

This copy of the Annual Report of Climate Transition Capital Acquisition I B.V. for the year ended 31 December 2022 is not in the ESEF-format as specified by the European Commission in Regulatory Technical Standard on ESEF (Regulation (EU) 2019/815). The ESEF reporting package is available at <https://climatetransitioncapital.com/investor-resources/>

CLIMATE TRANSITION CAPITAL

Climate Transition Capital Acquisition I B.V.

Annual Report and Financial Statements

For the year ended 31 December 2022

Contents

	Page
CHAIR'S REPORT	2
DIRECTORS' REPORT	
Overview of the Company	3
Business Environment	4
Risks and Uncertainties	5
Financial Review	8
The Board of Directors	9
Corporate Governance Report	12
Audit Committee Report	18
Directors' Remuneration Report	20
Other Disclosures	21
STATEMENT OF DIRECTORS' RESPONSIBILITIES	22
FINANCIAL STATEMENTS	
Consolidated Statement of Profit or Loss and Other Comprehensive Income	25
Consolidated Statement of Financial Position	26
Consolidated Statement of Changes in Equity	27
Consolidated Statement of Cash Flows	28
Notes to the Consolidated Financial Statements	29
Company Statement of Financial Position	49
Company Statement of Profit or Loss	50
Notes to the Company Financial Statements	51
OTHER INFORMATION	
Shareholder Information	53
Company Information	53
INDEPENDENT AUDITOR'S REPORT	

Chair's Report

While global capital markets have struggled in the face of many challenges, it is encouraging to see that climate transition investment surged to a new record in 2022. At the start of this year, Bloomberg New Energy Finance reported that global investment had reached a total of \$1.1 trillion in 2022 (up 31% from \$849 billion in 2021), as the energy crisis and policy action drove faster deployment of clean energy technologies, especially renewables and electric vehicles. This has meant that CO2 emissions from energy in 2022 grew only 1% on the previous year to 33.8 billion tonnes.

For the first time, investment in low-carbon technologies reached parity with capital deployed in support of fossil fuels. Furthermore, demand-side climate transition investment at \$561 billion exceeded for the first time supply-side investment at \$550 billion, with investment in electrified transport receiving nearly as much capital as renewable energy.

BNEF's data show that China was by far the leading destination for attracting energy transition investment, accounting for \$546 billion while the EU as a bloc came second at \$141 billion. Investment in Europe was led by Germany (\$55 billion), France (\$29 billion) and the UK (\$28 billion).

Focusing back on our own business, the Climate Transition Capital team started the new year in a promising position with an exclusive agreement to merge with an attractive target company. However, the team was unable to steer this opportunity to a successful conclusion, despite everyone's best efforts, and has terminated the exclusivity. At the time of writing, the team continues to work through all of its other potential opportunities.

The Company's chances of concluding a successful transaction are partly a function of time and there is now a very limited window remaining. Furthermore, the very difficult market conditions throughout 2022 have been further aggravated by the recent turmoil in the global banking system. In recognition of these realities, some of the European SPACs that listed just weeks ahead of us have made the decision to go into liquidation. We will continue to look at options with the remaining time available.

It is to be very much hoped that the global investor community can soon find the confidence and conviction to sustain climate transition investments at the levels needed to secure net-zero, with all the social, environmental and economic benefits that would bring.

Marieke Bax

Chair, Climate Transition Capital Acquisition I B.V.

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 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/>

BUSINESS ENVIRONMENT

In December 2022, the European Council voted to adopt updated recommendations on travel to the EU and free movement within it. Under these new recommendations, member states will no longer impose any restrictions on travel on the grounds of public health. However, the recommendations keep a number of safeguards in case of a deteriorating epidemiological situation.

This means in practical terms that the Company is no longer impacted by measures to minimise the spread of COVID-19 and is now able to operate completely normally, and in particular, able to conduct due diligence and meetings in-person.

The ongoing war in Ukraine, following Russia's invasion last February, resulted in significant volatility and uncertainty in the global financial and energy markets and this continued throughout 2022. It is impossible to say how much longer this disruption will endure and for how long macroeconomic conditions, confidence and demand will be impacted. That said, conditions are not expected to improve in the near term.

The extent to which the war in Ukraine impacts the search for a Business Combination depends on current and future developments, which are highly uncertain and cannot be predicted, including further escalation of the conflict and the international response. Nonetheless, as the war in Ukraine continues, or if other disruptive events continue or become worse within the period from the date of this Annual Report until the Business Combination Deadline, the Company's ability to complete a Business Combination, or the operations of a target business with which the Company ultimately completes a Business Combination, may be materially adversely affected.

Prior to a Business Combination, the Company will, in evaluating the risks associated with a target business, seek (insofar as is possible) to take account of the financial and operational performance and resilience of such target business in light of the war in Ukraine. The Company cannot, however, offer any assurance that a business which has previously performed well would not be materially and adversely affected by the continuance or further escalation of the conflict, or other global events.

The Company has so far been able to operate effectively, meeting with potential targets and advisors or service providers by way of both video conferencing and in-person. Further, with European COVID-19 travel restrictions no longer in place, the Directors who are based outside the Netherlands are now able to travel and meet in-person for Board meetings. These are now held in-person in the Netherlands with the Directors attending in person as far as practicable in accordance with the Board Rules (as summarised in the Corporate Governance Report).

RISKS AND UNCERTAINTIES

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 year ended 31 December 2022, no material issues have been identified in the Company’s risk management policies and controls.

In accordance with Best Practice Provision 1.4.3 of the Dutch Corporate Governance Code, the Company’s Board of Directors is of the opinion that to the best of its knowledge:

- the report provides sufficient insights into any failings in the effectiveness of the internal risk management and control systems;
- the aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
- based on the current state of affairs of the Company, it is justified that the financial reporting is prepared on a going concern basis; and
- the report states those material risks and uncertainties that are relevant to the expectation of the Company’s continuity for the period of twelve months after the preparation of the report.

Set out below is 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. In making the selection, the Company has considered circumstances such as the probability of the risk materialising, the potential impact which the materialisation of the risk could have on the Company’s business, financial condition and prospects, and the attention that management would, on the basis of current expectations, have to devote to these risks if they were to materialise.

Although the Company believes that the risks and uncertainties described below are the material risks and uncertainties concerning the Company, they are not the only risks and uncertainties relating to the Company. 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. In particular, the Company has not identified its actual operational business yet, which is detrimental to the Company’s ability to present all risk factors specific to the business or industry in which the Company will become active following the Business Combination.

Strategic Risks	Detail	Likelihood	Impact	Measures
Risk of not identifying or completing a Business Combination	The Company has until 2 July 2023 to complete a Business Combination. There is no assurance that the Company will identify or complete a suitable Business Combination opportunity by the Business Combination Deadline, which could result in a loss of part or all of the Ordinary Shareholders’ investment.	Medium	High	The Company has identified over 550 opportunities and has engaged in detailed discussions / negotiations with several of these. The latest of these only recently ceased unsuccessfully. The Company still believes it is possible to identify and agree a Business Combination transaction for shareholder approval in the limited time remaining.

Dependency of shareholder returns on a single target business	The Company intends to complete the Business Combination with a single target business or company, meaning the Company's operations may depend on a single business or company that is likely to operate in a non-diverse industry or segment of an industry. This lack of diversification may materially negatively impact the Company's operations and profitability.	Medium	High	As part of the Company's opportunity screening and investment criteria, the Company is focussed on identifying opportunities which have a clear route to long-term shareholder value creation. There can be no assurance, however, that after the Business Combination the target business will perform in accordance with business plan expectations or that the Company will have any influence over the target business or be able to propose effective operational and commercial strategies or other improvement programmes for any target business in which the Company acquires a stake and, to the extent that such strategies are proposed, there can be no assurance they will be implemented effectively.
---	---	--------	------	--

Operational Risks	Detail	Likelihood	Impact	Measures
Dependency on a small group of individuals	The Company's ability to successfully complete the Business Combination and to be successful thereafter is dependent upon, inter alia, a small group of individuals	High	Low	The Company has a one-tier board, which comprises highly experienced individuals with complementary skillsets and expertise, including executive directors (responsible for the Company's day-to-day management) and non-executive directors, who supervise and advise the executive directors. All of the directors have a duty to the Company to properly perform the duties assigned by each member and to act in the Company's corporate interests. This is further mitigated through the implementation of, and compliance with, comprehensive corporate governance procedures and controls.
Impact of conflict in Ukraine and COVID-19 pandemic	The Company's search for a target business may be adversely impacted by the conflict in Ukraine, the coronavirus (COVID-19) pandemic and other adverse global events	Medium	Medium	Please refer to the Business Environment Report (p.10 above).
Directors' time commitments	Directors may allocate their time to other businesses leading to potential conflicts of interest in their determination as to how much time to devote to the Company's affairs, which could have a negative impact on the Company's ability to complete a Business Combination and its operations following the Business Combination.	Low	Low	The Directors are a group of highly experienced individuals, including three executive directors (Joris Rademakers, Robin Duggan and David Buzby) who are focussed on the day-to-day management of the Company and the identification of a target business and agreement a Business Combination. The Company is supported by Climate Transition Capital (the Promoter) and Climate Real Impact Solutions (the Strategic Partner) together with suitably experienced advisors and a consultancy agreement in place with Climate Transition Capital LLP for administrative, IT and support services, to ensure that the Company has sufficient resources to complete a Business Combination.

Financial & Legal Risks	Detail	Likelihood	Impact	Measures
Budget	The Company has a fixed budget committed by the Sponsor to cover running costs related to the Business Combination, such as legal, financial and tax due diligence costs, costs related to the share purchase agreement and the BC-EGM, together with Director remuneration and salary costs.	Low	Low	Expenses for the period to date are lower than the budget. The Company does not currently expect to exceed the total available budget, having negotiated low fixed fee arrangements with advisors for ongoing support. The Company also has the ability to raise additional capital in the event that the budget is exceeded.
Compliance with laws	The Company is obliged to comply with Dutch and EU legislation, including financial reporting, MAR and the Dutch Corporate Governance Code.	Low	Low	The Company has implemented robust policies and procedures and works closely with its experienced legal and financial advisors to ensure compliance.
Third Party Claims	The Company is not party to any claims by third parties but may be in the future.	Low	High	There are no third-party claims, and the Company does not currently expect any such claims in the near future given the nature of the Company's business. In the event of a claim, the Company would engage its external legal counsel to provide legal support.

FINANCIAL REVIEW

	2022	2021
• Cash at bank	€1.4m	€2.4m
• Cash in Escrow Account	€190.5m	€191.3m
• Financial liability relating to Ordinary Shares	€188.9m	€181.5m
• Financial liability relating to Warrants	€8.8m	€7.9m
• Financial liability relating to Sponsor Warrants	€12.5m	€10.7m
• Closing price of Ordinary Shares on Euronext, Amsterdam	€9.85	€9.73
• Expenditure in period	€1.9m	€6.4m
• Net finance costs in period (mainly non-cash)	€10.2m	€3.9m

Administrative Expenses

Administrative expenses in 2022 were to €1.2m (2021: €2.7m).

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 €3m 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 €10.2m (2021: €3.9m). The main components of this were the effective interest (i.e. the amortised cost) on the Ordinary Share financial liability of €7.4m (2021: €2.7m), charges of €2.7m (2021: €0.6m) in respect of the increases in fair value of the Warrants and Sponsor Warrants, all of which are non-cash, and €0.1m (2021: €0.5 m) of net negative interest on the Escrow Account.

Escrow Account

The only transactions on the Escrow Account during 2022 were negative interest charges totalling of €0.9m and interest income of €0.1m.

THE BOARD OF DIRECTORS

As at the date of this Annual Report, the Board comprises the following members:

Name	Age	Position	Appointed to Board
Ms. Marieke Bax (Chair)	62	Non-Executive Director	2 July 2021
Mr. Shaun Kingsbury	56	Non-Executive Director	2 July 2021
Ms. Lisa McDermott	49	Non-Executive Director	2 July 2021
Mr. David Tuohy	52	Non-Executive Director	2 July 2021
Mr. David Buzby	63	Executive Director	2 July 2021
Mr. Robin Duggan	56	Executive Director	2 July 2021
Mr. Joris Rademakers	37	Executive Director	29 April 2021

Marieke Bax

Chairperson, Independent Non-Executive Director

Committee(s): Audit Committee (Chair), Disclosure Committee

Marieke has over ten years of experience as an international non-executive director and twenty years of international executive experience across a broad range of sectors and companies. She is regarded as an expert in corporate governance and a champion of board diversity.

Marieke currently serves as a non-executive director and Chair of the Audit Committee of InPost S.A., an e-commerce logistics firm pioneering sustainable parcel delivery solutions that can reduce carbon dioxide emissions by up to 95%. Her other non-executive appointments include the boards of Xior Student Housing NV and Frontier Economics Limited, as well as serving as Chair of the Audit Committee of Mediq N.V., a company providing healthcare solutions.

Shaun Kingsbury CBE

Non-Executive Director

Committee(s): Audit Committee, Investment Committee (Chair)

Disclosure Committee (Chair) (July 2021 – February 2022)

Shaun is CIO of Just Climate LLP, a climate-led investment business established by Generation Investment Management LLP to focus on investments in hard to abate sectors and geographies. He is also Chairman of CNG Fuels Ltd, the leading provider of biomethane for HGV transport in the UK, and Chairman of Renewable Power Capital Limited, a company established by the Canadian Pension Plan Investment Board to develop, build and operate wind and solar assets across Europe.

Shaun was the first CEO of the UK Green Investment Bank plc (GIB), the world’s first low carbon investment bank. Shaun established the bank in 2012 with the backing of the UK Government, financing over £12 billion of clean energy projects. He helped to establish the Green Bank Network, a club of the world’s leading green banking institutions before stepping down upon the successful sale of the GIB in August 2017 to Macquarie. Shaun was also the executive Chairman of the GIB’s Offshore Wind Fund, which with £1.1 billion of assets under management, was Europe’s largest renewable energy fund upon close. Prior to establishing GIB, Shaun was responsible for European activities at Hudson Clean Energy Partners LP, a US clean energy firm.

Lisa McDermott

Independent Non-Executive Director

Lisa has over 24 years of experience as a banker and lawyer in the UK and the Netherlands. She is an executive director in the project finance team at ABN AMRO N.V. in Amsterdam, where she leads the bank’s European energy transition project financing activities.

She has previously held senior roles at Intertrust Group B.V. in the Netherlands, where she was Head of the Financial Governance team, and Nomura International (Nomura Europe Holdings plc) and WestLB A.G. in London, where Lisa was Head of the Structured Solutions Group and Head of the UK Structured Projects team respectively.

David Tuohy

Independent Non-Executive Director

David has 30 years of international experience in cleantech, energy and telecoms most recently having served as CEO of Connecting International B.V., a technology-enabled company that operates the leading energy switching platforms for third-party intermediaries in the Netherlands and Germany.

Previously he was a member of the executive team of Uplight, Inc. (formerly Tendril), a leading provider of SaaS based energy efficiency and data analytics solutions for energy utilities and has held various board and senior management positions at Hudson Clean Energy Partners LP, Eneco Groep N.V., Vattenfall AB and Royal KPN N.V.

David Buzby

Executive Director

Committee(s): Investment Committee

David has over 30 years of experience in sustainability, renewable energy, and technology, forming several billion-dollar public companies in the sustainability industry as well as raising over \$1.5 billion of co-investment from institutional investors.

David is Chair of the board of Stem, Inc., where he was a founding investor and has been a director since 2010. Stem is a leading energy storage/grid services company in North America, which completed a de-SPAC merger with Star Peak Energy Transition Corp. in 2021. David is also on the boards of Spring Valley Acquisition Corp. II, and Leading Edge Equipment Technologies, Inc., and serves on the investment committee of PRIME Coalition, Inc. a venture philanthropy company, since 2016.

David has an MBA from Harvard Business School (1988) and a BA from Middlebury College (1982).

Robin Duggan

Executive Director

Committee(s): Investment Committee, Disclosure Committee (Chair) (February 2022 -Present)

Robin is an experienced private equity investor and business leader in the energy transition sector. Robin was a founding Managing Director of Riverstone Europe LLP's Renewable Energy investment team in Europe which raised the world's largest renewable energy fund, leading the investment of over \$1.3billion into clean energy projects for a 2x return. He served on Boards and led deal teams, launching the first US clean energy Master Limited Partnership (Enviva Holdings GP, LLC), together with the first clean energy exits to a Japanese investment house (Seajacks International Limited) and a Chinese OEM (Velocita Energy Developments Limited).

He is currently Chairman of the Advisory Council of Camberwell Energy Ltd, an independent business providing transformational development projects for customers in the renewable energy sector, and Director of Meva Energy AB, an international renewable biomass business.

Joris Rademakers

Executive Director

Committee(s): Disclosure Committee, Investment Committee

Joris is an investor and company builder focused on the climate transition, investing growth equity to

scale businesses and enable their transition to lower-cost capital to maximise their impact. He has over 13 years of experience in clean energy as a finance and investment professional, having been involved in launching a climate investment platform and creating, scaling-up and subsequently selling two renewable energy platforms and a flexible generation business.

He was previously the Chief Investment Officer and Director of Forsa Energy Ltd, a European renewable energy, flexible generation and energy storage investment vehicle funded by Riverstone's multi-billion dollar Renewable and Alternative Energy II fund, and Corporate Development & Strategy Director and Finance Director of Velocita Energy Developments Ltd, Forsa Energy's predecessor. Joris began his career in M&A and corporate finance at Barclays Capital (Barclays plc).

Resignations during the year

On 5 September 2022, David Crane resigned as a non-executive director of the Company as he had accepted a senior position within a US Government Department.

Board Meeting attendance

The Board of Directors met 10 times during the year with a meeting in each month except for July and August. Details of the meetings attended during the financial year were as follows:

Director	Board Meetings attended
Marieke Bax - Chair	9
Shaun Kingsbury	10
Lisa McDermott	10
David Tuohy	10
David Buzby	10
Robin Duggan	10
Joris Rademakers	10
David Crane (<i>resigned 5 Sept-22</i>)	6
Total meetings during the year	10

CORPORATE GOVERNANCE REPORT

Corporate Governance Statement

The Company is committed to integrity, maintaining high standards of corporate governance to underpin the Company's values and enable delivery of shareholder value. To support this, policies and procedures have been adopted to ensure fair and responsible practices are consistently adopted and any possible breaches or issues may be navigated in the best interests of the Company and its shareholders. The Board recognises that these policies and procedures need to be regularly reviewed and, as appropriate, updated. The policies and procedures currently in place have been published on the Company's website and include a Code of Conduct, Board Rules, Audit Committee Rules, Whistleblowing Policy, Diversity Policy, Insider Trading Policy, Related Party Transactions Policy, Remuneration Policy and Bilateral Contacts Policy.

Board Composition and Structure

The Company maintains a one-tier board which is composed of Executive Directors and Non-Executive Directors. The Board currently consists of three Executive Directors and four Non-Executive Directors. Of the Non-Executive Directors, Marieke Bax, David Tuohy and Lisa McDermott are based in the Netherlands and qualify as independent in accordance with the Dutch Corporate Governance Code (the "**Code**"). Directors are appointed for a period of four years.

In accordance with the Articles of Association ("**Articles**"), the Board has adopted rules governing the Board's principles and best practices, describing the duties, tasks, composition, procedures and decision making of the Board as well as the supervising duties of the Non-Executive Directors.

Resolutions of the Board are adopted by unanimous vote where possible. Where this is not possible, resolutions of the Board are adopted by a majority vote of the Directors present or represented. Resolutions can only be adopted if at least five of the Directors are present or represented. Each Director has one vote. A proposal is deemed rejected in case of a tie of votes within the Board.

In general, the Board meets monthly. Meetings are chaired from and take place in Amsterdam or such other place in the Netherlands as the Directors agree. Insofar as practicable, Directors attend Board meetings in person. Those Directors who are unable to join in person participate virtually by means of videoconferencing.

The Articles provide that one Executive Director will be appointed by the General Meeting upon the binding nomination of the Board. The General Meeting can reject the nomination by majority representing at least two-thirds of the votes cast on the Ordinary Shares and the Sponsor Shares, representing more than half of the issued capital of the Company. If the nomination is rejected with the requisite majority, the Board will make a binding nomination of a different person. If the nomination is not rejected with the requisite majority, the person nominated will be appointed.

The Articles provide that a director may be suspended or dismissed by the corporate body that appointed such Director at any time. A resolution of the General Meeting to suspend or remove the Executive Director it appointed other than pursuant to a proposal by the Board requires a majority representing at least two-thirds of the votes cast on the Ordinary Shares and the Sponsor Shares, representing more than half of the issued capital of the Company.

Committees of the Board

The Board may decide to install committees whenever it deems appropriate. The Board has installed the following standing committees:

- **Audit Committee** – comprises Non-Executive Directors and meets whenever deemed necessary, but not less than two times per year. Separate by-laws governing the Audit Committee have been adopted.
- **Investment Committee** - comprises Executive and Non-Executive Directors, together with one or more observers. Its remit is to screen investment opportunities in connection with a Business Combination.
- **Disclosure Committee** - comprises Executive and Non-Executive Directors. Its remit is to assess whether specific information falls within the scope of the definition of inside information as included in the insider trading policy of the Company.

Diversity

The Dutch government adopted legislation in September 2021 requiring that one-third (rounded up) of non-executives on boards of Dutch companies listed on a stock exchange in the EU be female. This gender diversity quota applies to future appointments. The Company currently meets these gender diversity requirements.

The Company recognises the benefits of having a diverse Board as an important element in maintaining a competitive advantage and strives to meet a more balanced male/female ratio. CTCA1's Diversity Policy provides, when considering the appointment and reappointment of Non-Executive Directors, that a diverse Board will include, and make use of, differences in the background, gender, geographical and industry experience, skills and other distinctions between Non-Executive Directors. These factors will be considered in determining the composition of the Board and, when possible, will be balanced appropriately. Board appointments are made on merit, in the context of the diversity, experience, independence, knowledge and skills the Board as a whole requires to be effective.

Limitation on Supervisory Positions

Dutch law restricts the number of non-executive or supervisory director positions persons can hold on the boards of certain large Dutch companies. The Company does not currently qualify as a large company under these provisions as, among other reasons, it has not yet prepared annual accounts covering two years.

Mandatory Disclosures relating to the Board

During the last five years, none of the Directors, except as specifically mentioned otherwise: (i) has been convicted of fraudulent offences; (ii) has served as a director or officer of any entity subject to bankruptcy proceedings, receivership, liquidation or administration; or (iii) has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer.

Mr David Tuohy previously served as a director of Wind Systems Holdings Coöperatief U.A. During Mr Tuohy's term this company was voluntarily liquidated. There were no legal proceedings and there are no outstanding claims concerning this voluntary liquidation. All remaining proceeds were returned to the shareholders and this company was deregistered in April 2021.

The Sponsor has the right to designate one or more Executive Directors and/or Non-Executive Directors. Such Directors will be appointed upon the binding nomination by the Board by the meeting of Sponsor shareholders as Executive Directors and Non-Executive Directors or as replacement for such members, in which case the Sponsor has the right to designate for nomination and propose replacements for all

Executive Director positions, except for one Executive Director that will be appointed by the General Meeting upon the binding nomination of the Board. Both the Board and the meeting of Sponsor shareholders shall endeavour to ensure that at least 50% of the Non-Executive Directors is independent within the meaning of the Code. Such designation right will expire if the Sponsor ceases to hold Sponsor Shares. A designation right (if any) with respect to the Board after completion of a Business Combination will be agreed upon by the Sponsor, the Company and the target business.

Dutch Corporate Governance Code

Prior to effecting a Business Combination, the Company is not involved in any activities other than a Business Combination. The Company intends to tailor its compliance with the Code to the situation after completion of a Business Combination and will, until such time, not comply with a number of the best practice provisions. The current deviations from the Code provisions relating to the Board and its committees are summarised below.

Best Practice Provision 2.3.4: Composition of the Committees:

Only one of the two Audit Committee members, being Marieke Bax, is independent within the meaning of provision 2.1.8 of the Code. The Audit Committee members otherwise meet the Code requirements and have been appointed based on their respective expertise and skillsets. The Company has every intention of meeting this provision in full when next selecting and appointing Audit Committee members.

Best Practice Provision 2.3.10: Secretary to the Board

No Company secretary has been appointed. Until a Business Combination is completed, the Board has no need for a secretary to the Board given the Company's limited activities.

Best Practice Provision 3.3.3: Shares held by a non-executive Director in the company on whose Board they serve should be long-term investments

The Sponsor Shares held (directly or indirectly) by the Non-Executive Directors, are not necessarily held as long-term investments, as their investment horizon will be determined following completion of a Business Combination. This is partly inherent in the fact that it is uncertain that the current Directors will remain appointed as Directors of the Company after completion of a Business Combination. Furthermore, the Company considers the fact that the Directors (directly or indirectly) hold securities which do not have a strict long-term investment horizon to be in line with market practice for SPACs. The Company's capital structure, however, ensures that the interests of the Company's promoters, members of the Board and ordinary shareholders are aligned. The Sponsor Shares which have been issued are subject to a lock-up undertaking which applies following conversion of such Sponsor Shares into Ordinary Shares in the capital of the Company. With respect to the individual holdings of the Non-Executive Directors, no Non-Executive Director individually holds (directly or indirectly) more than 1.3% of the issued share capital (excluding shares held in treasury) of the Company such that no one Non-Executive Director may substantially influence a vote on a proposed Business Combination. The Company further considers that its balanced and highly experienced Board and committees, with robust processes and procedures in place, minimises the risk of entering into an unfavourable Business Combination.

Best Practice Provision 4.3.3: Cancelling the Binding Nature of a Nomination

A general meeting of the Company may only pass a resolution to cancel the binding nature of the nomination by the Board for the appointment of one Executive Director by majority representing at least two-thirds of the votes cast on the Ordinary Shares and Sponsor Shares, representing more than half of the issued capital of the Company. As the Company will not conduct any business prior to a Business Combination being completed, the Company considers that a higher threshold is appropriate at this point in time. The Board, together with the Company's promoters and execution team, are aligned on implementing a Business Combination within the time limits applicable under the Company's prospectus

dated 23 June 2021. The Company intends to endeavour to comply fully with this provision following a Business Combination.

Best Practice Provision 5.1.4: Composition of Committees

Whilst the Audit Committee comprises solely of Non-Executive Directors, the Chair of the Board also chairs the Audit Committee. As the Company's sole activity is pursuing a Business Combination and given Ms Bax's significant expertise of acting as a non-executive and chairing audit committees, Ms Bax is best placed to assume this role. The Company will endeavour to fully comply with this provision when new Audit Committee members are appointed.

Conflicts of Interest; Other Information

Dutch law prohibits a director from participating in the deliberation or decision-making of a board resolution if he or she has a direct or indirect personal interest conflicting with the interests of the Company and its business. A conflict of interest exists in any event if, in the situation at hand, the director is deemed unable to serve the interests of the Company and its business with the required level of integrity and objectivity.

The Articles and the Board Rules require each Director to immediately report any actual or potential personal conflict of interest concerning him or herself or any other Director to the Chair of the Board and to the other Directors, and to provide all information relevant to the conflict. The Board must then determine whether it qualifies as a conflict of interest, in which case the conflicted Director may not participate in the decision-making and deliberation process on the relevant topic. If all Directors are conflicted and as a consequence no resolution can be adopted by the Board, the resolution may still be adopted by the Board.

Non-compliance with the provisions on conflicts of interest may render the resolution voidable (*vernietigbaar*) and a non-complying Director may be held liable towards the Company. As a general rule, the existence of a (potential) conflict of interest does not affect the authority to represent the Company and would therefore not affect the validity of contracts entered into by the Company.

The following circumstances could lead to a potential conflict of interest for the Directors:

- Marieke Bax, David Tuohy, and Lisa McDermott directly hold 25,000, 20,000 and 20,000 Sponsor Shares, respectively. Such securities may incentivise them to focus on completing a Business Combination rather than on critical selection of a best possible target business and the negotiation of favourable terms for the transaction. If the EGM would approve a Business Combination proposed by the Directors, despite this Business Combination not having been subject to either a critical selection or based on unfavourable terms to the Company and its shareholders, the effective return for such shareholders after completing a Business Combination may be low or non-existent;
- The Company's Promoter, Climate Transition Capital (CTC), and its Strategic Partner, Climate Real Investment Solutions (CRIS), hold Sponsor Shares via the Sponsor, which may incentivise it (and the Directors affiliated therewith) to initially focus on completing a Business Combination rather than on critical selection of a feasible target business and the negotiation of favourable terms for the transaction. In the long-term, however, CTC and CRIS are aligned in pursuing a favourable business combination as they are more likely to benefit from their Sponsor Shares and related conversion rights if the acquired target business performs well and is integrated in the Company in a manner that is beneficial from a commercial, legal and tax perspective to the Company and all its shareholders;
- The Sponsor and the Directors and their affiliated entities will be free to pursue, for their own account, any investments or business combination opportunities, some of which may overlap with

opportunities that are suitable for the Company as a Business Combination without being required to present such opportunities to the Board. This overlap could create conflicts of interest, such as in determining to which entity a particular investment opportunity should be presented. These conflicts may not be resolved in favour of the Company and a potential target business may be presented to another entity affiliated with the Sponsor or the Directors;

- Directors are not required to commit their full time to the Company's affairs. They may allocate their time to other businesses because they might have an interest therein, leading to potential conflicts of interest in their determination as to how much time to devote to the Company's affairs (and indirectly the shareholders), which could have a negative impact on the Company's ability to complete a Business Combination. As a consequence, the Company may be unable to complete a Business Combination or, when it does, the effective return for Shareholders may be low or non-existent;
- One or more of the Directors may negotiate employment or a consultancy arrangement with a target business in connection with a particular Business Combination. Such negotiations would take place simultaneously with the negotiation of a Business Combination and may provide for them to receive compensation following such Business Combination. This may cause them to have conflicts of interest in determining whether a particular proposed Business Combination is the most advantageous for the Company and thereby the shareholders, as the personal and financial interests of such Directors may influence their decisions in identifying and selecting a target business; and
- Joris Rademakers and David Buzby are also appointed as members of the Sponsor's board. This may give rise to conflicts of interests in determining whether a particular proposed Business Combination is the most advantageous for the Company and thereby the shareholders, as the Sponsor (and the directors affiliated therewith) may be incentivised to initially focus on completing a Business Combination rather than on critical selection of a feasible target business and the negotiation of favourable terms for the transaction.

The Board Rules further provide that the Board will not propose a Business Combination to the EGM where the target business is affiliated with the Sponsor, promoter, strategic partner or Directors or their respective affiliates, unless a fairness opinion from a reputable independent investment bank is obtained that the purchase consideration is fair, from a financial point of view to the ordinary shareholders of the Company.

There are no other potential conflicts of interest between the private interests or other duties of the members of the Board vis-à-vis the interests of the Company. There is no family relationship between any Director or Audit Committee member.

Liability and Insurance

Under Dutch law, a Board member may be liable to the Company for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages towards the Company for infringement of the Articles or of certain provisions of the Dutch Civil Code (*Burgerlijk Wetboek*). In addition, they may be liable towards third parties for infringement of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil, administrative and criminal liabilities. Directors and the audit committee of the Company are insured under an insurance policy against damages resulting from their conduct when acting in their capacities as such members or officers.

Indemnification

The Articles provide for an indemnity for the Executive and Non-Executive Directors. Subject to Dutch law and not in any case of wilful misconduct or gross negligence (*opzet of grove nalatigheid*), every person who is or formerly was a Director shall be indemnified out of the assets of the Company against all costs, charges, losses and liabilities incurred by such Director in the proper execution of their duties or the proper exercise of his or her powers in any such capacities in the Company including, without limitation, a liability incurred in defending proceedings in which judgment is given in such Director's favour or in which he or she is acquitted, or which are otherwise disposed of without a finding or admission of material breach of duty on his/her part.

AUDIT COMMITTEE REPORT

The Audit Committee is a standing committee of the Board consisting of at least two members. The members of the Audit Committee are appointed, and may be replaced at any time, by the Board. The Board appoints the Audit Committee Chair.

The members of the Audit Committee are Marieke Bax as Chair and Shaun Kingsbury. The Board is satisfied that at least one member of the Audit Committee, Marieke Bax, has recent and relevant financial experience.

Meetings

The Audit Committee met three times during the year to review and approve both the 2021 Annual Report and Financial Statements and the 2022 Interim Report prior to them being presented to the Board for approval. Only members of the committee have the right to attend the meetings of the committee, however the committee can invite other Directors, individuals from the Company's advisers and representatives of the external auditors to attend its meetings.

Details of the meetings attended during the financial year were as follows:

Director	Audit Committees attended
Marieke Bax - Chair	3
Shaun Kingsbury	3
Lisa McDermott	1*
David Tuohy	1*
Robin Duggan	2*
Joris Rademakers	1*
Total meetings during the year	3

* *Invitee*

Role

The core terms of reference of the Audit Committee include reviewing and reporting to the Board on matters relating to:

- the audit plans of the external auditors;
- the Company's overall framework for financial reporting and internal controls;
- the Company's overall framework for risk management;
- the accounting policies and practices of the Company; and
- the annual and interim financial reporting carried out by the Company.

The committee is responsible for notifying the Board of any significant concerns that the external auditors may have arising from their audit work, any matters which may materially affect or impair the independence of the external auditors, any significant deficiencies or material weaknesses in the design or operation of the Company's internal controls and any serious issues of non-compliance. No such concerns were identified during the financial period.

Key matters considered by the committee

During the year, the issues considered by the committee both during and outside formal committee meetings included:

- Company financial disclosures and accounting matters including accounting treatment and valuation of the Company's financial instruments and going concern;
- audit plan of the external auditors for the 2022 financial year;
- reports of the external auditors concerning its audit and review of the financial statements of the Company;
- 2021 Annual Report and Financial Statements and 2022 Interim Financial Report;
- external auditors' fees; and
- auditor independence and objectivity.

Internal audit function

The Company does not have an internal audit function, which has been considered unnecessary due to the nature of the Company as a SPAC. The need for an internal audit function is reviewed periodically by the Audit Committee.

External auditors

The Company's external auditor, Deloitte Accountants B.V. ("Deloitte" or "External Auditor"), was appointed as of incorporation of the Company. The External Auditor reports to the Committee on the actions taken to comply with professional and regulatory requirements and with best practice designed to ensure its independence. The performance of the External Auditor is reviewed by the Audit Committee on an annual basis through a qualitative assessment of the services provided against the agreed audit plan and taking account of feedback received from management. Following this review, the Audit Committee is satisfied that the external audit process operates effectively.

DIRECTORS REMUNERATION REPORT

The Company's policy is to remunerate directors fairly for their contribution and role within the Company. The table below shows the remuneration paid to the Directors in the year ended 31 December 2022.

Name	Position	Fees	
		2022	2021
Marieke Bax	Non-executive Director	€25,000	€12,405
Shaun Kingsbury	Non-executive Director	€50,000	€24,811
Lisa McDermott	Non-executive Director	€20,000	€9,924
David Tuohy	Non-executive Director	€20,000	€9,924
David Buzby	Executive Director	€75,000	€37,216
Robin Duggan	Executive Director	€75,000	€37,216
Joris Rademakers	Executive Director	€100,000	€50,000
David Crane (<i>resigned 5 Sept-22</i>)	Non-executive Director	€33,902	€24,811

Except for Joris Rademakers, the Directors did not receive, nor are entitled to, any other benefits or annual bonuses. In 2022, Joris Rademakers received other benefits with a value of €35,747. In 2021 Joris Rademakers was reimbursed €51,234 of costs related to his relocation to the Netherlands.

All Executive Directors have entered into management agreements with the Company.

Notice Period and Severance

The management agreements, other than the agreement for Joris Rademakers, do not contain any severance arrangements or notice periods.

Joris Rademakers's agreement has a notice period of six months for the Company and three months for the Executive Director. If his agreement is terminated early by the Company, other than for urgent cause or serious culpable or negligent behaviour, he is entitled to a one-off severance payment equal to six monthly fees subject to relevant withholding of taxes.

Directors' Interests in the Financial Instruments of the Company

The Directors' interests in the financial instruments of the Company at the year-end were:

Director	Sponsor Shares		Sponsor Warrants
	Number	Percentage*	Number
David Buzby (held via the Sponsor)	437,501	1.8%	573,963
Robin Duggan (held via the Sponsor)	256,974	1.1%	337,128
Joris Rademakers (held via the Sponsor)	120,945	0.5%	158,669
Marieke Bax	25,000	0.1%	-
Shaun Kingsbury (held via the Sponsor)	237,477	1.0%	311,549
David Tuohy	20,000	0.1%	-
Lisa McDermott	20,000	0.1%	-

*Percentage of issued share capital excluding shares held in treasury.

OTHER DISCLOSURES

Related Party Transactions

The Sponsor

The Sponsor (Climate Transition Sponsor I LLP) holds 19.73% of the issued share capital of the Company and the following Directors are members in entities which are members of the Sponsor.

Name	Position
Shaun Kingsbury	Non-executive Director
David Buzby	Executive Director
Robin Duggan	Executive Director
Joris Rademakers	Executive Director

The Sponsor is therefore considered to be a related party.

On 29 April 2021 the Sponsor subscribed for 100 Sponsor Shares for cash at an issue price of €0.01 on incorporation of the Company.

On 19 May 2021, the Sponsor subscribed for 5,056,136 additional Sponsor Shares for cash at an issue price of €0.01.

On 2 July 2021 the Sponsor acquired 6,770,834 Sponsor Warrants from the Company for a consideration of €10,156,251.

On 20 August 2021 the Sponsor acquired 197,565 Sponsor Warrants from the Company for a consideration of €296,348.

On 20 August 2021 380,986 Sponsor Shares were cancelled and €3,810 refunded to the Sponsor. This reduced the issued Sponsor Shares to 4,740,250, 25% of the final 18,961,000 of Units issued in the Offering.

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 the provision of 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 year were €171k (2021: €58k in respect of the set-up and IPO process and €106k for ongoing support).

Statement of Directors' Responsibilities in respect of the Financial Statements

The Directors are responsible for preparing the Company's Annual Report. The Company's Annual Report comprises the Directors' Report and the Company's Financial Statements. The Directors are responsible for preparing the Annual Report in accordance with applicable law and regulations. The Directors are required by law to prepare the Annual Report for each financial year. The Directors have prepared the Annual Report in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and the relevant provisions of the Dutch Civil Code. The Directors must not approve the Annual Report unless they are satisfied that it gives a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the Annual Report, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable IFRS as adopted by the European Union and the relevant provisions of the Dutch Civil Code have been followed, subject to any material departures disclosed and explained in the Annual Report; and
- prepare the Annual Report on the going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose, with reasonable accuracy at any time, the financial position of the Company and enable them to ensure that the Annual Report complies with applicable law. The Directors have assessed whether the risk assessment executed showed any material failings in the effectiveness of the Company's internal risk management and control systems. Though such systems are designed to manage and control risks, they can provide reasonable, but not absolute, assurance against material misstatements. Based on this assessment, to the best of our knowledge and belief, no material failings of the effectiveness of the Company's internal risk management and control systems occurred and the internal risk and control systems provides reasonable assurance that the 2022 financial statements do not contain any errors of material importance.

With reference to section 5.25c paragraph 2c of the Dutch Act on Supervision, each of the Directors, whose names and functions are listed in the Board of Directors section, confirm that, to the best of their knowledge:

- the Company's financial statements which have been prepared in accordance with IFRS as adopted by the European Union and the relevant provisions of the Dutch Civil Code, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- the Directors' Report gives a true and fair view on the situation on the balance sheet date, the development and performance of the business and the position of the Company of which the financial information is included in the Directors' Report and includes a description of the principal risks and uncertainties that the Company faces; and
- having taken all matters considered by the Board and brought to the attention of the Board during the financial year into account, the Directors consider that the Annual Report, taken as a whole is fair, balanced and understandable. The Directors believe that the disclosures set out in the Annual Report provide the information necessary for shareholders to assess the Company's position, performance, business model and strategy.

After conducting a review of management analysis, the Directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors consider it appropriate to adopt the going-concern basis in preparing the Annual Report.

Signed on behalf of the Board of Climate Transition Capital Acquisition I B.V. on 13 April 2023 by:

Mr. David Buzby
Executive Director

Mr. Robin Duggan
Executive Director

Mr. Joris Rademakers
Executive Director

Climate Transition Capital Acquisition I B.V.

Financial Statements

For the year ended 31 December 2022

Consolidated Statement Profit or Loss and Other Comprehensive Income

		2022	29 April 2021 - 31 Dec. 2021
	<i>Notes</i>	€'000	€'000
Administrative expenses	6	(1,201)	(2,678)
Operating loss		(1,201)	(2,678)
Finance income	9	598	16
Finance costs	9	(10,806)	(3,938)
Net finance costs		(10,208)	(3,922)
Loss before tax		(11,409)	(6,600)
Income tax expense	10	-	-
Loss for the period		(11,409)	(6,600)
Other comprehensive result for the period		-	-
Total comprehensive loss for the period		(11,409)	(6,600)
Basic loss per share	11	-€0.481	-€0.281
Diluted loss per share	11	-€0.481	-€0.281

The above statement of consolidated comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	<i>Notes</i>	31 Dec. 2022 €'000	31 Dec. 2021 €'000
Assets			
Current assets			
Other receivables	12	665	268
Cash and cash equivalents	13	191,835	193,714
Total current assets		192,500	193,982
Total assets		192,500	193,982
Equity			
Share capital	5.1	47	47
Accumulated deficit		(18,009)	(6,600)
Total equity		(17,962)	(6,553)
Liabilities			
Non-current liabilities			
Ord. Shares subsequently measured at amortised cost	5.2	-	181,497
Warrants measured at FVTPL ¹	5.2	-	7,900
Sponsor Warrants measured at FVTPL ¹	5.3	-	10,731
Total non-current liabilities		-	200,128
Current liabilities			
Ord. Shares subsequently measured at amortised cost	5.2	188,931	-
Warrants measured at FVTPL ¹	5.2	8,785	-
Sponsor Warrants measured at FVTPL ¹	5.3	12,543	-
Other payables	14	203	407
Total current liabilities		210,462	407
Total liabilities		210,462	200,535
Total equity and liabilities		192,500	193,982

¹ FVTPL – fair value through profit or loss

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

The Financial Statements on pages 25 to 47 were approved by the Board of Directors and authorised for issue on 13 April 2023. They were signed on its behalf by:

Mr. David Buzby
Executive Director

Mr. Robin Duggan
Executive Director

Mr. Joris Rademakers
Executive Director

Consolidated Statement of Changes in Equity

	<i>Notes</i>	Share capital €'000	Accumulated deficit €'000	Total Equity €'000
Balance at 1 January 2022		47	(6,600)	(6,553)
Total comprehensive loss				
Loss for the period		-	(11,409)	(11,409)
Total comprehensive loss for the period		-	(11,409)	(11,409)
Balance at 31 December 2022		47	(18,009)	(17,962)
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	5.1	51	-	51
Shares cancelled	5.1	(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 consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

	2022	29 April 2021 - 31 Dec. 2021
	€'000	€'000
Cash flows from operating activities		
Loss before income tax	(11,409)	(6,600)
Adjustments for:		
Net finance costs	10,208	3,922
Decrease/(increase) in other receivables	139	(268)
Increase in other payables	61	127
Interest income received	62	-
Negative interest paid	(940)	(274)
Net cash from operating activities	(1,879)	(3,093)
Cash flows from investing activities		
Net cash from investing activities	-	-
Cash flows from financing activities		
Proceeds from issue of share capital	-	51
Repayment on cancellation of share capital	-	(4)
Proceeds from issue of Units	-	189,610
Cost associated with issue of Units	-	(3,318)
Proceeds from issue of Sponsor Warrants	-	10,452
Income from trading during stabilisation period	-	16
Net cash flow from financing activities	-	196,807
Net (decrease)/increase in cash and cash equivalents	(1,879)	193,714
Net cash and cash equivalents at start of period	193,714	-
Net cash and cash equivalents at period end	191,835	193,714

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

Notes to the Consolidated Financial Statements

1. The company and its operations

Climate Transition Capital Acquisition I B.V. (“CTCA1” or the “Company”) was incorporated on 29 April 2021 by Climate Transition Capital Sponsor I LLP (the “Sponsor”).

The Company is registered in the Trade Register at the Dutch Chamber of Commerce under number 82671788.

The Company is:

- a private limited liability company;
- incorporated in the Netherlands;
- domiciled in the Netherlands.

The Company’s registered office is at Basisweg 10
1043 AP Amsterdam
The Netherlands

The company’s principal place of business is Amsterdam, the Netherlands.

The Company is a special purpose acquisition company (“SPAC”) 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 CTCA1 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. The Offering was followed by a short stabilisation period during which 390,000 Units were repurchased then cancelled leaving final proceeds from the Offering of €189.61 million.

The Company has the legal ownership of these proceeds and the Board has the authority and power to spend such amounts. To ensure that the proceeds are only used for the purposes set out in the Prospectus (summarised in the Overview of the Company on page 3 of this Annual Report), the Company entered into an escrow agreement with Intertrust Escrow and Settlements B.V., a private company based in Amsterdam, the Netherlands and Stichting Climate Transition Capital Escrow (the “Foundation”). Following the Offering, the entire €189.61 million proceeds were deposited in a bank account with ABN AMRO Bank N.V. in the Netherlands covered by the escrow agreement (the “Escrow Account”). Pursuant to the escrow agreement, basically the amounts held in the Escrow Account will not be released unless and until the occurrence of the earlier of a Business Combination or liquidation.

Following the Offering and prior to the completion of a Business Combination, the Company will not engage in any operations, other than in connection with the selection, structuring and completion of a Business Combination. The Company has 24 months from the Offering settlement date of 2 July 2021 to complete a Business Combination.

These consolidated financial statements comprise the Company and the Foundation (the “Group”). The Foundation is a subsidiary of the Company as it is ultimately controlled by the Company.

The current reporting period covers the year ended 31 December 2022. As the Company was only incorporated on 29 April 2021, the comparative period is from that date to 31 December 2021, which is less than twelve months.

2. Significant accounting policies

2.1. Basis of preparation

These consolidated financial statements have been prepared in accordance and comply with International Financial Reporting Standards (“IFRS”) and interpretations adopted by the European Union, where effective, for financial years beginning on 1 January 2022 and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code.

The significant accounting policies applied in preparing these consolidated financial statements are set out below. These policies have been consistently applied throughout the period and to each subsidiary within the group.

These consolidated financial statements have been prepared on a historical cost convention except where stated.

2.2. Going concern

These consolidated financial statements have been prepared on a going concern basis. As part of the Offering, the Sponsor committed capital of €10.5 million via the purchase of Sponsor Warrants at a price of €1.50 each. €2 million of this amount will be used to cover up to €2 million of negative interest on the Escrow Account deposit. The balance is to be used to cover costs related to the Offering, the search for a target and the completion of a Business Combination.

While the Company expects that it has enough funds available to operate until either a Business Combination is completed or the Business Combination deadline is reached, it may also 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). There is no obligation on the Sponsor to acquire additional Sponsor Warrants.

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 €190 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.

2.3. Principles for consolidation

Subsidiaries are all entities over which the Company has control. The Company controls an entity where it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company.

For purposes of the consolidated financial statements, CTCA1 forms a group together with the Foundation which holds the Offering proceeds in escrow on a designated bank account. The Offering proceeds may only be released from escrow:

- (i) upon receipt of (a) a joint and written instruction signed by the Board, confirming that the conditions, if any, to completing of a Business Combination are satisfied or waived in accordance with the transaction documentation in effect between the Company and the target business and (b) a written confirmation of a civil law notary or deputy civil law notary (notaris or kandidaat-notaris) that the Business Combination extraordinary general meeting has adopted a resolution to approve the Business Combination;
- (ii) upon receipt of a written confirmation of a civil law notary or deputy civil law notary (notaris or kandidaat-notaris) that (a) the Business Combination Deadline has passed without the Company completing a Business Combination and (b) the delivery period under the Share Repurchase Arrangement has expired or a written resolution by the general meeting to pursue a liquidation was adopted; or
- (iii) upon receipt by the Escrow Agent of a duly completed lawyer statement executed by a duly authorised lawyer acting on behalf of the Company delivered to the Escrow Agent, with a copy to the Company, requiring payment by the Foundation of all or part of the amounts held in the Escrow Account to the Company or to any third party payee listed in the lawyer statement, provided that the relevant details of such other third party payee have been completed in the lawyer statement and payment to such other third party payee would not, in the opinion of the Escrow Agent (at its sole discretion), result in a breach of any applicable law, rule, regulation, court order or decision made by any competent judicial, governmental, supervisory, regulatory or administrative body.

As such, the Company can control the date on which the Foundation needs to pay out the cash held in escrow by proposing a Business Combination or waiting until the date the 24-months period ends and the funds need to be repaid. Therefore, the Foundation is considered a group entity and included in these consolidated financial statements.

Subsidiaries are deconsolidated from the date that control ceases, for instance because of the sale of a subsidiary or other change in the Company's shareholding, voting rights or board representation, such that the Company is no longer able to exercise control over the entity in question.

2.4. Transaction between entities within the group

Transactions and balances between entities forming part of the Group together with any unrealised income and expenses arising from intra-group transactions are eliminated in the preparation of the consolidated financial statements of the Group. Unrealized gains on transactions between Group entities are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

2.5. Foreign currencies

These consolidated financial statements are presented in Euros, which is the Company's and its subsidiary's functional and presentation currency.

Transactions denominated in currencies other than Euros are recorded at the exchange rate at the transaction date.

2.6. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognises a financial asset or a financial liability when it becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Financial assets

The Company classifies its financial assets as subsequently measured at amortised cost or measured at fair value through profit or loss (FVTPL) on the basis of both:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset.

The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs.

Financial assets subsequently measured at amortised cost

A debt instrument is subsequently measured at amortised cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets subsequently measured at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit and loss when the asset is derecognised, modified or impaired.

The Company includes other receivables, cash and cash equivalents in this category.

Impairment of financial assets

The Company has chosen to apply an approach similar to the simplified approach for expected credit losses ("ECL") under IFRS 9 to its financial assets. Therefore, the Company recognises a loss allowance based on lifetime ECLs at each reporting date. The Company's approach to ECLs reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

The Company includes Sponsor Shares in in this category.

Financial liabilities

Financial liabilities are classified, at initial recognition, as subsequently measured at amortised cost or measured at FVTPL.

The Company's financial liabilities include other payables and certain financial instruments.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Financial liabilities subsequently measured at amortised cost

After initial recognition, financial liabilities that are not derivatives are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

The Company includes other payables and Ordinary Shares (see note 5 below) in this category.

Financial liabilities measured at FVTPL

After initial recognition, financial liabilities that are derivatives are subsequently measured at fair value. The change in fair value recognised is included as finance costs or income in the statement of profit or loss.

The Company includes Warrants and Sponsor Warrants (see note 5 below) in this category.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

2.7. Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. The carrying amounts of these approximate their fair value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management. This includes the cash deposited on the Escrow Account.

2.8. 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.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised 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 (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined 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.

2.9. Taxes

Income tax recognised in the statement of profit or loss and other comprehensive income includes current and deferred taxes.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss and other comprehensive income.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets are tested for impairment on the basis of a tax planning derived from management business plans.

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Sales tax

The Company considers itself to be a VAT entrepreneur, a position it has justified to the Dutch Tax Authorities.

Expenses and assets are recognised net of the amount of sales tax, except:

- when the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable;
- when receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.10. New and amended standards that became effective in 2022

Amendments to IFRS 16 Leases	Covid-19 related rent concessions beyond 30 June 2021
Amendments to IFRS 3 Business Combinations	Reference to the Conceptual Framework
Amendments to IAS 16 Property, Plant and Equipment	Proceeds before Intended Use
Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets	Onerous Contracts—Cost of Fulfilling a Contract
Annual Improvements to IFRS 2018-2020 Cycle	Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

2.11. New and amended standards not adopted by the group

At the date of authorisation of these consolidated financial statements, the Group has not applied the following new and amended standards that have been issued and adopted by the EU but were not effective for reporting periods ending 31 December 2022:

IFRS 17 Insurance Contracts (including the June 2020 Amendments to IFRS 17)	Insurance Contracts	Effective from 1.1.2023
Amendment to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2	Disclosure of accounting policies	Effective from 1.1.2023
Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors	Definition of accounting estimates	Effective from 1.1.2023
Amendments to IAS 1 Presentation of Financial Statements	Classification of Liabilities as Current or Non-current	Effective from 1.1.2024
Amendments to IFRS 16	Lease Liability in a sale and leaseback	Effective from 1.1.2024
Amendments to IAS 1	Non-current Liabilities with Covenants	Effective from 1.1.2024

The directors do not expect that the adoption of the amendments to the existing standards listed above will have a material impact on the consolidated financial statements of the Group in future periods.

2.12. Cash flow statement

The cash flow statement is presented using the indirect method with cashflows from interest payments presented as operating cashflows.

The cash deposited in the Escrow Account meets the definition set out in paragraph 6 of IAS 7 Statement of Cash Flows and is therefore included as cash and cash equivalents in the cash flow statement.

2.13. Segment reporting

The activities of the Group are considered to be a single operating segment under IFRS 8 therefore no segmental disclosures are included in the consolidated financial statements.

3. Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, which are described in note 2, 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 5 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 at 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 estimation that the fair values of the Sponsor Shares, Units and Sponsor Warrants at initial recognition was equal to their issue prices.
- The estimation of the proportion of the fair value of the Units at initial recognition attributable to the Warrants. This was determined using a Level 3 binomial option pricing model valuation, adjusted for the probability of a successful Business Combination. In addition to the Unit fair value, the key judgemental inputs into this model were the projected volatility of the Ordinary Share price over the five-year, post Business Combination exercise period of the Warrants and the probability of successfully completing a Business Combination. Further details are given in note 5.2 below.
- The judgement that, despite being separately listed on the Euronext Amsterdam exchange, the quoted price of the Warrants at 31 December 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 at 31 December 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 successfully completing a Business Combination. Further details are given in note 5.2 below.
- The judgement that there was no comparable quoted instrument to the Sponsor Warrants at 31 December 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 at 31 December 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 successfully completing a Business Combination. Further details are given in note 5.3 below.
- The judgement that there was sufficient liquidity in the Ordinary Shares at 31 December 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 31 December 2022 valuation models used for the Warrants and Sponsor Warrants.
- The estimation that the chance of completing a Business Combination at 31 December 2022 was 50%. This implied that it was not “more likely than not” that fees of €6.2 million contingent on completing a Business Combination will be paid therefore these fees are disclosed as a contingency rather than recognised as a liability in the financial statements.
- 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.

4. Financial risk management

The Company manages the financial risks relating to the operations through internal risk controls and meetings which analyse exposures by degree and magnitude of risks. These financial risks might include principally market risk, liquidity risk and credit risk.

The Company's risk management objectives and policies are also consistent with those disclosed in the Prospectus.

Market risk management

The Company is primarily exposed to the financial risks of changes to interest rates which effect the interest charged or credited on the Escrow Account. These charges are based on the daily Euro Short-term Rate (€STR) set by the European Central Bank. There are no measures in place to mitigate this risk.

If the €STR had been 5 basis points higher/lower and all other variables were held constant, the Group's loss for 2022 would decrease/increase by €0.96 million.

The Company is also exposed to movements in the market value of its Ordinary Shares which are inputs in the valuation models for the Sponsor Warrants and, until their market liquidity increases, the Warrants. There are no measures in place to mitigate this risk. Once the liquidity in the Warrants is sufficient that the quoted price can be used to establish their fair value, the Company will also be exposed to movements in the Warrant price. There are no measures in place to mitigate this risk.

If the closing Ordinary Share price on 31 December 2022 had been €0.05 higher/lower and all other variables were held constant, the Group's loss for 2022 would increase/decrease by €0.2 million.

During the Period, there has been no change to the Company's exposure to market risks or the manner in which these risks are managed and measured.

Liquidity risk management

The Company's liquidity needs have been satisfied through receipt of the €10.5 million proceeds from the sale of Sponsor Warrants shortly after the settlement of the Offering which, after payment of the negative interest cover, company set-up and Offering costs, left cash available in the current account of €3.0 million for the ongoing operation of the Company.

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. There is no obligation on the Sponsor to acquire additional Sponsor Warrants.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

100% of the Offering proceeds plus the €2 million of Interest Cover have been put into the Escrow Account opened by the Foundation and held with ABN AMRO Bank N.V. in the Netherlands. The chance of default of this bank is deemed very low based on the following credit ratings as at 31 December 2022: A1 (Moody's), A (S&P), and A (Fitch) long term credit ratings and P-1 (Moody's), A-1 (S&P), and F1 (Fitch) short term credit ratings.

The Company has also entered into an Escrow Agreement with a professional escrow agent (Intertrust Escrow and Settlements B.V.) to monitor and manage the Escrow Account.

The cash used to fund the operational costs of CTCA1 is also held in a current account at ABN AMRO Bank N.V.

5. 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 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 holder 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.

5.1. 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)
Issued at 31 December 2021	<u>4,740,250</u>	<u>47</u>
Issued at 31 December 2022	<u>4,740,250</u>	<u>47</u>

The Company commissioned an expert valuation of the Sponsor Shares which concluded that, due to the significant remaining risks associated with completing the Offering and a Business Combination at the time the Sponsor Shares were issued, the fair value of the Sponsor Shares at issue was equal to their issue price of €0.01 per share.

5.2. 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 1 January 2022	-	214,661	40,020	181,497	7,900
Effective interest (Ordinary Shares)				7,434	-
Fair value adjustment (Warrants)				-	885
At 31 December 2022	-	214,661	40,020	188,931	8,785
Current liability				188,931	8,785

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	<u>-</u>	<u>214,661</u>	<u>40,020</u>	<u>181,497</u>	<u>7,900</u>
Non-current liability				<u>181,497</u>	<u>7,900</u>

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

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.

In the Offering, institutional investors subscribed on an arm's length basis for Units, where each Unit comprised of one Ordinary Share and one third of a Warrant, at €10 per each. The Company considers this to be the combined fair value of one Ordinary Share and one third of Warrant at initial recognition.

To allocate the initial €10 fair value of a Units between the Ordinary Shares and Warrants a binomial option pricing model valuation, adjusted for the probability of a successful Business Combination, was used as there were no comparable quoted financial instruments to the Ordinary Shares and Warrants. This valuation implied initial fair values of €9.60 for an Ordinary Share and €1.20 for a Warrant (€0.40 for one third of a Warrant).

The key inputs to this valuation were as follows:

Fair value of a Unit	€10.00
Volatility	40%
Business Combination success probability	50%

The volatility of 40% was selected as this is the percentage implied from 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% is the Directors' estimate of completing a Business Combination.

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

Input	Sensitivity	Ord. Share liability		Warrant liability	
Volatility	+/-10%	-€15.7m/+€18.5m	-1%/+1%	+€1.6m/-€1.8m	+21%/-24%
BC success probability	+/-10%	-€15.5m/+€15.0m	-1%/+1%	+€1.5m/-€1.5m	+20%/-20%

As the lowest level significant input in the Ordinary Share and Warrant valuation on initial recognition is unobservable, these are both Level 3 valuations.

The incremental direct issue costs of the Units have been proportioned between the Ordinary Shares and the Warrants based on their respective fair values at initial recognition. The directors consider that the only incremental costs directly attributable to the issue of the Units were the underwriting fees. The underwriting fees attributed to the Ordinary Shares have been debited to the corresponding financial liability. The underwriting fees attributed to the Warrants has been included in finance expenses in the period (see note 9).

From 4 August 2021, the Ordinary Shares and Warrants have been separately listed and traded on Euronext Amsterdam however, due to the lack of liquidity in the Warrants during the period to 31 December 2022, the quoted price did not provide a reliable indication of the fair value of the Warrants at the year end. 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 €1.39 (2021: €1.25).

The key inputs to this valuation were as follows:

Quoted price of an Ordinary Share on 31 December 2022	€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	Warrant liability	
Volatility	+/-10%	+€1.4m/-€2.0m	+16%/-23%
Business Combination success probability	+/-10%	+€1.8m/-€1.8m	+20%/-20%

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

5.3. Sponsor Warrants

	Number	FV per warrant €	Financial liability €'000
At 1 January 2022	6,968,399	€1.540	10,731
Increase in fair value	-		1,812
At 31 December 2022	6,968,399	€1.800	12,543
Current liability			12,543
At incorporation on 29 April 2021	-		-
Issued on 2 July 2021	6,770,834	€1.500	10,156
Issued on 20 August 2021	197,565	€1.500	296
Increase in fair value	-		279
At 31 December 2021	6,968,399	€1.540	10,731
Non-current liability			10,731

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 issue, the directors estimated the fair value to be €1.50 as this was the arm's length price at which the Sponsor Warrants were issued to the Sponsor. At 31 December 2022, the fair value of the Sponsor Warrants was estimated to be €1.80 (2021: €1.54) 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 2022	€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 liability	
Volatility	+/-10%	+€3.0m/-€3.2m	+24%/-25%
Business Combination success probability	+/-10%	+€2.5m/-€2.5m	+20%/-20%

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

5.4. 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.

6. Administrative expenses

	2022	29 April 2021 - 31 Dec. 2021
	€'000	€'000
Setup and listing costs	-	2,140
Directors' fees	399	206
Social security on directors' fees	28	14
Other expenses	774	318
Total Administrative expenses	1,201	2,678

7. Auditor's fees

Administrative expenses include €71,200 (2021: €125,500) of external audit fees. These relate entirely to the audit of the financial statements (2021: €44,800 for the audit of the financial statements and €80,700 for other audit procedures performed in relation to the Prospectus).

8. Employees

Apart from directors, the Company has no employees and currently has no intension to hire any employees prior to a Business Combination.

9. Finance income and costs

		2022	29 April 2021 -
	<i>Notes</i>	€'000	31 Dec. 2021
			€'000
<u>Finance income</u>			
Gain on trading during post Offering stabilisation period		-	16
Interest income on Escrow Account		598	-
Finance income		598	16
<u>Finance costs</u>			
Underwriting fees on issue of Units	5.2	-	(3,318)
Underwriting fees debited to Ord. Share financial liability	5.2	-	3,185
Underwriting fees attributed to Warrants	5.2	-	(133)
Negative interest on the Escrow Account		(669)	(542)
Negative interest on bank current account		(6)	(12)
Total negative interest		(675)	(554)
Effective interest on Ordinary Share financial liability		(7,434)	(2,656)
Fair value adjustment to Warrants	5.2	(885)	(316)
Fair value adjustment to Sponsor Warrants	5.3	(1,812)	(279)
Finance costs		(10,806)	(3,938)
Net finance costs		(10,208)	(3,922)

The effective interest rate on the Ordinary Share financial liability for the period was 4.02% (2021: 2.93%) driven by an increase in the Euro Short-Term Rate (€STR) (see note 13).

10. Income tax

		2022	29 April 2021 -
		€'000	31 Dec. 2021
			€'000
<u>Current tax</u>			
Current tax on profits for the period		-	-
Total current tax expense		-	-
<u>Reconciliation of income tax expense calculated using statutory tax rate</u>			
Profit before tax		(11,409)	(6,600)
Tax at the Netherlands tax rate of 25%		2,852	1,650
Tax effect of amounts which are not deductible/taxable in calculating taxable income:			
Expenses not deductible for tax		(2,533)	(846)
Unrecognised tax losses carried forward		(320)	(804)
Total income tax expense		-	-

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.

11. Earnings per share

	2022	29 April 2021 - 31 Dec. 2021
Basic loss per share	-€0.481	-€0.281
Diluted loss per share	-€0.481	-€0.281
	€'000	€'000
Net loss for the period attributable to shareholders	(11,409)	(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 (Sponsor and Ordinary) 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.

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	<u>23,701,250</u>	<u>23,503,407</u>

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).

12. Other receivables

	31 Dec. 2022	31 Dec. 2021
	€'000	€'000
VAT receivable	25	268
Accrued interest income	535	-
Prepayments	105	-
Total other receivables	<u>665</u>	<u>268</u>

13. Cash and cash equivalents

	31 Dec. 2022	31 Dec. 2021
	€'000	€'000
Cash at bank	1,366	2,370
Cash in escrow	190,469	191,344
Total cash and cash equivalents	191,835	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 2022 €EST was between negative 0.593% and positive 1.907% (2021: negative 0.562% and negative 0.590%).

14. Other payables

	31 Dec. 2022	31 Dec. 2021
	€'000	€'000
Employee benefit obligations	35	6
Accrued interest	15	280
Other accruals	153	121
Total other payables	203	407

15. 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. These fees will be paid from the funds of the combined business which will include the balance, after any Ordinary Share redemptions, on the Escrow Account.

As the chance of completing a Business Combination at 31 December 2022 was estimated to be 50% (see note 5), it is not "more likely than not" that these fees will be paid. Accordingly, these fees are disclosed as a contingency rather than recognised as a liability in the financial statements.

16. Dividends

No dividends were paid or declared by CTCA1 in the 2022 (2021: nil).

17. 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:

	2022	29 April 2021 - 31 Dec. 2021
	€	€
Executive Directors	€ 285,747	€ 175,666
Non-executive Directors	€ 148,902	€ 81,875
	<u>€ 434,649</u>	<u>€ 257,541</u>

The Sponsor

The Sponsor (Climate Transition Sponsor I LLP) holds 19.73% of the issued share capital of the Company and the following Directors are members in entities which are members of the Sponsor.

Director	Position	Sponsor Shares held via Sponsor		Sponsor Warrants held via Sponsor
		Number	% *	Number
David Buzby	Executive Director	437,501	1.8%	573,963
Robin Duggan	Executive Director	256,974	1.1%	337,128
Joris Rademakers	Executive Director	120,945	0.5%	158,669
Shaun Kingsbury	Non-executive Director	237,477	1.0%	311,549

The Sponsor is therefore considered to be a related party.

On 29 April 2021 the Sponsor subscribed for 100 Sponsor Shares for cash at an issue price of €0.01 on incorporation of the Company.

On 19 May 2021, the Sponsor subscribed for 5,056,136 additional Sponsor Shares for cash at an issue price of €0.01.

On 2 July 2021 the Sponsor acquired 6,770,834 Sponsor Warrants from the Company for a consideration of €10,156,251.

On 20 August 2021 the Sponsor acquired 197,565 Sponsor Warrants from the Company for a consideration of €296,348.

On 20 August 2021 380,986 Sponsor Shares were cancelled and €3,810 refunded to the Sponsor.

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 2022 were €172k (2021: €58k in respect of the set-up and IPO process and €106k for ongoing support).

18. Events occurring after the reporting period

There were no reportable events after the accounting period.

Climate Transition Capital Acquisition I B.V.

Company Financial Statements

For the year ended 31 December 2022

Company Statement of Financial Position

After appropriation of result

	<i>Notes</i>	31 Dec. 2022 €'000	31 Dec. 2021 €'000
Assets			
Current assets			
Other receivables	3	191,134	191,612
Cash and cash equivalents		1,366	2,370
Total current assets		192,500	193,982
Total assets		192,500	193,982
Equity			
Share capital	4	47	47
Retained earnings		(18,009)	(6,600)
Total equity		(17,692)	(6,553)
Liabilities			
Non-current Liabilities			
Ord. Shares subsequently measured at amortised cost	4	-	181,497
Warrants measured at FVTPL ¹	4	-	7,900
Sponsor Warrants measured at FVTPL ¹	4	-	10,731
Total non-current liabilities		-	200,128
Current Liabilities			
Ord. Shares subsequently measured at amortised cost	4	188,931	-
Warrants measured at FVTPL ¹	4	8,785	-
Sponsor Warrants measured at FVTPL ¹	4	12,543	-
Other payables	5	203	407
Total current liabilities		210,642	407
Total liabilities		210,642	200,535
Total equity and liabilities		192,500	193,982

The above company statement of financial position should be read in conjunction with the accompanying Notes to the Company Financial Statements.

¹ FVTPL – fair value through profit or loss

These Financial Statements were approved by the Board of Directors and authorised for issue on 13 April 2023. They were signed on its behalf by:

Mr. David Buzby
Executive Director

Mr. Robin Duggan
Executive Director

Mr. Joris Rademakers
Executive Director

Company Statement of Profit or Loss

	2022	29 April 2021 - 31 Dec. 2021
Administrative expenses	(1,201)	(2,678)
Operating loss	(1,201)	(2,678)
Finance income	598	16
Finance costs	(10,806)	(3,938)
Net finance costs	(10,208)	(3,922)
Loss before tax	(11,409)	(6,600)
Income tax expense	-	-
Loss for the period	(11,409)	(6,600)

There is no difference between the line items in Company Statement of Profit or Loss and the Consolidated Statement of Profit or Loss and Other Comprehensive Income so the former should be read in conjunction with the Notes to the Consolidated Financial Statements referenced in the latter.

Notes to the Company Financial Statements

1. General

The company financial statements are part of the consolidated financial statements of Climate Transition Capital Acquisition I B.V.

2. Basis of preparation

The company financial statements of Climate Transition Capital Acquisition I B.V. have been prepared in accordance with Part 9, Book 2 of the Dutch Civil Code. In accordance with article 362 of Book 2 of the Dutch Civil Code, the Company financial statements are prepared on the same basis as the consolidated financial statements as set out in note 2 to the consolidated financial statements.

The company financial statements of Climate Transition Capital Acquisition I B.V. should be read in conjunction with the consolidated financial statements.

3. Other receivables

	31 Dec. 2022	31 Dec. 2021
	€'000	€'000
VAT receivable	25	268
Accrued interest income	535	-
Prepayments	105	-
Receivable from Stichting Climate Transition Capital Escrow	190,469	191,344
Total other receivables	191,134	191,612

The proceeds of the Offering plus €2 million of negative interest cover have been deposited in a bank account held by the Stichting Climate Transition Capital Escrow (the “**Foundation**”). These amounts will only be released in accordance with the terms of an escrow agreement between the Company, Intertrust Escrow and Settlements B.V. and the Foundation.

The Company eliminates any expected credit losses on intercompany loans or receivables against the book value of the intercompany loan or receivable in accordance with Directive 100.107a of the Dutch Accounting Standards Board.

4. Share capital and warrants

Details of the Company’s share capital and warrants and their accounting treatment is fully explained in Note 5 to the Consolidated Financial Statements.

5. Other payables

	31 Dec. 2022	31 Dec. 2021
	€'000	€'000
Employee benefit obligations	35	6
Accrued interest	15	280
Other accruals	153	121
Total other payables	203	407

6. Related party transactions

Details of related party transactions are included Note 17 to the Consolidated Financial Statements.

7. Events occurring after the reporting period

There were no reportable events after the accounting period.

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

June 2023 Annual General Meeting (date to be announced)

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.

Independent auditor's report

To the shareholders and the Board of Climate Transition Capital Acquisition I B.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2022 INCLUDED IN THE ANNUAL REPORT

Our opinion

We have audited the financial statements 2022 of Climate Transition Capital Acquisition I B.V., based in Amsterdam. The financial statements comprise the consolidated financial statements and the Company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Climate Transition Capital Acquisition I B.V. as at December 31, 2022, and of its result and its cash flows for the year ended December 31, 2022 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- The accompanying Company financial statements give a true and fair view of the financial position of Climate Transition Capital Acquisition I B.V. as at December 31, 2022, and of its result for the year ended December 31, 2022 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:

1. The consolidated statement of financial position as at December 31, 2022.
2. The consolidated statement profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended December 31, 2022.
3. The notes comprising a summary of the significant accounting policies and other explanatory information.

The financial statements comprise:

1. The Company statement of financial position as at December 31, 2022.
2. The Company statement of profit or loss for the year ended December 31, 2022.
3. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the financial statements" section of our report.

We are independent of Climate Transition Capital Acquisition I B.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasize of Matter on Material uncertainty related to going concern

The Board has assessed the going concern assumption, as part of the preparation of the consolidated financial statements, and disclosed this in the Financial Statements (note 2.2 Going Concern). The Board states that if the Company does not complete a business combination within 24 months after the settlement of the offering (July 2, 2023), the Ordinary Shares and Warrants will be delisted and the company must be dissolved and liquidated. The Board indicates this is a material uncertainty, which may cast significant doubt about the ability to continue as a going concern.

We have obtained this management's assessment. As part of our procedures, we have evaluated the Company's budget and considered the fact that upon preparation of the financial statement no proposed Business Combination has been agreed nor communicated. This management assessment indicates the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

We have outlined the responsibilities of the Board and ourselves in the "Description of responsibilities regarding the financial statements" section further below.

Emphasis of Matter on Uncertainty of Valuation of Warrants

In disclosure note 5.2 and 5.3 management elaborated on the valuation of the Warrants and the Sponsor Warrants. The absence of active market data requires management to calculate the value of the instruments based on a mathematical valuation model. The model applied is common and general accepted valuation methodology used for the valuation of these financial instruments. Management has added sensitivity analyses on the impact of the main assumptions that are used as input variable in a valuation model. From the sensitivity analyses as disclosed by management it appears that the values of the warrants are highly sensitive to the variation of particularly two assumptions;

- The estimated chance of successfully completing a business combination; and
- The volatility of the associated underlying instrument.

Both assumptions however are inherently uncertain. The chance of completing a business combination is uncertain until negotiations with one or more candidates are sufficiently advanced and is ultimately dependent upon the approval of the Shareholders. The volatility associated with the underlying candidate typically would vary with the market the candidates are operating in and ultimately on the actual development of the share price after the business combination. Until a business combination candidate is proposed, no objective data on the volatility is therefore available.

The outcome of the valuation based on the calculation, can be different from the price for which the Warrants are traded around December 31, 2022. This is due to the inherent uncertainties on the main

variables as included in the valuation, combined with absence of more objective information that can be used by market participants and the Company when performing the valuation of the Warrants and the limited volumes traded. The value of the SPAC is particularly derived from the cash that is available for the business combination and from the valuation of the target company. The value of the Warrants will be primarily relevant after a business combination. In case no business combination is realized the value of the Warrants will be zero.

Based on the sensitivities calculated by management, the valuation can be EUR 9.5 million higher or EUR 8.5 million lower than the value estimated in the financial statements, with corresponding fair value change through profit and loss. Our opinion is not modified in this respect.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at € 1.900.000. The materiality is based on 1% of the Company's total assets. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Board that misstatements in excess of € 95.000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Climate Transition Capital Acquisition I B.V. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements of Climate Transition Capital Acquisition I B.V.

We have performed audit procedures on both Climate Transition Capital Acquisition I B.V. and Stichting Climate Transition Capital Escrow.

By performing the procedures mentioned above, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the consolidated financial statements.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the system of internal control, including:

- the risk assessment process;
- management's process for responding to the risks of fraud and monitoring the system of internal control;
- how the Non-Executives exercise oversight.

We also obtained understanding of the outcomes of these processes. Note that the company is a Special Purpose Acquisition Company. The Board of the company is pursuing a business combination (only). By result it has no (or only limited) business activities.

In the context of the activities of the entity, we have evaluated the design and implementation of the system of internal control and in particular the fraud risk assessment. We evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption.

Particularly, we have evaluated all transactions on the escrow account in relation to the offering circular. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

In connection with the presumed risks of financial statement fraud, we considered fraud in relation to management override of controls, including evaluating whether there was evidence of bias by the Executives in the Board. Our procedures include an assessment of the selection and application of accounting policies by the group, particularly those related to subjective measurements and complex transactions, as these may be indicative of fraudulent financial reporting. With respect to the element of bias, we evaluated whether the judgments and decisions made by management in making the accounting estimates included in the financial statements represent a risk of fraudulent material misstatement. We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance. For significant transactions we evaluated whether the business rationale of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets.

We made inquiries with management, those charged with governance and with others within the Company. We refer to section "Risks and Uncertainties" of the Directors' Report for management's fraud risk assessment. We obtained written representations that all known instances of (suspected) fraud and other irregularities have been disclosed to us.

Management insights, estimates and assumptions that might have a major impact on the financial statements are disclosed in note 3 of the financial statements.

Our procedures did not lead to indications for fraud potentially resulting in material misstatements.

Audit approach risks of compliance with laws and regulations

We assessed the laws and regulations relevant to the Company through discussion with the Executive Directors and Non-Executive Directors and reading minutes.

As a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations: adherence to (corporate) tax law and financial reporting regulations, the requirements of Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the related financial statements. We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements.

Apart from these, the Group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Our procedures are more limited with respect to laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to the Group's ability to continue its business, or to avoid material penalties and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Our procedures are limited to (i) inquiry of the Board and others within Company as to whether the Company is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Dutch Corporate Governance Code and Special Purpose Acquisition Companies

The Company is a Special Purpose Acquisition Company ("SPAC") aiming to consummate a Business Combination with a target company. The Company is not a business in the traditional sense and has no employees. The Company has a limited lifetime and a very specific capital structure with a number of classes of shares and other financial instruments. The Dutch Corporate Governance Code is applicable for all Dutch entities of which the shares are listed on regulated markets. The code comprises of best practices of the way the responsibilities of shareholders, management and oversight boards can be organised contributing to long term value creation, risk management and relations with other stakeholders. Based upon the Company's specific business, a number of best practices are not applicable. Furthermore, the Dutch Corporate Governance Code is aimed at two-tier board systems. The Company has a one-tier board. The Non-Executive Directors are responsible for independent oversight but have short term financial incentives in the Company similar to Executive Directors. The Non-Executive directors are valuable for the Company as a result of their knowledge, experience in relevant industries, corporate governance, certain types of transactions, relationships and networks. As a consequence of this, there may be a threat of their independence and/or a conflict of interest when identifying targets or in subsequent negotiations. The Dutch Corporate Governance Code includes best practices in connection with the information to shareholders. Within Climate Transition Capital Acquisition I B.V. the Sponsor has 19.73% of the voting rights, so the level of information among the shareholders is not the same.

How our audit responded to the key audit matter

As part of our audit work we have reviewed paragraph Corporate Governance of the Annual Report where managements comply or explain with the Dutch Corporate Governance Code. Furthermore we have evaluated the implications of the deviations from the Dutch Corporate Governance Code in our evaluation on the internal control environment.

In conjunction with the International Standard on Auditing 720 we compared the information with knowledge we obtained during our audit process. Furthermore we compared the information contained in the Corporate Governance paragraph with other parts of the financial statements for consistency. Note we have not performed audit procedures on the Board Report.

Key observations

Although the deviations from the Dutch Corporate Governance Code are numerous, we have not identified material inconsistencies between the Corporate Governance paragraph of the annual report and other parts of the annual report. Nor have we identified any deviations between the knowledge obtained during the audit and the relevant section of the annual report. It may be the case that if we had audited the information contained in the Director's report we could have identified other matters.

Impact of different classes of shares

The Company has issued different classes of shares with corresponding different risks and rewards. The sponsors of the SPAC have put capital at risk to list the Ordinary Shares and to fund the search process to find a target to enter into a Business Combination. In return the sponsors received Sponsor Shares and Sponsor Warrants. The Sponsor Shares give voting rights equal to the Ordinary Shares. The nominal value of the Sponsor Shares that has been paid up by the sponsors amounts to EUR 0.01 per share. Upon a successful Business Combination, the Sponsor Shares are converted to Ordinary Shares. Ordinary Shares have been issued within Units at EUR 10 for 1 Ordinary Share and 1/3 Warrant. In case of a Business Combination, the holders of these shares can redeem.

As at December 31, 2022, the Ordinary Shares traded for EUR 9.85 at Euronext. The difference in price has implications for the wealth generated for the holders of the various instruments upon the consummation of a Business Combination. For the sponsors, wealth is created in case the market value of the Ordinary Shares exceeds EUR 2.25. Ordinary Shareholders are not aligned with that. As a consequence of this, there is a threat of a conflict of interest when evaluating and/or valuing potential business combinations.

The sponsors have agreed to a conditional lock-up as outlined in the Prospectus.

How our audit responded to the key audit matter

As part of our audit work we have reviewed disclosure note 5 (Share capital and warrants) of the financial statements detailing the main aspects of the instruments issued. We have traced and agreed the statements made within this paragraph to the underlying documentation of the instruments. Furthermore we have specifically evaluated the disclosure of the rights and interest of the Sponsor Shareholders and Public Shareholders.

Key observations

Although the risks and rewards between the sponsor shares and ordinary are substantially different, we have not identified inconsistencies between the Directors' Report and other parts of the annual report. Nor have we identified any deviations between the knowledge obtained during the audit and the relevant section of the Directors' Report. It may be the case that if we had audited the information contained in the Directors' Report we could have identified other matters.

Scope Definition, Classification and valuation of financial instruments

The Company has issued various classes of shares and derivatives/Financial Instruments. Based on the principles of IFRS the Board has determined the relevant scope within IFRS and subsequent classification of the various financial instruments issued upon inception and at the IPO of the Company on 29 April 2021.

The classification relates to equity or liability presentation of the instruments. Based on the interpretation of the Board, the Ordinary Shares, the Warrants, and Sponsor Warrants are classified as liability. The Ordinary Shares are valued at amortized cost. The Warrants are publicly traded at Euronext.

How our audit responded to the key audit matter

In connection with the verification of the scope definition and classification of the instruments as at December 31, 2022, we have reviewed the position papers prepared by the Board in combination with the facts and circumstances and the principles of IAS 32 and IFRS 2. We have involved Deloitte IFRS experts.

We have evaluated if the requirements for an active market are met, which is not present for the Warrants and consequently the value hereof is derived from a valuation model. A similar valuation model is applied for the Sponsor Warrants. For the valuation of the Ordinary Shares we have audited the calculation of the amortized cost. Most important management estimates impacting the amortized costs relate to the estimate of the lifetime of the entity that is used to gross up the liability.

Key observations

We concur with the presentation of the financial instruments based on our review of the position papers. With respect to the valuation of the Warrants and Sponsor Warrants we concur with the valuation based upon a level 3 input. For the Ordinary Shares we have verified the assumptions used for the valuation of the amortized cost.

REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

In addition to the financial statements and our auditor's report thereon, the annual report contain other information that consists of:

- Directors' Report.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the Directors' Report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Engagement

We were engaged by the Board as auditor of Climate Transition Capital Acquisition I B.V. on April 29, 2021, as of the audit for the period from April 29, 2021 to December 31, 2021 and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

EUROPEAN SINGLE ELECTRONIC REPORTING FORMAT (ESEF)

Climate Transition Capital Acquisition I B.V. has prepared its annual report in ESEF. The requirements for this are set out in the Commission Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter the RTS on ESEF).

In our opinion, the annual report, prepared in XHTML format, including the partially marked-up consolidated financial statements, as included in the reporting package by the group complies in all material aspects with the RTS of ESEF.

Management is responsible for preparing the annual reporting including the financial statements in accordance with RTS on ESEF, whereby management combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- Obtaining an understanding of the Company's financial reporting process, including the preparation of the reporting package;
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
 - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance and the XBRL extension taxonomy files has been prepared in accordance with the technical specifications as included in the RTS on ESEF;
 - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of the Board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The Board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amsterdam, April 13, 2023

Deloitte Accountants B.V.
J. Hendriks