ockenfels"), an entity managed by our Chief Executive Officer and controlled by the Predecessor Shareholders. In fiscal 2023 we received an aggregate of €15 thousand from Ockenfels for such services.

We also lease certain administrative buildings from Ockenfels. In fiscal 2023 we paid an aggregate of €0.5 million to Ockenfels for such leases. For additional information refer to Note 32 — *Related Party Disclosures* of the financial statements included as part of this Annual Report.

### **Related Party Transaction Policy**

Under our related party transaction policy, our audit committee is responsible for reviewing and approving related party transactions. In the course of its review and approval of related party transactions, our audit committee will consider all relevant facts and circumstances to decide whether to approve such transactions. In particular, our policy requires our audit committee to take the following considerations into account, among other factors it deems appropriate: whether the transaction was undertaken in the ordinary course of business of the Company; whether the related party transaction was initiated by the Company or the related party; the availability of other sources of comparable products or services; whether the transaction with the related party is proposed to be, or was, entered into on terms no less favorable to the Company than terms that could have been reached with an unrelated third-party or with employees generally; the purpose of, and the potential benefits to the Company of, the related party transaction; the impact on a director's independence in the event that the related party is a director, an immediate family member of a director or an entity in which a director is a partner, shareholder (or equivalent) or member of senior management; if there was a competitive bidding process and the results thereof; the approximate dollar value of the amount involved in the related party transaction, particularly as it relates to the related party; the importance, nature and extent of the interest (financial or otherwise) and involvement of the related party in the related party transaction and any other information regarding the related party transaction or the related party that would be material to investors in light of the circumstances of the particular transaction.

The audit committee may only approve those transactions that are in, or are not inconsistent with, our best interests and those of our shareholders, as the audit committee determines in good faith.

### **Tax Receivable Agreement**

We expect to be able to utilize certain tax attributes that were created by the prior acquisition of the BIRKENSTOCK Group in 2021 by our pre-IPO owner, MidCo. These tax attributes would not be available to us in the absence of our pre-IPO owner's prior acquisition of the BIRKENSTOCK Group and will reduce the amount of tax that we would otherwise be required to pay in the future. In connection with this offering, we have entered into the TRA with the TRA Participants (who initially shall be solely MidCo) in respect of those anticipated tax savings in consideration for the repurchase of certain shares of the Company from MidCo. The

following discussion describes the material terms of the TRA and is qualified in its entirety by the full text of the TRA, a copy of which is filed as an exhibit to this Annual Report.

In general, we are required to pay to the TRA Participants (who initially shall be solely MidCo) in respect of MidCo's stock ownership of Birkenstock prior to this offering payments equal to 85% of the savings, if any, in (a) U.S. federal, state or local income tax, and (b) German income tax and trade tax, in each case, that we actually realize (or are deemed to realize in certain circumstances, including as a result of certain assumptions) as a result of (i) certain U.S. tax attributes, principally including amortization and depreciation deductions (and the reduction of taxable gain attributable to tax basis in certain assets) and carryforwards of disallowed interest expense under Section 163(j) of the Code, and (ii) certain German tax attributes, principally including amortization deductions (and the reduction of taxable gain attributable to tax basis in certain assets), in the case of clause (i) and (ii), available to the Company and its subsidiaries on the IPO Date (calculated by assuming that the taxable year of the relevant member of the BIRKENSTOCK Group closed at the end of the IPO Date) (such tax attributes, collectively, the "TRA Tax Attributes"). Under the TRA, generally, we will retain the benefit of the remaining 15% of the applicable tax savings.

Our actual utilization of the TRA Tax Attributes, as well as the timing of any payments under the TRA, will vary depending upon a number of factors, including the amount, character and timing of our and our subsidiaries' taxable income in the future. Payments under the TRA are not conditioned on the TRA Participants' ownership or continued ownership of ordinary shares (other than the initial TRA Participant's ownership of ordinary shares prior to our IPO). In addition, the TRA will provide for interest, at a rate equal to SOFR plus 3.00% per annum, accrued from the due date (without extensions) of the IRS Form 1120 or applicable German income tax return or trade tax return for the applicable taxable year until the date of payment specified by the TRA. Payments under the TRA will be based on the tax reporting positions that we determine, consistent with the terms of the TRA. No TRA Participant will be required under any circumstances to make a payment or return a payment to Birkenstock in respect of any portion of any payments previously made to such TRA Participant under the TRA; if it is determined that excess payments have been made under the TRA, certain future payments, if any, otherwise to be made under the TRA will be reduced. As a result, in certain circumstances, including, for example, if a previously claimed deduction is subsequently disallowed, payments could be made under the TRA in excess of the benefits that we actually realize in respect of the TRA Tax Attributes.

The terms of the TRA, in certain circumstances, including an early termination, certain changes of control, or breaches of any material obligations under it (such as a failure to make any payment when due, subject to a specified cure period), provide for our obligations under the TRA to accelerate and become payable in a lump sum amount equal to the present value of the anticipated future tax benefits calculated based on certain assumptions, including that we would have at such time sufficient taxable income to fully utilize the TRA Tax Attributes. Additionally, if we or any of our subsidiaries transfers any asset to a corporation with which we do not file a consolidated or combined tax return for applicable tax purposes, we will be treated as having sold that asset in a taxable transaction for purposes of determining certain amounts payable pursuant to the TRA. Similarly, in the event of a divestiture of any of our subsidiaries directly or indirectly resulting in a transfer of TRA Tax Attributes, the terms of the TRA provide for obligations under the TRA in respect of such transferred TRA Tax Attributes to accelerate and become payable in a lump sum amount equal to the present value of the anticipated future tax benefits with respect to such TRA Tax Attributes calculated based on the same assumptions applicable to the calculation of accelerated payment obligations in the circumstances described above (e.g., in the case of an early termination, certain changes of control, or breaches of any of our material obligations under the TRA). Further, although we do not believe that payments to MidCo under the TRA are subject to withholding tax, in case any such withholding tax were determined to apply, the Company could be liable for the taxes which should have been withheld, plus any applicable interest and penalties. As a result of the foregoing, (a) we could be required to make payments under the TRA that are greater than or less than the specified percentage of the actual tax savings we realize in respect of the TRA Tax Attributes and (b) we may be required to make an immediate lump sum payment equal to the present value of the anticipated future tax savings, which payment may be made years in advance of the actual realization of such future benefits, if any such benefits are ever realized. In these situations, our obligations under the TRA could

have a substantial negative impact on our liquidity and could have the effect of adversely affecting our working capital and growth, and of delaying, deferring or preventing certain mergers, asset sales, other forms of business combinations or other changes of control.

Because we are a holding company with no operations of our own, our ability to make payments under the TRA is dependent on the ability of our subsidiaries to make distributions to us. The TRA may in certain cases restrict our and our subsidiaries' ability to enter into any agreement or indenture that would restrict or encumber our ability to make payments under the TRA. Such restrictions could create significant restrictions on our subsidiaries in obtaining financing. To the extent that we are unable to make payments under the TRA, and such inability is a result of the terms of debt documents, such payments will be deferred and will accrue interest at a rate of SOFR plus 3.00% per annum until paid. There can be no assurance that we will be able to finance our obligations under the TRA in a manner that does not adversely affect our working capital and growth requirements.

#### ***Employment Agreements***

We have entered into employment agreements with all of our executive officers. For more information, see "Item 6. Directors, Senior Management and Employees—B. Compensation Principles of the Compensation of the Board of Directors and Executive Management—Senior Management Service and Employment Agreements."

#### ***Indemnification Agreements***

We have entered into indemnification agreements with our executive officers and directors. The indemnification agreements and our Articles of Association require us to indemnify our executive officers and directors to the fullest extent permitted by law.

#### ***Registration Rights Agreement***

We have entered into a Registration Rights Agreement with MidCo, which is controlled by our Principal Shareholder, in connection with our IPO, pursuant to which we granted it and its affiliates the right, under certain circumstances and subject to certain restrictions, to require us to register our ordinary shares under the Securities Act. All of the ordinary shares owned by MidCo will be subject to the Registration Rights Agreement. Under the Registration Rights Agreement, MidCo will be able to require us to file a registration statement under the Securities Act. MidCo may issue an unlimited number of demand registration requests. Additionally, MidCo will be able to require us to pursue an underwritten offering, block trade or bought deal pursuant to a shelf registration to sell our equity securities. Under the Registration Rights Agreement, if at any time we propose or will be required to register any of our equity securities under the Securities Act, we will be required to notify each eligible holder of its right to participate in such registration. We will use best efforts to cause all eligible securities requested to be included in the registration in accordance with the Registration Rights Agreement to be so included. The Registration Rights Agreement also provides that we will pay certain expenses relating to such registrations and indemnify certain parties against certain liabilities that may arise under the Securities Act. All fees, costs and expenses of registrations, other than underwriting discounts and commissions, are expected to be borne by us. This summary describes the material terms of the Registration Rights Agreement and is qualified in its entirety by the provisions of the Registration Rights Agreement, a copy of which is filed as an exhibit to this Annual Report.

#### ***Shareholders' Agreement***

We have entered into a Shareholders' Agreement with MidCo, which is controlled by our Principal Shareholder, in connection with our IPO. The Shareholders' Agreement provides MidCo with certain rights with respect to the designation of directors to serve on our board of directors. As set forth in the Shareholders' Agreement, for so long as MidCo beneficially owns at least a majority of our ordinary shares, it will be entitled to designate for nomination a majority of our board of directors. When MidCo beneficially owns less than a majority but at least 5% of our ordinary shares, it will be entitled to designate for nomination a number of

directors in proportion to its ownership of our ordinary shares, rounded up to the nearest whole person. No board member designated in connection with the Shareholders' Agreement will be required to immediately tender their resignation upon the loss of the right to designate members by MidCo, and each such director may continue to serve until the end of their then current term. The board member designation rights pursuant to the Shareholders' Agreement will have the effect of making it more difficult for shareholders to change the composition of our board of directors. Under the Shareholders' Agreement, we have agreed, subject to certain exceptions, to indemnify MidCo, and various affiliated persons and their respective equityholders from certain losses arising out of any threatened or actual litigation by reason of the fact that the indemnified person is or was a holder of our ordinary shares. This summary describes the material terms of the Shareholders' Agreement and is qualified in its entirety by the provisions of the Shareholders' Agreement, a copy of which is filed as an exhibit to this Annual Report.

***Commercial Transactions with L Catterton and Portfolio Companies of L Catterton***

L Catterton and its affiliates have ownership interests in a broad range of companies. We have entered and may in the future enter into commercial transactions in the ordinary course of our business with some of these companies, including the purchase of goods and services. None of these transactions or arrangements has been or is expected to be material to us.

**C. Interests of Experts and Counsel**

Not applicable.

## **ITEM 8. FINANCIAL INFORMATION**

### **A. Consolidated Statements and Other Financial Information**

See "Item 18—Financial Statements".

#### **Legal Proceedings**

We are subject to litigation from time to time in the ordinary course of business. We are not currently involved in any legal proceedings that, either individually or in the aggregate, are expected to have a material adverse effect on our business or financial position. See "Item 3. Key Information—D. Risk Factors—Risks Related to Legal, Regulatory and Taxation Matters—We are subject to the risk of litigation and other claims."

#### **Dividends and Dividend Policy**

We have never declared or paid cash dividends on our share capital. We currently intend to retain all available funds and future earnings, if any, to fund the development and expansion of our business, and we do not anticipate paying any cash dividends in the foreseeable future. Any future decisions regarding the declaration and payment of dividends will be at the discretion of our board of directors and will depend on then-existing conditions, including our financial condition, results of operation, contractual restrictions, capital requirements, business prospects and other factors our board of directors may deem relevant.

### **B. Significant Changes**

No significant changes, other than as otherwise described in this Annual Report, have occurred in our operations since the date of our financial statements included in this Annual Report.

## **ITEM 9. THE OFFER AND LISTING**

### **A. Offer and Listing Details**

Birkenstock Holding plc's ordinary shares have been listed on the NYSE under the symbol "BIRK" since October 11, 2023. Prior to that date, there was no public trading market for our ordinary shares.

### **B. Plan of Distribution**

Not applicable.

### **C. Markets**

See "Item 9. The Offer and Listing—A. Offer and Listing Details" above.

### **D. Selling Shareholders**

Not applicable.

### **E. Dilution**

Not applicable.

### **F. Expenses of the Issue**

Not applicable.

## ITEM 10. ADDITIONAL INFORMATION

### A. Share Capital

Not applicable.

### B. Memorandum and Articles of Association

When we refer to our articles of association in this Annual Report, we refer to our amended and restated memorandum of association and amended and restated articles of association dated as of October 13, 2023, a copy of which is filed as Exhibit 1.1 to this Annual Report. The information required by this Item is set forth in Exhibit 2.1 to this Annual Report and is incorporated by reference into this Annual Report.

#### Comparison of Delaware Corporate Law and Jersey Corporate Law

Jersey companies are governed by the Jersey Companies Law. The Jersey Companies Law differs from laws applicable to Delaware corporations and their shareholders. For comparison purposes, set forth below is a summary of some significant differences between the laws applicable to companies incorporated in the State of Delaware and the provisions of the Jersey Companies Law applicable to the Company.

---

#### DELAWARE CORPORATE LAW

---

#### JERSEY CORPORATE LAW

---

##### ***Mergers and similar arrangements; Appraisal rights***

Under the Delaware General Corporation Law, with certain exceptions, a merger, consolidation, sale, lease or transfer of all or substantially all of the assets of a corporation must be approved by the board of directors and a majority of the outstanding shares entitled to vote thereon. A shareholder of a Delaware corporation participating in certain major corporate transactions may, under certain circumstances, be entitled to appraisal rights pursuant to which such shareholder may receive cash in the amount of the fair value of the shares held by such shareholder (as determined by a court) in lieu of the consideration such shareholder would otherwise receive in the transaction. The Delaware General Corporation Law also provides that a parent corporation, by resolution of its board of directors, may merge with any subsidiary, of which it owns at least 90.0% of each class of capital stock, without a vote by the shareholders of such subsidiary. Upon any such merger, dissenting shareholders of the subsidiary would have appraisal rights.

A sale or disposal of all or substantially all of the assets of a Jersey company must be approved by the board of directors and, only if the articles of association of the company require, by the shareholders in a general meeting. A merger involving a Jersey company must be generally documented in a merger agreement which must be approved by special resolution (being a two-thirds majority, if the articles of association of the company do not specify a greater majority) of shareholders of that company.

There are no appraisal rights under the Jersey Companies Law.

##### ***Shareholders' suits***

Class actions and derivative actions generally are available to shareholders of a Delaware corporation for, among other things, breach of fiduciary duty, corporate waste and actions not taken in accordance with applicable law. In such actions, the court has discretion to permit the winning party to recover attorneys' fees incurred in connection with such action.

Under Article 141 of the Jersey Companies Law, a shareholder may apply to court for relief on the ground that the conduct of a company's affairs, including a proposed or actual act or omission by a company, is "unfairly prejudicial" to the interests of shareholders generally or of some part of shareholders, including at least the shareholder making the application.

There may also be customary law personal actions available to shareholders. Under Article 143 of the Jersey Companies Law (which sets out the types of relief a court may grant in relation to an action brought under Article 141 of the Jersey Companies Law), the court may make an order regulating the affairs of a company, requiring a company to refrain from doing or continuing to do an act complained of, authorizing civil proceedings and providing for the purchase of shares by a company or by any of its other shareholders.

***Shareholder vote on board and management compensation***

Under the Delaware General Corporation Law, the board of directors has the authority to fix the compensation of directors, unless otherwise restricted by the certificate of incorporation or bylaws.

Subject to restrictions in the Company's Articles of Association, the board of directors may set the compensation of directors and members of management.

***Annual vote on board renewal***

Unless directors are elected by written consent in lieu of an annual meeting, directors are elected in an annual meeting of shareholders on a date and at a time designated by or in the manner provided in the bylaws. Re-election is possible.

Unless otherwise stated in the Company's Articles of Association, directors of Jersey companies may be elected at any meeting of shareholders including the annual general meeting. Re-election is possible.

Classified boards are permitted.

Classified boards are permitted.

***Indemnification of directors and executive officers and limitation of liability***

The Delaware General Corporation Law provides that a certificate of incorporation may contain a provision eliminating or limiting the personal liability of directors and officers of the corporation for monetary damages for breach of a fiduciary duty as a director or officer, except no provision in the certificate of incorporation may eliminate or limit the liability of a director or officer for:

- any breach of the duty of loyalty to the corporation or its shareholders;
- acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- statutory liability for unlawful payment of dividends or unlawful share purchase or redemption; or
- any transaction from which the director or officer derived an improper personal benefit.

A Delaware corporation may indemnify any person who was or is a party or is threatened to be made a party to any proceeding, other than an action by or on behalf of the corporation, because the person is or

The Jersey Companies Law does not contain any provision permitting Jersey companies to limit the liabilities of directors for breach of fiduciary duty.

However, a Jersey company may exempt from liability, and indemnify directors and officers, for liabilities:

- incurred in defending any civil or criminal legal proceedings where:
- judgment is given in the person's favor or the person is acquitted;
- the proceedings are discontinued other than by reason of such person (or someone on their behalf) giving some benefit or suffering some detriment; or
- the proceedings are settled on terms that such person (or someone on their behalf) gives some benefit or suffers some detriment but in the opinion of a majority of the disinterested directors, the person was substantially successful on the merits in the person's resistance to the proceedings;

was a director or officer, against liability incurred in connection with the proceeding if the director or officer acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the corporation; and the director or officer, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Unless ordered by a court, any foregoing indemnification is subject to a determination that the director or officer has met the applicable standard of conduct:

- by a majority vote of the directors who are not parties to the proceeding, even though less than a quorum;
- by a committee of directors designated by a majority vote of the eligible directors, even though less than a quorum;
- by independent legal counsel in a written opinion if there are no eligible directors, or if the eligible directors so direct; or
- by the shareholders.

Moreover, a Delaware corporation may not indemnify a director or officer in connection with any proceeding in which the director or officer has been adjudged to be liable to the corporation unless and only to the extent that the court determines that, despite the adjudication of liability but in view of all the circumstances of the case, the director or officer is fairly and reasonably entitled to indemnity for those expenses which the court deems proper.

#### ***Directors' fiduciary duties***

A director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components:

- the duty of care; and
- the duty of loyalty.

The duty of care 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, and disclose to shareholders, 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

• incurred to anyone other than to the company if the person acted in good faith with a view to the best interests of the company;

• incurred in connection with an application made to the court for relief from liability for negligence, default, breach of duty or breach of trust under Article 212 of the Jersey Companies Law in which relief is granted to the person by the court; or

• incurred in a case in which the company normally maintains insurance for persons other than directors.

Under the Jersey Companies Law, a director of a Jersey company, in exercising the director's powers and discharging the director's duties, has a duty to

- act honestly and in good faith with a view to the best interests of the company; and
- exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Customary law is also an important source of law in the area of directors' duties in Jersey as it expands upon and provides a more detailed understanding of the general duties and obligations of directors. The Jersey courts view English common law as highly persuasive in this area.

use his or her corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, 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 interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, a director must prove the procedural fairness of the transaction, and that the transaction was of fair value to the corporation.

In summary, the following duties will apply as manifestations of the general fiduciary duty under the Jersey Companies Law: a duty to act in good faith and in what he or she bona fide considers to be the best interests of the company; a duty to exercise powers for a proper purpose; a duty to avoid any actual or potential conflict between his or her own and the company's interests; and a duty to account for profits and not take personal profit from any opportunities arising from his or her directorship, even if he or she is acting honestly and for the good of the company. However, the articles of association of a company may permit the director to be personally interested in arrangements involving the company (subject to the requirement to have disclosed such interest).

#### ***Shareholder action by written consent***

A Delaware corporation may, in its certificate of incorporation, eliminate the right of shareholders to act by written consent.

If permitted by the articles of association of a company, a written consent signed and passed by the specified majority of members may affect any matter that otherwise may be brought before a shareholders' meeting, except for the removal of a company's auditors. Such consent shall be deemed effective when the instrument, or the last of several instruments, is signed by the specified majority of members or on such later date as is specified in the resolution.

The Company's Articles of Association state that at any time that our Principal Shareholder owns at least 40% of the Company's voting power, shareholders are permitted to take action by written consent if approved by a majority of the voting power of the Company, or two-thirds of the voting power of the Company, when required by Jersey law. At any time that our Principal Shareholder owns less than 40%, shareholder action by written consent is not permitted and shareholder approval may only occur at an annual or special meeting of shareholders.

#### ***Shareholder proposals; Special meetings of shareholders***

A shareholder of a Delaware corporation has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents.

A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

The Jersey Companies Law does not provide for a shareholder right to put a proposal before the shareholders at the annual general meeting.

Shareholders holding 10% or more of a Jersey company's voting rights and entitled to vote at the relevant meeting may legally require such company's directors to call a meeting of shareholders. The JFSC may, at the request of any officer, secretary or shareholder, call or direct the calling of an annual general meeting. Failure to call

an annual general meeting in accordance with the requirements of the Jersey Companies Law is a criminal offence on the part of a Jersey company and its directors and secretary.

#### ***Cumulative voting***

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation provides for it.

There are no provisions in the Jersey Companies Law relating to cumulative voting.

#### ***Removal of directors***

A director of a Delaware corporation with a classified board may be removed only for cause with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.

There is no statutory right under Jersey Companies Law for shareholders to nominate, appoint or remove directors of a company.

If provided for in the articles of association, a director may be removed from office by the holders of ordinary shares by special resolution or other threshold only for "cause" (as defined in the articles of association). In addition, a director may be removed from office by the board of directors by resolution made by the board of directors for "cause" if the articles of association provide for such a right. The Company's articles of association do not permit removal of a director by the other directors.

#### ***Transactions with interested directors***

Interested director transactions are permissible and may not be legally voided if:

- either a majority of disinterested directors, or a majority in interest of holders of shares of the corporation's capital stock entitled to vote upon the matter, approves the transaction upon disclosure of all material facts; or
- the transaction is determined to have been fair as to the corporation as of the time it is authorized, approved or ratified by the board of directors, a committee thereof or the shareholders.

An interested director must disclose to the company the nature and extent of any interest in a transaction with the company, or one of its subsidiaries, which to a material extent conflicts or may conflict with the interests of the company and of which the director is aware.

Failure to disclose an interest entitles the company or a shareholder to apply to the court for an order setting aside the transaction concerned and directing that the director account to the company for any profit.

A transaction is not voidable and a director is not accountable notwithstanding a failure to disclose an interest if the transaction is confirmed by special resolution of shareholders and the nature and extent of the director's interest in the transaction are disclosed in reasonable detail in the notice calling the meeting at which the resolution is passed.

Although it may still order that a director account for any profit, a court will not set aside a transaction unless it is satisfied that the interests of third parties who have acted in good faith would not thereby be unfairly prejudiced and the transaction was not

reasonable and fair in the interests of the company at the time it was entered into.

#### **Transactions with interested shareholders**

The Delaware General Corporation Law generally prohibits a Delaware corporation from engaging in certain business combinations with an "interested shareholder" for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or group who or which owns or owned 15.0% or more of the corporation's outstanding voting shares within the past three years.

This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

The Jersey Companies Law has no comparable provision. As a result, a Jersey company cannot avail itself of the types of protections afforded by the Delaware business combination statute. However, although Jersey law does not regulate transactions between a company and its significant shareholders, as a general matter, such transactions must be entered into bona fide in the best interests of the company and not with the effect of constituting a fraud on the minority shareholders.

#### **Dissolution; Winding up**

Unless the board of directors of a Delaware corporation approves the proposal to dissolve, dissolution must be approved by shareholders holding 100.0% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board.

Under the Jersey Companies Law, a Jersey company may be voluntarily dissolved, liquidated or wound up by a special resolution of the shareholders. In addition, a company may be wound up by the courts of Jersey if the court is of the opinion that it is just and equitable to do so or that it is expedient in the public interest to do so.

Alternatively, a creditor with a claim against a Jersey company of not less than £3,000 may apply to the Royal Court of Jersey for the property of that company to be declared *en désastre* (being the Jersey law equivalent of a declaration of bankruptcy). Such an application may also be made by the Jersey company itself without having to obtain any shareholder approval.

#### **Variation of rights of shares**

A Delaware corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise.

Under Jersey law, the rights attached to any class of shares may only be varied (unless otherwise provided in the articles of association or by the terms of issue of that class) with the written consent of the holders of two-thirds of the shares of such class or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class.

Our Articles of Association state that the rights attached to any class (unless otherwise provided by the terms of issue of that class), such as voting, dividends and the like, may be varied with the sanction of an ordinary resolution passed at a separate general meeting of the holders of the shares of that class.

#### ***Amendment of governing documents***

A Delaware corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.

The memorandum of association and the articles of association of a Jersey company may only be amended by special resolution (being a two-thirds majority if the articles of association of the company do not specify a greater majority) passed by shareholders in general meeting or by written resolution (if not prohibited by the articles of association) signed by either all the shareholders entitled to vote or, if authorized by the articles of association, the specified majority (being a two-thirds majority if the articles of association of the company do not specify a greater majority).

#### ***Blank check preferred stock/shares***

A Delaware corporation's certificate of incorporation may give the board of directors the right to issue new classes of preferred shares with voting, conversion dividend distribution, and other rights to be determined by the board of directors at the time of issuance, which could prevent a takeover attempt and thereby preclude shareholders from realizing a potential premium over the market value of their shares.

Subject to the restrictions in our Articles of Association, our Articles of Association give the board of directors the right to provide for other classes of shares, including series of preferred shares, out of the authorized but unissued share capital, which could be utilized for a variety of corporate purposes, including future offerings to raise capital for corporate purposes or for use in employee benefit plans.

In addition, Delaware law does not prohibit a corporation from adopting a shareholder rights plan, or "poison pill," which could prevent a takeover attempt and also preclude shareholders from realizing a potential premium over the market value of their shares.

Where the United Kingdom City Code on Takeovers and Mergers does not apply to a company, Jersey law does not prohibit a company from adopting a shareholder rights plan, or "poison pill," which could prevent a takeover attempt and also preclude shareholders from realizing a potential premium over the market value of their shares.

#### ***Inspection of books and records***

Shareholders of a Delaware corporation, upon written demand under oath stating the purpose thereof, have the right during the usual hours for business to inspect for any proper purpose, and to obtain copies of list(s) of shareholders and other books and records of the corporation and its subsidiaries, if any, to the extent the books and records of such subsidiaries are available to the corporation.

The register of shareholders and books containing the minutes of general meetings or of meetings of any class of shareholders of a Jersey company must during business hours be open to the inspection of a shareholder of the company without charge.

The register of directors and secretaries must during business hours (subject to such reasonable restrictions as the company may by its articles of association or in general meeting impose, but so that not less than two hours in each business day be allowed for inspection) be open to the inspection of a

shareholder or director of the company without charge.

#### **Payment of dividends**

The board of directors may approve a dividend without shareholder approval. Subject to any restrictions contained in its certificate of incorporation, the board may declare and pay dividends upon the shares of its capital stock either:

- out of its surplus; or
- in case there is no such surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

Shareholder approval is required to authorize capital stock in excess of that provided in the charter. Directors may issue authorized shares without shareholder approval.

Subject to restrictions in the Company's Articles of Association, under Jersey Companies Law, a Jersey company may make a distribution at any time and out of any source (other than the nominal capital account or capital redemption reserve) provided that the directors of the company who authorize the distribution make a solvency statement in the prescribed form confirming that they have formed the opinion that immediately following the date on which the distribution is proposed and for a 12 month period thereafter the company will be able to discharge its liabilities as they fall due.

Likewise, authorizing directors must also make a statutory solvency statement in the event of redeeming or purchasing the company's shares.

#### **Creation and issuance of new shares**

All creation of shares requires the board of directors to adopt a resolution or resolutions, pursuant to authority expressly vested in the board of directors by the provisions of the company's certificate of incorporation.

Pursuant to authority vested in the board under the memorandum and articles of association, the board of directors may authorize the issuance of new shares through a resolution.

#### **C. Material Contracts**

Neither the Company nor its subsidiaries has been a party, within the two years immediately preceding this Form 20-F, to a contract that is material to the Company, other than material contracts entered into in the ordinary course of business or as described in this Annual Report (including the exhibits hereto).

#### **D. Exchange Controls**

There is no exchange control legislation or regulation in Jersey except freezing of funds of, and/or prohibition of new investments in, certain jurisdictions subject to international sanction.

#### **E. Taxation**

*The following summary contains a description of certain Jersey, UK and U.S. federal income tax consequences of the acquisition, ownership and disposition of ordinary shares, but it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase ordinary shares. The summary is based upon the tax laws of and regulations thereunder and on the tax laws of Jersey, the UK and the United States and regulations thereunder as of the date hereof, which are subject to change.*

#### **Material Jersey Tax Considerations**

This summary of material Jersey taxation issues can only provide a general overview of this area and it is not a description of all the tax considerations that may be relevant to a decision to invest in the Company.

The following summary of the anticipated treatment of the Company and holders of ordinary shares (other than residents of Jersey) is based on Jersey taxation law and practice as it is understood to apply at

the date of this document and may be subject to any changes in Jersey law occurring after such date. It does not constitute legal or tax advice and does not address all aspects of Jersey tax law and practice (including such tax law and practice as it applies to any land or building situated in Jersey). Legal advice should be taken with regard to individual circumstances. Prospective investors in the ordinary shares should consult their professional advisors on the implications of acquiring, buying, selling or otherwise disposing of ordinary shares in the Company under the laws of any jurisdiction in which they may be liable to taxation.

Shareholders should note that tax law and interpretation can change and that, in particular, the levels and basis of, and reliefs from, taxation may change and may alter the benefits, if any, of investment in the Company.

Any person who is in any doubt about their tax position or who is subject to taxation in a jurisdiction other than Jersey should consult their own professional advisor.

### ***Company Residence***

Under the Tax Law, a company shall be regarded as resident in Jersey if it is incorporated under the Jersey Companies Law unless:

- its business is centrally managed and controlled outside Jersey in a country or territory where the highest rate at which any company may be charged to tax on any part of its income is 10% or higher; and
- the company is resident for tax purposes in that country or territory.

The Company is not considered as resident for tax purposes in Jersey and not subject to any rate of tax in Jersey as it will instead be resident in the UK where the tax rate is in excess of 10%.

### ***Summary***

Under current Jersey law, there are no capital gains, capital transfer, gift, wealth or inheritance taxes, or any death or estate duties. No capital or stamp duty is levied in Jersey on the issue, conversion, redemption, or transfer of ordinary shares. On the death of an individual holder of ordinary shares (whether or not such individual was domiciled in Jersey), duty at rates of up to 0.75% of the value of the relevant ordinary shares may be payable on the registration of any Jersey probate or letters of administration which may be required in order to transfer, convert, redeem, or make payments in respect of, ordinary shares held by a deceased individual sole shareholder, subject to a cap of £100,000.

### ***Income Tax***

The general rate of income tax under the Tax Law on the profits of companies regarded as resident in Jersey or having a permanent establishment in Jersey is 0% ("zero tax rating") though certain exceptions from zero tax rating might apply.

### ***Withholding Tax***

For so long as the Company is subject to a zero tax rating, or is not deemed to be resident for tax purposes in Jersey, no withholding in respect of Jersey taxation will be required on payments in respect of the ordinary shares to any holder of the ordinary shares not resident in Jersey.

### ***Stamp Duty***

In Jersey, no stamp duty is levied on the issue or transfer of the ordinary shares except that stamp duty is payable on Jersey grants of probate and letters of administration, which will generally be required to transfer ordinary shares on the death of a holder of such ordinary shares if such holder was entered as the holder of the shares on the register maintained in Jersey. In the case of a grant of probate or letters of

administration, stamp duty is levied according to the size of the estate (wherever situated in respect of a holder of ordinary shares domiciled in Jersey, or situated in Jersey in respect of a holder of ordinary shares domiciled outside Jersey) and is payable on a sliding scale at a rate of up to 0.75% on the value of an estate up to a maximum stamp duty charge of £100,000. The rules for joint holders through a nominee are different and advice relating to this form of holding should be obtained from a professional advisor.

Jersey does not otherwise levy taxes upon capital, inheritances, capital gains or gifts nor are there otherwise estate duties.

#### ***Substance Legislation***

With effect from January 1, 2019, Jersey has implemented legislation designed to ensure that companies carrying on certain activities have adequate substance on the island. Broadly, the legislation applies to holding companies which are resident for tax purposes on the island. As discussed above at "Company Residence," it is intended that the company is tax resident in the UK and, if and for so long as this is the case, the legislation will not apply to the Company.

#### ***Material UK Tax Considerations***

The summary below provides a general overview of certain UK tax considerations relating to the holding of ordinary shares issued by the Company. They do not address any other matter. The summary below is of a general nature and is not intended to be an exhaustive summary of all UK tax considerations relating to an investment in the ordinary shares.

The summary below is based on current UK tax law and HMRC published practice as at the date of this Annual Report (which may not be binding on HMRC) relating only to certain aspects of UK tax, both of which may be subject to change, possibly with retrospective effect. It does not necessarily apply where any income from the ordinary shares is deemed for tax purposes to be the income of any other person.

The UK tax treatment of prospective holders of ordinary shares depends on their individual circumstances and may be subject to change in the future. The summary below relates only to the position of persons who are the absolute beneficial owners of ordinary shares (and any dividends payable on their ordinary shares) and who hold ordinary shares as a capital investment. Certain classes of persons (such as charities, trustees, brokers, dealers, market makers, depositaries, clearance services, certain professional investors, persons connected with the Company or persons who acquire (or are deemed to acquire) shares by reason of an office or employment) may be subject to special rules and the summary below does not apply to such holders.

The summary below does not purport to constitute legal or tax advice. Any holder or prospective holder of ordinary shares who is in doubt as to their own tax position, who is resident or domiciled in the UK or who may be subject to tax in a jurisdiction other than the UK should consult their professional advisers.

#### ***Tax Residency of the Company***

The Company should be treated as resident in the UK for UK tax purposes provided that the central management and control of its business is carried on in the UK and that it is not treated as solely tax resident in another jurisdiction pursuant to the provisions of an applicable double taxation treaty. The summary below assumes that the Company will be resident solely in the UK for UK tax purposes.

#### ***Withholding Tax on Dividends***

Payments of dividends on the ordinary shares may be made by the Company without withholding or deduction for or on account of UK income tax.

### ***Taxation of Dividends***

Dividends paid by the Company should not be chargeable to UK tax in the hands of shareholders (other than certain trustees) who are not resident for tax purposes in the UK, except where the shareholder carries on a trade, profession or vocation in the UK through a branch or agency, or in the case of a corporate shareholder, carries on a trade through a permanent establishment in the UK, in connection with which the dividend is received or to which the ordinary shares are attributable.

### ***Taxation of Capital Gains***

Capital gains on the disposal (or deemed disposal) of the ordinary shares should not be chargeable to UK tax in the hands of holders of ordinary shares (other than certain trustees) who are not resident for tax purposes in the UK, except where the holder carries on a trade, profession or vocation in the UK through a branch or agency, or in the case of a corporate holder, carries on a trade through a permanent establishment in the UK, in connection with which the capital gain is realized or to which the ordinary shares are attributable.

A holder of ordinary shares who is an individual and who is temporarily resident for tax purposes outside the UK at the date of disposal (or deemed disposal) of the ordinary shares may also be liable, on their return to the UK, to UK tax on chargeable gains (subject to any available exemption or relief).

The summary above is based on the assumption that the Company does not derive 75% or more of its value from UK land.

### ***UK Stamp Duty and Stamp Duty Reserve Tax***

The summary below provides an overview of certain current law and is intended as a general guide only to UK stamp duty and SDRT. Special rules apply to agreements made by broker dealers and market makers in the ordinary course of their business and to transfers, agreements to transfer or issues to certain categories of person (such as depositaries and clearance services) which may be liable to UK stamp duty or SDRT at a higher rate.

No UK stamp duty or SDRT should be payable on the issue of ordinary shares in registered form by the Company.

As the Company is not incorporated in the UK, no SDRT should be payable on the transfer of, or an agreement to transfer, ordinary shares provided that the ordinary shares are not registered in a register kept in the UK by or on behalf of the Company. It is not intended that such a register will be kept in the UK.

No UK stamp duty should be payable on the transfer of ordinary shares provided that this does not involve a written instrument of transfer. If the transfer is effected by a written instrument of transfer then, provided the instrument is executed and retained outside the UK and does not relate to any property situated in the UK or to any matter or thing done or to be done in the UK, no UK stamp duty should be chargeable on such instrument of transfer.

**THE UK TAX CONSIDERATIONS RELATING TO THE ORDINARY SHARES ARE COMPLEX. THE FOREGOING SUMMARY DOES NOT ADDRESS ALL ASPECTS OF THE UK TAX THAT MAY BE RELEVANT TO A PARTICULAR HOLDER OF ORDINARY SHARES. ALL HOLDERS AND PROSPECTIVE HOLDERS ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISER.**

### **Material U.S. Federal Income Tax Considerations for U.S. Holders**

The following section describes the material U.S. federal income tax consequences to U.S. Holders, as defined below, of owning and disposing of ordinary shares. It does not set forth all tax considerations that may be relevant to a particular person's decision to acquire ordinary shares.

This section applies only to a U.S. Holder that holds ordinary shares as capital assets for U.S. federal income tax purposes (generally, property held for investment). This section does not include a description of the state, local or non-U.S. tax consequences that may be relevant to U.S. Holders, nor does it address U.S. federal tax consequences (such as gift and estate taxes) other than income taxes. In addition, it does not set forth all of the U.S. federal income tax consequences that may be relevant in light of the U.S. Holder's particular circumstances, including alternative minimum tax consequences, the potential application of the provisions of the Code known as the Medicare contribution tax and tax consequences applicable to U.S. Holders subject to special rules under U.S. federal income tax laws, including:

- certain financial institutions;
- dealers or traders in securities who use a mark-to-market method of tax accounting;
- persons holding ordinary shares as part of a hedging transaction, straddle, wash sale, conversion transaction or other integrated transaction or persons entering into a constructive sale with respect to the ordinary shares;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. Dollar;
- entities classified as partnerships or S corporations for U.S. federal income tax purposes;
- persons who acquire our ordinary shares through the exercise of an option or otherwise as compensation;
- tax-exempt entities, including an "individual retirement account" or "Roth IRA";
- real estate investment trusts or regulated investment companies;
- qualified foreign pension funds;
- expatriates or former long-term residents of the United States;
- persons required for U.S. federal income tax purposes to conform the timing of income accruals to their financial statements under Section 451 of the Code;
- persons that hold our securities as part of a straddle, constructive sale, hedging, conversion or other integrated or similar transaction;
- persons that own or are deemed to own 10% or more of our shares (by vote or value); or
- persons holding ordinary shares in connection with a trade or business conducted outside of the United States or in connection with a permanent establishment or other fixed place of business outside of the United States.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds ordinary shares, the U.S. federal income tax treatment of a partner will generally depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Partnerships holding ordinary shares and partners in such partnerships should consult their tax advisers as to the particular U.S. federal income tax consequences of owning and disposing of the ordinary shares.

This section is based on the current provisions of the Code, administrative pronouncements, judicial decisions and final, temporary and proposed Treasury regulations, all as of the date hereof, any of which is subject to change or differing interpretations, possibly with retroactive effect. Any change or different interpretation could alter the tax consequences to U.S. Holders described in this section. In addition, there can

be no assurance that the IRS, will not challenge one or more of the tax consequences described in this section. We have not sought, and do not expect to seek, a ruling from the IRS as to any U.S. federal income tax consequence described herein. The IRS may disagree with any discussion herein, and its determination may be upheld by a court.

A “U.S. Holder” is a holder who, for U.S. federal income tax purposes, is a beneficial owner of ordinary shares who is:

- an individual who is a citizen or resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia;
- a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust; or (b) it has in effect under applicable U.S. Treasury regulations a valid election to be treated as a U.S. person; or
- an estate the income of which is subject to U.S. federal income taxation regardless of its source.

U.S. Holders should consult their tax advisers concerning the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of ordinary shares in their particular circumstances.

### ***Taxation of Distributions***

We do not currently expect to make distributions on our ordinary shares. In the event that we do make distributions of cash or other property, subject to the passive foreign investment company rules described below, distributions paid on ordinary shares, other than certain *pro rata* distributions of ordinary shares, will be treated as dividends to the extent paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). To the extent that the amount of the distribution exceeds our current and accumulated earnings and profits (as determined under U.S. federal income tax principles), such excess amount will be treated first as a tax-free return of a U.S. Holder's tax basis in the ordinary shares, and then, to the extent such excess amount exceeds such holder's tax basis in the ordinary shares, as capital gain. Because we may not calculate our earnings and profits under United States federal income tax principles, a U.S. Holder should expect that any distribution may be reported as a dividend for United States federal income tax purposes even if that distribution would otherwise be treated as a non-taxable return of capital or as capital gain under the rules described above.

Subject to certain holding-period requirements and the passive foreign investment company rules described below, for so long as our ordinary shares are listed on the NYSE or another established securities market in the United States, dividends paid to certain non-corporate U.S. Holders will generally be eligible for taxation as “qualified dividend income,” which, subject to applicable limitations, is taxable at a lower capital gain rate applicable to such U.S. Holders. Dividends that we pay to certain corporate U.S. Holders will be taxed at regular tax rates and will not qualify for the dividends received deduction generally allowed to domestic corporations in respect of dividends received from other domestic corporations. U.S. Holders should consult their tax advisers regarding the availability of the reduced tax rate on dividends in their particular circumstances.

The amount of a dividend will include any amounts withheld by us or an applicable withholding agent. The amount of the dividend generally will be treated as foreign-source dividend income to U.S. Holders. Dividends will be included in a U.S. Holder's income on the date of the U.S. Holder's actual or constructive receipt of the dividend. The amount of any dividend income paid in foreign currency will be the U.S. Dollar amount calculated by reference to the exchange rate in effect on the date of actual or constructive receipt, regardless of whether the payment is in fact converted into U.S. Dollars at that time. A U.S. Holder may have

foreign currency gain or loss if the dividend is converted into U.S. Dollars after the date of receipt. U.S. Holders should consult their own tax advisors regarding the treatment of any foreign currency gain or loss.

Subject to applicable limitations, some of which vary depending upon the U.S. Holder's particular circumstances, non-U.S. income taxes withheld from dividends on ordinary shares may be creditable against the U.S. Holder's U.S. federal income tax liability. The rules governing foreign tax credits are complex and U.S. Holders should consult their tax advisors regarding the creditability of foreign taxes in their particular circumstances. In lieu of claiming a foreign tax credit for non-U.S. income taxes withheld from dividends on ordinary shares, U.S. Holders may, at their election, deduct the foreign taxes 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.

#### ***Sale or Other Disposition of Ordinary Shares***

Subject to the passive foreign investment company rules described below, gain or loss realized on the sale, exchange or other taxable disposition of ordinary shares will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder held the ordinary shares for more than one year. The amount of the gain or loss generally will equal the difference between the U.S. Holder's tax basis in the ordinary shares disposed of and the amount realized on the disposition, in each case as determined in U.S. Dollars. This gain or loss will generally be U.S.-source gain or loss for foreign tax credit purposes. The deductibility of capital losses is subject to various limitations. U.S. Holders should consult their tax advisors regarding the proper treatment of gain or loss in their particular circumstances, including the effects of any applicable income tax treaties.

#### ***Passive Foreign Investment Company Rules***

Under the Code, a non-U.S. corporation will be classified as a PFIC for any taxable year in which, after the application of certain "look-through" rules with respect to subsidiaries, either (a) 75% or more of our gross income consists of "passive income," or (b) 50% or more of the average quarterly value of our assets consist of assets that produce, or are held for the production of, "passive income" (including cash) (such test described in clause (b), the "Asset Test"). Passive income includes, among other things, interest, dividends, rents, certain non-active royalties and capital gains.

We do not believe that we were a PFIC for our most recently ended taxable year, and we do not expect to be a PFIC for the foreseeable future. However, the determination of whether or not we are a PFIC in respect of any of our taxable years is a factual determination that cannot be made until the close of the applicable tax year and that is based on the types of income we earn and the value and composition of our assets (including goodwill), all of which are subject to change. Therefore, we can make no assurances that we will not be a PFIC in respect of our current taxable year or in the future. Even if we have determined that we are not a PFIC for a taxable year, there can be no assurance that the IRS will agree with our conclusion or that the IRS would not successfully challenge our position.

If we are classified as a PFIC, you may be subject to increased tax liability and an interest charge in respect of any gain you realize on the sale or other disposition of your ordinary shares and on the receipt of certain "excess distributions" from us. Other adverse United States tax consequences may also apply. The adverse consequences resulting from our being classified as a PFIC can be mitigated in some cases if you are eligible for and timely make either (i) a valid election to treat us as a "qualified electing fund" (a "QEF election") (in which case you would be required to include in income on a current basis your pro rata share of our ordinary income and net capital gains, but not losses) or (ii) in any year in which our ordinary shares qualify as "marketable stock" for purposes of these rules, a mark-to-market election to include in income each year as ordinary income an amount equal to the increase in value of your ordinary shares for that year or a deduction for any decrease in value (but only to the extent of previous mark-to-market gains). In order for you to be able to make a QEF election, we would have to provide you with certain information that we do not expect to provide. You should consult your own tax advisors regarding the adverse consequences of owning ordinary

shares if we were to become a PFIC, and the availability and consequences of making a QEF election or a mark-to-market election in such circumstances.

#### ***Information Reporting and Backup Withholding***

Payments of distributions and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the IRS.

#### ***Reporting with Respect to Foreign Financial Assets***

Certain U.S. Holders who are individuals and certain entities may be required to report information relating to an interest in our ordinary shares by filing a Form 8938 with their U.S. federal income tax return, subject to certain exceptions (including an exception for ordinary shares held in accounts maintained by certain U.S. financial institutions). Failure to file a Form 8938 where required can result in monetary penalties and the extension of the relevant statute of limitations with respect to all or a part of the relevant U.S. tax return. U.S. Holders should consult their tax advisers regarding this reporting requirement.

**THE U.S. FEDERAL INCOME TAX DISCUSSION SET FORTH ABOVE IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE TO YOU DEPENDING UPON YOUR PARTICULAR SITUATION. YOU ARE URGED TO CONSULT YOUR OWN TAX ADVISOR WITH RESPECT TO THE TAX CONSEQUENCES TO YOU OF THE OWNERSHIP AND DISPOSITION OF OUR ORDINARY SHARES INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, ESTATE, NON-U.S. AND OTHER TAX LAWS AND TAX TREATIES AND THE POSSIBLE EFFECTS OF CHANGES IN U.S. OR OTHER TAX LAWS.**

#### **F. Dividends and Paying Agents**

Not applicable.

#### **G. Statement by Experts**

Not applicable.

#### **H. Documents on Display**

We are required to file or furnish reports and other information with the SEC under the Exchange Act and regulations under that act. As a foreign private issuer, we are exempt from the rules under the Exchange Act prescribing the form and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short swing profit recovery provisions contained in Section 16 of the Exchange Act.

Our website is [www.birkenstock-holding.com](http://www.birkenstock-holding.com). We make available, free of charge, on our website our Annual Reports on Form 20-F, Reports on Form 6-K and amendments to those reports as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. No information contained on our website is intended to be included as part of, or incorporated by reference into, this Annual Report on Form 20-F.

In addition, the SEC maintains an internet site at <http://www.sec.gov> that contains reports and other information regarding issuers that file electronically with the SEC.

**I. Subsidiary Information**

Not applicable.

**J. Annual Report to Security Holders**

Not applicable.

**ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

We are exposed to certain market risks arising from transactions in the normal course of business. Such risk is principally associated with foreign currency exchange rates. See further discussion in “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Quantitative and Qualitative Disclosures about Market Risk” and Note 7 – *Risk Management* to the audited consolidated financial statements appearing elsewhere in this Annual Report.

**ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES**

**A. Debt Securities**

Not applicable.

**B. Warrants and Rights**

Not applicable.

**C. Other Securities**

Not applicable.

**D. American Depositary Shares**

Not applicable.

## PART II

### ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

### ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

On October 13, 2023, in connection with our IPO, we amended and restated our memorandum and articles of association, a copy of which is filed as Exhibit 1.1 to this Annual Report.

#### Use of Proceeds

On October 13, 2023, we completed an IPO of our ordinary shares, in which we sold 10,752,688 ordinary shares at an initial public offering price of \$46.00 per share and the selling shareholder sold 21,505,376 ordinary shares at such price. The shares offered and sold in the IPO were registered under the Securities Act pursuant to our registration statement on Form F-1, which was declared effective by the SEC on October 10, 2023.

Goldman Sachs & Co. LLC, J.P. Morgan and Morgan Stanley acted as joint lead book-running managers for the offering. BofA Securities, Citigroup, Evercore ISI, Jefferies, UBS Investment Bank, BNP PARIBAS, Bernstein and HSBC acted as joint book-running managers. Baird, BMO Capital Markets, Deutsche Bank Securities, Piper Sandler, Stifel, William Blair, Telsey Advisory Group, Williams Trading, Academy Securities, Independence Point Securities and Loop Capital Markets acted as co-managers for the offering.

The IPO generated net proceeds to us of approximately \$446.3 million after deducting underwriting discounts and commissions and estimated offering expenses payable by us. On November 2, 2023, at the end of the interest period, we used the net proceeds of the IPO, together with cash on hand, to make an early partial repayment of \$450 million on our USD TLB Facility and €100 million on our Vendor Loan.

### ITEM 15. CONTROLS AND PROCEDURES

#### A. Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) designed to ensure that information required to be disclosed in the Company's reports filed under the Exchange Act is recorded, processed, authorized, summarized and reported within the time period specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

In connection with the preparation of our IFRS financial statements, our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2023. Based on such evaluation, management, including our Chief Executive Officer and Chief Financial Officer, have concluded that, as a result of the material weaknesses, as described below, our disclosure controls and procedures were not effective as of September 30, 2023.

The material weaknesses identified relate to i) a lack of formalized internal controls and processes over our business process controls and ii) ineffective IT general controls for IT processes and applications that are relevant for the preparation of our financial statements. These deficiencies represent material weaknesses in our internal control over financial reporting in both design and operation.

We have identified the measures required to remediate the material weaknesses and have taken steps to address the underlying cause of the material weaknesses. We have initiated the hiring of additional further staff that will address these needs. We continue to formalize existing and implement additional

internal control procedures to improve the processes that are relevant to prepare our financial statements, including processes and controls over our IT applications.

#### **B. Management's Annual Report on Internal Controls Over Financial Reporting**

This Annual Report does not include a report of management's assessment regarding internal control over financial reporting due to a transition period established by rules and regulations of the SEC for newly public companies.

#### **C. Attestation Report of the Registered Independent Public Accounting Firm**

This Annual Report does not include a report from our Registered Public Accounting Firm regarding internal control over financial reporting of due to the transition period established by rules of the SEC for newly public companies.

#### **D. Changes in Internal Control Over Financial Reporting**

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 on a timely basis by the company's internal controls.

As described in our registration statement on Form F-1, in connection with the preparation of our IFRS financial statements included in that registration statement, we identified two material weaknesses, related to (i) a lack of sufficient accounting and supervisory personnel with the appropriate level of technical accounting experience and training and (ii) a lack of internal controls and processes, including a lack of segregation of duties and oversight of advisors, related to our financial statement close process, income taxes and cash flow statement presentation. These deficiencies represented material weaknesses in our internal control over financial reporting in both design and operation.

We identified measures required to remediate the material weaknesses. To remediate the first material weakness described above, we hired additional staff that have sufficient experience in maintaining books and records and preparing financial statements in accordance with IFRS and the supervision thereof. Additionally, we expanded our accounting policies and procedures, adjusted our reporting structure so that our accounting department reports directly to our Chief Financial Officer, reduced the reliance on advisors and provided additional training to our accounting and finance staff. Due to these and other measures that we have implemented, management determined that the first material weakness described above had been remediated as of September 30, 2023.

#### **ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT**

##### **Audit Committee**

Our board of directors has determined that each of Ruth Kennedy, Nisha Kumar, Anne Pitcher and Nikhil Thukral is an "audit committee financial expert" as defined by applicable SEC rules. Our board of directors has also determined that each of Ruth Kennedy, Nisha Kumar and Anne Pitcher satisfies the "independence" requirements set forth in Rule 10A-3 of the Exchange Act and the NYSE listing standards. We intend to have a fully independent audit committee within one year of our IPO, as permitted by Rule 10A-3 of the Exchange Act and the NYSE listing standards.

For information relating to qualifications and experience of each audit committee member, see "Item 6. Directors, Senior Management and Employees."

## ITEM 16B. CODE OF ETHICS

We have adopted a Code of Ethics (the "Code of Ethics") that is applicable to all of our employees (including our executive officers) and our directors. The Code of Ethics is available to the general public on our website [www.birkenstock-holding.com](http://www.birkenstock-holding.com). Our board of directors is responsible for overseeing the Code of Ethics and is required to approve any waivers of the Code of Ethics applicable to any director or executive officer.

## ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

For the fiscal years ended September 30, 2023 and 2022, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft ("EY") was the Company's auditor for the IFRS and statutory accounts.

The following table sets forth the amount of fees, by type of service category, charged by EY to our company during fiscal 2023 and fiscal 2022.

<i>(Euros in millions)</i>	<b>Fiscal year ended September 30,</b>	
	<b>2023</b>	<b>2022</b>
Audit fees(1)	3.8	3.2
Audit related fees(2)	—	—
Tax fees(3)	—	—
All other fees(4)	—	—
<b>Total</b>	<b>3.8</b>	<b>3.2</b>

- (1) "Audit fees" means the aggregate fees billed for each of the fiscal years for professional services rendered by EY for the audit of our annual financial statements and review of our interim financial statements.
- (2) "Audit related fees" means the aggregate fees billed in each of the fiscal years for assurance and related services by the principal accountant that are reasonably related to the performance of the audit or review of the registrant's financial statements and are not reported under audit fees.
- (3) "Tax fees" means the aggregate fees billed in each of the fiscal years for professional services rendered by EY for tax compliance and tax advice.
- (4) "All other fees" includes the aggregate fees billed in each of the fiscal years for non-audit services rendered which were not listed above.

### **Audit Committee Pre-Approval Policies and Procedures**

In accordance with the requirements of the Sarbanes-Oxley Act of 2002 and rules issued by the SEC, our audit committee reviews and pre-approves all audit services and permissible non-audit services provided to us that are performed by EY. All of the above-listed services related to our Company and provided by EY have been pre-approved by the audit committee.

## ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Our board of directors has determined that each of Ruth Kennedy, Nisha Kumar, Anne Pitcher and Nikhil Thukral is considered an "audit committee financial expert" as defined by the SEC. Our board of directors has determined that each of Ruth Kennedy, Nisha Kumar and Anne Pitcher satisfies the "independence" requirements set forth in Rule 10A-3 under the Exchange Act and the NYSE listing standards. We intend to have a fully independent audit committee within one year from our initial public offering, as permitted by Rule 10A-3 under the Exchange Act and the NYSE listing standards.

## ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

During the fiscal year ended September 30, 2023, no purchases of our equity securities were made by or on behalf of Birkenstock Holding plc or any affiliated purchaser.

**ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT**

Not applicable.

**ITEM 16G. CORPORATE GOVERNANCE****Corporate Governance Practices**

As a "foreign private issuer," we are entitled to rely on exemptions from certain corporate governance requirements of the NYSE. Accordingly, we follow Jersey corporate governance rules in lieu of certain of the corporate governance requirements of the NYSE. Among other things, we take or intend to take advantage of the following exemptions from the corporate governance requirements of the NYSE:

- Exemption from the requirement that a majority of the board of directors be comprised of independent directors and that there be regularly scheduled meetings with only the independent directors present;
- Exemption from the requirement that the Company have a compensation committee and a corporate governance and nominating committee that is composed entirely of independent directors with a written charter addressing each committee's purpose and responsibilities;
- Exemption from the requirement to disclose within four business days any determination to grant a waiver of the Code of Ethics to directors and executive officers. Although we will require approval by our board of directors for any such waiver, we may choose not to disclose the waiver in the manner set forth in the NYSE listing standards;
- Exemption from quorum requirements applicable to meetings of shareholders; and
- Exemption from the requirement to obtain shareholder approval for certain issuances of securities, including shareholder approval of share option plans.

We may in the future decide to use the foreign private issuer exemption with respect to some or all of the other NYSE corporate governance rules.

**ITEM 16H. MINE SAFETY DISCLOSURE**

Not applicable.

**ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not applicable.

**ITEM 16J. INSIDER TRADING POLICIES**

Not applicable.

**ITEM 16K. CYBERSECURITY**

Not applicable.

## PART III

### ITEM 17. FINANCIAL STATEMENTS

We have elected to provide financial statements and related information pursuant to Item 18.

### ITEM 18. FINANCIAL STATEMENTS

The consolidated financial statements and the related notes required by Item 18 are included in this Annual Report, beginning on page F-1. The report of Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, the Company's independent registered accounting firm with respect to the referenced financial statements, is included on page F-1.

**ITEM 19. EXHIBITS**

<b>Exhibit No.</b>	<b>Description</b>	<b>Schedule/ Form</b>	<b>File Number</b>	<b>Exhibit</b>	<b>File Date</b>
1.1	<a href="#">Amended and Restated Memorandum of Association and Amended and Restated Articles of Association *</a>				
2.1	<a href="#">Description of Securities *</a>				
4.1	<a href="#">Senior Notes Indenture, dated April 29, 2021, among Birkenstock Financing S.à r.l., as issuer, BK LC Lux Finco 2 S.à r.l., as parent, the guarantors party thereto, GLAS Trust Company LLC, as trustee, principal paying agent, transfer agent and registrar and Goldman Sachs Bank USA, as security agent **</a>	Form F-1/A	333-274483	10.1	September 15, 2023
4.2	<a href="#">ABL Credit Agreement, dated April 28, 2021, among Birkenstock Group B.V. &amp; Co. KG, as the German Parent Borrower, Birkenstock US BidCo, Inc., as the U.S. Borrower, Birkenstock Limited Partner S.à r.l, as Holdings, Goldman Sachs Bank USA, as administrative agent and collateral agent, Citibank, N.A., London Branch, as co-collateral agent and various financial institutions as lenders and joint lead arrangers and joint bookrunners **</a>	Form F-1/A	333-274483	10.2	September 15, 2023
4.3	<a href="#">Amendment No. 1 to ABL Credit Agreement, dated May 2, 2023, among Birkenstock Group B.V. &amp; Co. KG, as the German Parent Borrower, Birkenstock US BidCo, Inc., as the U.S. Borrower, several additional borrowers party thereto and Goldman Sachs Bank USA, as administrative agent and collateral agent **</a>	Form F-1/A	333-274483	10.3	September 15, 2023
4.4	<a href="#">Amendment and Restatement Agreement, dated April 28, 2023, relating to a Senior Facilities Agreement originally dated April 28, 2021, between Birkenstock Limited Partner S.à r.l., for itself and as obligors' agent, and Goldman Sachs Banks USA, as agent **</a>	Form F-1/A	333-274483	10.4	September 15, 2023
4.5	<a href="#">Birkenstock Holding plc 2023 Equity Incentive Plan* **</a>	Form F-1/A	333-274483	10.5	October 2, 2023
4.6	<a href="#">Birkenstock Holding plc Employee Share Purchase Plan* **</a>	Form F-1/A	333-274483	10.6	October 2, 2023
4.7	<a href="#">Tax Receivable Agreement, dated October 10, 2023, among Birkenstock Holding plc and BK LC Lux MidCo S.à r.l. *</a>				
4.8	<a href="#">Registration Rights Agreement, dated October 13, 2023, between Birkenstock Holding plc and BK LC Lux MidCo S.à r.l. *</a>				
4.9	<a href="#">Shareholders' Agreement, dated October 13, 2023, between Birkenstock Holding plc and BK LC Lux MidCo S.à r.l. *</a>				
4.10	<a href="#">Form of Indemnification Agreement **</a>	Form F-1/A	333-274483	10.10	October 2, 2023
8.1	<a href="#">List of Significant Subsidiaries *</a>				

- 12.1 [Certification of Principal Executive Officer Pursuant to Rules 13a-14\(a\) and 15d-14\(a\) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#) \*
- 12.2 [Certification of Principal Financial Officer Pursuant to Rules 13a-14\(a\) and 15d-14\(a\) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002](#) \*
- 13.1 [Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes- Oxley Act of 2002](#) \*
- 13.2 [Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes- Oxley Act of 2002](#) \*
- 15.1 [Consent of Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft](#) \*
- 97.1 [Clawback Policy](#) \*
- 101.INS Inline XBRL Instance Document
- 101.SC Inline XBRL Taxonomy Extension Schema Document
- H
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

\* Filed herewith.

\*\* Incorporated by reference.

† Indicates a compensatory plan or arrangement.

**SIGNATURES**

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on Form 20-F filed on its behalf.

**Birkenstock Holding plc**

Dated: January 18, 2024

By: /s/ Ruth Kennedy  
Name: Ruth Kennedy  
Title: Director

## INDEX TO FINANCIAL STATEMENTS

### **Audited Consolidated Financial Statements of Birkenstock Holding Limited as of September 30, 2023 and 2022 and for the fiscal years ended September 30, 2023, 2022 and 2021**

<a href="#">Report of Independent Registered Public Accounting Firm (PCAOB ID 1251)</a>	F-2
<a href="#">Consolidated Statements of Financial Position</a>	F-6
<a href="#">Consolidated Statements of Comprehensive Income</a>	F-7
<a href="#">Consolidated Statements of Changes in Shareholders' Equity (Deficit)</a>	F-8
<a href="#">Consolidated Statements of Cash Flows</a>	F-9
<a href="#">Notes to the Consolidated Financial Statements</a>	F-10

## **Report of Independent Registered Public Accounting Firm**

To the Shareholders and Board of Directors of Birkenstock Holding plc (formerly Birkenstock Holding Limited)

### **Opinion on the Financial Statements**

We have audited the accompanying consolidated statements of financial position of Birkenstock Holding Limited (the Company) as of September 30, 2023 and 2022 (Successor), the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the years ended September 30, 2023 and 2022 (Successor), the period from May 1, 2021 to September 30, 2021 (Successor) and the period from October 1, 2020 to April 30, 2021 (Predecessor), 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 September 30, 2023 and 2022 (Successor), and the results of its operations and its cash flows for the years ended September 30, 2023 and 2022 (Successor), the period from May 1, 2021 to September 30, 2021 (Successor) and the period from October 1, 2020 to April 30, 2021 (Predecessor), in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### **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.

### **Critical Audit Matters**

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

<i>Description of the Matter</i>	<p><b>Impairment Evaluation of Goodwill and Indefinite Lived Intangibles</b></p> <p>At September 30, 2023, the carrying value of the Company's goodwill was €1.6 billion and the carrying value of the Company's indefinite lived intangibles was €1.4 billion. As discussed in Notes 3, 8 and 9 to the consolidated financial statements, goodwill and indefinite lived intangibles are tested for impairment at the level of the Company's groups of cash-generating units ("CGU groups"), which correspond to its four operating segments, annually or more frequently if events or circumstances indicate that an impairment may have occurred. The Company performed its annual impairment test as of September 30, 2023. The impairment test was performed by calculating the value in use of each of the Company's CGU groups, using the present value of future discounted cash flows. No impairment was recorded in fiscal year 2023.</p> <p>Auditing management's goodwill and indefinite lived intangibles impairment test was complex and judgmental, due to the significant estimation required to determine the present value of each CGU group's future discounted cash flows. The discounted cash flows were sensitive to the projected revenue growth rates, EBITDA margins, terminal growth rates, and the discount rates applied. These significant assumptions are affected by expectations about future market and economic conditions.</p>
<i>How We Addressed the Matter in Our Audit</i>	<p>To test the estimated value in use of the Company's CGU groups, we performed audit procedures that included, among others, comparing the projected revenue growth rates to the Company's historical results and industry and economic data, and comparing projected EBITDA margins to historical results and industry data. We involved our valuation specialists to assess management's value in use methodology, compare the terminal growth rates to external industry and economic data, and to determine an independent estimate of the discount rates. We assessed the historical accuracy of management's prior forecasts to actual results and evaluated the changes between the prior and current forecasts, in light of the industry and economic data described above. We performed sensitivity analyses to the revenue growth rates, EBITDA margins, terminal growth rates and the discount rates applied, to evaluate the changes in the estimated value in use of the CGU groups that would result from changes in such significant assumptions. In addition, we tested management's value in use calculations for clerical accuracy.</p>
<i>Description of the Matter</i>	<p><b>Valuation of Stock-Based Compensation Awards</b></p> <p>As discussed in Note 30 to the consolidated financial statements, the Company established a management investment plan whereby equity awards were granted to selected senior executives. The Company estimated the grant date fair value of the awards using a Black-Scholes option pricing model and recognized stock-based compensation expense of €65.4 million for the year ended September 30, 2023. The Black-Scholes option pricing model used by management, took into account, among other considerations, the Company value, derived using the present value of future discounted cash flows.</p> <p>Auditing the Company value was complex and judgmental, due to the significant estimation required to determine the present value of the Company's future cash flows, which was sensitive to the projected revenue growth rates, EBITDA margins, terminal growth rates and the discount rate applied. These significant assumptions are affected by expectations about future market and economic conditions.</p>
<i>How We Addressed the Matter in Our Audit</i>	<p>To test the Company value used in the fair value of the awards, our audit procedures included, among others, comparing the projected revenue growth rates to the Company's historical results and industry and economic data, and comparing projected EBITDA margins to historical results and industry data. We involved our valuation specialists to assess management's fair value methodology, compare the terminal growth rates to</p>

external industry and economic data, and to determine an independent estimate of the discount rate. We assessed the historical accuracy of management's prior forecasts to actual results. We assessed the consistency of the forecast used as of the valuation date to the sum of the forecasts for each CGU group used in the goodwill impairment test described above. We also compared the forecast used as of the valuation date to a forecast prepared by management subsequent to the valuation date to identify changes in forecast assumptions that were already applicable on the valuation date. We assessed the reasonableness of the first annual period in the forecast by comparison to actual results for the interim period preceding the valuation date. We performed sensitivity analyses to the revenue growth rates, EBITDA margins, terminal growth rates and the discount rate applied, to evaluate the changes in the estimated Company value that would result from changes in such significant assumptions. In addition, with support from our specialists, we tested management's valuation calculations for clerical accuracy.

/s/ Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft

---

We have served as the Company's auditor since 2022.

Cologne, Germany

January 18, 2024

Birkenstock Holding Limited

**Financial Statements as of September 30, 2023 and 2022 and  
for the years ended September 30, 2023, 2022 and 2021**

F-5

---

**Birkenstock Holding Limited**  
**Consolidated Statements of Financial Position**  
*(In thousands of Euros)*

	Notes	September 30, 2023	September 30, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Goodwill	8	1,593,917	1,674,293
Intangible assets (other than goodwill)	9	1,705,736	1,815,201
Property, plant and equipment	10	286,053	205,008
Right-of-use assets	11	122,984	113,522
Deferred tax assets	19	—	4,590
Other assets	4, 14	38,234	16,107
<b>Total non-current assets</b>		<b>3,746,924</b>	<b>3,828,721</b>
<b>Current assets</b>			
Inventories	12	595,092	535,605
Right to return assets		1,132	2,605
Trade and other receivables	13	91,764	66,146
Current tax assets	19	10,361	21,743
Other current assets	4, 14	37,789	26,729
Cash and cash equivalents	15	344,408	307,078
<b>Total current assets</b>		<b>1,080,546</b>	<b>959,906</b>
<b>Total assets</b>		<b>4,827,470</b>	<b>4,788,627</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>			
Ordinary shares	16	182,721	182,721
Share premium	16	1,894,384	1,894,384
Other capital reserve	16	65,394	—
Retained earnings	16	225,976	150,954
Accumulated other comprehensive income	16	32,113	129,759
<b>Total shareholders' equity</b>		<b>2,400,589</b>	<b>2,357,818</b>
<b>Non-current liabilities</b>			
Loans and borrowings	17	1,815,695	1,919,635
Lease liabilities	11	103,049	89,911
Provisions for employee benefits	18	2,716	2,374
Other provisions	22	2,074	2,037
Deferred tax liabilities	19	109,794	92,851
Deferred income	23	10,634	—
Other liabilities		4,338	35
<b>Total non-current liabilities</b>		<b>2,048,300</b>	<b>2,106,843</b>
<b>Current liabilities</b>			
Loans and borrowings	17	37,343	46,606
Lease liabilities	11	27,010	26,571
Trade and other payables	20	123,012	113,224
Accrued liabilities	20	38,645	20,066
Other financial liabilities	21	7,085	10,860
Other provisions	22	36,495	34,401
Contract liabilities	25	7,018	1,924
Tax liabilities	19	83,332	50,660
Deferred income	23	2,680	2,080
Other current liabilities	24	15,961	17,573
<b>Total current liabilities</b>		<b>378,581</b>	<b>323,966</b>
<b>Total liabilities</b>		<b>2,426,881</b>	<b>2,430,809</b>
<b>Total shareholders' equity and liabilities</b>		<b>4,827,470</b>	<b>4,788,627</b>

**Birkenstock Holding Limited**  
**Consolidated Statements of Comprehensive Income**  
*(In thousands of Euros)*

	Notes	Successor			Predecessor
		Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
Revenue	25	1,491,911	1,242,833	462,664	499,347
Cost of sales	12, 26	(566,117)	(493,031)	(311,693)	(213,197)
<b>Gross profit</b>		<b>925,793</b>	<b>749,802</b>	<b>150,971</b>	<b>286,150</b>
<b>Operating expenses</b>					
Selling and distribution expenses	26	(455,851)	(347,371)	(123,663)	(111,808)
General administration expenses	26	(171,388)	(86,589)	(31,039)	(52,628)
Foreign exchange gain (loss)	2, 27	(36,056)	45,516	20,585	(1,523)
Other income (expense), net		(1,810)	1,669	(1,673)	1,280
<b>Profit from operations</b>		<b>260,688</b>	<b>363,027</b>	<b>15,181</b>	<b>121,471</b>
Finance cost, net	28	(107,036)	(112,503)	(28,958)	(1,753)
<b>Profit (loss) before tax</b>		<b>153,652</b>	<b>250,524</b>	<b>(13,777)</b>	<b>119,718</b>
Income tax expense	19	(78,630)	(63,413)	(3,428)	(20,694)
<b>Net profit (loss)</b>		<b>75,022</b>	<b>187,111</b>	<b>(17,205)</b>	<b>99,024</b>
<b>Other comprehensive income (loss)</b>					
Items that may be reclassified to profit (loss) in subsequent periods (net of tax):					
Cumulative translation adjustment gain (loss)	16	(97,301)	106,276	23,736	8,037
Net position of fair value changes of the cash flow hedge	4	(345)	—	—	—
Items that will not be reclassified to profit in subsequent periods:					
Remeasurement of defined benefit plans		—	—	—	22
<b>Other comprehensive income (loss)</b>		<b>(97,646)</b>	<b>106,276</b>	<b>23,736</b>	<b>8,059</b>
<b>Total comprehensive income (loss)</b>		<b>(22,624)</b>	<b>293,387</b>	<b>6,531</b>	<b>107,083</b>
<b>Earnings (loss) per share</b>					
Basic	29	0.41	1.02	(0.09)	
Diluted	29	0.41	1.02	(0.09)	

**Birkenstock Holding Limited**  
**Consolidated Statements of Changes in Shareholders' Equity (Deficit)**  
*(In thousands of Euros, except unit and share information)*

	Notes	Partnership Units		Ordinary shares			Other Reserve	Other Capital Reserve	Retained Earnings (Accumulated Deficit)	Accumulated other comprehensive income (loss)		Shareholders' equity	
		Number of units	Amount	Number of shares	Amount	Share Premium				Cumulative translation adjustment	Cash flow hedge reserve		
<b>Predecessor</b>													
Balance at October 1, 2020	16	2	10,000	—	—	—	—	152,508	147,500	95,148	3,008	—	408,164
Net profit			—	—	—	—	—	—	—	99,024	—	—	99,024
Other comprehensive income			—	—	—	—	—	—	—	—	8,059	—	8,059
Total comprehensive income			—	—	—	—	—	—	—	99,024	8,059	—	107,083
Distributions to shareholders			—	—	—	—	—	—	—	(101,866)	—	—	(101,866)
Transfers			—	—	—	—	—	—	46,716	(46,716)	—	—	—
Balance at April 30, 2021	16	2	10,000	—	—	—	—	152,508	194,216	45,589	11,067	—	413,380
<b>Successor</b>													
Balance at May 1, 2021	2	—	—	182,721,369	182,721	1,894,384	—	—	—	(18,952)	(253)	—	2,057,900
Net (loss)			—	—	—	—	—	—	—	(17,205)	—	—	(17,205)
Other comprehensive income			—	—	—	—	—	—	—	—	23,736	—	23,736
Total comprehensive income (loss)			—	—	—	—	—	—	—	(17,205)	23,736	—	6,531
Balance at September 30, 2021	16	—	—	182,721,369	182,721	1,894,384	—	—	—	(36,157)	23,483	—	2,064,431
Balance at October 1, 2021	16	—	—	182,721,369	182,721	1,894,384	—	—	—	(36,157)	23,483	—	2,064,431
Net profit			—	—	—	—	—	—	—	187,111	—	—	187,111
Other comprehensive income			—	—	—	—	—	—	—	—	106,276	—	106,276
Total comprehensive income			—	—	—	—	—	—	—	187,111	106,276	—	293,387
Balance at September 30, 2022	16	—	—	182,721,369	182,721	1,894,384	—	—	—	150,954	129,759	—	2,357,818
Balance at October 1, 2022	16	—	—	182,721,369	182,721	1,894,384	—	—	—	150,954	129,759	—	2,357,818
Net profit			—	—	—	—	—	—	—	75,022	—	—	75,022
Other comprehensive income (loss)			—	—	—	—	—	—	—	—	(97,301)	(345)	(97,646)
Total comprehensive income (loss)			—	—	—	—	—	—	—	75,022	(97,301)	(345)	(22,624)
Equity-settled share-based compensation expense	30	—	—	—	—	—	—	—	65,394	—	—	—	65,394
Balance at September 30, 2023	16	—	—	182,721,369	182,721	1,894,384	—	—	65,394	225,976	32,458	(345)	2,400,589

**Birkenstock Holding Limited**  
**Consolidated Statements of Cash Flows**  
*(In thousands of Euros)*

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
<b>Cash flows from operating activities</b>				
Net profit (loss)	75,022	187,111	(17,205)	99,024
Adjustments to reconcile net profit (loss) to net cash flows from operating activities:				
Depreciation	54,841	20,294	8,594	9,998
Amortization	28,572	60,967	20,427	15,874
Loss on disposal of property, plant and equipment	—	97	—	405
Change in expected credit loss	—	207	511	358
Finance cost, net	107,036	112,503	28,958	1,753
Net exchange differences	36,056	(46,363)	(13,537)	7,336
Non-cash operating items	65,726	(669)	9	(125)
Income tax expense	78,630	63,413	3,428	20,694
Income tax paid	(6,698)	(18,408)	(25,594)	(8,285)
Changes in working capital:				
- Inventories	(95,620)	(159,105)	74,734	(66,734)
- Right to return assets	1,327	(641)	84	(656)
- Trade and other receivables	(26,663)	(5,286)	46,359	(57,064)
- Trade and other payables	10,648	11,201	(22,799)	42,911
- Accrued liabilities	18,870	1,677	(82)	(97)
- Other current financial liabilities	(3,775)	(31,401)	13,002	(1,305)
- Other current provision	2,427	13,149	4,532	4,318
- Contract liabilities	5,085	(401)	(2,532)	3,102
- Other	7,249	25,791	(12,522)	(1,101)
<b>Net cash flows provided by operating activities</b>	<b>358,733</b>	<b>234,136</b>	<b>106,367</b>	<b>70,406</b>
<b>Cash flows from investing activities</b>				
Interest received	1,846	—	—	—
Purchases of property, plant and equipment	(102,152)	(70,777)	(8,955)	(7,332)
Proceeds from sale of property, plant and equipment	339	1,977	1,974	1
Purchases of intangible assets	(795)	(1,814)	(460)	(4,346)
Proceeds from sale of intangible assets	29	5	1,234	251
Business combination, net of cash acquired	—	(1,037)	—	—
<b>Net cash flows (used in) investing activities</b>	<b>(100,732)</b>	<b>(71,646)</b>	<b>(6,207)</b>	<b>(11,426)</b>
<b>Cash flows from financing activities</b>				
Proceeds from loans and borrowings	—	—	—	97,649
Repayment of loans and borrowings	(52,782)	(9,516)	(3,935)	—
Interest paid	(111,986)	(67,978)	—	(979)
Distributions to shareholders	—	—	—	(151,673)
Payments of lease liabilities	(28,796)	(25,406)	(8,619)	(14,299)
Interest portion of lease liabilities	(5,721)	(2,417)	(861)	(594)
<b>Net cash flows (used in) financing activities</b>	<b>(199,285)</b>	<b>(105,317)</b>	<b>(13,415)</b>	<b>(69,896)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>58,716</b>	<b>57,173</b>	<b>86,745</b>	<b>(10,916)</b>
Cash and cash equivalents at beginning of period	307,078	235,343	145,378	96,177
Net foreign exchange difference	(21,386)	14,562	3,220	1,609
<b>Cash and cash equivalents at end of period</b>	<b>344,408</b>	<b>307,078</b>	<b>235,343</b>	<b>86,870</b>

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**1. GENERAL INFORMATION**

***Organization and principal activities***

Birkenstock Holding Limited (formerly: Birkenstock Group Limited) (together with its subsidiaries referred to herein as the "Company", "Birkenstock" or the "Group") was formed under the name of BK LC Lux Finco 2 S.à r.l. on February 19, 2021, as a limited liability company organized under Luxembourg law, with its business address at 40 Avenue Monterey, Luxembourg. On April 25, 2023, the Company changed its name to Birkenstock Group Limited and converted (by way of domiciliation) to a Jersey private company. On July 12, 2023, Birkenstock Group Limited changed its name to Birkenstock Holding Limited. On October 4, 2023, the Company converted to a public limited company and changed its name to Birkenstock Holding plc. The Company's current business address is 1-2 Berkeley Square, London W1J 6EA, UK. The Company is registered at the Jersey Financial Services Commission under number 148522.

The Company's immediate parent is BK LC Lux MidCo S.à r.l. ("MidCo") and the Company's ultimate controlling shareholder is LC9 Caledonia AIV GP, LLP ("L Catterton").

The Company manufactures and sells footbed-based products, including sandals and closed-toe silhouettes, and other products, such as skincare and accessories, for everyday leisure, and work. The Company operates in four operating segments based on its regional hubs: (1) Americas, (2) Europe, (3) Asia, the South Pacific, and Australia ("ASPA"), and (4) the Middle East, Africa, and India ("MEAI") (see Note 5 – *Segment information* for further details). All segments have the same operations. The Company sells its products through two main channels: business-to-business ("B2B") (comprising sales made to established third-party store networks), and direct-to-consumer ("DTC") (comprising sales made on globally owned online stores via the Birkenstock.com domain and sales made in Birkenstock retail stores).

***Seasonality***

Revenues of our products are affected by a seasonal pattern that is driven in large part by the weather given the nature of our product mix. The seasonal nature of our business is similar across geographies and sales channels with B2B seeing an increase in revenues in the spring months, while revenues in the DTC channel increasing in the summer. Between October and March, we manufacture our products for the B2B channel, and during the first few months of the calendar year, we rely on our built-up inventory for our revenues to B2B partners. Starting in April and during the warmer months of the year, demand for our products from the DTC channel increases. While these consumer buying patterns lead to a natural seasonality in revenues, unseasonable weather could significantly affect revenues and profitability. Our geographical breadth, customer diversity and our strategic focus on expanding certain product categories and entering new territory helps to mitigate part of the effect of seasonality on results of operations.

**2. BASIS OF PRESENTATION**

***Basis of preparation and consolidation***

These consolidated financial statements were authorized for issuance by the Company's Board of Directors on January 18, 2024.

These consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").

These consolidated financial statements have been prepared on a historical cost basis except for derivative financial instruments and the initial recognition of assets acquired and liabilities assumed in a business combination which are recorded at fair value.

The consolidated financial statements comprise the financial statements of Birkenstock Holding Limited and its subsidiaries. All intercompany transactions and balances have been eliminated.

All amounts have been rounded to the nearest thousand, unless otherwise indicated.

The fiscal year of the Company ends on September 30.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**Predecessor and successor periods**

On April 30, 2021, Birkenstock Holding Limited's subsidiary, Birkenstock Group BV & Co. KG ("BV KG"), acquired shareholdings and substantially all the assets of Birkenstock GmbH & Co. KG ("GmbH KG" or the "Predecessor") as a result of which Birkenstock Holding Limited became the acquirer of the business activities of the Birkenstock operations (the "Transaction"). The Transaction was accounted for as a business combination using the acquisition method of accounting. See Note 6 — *Business combinations* for further details.

The Transaction resulted in a change in accounting basis and the financial statement presentation defines the Company as the "Successor" for reporting periods following the acquisition, i.e., the periods from May 1, 2021 onwards ("Successor periods"), and as the "Predecessor" for reporting period prior to the acquisition, i.e., the period through April 30, 2021 ("Predecessor period"). Successor financial statements reflect a new basis of accounting that is based on the fair value of net assets acquired as a result of the Transaction. This change in accounting basis is represented by a black line which appears between the columns entitled Successor and Predecessor in these consolidated financial statements and in the relevant accompanying notes.

Condensed financial information of the Successor as of April 30, 2021 and for the interim 70 day period from February 19, 2021 (date of inception) through April 30, 2021 are as follows:

**Birkenstock Holding Limited**  
**Condensed Consolidated Statement of Comprehensive Income**  
*(In thousands of Euros)*

	<b>Successor</b>
	<b>Period from February 19, 2021 through April 30, 2021</b>
General administrative expenses	(25,130)
<b>Profit (loss) from operations</b>	<b>(25,130)</b>
<b>Profit (loss) from tax</b>	<b>(25,130)</b>
Income tax benefit	6,178
<b>Net loss</b>	<b>(18,952)</b>

**Birkenstock Holding Limited**  
**Condensed Consolidated Statement of Changes in Shareholders' Equity (Deficit)**  
*(In thousands of Euros)*

	<b>Ordinary Shares</b>	<b>Accumulated Deficit</b>	<b>Total shareholder's equity</b>
<b>Successor</b>			
Balance at February 19, 2021	—	—	—
<b>Initial contribution</b>	<b>12</b>	<b>—</b>	<b>12</b>
Net loss	—	(18,952)	(18,952)
<b>Other comprehensive income</b>	<b>—</b>	<b>—</b>	<b>—</b>
Balance at April 30, 2021	<u>12</u>	<u>(18,952)</u>	<u>(18,940)</u>

The Successor's operations during the period from its inception to the Transaction include costs incurred related to the Transaction and minimal expenses related to the formation of the entity totaling €25.1 million. These incurred costs are reflected in accumulated deficit of the Successor as of May 1, 2021. Additionally, prior to the inception of the Transaction, the Successor incurred €55.9 million of banker and advisory fees related to financing obtained as part of the Transaction. Of this amount, €3.5 million was related to the ABL Facility (as defined below) and capitalized in other non-current assets. The remaining €52.4 million of fees were recorded as a reduction of the debt balances as of May 1, 2021. See Note 17 – *Loans and borrowings* for further details. The tax impact related to these costs was reflected in accumulated deficit of the Successor as of May 1, 2021.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

Since the Transaction closed on April 30, 2021, the opening balance sheet of the Successor as of May 1, 2021 includes the effect of the Transaction. As such, cash inflows and outflows related to the Transaction, including payment of the consideration transferred and proceeds from the associated financing net of debt origination costs are disclosed in Note 6 – *Business combinations* and Note 17 – *Loans and borrowings*, and are not included in the consolidated statements of cash flows of the Successor. Cash outflows relating to the payment of the certain advisory fees in the context of the Transaction and the financing (which were incurred and accrued as of the date of the Transaction) are reflected in the statement of cash flows of the Successor in the period May 1, 2021 to September 30, 2021 as the payment of the invoices took place after the closing.

**Functional and presentation currency**

The functional currency of each of the Company's subsidiaries is the currency of the primary economic environment in which each entity operates. The presentation currency of the Company is Euros. All amounts are rounded to the nearest thousands, except when otherwise indicated. Due to rounding, differences may arise when individual amounts or percentages are added together. The following exchange rates (to Euros) were applicable during the periods presented in these consolidated financial statements to translate the financial statements of foreign operations into Euros:

Currency	Successor				Predecessor	
	Exchange rates* at				April 30, 2021	October 1, 2020
	September 30, 2023	September 30, 2022	September 30, 2021	May 1, 2021		
British Pound (GBP)	0.86	0.88	0.86	0.87	0.87	0.91
Canadian Dollar (CAD)	1.42	1.34	1.48	1.48	1.48	1.57
US-Dollar (USD)	1.06	0.97	1.16	1.21	1.21	1.17

Currency	Successor			Predecessor	
	Average exchange rates*			Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021		
British Pound (GBP)	0.87	0.85	0.86	0.89	
Canadian Dollar (CAD)	1.44	1.38	1.48	1.53	
US-Dollar (USD)	1.07	1.08	1.19	1.20	

(\*): Exchange rates not applicable to results of operations in respective reporting period

**3. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Consolidation of subsidiaries**

Subsidiaries are entities over which the Company has control. Control is achieved when the Company has the power over the investee, it is exposed, or has rights to, variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. Subsidiaries are consolidated from the date on which the Company obtains control. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Subsidiaries are deconsolidated from the date when control ceases. When the Company ceases to have control over a subsidiary, it derecognizes the assets (including any goodwill) and liabilities of the subsidiaries at their carrying amounts, derecognizes the carrying amount of non-controlling interests in the former subsidiary and recognizes the fair value of any consideration received from the transaction. Any retained interest in the former subsidiary is then re-measured to its fair value.

The Company recognizes any non-controlling interests in an acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interests' share of the acquiree's identifiable net assets. Net profit or loss and each

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

component of other comprehensive income/(loss) are attributed to the owners of the parent and to the non-controlling interests. For all periods presented, all subsidiaries were wholly owned.

**(b) Foreign currencies**

Foreign currency transactions are translated into the respective functional currency using the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the historical exchange rate. The resulting exchange differences are recorded in the local income statements of the entity and included in the financial result.

On consolidation, the assets and liabilities of foreign operations are translated into Euros, the presentation currency of the Company, at the rate of exchange prevailing at the reporting date and their statements of comprehensive income (loss) are translated at the average exchange rate for the period. Equity balances are translated at historical rates. The exchange differences arising from translation for consolidation are recognized in other comprehensive income (loss).

**(c) Current vs non-current classification**

The Company presents assets and liabilities in the consolidated statements of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle.
- Expected to be realized within twelve months after the reporting period; or
- A 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 expected to be settled in the normal operating cycle; or
- It is due to be settled within twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**(d) Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

The Company uses valuation techniques that it believes are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**Level 2:** inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** unobservable inputs for the asset or liability. Unobservable inputs are used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

For the purpose of fair value disclosures, the Company determines classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. There was no change in the valuation techniques applied to financial instruments during all periods presented. The following table describes the valuation techniques used in the determination of the fair values of financial instruments:

Type	Valuation approach
Cash, trade and other receivables, trade and other payables and accrued liabilities	The carrying amount approximates fair value due to the short-term maturity of these instruments.
Derivative financial instruments	Specific valuation techniques used to value derivative financial instruments include: <ul style="list-style-type: none"> <li>- quoted market prices or dealer quotes for similar instruments;</li> <li>- observable market information as well as valuations determined by external valuers with experience in the financial markets.</li> </ul>
Loans and borrowings	The fair value is based on the present value of contractual cash flows, discounted at the Company's current incremental borrowing rate for similar types of borrowing arrangements or, where applicable, market rates.

**(e) Business combinations and goodwill**

Acquisitions of businesses are accounted for using the acquisition method as of the acquisition date, which is the date when control is transferred to the Company. The consideration transferred in a business combination is measured at fair value, calculated as the sum of the acquisition date fair values of the identifiable assets transferred, liabilities incurred by the Company, and the equity interests issued by the Company in exchange for control of the acquiree. Contingent consideration is recognized at fair value as of the date of the business combination and subsequently remeasured at each reporting date. The acquisition method provides an exception for acquired leases, which are not measured at fair value. Rather, acquired leases are measured at an amount equal to the lease liability and adjusted for favorable or unfavorable terms. Transaction costs that the Company incurs in connection with a business combination are recognized in the consolidated statements of comprehensive income as incurred.

Goodwill is measured as the excess of the sum of the fair value of the consideration transferred over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Refer to the accounting policies in Note 3 – *Significant Accounting Policies – Impairment of non-current assets*.

When the consideration transferred in a business combination includes contingent consideration, the contingent consideration is measured at its acquisition date fair value. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 -*Financial Instruments*- ("IFRS 9") is measured at fair value with the changes in fair value recognized in the consolidated statements of comprehensive income.

**(f) Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of an intangible asset acquired in a business combination is its fair value as of the date of acquisition. Following initial recognition, intangible assets with finite lives are carried at cost less any accumulated amortization and any accumulated impairment losses.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

Estimated useful lives are as follows:

Asset Category	Successor	Predecessor
Brand name "Birkenstock"	Indefinite	Indefinite
Customer relationships	8-15 years	N/A
Purchased licenses and other intangible assets	3-5 years	3-5 years

Intangible assets with finite lives are amortized over the estimated useful lives on a straight-line basis. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statements of comprehensive income over the assets' estimated useful lives.

Intangible assets are reviewed at least at the end of each reporting period for changes in the expected useful lives or expected pattern of consumption of future economic benefits embodied in the asset.

As there is no foreseeable limit to the period over which the brand is expected to generate net cash inflows for the Company, the brand is considered to have an indefinite life.

Intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. Refer to the accounting policies in Note 3 – *Significant Accounting Policies – Impairment of non-current assets*.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use. Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are included in the consolidated statements of comprehensive income when the asset is derecognized.

**(g) Property, plant, and equipment**

Property, plant and equipment and construction in progress are stated at cost, net of accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset, including costs incurred to prepare the asset for its intended use and capitalized borrowing costs, when the recognition criteria are met. The commencement date for capitalization of costs occurs when the Company first incurs expenditures for the qualifying assets and undertakes the required activities to prepare the assets for their intended use.

Property, plant and equipment assets are depreciated on a straight-line basis over their estimated useful lives when the assets are available for use. When significant parts of a fixed asset have different useful lives, they are accounted for as separate components and depreciated separately. Depreciation methods and useful lives are reviewed annually and are adjusted for prospectively, if appropriate. Estimated useful lives are as follows:

Asset Category	Estimated Useful Lives
Buildings and improvements	10-50 years
Technical equipment and machinery	5-18 years
Factory and office equipment	4-14 years

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the consolidated statements of comprehensive income when the asset is derecognized.

The cost of repairs and maintenance of property, plant and equipment is expensed as incurred and recognized in the consolidated statements of comprehensive income.

Property, plant and equipment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. Refer to the accounting policies in Note 3 – *Significant Accounting Policies – Impairment of non-current assets*.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**(h) Leases**

As a lessee, the Company assesses at contract 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.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets which are immaterial. The Company 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 Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are 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, lease payments made at or before the commencement date less any lease incentives received and asset retirement obligation. Right-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.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in Note 3 – *Significant Accounting Policies – Impairment of non-current assets*.

*Lease liabilities*

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease term includes periods covered by renewal or termination options only if the Company is reasonably certain to exercise that option and if the Company has enforceable rights, i.e., the Company does not take any extension option into consideration if both parties have a right to decide until the notice period has elapsed and there is no economic incentive for either party to renew. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

*Short-term leases and leases of low-value assets*

The Company applies the short-term lease recognition exemption to its short-term leases of office equipment and storage facilities (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Company also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

The Company does not have any lease agreements where it acts as a lessor.

**(i) Impairment of non-current assets**

Further disclosures relating to impairment of non-current assets are also provided in the following notes:

- Goodwill — Note 8
- Intangible assets — Note 9
- Property, plant, and equipment — Note 10

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit ("CGU") group's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU group exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The Company's CGU groups are aligned to the four operating segments that the Company operates in, i.e., Americas, Europe, ASPA, and MEAI. Impairment tests for property, plant and equipment are performed at the individual CGU level. Impairment tests of goodwill and indefinite lived intangible assets, which are assigned to the CGU groups as they do not generate independent cash flows, are performed at the CGU group level.

The Company bases its value in use calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGU groups to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

In assessing value in use, the Company uses assumptions that include estimates regarding the projected revenue growth rates, EBITDA margins, costs, capital investment, working capital requirements, discount rates, and terminal growth rates. The estimated future cash flows expected to be generated by the CGU are discounted to their present value 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 group of assets. Discount rates used in the impairment test for goodwill and indefinite lived intangible assets are estimated in nominal terms on the weighted average cost of capital basis. The terminal growth rates are based on the Company's growth forecasts, which are largely in line with industry trends. Changes in selling prices and direct costs are based on historical experience and expectations of future changes in the market.

In determining fair value less costs of disposal, the Company uses recent market transactions data and best information available to reflect the amount that it could obtain from the disposal of the asset in an arm's length transaction (e.g., offers obtained from potential buyers).

Impairment losses are recognized in the consolidated statements of comprehensive income.

Goodwill and indefinite lived intangible assets are tested for impairment annually as of September 30 and when circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of each CGU group to which the goodwill and indefinite lived intangible assets relates. When the recoverable amount of the CGU group is less than its carrying amount, an impairment loss is recognized. The impairment loss is recorded against goodwill, and then if goodwill has been fully impaired, against other assets assigned to the CGU group on a pro rata basis. Impairment losses relating to goodwill cannot be reversed in future periods.

**(j) Financial instruments**

***Non-derivative financial assets***

Non-derivative financial assets include cash, prepayments, and trade receivables which are measured at amortized cost. The Company initially recognizes receivables and deposits on the date that they are originated. The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or the Company transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

***Cash and cash equivalents***

Cash and cash equivalents in the consolidated statements of financial position comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

***Trade receivables***

Trade receivables, including credit card receivables, consist of amounts owing on product revenue where the Company has extended credit to customers, and are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less expected credit loss and sales allowances. The allowance for expected credit losses is recorded against trade receivables and is based on historical experience.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

***Non-derivative financial liabilities***

Non-derivative financial liabilities include accounts payable, accrued liabilities, and loans and borrowings. The Company initially recognizes debt instruments (i.e., loans and borrowings) on the date that they are originated. All other financial liabilities are recognized initially on the trade date on which the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are recognized initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

***Derivative financial instruments***

As described in Note 7 – *Financial risk management objectives and policies*, given the Company's international operations, the Company is exposed to the risk of currency fluctuations and has entered into currency derivative contracts to mitigate its exposure on the basis of planned transactions. These derivative contracts are measured at fair value with the changes in fair value recognized immediately in the consolidated statements of comprehensive income. The Company's derivative instruments do not qualify for hedge accounting.

The Company does not use derivatives for trading or speculative purposes.

***Hybrid financial instruments***

Hybrid financial instruments are separated into the host liability and embedded derivative components based on the terms of the agreement. On issuance, the liability component of the hybrid financial instrument is initially recognized at the fair value of a similar liability that does not have a conversion option. The embedded derivative component is initially recognized at fair value and changes in the fair value are recorded in profit or loss. The host debt is carried at amortized cost using the effective interest method until maturity or redemption. Any directly attributable transaction costs are allocated to the liability and embedded derivative components in proportion to their initial carrying amount.

***Hedge accounting***

The Company uses derivative financial instruments to hedge future cash flows. The criteria for applying hedge accounting are that the hedging relationship between the hedged item and the hedging instrument is documented and that the hedge is highly effective. Hedge effectiveness is measured using the critical term matches method. The Company uses derivative financial instruments such as options as hedging instruments. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

The option is accounted for as part of a cash flow hedge, changes in the time value of the option are recorded in a separate component of equity (accumulated other comprehensive income). Changes in the time value of the option in the accumulated other comprehensive income are reclassified to profit or loss when the hedged cash flows actually occur. At that time, the accumulated changes in the time value of the option in accumulated other comprehensive income are reclassified to the statement of profit or loss.

Please refer to Note 7 – *Financial risk management objectives and policies* for further information on the hedge accounting.

***Effective interest rate method***

After initial determination, the effective interest rate is adjusted for changes in variable interest, changes in margin resulting from initially agreed adjustments in credit margin as a function of company leverage as well as the spread that covers the change to correct for London Interbank Offered Rate ("LIBOR")/Secured Overnight Financing Rate ("SOFR") differences.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**(k) Inventories**

Raw materials, work in progress, and finished goods are valued at the lower of cost and net realizable value. Cost is determined using the standard cost method. The cost of work in progress and finished goods inventories include the cost of raw materials and an applicable share of the cost of labor and fixed and variable production overhead costs, including the depreciation of property, plant and equipment used in the production of finished goods and design costs, and other costs incurred to bring the inventories to their present location and condition.

The Company estimates net realizable value as the amount at which inventories are expected to be sold, taking into consideration fluctuations in selling prices due to seasonality, less estimated costs necessary to complete the sale. Inventories are written down to net realizable value when the cost of inventories is estimated to be unrecoverable due to obsolescence, damage, or declining selling prices.

Storage costs, indirect administrative overhead and certain selling costs related to inventories are expensed in the period that these costs are incurred. Shipping and handling costs which are incurred before the customer obtains control of the related goods are capitalized in the finished goods.

**(l) Defined benefit plans**

The Company sponsors defined benefit pension plans. The amounts recorded related to defined benefit pension plans are measured on the reporting date. The obligation associated with the Company's defined benefit pension plan is based on actuarial valuation with management's best estimate of the discount rate and future salary increases. Assets are measured at fair value. Obligations in excess of plan assets are recorded as a liability. All actuarial gains or losses, net of tax, are recognized through other comprehensive income.

**(m) Provisions**

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

**(n) Government grants**

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. The Group has elected to present government grants as deferred income in the statement of financial position. The government grants are recognized in the consolidated statement of comprehensive income as other income on a systematic basis over the useful life of the related asset.

**(o) Income taxes**

*Current income tax*

Current income tax is the expected income tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to income tax payable in respect of previous years.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate (see *Uncertain Tax Positions*).

*Deferred income tax*

Deferred income tax is provided using the liability method for temporary differences between the income tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Whenever a business is acquired (the assets acquired and liabilities assumed as part of business combination is accounted for at fair value by the acquirer), deferred taxes are recognized on the step-up in fair value.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

Deferred income tax is measured using enacted or substantively enacted income tax rates expected to apply in the years in which those temporary differences are expected to be recovered or settled. A deferred tax asset is recognized for unused income tax losses and credits to the extent that it is probable that future taxable income will be available against which they can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable income will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets and the timing of the reversal of deferred tax liabilities, the Company utilizes forecast assumptions which are consistent with those used by management in other areas of assessing asset recovery (e.g., impairment testing, see (i) Impairment of non-current assets, above) to derive a future taxable income.

Deferred income tax may relate to items recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income (loss) or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the income tax relates to the same taxable entity and the same taxation authority.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

*Uncertain Tax Positions*

Tax positions are calculated taking into account the respective local tax laws, relevant court decisions and applicable tax authorities' views. Tax regulations can be complex and possibly subject to different interpretations by taxpayers and tax authorities. Different interpretations of existing or new tax laws as a result of tax reforms or other tax legislative procedures may result in additional tax payments for prior years and are taken into account based on management's considerations. IFRIC 23 *Uncertainty over Income Tax Treatments* ("IFRIC 23") clarifies the application of the recognition and measurement requirements of IAS 12 *Income Taxes* ("IAS 12") when there is uncertainty about the income tax treatment. For recognition and measurement, it is necessary to make estimates and assumptions. To do this, decisions must be made regarding whether a probable or expected value is used for the uncertainty and whether changes have occurred compared to the previous period. The accounting is based on the assumption that the tax authorities are investigating the matter in question and that they have all the relevant information.

**(p) Revenue from contracts with customers**

Generally, the Company has only one performance obligation to deliver goods to the customer. Revenues are recognized when control of the products transfers to customers. The consideration recognized is the amount the Company expects to be entitled to at such point in time. For B2B channel revenues, control transfers according to the terms of the agreement with the customer either upon shipment or delivery. For DTC channel revenues, control transfers, either upon delivery to e-commerce consumers or at the point of sale in retail stores. Revenues are presented net of sales tax, estimated returns, sales allowances, and discounts.

The following criteria are also applicable to other specific revenue transactions from contracts with customers:

*Variable consideration*

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. Some contracts with customers provide a right to return, trade discounts or volume rebates.

*Right to return*

When a contract provides a customer with a right to return, the consideration is variable because the contract allows the customer to return the product. The Company uses the expected value method to estimate the goods that will be returned and recognizes a refund liability and an asset for the goods to be recovered. Estimates of sales returns are based on (1)

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

accumulated historical experience within the respective geographical markets, and (2) specific identification of estimated sales returns not yet finalized with customers. The Company reviews and refines these estimates on an annual basis.

Actual returns in any future period are inherently uncertain and thus may differ from estimates recorded. If actual or expected future returns were significantly different than the refund liability established, the change to revenues would be recorded in the period in which such determination was made.

*Volume rebates*

In recognizing variable consideration from rebates, the Company applies the most likely amount method to estimate the variable consideration in the contract subject to the requirements of the constraint in order to determine the amount that can be included in the transaction price and recognized as revenue. A refund liability is recognized for the expected future rebates (i.e., the amount not included in the transaction price).

*Significant financing component*

The Company has applied the practical expedient provided in IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15") and does not adjust the promised amount of consideration for the effects of a significant financing component in the contracts where the Company expects, at contract inception, that the period between the Company's transfer of a promised good to a customer and the payment will be one year or less.

*Warranty obligations*

The Company provides warranties to its German customers under the German Law requirements. These warranties represent assurance type warranties and do not require providing any additional service to the Company's customers. These types of warranties are accounted for under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* ("IAS 37").

*Trade receivables*

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in Note 3 – *Significant Accounting Policies – Financial instruments*.

*Contract liabilities*

Contract liabilities are the short-term advances received from customers. A contract liability is recognized if a payment is received, or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognized as revenue when the Company performs under the contract (i.e., transfers control of the related goods to the customer).

**(q) Cost of sales**

Cost of sales is comprised of five types of expenditures (i) raw materials (ii) consumables and supplies (iii) purchased merchandise, and (iv) personnel costs, including temporary personnel services. Additionally, cost of sales includes overhead costs for the production sites.

**(r) Selling and distribution expenses**

Selling and distribution expenses are comprised of selling, marketing, product innovation, outbound shipping and handling costs, supply chain costs, sales representative salaries, leasing expenses related to logistical and selling properties, and amortization of customer relationships.

**(s) General administration expenses**

General administration expenses consist of corporate costs such as finance, controlling and tax expenses, legal and consulting fees, HR and IT expenses and global strategic project costs. Additionally, it includes personnel costs (including salaries, variable incentive compensation, benefits), other professional service cost and rental and leasing expenses other than selling and production (e.g., offices).

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**(t) Earnings per share**

Basic and diluted earnings per share is calculated by dividing net profit (loss) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

**(u) Share-based Compensation**

IFRS 2 *Share-based Payment* ("IFRS 2") is applied in accounting for share-based compensation plans involving senior executives who render the respective services. Birkenstock has only equity-settled share-based payment plans. The awards were granted by an indirect shareholder of Birkenstock (controlled by Birkenstock's ultimate parent), but the expenses are recognized at the level of Birkenstock as the plan participants render services for Birkenstock. Birkenstock itself has no obligation to settle the awards.

The cost of equity-settled transactions is determined by the number of awards expected to vest and their respective fair value at grant date using an appropriate valuation model.

That cost is recognized as personnel expense within the functional areas general and administrative expenses as well as selling and distribution expenses, together with a corresponding increase in equity (other capital reserve), over the period in which the service and, where applicable, the vesting conditions are fulfilled (vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and Birkenstock's best estimate of the number of awards that will ultimately vest.

Please refer to Note 30 – *Share-based compensation* for further information on the share-based compensation.

**(v) Commitments and contingencies**

The Company recognizes legal expense in connection with loss contingencies as incurred.

The Company has contingencies primarily relating to claims and legal proceedings, onerous contracts, product warranties and employee-related provisions. The status of each significant claim and legal proceeding in which the Company is involved is reviewed by management at the end of each reporting period and the Company's potential financial exposure is assessed. If the potential loss from any claim or legal proceeding is considered probable, and the amount can be reliably estimated, a liability is recognized for the estimated loss. Because of the uncertainties inherent in such matters, the related provisions are based on the best information available at the time. With respect to legal contingencies, management considers the status of settlement negotiations, interpretations of contractual obligations, prior experience with similar contingencies/claims, and advice obtained from legal counsel and other third parties. The Company expects the majority of these provisions will be utilized within one to three years of the balance sheet date; however due to the nature of the legal provisions there is a level of uncertainty in the timing of utilization as the Company generally cannot determine the extent and duration of the legal process.

**(w) Deferred offering costs**

The Company capitalizes certain legal, professional accounting, and other third-party fees that are directly associated with the issuance of shares as deferred offering costs and recorded these in line item other financial assets until such equity financing is consummated. After consummation, these deferred costs are recorded within equity as a reduction to the share premium generated as a result of the offering. Should a planned equity financing be abandoned, the deferred offering costs will be expensed immediately as a charge to operating expenses in the consolidated statement of comprehensive income.

As of September 30, 2023, the Company had capitalized €2.2 million in deferred offering costs related to its IPO. No deferred offering costs were capitalized as of September 30, 2022.

**(x) Significant accounting estimates, assumptions, and judgments**

The preparation of Birkenstock's consolidated financial statements in accordance with IFRS requires management to make estimates and judgments in applying the Company's accounting policies that affect the reported amounts and disclosures made in the consolidated financial statements and accompanying notes. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. The estimates and underlying assumptions are subject to continuous review.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

Estimates and assumptions are used mainly in determining the measurement of balances recognized or disclosed in the consolidated financial statements and are based on a set of underlying data that may include management's historical experience, knowledge of current events and conditions and other factors that are believed to be reasonable under the circumstances. Management continually evaluates the estimates and judgments it uses. These estimates and judgments have been applied in a manner consistent with prior periods and there are no known trends, commitments, events or uncertainties that may materially affect the methodology or assumptions utilized in making these estimates and judgments in these financial statements.

The following are the accounting policies subject to judgments and key sources of estimation uncertainty that the Company believes could have the most significant impact on the amounts recognized in the consolidated financial statements.

**Business Combination**

*Key Sources of Estimation:* The critical assumptions and estimates used in a business combination accounted for under the acquisition method of accounting relate to the fair value of the consideration transferred including contingent consideration and the fair value of the assets acquired and liabilities assumed, particularly related to acquired intangible assets, property plant and equipment, and inventories. See Note 6 – *Business combinations* for further details regarding the approach for estimating fair values for both the consideration transferred and assets acquired, and liabilities assumed.

**Leases**

*Judgments Made in Relation to Accounting Policies Applied:* Judgment is required in determining the appropriate lease term on a lease-by-lease basis. The Company considers all facts and circumstances that create an economic incentive to exercise a renewal option or to not exercise a termination option at inception and over the term of the lease, including investments in major leaseholds, operating performance, and changed circumstances. The periods covered by renewal or termination options are only included in the lease term if the Company is reasonably certain to exercise that option and if the Company has enforceable rights, i.e., the Company does not take any extension option into consideration if both parties have a right to decide until the notice period has elapsed and there is no economic incentive for either party to renew. Changes in the economic environment or changes in the retail industry may impact the assessment of the lease term and any changes in the estimate of lease terms may have a material impact on the Company's consolidated statements of financial position.

*Key Sources of Estimation:* The critical assumptions and estimates used in determining the present value of future lease payments require the Company to estimate the incremental borrowing rate specific to each leased asset or portfolio of leased assets. Management determines the incremental borrowing rate of each leased asset or portfolio of leased assets by incorporating the Company's creditworthiness, the security, term, and value of the underlying leased asset, and the economic environment in which the leased asset operates. The incremental borrowing rates are subject to change mainly due to macroeconomic changes in the environment. See Note 11 – *Leases* for further information regarding the estimates and judgments related to leases.

**Impairment of non-financial assets (goodwill, intangible assets, property, plant & equipment, and right-of-use assets)**

*Judgments Made in Relation to Accounting Policies Applied:* Management is required to use judgment in determining the grouping of assets to identify their CGUs for the purposes of testing non-financial assets for impairment. Judgment is further required to determine appropriate groupings of CGUs for the level at which goodwill and indefinite lived intangible assets are tested for impairment. For the purpose of goodwill and indefinite lived intangible assets impairment testing, CGUs are grouped at the lowest level at which goodwill and indefinite lived intangible assets are monitored for internal management purposes. Judgment is also applied in allocating the carrying amount of assets to CGUs. In addition, judgment is used to determine whether a triggering event has occurred requiring an impairment test to be completed. The Company has concluded that it has four groups of CGUs, being the four operating segments, for the purpose of testing goodwill and indefinite lived intangibles for impairment. Intangible assets with indefinite useful lives are not amortized and the useful life of these intangibles is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable.

*Key Sources of Estimation:* In determining the recoverable amount of a group of CGUs, various estimates are employed. The Company determines value-in-use by using estimates including projected revenue growth rates, EBITDA margins, costs, capital investment and working capital requirements consistent with strategic plans presented to the Board of Managers of MidCo, as well as discount rates and terminal growth rates. Fair value less costs of disposal are estimated with reference to observable market transactions. Discount rates are consistent with external industry information

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

reflecting the risk associated with the Company and its cash flows. Please refer to Note 8, Note 9 and Note 10 for further information on goodwill, intangible assets and property, plant and equipment.

**Share-based Compensation**

Birkenstock measures the cost of equity-settled transactions by reference to the fair value of the awards at the date when they are granted and respective investments by the participants. Estimating fair value for share-based compensation transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. The estimate also requires determination of the most appropriate inputs to the valuation model including the expected timing of the incurrence of an exit, the equity value of the Company (calculated by discounted cash-flow model using estimates consistent with the determination of the recoverable amount of our groups of CGUs as discussed above), volatility, and other respective assumptions. In addition, the Company is required to determine the probability of the respective vesting conditions. That determination includes making estimates about specific non-market vesting condition of the Company, like exit events. Additionally, management makes judgments and estimates in determining the amount of compensation to be recorded each period which is dependent upon the forfeiture rate and the expected timing of the incurrence of an exit. Please refer to Note 30 – *Share-based compensation* for further information.

**Embedded derivative**

*Judgments Made in Relation to Accounting Policies Applied:* Management is required to use judgment in determining whether the hybrid instrument is a debt or equity host contract for the purposes of analyzing whether the feature is or is not closely related to the host contract and would require bifurcation. The determination of whether the hybrid instrument is a debt or equity host contract may differ from the legal form of the instrument and will instead depend on the economic characteristics and risks of the entire hybrid financial instrument. Please refer to Note 4 – *Fair value measurement* for further information on the derivative financial instruments.

**Income taxes**

*Key Sources of Estimation:* In determining the recoverable amount of deferred tax assets, the Company forecasts future taxable income by legal entity and the period in which the income occurs to ensure that sufficient taxable income exists to utilize the attributes. Inputs to those projections are Board-approved financial forecasts and statutory tax rates.

*Judgments Made in Relation to Accounting Policies Applied:* The calculation of current and deferred income taxes requires management to make certain judgments regarding the tax rules in jurisdictions where the Company performs activities. Application of judgments is required regarding the classification of transactions and in assessing probable outcomes of claimed deductions including expectations about future operating results, the timing and reversal of temporary differences and possible audits of income tax and other tax filings by the tax authorities. See Note 19 – *Income tax* above for the estimates and judgments related to uncertain tax positions.

**Inventories**

*Key Sources of Estimation:* Inventories are carried at the lower of cost and net realizable value. In estimating net realizable value, the Company uses estimates related to fluctuations in inventory levels, planned production, customer behavior, obsolescence, future selling prices, seasonality, and costs necessary to sell the inventory. Inventory is adjusted to reflect shrinkage incurred since the last inventory count. Shrinkage is based on historical experience. Please refer to Note 12 – *Inventories* for further information.

**Financial instruments**

*Key Sources of Estimation:* The critical assumptions and estimates used in determining the fair value of financial instruments are equity prices; future interest rates; the relative creditworthiness of the Company to its counterparties; estimated future cash flows; discount rates, and volatility utilized in option valuations. Please refer to Note 4 – *Fair value measurement* for further information on financial instruments.

**(y) New and amended standards and interpretations adopted by the Company**

The following amended standards became effective for the Company's fiscal year ended September 30, 2023, but did not have a material impact on the consolidated financial statements of the Company:

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

- Amendments to IFRS 3 - Reference to the Conceptual Framework (effective for annual periods beginning on or after January 1, 2022).
- Amendments to IAS 12 - *International Tax Reform - Pillar 2 Model Rules* (effective for annual periods beginning on or after January 1, 2023, however a temporary exemption from accounting for deferred taxes arising from the implementation of the OECD's Pillar Two model rules is to be applied retroactively).
- Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use (effective for annual periods beginning on or after January 1, 2022).
- Amendments to IAS 37 - Onerous Contracts - Costs of Fulfilling a Contract (effective for annual periods beginning on or after January 1, 2022).
- AIP IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a first time adopter (effective for annual periods beginning on or after January 1, 2022).
- AIP IFRS 9 Financial Instruments - Fees in the "10 per cent" test for derecognition of financial liabilities (effective for annual periods beginning on or after January 1, 2022).
- AIP IAS 41 Agriculture - Taxation in fair value measurements (effective for annual periods beginning on or after January 1, 2022).

**(z) New and amended standards and interpretations issued but not yet effective**

The standards and interpretations applicable to the Company that are issued, but not yet effective, up to the date of issuance of the Company's consolidated financial statements are discussed below. The Company has not early adopted these standards and amendments and intends to adopt them, if applicable, when they become effective. The following standard amendments became effective at the earliest for annual periods beginning on or after January 1, 2023, but are not expected to have a material impact on the consolidated financial statements of the Company:

- IFRS 17 - *Insurance Contracts* (effective for annual periods beginning on or after January 1, 2023).
- Amendments to IFRS 17 – *Insurance Contracts* (effective for annual periods beginning on or after January 1, 2023).
- IFRS 17 and IFRS 9 – *Initial application of IFRS 17 and IFRS 9 – Comparative Information* (effective for annual periods beginning on or after January 1, 2023).
- Amendments to IAS 8 – *Definition of Accounting Estimates* (effective for annual periods beginning on or after January 1, 2023).
- Amendments to IAS 1 and IFRS Practice Statement 2 - *Disclosure of Accounting Policies* (effective for annual periods beginning on or after January 1, 2023).
- Amendments to IAS 12 – *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* (effective for annual periods beginning on or after January 1, 2023).
- Amendments to IAS 12 – *International Tax Reform - Pillar 2 Model Rules* (effective for annual periods beginning on or after January 1, 2023, with respect to the required disclosures).
- Amendments to IAS 1 – *Non-current liabilities with Covenants* (effective for annual periods beginning on or after January 1, 2024).
- Amendments to IAS 1 – *Classification of Liabilities as current or non-current* (effective for annual periods beginning on or after January 1, 2024).
- Amendments to IFRS 16 – *Lease liability in a sale and lease back* (effective for annual periods beginning on or after January 1, 2024).
- Amendments to IAS 7 and IFRS 7 – *Supplier Finance Arrangements* (effective for annual periods beginning on or after January 1, 2024).
- Amendments to IAS 21 – *Lack of Exchangeability* (effective for annual periods beginning on or after January 1, 2025).
- Amendments to IFRS 10 and IAS 28 – *Sale or contribution of assets between an investor and its associate or joint venture* (available for optional adoption/ effective date deferred indefinitely).

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**4. FAIR VALUE MEASUREMENT**

The following table presents the fair values and fair value hierarchy of the Company's financial instruments that are carried at fair value on recurring basis in the consolidated statements of financial position:

	Level	Measurement	Fair value	
			September 30, 2023 (Successor)	September 30, 2022 (Successor)
Derivative assets			31,708	10,234
<i>Derivative assets not designated as hedging instruments</i>	2	FVtPL	28,795	10,234
<i>Derivative assets designated as hedging instruments</i>	2	FVtOCI	2,913	—
Derivative liabilities	2	FVtPL	6,925	10,125

Changes in fair value of derivative assets and liabilities are recognized within the consolidated statements of profit or loss except for changes in the fair value of derivative financial instruments designated as hedging instruments which are recognized within other comprehensive income. The Company does not carry any other financial instruments at fair value either on a recurring or non-recurring basis. The derivative assets and liabilities are reflected in the statements of financial position within other assets, other current assets and other financial liabilities.

The following table presents the fair value and fair value hierarchy of the Company's loans and borrowings carried at amortized cost:

	Level	Nominal value	Carrying value	Fair value
<b>September 30, 2023 (Successor)</b>				
Term Loan (EUR)	2	375,000	368,701	348,426
Term Loan (USD)	2	781,315	730,855	694,889
Vendor Loan	2	299,560	305,048	235,687
Senior Notes	2	428,500	448,434	373,682
<b>September 30, 2022 (Successor)</b>				
Term Loan (EUR)	2	375,000	367,193	294,461
Term Loan (USD)	2	860,854	856,505	719,761
Vendor Loan	2	287,018	292,275	185,783
Senior Notes	2	428,500	449,698	328,816

There were no transfers between levels during any reporting period.

**5. SEGMENT INFORMATION**

The Company's operating segments are reported in a manner consistent with the internal reporting provided to and regularly reviewed by the chief operating decision maker ("CODM"), the Chief Executive Officer ("CEO"), and are aligned to the four geographical hubs that the Company operates in: Americas, Europe, ASPA, and MEAI. Due to the materiality, ASPA and MEAI are aggregated into one reportable segment APMA ("Asia Pacific, Middle East, Africa"). As such the Company has three reportable segments – Americas, Europe and APMA. Additionally, the Company has a Corporate / Other revenue and expenses, which primarily consists of non-core activities from the cosmetics and sleeping systems businesses, as well as other administrative costs that are not charged to the operating segments and realized foreign exchange gains and losses. The CODM uses the measure of adjusted EBITDA to assess operating segments' performance to make decisions regarding the allocation of resources.

The adjustments to EBITDA relate to the effect of Transaction related advisory costs (the "Transaction" refers to the acquisition of Birkenstock GmbH & Co. KG ("GmbH KG") by Birkenstock Group BV & Co. KG ("BV KG"), a subsidiary of Birkenstock Holding Limited, on April 30, 2021), IPO-related costs, realized and unrealized foreign exchange gain / (loss),

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

effects of applying the acquisition method of accounting for the Transaction under IFRS, share-based compensation and other adjustments relating to non-recurring items such as restructuring, among others.

As of March 31, 2023, the Company changed its internal reporting to the CODM to report results prepared in accordance with IFRS. Comparative segment results have been retrospectively adjusted accordingly.

Assets and liabilities are neither reported nor reviewed by the CODM at the operating segment level.

Successor	Year ended September 30, 2023					
	Americas	Europe	APMA	Total Reportable Segments	Corporate / Other	Total
Sales	804,690	529,507	152,424	1,486,621	5,289	1,491,911
<b>Adjusted EBITDA</b>	<b>291,712</b>	<b>167,407</b>	<b>44,488</b>	<b>503,607</b>	<b>(20,901)</b>	<b>482,706</b>
Effects from applying the acquisition method of accounting for the Transaction						-
Transaction related advisory costs						-
IPO-related costs						(30,603)
Realized and unrealized FX gains / losses						(36,056)
Share-based compensation						(65,394)
Other						(6,552)
<b>EBITDA</b>						<b>344,101</b>
Depreciation and amortization						(83,413)
Finance income (costs), net						(107,036)
<b>Profit before tax</b>						<b>153,652</b>

Successor	Year ended September 30, 2022					
	Americas	Europe	APMA	Total Reportable Segments	Corporate / Other	Total
Sales	667,387	449,131	123,033	1,239,551	3,282	1,242,833
<b>Adjusted EBITDA</b>	<b>259,944</b>	<b>146,592</b>	<b>38,973</b>	<b>445,509</b>	<b>(10,954)</b>	<b>434,555</b>
Effects from applying the acquisition method of accounting for the Transaction						(24,367)
Transaction related advisory costs						(2,598)
Consulting fees relating to Group transformation						(7,982)
Realized and unrealized FX gains / losses						45,516
Other						(836)
<b>EBITDA</b>						<b>444,288</b>
Depreciation and amortization						(81,261)
Finance income (costs), net						(112,503)
<b>Profit before tax</b>						<b>250,524</b>

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

Successor	Period from May 1 to September 30, 2021					
	Americas	Europe	APMA	Total Reportable Segments	Corporate / Other	Total
Sales	223,110	191,226	47,439	461,775	889	462,664
<b>Adjusted EBITDA</b>	<b>78,767</b>	<b>61,649</b>	<b>12,326</b>	<b>152,742</b>	<b>(12,402)</b>	<b>140,340</b>
Effects from applying the acquisition method of accounting for the Transaction						(110,900)
Transaction related advisory costs						(2,463)
Consulting fees relating to Group transformation						(1,892)
Realized and unrealized FX gains / losses						20,585
Other						(1,468)
<b>EBITDA</b>						<b>44,202</b>
Depreciation and amortization						(29,021)
Finance income (costs), net						(28,958)
<b>Profit before tax</b>						<b>(13,777)</b>

Predecessor	Period from October 1, 2020 to April 30, 2021					
	Americas	Europe	APMA	Total Reportable Segments	Corporate / Other	Total
Sales	264,883	184,066	49,433	498,382	965	499,347
<b>Adjusted EBITDA</b>	<b>100,509</b>	<b>47,308</b>	<b>14,284</b>	<b>162,101</b>	<b>(10,101)</b>	<b>152,000</b>
Other transaction effects						(3,025)
Realized and unrealized FX gains / losses						(1,523)
Other						(109)
<b>EBITDA</b>						<b>147,343</b>
Depreciation and amortization						(25,872)
Finance income (costs), net						(1,753)
<b>Profit before tax</b>						<b>119,718</b>

The Company determines the geographic location of revenue based on the location of its customers.

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
<b>Revenue:</b>				
Germany	194,884	156,824	78,858	66,340
United States	712,069	598,438	198,634	239,461
Rest of world	584,957	487,571	185,172	193,546
<b>Total revenue</b>	<b>1,491,911</b>	<b>1,242,833</b>	<b>462,664</b>	<b>499,347</b>

The following table presents the carrying amount of the Company's non-current assets by geographic location.

	September 30, 2023	September 30, 2022
<b>Non-current assets</b>		
Germany	1,800,979	2,269,610
United States	1,582,958	1,429,004
Rest of world	318,369	113,770
<b>Allocated non-current assets</b>	<b>3,702,306</b>	<b>3,812,384</b>
Other non-current financial assets (unallocated)	44,618	11,747
Deferred tax assets (unallocated)	(0)	4,590
<b>Total non-current assets</b>	<b>3,746,924</b>	<b>3,828,721</b>

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

During the periods presented in these consolidated financial statements, the Company did not have any customers with individual revenue of 10% or greater of total revenue.

**6. BUSINESS COMBINATIONS**

*Business combinations from prior periods*

On April 30, 2021, Birkenstock's subsidiary, BV KG acquired 100% of shareholdings, voting interests and certain assets of the Predecessor as a result of which it became the acquirer of substantially all of the business activities of the Birkenstock operations. This business combination was made to reorganize the ownership and organizational structure of BV KG under new ownership. The Transaction was accounted for as a business combination using the acquisition method of accounting. See Note 2 – *Basis of presentation* for the discussion of the Transaction.

The fair value of the purchase consideration in the Transaction consisted of the following:

Cash	3,042,862
Rollover equity	250,000
Vendor loan	275,000
Syndicate loan	196,163
Profit transfer	(12,942)
<b>Consideration Transferred</b>	<b>3,751,083</b>

A portion of the consideration transferred was deferred and is comprised of the Rollover Equity and Vendor Loan (as defined below).

Rollover Equity - In lieu of cash consideration of €250.0 million, the selling shareholder CB Beteiligungs GmbH & Co. KG was granted a 12% beneficial ownership in MidCo.

Vendor Loan - A loan consisting of a €275.0 million agreement with AB-Beteiligungs GmbH ("Vendor Loan"), a selling shareholder, was assumed and treated as consideration transferred.

Syndicate Loan - €196.0 million of outstanding short-term borrowings under a Predecessor syndicate loan agreement ("Syndicate Loan") were assumed and repaid at the date of the Transaction.

Profit transfer - Per the sale and purchase agreement, the Successor was entitled to the entire net profit of the fiscal year ended September 30, 2021. Therefore, the purchase consideration was reduced by €12.9 million which represents the Successor's claim on GmbH KG's net profit from October 1, 2020 through April 30, 2021.

Earnout contingent consideration was also part of the Transaction. The seller is entitled to a €400.0 million earn-out if the Company's earnings before interest, taxes, depreciation and amortization for the fiscal year 2025 is higher than €709.4 million or if the Company has a change in control event with a price at a multiple of invested capital greater than 4x; however, as of the date of the Transaction, it was not probable that the earn-out requirements will be met, therefore, the fair value of the earnout contingent consideration was determined to be zero.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

The following table summarizes the fair values of assets acquired and liabilities assumed recognized at the acquisition date:

<b>Assets</b>	
Intangible assets (other than goodwill)	1,660,603
Property, plant and equipment	153,273
Right-of-use assets	95,127
Inventories	425,192
Trade and other receivables	102,149
Other current and non-current assets	14,333
Cash and cash equivalents	92,835
<b>Liabilities</b>	
Lease liabilities	(95,014)
Provisions for employee benefits	(6,012)
Deferred tax liabilities	(84,682)
Trade and other payables	(82,252)
Accrued liabilities	(27,194)
Other current and non-current financial liabilities	(12,947)
Contract liabilities	(4,857)
Tax liabilities	(7,269)
<b>Total identifiable net assets</b>	<b>2,223,284</b>
<b>Consideration Transferred</b>	<b>3,751,083</b>
<b>Less: identifiable net assets</b>	<b>(2,223,284)</b>
<b>Goodwill</b>	<b>1,527,799</b>

The fair values of assets acquired and liabilities assumed was determined as follows:

***Intangible assets (other than goodwill)***

Identifiable intangible assets acquired consist of the Birkenstock brand and customer relationships.

- The fair value of the brand was €1,356.3 million was measured using the relief-from-royalty approach. Based on an analysis of all of the relevant factors (such as the expected usage of the asset by the entity and whether the asset could be managed efficiently by another management team; typical product life cycles for the asset and public information on estimates of useful lives of similar assets that are used in a similar way; technical, technological, commercial or other types of obsolescence; the stability of the industry in which the asset operates and changes in the market demand for the products or services output from the asset; and whether the useful life of the asset is dependent on the useful life of other assets of the entity), there is no foreseeable limit to the period over which the brand is expected to generate net cash inflows for the Company, so that the brand is considered to have an indefinite life, which is reviewed each reporting period to determine whether the indefinite life assessment continues to be supportable.
- The fair value of customer relationships was €294.8 million, measured using the multi-period excess earnings method ("MEEM"). The customer relationships intangibles useful lives range from 8 to 15 years and is being amortized on a straight-line basis.
- The Company considered the length of time over which the economic benefits of these assets is expected to be realized to estimate the useful life of these assets as of the acquisition date.

***Property, plant and equipment***

- The fair value of land and buildings of €153.2 million was determined using an income capitalization approach, in which the forecast future cash flows are discounted to present value using a market rate of interest. The useful lives of buildings and improvements is between 10 to 50 years. Hypothetical market rent for office areas was utilized in forecasting the future cash flows.
- The fair value of machinery and technical equipment was determined using the indirect cost method. This approach is based on new acquisition cost, derived from the historical acquisition costs of the individual assets

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

and indexed using sector-specific indices. The new acquisition costs of the assets are adjusted to reflect the loss of value from physical consumption as well as from functional and economic ageing.

- In addition, the Company considered the length of time over which the economic benefit of these assets is expected to be realized and estimated the useful life of these assets as of the acquisition date.

**Inventories**

Inventories consisting of raw materials and supplies, and unfinished goods were recognized at current replacement cost.

- The fair values of finished goods were determined by reference to their sales prices, less a deduction for selling costs and related sales margin. The sales prices were determined using the retail method based on revenue recognized in the fiscal year ended September 30, 2020 by product. The sales margin is consistent with internal transfer prices.

**Right-of-use assets and lease liabilities**

- Right-of-use assets and lease liabilities are recognized at fair value by discounting the value of the minimum lease payments over the lease term.

**Deferred tax assets and liabilities**

- Deferred tax assets and liabilities are recognized to reflect the tax impact of the fair value adjustments.

**Working capital other than inventory**

- The fair values of working capital balances, other than inventories, have been measured at their book values at the date of acquisition, which approximate their fair values.

The excess of the purchase consideration over the fair value of the identifiable assets acquired has been accounted for as goodwill. Goodwill is mainly attributable to the expected future growth potential of the Company and the assembled workforce which will provide future benefit to the Company. €893.0 million of goodwill is deductible for tax purposes as of May 1, 2021, €882.0 million as of September 30, 2021, and €898.0 million as of September 30, 2022. For providing deferred income taxes related to the tax-deductible portion of goodwill, the carrying amount of goodwill has been allocated to the tax-paying components based on their relative economic values at the date of the Transaction.

The results of operations have been consolidated with those of the Company from the date of acquisition. If the combination had taken place as of October 1, 2020, revenue would have been €962.1 million and net profit for the period for the Successor would have been €116.4 million.

The Company incurred €27.6 million of acquisition related costs of which €25.1 million were incurred prior to the Transaction close and are reflected in accumulated deficit of the Successor as of May 1, 2021 (See Note 2 – *Basis of presentation* for further details). The remaining €2.5 million were recorded in General administration expenses in the period ending September 30, 2021. Additionally, the Company incurred €55.9 million of debt issuance costs related to financing obtained as part of the Transaction. Of this amount, €3.5 million was related to the ABL Facility. The remaining €52.4 million were recorded as a reduction to Loans and borrowings (see Note 17 – *Loans and borrowings* for further details).

**Gisela Acquisition**

On August 1, 2022, BV KG's subsidiary Components Crafting GmbH, acquired Gisela Camisao Unipessoal Lda., Arouca, Portugal, a stitching company in Portugal. The entity was subsequently renamed into S&CC Portugal Unipessoal, Lda. BV KG acquired 100% of the shares and certain assets and liabilities. This business combination was made to increase output volume locally and reduce the third-party supplier base. The transaction was accounted for as a business combination using the acquisition method of accounting.

The purchase consideration in the transaction consisted of the following:

Cash	1,054
Deferred payment	351
<b>Consideration Transferred</b>	<b>1,405</b>

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

The following table summarizes the fair values of assets acquired and liabilities assumed recognized at the acquisition date:

<b>Assets</b>	
Land and buildings	118
Machinery and technical equipment	50
Factory and Office Equipment	24
Inventories	19
Trade and other receivables	349
Other current assets	6
Cash and cash equivalents	17
<b>Liabilities</b>	
Trade and other payables	(125)
Current tax liabilities	(29)
Loans and borrowings	(91)
Other current liabilities	(151)
<b>Total identifiable net assets</b>	<b>187</b>
<b>Consideration Transferred</b>	<b>1,405</b>
<b>Less: identifiable net assets</b>	<b>(187)</b>
<b>Goodwill</b>	<b>1,218</b>

The excess of the purchase consideration over the fair value of the identifiable assets acquired has been accounted for as goodwill. Goodwill is mainly attributable to the expected future growth potential of the Company and the assembled workforce which will provide future benefit to the Company.

The results of operations have been consolidated with those of the Company from the date of acquisition. If the acquisition of S&CC Portugal Unipessoal, Lda., Arouca, Portugal had taken place as of October 1, 2021, revenue would have been €1,243.9 million and net profit for the year ended September 30, 2022 would have been €186.5 million. Furthermore, the Company incurred €0.3 million of acquisition related costs.

#### 7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to credit risk, liquidity risk, and market risk. The Company's senior management and Board of Directors oversee management of these risks. The Board of Directors reviews and approves policies for managing each of these risks which are summarized below.

##### **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.

Credit risk arises from the possibility that certain parties will default and be unable to discharge their obligations. The Company has a significant number of customers which minimizes the concentration of credit risk. As of September 30, 2023, the Company did not have a concentration of receivables with any customer exceeding 10% of receivables.

The Company routinely assesses the financial strength of its customers through a combination of third-party financial reports, credit monitoring, publicly available information, and direct communication with those customers. The Company establishes payment terms with customers to mitigate credit risk and continues to closely monitor its accounts receivable credit risk exposure.

The Company measures the loss allowance for trade receivables within the scope of IFRS 15 at an amount equal to lifetime expected credit losses. The Company measures the loss allowances for other financial assets at an amount equal to 12-month expected credit losses. Loss allowances relating to financial assets are increased in the instance when credit risk increases.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

These measures and other measures the Company may adopt to mitigate credit risk, however, may not be successful. In addition, retail consolidation could lead to fewer B2B partners, B2B partners seeking more favorable price, payment or other terms from the Company and a decrease in the number of stores that carry the Company's products.

Further, trade and other receivables are categorized by aging as part of the Company's process of monitoring credit risk. The aging of each receivable is analyzed and considered when estimating the lifetime expected credit loss.

Credit risk exposure by risk rating grades for trade receivables is as follows:

	Weighted- Average Loss Rate	Gross Carrying Amount	Loss Allowance
Current (not past due)	0.0 %	66,167	—
1-30 days past due	0.0 %	15,839	—
31-60 days past due	0.0 %	5,848	—
61-90 days past due	30.5 %	750	229
More than 90 days past due	82.0 %	3,090	2,534
<b>September 30, 2023</b>		<b>91,694</b>	<b>2,763</b>
Current (not past due)	1.2 %	49,017	(580)
1-30 days past due	7.1 %	13,461	(951)
31-60 days past due	3.3 %	1,096	(36)
61-90 days past due	16.6 %	507	(84)
More than 90 days past due	80.7 %	523	(422)
<b>September 30, 2022</b>		<b>64,604</b>	<b>(2,073)</b>

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to satisfy the requirements for business operations, capital expenditures, debt service and general corporate purposes, under normal and stressed conditions. The primary source of liquidity is funds generated by operating activities; the Company also relies on short-term borrowings and the revolving facility as sources of funds for short-term working capital needs. The Company continuously reviews both actual and forecasted cash flows to ensure that the Company has appropriate capital capacity.

The following table summarizes the amount of contractual undiscounted future cash flow requirements as of September 30, 2023:

Contractual obligations by fiscal year	2024	2025	2026	2027	2028	Thereafter	Total
Liabilities to banks (excluding interest)	7,347	7,274	7,202	7,130	1,083,553	728,060	1,840,566
Accrued Interest	114,019	103,816	96,051	93,720	74,506	22,496	504,608
Lease liabilities (undiscounted)	32,272	21,618	20,172	19,379	11,298	50,976	155,715
Derivative liabilities	6,925						6,925
Trade and other payables	123,012						123,012
Accrued liabilities	38,645						38,645
Other liabilities	686						686
Total contractual obligations	<b>322,906</b>	<b>132,708</b>	<b>123,425</b>	<b>120,229</b>	<b>1,169,357</b>	<b>801,532</b>	<b>2,670,157</b>

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise foreign exchange risk and interest rate risk.

*Foreign exchange risk*

As the Company operates internationally, the Company is exposed to transactional currency risk arising from revenue or purchases that are denominated in currencies other than the functional currencies. The primary currency giving rise to

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

the risk is USD in which 48% of the Company's revenue was generated during the years ended September 30, 2023 and 2022. Most of the Company's raw materials and semi-finished products are purchased in Euros.

To monitor and mitigate foreign currency risk, the Company enters into derivative arrangements with flexible currency forwards and currency swaps. The Company continuously monitors foreign currency exchange developments that are relevant to the Company's operations.

*Sensitivity analysis for foreign exchange risk*

A 10% weakening of the Euro against the Company's major currencies would result in the following losses and gains being recognized in the consolidated statements of profit or loss, which would arise on the retranslation of foreign currency denominated assets and liabilities. A 10% strengthening of the Euro would have an equal and opposite effect. The impact arising from financial instruments on other comprehensive income is immaterial in either case.

	<b>Year ended September 30, 2023</b>	<b>Year ended September 30, 2022</b>
Change in EUR/USD + 10%	29,859	34,060
Change in EUR/USD - 10%	(36,495)	(41,629)
Change in EUR/GBP + 10%	(4,591)	216
Change in EUR/GBP - 10%	5,611	(265)
Change in EUR/CAD + 10%	2,467	3,851
Change in EUR/CAD - 10%	(3,015)	(4,707)

*Interest rate risk*

The Company has exposure to interest rate risk related to the Company's Senior Term Facilities Agreement (as defined below). Borrowings made pursuant to the Term Loan (as defined below) consist of a Euro denominated facility and a USD denominated facility. Borrowings are up to a maximum limit of €375.0 million and \$850.0 million, respectively. The Euro denominated facility bears interest based on the Euro Interbank Offered Rate ("EURIBOR"). The USD denominated facility previously bore interest based on the LIBOR and now bears interest based on the SOFR. The Term Loan's original maturity is April 30, 2028. See Note 17 – *Loans and borrowings*.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has exposure to interest rate risks related to the Company's Senior Term Facilities Agreement. To limit the interest rate risks, the Company entered into a derivative contract in the form of an interest cap. The interest cap was designated at inception as a hedging instrument on June 20, 2023.

IFRS 9 imposes strict requirements on the use of hedge accounting. The Company complies with these requirements in that, at the beginning of a hedge, both the relationship between the hedging instrument and the hedged item as well as the risk management objective and the risk strategy of the hedge are documented.

The interest cap hedges future interest cash flows arising from fluctuations in interest rates based on the benchmark interest EURIBOR for the Euro dominated term loan facility ("hedged item") with a cap rate of 3.5% per annum for a three-month tenor and a notional amount of €375.0 million. The hedge accounting ends with the stated maturity of the cap in August 2025.

There is an economic relationship between the hedged item and the hedging instrument as the contractual terms of the interest cap match the contractual terms of the Euro dominated term loan facility ("critical terms match"). The significant terms tested are maturity, notional amount, underlying benchmark interest and payment date.

The hedge effectiveness of the hedging relationship is assumed based on the critical terms match and is reviewed on a regular basis using hypothetical derivatives. Based on the matching of the critical terms, 100% effectiveness is assumed as long as the contractual terms do not change.

The amounts related to items designated as hedging instrument were as follows:

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
(In thousands of Euros, unless stated otherwise)

	Nominal value	Carrying value	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness for the period	Change in value of hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit or loss
<b>Term Loan (EUR)</b>	375,000	368,701	Loans and borrowings	1,611	1,611	—

*Gains and losses from cash flow hedges*

	Year ended September 30, 2023	Year ended September 30, 2022
<b>Gains or losses from changes in fair value of hedging instruments</b>		
Recognized in equity	(345)	—
Recognized in profit or loss	—	—
<b>Reclassification from the cash flow hedge reserve to profit or loss</b>		
Due to early discontinuation of the hedging relationship	—	—
Due to realization of the hedged item	272	—

*Changes in the cash flow reserve*

	Cash flow hedge reserve	
	Hedging reserve	Cost of hedging reserve
<b>October 1, 2022</b>	—	—
Effective portion of changes in fair value	1,611	(2,228)
Amount reclassified to profit or loss	—	272
<b>September 30, 2023</b>	<b>1,611</b>	<b>(1,956)</b>

For further information see Note 4 – *Fair value measurement*.

*Sensitivity analysis for interest rate risk*

A one percentage point increase in market interest rates for all currencies in which the Company had cash and borrowings would have a negative effect on net profit (loss) in the amount of €11.6 million and €11.7 million for the year ended September 30, 2023, and the year ended September 30, 2022, respectively. A one percentage point decrease in market interest rates would have an approximately equal and opposite effect. The interest rate sensitivity analysis uses nominal values and does not reflect the transaction costs.

**Capital management**

The Company manages its capital, which consists of equity, short-term borrowings, and long-term debt (the Term Loan, ABL Facility and Senior Notes (as defined below)), with the objectives of safeguarding sufficient net working capital over the annual operating cycle and providing sufficient financial resources to grow operations to meet long-term consumer demand. Management targets a ratio of adjusted EBITDA, defined as EBITDA (net profit (loss) for the period before income tax expense / benefit, (finance cost (net), amortization of intangible assets and depreciation of tangible assets), adjusted for the effect of Transaction-related advisory costs, IPO-related costs, unrealized foreign exchange gain / (loss), effects of applying the acquisition method of accounting for the Transaction under IFRS, and other adjustments relating to non-recurring items such as restructuring, among others. Refer to Note 5 – *Segment information* for details on adjustments to EBITDA. The Board of Directors of the Company monitors the Company's capital management on a regular basis. The Company continually assesses the adequacy of the Company's capital structure and capacity and make adjustments within the context of the Company's strategy, economic conditions, and risk characteristics of the business.

Please see Note 17 – *Loans and borrowings* for further information on covenant conditions.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**8. GOODWILL**

The goodwill has developed as follows:

	<b>Goodwill</b>
<b>October 1, 2020 (Predecessor)</b>	<b>13,024</b>
<b>April 30, 2021 (Predecessor)</b>	<b>13,024</b>
<b>May 1, 2021 (Successor)</b>	<b>1,527,799</b>
Impact of foreign currency translation	28,882
<b>October 1, 2021 (Successor)</b>	<b>1,556,681</b>
Acquisition of Gisela	1,218
Impact of foreign currency translation	116,394
<b>September 30, 2022 (Successor)</b>	<b>1,674,293</b>
Impact of foreign currency translation	(80,376)
<b>September 30, 2023 (Successor)</b>	<b>1,593,917</b>

The following table outlines the goodwill balance allocation into the applicable groups of CGUs:

	<b>Americas</b>	<b>Europe</b>	<b>ASPA</b>	<b>MEAI</b>	<b>Total</b>
As at September 30, 2022	665,998	742,794	187,114	78,387	<b>1,674,293</b>
As at September 30, 2023	612,814	742,915	167,453	70,735	<b>1,593,917</b>

For each of the fiscal periods, the Company completed its annual impairment test and concluded that there was no impairment during the periods presented.

For purposes of impairment testing the carrying amounts of the groups of CGUs have been compared to their respective value in use as of September 30, 2023 and September 30, 2022.

For all impairment tests, the value in use was determined using a discounted cash flow model. The following key assumptions have been used:

<b>Successor</b>				
<b>September 30, 2023</b>				
	<b>Americas</b>	<b>Europe</b>	<b>ASPA</b>	<b>MEAI</b>
Terminal Growth Rate	1.5 %	1.5 %	1.5 %	1.5 %
Avg. EBITDA Margin rate (2024-2028)	33.7 %	28.9 %	27.1 %	27.1 %
Pre-tax discount rate	15.3 %	14.7 %	21.4 %	22.2 %
Avg. Revenue growth rate (2024-2028)	15.4 %	17.0 %	30.4 %	30.1 %
Avg. CapEx investments (2024-2028)	44,526	35,361	9,333	4,965

<b>Successor</b>				
<b>September 30, 2022</b>				
	<b>Americas</b>	<b>Europe</b>	<b>ASPA</b>	<b>MEAI</b>
Terminal Growth Rate	1.5 %	1.5 %	1.5 %	1.5 %
Avg. EBITDA Margin rate (2023-2027)	30.8 %	32.6 %	30.2 %	20.3 %
Pre-tax discount rate	13.5 %	15.2 %	20.1 %	21.0 %
Avg. Revenue growth rate (2023-2027)	12.6 %	15.7 %	34.2 %	35.2 %
Avg. CapEx investments (2023-2027)	39,879	32,206	8,912	4,818

The discount rate is based on a risk-free rate, an equity risk premium adjusted for betas of comparable publicly traded companies, a market risk premium, country risk premium, and a cost of debt based on comparable corporate bond yields and the capital structure of the Company's peer group.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
(In thousands of Euros, unless stated otherwise)

As of the year ended September 30, 2023 and 2022, the excess of value in use over carrying amount was sufficient to conclude there were no reasonably likely changes in the assumptions used that would lead to an impairment in any of the CGU groups.

**9. INTANGIBLE ASSETS**

	Brands and Trademarks	Customer relationships	Intangible assets under developmen t and prepayment s	Other intangible assets	Total
<b>Cost</b>					
<b>October 1, 2021</b>	<b>1,383,480</b>	<b>304,191</b>	<b>4,329</b>	<b>5,282</b>	<b>1,697,282</b>
Additions	—	—	1,407	407	1,814
Disposals	—	—	(5)	—	(5)
Transfers	—	—	—	—	—
Impact of foreign currency translation	122,633	41,541	—	263	164,437
<b>September 30, 2022</b>	<b>1,506,113</b>	<b>345,732</b>	<b>5,731</b>	<b>5,952</b>	<b>1,863,528</b>
<b>October 1, 2022</b>	<b>1,506,113</b>	<b>345,732</b>	<b>5,731</b>	<b>5,952</b>	<b>1,863,528</b>
Additions	—	—	716	79	795
Disposals	—	—	(5,175)	—	(5,175)
Transfers	—	—	(220)	702	482
Impact of foreign currency translation	(61,929)	(22,473)	(0)	40,765	(43,638)
<b>September 30, 2023</b>	<b>1,444,184</b>	<b>323,259</b>	<b>1,052</b>	<b>47,498</b>	<b>1,815,992</b>
<b>Accumulated amortization</b>					
<b>October 1, 2021</b>	<b>—</b>	<b>(10,767)</b>	<b>—</b>	<b>(724)</b>	<b>(11,491)</b>
Amortization	—	(27,491)	(5,146)	(1,573)	(34,210)
Impact of foreign currency translation	—	(2,464)	—	(162)	(2,626)
<b>September 30, 2022</b>	<b>—</b>	<b>(40,722)</b>	<b>(5,146)</b>	<b>(2,459)</b>	<b>(48,327)</b>
<b>October 1, 2022</b>	<b>—</b>	<b>(40,722)</b>	<b>(5,146)</b>	<b>(2,459)</b>	<b>(48,327)</b>
Amortization	—	(27,026)	—	(1,546)	(28,572)
Disposals	—	—	5,146	—	5,146
Impact of foreign currency translation	—	2,276	—	(40,780)	(38,504)
<b>September 30, 2023</b>	<b>—</b>	<b>(65,472)</b>	<b>—</b>	<b>(44,785)</b>	<b>(110,257)</b>
<b>Net book value</b>					
<b>September 30, 2022</b>	<b>1,506,113</b>	<b>305,010</b>	<b>585</b>	<b>3,493</b>	<b>1,815,201</b>
<b>September 30, 2023</b>	<b>1,444,184</b>	<b>257,787</b>	<b>1,052</b>	<b>2,713</b>	<b>1,705,736</b>

Other intangibles are comprised primarily of acquired software licenses. The remaining amortization period for customer relationships amounts to 7-14 years.

*Indefinite-life Intangibles*

The Company completed its annual impairment test and concluded that there was no impairment during the periods presented.

The carrying value of the indefinite-lived intangibles was the following:

	Americas	Europe	ASPA	MEAI	Total
As at September 30, 2022	856,565	509,878	100,581	39,089	<b>1,506,113</b>
As at September 30, 2023	801,621	496,735	98,777	47,051	<b>1,444,184</b>

These intangible assets have been included in the goodwill impairment test described in the section above.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**10. PROPERTY, PLANT AND EQUIPMENT**

	Lands, buildings and improvements	Technical equipment and machinery	Factory and office equipment	Constructio n in progress and prepayments	Total
<b>Cost</b>					
<b>October 1, 2021</b>	<b>68,443</b>	<b>55,744</b>	<b>25,936</b>	<b>9,557</b>	<b>159,680</b>
Additions	3,122	3,773	5,641	60,121	72,657
Disposals	(624)	(290)	(1,821)	(162)	(2,897)
Transfers	792	7,367	417	(8,576)	—
Impact of foreign currency translation	1,394	—	439	64	1,897
<b>September 30, 2022</b>	<b>73,127</b>	<b>66,594</b>	<b>30,612</b>	<b>61,004</b>	<b>231,337</b>
<b>October 1, 2022</b>	<b>73,127</b>	<b>66,594</b>	<b>30,612</b>	<b>61,004</b>	<b>231,337</b>
Additions	1,967	1,461	3,376	96,952	103,757
Disposals	(251)	(606)	(1,247)	—	(2,103)
Transfers	93,920	12,080	10,631	(117,113)	(482)
Impact of foreign currency translation	(3,202)	104	(1,210)	(45)	(4,354)
<b>September 30, 2023</b>	<b>165,561</b>	<b>79,634</b>	<b>42,162</b>	<b>40,798</b>	<b>328,155</b>
<b>Accumulated depreciation</b>					
<b>October 1, 2021</b>	<b>(1,544)</b>	<b>(2,483)</b>	<b>(2,652)</b>	<b>—</b>	<b>(6,679)</b>
Depreciation	(4,223)	(9,547)	(6,524)	—	(20,294)
Disposals	30	230	660	—	920
Transfers	—	—	—	—	—
Impact of foreign currency translation	(167)	—	(109)	—	(276)
<b>September 30, 2022</b>	<b>(5,904)</b>	<b>(11,800)</b>	<b>(8,625)</b>	<b>—</b>	<b>(26,329)</b>
<b>October 1, 2022</b>	<b>(5,904)</b>	<b>(11,800)</b>	<b>(8,625)</b>	<b>—</b>	<b>(26,329)</b>
Depreciation	(4,124)	(9,737)	(7,107)	—	(20,967)
Disposals	219	373	1,171	—	1,764
Transfers	54	—	(54)	—	—
Impact of foreign currency translation	2,505	(103)	1,029	—	3,431
<b>September 30, 2023</b>	<b>(7,250)</b>	<b>(21,267)</b>	<b>(13,585)</b>	<b>—</b>	<b>(42,102)</b>
<b>Net book value</b>					
<b>September 30, 2022</b>	<b>67,223</b>	<b>54,794</b>	<b>21,987</b>	<b>61,004</b>	<b>205,008</b>
<b>September 30, 2023</b>	<b>158,311</b>	<b>58,367</b>	<b>28,577</b>	<b>40,798</b>	<b>286,053</b>

The additions during the year ended September 30, 2023 and 2022, are mainly related to investments in the production facility in Pasewalk, Germany. The factory in Pasewalk commenced its operations in September 2023.

**11. LEASES**

The Company, as a lessee, has lease contracts for various items of property and production equipment used in its operations. Certain leases include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Companies' business needs.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

*Right-of-use assets*

	<b>Buildings</b>	<b>Vehicles</b>	<b>Total</b>
<b>Cost</b>			
<b>October 1, 2021</b>	<b>104,651</b>	<b>3,833</b>	<b>108,484</b>
Additions	35,868	1,523	37,391
Derecognition on termination	(7,200)	(1,165)	(8,365)
Impact of foreign currency translation	11,810	1	11,811
<b>September 30, 2022</b>	<b>145,129</b>	<b>4,192</b>	<b>149,321</b>
Additions	49,106	2,151	51,257
Derecognition on termination	(10,288)	(912)	(11,200)
Impact of foreign currency translation	(6,808)	1	(6,808)
<b>September 30, 2023</b>	<b>177,139</b>	<b>5,431</b>	<b>182,570</b>
<b>Accumulated depreciation</b>			
<b>October 1, 2021</b>	<b>(8,766)</b>	<b>(551)</b>	<b>(9,317)</b>
Additions	(26,490)	(1,253)	(27,743)
Derecognition on termination	2,700	633	3,333
Impact of foreign currency translation	(2,072)	—	(2,072)
<b>September 30, 2022</b>	<b>(34,628)</b>	<b>(1,171)</b>	<b>(35,799)</b>
Depreciation	(32,069)	(1,196)	(33,266)
Derecognition on termination	7,507	517	8,024
Impact of foreign currency translation	1,455	(1)	1,454
<b>September 30, 2023</b>	<b>(57,736)</b>	<b>(1,851)</b>	<b>(59,587)</b>
<b>Net book value</b>			
<b>September 30, 2022</b>	<b>110,501</b>	<b>3,021</b>	<b>113,522</b>
<b>September 30, 2023</b>	<b>119,403</b>	<b>3,581</b>	<b>122,984</b>

*Lease liabilities*

	<b>Buildings</b>	<b>Vehicles</b>	<b>Total</b>
<b>October 1, 2021</b>	<b>96,961</b>	<b>3,272</b>	<b>100,233</b>
Additions	30,705	985	31,690
Lease payments	(26,543)	(1,280)	(27,823)
Interest	2,367	50	2,417
Impact of foreign currency translation	9,963	2	9,965
<b>September 30, 2022</b>	<b>113,453</b>	<b>3,029</b>	<b>116,482</b>
<b>October 1, 2022</b>	<b>113,453</b>	<b>3,029</b>	<b>116,482</b>
Additions	45,865	2,549	48,414
Lease payments	(33,361)	(1,155)	(34,517)
Interest	5,631	90	5,721
Impact of foreign currency translation	(5,141)	(900)	(6,041)
<b>September 30, 2023</b>	<b>126,446</b>	<b>3,613</b>	<b>130,059</b>

Ancillary expense related to variable lease payments not included within the measurement of lease liabilities on a monthly basis are immaterial, accounting for approximately 10% or less of total lease payments for buildings. Refer to Note 7 – *Financial risk management objectives and policies* for disclosure of lease liability maturities.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

*Amounts recognized in the consolidated statements of comprehensive income*

	Successor		Predecessor	
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
<i>Depreciation charge of right-of-use assets</i>				
Buildings	32,069	26,490	9,355	13,971
Vehicles	1,196	1,253	568	748
<b>Total depreciation of right-of-use assets</b>	<b>33,266</b>	<b>27,743</b>	<b>9,923</b>	<b>14,719</b>
Interest expense	5,721	2,417	861	594
<b>Total amount recognized in net loss for the period</b>	<b>38,987</b>	<b>30,160</b>	<b>10,784</b>	<b>15,313</b>

The Company did not identify any significant variable lease payments that are not included in the lease liability for the years ended September 30, 2023, 2022 and 2021. Short term lease payments and payments on low value lease assets were not significant for the years ended September 30, 2023, 2022 and 2021.

For further detail with respect to the Company's leases, Refer to Note 3 – *Significant accounting policies* and Note 32 – *Related party disclosures*.

**12. INVENTORIES**

	September 30, 2023	September 30, 2022
Raw materials	69,580	77,954
Work in progress	23,102	19,621
Finished goods	502,410	438,030
<b>Total inventories at the lower of cost and net realizable value</b>	<b>595,092</b>	<b>535,605</b>

During the year ended September 30, 2023 and September 30, 2022, and during the periods from May 1, 2021 through September 30, 2021 and from October 1, 2020, through April 30, 2021 inventories of €328.0 million, €299.7 million, €246.7 million and € 128.9 million, respectively, were recognized as an expense and included in cost of sales. Write-downs of inventories during the year ended September 30, 2022 and the period from October 1, 2020 through April 30, 2021, amounted to €11.4 million and €3.7 million, respectively. During the year ended September 30, 2023, the allowance for inventories decreased by €7.2 million as the respective inventories were disposed of in 2023 and reserved for via inventory allowance in the previous years. Furthermore, no inventory allowance was released in fiscal 2023.

During the period from May 1, 2021 through September 30, 2021, €1.8 million of write-downs were reversed on inventories as it was determined the inventories were able to be utilized in the creation of shoe products.

**13. TRADE AND OTHER RECEIVABLES**

Current	September 30, 2023	September 30, 2022
Trade receivables	91,694	64,604
Other receivables	2,833	3,615
	94,527	68,219
Less: expected credit loss	(2,763)	(2,073)
<b>Trade and other receivables</b>	<b>91,764</b>	<b>66,146</b>

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**Non-Current**

	September 30, 2023	September 30, 2022
Trade receivables	—	—
Other receivables	529	1,410
	529	1,410
Less: expected credit loss	—	—
<b>Trade and other receivables</b>	<b>529</b>	<b>1,410</b>

The Company's allowance for expected credit losses was €2.8 million and €2.1 million as of September 30, 2023 and September 30, 2022, respectively, and the changes in allowance for charges and settlements during those periods was immaterial.

**14. OTHER ASSETS**

**Non-Current**

	September 30, 2023	September 30, 2022
<b>Other financial assets</b>		
Derivative financial instruments	31,708	10,234
Other receivables	529	1,410
Other financial assets	4,171	1,513
<b>Total other financial assets</b>	<b>36,408</b>	<b>13,157</b>
<b>Other non-financial assets</b>		
Other non-financial assets	1,826	2,949
<b>Total other non-financial assets</b>	<b>1,826</b>	<b>2,949</b>
<b>Other non-current assets</b>	<b>38,234</b>	<b>16,107</b>

**Current**

	September 30, 2023	September 30, 2022
<b>Other current financial assets</b>		
Derivative financial instruments	662	—
Other financial assets	8,989	—
<b>Total other current financial assets</b>	<b>9,651</b>	<b>—</b>
<b>Other current non-financial assets</b>		
Prepayments	9,288	9,852
VAT receivable	16,105	10,799
Other non-income tax asset	92	5,574
Other	2,654	504
<b>Total other current non-financial assets</b>	<b>28,138</b>	<b>26,729</b>
<b>Other current assets</b>	<b>37,789</b>	<b>26,729</b>

The significant increase in non-current financial assets was mainly due to positive development in fair values of derivative financial instruments. Please see Note 4 – *Fair value measurement* for further information. The current financial assets reflects mainly the recording of the government grant for the new production facility in Pasewalk.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**15. CASH AND CASH EQUIVALENTS**

	<b>September 30, 2023</b>	<b>September 30, 2022</b>
Cash on hand	63	180
Bank balances, including		
- <i>in U.S. dollars</i>	58,950	109,678
- <i>in Euro</i>	259,259	165,618
- <i>in other currencies</i>	26,136	31,602
<b>Cash and cash equivalents</b>	<b>344,408</b>	<b>307,078</b>

As of September 30, 2023 and September 30, 2022, the Company had no restricted cash.

**16. SHAREHOLDERS' EQUITY**

**Ordinary shares**

The Company, whose immediate parent is MidCo and ultimate controlling shareholder is L Catterton, had 182,721,369 authorized and outstanding ordinary shares with a nominal value of €1 each as of September 30, 2023 and 2022. All shares are fully paid up.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share. No additional shares were issued during the reporting period.

**Share premium**

Share premium represents the amount received from shareholders in excess of the par value of the ordinary shares.

**Other capital reserves**

Other capital reserve includes all expenses recognized in connection with the Company's management investment plan. Please refer to Note 30 – *Share-based compensation* for further information.

**Retained earnings**

Retained earnings is comprised of cumulative net earnings or profits for the period and preceding periods less distributions.

**Accumulated Other Comprehensive Income (Loss)**

Accumulated other comprehensive income (loss) is comprised of unrealized gains and losses associated with foreign currency and cash flow hedges.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**17. LOANS AND BORROWINGS**

The Company has the following principal and interest payable amounts outstanding for loans and borrowings from banks:

	Currency	Year of maturity	Successor	
			September 30, 2023	September 30, 2022
<b>Non-current liabilities</b>				
Term Loan (EUR)	EUR	2028	375,000	375,000
Term Loan (USD)	USD	2028	730,159	852,354
Vendor Loan	EUR	2029	299,560	287,018
Senior Notes	EUR	2029	428,500	428,500
			<u>1,833,220</u>	<u>1,942,872</u>
Senior Note embedded derivative			28,638	28,638
Less: amortization under the effective interest method			(46,163)	(51,875)
			<u>1,815,695</u>	<u>1,919,635</u>
<b>Current liabilities</b>				
Term Loan (EUR) interest payable	EUR	N/A	4,197	4,750
Term Loan (USD) - current portion	USD	2028	7,347	8,500
Term Loan (USD) interest payable	USD	N/A	10,938	18,725
Vendor Loan interest payable	EUR	N/A	5,487	5,258
Senior Notes interest payable	EUR	N/A	9,373	9,373
			<u>37,343</u>	<u>46,606</u>

Aggregate scheduled maturities of the debt outstanding as of September 30, 2023 were as follows:

Payable by	
2024	7,347
2025	7,274
2026	7,202
2027	7,130
2028	1,083,553
Thereafter	728,060
Total	<u>1,840,567</u>

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

A reconciliation of financial liabilities is the following:

	Term Loan (EUR)	Term Loan (USD)	Vendor Loan	Senior Notes
<b>Balance at October 1, 2021</b>	<b>380,651</b>	<b>745,503</b>	<b>280,037</b>	<b>439,469</b>
<b>Changes from financing cash flows</b>				
Proceeds from loans and borrowings	—	—	—	—
Repayment of loans and borrowings	—	(8,016)	—	(1,500)
Interest paid	(12,307)	(31,263)	—	(22,661)
<b>Total changes from financing cash flows</b>	<b>(12,307)</b>	<b>(39,279)</b>	<b>—</b>	<b>(24,161)</b>
The effect of changes in foreign exchange rates	—	139,667	—	—
Changes in fair value	—	—	—	—
Change in bank overdraft	—	—	—	—
Interest expense	11,406	33,688	12,239	22,565
<b>Balance at September 30, 2022</b>	<b>379,750</b>	<b>879,579</b>	<b>292,276</b>	<b>437,873</b>
<b>Balance at October 1, 2022</b>	<b>379,750</b>	<b>879,579</b>	<b>292,276</b>	<b>437,873</b>
<b>Changes from financing cash flows</b>				
Proceeds from loans and borrowings	—	—	—	—
Repayment of loans and borrowings	—	(52,782)	—	—
Interest paid	(21,295)	(68,195)	—	(22,496)
<b>Total changes from financing cash flows</b>	<b>(21,295)</b>	<b>(120,977)</b>	<b>—</b>	<b>(22,496)</b>
The effect of changes in foreign exchange rates	—	(71,711)	—	—
Changes in fair value	—	—	—	—
Change in bank overdraft	—	—	—	—
Interest expense	20,743	61,553	12,772	22,497
<b>Balance at September 30, 2023</b>	<b>379,197</b>	<b>748,445</b>	<b>305,048</b>	<b>437,873</b>

For further information on fair values of financial instruments see Note 4 – *Fair value measurements*.

**Term Loan**

On April 28, 2021, Birkenstock Limited Partner S.à r.l. entered into a senior facilities agreement (the "Senior Term Facilities Agreement"). Included within the Senior Term Facilities Agreement is a term loan facility (the "Term Loan"). Borrowings made pursuant to the Term Loan consist of a Euro denominated facility and a USD denominated facility. Borrowings are up to a maximum limit of €375.0 million and \$850.0 million, respectively. The Term Loan's original maturity is April 30, 2028. The Company paid banking and commitment fees of €15.4 million and €22.7 million on the Euro and USD denominated components respectively, which are capitalized and being amortized to interest expense using the effective interest method over the life of the loan.

The Term Loan originally bore interest based on EURIBOR and LIBOR for the Euro and USD denominated facilities, respectively. During the year ended September 30, 2023, the Company entered into an amendment of the Senior Term Facilities Agreement. Among the amendments, the SOFR replaced the LIBOR as the benchmark rate for USD denominated term loan facility. As such, the interest payable under the USD Term Loan is subsequently calculated using the SOFR.

During year ended September 30, 2023, the Company made a redemption payment of \$50 million for the USD Term Loan. For further information on the nominal amounts see Note 4 – *Fair value measurements*.

**ABL Facility**

Included within the Senior Term Facilities Agreement is an asset-based lending facility (the "ABL Facility"). The ABL Facility is a revolving asset-based lending facility entered into on April 28, 2021 under which the Company can draw down further loan capital of up to €200.0 million over a five-year period. The ABL Facility requires a commitment fee of 0.375% of the drawable loan balance. This commitment fee is paid by the Company on a quarterly basis. No amounts were drawn down under this facility as of September 30, 2023 or September 30, 2022.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**Vendor Loan**

On April 30, 2021, in connection with the Transaction, Birkenstock Group B.V. & CO. KG entered into a Vendor Loan agreement with AB-Beteiligungs GmbH for an amount of €275.0 million (the "Vendor Loan"). The loan is scheduled to mature on October 31, 2029 and bears interest of 4.37% per annum. Interest is due annually upon the anniversary of the Transaction and at the Company's election may be paid in cash or, if not paid in cash, accrues on each annual interest payment date and is included in the principal amount of the Vendor Loan on and following such interest payment date. The Vendor Loan matures on October 30, 2029, which maturity date may be extended at the Company's election up to three times, with each extension up to six months.

**Senior Notes**

On April 29, 2021, Birkenstock Holding Limited issued notes in an aggregate principal amount of €430.0 million in a debt offering (the "Senior Notes"). The Senior Notes are scheduled to mature on April 30, 2029 and bear interest of 5.25% annually. Additionally, the Company paid banking and issuance fees of €14.3 million, which are capitalized and being amortized to interest expense using the effective interest method over the life of the Senior Notes.

As per the prepayment clause included in the Senior Notes, the Company recognized this agreement as a hybrid financial instrument which included an embedded derivative. The embedded derivative component was separated from the non-derivative host in the consolidated statements of financial position at fair value. The changes in the fair value of the derivative financial instrument were recognized in the consolidated statements profit or loss. See Note 4 - *Fair value measurement* for additional details.

**Pledges**

In order to secure the Senior Notes, the Company pledged 100% of its equity interests in Birkenstock Financing S.à r.l. in favor of the applicable security agent. The following table presents the guarantors for the Term Loan, ABL Facility, and Senior Notes.

Guarantor
1. Birkenstock Limited Partner S.à r.l.
2. Birkenstock Group B.V. & Co. KG
3. Birkenstock US BidCo Inc.
4. Birkenstock Components GmbH
5. Birkenstock Cosmetics GmbH
6. Birkenstock digital GmbH
7. Birkenstock Global Sales GmbH
8. Birkenstock IP GmbH
9. Birkenstock Productions Hessen GmbH
10. Birkenstock Productions Rheinland-Pfalz GmbH
11. Birkenstock Productions Sachsen GmbH
12. Birkenstock USA GP, LLC
13. Birkenstock USA, LP
14. Birkenstock USA digital LLC
15. Birkenstock Cosmetics USA GP LLC
16. Birkenstock Cosmetics USA LP

**Covenants**

**ABL Covenants**

The Company must comply with the following financial covenants during the duration of the ABL Facility:

Upon the occurrence and during the continuance of a covenant trigger period (as defined in the credit agreement governing the ABL Facility), a fixed charge coverage ratio calculated on a pro forma basis must be less than 1.00 to 1.00.

The fixed charge coverage ratio is defined as the ratio for the period most recently ended of (a) consolidated earnings before interest, taxes, depreciation and amortization for such period minus consolidated capital expenditures (except to the extent financed with the proceeds of dispositions, long term indebtedness (other than the revolving loans) or any

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

issuance of capital stock), minus the aggregate amount of taxes paid or payable in cash during such period to fixed charges for such period in each case of or by the Group on a consolidated basis.

Covenant trigger period is defined as the period (a) commencing on the day the sum of (x) excess availability and (y) the amount (if any, and not to be less than 0) by which (1) the borrowing base exceeds (2) the aggregate commitments at such time (not to exceed 5% of the aggregate commitments) (the "Specified Excess Availability") is less than the greater of (x) 10.0% of the line cap at such time and (y) €20.0 and (b) continuing until the end of the first period of 30 consecutive days at all times during which the Specified Excess Availability for each day during such 30-day period has been greater than or equal to the greater of (x) 10.0% of the line cap at such time and (y) €20.0.

In view of the fact that the ABL credit line was never drawn in the period from October 1, 2022 to September 30, 2023 and in the prior period there was never a covenant trigger period, the fixed charge cover ratio never had to be tested during the years ended September 30, 2023 and 2022.

*Term Loan Covenants*

The Senior Facilities Agreement dated April 28, 2021 does not contain any financial covenants with respect to the Term Loans.

As of September 30, 2023, 2022 and 2021, the Company was in compliance with all financial and non-financial covenants in its debt instruments.

**18. PROVISION FOR EMPLOYEE BENEFITS**

The Company has two non-contributory pension plans: a plan for compensating employees with significant years of service ("Jubilee plan") and defined benefit plans associated with Predecessor shareholders ("Defined benefit plans"). These plans have no minimum funding requirements and no asset ceilings. In both Successor and Predecessor periods, the Company has not made any contributions and is not expected to contribute to these plans.

The provision for employee benefits relates to certain pension entitlements of former employees which are calculated based on actuarial principles. The Defined benefit plans were not assumed or acquired and therefore relate only to the Predecessor and are not part of the Successor. The Jubilee plan provisions relate to both the Predecessor and the Successor.

The Jubilee plan requires milestone payments to employees based on years of service for each employee and are paid out in the same year as they are awarded. The Defined benefit plans are based on years of service for Predecessor shareholders and are paid out with a weighted average duration of 10.82 for the period ended April 30, 2021 with the exception of one plan that is frozen and expected to be paid out August 2031.

The components of amounts recognized in the consolidated statements of comprehensive income were as follows:

	Successor			Predecessor	
	Year ended September 30, 2023	Year ended September 30, 2022	September 30, 2021	Period from October 1, 2020 through April 30, 2021	
	Jubilee plan	Jubilee plan	Jubilee plan	Defined benefit plans	Jubilee plan
Current service cost	556	145	171	—	178
Interest on pension liability	56	11	3	32	4
<b>Amounts recognized in comprehensive income</b>	<b>612</b>	<b>156</b>	<b>174</b>	<b>32</b>	<b>182</b>

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

Details of the employee benefits obligations were as follows:

	September 30, 2023 Jubilee plan	September 30, 2022 Jubilee plan
Present value of obligations	2,716	2,374
Fair value of plan assets	—	—
<b>Net defined liability recognized</b>	<b>2,716</b>	<b>2,374</b>

Details of changes in the present value of defined benefit obligations are as follows:

	Successor	
	September 30, 2023 Jubilee plan	September 30, 2022 Jubilee plan
Defined benefit obligations at the beginning of the year/period	2,374	2,480
Current service cost	557	145
Interest on defined obligations	56	11
Re-measurements recognized in other comprehensive income:		
<i>Actuarial loss/(gain) due to change in financial assumptions</i>	—	—
<i>Actuarial loss/(gain) due to demographic assumptions</i>	—	—
<i>Actuarial loss/(gain) due to experience changes</i>	—	—
Benefits paid	(271)	(262)
<b>Defined benefit obligations at the end of the year/period</b>	<b>2,716</b>	<b>2,374</b>

The actuarial assumptions used in accounting for the defined benefit plans are as follows:

	Successor			Predecessor	
	September 30, 2023	September 30, 2022	September 30, 2021	September 30, 2020	
	Jubilee plan	Jubilee plan	Jubilee plan	Defined benefit plans	Jubilee plan
Discount rate	4.0%	2.5%	0.4%	0.6%	0.3%
Rate of compensation increase	0.0%	0.0%	0.0%	1.5%-2.5%	0.0%

A sensitivity analysis for the assumptions of the Jubilee plan is as follows:

	September 30, 2023 Jubilee plan	September 30, 2022 Jubilee plan
Discount rate - 100 basis points	2,453	2,493
Discount rate + 100 basis points	2,761	2,207

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**19. INCOME TAX**

The major components of income tax expense are as follows:

	<b>Successor</b>			<b>Predecessor</b>
	<b>Year ended September 30, 2023</b>	<b>Year ended September 30, 2022</b>	<b>Period from May 1, 2021 through September 30, 2021</b>	<b>Period from October 1, 2020 through April 30, 2021</b>
Current income taxes	50,849	66,336	(4,149)	26,554
Deferred income taxes	27,781	(2,923)	7,577	(5,860)
<b>Income tax expense</b>	<b>78,630</b>	<b>63,413</b>	<b>3,428</b>	<b>20,694</b>

For the period ended September 30, 2023, the UK corporate income tax rate of 25% was used to calculate the current taxes due to the migration of Birkenstock Holding Limited from Luxembourg to Jersey. The Company has its registered seat in Jersey whereas the effective place of management is in the UK which gives rise to the Company being subject to UK corporate income tax resulting in an application of the UK corporate income tax rate of 25% instead of the Jersey corporate income tax rate of 0%.

For the Predecessor period ended April 30, 2021, trade tax rates of 14.36% and 14.4% were used. Due to the Transaction described in Note 6 – *Business combinations*, for the Successor periods up to September 30, 2022, the Birkenstock Holding Limited tax rate has changed to the Luxembourg corporate income tax rate of 22.8%.

For the foreign subsidiaries, country-specific tax rates were used for each respective period. The calculation of deferred tax assets and deferred tax liabilities was based on tax rates that are likely to be applicable in the period of reversal of the deferred tax assets and deferred tax liabilities.

The income taxes calculated at the effective tax rate reconcile as follows:

	<b>Successor</b>			<b>Predecessor</b>
	<b>Year ended September 30, 2023</b>	<b>Year ended September 30, 2022</b>	<b>Period from May 1, 2021 through September 30, 2021</b>	<b>Period from October 1, 2020 through April 30, 2021</b>
Net profit (loss) before tax	153,652	250,524	(13,777)	119,718
<b>Expected income tax expense (benefit) at a 25% statutory UK tax rate (prior period: 22.8% statutory Luxembourg tax rate)</b>	<b>38,413</b>	<b>57,120</b>	<b>(3,141)</b>	<b>17,242</b>
<b>Increased/ decreased by:</b>				
- Non-deductible expenses for tax purposes	2,699	1,812	570	137
- Non-deductible share-based compensation	19,880	—	—	—
- Change in permanent items	(687)	—	—	—
- Income exempted from tax	—	—	—	—
- Previous years taxes	5,461	—	—	—
- Changes in non-recognition of deferred tax assets on temporary differences/tax loss carry forwards	8,400	783	(311)	750
- Tax rate differences	5,628	14,202	3,714	3,229
- Tax rate changes	142	—	—	49
- Other	(1,305)	(10,504)	2,596	(713)
<b>Effective income tax expense</b>	<b>78,630</b>	<b>63,413</b>	<b>3,428</b>	<b>20,694</b>

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

The net deferred tax assets and liabilities mainly relate to the following differences between IFRS and the tax base and are shown in the following table:

	<b>Successor</b>			
	<b>September 30, 2023</b>		<b>September 30, 2022</b>	
	Assets	Liabilities	Assets	Liabilities
Trade receivables	223		6,858	—
Inventories	59,714	2,602	67,571	2,381
Other current assets	30	125	153	736
Property, plant and equipment	1,240	9,005	2,230	9,039
Right-of-use assets		27,037	—	29,411
Intangible assets		168,297	—	134,823
Other current financial liabilities	7,571		6,883	—
Other current liabilities	674	737	831	3,707
Current provisions	8,815	627	4,401	200
Employee benefit obligations			—	—
Non-current provisions			—	—
Other non-current financial liabilities	22,245	17,433	23,305	20,196
Tax loss and interest carryforwards	15,559		—	—
<b>Deferred tax assets (liabilities)</b>	<b>116,069</b>	<b>225,863</b>	<b>112,232</b>	<b>200,493</b>
Offsetting	(116,069)	(116,069)	(107,642)	(107,642)
<b>Deferred tax assets (liabilities) on balance sheet</b>	<b>—</b>	<b>109,794</b>	<b>4,590</b>	<b>92,851</b>

The deferred taxes developed as follows:

	<b>Successor</b>			<b>Predecessor</b>
	<b>September 30, 2023</b>	<b>September 30, 2022</b>	<b>September 30, 2021</b>	<b>April 30, 2021</b>
<b>Net amount at October 1 / May 1</b>	<b>(88,261)</b>	<b>(79,047)</b>	<b>(78,185)</b>	<b>193</b>
thereof deferred tax assets	4,590	—	—	16,401
thereof deferred tax liabilities	92,851	79,047	78,185	16,208
Taxes charged				
to income statement	27,781	(2,923)	7,577	(5,860)
to other comprehensive income		—	—	—
Exchange differences	(6,249)	12,137	(6,715)	(694)
<b>Net amount at September 30</b>	<b>(109,794)</b>	<b>(88,261)</b>	<b>(79,047)</b>	<b>6,747</b>
thereof deferred tax assets	—	4,590	—	21,790
thereof deferred tax liabilities	109,794	92,851	79,047	15,043

For the following (gross) items, no deferred taxes were recognized:

	<b>September 30, 2023</b>	<b>September 30, 2022</b>
Tax loss carry forwards	53,050	12,762
	53,050	12,762

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

Tax loss carry forwards mainly relate to the Company and foreign entities which can be carried forward indefinitely. However, due to insufficient projected future taxable income, no deferred taxes on the aforementioned tax loss carry forwards were recognized for the respective periods.

The Company did not recognize deferred tax liabilities in the amount of €10.1 million as of September 30, 2023 (September 30, 2022: €2.5 million) for retained profits of the Company's subsidiaries that are intended to be reinvested.

**20. TRADE AND OTHER PAYABLES AND ACCRUED LIABILITIES**

	September 30, 2023	September 30, 2022
Trade payables	79,555	57,335
Other payables	43,457	55,889
<b>Trade and other payables</b>	<b>123,012</b>	<b>113,224</b>

	September 30, 2023	September 30, 2022
Accrual for personnel	26,040	17,618
Accrued audit and closing fees	4,251	2,415
Accrued legal fees	8,008	—
Accrued commissions	346	33
<b>Accrued liabilities</b>	<b>38,645</b>	<b>20,066</b>

Other payables consist of refund liabilities and other liabilities for invoices not yet received at period end.

**21. OTHER FINANCIAL LIABILITIES**

	September 30, 2023	September 30, 2022
Derivatives	6,925	10,125
Payable to seller	—	735
Other financial liabilities	160	—
<b>Other current financial liabilities</b>	<b>7,085</b>	<b>10,860</b>

Payable to seller consists of VAT payables that were paid as a result of the Transaction.

For further information of the fair value of financial liabilities see Note 4 – *Fair value measurement*.

**22. OTHER PROVISIONS**

**Current**

	September 30, 2023	September 30, 2022
Warranties	916	1,043
Legal	10,136	15,187
Personnel obligations	14,459	10,501
Other	10,984	7,670
<b>Total Current provisions</b>	<b>36,495</b>	<b>34,401</b>

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**Non-current**

	September 30, 2023	September 30, 2022
Warranties	1,253	1,214
Other	821	823
<b>Total Non-Current provisions</b>	<b>2,074</b>	<b>2,037</b>

The breakout of the provisions outlined in the table above are separately detailed below.

*Provision for Warranties*

The provision for warranties primarily relates to the accrual for expected sales returns of goods sold through the Europe segment, which have a limited right of return or exchange. Warranties are subject to the local regulations of the purchasing customer. In accordance with German law, there is a two-year limited legal warranty for sales made to end-customers. Legal warranties for sales made to business customers vary and are subject to terms per contractual agreement. Management recognizes provisions for warranties for recognizable risks and uncertain liabilities and measures these provisions at the settlement amount required in accordance with reasonable commercial judgment.

Changes to provision for warranties were as follows:

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
At the beginning of the period/year	2,257	1,291	1,064	2,341
Provisions made during the year	39	1,974	1,076	243
Provisions used during the year	(43)	(1,162)	(878)	(1,229)
Provisions reversed during the year	—	—	—	(251)
Impact of foreign currency translation	(84)	154	29	(40)
<b>At the end of the period/year</b>	<b>2,169</b>	<b>2,257</b>	<b>1,291</b>	<b>1,064</b>

*Provision for Legal*

The provision for legal is accrual for estimated contingencies related to litigation with the Company's counterparties. Management recognizes provisions for legal for recognizable risks and uncertain liabilities and measures these provisions at the settlement amount required in accordance with reasonable commercial judgment (see Note 31 – *Commitments and contingencies*).

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
At the beginning of the period/year	15,187	8,242	10,448	1,504
Provisions made during the year	682	7,842	454	9,123
Provisions used during the year	(3,858)	(82)	(566)	(172)
Provisions reversed during the year	(1,875)	(815)	(2,094)	(7)
<b>At the end of the period/year</b>	<b>10,136</b>	<b>15,187</b>	<b>8,242</b>	<b>10,448</b>

*Provision for Personnel Obligations*

The provisions for personnel obligations are accruals for expected employee benefit obligations. These employee benefit obligations include but are not limited to leave, and annual bonuses. Management recognizes provisions for personnel obligations for recognizable risks and uncertain liabilities and measures these provisions at the settlement amount required in accordance with reasonable commercial judgment. The table below includes all employee benefit obligations except for those relating to the jubilee plan as disclosed in Note 18 – *Provision for employee benefits*.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
At the beginning of the period/year	10,501	6,770	4,677	5,659
Provisions made during the year	5,616	7,882	3,691	2,282
Provisions used during the year	(1,282)	(3,703)	(1,333)	(2,498)
Provisions reversed during the year	(105)	(917)	(377)	(693)
Impact of foreign currency translation	(271)	469	112	(73)
<b>At the end of the period/year</b>	<b>14,459</b>	<b>10,501</b>	<b>6,770</b>	<b>4,677</b>

*Provision for Other*

The provisions for other primarily consist of uncertain other liabilities such as asset retirement obligations from right-of-use assets and onerous contracts. In the Predecessor, the other provisions consist primarily of estimated reimbursements to shareholders according to partnership agreements. The provisions for recognizable risk and uncertain other liabilities are measured at the settlement amount required in accordance with reasonable commercial judgment.

Changes to provision for other liabilities were as follows:

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
At the beginning of the period/year	8,493	5,150	1,876	4,429
Provisions made during the year	10,930	8,685	3,763	1,484
Provisions used during the year	(7,194)	(5,285)	(34)	(3,968)
Provisions reversed during the year	(86)	(23)	(472)	(43)
Impact of foreign currency translation	(337)	(34)	17	(26)
<b>At the end of the period/year</b>	<b>11,806</b>	<b>8,493</b>	<b>5,150</b>	<b>1,876</b>

**23. DEFERRED INCOME**

	Government Grants	Other
<b>Balance at September 30, 2022</b>	—	<b>2,080</b>
Pledged during the year	10,675	2,680
Received during the year	—	(2,080)
Released to the statement of comprehensive income	41	—
<b>Balance at September 30, 2023</b>	<b>10,634</b>	<b>2,680</b>
current	—	2,680
non-current	10,634	—

In the fiscal year ended September 30, 2023 the Group was awarded a government grant by the state of Mecklenburg-Vorpommern, amounting up to €11.3 million, conditional on the investment in a production facility and the creation of 400 permanent jobs in Pasewalk, Germany. The grant is recognized as deferred income and is released to the statement of comprehensive income over the useful life of the respective assets. €8.7 million of cash from the state Mecklenburg-Vorpommern were received on November 23, 2023 and recorded as a reduction of the other financial assets.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
(In thousands of Euros, unless stated otherwise)

**24. OTHER CURRENT LIABILITIES**

**Current**

	September 30, 2023	September 30, 2022
VAT payable	10,111	9,838
Non-income tax liabilities	4,111	3,119
Other	1,739	4,616
<b>Other current liabilities</b>	<b>15,961</b>	<b>17,573</b>

**25. REVENUE FROM CONTRACTS WITH CUSTOMERS**

For disaggregation of revenue by geography refer to Note 5 – *Segment information*. Disaggregation of revenue by sales channels was as follows:

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
B2B	887,957	772,883	271,559	362,360
DTC	598,664	466,668	190,216	136,022
Other	5,289	3,282	889	965
<b>Total revenue</b>	<b>1,491,911</b>	<b>1,242,833</b>	<b>462,664</b>	<b>499,347</b>

Our B2B and DTC channels generate revenue across each of our reportable segments, with B2B revenue being more prominent in each segment. In our Americas and Europe reportable segments, the distribution between B2B and DTC revenue approximates the distribution for the consolidated group. In our APMA reportable segment, the proportion of B2B revenue is greater than the distribution for the consolidated group.

For details on assets related to contracts with customers refer to Note 13 – *Trade and other receivables*. Trade receivables as shown in the Statement of financial position relate to the sale of products and other revenue.

The movements of contract liabilities during the period are the following:

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
At the beginning of the period/year	1,924	2,325	4,857	1,829
Advance payments received	7,018	1,924	2,325	4,857
Advance payments applied	(1,924)	(2,325)	(4,857)	(1,829)
<b>At the end of the period/year</b>	<b>7,018</b>	<b>1,924</b>	<b>2,325</b>	<b>4,857</b>

The change in contract liabilities is mainly due to the increase in the DTC revenue channel.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

26. OPERATING EXPENSES

	Cost of sales			
	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020, 2021 through April 30, 2021
Depreciation & amortization	(14,843)	(14,027)	(5,357)	(9,809)
Personnel costs	(153,868)	(119,288)	(39,906)	(54,402)
Cost of materials	(327,954)	(299,691)	(246,660)	(128,937)
Properties & buildings maintenance, occupancy and incidental costs	(20,737)	(14,409)	(4,865)	(5,814)
Logistic expenses	(4,242)	(1,078)	(366)	(1,587)
IT & Consulting	(25,209)	(24,047)	(5,921)	(7,675)
Other	(19,263)	(20,491)	(8,618)	(4,973)
<b>Cost of sales</b>	<b>(566,117)</b>	<b>(493,031)</b>	<b>(311,693)</b>	<b>(213,197)</b>

	Selling and distribution expenses			
	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020, 2021 through April 30, 2021
Depreciation & amortization	(55,374)	(50,996)	(19,356)	(6,991)
Personnel costs	(87,963)	(71,325)	(25,551)	(32,154)
Marketing and selling expenses	(129,478)	(107,208)	(32,118)	(34,963)
Logistic expenses	(89,377)	(51,806)	(18,293)	(21,294)
IT & Consulting	(71,252)	(43,983)	(17,984)	(11,451)
Other	(22,407)	(22,053)	(10,361)	(4,955)
<b>Selling and distribution expenses</b>	<b>(455,851)</b>	<b>(347,371)</b>	<b>(123,663)</b>	<b>(111,808)</b>

	General administration expenses			
	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020, 2021 through April 30, 2021
Depreciation & amortization	(13,196)	(16,238)	(4,308)	(9,072)
Personnel costs	(113,905)	(41,267)	(18,041)	(15,061)
Insurance	(2,965)	(2,703)	(938)	(795)
IT & Consulting	(24,257)	(24,902)	(3,881)	(16,269)
Other	(17,066)	(1,479)	(3,871)	(11,431)
<b>General administration expenses</b>	<b>(171,388)</b>	<b>(86,589)</b>	<b>(31,039)</b>	<b>(52,628)</b>

The main driver of the increase in fiscal 2023 in personnel costs in general administration is the IFRS 2 (MIP) topic as explained under Note 30 – *Share-based compensation*. The "other" general administration items mainly include higher expenses related to the preparation of the IPO.

Selling & distribution expenses include shipping and handling costs in the amount of €155.2 million for the fiscal year ended September 30, 2023. For the fiscal year ended September 30, 2022, the shipping and handling costs amounted to €101.1 million. For the period from May 1, 2021 through September 30, 2021, the shipping and handling costs amounted to €33.2 million, and for the period from October 1, 2020, through April 30, 2021, these amounted to €34.5 million. These

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

shipping and handling costs within selling and distribution expenses are presented in multiple items in the table above, such as logistic expenses, personnel costs, and selling expenses.

The personnel costs line items in the tables above capture also expense relating to social security benefits, including the governmental retirement plan in Germany and four defined contribution schemes for its employees within the United States as described below:

*German Governmental Plan*

The Company pays the employer's contribution for the social security monthly, which includes 9.3% of the gross salary of each employee for the governmental retirement scheme.

During the year ended September 30, 2023, the Company's contribution to the German Governmental Plan amounted to €15.0 million. During the year ended September 30, 2022, the contribution amounted to €12.3 million.

*Safe Harbor 401(K) Contribution (US)*

This contribution is made for all employees and is equal to 5% of regular earnings (excluding bonuses).

During the year ended September 30, 2023, the Company's contribution to the Safe Harbor 401 amounted to \$1.1 million. During the year ended September 30, 2022, the contribution amounted to \$0.9 million.

*Profit Share (US)*

This plan constitutes approximately 8% of regular earnings for Vice Presidents and Managing Directors (entire Americas senior leadership team). Total contributions to the 401k / qualified retirement vehicles for individual employees are subject to maximum federal allowable contribution limits.

During the year ended September 30, 2023, the Company's contribution to the profit share plan amounted to \$0.2 million. During the year ended September 30, 2022, the contribution amounted to \$0.2 million.

*Non-Qualified Deferred Compensation Plan (US)*

This is the Non-Qualified Deferred Compensation Plan ("NQDCP") and is approximately 7% of regular earnings. The total contributions for the senior leadership team are about 20% (5% + 8% + 7%) of regular earnings. In addition, the senior leadership team also receives 20% of bonus payments, all of which is contributed to the NQDCP.

During the year ended September 30, 2023, the Company's contribution to the NQDCP amounted to \$0.4 million. During the year ended September 30, 2022, the contribution amounted to \$0.6 million.

*Deferred Compensation Plan for the Managing Director Americas (US)*

This is a retention based deferred compensation arrangement to promote stability, longevity, and continued service. As per the terms of the agreement, the Company has made an accrual every year that the Managing Director has remained

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

in the employ of the Company, starting in 2018. Payment will be made within 60 days of the termination of the Managing Director's employment. The vesting date was March 31, 2023.

**27. FOREIGN EXCHANGE GAIN (LOSS)**

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
Realized FX gain	20,282	32,849	43,316	4,045
Unrealized FX gain	15,476	26,101	10,942	2,854
Realized FX loss	(35,927)	(14,858)	(31,642)	(7,185)
Unrealized FX loss	(35,886)	1,424	(2,031)	(1,236)
<b>Foreign Exchange gain (loss)</b>	<b>(36,056)</b>	<b>45,516</b>	<b>20,585</b>	<b>(1,523)</b>

The development of the foreign exchange gain (loss) was primarily driven by fluctuations in the USD to Euro foreign exchange rate on intercompany receivables for inventory and intercompany loans. A subsidiary of the Company, Birkenstock Global Sales GmbH, transfers inventory from our fulfillment centers / production sites in Germany to the third-party fulfillment center of our subsidiary in the U.S., for which the intercompany invoices are denominated in USD. The related trade receivables due to Birkenstock Global Sales GmbH are paid at a later date at the prevailing foreign exchange rate. Therefore, the intercompany trade receivables are affected by a negative change of the USD relative to the Euro during the year ended September 30, 2023 as compared to an appreciation of the USD relative to the Euro during the year ended September 30, 2022:

	Euro exchange rates		
	FX-rate at the beginning of the period	FX-rate at the end of the period	Change of FX- rate during the period in [%]
Year ended September 30, 2023	0.97	1.06	9 %
Year ended September 30, 2022	1.16	0.97	-16 %
Period from May 1, 2021 through September 30, 2021	1.21	1.16	-4 %
Period from October 1, 2020 through April 30, 2021	1.17	1.21	3 %

**28. FINANCE RESULT**

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
Interest expense - loans	(117,564)	(80,219)	(33,337)	(1,597)
Interest expense - leases	(5,721)	(2,417)	(861)	(594)
Change in FV of senior notes derivative asset	18,561	(25,371)	6,966	—
Debt issuance cost and senior notes amortization	(6,150)	(6,102)	(2,471)	—
Reclassification from OCI to profit or loss from cash flow hedge	(272)	—	—	—
Other	4,110	1,606	745	438
<b>Finance income (cost), net</b>	<b>(107,036)</b>	<b>(112,503)</b>	<b>(28,958)</b>	<b>(1,753)</b>

The increase in interest expenses for loans during the year ended September 30, 2023 compared to the year ended September 30, 2022, is mainly due to the significant increase in the EURIBOR, the LIBOR and the SOFR for the EUR Term Loan and USD Term Loan as applicable.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**29. EARNINGS PER SHARE**

Basic and diluted earnings per share is calculated by dividing net profit (loss) attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the reporting year. Earnings per share was not presented for the period ending April 30, 2021 as the earnings per share disclosure for the Predecessor would not be meaningful due to its partnership structure.

The calculation of earnings per share is as follows:

	<b>Successor</b>		
	<b>Year ended September 30, 2023</b>	<b>Year ended September 30, 2022</b>	<b>Period from May 1, 2021 through September 30, 2021</b>
Weighted number of outstanding shares	182,721,369	182,721,369	182,721,369
Number of shares with dilutive effects	—	—	
Weighted number of outstanding shares (diluted and undiluted)	182,721,369	182,721,369	182,721,369
<b>Profit (loss) attributable to ordinary shareholders</b>	<b>75,022</b>	<b>187,111</b>	<b>(17,205)</b>
<b>Basic</b>	<b>0.41</b>	<b>1.02</b>	<b>(0.09)</b>
<b>Diluted</b>	<b>0.41</b>	<b>1.02</b>	<b>(0.09)</b>

The Company's management investment plan has no dilutive effect on the earnings per share calculation as all granted awards will be settled by an immediate parent rather than by the Company itself. For further information please refer to Note 30 – *Share-based compensation*.

**30. SHARE-BASED COMPENSATION**

Selected senior executives of Birkenstock management were given an opportunity to participate in the MIP of MidCo and to indirectly invest in MidCo by purchasing a partial limited partnership interest in, and becoming a limited partner of, BK LC Manco GmbH & Co. KG, a German limited partnership, which holds certain ordinary shares in MidCo, a Luxembourg limited liability company, which is the immediate parent of Birkenstock.

In March 2023, awards for 1,197,100 shares of BK LC Manco GmbH & Co. KG were granted in five separate tranches each representing 20% of the shares. None of these awards has been forfeited/ canceled/ settled as of the reporting date. The MIP is accounted for as equity-settled share-based payment transaction in scope of IFRS 2. The vesting periods are up to four years, with 20% of the awards vesting after each year of service provided. The last 20% vests only with an occurrence of an exit. As of the grant date, the Company deemed it more likely than not that an exit event would occur more than 12 months after the grant. Therefore, for the first 20% tranche, the occurrence of an exit event was accounted for as a market condition and was included in the grant date fair value of the awards. For the remaining tranches, the occurrence of an exit event was accounted for as a non-market vesting condition. The Company has considered several scenarios for the timing of the exit event and assigned appropriate probabilities to them.

The weighted average fair value of the awards granted under the MIP was €57.57.

The fair value at grant date was estimated using a Discounted Cash Flow model and then a Black-Scholes option pricing model, weighted for the assigned probability of each exit event date scenario. The model takes into account, among other things, a self-investment as well as the potential development of Birkenstock's ordinary redeemable share price. The historical volatility was derived from a peer group. The ordinary redeemable share price of €72.23 was determined based on the following assumptions:

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

	<b>Grant date</b> <b>March 10, 2023</b>
Average revenue growth rates (2023-2027) (%)	16.5 %
Average EBITDA margin (2023-2027) (%)	31.0 %
Terminal growth rate (2023-2027) (%)	1.5 %
After-tax discount rate (%)	9.9 %
Average capital expenditure investments	€85.8Mio.
Dividend yield (%)	0.0 %
Expected volatility (%)	34.4 %
Expected time period (years) (weighted average of the assumed exit event date scenarios)	1.1
Risk free interest rate (%) (weighted average of the assumed exit event date scenarios)	3.2 %

If an exit event of the Company, which is defined as initial public offering or sale, takes place during the vesting period, the entire award is immediately fully vested. Accordingly, the vesting period is variable and is subject to re-estimation each reporting date, based on expected timing of an exit event. As of September 30, 2023, the Company considered the occurrence of an exit event in October 2023 as highly probable, therefore the vesting period was adjusted accordingly, and the majority of the share-based compensation expense was recognized at the reporting date.

For the fiscal year ended September 30, 2023, the Company recognized €65.4 million of share-based compensation expense in the statement of comprehensive income in the following expense categories:

	<b>Year ended</b> <b>September 30,</b> <b>2023</b>
Sales and marketing expenses	7,389
General administrative expenses	58,004
<b>Total</b>	<b>65,394</b>

### 31. COMMITMENTS AND CONTINGENCIES

The Company is defending an action brought by a distributor in France as a result of the termination of a business relationship. The plaintiff's claim amounts to €94.7 million. The Company has recognized a provision for management's best estimate of probable outflow (Note 22 – *Other provisions*). The Company intends to vigorously defend itself.

### 32. RELATED PARTY DISCLOSURES

In the course of the Company's ordinary business activities, the Company enters into related party transactions with its shareholders and key management personnel.

#### *Parent and ultimate controlling party*

The ultimate controlling party of the Group prior to the Transaction were Alexander and Christian Birkenstock. At the Transaction, L Catterton became the new ultimate controlling party.

#### *Transactions with key management personnel*

##### Key management compensation

Key management personnel for the periods presented consisted of our Chief Executive Officer(s), Chief Financial Officer, Chief Communications Officer, Chief Legal Officer, Chief Product Officer, Chief Sales Officer, Chief Technical Operations Officer, President Europe, President Americas and the Board of Directors. Key management compensation is comprised of the following:

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

	Successor			Predecessor
	Year ended September 30, 2023	Year ended September 30, 2022	Period from May 1, 2021 through September 30, 2021	Period from October 1, 2020 through April 30, 2021
Short-term employee benefits	16,436	12,569	6,940	1,252
Long-term employee benefits	244	—	131	183
Post-employment benefits	732	839	309	433
Termination benefits	2,053	120	—	—
Share-based compensation	54,752	—	—	—
<b>Total</b>	<b>74,217</b>	<b>13,528</b>	<b>7,380</b>	<b>1,868</b>

In addition to the amounts disclosed above, the Company incurred expense of €4.7 million for the period from October 1, 2020 to April 30, 2021, to CB Beteiligungs GmbH & Co. KG as well as AB-Beteiligungs GmbH in respect of services provided to the Company by our Chief Executive Officer(s) amongst other services provided, pursuant to consulting service arrangements in place between those entities and the Company.

The Company adopted a post-IPO non-employee director compensation program. The Company pays certain non-employee directors, \$125,000 per year of cash compensation and provides them with an annual equity grant consisting of restricted share units with a grant date value of \$75,000 for their service on our Board of Directors. Further, the Company pays an additional \$25,000 per year to the chair of the audit committee. However, as the compensation program was adopted after the reporting period, no expenses were recognized during the year ended September 30, 2023.

*Key management personnel transactions*

The Company maintains a long-term business relationship related to the production of advertising content with a model agency, owned by a family member of our Chief Executive Officer. The Company incurred marketing expenses in the amount of €0.2 million, €0.5 million, €0.2 million and €0.4 million during the years ended September 30, 2023, and September 30, 2022, the period from May 1, 2021, through September 30, 2021, and the period from October 1, 2020, through April 30, 2021, respectively.

The Company generated management service income from Ockenfels Group GmbH & Co. KG ("Ockenfels"), an entity over which key management personnel has control or significant influence, in the amount of €15 thousand, €0.2 million and €0.1 million during the Successor years ended September 30, 2023 and September 30, 2022, and the period from May 1, 2021, through September 30, 2021, respectively.

There were no material outstanding balances related to these transactions as of September 30, 2023 and 2022.

The Company also leased administrative buildings from Ockenfels and made lease payments in the amount of €0.5 million, €0.5 million and €0.2 million during the Successor years ended September 30, 2023 and September 30, 2022 and the period from May 1, 2021, through September 30, 2021, respectively. The lease liability amounted to €1.7 million and €0.4 million as of September 30, 2023 and September 30, 2022, respectively. The increase in 2023 is a result of the extension of the lease term.

As of September 30, 2023, the Company has outstanding receivables of €2.5 million against Ockenfels. There was no material outstanding balance as of September 30, 2022.

**Other related party transactions**

Transactions with other related parties are presented in the table below and primarily consisted of:

- (1) purchase of products from Birkenstock Cosmetics GmbH & Co. KG, an entity controlled by the Predecessor shareholders, by the Company,
- (2) consulting fees for management services provided by and expenses reimbursed to L Catterton Management Company LLC and related entities controlled by Successor shareholders to the Company,

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

(3) principal lease payments for manufacturing as well as logistics sites incurred to entities controlled by the Predecessor shareholders and of close members of the Predecessor shareholders' family, and

(4) interest expense incurred in relation to withdrawals on the Predecessor shareholder's capital accounts, in accordance with the partnership agreement between the Predecessor shareholders as well as interest expense in relation to the leases from entities controlled by the Predecessor shareholders mentioned under (3).

	<u>Successor</u>			<u>Predecessor</u>
	<u>Year ended September 30, 2023</u>	<u>Year ended September 30, 2022</u>	<u>Period from May 1, 2021 through September 30, 2021</u>	<u>Period from October 1, 2020 through April 30, 2021</u>
Sales		—	—	(345)
Consulting fees and cost reimbursements	(405)	(2,867)	—	—
Lease payments		—	—	(3,018)
Interest expense		—	—	(484)

As of September 30, 2023, the corresponding lease liability to the lease payments amounted to €0.1 million. There were no material outstanding balances related to other related party transactions as of September 30, 2022.

**33. COMPOSITION OF THE GROUP**

See accounting policy in Note 3 – *Significant Accounting Policies – Consolidation of subsidiaries*.

The subsidiaries shown below consist of those necessary to understand the composition of the Company and include the material subsidiaries in each region that the Company operates as well as those subsidiaries associated with debt arrangements, leasing, logistic, and production activities. Set forth below is a summary of the Company's material subsidiaries:

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**Successor**

Name of subsidiary	Registered in	Interest in voting stock held by the Company for the period from May 1, 2021 through September 30, 2021	Interest in voting stock held by the Company for the period from October 1, 2021 through September 30, 2022 and October 1, 2022 through September 30, 2023
Birkenstock Canada Ltd.	Canada	100 %	100 %
Birkenstock Components GmbH	Germany	100 %	100 %
Birkenstock Cosmetics GmbH	Germany	100 %	100 %
Birkenstock digital GmbH	Germany	100 %	100 %
Birkenstock Europe GmbH	Germany	100 %	100 %
Birkenstock Financing S.à r.l.	Luxembourg	100 %	100 %
Birkenstock Global Sales GmbH	Germany	100 %	100 %
Birkenstock Group B.V. & Co. KG	Germany	100 %	100 %
Birkenstock IP GmbH	Germany	100 %	100 %
Birkenstock India Private Ltd.	India	100 %	100 %
Birkenstock Injections GmbH	Germany	100 %	100 %
Birkenstock Japan Limited	Japan	100 %	100 %
Birkenstock Logistics GmbH	Germany	100 %	100 %
Birkenstock MEA FZ LLC	UAE	100 %	100 %
Birkenstock Nordic ApS	Denmark	100 %	100 %
Birkenstock Real Estate GmbH	Germany	100 %	100 %
Birkenstock Product GmbH	Germany	100 %	100 %
Birkenstock Productions Hessen GmbH	Germany	100 %	100 %
Birkenstock Productions Rheinland-Pfalz GmbH	Germany	100 %	100 %
Birkenstock Productions Sachsen GmbH	Germany	100 %	100 %
Birkenstock Spain S.L.U.	Spain	100 %	100 %
Birkenstock Trading (Shanghai) Co. Ltd.	China	100 %	100 %
Birkenstock UK Ltd.	United Kingdom	100 %	100 %
Birkenstock US BidCo Inc.	USA	100 %	100 %
Birkenstock USA LP	USA	100 %	100 %
S&CC Portugal Unipessoal, Lda.	Portugal	100 %	100 %

**Predecessor**

Name of subsidiary	Registered in	Interest in voting stock held by the Company for the period from October 1, 2019 through September 30, 2020
Birkenstock Canada Ltd.	Canada	100 %
Birkenstock Components GmbH	Germany	100 %
Birkenstock digital GmbH	Germany	100 %
Birkenstock India Private Ltd.	India	100 %
Birkenstock Japan Limited	Japan	100 %
Birkenstock MEA FZ LLC	UAE	100 %
Birkenstock Nordic ApS	Denmark	100 %
Birkenstock Productions Hessen GmbH	Germany	100 %
Birkenstock Productions Rheinland-Pfalz GmbH	Germany	100 %
Birkenstock Productions Sachsen GmbH	Germany	100 %
Birkenstock Real Estate GmbH	Germany	100 %
Birkenstock Sales GmbH	Germany	100 %

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

Birkenstock Spain, SL	Spain	100 %
Birkenstock Trading (Shanghai) Co. Ltd.	China	100 %
Birkenstock UK Ltd.	United Kingdom	100 %
Birkenstock USA LP	USA	100 %

During the fiscal year ending September 30, 2023, there was one addition to the consolidated companies. On January 10, 2023, Birkenstock Netherlands B.V. was incorporated in the Dutch commercial register. As of that date, Birkenstock Netherlands B.V. is part of the Group and its consolidated financial statements. On July 1, 2023, the Birkenstock Netherlands branch of Birkenstock International GmbH was closed, and all assets and liabilities have been transferred to Birkenstock Netherlands B.V.

The operations of Birkenstock Real Estate GmbH in the predecessor period differ from those of Birkenstock Real Estate GmbH in the Successor period as they are distinct entities with the same naming convention. Birkenstock Real Estate GmbH in the Successor period represents the combined operations of predecessor entities Birkenstock Real Estate GmbH and Birkenstock Immobilien GmbH & Co. KG, which was deconsolidated.

**Birkenstock Holding Limited**  
**Notes to Consolidated Financial Statements**  
*(In thousands of Euros, unless stated otherwise)*

**34. SUBSEQUENT EVENTS**

On October 2, 2023, the Company converted its share capital, comprising of 182,721,369 ordinary shares of €1.00 each into 182,721,369 no par value ordinary shares.

On October 4, 2023, the Company changed its status to become a public limited company. Therefore, the Company's legal name was converted to Birkenstock Holding plc.

On October 10, 2023, we entered into a tax receivable agreement with MidCo in consideration for the repurchase of 5,648,465 ordinary shares of the Company from MidCo.

On October 11, 2023, the Company's ordinary shares were listed on the New York Stock Exchange in connection with the Company's initial public offering.

On October 13, 2023, the Company closed its initial public offering. Birkenstock issued and sold 10,752,688 ordinary shares at an initial public price of \$46.00. The total proceeds from the IPO available to Birkenstock, net of underwriting discounts and commissions but before expenses, amounted to \$473.6 million. As of October 13, 2023, the Company had 187,825,592 ordinary shares outstanding.

On October 16, 2023, the Company made an early repayment of €100.0 million for the Vendor Loan to AB-Beteiligungs GmbH.

On November 2, 2023, the Company made a redemption payment of \$450 million for the USD Term Loan.

COMPANIES (JERSEY) LAW 1991

MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
**Birkenstock Holding plc**  
*a no par value public limited company*

Company number: **148522**

Adopted by special resolution on **13 October, 2023**

---

**COMPANIES (JERSEY) LAW 1991 (the “Law”)**

**MEMORANDUM OF ASSOCIATION**

**OF**

**Birkenstock Holding plc**

(the “Company”)

*a no par value public limited company*

**1. INTERPRETATION**

Words and expressions contained in this Memorandum of Association have the same meanings as in the Law.

**2. COMPANY NAME**

The name of the Company is Birkenstock Holding plc.

**3. TYPE OF COMPANY**

3.1 The Company is a public company.

3.2 The Company is a no par value company.

**4. NUMBER OF SHARES**

There shall be no limit on the number of shares which may be issued by the Company and if the share capital structure of the Company is at any time divided into separate classes of share there shall be no limit on the number of shares of any class which may be issued by the Company.

**5. LIABILITY OF MEMBERS**

The liability of a member arising from the holding of a share in the Company is limited to the amount (if any) unpaid on it.

---



**COMPANIES (JERSEY) LAW 1991**

**ARTICLES OF ASSOCIATION**

**OF**

**Birkenstock Holding plc**

*a no par value public limited company*

**CONTENTS**

1.	INTERPRETATION	1
2.	SHARE CAPITAL	5
3.	STATED CAPITAL ACCOUNTS	8
4.	ALTERATION OF SHARE CAPITAL	9
5.	VARIATION OF RIGHTS	9
6.	REGISTER OF MEMBERS	10
7.	SHARE CERTIFICATES	10
8.	LIEN	11
9.	CALLS ON SHARES	11
10.	FORFEITURE OF SHARES	12
11.	TRANSFER OF SHARES	14
12.	TRANSMISSION OF SHARES	15
13.	GENERAL MEETINGS	16
14.	CLASS MEETINGS	16
15.	NOTICE OF GENERAL MEETINGS	16
16.	PROCEEDINGS AT GENERAL MEETINGS	17
17.	VOTES OF MEMBERS	19
18.	CORPORATE MEMBERS	21
19.	DIRECTORS	22

---

20.	BOARD CLASSIFICATION	22
21.	ALTERNATE DIRECTORS	23
22.	POWERS OF DIRECTORS	23
23.	DELEGATION OF DIRECTORS' POWERS	24
24.	APPOINTMENT OF DIRECTORS	24
25.	RETIREMENT OF DIRECTORS	28
26.	RESIGNATION, DISQUALIFICATION AND REMOVAL OF DIRECTORS	29
27.	REMUNERATION AND EXPENSES OF DIRECTORS	30
28.	EXECUTIVE DIRECTORS	30
29.	DIRECTORS' INTERESTS	30
30.	COMPETITION AND CORPORATE OPPORTUNITIES	31
31.	PROCEEDINGS OF DIRECTORS	33
32.	MINUTE BOOK	34
33.	SECRETARY	35
34.	THE SEAL	35
35.	AUTHENTICATION OF DOCUMENTS	36
36.	DIVIDENDS	36
37.	CAPITALISATION OF PROFITS	38
38.	ACCOUNTS AND AUDIT	39
39.	NOTICES	39
40.	WINDING UP	40
41.	INDEMNITY	40
42.	FIXING RECORD DATE & JURISDICTION	40
43.	NON-APPLICATION OF STANDARD TABLE	41

---

COMPANIES (JERSEY) LAW 1991

ARTICLES OF ASSOCIATION

OF

BIRKENSTOCK HOLDING PLC

*a no par value public limited company*

1. INTERPRETATION

1.1 In these Articles, unless the context or law otherwise requires, the following words and expressions shall have the meanings respectively assigned to them below:

- 1.1.1 “**Affiliate**” has the meaning ascribed to it in Article 30.6;
- 1.1.2 “**Annual General Meeting**” has the meaning ascribed to it in Article 13.2;
- 1.1.3 “**these Articles**” means these Articles of Association in their present form or as from time to time amended;
- 1.1.4 “**Auditors**” means the auditors of the Company appointed pursuant to these Articles;
- 1.1.5 “**Bankrupt**” has the meaning ascribed to it in the Interpretation (Jersey) Law, 1954;
- 1.1.6 “**Business Day**” means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in Jersey or in New York, New York are authorized or obligated by law or executive order to close;
- 1.1.7 “**Class**” has the meaning ascribed to it in Article 20.2;
- 1.1.8 “**Clear Days**” means, in relation to the period of a Notice, that period excluding the day when the Notice is served or deemed to be served and the day for which it is given or on which it is to take effect;
- 1.1.9 “**Close of Business**” means 5:00 p.m. local time at the Company’s principal executive offices, and if an applicable deadline falls on the “Close of Business” on a day that is not a Business Day, then the applicable deadline shall be deemed to be the Close of Business on the immediately preceding Business Day;
- 1.1.10 “**Closing**” means the closing of the IPO;
- 1.1.11 “**Company**” means the company incorporated under the Law in respect of which these Articles have been registered;

- 1.1.12 “**Directors**” or “**Board of Directors**” means the directors of the Company for the time being;
- 1.1.13 “**dividend**” has the meaning ascribed to the word “distribution” in Article 114 of the Law;
- 1.1.14 “**Due Date**” has the meaning ascribed to it in Article 9.10;
- 1.1.15 “**Exchange Act**” has the meaning ascribed to it in Article 24.5;
- 1.1.16 “**Extraordinary General Meeting**” has the meaning ascribed to it in Article 13.2;
- 1.1.17 “**general meeting**” means an Annual General Meeting or an Extraordinary General Meeting;
- 1.1.18 “**Holder**” means, in relation to shares, the Member whose name is entered in the Register as the holder of the shares;
- 1.1.19 “**Identified Persons**” has the meaning ascribed to it in Article 30.2;
- 1.1.20 “**Initial Directors**” has the meaning ascribed to it in Article 20.1;
- 1.1.21 “**IPO**” means the underwritten initial public offering by the Company of certain of its ordinary shares;
- 1.1.22 “**the Law**” means the Companies (Jersey) Law 1991 and any subordinate legislation from time to time made thereunder, including any statutory modifications or re-enactments for the time being in force;
- 1.1.23 “**L Catterton**” means *L Catterton Management Limited*, an English private limited company;
- 1.1.24 “**Member**” means the subscribers to the Memorandum of Association of the Company and any other Person whose name is entered in the Register as the Holder of shares in the Company;
- 1.1.25 “**MidCo**” shall mean BK LC Lux MidCo S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg;
- 1.1.26 “**Month**” means calendar month;
- 1.1.27 “**Non-Employee Directors**” has the meaning ascribed to it in Article 30.1;
- 1.1.28 “**Notice**” means a notice in Writing unless otherwise specifically stated;
- 1.1.29 “**Office**” means the registered office of the Company;
- 1.1.30 “**Officer**” includes a Secretary but otherwise has the meaning ascribed to it in the Law;

- 1.1.31 “**Ordinary Resolution**” means a resolution of the Company in general meeting adopted by a simple majority of the votes cast at that meeting;
- 1.1.32 “**Ordinary Share**” means an ordinary share in the capital of the Company of no par value and having the rights attaching thereto prescribed in these Articles;
- 1.1.33 “**Paid Up**” includes credited as paid up;
- 1.1.34 “**Persons**” includes associations and bodies of persons, whether corporate or unincorporate;
- 1.1.35 “**Preferred Share**” means a preferred share in the capital of the Company of no par value designated as a Preferred Share by the Directors and allotted and issued in one or more classes in accordance with the provisions of the Law and these Articles and having the rights provided for in these Articles and in any Statement of Rights. In these Articles, except when referred to under their separate classes, the term Preferred Shares shall mean all such shares;
- 1.1.36 “**Present**” in relation to general meetings of the Company and to meetings of the Holders of any class of shares includes present in person or present by attorney or by proxy or in the case of a corporate shareholder by representative;
- 1.1.37 “**Principal Shareholder**” means *L Catterton*, any Affiliate of *L Catterton* or any fund or account managed or advised (or sub-managed or sub-advised) by *L Catterton* or any Affiliate of *L Catterton*;
- 1.1.38 “**Public Announcement**” means disclosure (i) in a press release issued by the Company, provided such press release is issued by the Company following its customary procedures, that is reported by the Dow Jones News Service, Associated Press or comparable national news service, or is generally available on internet news sites or (ii) in a document publicly filed by the Company with the Securities and Exchange Commission;
- 1.1.39 “**Register**” means the register of Members required to be kept pursuant to Article 41 of the Law;
- 1.1.40 “**Seal**” means the common seal of the Company;
- 1.1.41 “**Secretary**” means any Person appointed to perform any of the duties of secretary of the Company (including an assistant or deputy secretary) and in the event of two or more Persons being appointed as joint secretaries, any one or more of the Persons so appointed;
- 1.1.42 “**Shareholders’ Agreement**” means the shareholders’ agreement dated as of 13 October, 2023 between the Company and MidCo;
- 1.1.43 “**Signed**” includes a signature or representation of a signature affixed by mechanical or other means or any other means of signifying agreement permitted by law and where a document is to be signed by a company, an association or a body of Persons, the word

“**Signed**” shall be construed as including the signature of a duly authorised representative on its behalf as well as any other means by which it would normally execute the document;

- 1.1.44 “**Sole Member Direct Contract**” has the meaning ascribed to it in Article 32.3;
- 1.1.45 “**Sole Member’s Decision**” has the meaning ascribed to it in Article 32.4;
- 1.1.46 “**Special Resolution**” means a resolution of the Company passed as a special resolution in accordance with the Law;
- 1.1.47 “**specified majority**” has the meaning ascribed to it in Article 16.16;
- 1.1.48 “**Standard Table**” has the meaning ascribed to it in the Law;
- 1.1.49 “**Statement of Rights**” means, in relation to each class of Preferred Share, a memorandum approved by the Directors setting out the specific rights and obligations attaching to the Preferred Shares of such class which are in addition to those rights and obligations contained in and determined in accordance with these Articles;
- 1.1.50 “**Stock Exchange**” means a recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000 of the Parliament of the United Kingdom) or any other public securities market;
- 1.1.51 “**Shareholder Associated Person**” means as to any Member (x) any person acting in concert with such Member, (y) any person controlling, controlled by or under common control with such Member or any of their respective affiliates and associates, or person acting in concert therewith and (z) any member of the immediate family of such Member or an affiliate or associate of such Member;
- 1.1.52 “**Third-Party Compensation Agreement**” has the meaning ascribed to it in Article 24.5; and
- 1.1.53 “**in Writing**” includes written, printed, telexed, electronically transmitted or represented or reproduced by any other mode of representing or reproducing words in a visible form.
- 1.2 Save as defined herein and unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Law but excluding any statutory modification thereof not in force when these Articles become binding on the Company.
- 1.3 In these Articles, unless the context or law otherwise requires:
  - 1.3.1 words and expressions which are cognate to those defined in Article 1.1 shall be construed accordingly;
  - 1.3.2 the word “**may**” shall be construed as permissive and the word “**shall**” shall be construed as imperative;

- 1.3.3 words importing the singular number only shall be construed as including the plural number and *vice versa*;
  - 1.3.4 words importing the neutral gender shall be construed as including the masculine and feminine genders;
  - 1.3.5 references to enactments are to such enactments as are from time to time modified, re-enacted or consolidated and shall include any enactment made in substitution for an enactment that is repealed; and
  - 1.3.6 references to a numbered Article are to the Article so numbered of these Articles.
- 1.4 The clause and paragraph headings in these Articles are for convenience only and shall not be taken into account in the construction or interpretation of these Articles.

## 2. SHARE CAPITAL

- 2.1 The share capital of the Company is as specified in the Memorandum of Association and the shares of the Company shall have the rights and be subject to the conditions contained in these Articles and, in the case of any Preferred Share of any class, to the Statement of Rights relating thereto. No share issued by the Company shall have a nominal value.
- 2.2 The rights attaching to Ordinary Shares are as follows:
- 2.2.1 **As regards income** – Subject to the Law and the provisions of these Articles, each Ordinary Share shall confer on the Holder thereof the right to receive such amounts of the Company available for distribution as the Directors may declare or the Members may resolve by Ordinary Resolution after any payment to the Members holding shares of any other class other than Ordinary Shares of any amount then payable in accordance with the relevant Statement of Rights or other terms of issue of that class.
  - 2.2.2 **As regards capital** – If the Company is wound up, following payment to the Members holding shares of any class other than Ordinary Shares of all amounts then payable to them in accordance with the relevant Statement of Rights or other terms of issue of that class, the surplus assets available for distribution among the Members shall be distributed *pari passu* among the Holders of Ordinary Shares in proportion to the amounts Paid Up thereon at the time of the commencement of the winding up.
  - 2.2.3 **As regards voting** – At any general meeting of the Company and any separate class meeting of the Holders of Ordinary Shares, every Holder of Ordinary Shares who is present in person or by proxy shall have one vote for every Ordinary Share of which they are the Holder.
  - 2.2.4 **As regards redemption** – The Ordinary Shares are not redeemable (without prejudice to Articles 2.8 and 2.14).

- 2.3 Subject to the provisions of these Articles, the rights and obligations attaching to any Preferred Share shall be determined at the time of issue by the Directors in their absolute discretion. Each Preferred Share shall be issued by the Directors on behalf of the Company as part of a class. The rights and obligations attaching to each class of Preferred Shares in addition to those set out in these Articles shall be set out in a Statement of Rights.
- 2.4 The Statement of Rights in respect of each class of Preferred Shares may, without limitation, comprise or include:
- 2.4.1 the class to which each Preferred Share shall belong, such class to be designated with a class number and, if the Directors so determine, title;
  - 2.4.2 details of any dividends payable in respect of the relevant class;
  - 2.4.3 details of rights attaching to shares of the relevant class to receive a return of capital on a winding up of the Company;
  - 2.4.4 details of the voting rights attaching to shares of the relevant class (which may provide, without limitation, that each Preferred share shall have more than one vote on a poll at any general meeting of the Company);
  - 2.4.5 a statement as to whether shares of the relevant class are redeemable (either at the option of the Holder and/or the Company) and, if so, on what terms such shares are redeemable (including, without limitation, and only if so determined by the Directors, the amount for which such shares shall be redeemed (or a method or formula for determining the same) and the date on which they shall be redeemed);
  - 2.4.6 a statement as to whether shares of the relevant class are convertible (either at the option of the Holder and/or the Company) and, if so, on what terms such shares are convertible;
  - 2.4.7 any other rights, obligations and restrictions attaching to Preferred Shares of any class as the Directors may determine in their discretion; and/or
  - 2.4.8 the price at which shares of the relevant class shall be issued.
- 2.5 Once a Statement of Rights has been adopted for a class of Preferred Share, then:
- 2.5.1 it shall be binding on Members and Directors as if contained in these Articles;
  - 2.5.2 the provisions of Article 5.1 shall apply to any variation or abrogation thereof that may be effected by the Company;
  - 2.5.3 each Statement of Rights shall be filed on behalf of the Company with the Registrar of Companies in Jersey pursuant to and in accordance with Article 54 of the Law;

- 2.5.4 all moneys payable on or in respect of any Preferred Share which is the subject thereof (including, without limitation, the subscription and any redemption moneys in respect thereof) shall be paid in the currency for which such Preferred Share is issued; and
- 2.5.5 upon the redemption of a Preferred Share (if it is redeemable) pursuant to the Statement of Rights relating thereto, the Holder thereof shall cease to be entitled to any rights in respect thereof and accordingly their name shall be removed from the Register and the share shall thereupon be cancelled.
- 2.6 Without prejudice to any special rights for the time being conferred on the Holders of any shares or class of shares (which special rights shall not be varied or abrogated except with such consent or sanction as is hereinafter provided), any share or class of shares in the capital of the Company may be issued with such preferred, deferred or other special rights or such restrictions whether in regard to dividends, return of capital, voting or otherwise as the Directors may from time to time determine.
- 2.7 The Company may issue fractions of shares in accordance with and subject to the provisions of the Law provided that:
- 2.7.1 a fraction of a share shall be taken into account in determining the entitlement of a Member as regards dividends or on a winding up; and
- 2.7.2 a fraction of a share shall not entitle a Member to a vote in respect thereof.
- 2.8 Otherwise than as set out in Article 2.14 and subject to the provisions of the Law, the Company may from time to time:
- 2.8.1 issue; or
- 2.8.2 convert any existing non-redeemable shares (whether issued or not) into, shares which are to be redeemed or are liable to be redeemed at the option of the Company or at the option of the Holder thereof and on such terms and in such manner as may be determined by Special Resolution.
- 2.9 Subject to the provisions of the Law, the Company may purchase its own shares of any class (including redeemable shares) and in relation thereto, neither the Company nor the Directors shall be required to select the shares to be purchased rateably or in any other particular manner as between the holders of shares of the same class or as between them and the holders of shares of any other class or in accordance with the rights as to dividends or capital conferred by any class of shares.
- 2.10 Subject to the provisions of these Articles, the unissued shares for the time being in the capital of the Company shall be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such Persons at such times and generally on such terms and conditions as they think fit. Securities, contracts, warrants or other instruments evidencing any Preferred or Ordinary Shares, option rights, securities having conversion or option rights or obligations may also be issued by the Directors without the approval of the Members or entered into by the Company upon a

resolution of the Directors to that effect on such terms, conditions and other provisions as are fixed by the Directors including, without limitation, conditions that preclude or limit any person owning or offering to acquire a specified number or percentage of the shares of the Company in issue, other shares, option rights, securities having conversion or option rights, or obligations of the Company or the transferee of such person from exercising, converting, transferring or receiving the shares, option rights, securities having conversion or option rights or obligations.

- 2.11 The Directors may allot and issue shares in the Company to any person without any obligation to offer such shares to the Members (whether in proportion to the existing shares held by them or otherwise).
- 2.12 The Company may pay commissions as permitted by the Law. Subject to the provisions of the Law, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other.
- 2.13 Except as otherwise provided by these Articles or by law, no Person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise any equitable, contingent, future or partial interest in any share or any interest in any fraction of a share or any other right in respect of any share except an absolute right to the entirety thereof in the Holder.
- 2.14 Notwithstanding any other provision of these Articles, and subject to the provisions of the Law, where the Company wishes to purchase its own shares the Directors shall have the authority to instead elect to convert any or all of those shares into redeemable shares that shall be redeemed by the Company upon such terms and conditions as the Directors may decide at the relevant time. The Directors may convert, and the Company may redeem, any relevant shares in accordance with this Article as they in their absolute discretion decide and there shall be no obligation on the Directors or the Company to offer to convert and redeem any other shares held by any other Members and no Member shall have any rights to require their shares to be considered for conversion and redemption.
- 2.15 Subject to the provisions of the Law, the Company may hold as treasury shares any shares purchased or redeemed by it.

### 3. STATED CAPITAL ACCOUNTS

- 3.1 The Company shall maintain a stated capital account in accordance with the Law for each class of issued share. A stated capital account may be expressed in any currency.
- 3.2 Subject to the requirements of the Law, and except as provided in Article 3.3, there shall be transferred to the stated capital account for each class of share:
- 3.2.1 the amount of cash received by the Company for the issue of shares of that class;
- 3.2.2 the value, as determined by the Directors, of the "cause" received by the Company, otherwise than in cash, for the issue of shares of that class; and

- 3.2.3 every other amount which is from time to time required by the Law to be transferred to a stated capital account.
- 3.3 Where the Law permits the Company to refrain from transferring any amount to a stated capital account, that amount need not be so transferred; but the Directors may if they think fit nevertheless cause all or any part of such amount to be transferred to the relevant stated capital account.
- 3.4 The Company may acting by the Directors transfer an amount to a stated capital account of the Company from any other account of the Company.
- 3.5 Where, for the purposes of Article 3.2.2, the Directors are to determine the value of any "cause" received by the Company they may rely on such indicator or indicators of value as appear to them to be reasonable and practicable in the circumstances.
- 4. ALTERATION OF SHARE CAPITAL**
- 4.1 The Company may by Special Resolution alter its Memorandum of Association so as to increase or reduce the number of shares which it is authorised to issue or consolidate or divide all or any part of its shares (whether issued or not) into fewer shares and may generally make such other alteration to its share capital as is from time to time permitted by the Law.
- 4.2 Any new shares created on an increase or other alteration of share capital shall be issued upon such terms and conditions as the Company may by Ordinary Resolution determine.
- 4.3 Any capital raised by the creation of new shares shall, unless otherwise provided by the conditions of issue of the new shares, be considered as part of the original capital and the new shares shall be subject to the provisions of these Articles with reference to the payment of calls, transfer and transmission of shares, lien or otherwise applicable to the existing shares in the Company.
- 4.4 The Company may reduce its capital accounts in any way permitted by the Law.
- 5. VARIATION OF RIGHTS**
- 5.1 Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may (unless otherwise provided by the terms of issue of the shares of that class) be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up with the sanction of an Ordinary Resolution passed at a separate meeting of the Holders of shares of that class.
- 5.2 To every such separate meeting, all the provisions of these Articles and of the Law relating to general meetings of the Company or to the proceedings thereat shall apply *mutatis mutandis* except that the necessary quorum shall be a Person or Persons together holding or representing a majority in number of the issued shares of that class but so that if at any adjourned meeting of such Holders a quorum as above defined is not Present, those Holders who are Present shall be a quorum.
- 5.3 The special rights conferred upon the Holders of any shares or class of shares issued with preferred, deferred or other special rights shall (unless otherwise expressly provided by the conditions of issue

of such shares) be deemed not to be varied by the creation or issue of further shares ranking ahead, after or *pari passu* therewith. The rights conferred upon the Holders of Ordinary Shares shall be deemed not to be varied by the creation or issue of any Preferred Shares or any other class of preferred or preference share with such special rights attaching to them as may be set out in a Statement of Rights or other terms of issue or the redemption or conversion of Preferred Shares of any class or preferred or preference shares of any class in accordance with the applicable Statement of Rights or other terms of issue. The rights conferred upon the Holders of Ordinary Shares shall be deemed not to be varied by the conversion and redemption of Ordinary Shares in accordance with Article 2.14 or any purchase or redemption by the Company of its own shares.

## 6. REGISTER OF MEMBERS

- 6.1 The Directors shall maintain or cause to be maintained a Register in the manner required by the Law. The Register shall be kept at the Office or at such other place in the Island of Jersey as the Directors from time to time determine. In each year, the Directors shall prepare or cause to be prepared and filed an annual return containing the particulars required by the Law.
- 6.2 The Company shall not be required to enter the names of more than four joint Holders in the Register.

## 7. SHARE CERTIFICATES

- 7.1 Every Member may request on application to the Company in Writing:
- 7.1.1 without payment upon becoming the Holder of any shares to one certificate for all the shares of each class held by them and upon transferring a part only of the shares comprised in a certificate to a new certificate for the remainder of the shares so comprised; or
- 7.1.2 upon payment of such reasonable sum for each certificate as the Directors shall from time to time determine to several certificates each for one or more of their shares of any class.
- 7.2 Following an application to the Company in Writing by the Member pursuant to Article 7.1, the Company, in its sole and absolute discretion, may issue and execute a certificate within two Months after allotment or lodgment of transfer (or within such other period as the conditions of issue shall provide). A certificate may be executed:
- 7.2.1 if the Company has a Seal, by causing a Seal of the Company to be affixed to the certificate in accordance with these Articles; or
- 7.2.2 whether or not the Company has a Seal, by the signature on behalf of the Company of two Directors or one Director and the Secretary or two authorised persons and such signature may be affixed to any certificate by facsimile or any other electronic or mechanical means, or by printing the signature on it.

Every certificate shall further specify the shares to which it relates and the amount Paid Up thereon and if so required by the Law the distinguishing numbers of such shares.

- 7.3 The Company shall not be bound to issue more than one certificate in respect of a share held jointly by several Persons and delivery of a certificate for a share to one of several joint Holders shall be sufficient delivery to all such Holders.
- 7.4 If a share certificate shall be worn out, defaced, lost or destroyed, a duplicate certificate may be issued on payment of such reasonable fee and on such terms (if any) as to evidence and indemnity and the payment of out-of-pocket expenses of the Company in relation thereto as the Directors think fit.

#### 8. LIEN

- 8.1 The Company shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share. The Company's lien (if any) on a share shall extend to all dividends or other monies payable thereon or in respect thereof. The Directors may resolve that any share shall for such period as they think fit be exempt from the provisions of this Article.
- 8.2 The Company may sell in such manner as the Directors think fit any shares on which the Company has a lien but no sale shall be made unless the monies in respect of which such lien exists or some part thereof are or is presently payable nor until 14 Clear Days have expired after a Notice stating and demanding payment of the monies presently payable and giving Notice of intention to sell in default shall have been served on the Holder for the time being of the shares or the Person entitled thereto by reason of the death, bankruptcy or incapacity of such Holder.
- 8.3 To give effect to any such sale, the Directors may authorise some Person to execute an instrument of transfer of the shares sold to the purchaser thereof. The purchaser shall be registered as the Holder of the shares so transferred and they shall not be bound to see to the application of the purchase money, nor shall their title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 8.4 The net proceeds of such sale after payment of the costs of such sale shall be applied in or towards payment or satisfaction of the debt or liability in respect of which the lien exists so far as the same is presently payable and any residue shall (subject to a like lien for debts or liabilities not presently payable as existed upon the shares prior to the sale) be paid to the Person entitled to the shares at the time of the sale.

#### 9. CALLS ON SHARES

- 9.1 The Directors may, subject to the provisions of these Articles and to any conditions of allotment from time to time, make calls upon the Members in respect of any monies unpaid on their shares and each Member shall (subject to being given at least 14 Clear Days' Notice specifying the time or times and place of payment) pay to the Company at the time or times and place so specified the amount called on their shares.
- 9.2 A call may be required to be paid by instalments.

- 9.3 A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or in part.
- 9.4 A Person upon whom a call is made shall remain liable for calls made upon them notwithstanding the subsequent transfer of the shares in respect whereof the call was made.
- 9.5 A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed.
- 9.6 The joint Holders of a share shall be jointly and severally liable to pay all calls and all other payments to be made in respect of such share.
- 9.7 If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the Person from whom the sum is due may be required to pay interest on the sum from the day appointed for payment thereof to the time of actual payment at a rate determined by the Directors, but the Directors shall be at liberty to waive payment of such interest wholly or in part.
- 9.8 Any sum which by or pursuant to the terms of issue of a share becomes payable upon allotment or at any fixed date shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by or pursuant to the terms of issue the same becomes payable, and in case of non-payment, all the relevant provisions of these Articles as to payment of interest, forfeiture, surrender or otherwise shall apply as if such sum had become due and payable by virtue of a call duly made and notified.
- 9.9 The Directors may on the issue of shares differentiate between the Holders as to the amount of calls to be paid and the times of payment.
- 9.10 The Directors may, if they think fit, receive from any Member an advance of monies which have not yet been called on their shares or which have not yet fallen due for payment. Such advance payments shall, to their extent, extinguish the liability in respect of which they are paid. The Company may pay interest on any such advance, at such rate as the Directors think fit, for the period covering the date of payment to the date (the “**Due Date**”) when the monies would have been due had they not been paid in advance. For the purposes of entitlement to dividends, monies paid in advance of a call or instalment shall not be treated as paid until the Due Date.

#### 10. FORFEITURE OF SHARES

- 10.1 If a Member fails to pay any call or instalment of a call on or before the day appointed for payment thereof, the Directors may, at any time thereafter during such time as any part of such call or instalment remains unpaid, serve a Notice on them requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and any costs, charges and expenses which may have been incurred by the Company by reason of such non-payment.
- 10.2 The Notice shall name a further day (not earlier than the expiration of 14 Clear Days from the date of service of such Notice) on or before which the payment required by the Notice is to be made and the place where payment is to be made and shall state that in the event of non-payment at or before

the time appointed and at the place appointed, the shares in respect of which the call was made will be liable to be forfeited.

- 10.3 If the requirements of any such Notice as aforesaid are not complied with any share in respect of which such Notice has been given may, at any time thereafter before payment of all calls and interest due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect and such forfeiture shall include all dividends which shall have been declared on the forfeited shares and not actually paid before the forfeiture.
- 10.4 When any share has been forfeited in accordance with these Articles, Notice of the forfeiture shall forthwith be given to the Holder of the share or the Person entitled to the share by transmission as the case may be and an entry of such Notice having been given and of the forfeiture with the date thereof shall forthwith be made in the Register opposite to the entry of the share, but no forfeiture shall be invalidated in any manner by any omission or neglect to give such Notice or to make such entry as aforesaid.
- 10.5 The Directors may, at any time after serving a Notice in accordance with Article 10.1, accept from the Member concerned the surrender of such shares as are the subject of the Notice, without the need otherwise to comply with the provisions of Articles 10.1 to 10.4. Any such shares shall be surrendered immediately and irrevocably upon the Member delivering to the Company the share certificate for the shares and such surrender shall also constitute a surrender of all dividends declared on the surrendered shares but not actually paid before the surrender. The Company shall, upon such surrender forthwith, make an entry in the Register of the surrender of the share with the date thereof, but no surrender shall be invalidated in any manner by any omission or neglect to make such entry as aforesaid.
- 10.6 A forfeited or surrendered share shall become the property of the Company and may be sold, re-allotted or otherwise disposed of either to the Person who was before forfeiture or surrender the Holder thereof or entitled thereto or to any other Person upon such terms and in such manner as the Directors think fit and at any time before a sale, re-allotment or other disposition, the forfeiture or surrender may be cancelled on such terms as the Directors think fit. Where for the purposes of its disposal a forfeited or surrendered share is to be transferred to any Person, the Directors may authorise some Person to execute an instrument of transfer of the share to that Person.
- 10.7 A Member whose shares have been forfeited or surrendered shall cease to be a Member in respect of the forfeited or surrendered shares and shall (if they have not done so already) surrender to the Company for cancellation the certificate for the shares forfeited or surrendered. Notwithstanding the forfeiture or the surrender, such Member shall remain liable to pay to the Company all monies which at the date of forfeiture or surrender were presently payable by them in respect of those shares with interest thereon at the rate at which interest was payable before the forfeiture or surrender or at such rate as the Directors may determine from the date of forfeiture or surrender until payment, provided that the Directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or surrender or for any consideration received on their disposal.

- 10.8 A declaration under oath by a Director or the Secretary (or by an Officer of a corporate Secretary) that a share has been duly forfeited or surrendered on a specified date shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the share. The declaration and the receipt of the Company for the consideration (if any) given for the share on the sale re-allotment or disposal thereof together with the certificate for the share delivered to a purchaser or allottee thereof shall (subject to the execution of an instrument of transfer if the same be so required) constitute good title to the share. The Person to whom the share is sold, re-allotted or disposed of shall be registered as the Holder of the share and shall not be bound to see to the application of the consideration (if any), nor shall their title to the share be affected by any irregularity in or invalidity of the proceedings in respect of the forfeiture, surrender, sale, re-allotment or disposal of the share.

## 11. TRANSFER OF SHARES

- 11.1 Save as otherwise permitted under the provisions of the Law, all transfers of shares shall be effected using an instrument of transfer.
- 11.2 Save as otherwise permitted under the provisions of the Law, the instrument of transfer of any share shall be in Writing in any usual common form or any form approved by the Directors.
- 11.3 The instrument of transfer of any share shall be Signed by or on behalf of the transferor and in the case of an unpaid or partly paid share by the transferee. The transferor shall be deemed to remain the Holder of the share until the name of the transferee is entered in the Register in respect thereof.
- 11.4 The Directors may in their absolute discretion and without assigning any reason therefor:
- 11.4.1 refuse to register any transfer of partly paid shares or any transfer of shares on which the Company has a lien; and
- 11.4.2 refuse to register any transfer if such transfer is:
- (a) of shares that were not registered under U.S. securities laws and such transfer is being made pursuant to an exemption from registration under U.S. securities laws unless the transferor provides evidence satisfactory to the Directors that such transfer satisfies the terms of such exemption; or
  - (b) prohibited by the terms of any contract or undertaking to which the transferor is a party of which the Company is aware,
- but shall not otherwise refuse to register a transfer of shares made in accordance with these Articles.
- 11.5 The Directors may also refuse to register the transfer of a share unless the instrument of transfer:
- 11.5.1 is lodged at the Office or at such other place as the Directors may appoint, accompanied by the certificate for the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;
- 11.5.2 is in respect of only one class of shares; and

11.5.3 is in favour of not more than four transferees.

- 11.6 If the Directors refuse to register a transfer of a share, they shall within two Months after the date on which the instrument of transfer was lodged with the Company send to the proposed transferor and transferee Notice of the refusal.
- 11.7 All instruments of transfer relating to transfers of shares which are registered shall be retained by the Company but any instrument of transfer relating to transfers of shares which the Directors decline to register shall (except in any case of fraud) be returned to the Person depositing the same.
- 11.8 The registration of transfers of shares or of transfers of any class of shares may not be suspended.
- 11.9 Unless otherwise decided by the Directors in their sole discretion, no fee shall be charged in respect of the registration of any instrument of transfer or other document relating to or affecting the title to any share.
- 11.10 In respect of any allotment of any share, the Directors shall have the same right to decline to approve the registration of any renounee of any allottee as if the application to allot and the renunciation were a transfer of a share under these Articles.

## 12. TRANSMISSION OF SHARES

- 12.1 In the case of the death of a Member, the survivor or survivors where the deceased was a joint Holder and the executors or administrators of the deceased where they were a sole or only surviving Holder shall be the only Persons recognised by the Company as having any title to their interest in the shares, but nothing in this Article 12.1 shall release the estate of a deceased joint Holder from any liability in respect of any share which had been jointly held by him.
- 12.2 Any Person becoming entitled to a share in consequence of the death, bankruptcy or incapacity of a Member may, upon such evidence as to their title being produced as may from time to time be required by the Directors and subject as hereinafter provided, elect either to be registered themselves as the Holder of the share or to have some Person nominated by them registered as the Holder thereof.
- 12.3 If the Person so becoming entitled shall elect to be registered themselves, they shall deliver or send to the Company a Notice Signed by them stating that they so elect. If they shall elect to have another Person registered, they shall testify their election by an instrument of transfer of the share in favour of that Person. All the limitations restrictions and provisions of these Articles relating to the right to transfer and the registration of transfers of shares shall be applicable to any such Notice or instrument of transfer as aforesaid as if it were an instrument of transfer executed by the Member and the death, bankruptcy or incapacity of the Member had not occurred.
- 12.4 A Person becoming entitled to a share by reason of the death, bankruptcy or incapacity of a Member shall be entitled to the same dividends and other advantages to which they would be entitled if they were the Holder of the share, except that they shall not before being registered as the Holder of the share be entitled in respect of it to exercise any right conferred by membership in relation to

meetings of the Company, provided always that the Directors may at any time give Notice requiring any such Person to elect either to be registered himself or to transfer the share, and if the Notice is not complied with within one Month, such Person shall be deemed to have so elected to be registered himself and all the restrictions on the transfer and transmission of shares contained in these Articles shall apply to such election.

### 13. GENERAL MEETINGS

- 13.1 Unless all of the Members agree in Writing to dispense with the holding of Annual General Meetings and any such agreement remains valid in accordance with the Law, the Company shall in each calendar year hold a general meeting as its Annual General Meeting at such time and place as may be determined by the Directors, provided that so long as the Company holds its first Annual General Meeting within 18 Months of its incorporation in Jersey, it need not hold it in the year of its incorporation in Jersey or in the following year.
- 13.2 The above-mentioned general meeting shall be called the “**Annual General Meeting**”. All other general meetings shall be called “**Extraordinary General Meetings**”.
- 13.3 The Directors may whenever they think fit, and upon a requisition of Members made in accordance with the Law the Directors shall, convene an Extraordinary General Meeting of the Company.
- 13.4 At any Extraordinary General Meeting called, pursuant to a requisition unless such meeting is called by the Directors, no business other than that stated in the requisition as the objects of the meeting shall be transacted.

### 14. CLASS MEETINGS

Save as otherwise provided in these Articles or in any Statement of Rights, all the provisions of these Articles and of the Law relating to general meetings of the Company and to the proceedings thereat shall apply *mutatis mutandis* to every class meeting. A Director who is entitled to receive Notice of general meetings of the Company in accordance with Article 15.4 shall also be entitled, unless they have notified the Secretary in Writing of their contrary desire, to receive Notice of all class meetings. Subject to the provisions of these Articles and any Statement of Rights, at any class meeting the Holders of shares of the relevant class shall on a poll have one vote in respect of each share of that class held by them.

### 15. NOTICE OF GENERAL MEETINGS

- 15.1 At least 14 Clear Days’ Notice shall be given of every general meeting (other than an adjourned meeting), including, without limitation, every general meeting called for the passing of a Special Resolution.
- 15.2 A meeting of the Company shall, notwithstanding that it is called by shorter Notice than that specified in Article 15.1, be deemed to have been duly called if it is so agreed:
- 15.2.1 in the case of an Annual General Meeting, by all the Members entitled to attend and vote thereat; and

- 15.2.2 in the case of any other meeting, by a majority in number of the Members having a right to attend and vote at the meeting being a majority together holding not less than the minimum percentage of voting rights prescribed by the Law.
- 15.3 Every Notice of a general meeting shall specify the place, the day and the time of the meeting and the general nature of the business to be transacted and, in the case of an Annual General Meeting, shall specify the meeting as such.
- 15.4 Subject to the provisions of these Articles and to any restrictions imposed on any shares, Notice of every general meeting shall be given to all the Members, to all Persons entitled to a share in consequence of the death, bankruptcy or incapacity of a Member, to the Auditors (if any) and to every Director who has notified the Secretary in Writing of their desire to receive Notice of general meetings.
- 15.5 In every Notice calling a meeting of the Company, there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of them and that a proxy need not also be a Member.
- 15.6 The accidental omission to give Notice of a meeting to or the non-receipt of Notice of a meeting by any Person entitled to receive Notice shall not invalidate the proceedings at that meeting.

## 16. PROCEEDINGS AT GENERAL MEETINGS

- 16.1 The business of an Annual General Meeting shall be to receive and consider the accounts of the Company and the reports of the Directors and Auditors (if any), to elect Directors (if proposed), to elect (or ratify the appointment of) Auditors (if proposed), to sanction a dividend if thought fit so to do and to transact any other business of which Notice has been given by the Directors.
- 16.2 No business shall be transacted at any general meeting except the adjournment of the meeting unless a quorum of Members is Present at the time when the meeting proceeds to business. Such quorum shall consist of one or more Members Present who hold or represent shares conferring not less than a majority of the total voting rights of all the Members entitled to vote at the general meeting, provided that where the Company has more than one Member, if only one Member is Present at a meeting in order for the meeting to be quorate, the chairperson of the meeting must be a person other than the Member Present, and provided that if at any time all of the issued shares in the Company are held by one Member, such quorum shall consist of that Member Present.
- 16.3 If a Member is by any means in communication with one or more other Members so that each Member participating in the communication can hear what is said by any other of them, each Member so participating in the communication is deemed to be Present at a meeting with the other Members so participating notwithstanding that all the Members so participating are not Present together in the same place. A meeting at which any or all of the Members participate as aforesaid shall be deemed to be a general meeting of the Company for the purposes of these Articles notwithstanding any other provisions of these Articles and all of the provisions of these Articles and of the Law relating to general meetings of the Company and to the proceedings thereat shall apply *mutatis mutandis* to every such meeting.

- 16.4 If within 30 minutes from the time appointed for the meeting a quorum is not Present or if during the meeting a quorum ceases to be Present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other time and place as the Directors shall determine and if at such adjourned meeting a quorum is not Present within 30 minutes from the time appointed for the holding of the meeting, those Members Present shall constitute a quorum.
- 16.5 The chair (if any) of the Directors shall preside as chair at every general meeting of the Company or if there is no such chair or if they shall not be Present within 15 minutes after the time appointed for the holding of the meeting or are unwilling to act, the Directors shall select one of their number to be chair of the meeting.
- 16.6 If at any meeting no Director is willing to act as chair or if no Director is Present within 15 minutes after the time appointed for holding the meeting, the Members Present shall choose one of their number to be chair of the meeting.
- 16.7 The chair may, without the consent of any meeting at which a quorum is Present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 30 days or more, Notice of the adjourned meeting shall be given as in the case of the original meeting. Save as aforesaid, it shall not be necessary to give any Notice of any adjourned meeting or of the business to be transacted at an adjourned meeting.
- 16.8 At any general meeting, a resolution put to the vote of the meeting shall be decided in the first instance on a show of hands unless before or on the declaration of the result of the show of hands a poll is demanded.
- 16.9 Subject to the provisions of the Law, a poll may be demanded:
- 16.9.1 by the chair;
  - 16.9.2 by at least two Members having the right to vote on the resolution; or
  - 16.9.3 by a Member or Members representing not less than one tenth of the total voting rights of all the Members having the right to vote on the resolution.
- 16.10 Unless a poll is duly demanded, a declaration by the chair that a resolution has on a show of hands been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution.
- 16.11 If a poll is duly demanded, it shall be taken at such time and in such manner as the chair directs and the results of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 16.12 In the event of an equality of votes at any general meeting, the chair shall not be entitled to a second or casting vote.
- 16.13 A poll demanded on the election of the chair or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or on such day and at such time and place as the chair directs not being more than 21 days after the poll is demanded.
- 16.14 A demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.
- 16.15 Subject to Article 16.16, the Members may not pass Ordinary or Special Resolutions in Writing and any written resolutions of the Members shall be void and of no effect.
- 16.16 At any time the Principal Shareholder has the power to cast, directly or indirectly, at least 40% of the votes on any resolution proposed by the Company, anything which may be done at a general meeting of the Company (save for the passing of a resolution removing the Auditors) may be done by a resolution in Writing passed by a specified majority of the Members who, at the date when the resolution is deemed to be passed, would be entitled to vote on the resolution if it were proposed at a general meeting. A resolution in Writing pursuant to this Article 16.16 shall be deemed to be passed when the specified majority of the Members has, in accordance with the Law and Article 16.17, signified agreement to the resolution. The Directors may determine the date by which such resolution in Writing must be passed if it is not to lapse. For the purposes of this Article 16.16, “**specified majority**” means the same majority of Members that would be required to vote in favour of the resolution in order for it to be passed at a duly convened and held general meeting at which:
- 16.16.1 all Members entitled to vote thereon were Present and voting; and
- 16.16.2 voting was taken on the basis of a poll.
- 16.17 A resolution in Writing may consist of several instruments in the same form, each Signed by or on behalf of one or more Members. A resolution in Writing may be sent or submitted to Members in hard copy or electronic form or in such other manner as the Directors may resolve. A Member signifies its agreement to a resolution in Writing when the Company receives from the Member (or from someone acting on the Member’s behalf) a document (sent or submitted in hard copy or electronic form or in such other manner as the Directors may resolve) which identifies the resolution to which it relates and indicates agreement to the resolution. A Member’s agreement to a resolution in Writing, once signified, may not be revoked.

## 17. VOTES OF MEMBERS

- 17.1 Subject to any special rights restrictions or prohibitions as regards voting for the time being attached to any shares as may be specified in the terms of issue thereof, any Statement of Rights or these Articles:
- 17.1.1 on a show of hands, every Member Present including by proxy shall have one vote;  
and

- 17.1.2 on a poll, every Member Present (including by proxy) shall have one vote for each share of which they are the Holder.
- 17.2 In determining the number of votes cast for or against a proposal or a nominee, shares abstaining from voting on any resolution and votes by a broker that have not been directed by the beneficial owner to vote on any resolution in any particular manner will be counted for purposes of determining a quorum but not for purposes of determining the number of votes cast.
- 17.3 In the case of joint Holders of any share, such Persons shall not have the right of voting individually in respect of such share but shall elect one of their number to represent them and to vote whether personally or by proxy in their name. In default of such election, the Person whose name appears first in order in the Register in respect of such share shall be the only Person entitled to vote in respect thereof.
- 17.4 A Member in respect of whom an order has been made by any court having jurisdiction (whether in the Island of Jersey or elsewhere) in matters concerning legal incapacity or interdiction may vote, whether on a show of hands or a poll, by their attorney, curator, receiver or other Person authorised in that behalf appointed by that court and any such attorney, curator, receiver or other Person may vote by proxy. Evidence to the satisfaction of the Directors of the authority of such attorney, curator, receiver or other Person may be required by the Directors prior to any vote being exercised by such attorney, curator, receiver or other Person.
- 17.5 No Member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by them in respect of shares in the Company of which they are the Holder or one of the joint Holders have been paid.
- 17.6 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chair of the meeting whose decision shall be final and conclusive.
- 17.7 On a poll votes may be given either personally or by proxy.
- 17.8 The Directors may, at the expense of the Company, send by post or otherwise to the Members instruments of proxy (with or without provision for their return prepaid) for use at any general meeting or at any separate meeting of the Holders of any class of shares of the Company either in blank or nominating in the alternative any one or more of the Directors or any other Persons. If, for the purpose of any meeting, invitations to appoint as proxy a Person or one or more of a number of Persons specified in the invitations are issued at the Company's expense, they shall be issued to all (and not to some only) of the Members entitled to be sent a Notice of the meeting and to vote thereat by proxy.
- 17.9 The instrument appointing a proxy shall be in Writing in any common form or as approved by the Directors and shall be executed or authenticated by the appointor in any manner as the Directors may approve or be Signed by the appointor or by their attorney or agent duly authorised in Writing

or if the appointor is a corporation either under seal or Signed by a duly authorised officer, attorney or other representative. A proxy need not be a Member.

17.10 The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is Signed or a notarially certified copy of that power or authority shall:

17.10.1 be deposited at such place and by such time as is specified for that purpose by the Notice convening the meeting at which the Person named in the instrument proposes to vote or at such place and by such time as may be specified in relation to an adjourned meeting;

17.10.2 in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for taking the poll; or

17.10.3 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chair or the Secretary or to any Director.

An instrument of proxy which is not deposited in the manner so required shall be valid only if it is approved by the Directors or all the other Members who are Present at the meeting.

17.11 Unless the contrary is stated thereon, the instrument appointing a proxy shall be as valid as well for any adjournment of the meeting as for the meeting to which it relates.

17.12 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the proxy or of the authority under which the proxy was executed, provided that no Notice in Writing of such death, insanity or revocation shall have been received by the Company at the Office before the commencement of the meeting or adjourned meeting at which such vote is cast.

17.13 Notwithstanding any other provision of these Articles, the Directors may utilise, or approve the utilisation of, any telephone or internet-based systems or any other electronic systems as they in their absolute discretion may think fit with respect to the appointment of proxies and/or the receipt of proxy forms and/or receipt of, or processing of, voting instructions for use at any Annual General Meetings or Extraordinary General Meetings.

## 18. CORPORATE MEMBERS

18.1 Any body corporate which is a Member may by resolution of its directors or other governing body authorise such Person as it thinks fit to act as its representative at any meeting of Members (or of any class of Members) and the Person so authorised shall be entitled to exercise on behalf of the body corporate which they represent the same powers as that body corporate could exercise if it were an individual.

- 18.2 Where a Person is authorised to represent a body corporate at a general meeting of the Company, the Directors or the chair of the meeting may require them to produce a certified copy of the resolution from which they derive their authority.

## 19. DIRECTORS

- 19.1 Subject to the terms of the Shareholders' Agreement, the Directors shall determine the maximum and minimum number of Directors and unless and until otherwise so determined, and subject to the provisions of the Law, the minimum number of Directors shall be two.
- 19.2 A Director need not be a Member but, provided they have notified the Secretary in Writing of their desire to receive Notice of general meetings in accordance with Article 15.4, they shall be entitled to receive Notice of any general meeting and, subject to Article 14, all separate meetings of the Holders of any class of shares in the Company. Whether or not a Director is entitled to receive such Notice, they may nevertheless attend and speak at any such meeting.

## 20. BOARD CLASSIFICATION

- 20.1 Immediately following the date of adoption of these Articles, the Board of Directors shall consist of 7 members (the "**Initial Directors**"), who shall be appointed by resolution of the Board of Directors.
- 20.2 Following the Closing, the Initial Directors shall be divided into three classes of Directors, designated as "Class I", "Class II" and "Class III", respectively (each a "**Class**"). Subject to the Shareholders' Agreement, each class shall consist, as nearly as possible, of one-third of the total number of such directors.
- 20.3 Subject to the rights granted to the holders of any one or more series of Preferred Shares then outstanding and any rights granted to the Principal Shareholder pursuant to the Shareholders' Agreement, any newly-created directorship on the Board of Directors that results from an increase in the number of directors and any vacancy occurring in the Board of Directors (whether by death, resignation, retirement, disqualification or other cause) shall be filled by a majority of the directors then in office, even if less than a quorum, or by a sole remaining director (and not by the shareholders). Any director elected to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall be elected and qualified, or until his or her earlier death, resignation, retirement, disqualification or removal.
- 20.4 During any period when the Holders of any series of Preferred Shares, voting separately as a series or together with one or more series, have the right to elect additional Directors, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of Directors of the Company shall automatically be increased by such specified number of Directors, and the Holders of such Preferred Shares shall be entitled to elect the additional Directors so provided for or fixed pursuant to said provisions, and (ii) each such additional Director shall serve until such Director's successor shall have been duly elected and qualified, or until such Director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his or her earlier death, resignation, retirement, disqualification

or removal. Except as otherwise provided by the Board of Directors in the resolution or resolutions establishing such series, whenever the holders of any series of Preferred Shares having such right to elect additional Directors are divested of such right pursuant to the provisions of such shares, the terms of office of all such additional Directors elected by the Holders of such shares, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional Directors, shall forthwith terminate and the total authorized number of Directors of the Company shall be reduced accordingly.

## 21. ALTERNATE DIRECTORS

21.1 Any Director (other than an alternate Director) may at their sole discretion and at any time and from time to time appoint any other Director or any other Person (other than one disqualified or ineligible by law to act as a director of a company) as an alternate Director to attend and vote in their place at any meetings of Directors at which they are not personally present. Each Director shall be at liberty to appoint under this Article 21.1 more than one alternate Director provided that only one such alternate Director may at any one time act on behalf of the Director by whom they have been appointed.

21.2 An alternate Director while they hold office as such shall be entitled to receive Notice (which need not be in Writing) of all meetings of Directors and of all meetings of committees of Directors of which their appointor is a member and to attend and to exercise all the rights and privileges of their appointor at all such meetings at which their appointor is not personally present and generally to perform all the functions of their appointor as a Director in their absence.

21.3 An alternate Director shall *ipso facto* vacate office if and when their appointment expires or the Director who appointed them ceases to be a Director of the Company or removes the alternate Director from office by Notice under their hand served upon the Company.

21.4 An alternate Director shall be entitled to be paid all travelling and other expenses reasonably incurred by them in attending meetings. The remuneration (if any) of an alternate Director shall be payable out of the remuneration payable to the Director appointing them as may be agreed between the alternate Director and the Director appointing them.

21.5 Where a Director acts as an alternate Director for another Director they shall be entitled to vote on behalf of such other Director as well as on their own account, but no Director shall at any meeting be entitled to act as alternate Director for more than one Director.

21.6 A Director who is also appointed an alternate Director shall be considered as two Directors for the purpose of making a quorum of Directors when such quorum shall exceed two.

## 22. POWERS OF DIRECTORS

22.1 The business of the Company shall be managed by the Directors who may pay all expenses incurred in promoting and registering the Company and may exercise all such powers of the Company as are not by the Law or these Articles required to be exercised by the Company in a general meeting.

22.2 The Directors' powers shall be subject to the provisions of these Articles, to the provisions of the Law and to such regulations (being not inconsistent with the aforesaid regulations or provisions) as may be prescribed by the Company in a general meeting pursuant to a Special Resolution but no regulations made by the Company in a general meeting shall invalidate any prior act of the Directors which would have been valid if such regulations had not been made.

22.3 The Directors may by power of attorney, mandate or otherwise appoint any Person to be the agent of the Company for such purposes and on such conditions as they determine including authority for the agent to delegate all or any of their powers.

### 23. DELEGATION OF DIRECTORS' POWERS

23.1 The Directors may delegate any of their powers to committees consisting of such Director or Directors or such other Persons as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may be imposed on it by the Directors.

23.2 The meetings and proceedings of any such committee consisting of two or more Persons shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Directors so far as the same are applicable and are not superseded by any regulations made by the Directors under this Article.

### 24. APPOINTMENT OF DIRECTORS

24.1 Subject to the provisions of the Shareholders' Agreement and Articles 19.1, 25 and 31.9 only, the Directors shall have power at any time and from time to time to appoint any person to be a Director as an addition to the existing Directors and vacancies on the Board of Directors resulting from death, disability, resignation, removal or otherwise, and newly created directorships resulting from any increase in the number of Directors may be filled solely by a majority of the Directors then in office. The requirements set forth in Articles 24.3 through 24.9 (inclusive) shall not apply to the designation of director nominees, or notices related thereto, pursuant to the Shareholders' Agreement.

24.2 Where the number of persons validly proposed for election or re-election as a Director is greater than the number of Directors to be elected, the persons receiving the most votes (up to the number of Directors to be elected) shall be elected as Directors and an absolute majority of the votes cast shall not be a pre-requisite to the election of such Directors.

24.3 No more than 120 and at least 90 Clear Days' Notice expiring on the anniversary of the preceding annual general meeting of the Company and containing the information set out in Article 24.5 shall be given to the Company of the intention of any Member or Members holding at least 10% of the total voting rights of the Members who have the right to vote at general meetings to propose any person for election to the office of Director at the Annual General Meeting in that year provided that in the event that the date of any such meeting is advanced more than 30 days prior to such anniversary date or delayed more than 70 days after such anniversary date or if no Annual General Meeting was held in the preceding year (other than in connection with its first Annual General Meeting), such notice must be received by the Company no earlier than 120 Clear Days prior to any meeting and no later than the later of 90 Clear Days prior to the date of the meeting or the 10<sup>th</sup> day

following the day on which Public Announcement of the date of the meeting was first made by the Company.

- 24.4 In no event shall the adjournment or postponement of any meeting, or any announcement thereof, commence a new time period (or extend any time period) for the giving of Notice as described in Article 24.3 above.
- 24.5 Notice to the Company from any relevant Member or Members sent pursuant to Article 24.3 shall set forth each person whom the Member or Members propose to nominate for election or reelection as a Director and all information relating to such person that would be required to be disclosed in solicitations of proxies for election of Directors, or would otherwise be required, in each case pursuant to Regulation 14A under the United States Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), if Regulation 14A under the Exchange Act applied to the Company (including such person’s notarized written consent to being named in the proxy statement as a nominee and to serving a full term as a Director if elected). In addition, the notice shall set forth a reasonably detailed description of any direct or indirect compensatory, payment or other financial agreement, arrangement or understanding (whether written or oral) that such person has with any other person or entity other than the Company (a “**Third-Party Compensation Agreement**”), including the amount of any payment or payments received or receivable thereunder, in each case in connection with candidacy or service as a director of the Company. For notices sent pursuant to Article 24.3, such notice shall set forth as to the Member giving the notice and (where applicable) the beneficial owner of any shares, on whose behalf the proposal is made and in respect of which the relevant Member holds legal title to such shares:
- 24.5.1 the name and address of such Member (as they appear on the Company’s books) and any such beneficial owner;
- 24.5.2 for each class or series, the number of shares in the share capital of the Company that are held of record or are beneficially owned by such Member and by any such beneficial owner;
- 24.5.3 a complete and accurate description of any current or prior agreement, arrangement or understanding, and any other material relationship, between or among such Member, any such beneficial owner, any of their respective affiliates or associates within the meaning of Rule 12b-2 under the Exchange Act or others acting in concert therewith, on the one hand, and each proposed nominee, his or her affiliates or associates or others acting in concert therewith, on the other hand;
- 24.5.4 a complete and accurate description of any current or prior agreement, arrangement or understanding (including, regardless of the form of settlement, any derivative, long or short positions, profit interests, forwards, futures, swaps, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions and borrowed or loaned shares) that has been entered into by or on behalf of, or any other agreement, arrangement or understanding that has been made, the effect or intent of which is to create or mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting

- power of, such Member or any such beneficial owner or any such nominee with respect to the Company's securities;
- 24.5.5 a representation that the Member is a holder of record of shares in the share capital of the Company entitled to vote at such meeting through the date of such meeting and intends to appear in person or by proxy at the meeting to bring such nomination or other business before the meeting;
- 24.5.6 a representation as to whether such Member or any such beneficial owner intends or is part of a group that intends to: (i) deliver a proxy statement and/or form of proxy to holders of at least the percentage of the voting power of the Company's outstanding share capital required to approve or adopt the proposal or to elect each such nominee and/or (ii) otherwise to solicit proxies from Holders in support of such proposal or nomination;
- 24.5.7 a certification regarding whether each Member has complied with all applicable legal requirements in connection with its acquisition of shares or other securities of the Company and such Member's acts or omissions as a Member of the Company;
- 24.5.8 the names and addresses of other Members (including beneficial owners) known by any of the Holder or Shareholder Associated Person to support such proposal or nomination or nominations, and to the extent known the class and number of all shares of the Corporation's capital stock owned beneficially or of record by such other Member(s) or other beneficial owner(s);
- 24.5.9 the Member's representation as to the accuracy of the information set forth in the notice;
- 24.5.10 any other information relating to such Member, beneficial owner, if any, or director nominee or proposed business that would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies in support of such nominee or proposal pursuant to Section 14 of the Exchange Act; and
- 24.5.11 such other information relating to any proposed item of business as the Company may reasonably require to determine whether such proposed item of business is a proper matter for Member action.
- 24.6 The information required under the preceding Article 24.5 shall be updated and supplemented if necessary by such Member and any such beneficial owner so that the information shall be true and correct as of the record date and as of the date that is 10 Business Days prior to the annual general meeting or any adjournment, recess, rescheduling or postponement thereof and not later than seven Business Days prior to the date for the general meeting, if practicable (or, if not practicable, on the first practicable date prior to the meeting), or any adjournment, recess, rescheduling or postponement thereof (in the case of the update and supplement required to be made as of 10 Business Days prior to the meeting or any adjournment, recess, rescheduling or postponement thereof).

- 24.7 To be eligible to be a nominee for election as a director, the proposed nominee must provide to the Secretary of the Company, in accordance with the applicable time periods prescribed for delivery of notice under Article 24.3, (i) a completed D&O questionnaire (in the form provided by the Secretary of the Company at the request of the nominating Member) containing information regarding the nominee's background and qualifications and such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as a director of the Company, to serve as an independent director of the Company or to serve as an audit committee financial expert, (ii) a written representation that, unless previously disclosed to the Company, the nominee is not and will not become a party to any voting agreement, arrangement or understanding (whether written or oral) with any person or entity as to how such nominee, if elected as a director, will vote on any issue or that could interfere with such person's ability to comply, if elected as a director, with their fiduciary duties under applicable law, (iii) a written representation and agreement that, unless previously disclosed to the Company pursuant to Article 24.5, the nominee is not and will not become a party to any Third-Party Compensation Agreement, (iv) a written representation and agreement that, if elected as Director of the Company, they intend to serve for a full term on the Board and (v) a written representation that, if elected as a Director, such nominee would be in compliance and will continue to comply with all applicable laws and rules of the Stock Exchange on which the Company's shares are listed and the corporate governance guidelines, conflict of interest, confidentiality and share ownership and trading policies and other guidelines of the Company duly adopted by the Board. At the request of the Board of Directors, any person nominated by the Board of Directors for election as a Director shall furnish to the Secretary of the Company the information that is required to be set forth in a Member's notice of nomination that pertains to the nominee.
- 24.8 At the request of the Board of Directors, any person nominated by the Board of Directors for election as a Director shall furnish to the Company the information that is required to be set forth in a Member's Notice set out in Article 24.5 that pertains to the nominee. No person shall be eligible to be nominated by a Member to serve as a Director unless nominated in accordance with the procedures set forth in this Article 24. The chair of the annual general meeting shall, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed hereby, and if they should so determine, they shall so declare to the meeting and the defective nomination shall be disregarded. Notwithstanding the foregoing provisions, unless otherwise required by the Law, if the Member (or a qualified representative of the Member) does not appear at any such meeting of the Company to present a nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Company and counted for purposes of determining a quorum. For purposes of this Article 24.8, to be considered a qualified representative of the Member, a person must be a duly authorised officer, manager or partner of such Member or must be authorised in Writing by such Member or an electronic transmission delivered by such Member to act for such Member as proxy at the meeting of Members and such person must produce such Writing or electronic transmission, or a reliable reproduction of the Writing or electronic transmission, at the meeting.
- 24.9 Without limiting the foregoing provisions, a Member shall also comply with all applicable requirements of the Exchange Act, and the rules and regulations thereunder with respect to the

matters set forth in this Article 24, provided that any references in these Articles to the Exchange Act or such rules and regulations are not intended to and shall not limit any requirements applicable to nominations pursuant to this Article 24, and compliance with this Article 24 shall be the exclusive means for a Member to make nominations.

- 24.10 The Company shall keep or cause to be kept a register of particulars with regard to its Directors in the manner required by the Law.

**25. RETIREMENT OF DIRECTORS**

- 25.1 At the first Annual General Meeting of the Company following Closing, each Director in Class I shall retire from office but shall be eligible for re-appointment by Ordinary Resolution of the Company at such Annual General Meeting and, in each case, where such Director is so re-appointed, they shall be entitled to serve until the third Annual General Meeting of the Company falling after the first Annual General Meeting, at which stage the Director shall retire from office but shall be eligible for further re-appointment.
- 25.2 At the second Annual General Meeting of the Company following Closing, each Director in Class II shall retire from office but shall be eligible for re-appointment by Ordinary Resolution of the Company at such Annual General Meeting and, in each case, where such Director is so re-appointed, they shall be entitled to serve until the third Annual General Meeting of the Company falling after the second Annual General Meeting, at which stage the Director shall retire from office but shall be eligible for further re-appointment.
- 25.3 At the third Annual General Meeting of the Company following Closing, each Director in Class III shall retire from office but shall be eligible for re-appointment by Ordinary Resolution of the Company at such Annual General Meeting and, in each case, where such Director is so re-appointed, they shall be entitled to serve until the third Annual General Meeting of the Company falling after the third Annual General Meeting, at which stage the Director shall retire from office but shall be eligible for further re-appointment.
- 25.4 Every resolution of an Annual General Meeting in accordance with this Article 25 for the election of a Director shall relate to one named person and a single resolution for the election of two or more persons shall be void, unless a resolution that it shall be so proposed has been first agreed to by the meeting without any vote being cast against it.
- 25.5 At each succeeding Annual General Meeting of the Company following the third Annual General Meeting of the Company following Closing, Directors shall be elected to serve for a term of three years to succeed the Directors of the class whose terms expire at such Annual General Meeting.
- 25.6 Subject to the provisions of these Articles, a Director shall remain a member of the class of Directors to which they were assigned in accordance with Article 20. The initial terms of each class of Directors shall expire as set forth in this Article 25, subject to such Director's earlier death, resignation, disqualification or removal.

25.7 A retiring Director who is not re-elected shall retain office until the close of the meeting at which they retire.

25.8 If the Company, at any meeting at which a Director retires in accordance with these Articles, does not fill the office vacated by such Director, the retiring Director, if willing to act, shall be deemed to be re-elected, unless at the meeting a resolution is passed not to fill the vacancy or to elect another person in their place or unless the resolution to re-elect them is put to the meeting and lost.

## 26. RESIGNATION, DISQUALIFICATION AND REMOVAL OF DIRECTORS

26.1 Subject to Article 26.3, the office of a Director shall be vacated if the Director:

26.1.1 resigns their office by Notice to the Company;

26.1.2 ceases to be a Director by virtue of any provision of the Law or becomes prohibited or disqualified by law from being a Director;

26.1.3 becomes Bankrupt or makes any arrangement or composition with their creditors generally;

26.1.4 becomes of unsound mind;

26.1.5 is removed from office by the affirmative vote of at least 66 2/3% in voting power of the then outstanding ordinary shares of the Company entitled to vote thereon as a result of:

(a) the Director's conviction (with a *nolo contendere* plea deemed to be a conviction) of a serious felony involving:

(i) moral turpitude; or

(ii) a violation of United States federal or state securities laws,

but specifically excluding any conviction based entirely on vicarious liability; or

(b) the Director's commission of any material act of dishonesty (such as embezzlement) resulting or intended to result in material personal gain or enrichment of such Director at the expense of the company or any of its subsidiaries and which act, if made the subject of criminal charges, would be reasonably likely to be charged as a felony, and for these purposes *nolo contendere*, felony and moral turpitude shall have the meanings given to them by the laws of the United States of America or any relevant state thereof and shall include any equivalent acts in any other jurisdiction.

26.2 Notwithstanding any other provision of these Articles, whenever the holders of one or more classes or series of Preferred Shares shall have the right, voting separately as a class or series, to elect Directors, the election, term of office, filling of vacancies, removal and other features of such directorships shall be governed by the terms of the Statement of Rights applicable thereto, and such

Directors so elected shall not be subject to the provisions of Articles 24 and 26 unless otherwise provided therein.

- 26.3 The power to remove a director in accordance with Article 26.1.5 shall only be available when the Principal Shareholder has the power to cast, directly or indirectly, less than 40% of the voting rights attached to the Company's ordinary shares. While the Principal Shareholder owns at least 40% of the voting rights attached to the Company's ordinary shares, directors may be removed by Ordinary Resolution with or without cause.

#### **27. REMUNERATION AND EXPENSES OF DIRECTORS**

- 27.1 The Directors shall be entitled to such remuneration as the Directors may determine subject to any limitation as the Company may by Ordinary Resolution determine.
- 27.2 The Directors shall be paid or reimbursed out of the funds of the Company for their travel, hotel and other expenses properly and necessarily incurred by them in connection with their attendance at meetings of the Directors or Members or otherwise in connection with the discharge of their duties.

#### **28. EXECUTIVE DIRECTORS**

- 28.1 The Directors may from time to time appoint one or more of their number to the office of managing director or to any other executive office under the Company on such terms and for such periods as they may determine.
- 28.2 The appointment of any Director to any executive office shall be subject to termination if they cease to be a Director but without prejudice to any claim for damages for breach of any contract of service between them and the Company.
- 28.3 The Directors may entrust to and confer upon a Director holding any executive office any of the powers exercisable by the Directors upon such terms and conditions and with such restrictions as they think fit and either collaterally with or to the exclusion of their own powers and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### **29. DIRECTORS' INTERESTS**

- 29.1 Subject to the provisions of the Law, a Director may hold any other office or place of profit under the Company (other than the office of Auditor) in conjunction with their office of Director for such period and on such terms as to tenure of office, remuneration and otherwise as the Directors may determine.
- 29.2 Subject to the provisions of the Law, a Director notwithstanding their office:
- 29.2.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is otherwise interested;

- 29.2.2 may be a director or other officer of or employed by or a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is otherwise interested;
- 29.2.3 shall not by reason of their office be accountable to the Company for any benefit which they derive from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- 29.2.4 may act by themselves or their firm in a professional capacity for the Company and they or their firm shall be entitled to remuneration for professional services as if they were not a Director.

### 30. COMPETITION AND CORPORATE OPPORTUNITIES

30.1 In recognition and anticipation that (i) certain directors, principals, members, officers, associated funds, employees and/or other representatives of the Principal Shareholder and its Affiliates may serve as Directors, officers or agents of the Company, (ii) the Principal Shareholder and its Affiliates may now engage and may continue to engage in the same or similar activities or related lines of business as those in which the Company, directly or indirectly, may engage and/or other business activities that overlap with or compete with those in which the Company, directly or indirectly, may engage, and (iii) Directors who are not employees of the Company (“**Non-Employee Directors**”) and their respective Affiliates may now engage and may continue to engage in the same or similar activities or related lines of business as those in which the Company, directly or indirectly, may engage and/or other business activities that overlap with or compete with those in which the Company, directly or indirectly, may engage, the provisions of this Article 30 are set forth to regulate and define the conduct of certain affairs of the Company with respect to certain classes or categories of business opportunities as they may involve the Principal Shareholder, the Non-Employee Directors or their respective Affiliates and the powers, rights, duties and liabilities of the Company and its Directors, officers and Members in connection therewith.

30.2 None of (i) the Principal Shareholder or any of its Affiliates or (ii) any Non-Employee Director or their Affiliates (the Persons identified in (i) and (ii) above being referred to, collectively, as “**Identified Persons**” and, individually, as an “**Identified Person**”) shall, to the fullest extent permitted by law, have any duty to refrain from directly or indirectly (1) engaging in the same or similar business activities or lines of business in which the Company or any of its Affiliates now engages or proposes to engage or (2) otherwise competing with the Company or any of its Affiliates, and, to the fullest extent permitted by law, no Identified Person shall be liable to the Company or its Members or to any Affiliate of the Company for breach of any fiduciary duty solely by reason of the fact that such Identified Person engages in any such activities. To the fullest extent permitted by law, the Company hereby renounces any interest or expectancy in, or right to be offered an opportunity to participate in, any business opportunity which may be a corporate opportunity for an Identified Person and the Company or any of its Affiliates, except as provided in Article 30.4 hereof. Subject to Article 30.4 hereof, in the event that any Identified Person acquires knowledge of a potential transaction or other matter or business opportunity which may be a corporate opportunity

for itself or themselves and the Company or any of its Affiliates, such Identified Person shall, to the fullest extent permitted by law, have no fiduciary duty or other duty (contractual or otherwise) to communicate, present or offer such transaction or other business opportunity to the Company or any of its Affiliates and, to the fullest extent permitted by law, shall not be liable to the Company or its Members or to any Affiliate of the Company for breach of any fiduciary duty or other duty (contractual or otherwise) as a Member, director or officer of the Company solely by reason of the fact that such Identified Person pursues or acquires such corporate opportunity for itself or themselves or offers or directs such corporate opportunity to another Person, or does not present such corporate opportunity to the Company or any of its Affiliates.

- 30.3 The Company and its Affiliates do not have any rights in and to the business ventures of any Identified Person, or the income or profits derived therefrom, and the Company agrees that each of the Identified Persons may do business with any potential or actual customer or supplier of the Company or may employ or otherwise engage any officer or employee of the Company.
- 30.4 Notwithstanding the foregoing provisions of this Article 30, the Company does not renounce its interest in any corporate opportunity offered to any Non-Employee Director if such opportunity is expressly offered to such person in writing solely in their capacity as a director or officer of the Company, and the provisions of Article 30.2 hereof shall not apply to any such corporate opportunity.
- 30.5 In addition to and notwithstanding the foregoing provisions of this Article 30, a corporate opportunity shall not be deemed to be a potential corporate opportunity for the Company if it is a business opportunity that (i) the Company is neither financially or legally able, nor contractually permitted, to undertake, (ii) from its nature, is not in the line of the Company's business or is of no practical advantage to the Company or (iii) is one in which the Company has no interest or reasonable expectancy.
- 30.6 For purposes of this Article 30, (i) "**Affiliate**" shall mean (a) in respect of the Principal Shareholder, any Person that, directly or indirectly, is controlled by the Principal Shareholder, controls the Principal Shareholder or is under common control with the Principal Shareholder and shall include any principal, member, director, partner, stockholder, officer, employee or other representative of any of the foregoing (other than the Company and any entity that is controlled by the Company), (b) in respect of a Non-Employee Director, any Person that, directly or indirectly, is controlled by such Non-Employee Director (other than the Company and any entity that is controlled by the Company) and (c) in respect of the Company, any Person that, directly or indirectly, is controlled by the Company and (ii) "**control**" (including the terms "controlled by" and "under common control with"), with respect to the relationship between or among two or more Persons, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, by contract or otherwise. A Person who is the owner of 20% or more of the outstanding voting stock (or share capital) of a company, partnership, unincorporated association or other entity shall be presumed to have control of such entity, in the absence of proof by a preponderance of the evidence to the contrary. Notwithstanding the foregoing, a presumption of control shall not apply where such person holds voting stock (or share capital), in good faith and not for the purpose of circumventing this

Section 30.6, as an agent, bank, broker, nominee, custodian or trustee for one or more owners who do not individually or as a group have control of such entity.

- 30.7 To the fullest extent permitted by law, any Person purchasing or otherwise acquiring any interest in any shares of the Company shall be deemed to have notice of and to have consented to the provisions of this Article 30. Neither the alteration, amendment, addition to or repeal of this Article 30, nor the adoption of any provision of these Articles inconsistent with this Article 30, shall eliminate or reduce the effect of this Article 30 in respect of any business opportunity first identified or any other matter occurring, or any cause of action, suit or claim that, but for this Article 30, would accrue or arise, prior to such alteration, amendment, addition, repeal or adoption.

### 31. PROCEEDINGS OF DIRECTORS

- 31.1 The Directors may meet together for the despatch of business adjourn and otherwise regulate their meetings as they think fit.
- 31.2 A Director may at any time, and the Secretary at the request of a Director shall summon a meeting of the Directors, by giving to each Director and alternate Director not less than 24 hours' Notice of the meeting, provided that any meeting may be convened at shorter Notice and in such manner as each Director or their alternate Director shall approve, and provided further that unless otherwise resolved by the Directors, Notices of Directors' meetings need not be in Writing.
- 31.3 Questions arising at any meeting shall be determined by a majority of votes.
- 31.4 In the case of an equality of votes, the chair shall not have a second or casting vote.
- 31.5 A Director who is also an alternate Director shall be entitled to a separate vote for each Director for whom they act as alternate in addition to their own vote.
- 31.6 A meeting of the Directors at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Directors. The quorum necessary for the transaction of the business of the Directors may be fixed by the Directors and, unless so fixed, at any other number shall be such number that represents a majority of the Directors then in office. For the purposes of this Article 31.6 and subject to the provisions of Article 31.7, an alternate Director shall be counted in a quorum but so that not less than two individuals will constitute the quorum.
- 31.7 A Director notwithstanding their interest may be counted in the quorum present at any meeting at which any contract or arrangement in which they are interested is considered and they may vote in respect of any such contract or arrangement except those concerning their own terms of appointment.
- 31.8 If a Director is by any means in communication with one or more other Directors so that each Director participating in the communication can hear what is said by any other of them, each Director so participating in the communication is deemed to be present at a meeting with the other

Directors so participating notwithstanding that all the Directors so participating are not present together in the same place.

- 31.9 The continuing Directors or Director may act notwithstanding any vacancies in their number, but if the number of Directors is less than the number fixed as the quorum or becomes less than the number required by the Law, the continuing Directors or Director may act only for the purpose of filling vacancies or of calling a general meeting of the Company. If there are no Directors or no Director is able or willing to act, then any Member or the Secretary may summon a general meeting for the purpose of appointing Directors.
- 31.10 The Directors may from time to time elect from their number, and remove, a chair and/or deputy chair and/or vice-chair of the Board of Directors and determine the period for which they are to hold office.
- 31.11 The chair, or in their absence the deputy chair, or in their absence the vice-chair, shall preside at all meetings of the Directors, but if no such chair, deputy chair or vice-chair be elected or if at any meeting the chair, deputy chair or vice-chair be not present within five minutes after the time appointed for holding the same, the Directors present may choose one of their number to be the chair of the meeting.
- 31.12 A resolution in Writing Signed by all the Directors entitled to receive Notice of a meeting of Directors or of a committee of Directors shall be valid and effectual as if it had been passed at a meeting of the Directors or of a committee of Directors duly convened and held and may consist of several documents in like form each Signed by one or more Directors, but a resolution Signed by an alternate Director need not also be Signed by their appointor and if it is Signed by a Director who has appointed an alternate Director, it need not be Signed by the alternate Director in that capacity.
- 31.13 All acts done *bona fide* by any meeting of Directors or of a committee appointed by the Directors or by any Person acting as a Director shall, notwithstanding that it is afterwards discovered that there was some defect in the appointment of any such Director or committee or Person acting as aforesaid or that they or any of them were disqualified or had vacated office or were not entitled to vote, be as valid as if every such Person had been duly appointed and was qualified and had continued to be a Director or a member of a committee appointed by the Directors and had been entitled to vote.

## 32. MINUTE BOOK

- 32.1 The Directors shall cause to be entered in books kept for the purpose:
- 32.1.1 the minutes of all proceedings at general meetings, class meetings, Directors' meetings and meetings of committees appointed by the Directors;
- 32.1.2 all resolutions in Writing passed in accordance with these Articles;
- 32.1.3 every memorandum in Writing of a Sole Member-Director Contract (as defined in Article 32.3) which is drawn up pursuant to Article 32.3;

- 32.1.4 every record in Writing of a Sole Member's Decision (as defined in Article 32.4);  
and
- 32.1.5 all such other records as are from time to time required by the Law or, in the opinion of the Directors, by good practice to be minuted or retained in the books of the Company.
- 32.2 Any minutes of a meeting if purporting to be Signed by the chair of the meeting at which the proceedings were had or by the chair of the next succeeding meeting shall be conclusive evidence of the proceedings.
- 32.3 This Article 32.3 applies where the Company has only one Member and that Member is also a Director. If the Company, acting otherwise than in the ordinary course of its business, enters into a contract with such Member (a "**Sole Member-Director Contract**") and that Sole Member-Director Contract is not in Writing, the terms thereof shall be:
- 32.3.1 set out in a memorandum in Writing;
- 32.3.2 recorded in the minutes of the first meeting of the Directors following the making of the contract; or
- 32.3.3 recorded in such other manner or on such other occasion as may for the time being be permitted or required by the Law.
- 32.4 This Article 32.4 applies where the Company has only one Member and that Member has taken a decision which may be taken by the Company in general meeting and which has effect in law as if agreed by the Company in general meeting (a "**Sole Member's Decision**"). A Sole Member's Decision may (without limitation) be taken by way of resolution in Writing, but if not so taken, the sole Member shall provide the Company with a record in Writing of their decision as soon as practicable thereafter.
- 33. SECRETARY**
- 33.1 Subject to the provisions of the Law, the Secretary shall be appointed by the Directors for such term at such remuneration and upon such conditions as they may think fit and any Secretary so appointed may be removed by the Directors.
- 33.2 Anything required or authorised to be done by or to the Secretary may, if the office is vacant or there is for any other reason no secretary capable of acting, be done by or to any assistant or deputy secretary or if there is no assistant or deputy secretary capable of acting by or to any Person authorised generally or specifically in that behalf by the Directors.
- 33.3 The Company shall keep or cause to be kept at the Office a register of particulars with regard to its Secretary in the manner required by the Law.
- 34. THE SEAL**
- 34.1 The Directors may determine that the Company shall have a Seal. Subject to the Law, if the Company has a Seal, the Directors may determine that it shall also have an official seal for use

outside of the Island of Jersey and an official seal for sealing securities issued by the Company or for sealing documents creating or evidencing securities so issued.

- 34.2 The Directors shall provide for the safe custody of all seals and no seal shall be used except by the authority of a resolution of the Directors or of a committee of the Directors authorised in that behalf by the Directors.
- 34.3 The Directors may from time to time make such regulations as they think fit determining the Persons and the number of such Persons who shall sign every instrument to which a seal is affixed and until otherwise so determined every such instrument shall be Signed by one Director and by the Secretary or by a second Director.
- 34.4 The Company may authorise an agent appointed for the purpose to affix any seal of the Company to a document to which the Company is a party.

#### **35. AUTHENTICATION OF DOCUMENTS**

- 35.1 Any Director or the Secretary or any Person appointed by the Directors for the purpose shall have power to authenticate any documents affecting the constitution of the Company (including the Memorandum of Association and these Articles), any resolutions passed by the Company or the Directors and any books, records, documents and accounts relating to the business of the Company and to certify copies thereof or extracts therefrom as true copies or extracts.
- 35.2 Where any books, records, documents or accounts of the Company are situated elsewhere than at the Office, the local manager or other Officer or the company having the custody thereof shall be deemed to be a Person appointed by the Directors for the purposes set out in Article 35.1.

#### **36. DIVIDENDS**

- 36.1 Subject to each Statement of Rights and the provisions of the Law, the Company may by Ordinary Resolution declare dividends in accordance with the respective rights of the Members, but no dividend shall exceed the amount recommended by the Directors.
- 36.2 Subject to the provisions of the Law and any Statement of Rights, the Directors may if they think fit from time to time pay to the Members such interim dividends as they may determine.
- 36.3 Subject to the provisions of the Law, these Articles and any Statement of Rights, if at any time the share capital of the Company is divided into different classes, the Directors may pay such interim dividends in respect of those shares which confer on the Holders thereof deferred or non-preferred rights as well as in respect of those shares which confer on the Holders thereof preferential rights with regard to dividend.
- 36.4 Subject to the provisions of the Law, the Directors may also pay half-yearly or at other suitable intervals to be settled by them any dividend which may be payable at a fixed rate.

- 36.5 Provided the Directors act *bona fide*, they shall not incur any personal liability to the Holders of shares conferring a preference for any damage that they may suffer by reason of the payment of an interim dividend on any shares having deferred or non-preferred rights.
- 36.6 Subject to any particular rights or limitations as to dividend for the time being attached to any shares as may be specified in these Articles or in any Statement of Rights or upon which such shares may be issued, all dividends shall be declared apportioned and paid *pro rata* according to the amounts Paid Up on the shares on which the dividend is paid (otherwise than in advance of calls), provided that if any share is issued on terms providing that it shall rank for dividend as if Paid Up (in whole or in part) or as from a particular date (either past or future), such share shall rank for dividend accordingly.
- 36.7 The Directors may before recommending any dividend set aside such sums as they think proper as a reserve or reserves which shall at the discretion of the Directors be applicable for any purpose to which such sums may be properly applied and pending such application may at the like discretion be employed in the business of the Company or be invested in such investments as the Directors may from time to time think fit.
- 36.8 The Directors may carry forward to the account of the succeeding year or years any balance which they do not think fit either to dividend or to place to reserve.
- 36.9 A general meeting declaring a dividend may upon the recommendation of the Directors direct that payment of such dividend shall be satisfied wholly or in part by the distribution of specific assets and in particular of Paid-Up shares or debentures of any other company and the Directors shall give effect to such resolution. Where any difficulty arises in regard to the distribution, the Directors may settle the same as they think expedient and in particular may:
- 36.9.1 issue certificates representing part of a shareholding or fractions of shares and may fix the value for distribution of such specific assets or any part thereof;
- 36.9.2 determine that cash payment shall be made to any Members on the basis of the value so fixed in order to adjust the rights of Members;
- 36.9.3 vest any specific assets in trustees upon trust for the Persons entitled to the dividend as may seem expedient to the Directors; and
- 36.9.4 generally make such arrangements for the allotment, acceptance and sale of such specific assets or certificates representing part of a shareholding or fractions of shares or any part thereof or otherwise as they think fit.
- 36.10 Any resolution declaring a dividend on the shares of any class, whether a resolution of the Company in general meeting or a resolution of the Directors or any resolution of the Directors for the payment of a fixed dividend on a date prescribed for the payment thereof, may specify that the same shall be payable to the Persons registered as the Holders of shares of the class concerned at the Close of Business on a particular date notwithstanding that it may be a date prior to that on which the resolution is passed (or as the case may be that prescribed for payment of a fixed dividend) and

thereupon the dividend shall be payable to them in accordance with their respective holdings so registered but without prejudice to the rights *inter se* in respect of such dividend of transferors and transferees of any shares of the relevant class.

- 36.11 The Directors may deduct from any dividend or other monies payable to any Member on or in respect of a share all sums of money (if any) presently payable by them to the Company on account of calls or otherwise in relation to the shares of the Company.
- 36.12 Any dividend or other monies payable in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the Member or Person entitled thereto, and in the case of joint Holders, to any one of such joint Holders or to such Person and to such address as the Holder or joint Holders may in Writing direct. Every such cheque or warrant shall be made payable to the order of the Person to whom it is sent or to such other Person as the Holder or joint Holders may in Writing direct and payment of the cheque or warrant shall be a good discharge to the Company. Every such cheque or warrant shall be sent at the risk of the Person entitled to the money represented thereby.
- 36.13 All unclaimed dividends may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. No dividend shall bear interest as against the Company.
- 36.14 Any dividend which has remained unclaimed for a period of 10 years from the date of declaration thereof shall if the Directors so resolve be forfeited and cease to remain owing by the Company and shall thenceforth belong to the Company absolutely.

### 37. CAPITALISATION OF PROFITS

The Directors may, with the authority of an Ordinary Resolution of the Company:

- 37.1 subject as hereinafter provided, resolve that it is desirable to capitalise any undistributed profits of the Company (including profits carried and standing to any reserve or reserves) not required for paying any fixed dividends on any shares entitled to fixed preferential dividends with or without further participation in profits or to capitalise any sum carried to reserve as a result of the sale or revaluation of the assets of the Company (other than goodwill) or any part thereof or to capitalise any other sum standing to the credit of any capital or revenue reserve of the Company;
- 37.2 appropriate the profits or sum resolved to be capitalised to the Members in the proportion in which such profits or sum would have been divisible amongst them had the same been applicable and had been applied in paying dividends and to apply such profits or sum on their behalf either in or towards paying up any amount for the time being unpaid on any shares held by such Members respectively or in paying up in full any unissued shares or debentures of the Company, such shares or debentures to be allotted and distributed credited as fully Paid Up to and amongst such Members in the proportions aforesaid or partly in one way and partly in the other, provided that any unrealised profits may for the purposes of this Article only be applied in the paying up of unissued shares to be allotted to Members credited as fully Paid Up;

- 37.3 make all appropriations and applications of the profits or sum resolved to be capitalised thereby and all allotments and issues of fully paid shares or debentures if any and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provision by the issue of certificates representing part of a shareholding or fractions of shares or by payments in cash or otherwise as they think fit in the case of shares or debentures becoming distributable in fractions; and
- 37.4 authorise any Person to enter on behalf of all the Members entitled to the benefit of such appropriations and applications into an agreement with the Company providing for the allotment to them respectively credited as fully Paid Up of any further shares or debentures to which they may be entitled upon such capitalisation and any agreement made under such authority shall be effective and binding on all such Members.
- 37.5 Where, pursuant to this Article 37, the Company capitalises any undistributed profits or reserves by applying them in or towards paying up issued shares in the Company which were not yet fully Paid Up or in paying up any previously unissued shares in the Company, the amount so applied shall, to the extent required by the Law, be credited to the stated capital account in respect of the class of share concerned.

#### 38. ACCOUNTS AND AUDIT

- 38.1 The Company shall keep accounting records which are sufficient to show and explain the Company's transactions and are such as to:
- 38.1.1 disclose with reasonable accuracy at any time the financial position of the Company at that time; and
- 38.1.2 enable the Directors to ensure that any accounts prepared by the Company comply with requirements of the Law.
- 38.2 The Directors shall prepare accounts of the Company made up to such date in each year as the Directors shall from time to time determine in accordance with and subject to the provisions of the Law.
- 38.3 No Member shall (as such) have any right to inspect any accounting records or other book or document of the Company except as conferred by the Law or authorised by the Directors or by Ordinary Resolution of the Company.
- 38.4 The Directors shall deliver to the Registrar of Companies a copy of the accounts of the Company signed on behalf of the Directors by one of them, together with a copy of the report thereon by the Auditors in accordance with the Law.
- 38.5 The Directors or the Company by Ordinary Resolution shall appoint Auditors for any period or periods to examine the accounts of the Company and to report thereon in accordance with the Law.

### 39. NOTICES

- 39.1 In the case of joint Holders of a share, all Notices shall be given to that one of the joint Holders whose name stands first in the Register in respect of the joint holding and Notice so given shall be sufficient Notice to all the joint Holders.
- 39.2 A Notice may be given to any Person either personally or by sending it by post to them at their registered address. Where a Notice is sent by post, service of the Notice shall be deemed to be effected by properly addressing prepaying and posting a letter containing the Notice and to have been effected one Clear Day after the day it was posted.
- 39.3 Any Member Present at any meeting of the Company shall for all purposes be deemed to have received due Notice of such meeting and where requisite of the purposes for which such meeting was convened.
- 39.4 A Notice may be given by the Company to the Persons entitled to a share in consequence of the death, bankruptcy or incapacity of a Member by sending or delivering it in any manner authorised by these Articles for the giving of Notice to a Member addressed to them by name or by the title of representatives of the deceased or trustee of the Bankrupt or curator of the Member or by any like description at the address if any supplied for that purpose by the Persons claiming to be so entitled. Until such an address has been supplied, a Notice may be given in any manner in which it might have been given if the death, bankruptcy or incapacity had not occurred. If more than one Person would be entitled to receive a Notice in consequence of the death, bankruptcy or incapacity of a Member, Notice given to any one of such Persons shall be sufficient Notice to all such Persons.
- 39.5 Notwithstanding any of the provisions of these Articles, any Notice to be given by the Company to a Director or to a Member may be given in any manner agreed in advance by any such Director or Member.

### 40. WINDING UP

- 40.1 Subject to any particular rights or limitations, for the time being attached to any shares as may be specified in these Articles or in any Statement of Rights or upon which such shares may be issued, if the Company is wound up, the assets available for distribution among the Members shall be applied first in repaying to the Members the amount Paid Up on their shares, respectively, and if such assets shall be more than sufficient to repay to the Members the whole amount Paid Up on their shares, the balance shall be distributed among the Members in proportion to the amount which at the time of the commencement of the winding up had been actually Paid Up on their said shares respectively.
- 40.2 If the Company is wound up, the Company may, with the sanction of a Special Resolution and any other sanction required by the Law, divide the whole or any part of the assets of the Company among the Members in specie and the liquidator or where there is no liquidator the Directors may for that purpose value any assets and determine how the division shall be carried out as between the Members or different classes of Members and with the like sanction vest the whole or any part of the assets in trustees upon such trusts for the benefit of the Members as the liquidator or the Directors

(as the case may be) with the like sanction determine, but no Member shall be compelled to accept any assets upon which there is a liability.

#### **41. INDEMNITY**

- 41.1 In so far as the Law allows, every present or former director, officer or employee of the Company shall be indemnified out of the assets of the Company against any loss or liability incurred by them by reason of being or having been such a director, officer or employee.
- 41.2 The Directors may without sanction of the Company in general meeting authorise the purchase or maintenance by the Company for any director, officer or employee or former director, officer or employee of the Company of any such insurance as is permitted by the Law in respect of any liability which would otherwise attach to such director, officer or employee or former director, officer or employee.

#### **42. FIXING RECORD DATE & JURISDICTION**

- 42.1 For the purpose of determining Members entitled to Notice of or to vote at any meeting of Members or any adjournment thereof or in order to make a determination of Members for any other proper purpose, including, without limitation, for any dividend, distribution, allotment or issue, the Directors may fix a date as the record date for any such determination of Members.
- 42.2 A record date for any dividend, distribution, allotment or issue may be on or at any time before any date on which such dividend, distribution, allotment or issue is paid or made and on or at any time before or after any date on which such dividend, distribution, allotment or issue is declared.
- 42.3 If no record date is fixed for the determination of Members entitled to Notice of or to vote at a meeting of Members, the date on which Notice of the meeting is sent shall be the record date for such determination of Members. When a determination of Members entitled to vote at any meeting has been made in the manner provided in this Article, such determination shall apply to any adjournment thereof.
- 42.4 Unless the Company consents in Writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Company to the Company or the Company's Holders, (iii) any action asserting a claim arising pursuant to any provision of the Law or these Articles (in each case, as they may be amended from time to time) or (iv) any action asserting a claim governed by the internal affairs doctrine shall be the courts of the Island of Jersey in all cases subject to the court's having personal jurisdiction over the indispensable parties named as defendants.

#### **43. NON-APPLICATION OF STANDARD TABLE**

The regulations constituting the Standard Table prescribed pursuant to the Law shall not apply to the Company and are hereby expressly excluded in their entirety.

**DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED UNDER SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

The following description of the share capital of Birkenstock Holding plc (the "Company," "we," "us" and "our") and certain provisions of our amended and restated memorandum and articles of association (as amended, our "Memorandum of Association" and "Articles of Association," respectively) is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our Memorandum of Association and Articles of Association, which are incorporated by reference as an exhibit to the Annual Report on Form 20-F of which this exhibit forms a part. We encourage you to read the Memorandum of Association and Articles of Association for additional information.

**Overview**

We are a public limited company incorporated under Jersey law. Our affairs are governed by Jersey law, including the Companies (Jersey) Law 1991, as amended ("Jersey Companies Law"), and by our Articles of Association. Our registered office is 47 Esplanade, St Helier, Jersey JE1 0BD, Channel Islands.

Our authorized share capital consists of an unlimited number of ordinary shares, no par value ("ordinary shares") and an unlimited number of preferred shares, no par value.

**Ordinary Shares**

As of September 30, 2023, 182,721,369 ordinary shares were issued and outstanding. All outstanding ordinary shares are registered shares and are validly issued, fully paid and non-assessable. The ordinary shares do not have pre-emptive, subscription or redemption rights. Neither our Memorandum of Association or Articles of Association nor the laws of Jersey restrict in any way the ownership or voting of ordinary shares held by non-residents of Jersey.

Our board of directors may issue authorized but unissued ordinary shares without further shareholder action, unless shareholder action is required by applicable law or by the rules of a stock exchange or quotation system on which any series of our shares may be listed or quoted.

The rights of the holders of ordinary shares are governed by Jersey law and by our Articles of Association. These rights differ in certain respects from the rights of shareholders in typical United States corporations. See "Item 10. Additional Information—B. Memorandum and Articles of Association—Comparison of Delaware Corporate Law and Jersey Corporate Law" in the Annual Report on Form 20-F of which this exhibit forms a part for a description of the principal differences between the provisions of the Jersey Companies Law applicable to us and the Delaware General Corporation Law relating to shareholders' rights and protections.

Our ordinary shares are listed on the New York Stock Exchange under the symbol "BIRK."

**Articles of Association*****Dividend and Liquidation Rights***

Holders of ordinary shares are entitled to receive equally, share for share, any dividends that may be declared in respect of our ordinary shares by the board of directors out of funds legally available therefor. In the event of our liquidation, after satisfaction of liabilities to creditors, holders of ordinary shares are entitled to share pro rata in our net assets. Such rights may be affected by the grant of preferential dividend or distribution rights to the holders of a class or series of preferred shares that may be authorized in the future. Our board of directors has the power to declare such interim dividends as it determines. Declaration of a final dividend (not exceeding the amounts proposed by our board of directors) requires shareholder approval by adoption of an ordinary resolution. Failure to obtain such shareholder approval does not affect previously paid interim dividends.

***Voting, Shareholder Meetings and Resolutions***

---

Holders of ordinary shares have one vote for each ordinary share held on all matters submitted to a vote of holders of ordinary shares. These voting rights may be affected by the grant of any special voting rights to the holders of a class or series of preferred shares that may be authorized in the future. Pursuant to Jersey law, an annual general meeting shall be held once every calendar year at the time (within a period of not more than 18 months after the last preceding annual general meeting) and at the place as may be determined by the board of directors. The quorum required for an ordinary meeting of shareholders consists of shareholders present in person or by proxy who hold or represent between them a majority of the outstanding shares entitled to vote at such meeting.

An ordinary resolution (such as a resolution for the declaration of a final dividend) requires approval by the holders of a majority of the voting rights represented at a meeting, in person or by proxy, and voting thereon.

#### ***Amendments to Governing Documents***

A special resolution (such as, for example, a resolution amending our Memorandum of Association or Articles of Association or approving any change in authorized capitalization, or a liquidation or winding-up) requires approval of the holders of two-thirds of the voting rights represented at the meeting, in person or by proxy, and voting thereon. A special resolution can only be considered if shareholders receive at least 14 days' prior notice of the meeting at which such resolution will be considered.

#### ***Requirements for Advance Notification of Shareholder Nominations and Proposals***

Our Articles of Association establish advance notice and related procedures with respect to shareholder proposals and nomination of candidates for election as directors.

#### ***Limits on Written Consents***

At any time that *L Catterton* and its affiliates (the "Principal Shareholder") own at least 40% of the Company's voting power, shareholders are permitted to take action by written consent if approved by a majority of the voting power of the Company, or two-thirds of the voting power of the Company, when required by Jersey law. At any time that our Principal Shareholder owns less than 40%, shareholder action by written consent is not permitted and shareholder approval may only occur at an annual or special meeting of shareholders.

#### ***Notices***

Each shareholder of record is entitled to receive at least 14 days' prior notice (excluding the day of notice and the day of the meeting) of an ordinary shareholders' meeting and of any shareholders' meeting at which a special resolution is to be adopted. For the purposes of determining the shareholders entitled to notice and to vote at the meeting, the board of directors may fix a date as the record date for any such determination.

#### ***Modification of Class Rights***

The rights attached to any class (unless otherwise provided by the terms of issue of that class), such as voting, dividends and the like, may be varied with the sanction of an ordinary resolution passed at a separate general meeting of the holders of the shares of that class.

#### ***Directors***

*Powers of Directors.* The business of the Company is managed by the board of directors. The board of directors may exercise all powers that are not required under the Jersey Companies Law or under our Articles of Association to be exercised by the Company in a general meeting.

*Director Quorum and Interests.* A director notwithstanding their interest may be counted in the quorum present at any meeting at which any contract or arrangement in which they are interested is considered and they may vote in respect of any such contract or arrangement, except those concerning their own terms of appointment.

*Election and Removal of Directors.* The ordinary shares do not have cumulative voting rights in the election of directors. As a result, the holders of ordinary shares that represent more than 50% of the voting power have the power to elect any of our directors who are up for election. In accordance with our Articles of Association, our directors are divided into three classes serving staggered three-year terms. At each annual meeting of shareholders, our directors are elected to succeed the class of directors whose terms have expired. As a result, only one class of directors is elected at each annual meeting of our shareholders, with the other classes continuing for the remainder of their respective three-year terms.

Our board of directors consists of seven directors. Our Articles of Association state that at any time that our Principal Shareholder owns at least 40% of the voting power of the Company, directors may be removed with or without cause by a majority of the voting power of the then-outstanding ordinary shares of the Company entitled to vote thereon. At any time that our Principal Shareholder owns less than 40% of voting power, directors may be removed only for cause and by an affirmative vote of at least 66 2/3% in voting power of the then-outstanding ordinary shares of the Company entitled to vote thereon. Our board of directors has sole power to fill any vacancy occurring as a result of the death, disability, removal or resignation of a director or as a result of an increase in the size of the board of directors.

#### **Other Jersey, Channel Islands Law Considerations**

##### ***Purchase of Own Shares***

As with declaring a dividend, we may not buy back or redeem (to the extent redeemable) our shares unless our directors who are to authorize the buyback or redemption have made a statutory solvency statement that, immediately following the date on which the buyback or redemption is proposed, the Company will be able to discharge its liabilities as they fall due and, having regard to prescribed factors, the Company will be able to continue to carry on business and discharge its liabilities as they fall due for the 12 months immediately following the date on which the buyback or redemption is proposed (or until the company is dissolved on a solvent basis, if earlier).

If the above conditions are met, we may purchase shares in the manner described below.

We may purchase on a stock exchange our own fully paid shares pursuant to a special resolution of our shareholders. The resolution authorizing the purchase must specify the maximum number of shares to be purchased; the maximum and minimum prices which may be paid; and a date, not being later than five years after the passing of the resolution, on which the authority to purchase is to expire.

We may purchase our own fully paid shares otherwise than on a stock exchange with the sanction of a special resolution of our shareholders, but only if the purchase is made on the terms of a written purchase contract which has been approved by an ordinary resolution of our shareholders. The shareholder from whom we propose to purchase or redeem shares is not entitled to take part in such shareholder vote in respect of the shares to be purchased.

We may fund a redemption or purchase of our own shares from any source. We cannot purchase our shares if, as a result of such purchase, only redeemable shares would remain in issue.

In addition to the above and subject to the provisions of the Jersey Companies Law, where we wish to purchase our own ordinary shares, our board of directors shall have the authority pursuant to our Articles of Association to instead elect to convert any or all of those shares into redeemable shares that shall be redeemed upon such terms and conditions as our board of directors may decide at the relevant time. Our board of directors may convert, and we may redeem, any relevant shares in accordance with this power as they in their absolute discretion decide and there shall be no obligation on our board of directors or us to offer to convert and redeem any other shares held by any other shareholder and no shareholder shall have any right to require their shares to be considered for conversion and redemption.

If authorized by a resolution of our shareholders, any shares that we redeem or purchase may be held by us as treasury shares. Any shares held by us as treasury shares may be cancelled, sold, transferred for the purposes of or under an employee share scheme or held without cancelling, selling or transferring them. Shares redeemed or purchased by us are cancelled where we have not been authorized to hold these as treasury shares.

#### ***Mandatory Purchases and Acquisitions***

The Jersey Companies Law provides that where a person has made an offer to acquire a class of all of our outstanding shares not already held by the person and has as a result of such offer acquired or contractually agreed to acquire 90% or more of such outstanding shares to which the offer relates, that person is then entitled (and may be required) to acquire the remaining shares of such shares. In such circumstances, a holder of any such remaining shares may apply to the Jersey court for an order that the person making such offer not be entitled to purchase the holder's shares or that the person purchase the holder's shares on terms different to those under which the person made such offer.

#### ***Compromises and Arrangements***

Where we and our creditors or shareholders or a class of either of them propose a compromise or arrangement between us and our creditors or our shareholders or a class of either of them (as applicable), the Jersey court may order a meeting of the creditors or class of creditors or of our shareholders or class of shareholders (as applicable) to be called in such a manner as the court directs. Any compromise or arrangement approved by a majority in number representing 75% or more in value of the creditors or 75% or more of the voting rights of shareholders or class of either of them (as applicable) if sanctioned by the court, is binding upon us and all the creditors, shareholders or members of the specific class of either of them (as applicable).

Whether the capital of the company is to be treated as being divided into a single or multiple class(es) of shares is a matter to be determined by the court. The court may in its discretion treat a single class of shares as multiple classes, or multiple classes of shares as a single class, for the purposes of the shareholder approval referred to above taking into account all relevant circumstances, which may include circumstances other than the rights attaching to the shares themselves.

#### ***Conflicts of Interest***

Jersey law permits companies to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the company or its officers, directors or shareholders. Our Articles of Association, to the maximum extent permitted from time to time by Jersey law, renounce any interest or expectancy that we have in, or right to be offered an opportunity to participate in, specified business opportunities that are from time to time presented to our officers, directors or shareholders or their respective affiliates, other than those officers, directors, shareholders or affiliates who are our or our subsidiaries' employees. Our Articles of Association provide that, to the fullest extent permitted by law, neither our Principal Shareholder nor any of our directors who are not employed by us (including any non-employee director who serves as one of our officers in both their director and officer capacities) or their affiliates will have any duty to refrain from (i) engaging in a corporate opportunity in the same or similar lines of business in which we or our affiliates now engage or propose to engage or (ii) otherwise competing with us or our affiliates. In addition, to the fullest extent permitted by law, in the event that our Principal Shareholder or any non-employee director acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for itself or themselves or its or their affiliates or for us or our affiliates, such person will have no duty to communicate or offer such transaction or business opportunity to us or any of our affiliates and they may take any such opportunity for themselves or offer it to another person or entity. Our Articles of Association do not renounce our interest in any business opportunity that is expressly offered to a non-employee director in writing solely in their capacity as a director or officer of our Company. To the fullest extent permitted by law, no business opportunity will be deemed to be a potential corporate opportunity for us unless we would be permitted to undertake the opportunity under our Memorandum of Association or Articles of Association, we have sufficient financial resources to undertake the opportunity, the opportunity would be in line with our business and would be an opportunity in which we have an interest or reasonable expectancy.

**Transfer Agent and Registrar**

The transfer agent and registrar for our ordinary shares is Computershare Trust Company, N.A.

**TAX RECEIVABLE AGREEMENT**

**by and among**

**BIRKENSTOCK HOLDING PLC**

**and**

**BK LC LUX MIDCO S.À R.L.**

**Dated as of October 10, 2023**

---

## TAX RECEIVABLE AGREEMENT

This **TAX RECEIVABLE AGREEMENT** (this “**Agreement**”), dated as of October 10, 2023, is hereby entered into by and between Birkenstock Holding plc, a Jersey public limited company (the “**Company**”), and BK LC Lux MidCo S.à r.l., a private limited liability company (société à responsabilité limitée) incorporated and existing under the laws of Luxembourg (in its capacity as the shareholder of the Company immediately prior to the IPO and related transactions, the “**Pre-IPO Shareholder**” and, in its capacity as a party to this Agreement, together with its permitted successors and assignees, the “**Shareholder**”).

### RECITALS

**WHEREAS**, the Company has agreed to buy-back, and the Pre-IPO Shareholder has agreed to sell, certain shares in the Company pursuant to that certain Share Purchase Agreement relating to shares in the capital of Birkenstock Holding plc, between the Company and the Pre-IPO Shareholder, dated October 10, 2023 (the “**Share Buy-back**”);

**WHEREAS**, the Company intends to consummate the IPO;

**WHEREAS**, after the IPO, the Pre-IPO Tax Assets may reduce the liability for taxes that the Company and its Subsidiaries (collectively, the “**Company Group**” and each a “**Company Group Member**”) might otherwise be required to pay;

**WHEREAS**, the parties to this Agreement desire to make certain arrangements for the payment of deferred consideration due with respect to the Share Buy-back, by reference to the effect of the Pre-IPO Tax Assets on the liability for taxes of the Company Group; and

**NOW, THEREFORE**, in consideration of the foregoing and the respective covenants and agreements set forth in this Agreement, and intending to be legally bound hereby, the parties hereto agree as follows:

### ARTICLE I

#### DEFINITIONS

##### **Section 1.1 Definitions.**

As used in this Agreement, the terms set forth in this Article I shall have the following meanings.

“**Actual Tax Liability**” means, with respect to any Taxable Year, the actual liability of the Company Group for (A) U.S. federal, state and local income taxes and (B) German corporate income and trade taxes.

“**Affiliate**” of any particular Person means any other Person controlling, controlled by or under common control with such Person, where “control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, its capacity as a sole or managing member or otherwise. For purposes of this Agreement, the Shareholder shall not be considered to be an Affiliate of any Company Group Member.

---

“**Agreed Rate**” means a per annum rate of SOFR plus 300 basis points.

“**Amended Schedule**” has the meaning set forth in Section 2.3(b).

“**Applicable Percentage**” means, with respect to the initial Shareholder and any future Shareholder, the percentage set forth opposite such Person’s name on Schedule A. The Shareholder Representative, for this purpose acting as agent for the Company, shall maintain and update Schedule A to reflect any Permitted Assignment.

“**Blended S/L Rate**” means, with respect to any Taxable Year, the sum of the apportionment-weighted effective rates of tax imposed on the aggregate net income of the Company Group in each U.S. state or local jurisdiction in which one or more Company Group Members files Tax Returns for such Taxable Year, with the maximum effective rate in any state or local jurisdiction being equal to the product of (i) the apportionment factor on the income or franchise Tax Return in such jurisdiction for such Taxable Year and (ii) the maximum applicable corporate income tax rate in effect in such jurisdiction in such Taxable Year. As an illustration of the calculation of Blended S/L Rate for a Taxable Year, if the Company Group solely files Tax Returns in State 1 and State 2 in a Taxable Year, the maximum applicable corporate income tax rates in effect in such states in such Taxable Year are 6.5% and 5.5%, respectively, and the apportionment factors for such states in such Taxable Year are 60% and 40%, respectively, then the Blended S/L Rate for such Taxable Year is equal to 6.10% (i.e., the sum of (a) 6.5% multiplied by 60%, plus (b) 5.5% multiplied by 40%).

“**Business Day**” means any day except a Saturday, a Sunday and any other day on which commercial banks are required or authorized to close in the State of New York.

“**Change of Control**” means:

(i) a merger, reorganization, consolidation or similar form of business transaction directly involving the Company or indirectly involving the Company through one or more intermediaries unless, immediately following such transaction, more than 50% of the voting power of the then outstanding voting stock or other equity securities of the Company resulting from consummation of such transaction (including any parent or ultimate parent corporation of such Person that as a result of such transaction owns directly or indirectly the Company and all or substantially all of the Company’s assets) is held by the then-existing equityholders of the Company (determined immediately prior to such transaction and related transactions);

(ii) a transaction in which the Company, directly or indirectly, sells, assigns, conveys, transfers, leases or otherwise disposes of all or substantially all of its assets to another Person other than an Affiliate;

(iii) a transaction in which there is an acquisition of control of the Company by a Person or group of Persons (other than *L Catterton* or any of its Affiliates). For purposes of this definition, the term “control” shall mean the possession, directly or indirectly, of the power to either (A) vote more than 50% of the securities having ordinary voting power for the election of directors (or comparable positions in the case of partnerships and limited liability companies), or (B) direct or cause the direction of the management and policies of such Person, whether by contract or

otherwise (for the avoidance of doubt, consent rights do not constitute “control” for the purpose of this definition); or

(iv) the liquidation or dissolution of the Company.

Notwithstanding the foregoing, a “**Change of Control**” shall be deemed not to have occurred as a result of any transaction or series of transactions following which L Catterton or any of its Affiliates possess, directly or indirectly, the power to direct or cause the direction of the management and policies of the Company (or any successor thereto), whether through the ownership of voting securities, by contract or otherwise, including, without limitation, the ownership, directly or indirectly, of securities having the power to elect a majority of the Board or the board of directors or similar body governing the affairs of any successor to the Company.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended.

“**Combined Taxation Group**” means any affiliated, consolidated, combined or unitary group or any profit and/or loss sharing, affiliated group relief, group payment or similar group or fiscal unitary for income or trade tax purposes (by election or otherwise).

“**Company**” has the meaning set forth in the Preamble.

“**Company Group**” and “**Company Group Member**” have the meaning set forth in the Preamble.

“**Default Rate**” means a per annum rate of SOFR plus 500 basis points.

“**Determination**” (x) for U.S. federal, state or local income tax purposes, shall have the meaning ascribed to such term in Code Section 1313(a) or a similar applicable provision of state or local income tax law, and (y) for German tax purposes, a final, binding, and non-appealable (*formell und materiell bestandskräftige*) tax assessment.

“**Divestiture**” means the sale, divestiture or other transfer of any Company Group Member, other than any sale that is, or is part of, a Change of Control.

“**Divestiture Acceleration Payment**” has the meaning set forth in Section 4.2(c) of this Agreement.

“**Early Termination Date**” means, with respect to an Early Termination Event, the date that the Early Termination Notice is delivered pursuant to Section 4.1(a) or deemed to be delivered pursuant to Section 4.1(b), (c) or (d).

“**Early Termination Effective Date**” means the date on which an Early Termination Schedule becomes binding pursuant to Section 4.2.

“**Early Termination Event**” means any event or circumstance (or group of events or circumstances) giving rise to an Early Termination Payment pursuant to Section 4.1(b), (c) or (d).

“**Early Termination Notice**” has the meaning set forth in Section 4.2.

“**Early Termination Payment**” has the meaning set forth in [Section 4.2\(b\)](#).

“**Early Termination Rate**” means a per annum rate of SOFR plus 100 basis points.

“**Early Termination Schedule**” has the meaning set forth in [Section 4.1\(b\)](#).

“**Expert**” has the meaning set forth in [Section 7.10](#).

“**German Deferred Interest Deductions**” mean interest deductions that have accrued for German income, corporate income or trade tax purposes by the Company Group and for which the applicable deductions have been deferred under section 4h of the German Income Tax Act (*Einkommensteuergesetz*), including, in connection with sections 8 paragraph 1, 8a of the German Corporate Income Tax Act (*Körperschaftsteuergesetz*).

“**German NOLs**” mean all current tax losses (*laufende Verluste*) and tax losses carried forward (*Verlustvorträge*) for German income, corporate income or trade tax purposes.

“**German Tax Basis Assets**” means any tax deductible German amortization and depreciation deductions, and the reduction of German income, corporate income and gain, attributable to any tax basis in any assets, including with respect to trademark intangibles and brand name intangibles, which are owned by the Company Group on the IPO Date.

“**Hypothetical German Tax Liability**” means, with respect to any Taxable Year, the liability for German income, corporate income and trade taxes of the Company Group, calculated using the same methods, elections, conventions and similar practices used on the relevant German tax returns, but calculated without taking into account the Pre-IPO Tax Assets.

“**Hypothetical Tax Liability**” means, with respect to any Taxable Year, the sum of (a) the Hypothetical U.S. Federal Tax Liability for such Taxable Year, (b) the Hypothetical U.S. State and Local Tax Liability for such Taxable Year and (c) the Hypothetical German Tax Liability for such Taxable Year.

“**Hypothetical U.S. Federal Tax Liability**” means, with respect to any Taxable Year, the liability for U.S. federal income taxes of the Company Group, calculated using the same methods, elections, conventions and similar practices used on the relevant U.S. federal income Tax Return, but calculated (A) without taking into account the Pre-IPO Tax Assets and (B) by treating as a deduction the Hypothetical State and Local Tax Liability (rather than any amount for state and local income tax liabilities).

“**Hypothetical U.S. State and Local Tax Liability**” means, with respect to any Taxable Year, the product of (i) the U.S. federal taxable income determined in connection with calculating the Hypothetical Federal Tax Liability for such Taxable Year (determined without regard to clause (B) thereof) and (ii) the Blended S/L Rate for such Taxable Year.

“**Intended Tax Treatment**” has the meaning set forth in [Section 6.2](#).

“**IPO**” means the initial public offering of common stock of the Company pursuant to the registration statement on Form F-1 (File No. 333-274483) of the Company.

“**IPO Date**” means the closing date of IPO.

“**IPO Deductible Expenses**” means any tax deductions available to the Company Group that relate to (i) costs and expenses incurred by the Company Group, or by or on behalf of the Pre-IPO Shareholder (to the extent such amounts are a liability of the Company Group), as a result of the consummation of the IPO; (ii) all success-based fees of professionals (including investment bankers and other consultants and advisors) paid by or on behalf of the Company Group (calculated taking into account any applicable election made pursuant to Revenue Procedure 2011-29 for any fees to which it applies) in connection with the IPO; (iii) the capitalized financing costs and expenses and any prepayment premium as a result of the satisfaction of any indebtedness in connection with the IPO; (iv) all sale, “stay-around,” retention, change of control or similar bonuses or payments paid to current or former employees, directors or consultants of the Company Group in connection with the IPO; (v) the exercise or cancellation of any option in connection with the IPO; (vi) any management agreement termination fees paid by or on behalf of the Company Group in connection with the consummation of the IPO; and (vii) any employment or social security taxes imposed with respect to any of the foregoing.

“**IRS**” means the U.S. Internal Revenue Service.

“**ITR Payment**” means any Tax Benefit Payment, Early Termination Payment or Divestiture Acceleration Payment (or other payment pursuant to [Section 4.1](#)) required to be made by the Company to the Shareholder under this Agreement.

“**L Catterton**” means *L Catterton Management Limited*, an English private limited company.

“**Net Tax Benefit**” has the meaning set forth in [Section 3.1\(b\)\(ii\)](#).

“**Objection Notice**” has the meaning set forth in [Section 2.3\(a\)](#).

“**Permitted Assignment**” has the meaning set forth in [Section 7.6\(b\)](#).

“**Person**” means any natural person, sole proprietorship, partnership, trust, unincorporated association, corporation, limited liability company, entity or governmental entity.

“**Pre-IPO German Tax Assets**” means (A) the German Deferred Interest Deductions and the German NOLs, in each case, generated by the Company Group on or prior to the IPO Date and (B) the German Tax Basis Assets.

“**Pre-IPO Shareholder**” has the meaning set forth in the Preamble.

“**Pre-IPO Tax Assets**” means the Pre-IPO U.S. Tax Assets and the Pre-IPO German Tax Assets; provided, that:

(v) in order to determine whether any item is a Pre-IPO Tax Asset, the Taxable Year of the relevant Company Group Member that includes the IPO Date (the “**Straddle Year**”) shall be deemed to end as of the end of the IPO Date on a closing of the books basis;

(vi) for the avoidance of doubt, with respect to any Straddle Year, German NOLs and German Deferred Interest Deductions included in Pre-IPO German Tax Assets and U.S. NOLs and U.S. Deferred Interest Deductions included in Pre-IPO U.S. Tax Assets shall, in each case, be determined by assuming that such Straddle Year ended at the end of the IPO Date, and, as a result, no such amounts shall be reduced by any income or gain realized by an applicable Company Group Member in a portion of a Straddle Year beginning after the IPO Date;

(vii) any IPO Deductible Expenses, regardless of when actually paid or deductible, shall be included as Pre-IPO Tax Assets; and

(viii) for the avoidance of doubt, Pre-IPO Tax Assets shall include (A) any Pre-IPO Tax Assets that become U.S. NOLs or German NOLs following the IPO Date as a result of such Pre-IPO Tax Asset not being fully utilized and (B) any U.S. Deferred Interest Deductions or German Deferred Interest Deductions generated in a taxable period (or portion thereof) ending after the IPO Date that would not have been U.S. Deferred Interest Deductions or German Deferred Interest Deductions but for the Pre-IPO Tax Assets.

“**Pre-IPO U.S. Tax Assets**” means (A) the U.S. Tax Credits, the U.S. Deferred Interest Deductions and U.S. NOLs, in each case, generated by the Company Group on or prior to the IPO Date, and (B) the U.S. Tax Basis Assets.

“**Realized Tax Benefit**” means, for a Taxable Year, the excess, if any, of the Hypothetical Tax Liability over the Actual Tax Liability. If all or a portion of the Actual Tax Liability for the Taxable Year arises as a result of an audit or similar proceeding by a Taxing Authority of any Taxable Year, such liability shall not be included in determining the Realized Tax Benefit unless and until there has been a Determination.

“**Reconciliation Dispute**” has the meaning set forth in [Section 7.10](#).

“**Reconciliation Procedures**” has the meaning set forth in [Section 2.3\(a\)](#).

“**Schedule**” means any of the following: (i) a Tax Benefit Schedule, (ii) an Early Termination Schedule, and, in each case, any amendments thereto.

“**Shareholder**” has the meaning set forth in the Preamble. Where there is more than one Shareholder, applicable references to “Shareholder” in this Agreement shall refer to all of such Shareholders collectively and applicable references to an ITR Payment to be made to a Shareholder shall refer to the making of such ITR Payment to each Shareholder based on their respective Applicable Percentages.

“**Shareholder Representative**” means, (i) for so long as the Pre-IPO Shareholder is a Shareholder, the Pre-IPO Shareholder and (ii) if the Pre-IPO Shareholder is not a Shareholder, the Shareholder having the largest interest percentage set forth opposite its name on [Schedule A](#).

“**SOFR**” means for each month (or portion thereof), the forward looking term rate based on the secured overnight financing rate administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) for a one-month period, on the date two days prior to the first day of such month, as published on an information service as selected by the Shareholder Representative from time to time in its reasonable discretion, provided

that if (i) adequate and reasonable means do not exist for ascertaining SOFR and such circumstances are unlikely to be temporary or (ii) the supervisor for the administrator of SOFR or a governmental authority having jurisdiction over the Shareholder Representative or the Company has made a public statement identifying a specific date after which SOFR shall no longer be used for determining interest rates for loans, then the Company or the Shareholder Representative shall endeavor to establish an alternate rate of interest to SOFR that gives due consideration to the then prevailing market convention for determining a comparable rate of interest in the United States at such time, and shall enter into an amendment to this Agreement to reflect such alternate rate of interest and such other related changes to this Agreement as may be applicable, provided further that the alternate rate of interest shall be no less than the interest rate equal to SOFR of the prior month.

“**Straddle Year**” has the meaning set forth in the definition of Pre-IPO Tax Assets.

“**Subsidiaries**” means, of any Person, any corporation, association, partnership, limited liability company or other business entity of which more than fifty percent (50%) of the voting power or equity is owned or controlled directly or indirectly by such Person, or one (1) or more of the Subsidiaries of such Person, or a combination thereof.

“**Tax Benefit Payment**” has the meaning set forth in [Section 3.1\(b\)\(i\)](#).

“**Tax Benefit Schedule**” has the meaning set forth in [Section 2.2](#).

“**Tax Claim**” has the meaning set forth in [Section 6.1\(b\)](#).

“**Tax Return**” means any return, declaration, report, information returns, claims for refund, disclosures or similar statement filed or required to be filed with respect to or in connection with taxes (including any related or supporting schedules, attachments, statements or information filed or required to be filed with respect thereto), including any amendments thereof and declarations of estimated tax.

“**Taxable Year**” means a taxable year of any Company Group Member as defined in Section 441(b) of the Code or comparable section of U.S. state or local income tax law or German income, corporate income or trade tax law, as applicable (and which may include a period of more or less than twelve (12) months for which a Tax Return is made), in each case, that ends on or after the IPO Date.

“**Taxing Authority**” means any domestic, federal, national, state, county or municipal or other local government, any subdivision, agency, commission or authority thereof, or any quasi-governmental body, in each case, exercising any taxing authority or any other authority or jurisdiction of any kind in relation to tax matters.

“**Ticker Amount**” has the meaning set forth in [Section 3.1\(b\)\(iii\)](#).

“**Transferred Tax Asset**” means, with respect to any Divestiture, the Pre-IPO Tax Assets of or attributable to the members of the Company Group that are transferred in such Divestiture to the extent such Pre-IPO Tax Assets are transferred with such members of the Company Group under applicable tax law following the Divestiture (disregarding any limitation on the use of such Pre-IPO Tax Assets as a result of the Divestiture) and do not remain under applicable tax law with

the Company Group (other than the members of the Company Group that are sold in such Divestiture).

**“U.S. Deferred Interest Deductions”** mean interest deductions that have accrued for U.S. federal income tax purposes by the Company Group and for which the applicable deductions have been deferred by reason of Code Section 163(j) or other applicable section of the Code.

**“U.S. NOLs”** mean all net operating losses for U.S. federal income tax purposes.

**“U.S. Tax Basis Assets”** means any U.S. federal income amortization and depreciation deductions, and the reduction of income and gain, attributable to any tax basis in any “amortizable section 197 intangibles” (as defined in Code Sections 197(c) and (d)) or other assets owned by the Company Group on the IPO Date.

**“U.S. Tax Credits”** mean any tax credits that may be utilized by the Company Group to offset U.S. federal income tax, including any foreign tax credits allowed under Code Section 901 or Code Section 960.

**“Valuation Assumptions”** means, for purposes of calculating the Early Termination Payment associated with an Early Termination Event, the assumptions that (i) in each Taxable Year ending on or after the Early Termination Date (and each prior Taxable Year with respect to which a Tax Benefit Schedule has not been finalized pursuant to Section 2.3(a) or Section 7.10), (a) the Company Group will generate taxable income sufficient to fully utilize all of the Pre-IPO Tax Assets, (b) the utilization of the Pre-IPO Tax Assets for such Taxable Year or future Taxable Years, as applicable, will be determined based on the tax laws in effect on the Early Termination Date and (c) the U.S. federal, state, and local income tax rates and German income, corporate income and trade tax rates will be those specified for each such Taxable Year by the Code, the German Income Tax Act, German Corporate Income Tax Act and German Trade Tax Act (*Gewerbesteuer*gesetz) in connection with the applicable local trade tax multiplier (*Gewerbesteuerhebesatz*) and other applicable laws as in effect on the Early Termination Date, (ii) all Tax Benefit Payments would be paid on the due date (without extensions) provided in Section 3.1(a) and (iii) in the case of an Early Termination Event relating to a Change of Control or Divestiture, the use of Pre-IPO Tax Assets shall not be limited by any limitation on the use of Pre-IPO Tax Assets or changes in any Company Group Member’s stand-alone tax position, in each case, that would or might result from the transaction giving rise to the Change of Control or Divestiture (including but not limited to changes pursuant to Code Section 382 or any analogous provisions of U.S. state or local tax law or German tax law).

## ARTICLE II

### **DETERMINATION OF REALIZED TAX BENEFIT**

**Section 2.1 Pre-IPO Tax Assets.** The Company, on the one hand, and the Shareholder, on the other hand, acknowledge that the Company Group may utilize the Pre-IPO Tax Assets to reduce the amount of taxes that the Company Group would otherwise be required to pay after the IPO.

**Section 2.2 Tax Benefit Schedule.** Within forty-five (45) calendar days after the later of the date of filing of the U.S. federal income Tax Return for applicable Company Group Members for a Taxable Year and the date of filing of the German income and trade Tax Return for applicable Company Group Members for such Taxable Year, the Company shall provide to the Shareholder Representative a schedule showing, in reasonable detail, (i) the calculation of the Realized Tax Benefit (if any) for such Taxable Year and (ii) the calculation of any payment to be made to the Shareholder pursuant to Article III with respect to such Taxable Year (collectively, a “**Tax Benefit Schedule**”). Each Tax Benefit Schedule (including Amended Schedules) shall be calculated in United States dollars with respect to Pre-IPO U.S. Tax Assets (and any Realized Tax Benefits relating thereto) and in Euros with respect to Pre-IPO German Tax Assets (and any Realized Tax Benefits relating thereto). The Tax Benefit Schedule will become final as provided in Section 2.3(a) and may be amended as provided in Section 2.3(b) (subject to the procedures set forth in Section 2.3(a)). Notwithstanding the forgoing, for any Taxable Year where the German income and trade Tax Return described in the first sentence of this paragraph is to be filed more than six (6) months after the U.S. federal income Tax Return described in the first sentence of this paragraph, the obligation of the Company pursuant to this Section 2.2 shall be jurisdiction-specific, such that it shall prepare a Tax Benefit Schedule within forty-five (45) calendar days after the filing of the U.S. federal income Tax Return for applicable Company Group Members for a Taxable Year detailing the calculation of the Realized Tax Benefit (if any) solely with respect to Pre-IPO U.S. Tax Assets (for this purpose, assuming that the Hypothetical German Income Tax Liability for such Taxable Year equals the Actual German Income Tax Liability for such Taxable Year) and it shall prepare a separate Tax Benefit Schedule within forty-five (45) calendar days after the filing of the German income and trade Tax Return for such Taxable Year detailing the calculation of the Realized Tax Benefit (if any) solely with respect to the Pre-IPO German Tax Assets (for this purpose, assuming that the Hypothetical U.S. Federal Tax Liability for such Taxable Year equals the Actual U.S. Federal Income Tax Liability for such Taxable Year and that the Hypothetical U.S. State and Local Tax Liability for such Taxable Year equals the Actual U.S. State and Local Income Tax Liability for such Taxable Year). For the avoidance of doubt, it is the intention of the Parties that the preceding sentence shall affect the timing, but not the amount, of payments to the Shareholder in respect of the aggregate Realized Tax Benefit for any Taxable Year.

**Section 2.3 Procedures, Amendments.**

(a) Procedure. Each time the Company delivers to the Shareholder Representative an applicable Schedule under this Agreement, including any Amended Schedule delivered pursuant to Section 2.3(b), any Early Termination Schedule or any amended Early Termination Schedule, the Company shall also (x) deliver to the Shareholder Representative supporting schedules and work papers, as determined by the Company or as reasonably requested by the Shareholder Representative, that provide a reasonable level of detail regarding the data and calculations that were relevant for purposes of preparing the Schedule and (y) allow the Shareholder Representative reasonable access at no cost to the appropriate representatives at the Company in connection with a review of such Schedule. Without limiting the generality of the preceding sentence, the Company shall ensure that any Tax Benefit Schedule or Early Termination Schedule that is delivered to the Shareholder Representative, along with any supporting schedules, valuation reports and work papers, provide a reasonably detailed presentation of the calculation of the Actual Tax Liability (the “with” calculation) and the Hypothetical Tax Liability (the “without”

calculation) and identify any material assumptions or operating procedures or principles that were used for purposes of such calculations. An applicable Schedule or amendment thereto shall become final and binding on all parties unless the Shareholder Representative, within thirty (30) calendar days after receiving any Schedule or amendment thereto, provides the Company with a notice of a material objection made in good faith to such Schedule or amendment thereto (“**Objection Notice**”) or such earlier date as the Shareholder Representative provides written notice to the Company that it has no material objections to the Schedule. If the Company and Shareholder Representative, for any reason, are unable to successfully resolve the issues raised in any Objection Notice within thirty (30) calendar days after the Shareholder Representative gives the Company such Objection Notice, the Company and the Shareholder Representative shall employ the reconciliation procedures described in Section 7.10 (the “**Reconciliation Procedures**”), in which case such Schedule or Amended Schedule shall become binding in accordance with Section 7.10.

(b) Amended Schedule. The applicable Schedule for any Taxable Year may be amended from time to time by the Company (i) in connection with a Determination affecting such Schedule, (ii) to correct material inaccuracies in the Schedule, including those identified as a result of the receipt of additional factual information relating to a Taxable Year after the date the Schedule was provided to the Shareholder Representative, (iii) to comply with an Expert’s determination under the Reconciliation Procedures, (iv) to reflect a material change in the Realized Tax Benefit for such Taxable Year attributable to a carryback or carryforward of a loss or other tax item to such Taxable Year or (v) to reflect a material change in the Realized Tax Benefit for such Taxable Year attributable to an amended Tax Return filed for such Taxable Year (any such Schedule, an “**Amended Schedule**”); provided, however, that an amendment under clause (i) attributable to an audit of a Tax Return by a Company Group Member shall not be made on an Amended Schedule unless and until there has been a Determination with respect to such change. The Company shall provide an Amended Schedule to the Shareholder Representative within thirty (30) calendar days of the occurrence of an event referred to in clauses (i) through (v) of the preceding sentence, and any such Amended Schedule shall be subject to the approval procedures described in Section 2.3(a).

### ARTICLE III

#### TAX BENEFIT PAYMENTS

##### Section 3.1 Payments.

(a) Timing of Payments. On or prior to the later to occur of (A) fifteen (15) Business Days of a Tax Benefit Schedule becoming final in accordance with Section 2.3(a) (or such other date that is requested by the Company for purposes of implementing the distribution or other transfer to the Company of any required amount of cash from the Subsidiaries of the Company and that is approved in writing by the Shareholder Representative) and (B) three hundred and eighty (380) calendar days following the end of the relevant Taxable Year, the Company shall pay to the Shareholder for such Taxable Year the Tax Benefit Payment determined pursuant to Section 3.1(b) associated with such Tax Benefit Schedule. For clarity and in accordance with the definition of Shareholder, where there is more than one Shareholder the Company shall pay to each Shareholder such Shareholder’s Applicable Percentage of the Tax Benefit Payment. Each such Tax Benefit Payment shall be made by wire transfer of immediately available funds to the bank account previously designated by the Shareholder to the Company, or as otherwise agreed

by the Company and the Shareholder. For the avoidance of doubt, no Tax Benefit Payment shall be made in respect of estimated tax payments. Neither the Shareholder nor any recipient of a payment under this Section 3.1(a) shall be required under any circumstances to make a payment or return a payment to the Company in respect of any portion of any Tax Benefit Payment previously paid by the Company to such Shareholder (including any portion of any Early Termination Payment).

(b) For purposes of this Agreement:

(i) A “**Tax Benefit Payment**” means an amount, not less than zero, equal to eighty-five percent (85%) of the sum of (i) the Net Tax Benefit and (ii) the associated Ticker Amount.

(ii) The “**Net Tax Benefit**” shall equal: (i) the Company’s Realized Tax Benefit, if any, for a Taxable Year plus (ii) the amount of the excess (if any) of the Realized Tax Benefit reflected on an Amended Schedule for a previous Taxable Year over the Realized Tax Benefit reflected on the Tax Benefit Schedule for such previous Taxable Year, minus (iii) the excess (if any) of the Realized Tax Benefit reflected on a Tax Benefit Schedule for a previous Taxable Year over the Realized Tax Benefit reflected on the Amended Schedule for such previous Taxable Year; provided, however, that, (A) to the extent of the amounts described in clauses (ii) and (iii) of this definition were taken into account in determining any Tax Benefit Payment in a preceding Taxable Year, such amounts shall not be taken into account in determining a Tax Benefit Payment attributable to any other Taxable Year and (B) for any Taxable Year for which a Tax Benefit Schedule is prepared on a jurisdiction-by-jurisdiction basis pursuant to the penultimate sentence of Section 2.2 the calculation of Net Tax Benefit shall also be determined on such jurisdiction-by-jurisdiction basis.

(iii) The “**Ticker Amount**” with respect to any Net Tax Benefit (whether or not determined and paid on a jurisdiction-by-jurisdiction basis) shall equal an amount equivalent to interest on a sum equal to the Net Tax Benefit, calculated at the Agreed Rate (i) in respect of the portion of the Net Tax Benefit attributable to Pre-IPO U.S. Tax Assets, from the due date (without extensions) for filing IRS Form 1120 (or any successor form) with respect to the U.S. Company Group Members for the applicable Taxable Year until the due date for payment of the associated Tax Benefit Payment under Section 3.1(a) and (ii) in respect of the portion of the Net Tax Benefit attributable to Pre-IPO German Tax Assets, from the date that is fifteen (15) months after the due date for filing relevant German tax returns.

**Section 3.2 No Duplicative Payments.** It is intended that the provisions of this Agreement will not result in duplicative payment of any amount (including interest) required under this Agreement. It is also intended that the provisions of this Agreement will result in 85% of the Realized Tax Benefits of the Company Group, and the Ticker Amounts thereon, being paid to the Shareholder pursuant to this Agreement. The provisions of this Agreement shall be construed in the appropriate manner so that these fundamental results are achieved.

**Section 3.3**Repurchase Consideration. The Company Group, on the one hand, and the Shareholder, on the other hand, acknowledge that each ITR Payment constitutes a payment of consideration for the shares repurchased by the Company pursuant to the Share Buy-back.

**Section 3.4**Payments in United States Dollars. All payments to be made under this Agreement shall be made in United States dollars. With respect to any Tax Benefit Payment relating to Pre-IPO German Tax Assets, such amounts shall be converted from Euros to United States dollars for each applicable Taxable Year using the spot rate in effect on the due date (without extensions) for filing IRS Form 1120 (or any successor form) with respect to the U.S. Company Group Members for the applicable Taxable Year.

#### ARTICLE IV

#### TERMINATION

**Section 4.1**Termination of Agreement; Elective Early Termination; Automatic Early Termination; Divestiture.

(a) In General. This Agreement shall terminate at the time that all Tax Benefit Payments have been made to the Shareholders under this Agreement.

(b) Elective Early Termination. Notwithstanding Section 4.1(a), the Company may terminate this Agreement by paying to the Shareholder the Early Termination Payment together with the other amounts required by this paragraph. If the Company chooses to exercise its right of early termination pursuant to this Section 4.1(b), the Company shall deliver to the Shareholder Representative irrevocable written notice of such decision to exercise such right ("**Early Termination Notice**") and a schedule (the "**Early Termination Schedule**") showing in reasonable detail the calculation of the Early Termination Payment. The Early Termination Schedule shall become final and binding on all parties in accordance with the procedures set forth Section 2.3(a). Upon finalization of the Early Termination Schedule, the Company shall pay to the Shareholder at the time set forth in Section 4.2 (1) the Early Termination Payment, (2) the Tax Benefit Payment due and payable but unpaid as of the date of the Early Termination Notice and (3) the Tax Benefit Payment due for a Taxable Year ending prior to, with or including the date of the Early Termination Notice (except to the extent that such amount is included in the Early Termination Payment).

(c) Acceleration Upon Material Breach of this Agreement. In the event that the Company breaches any of its material obligations under this Agreement, whether as a result of a failure to make a payment when due, failure to honor any other material obligations required hereunder or by operation of law as a result of the rejection of this Agreement in a case commenced under bankruptcy laws or otherwise, then all obligations hereunder shall be accelerated, the Company shall be deemed to have delivered an Early Termination Notice on the first date of such breach and the Company shall pay to the Shareholder at the time specified in Section 4.3 (1) the Early Termination Payment, (2) any Tax Benefit Payment that is due and payable but unpaid as of such date and (3) any Tax Benefit Payment due for the Taxable Year ending prior to, with or including such date (except to the extent that such amount is included in the Early Termination Payment). The Parties agree that the failure to make any payment due pursuant to this Agreement

within thirty (30) days of the date such payment is due shall be deemed to be a breach of a material obligation under this Agreement for all purposes of this Agreement.

(d) Acceleration Upon Change of Control. In the event of a Change of Control, all obligations hereunder shall be accelerated, the Company shall be deemed to have delivered an Early Termination Notice on the date of such Change of Control and the Company shall pay to the Shareholder at the time specified in Section 4.2 (1) the Early Termination Payment, (2) any Tax Benefit Payment that is due and payable but unpaid as such date and (3) any Tax Benefit Payment due for the Taxable Year ending prior to, with or including such date (except to the extent that such amount is included in the Early Termination Payment). The Company shall use its reasonable best efforts to provide to the Shareholder Representative an Early Termination Schedule showing in reasonable detail the calculation of the Early Termination Payment with respect to an expected Change of Control as far in advance as is reasonably practicable of such Change of Control (but no more than thirty (30) Business Days in advance) so as to enable the calculation of the Early Termination Payment to be finalized pursuant to Section 2.3(a) prior to the date of the effective date of the Change of Control. Notwithstanding the foregoing, where the parties anticipate a Change of Control but are not certain of the date on which such Change of Control will occur, the Company and the Shareholder Representative may agree to base the calculations contemplated by this Section 4.1(d) on a date other than the effective date of the Change of Control.

(e) Divestiture Acceleration Payment. In the event of a Divestiture, the Company shall pay to the Shareholder at the time specified in Section 4.2 the Divestiture Acceleration Payment in respect of such Divestiture. The Company shall use its reasonable best efforts to provide to the Shareholder Representative a schedule (a “Divestiture Acceleration Schedule”) showing in reasonable detail the calculation of the Early Termination Payment with respect to an expected Divestiture as far in advance as is reasonably practicable of such Divestiture (but no more than thirty (30) Business Days in advance) so as to enable the calculation of the Divestiture Acceleration Payment to be finalized pursuant to Section 2.3(a) prior to the date of the effective date of the Divestiture. Notwithstanding the foregoing, where the parties anticipate a Divestiture but are not certain of the date on which such Divestiture will occur, the Company and the Shareholder Representative may agree to base the calculations contemplated by this Section 4.1(e) on a date other than the effective date of the Divestiture. The Divestiture Acceleration Schedule shall be finalized pursuant to Section 2.3(a).

**Section 4.2 Payment upon Early Termination Event or Divestiture**

(a) Any amount required to be paid pursuant to Section 4.1(b) or Section 4.1(c) shall be paid within five (5) Business Days after the corresponding Early Termination Schedule is finalized pursuant to Section 2.3. Any amount required to be paid pursuant to Section 4.1(d) or Section 4.1(e) shall be paid on the date of the corresponding Change of Control or Divestiture, as applicable. All such payments shall be made by wire transfer of immediately available funds to a bank account designated by the Shareholder, or as otherwise agreed by the Company and the Shareholder.

(b) The “Early Termination Payment” with respect to an Early Termination Event shall equal the present value as of the corresponding Early Termination Date, discounted at the Early Termination Rate as of such date, of all Tax Benefit Payments that would be required to

be paid by the Company to the Shareholder beginning from the Early Termination Date, calculated by applying the Valuation Assumptions.

(c) The “**Divestiture Acceleration Payment**” with respect to a Divestiture shall equal the present value, discounted at the Early Termination Rate as of the date of such Divestiture, of the Tax Benefit Payments resulting solely from the Transferred Tax Assets that would be required to be paid by the Company to the Shareholder beginning from the date of such Divestiture, calculated by applying the Valuation Assumptions.

## ARTICLE V

### **LATE PAYMENTS AND COMPLIANCE WITH INDEBTEDNESS**

**Section 5.1Late Payments.** The amount of all or any portion of any ITR Payment not made to the Shareholder when due under the terms of this Agreement shall be payable together with any interest thereon, computed at the Default Rate, and commencing from the date on which such ITR Payment was due and payable.

**Section 5.2Compliance with Indebtedness.** Notwithstanding anything to the contrary provided herein, if, at the time any amounts become due and payable hereunder, the Company is not permitted, pursuant to the terms of the Company Group’s debt documentation, to pay such amounts, or the Company Group Members are not permitted, pursuant to the terms of the Company Group’s debt documentation, to make dividends, loans or other transfers to the Company to allow the Company to pay such amounts, then the Company shall by notice to the Shareholder be permitted to defer the payment of such amounts until each condition rendering the payment of such amounts impermissible as described in this Section 5.2 is no longer applicable. At the time such condition is no longer applicable and no other such condition exists, such amounts (together with accrued and unpaid interest thereon as described in the immediately following sentence) shall become due and payable immediately. If the Company defers the payment of any such amounts pursuant to the first sentence in this Section 5.2, such amounts shall accrue interest at the Agreed Rate from the date that such amounts originally became due and owing pursuant to the terms hereof to the date that such amounts are paid. For the avoidance of doubt, any payment not made due to the preceding sentence shall not be deemed a breach under Section 4.1(c) of this Agreement unless and until such payment remains unpaid thirty (30) calendar days after the date on which such condition described in this Section 5.2 is no longer applicable. The Company agrees to take commercially reasonable actions to cause the Company Group Members to pay dividends or make loans (including, to the extent commercially reasonable, granting access to any revolving credit facility or other source of liquidity to facilitate the payment of such dividends or loans), to the extent consistent with the terms of their outstanding indebtedness and any applicable law, to the extent necessary to make payments hereunder.

**Section 5.3Conflicting Agreements.** Without the consent of the Shareholder Representative, the Company shall use commercially reasonable efforts not to, and shall cause the Company Group Members to use commercially reasonable efforts not to, enter into any agreement or indenture or any amendment or other modification to any agreement or indenture (including, in each case, in connection with any refinancing) that would, directly or indirectly, impede (or further impede) its ability to make payments under this Agreement in accordance with its terms, including any agreement that would, directly or indirectly, impede (or further impede) the ability of the

Company to pay amounts payable under this Agreement or the ability of the Company Group Members to upstream cash (by dividend, loan or other transfer) to the Company to fund amounts payable by the Company under this Agreement.

## ARTICLE VI

### **NO DISPUTES; CONSISTENCY; COOPERATION**

#### **Section 6.1 Participation in the Company's Tax Matters.**

(a) Except as otherwise provided in this Agreement, the applicable member(s) of the Company Group shall have full responsibility for, and sole discretion over, all tax matters concerning the Company Group, including the preparation, filing or amending of any Tax Return and defending, contesting or settling any issue pertaining to taxes, subject to a requirement that the Company Group Members act in good faith in connection with their direct or indirect control of any matter which is reasonably expected to affect the Shareholder's rights and obligations under this Agreement.

(b) Notwithstanding the foregoing, the Company shall notify the Shareholder Representative in writing of the commencement of, and keep the Shareholder Representative reasonably informed with respect to, any tax audit or tax administrative or judicial proceeding of any Company Group Member by a Taxing Authority the outcome of which could reasonably be expected to materially and adversely affect a Shareholder's rights and obligations under this Agreement (any "**Tax Claim**"), and, in the case of a Tax Claim regarding the existence or amount of or limitations on the use of any material amount of Pre-IPO Tax Assets shall (or shall cause the applicable Company Group Member) to give the Shareholder Representative reasonable opportunity to provide information and participate in the applicable portion of such Tax Claim, including attending any meetings with any Taxing Authority, employing counsel separate from the counsel employed by the Company and having the opportunity to reasonably comment on and approve all material submissions made by the Company Group to any Taxing Authority. Notwithstanding anything herein to the contrary, without the consent of the Shareholder Representative, which consent shall not be unreasonably withheld, conditioned or delayed, the Company shall not, and shall cause each other Company Group Member not to, (i) change any accounting method, or amend or take any position inconsistent with a previously-filed Tax Return of any Company Group Member, in each case, if such action could materially and adversely affect the Pre-IPO Tax Assets, (ii) seek any guidance from, or initiate any communication with, the IRS or any other Taxing Authority (whether written, verbal or otherwise) at any time concerning the Pre-IPO Tax Assets, or (iii) settle or otherwise resolve any Tax Claim, if such settlement could have an adverse effect on the Shareholder's rights under this Agreement.

**Section 6.2 Consistency.** The Company and the Shareholder acknowledge and agree that for U.K. tax purposes, each ITR Payment constitutes contingent consideration payable by the Company to the Shareholder in installments, in consideration for the shares repurchased by the Company pursuant to the Share Buy-back (except for any amount which the Company and the Shareholder reasonably agree constitutes interest), constituting capital sums up to the amounts originally subscribed for the shares subject to the Share Buy-back and constituting distributions for any excess over the amounts originally subscribed for the shares subject to the Share Buy-back (such treatment as described above, the "**Intended Tax Treatment**"). The Company and the

Shareholder shall not take any position on any Tax Return, or in front of any Taxing Authority, or in connection with any tax audit, enquiry, assessment, or tax administrative or judicial proceeding, inconsistent with the Intended Tax Treatment unless otherwise required by a contrary Determination. In addition, the Company shall, and shall cause the Company Group Members to, use reasonable best efforts to defend the Intended Tax Treatment in any tax audit, enquiry, assessment, or tax administrative or judicial proceeding.

**Section 6.3 Cooperation.** Each of the Company and the Shareholder Representative shall (a) furnish to the other party in a timely manner such information, documents and other materials as the other party may reasonably request for purposes of making or approving any determination or computation necessary or appropriate under this Agreement, preparing any Tax Return or contesting or defending any audit, examination or controversy with any Taxing Authority, (b) make itself available to the other party and its representatives to provide explanations of documents and materials and such other information as the requesting party or its representatives may reasonably request in connection with any of the matters described in clause (a) above, and (c) reasonably cooperate in connection with any such matter, and the requesting party shall reimburse the other party for any reasonable third-party costs and expenses incurred pursuant to this Section 6.3.

## ARTICLE VII

### MISCELLANEOUS

**Section 7.1 Notices.** All notices, requests, claims, demands and other communications to be given or delivered under this Agreement shall be in writing and shall be deemed to have been given (a) when personally delivered (or, if delivery is refused, upon presentment) or received by email (with confirmation of transmission) prior to 5:00 p.m. eastern time on a Business Day and, if otherwise, on the next Business Day, (b) one (1) Business Day following delivery by reputable overnight express courier (charges prepaid) or (c) three (3) calendar days following mailing by certified or registered mail, postage prepaid and return receipt requested. Unless another address is specified in writing pursuant to the provisions of this Section 7.1, notices, demands and other communications shall be sent to the addresses indicated below:

**If to the Company, to:**

Birkenstock Holding plc  
1-2 Berkeley Square  
London W1J 6EA  
United Kingdom  
Attn: Director Legal Affairs

with a copy, in any case, to:

Kirkland & Ellis LLP  
601 Lexington Avenue  
New York, NY 10022  
Attn: Joshua N. Korff, P.C.  
Ross M. Leff, P.C.

Zoey Hitzert

**If to the Pre-IPO Shareholder, to:**

BK LC Lux MidCo S.à r.l.  
40, avenue Monterey  
L-2163 Luxembourg  
Grand Duchy of Luxembourg  
Attn: Nik Thukral  
Dan Reid  
Email: [\*\*\*]

with a copy to:

Kirkland & Ellis LLP  
  
601 Lexington Avenue  
New York, NY 10022  
Attn: Joshua N. Korff, P.C.  
Ross M. Leff, P.C.  
Zoey Hitzert  
  
Email: [\*\*\*]

**Section 7.2 Counterparts.** This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties, it being understood that all parties need not sign the same counterpart. Delivery of an executed signature page to this Agreement by facsimile transmission shall be as effective as delivery of a manually signed counterpart of this Agreement.

**Section 7.3 Entire Agreement; No Third Party Beneficiaries.** This Agreement constitutes the entire agreement and understanding among the parties with respect to the subject matter hereof and thereof and supersedes all prior agreements and understandings, whether written or oral, relating to such subject matter in any way. Nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

**Section 7.4 Governing Law.** The law of the State of New York shall govern (a) all claims or matters related to or arising from this Agreement (including any tort or non-contractual claims) and (b) any questions concerning the construction, interpretation, validity and enforceability of this Agreement, and the performance of the obligations imposed by this Agreement, in each case without giving effect to any choice-of-law or conflict-of-law rules or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the State of New York.

**Section 7.5 Severability.** If any provision of this Agreement is determined to be invalid, illegal or unenforceable by any governmental entity, all other provisions of this Agreement shall

nevertheless remain in full force and effect. Upon such determination that any provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

**Section 7.6 Successors; Assignment; Amendments; Waivers.**

(a) The Pre-IPO Shareholder may assign this Agreement (or all or any portion of its rights and obligations hereunder) to any Person without the prior written consent of the Company or any other assignees, as long as such transferee has executed and delivered, or, in connection with such transfer, executes and delivers, a joinder to this Agreement, in form and substance reasonably satisfactory to the Company, agreeing to be bound by all provisions of this Agreement, except as otherwise provided in such joinder.

(b) Except as otherwise provided in this Agreement, no such assignee may assign its rights under this Agreement without the prior written consent of the Shareholder Representative. Any assignment of any such assignee's rights meeting the requirements of this paragraph shall be referred to herein as a "**Permitted Assignment**" and Schedule A hereto shall be amended to reflect such Permitted Assignment and the change in the Applicable Percentage of the assignor and assignee.

(c) No provision of this Agreement may be amended unless such amendment is approved in writing by the Company and the Shareholder Representative. No provision of this Agreement may be waived unless such waiver is in writing and signed by the party against whom the waiver is to be effective.

(d) All of the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the parties hereto and their respective successors, assigns, heirs, executors, administrators and legal representatives, including any permitted assignee pursuant to a Permitted Assignment. The Company shall require and cause any direct or indirect successor (whether by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, by written agreement, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

**Section 7.7 Headings, Titles, and Subtitles.** The headings, titles, and subtitles of the sections and subsections of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

**Section 7.8 Waiver of Jury Trial; Jurisdiction.** EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY LITIGATION, ACTION, PROCEEDING, CROSS-CLAIM, OR COUNTERCLAIM IN ANY COURT (WHETHER BASED ON CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF, RELATING TO OR IN CONNECTION WITH (A) THIS AGREEMENT OR THE VALIDITY, PERFORMANCE, INTERPRETATION, COLLECTION OR ENFORCEMENT HEREOF OR (B) THE ACTIONS OF THE PARTIES IN THE NEGOTIATION, AUTHORIZATION,

EXECUTION, DELIVERY, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT  
HEREOF.

**Section 7.9 Resolution of Disputes.**

(a) Other than with respect to any disputes under Section 2.3, Section 4.1, Section 4.2 and Section 6.2 (which are to be resolved pursuant to Section 7.10), any and all disputes which cannot be settled amicably between the Company and the Shareholder, including any ancillary claims of any party, arising out of, relating to or in connection with the validity, negotiation, execution, interpretation, performance or non-performance of this Agreement (including the validity, scope and enforceability of this arbitration provision) shall be finally settled by arbitration conducted by a single arbitrator in accordance with the then existing Rules of Arbitration of the International Chamber of Commerce. The place of arbitration shall be New York, New York. The parties shall jointly select a single arbitrator who shall have the authority to hold hearings and to render a decision in accordance with the then existing Rules of Arbitration of the International Chamber of Commerce. If the Company and the Shareholder fail to agree on the selection of an arbitrator within thirty (30) calendar days of the receipt of the request for arbitration, the arbitrator shall be selected by the International Chamber of Commerce. The arbitrator shall be a lawyer. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. Section 1, et seq., and judgment on the award may be entered by any court having jurisdiction thereof. Performance under this Agreement shall continue if reasonably possible during any arbitration proceedings.

(b) Notwithstanding the provisions of Section 7.9(a), either the Company or the Shareholder may bring an action or special proceeding in any court of competent jurisdiction for the purpose of compelling a party to arbitrate in accordance with Section 7.9(a), seeking temporary or preliminary relief in aid of an arbitration hereunder, and/or enforcing an arbitration award and, for the purposes of this Section 7.9(b), the Shareholder (i) expressly consents to the application of Section 7.9(c) to any such action or proceeding, and (ii) irrevocably appoints the Company as its agent for service of process in connection with any such action or proceeding and agrees that service of process upon such agent, who shall promptly advise the Shareholder of any such service of process, shall be deemed in every respect effective service of process upon the Shareholder in any such action or proceeding.

(c) THE COMPANY AND THE SHAREHOLDER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF COURTS LOCATED IN NEW YORK AND AGREES THAT ANY JUDICIAL PROCEEDING BROUGHT IN ACCORDANCE WITH THE PROVISIONS OF SECTION 7.9(B) SHALL BE BROUGHT AND DETERMINED EXCLUSIVELY IN THE SUPREME COURT OF THE STATE OF NEW YORK AND ANY STATE APPELLATE COURT THEREFROM WITHIN THE STATE OF NEW YORK (OR, IF THE SUPREME COURT OF THE STATE OF NEW YORK REFUSES TO ACCEPT JURISDICTION OVER A PARTICULAR MATTER, ANY STATE OR FEDERAL COURT WITHIN THE STATE OF NEW YORK).

(d) The parties acknowledge that the forum designated by Section 7.9(d) has a reasonable relation to this Agreement and to the parties' relationship with one another.

**Section 7.10 Reconciliation.** In the event that the Company and the Shareholder Representative are unable to resolve a disagreement with respect to the matters governed by Section 2.3, Section 4.1, Section 4.2, and Section 6.2 within the relevant period designated in this Agreement (including the finalization of any Schedule or the amount of any ITR Payment) (a “**Reconciliation Dispute**”), the Reconciliation Dispute shall be submitted for determination to a nationally recognized expert in the particular area of disagreement (the “**Expert**”) mutually acceptable to both parties. The Expert shall be a partner in a nationally recognized accounting firm or a law firm and the Expert shall not, and the firm that employs the Expert shall not, have any material relationship with the Company or the Shareholder Representative or any other actual or potential conflict of interest. If the Reconciliation Dispute is not resolved before any payment that is the subject of the Reconciliation Dispute is due or any Tax Return reflecting the subject of the Reconciliation Dispute is due, such payment shall be made on the date prescribed by this Agreement and such Tax Return may be filed as prepared by the Company, subject to adjustment or amendment upon resolution. The costs and expenses relating to the engagement of such Expert or the amendment of any Tax Return shall be borne by the Company, except as provided in the next sentence. Each of the Company and the Shareholder Representative shall bear its own costs and expenses of such proceeding. Any dispute as to whether a dispute is a Reconciliation Dispute, within the meaning of this Section 7.10 shall be decided by the Expert. The Expert shall finally determine any Reconciliation Dispute and the determinations of the Expert pursuant to this Section 7.10 shall be binding on the Company and the Shareholder Representative and may be entered and enforced in any court having jurisdiction.

**Section 7.11 Withholding.** The Company shall be entitled to deduct and withhold from any payment payable pursuant to this Agreement such amounts as the Company is required to deduct and withhold with respect to the making of such payment under the Code, or any applicable provision of state, local or non-U.S. tax law, provided, that the Company (i) gives ten (10) days advance written notice of its intention to make such withholding to the Shareholder Representative, (ii) identifies the legal basis requiring such withholding and (iii) gives the Shareholder Representative an opportunity to establish that such withholding is not legally required or may be reduced. To the extent that amounts are so withheld and paid over to the appropriate Taxing Authority by the Company, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the applicable Shareholder. The Company shall provide evidence of such payments to the Shareholder to the extent that such evidence is available. Notwithstanding the foregoing, if a withholding obligation arises as a result of a Change of Control, any amount payable to the Shareholder under this Agreement shall be increased such that after all required deductions and withholdings have been made (including such deductions and withholdings applicable to additional sums payable under this sentence) the Shareholder receives an amount equal to the sum that it would have received had no such deductions or withholdings been made. Notwithstanding anything to the contrary above, the Company and the Pre-IPO Shareholder agree that, absent a change in law or a contrary Determination, no tax withholding is required (and no tax withholding shall be applied) with respect to any ITR Payment (excluding any interest payable pursuant to Section Section 5.1 made to the Pre-IPO Shareholder under this Agreement).

**Section 7.12 Combined Taxation Groups; Transfers of Assets.**

(a) If any Company Group Member is or becomes a member of a Combined Taxation Group for purposes of U.S. federal, state or local income tax purposes or German

corporate income and trade tax purposes then (i) the provisions of this Agreement shall be applied with respect to the group as a whole, and (ii) Tax Benefit Payments shall be computed with reference to the combined taxable income of the group as a whole.

(b) If any Person the income of which is included in the income of any Company Group Member's Combined Taxation Group transfers one or more assets to any other Person that is not part of such Company Group Member's Combined Taxation Group, then, for purposes of calculating the amount of any ITR Payment due hereunder, such Person shall be treated as having disposed of such asset in a fully taxable transaction on the date of such transfer. The consideration deemed to be received in a transaction contemplated in the prior sentence shall be equal to the fair market value of the deemed transferred asset, plus (i) the amount of debt to which such asset is subject, in the case of a transfer of an encumbered asset or (ii) the amount of debt allocated to such asset, in the case of a transfer of a partnership interest.

**Section 7.13 Confidentiality.**

(a) The Shareholder and the Shareholder Representative acknowledge and agree that the information of the Company Group is confidential and, except in the course of performing any duties as necessary for the Company Group, as required by law or legal process or to enforce the terms of this Agreement, shall keep and retain in confidence and not disclose to any Person any confidential matters of the Company Group acquired pursuant to this Agreement.

(b) This Section 7.13 shall not apply to (i) any information that has been made publicly available by the Company Group, becomes public knowledge (except as a result of an act of the Shareholder, the Shareholder Representative or any of their Affiliates in violation of this Agreement) or is generally known to the business community, (ii) the disclosure of information to the extent reasonably necessary for the Shareholder or its Affiliates to prepare and file its Tax Returns, to respond to any inquiries regarding the same from any Taxing Authority or to prosecute or defend any action, proceeding or audit by any Taxing Authority with respect to such Tax Returns or (iii) the disclosure of information to any direct or indirect limited partners of any Shareholder so long as such Persons are apprised of the confidential nature thereof. Notwithstanding anything to the contrary in this Agreement, the Shareholder (and each employee, representative or other agent of the Shareholder, as applicable) may disclose the tax treatment and tax structure of (A) the Company Group, (B) the transactions entered into in connection with the IPO, (C) this Agreement, and (D) any of the transactions of the Company Group, and all materials of any kind (including opinions or other tax analyses) that are provided to the Shareholder relating to such tax treatment and tax structure.

(c) If the Shareholder or the Shareholder Representative breaches any of the provisions of this Section 7.13, the Company shall have the right to seek to have the provisions of this Section 7.13 specifically enforced by injunctive relief by any court of competent jurisdiction without the need to post any bond or other security, it being acknowledged and agreed that any such breach shall cause irreparable injury to the Company Group and that money damages alone shall not provide an adequate remedy to such Persons. Such rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available at law or in equity.

**Section 7.14 Rules of Construction.** Unless otherwise specified herein:

(a) For purposes of interpretation of this Agreement:

(i) the words “herein,” “hereto,” “hereof” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision thereof;

(ii) any accounting term used and not otherwise defined in this Agreement has the meaning assigned to such term in accordance with GAAP;

(iii) unless specified otherwise, references to an Article, Section or clause refer to the appropriate Article, Section or clause in this Agreement;

(iv) the terms “include” or “including” are by way of example and not limitation and shall be deemed followed by the words “without limitation”;

(v) the word “if” and other words of similar import when used herein shall be deemed in each case to be followed by the phrase “and only if”;

(vi) the term “documents” includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form;

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including”, the words “to” and “until” each mean “to but excluding” and the word “through” means “to and including.”

(c) Section headings herein are included for convenience of reference only and shall not affect the interpretation of this Agreement.

(d) Unless otherwise expressly provided herein, references to any law (including the Code) include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such law.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Tax Receivable Agreement as of the date first written above.

**BIRKENSTOCK HOLDING PLC**

By: /s/ Ruth Kennedy

Name: Ruth Kennedy

Title: Director

---

[Signature Page to Tax Receivable Agreement]

**BK LC LUX MIDCO S.À R.L.**

By: /s/ Nikhil Thukral

Name: Nikhil Thukral

Its: Manager

[Signature Page to Tax Receivable Agreement]

---

**BIRKENSTOCK HOLDING PLC**  
**REGISTRATION RIGHTS AGREEMENT**

THIS REGISTRATION RIGHTS AGREEMENT (this “Agreement”) is made as of October 13, 2023 among Birkenstock Holding plc, a Jersey public limited company (the “Company”), BK LC Lux MidCo S.à r.l., private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg (“MidCo”), each Person who executes a Joinder as an “Other Investor” (collectively, the “Other Investors”) and each of the executives who executes a Joinder as an “Executive” (collectively, the “Executives”). Except as otherwise specified herein, all capitalized terms used in this Agreement are defined in Exhibit A attached hereto.

In consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

Section I Demand Registrations.

(a) Requests for Registration. At any time and from time to time, MidCo shall be entitled to an unlimited number of requests for registration under the Securities Act of all or any portion of its Registrable Securities on Form F-1, Form S-1 or any similar or successor long-form registration statement (“Long-Form Registrations”) or on Form F-3, Form S-3 or any similar or successor short-form registration statement (“Short-Form Registrations”), if available (any such requested registration, a “Demand Registration”). MidCo may request that any Demand Registration be made pursuant to Rule 415 (a “Shelf Registration”) and, if the Company is a WKSI at the time any such request is submitted to the Company or will become one by the time of the filing of such Shelf Registration, that such Shelf Registration be an automatic shelf registration statement (as defined in Rule 405) (an “Automatic Shelf Registration Statement”). Each request for a Demand Registration must specify the approximate number or dollar value of Registrable Securities requested to be registered by the requesting Holders and (if known) the intended method of distribution. The Company will pay all Registration Expenses for any Demand Registration requested, whether or not any such registration is consummated.

(b) Notice to Other Holders. Within four (4) Business Days after receipt of any such request, the Company will give written notice of the Demand Registration to all other Holders and, subject to the terms of Section 1(e), will include in such Demand Registration (and in all related registrations and qualifications under state blue sky laws and in any related underwriting) all Registrable Securities with respect to which the Company has received written requests for inclusion therein within ten (10) days after the receipt of the Company’s notice; provided that, with the written consent of MidCo, the Company may, or at the written request of MidCo, the Company shall, instead provide notice of the Demand Registration to all Holders other than MidCo within three (3) Business Days following the non-confidential filing of the registration statement with respect to the Demand Registration so long as such registration statement is not an Automatic Shelf Registration Statement.

(c) Form of Registrations. All Long-Form Registrations will be underwritten registrations unless otherwise approved by MidCo. Demand Registrations will be Short-Form Registrations whenever the Company is permitted to use any applicable short form unless otherwise requested by MidCo.

(d) Shelf Registrations.

(i) For so long as a registration statement for a Shelf Registration (a “Shelf Registration Statement”) is and remains effective, MidCo will have the right at any time or from time to time to elect to sell pursuant to an offering (including an underwritten offering) Registrable

---

Securities pursuant to such Shelf Registration Statement (“Shelf Registrable Securities”). If MidCo desires to sell Registrable Securities pursuant to an underwritten offering, then MidCo may deliver to the Company a written notice (a “Shelf Offering Notice”) specifying the number of Shelf Registrable Securities that MidCo desires to sell pursuant to such underwritten offering (the “Shelf Offering”). As promptly as practicable, but in no event later than two (2) Business Days after receipt of a Shelf Offering Notice, the Company will give written notice of such Shelf Offering Notice to all other Holders of Shelf Registrable Securities that have been identified as selling shareholders in such Shelf Registration Statement and are otherwise permitted to sell in such Shelf Offering, which such notice shall request that each such Holder specify, within five (5) Business Days after the Company’s receipt of the Shelf Offering Notice, the maximum number of Shelf Registrable Securities such Holder desires to be disposed of in such Shelf Offering. The Company, subject to Section 1(e) and Section 7, will include in such Shelf Offering all Shelf Registrable Securities with respect to which the Company has received timely written requests for inclusion. The Company will, as expeditiously as possible (and in any event within fourteen (14) days after the receipt of a Shelf Offering Notice), but subject to Section 1(e), use its best efforts to consummate such Shelf Offering.

(ii) If MidCo desires to engage in an underwritten block trade or bought deal pursuant to a Shelf Registration Statement (either through filing an Automatic Shelf Registration Statement or through a take-down from an already existing Shelf Registration Statement) (each, an “Underwritten Block Trade”), then notwithstanding the time periods set forth in Section 1(d) (i), MidCo may notify the Company of the Underwritten Block Trade not less than two (2) Business Days prior to the day such offering is first anticipated to commence. If requested by MidCo, the Company will promptly notify any other Holders of such Underwritten Block Trade and such notified Holders (each, a “Potential Participant”) may elect whether or not to participate no later than the next Business Day (*i.e.* one (1) Business Day prior to the day such offering is to commence) (unless a longer period is agreed to by MidCo), and the Company will as expeditiously as possible use its best efforts to facilitate such Underwritten Block Trade (which may close as early as two (2) Business Days after the date it commences); provided further that, notwithstanding the provisions of Section 1(d)(i), no Holder (other than Holders of MidCo Registrable Securities) will be permitted to participate in an Underwritten Block Trade without the written consent of MidCo. Any Potential Participant’s request to participate in an Underwritten Block Trade shall be binding on the Potential Participant.

(iii) All determinations as to whether to complete any Shelf Offering and as to the timing, manner, price and other terms of any Shelf Offering contemplated by this Section 1(d) shall be determined by MidCo, and the Company shall use its best efforts to cause any Shelf Offering to occur in accordance with such determinations as promptly as practicable.

(iv) The Company will, at the request of MidCo, file any prospectus supplement or any post-effective amendments and otherwise take any action necessary to include therein all disclosure and language deemed necessary or advisable by MidCo to effect such Shelf Offering.

(e) Priority on Demand Registrations and Shelf Offerings. The Company will not include in any Demand Registration any securities which are not Registrable Securities without the prior written consent of MidCo. If a Demand Registration or a Shelf Offering is an underwritten offering and the managing underwriters advise the Company in writing that in their opinion the number of Registrable Securities and (if permitted hereunder) other securities requested to be included in such offering exceeds the number of Registrable Securities and other securities (if any) which can be sold therein without adversely affecting the marketability, proposed offering price, timing or method of distribution of the

offering, then the Company will include in such offering (prior to the inclusion of any securities which are not Registrable Securities) the number of Registrable Securities requested to be included by any Holder which, in the opinion of such underwriters, can be sold in such manner without any such adverse effect, pro rata among such Holders on the basis of the number of Registrable Securities owned by each such Holder. Notwithstanding anything to the contrary herein, if any Holders of Executive Registrable Securities have requested to include such securities in an underwritten offering and the managing underwriters for such offering advise the Company that in their opinion the inclusion of some or all of such Executive Registrable Securities could adversely affect the marketability, proposed offering price, timing and/or method of distribution of the offering, then the Company shall exclude from such offering the number of such Executive Registrable Securities identified by the managing underwriters as having any such adverse effect prior to the exclusion of any Registrable Securities of any other Holders as set forth in this Section 1(e), which, for the avoidance of doubt, may be all such Executive Registrable Securities requested to be included such offering.

(f) Restrictions on Demand Registration and Shelf Offerings.

(i) The Company may postpone, for up to sixty (60) days (or with the consent of MidCo, a longer period) from the date of the request (the "Suspension Period"), the filing or the effectiveness of a registration statement for a Demand Registration or suspend the use of a prospectus that is part of a Shelf Registration Statement (and therefore suspend sales of the Shelf Registrable Securities) by providing to the Holders a certificate signed by either the chief executive officer or chief financial officer of the Company certifying that, in the good faith judgment of the Company, the following conditions are met: (A) the Company determines that the offer or sale of Registrable Securities would reasonably be expected to have a material adverse effect on any proposal or plan by the Company or any Subsidiary to engage in any material acquisition of assets or shares (other than in the ordinary course of business) or any material merger, consolidation, tender offer, recapitalization, reorganization, financing or other transaction involving the Company and (B) upon advice of counsel, the sale of Registrable Securities pursuant to the registration statement would require disclosure of material non-public information not otherwise required to be disclosed under applicable law, and either (x) the Company has a bona fide business purpose for preserving the confidentiality of such transaction, (y) disclosure would have a material adverse effect on the Company or the Company's ability to consummate such transaction, or (z) such transaction renders the Company unable to comply with SEC requirements, in each case under circumstances that would make it impractical or inadvisable to cause the registration statement (or such filings) to become effective or to promptly amend or supplement the registration statement on a post-effective basis, as applicable. The Company may delay or suspend the effectiveness of a Demand Registration or Shelf Registration Statement pursuant to this Section 1(f)(i) only once in any twelve (12)-month period (for avoidance of doubt, in addition to the Company's rights and obligations under Section 4(a)(vi)) unless additional delays or suspensions are approved by MidCo.

(ii) In the case of an event that causes the Company to suspend the use of a Shelf Registration Statement as set forth in Section 1(f)(i) above or pursuant to Section 4(a)(vi) (a "Suspension Event"), the Company will give a notice to the Holders whose Registrable Securities are registered pursuant to such Shelf Registration Statement (a "Suspension Notice") to suspend sales of the Registrable Securities and such notice must state generally the basis for the notice and that such suspension will continue only for so long as the Suspension Event or its effect is continuing. Each Holder agrees not to effect any sales of its Registrable Securities pursuant to such Shelf Registration Statement (or such filings) at any time after it has received a Suspension Notice from the Company and prior to receipt of an End of Suspension Notice. A Holder may recommence effecting sales of the Registrable Securities pursuant to the Shelf Registration Statement (or such filings) following further written notice to such effect (an "End of Suspension Notice") from the

Company, which End of Suspension Notice will be given by the Company to the Holders promptly following the conclusion of any Suspension Event (and in any event during the permitted Suspension Period).

(g) Selection of Underwriters. MidCo shall select the legal counsel to the Company, the investment banker(s) and manager(s) to administer any underwritten offering in connection with any Demand Registration or Shelf Offering.

(h) Distributions of Registrable Securities to Partners or Members. In the event MidCo requests to participate in a registration pursuant to this Section 1 in connection with a distribution of Registrable Securities to its partners or members, the registration shall provide for resale by such partners or members, if requested by MidCo.

(i) Other Registration Rights. Except as provided in this Agreement, the Company will not grant to any Person(s) the right to request the Company or any Subsidiary to register any equity securities of the Company or any Subsidiary, or any securities convertible or exchangeable into or exercisable for such securities, without the prior written consent of MidCo; provided that, without the prior approval of MidCo, the Company may grant rights to employees of the Company and its Subsidiaries to participate in Piggyback Registrations so long as they sign a Joinder as an “Executive” and Holder of “Executive Registrable Securities” hereunder.

(j) Revocation of Demand Notice or Shelf Offering Notice. At any time prior to the effective date of the registration statement relating to a Demand Registration or the “pricing” of any offering relating to a Shelf Offering Notice, MidCo may revoke or withdraw such notice of a Demand Registration or Shelf Offering Notice on behalf of all Holders participating in such Demand Registration or Shelf Offering without liability to such Holders, in each case by providing written notice to the Company.

(k) Confidentiality. Each Holder agrees to treat as confidential the receipt of any notice hereunder (including notice of a Demand Registration, a Shelf Offering Notice and a Suspension Notice) and the information contained therein, and not to disclose or use the information contained in any such notice (or the existence thereof) without the prior written consent of the Company until such time as the information contained therein is or becomes available to the public generally (other than as a result of disclosure by such Holder in breach of the terms of this Agreement).

#### Section 2 Piggyback Registrations.

(a) Right to Piggyback. Whenever the Company proposes to register any of its equity securities under the Securities Act (including primary and secondary registrations, and other than pursuant to an Excluded Registration) (a “Piggyback Registration”), the Company will give prompt written notice (and in any event within three (3) Business Days after the public filing of the registration statement relating to the Piggyback Registration) to all Holders of its intention to effect such Piggyback Registration and the proposed means of distribution and the proposed managing underwriter(s) (if any) and, subject to the terms of Section 2(b) and Section 2(c), will include in such Piggyback Registration (and in all related registrations or qualifications under blue sky laws and in any related underwriting) all Registrable Securities with respect to which the Company has received written requests for inclusion therein within ten (10) days after delivery of the Company’s notice; provided that the Company shall not be required to provide such notice or include any Registrable Securities in such registration if MidCo elects not to include any MidCo Registrable Securities in such registration, unless MidCo otherwise consents in writing. MidCo may withdraw its request for inclusion at any time prior to executing the underwriting agreement, or if none, prior to the applicable registration statement becoming effective. If MidCo decides not to include all of its Registrable

Securities in any Piggyback Registration, MidCo shall continue to have the right to include any Registrable Securities in any subsequent Piggyback Registration.

(b) Priority on Primary Registrations. If a Piggyback Registration is an underwritten primary registration on behalf of the Company, and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability, proposed offering price, timing or method of distribution of the offering, the Company will include in such registration (i) first, the securities the Company proposes to sell; (ii) second, the Registrable Securities requested to be included in such registration by any Holder which, in the opinion of such underwriters, can be sold without any such adverse effect, pro rata among such Holders on the basis of the number of Registrable Securities owned by each such Holder; and (iii) third, other securities requested to be included in such registration which, in the opinion of the underwriters, can be sold without any such adverse effect. Notwithstanding anything to the contrary herein, if any Holders of Executive Registrable Securities have requested to include such securities in a Piggyback Registration that is an underwritten primary offering on behalf of the Company and the managing underwriters for such offering advise the Company in writing that in their opinion the inclusion of some or all of such Executive Registrable Securities could adversely affect the marketability, proposed offering price, timing and/or method of distribution of the offering, the Company shall first exclude from such offering the number (which may be all) of such Executive Registrable Securities identified by the managing underwriters as having any such adverse effect prior to the exclusion of any securities in such offering.

(c) Priority on Secondary Registrations. If a Piggyback Registration is an underwritten secondary registration on behalf of holders of the Company's equity securities (other than pursuant to Section 1 hereof), and the managing underwriters advise the Company in writing that in their opinion the number of securities requested to be included in such registration exceeds the number which can be sold in such offering without adversely affecting the marketability, proposed offering price, timing or method of distribution of the offering, the Company will include in such registration (i) first, the securities requested to be included therein by the holders initially requesting such registration which, in the opinion of the underwriters, can be sold without any such adverse effect; (ii) second, the Registrable Securities requested to be included in such registration by any other Holder which, in the opinion of such underwriters, can be sold without any such adverse effect, pro rata among such Holders on the basis of the number of Registrable Securities owned by each such Holder; and (iv) third, other securities requested to be included in such registration which, in the opinion of the underwriters, can be sold without any such adverse effect. Notwithstanding anything to the contrary herein, if any Holders of Executive Registrable Securities have requested to include such securities in a Piggyback Registration that is an underwritten secondary offering and the managing underwriters for such offering advise the Company in writing that in their opinion the inclusion of some or all of such Executive Registrable Securities could adversely affect the marketability, proposed offering price, timing or method of distribution of the offering, the Company shall be permitted to first exclude from such offering the number (which may be all) of such Executive Registrable Securities identified by the managing underwriters as having any such adverse effect prior to the exclusion of any securities in such offering.

(d) Right to Terminate Registration. The Company will have the right to terminate or withdraw any registration initiated by it under this Section 2, whether or not any Holder of Registrable Securities has elected to include securities in such registration; provided that MidCo may continue the registration as a Demand Registration pursuant to the terms of Section 1.

(e) Selection of Underwriters. If any Piggyback Registration is an underwritten offering, MidCo shall select the legal counsel for the Company, the investment banker(s) and manager(s) for the offering.

### Section 3 Shareholder Lock-Up Agreements and Company Holdback Agreement.

(a) Shareholder Lock-up Agreements. In connection with any underwritten Public Offering, each Holder will enter into any lock-up, holdback or similar agreements requested by the underwriter(s) managing such offering, in each case with such modifications and exceptions as may be approved by MidCo. Without limiting the generality of the foregoing, each Holder hereby agrees that in connection with the initial Public Offering and in connection with any Demand Registration, Shelf Offering or Piggyback Registration that is an underwritten Public Offering, not to (i) offer, sell, contract to sell, pledge or otherwise dispose of (including sales pursuant to Rule 144), directly or indirectly, any equity securities of the Company (including equity securities of the Company that may be deemed to be beneficially owned by such Holder in accordance with the rules and regulations of the SEC) (collectively, "Securities"), or any securities, options or rights convertible into or exchangeable or exercisable for Securities (collectively, "Other Securities"), (ii) enter into a transaction which would have the same effect as described in clause (i) above, (iii) enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences or ownership of any Securities or Other Securities, whether such transaction is to be settled by delivery of such Securities or Other Securities, in cash or otherwise (each of (i), (ii) and (iii) above, a "Sale Transaction") or (iv) publicly disclose the intention to enter into any Sale Transaction, commencing on the date on which the Company gives notice to the Holders that a preliminary prospectus has been circulated for such underwritten Public Offering or the "pricing" of such offering and continuing to the date that is (x) 180 days following the date of the final prospectus for such underwritten Public Offering in the case of the initial Public Offering or (y) 90 days following the date of the final prospectus in the case of any other such underwritten Public Offering (each such period, or such shorter period as agreed to by the managing underwriters, a "Holdback Period"), in each case with such modifications and exceptions as may be approved by MidCo. The Company may impose stop-transfer instructions with respect to any Securities or Other Securities subject to the restrictions set forth in this Section 3(a) until the end of such Holdback Period.

(b) Company Holdback Agreement. The Company (i) will not file any registration statement for a Public Offering or cause any such registration statement to become effective, or effect any public sale or distribution of its Securities or Other Securities during any Holdback Period (other than as part of such underwritten Public Offering, or a registration on Form F-4, Form S-4 or Form S-8 or any successor or similar form which is (x) then in effect or (y) shall become effective upon the conversion, exchange or exercise of any then outstanding Other Securities) and (ii) will cause each holder of Securities and Other Securities (including each of its directors and executive officers/presidents) to agree not to effect any Sale Transaction during any Holdback Period, except as part of such underwritten registration (if otherwise permitted), unless approved in writing by MidCo and the underwriters managing the Public Offering and to enter into any lock-up, holdback or similar agreements requested by the underwriter(s) managing such offering, in each case with such modifications and exceptions as may be approved by MidCo.

### Section 4 Registration Procedures.

(a) Company Obligations. Whenever the Holders have requested that any Registrable Securities be registered pursuant to this Agreement or have initiated a Shelf Offering, the Company will use its best efforts to effect the registration and the sale of such Registrable Securities in accordance with the intended method of disposition thereof, and pursuant thereto the Company will as expeditiously as possible:

(i) prepare and file with (or submit confidentially to) the SEC a registration statement, and all amendments and supplements thereto and related prospectuses, with respect to such Registrable Securities and use its best efforts to cause such registration statement to become

effective, all in accordance with the Securities Act and all applicable rules and regulations promulgated thereunder; provided that before filing or confidentially submitting a registration statement or prospectus or any amendments or supplements thereto, the Company will furnish to the counsel selected by MidCo covered by such registration statement and in accordance with Section 5 copies of all such documents proposed to be filed or submitted, which documents will be subject to the review and comment of such counsel;

(ii) notify each Holder of (A) the issuance by the SEC of any stop order suspending the effectiveness of any registration statement or the initiation of any proceedings for that purpose, (B) the receipt by the Company or its counsel of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose, and (C) the effectiveness of each registration statement filed hereunder;

(iii) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement effective for a period ending when all of the securities covered by such registration statement have been disposed of in accordance with the intended methods of distribution by the sellers thereof set forth in such registration statement (but not in any event before the expiration of any longer period required under the Securities Act or, if such registration statement relates to an underwritten Public Offering, such longer period as in the opinion of counsel for the underwriters a prospectus is required by law to be delivered in connection with sale of Registrable Securities by an underwriter or dealer) and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

(iv) furnish, without charge, to each seller of Registrable Securities thereunder and each underwriter, if any, such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus) (in each case including all exhibits and documents incorporated by reference therein), each amendment and supplement thereto, each Free Writing Prospectus and such other documents as such seller or underwriter, if any, may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such seller (the Company hereby consenting to the use in accordance with all applicable laws of each such registration statement, each such amendment and supplement thereto, and each such prospectus (or preliminary prospectus or supplement thereto) or Free Writing Prospectus by each such seller of Registrable Securities and the underwriters, if any, in connection with the offering and sale of the Registrable Securities covered by such registration statement or prospectus);

(v) use its best efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any seller reasonably requests and do any and all other acts and things which may be reasonably necessary or advisable to enable such seller to consummate the disposition in such jurisdictions of the Registrable Securities owned by such seller (provided that the Company will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph or (B) consent to general service of process in any such jurisdiction or (C) subject itself to taxation in any such jurisdiction);

(vi) notify in writing each seller of such Registrable Securities (A) promptly after it receives notice thereof, of the date and time when such registration statement and each

post-effective amendment thereto has become effective or a prospectus or supplement to any prospectus relating to a registration statement has been filed and when any registration or qualification has become effective under a state securities or blue sky law or any exemption thereunder has been obtained, (B) promptly after receipt thereof, of any request by the SEC for the amendment or supplementing of such registration statement or prospectus or for additional information, and (C) at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event or of any information or circumstances as a result of which the prospectus included in such registration statement contains an untrue statement of a material fact or omits any fact necessary to make the statements therein not misleading, and, subject to Section 1(f), if required by applicable law or to the extent requested by MidCo, the Company will use its best efforts to promptly prepare and file a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus will not contain an untrue statement of a material fact or omit to state any fact necessary to make the statements therein not misleading and (D) if at any time the representations and warranties of the Company in any underwriting agreement, securities sale agreement, or other similar agreement, relating to the offering shall cease to be true and correct;

(vii)(A) use best efforts to cause all such Registrable Securities to be listed on each securities exchange on which similar securities issued by the Company are then listed and, if not so listed, to be listed on a securities exchange and, without limiting the generality of the foregoing, to arrange for at least two market makers to register as such with respect to such Registrable Securities with FINRA, and (B) comply (and continue to comply) with the requirements of any self-regulatory organization applicable to the Company, including without limitation all corporate governance requirements;

(viii) use best efforts to provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such registration statement;

(ix) enter into and perform such customary agreements (including, as applicable, underwriting agreements in customary form) and take all such other actions as MidCo or the underwriters, if any, reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (including, without limitation, making available the executive officers/presidents of the Company and participating in "road shows," investor presentations, marketing events and other selling efforts and effecting a share or unit split or combination, recapitalization or reorganization);

(x) make available for inspection by any seller of Registrable Securities, any underwriter participating in any disposition or sale pursuant to such registration statement and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate and business documents and properties of the Company as will be necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers/presidents, directors, employees, agents, representatives and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such registration statement and the disposition of such Registrable Securities pursuant thereto;

(xi) take all actions to ensure that any Free Writing Prospectus utilized in connection with any Demand Registration or Piggyback Registration or Shelf Offering hereunder complies in all material respects with the Securities Act, is filed in accordance with the Securities Act to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related prospectus, prospectus supplement and

related documents, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(xii) otherwise use its best efforts to comply with all applicable rules and regulations of the SEC, and make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve (12) months beginning with the first day of the Company's first full calendar quarter after the effective date of the registration statement, which earnings statement will satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(xiii) permit any Holder which, in its sole and exclusive judgment, might be deemed to be an underwriter or a controlling person of the Company, to participate in the preparation of such registration or comparable statement and to allow such Holder to provide language for insertion therein, in form and substance satisfactory to the Company, which in the reasonable judgment of such Holder and its counsel should be included;

(xiv) use best efforts to (A) make Short-Form Registration available for the sale of Registrable Securities and (B) prevent the issuance of any stop order suspending the effectiveness of a registration statement, or the issuance of any order suspending or preventing the use of any related prospectus or suspending the qualification of any Ordinary Shares included in such registration statement for sale in any jurisdiction use, and in the event any such order is issued, best efforts to obtain promptly the withdrawal of such order;

(xv) use its best efforts to cause such Registrable Securities covered by such registration statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to enable the sellers thereof to consummate the disposition of such Registrable Securities;

(xvi) cooperate with the Holders covered by the registration statement and the managing underwriter or agent, if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends (or arrange for book entry transfer of securities in the case of uncertificated securities), and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriter, or agent, if any, or such Holders may request at least two (2) Business Days prior to any proposed sale of Registrable Securities to the underwriters;

(xvii) if requested by any managing underwriter, include in any prospectus or prospectus supplement updated financial or business information for the Company's most recent period or current quarterly period (including estimated results or ranges of results) if required for purposes of marketing the offering in the view of the managing underwriter;

(xviii) take no direct or indirect action prohibited by Regulation M under the Exchange Act; provided, however, that to the extent that any prohibition is applicable to the Company, the Company will take such action as is necessary to make any such prohibition inapplicable;

(xix) (A) cooperate with each Holder covered by the registration statement and each underwriter or agent participating in the disposition of such Registrable Securities and their respective counsel in connection with the preparation and filing of applications, notices, registrations and responses to requests for additional information with FINRA, the New York Stock

Exchange, Nasdaq or any other national securities exchange on which the Ordinary Shares are or are to be listed, and (B) to the extent required by the rules and regulations of FINRA, retain a Qualified Independent Underwriter acceptable to the managing underwriter;

(xx)in the case of any underwritten offering, use its best efforts to obtain, and deliver to the underwriter(s), in the manner and to the extent provided for in the applicable underwriting agreement, one or more cold comfort letters from the Company's independent public accountants in customary form and covering such matters of the type customarily covered by cold comfort letters;

(xxi)use its best efforts to provide (A) a legal opinion of the Company's outside counsel, dated the effective date of such registration statement addressed to the Company, (B) on the date that such Registrable Securities are delivered to the underwriters for sale in connection with a Demand Registration or Shelf Offering, if such securities are being sold through underwriters, or, if such securities are not being sold through underwriters, on the closing date of the applicable sale, (1) one or more legal opinions of the Company's outside counsel, dated such date, in form and substance as customarily given to underwriters in an underwritten public offering or, in the case of a non-underwritten offering, to the broker, placement agent or other agent of the Holders assisting in the sale of the Registrable Securities and (2) one or more "negative assurances letters" of the Company's outside counsel, dated such date, in form and substance as is customarily given to underwriters in an underwritten public offering or, in the case of a non-underwritten offering, to the broker, placement agent or other agent of the Holders assisting in the sale of the Registrable Securities, in each case, addressed to the underwriters, if any, or, if requested, in the case of a non-underwritten offering, to the broker, placement agent or other agent of the Holders assisting in the sale of the Registrable Securities and (3) customary certificates executed by authorized officers of the Company as may be requested by any Holder or any underwriter of such Registrable Securities;

(xxii)if the Company files an Automatic Shelf Registration Statement covering any Registrable Securities, use its best efforts to remain a WKSI (and not become an ineligible issuer (as defined in Rule 405)) during the period during which such Automatic Shelf Registration Statement is required to remain effective;

(xxiii)if the Company does not pay the filing fee covering the Registrable Securities at the time an Automatic Shelf Registration Statement is filed, pay such fee at such time or times as the Registrable Securities are to be sold;

(xxiv)if the Automatic Shelf Registration Statement has been outstanding for at least three (3) years, at the end of the third year, refile a new Automatic Shelf Registration Statement covering the Registrable Securities, and, if at any time when the Company is required to re-evaluate its WKSI status the Company determines that it is not a WKSI, use its best efforts to refile the Shelf Registration Statement on Form F-3 or Form S-3, as applicable, and, if such form is not available, Form F-1 or Form S-1, as applicable, and keep such registration statement effective during the period during which such registration statement is required to be kept effective pursuant to this Agreement; and

(xxv)if requested by MidCo, cooperate with MidCo and with the managing underwriter or agent, if any, on reasonable notice to facilitate any Charitable Gifting Event and to prepare and file with the SEC such amendments and supplements to such Registration Statement and the Prospectus used in connection therewith as may be necessary to permit any such recipient Charitable Organization to sell in the underwritten offering if it so elects.

(b) Officer Obligations. Each Holder that is an officer or president of the Company agrees that if and for so long as he or she is employed by the Company or any Subsidiary thereof, he or she will participate fully in the sale process in a manner customary for persons in like positions and consistent with his or her other duties with the Company, including the preparation of the registration statement and the preparation and presentation of any road shows.

(c) Automatic Shelf Registration Statements. If the Company files any Automatic Shelf Registration Statement for the benefit of the holders of any of its securities other than the Holders, and MidCo does not request that its Registrable Securities be included in such Shelf Registration Statement, the Company agrees that, at the request of MidCo, it will include in such Automatic Shelf Registration Statement such disclosures as may be required by Rule 430B in order to ensure that MidCo may be added to such Shelf Registration Statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment. If the Company has filed any Automatic Shelf Registration Statement for the benefit of the holders of any of its securities other than the Holders, the Company shall, at the request of MidCo, file any post-effective amendments necessary to include therein all disclosure and language necessary to ensure that the holders of Registrable Securities may be added to such Shelf Registration Statement.

(d) Additional Information. The Company may require each seller of Registrable Securities as to which any registration is being effected to furnish the Company such information regarding such seller and the distribution of such securities as the Company may from time to time reasonably request in writing, as a condition to such seller's participation in such registration.

(e) In-Kind Distributions. If MidCo (and/or any of its Affiliates) seeks to effectuate an in-kind distribution of all or part of its Registrable Securities to its direct or indirect equityholders, the Company will, subject to any applicable lock-ups, reasonably cooperate with and assist MidCo, such equityholders and the Company's transfer agent to facilitate such in-kind distribution in the manner reasonably requested by MidCo (including (i) the delivery of instruction letters by the Company or its counsel to the Company's transfer agent, the delivery of customary legal opinions by counsel to the Company and the delivery of Ordinary Shares without restrictive legends, to the extent no longer applicable, and (ii) if requested by MidCo, entering into one or more Joinders with the direct or indirect equityholders of MidCo that obtain Ordinary Shares in such in-kind distributions (including in-kind distributions by such indirect equityholders) and such Ordinary Shares shall become the category of Registrable Securities (i.e., MidCo Registrable Securities, Other Investor Registrable Securities or Executive Registrable Securities) requested by MidCo).

(f) Suspended Distributions. Each Person participating in a registration hereunder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 4(a)(vi), such Person will immediately discontinue the disposition of its Registrable Securities pursuant to the registration statement until such Person's receipt of the copies of a supplemented or amended prospectus as contemplated by Section 4(a)(vi), subject to the Company's compliance with its obligations under Section 4(a)(vi).

(g) Registrable Securities Transactions. If requested by any Holder in connection with any transaction involving any Registrable Securities (including any sale or other transfer of such securities without registration under the Securities Act, any margin loan with respect to such securities and any pledge of such securities), the Company agrees to provide such Holder with customary and reasonable assistance to facilitate such transaction, including, without limitation, (i) such action as such Holder may reasonably request from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act and (ii) entering into an "issuer's agreement" in connection with any margin loan with respect to such securities in customary form.

(h) Other. To the extent that MidCo is or may be deemed to be an “underwriter” of Registrable Securities pursuant to any SEC comments or policies, the Company agrees that (i) the indemnification and contribution provisions contained in Section 6 shall be applicable to the benefit of MidCo in its role as an underwriter or deemed underwriter in addition to its capacity as a Holder and (ii) MidCo shall be entitled to conduct the due diligence which an underwriter would normally conduct in connection with an offering of securities registered under the Securities Act, including without limitation receipt of customary opinions and comfort letters addressed to MidCo.

#### Section 5 Registration Expenses.

Except as expressly provided herein, all out-of-pocket expenses incurred by the Company or MidCo in connection with the performance of or compliance with this Agreement and/or in connection with any Demand Registration, Piggyback Registration or Shelf Offering, whether or not the same shall become effective, shall be paid by the Company, including, without limitation: (i) all registration and filing fees, and any other fees and expenses associated with filings required to be made with the SEC or FINRA, (ii) all fees and expenses in connection with compliance with any securities or “blue sky” laws (including the reasonable and documented fees and disbursements of counsel for the underwriters in connection with “blue sky” qualifications of the Registrable Securities), (iii) all printing, duplicating, word processing, messenger, telephone, facsimile and delivery expenses (including expenses of printing certificates for the Registrable Securities in a form eligible for deposit with The Depository Trust Company or other depository and of printing prospectuses and Free Writing Prospectuses), (iv) all fees and disbursements of counsel for the Company and of all independent certified public accountants of the Company (including the expenses of any special audit and cold comfort letters required by or incident to such performance), (v) Securities Act liability insurance or similar insurance if the Company so desires or the underwriters so require in accordance with then-customary underwriting practice, (vi) all fees and expenses incurred in connection with the listing of the Registrable Securities on any securities exchange on which similar securities of the Company are then listed (or on which exchange the Registrable Securities are proposed to be listed in the case of the initial Public Offering), (vii) all applicable rating agency fees with respect to the Registrable Securities, (viii) all fees and disbursements of legal counsel for the Company, (ix) all reasonable fees and disbursements of one legal counsel for selling Holders selected by MidCo (which may be the same counsel as selected for the Company) together with any necessary local counsel as may be required by MidCo, (x) any fees and disbursements of underwriters customarily paid by issuers or sellers of securities, (xi) all fees and expenses of any special experts or other Persons retained by the Company or MidCo in connection with any Registration, (xii) all of the Company’s internal expenses (including all salaries and expenses of its officers/presidents and employees performing legal or accounting duties) and (xiii) all expenses related to the “road-show” for any underwritten offering, including all travel, meals and lodging. All such expenses are referred to herein as “Registration Expenses.” The Company shall not be required to pay, and each Person that sells securities pursuant to a Demand Registration, Shelf Offering or Piggyback Registration hereunder will bear and pay, all underwriting discounts and commissions applicable to the Registrable Securities sold for such Person’s account and all transfer taxes (if any) attributable to the sale of Registrable Securities.

#### Section 6 Indemnification and Contribution.

(a) By the Company. The Company will indemnify and hold harmless, to the fullest extent permitted by law and without limitation as to time, each Holder, such Holder’s officers/presidents, directors, employees, agents, fiduciaries, shareholders, managers, partners, members, affiliates, direct and indirect equityholders, consultants and representatives, and any successors and assigns thereof, and each Person who controls (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act) such holder (the “Indemnified Parties”) against all losses, claims, actions, damages, liabilities (joint or several), costs, judgments, fines, penalties, charges, amounts paid in settlement and expenses (including

with respect to actions or proceedings, whether commenced or threatened, and including reasonable attorney fees and expenses) (collectively, “Losses”) caused by, resulting from, arising out of, based upon or related to any of the following (each, a “Violation”) by the Company: (i) any untrue or alleged untrue statement of material fact contained in (A) any registration statement, prospectus, preliminary prospectus or Free Writing Prospectus, or any amendment thereof or supplement thereto or (B) any application or other document or communication (in this Section 6, collectively called an “application”) executed by or on behalf of the Company or based upon written information furnished by or on behalf of the Company filed in any jurisdiction in order to qualify any securities covered by such registration under the “blue sky” or securities laws thereof, (ii) any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein, in the case of any such prospectus, in light of the circumstances under which they were made, not misleading or (iii) any violation or alleged violation by the Company of the Securities Act or any other similar federal or state securities laws or any rule or regulation promulgated thereunder applicable to the Company and relating to action or inaction required of the Company in connection with any such registration, qualification or compliance. In addition, the Company will reimburse such Indemnified Party for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such Losses. Notwithstanding the foregoing, the Company will not be liable in any such case to the extent that any such Losses result from, arise out of, are based upon, or relate to an untrue statement, or omission, made in such registration statement, any such prospectus, preliminary prospectus or Free Writing Prospectus or any amendment or supplement thereto, or in any application, in reliance upon, and in conformity with, written information prepared and furnished in writing to the Company by such Indemnified Party expressly for use therein or by such Indemnified Party’s failure to deliver a copy of the registration statement or prospectus or any amendments or supplements thereto after the Company has furnished such Indemnified Party with a sufficient number of copies of the same. In connection with an underwritten offering, the Company will indemnify such underwriters, their officers and directors, and each Person who controls such underwriters (within the meaning of the Securities Act) to the same extent as provided above with respect to the indemnification of the Indemnified Parties or as otherwise agreed to in the underwriting agreement executed in connection with such underwritten offering. Such indemnity and reimbursement of expenses shall remain in full force and effect regardless of any investigation made by or on behalf of such Indemnified Party and shall survive the transfer of such securities by such seller.

(b) By Holders. In connection with any registration statement in which a Holder is participating, each such Holder will furnish to the Company in writing such information and affidavits as the Company reasonably requests for use in connection with any such registration statement or prospectus and, to the extent permitted by law, will indemnify the Company, its officers/presidents, directors, employees, agents and representatives, and each Person who controls (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act) the Company against any Losses resulting from (as determined by a final and non-appealable judgment, order or decree of a court of competent jurisdiction) any untrue statement of material fact contained in the registration statement, prospectus or preliminary prospectus or any amendment thereof or supplement thereto or any omission of a material fact required to be stated therein or necessary to make the statements therein, in the case of any such prospectus, in light of the circumstances under which they were made, not misleading, but only to the extent that such untrue statement or omission is contained in any information or affidavit so furnished in writing by such Holder expressly for use therein; provided that the obligation to indemnify will be individual, not joint and several, for each Holder and will be limited to the net amount of proceeds received by such Holder from the sale of Registrable Securities pursuant to such registration statement in the offering giving rise to such liability.

(c) Claim Procedure. Any Person entitled to indemnification hereunder will (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification (provided that the failure to give prompt notice will not release the indemnifying party from its obligation, except to the extent that the indemnifying party has been actually and materially prejudiced by such failure

to provide such notice on a timely basis)) and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party will not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld, conditioned or delayed). An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim will not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. In such instance, the conflicted indemnified parties will have a right to retain one separate counsel, chosen by the majority of the conflicted indemnified parties involved in the indemnification and approved by MidCo, at the expense of the indemnifying party. Notwithstanding the foregoing, the failure to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 6.

(d) Contribution. If the indemnification provided for in this Section 6 is held by a court of competent jurisdiction to be unavailable to, or is insufficient to hold harmless, an indemnified party or is otherwise unenforceable with respect to any Loss referred to herein, then such indemnifying party will contribute to the amounts paid or payable by such indemnified party as a result of such Loss, (i) in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other hand in connection with the statements or omissions which resulted in such Loss as well as any other relevant equitable considerations or (ii) if the allocation provided by clause (i) of this Section 6(d) is not permitted by applicable law, then in such proportion as is appropriate to reflect not only such relative fault but also the relative benefit of the Company on the one hand and of the sellers of Registrable Securities and any other sellers participating in the registration statement on the other in connection with the statement or omissions which resulted in such Losses, as well as any other relevant equitable considerations; provided that the maximum amount of liability in respect of such contribution will be limited, in the case of each seller of Registrable Securities, to an amount equal to the net proceeds actually received by such seller from the sale of Registrable Securities effected pursuant to such registration. The relative fault of the indemnifying party and of the indemnified party will be determined by reference to, among other things, whether the untrue (or, as applicable alleged) untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just or equitable if the contribution pursuant to this Section 6(d) were to be determined by pro rata allocation or by any other method of allocation that does not take into account such equitable considerations. The amount paid or payable by an indemnified party as a result of the Losses referred to herein will be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending against any action or claim which is the subject hereof. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who is not guilty of such fraudulent misrepresentation.

(e) Release. No indemnifying party will, except with the consent of the indemnified party, consent to the entry of any judgment or enter into any settlement that does not include as an unconditional term thereof giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

(f) Non-exclusive Remedy; Survival. The indemnification and contribution provided for under this Agreement will be in addition to any other rights to indemnification or contribution that any indemnified party may have pursuant to law or contract (and the Company and its Subsidiaries shall be

considered the indemnitors of first resort in all such circumstances to which this Section 6 applies) and will remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer/president, director or controlling Person of such indemnified party and will survive the transfer of Registrable Securities and the termination or expiration of this Agreement.

Section 7 Cooperation with Underwritten Offerings. No Person may participate in any underwritten registration hereunder unless such Person (i) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Person or Persons entitled hereunder to approve such arrangements (including, without limitation, pursuant to the terms of any over-allotment or "green shoe" option requested by the underwriters); provided that no Holder will be required to sell more than the number of Registrable Securities such Holder has requested to include in such registration and (ii) completes, executes and delivers all questionnaires, powers of attorney, stock powers, custody agreements, indemnities, underwriting agreements and other documents and agreements required under the terms of such underwriting arrangements or as may be reasonably requested by the Company and the lead managing underwriter(s). To the extent that any such agreement is entered into pursuant to, and consistent with, Section 3, Section 4 and/or this Section 7, the respective rights and obligations created under such agreement will supersede the respective rights and obligations of the Holders, the Company and the underwriters created hereby with respect to such registration.

Section 8 Subsidiary Public Offering. If, after an initial Public Offering of the common equity securities of one of its Subsidiaries, the Company distributes securities of such Subsidiary to its equityholders, then the rights and obligations of the Company pursuant to this Agreement will apply, *mutatis mutandis*, to such Subsidiary, and the Company will cause such Subsidiary to comply with such Subsidiary's obligations under this Agreement as if it were the Company hereunder.

Section 9 Current Public Information. At all times after the Company has filed a registration statement with the SEC pursuant to the requirements of either the Securities Act or the Exchange Act, the Company will file all reports required to be filed by it under the Securities Act and the Exchange Act and will take such further action as MidCo may reasonably request, all to the extent required to enable such Holders to sell Registrable Securities, unless otherwise agreed by MidCo.

Section 10 Joinder.

The Company may from time to time (with the prior written consent of MidCo) permit any Person who acquires Ordinary Shares (or rights to acquire Ordinary Shares) to become a party to this Agreement and to be entitled to and be bound by all of the rights and obligations as a Holder by obtaining an executed joinder to this Agreement from such Person in the form of Exhibit B attached hereto (a "Joinder"). Upon the execution and delivery of a Joinder by such Person, the Ordinary Shares held by such Person shall become the category of Registrable Securities (i.e., MidCo Registrable Securities, Other Investor Registrable Securities or Executive Registrable Securities), and such Person shall be deemed the category of Holder (i.e., MidCo, Other Investor or Executive), in each case as set forth on the signature page to such Joinder.

Section 11 General Provisions.

(a) Amendments and Waivers. Except as otherwise provided herein, the provisions of this Agreement may be amended, modified or waived only with the prior written consent of the Company and MidCo; provided that no such amendment, modification or waiver that would treat a specific Holder or group of Holders of Registrable Securities (i.e., MidCo, Other Investors or Executives) in a manner materially and adversely different than any other Holder or group of Holders will be effective against such Holder or group of Holders without the consent of the holders of a majority of the Registrable Securities

that are held by the group of Holders that is materially and adversely affected thereby. The failure or delay of any Person to enforce any of the provisions of this Agreement will in no way be construed as a waiver of such provisions and will not affect the right of such Person thereafter to enforce each and every provision of this Agreement in accordance with its terms. A waiver or consent to or of any breach or default by any Person in the performance by that Person of his, her or its obligations under this Agreement will not be deemed to be a consent or waiver to or of any other breach or default in the performance by that Person of the same or any other obligations of that Person under this Agreement.

(b) Remedies. The parties to this Agreement will be entitled to enforce their rights under this Agreement specifically, to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights existing in their favor. The parties hereto agree and acknowledge that a breach of this Agreement would cause irreparable harm and money damages would not be an adequate remedy for any such breach and that, in addition to any other rights and remedies existing hereunder, any party will be entitled to specific performance and/or other injunctive relief from any court of law or equity of competent jurisdiction (without posting any bond or other security) in order to enforce or prevent violation of the provisions of this Agreement. The parties to this Agreement agree not to assert that a remedy of specific performance or other equitable relief is unenforceable, invalid, contrary to law or inequitable for any reason, and not to assert that a remedy of monetary damages would provide an adequate remedy or that the parties otherwise have an adequate remedy at law. The parties to this Agreement acknowledge and agree that any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in accordance with this Section 11(b) shall not be required to provide any bond or other security in connection with such order or injunction.

(c) Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited, invalid, illegal or unenforceable in any respect under any applicable law or regulation in any jurisdiction, such prohibition, invalidity, illegality or unenforceability will not affect the validity, legality or enforceability of any other provision of this Agreement in such jurisdiction or in any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such prohibited, invalid, illegal or unenforceable provision had never been contained herein.

(d) Entire Agreement. Except as otherwise provided herein, this Agreement contains the complete agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes and preempts any prior understandings, agreements or representations by or among the parties hereto, written or oral, which may have related to the subject matter hereof in any way.

(e) Successors and Assigns. Except as otherwise provided herein, this Agreement will bind and inure to the benefit and be enforceable by the Company and its successors and permitted assigns and the Holders and their respective successors and permitted assigns (whether so expressed or not).

(f) Notices. Any notice, demand or other communication to be given under or by reason of the provisions of this Agreement will be in writing and will be either personally delivered, sent by reputable, internationally recognized overnight courier service (charges prepaid) or sent by email. Notices will be deemed to have been given hereunder when delivered personally or by courier or at the time of transmission when sent by email to the relevant address in this Section 11(f). Such notices, demands and other communications will be sent to the Company at the address specified below and to any Holder at the address specified on the signature pages hereto, or at such address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. Any party may change such party's address for receipt of notice by giving prior written notice of the change to the sending party as provided herein. The Company's address is:

Birkenstock Holding plc  
1-2 Berkeley Square  
London W1J 6EA  
United Kingdom  
Attn: Director Legal Affairs  
Email: [\*\*\*]

with a copy (which shall not constitute written notice) to:

Kirkland & Ellis LLP  
601 Lexington Avenue  
New York, NY 10022  
Attn: Joshua N. Korff, P.C.  
Ross M. Leff, P.C.  
Zoey Hitzert  
Email: [\*\*\*]  
[\*\*\*]  
[\*\*\*]

(g) Business Days. If any time period for giving notice or taking action hereunder expires on a day that is not a Business Day, the time period will automatically be extended to the Business Day immediately following such Saturday, Sunday or legal holiday.

(h) Governing Law. The corporate law of the Bailiwick of Jersey will govern all issues and questions concerning the relative rights of the Company and its equityholders. All other issues and questions concerning the construction, validity, interpretation and enforcement of this Agreement and the exhibits and schedules hereto will be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York. In furtherance of the foregoing, the internal law of the State of New York will control the interpretation and construction of this Agreement (and all schedules and exhibits hereto), even though under that jurisdiction's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply.

(i) MUTUAL WAIVER OF JURY TRIAL. AS A SPECIFICALLY BARGAINED FOR INDUCEMENT FOR EACH OF THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT (AFTER HAVING THE OPPORTUNITY TO CONSULT WITH COUNSEL), EACH PARTY HERETO EXPRESSLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY LAWSUIT OR PROCEEDING RELATING TO OR ARISING IN ANY WAY FROM THIS AGREEMENT OR THE MATTERS CONTEMPLATED HEREBY.

(j) CONSENT TO JURISDICTION AND SERVICE OF PROCESS. EACH OF THE PARTIES IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK, FOR THE PURPOSES OF ANY SUIT, ACTION OR OTHER PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY RELATED AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY OR THEREBY. EACH OF THE PARTIES HERETO FURTHER AGREES THAT SERVICE OF ANY PROCESS, SUMMONS, NOTICE OR DOCUMENT BY U.S. REGISTERED MAIL TO SUCH PARTY'S RESPECTIVE ADDRESS SET FORTH ABOVE WILL BE EFFECTIVE SERVICE OF PROCESS FOR ANY ACTION, SUIT OR PROCEEDING WITH RESPECT TO ANY MATTERS TO WHICH IT HAS SUBMITTED TO JURISDICTION IN THIS PARAGRAPH. EACH OF THE PARTIES

HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY OBJECTION TO THE LAYING OF VENUE OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF THIS AGREEMENT, ANY RELATED DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF DELAWARE, AND HEREBY AND THEREBY FURTHER IRREVOCABLY AND UNCONDITIONALLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION, SUIT OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(k) No Recourse. Notwithstanding anything to the contrary in this Agreement, the Company and each Holder agrees and acknowledges that no recourse under this Agreement or any documents or instruments delivered in connection with this Agreement, will be had against any current or future director, officer/president, employee, general or limited partner or member of any Holder or any Affiliate or assignee thereof, whether by the enforcement of any assessment or by any legal or equitable proceeding, or by virtue of any statute, regulation or other applicable law, it being expressly agreed and acknowledged that no personal liability whatsoever will attach to, be imposed on or otherwise be incurred by any current or future officer/president, agent or employee of any Holder or any current or future member of any Holder or any current or future director, officer/president, employee, partner or member of any Holder or of any Affiliate or assignee thereof, as such for any obligation of any Holder under this Agreement or any documents or instruments delivered in connection with this Agreement for any claim based on, in respect of or by reason of such obligations or their creation.

(l) Descriptive Headings; Interpretation. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a part of this Agreement. The use of the word "including" in this Agreement will be by way of example rather than by limitation.

(m) No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction will be applied against any party.

(n) Counterparts. This Agreement may be executed in multiple counterparts, any one of which need not contain the signature of more than one party, but all such counterparts taken together will constitute one and the same agreement.

(o) Electronic Delivery. This Agreement, the agreements referred to herein, and each other agreement or instrument entered into in connection herewith or therewith or contemplated hereby or thereby, and any amendments hereto or thereto, to the extent executed and delivered by means of a photographic, photostatic, facsimile or similar reproduction of such signed writing using a facsimile machine or electronic mail will be treated in all manner and respects as an original agreement or instrument and will be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person. At the request of any party hereto or to any such agreement or instrument, each other party hereto or thereto will re-execute original forms thereof and deliver them to all other parties. No party hereto or to any such agreement or instrument will raise the use of a facsimile machine or electronic mail to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of a facsimile machine or electronic mail as a defense to the formation or enforceability of a contract and each such party forever waives any such defense.

(p) Further Assurances. In connection with this Agreement and the transactions contemplated hereby, each Holder agrees to execute and deliver any additional documents and instruments and perform any additional acts that may be reasonably necessary or appropriate to effectuate and perform the provisions of this Agreement and the transactions contemplated hereby.

(q) Dividends, Recapitalizations, Etc. If at any time or from time to time there is any change in the capital structure of the Company by way of a share split, share dividend, combination or reclassification, or through a merger, consolidation, reorganization or recapitalization, or by any other means, appropriate adjustment will be made in the provisions hereof so that the rights and privileges granted hereby will continue.

(r) No Third-Party Beneficiaries. No term or provision of this Agreement is intended to be, or shall be, for the benefit of any Person not a party hereto, and no such other Person shall have any right or cause of action hereunder, except as otherwise expressly provided herein.

\* \* \* \* \*

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first written above.

**BIRKENSTOCK HOLDING PLC**

By: /s/ Ruth Kennedy

Name: Ruth Kennedy

Title: Director

*[Signature Page to Registration Rights Agreement]*

---

**BK LC LUX MIDCO S.À R.L.**

By: /s/ Nikhil Thukral

Name: Nikhil Thukral

Title: Manager

Address:

40, avenue Monterey  
L-2163 Luxembourg  
Grand Duchy of Luxembourg  
Attn: Nik Thukral  
Dan Reid  
Email: [\*\*\*]  
[\*\*\*]

with a copy (which shall not constitute written notice) to:

Kirkland & Ellis LLP  
601 Lexington Avenue  
New York, NY 10022  
Attn: Joshua N. Korff, P.C.  
Ross M. Leff, P.C.  
Zoey Hitzert  
Email: [\*\*\*]  
[\*\*\*]  
[\*\*\*]

---

*[Signature Page to Registration Rights Agreement]*

## EXHIBIT A

### DEFINITIONS

“Affiliate” of any Person means any other Person controlled by, controlling or under common control with such Person and, in the case of an individual, also includes any member of such individual’s Family Group; provided that the Company and its Subsidiaries will not be deemed to be Affiliates of any holder of Registrable Securities. As used in this definition, “control” (including, with its correlative meanings, “controlling,” “controlled by” and “under common control with”) will mean possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of securities, by contract or otherwise).

“Agreement” has the meaning set forth in the recitals.

“Automatic Shelf Registration Statement” has the meaning set forth in Section 1(a).

“Business Day” means a day that is not a Saturday or Sunday or a day on which banks in New York City are authorized or requested by law to close.

“Charitable Gifting Event” means any transfer by MidCo, or any subsequent transfer by such holder’s members, partners or other employees, in connection with a bona fide gift to any Charitable Organization on the date of, but prior to, the execution of the underwriting agreement entered into in connection with any underwritten offering.

“Charitable Organization” means a charitable organization as described by Section 501(c)(3) of the Internal Revenue Code of 1986, as in effect from time to time.

“Company” has the meaning set forth in the preamble and shall include its successor(s).

“Demand Registration” has the meaning set forth in Section 1(a).

“End of Suspension Notice” has the meaning set forth in Section 1(f)(ii).

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, or any successor federal law then in force, together with all rules and regulations promulgated thereunder.

“Excluded Registration” means any registration (i) pursuant to a Demand Registration (which is addressed in Section 1(a)) or (ii) in connection with registrations on Form F-4, S-4 or S-8 promulgated by the SEC or any successor or similar forms).

“Executives” has the meaning set forth in the recitals.

“Executive Registrable Securities” means, irrespective of which Person holds such securities, any Ordinary Shares held by the Persons who are listed as “Executives” on the signature page hereto or to a Joinder, whether acquired before or after the date of this Agreement.

“Family Group” means, with respect to any natural Person, (i) such Person, (ii) the spouse and issue of such Person (whether natural or adopted), (iii) the parents of such Person (whether natural or adopted), (iv) assuming such Person were or is deceased, the descendants of such Person (whether natural or adopted), (v) the former spouse of such Person and (vi) (A) any one or more trusts solely for the benefit

of any one or more of the Persons described in clause (i) through clause (v) above or (B) any one or more other entities (including limited liability partnerships, limited liability companies, limited partnerships or other entities) all of whose beneficial owners are Persons described in clauses (i) through (v) above.

“FINRA” means the Financial Industry Regulatory Authority.

“Free Writing Prospectus” means a free writing prospectus, as defined in Rule 405.

“Holdback Period” has the meaning set forth in Section 3(a).

“Holder” means a holder of Registrable Securities who is a party to this Agreement (including by way of Joinder) and the Permitted Transferees of such holders.

“Indemnified Parties” has the meaning set forth in Section 6(a).

“Joinder” has the meaning set forth in Section 10(a).

“Long-Form Registrations” has the meaning set forth in Section 1(a).

“Losses” has the meaning set forth in Section 6(a).

“MidCo” has the meaning set forth in the recitals.

“MidCo Registrable Securities” means (i) any Ordinary Shares held (directly or indirectly) by MidCo or any of its Affiliates, and (ii) any equity securities of the Company or any Subsidiary issued or issuable with respect to the securities referred to in clause (i) above by way of dividend, distribution, split or combination of securities, or any recapitalization, merger, consolidation or other reorganization.

“Ordinary Shares” means the Company’s ordinary shares, no par value per share.

“Other Investor Registrable Securities” means (i) any Ordinary Shares held (directly or indirectly) by any Other Investors or any of their Affiliates, whether acquired before or, if issued to the Other Investor by the Company or transferred to the Other Investor by MidCo, after the date of this Agreement, including Ordinary Shares issued or issuable upon exercise of any other securities of the Company, whether vested or unvested, and (ii) any equity securities of the Company or any Subsidiary issued or issuable with respect to the securities referred to in clause (i) above by way of dividend, distribution, split or combination of securities, or any recapitalization, merger, consolidation or other reorganization.

“Other Investors” has the meaning set forth in the recitals.

“Other Securities” has the meaning set forth in Section 3(a).

“Permitted Transferee” means with respect to any Holder, any Affiliate of such Holder that agrees to become party to, and be bound to the same extent as its transferor by, the terms of this Agreement.

“Person” means an individual, a partnership, a corporation, a limited partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an estate, an unincorporated organization and a governmental entity or any department, agency or political subdivision thereof or other enterprise or entity of any kind or nature.

“Piggyback Registrations” has the meaning set forth in Section 2(a).

“Public Offering” means any sale or distribution by the Company, one of its Subsidiaries and/or Holders to the public of Ordinary Shares or other securities convertible into or exchangeable for Ordinary Shares pursuant to an offering registered under the Securities Act.

“Registrable Securities” means MidCo Registrable Securities, Other Investor Registrable Securities and Executive Registrable Securities. As to any particular Registrable Securities, such securities will cease to be Registrable Securities when they have been (a) sold or distributed pursuant to a Public Offering, (b) sold in compliance with Rule 144 following the consummation of the initial Public Offering or (c) repurchased by the Company or a Subsidiary of the Company. For purposes of this Agreement, a Person will be deemed to be a holder of Registrable Securities, and the Registrable Securities will be deemed to be in existence, whenever such Person has the right to acquire, directly or indirectly, such Registrable Securities (upon conversion or exercise in connection with a transfer of securities or otherwise, but disregarding any restrictions or limitations upon the exercise of such right), whether or not such acquisition has actually been effected, and such Person will be entitled to exercise the rights of a holder of Registrable Securities hereunder (it being understood that a holder of Registrable Securities may only request that Registrable Securities in the form of Ordinary Shares be registered pursuant to this Agreement). Registrable Securities other than MidCo Registrable Securities will cease to be Registrable Securities when the Holder of such Ordinary Shares (unless such Holder is an executive officer/president or director of the Company) ceases to hold at least three percent (3%) of the outstanding Common Equity of the Company, including securities exercisable for Ordinary Shares, whether vested or unvested, on an as-exercised basis.

“Registration Expenses” has the meaning set forth in Section 5.

“Rule 144”, “Rule 158”, “Rule 405”, “Rule 415”, “Rule 430B” and “Rule 462” mean, in each case, such rule promulgated under the Securities Act (or any successor provision) by the SEC, as the same will be amended from time to time, or any successor rule then in force.

“Sale Transaction” has the meaning set forth in Section 3(a).

“SEC” means the United States Securities and Exchange Commission.

“Securities” has the meaning set forth in Section 3(a).

“Securities Act” means the Securities Act of 1933, as amended from time to time, or any successor federal law then in force, together with all rules and regulations promulgated thereunder.

“Shelf Offering” has the meaning set forth in Section 1(d)(i).

“Shelf Offering Notice” has the meaning set forth in Section 1(d)(i).

“Shelf Registration” has the meaning set forth in Section 1(a).

“Shelf Registrable Securities” has the meaning set forth in Section 1(d)(i).

“Shelf Registration Statement” has the meaning set forth in Section 1(d).

“Short-Form Registrations” has the meaning set forth in Section 1(a).

“Subsidiary” means, with respect to the Company, any corporation, limited liability company, partnership, association or other business entity of which (i) if a corporation, a majority of the total voting power of shares of stock entitled (without regard to the occurrence of any contingency) to vote

in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by the Company or one or more of the other Subsidiaries of the Company or a combination thereof, or (ii) if a limited liability company, partnership, association or other business entity, a majority of the limited liability company, partnership or other similar ownership interest thereof is at the time owned or controlled, directly or indirectly, by the Company or one or more Subsidiaries of the Company or a combination thereof. For purposes hereof, a Person or Persons will be deemed to have a majority ownership interest in a limited liability company, partnership, association or other business entity if such Person or Persons will be allocated a majority of limited liability company, partnership, association or other business entity gains or losses or will be or control the managing director or general partner of such limited liability company, partnership, association or other business entity.

“Suspension Event” has the meaning set forth in Section 1(f)(ii).

“Suspension Notice” has the meaning set forth in Section 1(f)(ii).

“Suspension Period” has the meaning set forth in Section 1(f)(i).

“Violation” has the meaning set forth in Section 6(a).

“WKSI” means a “well-known seasoned issuer” as defined under Rule 405.

**EXHIBIT B**

The undersigned is executing and delivering this Joinder pursuant to the Registration Rights Agreement dated as of October 13, 2023 (as amended, modified and waived from time to time, the "Registration Agreement"), among Birkenstock Holding plc, a Jersey public limited company (the "Company"), and the other persons named as parties therein (including pursuant to other Joinders). Capitalized terms used herein have the meaning set forth in the Registration Agreement.

By executing and delivering this Joinder to the Company, the undersigned hereby agrees to become a party to, to be bound by, and to comply with the provisions of, the Registration Agreement as a Holder in the same manner as if the undersigned were an original signatory to the Registration Agreement, and the undersigned will be deemed for all purposes to be a Holder, an **[Other Investor // Executive]** thereunder and the undersigned's Ordinary Shares will be deemed for all purposes to be **[Other Investor // Executive]** Registrable Securities under the Registration Agreement.

Accordingly, the undersigned has executed and delivered this Joinder as of the \_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

Address:

Agreed and Accepted as of

\_\_\_\_\_, 20\_\_:

**BIRKENSTOCK HOLDING PLC**

By: \_\_\_\_\_

Its: \_\_\_\_\_

B-1

---

## SHAREHOLDERS' AGREEMENT

SHAREHOLDERS' AGREEMENT (as the same may be amended from time to time in accordance with its terms, this "Agreement"), dated as of October 13, 2023, between Birkenstock Holding plc, a Jersey public limited company with company number 148522 (the "Issuer"), and BK LC Lux MidCo S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg ("MidCo") and together with any other shareholders of the Issuer who become party hereto in accordance with this Agreement, the "Shareholders").

WHEREAS, in connection with the consummation by the Issuer of an IPO (as defined herein), the parties hereto desire to enter into this Agreement to govern certain of their rights, duties and obligations with respect to their ownership of Equity Securities (as defined herein) after consummation of the IPO.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties mutually agree as follows:

**ARTICLE I**  
**DEFINITIONS AND USAGE**

Section 1.1 Definitions. As used in this Agreement, the following terms shall have the following meanings:

"Affiliate" has the meaning given to it in Rule 405 promulgated under the Securities Act.

"Agreement" has the meaning set forth in the preamble.

"beneficial ownership" has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act; provided, however, that no Shareholder shall be deemed to beneficially own any securities of the Issuer held by any other Shareholder solely by virtue of the provisions of this Agreement (other than this definition which shall be deemed to be read for this purpose without the proviso hereto). The terms "beneficially own" and "beneficial owner" shall have correlative meanings.

"Board of Directors" means the board of directors of the Issuer.

"Change of Control" means the occurrence of any of the following events:

(a) the sale or disposition, in one or a series of related transactions, of all or substantially all, of the assets of the Issuer to any "person" or "group" (as such terms are defined in Section 13(d)(3) or 14(d)(2) of the Exchange Act), other than to L Catterton or any of its Affiliates (collectively, the "Permitted Holders");

(b) any person or group, other than one or more of the Permitted Holders, is or becomes the beneficial owner, directly or indirectly, of more than 50% of the total voting power of the voting shares or interests, as applicable, of the Issuer (or any entity which controls the Issuer or which is a successor to all or substantially all of the assets of the Issuer), including by

---

way of merger, recapitalization, reorganization, redemption, issuance of share capital, consolidation, tender or exchange offer or otherwise; or

(c) a merger of the Issuer with or into another Person (other than one of more of the Permitted Holders) in which the voting shareholders of the Issuer immediately prior to such merger cease to hold at least 50% of the voting shares of the Issuer (or the surviving corporation or ultimate parent) immediately following such merger;

provided that, in each case under clause (a), (b) or (c), no Change of Control shall occur unless the Permitted Holders in such transaction cease to have the ability, without the approval of any Person who is not a Permitted Holder, to elect more members of the Board of Directors or other governing body of the Issuer (or the resulting entity) than any other shareholder or group of affiliated shareholders, and in no event shall a Change of Control be deemed to include any transaction effected for the purpose of (i) changing, directly or indirectly, the form of organization or the organizational structure of the Issuer or any of its Subsidiaries, or (ii) contributing assets or equity to entities controlled by the Issuer (or owned by the Issuer in substantially the same proportions as their ownership of the Issuer).

“Claim” has the meaning set forth in Section 4.1.

“control” (including the terms “controlling” and “controlled”), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of such subject Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

“Covered Persons” has the meaning set forth in Section 4.1.

“Equity Security” has the meaning ascribed to such term in Rule 405 under the Securities Act, and in any event, includes any security having the attendant right to vote for directors or similar representatives and any general or limited partner interest in any Person.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and any successor law or statute, in each case together with the rules and regulations promulgated thereunder.

“External Recipients” has the meaning set forth in Section 6.2.

“Fund Indemnitors” has the meaning set forth in Section 4.6.

“Internal Recipients” has the meaning set forth in Section 6.2.

“IPO” means the first underwritten Public Offering.

“Issuer” has the meaning set forth in the preamble.

“Issuer Confidential Information” has the meaning set forth in Section 6.2.

“Jersey Law” means the Companies (Jersey) Law 1991, as amended.

“L Catterton” means L Catterton Management Limited, an English private limited company.

“Memorandum and Articles of Association” means the memorandum and articles of association of the Issuer, as it may be amended, restated or otherwise modified from time to time.

“MidCo” has the meaning set forth in the preamble.

“Minimum Condition” means that MidCo, together with its Permitted Transferees, maintains, directly or indirectly, beneficial ownership of at least 50% of the issued and outstanding Equity Securities, as adjusted for any share split, share dividend, reverse share split, recapitalization, business combination, reclassification or similar event, in each case with such adjustment being determined in good faith by the Board of Directors.

“Percentage Interest” means, with respect to any Shareholder and as of any date of determination, a fraction, expressed as a percentage, the numerator of which is the number of Equity Securities held or beneficially owned by such Shareholder as of such date and the denominator of which is the aggregate number of Equity Securities issued and outstanding as of such date.

“Permitted Holders” has the meaning set forth in the definition of “Change of Control.”

“Permitted Recipients” has the meaning set forth in Section 6.2.

“Permitted Transferee” means with respect to any Shareholder, any Affiliate of such Shareholder, or any fund or account managed or advised (or sub-managed or sub-advised) by any Shareholder or any Affiliate of a Shareholder. For the avoidance of doubt, L Catterton and its Affiliates and any fund or account managed or advised (or sub-managed or sub-advised) by L Catterton of any of its Affiliates shall be a Permitted Transferee.

“Person” means any individual, partnership, firm, corporation, limited liability company, association, trust, unincorporated organization or other entity.

“Public Offering” means any public offering and sale of equity securities of the Issuer or any successor to the Issuer for cash pursuant to an effective registration statement (other than on Form F-4, S-4, S-8 or a comparable form) under the Securities Act.

“SEC” means the United States Securities and Exchange Commission or any similar agency then having jurisdiction to enforce the Securities Act.

“Securities Act” means the Securities Act of 1933, as amended, supplemented or restated from time to time and any successor to such statute, and the rules and regulations promulgated thereunder.

“Shareholders” has the meaning set forth in the preamble.

“Shareholder Affiliated Person” has the meaning set forth in Section 6.2.

“Shareholder Designee” has the meaning set forth in Section 3.1(a).

“Shareholder Majority” means Shareholders having beneficial ownership of a majority of the Equity Securities beneficially owned by the Shareholders.

“Subsidiary” means, with respect to any Person, any corporation or other entity of which a majority of (i) the voting power of the voting equity securities or (ii) the outstanding equity interests is owned, directly or indirectly, by such Person.

“Transfer” means any sale, assignment, bequest, conveyance, devise, gift (outright or in trust), pledge, encumbrance, hypothecation, mortgage, exchange, transfer or other disposition or act of alienation, whether voluntary or involuntary or by operation of law. The terms “Transferred” and “Transferring” have correlative meanings.

“Voting Securities” means the Equity Securities and any other securities of the Issuer or any Subsidiary of the Issuer which would entitle the holders thereof to vote with the holders of Equity Securities in the election of directors of the Issuer.

Section 1.2Interpretation. In this Agreement and in the exhibits hereto, except to the extent that the context otherwise requires:

- (a) the headings are for convenience of reference only and shall not affect the interpretation of this Agreement;
- (b) defined terms include the plural as well as the singular and vice versa;
- (c) words importing gender include all genders;
- (d) a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been or may from time to time be amended, extended, re-enacted or consolidated and to all statutory instruments or orders made thereunder;
- (e) any reference to a “day” shall mean the whole of such day, being the period of 24 hours running from midnight to midnight;
- (f) references to Articles, Sections, subsections, clauses and Exhibits are references to Articles, Sections, subsections, clauses and Exhibits of and to, this Agreement;
- (g) the words “including” and “include” and other words of similar import shall be deemed to be followed by the phrase “without limitation”; and
- (h) unless otherwise specified, references to any party to this Agreement or any other document or agreement shall include its successors and permitted assigns.

## **ARTICLE II**

### **TRANSFER**

Section 2.1Transfers and Joinders. If a Shareholder effects any Transfer of Equity Securities to a Permitted Transferee, such Permitted Transferee may, if not a Shareholder, execute a joinder to this Agreement, substantially in the form attached as Exhibit A hereto, in which such Permitted Transferee agrees to be a “Shareholder” for all purposes of this Agreement and which provides that such Permitted Transferee shall be bound by and shall fully comply with the terms of this Agreement.

Section 2.2Binding Effect on Transferees. Subject to execution of a joinder to this Agreement, such Permitted Transferee shall become a Shareholder hereunder.

Section 2.3Memorandum and Articles of Association Provisions. The parties hereto shall use their respective reasonable efforts (including voting or causing to be voted all of the Voting Securities held of record by such party or beneficially owned by such party by virtue of having voting power over such Voting Securities) so as to prevent any amendment to the Issuer’s Memorandum and Articles of Association as in effect as of the date hereof that would (a) add restrictions to the transferability of the Voting Securities by any Shareholder or its Permitted Transferees at the time of such an amendment, which restrictions are beyond those then provided for in the Memorandum and Articles of Association, this Agreement or applicable securities laws or (b) nullify any of the rights of any Shareholder or its Permitted Transferees at the time of such amendment, which rights are explicitly provided for in this Agreement, unless, in each such case, such amendment shall have been approved by such Shareholder.

Section 2.4Unlawful Fetter. The Issuer shall not be bound by any provision of this Agreement to the extent that it constitutes an unlawful fetter on any statutory power of the Company. This shall not affect the validity of the relevant provisions as between the other parties to this Agreement.

## **ARTICLE III**

### **BOARD REPRESENTATION**

Section 3.1Nominees.

(a) The Issuer and each Shareholder shall take all reasonable actions within their respective control (including voting or causing to be voted all of the Voting Securities held of record by such Shareholder or beneficially owned by such Shareholder by virtue of having voting power over such Voting Securities, and, with respect to the Issuer, as provided in Section 3.1(b), Section 3.1(c) and Section 3.1(d)) so as to cause to be elected to the Board of Directors, and to cause to continue in office, at any given time, a number of individuals designated by a Shareholder Majority (each, a “Shareholder Designee”) equal to:

(i) for so long as the Minimum Condition is satisfied, such number of individuals constituting a majority of the Board of Directors; and

(ii) for so long as the Minimum Condition is not satisfied but the Percentage Interest of the Shareholders and their Permitted Transferees is at least five percent (5%), the Percentage Interest of the Shareholders multiplied by the total number of directors comprising the Board of Directors and rounded up to the nearest whole number.

(b) The Issuer agrees to (i) include in the slate of nominees recommended by the Board of Directors the Shareholder Designees and to use its reasonable best efforts to cause the election of each such Shareholder Designee to the Board of Directors, including nominating each such Shareholder Designee to be elected as a director, recommending such Shareholder Designee's election and soliciting proxies or consents in favor thereof, in each case subject to applicable law, and (ii) use its reasonable best efforts to cause each class of the Board of Directors to include, to the extent practicable, at least one Shareholder Designee. In the event that the Shareholder Majority has nominated fewer than the total number of designees that the Shareholder Majority shall be entitled to nominate pursuant to Section 3.1(a), the Shareholder Majority shall have the right, at any time, to nominate such additional designees to which it is entitled, in which case, the Shareholder Majority shall take all necessary corporate action, to the fullest extent permitted by applicable law (including Jersey Law), to (x) enable the Shareholder Majority to nominate and effect the election or appointment of such additional individual(s) and (y) to designate such additional individual(s) nominated by the Shareholder Majority to fill such newly created vacancies or to fill any other existing vacancies.

(c) A Shareholder Designee may only be removed from the Board of Directors in accordance with the Memorandum and Articles of Association.

(d) In the event that a vacancy is created at any time by the death, disability, retirement, resignation or removal of any director who was a Shareholder Designee (notwithstanding any reduction in the number or percentage of Ordinary Shares that the Shareholder Majority then beneficially owns), the Issuer agrees to take at any time and from time to time all actions necessary to cause the vacancy created thereby to be filled as promptly as practicable by a new Shareholder Designee. No reduction in the number or percentage of Ordinary Shares that the Shareholder Majority beneficially owns shall shorten the term of any incumbent director on the Board of Directors who is a Shareholder Designee. Subject to the applicable provisions of the Memorandum and Articles of Association of the Issuer, the Shareholder Majority shall have the sole and exclusive right to (i) direct the other Shareholders to vote all their Equity Securities immediately for the removal of the Shareholder Majority's Shareholder Designees and (ii) designate a Shareholder Designee (serving in the same class as the predecessor) to fill vacancies on the Board.

(e) The Issuer and its Subsidiaries shall reimburse the directors that are Shareholder Designees for all reasonable out-of-pocket expenses incurred in connection with the performance of their duties as a director and in connection with their attendance at meetings of the Board of Directors or the board of directors of any of the Issuer's Subsidiaries, and any committees thereof, including, without limitation, travel, lodging

and meal expenses. If the Issuer adopts a policy that directors own a minimum amount of equity in the Issuer, Shareholder Designees shall not be subject to such policy.

(f) The Issuer shall, for so long as any Shareholder Designee serves as a member of the Board of Directors, maintain directors' and officers' liability insurance on terms and in an amount reasonable and customary and that provides coverage with respect to each such director; provided that upon such Shareholder Designee ceasing to serve on the Board of Directors for any reason, the Issuer shall take all actions reasonably necessary to extend such directors' and officers' liability insurance coverage for a period of not less than six (6) years from the time at which such Shareholder Designee ceases to serve on the Board of Directors in respect of any act or omission occurring at or prior to such time as the Shareholder Designee ceases to serve. The Issuer shall enter into an indemnification agreement with each Shareholder Designee serving as a Director substantially in the form attached as Exhibit B hereto.

Section 3.2 Committees. For so long as this Agreement is in effect, the Issuer shall take all reasonable actions to cause to be appointed to any committee of the Board of Directors a number of Shareholder Designees that is up to the number of directors that is proportionate (rounding up to the next whole director) to the number of Shareholder Designees that the Shareholders are entitled to designate to the Board of Directors under this Agreement, to the extent such directors are permitted to serve on such committees under the applicable rules of the SEC and any applicable stock exchange. It is understood by the parties hereto that the Shareholders shall not have any obligation to appoint any Shareholder Designee to any committee of the Board of Directors and any failure to exercise such right in this section in a prior period shall not constitute any waiver of such right in a subsequent period.

#### **ARTICLE IV** **INDEMNIFICATION**

Section 4.1 Right to Indemnification. The Issuer shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, each Shareholder, its Affiliates and its direct and indirect partners (including partners of partners and shareholders and members of partners), members, shareholders, managers, directors, officers, employees and agents and each Person who controls any of them within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act (the "Covered Persons") from and against any and all losses, claims, damages, liabilities and expenses (including reasonable attorneys' fees) sustained or suffered by any such Covered Person based upon, relating to, arising out of, or by reason of any third party or governmental claims relating to such Covered Person's status as a shareholder or controlling person of the Issuer (including any and all losses, claims, damages or liabilities under the Securities Act, the Exchange Act or other U.S. federal or state statutory law or regulation, at common law or otherwise, which relate directly or indirectly to the registration, purchase, sale or ownership of any Equity Securities of the Issuer or to any fiduciary obligation owed with respect thereto), including in connection with any third party or governmental action or claim relating to any action taken or omitted to be taken or alleged to have been taken or omitted to have been taken by any Covered Person as a shareholder or controlling person, including claims alleging so-called control person liability or securities law liability (any such claim, a "Claim"). Notwithstanding the preceding sentence, except as

otherwise provided in Section 4.3, the Issuer shall be required to indemnify a Covered Person in connection with a Claim (or part thereof) commenced by such Covered Person only if the commencement of such Claim (or part thereof) by the Covered Person was authorized by the Board of Directors.

Section 4.2 Prepayment of Expenses. To the extent not prohibited by applicable law, the Issuer shall pay the expenses (including reasonable attorneys' fees) incurred by a Covered Person in defending any Claim in advance of its final disposition; provided, however, that, to the extent required by applicable law, such payment of expenses in advance of the final disposition of such Claim shall be made only upon receipt of an undertaking by such Covered Person to repay all amounts advanced if it should be ultimately determined that such Covered Person is not entitled to be indemnified under this ARTICLE IV or otherwise.

Section 4.3 Claims. If a claim for indemnification or advancement of expenses under this ARTICLE IV is not paid in full within 30 days after a written claim therefor by the Covered Person has been received by the Issuer, such Covered Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Issuer shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under applicable law.

Section 4.4 Nonexclusivity of Rights. The rights conferred on any Covered Person by this ARTICLE IV shall not be exclusive of any other rights that such Covered Person may have or hereafter acquire under any statute, provision of the Memorandum and Articles of Association or any agreement, vote of shareholders or disinterested directors or otherwise.

Section 4.5 Other Sources. Subject to Section 4.6, the Issuer's obligation, if any, to indemnify or to advance expenses to any Covered Person shall be reduced by any amount such Covered Person may collect as indemnification or advancement of expenses from any other Person.

Section 4.6 Indemnitor of First Resort. The Issuer hereby acknowledges that the Covered Persons may have certain rights to advancement and/or indemnification by certain Affiliates of *L* Catterton (collectively, the "Fund Indemnitors"). In all events, (i) the Issuer hereby agrees that it is the indemnitor of first resort (i.e., its obligation to a Covered Person to provide advancement and/or indemnification to such Covered Person are primary and any obligation of the Fund Indemnitors (including any Affiliate thereof other than the Issuer) to provide advancement or indemnification hereunder or under any other indemnification agreement (whether pursuant to contract, by-laws or charter or similar organizational documents), or any obligation of any insurer of the Fund Indemnitors to provide insurance coverage, for the same expenses, liabilities, judgments, penalties, fines and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such expenses, liabilities, judgments, penalties, fines and amounts paid in settlement) incurred by such Covered Person are secondary and (ii) if any Fund Indemnitor (or any Affiliate thereof, other than the Issuer) pays or causes to be paid, for any reason, any amounts otherwise indemnifiable hereunder or under any other indemnification agreement (whether pursuant to contract, by-laws or charter) with such Covered Person, then (x) such Fund

Indemnitor (or such Affiliate, as the case may be) shall be fully subrogated to all rights of such Covered Person with respect to such payment and (y) the Issuer shall fully indemnify, reimburse and hold harmless such Fund Indemnitor (or such other Affiliate, as the case may be) for all such payments actually made by such Fund Indemnitor (or such other Affiliate, as the case may be).

## **ARTICLE V TERMINATION**

Section 5.1 Term. The terms of this Agreement shall terminate, and be of no further force and effect:

- (a) upon the mutual consent of all of the Shareholders party hereto;
- (b) with respect to each Shareholder, if such Shareholder has Transferred all (but not less than all) of its Equity Securities;
- (c) upon the winding-up, dissolution or liquidation of the Issuer; or
- (d) upon the consummation of a Change of Control.

Section 5.2 Survival. If this Agreement is terminated pursuant to Section 5.1, this Agreement shall become void and of no further force and effect, except for: (i) the provisions set forth in this Section 5.2, Article IV, Section 7.4, Section 7.5 and Section 7.8 and (ii) the rights of the Shareholders with respect to the breach of any provision hereof by the Issuer, which shall, in each case of clauses (i) and (ii), survive the termination of this Agreement.

## **ARTICLE VI ADDITIONAL AGREEMENTS OF THE PARTIES**

Section 6.1 Obligation to Update Shareholders. The Issuer shall keep each Shareholder Designee serving as a director informed, on a current basis, of any events, discussions, notices or changes with respect to any tax (other than ordinary course communications which could not reasonably be expected to be material to the Issuer), criminal or regulatory investigation or action involving the Issuer or any of its Subsidiaries, and shall reasonably cooperate with the Shareholders, their members and their respective Affiliates in an effort to avoid or mitigate any cost or regulatory consequences to the Shareholders or their Affiliates that might arise from such investigation or action (including by reviewing written submissions in advance, attending meetings with authorities and coordinating and providing assistance in meeting with regulators).

Section 6.2 Information Sharing. Notwithstanding anything to the contrary contained in this Agreement, the Issuer hereby acknowledges and agrees that each of the Shareholders and their respective Affiliates, the Shareholder Designees or any officer of the Issuer that is an Affiliate of a Shareholder (each, a “Shareholder Affiliated Person”) may, to the fullest extent permitted by applicable law, use for their own benefit and disclose to their respective Affiliates, directors, officers, representatives, agents and employees and professional advisers (the “Internal Recipients”) and, in the case of MidCo or any of its Affiliates, to (a) the investors, limited partners or members of MidCo or such Affiliates (and, to the extent required for such limited

partners' or members' internal reporting obligations, Affiliates of such limited partners or members), (b) persons who have expressed a bona fide interest in becoming investors, limited partners or members of MidCo or any of its Affiliates, (c) potential transferees of MidCo's or any of its Affiliates' equity securities in the Issuer, (d) potential participants in future transactions involving MidCo, any of its Affiliates or their related investment funds (potentially involving the Issuer or otherwise) and (e) such other persons as MidCo shall deem reasonably necessary in connection with the conduct of its or its Affiliates' investment and business activities (the "External Recipients") and together with the Internal Recipients, the "Permitted Recipients"), any and all non-public information with respect to the Issuer or its Affiliates or Subsidiaries (including any Person in which the Issuer holds, or contemplates acquiring, an investment) ("Issuer Confidential Information") that is in the possession of such Shareholder Affiliated Person on the date hereof or disclosed after the date of this Agreement to such Shareholder Affiliated Person by or on behalf of the Issuer or its Subsidiaries, provided that the Permitted Recipients agree to keep such Issuer Confidential Information confidential on the same terms that the applicable Shareholder requires with respect to its own confidential information; and provided further that the Shareholder Affiliated Persons and the Permitted Recipients may disclose any Issuer Confidential Information (x) that has become generally available to the public, was or has come into the possession of the relevant Shareholder Affiliated Person or Permitted Recipient on a non-confidential basis without a breach of any confidentiality obligations by such Person disclosing such Issuer Confidential Information, or has been independently developed by the Shareholder Affiliated Person or Permitted Recipient without use of the Issuer Confidential Information, (y) to the extent necessary in order to comply with any law, order, regulation or ruling applicable to the applicable Shareholder, such Shareholder Affiliated Person or Permitted Recipient, or to a regulatory agency with applicable jurisdiction, and (z) as may be required in response to any summons or subpoena or in connection with any litigation or arbitration, provided, in the case of clauses (y) and (z), that such Shareholder, Shareholder Affiliated Person or Permitted Recipient provides prior written notice of such required disclosure to the Issuer and takes all commercially reasonable and lawful actions to avoid and/or minimize the extent of such disclosure.

## **ARTICLE VII** **MISCELLANEOUS**

Section 7.1 Entire Agreement. This Agreement, together with documents contemplated hereby, constitute the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersede any and all prior or contemporaneous agreements or understandings between the parties hereto pertaining to the subject matter hereof.

Section 7.2 Further Assurances. Each of the parties hereto does hereby covenant and agree on behalf of itself, its successors, and its assigns, without further consideration, to prepare, execute, acknowledge, file, record, publish, and deliver such other instruments, documents and statements, and to take such other actions as may be required by law or reasonably necessary to effectively carry out the intent and purposes of this Agreement.

Section 7.3 Notices. Any notice, consent, payment, demand, or communication required or permitted to be given by any provision of this Agreement shall be either personally delivered, sent by reputable, internationally recognized overnight courier service (charges

prepaid) or sent by email. Notices will be deemed to have been given hereunder when delivered personally or by courier or at the time of transmission when sent by email to the relevant address in this Section 7.3. Such notices, demands and other communications will be sent to the Issuer at the address specified below and to any Shareholder at the address specified on the signature pages hereto, or at such address or to the attention of such other person as the recipient party has specified by prior written notice to the sending party. Any party may change such party's address for receipt of notice by giving prior written notice of the change to the sending party as provided herein. The Issuer's address is:

Birkenstock Holding plc  
1-2 Berkeley Square  
London W1J 6EA  
United Kingdom  
Attn: Director Legal Affairs  
Email: [\*\*\*]

with a copy (which shall not constitute written notice) to:

Kirkland & Ellis LLP  
601 Lexington Avenue  
New York, NY 10022  
Attn: Joshua N. Korff, P.C.  
Ross M. Leff, P.C.  
Zoey Hitzert  
Email: [\*\*\*]  
[\*\*\*]  
[\*\*\*]

Section 7.4 Applicable Law; Waiver of Jury Trial. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law rules or provisions (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York. Any dispute relating hereto shall be heard in the state or federal courts of New York, and the parties agree to exclusive jurisdiction and venue therein and waive any objection based on venue or *forum non conveniens* with respect to any action instituted therein. THE PARTIES HERETO HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 7.5 Equitable Remedies. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with its specific terms or was otherwise breached. It is accordingly agreed that the parties hereto shall be entitled to an injunction or injunctions and other equitable remedies to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in the state or federal courts of New York, this being in addition to any other remedy to which they are entitled at law or in equity. Any requirements for the securing or posting of any bond with respect to such remedy are hereby waived by each of the parties hereto. Each party further agrees

that, in the event of any action for an injunction or other equitable remedy in respect of such breach or enforcement of specific performance, it will not assert the defense that a remedy at law would be adequate.

Section 7.6Construction. This Agreement shall be construed as if all parties hereto prepared this Agreement.

Section 7.7Counterparts. This Agreement may be executed in any number of counterparts, and each such counterpart shall for all purposes be deemed an original, and all such counterparts shall together constitute but one and the same agreement.

Section 7.8Third Party Beneficiaries. Except as set forth in ARTICLE IV nothing in this Agreement, express or implied, is intended or shall be construed to give any Person other than the parties hereto (or their respective legal representatives, successors, heirs and distributees) any legal or equitable right, remedy or claim under or in respect of any agreement or provision contained herein, it being the intention of the parties hereto that this Agreement is for the sole and exclusive benefit of such parties (or such legal representatives, successors, heirs and distributees) and for the benefit of no other Person.

Section 7.9Binding Effect. Except as otherwise provided herein, all the terms and provisions of this Agreement shall be binding upon, shall inure to the benefit of and shall be enforceable by the respective successors and permitted assigns of the parties hereto. No Shareholder may assign any of its rights hereunder to any Person other than a Permitted Transferee. Each Permitted Transferee of any Shareholder shall be subject to all of the terms of this Agreement, and by taking and holding such shares such Person shall be entitled to receive the benefits of and be conclusively deemed to have agreed to be bound by and to comply with all of the terms and provisions of this Agreement. Notwithstanding the foregoing, no successor or assignee of the Issuer shall have any rights granted under this Agreement until such Person shall acknowledge its rights and obligations hereunder by a signed written statement of such Person's acceptance of such rights and obligations.

Section 7.10Severability. In the event that any provision of this Agreement as applied to any party or to any circumstance, shall be adjudged by a court to be void, unenforceable or inoperative as a matter of law, then the same shall in no way affect any other provision in this Agreement, the application of such provision in any other circumstance or with respect to any other party, or the validity or enforceability of the Agreement as a whole.

Section 7.11Adjustments Upon Change of Capitalization. In the event of any change in the outstanding Equity Securities, by reason of dividends, splits, reverse splits, spin-offs, split-ups, recapitalizations, combinations, exchanges of shares and the like, the term "Equity Securities" shall refer to and include the securities received or resulting therefrom, but only to the extent such securities are received in exchange for or in respect of Equity Securities.

Section 7.12Amendments; Waivers.

(a) No provision of this Agreement may be amended or waived unless such amendment or waiver is in writing and signed, in the case of an amendment, by the Issuer and a Shareholder Majority, or in the case of a waiver, by either the Issuer if such waiver

is to be effective against the Issuer, or a Shareholder Majority, if such waiver is to be effective against the Shareholders; provided that any amendment or waiver that affects the rights or obligations of any Shareholder hereunder in a manner disproportionately adverse to such Shareholder as compared to the other Shareholders shall require the written consent of such Shareholder.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

*[The remainder of this page intentionally left blank]*

IN WITNESS WHEREOF, the parties have caused this Shareholders' Agreement to be duly executed and delivered, all as of the date first set forth above.

**BIRKENSTOCK HOLDING PLC**

By: /s/ Ruth Kennedy

Name: Ruth Kennedy

Title: Director

---

*[Signature Page to Birkenstock Holding plc Shareholders' Agreement]*

**BK LC LUX MIDCO S.À R.L.**

By: /s/ Nikhil Thukral

Name: Nikhil Thukral

Title: Manager

Address:

40, avenue Monterey  
L-2163 Luxembourg  
Grand Duchy of Luxembourg  
Attn: Nik Thukral  
Dan Reid  
Email: [\*\*\*]  
[\*\*\*]

with a copy (which shall not constitute written notice) to:

Kirkland & Ellis LLP  
601 Lexington Avenue  
New York, NY 10022  
Attn: Joshua N. Korff, P.C.  
Ross M. Leff, P.C.  
Zoey Hitzert  
Email: [\*\*\*]  
[\*\*\*]  
[\*\*\*]

*[Signature Page to Birkenstock Holding plc Shareholders' Agreement]*

---

**EXHIBIT A**  
**FORM OF JOINDER TO SHAREHOLDERS' AGREEMENT**

This Joinder Agreement (this "Joinder Agreement") is made as of the date written below by the undersigned (the "Joining Party") in accordance with the Shareholders' Agreement dated as of October 13, 2023 (the "Shareholders' Agreement") among Birkenstock Holding plc and certain other persons named therein, as the same may be amended from time to time. Capitalized terms used, but not defined, herein shall have the meaning ascribed to such terms in the Shareholders' Agreement.

The Joining Party hereby acknowledges, agrees and confirms that, by its execution of this Joinder Agreement, the Joining Party shall be deemed to be a party to and a "Shareholder" under the Shareholders' Agreement as of the date hereof and shall have all of the rights and obligations of the Shareholder from whom it has acquired Equity Securities (to the extent permitted by the Shareholders' Agreement) as if it had executed the Shareholders' Agreement. The Joining Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the Shareholders' Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement as of the date written below.

Date: \_\_\_\_\_, 20\_\_

[NAME OF JOINING PARTY]

By: \_\_\_\_\_

Name:

Title:

Address for Notices:

AGREED ON THIS [ ] day of [ ], 20\_\_:

BIRKENSTOCK HOLDING PLC

By: \_\_\_\_\_

Name:

Title:

---

**EXHIBIT B**  
**FORM OF DIRECTOR & OFFICER INDEMNIFICATION AGREEMENT**

---

## Significant Subsidiaries of Birkenstock Holding plc

<u>Name of Subsidiary</u>	<u>Jurisdiction of Incorporation</u>
Birkenstock Financing S.à r.l.	Luxembourg
Birkenstock Limited Partner S.à r.l.	Luxembourg
Birkenstock Group B.V. & Co. KG	Germany
Birkenstock Logistics GmbH	Germany
Birkenstock International GmbH	Germany
Birkenstock Global Sales GmbH	Germany
Birkenstock Europe GmbH	Germany
Birkenstock Product GmbH	Germany
Birkenstock Productions Rheinland-Pfalz GmbH	Germany
Birkenstock Productions Hessen GmbH	Germany
Birkenstock Productions Sachsen GmbH	Germany
Birkenstock Components GmbH	Germany
Birkenstock digital GmbH	Germany
Birkenstock IP GmbH	Germany
Birkenstock Spain SLU	Spain
Birkenstock Americas GmbH	Germany
Birkenstock UK Ltd.	United Kingdom
Birkenstock France SAS	France
Birkenstock Canada Ltd.	Canada
Birkenstock USA, LP	United States of America
Birkenstock US BidCo, Inc.	United States of America
Birkenstock US MidCo, Inc.	United States of America

---

*Certification of Principal Executive Officer  
Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934,  
as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*

**I, Oliver Reichert, certify that:**

1. I have reviewed this annual report on Form 20-F of Birkenstock Holding plc (the "Company");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) paragraph omitted in accordance with Exchange Act Rule 13a-14(a);
  - c) Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ Oliver Reichert

Oliver Reichert

**Principal Executive Officer – Birkenstock Holding plc**

Date: January 18, 2024

---

*Certification of Principal Financial Officer  
Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934,  
as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*

**I, Dr. Erik Massmann, certify that:**

1. I have reviewed this annual report on Form 20-F of Birkenstock Holding plc (the "Company");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. paragraph omitted in accordance with Exchange Act Rule 13a-14(a);
  - c. Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

/s/ Dr. Erik Massmann

Dr. Erik Massmann

**Principal Financial Officer – Birkenstock Holding plc**

Date: January 18, 2024

---

**Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350,  
as Adopted Pursuant to Section 906 of the Sarbanes- Oxley Act of 2002**

I, *Oliver Reichert*, to the best of my knowledge certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002,

- 1.) that the Annual Report on Form 20-F of *Birkenstock Holding plc* for the year ended *September 30, 2023*, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
  
- 2.) that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the *Birkenstock Holding plc*.

Dated: January 18, 2024

/s/ Oliver Reichert

Oliver Reichert

**Principal Executive Officer – Birkenstock Holding  
plc**

---

**Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350,  
as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

I, *Dr. Erik Massmann*, to the best of my knowledge certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002,

- 1.) that the Annual Report on Form 20-F of *Birkenstock Holding plc* for the year ended *September 30, 2023*, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and
  
- 2.) that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the *Birkenstock Holding plc*.

Dated: January 18, 2024

*/s/ Dr. Erik Massmann*

\_\_\_\_\_  
Dr. Erik Massmann

**Principal Financial Officer – Birkenstock Holding  
plc**

---

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-274968) pertaining to the 2023 Omnibus Incentive Plan and 2023 Employee Share Purchase Plan of Birkenstock Holding plc of our report dated January 18, 2024, with respect to the consolidated financial statements of Birkenstock Holding Limited (subsequently renamed to Birkenstock Holding plc) included in this Annual Report (Form 20-F) for the year ended September 30, 2023.

/s/ Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft

Cologne, Germany

January 18, 2024

---

# CLAWBACK POLICY

SEPTEMBER 2023

---

## Contents

(1)	PURPOSE	3
(2)	ADMINISTRATION	3
(3)	COVERED EXECUTIVES	3
(4)	RECOUPMENT; ACCOUNTING RESTATEMENT	3
(5)	INCENTIVE-BASED COMPENSATION	4
(6)	OVERPAYMENT: AMOUNT SUBJECT TO RECOVERY	5
(7)	METHOD OF RECOUPMENT	5
(8)	LIMITATION ON RECOVERY; NO ADDITIONAL PAYMENTS	5
(9)	NO INDEMNIFICATION	6
(10)	INTERPRETATION	6
(11)	EFFECTIVE DATE	6
(12)	AMENDMENT; TERMINATION	6
(13)	OTHER RECOUPMENT RIGHTS	6
(14)	IMPRACTICABILITY	7
(15)	SUCCESSORS	7

## (1) PURPOSE

The Board of Directors (the "Board") of Birkenstock Holding plc (the "Company") believes that it is in the best interests of the Company and its shareholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Company's pay-for-performance compensation philosophy. The Board has therefore adopted this policy which provides for the recoupment of certain executive compensation in the event that the Company is required to prepare an accounting restatement of its financial statements due to material noncompliance with any financial reporting requirement under the U.S. federal securities laws (this "Policy"). This Policy is designed to comply with Section 10D of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the rules promulgated thereunder, and the listing standards of the national securities exchange on which the Company's securities are listed.

## (2) ADMINISTRATION

This Policy shall be administered by the Board. Any determinations made by the Board shall be final and binding on all affected individuals.

## (3) COVERED EXECUTIVES

This Policy applies to the Company's current and former executive officers (as determined by the Board in accordance with Section 10D of the Exchange Act and the rules promulgated thereunder and by the relevant listing exchange, which, unless the Board determines otherwise, shall be the persons identified in the Company's filings with the Securities and Exchange Commission as executive officers and presidents from time to time and, if not otherwise included, shall also include the Company's current and former principal financial officers and principal accounting officers (or if there is no such accounting officer, the controller)). This Policy shall be binding and enforceable against all such "Covered Executives."

## (4) RECOUPMENT; ACCOUNTING RESTATEMENT

In the event the Company is required to prepare an accounting restatement of its financial statements due to the Company's material noncompliance with any financial reporting requirement under the U.S. federal securities laws, including any required accounting restatement (i) to correct an error in previously issued financial statements that is material to the previously issued financial statements or (ii) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (each an "Accounting Restatement"), the Board will reasonably promptly require reimbursement or forfeiture of the Overpayment (as defined below) received by any Covered Executive (x) after beginning service as a Covered Executive, (y) who served as a Covered Executive at any time during the performance period for the applicable Incentive-Based Compensation (as defined below) and (z) during the three (3) completed fiscal years immediately preceding the

date on which the Company is required to prepare an Accounting Restatement and any transition period (that results from a change in the Company's fiscal year) within or immediately following those three (3) completed fiscal years.

## (5) INCENTIVE-BASED COMPENSATION

For purposes of this Policy, "Incentive-Based Compensation" means any compensation that is granted, earned or vested based wholly or in part upon the attainment of a financial reporting measure, including, but not limited to: (i) non-equity incentive plan awards that are earned solely or in part by satisfying a financial reporting measure performance goal; (ii) bonuses paid from a bonus pool, where the size of the pool is determined solely or in part by satisfying a financial reporting measure performance goal; (iii) other cash awards based on satisfaction of a financial reporting measure performance goal; (iv) restricted shares, restricted share units, share options, share appreciation rights, and performance share units that are granted or vest solely or in part based on satisfaction of a financial reporting measure performance goal; and (v) proceeds from the sale of shares acquired through an incentive plan that were granted or vested solely or in part based on satisfaction of a financial reporting measure performance goal. Compensation that would not be considered Incentive-Based Compensation includes, but is not limited to: (a) salaries; (b) bonuses paid solely based on satisfaction of subjective standards, such as demonstrating leadership, and/or completion of a specified employment period; (c) non-equity incentive plan awards earned solely based on satisfaction of strategic or operational measures; (d) wholly time-based equity awards; and (e) discretionary bonuses or other compensation that is not paid from a bonus pool that is determined by satisfying a financial reporting measure performance goal.

A financial reporting measure is: (i) any measure that is determined and presented in accordance with the accounting principles used in preparing financial statements, or any measure derived wholly or in part from such measure, such as revenues, Adjusted EBITDA, or net income and (ii) share price and total shareholder return. Financial reporting measures include, but are not limited to: revenues; net income; operating income; profitability of one or more reportable segments; financial ratios (e.g., accounts receivable turnover and inventory turnover rates); net assets or net asset value per share; earnings before interest, taxes, depreciation and amortization; funds from operations and adjusted funds from operations; liquidity measures (e.g., working capital, operating cash flow); return measures (e.g., return on invested capital, return on assets); earnings measures (e.g., earnings per share); sales per square foot or same store sales, where sales is subject to an accounting restatement; revenue per customer, or average revenue per customer, where revenue is subject to an accounting restatement; cost per employee, where cost is subject to an accounting restatement; any of such financial reporting measures relative to a peer group, where the Company's financial reporting measure is subject to an accounting restatement; and tax basis income.

## (6) OVERPAYMENT: AMOUNT SUBJECT TO RECOVERY

The amount to be recovered will be the amount of Incentive-Based Compensation received that exceeds the amount of Incentive-Based Compensation that otherwise would have been received had it been determined based on the restated amounts, and must be computed without regard to any taxes paid (the “Overpayment”). Incentive-Based Compensation is deemed received in the Company’s fiscal period during which the financial reporting measure specified in the incentive-based compensation award is attained, even if the vesting, payment or grant of the incentive-based compensation occurs after the end of that period.

For Incentive-Based Compensation based on share price or total shareholder return, where the amount of erroneously awarded compensation is not subject to mathematical recalculation directly from the information in the Accounting Restatement, the amount must be based on a reasonable estimate of the effect of the Accounting Restatement on the share price or total shareholder return upon which the Incentive-Based Compensation was received; and the Company must maintain documentation of the determination of that reasonable estimate and provide such documentation to the exchange on which the Company’s securities are listed.

## (7) METHOD OF RECOUPMENT

The Board will determine, in its sole discretion, the method or methods for recouping any Overpayment hereunder, which may include, without limitation:

- requiring reimbursement of cash or equity-based Incentive-Based Compensation previously paid;

- seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity-based awards granted as Incentive-Based Compensation;

- offsetting any or all of the Overpayment from any compensation otherwise owed by the Company to the Covered Executive;

- cancelling outstanding vested or unvested equity awards; and/or

- taking any other remedial or recovery action permitted by law, as determined by the Board.

## (8) LIMITATION ON RECOVERY; NO ADDITIONAL PAYMENTS

The right to recovery will be limited to Overpayments received during the three (3) completed fiscal years prior to the date on which the Company is required to prepare an Accounting Restatement and any transition period (that results from a change in the Company’s fiscal year) within or immediately following those three (3) completed fiscal years. In no event shall the Company be required to award Covered Executives

an additional payment if the restated or accurate financial results would have resulted in a higher Incentive-Based Compensation payment.

## (9) NO INDEMNIFICATION

The Company shall not indemnify any Covered Executives against the loss of any incorrectly awarded Incentive-Based Compensation.

## (10) INTERPRETATION

The Board is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate, or advisable for the administration of this Policy. It is intended that this Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Exchange Act and the applicable rules or standards adopted by the Securities and Exchange Commission or any national securities exchange on which the Company's securities are listed.

## (11) EFFECTIVE DATE

This Policy shall be effective as of the date it is adopted by the Board (the "Effective Date") and shall apply to Incentive-Based Compensation (including Incentive-Based Compensation granted pursuant to arrangements existing prior to the Effective Date). Notwithstanding the foregoing, this Policy shall only apply to Incentive-Based Compensation received (as determined pursuant to this Policy) on or after the effective date of Section 303A.14 of the NYSE Listed Company Manual.

## (12) AMENDMENT; TERMINATION

The Board may amend this Policy from time to time in its discretion. The Board may terminate this Policy at any time.

## (13) OTHER RECOUPMENT RIGHTS

The Board intends that this Policy will be applied to the fullest extent of the law. The Board may require that any employment or service agreement, cash-based bonus plan or program, equity award agreement or similar agreement entered into on or after the Effective Date shall, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of this Policy. Any right of recoupment under this Policy is in addition to, and not in lieu of, any other remedies or rights of recoupment that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, equity award agreement, cash-based bonus plan or program or similar agreement and any other legal remedies available to the Company.

## (14) IMPRACTICABILITY

The Board shall recover any Overpayment in accordance with this Policy except to the extent that the Board determines such recovery would be impracticable because:

(A) the direct expense paid to a third party to assist in enforcing this Policy would exceed the amount to be recovered;

(B) recovery would violate home country law of the Company where that law was adopted prior to November 28, 2022; or

(C) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of 26 U.S.C. 401(a)(13) or 26 U.S.C. 411(a) and regulations thereunder.

## (15) SUCCESSORS

This Policy shall be binding and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.