Climate Transition Capital Acquisition I B.V.

Interim Financial Report

for the six months ended 30 June 2022

CLIMATE TRANSITION CAPITAL

Contents

CLIMATE TRANSITION CAPITAL

Chair's Report

High temperatures and high energy prices have a common solution

European households and businesses continue to suffer the effects of climate change and the higher cost of living. Following two months of extreme heat, Europe sweltered again in July and August with temperatures exceeding 40°C, in some cases for the first time ever. Europe has also experienced very dry conditions over the summer, with much of the continent seeing rainfall well below average.

As expected, the European Central Bank raised interest rates in July for the first time in more than a decade, lifting its benchmark deposit rate from minus 0.5% to zero. A further increase of 0.75% came in September as inflation reached 9.1% in August, well above the ECB's previous prediction of a peak at 7.5%.

Energy prices remain the most important component of overall inflation and European governments have now allocated over 280 billion euros in funding to cushion the impact of the energy crisis on households and businesses which could last a decade.

Against this backdrop, many of the companies that CTC talks to are reporting effectively unlimited demand for their climate solutions, given the rapid payback from such investments and the increased security of supply. Nonetheless, some of these companies continue to face significant supply chain constraints.

These challenges can be seen very clearly in the case of solar PV, where two main factors are driving up costs. First, shipping prices have skyrocketed, especially for containers leaving China, whose share of global polysilicon, ingot and wafer production is almost 95%.

Second, key solar panel components have become more expensive. Polysilicon production has been hit especially hard by the bullwhip effect: an oversupply before the pandemic, which prompted manufacturers to halt production. Then, economic activity returned faster than expected, and polysilicon miners and refiners struggled to catch up, sending prices soaring. Amidst a slowdown in solar PV installations globally, suppliers are prioritising well-capitalised customers.

What CTC offers a European climate transition leader

Trillions of euros will be needed to decarbonise the European economy and many households will not be able to afford to make these investments, despite the ongoing savings. For example, the average domestic solar PV system costs 15,000 euros whereas average annual household savings are only 3,700 euros. The cost-of-living crisis will deplete household finances further, making much-needed cost-saving investments even less affordable and meaning that retail propositions will need to be fully financed, 'no money down' deals. Equally on the commercial side, many businesses may be unwilling or unable to fund climate solutions from their balance sheets, despite the potential for improved returns on capital employed. This suggests that a very significant portion of the capital needed for the climate transition in Europe will have to be supplied by third-party providers (particularly institutional investors) or otherwise intermediated.

These factors all play very favourably towards a European climate transition SPAC. While capital markets globally continue to be challenged by macroeconomic tailwinds, selective equity issuance is still succeeding - particularly on Euronext Amsterdam which is increasing its share of this activity in the European market.

Further, the European SPAC market lacks many of the structural challenges that have so disrupted the US since the start of the year, such as new SEC rules, new taxes on share transactions, litigation and regulatory risks and a fundamental oversupply of SPAC capital.

CTC also benefits from being mission-driven and having a higher proportion of strategic and long-only shareholders in our SPAC (and broader investor relationships) who share our climate goals, compared with many other SPACs. This means we can provide a European climate transition leader with the opportunity to raise a significant amount of capital in a controlled transaction which can then be used to accelerate business growth. The public listing also provides a currency for M&A, enabling the company to drive the consolidation and integration we expect to see in numerous climate transition sub-sectors.

For climate asset companies, such as rooftop solar providers, the enhanced public profile may also help with tapping public capital markets for lower cost funding such as asset finance, infrastructure debt and green bonds which would allow the creation of climate asset portfolios of considerable scale.

At Climate Transition Capital we remain very realistic about the current market challenges but also very excited about the opportunity to bring a climate transition leader to Amsterdam. As John F. Kennedy said, our problems are man-made, therefore they can be solved by man.

On 5 September, we announced that Non-Executive Director David Crane had stood down from the Board in connection with his nomination by President Biden to the role of Under Secretary of Infrastructure at the Department of Energy. I would like to take this opportunity, on behalf of all the Board, to thank him again for his insights and experience over the last year and to wish him every success for the future.

Marieke Bax

Chair, Climate Transition Capital Acquisition I B.V.

CLIMATE
TRANSITION
CAPITAL

Interim Directors' Report

OVERVIEW OF THE COMPANY AND THE GROUP

Climate Transition Capital Acquisition I B.V. ("**CTCA1**" or the "**Company**") is a special purpose acquisition company (SPAC) incorporated by Climate Transition Capital Sponsor I LLP (the "**Sponsor**") for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganisation or similar business combination with or acquisition of a target business or entity (a "**Business Combination**").

On 29 June 2021 the Company successfully completed a private placement of 19,000,000 "Units", each entitling the holder to one Ordinary Share and one-third of a Warrant, at a price of €10.00 per Unit raising €190 million (the "**Offering**"). The resulting Units were admitted to listing and trading on Euronext Amsterdam. During a "stabilisation period" which ended on the 8 July 2021, 39,000 Units were repurchased then cancelled leaving issued Units of 18,961,000 (entitling the holders to 18,961,000 Ordinary Shares and 6,320,333 Warrants). On 4 August 2021, 35 calendar days after the first day of trading, the Units split into Ordinary Shares and Warrants which have been separately listed and traded on Euronext Amsterdam since.

100% of the proceeds of the Offering plus €2 million to cover up to €2 million of negative interest (the "**Negative Interest Cover**") have been put into a bank account opened by Stichting Climate Transition Capital Escrow (the "**Foundation**") and held with ABN AMRO Bank N.V. in the Netherlands (the "**Escrow Account**"). These amounts will only be released in accordance with the terms of an escrow agreement, the key terms of which are summarised below.

- In the event of a Business Combination, the Company may use all or a substantial part of the amounts held in the Escrow Account to:
  - pay the consideration due for the Business Combination, the transaction costs associated with the Business Combination and additional Offering underwriting fees due upon completion of a Business Combination;
  - repurchase Ordinary Shares in accordance with share repurchase arrangements detailed in the Prospectus (see below);
  - the Company may apply the balance of the cash, if any, released from the Escrow Account for general corporate purposes of the target business, including for maintenance or expansion of operations thereof.

- In the event no Business Combination completes within 24 months from the settlement date of 2 July 2021 (the "**Business Combination Deadline**"), the Company will use the amounts held in the Escrow Account (minus any negative interest due in excess of €2 million) to repurchase Ordinary Shares under the Share Repurchase Arrangement and otherwise, for those who do not elect to participate in the Share Repurchase Arrangement, to distribute in accordance with the Liquidation Waterfall.

The Foundation is ultimately controlled by the Company and is therefore its subsidiary. The Company and the Foundation together comprise the "**Group**".

More information about the Company, including the Company's Initial Public Offering Prospectus dated 23 June 2021 (the "**Prospectus**"), which was approved by the Dutch Authority for the Financial Markets, the AFM, can be found on the Climate Transition Capital website:
https://climatetransitioncapital.com/investor-resources/

CLIMATE TRANSITION CAPITAL

FINANCIAL REVIEW

	Half year 2022	29 April to 31 Dec. 2021
• **Cash at bank**	**€1.6m**	€2.4m
• **Cash in Escrow Account**	**€190.8m**	€191.3m
• **Financial liability relating to Ordinary Shares**	**€184.7m**	€181.5m
• **Financial liability relating to Warrants**	**€8.5m**	€7.9m
• **Financial liability relating to Sponsor Warrants**	**€11.8m**	€10.7m
• **Closing price of Ordinary Shares on Euronext, Amsterdam**	**€9.85**	€9.73
• **Expenditure in period**	**€1.3m**	€6.4m
• **Net finance costs in period (mainly non-cash)**	**€4.9m**	€3.9m

Administrative Expenses

Administrative expenses in the six months to 30 June 2022 amounted to €0.5 million (2021: €2.7 million).

While the Company expects that it will have enough funds available to operate until the Business Combination Deadline, it may sell up to 2 million additional Sponsor Warrants to the Sponsor at a price of €1.50 each to raise up to €3 million of additional capital, provided that such issuance is done for a legitimate business purpose (such as addressing any working capital requirements of the Company or financing any costs in connection with the pursuit of a Business Combination).

Net Financial Costs

The Ordinary Shares are classified as financial liabilities measured at amortised cost and the Warrants and Sponsor Warrants as derivative financial liabilities measured at fair value. All three instruments are initially recognised at fair value. In the period the net financial costs totalled €5.5 million (2021: €3.9 million). The main components of this were the effective interest (i.e. the amortised cost) on the Ordinary Share financial liability of €3.2million (2021: €2.7 million), charges of €1.7million (2021: €0.6 million) in respect of the increases in fair value of the Warrants and Sponsor Warrants, all of which are non-cash, and €0.5 million (2021: €0.5 million) of cash negative interest on the Escrow Account.

Escrow Account

The only amounts deducted from the Escrow Account during the six months to 30 June 2022 were negative interest charges totalling €0.5 million.

Auditor’s Involvement

The interim financial statements have not been reviewed or audited by the Company’s statutory auditor.

RISKS AND UNCERTAINTIES

The board of directors of the Company (the "Board") is responsible for maintaining effective risk management and regularly reviews the Company’s internal financial, compliance and operational processes and controls to ensure these are operating properly and will make recommendations as appropriate. The Company's risk management objectives and policies as disclosed in the Prospectus have been reviewed to take account of the Company’s current situation and activities and ensure that appropriate risk mitigation measures are implemented to avoid or mitigate risks whilst facilitating the Company’s strategic and commercial objectives. In the 6 months to 30 June 2022, no material issues have been identified in the Company's risk management policies and controls.

A summary of key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on the Company's business, financial condition, results of operations and prospects is included in the Company's Annual Report and Financial Statements Company's Annual Report and Financial Statements for the period ended 31 December 2021 available on the Climate Transition Capital website: https://climatetransitioncapital.com/investor-resources/. The Group has reviewed its exposure to emerging business risks but has not identified any risks additional that could materially impact the financial performance or position of the Group as at 30 June 2022.

Other risks, events, facts or circumstances not presently known to the Company, or that the Company currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Company's business, financial condition, results of operations and prospects.

RELATED PARTY TRANSACTIONS

The main related party transactions during the period are those described in note 13 to the Condensed Consolidated Financial Statements.

RESPONSIBILITIES STATEMENT

The Board hereby declares that to the best of its knowledge, the Interim Financial Statements, which have been prepared in accordance with IAS 34 - Interim Financial Reporting, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and this Interim Director's Report includes a fair review of the information required pursuant to section 5:25d(8) and (9) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

Amsterdam, 28 September 2022

Marieke Bax, Chair and Independent Non-executive Director
Joris Rademakers, Executive Director
Robin Duggan, Executive Director
David Buzby, Executive Director
Shaun Kingsbury, Non-executive Director
David Tuohy, Independent Non-executive Director
Lisa McDermott, Independent Non-executive Director

Climate Transition Capital Acquisition I B.V.

Interim Financial Statements

for six months ended 30 June 2022

CLIMATE TRANSITION CAPITAL

Condensed Consolidated Statement Profit or Loss and Other Comprehensive Income

	Notes	**Half year 2022 €'000**	29 April to 31 Dec. 2021 €'000
Administrative expenses	*4*	(525)	(2,678)
Operating loss			(2,678)
Finance income	*5*	-	16
Finance costs	*5*	(5,472)	(3,938)
Net finance costs		(5,472)	(3,922)
Loss before tax		**(5,997)**	(6,600)
Income tax expense	*6*	-	-
Loss for the period		**(5,997)**	(6,600)
Other comprehensive result for the period		**-**	-
Total comprehensive loss for the period		**(5,997)**	(6,600)
Basic loss per share	*7*	**-€0.253**	-€0.281
Diluted loss per share	*7*	**-€0.253**	-€0.281

The above condensed statement of consolidated profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CLIMATE TRANSITION CAPITAL

Condensed Consolidated Statement of Financial Position

	Notes	**30 June 2022 €'000**	31 Dec. 2021 €'000
Assets			
Current assets			
Other receivables	*8*	523	268
Cash and cash equivalents	*9*	192,398	193,714
Total current assets		**192,921**	193,982
Total assets		**192,921**	193,982
Equity			
Share capital	*3.1*	47	47
Retained earnings		(12,597)	(6,600)
Total equity		**(12,550)**	(6,553)
Liabilities			
Non-Current liabilities			
Ord. Shares subsequently measured at amortised cost	*3.2*	184,730	181,497
Warrants measured at FVTPL[1]	*3.2*	8,469	7,900
Sponsor Warrants measured at FVTPL[1]	*3.3*	11,846	10,731
Total non-current liabilities		**205,045**	200,128
Current liabilities			
Other payables	*10*	426	407
Total current liabilities		**426**	407
Total liabilities		**205,471**	200,535
Total equity and liabilities		**192,921**	193,982

[1] FVTPL – fair value through profit or loss

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

The Condensed Consolidated Financial Statements on pages 8 to 21 were approved by the Board of Directors and authorised for issue on 28 September 2022.

Condensed Consolidated Statement of Changes in Equity

	Notes	Share capital €'000	Retained earnings €'000	Total equity €'000
Balance at 31 December 2021		47	(6,600)	(6,553)
Total comprehensive loss				
Loss for the period		-	(5,997)	(5,997)
Total comprehensive loss for the period		-	(5,997)	(5,997)
Balance at 30 June 2022		**47**	**(12,597)**	**(12,550)**

	Notes	Share capital €'000	Retained earnings €'000	Total equity €'000
Balance at incorporation on 29 April 2021		-	-	-
Total comprehensive loss				
Loss for the period		-	(6,600)	(6,600)
Total comprehensive loss for the period		-	(6,600)	(6,600)
Transactions with owners, recorded directly in equity				
Contributions and distributions:				
Shares issued	*3.1*	51	-	51
Shares cancelled	*3.1*	(4)	-	(4)
Total contributions and distributions		47	-	47
Total transactions with owners of the Company		47	-	47
Balance at 31 December 2021		47	(6,600)	(6,553)

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CLIMATE TRANSITION CAPITAL

Condensed Consolidated Statement of Cash Flows

	Notes	**Half year 2022 €'000**	29 April to 31 Dec. 2021 €'000
Cash flows from operating activities			
Loss before income tax		(5,997)	(6,600)
Adjustments for:			
Net finance costs		5,472	3,922
Increase in other receivables		(255)	(268)
Increase in other payables		19	127
Negative interest paid	*5*	(555)	(274)
Net cash from operating activities		**(1,316)**	**(3,093)**
Cash flows from investing activities			
Net cash from investing activities		**-**	**-**
Cash flows from financing activities			
Proceeds from issue of share capital	*3.1*	-	51
Repayment on cancellation of share capital	*3.1*	-	(4)
Proceeds from issue of Units	*3.2*	-	189,610
Cost associated with issue of Units	*3.2*	-	(3,318)
Proceeds from issue of Sponsor Warrants	*3.3*	-	10,452
Income from trading during stabilisation period	*5*	-	16
Net cash flow from financing activities		**-**	**196,807**
Net increase in cash and cash equivalents		(1,316)	193,714
Net cash and cash equivalents at 29 April 2021		193,714	-
Net cash and cash equivalents at period end	*9*	**192,398**	**193,714**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Condensed Consolidated Financial Statements

1. Significant accounting policies

1.1. Basis of preparation

This interim financial report has been prepared in accordance with IAS 34 (Interim Financial Reporting). It does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Company's Annual Report and Financial Statements for the period 29 April 2021 to 31 December 2021 available on the Climate Transition Capital website: https://climatetransitioncapital.com/investor-resources/.

The accounting policies adopted are consistent with those of the previous financial period except for the estimation of income tax (see note 6) and the adoption of new and amended standards as set out below.

The information in these interim financial statements has not been reviewed or audited by the Company's statutory auditor.

1.2. New and amended standards that became effective in 2022

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

1.3. Going concern

These interim financial statements have been prepared on a going concern basis as the Company expects that it has enough funds available to operate until either a Business Combination is completed or the Business Combination Deadline (2 July 2023) is reached.

If the Company does not complete a Business Combination within 24 months from the settlement date of the offering, the Company shall, within no more than three months after such 24-month period, convene a general meeting for the purpose of adopting a resolution to dissolve and liquidate the Company and to delist the Ordinary Shares and Warrants. In the event of a liquidation, the distribution of the Company's assets and the allocation of the liquidation surplus shall be completed, after payment of the Company's creditors and settlement of its liabilities, in accordance with the rights of the Sponsor Shares and the Ordinary Shares and in accordance with a pre-determined order of priority. There will be no distribution of proceeds or otherwise with respect to any of the Warrants or the Sponsor Warrants (except for those Sponsor Warrants relating to any unused portion of the €2 million negative interest cover), and all such Warrants and Sponsor Warrants will automatically expire without value upon occurrence of such a liquidation. These conditions indicate the existence of a material uncertainty, which may cast significant doubt about the company's ability to continue as a going concern.

The financial risk for the Ordinary Shareholders is largely mitigated by the fact that the Company holds €191 million in the Escrow Account, which can only be released upon meeting strict requirements. Furthermore, the Company has raised proceeds from the sale of the Sponsor Warrants amounting to €10.45 million which, after deducting €2 million for negative interest cover, is considered to be sufficient to cover working capital and other running costs and expenses. If no Business Combination is completed, the exposure of Ordinary Shareholders is basically limited to the negative interest in excess of €2m incurred by the Company on the amount held in the Escrow Account and, if any, costs that are not covered by the balance of proceeds from the Sponsor Warrants.

CLIMATE TRANSITION CAPITAL

2. Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies
The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements Judgement.

- The accounting treatment of Sponsor Shares as equity and the Ordinary Shares, Warrants and Sponsor Warrants as financial liabilities. Further details are given in note 3 below.

- The judgement that IFRS 2 Share Based Payments does not apply to the Sponsor Shares and Sponsor Warrants. It is estimated that these shares and warrants, which are the 'risk bearing' capital of the Company, were issued at fair value (see "Key sources of estimation uncertainty" below). As the Sponsor Share and Warrant holders acquired their interests at fair value, they received their interests in the capacity of investors and not as compensation for the provision of services to the Company.

- The judgement that the only incremental costs directly attributable to the issue of the Units were the underwriting fees. The other costs incurred at the time of the Offering were judged to be related to the setup of the Company and acquiring an exchange listing.

Key sources of estimation uncertainty
The key assumptions concerning the future, and other key sources of estimation uncertainty for the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

- The judgement that, despite being separately listed on the Euronext Amsterdam exchange, the quoted price of the Warrants on 30 June 2022 did not give a valid representation of their fair value due to a lack of liquidity in the instrument. A Level 3 binomial option pricing model valuation, adjusted for the probability of a successful Business Combination, was therefore used to estimate their fair value. The key judgemental inputs into this model were the Ordinary Share fair value on 30 June 2022, the projected volatility of the Ordinary Shares price over the five-year, post Business Combination, exercise period of the Warrants and the probability of successful competing a Business Combination. Further details are given in note 3.2 below.

- The judgement that there was no comparable quoted instrument to the Sponsor Warrants at 30 June 2022. A Level 3 binomial option pricing model valuation, adjusted for the probability of a successful Business Combination, was therefore used to estimate their fair value. The key judgemental inputs into this model were the Ordinary Share fair value on 30 June 2022, the projected volatility of the Ordinary Shares price over the five-year, post Business Combination, exercise period of the Sponsor Warrants and the probability of successful competing a Business Combination. Further details are given in note 3.3 below.

- The judgement that there was sufficient liquidity in the Ordinary Shares on 30 June 2022 that their quoted price on the Euronext Amsterdam exchange was an accurate indication of their fair value. This fair value was a key input into the 30 June 2022 valuation models used for the Warrants and Sponsor Warrants.

- In relation to deferred tax, the directors consider the generation of future taxable profit, against which the Company can utilise tax the losses incurred, is too uncertain so no deferred tax asset has been recognised in respect of these tax losses.

3. Share capital and warrants

As the Company is a company incorporated as a private company with limited liability under the laws of the Netherlands, the Company is not required to have, and does not have, an authorised share capital.

The Company has two classes of share capital, Sponsor Shares and Ordinary Shares, each with a nominal value of €0.01 per share.

The company has issued two types of warrants, Sponsor Warrants and Warrants, details of which are given below.

The Ordinary Shares and Warrants are listed and traded on Euronext Amsterdam. The Sponsor Shares and Sponsor Warrants are not listed or publicly traded.

The Ordinary Shares and Warrants were combined in a “Unit” for the Offering with each Unit entitling the holder to one Ordinary Share and one-third of a Warrant. From the first day of trading on 30 June 2021 until 3 August 2021 only Units were listed and traded on the Euronext Amsterdam. On the 4 August 2021 the Units split into the underlying Ordinary Shares and Warrants which have been separately listed and traded since.

The Sponsor Shares will convert into Ordinary Shares on a one for one basis upon the successful completion of a Business Combination.

Each Sponsor Warrant and Warrant entitles the holders to subscribe for one Ordinary Share at a price of €11.50 during a period starting 30 days after the completion of a Business Combination and ending on the fifth anniversary of the Business Combination or, in the case of the Warrants, earlier upon redemption under certain conditions.

Full details of the terms and conditions of the Sponsor Shares, Ordinary Shares, Sponsor Warrants and Warrants can be found in the Prospectus.

The Sponsor Shares are accounted for as equity as the Company has no contractual obligation to pay cash to holders of those shares and there are no contractual redemption rights.

The Units (and the Ordinary Shares underlying the Units) issued in the Offering are accounted for in accordance with the guidance contained in IAS 32 Financial Instruments: Presentation. IAS 32 provides that the Company’s financial instruments shall be classified on initial recognition in accordance with the substance of the contractual arrangement and the definitions of a financial liability or an equity instrument. Accordingly, the Company has classified each Unit (and the Ordinary Shares underlying the

Unit) as a financial liability. IFRS 9 Financial Instruments provides that at initial recognition, financial liabilities are measured at fair value. After initial recognition, financial liabilities that are not derivatives are subsequently measured at amortised cost. Accordingly, the Company has initially recognised each Unit as a financial liability at its fair value and will subsequently measure the portion of each Unit attributed to the Ordinary Share (or the Ordinary Share after the Unit has split) at amortised cost. The treatment of the portion of each Unit attributed to the Warrant is explained below.

The Warrants issued in connection with the Offering and the Sponsor Warrants purchased by the Sponsor are accounted for in accordance with IAS 32 Financial Instruments: Presentation. IAS 32 provides that the Company's financial instruments shall be classified on initial recognition in accordance with the substance of the contractual arrangement and the definitions of a financial liability or an equity instrument. Accordingly, the Company has classified each Warrant and Sponsor Warrant as a derivative financial liability. IFRS 9 Financial instruments provides that at initial recognition, financial liabilities are measured at fair value. After initial recognition, financial liabilities that are derivatives are subsequently measured at fair value. The Warrants and Sponsor Warrants are therefore subject to re-measurement at each balance sheet date. With each such re-measurement, the Warrant and Sponsor Warrant liability will be adjusted to fair value, with the change in fair value recognised in the Company's profit or loss in the statement of comprehensive income.

The Units, Ordinary Shares, Warrants and Sponsor Warrants are subject to derecognition when, and only when, the financial liability is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires.

3.1. Sponsor Shares

Issued and fully paid	**Number**	**Share capital €'000**
At incorporation on 29 April 2021	100	-
Issued on 19 May 2021	5,056,136	51
Issued on 21 May 2021	40,000	-
Issued on 27 May 2021	25,000	-
Cancelled on 20 August 2021	(380,986)	(4)
At 31 December 2021	4,740,250	47
At 1 January 2022	4,740,250	47
At 30 June 2022	**4,740,250**	**47**

3.2. Units, Ordinary Shares and Warrants

Issued and fully paid

	Number			Financial liability	
	Units	Ordinary Shares	Warrants	Ordinary Shares	Warrants
	'000	'000	'000	€'000	€'000
At incorporation on 29 April 2021	-	-	-	-	-
Issued and repurchased on 29 June 2021		195,700	33,700	-	-
Units issued on 2 July 2021 in Offering	19,000			182,400	7,600
Units cancelled on 9 July 2021	(39)			(374)	(16)
Units "split" on 4 August 2021	(18,961)	18,961	6,320		
Issue costs (Ordinary Shares)				(3,185)	-
Effective interest (Ordinary Shares)				2,656	-
Fair value adjustment (Warrants)				-	316
At 31 December 2021	-	214,661	40,020	181,497	7,900
At 1 January 2022	-	214,661	40,020	181,497	7,900
Effective interest (Ordinary Shares)				3,233	-
Fair value adjustment (Warrants)				-	569
At 30 June 2022	**-**	**214,661**	**40,020**	**184,730**	**8,469**

The Ordinary Shares are classified as a financial liability and therefore measured at fair value at initial recognition then subsequently at amortised cost.

The Warrants are classified as a derivative financial liability and therefore measured at fair value both at initial recognition and subsequently, with the change in fair value being recognised in profit or loss.

The Ordinary Shares and Warrants are separately listed and traded on Euronext Amsterdam however, due to the lack of liquidity in the Warrants during the period to 30 June 2022, the quoted price did not provide a reliable indication of the fair value of the Warrants at 30 June 2022. Therefore, a binomial option pricing model valuation, adjusted for the probability of a successful Business Combination, was used to determine the fair value of the Warrants of €1.34.

The key inputs to this valuation were as follows:

Quoted price of an Ordinary Share on 30 June 2022	€9.85
Volatility	40%
Business Combination success probability	50%

The volatility of 40% was selected as this is the percentage implied form the cashless conversion rates set out in the Prospectus should the Company choose to redeem the Warrants during the exercise period when the price of an Ordinary Share equals or exceeds €10.00.

The Business Combination success probability of 50% remains the directors' prudent estimate of completing a Business Combination.

The sensitivity of the valuation to changes in the variable inputs are as follows:

Input	**Sensitivity**	**Warrant value**	
Volatility	+/-10%	+€0.24/-€0.33	+18%/-25%
Business Combination success probability	+/-10%	+€0.27/-€0.27	+20%/-20%

As the lowest level significant input in this valuation is unobservable, this is a Level 3 valuation.

3.3. Sponsor Warrants

Period ending 31 December 2021	**Number**	**FV per warrant** €	**Financial liability** €'000
At incorporation on 29 April 2021	-		-
Issued on 2 July 2021	6,770,834	€1.50	(10,156)
Issued on 20 August 2021	197,565	€1.50	(296)
Increase in fair value	-		(279)
At 31 December 2021	6,968,399	€1.54	(10,731)
At 1 January 2022	6,968,399	€1.54	(10,731)
Increase in fair value	-		(1,115)
At 30 June 2022	**6,968,399**	**€1.70**	**(11,846)**

As part of the Offering, the Sponsor committed to purchase 6,968,399 Sponsor Warrants from the Company at a price of €1.50 each to provide €10.5 million to cover up to €2 million of negative interest on the Escrow Account deposit and cover costs related to the Offering and the search for a Business Combination target. The Sponsor Warrants are not publicly traded.

The Sponsor Warrants are classified as a derivative financial liability and therefore measured at fair value both at initial recognition and subsequently, with the change in fair value being recognised in profit or loss. On 30 June 2022, the fair value of the Sponsor Warrants was estimated to be €1.70 using a binomial option pricing model valuation, adjusted for the probability of a successful Business Combination, as there is no comparable quoted financial instrument.

The key inputs to this valuation were as follows:

Quoted price of an Ordinary Share on 31 December 2021	€9.85
Volatility	40%
Business Combination success probability	50%

The sensitivity of the valuation to changes in the variable inputs are as follows:

Input	**Sensitivity**	**Sponsor Warrant value**	
Volatility	+/-10%	+€0.44/-€0.46	+26%/-27%
Business Combination success probability	+/-10%	+€0.34/-€0.34	+20%/-20%

As the lowest level significant input in this valuation is unobservable, this is a Level 3 valuation.

3.4. Ordinary Shares and Warrants in treasury

On 29 June 2021 the Company issued and immediately repurchased 195,700,000 Ordinary Shares and 33,700,000 Warrants at the same value of €1,957,000 for the purpose of holding these in treasury. As long as these Ordinary Shares and Warrants are held in treasury, they will not yield dividends, will not entitle the holders to voting rights, and will not count towards the calculation of dividends, voting percentages or repurchase/liquidation rights. The Ordinary Shares held in treasury are fully paid, admitted to listing and trading on Euronext Amsterdam, and held in treasury for the purpose of allotting these Ordinary Shares to investors (including conversion of Sponsor Shares) around the time of the Business Combination and when Warrants are exercised. The Warrants will be admitted to listing and trading on Euronext Amsterdam and held in treasury to keep the option open for the Company to raise additional capital in connection with the pursuit of a Business Combination in case necessary.

4. Administrative expenses

	Half year 2022 €'000	29 April to 31 Dec. 2021 €'000
Setup and listing costs	-	2,140
Directors' fees	208	206
Social security on directors' fees	14	14
Other expenses	303	318
Total Administrative expenses	**525**	2,678

5. Finance income and costs

	Notes	**Half year 2022 €'000**	29 April to 31 Dec. 2021 €'000
<u>Finance income</u>			
Gain on trading during post Offering stabilisation period			16
Finance income			16
<u>Finance costs</u>			
Underwriting fees on issue of Units	*3.2*	-	(3,318)
Underwriting fees debited to Ord. Share financial liability	*3.2*	-	3,185
Underwriting fees attributed to Warrants	*3.2*	-	(133)
Negative interest on the Escrow Account		(550)	(542)
Negative interest on bank current account		(5)	(12)
Total negative interest		(555)	(554)
Effective interest on Ord. Share financial liability		(3,233)	(2,656)
Fair value adjustment to Warrants	*3.2*	(569)	(316)
Fair value adjustment to Sponsor Warrants	*3.3*	(1,115)	(279)
Finance costs expensed		**(5,472)**	(3,938)
Net finance costs		**(5,472)**	(3,922)

The effective interest rate on the Ordinary Share financial liability for the period was 3.57% (2021: 2.93%).

6. Income tax

Income tax expense is recognised based on the directors' estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the year to 30 June 2022 is 0% (2021: 0%).

No deferred tax asset has been recognised in respect of the tax losses as the directors consider the generation of future taxable profit, against which the Company can utilise tax these losses, is too uncertain.

CLIMATE TRANSITION CAPITAL

7. Earnings per share

	Half year 2022	29 April to 31 Dec. 2021
Basic loss per share	**-€0.253**	-€0.281
Diluted loss per share	**-€0.253**	-€0.281
	€'000	**€'000**
Net loss for the period attributable to shareholders	(5,997)	(6,600)
	Number	**Number**
Weighted average number of shares used in calculations		
Basic	23,701,250	23,503,407
Diluted	23,701,250	23,503,407

Basic loss per share is calculated by dividing the net loss for the period by the weighted average number of shares in issue during the period.

Diluted loss per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential issuable shares. Where the inclusion of potentially issuable shares decreases the loss per share (anti-dilutive), the potentially issuable shares have not been included.

	Half year 2022	29 April to 31 Dec. 2021
Weighted average number of shares calculations – basic and diluted	**Number**	Number
Shares in issued at the start of the period	23,701,250	-
Weighted average number of shares issued in the period	-	23,814,784
Weighted average number of shares cancelled in the period	-	(311,377)
Weighted average number of shares in issue in the period	23,701,250	23,503,407
Effect of potentially issuable shares which are not anti-dilutive	-	-
Weighted average number of diluted shares for the period	23,701,250	23,503,407

The weighted average number of potentially issuable shares from conversion of issued Warrants and Sponsor Warrants not included in the diluted share calculation because they were anti-dilutive is 13,288,732 (2021: 13,022,840).

8. Other receivables

	30 June 2022	31 Dec. 2021
	€'000	€'000
VAT receivable (net of provision)	295	268
Prepayments	228	-
Total other receivables	**523**	268

CLIMATE TRANSITION CAPITAL

9. Cash and cash equivalents

	30 June 2022	31 Dec. 2021
	€'000	€'000
Cash at bank	1,603	2,370
Cash in escrow	190,795	191,344
Total cash and cash equivalents	**192,398**	193,433

Cash at bank is the amount in the Company's current account held at ABN AMRO Bank N.V.

The €189.61 million proceeds of the Offering along with €2.0 million of Negative Interest Cover were deposited in the Escrow Account held by the Foundation. The amounts will be released only in accordance with the terms of an escrow agreement between the Company, the Escrow Agent and the Foundation. As such the cash deposited in the Escrow Account is restricted and not freely available to the Company.

The Escrow Account is subject to the Euro Short-Term Rate (€STR) for the first 12 months from the settlement on 2 July 2021 and then €EST less 0.05% thereafter. In the period from 1 January 2022 to 30 June 2022 the €EST was between negative 0.572% and negative 0.593%.

10. Other payables

	30 June 2022	31 Dec. 2021
	€'000	€'000
Employee benefit obligations	7	6
Accrued interest	280	280
Other accruals	139	121
Total other payables	**426**	**407**

11. Commitments

As part of the Offering process the Company entered into contracts with various advisors. These contracts include additional fees of €6.2 million (of which €5.7 million relates to additional underwriting fees) contingent on the successful completion of a Business Combination.

12. Dividends

No dividends were paid or declared by the Company in the period.

13. Related party transactions

Remuneration of key management personnel

The Executive and Non-executive Directors are the key management personnel of the Group. Their aggregate remunerations during the period, which consisted solely of short-term employee benefits, were as follows:

	Half year 2022	29 April to 31 Dec. 2021
	€	€
Executive Directors	127,686	175,666
Non-executive Directors	82,500	81,875
	210,186	257,541

Climate Transition Capital LLP (“**CTC LLP**”)

Prior to the Business Combination, CTC LLP, of which Robin Duggan (Executive Director) is a designated member, is entitled to periodical payments of service fees by the Company via a consultancy agreement between CTC LLP and the Company for administrative, IT and support services provided by CTC LLP to the Company during the set-up and Offering process and subsequently to (eventually) identify potential target businesses for the Company (the “**Service Fees**”). The Service Fees charged during the period were €75k (2021: €164).

14. Events occurring after the reporting period

On 5 September 2022 David Crane, Non-executive Director, stepped down from the Board following his nomination by President Biden to the role of Under Secretary of Infrastructure at the Department of Energy and interim appointment as Director of the Office of Clean Energy Demonstration in the United States.

CLIMATE
TRANSITION
CAPITAL

Other Information

Shareholder Information

Registrar services

Queries in relation to shareholdings through Euronext should be directed to the Company's Euronext Listing and Paying Agent, ABN AMRO Bank N.V. who can be contacted at as.exchange.agency@nl.abnamro.com .

Website

Shareholders are encouraged to visit our website, which has further information about the Company and the Climate Transition Capital mission and team. https://climatetransitioncapital.com/

There is a section on our website designed specifically for CTCA1 investors. It includes press releases, reports (including this Annual Report), and other Company documents. https://climatetransitioncapital.com/investor-resources/

Financial calendar

31 December 2022	2022 financial year end
April 2023	Announcement of 2022 results

For updates to the calendar during the year, please visit the CTCA1 website page: https://climatetransitioncapital.com/investor-resources/

Company Information

Phone:	+31 20 262 02 30
Email:	info@climatetransitioncapital.com
Address:	Climate Transition Capital Acquisition I B.V. Basisweg 10 1043 AP Amsterdam The Netherlands

Independent Auditor

Deloitte Accountants B.V.

Corporate advisers

Principal bankers:	ABN AMRO Bank N.V.
Euronext listing and paying agent:	ABN AMRO Bank N.V.
Solicitors:	Allen & Overy LLP
Escrow agent:	InterTrust Escrow & Settlements B.V.
Company administrators:	InterTrust (Netherlands) B.V.