ThomasLloyd Climate Solutions N.V.

(a public company with limited liability (naamloze vennootschap) incorporated under the laws of the Netherlands, with its corporate seat in Amsterdam, the Netherlands)

Admission to listing and trading of all Ordinary Shares A on Euronext Amsterdam

This prospectus (the "**Prospectus**") has been prepared in connection with the seeking of admission to listing and trading of all ordinary shares A with a nominal value of €0.10[1] each (the "**Ordinary Shares A**") in the capital of ThomasLloyd Climate Solutions N.V. (the "**Company**") on Euronext Amsterdam ("**Euronext Amsterdam**"), a regulated market operated by Euronext Amsterdam N.V. (the "**Admission**").

Prior to the Admission, there has been no public market for the Ordinary Shares A. Application has been made to admit the Ordinary Shares A to listing and trading on Euronext Amsterdam under the symbol "TCS". Subject to acceleration or extension of the timetable for the Admission, trading in the Ordinary Shares A on Euronext Amsterdam is expected to commence on or about [●] (the "**First Trading Date**"). The Ordinary Shares A to be traded on Euronext Amsterdam will be delivered through the book-entry systems of the Netherlands Central Institute for Giro Securities Transactions (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*) trading as Euroclear Nederland ("**Euroclear Nederland**").

Investing in the Ordinary Shares A involves certain risks. See "*Risk Factors*" for a description of the material risk factors that should be carefully considered before investing in the Ordinary Shares A.

The distribution of this Prospectus, any related materials and the offer, acceptance, delivery, transfer, exercise, purchase of, subscription for, or trade in, Ordinary Shares A in certain jurisdictions other than the Netherlands may be restricted by law and therefore persons into whose possession this document comes should inform themselves about, and observe, any applicable restrictions and legal, exchange control or regulatory requirements in relation to the distribution of this Prospectus. Any failure to comply with these restrictions and requirements may constitute a violation of the securities laws of any such jurisdiction. This Prospectus does not constitute or form part of any offer to sell or issue, or any invitation or solicitation of any offer to invest in, any securities of the Company offered by any person in any jurisdiction.

The Ordinary Shares A have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**US Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and may not be offered or sold within the United States unless the Ordinary Shares A are registered under the US Securities Act or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. There will be no public offer of the Ordinary Shares A in the United States. The Ordinary Shares A have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States. Prospective investors in the Ordinary Shares A should carefully read "*Important Information – General*".

This Prospectus constitutes a prospectus for purposes of, and has been prepared in accordance with, Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the "**Prospectus Regulation**"). This Prospectus has been approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the "**AFM**")[2], as competent authority under the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company or the quality of the Ordinary Shares A that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares A.

The validity of this Prospectus shall expire on the First Trading Date or 12 months after its approval by the AFM on [●], whichever occurs earlier. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies (see "*Important information – Supplements*") shall cease to apply upon the expiry of the validity period of this Prospectus.

This Prospectus is dated [●]

[1] Annex 11, item 4.4.
[2] Annex 1, item 1.5(a)-(c) and Annex 11, item 1.5(a)-(d).

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Introduction

This summary should be read as an introduction to the prospectus (the "**Prospectus**") prepared in connection with the admission of ordinary shares A in the capital of ThomasLloyd Climate Solutions N.V. (the "**Company**") with a nominal value of €0.10 (the "**Ordinary Shares A**") to listing and trading on the regulated market operated by Euronext Amsterdam N.V. ("**Euronext Amsterdam**") (the "**Admission**").

The Company's statutory seat (*statutaire zetel*) is in Amsterdam, the Netherlands, and its registered office at Zuidplein 36, 1077XV Amsterdam, The Netherlands. The Company is registered with the Dutch trade register under number 92773397. The Company's telephone number is +31 20 7997616. The Company's Legal Entity Identifier ("**LEI**") is 254900JY3WSRA0572L22. The Ordinary Shares' A International Security Identification Number ("**ISIN**") is NL00150024H0.

The Prospectus constitutes a prospectus for purposes of Article 3 of the Regulation EU No. 2017/1129 (the "**Prospectus Regulation**"). The Prospectus has been filed with and approved by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**"), as a competent authority under the Prospectus Regulation, on [●]. The AFM's registered office is at Vijzelgracht 50, 1017 HS Amsterdam, the Netherlands and its telephone number is +31 (0)20 797 2000. The AFM only approves the Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation, such approval should not be considered as an endorsement of the Company or the quality of the Ordinary Shares A that are the subject of the Prospectus and investors should make their own assessment as to the suitability of investing in the securities.

Warnings

Any decision to invest in the Ordinary Shares A should be based on a consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in a Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in the Ordinary Shares A.

Key information on the issuer

Who is the issuer of the securities?

Domicile and Legal Form. The Company is a public limited liability company (*naamloze vennootschap*) incorporated and operating under the laws of the Netherlands. The Company's statutory seat is in Amsterdam, the Netherlands and its registered office Zuidplein 36, 1077XV Amsterdam, The Netherlands, and registered with the Dutch trade register under number 92773397 and its LEI is 254900JY3WSRA0572L22.

Principal Activities. ThomasLloyd Climate Solutions is a clean energy and technology group, whose purpose is to work towards a net-zero world. The Company, whose origins date back to 2003, was formed to address the growing global need for complete, ready-to-use decarbonisation solutions, through a merger of San Carlos Biopower Inc., South Negros Biopower Inc. and North Negros Biopower Inc. (together, the "**Biopower Platform**"), a major Asian biomass independent power producer and biofuels producer, and ThomasLloyd Climate Solutions Ltd ("**TCS UK**"), a pioneering North-American/European clean-tech advisor, sustainable energy infrastructure project developer and asset manager, and climate finance specialist. The Company and its subsidiaries (together the "**Group**") comprehensive and fully integrated energy transition platform encompasses physical assets and services across a wide range of pivotal decarbonisation sectors, such as energy, water, waste management, transportation, agriculture and forestry, which all have strong strategic and operational synergies between one another and allow it to offer an end-to-end energy transition service from a single source. The Group, which has 36 corporate and site offices across Europe, Asia and North America, owns, develops, finances, constructs, operates and manages customised emission reduction and active carbon removal projects, assets and businesses along the entire energy transition value chain using a holistic decarbonisation approach for a variety of customers from the private and public sectors with a focus on the high-growth Asia Pacific ("**APAC**") region.

Share Capital. As at the date of the Prospectus, the Company's share capital comprises Ordinary Shares A, with a nominal value of €0.10 carrying one vote per share, and ordinary shares B with a nominal value of €1.00 and carrying 10 votes per share (the "**Ordinary Shares B**"). The Ordinary Shares A will be admitted to listing and trading on Euronext Amsterdam.

Major Shareholders. At the date of the Prospectus, the Company's major shareholders is MNA Capital Pte Ltd ("**MNA**"), which is directly controlled by the Company's CEO, Michael Sieg.

Board. The Company has a one-tier board (the "**Board**") consisting of executive directors (*uitvoerende bestuurders*) ("**Executive Directors**") and non-executive directors (*niet-uitvoerende bestuurders*) ("**Non-Executive Directors**", and the Non-Executive Directors together with the Executive Directors the "**Directors**"). Michael Sieg and Vivienne Maclachlan will be the Executive Directors and Jan van den Berg, Herta Von Stiegel, Marc van 't Noordende and Clare Wallace Roy will be the Non-Executive Directors.

Independent Auditor. [KPMG] is the independent auditor of the Company, [PKF Littlejohn LLP is the independent auditor of TCS UK], PKF-CAP LLP is the independent auditor of ThomasLloyd CTI Asia Pte Ltd ("**CTI Asia**") and KPMG, Philippines is the independent auditor of North Negros Biopower Inc., ("**NNB**") South Negros Biopower Inc. ("**SNB**") and San Carlos Biopower Inc. ("**SCB**") (together the "**Biopower Platform**"). For each of these entities financial information is included in the Prospectus.

What is the key financial information regarding the issuer?

The Company was incorporated on 26 January 2024 to act as the holding company of the Group and did not have any operational activities during the period under review. As part of the Restructuring, the Company acquired 100% of the shares of TCS UK using a predecessor value basis of accounting on 13 November 2024. As this is a transaction under common control, the comparatives of the Company are those of TCS UK. Additionally, the Company acquired 100% of the shares of CTI Asia on 13 November 2024, which was effective as of 1 January 2024. The results of operations and financial position of the CTI Asia Acquisition are consolidated as of 1 January 2024, at the point CTI Asia ceased to be an investment entity following the updated strategy of the Company to own and operate renewable energy generation facilities.

As such, the Prospectus contains (i) consolidated historical financial information for the Company at 31 December 2024 and for the year ended 31 December 2024 (including the results of the Company for the period from incorporation, being 26 January 2024 to 31 December 2024) with the Predecessor representing the results of TCS UK consolidated at 31 December 2023 and 2022 and for the years ended 31 December 2023 and 2022 (the "Predecessor") and (ii) historical financial information for the financial years ended 31 December 2022 and 2023 with regard to CTI Asia, NNB, SNB and SCB.

The Company

Key items of the income statement - Company

	For the year ended 31 December		
€'000s	**2024 Successor**	**2023 Predecessor**	**2022 Predecessor**
Revenue	38,051	25,451	18,909
Gross profit	912	18,873	12,529
Loss before interest and tax	(4,079)	(9,301)	(13,387)
Loss for the period	(20,095)	(11,941)	(19,980)

Summary of the balance sheet - Company

	At 31 December		
€'000s	**2024 Successor**	**2023 Predecessor**	**2022 Predecessor**
Total assets	564,975	155,560	137,125
Total liabilities	(288,184)	(155,407)	125,082
Total equity	276,791	207	12,043

Summary of statement of cash flows - Company

	For the year ended 31 December		
€'000s	**2024 Successor**	**2023 Predecessor**	**2022 Predecessor**
Net cash flows (used in)/generated by operating activities	(4,340)	3,641	4,676
Net cash flows used in investing activities	(4,956)	(1,910)	(1,294)
Net cash flows generated by/(used in) financing activities	9,600	(1,742)	(4,165)

Summary of Adjusted EBITDA – Company

€'000s	For the year ended 31 December 2024 Successor	 2023 Predecessor	 2022 Predecessor
Adjusted EBITDA Climate Finance	27,349	18,873	8,844
Adjusted EBITDA Climate Infrastructure	(11,215)	-	-
Adjusted EBTIDA Corporate	(14,644)	(13,010)	(8,596)
Total Group Adjusted EBITDA	**1,489**	**5,863**	**248**

South Negros Biopower Inc.

Key items of the income statement – SNB

PHP'000s	For the year ended 31 December 2023	 2022
Revenue	31,443	99,781
Loss before interest and tax	(545,109)	(2,596,923)
Loss for the year	(563,314)	(2,617,529)

Summary of the balance sheet – SNB

PHP'000s	At 31 December 2023	 2022
Total assets	5,176,452	5,123,628
Total liabilities	3,746,207	6,928,433
Total equity	1,430,245	(1,804,805)

Summary of statement of cash flows – SNB

PHP'000s	For the year ended 31 December 2023	 2022
Net cash flows used in operating activities.	(253,594)	(148,980)
Net cash flows used in investing activities.	(385,813)	(490,612)
Net cash flows generated by/(used in) financing activities	671,321	262,338

North Negros Biopower Inc.

Key items of the income statement – NNB

PHP'000s	For the year ended 31 December 2023	 2022
Revenue	27,725	100,079
Loss before interest and tax	(481,509)	(1,090,484)
Loss for the year	(495,103)	(1,119,879)

Summary of the balance sheet – NNB

PHP'000s	**At 31 December** **2023**	**2022**
Total assets	4,200,010	4,540,235
Total liabilities	2,988,791	4,531,453
Total equity.	1,211,219	8,782

Summary of statement of cash flows - NNB

PHP'000s	**For the year ended 31 December** **2023**	**2022**
Net cash flows used in operating activities	(277,684)	(173,844)
Net cash flows generated by investing activities	120,564	31,542
Net cash flows generated by/(used in) financing activities	163,993	42,075

San Carlos Biopower Inc.

Key items of the income statement – SCB

PHP'000s	**For the year ended 31 December** **2023**	**2022**
Revenue	-	43,371
Loss before interest and tax	(1,249,765)	(1,536,830)
Loss for the year	(1,257,815)	(1,565,141)

Summary of the balance sheet – SCB

PHP'000s	**At 31 December** **2023**	**2022**
Total assets	4,762,443	5,843,374
Total liabilities	3,809,774	6,281,283
Total equity.	952,669	(437,909)

Summary of statement of cash flows – SCB

PHP'000s	**For the year ended 31 December** **2023**	**2022**
Net cash flows used in operating activities	(246,827)	(346,379)
Net cash flows used in investing activities	(11,623)	(17,319)
Net cash flows generated by financing activities	272,694	351,412

CTI Asia

Key items of the income statement – CTI Asia

US$'000s	**For the year ended 31 December** **2023**	**2022**
Total net financial income/(expense)	832	40,864
Profit/(loss) before interest and tax	(4,774)	47,261
Profit/(loss) for the year	(8,482)	52,225

Summary of the balance sheet – CTI Asia

US$'000s	At 31 December 2023	2022
Total assets...	374,565	372,234
Total liabilities	388,499	370,863
Total equity	(13,934)	1,371

Summary of statement of cash flows – CTI Asia

US$'000s	For the year ended 31 December 2023	2022
Net cash flows generated used in operating activities	(738)	(558)
Net cash flows used in investing activities	(1,630)	(7,544)
Net cash flows generated by financing activities	2,240	3,373

What are the key risks that are specific to the issuer?

Any investment in the Ordinary Shares A is associated with risks. Prior to any investment decision, it is important to carefully analyse the risk factors considered relevant to the future development of the Group and the Ordinary Shares A. The following is a summary of the key risks that, alone or in combination with other events or circumstances, could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. In making the selection, the Group has considered circumstances such as the probability of the risk materialising on the basis of the current state of affairs, the potential impact which the materialisation of the risk could have on the Group's business, financial condition, results of operations 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:

- The Group may not successfully implement its growth strategy and the impact of acquisitions, investments and value realisation initiatives could be less favourable than anticipated.
- The Group may fail to successfully identify sustainable investment opportunities, integrate its acquisitions, or realise the expected benefits from such acquisitions in a timely manner or at all, or acquire actual or potential liabilities.
- The operation of clean energy and sustainable fuel generation projects is subject to inherent and significant operational risks and occupational hazards.
- The Group's long-term success is dependent upon its ability to attract and retain key personnel.
- The Group may not be able to successfully implement its business strategy aimed at the expansion of its operations into other segments and sectors within the energy transition and climate change industry.
- The Group's strategic focus is on building out a platform of investments in clean energy and sustainable fuel across several jurisdictions and therefore its results of operations are subject to legal and political developments and conditions in the countries where the Group's operations will be located.
- Risks and delays relating to the development of greenfield clean energy and sustainable fuel projects could have a material adverse effect on the Group's operations and financial performance.
- The Group's clean energy and sustainable fuel projects may be adversely affected by insufficient supply of the relevant natural resources.
- Grid curtailments may limit the generation capacity of clean energy projects and dispatch thereof, which may result in a material adverse effect on the Group's business, results of operations, financial condition or prospectus.
- Failure to comply with the covenants, repayment programs, or other obligations contained in the terms and conditions of the Group's financing agreements could result in an event of default. Any failure to repay or refinance the outstanding debt when due could materially and adversely affect the Group's business.
- Failure to obtain financing on reasonable terms or at all could adversely impact the execution of the Group's expansion and growth plans for the Climate Infrastructure and Sustainable Fuels business segments.
- The Company is controlled by MNA, that will continue to be in a position to exert substantial influence over the Group. The interests pursued by MNA could differ from the interests of the Company's other Shareholders.

Key information on the securities

What are the main features of the securities?

Type, class and ISIN. The Ordinary Shares A are ordinary shares A in the share capital of the Company, with a nominal value of €0.10 each. The Ordinary Shares A are denominated in and will trade in Euro on Euronext Amsterdam. The Ordinary Shares' A ISIN is NL00150024H0. The Ordinary Shares A are created under Dutch law.

Rights attached to the Ordinary Shares A. The Ordinary Shares A will, upon Admission, rank *pari passu* in all respects with each other. Holders of Ordinary Shares A will be entitled to receive dividends or other distributions declared, made or paid on them. Each Ordinary Share A carries distribution rights and entitles its holder to attend and to cast one vote at the general meeting (*algemene vergadering*) of the Company. There are no restrictions on voting rights attaching to the Ordinary Shares A. Each holder of Ordinary Shares A shall, subject to exceptions, have a pre-emptive right in respect of the Ordinary Shares A to be issued in proportion to the number of Ordinary Shares A already held by it. Such a pre-emptive right may, however, be excluded or limited and the Board has been granted the authority to do so for up to 10% of the issued and outstanding capital. This authorisation expires after a period of 18 months following the date on which trading in the Ordinary Shares A on Euronext Amsterdam is expected to commence.

Dissolution and liquidation. If the Company is dissolved or liquidated, the Company's assets shall be paid to secured creditors, preferential creditors (including tax and social security authorities) and unsecured creditors, in that order. Any assets remaining after payment of all the Company's debts shall be distributed to the Shareholders pro rata to the aggregate nominal value of their Shares.

Restrictions on free transferability of the Ordinary Shares A. There are no restrictions under the articles of association of the Company or under Dutch law that limit the right of shareholders to hold Ordinary Shares A. The transfer of Ordinary Shares A to persons who are located or resident in, or who are citizens of, or who have a registered address in jurisdictions other than the Netherlands may, however, be subject to specific regulations and/or restrictions according to their securities laws.

Dividend policy. The Group is in a growth phase and will therefore, in the near term, prioritise reinvesting in developing and expanding its business and pursuing acquisition and investment opportunities. It will consider the opportunity to pay dividends in the medium term, while maintaining the financial flexibility to invest in its growth both organically and inorganically.

Where will the securities be traded?

Application has been made to list and admit the Ordinary Shares A to listing and trading on Euronext Amsterdam, under the symbol TCS.

What are the key risks that are specific to the securities?

The key risks relating to the Ordinary Shares A include, among others:

- The public price of the Ordinary Shares A may be volatile and could decline significantly and rapidly.
- There has been no public market for the Ordinary Shares A prior to the Admission and there is no assurance that an active market in the Ordinary Shares A will develop.
- The Company will face additional administrative requirements as a result of the Admission.

Key information on the admission to trading on a regulated market

Under which Conditions and Timetable can I invest in this Security?

Not applicable. No securities are being offered for subscription or sale pursuant to the Prospectus.

Who is the person asking for Admission

The Company is asking for admission to trading. The Company's LEI is 254900JY3WSRA0572L22 and its trade register number is 92773397. The Company operates under the laws of the Netherlands.

Why is the prospectus being produced?

The Company has produced the Prospectus for the purposes of the Admission.

RISK FACTORS[3]

Investing in the Shares involves a high degree of risk. Prospective investors should carefully consider all of the information that is included or incorporated by reference in this Prospectus and should form their own view before making an investment decision with respect to any Shares. In particular, investors should evaluate the risks referred to or described below, which may materially and adversely affect the Group's business, results of operations, financial condition or prospects.

The Group may face a number of the risks described below simultaneously and some risks described below may be interdependent where indicated with a cross-reference. Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Group's business, results of operations, financial condition or prospects. While the risk factors below have been divided into categories, some risk factors could belong in more than one category. If that is the case, the risk factor has been included in the most appropriate category. Prospective investors should carefully consider all of the risk factors set out in this section.

All of these risk factors and events are contingencies which may or may not occur. Although the Group believes that the risks described below are the material risks concerning its business and the Shares, they are not the only ones the Group faces. Additional risks that are not presently known to the Group or that it currently deems immaterial may also materially and adversely affect its business, results of operations, financial condition or prospects and may cause the market price of the Shares to fall.

Furthermore, before making an investment decision with respect to any Shares prospective investors should consult their financial, legal and tax advisers, and consider such an investment decision in light of their personal circumstances. Should any of the following events or circumstances occur, the value of the Shares could fall and an investor might lose part or all of its investment.

Risks relating to the business of the Group in general

The Group may not successfully implement its growth strategy and the impact of acquisitions, investments and value realisation initiatives could be less favourable than anticipated.

As part of its business strategy, the Group seeks to actively manage, grow and diversify its portfolio of climate infrastructure, sustainable fuel and climate finance assets, projects and businesses to maximise its capital base. To this end, the Group has conducted and continues to carry out acquisitions and investments of varying sizes, across the business segments in which it operates, as well as value realisation through certain dispositions, some of which are significant. For example, in December 2018 the Group, together with funds managed by the Group, invested in an initial 43% stake in SolarArise PTE Ltd ("**SolarArise**"), a utility-scale solar platform located in India, adding an additional generation capacity of approximately 723 GWh to is climate infrastructure portfolio. In June and November 2015, the Group divested its 40% stakes in San Carlos Solar Energy Inc. ("**SaCaSol**") and Negros Island Solar Power Inc. ("**ISLASOL**"), part of its utility scale solar platform located in the Philippines. The total financing, investment and initial operations return for SaCaSoL, being developed, constructed and operated by the Group on its own behalf, was a cash-on-cash return on investment of €12,685,256, with an internal rate of return of 27.89%. The total co-investment return for ISLASOL, being developed and constructed on behalf of institutional investors, was a cash-on-cash return on investment of US Dollar 4,614,082, with an internal return rate of 12.91%. The Group also develops additional clean energy projects in the Philippines, India and Vietnam (the "**Initial Target Markets**") and in other international markets. Moreover, the Group intends to expand its operations into other businesses related to the energy transition, predominantly across the clean energy and technology sector, see "*– The Group may not be able to successfully implement its business strategy aimed at the expansion of its operations into other segments and sectors within the energy transition and climate change industry.*".

The Group's strategy to expend its operations into other businesses, may require entering into strategic alliances and partnerships and will involve substantial investments. For example, the Group has entered the Philippines' market in 2011 through a partnership with a local renewable energy developer, which today is part of ACEN Corporation and in 2016 further expanded its sustainable energy infrastructure footprint through a corporation with the IFC, member of the World Bank Group. Furthermore, the Group made in 2018 its initial market entry in India through a joint venture with the energy and infrastructure arms of the European Investment Bank and Kotak Mahindra Bank respectively and ventured into the Vietnamese market in 2022 via a partnership with local renewable energy developer Solar Electric Vietnam. The Group's success in implementing its growth strategy will depend on, among other things, its ability to identify and assess potential partners, investments and acquisitions, opportunities for value realisation and redeployment of capital, and to successfully finance, close and integrate such investments

[3] Annex 1, item 3.1.

and acquisitions, control costs and maintain sufficient operational and financial controls. The Group's future growth may be adversely affected if it is unable to form successful partnerships or make the anticipated investments, value realisation and capital recycling initiatives, i.e. funding reinvestments in new assets with proceeds received from divestments of assets within the Group's portfolio, or if these partnerships, investments, value realisation or capital recycling initiatives prove unsuccessful. Moreover, the Group's future growth strategy may be adversely impacted by both changes to its key team members, see "*– The Group's long-term success is dependent on its ability to attract and retain key personnel.*" as well as changes in the regulatory environment of the jurisdictions in which the Group operates or aims to expand its operations to, including, for example, the implementation of minority or majority interest requirements of local investors in such jurisdictions, see "*– The Group's strategic focus is on building out a platform of investments in clean energy and sustainable fuel across several jurisdictions and therefore its results of operations are subject to legal and political developments and conditions in the countries where the Group's operations will be located*" and "*– The regulatory environment in which the Group operates is subject to continuous change, and regulatory developments designed to increase oversight may adversely affect the Group's business*". If such risks were to materialise, this could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group may fail to successfully identify sustainable investment opportunities, integrate its acquisitions, realise the expected benefits from such acquisitions in a timely manner or at all or acquire actual or potential liabilities.

As part of its growth strategy, the Group aims to identify sustainable investment opportunities and to acquire and invest in assets, projects and businesses within the climate infrastructure, sustainable fuel and climate finance industries. Such acquisitions and investments involve numerous risks, including, without limitation, the following: (i) the assumptions used in the underlying business plans may not prove to be accurate, in particular with respect to synergies and expected demand; (ii) the Group may not be able to integrate acquired businesses, technologies, products, personnel, and operations effectively; (iii) the Group may fail to retain key employees, customers, investors, suppliers or other stakeholders of the companies acquired; and (iv) the Group may be required or wish to terminate pre-existing contractual relationships, which could be costly or lead to unfavourable terms.

For example, the Group initially held a minority interest in the Biopower Group. In December 2021, the Group acquired the remaining 60% interest in NNB and SNB, to hold 100% of the shares of both NNB and SNB, and an additional 58% interest in SCB, to hold a 98% interest. The additional interests were acquired from the Group’s local Philippines' partner. Following the acquisition, the Group has cancelled the management services agreement it had with the local partner and is now fully integrating the Biopower Platform with the Group’s operations, from a management, treasury and operational stand point. This has now allowed the Group to initiate an operational review which allowed cost-cutting and optimisation of operations as of 1 January 2024 onwards. However, it is possible that the expected benefits of this completed acquisitions, or future acquisitions, investments and value realisation and capital recycling initiatives may not materialise within the time periods or to the extent anticipated or negatively affect the Group's financial condition. The impact on the Group of any future acquisitions or investments and dispositions cannot be predicted with certainty and any of the risks outlined above, should they materialise, could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

In addition to this, the Group may have acquired and continue to acquire actual or potential liabilities in connection with such acquisitions and investments, including tort claims, claims, fines or penalties as a result of breach of applicable laws or regulations, breach of contract claims, claims for breach of fiduciary duties, employment and IP rights related claims, data protection violations, cyber and information security vulnerabilities or tax liabilities. The due diligence conducted for purposes of these acquisitions and investments and making investment decisions, is based on the information provided at the time which may be incomplete, inaccurate or without the benefit of any third-party reliance. Additionally, as investment decisions may be undertaken on an expedited basis, the Group may not have sufficient time to evaluate fully such information available to it and there is no guarantee that any acquired projects will perform as anticipated or that the returns from such acquisitions will support the financing used to acquire them or maintain them. The value of the investments made by the Group may be affected by fraud, misrepresentation, or omission. Such fraud, misrepresentation or omission may increase the likelihood of underperformance of the projects.

Accordingly, due to several factors, the Group cannot guarantee that the due diligence carried out will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment. Moreover, the warranties or indemnities aimed at addressing the risks identified through the due diligence process may not sufficiently cover the damages incurred by the Group due to the materialisation of such risks. This could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The operation of clean energy and sustainable fuel generation projects is subject to inherent and significant operational risks and occupational hazards.

The operation of clean energy and sustainable fuel projects involves significant risks, including:

- issues with the quality or interruptions in the supply of key inputs, including fuel or water;
- breakdown or failure of power generation equipment, transmission lines, pipelines or other equipment or processes, leading to unplanned outages and operational issues;
- flaws in the equipment design or in power plant construction;

- material changes in legal, regulatory, or licensing requirements; see also "– *The operations of the Group are subject to significant government regulation, including obtaining and maintaining the requisite regulatory approvals and licenses, environmental legislation and financial incentives*", "– *Environmental regulations may cause the relevant project companies to incur significant costs and liabilities"* and "– *The regulatory environment in which the Group operates is subject to continuous change, and regulatory developments designed to increase oversight may adversely affect the Group's business*".
- human errors in operation of equipment;
- performance below expected levels of output or efficiency;
- actions affecting power generation assets owned or managed by the Company, its joint ventures, affiliates, or its contractual counterparties;
- planned and unplanned power outages due to maintenance, expansion, and refurbishment, see also "– *Grid curtailments may limit the generation capacity of clean energy projects and dispatch thereof, which may result in a material adverse effect on the Group's business, results of operations, financial condition or prospects.*";
- inability to obtain or the cancellation of required regulatory, permits and approvals, see also "– *The operations of the Group are subject to significant government regulation, including obtaining and maintaining the requisite regulatory approvals and licenses, environmental legislation and financial incentives.*"; and
- opposition from local communities and special interest groups.

For example, the San Carlos Biopower plant had a forced outage for eight weeks in February and March 2024 due to a fire which caused damage to the fuel feed system. Although the San Carlos Biopower plant has submitted a claim to its insurers and expects to receive payment from its insurers as part of its material damage and business interruption insurance claims in connection to the outage, the Group cannot guarantee that this will be the case in the future for similar incidents. In addition, the South Negros Biopower plant encountered a power grid surge in January 2024 which damaged an exciter (i.e. a crucial component in the power generation system). This led to an unplanned power outage of six weeks while the exciter was repaired. In case of any of the Biopower plants, being North Negros Biopower Inc, South Negros Biopower Inc and San Carlos Biopower Inc, (the “Biopower Plants”_ every MWh lost in production equals approximately 7,000 PHP on average in lost revenues. Although above described events did not have a material effect on the Group, there is no assurance that any event similar to those listed above or any other operational failure or issue will not occur or will not significantly increase costs or decrease or eliminate revenues derived by the Group, its joint ventures, and affiliates from their power projects, which could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

The Group's long-term success is dependent upon its ability to attract and retain key personnel.

The Group depends on its ability to recruit, retain and motivate high quality senior executives and key management members with experience in the industries in which the Group operates to implement the Group's projects and business strategies. These industries include all sectors in which the Group currently operates across clean energy and technology, such as the (i) power sector including renewable power generation, storage, transmission, distribution, charging, efficiency and other electrical appliances; (ii) water sector including wastewater treatment and sanitation; desalination and drinking water production; (iii) waste sector including integrated waste management, recycling and energy conversion; (iv) biofuel sector; (v) financial services including corporate & project Finance, asset management and investor relations; (vi) software development and; (vi) corporate functions including finance, HR, IT and marketing. For example, the development, construction, operation and management of infrastructure assets requires very specific knowledge of the respective applied technology and first-hand experience of the areas, countries and regions where the projects or operations are located. The Group therefore depends on its experienced and knowledgeable local teams to operate in the sectors mentioned above. If any of the Group's key employees resigns, discontinues, or significantly diminishes his or her contribution to the Group, it is possible that a suitable replacement may not be found in a timely manner or at all. Moreover, if the Group is not able to attract a sufficient number of employees for its operations, it may not be able to successfully pursue its strategic objectives. This, as well as any demands for significant salary increases by the Group's employees, could result in a material adverse effect on the Group's ability to successfully operate and implement its business and strategic objectives.

In particular, the Group is dependent on the continued involvement of its senior management team led by Michael Sieg, its Chief Executive Officer ("**CEO**"), who founded the Group and has been the primary architect of its business strategy, as well as other members of its senior management team. Michael Sieg is 47 years old and has no current plans to retire. There can be no assurance, however, that Michael Sieg will not reduce his responsibilities or retire earlier than expected. In addition, the Group's senior marketing and client service personnel and certain other key employees of the Group are in direct contact with its investors, as well as their consultants and advisors and other key individuals within each of the Group's distribution channels. The loss of any of these key professionals, or any significant diminution in their contribution to the Group could limit the Group's ability to successfully execute its business strategy or prevent the Group from sustaining its investment performance and, consequently, adversely affect the Groups business, financial condition, results of operations or prospects.

The Group may not be able to successfully implement its business strategy aimed at the expansion of its operations into other segments and sectors within the energy transition and climate change industry.

As part of its business strategy, the Group seeks to expand its operations into other segments and sectors within the market relating to the prevention or mitigation of the negative impacts of climate change and the energy transition market. This expansion may include other operations in the field of the energy or land use systems that account for global emissions, including energy, industry, mobility, buildings, agriculture, forestry and other land use and waste. Segments and sectors of particular interest to the Group are (i) the power sector, including renewable power generation (other than biomass and Solar PV), storage, transmission, distribution, charging, efficiency and other electrical appliances; (ii) the water sector, including wastewater treatment and sanitation, desalination and drinking water production; (iii) the waste sector including integrated waste management, recycling and energy conversion; (iv) the biofuels sector; and (v) the carbon credit market. Expanding its operations may expose the Group to face risks that are associated with initiating activities in markets where it has limited or no experience. It may be unable to attract a sufficient number of customers, fail to anticipate competitive conditions or face difficulties in operating effectively or profitably in these new markets. The expansion of its business will also expose the Group to additional risks including:

- challenges and increased expenses associated with staffing and managing a diversified international operation;
- increased and conflicting legal and regulatory requirements;
- general economic or political conditions in particular countries or regions;
- exposure to liabilities under various anti-corruption and anti-money laundering laws; and
- exchange rate fluctuations.

The Group may not be able to successfully effectuate its expansion strategy. Furthermore, the operational efficiencies or increased profitability that the Group expects to realise from such expansion may differ materially from its expectations. Moreover, anticipated synergies, cost savings or productivity enhancements may not be realised or may be offset in whole or in part by reductions in revenue or through increases in expenses. Any of these factors could adversely impact the success of the Group's expansion and the related investments may not yield the targeted results. This could have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Furthermore, implementing the expansion strategy and growth plan of the Group may turn out to be more expensive, time consuming and resource intensive than anticipated and it may divert management's attention or put a considerable strain on the Group's internal processes and capabilities. If the Group is unable to manage these risks efficiently, it may not be able to take advantage of the market opportunities presented to it, which may lead to inability to successfully execute its business strategy, and, in turn, may adversely affect the Group's business, financial condition, results of operations or prospects. See "*The Group's long-term success is dependent upon its ability to attract and retain key personnel*."

The Group's strategic focus is on building out a platform of investments in clean energy and sustainable fuel across several jurisdictions and therefore its results of operations are subject to legal and political developments and conditions in the countries where the Group's operations will be located.

In addition to the Philippines, India and Vietnam, the Group intends to invest in operational, under construction, and in development clean energy and sustainable fuel projects located in the Initial Target Markets, with plans for further expansion in other countries in the Asia-Pacific ("**APAC**") region and in international markets. Moreover, the Group intends to expand its operations to other segments and industries covering climate change and energy transition related operations. International operations and plans for further international expansion may be affected by the respective domestic economic and market standards and conditions as well as social and political developments in such countries, government interference in the economy in certain countries and changes in regulatory conditions, and there is no guarantee that the Group's existing operations as well as expansion plans will be successful in those countries. For example, in 2012 the Group incorporated a subsidiary in Cambodia in preparation for future investments in clean energy and sustainable fuels projects. These preparations were made in the anticipation of impending post-election changes to the country's wider infrastructure market and related changes in governance and foreign direct investment restrictions. As these anticipated changes had not materialised by 2016, the Group closed its presence in the country and wrote off the market entry costs, amounting to approximately €0.5 million. See also " – *The Group's business is affected by general, economic, market and political conditions.*"

The Group may be required to adopt particular contractual arrangements and structures in order to satisfy the legal and regulatory requirements of a particular jurisdiction. For example, prior to 2022 foreign investors in the Philippines were not allowed to manage, operate or control companies engaged in renewable energy generation using national resources such as solar or wind. This meant that foreign investors could own no more than 40% of such a company. While this restriction has been lifted for solar and wind in 2022, similar laws, regulations or restrictions may affect the contractual rights acquired by the Group. Additionally, such laws, regulations or restrictions may require the Group to incur additional establishment costs from local service providers, such as lawyers, accountants or valuers, in order to comply or mitigate risk. In addition, the existence of foreign ownership restrictions in jurisdictions in which the Group operates, which require assets to be partially owned by a local operator or investor, or the repatriation of land in use by the Group by local governments, may adversely impact the Group's growth strategy and, as a result, its business, results of operations, financial condition or prospects.

Risks and delays relating to the development of greenfield clean energy and sustainable fuel projects could have a material adverse effect on the Group's operations and financial performance.

The Group is expanding its greenfield power generation and sustainable fuel production operations, see "Business – Business Segments" for an overview of certain clean energy and sustainable fuel pipeline projects which are in development or construction opportunities. The development of such projects involves substantial risks, such as environmental, engineering, construction, and commission risks, that could give rise to delays, cost overruns, unsatisfactory construction, or development in the projects, the inability to secure adequate financing or to negotiate acceptable offtake agreements. In addition, projects under development may be affected by the timing of the issuance of permits and licenses by government agencies, any litigation or disputes, inclement weather, natural disasters, accidents or unforeseen circumstances, manufacturing and delivery schedules for key equipment, defect in design or construction, and supply and cost of equipment and materials. Further, project delays or cancellations or adjustments to the scope of work may occur from time to time due to incidents of force majeure or legal impediments. For the Group's projects under development, the estimated time frame and budget for the completion of critical tasks may be materially different from the actual completion date and costs, which may delay the date of commercial operations of the projects, result in cost overruns or reduce the economic benefit from such projects, including higher capital expenditure requirements and loss of revenues. For example, the Group has a shareholding in the Asian Energy Impact Trust plc ("**AEIT**"), a fund previously managed by the Group, which owns a 200MW solar construction project in India. At 31 December 2022, this project had project financing agreed and a 25-year power purchase agreement in place. However, construction commencement was delayed due to the solar park operator encountering challenges with the build out of the transmission infrastructure. These delays led to a delay in construction start date and therefore exposure to solar panel price volatility. The longer than anticipated construction period has contributed to further funding being required of US$4.5 million, as announced by its owner AEIT on 13 May 2024. Additionally, delays, cost overruns and decreased returns could create reputational damage and have led to the loss of external management services mandates. Any delays, cost overruns, unsatisfactory construction or development could have a material adverse effect on the business, results of operations, financial condition or prospects of the Group.

The Group's clean energy and sustainable fuel projects may be adversely affected by insufficient supply of the required natural resources.

Clean energy and sustainable fuel projects and their operational performance are dependent on the availability and the quantitative or qualitative supply of natural resources such as irradiance, wind or biofuels consistent with forecasts. If this supply is limited, restricted or inconsistent, it may have an impact on the operation or the output of the Group's projects and resultant its profitability. For example, if during a certain time period the irradiance for a solar plant is lowered, caused by seasonality, such as an increase of overcast days compared to the average, or by lower air quality, such as dust from a construction site nearby, this can negatively affect the power generated and therefore could reduce the revenue generated by such plant by 8-10% in any given year In general if the required natural resources are not available, if the volatility of the resource is higher than expected or if the forecasts were made according to an erroneous methodology or based on insufficient data, there will be a risk that the Group's projects will not be able to produce sufficient energy to achieve the expected profitability or cash flows. If these risks were to materialise, this may have a material adverse effect on the Group's business, financial condition, results of operations or prospects.

Grid curtailments may limit the generation capacity of clean energy projects and dispatch thereof, which may result in a material adverse effect on the Group's business, results of operations, financial condition or prospects.

From time to time, national grid operators curtail the energy generation for several reasons, including when there is line congestion and during the instances when power plant dispatch schedules are not implementable, i.e. if the grid operators foresee that the dispatch schedules may place the grid system at risk. See also "*Operating and Financial Review – Key Factors Affecting the Group's Business and Results of Operations*". In such circumstances, a clean energy project's access to the grid and thus its generation dispatch can be reduced. For example, in 2016 various utility-scale solar plants on Negros Island, including ISLASOL and San Carlos Sun Power Inc., solar plants developed by the Group, had been subject to a curtailment during initial operations for several months of up to 50% by the National Grid Corporation of the Philippines ("**NGCP**") until certain transformer and line upgrades had been finalised. In addition, in 2021 the Negros-Cebu subsea cable, in the Philippines, was damaged by dredging works combined with ongoing grid congestion, which resulted in a marginally lower generation of electricity by the three solar plants operated by the Group located on the island of Negros, the Philippines. Such events may result in corresponding reduces in revenue, which, if prolonged or numerous could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

Increased competition in the industries in which the Group operates, including competition resulting from legislative, regulatory and industry restructuring efforts could have a material adverse effect.

The Group faces intense competition in all segments in which it operates, both from new as well as existing market participants.

The success of the Group's Climate Infrastructure and Sustainable Fuels business segments depends on its ability to identify, invest in, develop and operate new clean energy or sustainable fuel projects, and the Group faces competition to acquire rights to develop such projects and to generate and supply clean energy and sustainable fuels. No assurance can be given that the Group will be able to acquire or invest in clean energy or sustainable fuel projects successfully. A large portion of the Group's assets are located in the Visayas region in the Philippines, including three of the Group's biomass power plants and twelve sustainable fuels transloading and processing stations for agricultural residues, primarily consisting of sugarcane trash ("**SCT**"), and two sustainable wood plantations for the production of wood chips or pellets. At 31 December 2024, 84% of the Group's total assets, excluding goodwill, relate to the Biopower Plants. The Philippine government has sought to implement measures designed to establish a competitive clean energy market. These measures include providing open access to the power market for foreign investors, in order for them to freely own and operate certain renewable power assets. These measures have allowed for the implementation of retail competition by operators of power plants. The impact of the restructuring of the Philippine clean energy industry, and similar market liberalisation or restructuring measures in other jurisdictions in which the Group operates or aims to expand its operations to, have changed and will change the competitive landscape of the clean energy and sustainable fuel industry and such changes to the competitive landscape could negatively affect the Group's business, results of operations, financial condition or prospects.

In addition, any decision to develop and construct clean energy and sustainable fuel projects in various jurisdictions, including the Initial Target Markets, is made after careful consideration of regulatory requirements, availability of fiscal incentives, market conditions including the demand and supply conditions, land availability, and other considerations. For those jurisdictions that require participation through a competitive bidding process or through the submission of a formal proposal, in which the Group will need to compete for projects based on pricing, technical and engineering qualifications, the financial condition of the Group, availability of land, access to financings, track record and other specifications of the proposed project, the bidding or proposal submission process and selection process may be affected by a number of factors, including factors which may be beyond the Group's control, such as market conditions or government incentive programs. Any such competitive bidding process the Group may not acquire the rights to develop new clean energy projects as a result of not submitting a successful bid. If the Group's competitors have access to a wider range of capital, this may prevent the Group from acquiring additional clean energy projects in strategic locations or from increasing its power generating capacity, and the Group may not be able to expand its business as a result.

As part of its Climate Finance business, the Group faces competition from numerous other market participants in the investment banking and investment management sectors, some of which offer similar investment products as those offered by the Group, which may be better equipped than the Group to yield profitable returns for its investors, enabling them to attract investors away from the Group. This may be due to various factors, including greater financial resources, broader experience, increased focus, the ability to offer lower fees or the ability to attract and retain more skilled employees.

The move towards a more competitive environment in any of the industries in which the Group operates could lead to the emergence of new competitors. These competitors may have greater financial resources, and may have more extensive experience than the Group, giving them the ability to respond to operational, technological, financial, and other challenges more quickly or successfully than the Group. These competitors may therefore be more successful than the Company in attracting mandates from investors or acquiring existing clean energy generation facilities or in obtaining financing for and the construction of new clean energy generation facilities. The Group may therefore be unable to meet the competitive challenges it will face. If such risks were to materialise, this could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The operations of the Group are subject to significant government regulation, including obtaining and maintaining the requisite regulatory approvals and licenses, environmental legislation and financial incentives.

The Group is required to maintain regulatory approvals, authorisations and licenses to carry out its operations. For example, for its Climate Infrastructure business segment, it is required to have business, operating and environmental compliance permits and for its Climate Finance business segment, it needs to maintain its investment management license as granted by the United States Securities and Exchange Commission. As a result, the Group's operations depend its ability to obtain, maintain and renew the required licenses, which are subject to a number of conditions that vary depending on the country or institution authorised to issue such license and compliance with applicable laws and regulations.

The Group may fail to obtain and retain the required licenses without incurring undue costs and delays, or at all. Furthermore, the renewal of certain licenses may not be automatic and must be requested periodically and is therefore subject to periodic assessment by the competent authorities. Furthermore, a failure to successfully obtain a license in one jurisdiction, could cause the rejection of license applications or cancelation of existing licenses in other jurisdictions in which the Group operates. If the Group is unable to meet the relevant criteria to obtain its licenses, if it obtains such licenses on different, less favourable terms or for reduced activities, it might be forced to cease or restrict certain of its activities in the countries in which it operates, which could adversely affect the Group's business, results of operations, financial condition or prospects.

In addition, if the Group is unable to anticipate, influence, or respond effectively to changes in laws or regulatory frameworks, including any delays or failures in securing expected financial incentives or in obtaining or renewing necessary permits, this could adversely affect the Group's business, results of operations, financial condition or prospects. See also " – *The regulatory environment in which the Group operates is subject to continuous change, and regulatory developments designed to increase oversight may adversely affect the Group's business*".

Furthermore, changes in laws or regulations or changes in the application or interpretation of laws or regulations in jurisdictions where the Group operates, could adversely affect the Group's business, results of operations, financial condition or prospects, including, but not limited to:

- adverse changes in tax law; see also " – *Risks relating to Taxation*" below.
- changes in the timing of tariff increases or in the calculation of tariff incentives;
- change in existing subsidies and other changes in the regulatory determinations under the relevant concessions;
- other changes related to licensing or permitting which increase capital or operating costs or otherwise affect the ability to conduct business;
- the manner in which the Group manages its operations, see also " – *The operation of clean energy and sustainable fuel generation projects is subject to inherent and significant operational risks and occupational hazards*"; or
- other changes that have retroactive effect and/or take account of revenues previously received and expose power or sustainable fuel projects to additional compliance costs or interfere with the Group's existing financial and business planning.

If any of the above events were to materialise, this may result in the Group not being able to operate, incurring fines or penalties, reputational damage, achieving lower margins than expected for the affected businesses or liquidation or wind-down of the specific operations, which could adversely affect the Group's business, results of operations, financial condition or prospects.

The Group's results of operations could be adversely affected by strikes, work stoppages or increased wage demands or any other kind of disagreements or disputes with the Group's employees.

The Group may be subject to operational disruptions due to labour disputes, including strikes, work stoppages, increased wage demands or other labour-related issues due to employee actions with an aim to adjust compensation or terms of employment. While there have been no such instances that have materially impacted the Group in the past, there is no assurance that the Group will not be faced with any such actions or demands in the future. Such events could harm the Group's reputation, divert management attention and increasing operating expenses and, if prolonged, may have an adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group's insurance coverage may not be adequate.

The Group maintains a level of insurance, which it believes is typical with the respective business structures it operates and in amounts that it believes to be commercially appropriate (see also "*Business – Insurance*"). Nevertheless, the Group may become subject to liabilities against which it has not insured adequately or at all, or is unable to insure against, or where the insurance is provided on commercially unattractive or unacceptable terms. For example, with respect to the industrial all risk insurances that the Group has taken out for the Biopower Plants, the uninsured value is significant, see also "*Business – Insurance*". In addition, insurance policies contain certain exclusions and limitations on coverage, which may result in claims not being honoured to the extent of the losses or damages suffered. Further, such insurance policies may not continue to be available at economically acceptable premiums, or at all. The occurrence of a significant adverse event, the risks of which are not fully covered or honoured by the Group's insurers, could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

In addition, under some of the Group's debt agreements, specifically the working capital facilities provided by LandBank in the Philippines to SNB and SCB, and by Security Bank to NNB, it is required to name the lenders under such debt agreements as a beneficiary or a loss payee under some of its insurance policies or assign the benefit of various insurance policies to the lenders. Therefore, even if insurance proceeds were to be payable under such policies, any such insurance proceeds will be paid directly to the relevant lenders instead of to the Group. If an insurable loss has a material effect on the operations of the Group, the lenders may not be required to remit all or any of the insurance proceeds to the Group, and this could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

As the Group's operations are concentrated in a limited number of sectors, an economic downturn in such sectors may have a significant impact on the Group's performance.

The Group's operations are currently concentrated in the clean energy and climate finance sectors. The Group's current income streams primarily come from electricity sales, management fees, and placement and structuring fees. Sales of sustainable fuel, such as woodchips or logs prior to chipping into woodchips are currently limited to transactions with the Group's Biopower Plants and are not yet conducted with external third parties on arm's-length terms. During a period of economic downturn, e.g. as experienced during the COVID-19 pandemic in the Philippines, the overall electricity demand in a country or region could decline, and, as a result, non-contracted electricity generation capacity of the Group's climate infrastructure business traded at the spot market could suffer from a decline in electricity prices, see "The Group's business is affected by general, economic, market and political conditions.". Furthermore, during a period of economic downturn, usually the savings and investment quota of private and wholesale investors decline, which could negatively impact income of the Group's climate finance business. A decline in the amounts of new investments placed or raised will lead to lower placement & structuring fees, and if existing investors would redeem any current mandates with the Group earlier than expected as they require liquidity elsewhere, management fee incomes would also decline.

It is expected that the Group will continue to have its operations concentrated in certain sectors and geographies in the short to mid-term. While the Group can partially mitigate its overall exposure to sector-specific risks over time by diversifying operations across different sectors and jurisdictions, there is no assurance that this longer-term strategy will prove successful, and the Group will remain exposed to adverse events related to specific investments, sectors, and industries. As the Group is active in a limited number of sectors, the economic and financial performance of the Group may be materially impacted by any adverse events in such sectors. A high level of concentration in specific sectors can create significant risks for the financial performance of the Group and, in the event of a downturn in those sectors, in turn potentially negatively impact the Group's business, financial condition, results of operations or prospects.

Changes, evolutions and advancements in technology may make certain technologies deployed by the Group obsolete, outdated or require significant capital expenditure for the profitable continuation of its operations of the Group.

The technologies in the sectors in which the Group operates develop rapidly. There is a risk that any of the technological solutions that are essential to the Group's operations fail or that new or more advanced equipment or technology renders the technology underpinning the operations obsolete. As such, the Group's future success partly depends on its ability to recognise the adoption of new and emerging technologies and correctly distinguish between technological turning points and temporary, short-lived trends. Given the significant fixed costs involved in constructing assets as part of the Group's Climate Infrastructure and Sustainable Fuels business segments, any technology change or failure that occurs over the medium term could threaten the profitability of a project, in particular due to the financing projections that are dependent on an extended project life.

Additionally, the Company's ImpactPlus technology platform has been developed using coding and practices that are contemporary at the time of release and updated using best practice. If the platform becomes outdated or incompatible with other operating systems used by investors, capital raising through this platform may halt or reduce which would have a significant impact on the revenue generation. If any of these risks were to materialise, it could have a material adverse impact on the Group's business, results of operations, financial condition or prospectus.

The Group's financial statements include significant goodwill which could be impaired.

The Group recognises goodwill in connection with the purchase price allocation for acquisitions. At 31 December 2024, the Group has goodwill of €132.0 million. Goodwill arose from the acquisition of the controlling interest in the Biomass Platform in December 2021 and was the excess of the consideration transferred over the acquisition date fair values of the assets acquired, liabilities assumed, and contingent liabilities recognised. Goodwill is recognised at cost and subsequently assessed annually for impairments. or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment assessments require the use of estimates and assumptions, specifically around operating performance and efficiency, inflation and repayment of capital. Decreases in expected operations, profitability or cash flow generation may impact the fair value of the Biopower Platform, which could result in a write-down of goodwill and a reduction in distributable reserves. See also "*Operating and Financial Review – Key estimation uncertainties – Impairment of goodwill*."

The Group's business is affected by general, economic, market and political conditions.

Weak macroeconomic conditions, recessions, global financial market turmoil and volatility have affected and may continue to affect the Group's business. For example, as a result of the COVID-19 pandemic and the Russian-Ukraine war, the performance of the Group's Climate Finance business declined substantially due to lower investor appetite for investments in the APAC region, coupled with increased risk in relation to volatility in foreign exchange rates, and depressed wholesale electricity spot market prices and rising inflation. In future periods of difficult market conditions, the Group may experience accelerated client redemptions or withdrawals if investors move assets to investments they perceive as offering greater opportunity or lower risk, which could further reduce management fees and performance fees/carried interest, which are based on the value of the capital or assets under management or advisory ("**Fee Generating Mandates**"), in addition to market depreciation. In the year ended 31 December 2020, revenue from placement and structuring fees in the Climate Finance business declined by €47.6 million, or 77%, to €14.5 million from €62.1 million in the year ended 31 December 2019, prior to the pandemic.

In addition, the COVID-19 pandemic created extensive disruptions to the global economy, hindering the Climate Infrastructure and Sustainable Fuels business segments, for example, through the inability to carry out testing cycles of the Group's clean energy projects due to travel restrictions and lower demand for electricity which led to lower wholesale electricity spot market prices. Moreover, during the COVID-19 pandemic, in particular due to the various periods of lockdowns, it was temporarily not possible to progress or complete any acquisitions or divestments of assets as the Group was unable to conduct the required site visits.

The global economic outlook remains uncertain, and the Group continues to operate in challenging business environments. Any future pandemic, political unrest, economic downturn, disruption to the global economy or other factors, over which the Group has no control, could cause a decline in the Group's financial position or revenues, which could negatively impact the Group's business, results of operations, financial condition or prospects.

In particular, with regard to its Climate Finance business, a deterioration in market conditions could result in lower investment management fees and other revenues if the investment mandate is based on net asset value. Net asset value of the funds managed could be impacted by increasing discount rates, foreign exchange rates or default rates. Conversely, if market conditions improve, increasing the prices of the securities in the Group's investors' accounts, this may also lead to withdrawals or redemptions by investors. In many cases, the Group advises only on a portion of its investors' complete financial portfolio, as many clients prefer to diversify their portfolio among more than one asset or wealth manager or investment type. As to those investors, if the portion of their portfolio managed by the Group increases significantly, it may represent a larger portion of their overall portfolio than targeted, and they may withdraw assets from the Group's management and invest it elsewhere, thereby rebalancing their overall portfolio and returning their allocation to the Group to its prior level.

If any of these risks materialise, this could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

Exchange rate fluctuations may have a significant adverse impact on the Group's* business*, results of operations, financial condition or prospects.

Currency fluctuations could affect the Group because of mismatches between the currencies in which revenues and dividends are received, operating costs are incurred and those in which financing has been received or funded. For example, the Group's project level debt facilities are denominated in Philippine peso ("**PHP**") and US Dollar ("**USD**") see "*Operating and Financial Review – Indebtedness, Financial Commitments, Contractual Obligations and Contingencies*". The Group is therefore subject to currency exchange risks to the extent there are fluctuations in the exchange rates between the currencies of the Group's debt facilities and the other currencies in which the Group conducts business. For a quantification of this risk please see "*Operating and Financial Review - Quantitative and Qualitative Disclosures about Market Risk – Foreign Exchange Risk*". Moreover, the Group's reporting currency is in Euro, and the Group has and may acquire assets, revenue streams and liabilities denominated in several currencies including the PHP, USD, Vietnamese Dong and Indian Rupee ("**INR**"). In the year ended 31 December 2024, 9.7% of the Group's total revenue was generated in currencies other than Euro. The Group expects that this percentage will increase in the short-term as the Biopower Plants becoming fully operational. As a result of the international nature of the Group's business, changes in foreign currency rates could have an adverse impact on the Group's business, results of operations, financial condition or prospects.

The regulatory environment in which the Group operates is subject to continuous change, and regulatory developments designed to increase oversight may adversely affect the Group's business or cause the Group to incur significant costs and liabilities.

The legislative and regulatory environment in which the Group operates has undergone significant changes in the recent past, including additional regulation, documentation, changes to processes and, in some cases, the introduction of additional reporting requirements, which have resulted in increased costs of compliance for the Group.

These changes have included amendments to laws and regulations pertaining to pollution, the protection of human health and the environment, air emissions, wastewater discharges, occupational safety and health, and the generation, handling, treatment, remediation, use, storage, release and exposure to hazardous substances and wastes. These new requirements are complex, may be subject to frequent change and have tended to become more stringent over time. Therefore, significant regulatory changes in the industry in which the Group operates are likely to continue, which is likely to subject industry participants, including the Group, to more detailed regulations, and the compliance burden associated could increase compliance costs. The Group has incurred, and will continue to incur, costs and capital expenditures in complying with these laws and regulations and in obtaining and maintaining all necessary permits. While the Group has procedures in place to allow it to comply with environmental laws and regulations, there can be no assurance that it will always be in compliance with all its respective obligations in the future or that it will be able to obtain or renew all licenses, consents or other permits necessary to continue operations. Any failure to comply with such laws and regulations could subject the Group to significant fines, penalties, and other liabilities, which could have a material adverse effect on the business, results of operations, financial condition or prospects. If the Group cannot pass on future costs to its customers or investors, any cost increases could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

In particular, there is an increased focus on ESG and sustainability related reporting by companies. For example, under the EU Corporate Sustainability Reporting Directive ("**CSRD**"), in-scope undertakings with securities admitted to trading on a regulated market in the EU, including, from Admission, the Group, will be subject to sustainability reporting obligations in its annual financial statements. See also "*Business – Group Sustainability Policy Framework*". The European Commission has adopted the specific reporting requirements of CSRD in a Delegated Regulation in December 2023. If regulators or government actors disagree with the procedures or standards that the Group adopts for reporting on sustainability or other related matters and take enforcement or other action, or if new laws or regulations require a methodology of measuring or disclosing ESG impact that is different from the practices adopted by the Group, it may incur fines or its business or reputation may be adversely impacted. Other newly introduced laws, regulations and industry standards that have impacted or may impact the Group are, for example, the Greenhouse Gas Protocol, the global industry standard for greenhouse gas accounting, the EU Taxonomy, and the Sustainable Finance Disclosures Regulation, the implementation of which has had an impact on the Group's data gathering and analysis, documentation and reporting.

New laws and regulations, or changes in the enforcement of existing laws or regulations, applicable to the Group or its suppliers, customers or investors may significantly increase the costs incurred by the Group to comply with such laws and regulations or otherwise adversely affect the Group's business. For example, if the ability of the Group to independently determine the fees it charges for its investment products that form part of its Climate Finance business would be restricted, or if the Group would otherwise be forced to modify its pricing strategy, this could have a negative impact on the Group's operational results and financial condition. The ability to operate successfully will partially depend on how the Group monitors and promptly reacts to legislative and regulatory changes. This regulatory scrutiny may limit the Group's ability to engage in certain activities that might be beneficial to the shareholders of the Company ("**Shareholders**"), which may in turn adversely affect the Group's business, results of operations, financial condition or prospects.

The Group relies on certain third-party suppliers and service providers for several important functions. The failure to find qualified third-party service-providers or the failure of these service-providers to perform their obligations could adversely affect the Group's business, results of operations, financial condition or prospects.

The Group relies on third-party suppliers and service providers to provide certain important products and services. For example, the Group's successful operation of its clean energy plants depends on the effective operation and maintenance of equipment. Such operating and maintenance service are partially sourced out by the Group to technical partners and third-party operators. Although the Group carefully selects these technical partners and third-party operators, any failure on the part of such technical partners or third-party operators to properly operate or adequately maintain these power projects could have an adverse effect on the Group. Moreover, the Group's Climate Finance business generally depends on the services of certain third-party suppliers to carry out securities transactions and offer investment brokerage, distribution and management services globally. These include prime brokers, depositaries, custodians, administrators, third-party management companies, alternative investment fund managers, software companies and other agents and service providers. In addition, the Group depends on its distribution partners for the distribution of its investment products. As the Group has undertaken its Restructuring project to merge and consolidate the projects held to own and operate, there has been less focus on product development and therefore capital raising. Consequently, with lower structuring and marketing activity, many distribution partners have become inactive. To reactivate these partners may take time and in some cases may not be possible which could have a negative impact on the operations of the Group's Climate Finance business and its capital raising abilities. In the year ended 31 December 2023, revenue from placement and structuring fees in the Climate Finance business declined by €4.0 million, or 66%, to €2.1 million from €6.1 million in the year ended 31 December 2022, prior to its Restructuring project.

While the Group seeks to monitor such third-party suppliers and service providers, it does not have direct control over the quality of the services that they provide. Any poor performance, defaults, interruption, deterioration or failure to provide services by such third-party suppliers to the Group or any insolvency of such third party service provider, could result in unanticipated costs, disruptions to the services provided by the Group or otherwise impair the Group's ability to successfully continue its operations and business and may also harm the Group's business and reputation. Disputes with suppliers or service providers that fail to deliver products or perform services properly or otherwise fail to meet their obligations towards the Group may result in extended and time-consuming litigation. Any of these developments could adversely affect the Group's business, results of operations, financial condition or prospects.

Suppliers or manufacturers on which the Group relies may not comply with local labour, environmental or ethical laws, regulations or standards.

The Group is committed to environmental and social responsibility. It therefore carefully monitors the compliance of its suppliers and manufacturers through the use of social and environmental guidelines, such as its Code of Business Principles and Ethics, Speak Up and Whistleblowing Policy, anti-bribery policy and modern slavery statement. While the Group aims to contractually require all of its suppliers to comply with all applicable laws and regulations as well as its Code of Business Principles and Ethics, the Group cannot fully guarantee that its suppliers or the manufacturers it works with will comply with local labour, environmental or ethical laws, regulations and standards or the Code of Business Principles and Ethics in the course of their operations for or relating to the Group. If suppliers or manufacturers fail to comply with these laws, regulations and standards, the Group's reputation and, as a result, its business, results of operations, financial condition or prospects could be adversely affected.

In addition, the replacement of a supplier or manufacturer following the discovery of a breach of labour, environmental or ethical laws, regulations and standards could result in additional financial costs and disruption to the Group's operations. The occurrence of one or more of these risks could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Company is newly established as a holding company and has limited historical financial statements. Additionally our historical ad adjusted financial information presented in this prospectus may not be representative of results we would have achieved as an enlarged group or of our future financial results.

On 26 January 2024, the Company was incorporated as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) as wholly owned subsidiary of MNA Capital Pte Ltd ("MNA"). Subsequently, the Company was converted into a public company with limited liability (*naamloze vennootschap*) on [●] 2024. The Company has limited operations to date.

Through the Restructuring, the Company has acquired TCS UK, which has been deemed to be the accounting acquiror, which is different to the legal acquiror, as explained further in the "Operating and Financial Review – Basis of Presentation" section and the "Restructuring" section. Therefore, the historical and adjusted financial information included in this prospectus is that of TCS UK.

However, the Company also acquired a 100% shareholding in ThomasLloyd CTI Asia Holdings Pte Ltd ("CTI Asia") as of 1 January 2024. CTI Asia holds a controlling interest in the Biopower Platform and up until 31 December 2023, held this as an investment entity with a stated purpose to derive a return from investment through fair value gains crystallising on an exit with no intention to hold the investment to maturity. Fr this reason, CTI Asia did not consolidate the results of the Biopower Platform at 31 December 2023. On 1 January 2024, CTI Asia was determined to not be an investment entity due to the updated strategy of the Company to own and operate its renewable energy generation facilities to maturity. At this date the stated purpose of the investments held by CTI Asia is to generate profits and cash flows from the sale of electricity, sustainable fuels and renewable energy credits, which will then either be re-invested in pipeline opportunities to enhance the climate solutions business and support share price accretion or, in the absence of growth opportunities, distributed by way of dividends to shareholders of the Company in accordance with the Company's dividend policy. Therefore .the historical financial information at and for the year ended 31 December 2024 consolidates the results of operations, financial position and cash flows of CTI Asia and the Biopower Platform only from 1 January 2024. For this reason, the information at and for the year ended 31 December 2024 is not comparable with the year ended 31 December 2023, and such information will not necessarily be indicative of the future performance of the Group, as these constituents have historically been operated either as stand-alone investments or as part of other companies within the Group and not as a subsidiary of the Company.

The historical and adjusted financial information have included in this prospectus does not necessarily reflect what the results of operations, financial position or cash flows would have been had the Group been operated as an enlarged group. For this reason, as well as the inherent uncertainties of the business, the historical and adjusted financial information does not necessarily indicate what the results of operations, financial position, cash flows or costs and expenses will be in the future. Past performance is not necessarily an indicator of future performance. In addition, the financial results of the Biopower Platform managed by external management companies may not be indicative of the results as a TCS subsuduary, as they may not be directly comparable.

The Group and its subsidiaries have historically incurred significant losses.

The Group has incurred losses historically, with the Biopower Platform incurring losses since incorporation. At 31 December 2024, while the Company had distributable reserves of €24.5 million, the Group has negative distributable reserves of €7.7 million by virtue of the Biopower Platform continuing to incur significant losses as they are not fully operational coupled with significant specific costs incurred during the implementation of the 2023 and 2024 restructuring programs. If the Group continues to incur operating losses and fails to become a profitable company, the Group may be unable to continue operations. To support the existing and pipeline projects, there will be a need to raise additional capital to fund future operations. The Group's cash needs will depend on numerous factors, including the Group's revenue, the extent to which the Biopower Platform is operating at full generating capacity, the ability to optimise generation efficiencies, the development of any pipeline projects and the ability to reduce and control costs. The Group expects to devote substantial capital resources to, among other things, fund operations, continue development and build out of the portfolio of investments. If the Group is unable to secure such additional financing, it will have a material adverse effect on the business, and operations may be limited in a manner inconsistent with the Company's development and commercialisation plans. If additional funds are raised through the issuance of equity securities or convertible debt securities, it will be dilutive to shareholders and could result in a decrease in the Company's share price.

The history of operating losses and use of cash, projections of the level of cash that will be required for operations to reach profitability and the restricted availability of credit for projects in fast growing or emerging countries may impair the ability to raise capital on terms that the Company considers reasonable and at the levels that is required over the coming months. There is no assurance that additional funding from public or private offerings on acceptable terms will be secured, if at all. If requisite amount of financing needed to fund planned operations is not secured, it would have a material adverse effect on the business and ability to continue as a going concern.

The Group's revenues are exposed to fluctuations in spot market pricing and the Group's return from investments are exposed to revenues on fixed tariffs and therefore changes in tariff regulation and structuring.

In the Group's Climate Infrastructure business, revenue is derived from sales of electricity in the Philippines under power supply agreements ("**PSA**") or at market price. Each of the Biopower Platform plants has entered into a power purchase agreements with either Shell Energy Philippines or M-Power (Meralco) for a term of two years with no additional annual inflation escalator, with the expected life of the plants exceeding 30 years. In the year ended 31 December 2024 revenue under fixed price power supply agreements accounted for 10.4%, revenue from variable power supply agreements with a fixed low and high price was 6.6%. While only3.2% of revenue generated was sold on the spot market, this percentage could be considerably higher as 40% of the potential generation is not guaranteed under supply agreements. Therefore any prolonged decline in the spot market price for electricity in the Philippines could have an adverse effect on the Group's business, results of operations, financial condition and prospects.

Through the Group's investment in AEIT, the Group is exposed to the sale of electricity based on tariffs which are determined (i) in the case of a sale to state electricity distribution companies, or any other government owned power purchaser, by competitive bidding or on a pre-determined feed-in-tariff based on the applicable tariff regulations made by the regulatory authority; and (ii) in the case of a sale to any captive customers or third party private purchaser, in accordance with a commercial agreement between the parties, in most cases including all taxes and access and wheeling charges. In the case of the AEIT solar plants in India, fixed-price power purchase agreements are in place with various local and central government entities for a term of 25 years with no additional annual inflation escalator, with the expected life of the solar plants exceeding 25 years.

In relation to tariffs which are to be approved by regulatory authorities, the additional costs of operating might not be recovered if the approved tariffs are lower than the projected tariffs. In addition, where the tariff is determined based on a competitive bidding process, estimates are made when calculating such costs and charges might not be accurate or effective and might not enable the Group to recoup the underlying costs under such contracts. Further, in certain cases, the Group's power purchase agreements provide for a reduction of tariffs if the Group fails to commission the project by the scheduled date of commissioning set out in the power purchase agreements. In certain cases, the term of the power purchase agreement is less than the expected life of the power plants, which may expose the Group to the risk of selling power at less favourable tariffs and terms than under the original power purchase agreements for such projects. In cases, where the actual inflation rate is higher than the anticipated inflation at rate the time of agreeing a fixed tariff for a project, potentially increasing operating costs, such as land lease expenses or operation and maintenance costs, this may reduce the profitability of such project. Any of the above factors may have an adverse effect on the Group's business, results of operations, financial condition or prospects.

The delay between making significant capital expenditure in the Group's clean energy and sustainable fuel projects and receiving revenue therefrom could materially and adversely affect the Group's business, results of operations, financial condition or prospects.

There are generally many months, or even years, between the Group's initial bid and the point at which the Group begins to recognise revenue from the sale of goods or services. The Group's initial capital expenditure include, without limitation, costs associated with project analysis and feasibility studies, payments for land rights, payments for interconnection and grid connectivity arrangements, government permits, engineering, procurement and construction ("**EPC**") costs, or other payments, all of which may be non-refundable. The Group typically generates revenue from clean energy and sustainable fuel projects only when they are operational, which could be up to five years from the initial deployment of capital. The timespan between inception of project to operations commencing may be impacted by the timing of auctions, permits, and the grid connectivity process. During this period there may be adverse developments, such as unfavourable environmental or geological conditions, labour strikes, equipment shortages, or monsoon weather. Furthermore, the Group may not be able to obtain all of the permits as anticipated, permits that were obtained may expire or become ineffective, and the Group may not be able to obtain project-level debt financing as anticipated. For example, in the RUMS 200MW development and construction project, the time-span between the initial capital expenditure relating to the bidding and auction process was incurred in the second quarter of 2021 with commencement of operations only expected the fourth quarter of 2024. Also see "*The delay between making significant capital expenditure in the Group's clean energy and sustainable fuel projects and receiving revenue therefrom could materially and adversely affect the Group's business, results of operations, financial condition or prospects.*"

The timing gap between the Group's initial capital expenditure and actual generation of revenue could put strains on the Group's liquidity and resources and materially and adversely affect its business, results of operations, financial condition or prospects.

The Group may not be able to exercise control over the operations of its associates and joint ventures and the failure of one or more of its strategic partnerships may negatively impact its business, results of operations, financial condition or prospects.

The Group expects to derive a portion of its future profits from investments in associates and joint ventures in which it does not have majority voting control. These relationships involve certain risks including the possibility that the partners involved in such investments:

- may have economic interests or business goals that are different from those pursued by the Group;
- may be unable or unwilling to fulfil their obligations under the relevant agreements entered into with the relevant Group company, including shareholder agreements under which the relevant Group company may have certain voting rights in respect of key strategic, operating, and financial matters;
- may act contrary to, or inconsistent with, the Group's policies or objectives or applicable laws and regulations;
- may have disputes with the Group as to the scope of their responsibilities and obligations in relation to the relevant investment; and/or
- may have difficulties in seeking funds for the development or construction of projects that form part of the relevant investment.

The success of these partnerships depends significantly on the satisfactory performance by the partners and the fulfilment of their obligations, including those obligations in place pursuant to shareholder agreements or partnership agreements.

If the relevant Group company or a strategic partner fails to perform its obligations in relation to any investment entered into with such Group company satisfactorily, or at all, or violates the terms the agreements relating to any such investment, the partnership may be unable to perform adequately. The cooperation among its partners or consensus with other shareholders in the investments of the Group is crucial to these investments' sound operation and financial success. For example, the Group launched the offering of the shares of AEIT, formerly known as

ThomasLloyd Energy Impact Trust plc, in November 2021, the shares of AEIT being successfully listed on the premium segment of the main market of the London Stock Exchange in December 2021. AEIT's investment strategy was to invest in a diversified portfolio of unlisted sustainable energy infrastructure assets in the areas of renewable energy power generation, transmission infrastructure, energy storage and sustainable fuel production, with a geographic focus on fast-growing and emerging economies in Asia.

As part of the offering process, the UK Government, through the Foreign Commonwealth and Development Office's (FCDO) programme Mobilist, was an anchor investor investing US$32.3 million at the point of listing. Mobilist was set up to encourage UK investment into projects that help deliver the Global Goals for Sustainable Development and the climate transition in developing countries. The Group seeded AEIT with assets to establish a portfolio on listing, being three solar plants in the Philippines, which represented a 40% investment in a company called Negros Island Solar Plant Inc ("**NISPI**"), and six operation solar plants and one construction-ready plant in India, which represented a 43% investment in SolarArise. As of today, the funds managed by the Group own approximately 15% of the share capital of AEIT, being the third largest shareholder in AEIT. In April 2023, prior to completion of the FY22 Financial Statements, the independent board of directors of AEIT (the "**AEIT Board**"), which had no directors or representatives of the Group, made the decision to delay the publishing of the financial statements for the fiscal year 2022 ("**FY22 Financial Statements**") due to material uncertainty in the valuation of the investment portfolio, specifically being the construction ready asset in India which AEIT acquired in August 2022. Due to the financial statements becoming overdue on 30 April 2023, the shares were subsequently suspended from trading. At this point, the AEIT Board also stopped any further investment by AEIT. During the summer of 2023, despite significant efforts of the Group to reverse the AEIT Board's position on construction, and against a backdrop of falling solar panels to levels even lower than expected, the AEIT Board still had not published its FY22 financial statements (these were not published until January 2024). For this reason, TL SICAV acting in its capacity as a shareholder, requested that a continuation vote be held to demonstrate that the shareholders were still behind the investment thesis and strategic direction of AEIT. The AEIT Board advised voting against this continuation vote. Against this background, in August 2023, the shareholders voted against continuation of AEIT with a marginal majority, which ultimately led to a decline in the share price of more than 50% and a resulting impairment in the investment of the Group. AEIT is currently in a voluntary liquidation process and the Group has only limited visibility of the liquidation process by virtue of being a shareholder, see also "*The Company holds an interest in AEIT which is currently in liquidation. The outcome of this process could materially and adversely affect the Group's business, results of operations, financial condition or prospects*." The Group's business, results of operations, financial condition or prospects may be materially adversely affected if disagreements develop with its strategic partners and are not resolved in a timely manner.

In addition, if any of the Group's strategic partners discontinues its arrangement with the Group, is unable to provide expected resources or assistance, or competes with the Group's on business opportunities, the Group may not be able to find a substitute for such strategic partner. Failure of one or more of the Group's strategic partners to fulfil its obligations in relation to its partnership with the Group may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Company holds an interest in AEIT which is currently in liquidation. The outcome of the liquidation process could materially and adversely affect the Group's business, results of operations, financial condition or prospects.

As at 31 December 2024, the Group holds an indirect investment in AEIT through its investment in 44,819 shares in ThomasLloyd SICAV – Energy Impact Credit Fund ("TL SICAV EICF"), representing a 25.2% interest in TL SICAV EICF. TL SICAV EICF owns 20,714,730 ordinary shares of AEIT, or 11.8%. Therefore, through this indirect investment, the Group holds 5.4% in AEIT.

At 31 December 2024, the Group's exposure to AEIT is €3.1 million. The original investment owned by the Company represented €9.8 million. At 31 December 2024, €1.0 million has been received by TL SICAV - EICF through an initial distribution by way of a dividend of 11.5 cents per share paid by AEIT to shareholders on 31 July 2024.

While the Company has approached the liquidator with offers to acquire AEIT, the liquidator has continued to reject the Company's offers. To recoup the Group's €1.6 million exposure, the Company estimates that the liquidator must make a return to shareholders of 20 cents per share, equivalent to in aggregate US$35.1 million or €31.4 million, which is more than the last publicly reported cash balance at 17 May 2024 of US$42.0 million. The return to shareholders of 20 cents per share would only be possible if the liquidator is able to sell all or some of the portfolio. As AEIT is in a liquidation process, it is possible that the liquidator may not be able to sell the AEIT assets in a timely fashion and therefore any further distributions would be delayed. Additionally, the ongoing costs of the liquidation, the sale processes or the financing of the AEIT portfolio will decrease the AEIT funds available for distribution and therefore only some or none of the €1.6 million exposure may be recouped. Failure to receive these additional distributions or any distributions from AEIT may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

Additionally, the Group may suffer reputational damage through its association with the launch of AEIT, subsequent delisting and liquidation process. The Group's business, results of operations, financial condition or prospects may be adversely affected by such reputational damage.

The Group could have inadequate protection for, and be subject to, infringements to its intellectual property rights or could infringe the intellectual property rights of third parties.

The Group owns intellectual property ("**IP**"), including trademarks, domain names for websites that it uses in its business. For example, it relies on various IP rights and source codes for its proprietary co-investment platform ("**ImpactPlus**"), which operates through an app and website. Registrations pertaining to these IP rights generally have a broad territorial coverage.

The Group may not have sufficient protection for the trademarks used in the business and may experience difficulty in registering or defending its IP rights. If the Group fails to register, protect and maintain its IP rights or if the Group is subject to an infringement of its IP rights by a third party, this could adversely affect the Group's brand and reputation. For example, third-party use or misuse of the Group's brand could reflect badly on the Group if such third party is involved in a business that the Group does not associate with.

In addition, if the Group is alleged to have infringed the IP rights of third-parties, or that its customers, investors or suppliers have infringed the IP rights of third parties, this could result in adverse effects such as unexpected costs. Regardless of the outcome, any claim by a third party for the infringement of IP rights could cost the Group significant time and resources, at the expense of its business operations. In addition, a claim could result in the Group having to pay damages to a third party, temporarily or permanently discontinue the usage, system, technology or process, develop new technology or workarounds, or licence technology from a third-party claiming infringement on potentially unattractive terms, all of which could adversely affect the Group's business, results of operations, financial condition or prospects.

Cyber security risks and the failure to maintain the confidentiality, integrity and availability of the Group's computer hardware, software and internet applications and related tools and functions, could result in damage to the Group's reputation and/or data integrity and/or subject it to costs, fines or lawsuits under data protection laws or other contractual requirements.

The Group could be faced with incidents such as the misappropriation, misuse, leakage, falsification, system malfunction or intentional or accidental release or loss of information maintained in the Group's information systems and networks and those of the Group's third-party service providers. As the Group operates in a regulated infrastructure and in the financial services industry, it is exposed, on a regular basis, to attempts to force security breaches to its information technology systems or to jeopardise the confidentiality, integrity and availability of the Group's systems. For example, ThomasLloyd Global Asset Management (Schweiz) AG was victim of hacking attempts in April 2023 and August 2024 whereby encryption malware was used. On both occasions immediate actions were taken to successfully contain the attacks and such attempts have not materially impacted the Group's operations or systems, any future unauthorised attempts to access the Group's systems, including by way of viruses, worms or malicious software programs, or malware, may interfere with its operations and jeopardise the security or integrity of the information stored in the Group's systems. Groups of hackers may also act in a coordinated manner to launch distributed denial of service attacks or other coordinated attacks that may cause the Group's website or other systems to experience service outages or other interruptions, all of which may have adverse effects on the Group's business, results of operations, financial condition or prospects.

Moreover, the regulatory environment governing information, security and data protection laws continues to evolve. If the Group is unable to maintain reliable systems and appropriate controls that prevent data breaches and comply with global data protection and security laws and regulations, it may suffer regulatory consequences in addition to business consequences. Regulatory enforcement actions under data protection laws and regulations can be costly and may interrupt the regular operation of the Group's activities, and data breaches or violations of data protection laws can result in significant fines, reputational damage, and civil lawsuits, any of which may adversely affect the Group's business, results of operations, financial condition or prospects.

The Group may in the future be a party to claims, lawsuits, governmental investigations, and other legal proceedings or complaints by customers, investors or employees, which may adversely affect its business, results of operations, financial condition or prospects.

From time to time, the Group may be subject to litigation, proceedings, employee complaints, consumer complaints or investigations related to its business, which may result in fines, penalties, judgements settlements and litigation expenses. As at the date of this Prospectus, the Group is not involved in any material pending legal proceedings nor has it received written notification threatening any legal proceeding, see "*Business – Legal and Arbitration Proceedings*". Notwithstanding the above, there can be no assurance that, in the future, the Group will not be a party to any complaints, claims, lawsuits, governmental investigations and other legal proceedings including those that arise in the ordinary course of its business. The Group may become party to legal proceedings relating to its current or prior business and previous transactions for which, depending on the circumstances, a balance sheet provision or reserve may not have been established or provided for any losses may not have been insured against.

There can be no assurance that the Group will prevail in any litigation in which it may become involved, or that its insurance coverage will be adequate to cover any or all potential losses resulting from any such litigation. In addition, from time to time, the Group may decide to settle litigation in which it is involved for a variety of reasons and regardless of the Group's perceived merits of the claims related to such litigation. Such settlements may include non-monetary, as well as monetary terms. To the extent that the Group sustains losses from proceedings for which a balance sheet provision or reserve has not been established, or provided for or insured against, the business, results of operations, financial condition or prospects of the Company could be materially adversely affected.

Similarly, the companies in which the Group has invested may in the future be party to claims, lawsuits, governmental investigations and other legal proceedings, and to the extent that they sustain losses from proceedings which are not reserved or otherwise provided for or insured against, the businesses, results of operations, financial condition, or prospects of the investee companies, and consequently also those of the Group, could be materially adversely affected.

The continued success of the Group's business depends on its reputation and the value of the ThomasLloyd brand.

The Group's brand and reputation are of great importance for the Group, for example in competition for investors for its Climate Finance business. Adverse publicity, whether or not justified, relating to the Group's activities, team members or third parties with whom the Group does business, including unfavourable press or other public disclosures on news or social media outlets, data breaches, cybersecurity incidents, technology infrastructure disruptions, the insolvency, liquidation or bankruptcy of a portfolio or investee company or non-compliance with laws, regulations or industry standards, could damage the Group's reputation and reduce the value of its brand. See "*– Any damages caused by misconduct by the Group's employees could adversely affect the Group's business, results of operations, financial condition or prospects*."

Moreover, if the measures taken by the Group to detect, deter, and prevent employee misconduct or unlawful behaviour turn out to be insufficient, damage to the Group's brand and reputation may also be caused by misconduct or unlawful behaviour of its employees. Any risks related to the Group's brand and reputation may also arise as a consequence of the international orientation of the Group, which may make it difficult for the Group to simultaneously and at all times adhere to different cultural, ethical and regulatory norms and standards while conducting its business operations.

In addition, the Group may become subject to extra media scrutiny as a consequence of the Admission and with the increased use of social media outlets, such as LinkedIn, Facebook, YouTube, Instagram, TikTok and X, adverse publicity can be disseminated quickly and broadly, making it difficult for the Group to respond effectively.

A deterioration of the Group's reputation and loss of brand equity could reduce demand for the Group's products and services or could affect the Group's ability to attract and retain talent, see also "*The Group's long-term success is dependent upon its ability to attract and retain key personnel.*" In addition, any damage to the Group's reputation could adversely affect the ability of the Group to obtain financing required to execute on the Group's strategy, see also "*– Failure to obtain financing on reasonable terms or at all could adversely impact the execution of the Group's expansion and growth plans for the Climate Infrastructure and Sustainable Fuels business segments.*" If any of these risks were to materialise, this could lead to material adverse effects to the Group's business, results of operations, financial condition or prospects.

Any damages caused by misconduct by the Group's employees could adversely affect the Group's business, results of operations, financial condition or prospects.

The Group is exposed to operational risk arising from inadequacy or failure of its internal processes or systems. In addition, the Group is exposed to risks associated with misconduct of its employees. In the past five financial years the Group has not experienced any misconduct by employees which has materially affected its business, results of operations, financial condition or prospects. However, the Group may not be safeguarded against all misconduct by employees or outsiders, unauthorised transactions by employees and operational errors. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, data breach or other illegal acts, which could result in regulatory sanctions and reputational or financial harm, including harm to the Group's brand. The Group's management information systems and internal control procedures are designed to monitor its operations and overall compliance. However, they may not be able to identify non-compliance and/or suspicious transactions in a timely manner or at all. In addition, certain internal control processes are carried out manually, which may increase the risk that human error, tampering or manipulation will result in losses that may be difficult to detect.

For example, in August 2023 the AEIT Board, publicly disclosed it had received an anonymous whistleblower report under protections of its whistleblowing policy. The AEIT Board stated that the report contained allegations that material information relating to a 200MW construction-ready project in India ("**RUMS**") had been withheld from the AEIT Board, and misleading information had been provided to the AEIT Board. See also "*– The Group may not be able to exercise control over the operations of its associates and joint ventures and the failure of one or more of its strategic partnerships may negatively impact its business, results of operations, financial condition or prospects*." The Company, with the assistance of external legal counsel and independent investigators, has undertaken a legal review and an investigation into the publicly disclosed allegations to determine whether these were substantive. The legal review and investigation did not substantiate the allegations. Nevertheless, the Company has determined that a review and update of certain of its processes and personnel was required, with actions taken in the second half of 2023, to ensure continued compliance with its internal policies and procedures. Such public allegations could lead to a loss of reputation and damage the Company's brand, see "*– The continued success of the Group's business depends on its reputation and the value of the ThomasLloyd brand.*"

If any of the Group's employees, including its Group's senior management personnel, commits any misconduct, the Group may suffer monetary losses, including contractual liabilities and penalties, which may not be covered by the Group's insurance and may thereby adversely affect the Group's business, results of operations, financial condition or prospects.

The Group may be exposed to risks attributed to the size and the concentration of its clean energy and sustainable fuel projects in a relatively small number of countries.

The size and concentration of the Group's clean energy and sustainable fuel projects in a relatively small number of countries means that the Group is susceptible to the risk of a single project accounting for a larger percentage of the overall Group. At the date of this Prospectus, the Group's clean energy and sustainable fuel projects, held both directly and indirectly, comprise fifteen assets located in three jurisdictions. Although the Group intends to invest in a larger number of jurisdictions, across the Initial Target Markets, its current geographical footprint is concentrated in the Philippines, where more than 50% of its infrastructure and other real assets are located. A concentration of assets in a small number of countries exposes the Group to a number of risks, including the fluctuations of currencies and foreign exchange, legal and political risks. If any of these risks negatively impact the Group, this could have a material adverse effect on the Group's business, results of operations, financial condition or prospects. See "*– Exchange rate fluctuations may have a significant adverse impact on the Group's business, results of operations, financial condition or prospects*." and "*– The operations of the Group are subject to significant government regulation, including obtaining and maintaining the requisite regulatory approvals and licenses, environmental legislation and financial incentives*".

Adverse weather conditions, catastrophic events, natural disasters and other unpredictable events may adversely affect the Group's projects, assets and employees.

The Group generates power and produces fuel through its clean energy and sustainable fuel projects located in the Philippines, India and Vietnam. The Philippines, as well as other countries in which the Group's operations are located, have experienced a number of major natural catastrophic events over the recent years, including typhoons, droughts, volcanic eruptions and earthquakes. For instance, in November 2013, typhoon Hayan, one of the most powerful tropical cyclones ever recorded, caused catastrophic destructions in the Philippines. Such adverse weather conditions, catastrophic events, including fires, explosions, earthquakes, volcanic eruptions, floods, terrorist acts, natural disasters and other similarly unpredictable events in the regions where the Group's projects are located may prevent the Group and its employees from being able to conduct their activities. In addition, such events could result in breakdowns of, or defects in, its clean energy and sustainable fuel projects, which may significantly increase costs or decrease or eliminate revenues derived by the Group from its projects. Moreover, such events often lead to precautionary measures such as temporary shutdowns of local grid systems. Even though the Group's operations have not been materially affected by any such adverse weather conditions or catastrophic events to date, there can be no assurance that the Group's projects will not be adversely affected by such events going forward.

Adverse weather conditions and catastrophic events are difficult or even impossible to predict. Should they occur, they may adversely affect the Group's projects, assets and employees. If the Group's business continuity plans do not fully address such events or cannot be implemented under the circumstances, or if insurance, such as business interruption insurance, does not fully cover lost revenues or other financial damages, the Group may incur losses. Unforeseen events can also lead to lower revenue or increased operating costs and can result in higher insurance premiums. Insurance coverage for certain unforeseeable risks may also be unavailable, or may only be available at unacceptably high premiums, see "*– The Group's insurance coverage may not be adequate*.". Should they materialise, these risks may have an adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group may face disruptions or inability to operate its projects due to the outbreak of natural or infectious diseases in the organic materials it deploys or contaminations in the soil or groundwater.

The Group processes a wide range of organic materials in large quantities for the operations of its clean energy and sustainable fuel projects. As part of its operations, the Group may be faced with the spread of natural diseases or contamination of the organic materials used for the operation of its biomass plants or soil or groundwater contamination in the areas in which the Group's projects are located. Such contaminations or diseases and the spread thereof may result in a diminution in or inability to operate the Group's clean energy or sustainable fuel projects. Even though the Group's operations have not been materially adversely affected by any such diseases or contaminations, such events are impossible to predict and consequently, there is no guarantee that the Group could be affected by any such events going forward. If the Group is faced with any such unforeseen events, this may lead to temporary interruptions or shutdowns of its operations. In additions, these unforeseen events may result in lower revenue generation or increased operating costs and can result in higher insurance premiums, all of which may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group has undertaken a reorganisation and as a result might face claims of investors

The Group has implemented an internal reorganisation prior to the Admission (see "*Restructuring*" for a further description). This reorganisation consisted of several steps, which included the acquisition of certain assets previously owned by ThomasLloyd Cleantech Infrastructure Holding GmbH ("**TL CTIH**") which were acquired through the issuance of new shares in the Company. The shares which were issued to TL CTIH are being temporarily held in custody by Stichting CT Infrastructure Foundation (the "**Foundation**") and on the date of the listing, will be offered to bond holders and special right holders in TL CTIH. Following the Admission, the Foundation facilitates the optional replacement of these debt or quasi debt instruments by transferring Ordinary Shares A to the holders of these instruments. While such a conversion and subsequent exchange for the shares of the Company is optional, the original bondholders and special right holders may be unable to exercise direct control over these shares until the applicable vesting, holding and other requirements are satisfied and are dependent on the Foundation for, among other things, the timing of replacement of their former Special Rights. If former Special Rights Holders or Convertible Bondholders believe that their rights have been violated by the replacement of their Special Rights or Convertible Bonds by (an entitlement to) Ordinary Shares A and/or the role of the Foundation therein, they may challenge this replacement process or initiate litigation, which may have an adverse effect on the Group's business, results of operations, financial condition or prospects.

Poor performance by the Group's investment strategies or changes in the distribution profile of certain of the Group's investment products may adversely affect its business, reputation and growth and its ability to raise capital.

In the event that the investment strategies in the Group's Climate Finance business were to perform unsatisfactorily or the Group has to change the distribution profile of certain of the Group's investment products on short notice due to unforeseeable market events, in particular if this were the case for larger or multiple investments or investment products, this may lead to difficulties for the Group in attracting investors and raising capital for new investments or investment products. Poor performance by the investment strategies could reduce the expected carried interest. Investors in future investments may negotiate lower fees and the economic terms of future investments may be less favourable than those of existing investments. Unexpected changes in the distribution profile, even if only temporary, could also reduce the expected placement and structuring fees as they might lower the Group's ability to raise capital during such period.

The performance of investment strategies could be adversely affected by a number of factors, for instance if competition for particular investment opportunities increases. Competition for investment opportunities is influenced by historic returns. An investment strategy may lose out on a potential investment if the Group was damaged by poor performance, even where such investment offered better pricing terms than its competitors. The investment strategies could also generate lower returns and experience increased risks of investment losses if the investment terms for potential opportunities and structures and terms in excess are more preferential than those offered by competitors.

Poor performance of the Group's investment strategies or changes in the distribution profile of certain of the Group's investment products may also lead to negative publicity and press coverage which could further negatively affect the ability of the Group to attract investors or raise capital for new investments or investment products. See "*– The continued success of the Group's business depends on its reputation and the value of the ThomasLloyd brand*." Further, the performance of the investment strategies may also be adversely affected by difficult market conditions, see "*– The Group's business is affected by general, economic, market and political conditions*".

If the investment strategies were to perform unsatisfactorily, this could affect the fees received by the Group. Further, poor performance by the investment strategies could affect the Group's growth and ability to raise capital for future investments and investment products. If any of these risks were to materialise this could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group could be subject to regulatory investigations, which could harm its reputation and cause it to lose existing investors or to lose existing mandates or fail to attract new investors or mandates.

If the investment strategies were to perform unsatisfactorily, this could affect the fees received by the Group. Further, poor performance by the investment strategies could affect the Group's growth and ability to raise capital for future investments and investment products. If any of these risks were to materialise this could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

Many of the regulators that the Group interacts with, or may in the future interact with, are empowered to conduct investigations and administrative proceedings that could result in fines, suspensions of individual employees or other sanctions, including the suspensions of applicable permits or approvals, in particular in its Climate Finance business. In addition, even if an investigation or proceeding does not result in a fine or sanction or the fine or sanction imposed against the Group or its employees by a regulator represent a small in monetary amount, the adverse publicity relating to an investigation, proceeding or imposition of these fines or sanctions could harm the Group's reputation and result in the loss of existing investors or existing mandates or failure to attract new investors or mandates. Finally, such investigations and administrative proceedings may be time consuming for the Group's employees and divert management's attention. If any of these risks were to materialise, this may adversely affect the Group's business, results of operations, financial condition or prospects.

If the Group's investment strategies perform poorly, investors could withdraw their assets and the Group could suffer a decline in the Fee Generating Mandates and/or become the subject of litigation, either of which would negatively impact the Group.

In its Climate Finance business, the performance of the Group's investment strategies is critical in retaining existing client mandates as well as attracting new client mandates. If the investment strategies perform poorly for any reason on an absolute basis or relative to other investment managers or advisers, the Group's earnings could decline because:

- existing investors may withdraw funds from the Group's investment strategies or terminate their relationships with the Group, which would cause a decline in the revenues generated from investment management and other fees; or
- third-party financial intermediaries, advisers or consultants may rate the Group's investment products poorly, which may lead existing investors to withdraw funds from the Group's investment strategies or reduce asset inflows from these third parties or their investors.

Investment strategies can perform poorly for a number of reasons, including general market conditions, investment decisions made and the performance of the companies in which the Group invests on behalf of investors. In addition, while the Group seeks to deliver long-term value, volatility may lead to underperformance in the near term, which could adversely affect the Group's business, results of operations, financial condition or prospects. For example, in October 2020, the Group temporarily suspended distributions to investors in several infrastructure funds due to specific market and project uncertainties related to the COVID-19 pandemic, in particular travel and business restrictions hindering the finalisation of non-commissioned projects, including the conclusion of power supply agreements ("**PSA**"), M&A transactions or refinancings. As a result, equity and debt capital were tied up in the projects for longer than planned and at the same time no income was generated from them. Against this backdrop, distributions to investors would have been possible, but – given the lack of liquidity for distributions, the need to build additional liquidity reserves, and the financing of further ongoing project developments – they did not make economic sense for such infrastructure funds at the time. This has occasionally led to negative public responses, which were reflected in a limited number of press reports. While investors do not generally have legal recourse against an investment manager solely based on poor investment results, if the investment strategies perform poorly, the Group may be more likely to become subject to litigation brought by dissatisfied investors. In addition, to the extent investors are successful in claiming that their losses resulted from fraud, gross negligence, wilful misconduct, breach of contract or other similar misconduct, these investors may have remedies against the Group which may adversely affect its business, results of operations, financial condition or prospects.

The Group may not be able to maintain its current fee structure as a result of poor investment performance, competitive pressures or changes in the Group's business mix, which could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group may not be able to maintain its current fee structure in its Climate Finance business for any number of reasons, including because of poor investment performance, competitive pressures, or changes in the Group's business mix. In recent years, there has been a general trend toward lower fees in the investment management industry, and some of the Group's investment strategies implemented lower fee schedules to diversify the products offered to various types of investors. For example, to appeal to larger investors, certain investment strategies of the Group have designed larger capacity investment structures, consisting of larger capitalisation companies for which they could charge lower fees than certain of its other investment strategies. To maintain the Group's overall fee structure in a competitive environment, it must continue to provide investors with investment returns and service that justify the Group's fees. If the Group's investment strategies perform poorly, it may be forced to lower its fees to retain current, and attract additional, mandates to manage. Furthermore, if a larger part of the Group's Fee Generating Mandates are invested in the Group's larger capacity, lower fee investment strategies, the Group's business, results of operations, financial condition or prospects could be adversely affected.

Restrictions on equipment imports, and other factors affecting the price or availability of equipment, may increase the Group's business costs.

A substantial part of the Group's equipment is imported from India, China, ASEAN, European Union and certain other countries. Any restrictions, either from the central, state or provincial governments of the Philippines, Vietnam or India, or from any other authorised bilateral or multilateral organisations, on such imports may adversely affect the Group's business, results of operations, financial condition or prospects. Further, there is a possibility that in certain countries, additional duties may be imposed on the equipment the Group imports. For example, since April 2022 the Indian government has imposed a 40% import tax on solar module panels and a 25% tax on solar cells to discourage Chinese imports and protect Indian manufacturers. The Group cannot assure that there will not be any new actions taken by the relevant authorities imposing anti-dumping or other import duties or similar tariffs. Any such imposition will result in an increase in the Group's import costs for its Climate Infrastructure and Sustainable Fuels business segments, and, if the consequential increased costs cannot be passed on to offtakers, the Group's margins will correspondingly decrease. The Group cannot assure that the scope of such restrictions or tariffs will not be extended to cover equipment that the Group imports, or that if such restrictions or tariffs are imposed the Group will be able to find alternative sources to procure equipment at competitive prices, all of which will adversely affect the Group's business, results of operations, financial condition or prospects.

Changed trends in the global savings market or in the private markets industry may adversely affect the Group.

The Group is affected by trends in the market for management of savings assets, which has grown significantly in recent years. If the positive trends in the asset management industry do not continue or if the industry would be subject to trends that adversely impact the Group, this may impede the Group's ability to raise capital for new investments. For example, if cuts in interest rates are implemented slower than expected, if the market is subject to structural breaks, or the savings market is otherwise subject to trends that favour more passive investment products than those offered by the Group, this may lead investors or potential investors of the Group to pursue other investment opportunities in the savings market than the investment opportunities that the Group has to offer.

These developments may also lead to increased competition from new entrants and established players, making it more difficult for the Group to source suitable investment opportunities. Further, for a variety of reasons, the investor sentiment may turn against the global savings market or private markets investing. For example, the returns generated by private markets may decline, and other asset classes or investment opportunities may actually, or be perceived to offer better returns. If investor requirements and preferences change, this could adversely affect the level of interest for the Group's investments strategies. Such changes may impede the Group's ability to raise capital for new investments and consequentially have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group does not own most of the land on which it operates.

The vast majority of the land area utilised or intended to be utilised for the Group's clean energy and sustainable fuel projects is either leased by the Group or subject to other forms of occupational rights. Conditions under lease agreements typically include restrictions on leasehold interest or rights to use the land, continual operating requirements, and other obligations, which include obtaining requisite approvals, payment of necessary statutory charges, and giving preference to local workers for construction and maintenance. The Group is also exposed to the risk that these leases will not be extended or will be terminated by the relevant lessees. Further, the terms of lease agreements may also not be co-terminus with the lifetime of the clean energy and sustainable fuel projects, taken together with the period of time required for construction and commissioning of the project. Accordingly, the Group will have to obtain extensions of the terms of such leases for the remainder of the terms of the corresponding power purchase agreements. In the event that the lessees do not wish to renew the lease or agreements, the Group may be forced to remove its equipment at the end of the lease and the Group's business, results of operations, financial condition or prospects could be adversely affected.

Climate change could adversely affect the Group's business or prospects.[4]

The effects of climate change, such as changes in rainfall, water shortages, rising sea levels, increased storm intensities and higher temperatures, creates risks to the operations, value, future performance, financial strength, long-term operational investments of the Group and the availability of investment opportunities. Specific events, resulting from climate change, such as natural disasters, could adversely affect the functioning of, or damage, the Group's clean energy and sustainable fuel projects, and could result in increased costs in relation to, for example, repairs, insurance, monitoring or other preventive measures, thereby negatively affecting the Group's business, results of operations, financial condition or prospects. See also "*Adverse weather conditions, catastrophic events, natural disasters and other unpredictable events may adversely affect the Group's projects*".

Additionally, the Group may face risks related to the transition to a low-carbon economy. For example, there may be a shift in the focus of the global efforts aimed at transitioning to a low-carbon economy away from the clean energy and sustainable fuel generation activities pursued by the Group towards other, more advanced or opportune technologies. In addition, there may be a slowdown in the efforts aimed at the transition to a low-carbon economy. Such developments may have an adverse impact on the value of the Group's projects, operations and investment vehicles and companies. Furthermore, the transition to a sustainable economy, and the speed of the implementation of related measures, may result in disorderly adjustments to various markets in which the Group operates, including the energy market. The Group's business, results of operations, financial condition or prospects could be adversely affected as a result of these risks materialising.

The past performance of the Company's subsidiaries may not be indicative of the Group's future performance.

This Prospectus contains information on the financial performance of the Company, , ThomasLloyd Climate Solutions Limited ("**TCS UK**") and its subsidiaries, ThomasLloyd CTI Asia Holdings Pte Ltd ("**CTI Asia**"), North Negros Biopower Inc. ("**NNB**"), South Negros Biopower Inc. ("**SNB**"), San Carlos Biopower Inc. ("**SCB**") (together with the Company, TCS UK, CTI Asia, NNB, SNB and SCB the "**Issuer Group Companies**") during the periods under review. As these primarily consist of historic performance of the businesses as operated prior to the Restructuring (as defined below), such information may not be indicative of the Group's future performance going forward. The previous experience of the Issuer Group Companies and investments made by their related party investment vehicles and companies are not directly comparable with the Group's proposed business going forward. Differences between the future performance of the Group and the performance of the Issuer Group Companies during the periods under review as reflected in this Prospectus are due to, amongst others, the making of investments in asset classes that are not held to own and operate; actual acquisitions and investments made; investment objectives; fee arrangements; structuring of investments or investment financing facilities; terms of investment agreements; leverage applicable to financing facilities; performance targets and investment horizons. Moreover, the Group's future financial performance may reflect unrealised fees or gains on acquisitions as at applicable measurement dates which may never be realised due to many factors, some of which fall outside of the Group's control, which in turn may adversely affect the ultimate revenue realised from the Group's operations. All these factors can affect the revenue generated by the Group and impact the usefulness of performance comparisons and as a result, the performance of the Issuer Group Companies during the periods under review, as contained in this Prospectus, may not be comparable to the performance that the Group may realise in the future.

[4] Annex 1, item 5.7.4.

Due to the nature of its business, the Group processes a significant amount of personal data. The Group's potential inability to protect personal data may lead to reputational damage or regulatory scrutiny which could adversely affect the Group's business, results of operations, financial condition or prospects.

As part of its Climate Finance business, the Group processes and stores a significant amount of personal data. As a result, the Group is subject to legislative and regulatory obligations relating to the processing and storing of such data. For example, the processing of the personal data within the European Economic Area (the "**EEA**") should be done in accordance with EU laws and regulations, including the General Data Protection Regulation (EU) 2016/679 ("**GDPR**"). The GDPR contains strict requirements, including, among others, for informing individuals whose personal data is processed and rules to ensure that such processing takes place in a manner compatible with the purpose for collecting the personal data at the time of collection thereof. For example, in April 2023 and August 2024, the Group has experienced two ransomware attacks. On both occasions immediate actions were taken to successfully contain the attacks, which therefore resulted merely in a short-term interruption of data accessibility and a temporary restriction of parts of the operation the Group's Climate Finance business. Due to the Group's reaction to these cyber incidents affecting part of their internal IT systems, neither the ongoing operation of ThomasLloyd group's IT systems, websites, and portals were interrupted, nor did the Group or their customers suffer any financial damage. See also "*Cyber security risks and the failure to maintain the confidentiality, integrity and availability of the Group's computer hardware, software and internet applications and related tools and functions, could result in damage to the Group's reputation and/or data integrity and/or subject it to costs, fines or lawsuits under data protection laws or other contractual requirements*." However, as the Group cannot currently rule out unauthorized access to parts of personal data it has filed pre-liminary data breach notifications with the relevant data authorities.

If the Group falls short in the adequate processing of personal data, or if the Group becomes subject to data breaches, system hacking or in any way accidentally becomes subject to a violation of laws and regulations relating to the processing or storing of personal data this may result in the imposition of penalties, sanctions, claims, lawsuits or liability, which may also negatively affect the Group's brand and reputation, any of which could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

Risks relating to financial matters and the Group's capital and corporate structure

Failure to comply with the covenants, repayment programs, or other obligations contained in the terms and conditions of the Group's financing agreements could result in an event of default. Any failure to repay or refinance the outstanding debt when due could materially and adversely affect the Group's business.

The Group has incurred a significant amount of indebtedness to primarily fund the development and construction of its Climate Infrastructure assets. As at 31 December 2024, the total financial indebtedness of the Group amounted to €175.1 million. In particular, the Biopower Platform has €31.0 million of working capital facilities and there are €144.1 million of loans and accrued interest outstanding to funds under management of the Group. The working capital facilities of the Biopower Platform require that the individual companies within the Biopower Platform to maintain specified covenants including financial ratios and coverage with specified debt service coverage ratio and debt service reserves. The ability of the Group to satisfy these covenants could be affected by any deterioration in the operating results of the Group, as well as by events beyond the control of the Group.

If there is an event of default under the Financing Agreements that is not cured or waived in accordance with the terms of the applicable agreement, the creditors under these agreements could terminate their commitments to lend and/or cause all amounts outstanding with respect to the loans granted to become due and payable immediately. In such a situation, creditors could seek to enforce upon the security and collateral from which they benefit. See "*Operating and Financial Review – Indebtedness – Secured Facilities*".

The Group's assets and cash flow may not be sufficient to fully repay its outstanding debt under one or more of the Financing Agreements when due whether upon an acceleration of the loans granted under the applicable Financing Agreements or on the maturity date of any of the Financing Agreements. There can be no assurance that the Group would be able to refinance the Financing Agreements or that its assets would be sufficient to repay that indebtedness in full and allow the Group to continue to make the other payments that it is obliged to make, which would affect the Group's liquidity and impair the Group's ability to run its business, could result in insolvency proceedings or reorganisation and could result in investors losing all or a substantial portion of their investment. For example, the Group is currently in the process of extending, restructuring and/or refinancing the working capital loans at the Biopower Platform, as described in " *Operating and Financial Review – Indebtedness, Financial Commitments, Contractual obligations and Contingencies – Indebtedness – Secured facilities*".

In addition, a default under any of the Financing Agreements could result in a default under the Group's other financing arrangements and could cause or permit lenders under those financing arrangements to accelerate such financing arrangements, causing the amounts owed under those arrangements to be come immediately due and payable.

Furthermore, there is no guarantee that the Group will continue to be able to meet its debt service obligations under the Financing Agreements. Any inability to meet its debt service obligations could result in insolvency proceedings or debt or other restructuring and could result in investors losing all or a substantial portion of their investment.

Failure to obtain financing on reasonable terms or at all could adversely impact the execution of the Group's expansion and growth plans for the Climate Infrastructure and Sustainable Fuels business segments.

The Group's continued access to debt and equity financing as a source of funding for new projects and assets and for refinancing maturing debt for its Climate Infrastructure and Sustainable Fuels business segments is essential to realise its expansion and growth plans. As such, to effectuate the Company's growth strategy, the Group expects that it will undertake significant fundraisings in the future both from equity and debt financing sources. The access to debt and equity financing is subject to many factors, some of which may be outside of the Group's control, including perceptions in the capital markets regarding the Group and the industries and regions in which it operates; general conditions in the debt and equity capital markets; political instability; economic downturn; social unrest; changes in the regulatory environments where any clean energy and sustainable fuel projects operated or constructed by the Group are located or the bankruptcy of an unrelated business operating in one or more of the same industries as the Group, any of which could increase borrowing costs or restrict the Group's ability to obtain debt or equity financing. In addition, any adverse effect to the Group's operations (as for example set out in "*– The operation of clean energy and sustainable fuel generation projects is subject to inherent and significant operational risks and occupational hazards.*" and "*– Risks and delays relating to the development of greenfield clean energy and sustainable fuel projects could have a material adverse effect on the Group's operations and financial performance*.") could have a negative impact on the Group's results make it more difficult to obtain financing on reasonable terms or at all. Other factors that may restrict the Group's access to debt financing are its compliance with existing debt covenants relating to the secured loan agreements for the Biopower plants, which amount to PHP1.9 billion or US$30.7 million equivalent at the exchange rate of 31 December 2024, which represents 17.5% of the Group's outstanding indebtedness, the ability of the Group to reach a certain scale to be able to service new debt at favourable terms, and the macroeconomic fundamentals driving credit ratings in the countries in which the Group operates. Any inability of the Group to obtain financing from banks and other financial institutions or from capital markets to fund its projects, plants and assets could potentially hinder or prevent the Group from being able to develop its projects, plants and assets, and consequently adversely affect the Group's ability to execute its expansion and growth strategies and, as a result, its business, results of operations, financial condition or prospects.

The Company is controlled by MNA, that will continue to be in a position to exert substantial influence over the Group. The interests pursued by MNA could differ from the interests of the Company's other Shareholders.[5]

The Company's share capital is divided into Ordinary Shares A and ordinary shares B with a nominal value of €1.00 and carrying 10 votes per share ("**Ordinary Shares B**"). Holders of Ordinary Shares A are entitled to one vote per share, while holders of Ordinary Shares B are entitled to [ten] votes per share. For a comprehensive description of the Company's dual class share structure, see "*Description of Share Capital and Corporate Governance – Dual Class Share Structure*". Following the Admission, Michael Sieg, the founder and CEO of the Company, through his ownership of MNA, will hold 42.08% of the issued Ordinary Shares A and 100% of the issued Ordinary Shares B, which represents 75.2% of the voting rights in the Company. Accordingly, MNA will be in a position to exercise control over the business and affairs of the Group, including matters submitted to a vote of the General Meeting, such as the nomination, appointment and removal of members of the Board, changes to the Articles of Association (as defined below) and the approval of significant corporate transactions entered into by the Group. The interests pursued by MNA could differ from the interests of the Company's other Shareholders. See "*Major Shareholders and Related Party Transactions – Related Party Transactions – Relationship Agreement*" for a description of certain arrangements regarding the relationship between the Company and MNA.

Its control over the Company may lead MNA to pursue acquisitions and mergers against a payment in Shares that may otherwise have been prevented by other Shareholders, who will, as a result of such transactions, will be diluted in their shareholding and voting power. Moreover, as the Company's share capital is controlled by MNA, the liquidity of the Ordinary Shares A could be reduced, which may adversely affect the trading price of the Ordinary Shares A in the market. Lastly, for so long as MNA continues to hold more than 30% of the voting rights in the Company, it may increase such participation in the voting capital without any obligation under the Dutch takeover laws and regulations to make a public offer for all the Shares that it does not already own. See "*Description of Share Capital and Corporate Governance – Obligations of Shareholders to Make a Public Offer*".

Delayed payment or failure to pay by the Group's customers could have an adverse effect on its business.

The climate infrastructure business, which is part of the Group's Climate Infrastructure a business segment, are exposed to credit and collection risks related to its customers. The payment collection period applied by the Group differs per country and customer. On average, the Group applies a payment collection period of 30 days after the end of the billing period. In certain jurisdictions in which the Group operates or plans to operate, the Group has an increased collection risk as the Group's customers are concentrated. For example, in the Philippines, where the Group sells electricity on the wholesale electricity market, the Group's direct customer is the Independent Electricity Market Operator of the Philippines ("IEMOP"), which is the Philippine independent market operator of the wholesale electricity market, and where it sells under a power supply agreement, the customer is the contractual party. In the year ended 31 December 2024, all customers in the Climate Infrastructure segment accounted for more than 5% of revenue. There can be no assurance that any of the Group's customers will pay the Group in a timely manner or

[5] Annex 1, item 16.3.

at all. Further, governmental agencies that supervise the Group Companies may impose moratorium on collections. In such circumstances, the Group's working capital needs would increase, which could, in turn, divert resources away from the Group's other projects. If certain of the Group’s customers were unable or unwilling to pay the power projects, the Group's business, results of operations, financial condition or prospects could be negatively affected.

Any restriction or prohibition on the Company's subsidiaries' or associates' ability to distribute dividends or repay inter-group loans would have a negative effect on its business, results of operations, financial condition and prospectus and its ability to recycle capital to pipeline projects and the Company's ability to pay dividends may be constrained.

The Company, as a holding company, conducts, and will conduct in the future, its operations through its subsidiaries, associates, and joint ventures. As a holding company, the Company's revenue is derived either from dividends paid to the Company or by inter-company financing arrangements. The Company is reliant on these sources of funds with respect to its obligations and to finance its subsidiaries. The ability of the Company's direct and indirect subsidiaries, associates, and joint ventures to pay dividends to the Company and its Shareholders in general is subject to applicable laws and may be subject to restrictions contained in loans and/or debt instruments of such subsidiaries and may also be subject to the deduction of taxes, either at source or on receipt.

One of the Company's subsidiaries, NNB, is subject to debt covenants contained in the Security Bank loan terms which precludes the payment of dividends prior to the repayment of that working capital facility. In addition to this, the repayment of inter-group loans to the parent or other Group companies may also not be paid while the loan is outstanding.

Another one of the Company’s subsidiaries, CTI Asia, the payment of dividends to the ordinary shareholder, being the Company, is prohibited prior to the payment of a dividend to the preferred shareholder, being a fund managed by the Group, ThomasLloyd Cleantech Infrastructure Fund SICAV. Any dividends to either preferred shareholders or ordinary shareholders are at the discretion of CTI Asia and its Directors, therefore are not mandatory. The terms of the preferred shares do not prohibit the repayment of loans to the parent or making loans to the parent prior to the payment of preferred dividends or repayment of the preference shares themselves.

In addition to this, a number of Group subsidiaries have negative retained earnings or reserves and therefore a restructuring may be required before dividends may be paid to the Company by such Group companies.

Any restriction or prohibition on the ability of some or all of the Company's subsidiaries, associates and/or joint ventures to distribute dividends or make other distributions to the Company could have a negative effect on the Company's cash flow and therefore, the Group's business, results of operations, financial condition or prospects.

In addition, the payment of future dividends by the Company on the Ordinary Shares A, if any, and the amount of such dividend depends on a number of factors, including, among others, the amount of distributable profits and reserves, earnings, level of profitability and financial conditions, capital requirements, applicable restrictions on the payment of dividend under Dutch law, capital expenditure and investment plans, financial covenants, ratio of debt to equity, any credit ratings, contractual restrictions, the level of dividends paid by other comparable listed companies, general economic and market conditions and such other factors as the Board may deem relevant from time to time. There can be no assurance that the abovementioned factors will allow adherence to the Company's dividend policy, or any payment of dividends. As a result, the Company's ability to pay dividends in the future may be limited and the Company's dividend policy may change, see "*Dividends and Dividend Policy*".

The Group may be adversely affected by interest rate changes.

The Group has indebtedness with fixed and floating interest rates. At 31 December 2024, the Group has €30.7 million or 5.7% of its indebtedness at 31 December 2024 with floating interest rates. The Group has not entered into financial instruments to hedge interest rate fluctuations. The weighted average interest rate of the Group's indebtedness is [7.3]% at 31 December 2024.. See "*Operating and Financial Review - Quantitative and Qualitative Disclosures about Market Risk – Interest Rate Risk*".

As such, changes in interest rates may have a positive or negative impact on the Group's revenue and, consequently, its profits. Changes in interest rates may also affect the market more broadly and positively or negatively impact the Group's profitability or cash flows. The Group may implement interest rate hedging by fixing a portion of the Group's exposure to any floating rate using interest rate swaps or other means. The use of interest rate hedging may be insufficient to effectively manage the entirety of the risk from adverse changes to interest rates applicable to the Group's debt instruments and therefore this may have an adverse effect on the Group's business, results of operations, financial condition or prospects.

Certain changes in accounting or financial reporting standards or interpretations issued by standard-setting bodies for EU-IFRS may adversely affect the Group's reported revenue, profitability, and financial results.

The Group will prepare its financial statements in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the European Union ("**EU-IFRS**"). EU-IFRS is periodically revised and new accounting pronouncements, as well as new interpretations of existing accounting pronouncements, could affect the Group's reported revenue, profitability, and financial results. In general, changes in EU-IFRS could have a significant impact on the amount or timing of the Group's reported earnings, valuation of liabilities or assets, and classification of financial instruments between equity and liability on either a retrospective or prospective basis. Non-compliance with accounting and disclosure requirements could result in significant penalties for the Group.

Risks relating to taxation

The Group conducts business in multiple jurisdictions and is therefore exposed to the tax laws of numerous jurisdictions; contradictory results produced by the combined application thereof and challenges to the Group's tax position could have a material adverse effect on the Group's operations and financial performance.

As a result of the international nature of the Group's business, the Group is subject to the tax laws and regulations of numerous jurisdictions and may become subject to the tax laws and regulations of additional jurisdictions if its business would expand internationally. The combined effect of the application of these laws and regulations, including the application or disapplication double tax treaties of one or more of these jurisdictions and their interpretation by the relevant tax authorities, could, under certain circumstances, produce contradictory results.

In addition, these different tax laws and regulations are inherently complex and subject to varying interpretations. The Group often relies and will have to continue to rely on generally available interpretations of these tax laws and regulations to determine the existence, scope and level of its liability to tax in the jurisdictions in which it operates. The Group also takes positions in the course of its business with respect to various tax matters, including the Restructuring described in "*Restructuring*". There is no assurance that the tax authorities in the Netherlands or any other jurisdiction will agree with the Group's application and interpretation of the different tax laws and regulations or with the positions taken by it, including with respect to the Restructuring.

Any contradictory result produced by the combined effect of the application of different tax laws and regulations to which the Group is subject, and any tax audits or challenges by tax authorities of the Group's application and interpretation of such tax laws and regulations and positions taken by it with respect thereto in the course of its business, could result in administrative or judicial procedures or actions and in the Group becoming required to pay additional taxes and/or other sums (including, but not limited to, interest and penalties). This could increase the Group's effective tax rate and cost of operations and could therefore have a material adverse effect on its business, results of operations, financial condition or prospects.

Changes in tax laws, regulations and double tax treaties, changes in the interpretation and enforcement thereof, and the introduction of new tax laws or regulations with or without retroactive effect could have a material adverse effect on the Group.

The tax laws and regulations in – and the double tax treaties concluded by – the various jurisdictions in which the Group operates may be subject to change, and there may be changes in interpretation and enforcement of such tax laws, regulations or treaties. Consequently, tax laws, regulations or treaties and the interpretation and enforcement thereof may be modified in an adverse manner and tax rates to which the Group is subject may increase, as a result of which it may face increases in taxes payable.

In addition, new tax laws, regulations or double tax treaties may be introduced or entered into by the competent authorities with or without retroactive effect, which may result in the Group facing increases in taxes payable. For example, on 22 December 2021 the European Commission has published a proposal for a Council Directive laying down rules to prevent the misuse of holding companies (such proposal, as amended from time to time, also referred to as "**ATAD 3**"). Although the proposal envisaged that EU Member States would have to implement ATAD 3 in their domestic laws by 30 June 2023 and would have to apply such laws as at 1 January 2024 (with certain provisions looking back to the two preceding tax book years in order to assess whether a holding company would fall within the scope of ATAD 3), it is, as at the date of this Prospectus, uncertain if, when and in what form ATAD 3 would be adopted. However, if ATAD 3 would be adopted in its currently proposed form, it would introduce additional reporting and disclosure obligations for certain holding companies in the European Union and may therefore result in additional compliance-expenses and, ultimately, an increase of taxes payable for such holding companies.

Any increase in taxes payable could increase the Group's effective tax rate and cost of operations and could therefore have a material adverse effect on its business, results of operations, financial condition or prospects.

The Company may be faced with unanticipated tax consequences that could have an adverse effect on itself or its Shareholders if tax authorities of jurisdictions other than the Netherlands would seek to treat the Company as tax resident of such other jurisdiction(s).

The Company is incorporated under the laws of the Netherlands and on that basis is considered a Dutch tax resident for purposes of certain Dutch tax laws (including the Dutch Corporate Income Tax Act (*Wet op de vennootschapsbelasting 1969*), the Dutch Dividend Withholding Tax Act (*Wet op de dividendbelasting 1965*) and the Dutch Withholding Tax Act (*Wet bronbelasting 2021*)). In addition, the Company intends to maintain its management structure and governance in such a manner that (i) its place of effective management is and remains located in the Netherlands for purposes of Dutch domestic tax laws; and (ii) it should not be regarded as a tax resident of any other jurisdiction either for purposes of any such jurisdiction's domestic tax laws or for purposes of any applicable double tax treaty. However, the determination of the Company's place of effective management, on which its tax residency primarily depends, is largely a question of fact, taking into account all the relevant circumstances, rather than a question of law. Therefore, no assurance can be given regarding the final determination of the Company's tax residency by any relevant tax authority. In addition, applicable tax laws, double tax treaties or the interpretation and enforcement thereof may change (see also "*Changes in tax laws, regulations and double tax treaties, changes in the interpretation and enforcement thereof, and the introduction of new tax laws or regulations with our without retroactive effect could have a material adverse effect on the Group*"). Such changes, and changes to applicable facts and circumstances, may affect the determination of the Company's tax residency.

If tax authorities of a jurisdiction other than the Netherlands would successfully take the position that the Company should be treated as (exclusively) tax resident of that jurisdiction for purposes of an applicable tax treaty, the Company may be faced with unanticipated tax consequences, as it could become subject to corporate income tax and distributions made by it to Shareholders could become subject to any applicable withholding taxes in such other jurisdiction(s) as well as in the Netherlands. This could have a material adverse effect on the Company's business, results of operations, financial condition or prospects.

To resolve any issues in relation to dual tax residency, the Company may have access to a mutual agreement procedure and/or dispute resolution mechanisms under an applicable double tax treaty and (if it is an EU Member State) the dispute resolution mechanism under Council Directive (EU) 2017/1852 of 10 October 2017 on tax dispute resolution mechanisms in the European Union. Alternatively, the Company could submit its case for judicial review by the relevant courts. However, all of these procedures would require substantial time, costs and efforts, and it is not certain that any double taxation issues can be resolved in all circumstances.

A change of control of the Group may restrict its ability to use tax loss carry-forwards.

Local legislations may condition the carry forward and use of net operating losses to the absence of change of control (which may be differently defined under each of those legislations). A variation of the shareholding of a Group Company may crystallise a change of control in some countries in which the Group operate and accordingly reduce the Group's ability to use the net operating losses and as such have a negative impact on the Group's corporate income tax charge and its effective tax rate and affect the Group's financial condition and results of operations.

Risks relating to the Admission and the Shares[6]

The public price of the Ordinary Shares A may be volatile and could decline significantly and rapidly.

The reference price of the Ordinary Shares A will be determined by the Board and will be based on the valuation range provided by [Ernst & Young] after the Company's valuation. As the Admission will not be accompanied by an underwritten initial public offering, there will be no book building process in relation to the offering of shares and, consequently, no price at which underwriters will initially sell shares to the public. As such, unlike in other listings and offerings the efficient price discovery with respect to the opening trades of the Ordinary Shares A on Euronext Amsterdam may prove to be difficult. This lack of an initial public offering price could impact the range of buy and sell orders collected from various broker-dealers. Consequently, the public price of the Group's Ordinary Shares A may be more volatile than in an underwritten initial public offering and could, upon Admission, decline significantly and rapidly.

There may initially be a lack of supply of, or demand for, Ordinary Shares A on Euronext Amsterdam.

ABN AMRO Bank N.V. ("**ABN AMRO**"), in its capacity as liquidity provider (the "**Liquidity Provider**") will promote and support an orderly and liquid market in the Ordinary Shares A by providing quotes to maintain a spread of bid and offer prices. However, the Liquidity Provider may not achieve this objective because it may not be able to match buying interests it encounters on Euronext Amsterdam as Liquidity Provider if such buying interests cannot be covered via regular open market purchases on Euronext Amsterdam due to insufficient supply or via purchases from CT Infrastructure Holding Ltd and MNA under the liquidity pool arrangement since certain conditions are not met. See "*The Admission – Liquidity Arrangement*". This may make it difficult for investors to buy or sell Ordinary Shares A at the market price or to buy or sell Ordinary Shares A at all.

Prior to the Admission there has not been a public market for the Ordinary Shares A. The Company cannot predict the extent to which an active market for the Ordinary Shares A will develop or be sustained after the Admission or how the development of such a market might affect the market price for the Ordinary Shares A. The market price of the Ordinary Shares A could be subject to significant fluctuation. An illiquid market for the Ordinary Shares A may result in lower trading prices and increased volatility, which could adversely affect the value of an investment in the Ordinary Shares A and may make it difficult for investors to sell any Ordinary Shares A held by them at or above the price paid for such Ordinary Shares A or at all.

The Company will face additional administrative requirements as a result of the Admission.

Following the Admission, the Company will for the first time be subject to the legal requirements for Dutch public companies admitted to trading on Euronext Amsterdam. These requirements include the production and publication of annual and periodic financial reports and other public

[6] Annex 11, items 2.1 (a)-(b).

disclosures, regular calls with securities and industry analysts and other required disclosures. The Company's accounting, controlling, legal or other corporate administrative functions may not be capable of responding to these additional requirements without difficulties and inefficiencies, and it may incur significant additional expenditures to improve its central functions and internal controls and/or be exposed to legal, regulatory or civil costs or penalties. Furthermore, the preparation, convening and conduct of General Meetings and regular communications with Shareholders and potential investors will entail greater expenses. Management will need to devote time to these additional requirements that it could otherwise devote to other aspects of managing the Company's operations, and these additional requirements could also substantially increase time commitments and costs for the accounting, controlling and legal departments and the Company's other administrative functions. Any inability to manage the additional demands placed on the Company as a result of the Admission, as well as the costs resulting therefrom, may harm the Company's business, results of operations, financial condition or prospects.

Shareholders may not be able to participate in future equity offerings with pre-emptive rights.

The Company may undertake future equity offerings with or without pre-emptive rights. In case of equity offerings with pre-emptive rights, Shareholders in certain jurisdictions may not be entitled to exercise such rights unless the rights and the related Shares are registered or qualified for sale under the relevant legislation or regulatory framework in such jurisdictions. Certain Shareholders outside the Netherlands may not be able to exercise pre-emptive rights unless local securities laws have been complied with. In addition, the Company may restrict the pre-emptive rights of all Shareholders in connection with certain equity offerings. Shareholders may suffer dilution of their shareholding should they not be permitted to participate in future equity offerings with pre-emptive rights. The General Meeting has authorised the Board for a period of 18 months following the First Trading Date to restrict or exclude pre-emptive rights in relation to issuances of Ordinary Shares A up to 10% of the issued and outstanding capital. See "*Description of Share Capital and Corporate Governance – Share Capital – Issuance of Ordinary Shares and Pre-Emptive Rights*".

Future sales or issuances or the possibility of future sales or issuances of a substantial number of Ordinary Shares A could have an adverse effect on the price of the Ordinary Shares A and dilute the interests of Shareholders.

The Company cannot predict whether substantial numbers of Ordinary Shares A will be sold in the open market. Following the Admission, MNA will continue to be the largest Shareholder and will hold 42.08% of the Ordinary Shares A and 100% of the Ordinary Shares B immediately following the Admission. MNA, as well as the remaining Shareholders may reduce its holding of the Ordinary Shares A and sell a substantial number of its Ordinary Shares A in the public market. In addition, future sales of the Ordinary Shares A could be made by other Shareholders or through a capital increase undertaken by the Company to obtain additional working capital, to fund capital expenditures, acquisitions or for other purposes. Ordinary Shares A shall be issued pursuant to a resolution of the General Meeting, or pursuant to a resolution of the Board if designated thereto by the General Meeting at the proposal of the Board for a period not exceeding five years. See "*Description of Share Capital and Corporate Governance – Share Capital – Issuance of Ordinary Shares and Pre-Emptive Rights*". A sale or issuance of a substantial number of the Ordinary Shares A, or the perception that such sale could occur, could adversely affect the market price of the Ordinary Shares A, as well as impede the Company's ability to raise capital through an issuance of equity securities in the future. In addition, future issuances of Ordinary Shares A undertaken by the Company could dilute the shareholding interests of the Company's Shareholders.

The ability of Shareholders to bring actions or enforce judgments against the Company or members of the Board may be limited.

The ability of Shareholders in countries other than the Netherlands to bring an action against the Company may be limited. The Company is a public company with limited liability incorporated under the laws of the Netherlands. The rights of Shareholders are governed by Dutch law and by the by the articles of association (*statuten*) of the Company as they shall read as at the First Trading Date ("**Articles of Association**"). These rights may differ from the rights of Shareholders in other jurisdictions. It may be difficult for any holder of Shares ("**Shareholder**") in a country other than the Netherlands to prevail in a claim against the Company or to enforce liabilities predicated upon the laws of jurisdictions other than the Netherlands.

A Shareholder in a country other than the Netherlands may not be able to enforce a judgment against some or all of the members of the Board. The members of the Board are residents of the Netherlands, Switzerland, France and the United States. Consequently, it may not be possible for such Shareholder to effect service of process upon members of the Board within such Shareholder's country of residence, or to enforce against members of the Board judgments of courts of such Shareholder's country of residence based on civil liabilities under that country's securities laws. There can be no assurance that a Shareholder will be able to enforce any judgment in civil and commercial matters or any judgments against the members of the Board who are residents of countries other than those in which the judgment is made. In addition, Dutch and other courts may not impose civil liability on members of the Board in any original action based solely on foreign securities laws brought against the Company or members of the Board in a court of competent jurisdiction in the Netherlands or other countries.

If securities or industry analysts do not publish or cease to publish research reports on the Group's business, or adversely change or make negative recommendations regarding the Ordinary Shares, the market price and trading volume of the Ordinary Shares could decline.

Whether there is an active trading market for the Ordinary Shares A will be influenced by, among other things, the availability and recommendations of research reports covering the Group's business. If one or more research analysts ceases to cover the Group's business or fails to regularly publish reports on the Group's business, the Company could lose visibility in the financial markets, which could cause the market price or trading volume of the Ordinary Shares A to decline. In addition, if research analysts do not make positive recommendations regarding the Ordinary Shares A, or if negative research is published on the industry or geographic markets we serve, the price and trading volume of the Ordinary Shares A could decline.

Future acquisitions, disposals or other similar transactions may not require a shareholder vote and may be material to the Group.

Any of the Group's future acquisitions, disposals or other similar transactions could be material to the Group in terms of size and scope, and the Shareholders and potential investors may be provided with, or have access to, limited information about the relevant acquisition, disposal, or transaction upon which to base their decision whether to remain invested or invest in the Ordinary Shares A, as applicable. In any event, depending upon the size and structure of any acquisitions, disposals or other similar transactions, Shareholders are generally expected to not have the opportunity to vote on the relevant transaction, and may not have access to any information about the transaction until it is completed and the relevant Group company publicly discloses information thereon or files a report with the relevant authority, commission or regulator disclosing the nature of such transaction and, as applicable, the underlying business.

The Group may proceed with an acquisition, disposal, or other similar transaction which it would otherwise not have been permitted to do if the acquisition, disposal, or other similar transaction had been required to be put to a vote by the General Meeting that would have voted against such transaction. Any such transaction may fail, or, if completed, may prove to be unsuccessful – for example, in case of an acquisition, the acquired company may not perform as anticipated, or, in case of a disposal, the purchase price may turn out low due to unfavourable negotiations. Any such event may have an adverse impact on the Group's business, results of operations, financial condition or prospects.

IMPORTANT INFORMATION

General[7]

This Prospectus has been approved by the AFM, as competent authority under the Prospectus Regulation on [●]. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company that is the subject of this Prospectus or the quality of the Ordinary Shares A and investors should make their own assessment as to the suitability of investing in the Ordinary Shares A. The validity of this Prospectus shall expire on the First Trading Date or 12 months after its approval by the AFM on [●], whichever occurs earlier. The obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies (see "*– Supplements*") shall cease to apply upon the expiry of the validity period of this Prospectus.

Prospective investors are expressly advised that an investment in the Ordinary Shares A entails certain risks and that they should therefore carefully review the entire contents of this Prospectus. Prospective investors should ensure that they read the whole of this Prospectus and not just rely on key information or information summarised within it. Prospective investors should, in particular, read the section entitled "*Risk Factors*" when considering an investment in the Ordinary Shares A. A prospective investor should not invest in Ordinary Shares A unless it has the expertise (either alone or with a financial adviser) to evaluate how the Ordinary Shares A will perform under changing conditions, the resulting effects on the value of the Ordinary Shares A and the impact this investment will have on the prospective investor's overall investment portfolio. Furthermore, before making an investment decision with respect to the Ordinary Shares A, prospective investors should consult their stockbroker, bank manager, lawyer, auditor or other financial, legal and tax adviser and carefully review the risks associated with an investment in the Ordinary Shares A.

The contents of this Prospectus should not be construed as legal, business or tax advice. This Prospectus should not be considered as a recommendation by any of the Company, any member of the Board or any of their respective representatives that any recipient of this Prospectus should purchase, or subscribe for, any Ordinary Shares A. None of the Company or ABN AMRO, acting in its capacity as listing and paying agent ("**Listing and Paying Agent**") or any of their respective representatives is making any representation to any offeree or purchaser of the Ordinary Shares A regarding the legality of an investment in the Ordinary Shares A by such offeree or purchaser under the laws and regulations applicable to such offeree or purchaser. In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Group, including the merits and risks involved, in light of their personal circumstances.

Prospective investors should only rely on the information contained in this Prospectus and any supplement to this Prospectus within the meaning of Article 23 of the Prospectus Regulation. The Company does not undertake to update this Prospectus, unless required pursuant to Article 23 of the Prospectus Regulation, and therefore prospective investors should not assume that the information in this Prospectus is accurate as at any date other than the date of this Prospectus. No person is or has been authorised to give any information or to make any representation in connection with the Admission other than as contained in this Prospectus. If any information or representation not contained in this Prospectus is given or made, the information or representation must not be relied upon as having been authorised by the Company, the members of the Board, the Liquidity Provider, the Listing and Paying Agent or any of their respective affiliates or representatives. Neither the delivery of this Prospectus nor any issuance or sale of Ordinary Shares A made hereunder at any time after the date of this Prospectus shall, under any circumstances, imply that there has been no change in the Company's business or affairs since the date of this Prospectus or that the information set forth in this Prospectus is correct as at any date subsequent the date hereof.

Responsibility Statement[8]

This Prospectus is made available by the Company. The Company accepts responsibility for the information contained in this Prospectus. The Company declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and this Prospectus contains no omission likely to affect its import.

Presentation of Financial and Other Information[9]

General

ThomasLloyd Climate Services B.V. (the "Company"), which later changed its name to ThomasLloyd Climate Services N.V. was incorporated on 26 January 2024 with the purpose of being the holding company of the Group following the Restructuring as described in the "Restructuring" section to this Prospectus.

On 13 November 2024, and effective from 26 January 2024, the Company acquired ThomasLloyd Climate Solutions Ltd and its subsidiaries (the "Climate Finance Business" or the "Predecessor") from the parent of the Company, being MNA Capital Pte Ltd (the "TCS UK Acquisition"). TCS UK is the Predecessor for the Group's business as it was acquired by the Company from an entity under common control of the ultimate beneficial owner of the Company and TCS UK, being Michael Sieg. Additionally TCS UK's management will be the management of the enlarged Group

[7] Annex 1, item 1.5(a)-(c) and Annex 11, item 1.5(a)-(d).
[8] Annex 1, items 1.1(b) and 1.2(a) and Annex 11, items 1.1(b) and 1.2.
[9] Annex 1, items 18.1.3, 18.1.6, 18.1.7 and 18.3.1 and Annex 11, item 10.2 (a)-(b).

going forward. The Predecessor's financial information has been derived from the audited consolidated financial statements as of and for the years ended31 December 2022 and 2023.

On 13 November 2024, effective 26 January 2024, the Company acquired the investments in ThomasLloyd CTI Asia Pte Ltd ("CTI Asia") which controls Biopower Platform. CTI Asia was acquired by the Company from an entity under common control of the ultimate beneficial owner of the Company and TCS UK, being Michael Sieg. Together the Company, TCS UK and CTI Asia form the consolidation group and has been determined the "Successor."

The CTI Asia financial information has not been prepared on a consolidated basis in the Predecessor period as CTI Asia had been determined to be an investment entity, holding the investment in the Biopower Platform with the purpose of realising gains through the sale of such investments. The Predecessor's financial information has been prepared on an entity basis up to the date of the acquisition by the Company.

For comparison purposes, the results of operations for the years ended 31 December 2024 are presented alongside the results of operations of the Predecessor for the year ended 31 December 2022 and 2023. However, it should be noted that the comparability of our Successor periods to the Predecessor periods are impacted by the acquisition of the Biopower Platform, the fact that prior to the acquisition date, the biopower platform was not managed by the Successor Group and the fact that the Predecessor accounts were presented in Philippine peso. The financial position, results of operations and cash flows of the Predecessor do not necessarily reflect what the financial position or results of operations would have been if the Group had been operated as a standalone entity during the periods covered by the audited consolidated financial statements and are not indicative of future results of operations and financial position.

IAs such, the Prospectus contains the following financial information (together, the "**Financial Statements**"):

- Audited historical consolidated financial information for the Company at 31 December 2024, 2023 and 2022 and for the years ended 31 December 2024, 2023 and 2022, prepared in accordance with IFRS (the "**Group Financial Statements** "). The Group Financial Statements include the results of operations and financial position of the Company for the period from incorporation, being 26 January 2024 to 31 December 2024). The comparative period is that of TCS UK as at 31 December 2023 and for the year ended 31 December 2023, being the predecessor and the accounting acquiror. Please also see *Restructuring "* for a description of the rationale for including the financial information of TCS UK as comparative information for the Company. The results of operations and financial position of the CTI Acquisition, as described in "Restructuring" are consolidated from the date of the acquisition, being 1 January 2024, as this was the date CTI Asia ceased to be an investment entity following the updated strategy of the Company to own and operate renewable energy generation facilities. .
- Audited historical financial information for SNB at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS (the "**SNB Financial Statements** ");
- Audited historical financial information for SCB at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS (the "**SCB Financial Statements**");
- Audited historical financial information for NNB at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS (the "**NNB Financial Statements** "); and
- Audited historical financial information for CTI Asia at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS (the "**CTI Asia Financial Statements** ").

The Financial Statements as set out above have been audited by the independent auditors as set out under "*Independent Auditors*".

Rounding and negative amounts

Certain figures in this Prospectus, including financial data, have been rounded. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them. In tables, negative amounts are shown between parentheses.

In preparing the financial information included in this Prospectus, most numerical figures are presented in thousands of Euros, US dollar or Philippine peso. For the convenience of the reader of this Prospectus, certain numerical figures in this Prospectus have been rounded to one decimal point. Accordingly, figures shown for the same category presented in different tables may vary slightly, and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them.

The percentages (for example as a percentage of revenue or costs and period-on-period percentage changes) presented in the textual financial disclosure in this Prospectus are derived directly from the financial information included elsewhere in this Prospectus. Such percentages may be computed on the numerical figures expressed in thousands of Euro, US dollar, or Philippine peso, rounded to the nearest thousand. Therefore, such percentages are not calculated on the basis of the financial information in the textual disclosure that has been subjected to rounding adjustments in this Prospectus.

Currency

In this Prospectus, unless otherwise indicated: all references to the "EU" are to the European Union; all references to "Euro" or "€" are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time; all references to the "United States" or the "US" are to the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia; all references to "US Dollars", "US or "US$" are to the lawful currency of the United States; all references to the "Philippine peso", or "PHP" are to the lawful currency of the Philippines.

Exchange Rates

The Group publishes its consolidated financial statements in Euros. The exchange rates below are provided solely for information and convenience. The tables below show, for the periods indicated, the period end, average, high and low European Central Bank exchange rate expressed as US Dollar per €1.00 and Philippine peso per €1.00. The European Central Bank exchange rate is a 'best market' calculation, in which, at any point in time, the bid rate is equal to the highest bid rate of all contributing bank indications and the ask rate is set to the lowest ask rate offered by these banks. The average rate for a year means the average of the European Central Bank exchange rates on the last day of each month during a year. The average rate for a month, or for any shorter period, means the average of the daily European Central Bank exchange rates during that month, or shorter period, as the case may be. No representation is made that Euros could have been, or could be, converted into USD or PHP at any particular rate indicated or any other rate.

US dollar per €1.00	**Period end**	**Average rate**	**High**	**Low**
Year				
2020	1.2226	1.1415	1.2281	1.0707
2021	1.1326	1.1828	1.2338	1.1206
2022	1.0666	1.0542	1.1464	0.9565
2023	1.1050	1.0814	1.1255	1.0469
2024	1.0389	1.0821	1.1196	1.0389

US dollar per €1.00	**Period end**	**Average rate**	**High**	**Low**
Month - 2025				
January	1.0393	1.0352	1.0530	1.0198
February	1.0411	1.0399	1.0178	1.0274

PHP per €1.00	**Period end**	**Average rate**	**High**	**Low**
Year				
2020	59.1250	56.5926	59.125	54.388
2021	57.7630	58.2803	60.005	56.256
2022	59.3200	57.3121	59.678	54.449
2023	61.2830	60.1431	62.175	58.045
2024	60.3100	61.9799	63.9380	60.0960

PHP per €1.00	**Period end**	**Average rate**	**High**	**Low**
Month - 2025				
January	60.6820	60.4502	61.4080	59.7690
February	60.3550	60.3963	60.8460	60.0110

Market and Industry Data[10]

All references to market share, market data, industry statistics and industry forecasts in this Prospectus consist of estimates compiled by industry professionals, competitors, organisations or analysts, of publicly available information or of the Group's own assessment of its sales and markets.

This Prospectus contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Group's business and markets. Unless otherwise indicated, such information is based on information published by ADB, Bain & Company, Bloomberg New Energy Finance, the Economic Times, EY, the Government of India, the IPCC, the International Energy Agency, the International Monetary Fund (Economic Outlook Database and Global Carbon Atlas), McKinsey, Science Magazine, SaCaSol, Proceedings of the National Academy of Sciences, Pew Research Centre, Philippines Department of Energy, Philippines Electricity Market Corporation, Reuters, Starwood, Statista, Sugar Regulatory Administration, the Swiss federal office of energy, Transparency International (2023 Corruptions Perceptions Index Ranking), United Nations, UNFCCC, UNDP (Human Development Report 2023-24), the US Department of Energy, the Wilson Center, the World Bank, the World Factbook. Although the Company believes that these sources are reliable, it does not have access to the information, methodology and other bases for such information and has not independently verified the information.

The information in this Prospectus that has been sourced from third parties has been accurately reproduced with reference to these sources in the relevant paragraphs and, as far as the Company is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information provided inaccurate or misleading.

Industry publications and market studies generally state that their information is obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. Where third-party information has been sourced in this Prospectus, the source of such information has been identified.

This prospectus contains certain statements regarding the Group's competitive and market position. The Group believes these statements to be true, based on market data and industry statistics, but it has not independently verified the information. The Group cannot guarantee that a third party using different methods to assemble, analyse or compute market data or public disclosure from competitors would obtain or generate the same results. In addition, the Group's competitors may define their markets and their own relative positions in these markets differently than the Group does and may also define various components of their business and operating results in a manner which makes such figures non-comparable with the Group's figures.

Supplements

Pursuant to Article 23 of the Prospectus Regulation, the Company is obliged to publish a supplement to this Prospectus in the event of a significant new factor, material mistake or inaccuracy with respect to the information contained in this Prospectus which may affect the assessment of the Ordinary Shares A and which arises or is noticed between the date of this Prospectus and the start of trading of the Ordinary Shares A on Euronext Amsterdam. Such a supplement will be subject to approval by the AFM in accordance with Article 23 of the Prospectus Regulation and will be made public in accordance with the relevant provisions under the Prospectus Regulation. The summary shall also be supplemented, if necessary, to take into account the new information included in the supplement. Such withdrawal must be made within the time limits and in the manner set out in such supplement, which time limits shall not be shorter than two business days after publication of the supplement.

Statements contained in any such supplement (or contained in any document incorporated by reference in such supplement) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document that is incorporated by reference in this Prospectus. Any supplement shall specify which statement is so modified or superseded and shall specify that such statement shall, except as so modified or superseded, no longer constitute a part of this Prospectus.

Without prejudice to any obligation of the Company to publish a supplement to this Prospectus pursuant to the Prospectus Regulation, the delivery of this Prospectus shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company and its subsidiaries since the date of this Prospectus or that the information contained herein is correct as at any time subsequent to its date. The Company does not undertake to update this Prospectus unless pursuant to Article 23 of the Prospectus Regulation. The delivery of this Prospectus at any time after the date hereof will not, under any circumstances, create any implication that there has been no change in the Group's affairs since the date hereof or that the information set forth in this Prospectus is correct as at any time since its date. Prospective investors should therefore not assume that the information in this Prospectus is accurate as at any time since such date.

Enforceability of Judgments

The ability of investors in certain countries other than the Netherlands, in particular the US, to bring an action against the Company may be limited under applicable laws and regulations. At the date of this Prospectus, the Company is a public company with limited liability (*naamloze vennootschap*) incorporated in the Netherlands. The Company has its statutory seat (*statutaire zetel*) in Amsterdam, the Netherlands. All of the members of the Board named herein are citizens or residents of countries other than the United States. All or a substantial proportion of the assets of these individuals are located outside of the US. Most of the Group's assets are located outside of the US. As a result, it may be impossible or

[10] Annex 1, items 1.4 and 5.6, and Annex 11, item 1.4.

difficult for investors to effect service of process in the US upon such persons or the Company or to enforce against them a judgment obtained in US courts. In addition, there is doubt as to the enforceability, in the Netherlands, of original actions or actions for enforcement based on the federal or state securities laws of the US or judgments of US courts, including judgments based on the civil liability provisions of the US federal or state securities laws. As at the date of this Prospectus, the US and the Netherlands do not have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. With respect to choice of court agreements in civil or commercial matters, it is noted that the Hague Convention on Choice of Court Agreements entered into force for the Netherlands but has not entered into force for the United States. Accordingly, a judgment rendered by a court in the US, whether or not predicated solely upon US securities law, will not be recognised and enforced by the Dutch courts. However, if a person has obtained a final and conclusive judgment, without possibility of appeal, for the payment of money rendered by a court in the US which is enforceable in the US and files his/her claim with the competent Dutch court, the Dutch court will generally uphold and consider as conclusive evidence such foreign judgment, without substantive re-examination or re-litigation on the merits, insofar as it finds that the foreign judgment: (i) has been rendered by a court which has established its jurisdiction on the basis of internationally accepted grounds of jurisdiction; (ii) was rendered in legal proceedings that comply with the Dutch standards of the proper administration of justice that includes sufficient safeguards (*behoorlijke rechtspleging*); (iii) is not contrary to the public policy (*openbare orde*) of the Netherlands; and (iv) is not incompatible with (a) a prior judgment of a Dutch court rendered in a dispute between the same parties, or (b) a prior judgment of a foreign court rendered in a dispute between the same parties, concerning the same subject matter and based on the same cause of action, provided that such prior judgment is capable of being recognised in the Netherlands. Even if such foreign judgment is given binding effect, a claim based thereon may, however, still be rejected if the foreign judgment is not or no longer formally enforceable in the country of origin. It is uncertain whether this practice extends to default judgments as well. If a Dutch court upholds and regards as conclusive evidence the final and conclusive judgment, that court generally will render the same judgment without renewed litigation on the merits. However, a Dutch court may deny the recognition and enforcement of punitive damages. Moreover, a Dutch court may reduce the amount of damages granted by a court in the US and recognise damages only to the extent that they are necessary to compensate actual losses or damages.

Information Regarding Forward-Looking Statements

Certain statements in this Prospectus other than statements of historical fact are forward-looking statements. In particular, this Prospectus contains forward-looking statements under the following headings: "*Summary*", "*Risk Factors*", "*Dividends and Dividend Policy*", "*Operating and Financial Overview*", "*Business*" and "*Market and Industry*", regarding the Group's strategy, targets, expectations, objectives, future plans and other future events or prospects are forward-looking statements. These forward-looking statements are based on the Group's current beliefs and projections and on information currently available to the Group. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Group's control and all of which are based on its current beliefs and expectations about future events. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believe", "expect", "may", "will", "seek", "would", "could", "should", "intend", "estimate", "plan", "assume", "predict", "anticipate", "annualised", "goal", "target", "potential", "continue", "hope", "objective", "position", "project", "suggest", "forecast", "risk" or "aim" or the highlights or negatives thereof or other variations thereof or comparable terminology, or by discussions of the Group's strategy, medium-term objectives and future plans that involve risks and uncertainties.

Forward-looking statements involve inherent risks and uncertainties and speak only as at the date they are made. Except as required by applicable law, the Group does not undertake and expressly disclaims any duty to update or revise publicly any forward-looking statement in this Prospectus, whether as a result of new information, future events or otherwise. Such forward-looking statements are based on current beliefs, assumptions, expectations, estimates and projections of the members of the Board and the Group's management of, public statements made by it, present and future business strategies and the environment in which it will operate in the future. By their nature, they are subject to known and unknown risks and uncertainties, which could cause the Group's actual results and future events to differ materially from those implied or expressed by forward-looking statements. Risks and uncertainties that could cause actual results to vary materially from those anticipated in the forward-looking statements included in this Prospectus include those described under "*Risk Factors*".

Although the Group believes the expectations reflected in such forward-looking statements are reasonable, forward-looking statements are based on the opinions, assumptions and estimates of the members of the Board and the Group's management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors.

Prospective investors are advised to read "*Risk Factors*", "*Dividends and Dividend Policy*", "*Selected Financial Information*", "*Operating and Financial Review*", "*Business*" and "*Market and Industry*" for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Group operates. Should one or more of these risks or uncertainties materialise, or should any of the assumptions underlying the above or other factors prove to be incorrect, the Group's actual results of operations or future financial condition could differ materially from those described herein as currently anticipated, believed, estimated or expected. In light of the risks, uncertainties and assumptions underlying the above factors, the forward-looking events described in this Prospectus may not occur or be realised. Additional risks not known to the Group or that it does not currently consider material could also cause the forward-looking events discussed in this Prospectus not to occur.

Definitions

In this Prospectus, the "**Company**" refers to ThomasLloyd Climate Solutions N.V. a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of the Netherlands and, where appropriate, its subsidiaries as defined in Section 2:24b of the Dutch

Civil Code. "**Group**" refers to the Company and its subsidiaries. "**Board**" and "**General Meeting**" refer to, respectively, the board of directors (*bestuur*), and the general meeting of Shareholders (*algemene vergadering van aandeelhouders*) of the Company.

Certain other terms used in this Prospectus are defined in "*Defined Terms*".

Documents incorporated by Reference[11]

- The information contained in the Articles of Association is incorporated by reference into this Prospectus and can be obtained free of charge on the Group's website at www.thomas-lloyd.com/investor-relations/. No other documents or information, including the content of the Group's website (www.thomas-lloyd.com) or of websites accessible from hyperlinks on its website, form part of, or are incorporated by reference into, this Prospectus.[12]

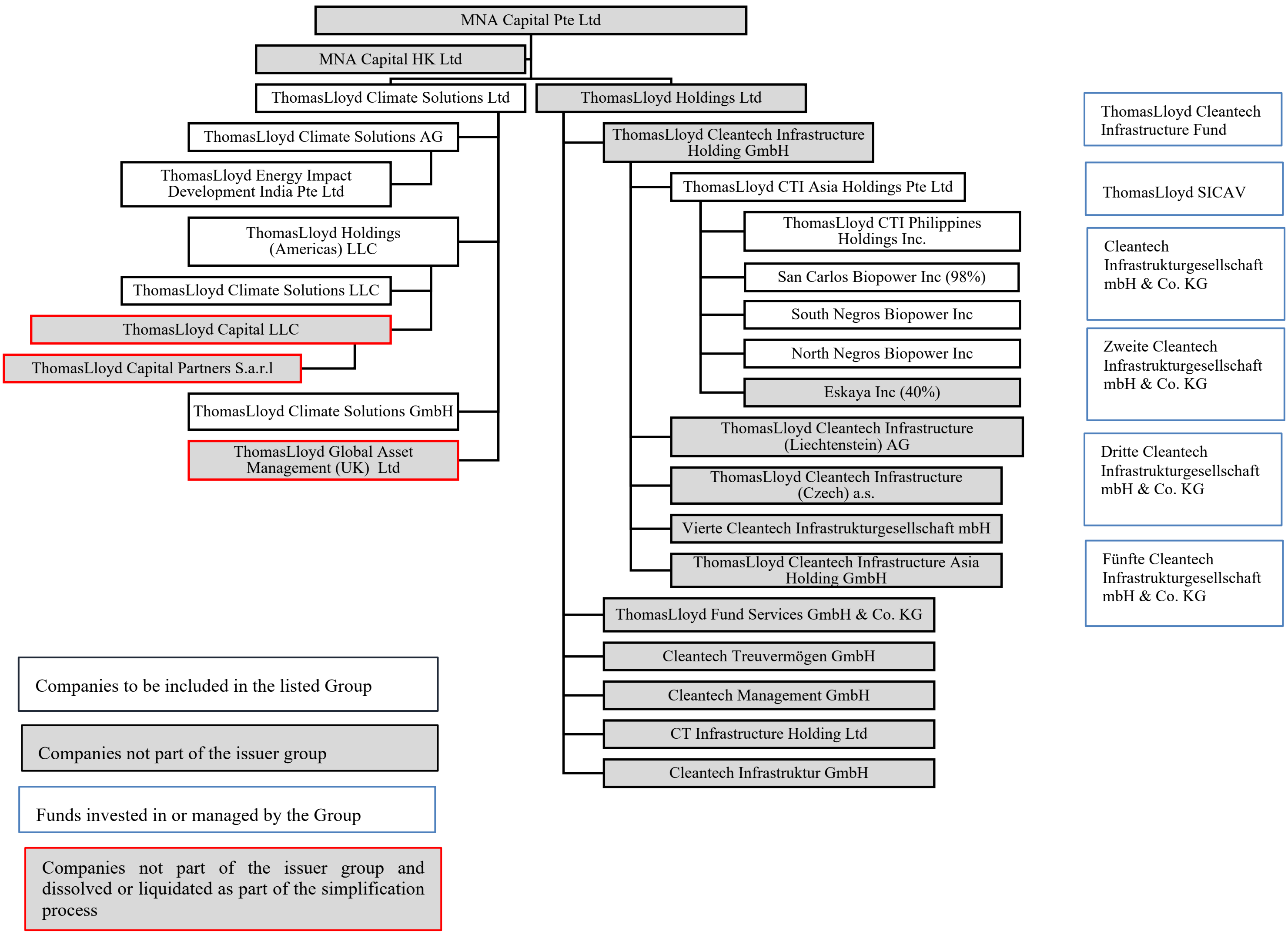
[11] Annex 1, item 21.1.
[12] Annex 1, items 4.4 and 21.1(a)-(b).

RESTRUCTURING

Prior to the Admission, the Group has implemented an internal reorganisation (the " **Restructuring**") which involves various Group companies, including the Company, TCS UK and CTI Asia. The Restructuring consisted of the following steps which are each further described below:

1. **TSC B.V incorporation**
2. **Certain simplification steps to the TCS UK group structure**
3. **TCS UK Acquisition**
4. **CTI Asia Acquisition and Other Asset Acquisitions**
5. **Capital Structure for listing – introduction of Ordinary Shares B**
6. **Conversion to N.V. being a Dutch public limited liability company**

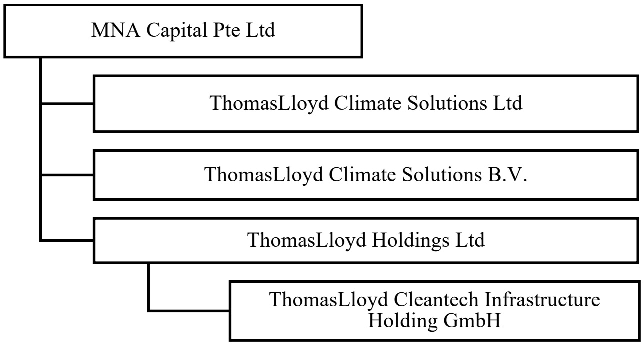
Prior to the Restructuring and at 31 December 2023, the TCS Group was structured as follows:



1. TCS B.V. incorporation

On 26 January 2024, the Company was incorporated with one ordinary share with a nominal value of €1. It is 100% owned by MNA, the ultimate parent company of the Company and the Group. MNA is a holding company which owns:

- 100% of the share capital issued by ThomasLloyd Holdings Ltd; and
- 100% of the share capital issued by TCS UK as explained further in step 2.



2. Certain simplification steps to the TCS UK group structure

As part of a simplification process prior to listing, TCS UK undertook a number of processes to reduce its structure to those subsidiaries that are core to the ongoing business. TCS UK is owned 100% by MNA which holds (i) 83% direct ownership of 100% of the Common A shares of TCS UK in issue and a (ii) 17% indirect ownership through its 100% ownership of ThomasLloyd Holdings Ltd which owns 100% of the shares issued by CT Infrastructure Holding Ltd, which in turn holds 100% of the Common B Shares issued TCS UK.

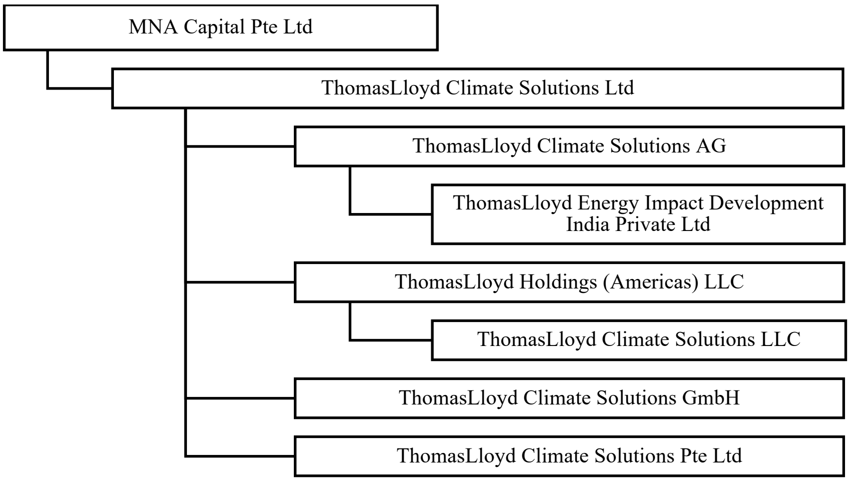
The following steps have been undertaken

(i) Non-core or semi-dormant companies were dissolved, being ThomasLloyd Capital Partners S.a.r.l, ThomasLloyd Capital LLC and ThomasLloyd Global Asset Management (UK) Ltd. Such dissolutions are effective at 31 December 2024 with no material impact on the Group results at and for the year ended 31 December 2024.

(ii) On 31 December 2023, TCS UK sold 100% of the ordinary shares it held in Cleantech Infrastruktur GmbH to a related party, ThomasLloyd Holdings Ltd, a company outside the TCS listing group. Cleantech Infrastruktur GmbH's purpose was to issue corporate debt, with the last issuance of debt instruments being in December 2019. The Group's liability in relation to the subordinated bonds sold, of €25 million, is restructured as a related party payable to ThomasLloyd Cleantech Infrastructure Holding GmbH from 31 December 2023.

(iii) On 23 June 2024, TCS incorporated a new wholly owned subsidiary in Singapore, being ThomasLloyd Climate Solutions Pte Ltd ("**TCS Asia**") with the purpose of employing team members based in Southeast Asia. **TCS Asia is consolidated the Group Financial Statements**.

Following this simplification exercise the TCS UK group includes the following entities at 31 December 2024:



3. TCS UK Acquisition

On 13 November 2024, the shares of TCS UK previously held by its former parents, MNA and CT Infrastructure Holding Ltd, were acquired by the Company, whereby the purchase price was settled in combination with a subscription for shares in the Company by MNA and CT Infrastructure Holding Ltd. For accounting purposes the acquisition was effective at 1 January 2024.

By acquiring 100% of the shares of TCS UK, the Company has acquired the TCS UK management team and employees, being a team of approximately 90 personnel for the delivery of climate infrastructure services, climate finance and shared corporate services, including a team which oversees and manages the Biopower Platform and the project development team located in India. As part of this acquisition, the Company has also acquired the TCS digital investment platform, ImpactPlus.

The Company has acquired the following shares in TCS UK:

Seller	**Type of interest**	**No. of shares**	**Consideration (€)**
MNA Capital Pte Ltd	Common A shares (Euro denominated)	383,895,996	457,868,184
CT Infrastructure Holding Ltd	Common B shares (Euro denominated)	77,247,200	92,131,816

The consideration for the TCS UK Acquisition has been settled in combination with a subscription for shares in the Company by MNA and CT Infrastructure Holding Ltd in the following manner:

Seller	**Consideration in € million**	**No. of Ordinary Shares A**	**Payable to MNA**
MNA Capital Pte Ltd	45.8	n/a	45,786,818
MNA Capital Pte Ltd	412.1	137,360,455	n/a
CT Infrastructure Holding Ltd	92.1	30,710,605	n/a
Total	**550**	**168,071,060**	**45,786,818**

At 31 December 2024, TCS is capitalised as set out in the "Capital and Indebtedness" section to this prospectus, , whereby €45.8 million is represented as a payable to MNA which ultimately has been settled in combination with a subscription for Ordinary Shares B after the amendment of the Articles of Association of the Company as referred to in step 5 below.

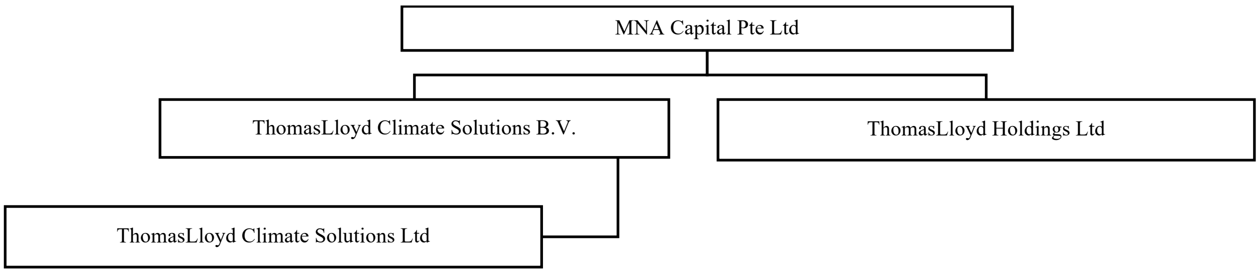
The TCS UK Acquisition is deemed a transaction under common control, as both the Company and TCS UK have the same ultimate beneficial owner both prior to and following the TCS UK Acquisition. Therefore, the TCS UK Acquisition is not accounted for as a business combination, where all assets and liabilities are fair valued on acquisition, but instead the Company has applied the predecessor value method of accounting. Under the predecessor value method of accounting, the assets and liabilities of the acquired business are recorded a their existing carrying value prior to the acquisition. Any differences between the Company's cost of investment and TCS UK's equity is presented as a separate reserve within the Company's equity on consolidation.

TCS UK is determined to be the accounting acquiror in that it has in substance acquired the Company for the following reasons:

- the Company was solely incorporated with the purpose of effecting the Restructuring and the listing of its shares on a recognised stock exchange, being Euronext Amsterdam; and
- TCS UK is the entity whose senior management team will continue as the Company's management team after the group reorganisation.

Therefore, the Company's comparatives have been presented as those of the TCS UK group, being the predecessor business, and as if the TCS UK Acquisition had taken place at 1 January 2024.

Following the completion of the TCS UK Acquisition the structure reflects the following:



4. CTI Asia Acquisition and Other Asset Acquisitions

On 13 November 2024, the Company has acquired the entire share capital of CTI Asia from TL CTIH as follows:

Description	Type of interest	No. of ordinary shares	Consideration (€)
CTI Asia	Ordinary shares (US dollar denominated)	69,323,458	98,358,312

Through the CTI Asia Acquisition, the Company has acquired an indirect interest in the Biopower Platform, i.e. the three biopower plants, being NNB, SNB and SCB. CTI Asia holds a 100% interest in NNB and SNB and a 92% economic interest and 98% voting interest in SCB. The investments have been made through investments in equity as well as through loan instruments.

Additionally, the following liabilities are also assumed, being a loan payable, including accrued interest, to TL CTIH of US$240.4 million or €221.8 million and a loan payable, including accrued interest to a related party Luxembourg fund, TL SICAV EICF, of US$147.4 million or €135.8 million.

In addition to this, the Company acquired various loans receivable and rights to accrued interest of related parties.

The consideration for the CTI Asia Acquisition and the Other Asset Acquisitions has been settled in combination with a subscription for shares in the Company by TL CTIH in the following manner:

Asset	Consideration in € million	No. of ordinary shares
100% equity of CTI Asia	98.4	32,786,104
Loans and accrued interest - CTI Asia	226.7	75,576,039
TL SICAV equity	40.2	13,397,686
Related party loans	109.9	36,607,428
	475.1	**158,367,257**

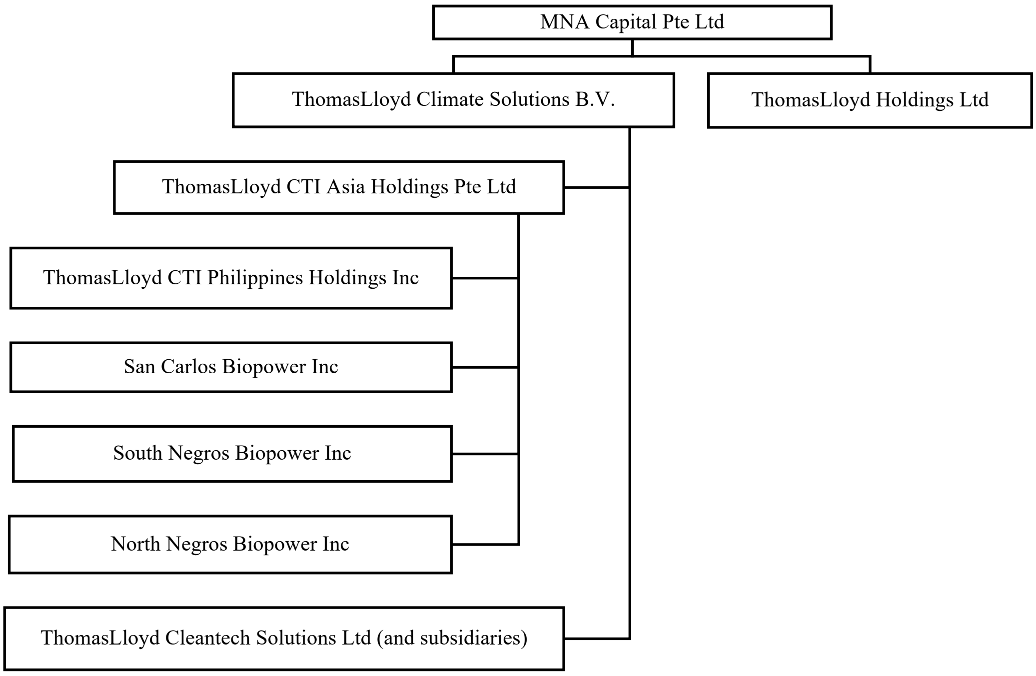
The consideration of both the CTI Asia Acquisition and the equity investments within the Other Asset Acquisition have been determined by reference to fair value. An independent external valuer was engaged in relation to the CTI Asia Acquisition while the other equity investments have been valued relative to the net asset value of those investments. Loans and accrued interest have been valued at carrying value which is at amortised cost.

At 31 December 2024, the shares to be issued as consideration for the CTI Asia Acquisition and the Other Asset Acquisition is shown as a subscription for shares in the consolidated financial statements of the Company.

The CTI Asia Acquisition is deemed a transaction under common control, as both the Company and CTI Asia have the same ultimate beneficial owner both prior to and following the CTI Asia Acquisition. Therefore, the TCS UK Acquisition is not accounted for as a business combination, where all assets and liabilities of CTI Asia on a consolidated basis would be fair valued on acquisition. Instead, the Company has applied the predecessor value method of accounting. Under the predecessor value method of accounting, the assets and liabilities of the acquired business are recorded a their existing carrying value prior to the acquisition.

CTI Asia has historically accounted for the investments held by it as financial assets held at fair value through profit and loss ("FVTPL"), reflecting mark-to-market adjustments through the income statement on an annual basis, in accordance with the mandatory exemption from consolidation under IFRS 10, as both CTI Asia was deemed an investment entity. This was due to the outsourcing of the management and day-to-day running of the Biomass Platform and that the primary purpose of investing was to derive a return from investment through fair value gains with no intention to hold the investment to maturity. As of the date of the CTI Asia acquisition, the primary purpose of the interests held by CTI Asia has changed. The primary purpose of the controlled subsidiaries of CTI Asia is generating profits through the sales of electricity, sustainable fuels and renewable energy credits, which will then either be re-invested in pipeline opportunities to enhance the climate solutions business and support share price accretion or, in the absence of growth opportunities, distributed by way of dividends to shareholders of the Company in accordance with the Company's dividend policy. For the purposes of determining the book value of the assets of CTI Asia following cancellation of the investment management mandate, CTI Asia is deemed to have consolidated the Biomass Platform from the date it acquired control, being December 2021 and therefore the excess of consideration paid for the CTI Asia Acquisition in comparison to the assets and liabilities acquired on 1 January 2024 has been reflected in a Restructuring reserve in equity. While 100% of the voting interest is acquired in CTI Asia, CTI Asia has issued €13.8 million (or US$16.3 million equivalent) of preference shares to a fund managed by the Group, being ThomasLloyd Cleantech Infrastructure Fund SICAV ("**TL CTIF SICAV**"). The preference shares have no voting rights, no right to dividends but where dividends are paid, they are paid first to preferred shareholders prior to the ordinary shareholders of CTI. The €13.8 million of preference shares represents a non-controlling interest in the Group. The 8% economic interest in SCB is also accounted for as a non-controlling interest in the Group.

Following the CTI Asia Acquisition the structure is as below:



5. Capital structure for listing – introduction of the Ordinary Shares B

[In March 2025], the Articles of Association of the Company were amended, whereby the ordinary shares were renamed to Ordinary Shares A, the nominal value of the Ordinary Shares A was reduced from €1.00 to €0.10, and a newly created share class, Ordinary Shares B, was created. Subsequently, MNA subscribed for Ordinary Shares B as described in Step 5 above after which the Company issued such Ordinary Shares B to MNA.

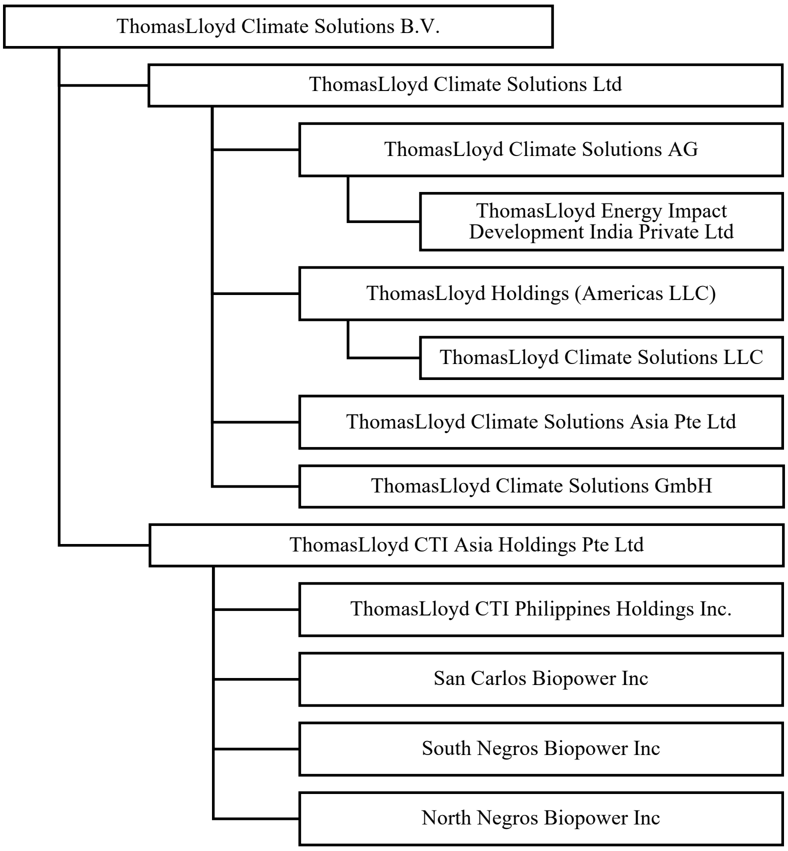
Following this, the share capital structure is as follows:

Shareholder	Consideration in € million	No. of Ordinary Shares A	No. of Ordinary Shares B
MNA Capital Pte Ltd	45.8	n/a	43,606,494
MNA Capital Pte Ltd	412.1	1,373,604,550	n/a
CT Infrastructure Holding Ltd	92.1	307,106,050	n/a
ThomasLloyd Cleantech Infrastructure Holding GmbH	475.1	1,583,672,570	
Total	**1,025**	**3,264,383,170**	**43,606,494**

6. The Company was converted from a Dutch private limited liability company into a Dutch public limited liability company

Immediately prior to the Admission, the Company was converted from a Dutch private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) into a Dutch public limited liability company (*naamloze vennootschap*).

7. Final structure on Admission and as of 31 December 2024



DIVIDENDS AND DIVIDEND POLICY[13]

General

The Company may only make distributions on the Shares to the extent its shareholders' equity exceeds the sum of (i) the paid-in and called-up part of its issued share capital; and (ii) any reserves required to be maintained by Dutch law and by the Articles of Association.

Because the Company is a holding company that conducts its business mainly through its subsidiaries, the Company's ability to pay dividends will depend directly on its subsidiaries' distributions to the Company. The amount and timing of such distributions will depend on the laws of such subsidiaries' respective jurisdictions. Please see "*Risk Factors – Any restriction or prohibition on the Company's subsidiaries', associates', or joint ventures' ability to distribute dividends would have a negative effect on its financial condition and results of operations and its ability to recycle capital to pipeline projects*".

Any final distribution of profits may only be made after the adoption of the Company's standalone (i.e. non-consolidated) annual accounts for the preceding year, which will be used to determine if the distribution of profits is legally permitted. See "*Description of Share Capital and Corporate Governance – Share Capital – Dividends and Other Distributions*".

Subject to Dutch law and the Articles of Association, the Board may resolve to distribute an interim dividend to the extent the Company's shareholders' equity exceeds the amount of the paid-in and called-up part of the Company's issued share capital plus the reserves that are required to be maintained pursuant to Dutch law and the Articles of Association. For this purpose, the Board must prepare an interim statement of assets and liabilities.

Dividend Policy[14]

The Group is in a growth phase and will therefore, in the near term, prioritise reinvesting in developing and expanding its business and pursuing acquisition and investment opportunities. It will consider the opportunity to pay dividend in the medium term, while maintaining the financial flexibility to invest in its growth both organically and inorganically.

The Company's intentions in relation to dividend payments are subject to a number of assumptions, risks and uncertainties, many of which are beyond its control. Please see "*Risk Factors – Any restriction or prohibition on the Company's subsidiaries', associates', or joint ventures' ability to distribute dividends would have a negative effect on its financial condition and results of operations and its ability to recycle capital to pipeline projects and the Company's ability to pay dividends may be constrained.*" and "*Important Information – Information Regarding Forward-Looking Statements*". Furthermore, the Company's dividend policy is subject to change as the Board will revisit its dividend policy from time to time.

Dividends Declared[15]

As the Company was incorporated on 26 January 2024, no dividends have been declared or distributed at the date of this Prospectus.

No dividends were declared or paid by any of the Issuer Group Companies to the Shareholders of the Company in respect of the financial years ended 31 December 2024, 2023 and 2022.

Dividend Ranking of the Shares

Subject to Dutch law and the Articles of Association, the profits shown in the adopted annual accounts after a reservation, if any, shall be at the disposal of the General Meeting for distribution to the holders of Ordinary Shares A in proportion to the aggregate nominal value of their Ordinary Shares A, provided that with any distribution an amount equal to (i) 0.1% of the nominal value of each Ordinary Share B then outstanding, or (ii) if and to the extent the amount under (i) is higher than 1% of the profits remaining after reservation, an amount equal to 1% of the profits remaining after reservation, shall be added to the dividend reserve for Ordinary Shares B. Other than as described above, the Ordinary Shares B shall not carry any entitlement to profits.

Manner and Time of Dividend Payments

Payment of any dividend in cash will be made in Euro. The Company will, however, have the authority to make distributions in another currency than Euro. Any dividends that are paid to Shareholders through Euroclear Nederland will be automatically credited to the relevant Shareholders' accounts without the need for Shareholders to present documentation proving their ownership of the Ordinary Shares A. Payment of dividends on the Shares not held through Euroclear Nederland will be made directly to the relevant Shareholder using the information contained in the Company's shareholders' register and records. Dividends become eligible and payable with effect from the date established by the Board.

[13] Annex 11, item 4.5(d).
[14] Annex 1, item 18.5.1 and Annex 11, item 4.5(a).
[15] Annex 1, item 18.5.2.

Taxation of Dividends[16]

See "*Taxation*" for a discussion of certain aspects of taxation of dividends on the Shares.

Limitations on Dividend Payments[17]

The Company is a holding company, which has no direct operations other than the holding of investments in other Group companies. The only source of funds that the Company will have at its disposal for the payment of dividends (including interim dividends), if any, will be dividends and other payments received from its subsidiaries in the form of, inter alia, loans granted, notes purchased by its subsidiaries or repayments of capital. The ability of each subsidiary to pay dividends or make such other payments is determined individually and in accordance with applicable law, including the capital requirements to which such subsidiary is subject and may be subject to restrictions contained in loans and/or debt instruments of such subsidiaries and may also be subject to the deduction of taxes.

One of the Company's subsidiaries, NNB, is subject to debt covenants contained in the Security Bank loan terms which precludes the payment of dividends prior to the repayment of that working capital facility. In addition to this, the repayment of inter-group loans to the parent or other Group companies may also not be paid while the loan is outstanding.

Another one of the Company's subsidiaries, CTI Asia, the payment of dividends to the ordinary shareholder, being the Company, is prohibited prior to the payment of a dividend to the preferred shareholder, being a related party, ThomasLloyd Cleantech Infrastructure Fund SICAV. Any dividends to either preferred shareholders or ordinary shareholders are at the discretion of CTI Asia and its Directors, therefore are not mandatory. The terms of the preferred shares do not prohibit the repayment of loans to the parent or making loans to the parent prior to the payment of preferred dividends or repayment of the preference shares themselves.

See also "*Risk Factors*" and "*Important Information – Information Regarding Forward-Looking Statements*".

The actual payment of future dividends, if any, will depend upon a number of factors including, but not limited to, the Company's unconsolidated distributable amounts, its earnings, level of profitability and financial condition, capital requirements, applicable restrictions on the payment of dividends under Dutch law, including the requirements described under "– *General*" above, and such other factors as the Board may deem relevant.

A number of the Group's subsidiaries have retained losses and therefore dividends may not be possible prior to any restructuring. In such cases, cash may be up streamed to the Company through a number of structures not limited to redemption of shares, repayment of loans and accrued interest and loans to the parent company. However, the Company's ability to pay dividends in the future may be limited or its dividend policy may change.

Uncollected Dividends[18]

A claim for any declared dividend or other distributions lapses five years after the date on which such dividends or distributions were released for payment. Any dividend or distribution that is not collected within this period will be considered to have been forfeited to the Company.

[16] Annex 11, item 4.11 (a)-(b).
[17] Annex 1, item 18.5.1 and Annex 11, item 4.5(a).
[18] Annex 11, item 4.5 (a).

CAPITALISATION AND INDEBTEDNESS[19]

The following tables sets out the Group's capitalisation and indebtedness at 31 December 2024 on an actual basis, and adjustments for:

(i) the issuance of Ordinary Shares B on [x March 2025] in connection with the TCS UK Acquisition; and
(ii) [anything else at date of prospectus.]

The information below should be read together with the Financial Statements and the related notes thereto, as well as the information under "*Operating and Financial Review*". The tables below are prepared for illustrative purposes only and, because of their nature, may not give a true picture of the Group's financial condition following the Admission.

Capitalisation

In €'000s	**Actual** At 31 December 2024 [(1)]	**Adjustment** Share issuance for the Acquisition [(3)]	**Adjustment** Refinancing[(4)]	**As adjusted** At 31 December 2024[(5)]
Total current debt (including current portion of non-current debt)	**30,970**	**0**	**0**	**30,970**
Guaranteed.		-	-	0
Secured [(2)]	30,970	-	-	30,970
Unguaranteed/unsecured		-	-	0
Total non-current debt (excluding current portion of non-current debt)	164,305	-	-	164,305
Guaranteed	-	-	-	-
Secured	-	-	-	-
Unguaranteed/unsecured	164,305	-	-	164,305
Shareholder equity	**979,315**	**45,787**	**0**	**1,025,102**
Share capital	326,438	43,606	-	370,044
Other reserves	652,877	436	-	653,313
Total capitalisation	**1,174,590**	**45,787**	**0**	**1,220,377**

(1) Extracted from the consolidated financial statements of the Company at and for the year ended 31 December 2024. Other reserves exclude the Group's restructuring reserve of €687.4 million and cumulative translation reserves of €19.4 million, arising on consolidation.

[19] Annex 11, item 3.2(a).

(2) Represents the amount of borrowings at the project level, including accrued interest, which have been secured over the ordinary shares of the project companies, the property, plant and equipment and the inventories.

(3) The following shares were issued as of the dates set out below:

Shareholder	**Date of issue**	**No. of Ordinary Shares**	**Share capital (in €'000s)**	**Share premium (in €'000s)**	**Total share capital and share premium (in €'000s)**
MNA Capital Pte Ltd	13 November 2024	137,360	137,360	274,721	412,081
CT Infrastructure Holding Ltd	13 November 2024	30,711	30,711	61,421	92,132
TL CTIH	13 November 2024	158,367	158,367	316,735	475,102
		326,438	**326,438**	**652,877**	**979,315**

On [x March 2025], the articles of incorporation were amended to reduce the nominal value of the Ordinary Shares A to €0.10, with no impact on the share capital and share premium amount. On the same date, the articles were also amended to create the Ordinary Shares B with a par value of €1 with shares issued to settle the €45.8 million outstanding payable to MNA. Following this the share register of the Company represented the below

Shareholder	**No. of Ordinary SharesA**	**No. of Ordinary Shares B**	**Share capital (in €)**	**Share premium (in €)**	**Total share capital and share premium (in €'000s)**
MNA Capital Pte Ltd	1,373,604,550	-	137,360	274,721	412,081
MNA Capital Pte Ltd	-	43,606,494	43,606	30,525	45,787
CT Infrastructure Holding Ltd	307,106,050	-	30,711	61,421	92,132
TL CTIH	1,583,672,570	-	158,367	316,735	475,102
	3,264,383,170	**43,606,494**	**370,045**	**683,402**	**1,025,102**

(4) On [x], 2025, the Group [partially] refinanced its project-level current borrowings, with a new facility of PHP xx million, or €x million at the exchange rate applicable at 28 February 2025. The new facility is secured over the share capital of CTI Asia, has variable interest and is repayable on [x] 2026.

(5) The As Adjusted column reflects the impact of the above transactions and the capitalisation and indebtedness of the Group as if these had occurred at [31 December 2024].

Indebtedness

In €'000s	**Actual At 31 December 2024** (1)	**Adjustment Issuance of Ordinary Shares B** (2)	**Adjustment Refinancing**(3)	**As adjusted At 31 December 2024**
A. Cash	630	-	-	630
B. Cash equivalents	-	-	-	-
C. Other current financial assets	144,409	-	-	144,409
D. **Liquidity** (A + B + C)	145,039	-	-	145,039
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	100,764	(45,787)	[x]	54,977
F. Current portion of non-current financial debt	-	-	-	-
G. **Current financial indebtedness** (E + F)	100,764	(45,787)	[x]	54,977
H. **Net current financial indebtedness** (G – D)	(44,275)	(45,787)		(90,062)
I. Non-current financial debt (excluding current portion and debt instruments)	164,305	-	[x]	164,305
J. Debt instrument	-	-	-	-
K. Non-current trade and other payables	-	-	-	-
L. **Non-current financial indebtedness** (I + J + K)	164,305	0	[x]	194,341
M. **Total financial indebtedness** (H + L)	120,030	(45,787)	[x]	74,243

(1) Extracted from the consolidated financial statements of the Company at and for the year ended 31 December 2024.
(2) The issuance of the Ordinary Shares B occurred in [March 2025] and resulted in a total share capital and share premium of €1.0 billion..
(3) On x. 2025, the current project-level debt was refinanced with a new facility of ″ of PHP xx million, or €x million at the exchange rate applicable at 28 February 2025. The new facility is secured over the share capital of CTI Asia, has variable interest and is repayable on [x] 2026.

On the date of this Prospectus, the Group does not have any indirect indebtedness or contingent indebtedness. There has been no material change in the Group's capitalisation and indebtedness since 31 December 2024, [other than as shown above].

SELECTED FINANCIAL INFORMATION[20]

This section contains selected financial information of the Group at and for the year ended 31 December 2024, 2023 and 2022 and SNB, NNB, SCB and CTI Asia at and for the years ended 31 December 2022 and 2023, which has been derived from the Financial Statements included in this Prospectus (together, the "**Selected Financial Information**").

The Selected Financial Information may not contain all of the information that is important to prospective investors and, accordingly, should be read in conjunction with (i) the information contained in "*Important Information – Presentation of Financial and Other Information*", "*Capitalisation and Indebtedness*", "*Operating and Financial Review*"; and (ii) the Financial Statements and the accompanying notes thereto and the independent auditor's report thereon included elsewhere in the Prospectus.

The Group

Condensed income statement – Group

	For the year ended 31 December		
€'000s	**2024 Successor**	**2023 Predecessor**	**2022 Predecessor**
Revenue	38,051	25,451	18,909
Cost of sales	(37,140)	(6,578)	(10,065)
Gross profit	**912**	18,873	**8,844**
General and administrative expenses	(4,430)	(28,189)	(22,141)
Other gains and losses	(650)	0	(90)
Other income	88	15	0
Operating loss	**(4,079)**	**(9,301)**	**(13,387)**
Finance costs –net	(15,212)	(2,323)	(2,574)
Loss before income tax expense	**(19,292)**	**(11,624)**	**(15,961)**
Income tax expense	(779)	(232)	(4,019)
Loss from continuing operations.	**(20,071)**	**(11,856)**	**(19,980)**
Loss from discontinued operations	(24)	(85)	-
Loss for the year	**(20,095)**	**(11,941)**	**(19,980)**

[20] Annex 1, items 18.1.1, 18.1.5 and 18.1.6.

Condensed statement of financial position – Group

€'000s	At 31 December 2024 Successor	At 1 January 2024 Successor	At 31 December 2023 Predecessor	At 31 December 202 Predecessor
Assets				
Property, plant and equipment	184,295	195,965	2,059	2,407
Right–of–use assets	19,663	20,615	9,913	10,586
Biological assets	1,182	1,444	-	-
Intangible assets.	164,544	165,496	2,153	2,050
Other non-current assets	81,960	82,621	82,621	81,619
Total non-current assets	**451,645**	**466,142**	**96,746**	**96,662**
Financial assets at fair value through profit or loss	50,148	43,074	2,724	2,564
Contract assets	42,385	42,044	42,044	24,804
Other current assets	20,797	20,900	14,046	13,095
Total current assets	**113,330**	**106,018**	**58,814**	**40,463**
Total assets	**564,975**	**572,160**	**155,560**	**137,125**
Borrowings	164,305	145,035	67,695	47,100
Other non-current liabilities	23,115	24,104	10,829	9,282
Total non-current liabilities	**187,420**	**169,139**	**78,524**	**56,382**
Borrowings	30,970	18,952	53,569	23,195
Outstanding payable for acquisition of TCS UK	45,787	45,787	-	-
Other current liabilities	24,007	29,813	23,314	45,505
Total current liabilities	**100,764**	**94,552**	**76,883**	**68,700**
Total liabilities.	**288,184**	**263,691**	**155,407**	**125,082**
Equity	276,791	308,469	153	12,043
Total liabilities and equity	184,295	195,965	2,059	2,407

Condensed statement of cash flows – Group

€'000s	For the year ended 31 December 2024	2023 Predecessor	2022 Predecessor
Net cash flows (used in)/generated by operating activities	(4,340)	3,641	4,676
Net cash flows used in investing activities	(4,956)	(1,910)	(1,294)
Net cash flows generated by/(used in) financing activities	9,600	(1,742)	(4,165)

Adjusted EBITDA by segment – Group

See "*Operating Financial Review*" for a description and reconciliation of Adjusted EBITDA.

€'000s	For the year ended 31 December 2024	2023 Predecessor	2022 Predecessor
Climate infrastructure	27,349	18,873	8,844
Climate finance	(11,215)	-	-
Corporate shared services	(14,644)	(13,025)	(8,506)
Total Adjusted EBITDA	**1,489**	**5,848**	**338**

SNB

The selected financial information of SNB set out below has been extracted without material adjustment from the audited financial information of SNB for the years ended 31 December 2023 and 2022.

Condensed income statement – SNB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Revenue from sale of electricity	31,443	99,781
Cost of sales of electricity	(539,910)	(532,557)
Other income	231	837
General and administrative expenses	(36,873)	(2,164,984)
Loss before interest and tax	**(545,109)**	**(2,596,923)**
Interest and other financial charges	(18,205)	(20,606)
Loss before tax	**(563,314)**	**(2,617,529)**
Tax	-	-
Loss for the year	**(563,314)**	**(2,617,529)**

Condensed statement of financial position – SNB

	At 31 December	
PHP'000s	**2023**	**2022**
Assets		
Total current assets	1,012,541	579,964
Property, plant and equipment	3,956,054	4,276,198
Right-of-use assets	172,109	238,140
Other non-current assets	35,748	29,326
Total assets	**5,176,452**	**5,123,628**
Liabilities		
Total non-current liabilities	2,979,916	6,764,731
Total current liabilities	766,291	163,702
Total liabilities	**3,746,207**	**6,928,433**
Total shareholders' equity	1,430,245	(1,804,805)
Total liabilities and equity	**5,176,452**	**5,123,628**

Condensed statement of cash flows – SNB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Net cash flows used in operating activities	(253,594)	(148,980)
Net cash flows used in investing activities	(385,813)	(490,612)
Net cash flows generated by financing activities	671,321	262,338

NNB

The selected financial information of NNB set out below has been extracted without material adjustment from the audited financial information of NNB for the years ended 31 December 2023 and 2022.

Condensed income statement – NNB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Revenue from sale of electricity	27,725	100,079
Cost of sales of electricity	(404,001)	(446,627)
Other income	24	1,441
General and administrative expenses	(105,257)	(745,377)
Loss before interest and tax	**(481,509)**	**(1,090,484)**
Interest and other financial charges	(13,594)	(29,395)
Loss before tax	**(495,103)**	**(1,119,879)**
Tax	-	-
Loss for the year	**(495,103)**	**(1,119,879)**

Condensed statement of financial position – NNB

	At 31 December	
PHP'000s	**2023**	**2022**
Assets		
Total current assets	214,498	321,237
Property, plant and equipment	3,608,320	3,832,547
Right-of-use assets	326,937	336,014
Other non-current assets	50,255	50,437
Total assets	**4,200,010**	**4,540,235**
Liabilities		
Total non-current liabilities	2,524,412	4,348,508
Total current liabilities	464,379	182,945
Total liabilities	**2,988,791**	**4,531,453**
Total shareholders' equity	1,211,219	8,782
Total liabilities and equity	**4,200,010**	**4,540,235**

Condensed statement of cash flows – NNB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Net cash flows used in operating activities..	(277,683)	(173,844)
Net cash flows generated by investing activities.	120,564	31,542
Net cash flows generated by(/used in) financing activities.	163,993	42,075

SCB

The selected financial information of SCB set out below has been extracted without material adjustment from the audited financial information of SCB for the years ended 31 December 2023 and 2022.

Condensed income statement – SCB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Revenue from sale of electricity	-	43,371
Cost of sales of electricity	-	(428,843)
Other income	1,067	2,751
General and administrative expenses	(1,250,832)	(1,154,109)
Loss before interest and tax	**(1,249,765)**	**(1,536,830)**
Interest and other financial charges	(8,050)	(28,311)
Loss before tax	**(1,257,815)**	**(1,565,141)**
Tax	-	-
Loss for the year	**(1,257,815)**	**(1,565,141)**

Condensed statement of financial position – SCB

	At 31 December	
PHP'000s	**2023**	**2022**
Assets		
Total current assets	206,423	202,436
Property, plant and equipment	4,331,726	5,369,419
Right-of-use assets	157,537	199,491
Other non-current assets	66,757	72,028
Total assets	**4,762,443**	**5,843,374**
Liabilities		
Total non-current liabilities	2,512,207	5,420,047
Total current liabilities	1,297,567	861,236
Total liabilities	**3,809,774**	**6,281,283**
Total shareholders' equity	952,669	(437,909)
Total liabilities and equity	**4,762,443**	**5,843,374**

Condensed statement of cash flows - SCB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Net cash flows generated by operating activities	(246,827)	(346,379)
Net cash flows used in operating activities	(11,623)	(17,319)
Net cash flows generated by financing activities	272,694	351,412

CTI Asia

The selected financial information of CTI Asia set out below has been extracted without material adjustment from the audited financial information of CTI Asia for the years ended 31 December 2023 and 2022.

Condensed income statement – CTI Asia

	For the year ended 31 December	
US$'000s	**2023**	**2022**
Movements on financial assets held at FVTPL	832	40,864
Total net financial income/(expense)	**832**	**40,864**
Unrealised foreign exchange losses on loans - related parties	(4,974)	6,991
Other operating income/(expenses) – net	(632)	(594)
Loss before interest and tax	**(4,774)**	**47,261**
Interest income	19,797	26,060
Interest and other financial charges	(23,505)	(21,096)
Loss before tax	**(8,482)**	**52,225**
Tax	**-**	**-**
Loss for the year	**(8,482)**	**52,225**

Condensed statement of financial position – CTI Asia

	At 31 December	
US$'000s	**2023**	**2022**
Assets		
Total current assets	43	173
Financial assets held at FVTPL	374,522	372,061
Total assets	**374,565**	**372,234**
Liabilities		
Loans – related parties	332,109	326,269
Accrued interest -related parties	55,648	43,744
Other current liabilities	741	850
Total liabilities	**388,498**	**370,863**
Total shareholders' equity	(13,934)	1,371
Total liabilities and equity	**374,565**	**371,234**

Condensed statement of cash flows – CTI Asia

	For the year ended 31 December	
US$'000s	**2023**	**2022**
Net cash flows used in operating activities	(738)	(558)
Net cash flows used in investing activities	(1,630)	(7,544)
Net cash flows generated by financing activities	2,240	3,373

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis is provided to supplement the Financial Statements, the related notes and the auditor's reports thereon included elsewhere in this Prospectus to help provide an understanding of the Group's financial condition, changes in financial condition and results of operations. This section should be read in conjunction with the rest of this Prospectus, including the selected historical financial information included in "*Selected Historical Financial Information*", and the Financial Statements included elsewhere in this Prospectus. Investors should also read "*Risk Factors*" for a discussion of certain factors that may affect the business, financial condition, results of operations and cash flows of the Group.

This section is organised as follows:

- *Company Overview.* This section provides a general description of the Group's business as well as an introduction to our future operating segments for the combined enlarged group expected from its first financial year-end, being 31 December 2024.
- *Key Factors Affecting the Group's Business and Results of Operations.* This section provides a general description of the key factors affecting the historical business and those of the Group from its first financial year end, being 31 December 2024.
- *Related Parties*- This section provides an overview of the related party relationships which the Group has and has had over this period covered by the Historical Financial Information.
- *Results of Operations*. This section provides a discussion of the results of operations on a historical basis for each of the financial years ended 31 December 2024, 2023 and 2022, including our key performance indicators.
- *Liquidity and Capital Resources.* This section provides an analysis of our cash flows for each of the financial years ended 31 December 2024, 2023 and 2022, including an overview of our debt facilities and our capital expenditures and research and development costs.
- *Indebtedness, Financial Commitments, Contractual Obligations and Contingencies.* This section provides a discussion of the Group's commitments at 31 December 2023.
- *Quantitative and Qualitative Disclosures about Market Risk.* This section discusses the Group's exposure to potential losses arising from adverse changes in foreign exchange, electricity prices, credit risk, interest rates and liquidity.
- *Critical Accounting Policies, Critical Accounting Estimates and Key Judgments.* This section discusses the accounting policies and estimates that the Company considers to be important to the Group's financial condition and results of operations and that require significant judgment and estimates on the part of management in their application. These have been drafted for the historical results as well as those expected for the Group from its first financial year-end, being 31 December 2024.

Company Overview

ThomasLloyd Climate Solutions is a clean energy and technology group, whose purpose is to work towards a net-zero world. The Company, whose origins date back to 2003, was formed to address the growing global need for complete, ready-to-use decarbonisation solutions, through a merger of the Biopower Platform, a major Asian biomass independent power producer and biofuels producer, and TCS UK, a pioneering North-American/European clean-tech advisor, sustainable energy infrastructure project developer and asset manager, and climate finance specialist.

The Group's comprehensive and fully integrated energy transition platform encompasses physical assets and services across a wide range of pivotal decarbonisation sectors, such as energy, water, waste management, transportation, agriculture and forestry, which all have strong strategic and operational synergies between one another and allow it to offer an end-to-end energy transition service from a single source.

The Group, which has operations across Europe, Asia and North America, owns, develops, finances, constructs, operates and manages customised emission reduction and active carbon removal projects, assets and businesses along the entire energy transition value chain using a holistic decarbonisation approach for a variety of customers from the private and public sectors with a focus on the high-growth APAC region.

Basis of Presentation

ThomasLloyd Climate Services B.V. (the "Company"), which later changed its name to ThomasLloyd Climate Services N.V., was incorporated on 26 January 2024 with the purpose of being the holding company of the Group following the Restructuring as described in the "**Restructuring**" section to this Prospectus.

On 13 November 2024, and effective from 26 January 2024, the Company acquired ThomasLloyd Climate Solutions Ltd and its subsidiaries (the "Climate Finance Business" or the "Predecessor") from the parent of the Company, being MNA Capital Pte Ltd (the "**TCS UK Acquisition**"). TCS UK is the Predecessor for the Group's business as it was acquired by the Company from an entity under common control of the ultimate beneficial owner of the Company and TCS UK, being Michael Sieg. Additionally, TCS UK's management will be the management of the enlarged Group going forward. The Predecessor's financial information has been derived from the audited consolidated financial statements as of and for the years ended31 December 2022 and 2023.

On 13 November 2024, effective 26 January 2024, the Company acquired the investments in ThomasLloyd CTI Asia Pte Ltd ("**CTI Asia**") which controls Biopower Platform. CTI Asia was acquired by the Company from an entity under common control of the ultimate beneficial owner of the Company and TCS UK, being Michael Sieg.

Together the Company, TCS UK and CTI Asia form the consolidation group and has been determined the "**Successor**."

The CTI Asia financial information has not been prepared on a consolidated basis in the Predecessor period as CTI Asia had been determined to be an investment entity, holding the investment in the Biopower Platform with the purpose of realising gains through the sale of such investments. The Predecessor's financial information has been prepared on an entity basis up to the date of the acquisition by the Company. IFRS requires that such changes to investment entity status is prospective, and consolidation may only occur from the date of change. Therefore, the following historical information for the years ended 31 December 2023 and 2022 and 2023 has been included.

For comparison purposes, the results of operations for the years ended 31 December 2024 are presented alongside the results of operations of the Predecessor for the year ended 31 December 2023 and 2022. However, it should be noted that the comparability of the Successor period to the Predecessor periods are impacted by the acquisition of the Biopower Platform, the fact that prior to the acquisition date, the Biopower Platform was not managed by the Successor Group and the fact that the Predecessor individual accounts for the Biopower Platform were presented in Philippine peso. The financial position, results of operations and cash flows of the individual Predecessor entities combined do not necessarily reflect what the financial position or results of operations would have been if the Group had been operated as a standalone entity during the periods covered by the audited consolidated financial statements and are not indicative of future results of operations and financial position.

This Operating and Financial Review addresses the following historical financial information for the following entities, groups as applicable and periods:

1) The Group

This section contains information extracted from the historical consolidated financial information for the Company at 31 December 2024, 2023 and 2022 and for the years ended 31 December 2024, 2023 and 2022, prepared in accordance with IFRS (the "**Group Financial Statements**").

The Group Financial Statements consolidate the results of TCS from incorporation, TCS UK, CTI Asia and the Biopower Platform from 1 January 2024.

2) The Biopower Platform

This section contains information extracted from the audited historical financial information for SNB at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS (the "**SNB Financial Statements**"); audited historical financial information for NNB at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS (the "**NNB Financial Statements NNB**") and the audited historical financial information for SCB at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS (the "**SCB Financial Statements**"). Together SNB, NNB and SCB are the "**Biopower Platform**". Each of SNB, NNB and SCB is stand-alone entity containing one renewable energy plant, with supporting sustainable fuel operations, plant management and corporate support services. For convenience, the results of the Biopower Platform have been combined and translated into Euros utilising the closing Euro to PHP exchange rate at 31 December 2024.

3) CTI Asia

This section contains information extracted from the audited historical financial information for CTI Asia at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS (the "**CTI Asia Financial Statements**"). CTI Asia is an investment holding company which has invested in the Biopower Platform. CTI Asia has raised finance from parties outside the TCS Group.

Non-IFRS Metrics

The key performance metrics the Group include "Adjusted EBITDA" which is not a metric specifically recognised or defined by IFRS. Adjusted EBITDA is defined as profit or loss for the period adjusted for interest income, interest expense, tax, depreciation, amortisation, impairments, foreign exchange gains and losses and other specific charges. Such specific charges will vary between periods and are not necessarily reflective of what specific charges will appear in the future. Where specific items are adjusted for these have been determined to be appropriate for adjustment by virtue of their size, nature or incidence. Additionally, in determining whether an event or transaction is specific, we consider quantitative as well as qualitative factors such as the frequency or predictability of occurrence. Although certain of this data has been extracted or derived from the Financial Statements contained in this Prospectus, this data, nor assumptions underlying this data, have not been audited or reviewed by the independent statutory auditors. The non-IFRS metrics as presented in this Prospectus are supplemental non-IFRS measures of the Group's financial position and performance. Investors are encouraged to evaluate these adjustments and reasons why the Group considers them appropriate for supplemental analysis. In evaluating Adjusted EBITDA, investors should be aware that in the future the Group may incur expenses that are the same as or similar to some of the adjustments in this presentation. The presentation of such metrics should not be construed as an inference that the individual entity or Group's future results will be unaffected by unusual or non-recurring items. Adjusted EBITDA is included in this Prospectus because the Group considers it to be important supplemental measures of IFRS performance and a basis upon which to assess performance. The Group uses Adjusted EBITDA for business planning purposes and in measuring its performance relative to that of its competitors. The Group believes that the presentation of Adjusted EBITDA enhances an investor's understanding of the financial performance and that it will provide investors with a useful tool for assessing the comparability between periods and the Group's ability to generate cash from operations sufficient to pay taxes, to service debt and to undertake capital expenditures. The Group also believes Adjusted EBITDA is useful to investors because it, and similar measures, are frequently used by securities analysts, investors, ratings agencies and other interested parties to evaluate other companies in our industry.

Adjusted EBITDA does not include any adjustments for growth projects not currently under contract or future acquisitions. The use of Adjusted EBITDA instead of IFRS net income (loss) has limitations as an analytical tool, and investors should not consider Adjusted EBITDA in isolation, or as a substitute for analysis of the results as reported under IFRS. The limitations include:

- Adjusted EBITDA does not reflect cash maintenance capital expenditures, construction capital expenditures and acquisition expenditures or future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect significant interest expense, or the cash requirements necessary to service interest or principal payments, on debt;
- Adjusted EBITDA does not reflect any cash income taxes;
- Assets are depreciated or amortised over estimated useful lives and often have to be replaced in the future,
- Adjusted EBITDA does not reflect any cash requirements for such replacements; and
- Adjusted EBITDA does not adjust for all non-cash income or expense items that are reflected in the statements of cash flows.

Due to these limitations, Adjusted EBITDA should not be considered a measure of discretionary cash available to invest in the growth of its business or a measure of cash that will be available to meet certain obligations. Investors should compensate for these limitations by relying primarily on the IFRS results and using Adjusted EBITDA supplementally.

A reconciliation of net profit/(loss) to Adjusted EBITDA for the years ended 31 December 2024, 2023 and 2022 is set out in this part within the analysis of the Group, consolidated and by operating segment.

Exchange rates

The Company presents Euro equivalent amounts where the underlying transaction has been recorded in PHP or USD respectively. Where these are presented for individual transactions, the underlying PHP or USD amount has been translated at the closing exchange rate at the end of the relevant year, utilising the central bank of Europe closing rate on 31 December. Where the results of the Biopower Platform have been presented on a combined basis, the PHP value has been translated for all periods at the closing rate at 31 December 2024, being 60.3100 PHP to 1 Euro.

Description of Key Income Statement Line Items

Set forth below is a brief description of the composition of the key line items of our historical statements of income:

Revenues from Climate Infrastructure – Represents revenue from sales of electricity on a consolidated basis. Revenue from sales of electricity represents the income recognised from the delivery of electricity to third parties, less any discounts, credit notes and taxes levied on sales.

Revenues from Climate Finance – Represents revenue from management fees, performance fees and other development, advisory or service related revenues as well as placement fees, structuring or advisory fees related to the structuring, raising of capital or arrangement of funds and financing.

Cost of sales – Climate Infrastructure – Cost of sales of electricity includes the costs directly attributable to the normal operating activities of the business, including raw material and energy costs, personnel costs for those involved in production, depreciation and the maintenance of the biomass plants and sustainable fuel assets and utility and other input costs. It also includes the salaries and wages, social security and pension costs in respect of personnel delivering direct operational input. In the years ended 31 December 2024, 2023 and 2022, the costs of operation of personnel and operations assigned to sustainable fuel activities has also been included in this operating segment as the fuel is being utilised in the Biopower Platform operations.

Cost of Sales – Climate Finance – Represents the commission expenses of external distributors or financial intermediaries as well as personnel costs relating to the delivery of climate finance revenue.

General and administrative expenses – General and administrative expenses include depreciation of non-producing assets, amortisation, personnel costs of those personnel involved in corporate functions, such as finance, human resources and IT. It should be noted that where the individual companies within the Biopower Platform have not been operational and no revenue has been recognised in the relevant year, all costs are disclosed as general and administrative.

Other gains and losses – Other gains and losses relate to unrealised or realised gains and losses from the holding of financial instruments held for trading.

Other income net – Other expenses or income includes unusual infrequent or non-recurring items, such as the sale of assets.

Finance income or expenses – Interest income mainly relates to interest earned on loans and deposits and lease payments received in relation to finance leases. Interest and similar expenses relate to interest and amortised set up fees charged on loans, factoring and other borrowings.

Tax – Income tax represents the aggregate amount included in the determination of profit or loss for the year in respect of current tax and deferred tax. Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit/(loss) for a year. Deferred tax represents the amounts of income taxes payable/(recoverable) in future periods in respect of taxable (deductible) temporary differences and unused tax losses.

Current Trading and Recent Developments[21]

Additionally, the Company has continued to progress on a number of acquisitions or development activities. Significant developments are as follows:

OneWater investment

On 28 October 2024 the Company has entered into an agreement to acquire 11.7% of the issued share capital of OneWater Group Ltd., a private holding company incorporated in Hong Kong ("**OneWater**"), for a total consideration of US$20.0 million, equivalent to €17.8 million at the 31 December 2024 closing exchange rate (the "**OneWater Acquisition**"). OneWater is engaged in the global development, manufacture, sale and maintenance of Algaewheel®, a proprietary patented technology for the decentralised wastewater treatment market. The OneWater technology delivers reuse quality water, while using up to 90% less energy and abating methane emissions associated with conventional waste-water treatment systems. With more than 40 projects delivered or under current development, OneWater's operations span four continents, with commercial operations in the U.S., Mexico, UK, Spain, Egypt, Malasia, Singapore, Hong Kong and China. The Company intends to establish a clean water platform that will develop, fund, own, and operate water and wastewater treatment projects globally. This transaction will grant the Company a first right to develop, own and finance any wastewater treatment project utilising Algaewheel® equipment in agreed markets, where it is feasible, practicable and commercially attractive to do so.

The OneWater Acquisition is subject to a number of customary closing conditions. The consideration for the OneWater Acquisition is to be settled in cash and in tranches, with US$2.2 million expected to be paid prior to 31 December 2024 and US$ 17.8 million during 2025. The acquisition does not commit the Company to other funding or financing of OneWater once the purchase price has been settled, although the Company has a right of first refusal to acquire any shares that become available for sale from existing shareholders to increase the Company's stake.

O&M Services for the Biopower Platform

The Biopower Platform has a operating and maintenance service contract with Afry Philippines to provide technical and management oversight and support to all three biopower plants. The contract had a maturity of two years, completing on 31 December 2025 and had an annual cost of equivalent to €2.5 million. On 30 April 2025, the Group mutually terminated the contract with Afry and have directly employed the team servicing this contract with an annualised saving of €1.0 million.

[21] Annex 1, items 7.1.1, 7.1.2(b), 7.2.1, 10.1(a) and 10.2 and 18.7.1.

Acquisition of an Indian development and maintenance team

On 1 April 2025, the Group has acquired a team of 17 people specialising in the development, construction and operation of solar, wind and hydro assets in India and neighbouring countries. The acquisition has been effected by directly employing the team in the Group's Indian subsidiary. This strategic expansion is to build up the resources to extend the asset portfolio and development activities into India. The annual cost of the new team is estimated at €0.5 million.

Issuance of new shares and recapitalisation of the Company

On [x] 2025, the Articles of incorporation of the Company were updated to incorporate the following changes or amendments:

- The Ordinary Shares were renamed Ordinary Shares A and were redenominated from a par value of €1 to €0.10
- Ordinary Shares B were

The Group's Operating segments[22]

The Group operates a multi-boutique business model. It covers both physical assets and services across the entire value chain of energy transition, is vertically integrated and organised across three complimentary business segments, supported by the Group's corporate shared services, providing it with the resources required in their respective markets.

The Group is organised through the following three operating segments:

- Climate Infrastructure;
- Climate Finance; and
- Sustainable Fuels

The Group's Climate Infrastructure business segment develops, finances, constructs and operates climate infrastructure projects in the areas of renewable energy power generation and storage, smart energy infrastructure and energy efficiency, both for the Group itself as well as for third parties.

In the Climate Finance business segment, the Group structures and manages impact investment solutions with an emphasis on financing and investing in climate change mitigation, adaptation and carbon-offsetting projects for private and wholesale investors, financial intermediaries as well as institutional investors. businesses through its proprietary, fully digital co-investment-platform ImpactPlus.

The Sustainable Fuels business segment develops, finances, constructs and operates sustainable fuel assets and businesses in the area of agricultural residues, sustainable plantations and forestry, production facilities and logistics, both for the group as well as for third parties. The Group currently has no revenue generated from external sources from its Sustainable Fuels business segment. Instead all product from the plantations has been utilised to service the Biopower Platform and therefore all costs relating to Sustainable Fuels has been aggregated with the Climate Infrastructure business segment.

Additionally, the Group has certain corporate costs which are not assigned to the underlying operating segments which are assigned to a corporate segment.

[22] Annex 1, item 5.2(a).

	Climate Infrastructure Philippines	**Climate Finance US**	**Climate Finance Europe**	**Total**
Management fees	–	2,323	29,827	32,150
Sale of renewable energy – wholesale market	739	–	–	739
Sale of renewable energy – power supply agreements	2,933	–	–	2,933
Product structuring and placement fees	–	–	624	624
Administration services fees	–	–	1,605	1,605
Total revenue from external customers	**3,672**	**2,323**	**32,056**	**38,051**

	Climate Finance US	**Climate Finance Europe**	**Total**
Management fees	22,032	–	22,032
Product structuring fees	–	1,437	1,437
Administration service fees	–	1,982	1,982
Total revenue from external customers	22,032	3,419	25,451

	Climate Finance US	**Climate Finance Europe**	**Total**
Management fees	10,692	–	10,692
Product structuring fees	–	6,082	6,082
Administration service fees	–	2,134	2,134
Total revenue from external customers	**10,692**	**8,216**	**18,909**

Segment Analysis

Climate Finance

€'000s	**2024 Successor**	**2023 Predecessor**	**2022 Predecessor**
Segment – continuing operations			
Management fees	32,151	22,032	6,082
Product structuring and placement fees	624	1,437	10,693
Administration services fees	1,605	1,982	2,134
Revenue	**34,379**	**25,451**	**18,909**
Cost of sales - personnel and contractors	(2,095)	(3,112)	(3,686)
Cost of sales - commissions	(3,215)	(1,124)	(5,065)
Cost of sales - depreciation	0		
Cost of sales - other	(1,720)	(2,342)	(1,314)
Segment profit	**27,349**	**18,873**	**8,844**

<u>*Climate Infrastructure*</u>

€'000s	**2024 Successor**	**2023 Biopower Platform**	**2022 Biopower Platform**
Segment – continuing operations			
Electricity sales	3,672	981	4,033
Revenue	**3,672**	**981**	**4,033**
Cost of sales - personnel and contractors	(6,048)	(2,635)	(3,490)
Cost of sales - depreciation	(15,222)	(9,330)	(6,146)
Cost of sales - other	(8,840)	(3,686)	(13,710)
Segment loss	**(26,437)**	**(14,670)**	**(19,313)**
Adjusted depreciation	15,222	9,330	6,146
Segment EBITDA	**(11,215)**	**(5,340)**	**(13,167)**

Key Factors Affecting the Group's Business and Results of Operations[23]

The following factors have contributed significantly to the development of the Group's business and results of operations during the periods under review and are reasonably likely to have a material effect on our business and results of operations in the future. Unless indicated these key factors impact both the historical results of operations and are expected to impact the Group going forward.

The demand for investment in new climate infrastructure projects, including new renewable energy supply projects – The Group earns placement and structuring fees from raising capital for new investment into renewable energy. If demand for investment into this sector increases or decreases, the Group's revenue growth, access to capital and cashflows will be impacted.

Electricity generated – The Biopower Platform, which comprises three biomass plants of 70 MW capacity in aggregate, can generate up to 538,000 MWh capacity, assuming no planned outages outside the scheduled maintenance period of 48 days per annum per plant, excess generation utilised to supply own usage and limited grid loss. Unplanned outages, grid curtailment and fuel quality may impact the amount generated, leading to decreased revenues earned.

Price of electricity – The Group will sell electricity under fixed and variable price contracts, as well at merchant price. Revenue from electricity sales is recognised in the periods over which the services are rendered. For fixed price contracts, revenue is recognised based on the actual electricity, on a units delivered basis, with relevant invoices issued on a monthly basis. For variable price contracts, the electricity sales are either measured at the floor price, being the lowest price stated in the contract if the wholesale electricity spot market ("**WESM**") price is lower, the WESM price or the capped price if the WESM price is higher. The WESM price may vary significantly throughout a daily period due to supply and demand as well as grid availability and is subject to seasonality.

Cost of sales prices – The cost of sustainable fuel is impacted by a number of factors, being the availability of sugar cane trash and sustainable fuel pellets, the cost of diesel and availability and cost of maintaining the Group's agricultural fleet. Also included in cost of sales is the personnel costs of the plant operating team and the sustainable fuel planners, collection team and managers. Such personnel costs are subject to inflationary rises due to cost of living and local regulations.

Seasonality – Customer demand for electricity is cyclical due to a variety of factors, including holiday seasons, weather conditions, economic and other factors beyond our control. The price achieved for electricity sales may impacted by the timing of the holiday seasons in particular, with December and January typically being the lowest months for demand and September and October being the strongest months. In response to this seasonality, we seek to scale back and may even temporarily close some operations for essential maintenance to reduce our operating costs during these periods. Our Climate Finance business is also impacted by seasonal slowdowns and upturns. Historically, financing and capital raising is strongest in the spring and post-summer seasons.

Commodity prices – The Group's performance is significantly affected by commodity prices, such as the cost of diesel and other input costs. Commodity prices have been impacted by regional and macroeconomic factors beyond the Group's control and such prices have been significantly volatile during the period under review.

Currency – The Group will be a global company, combining operations, activities and pipeline located in Switzerland, Philippines, India, Vietnam, the United States, Germany, the Netherlands and Singapore. As a result, our revenue and earnings have exposure to several currencies, primarily

[23] Annex 1, items 7.2.1. and 10.2.

the Philippine Peso, the Indian Rupee, the U.S. dollar, the British Pound, the Euro and the Swiss Franc. The historical results of the stand-alone entities as well as the Group's future combined revenue and results of operations will be affected by fluctuations in the exchange rates of the currencies of the countries in which it operates.

Personnel costs **–** Our operations, specifically in the Biopower Platform, are labour intensive and, as a result, our personnel costs represent 21% and 20% of our total expenses and total non-recurring expenses in each case for the year ended 31 December 2023, respectively. Personnel costs generally increase and decrease proportionately with the expansion, addition or closing of operating facilities. Personnel costs include the salaries, wages and benefits of our employees, as well as costs related to temporary labour. During our seasonal peaks and especially during summer months, we have historically increased our temporary workforce to compensate for the increased volume of activity in relation to the sustainable fuel collection harvesting. In addition to this, we also are impacted by rising inflation, living wage increases and our commitment to paying fair and equal remuneration.

Liquidation of investments held indirectly in a UK listed investment trust – In December 2021, a subsidiary of the Company, ThomasLloyd Climate Solutions LLC (previously known as ThomasLloyd Global Asset Management (Americas) LLC), ("TCS US"), launched and completed the offering for and listing of the shares of AEIT on the premium segment of the main market of the London Stock Exchange. The investment strategy of AEIT was to deliver dividend yield and capital appreciation from a diversified investment portfolio of unlisted sustainable energy infrastructure assets, with a geographic focus on fast-growing Asian countries.

On listing, AEIT was seeded with an operating portfolio of solar assets by certain funds managed by the Group, being TL SICAV, TL CTIF SICAV, TL CTIH. The operating portfolio therefore comprised of a 40% economic interest in three solar plants in the Philippines, NISPI, and a 43% economic interest in six operational solar plants and one construction-ready plant in India, SolarArise. The acquisition of NISPI was completed on settlement of the cash consideration in December 2021. The acquisition of SolarArise was completed in August 2022 with the consideration being ordinary shares in AEIT issued to the sellers, TL SICAV, TL CTIF SICAV and TL CTIH. At 31 December 2023 and the date of this Prospectus, the parties named hold an aggregate shareholding of 14.8% in AEIT. Therefore, the Company holds a 6.9% indirect investment in AEIT by virtue of its investment in TL SICAV, whereby it holds an interest of 56.4%, and TL CTIF SICAV, whereby it holds an interest of 7.2%. On listing, TCS US was appointed as investment manager for at least 5 years, with no right of termination or resignation by TCS US prior to 14 December 2026. The revenues earned by TCS US were €1.1 million and €0.9 million in the years ended 31 December 2022 and 2023 respectively. At 31 December 2024 uncollected revenue has been provided for in full.

In April 2023, prior to completion of the financial statements relating to financial year 2022, the AEIT Board made the decision to delay publishing the financial statements relating to financial year 2022 due to material uncertainties in the valuation of their investment portfolio, specifically being RUMS. This delay to publishing led to the suspension of the shares in AEIT from trading.

RUMS, a 200MW solar plant located in the state of Madhya Pradesh, which had a 25-year power purchase agreement in place and financing arranged but not drawn. In April 2023, construction of RUMS had been delayed due to the solar park operator encountering challenges with infrastructure build out. The price of solar panels had increased since the power purchase agreement had been agreed, primarily due to global macro-economic and supply challenges, and while the investment manager expected these to decline during the period up to the ordering date (being around August 2023), the AEIT Board wat the opinion this was materially uncertain. At this point, the AEIT Board stopped any further investment by AEIT, including the decision to proceed with RUMS, while they undertook further investigation and deliberations.

During the summer months of 2023, despite significant efforts by TCS US to reverse the AEIT Board's position on construction, and against a backdrop of falling solar panels to levels lower than previously expected, the AEIT the financial statements relating to financial year 2022 remained unpublished.

For this reason, a related party of the Company, TL SICAV, acting in its capacity as a shareholder, requested that a continuation vote be held to demonstrate that the shareholders of AEIT were still behind the investment thesis and strategic direction of AEIT. The AEIT Board advised voting against this continuation vote. In August 2023, the shareholders voted against continuation of the company with a marginal majority. As per the terms of the investment manager contract, on loss of the continuation vote, and from 1 November 2023, the ThomasLloyd investment manager mandate was contractually terminated. At the date of termination of the investment management agreement, the right to use the name of ThomasLloyd was revoked and the name of the company was changed to Asian Energy Impact Trust plc. See "*Risk Factors – The Group may not be able to exercise control over the operations of its associates and joint ventures and the failure of one or more of its strategic partnerships may negatively impact its business, financial condition, results of operations and prospects*."

In August 2023, the AEIT Board publicly stated that it had received information from a whistleblower that information had been withheld by the investment manager in respect to the RUMS Project and that the AEIT Board had been deliberately misled. ThomasLloyd refutes these claims in entirety.

In June 2024, the AEIT Board has put AEIT into a voluntary members liquidation with the intention to realise value through the sale of the AEIT investment portfolio. On 29 July 2024 the liquidator has paid the first dividend of US$ 0.115 per share held in AEIT, which resulted in a cash receipt of US$3.0 million to related parties of the Company.

The Company holds its 6.8% indirect interest in AEIT primarily through its investment in TL SICAV, which is valued at €74.1 million at 31 December 2023. During the year ended 31 December 2023, the investment in TL SICAV was impaired by €14.4 million. Of this €74.1 million, €3.8 million relates to the investment in AEIT.

Effects of specific items – During the year ended 31 December 2024 and the years ended 31 December 2023 and 2022 the Group has been impacted by certain significant specific items in connection with various strategic and operational improvement initiatives, include a debt to equity restructuring, relocation of the operational management team and the restructuring and refocusing as a global end-to-end climate change solutions provider rather than sole asset manager and finance adviser. These are further disclosed in the reconciliation of net profit/(loss) to Adjusted EBITDA for the year ended 31 December 2024, 2023 and 2022 for the Group as set out in this part within the analysis of each relevant company.

Results of Operations

Group – Results of Operations

The following tables sets out the financial performance and certain operating results on the basis of the Company's consolidated financial information for the periods indicated.

	For the year ended 31 December		
€'000s	**2024 Successor**	**2023 Predecessor**	**2022 Predecessor**
Revenue	38,051	25,451	18,909
Cost of sales	(37,140)	(6,578)	(10,065)
Gross profit	912	18,873	8,844
General and administrative expenses	(4,430)	(28,189)	(22,141)
Other gains and losses	(650)	-	(90)
Other income	88	15	-
Operating loss	**(4,079)**	**(9,301)**	**(13,387)**
Finance costs –net	(15,212)	(2,323)	(2,574)
Loss before income tax expense	**(19,292)**	**(11,624)**	**(15,961)**
Income tax expense	(779)	(232)	(4,019)
Loss from continuing operations	**(20,071)**	**(11,856)**	**(19,980)**
Loss from discontinued operations	(24)	(85)	-
Loss for the year	**(20,095)**	**(11,941)**	**(19,980)**
Adjusted EBITDA reconciliation			
Loss for the year	**(20,095)**	**(11,941)**	**(19,980)**
Finance expenses - net	15,212	2,323	2,574
Tax expenses	779	232	4,019
Depreciation, amortisation and impairments	19,924	3,032	2,535
Foreign exchange gains	(18,653)	(186)	(1,509)
Other gains and losses and other income	561	(15)	90
Fees waived [(1)]	-	-	8,910
Specific legal and transaction costs[(2)]	4,029	9,370	3,450
Specific personnel costs[(3)]	600	3,503	434
Rental cash costs[(4)]	(893)	(555)	(185)
Discontinued operations	24	85	-
Adjusted EBITDA	**1,489**	**5,848**	**338**

(1) **"Adjusted EBITDA"** is defined as combined profit from continuing operations before income taxes, net finance costs, depreciation and amortisation, impairments and specific items which have been identified and adjusted by virtue of their size, nature or incidence and after cash rental payments. In determining whether an event or transaction is specific, the Group considers quantitative as well as qualitative factors such as the frequency or predictability of occurrence. Adjusted EBITDA is not a measurement of financial performance under UK -IFRS.

(2) Represents management fees waived in the year ended 31 December 2022.

(3) Represents expenses in relation to settlement and redundancy payments, exit penalties and other related expenses of implementing the restructuring of the business to hold, own and operate the investment portfolio, in addition to listing expenses.

(4) Represents other specific costs such as specific settlement expenses, recruitment fees and marketing projects.

Comparison of Results of Operations for the year ended 31 December 2024 and 2023 – Group

The following discussion sets out our financial performance and certain operating results on the basis of the Group's consolidated financial information for the year ended 31 December 2024 and 2023.

Revenue – Group

€'000s	For the year ended 31 December 2024 Successor	2023 Predecessor
Revenue		
Management fees	32,150	22,032
Sale of renewable energy – wholesale market	739	-
Sale of renewable energy – power supply agreements	2,933	-
Product structuring and placement fees	624	1,437
Administration services fees	1,605	1,982
Total revenue from external customers	**38,051**	**25,451**

Revenue from management fees increased by €10.1 million in the year ended 31 December 2024 from €22.0 million due to €3.7 million of management fees generated under the management mandate attributable to the digital wealth management platform mandate and a €6.2 million increase in relation to management fees generated under the TL CTIH mandate.

Revenue from sales of renewable energy is derived from the operations of the Biopower Platform. Revenue increased to €3.7 million in the year ended 31 December 2024 due to the Predecessor period not consolidating the results of operations of the plants. The electricity generated by the Biopower Platform was 39,109 MWh, with 32,716 MWh transmitted for sale to the grid. Of the 32,716 MWh sold, this generated €0.7 million at the wholesale electricity market price, being an effective rate of PHP9,257 per MWh and €2.9 million under the power supply contracts with an effective rate of PHP 6,475 per MWh. Revenue was sold under the PSA's from March 2024 onwards.

The generation sold in the nine-month period ended 31 December 204 represented 7% of the potential 583,000 MWh per annum generation. The Biopower Plants each undertook a planned program of readiness for operations at the beginning of 2024, with testing of alternative fuels and updates to operational processes. SCB was also impacted by a fire in the first three-months of 2024 resulting in the plant coming off line for a period of 8 weeks.

€'000s unless otherwise stated	For the year ended 31 December 2024 Successor	2023 Predecessor
Revenue		
Electricity generated – MWh	32,716	-
Revenue from sales of electricity – €'000s	**3,672**	**-**

Revenue from Climate Finance product structuring and placement fees decreased by €0.8 million, or 56.6%, to €0.6 million in the year ended 31 December 2024 from €1.4 million due to a decrease in capital raising activity in 2024 ahead of the Restructuring and listing.

Revenue from administration service fees decreased by €0.4 million, or 19.0%, to €1.6 million in the year ended 31 December 2024 from €2.0 million due to a decrease in mandates relating to the Restructuring. Following the Restructuring, revenue relating to administration service fees is expected to remain at the €1.6 million level.

Cost of sales – Group

€'000s	For the year ended 31 December 2024 Successor	2023 Predecessor
Cost of sales		
Salaries and remuneration	6,829	3,112
Sales commissions	3,215	1,124
O&M services	2,558	-
Depreciation	15,222	-
Parts, rentals and repairs	2,035	-
Cost of fuel	716	-
Cost of raw materials and consumables	2,596	-
Cost of revenues	141	-
Cost of management fees	1,720	2,342
Cost of contractors and other expenses	2,108	-
Total cost of sales	**37,140**	**6,578**

Total cost of sales increased by €30.6 million to €37.1 million in the year ended 31 December 2024 from €6.6 million due the CTI Asia Acquisition and resultant consolidation of the Biopower Platform. Excluding the impact of the CTI Asia Acquisition, total cost of sales would have increased by €0.5 million as explained further in the segmental analysis below.

Salaries and remuneration relate to the payroll costs of the plant and fuel team in the Philippines and the climate finance dedicated team in Europe and Singapore. Salaries and remuneration increased by €3.7 million, reflecting a €4.7 million increase attributable to the CTI Asia Acquisition, offset by a €1.0 million decrease in the Climate Finance segment due to the reduction in investment management personnel in Europe following the strategic decision to manage and operate the portfolio from Asia. The average cost per employee decreased by 19% in the Climate Finance segment in the year ended 31 December 2024 reflecting change of skillset and reduction in headcount to support plant operations and the impacts of foreign currency translation.

Sales commissions increased by €2.1 million, to €3.2 million in the year ended 31 December 2024 from €1.1 million in the year ended 31 December 2023 as a result of a higher premium charged on distribution of the relevant products in the year. The commission premium is determined on a campaign-by-campaign basis. Capital raised from issuance of new products in the year was €15.3 million and commissions were payable on both capital raised and on capital remaining invested.

O&M service expenses were €2.6 million which reflected the service fee payable to the external O&M contractor under the service contract which is in place for the period 1 January 2024 to 31 December 2025. Under this contract, the plants are provided with three site managers and supporting managers, who are then supported by the plant workforce employed by the Biopower Platform. As disclosed in the "Current Trading" section, the O&M contract has been terminated as of 31 March 2025, with a month's notice with no termination fee.

Depreciation expense of €15.2 million represents the depreciation on the plants and sustainable fuel equipment and machinery. Depreciation is charged monthly in a straight-line basis and has reduced marginally due to the write-down in the plant value in SCB in December 2023.

Parts, rentals and repairs expense of €2.0 million reflects the acquisition of spare parts and general repairs during the maintenance outage processes of each plant during the summer months of 2024. Inventories of spare parts at 31 December 2024 is €1.9 million.

Cost of fuels includes the use of sugar cane trash and woodchips in the electricity generation process. Such expenses are variable in nature with woodchips reflecting a cost component for the first time following the successful testing of these for use in the boilers as fuel in 2024. The cost of woodchips is marginally higher per MWh of electricity generated than cane trash.

Cost of raw materials and consumables is variable relating to the electricity generated. Costs were relatively high at €72 per MWh produced due to the number of non-consecutive runs. With longer operating periods, this is expected to reduce.

Cost of revenues relates to IEMOP services and grid charges related to the amount of electricity transmitted. Costs are €3.9 per MWh transmitted.

Cost of contractors and other expenses relate to support and specialist costs to support the Biopower operations. Such costs are expected to be variable and generally non-recurring specific costs.

General and administrative expenses– Group

	For the year ended 31 December	
€'000s	**2024**	**2023**
	Successor	**Predecessor**
General and administrative expenses		
Salaries and remuneration	11,261	16,067
Depreciation	1,839	1,930
Amortisation	1,158	1,101
Receivables impairment	1,705	776
Legal and professional fees	3,497	5,228
IT expenses	1,302	935
Rent expense	547	239
Other office costs	885	1,587
Other personnel costs	889	511
Foreign exchange gains	(18,653)	(186)
Total general and administrative expenses	**4,430**	**28,189**

General and administrative expenses decreased by €23.8 million or 84.2% to €4.4 million in the year ended 31 December 2024 from €28.2 million in the year ended 31 December 2023 due to €18.6 million of foreign exchange gains resulting from inter-group US Dollar denominated loans. Excluding the impact of foreign exchange gains, general and administrative expenses decreased by €5.3 million, or 18.7%, to €23.1 million in the year ended 31 December 2024, from €28.4 million due to the reduction in salaries and remuneration following the reduction in headcount in the European operations, and the reduction in legal and professional fees of €1.7 million, offset by costs of the CTI Asia due to the consolidation of the Biopower Platform.

Salaries and remuneration have decreased by €4.8 million, or 29.9% to €11.3 million in the year ended 31 December 2024 from €16.1 million in the year ended 31 December 2023 due to a decrease in corporate headcount in Europe. This followed a rationalization program following the change in the Group's strategic focus. Although the headcount increased due to the consolidation of the Biopower Platform, the impact of this did offset the overall reduction in Europe.

Depreciation has decreased marginally to €1.8 million in the year ended 31 December 2024 from €1.9 million in the year ended 31 December 2023 due to a reduction in right of use assets due to a change in the term of a corporate lease to less than 12 months, offset by the CTI Asia Acquisition impact.

Amortization has marginally increased to €1.2 million in the year ended 31 December 2024, from €1.1 million in the year ended 31 December 2023, due to assets under construction on the wealth management platform being launched and operational during 2024.

Impairment of receivables under IFRS is assessed each balance sheet date, with an impairment of receivables of €1.7 million recorded in the year ended 31 December 2024. The Group will continue to seek to receive these in future periods.

Legal and professional fees decreased by €1.7 million or 33.1%, to €3.5 million in the year ended 31 December 2024 from €5.2 million in the year ended 31 December 2023. 2024 expenses included €2.5 million in relation to legal fees relating to the Restructuring and listing process and €0.5 million in relation to the Biopower Platform. In 2023 expenses related to diligence, acquisitions and the other non-recurring professional advice.

IT expenses increased to €1.3 million in the year ended 31 December 2024 from €0.9 million in the year ended 31 December 2023 due to the ongoing strengthening of corporate security measures following the Group's security breach attempts in 2023 and 2024.

Rent expense increased to €0.5 million in the year ended 31 December 2024 from €0.2 million in the year ended 31 December 2023 due to an office lease maturing which was previously classified as a right to use asset and being replaced with a lease of less than 12 months in maturity.

Office expenses decreased by €0.7 million, or 44.2% , to €0.9 million in the year ended 31 December 2024 from €1.6 million in the year ended 31 December 2023 due to lower corporate costs in Europe following a cost reduction initiative implemented in late 2023. During the year ended 31 December 2024, a program of cost reduction was implemented to reduce Philippine expenses which is expected to be realized in 2025.

Other personnel expenses increased to €0.9 million in the year ended 31 December 2024 from €0.5 million in the year ended 31 December 2023 due to €0.4 million of recruitment fees relating to new corporate positions.

Foreign exchange gains of €18.7 million in the year ended 31 December 2024 predominantly due to US dollar weakening in the fourth quarter of 2024 and the impact on US dollar denominated loans translated into Euros.

Other gains and losses– Group

	For the year ended 31 December	
€'000s	**2024 Successor**	**2023 Predecessor**
Other gains and losses		
Fair value losses on debt instruments held	(529)	-
Fair value losses on investment in associates	(121)	-
Total other losses.	**(650)**	-

Other gains and losses relate to write downs of bonds held in related parties of €450,000 and losses on the investment in Eskaya Inc, in which the Group held a 40% interest during the year ended 31 December 2024. Eskaya Inc held an option to enter into a lease of land which expired during the period and this option was valued at nil at 31 January 2024. The investment in Eskay was sold to a related party, ThomasLloyd Holdings Ltd in September 2024

Gains on fund shares relate to investments in TL SICAV EICF which holds an investment in AEIT. At 31 December 2023, the investment was written down following the suspension from trading. The investment was revalued to include the subsequent announcement of an initial return of capital to investors which was paid in July 2024.

Other income – Group

Other income consists of €88,000 of gain on disposal of assets in the year ended 31 December 2024 which had been fully depreciated at the date of sale.

Interest income– Group

Interest income relates to income of deposits and cash held at bank.

Interest expense– Group

	For the year ended 31 December	
€'000s	**2024 Successor**	**2023 Predecessor**
Interest expense		
Finance expense from lease liabilities	(1,665)	(206)
Interest expense on Climate Infrastructure borrowings	(13,246)	0
Interest expense on Climate Finance borrowings	(908)	(2,940)
Total interest expense	(15,820)	(3,146)

Interest expense increased by €12.7 million to €15.1 million in the year ended 31 December 2024 from €3.1 million primarily due to interest accruing on amounts payable under borrowings from TL SICAV EICF, acquire as part of the CTI Asia acquisition, which amounts to €11.2 million, and interest on external borrowings to LandBank and Security Bank of €2.0 million. In addition, finance expense from lease liabilities increased €1.4 million due to the increase in lease liabilities acquired through the CTI Aisa Acquisition of €12.7 million.

Tax – Group

Tax expense in the year ended 31 December 2024 related to a release of deferred tax liabilities in Germany and ongoing state taxes in Europe.

Loss for the period – Group

Loss for the year ended 31 December 2024 was €20.1 million in comparison to the loss for the year ended 31 December 2023 of €11.9 million.

Comparison of Results of Operations for the year ended 31 December 2023 and 2022 – Group

The following discussion sets out our financial performance and certain operating results on the basis of the Group's consolidated financial information for the year ended 31 December 2023 and 2022.

Revenues

€'000s	For the year ended 31 December 2023 Predecessor	2022 Predecessor
Revenue		
Management fees	22,032	10,692
Product structuring and placement fees	1,437	6,083
Administration services fees	1,982	2,134
Total revenue from external customers	**25,451**	**18,909**

The Predecessor's revenue is generated from primarily management, which are recurring in nature, as well as product structuring and placement fees and administration services fees. All fees are generated by the climate finance activities. In the year ended 31 December 2023, total revenue increased by €6.5 million, or 32.9%, to €25.5 million in the year ended 31 December 2023, from €18.9 million in the year ended 31 December 2022. This increase was directly related to increased management fees offset by lower structuring and placement fees in the year ended 31 December 2023.

In the year ended 31 December 2023, revenue generated by management fees was €22.0 million, which was generated from four mandates. In 2022, the same four mandates generated €10.7 million. The increase of €11.4 million was due to increases in capital managed and foreign exchange gains offset by a decrease in the management fee of AEIT, which terminated as of 1 November 2024. The €0.9 million management fee income in respect of the AEIT mandate has been fully provided for at 31 December 2023 in general and administrative expenses.

Revenue from product and structuring fees decreased by €4.6 million, or 76.4%, to €1.4 million in the year ended 31 December 2023, from €6.1 million due to higher amounts of capital in the year ended 31 December 2022, primarily impacted by the launch of new products in 2022 and the Group restructuring and refocus undertaken in the second half of 2023.

Cost of sales – Group

€'000s	For the year ended 31 December 2023 Predecessor	2022 Predecessor
Cost of sales		
Salaries and remuneration	3,112	3,686
Sales commissions	1,124	5,065
Cost of management fees	2,342	1,314
Total cost of sales	**6,578**	**10,065**

In the year ended 31 December 2023, cost of sales decreased by €3.5 million, or 34.6%, to €6.6 million in the year ended 31 December 2023, from €10.1 million in the year ended 31 December 2022, directly related to lower amounts of capital raised or placed.

Salaries and remuneration decreased by €0.5 million, or 15.6%, to €3.1 million in the year ended 31 December 2023, from €3.7 million in the year ended 31 December 2022, directly related to the last quarter benefit of a programme of reduction to headcount in Europe.

Sales commissions decreased by €3.9 million, or 15.6%, to €1.1 million in the year ended 31 December 2023, from €5.1 million in the year ended 31 December 2022, attributable to lower levels of capital raising.

Cost of management fees increased by €1.0 million, or 78.3%, to €2.3 million in the year ended 31 December 2023, from €1.3 million in the year ended 31 December 2022, due to higher administration and custodian fees of ImpactPlus, transaction costs and other expenses related to management of the Luxembourg mandates. In the year ended 31 December 2022, there was €1.2 million of expenses in relation to AEIT which were not recharged to the trust due to the cost coverage ratio restriction and such costs will not recur.

General and administrative expenses– Group

€'000s	**For the year ended 31 December**	
	2023 Predecessor	**2022 Predecessor**
General and administrative expenses		
Salaries and remuneration	16,067	12,085
Depreciation	1,930	2,156
Amortisation	1,101	379
Receivables impairment	776	-
Legal and professional fees	5,228	2,127
IT expenses	935	905
Rent expense	239	207
Other office costs	1,587	3,442
Other personnel costs	511	2,349
Foreign exchange gains	(186)	(1,509)
Total general and administrative expenses	**28,189**	**22,141**

General and administrative expenses increased by €6.0 million, or 27.3%, to €28.2 million in the year ended 31 December 2023 from €22.1 million in the year ended 31 December 2022 due an increase in salaries and remuneration of €4.0 million, €3.1 million in legal and professional fees and €0.7 million in amortization charges. Such increases were offset by decreases in other personnel costs and other office costs.

Salaries and remuneration expenses increased by €4.0 million, or 32.9%, to €16.0 million in the year ended 31 December 2023 from €12.1 million in the year ended 31 December 2022 resulting from an increase in headcount in mid and back-office compliance functions in the UK following a strategy to establish a regulated entity. Additionally, there was €2.1 million of settlement expenses accrued at 31 December 2023 and non-recurring onboarding bonuses of €0.5 million paid in 2023.

Depreciation expense decreased by €0.2 million, or 10.5%, to €1.9 million in the year ended 31 December 2023 from €2.2 million in the year ended 31 December 2022, resulting from foreign exchange movements. Amortisation expense increased to €1.1 million in the year ended 31 December 2023, reflecting a full year of amortization of certain functionality of the ImpactPlus platform.

Receivables impairment is the full impairment of management fee income attributable to AEIT.

Legal and professional fees increased by €3.1 million to €5.2 million in the year ended 31 December 2023 from €2.1 million in the year ended 31 December 2022. €3.5 million of fees in the year ended 31 December 2023 relate to special project related services in relation to the restructuring and change of business strategy in addition to fees relating to legal advice and the costs of an independent investigation into the AEIT whistleblowing allegations.

Other office costs decreased by €1.9 million, or 53.9%, to €1.6 million in the year ended 31 December 2023 from €3.4 million in the year ended 31 December 2022, relating to €2.0 million of expenses on relocation and settlements which resulted in a withholding tax charge for a subsidiary recapitalisation in the year ended 31 December 2022.

Other personnel costs decreased by €1.8 million, or 78.2%, to €0.5 million in the year ended 31 December 2023 from €2.3 million in the year ended 31 December 2022, relating to a €1.5 million reduction in travel and accommodation expenses of the previous investment management team, and non-recurring recruitment expenses.

Interest income and expense – Group

Interest income remained stable at €0.8 million in the year ended 31 December 2023, from €0.8 million in the year ended 31 December 2022. Interest income is derived from loans to the shareholder and other related company loans. Interest expense decreased to €2.0 million in the year ended 31 December 2023, from €4.0 million in the year ended 31 December 2022, reflecting decreases due to partial repayment of external debt issued by a subsidiary, Cleantech Infrastruktur GmbH.

Tax – Group

The tax charge in the year ended 31 December 2023 decreased to €0.2 million from €4.0 million in the year ended 31 December 2022, driven by lower taxable earnings, and lower deferred tax charges, offset by a higher rate of corporation tax in the United Kingdom. In April 2023, the corporate tax rate increased from 19% to 25%.

Discontinued operations – Group

Discontinued operations in 31 December 2023 related to the sale of a subsidiary, being Cleantech Infrastruktur GmbH, which was approved during the year and completed by 31 December 2023.

Loss for the year – Group

Loss for the year ended 31 December 2023 was €11.9 million, a decrease of €8.9 million from a loss of €20.0 million in the year ended 31 December 2022.

Biopower Platform – Results of Operations[24]

The following tables sets out the financial performance and certain operating results on the basis of the individual biomass company's audited financial information for the periods indicated.

Comparison of Results of Operations – SNB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Revenue from sales of electricity	31,443	99,781
Cost of sales of electricity	(539,910)	(532,557)
Other income/expense – net	231	837
General and administrative expenses	(36,873)	(2,164,984)
Loss before interest and tax	**(545,109)**	**(2,596,923)**
Interest and other financial charges	(18,205)	(20,606)
Loss before tax	**(563,314)**	**(2,617,529)**
Tax	-	-
Loss for the year	**(563,314)**	**(2,617,529)**

Comparison of Results of Operations for the years ended 31 December 2023 and 2022 – SNB

The following discussion sets out our financial performance and certain operating results on the basis of SNB's audited financial information for the years ended 31 December 2023, and2022.

Revenue from sales of electricity – SNB

	For the year ended 31 December	
PHP'000s unless otherwise stated	**2023**	**2022**
Revenue		
Electricity generated – MWh	5,131	11,995
Revenue from sales of electricity – PHP'000s	31,443	99,781

SNB's revenue from sales of electricity decreased by PHP 68.4 million in the year ended 31 December 2023 to PHP 31.4 million, from PHP 99.8 million in the year ended 31 December 2022. This decrease was both due to electricity generated and sold decreasing in the year ended 31 December 2023 to 5,131 MWh from 11,995 MWh in the year ended 31 December 2022, as well as a decrease in WESM price achieved due to timing of generating runs.

SNB was not fully operational in both years ended 31 December 2023 and 2022, with the electricity sold in the year ended 31 December 2022 representing only 3% of the potential 192,063 MWh generate, in comparison to 6% in the year ended 31 December 2022. The status of the plant was due to a planned program of readiness for operations during 2023, with generation occurring during testing and ramp up phases. As generation was driven by the maintenance program, with generation almost all in the fourth quarter of the year, the price achieved was lower than expected as the fourth quarter is when prices are seasonally low due to holidays and decreased demand. In 2022, the generation capacity achieved was 6%, again driven by operational readiness testing.

[24] Annex 1, items 7.1.1 and 7.2.2.

Cost of sales of electricity – SNB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Cost of sales of electricity:		
Biomass fuel	8,393	281,891
Depreciation	335,228	118,161
Salaries and benefits	79,788	32,279
Operations and maintenance services	40,608	41,739
Security and insurance	14,542	16,782
Electricity purchases, fuels and chemicals	12,803	16,132
Repairs and maintenance	13,036	12,030
Taxes and licenses	23,772	2,552
Other	11,740	10,991
Total cost of sales of electricity	**539,910**	**532,557**

The cost of sales of electricity remained relatively stable, with a marginal increase of PHP 7.4 million or 1.4%, to PHP 539.9 million for the year ended 31 December 2023, from PHP 532.6 million in the year ended 31 December 2022. This is mainly due to a decrease in biomass fuel utilised offset by increased depreciation, increases to salaries and benefits of plant and sustainable fuel teams and an increase in taxes and permit expenses.

Biomass fuel expense decreased by PHP 273.5 million, or 97.0%, to PHP 8.4 million in the year ended 31 December 2023 from PHP 281. million in the year ended 31 December 2022. At a cost per KWh sold, this decreased to PHP 1,636 in the year ended 31 December 2023 from PHP 23,500 which represents the plant moving into steady operational mode in the fourth quarter of 2023.

Depreciation expense increased by PHP 217.1 million, or 183.7%, to PHP 335.2 million in the year ended 31 December 2023, from PHP 118.2 million in the year ended 31 December 2022. This increase represents a full year of depreciation in 2023 in comparison to six months in 2022, as the plant and machinery were transferred from assets in construction to operating assets, in line with the date of commencement of commercial operations, 5 June 2022.

Salaries and benefits increased by PHP 47.5 million or 147.2%, to PHP 79.8 million in the year ended 31 December 2023, from PHP 32.3 million in the year ended 31 December 2022. This increase is driven by a lower salaries and benefits amount which has been capitalised in inventories at the end of the year 31 December 2023, which amounted to PHP 8.9 million, in comparison to PHP 71.7 million in 31 December 2022. The total number of renewable energy plant and sustainable fuel personnel decreased by 82 personnel, or 20.6%, which were predominantly involved in the collection and processing of sustainable fuel. In aggregate, there was a 12.2% increase in salaries and benefits for the renewable energy plant and the sustainable fuel combined, in the year ended 31 December 2023, reflecting higher inflation and cost of living crisis impacts.

Operations and maintenance services relate to the external services provider who oversees the operations and maintenance of the plant. These services have been provided under a fixed price contract which covered the period from July 2021 to 31 December 2023, when it was renewed under similar terms for a further two-year period to 31 December 2025. The PHP 1.1 million decrease is driven by foreign exchange impacts of certain amounts settled in US dollars.

Security and insurance decreased by PHP 2.2 million, or 13.3%, to PHP 14.5 million in the year ended 31 December 2023, from PHP 16.8 million in the year ended 31 December 2022, driven by non-recurring increases in the year ended 31 December 2022.

Electricity purchases, fuels and chemicals decreased by PHP 3.3 million, or 20.6%, to PHP 12.8 million in the year ended 31 December 2023, from PHP 16.1 million in the year ended 31 December 2022, driven by the plant's shut-down in 2023 being for a longer period of time, therefore conserving purchase of electricity from external sources when not generating electricity.

Repairs and maintenance increased by PHP 1.0 million, or 8.4%, to PHP 13.0 million in the year ended 31 December 2023, from PHP 12.0 million in the year ended 31 December 2022, reflective on annual maintenance programs being impacted by inflationary pressures, offset by foreign exchange differences on spare parts acquired in US dollars.

Taxes and licenses increased by PHP 21.2 million, to PHP 23.8 million in the year ended 31 December 2023, from PHP 2.6 million in the year ended 31 December 2022, reflective of certain non-recurring filings and taxes relating to long-term leases and mortgage.

Other expenses relate to transmission charges payable to the grid, plant office supplies, equipment and service vehicle rentals, professional fees, trainings, travel and transportation and other expenses. Such expenses increased by PHP 0.7 million, or 6.8%, to PHP 11.7 million in the year ended 31 December 2023, from PHP 11.0 million, primarily driven by increased travel and professional fees as the plant completed pre-operational studies.

Other income – SNB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Other income:		
Interest income	13	48
Reversal of bad debt provisions	-	185
Gain on sale of property, plant and equipment	195	-
VAT refund	-	-
Cane loading and land preparation income	23	604
Total other income	**231**	**837**

Other income decreased by PHP 0.6 million, or 72.4%, to PHP 231,000 in the year ended 31 December 2023, from PHP 837,000, primarily driven by non-recurring income from cane loading and land preparation services provided to local farmers in the year ended 31 December 2022 when the sustainable fuel personnel were not collecting fuel for the plants while the plant was undergoing its pre-operational maintenance program. In addition, in the year ended 31 December 2023, a non-recurring gain of PHP 195,000 on sale of equipment was recognised while, in the year ended 31 December 2022, PHP 185,000 of a provision on doubtful debts was reversed on collection of the receivable .

General and administrative expenses – SNB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
General and administrative expenses:		
Salaries and benefits	21,040	16,949
Taxes and licenses	11,956	2,571
Depreciation	10,638	10,844
Foreign exchange (gain)/loss	(36,108)	531,114
Write-off of input VAT	5,608	--
Write-off of receivables	-	920,233
Write-off of biomass fuel inventory	-	590,788
Management fee	-	63,678
Financing arrangement fee	5,517	5,562
Professional and administrative charges	5,189	12,015
Other general and administrative expenses	13,033	11,230
Total general and administrative expenses	**36,873**	**2,164,984**

General and administrative expenses decreased by PHP 2,128.1 million, or 98.3%, to PHP 36.9 million in the year ended 31 December 2023, from PHP 2,165.0 million in the year ended 31 December 2022. This decrease was driven by non-recurring, non-cash impairments in the year ended 31 December 2022 of PHP 1,510.8 million, a foreign exchange loss of PHP 531.1 million in the year ended 31 December 2022 in comparison to a foreign exchange gain of PHP 36.1 million in the year ended 31 December 2023 and a PHP 63.7 million management fee in relation to a contract which terminated on 1 January 2023.

Salaries and benefits increased by PHP 4.1 million, or 21.1%, to PHP 21.0 million in the year ended 31 December 2023, from PHP 16.9 million in the year ended 31 December 2022. This increase represents an average increase of 13.4% per headcount reflecting both salary increases and bonuses paid.

Taxes and licenses increased by PHP 9.4 million, or 365%, to PHP 12.0 million in the year ended 31 December 2023, from PHP 2.6 million in the year ended 31 December 2022. This increase related to the registration of leases and related taxes.

Depreciation marginally decreased by PHP 0.2 million, or 1.9%, to PHP 10.6 million in the year ended 31 December 2023, from PHP 10.8 million in the year ended 31 December 2022. This decrease reflects the disposal of smaller items of furniture and office equipment.

A foreign exchange gain of PHP 36.1 million was recorded in the year ended 31 December 2023 reflecting the weakening of the US dollar in relation to the outstanding loan amounts payable to the parent company, being CTI Asia, denominated in US dollars. The exchange rate that 31 December 2023 was PHP 51.40: US$1 in comparison to PHP 51.74: US$1 at 31 December 2022. In the year ended 31 December 2022, a foreign exchange loss was recognised of PHP 531.1 million as the US dollar strengthened with an exchange rate at 31 December 2021 of PHP 50.99:US$1. Additionally, the amount outstanding on the loan to the parent decreased in the year ended 31 December 2023 by PHP 3.8 billion as part of the debt for equity swap to recapitalise and restructure the balance sheet. In both the years ended 31 December 2023 and 31 December 2022 there were a number of non-recurring impairments, write downs and provisions recorded. In the year ended 31 December 2023, SNB derecognised input VAT receivable of PHP 5.6 million related to purchases of suppliers not directly related to the generation of renewable energy. In the year ended 31 December 2022, SNB impaired and wrote off PHP 920.2 million of trade and other receivables. This adjustment reflected a deposit paid to the initial construction contractor, incorporated in Hong Kong, in 2017 prior to initiation of construction. This initial contractor was terminated and replaced due to failure to deliver on the service conditions. While management believe the deposit of US$ 17.2 million, or PHP 920.2 million, may still be collected, the amount has been provided for due to the length of time outstanding and difficulties in collecting such amounts from an overseas contractor. Additionally, in the year ended 31 December 2022, SNB wrote off PHP 590.8 million of inventories, relating to biomass fuel inventories which was more than two years old which had not been utilised during the pre-operational and maintenance periods. The write down of the biomass fuel inventories was deemed necessary due to the degradation of the fuel quality following the storing of the fuel without protection from the elements, in that the heat generation was commercially unviable.

In the year ended 31 December 2022, a management fee was incurred of PHP 63.7 million, or US$1.1 million, in relation to an external provider of oversight and management services. Following the change in the foreign direct ownership rules in relation to biomass plants in 2019, the decision was made to acquire the remaining shareholding from SNB's co-shareholders in 2020 and the management services contract was terminated at 1 January 2023.

Financing fees of PHP 5.5 million and PHP 5.6 million were incurred in the years ended 31 December 2023 and 2022 respectively. These are fees charged by a Group company in relation to structuring and advisory services for the parent company loans.

Professional and administrative charges of PHP 5.2 million and PHP 12.0 million were incurred in the years ended 31 December 2023 and 2022 respectively. These are fees relating to professional services and advice in relation to tax, structuring and permitting.

Other general and administrative expenses increased by PHP 1.8 million, or 16%, to PHP 13.0 million in the year ended 31 December 2023 from PHP 11.2 million in the year ended 31 December 2022. The decrease largely relates to a decrease in general office consumables.

Interest and other financial charges - SNB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Interest and other financial charges:		
Interest on lease liabilities	1,210	20,606
Interest on external bank loans and working capital facilities	16,995	-
Total interest and other financial charges	**18,205**	**20,606**

Interest and other financial charges decreased by PHP 2.4 million, or 11.7%, to PHP 35.0 million in the year ended 31 December 2023 from PHP 20.6 million in the year ended 31 December 2022. This decrease was predominantly related to a decrease in the finance expense in relation to the lease liabilities, offset by the interest on the external bank facilities entered into in September 2023.

Tax – SNB

The Company is registered as a Renewable Energy Develop of Biomass Energy Resources under the Renewable Energy Act of 2008 (R.A.9513) with Registration Certificate No. 2018-174, dated August 13, 2018. As such, the Company is entitled to a seven-year tax holiday from the date of commercial operations, being 5 June 2022, to 4 June 2029. Therefore, no taxes were payable during the period in relation to income tax. At 31 December 2023 SNB has PHP 892.9 million of unrecognised deferred tax assets which may be utilised over the period to 2029.

Loss for the year – SNB

Loss for the year ended 31 December 2023 decreased by PHP 2,054.2 million to PHP 563.3 million from a loss of PHP 2,617.5 million in the year ended 31 December 2022.

Comparison of Results of Operations – NNB

PHP'000s	**2023**	**2022**
Revenue from sales of electricity	27,725	100,079
Cost of sales of electricity	(404,001)	(446,627)
Other income - net	24	1,441
General and administrative expenses	(105,257)	(745,377)
Loss before interest and tax	**(481,772)**	**(1,090,484)**
Interest and other financial charges	(13,594)	(29,395)
Loss before tax	**(495,103)**	**(1,119,879)**
Tax	**-**	**-**
Loss for the year	**(495,103)**	**(1,119,879)**

Comparison of Results of Operations for the years ended 31 December 2023 and 2022 – NNB

The following discussion sets out our financial performance and certain operating results on the basis of our audited financial information for the years ended 31 December 2023 and 2022.

Revenue from sales of electricity – NNB

	For the year ended 31 December	
PHP'000s unless otherwise stated	**2023**	**2022**
Revenue		
Electricity generated – MWh	4,151	12,090
Revenue from sales of electricity – PHP'000s	27,725	100,079

NNB's revenue from sales of electricity decreased by PHP 75.4 million, or 72.3%, in the year ended 31 December 2023 to PHP 27.8 million, from PHP 100.1 million in the year ended 31 December 2022. This decrease was both due to electricity generated and sold decreasing in the year ended 31 December 2023 to 4,151 MWh from 12,090 MWh in the year ended 31 December 2022, as well as a decrease in WESM price achieved due to timing of generating runs.

NNB was not fully operational in both years ended 31 December 2023 and 2022, with the electricity sold in the year ended 31 December 2022 representing only 2.2% of the potential 192,063 MWh generate, in comparison to 6.3% in the year ended 31 December 2022. The status of the plant was due to a planned program of readiness for operations during 2023, with generation occurring during testing and ramp up phases. As generation was driven by the maintenance program, with generation almost all in the fourth quarter of the year, the price achieved was lower than expected as the fourth quarter is when prices are seasonally low due to holidays and decreased demand. In 2022, the generation capacity achieved was also driven by operational readiness testing.

Cost of sales of electricity – NNB

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Cost of sales of electricity:		
Biomass fuel.	3,008	203,088
Depreciation.	227,461	103,865
Salaries and benefits.	79,145	29,525
Operations and maintenance services	45,557	41,954
Security and insurance	11,010	15,584
Electricity purchases, fuels and chemicals	13,243	17,865
Repairs and maintenance	7,060	18,243
Taxes and licenses	6,398	7,181
Other.	11,119	9,322
Total cost of sales of electricity	**404,001**	**446,627**

The cost of sales of electricity decreased by PHP 42.6 million, or 9.5%, to PHP 401.0 million for the year ended 31 December 2023, from PHP 446.6 million in the year ended 31 December 2022. This is mainly due to a decrease in biomass fuel utilised and repairs and maintenance, offset by increased depreciation and increases to salaries and benefits of plant and sustainable fuel teams.

Biomass fuel expense decreased by PHP 200.1 million, or 98.5%, to PHP 8.4 million in the year ended 31 December 2023 from PHP 203.1 million in the year ended 31 December 2022. At a cost per KWh sold, this decreased to PHP 725 in the year ended 31 December 2023 from PHP 16,798 which represents the plant moving into steady operational mode in the fourth quarter of 2023.

Depreciation expense increased by PHP 123.6 million, or 119.0%, to PHP 227.5 million in the year ended 31 December 2023, from PHP 103.9 million in the year ended 31 December 2022. This increase represents a full year of depreciation in 2023 in comparison to six months in 2022, as the plant and machinery were transferred from assets in construction to operating assets, in line with the date of commencement of commercial operations, 5 June 2022.

Salaries and benefits increased by PHP 49.6 million or 168.1%, to PHP 79.1 million in the year ended 31 December 2023, from PHP 29.5 million in the year ended 31 December 2022. This increase is driven by a lower salaries and benefits amount which has been capitalised in inventories at the end of the year 31 December 2023, which amounted to PHP 8.0 million, in comparison to PHP 70.2 million in 31 December 2022. The total number of renewable energy plant and sustainable fuel personnel decreased by 47 personnel, or 14.8%, which were predominantly involved in the collection and processing of sustainable fuel. In aggregate, there was a 12.6% decrease in salaries and benefits for the renewable energy plant and the sustainable fuel combined, in the year ended 31 December 2023, reflecting the decrease in numbers and an average cost per person increase of 2.5% reflecting higher inflation and cost of living crisis impacts.

Operations and maintenance services relate to the external services provider who oversees the operations and maintenance of the plant. These services have been provided under a fixed price contract which covered the period from July 2021 to 31 December 2023, when it was renewed under similar terms for a further two-year period to 31 December 2025. The PHP3.6 million increase is driven by foreign exchange impacts of certain amounts settled in US dollars.

Security and insurance decreased by PHP 4.6 million, or 29.4%, to PHP 11.0 million in the year ended 31 December 2023, from PHP 15.6 million in the year ended 31 December 2022, driven by non-recurring increases in the year ended 31 December 2022.

Electricity purchases, fuels and chemicals decreased by PHP 4.6 million, or 25.9%, to PHP 15.6 million in the year ended 31 December 2023, from PHP 13.2 million in the year ended 31 December 2022, driven by the plant's shut-down in 2023 being for a longer period of time, therefore conserving purchase of electricity from external sources when not generating electricity.

Repairs and maintenance decreased by PHP 11.2 million, or 61.3%, to PHP 7.1 million in the year ended 31 December 2023, from PHP 18.2 million in the year ended 31 December 2022, reflective of the plant not being operational in 2022.

Taxes and licenses decreased by PHP 0.8 million, or 10.9%, to PHP 6.4 million in the year ended 31 December 2023, from PHP 7.2 million in the year ended 31 December 2022, reflective of certain non-recurring filings and taxes relating to long-term leases and mortgage.

Other expenses relate to transmission charges payable to the grid, communication, plant office supplies, equipment and service vehicle rentals, professional fees, trainings, travel and transportation and other expenses. Such expenses increased by PHP 1.8 million, or 19.3%, to PHP 11.1 million in the year ended 31 December 2023, from PHP 9.3 million, primarily driven by increased equipment and service rentals as the plant completed pre-operational studies, offset by lower transmission charges and travel and expenses.

Other income – NNB

PHP'000s	For the year ended 31 December 2023	2022
Other income:		
Interest income	15	20
Reversal of bad debt provisions	-	366
Cane loading and land preparation income	9	1,055
Total other income	**24**	**1,441**

Other income decreased by PHP 1.4 million, or 98.3%, to PHP 24,000 in the year ended 31 December 2023, from PHP 1.4 million, primarily driven by non-recurring income from cane loading and land preparation services provided to local farmers in the year ended 31 December 2022 when the sustainable fuel personnel were not collecting sugar cane trash while the plant was undergoing its pre-operational maintenance program. In addition, in the year ended 31 December 2023, a non-recurring gain of PHP 366,000 relating to a provision on doubtful debts was reversed on collection of the receivable.

General and administrative expenses – NNB

PHP'000s	For the year ended 31 December 2023	2022
General and administrative expenses:		
Salaries and benefits	62,287	11,194
Professional fees	30,625	2,625
Depreciation and amortisation	4,685	4,490
Foreign exchange (gain)/loss	(28,785)	341,312
Write-off of input VAT	6,681	-
Write-off of biomass fuel inventory	-	321,539
Management fee	-	40,354
Rent	6,589	2,678
Other general and administrative expenses	23,175	21,185
Total general and administrative expenses	105,257	745,377

General and administrative expenses decreased by PHP 640.1 million, or 85.9%, to PHP 105.3 million in the year ended 31 December 2023, from PHP 745.4 million in the year ended 31 December 2022. This decrease was driven by non-recurring, non-cash impairments in the year ended 31 December 2022 of PHP 321.2 million, a foreign exchange gain of PHP 28.8 million in the year ended 31 December 2022 in comparison to a foreign exchange loss of PHP 343.5 million in the year ended 31 December 2022 and a PHP 40.4 million management fee in relation to a contract which terminated on 1 January 2023. These decreases were partially offset by increases in salaries and benefits and professional fees. and a PHP 63.7 million management fee in relation to a contract which terminated on 1 January 2023.

Salaries and benefits increased by PHP 51.1 million, or 456.4%, to PHP 62.8 million in the year ended 31 December 2023, from PHP 11.2 million in the year ended 31 December 2022. This increase was driven by the direct employment of most of the management team previously provided under the management services contract.

Professional fees increased by PHP 28.0 million to PHP 30.6 million in the year ended 31 December 2023, from PHP 2.6 million in the year ended 31 December 2022. This increase related to the services previously provided under the management services contract.

Depreciation marginally increased by PHP 0.2 million, or 4.3%, to PHP 4.7 million in the year ended 31 December 2023, from PHP 4.5 million in the year ended 31 December 2022. This increase reflects the timing of acquisition of assets during 2022.

A foreign exchange gain of PHP 28.8 million was recorded in the year ended 31 December 2023 reflecting the weakening of the US dollar in relation to the outstanding loan amounts payable to the parent company, being CTI Asia, denominated in US dollars. The exchange rate that 31 December 2023 was PHP 51.40: US$1 in comparison to PHP 51.74: US$1 at 31 December 2022. In the year ended 31 December 2022 a foreign exchange loss was recognised of PHP 341.3 million as the US dollar strengthened, with an exchange rate at 31 December 2021 of PHP 50.99: US$1. Additionally, the amount outstanding on the loan to the parent decreased in the year ended 31 December 2023 by PHP 1.7 billion as part of the debt for equity swap to recapitalise and restructure the balance sheet.

In both the years ended 31 December 2023 and 31 December 2022 there were certain non-recurring impairments, write downs and provisions recorded. In the year ended 31 December 2023, NNB derecognised input VAT receivable of PHP 6.1 million related to purchases of suppliers not directly related to the generation of renewable energy. In the year ended 31 December 2022, NNB wrote off PHP 321.2 million of inventories, relating to biomass fuel inventories which was more than two years old which had not been utilised during the pre-operational and maintenance periods. The write down of the biomass fuel inventories was deemed necessary due to the degradation of the fuel quality following the storing of the fuel without protection from the elements, in that the heat generation was commercially unviable.

In the year ended 31 December 2022, a management fee was incurred of PHP 40.3 million, or US$0.8 million, in relation to an external provider of oversight and management services. Following the change in the foreign direct ownership rules in relation to biomass plants in 2019, the decision was made to acquire the remaining shareholding from NNB's co-shareholders in 2020 and the management services contract was terminated at 1 January 2023.

Rental costs decreased by PHP 3.9 million, or 146.0%, to PHP 6.6 million in the year ended 31 December 2023 from PHP 2.6 million in the year ended 31 December 2022. This decrease was driven by the partial cancellation of leased office space.

Other general and administrative expenses increased by PHP 2.2 million, or 10.5%, to PHP 23.7 million in the year ended 31 December 2023 from PHP 21.5 million in the year ended 31 December 2022. The increase largely relates to an increase in office consumable, offset by a decrease in administrative charges charged by the prior year management services provider.

Interest and other financial charges – NNB

Interest and other financial charges decreased by PHP 15.8 million, or 53.8%, to PHP 20.0 million in the year ended 31 December 2023 from PHP 29.4 million in the year ended 31 December 2022. This is a finance cost in relation to the lease liabilities as interest income on the loans from CTI Asia was waived in both years.

Tax – NNB

The Company is registered as a Renewable Energy Develop of Biomass Energy Resources under the Renewable Energy Act of 2008 (R.A.9513) with Registration Certificate No. 2018-174, dated August 13, 2018. As such, the Company is entitled to a seven-year tax holiday from the date of commercial operations, being 5 June 2022, to 4 June 2029. Therefore, no taxes were payable during the period in relation to income tax. At 31 December 2023 NNB has PHP 481.9 million of unrecognised deferred tax assets which may be utilised over the period to 2029.

Loss for the year – NNB

Loss for the year ended 31 December 2023 decreased by PHP 624.8 million to a loss of PHP 495.1 million from a loss of PHP 1,119.9 million in the year ended 31 December 2022.

Comparison of Results of Operations – SCB

PHP'000s	**2023**	**2022**
Revenue from sales of electricity	-	43,371
Cost of sales of electricity	-	(428,843)
Other income/expense - net	1,067	2,751
General and administrative expenses	(1,250,832)	(1,154,109)
Loss before interest and tax	**(1,249,765)**	**(1,536,830)**
Interest and other financial charges	(8,050)	(28,311)
Loss before tax	**(1,257,815)**	**(1,565,141)**
Tax	**-**	**-**
Loss for the year	**(1,257,815)**	**(1,565,141)**

Comparison of Results of Operations for the years ended 31 December 2023 and 2022 – SCB

The following discussion sets out our financial performance and certain operating results on the basis of our audited financial information for the years ended 31 December 2023 and 2022.

Revenue from sales of electricity – SCB

PHP'000s unless otherwise stated	For the year ended 31 December 2023	2022
Revenue		
Electricity generated – MWh	-	5,528
Revenue from sales of electricity – PHP'000s	-	43,371

SCB's revenue from sales of electricity decreased by PHP 43.4 million, or 100.0%, in the year ended 31 December 2023 to PHP nil, from PHP 43.4 million in the year ended 31 December 2022. This decrease was both due to electricity generated and sold decreasing in the year ended 31 December 2023 to nil MWh from 5,528 MWh in the year ended 31 December 2022.

SCB was not fully operational in both years ended 31 December 2023 and 2022, with the electricity sold in the year ended 31 December 2023 representing only nil% of the potential 153,650 MWh generate, in comparison to 3.6% in the year ended 31 December 2022. The status of the plant was due to a planned program of readiness for operations during 2023, with maintenance outage testing undertaken in the first quarter of 2024. In 2022, the generation capacity achieved was also driven by operational readiness testing.

Cost of sales of electricity and general and administrative expenses – SCB

	For the year ended 31 December			
PHP'000s	**2023**	**Cost of sales**	**G&A**	**Aggregate 2022**
Expenses:				
Biomass fuel	-	113,225	-	113,225
Depreciation	404,572	148,662	5,473	154,135
Amortisation	2,695	-	2,041	2,041
Salaries and benefits	96,206	c	17,743	51,363
Operations and maintenance services	41,571	41,930	-	41,930
Security and insurance	16,086	14,365	4,954	19,319
Electricity purchases, fuels and chemicals	15,483	34,448	3,499	37,947
Repairs and maintenance	9,686	21,379	-	21,379
Taxes and licenses	30,752	3,127	202	3,329
Professional fees	13,578	-	1,720	1,720
Foreign exchange (gain)/loss	(70,317)	-	455,073	455,073
Write-off of input VAT	8,753	-	-	-
Write-off of biomass fuel inventory	-	-	570,894	570,894
Impairment loss on property, plant and equipment	652,914	-	31,659	31,659
Management fees	-	-	51,349	51,349
Other	28,853	18,087	9,502	27,589
Total expenses	**1,250,832**	**428,843**	**1,154,109**	**1,582,952**

Total expense decreased by PHP 332.1 million, or 21.0%, to PHP 1,250.8 million for the year ended 31 December 2023, from PHP 1,583.0 million in the year ended 31 December 2022. This is mainly due to no biomass fuel expense and a foreign exchange gain of PHP 70.3 million in 2023 in comparison to a loss of PHP 455.1 million in the year ended 31 December 2022.

Biomass fuel expense decreased by PHP 113.2 million, or 100%, to PHP nil million in the year ended 31 December 2023 from PHP 113.2 million in the year ended 31 December 2022.

Depreciation expense increased by PHP 250.0 million, to PHP 404.6 million in the year ended 31 December 2023, from PHP 154.1 million in the year ended 31 December 2022. This increase represents a full year of depreciation in 2023 in comparison to six months in 2022, as the plant and machinery were transferred from assets in construction to operating assets, in line with the date of commencement of commercial operations, 5 June 2022. Amortisation remained relatively static at PHP 2.6 million in the year ended 31 December 2023, from PHP 2.0 million in the year ended 31 December 2022 reflecting the increase in externally acquired licenses.

Salaries and benefits expense increased by PHP 44.8 million or 87.1%, to PHP 96.2 million in the year ended 31 December 2023, from PHP 51.4 million in the year ended 31 December 2022. This increase is driven by no salaries and benefits amount which has been capitalised in inventories at the end of the year 31 December 2023, which amounted to PHP nil, in comparison to PHP 52.0 million in 31 December 2022. In total remuneration costs decreased to PHP 97.1 million in the year ended 31 December 2023 from PHP 103.4 million in the year ended 31 December 2022, reflecting a decrease in the number of personnel of 93, across all segments. Overall this reflected an increase in average remuneration per person due to decreases in number of personnel in lower paid positions and increases due to cost of living crisis.

Operations and maintenance services relate to the external services provider who oversees the operations and maintenance of the plant. These services have been provided under a fixed price contract which covered the period from June 2021 to 31 December 2023, when it was renewed under similar terms for a further two-year period to 31 December 2025.

Security and insurance decreased by PHP 3.2 million, or 16.7%, to PHP 16.1 million in the year ended 31 December 2023, from PHP 19.3 million in the year ended 31 December 2022, driven by non-recurring increases in the year ended 31 December 2022.

Electricity purchases, fuels and chemicals decreased by PHP 22.5 million, or 59.2%, to PHP 15.5 million in the year ended 31 December 2023, from PHP 38.0 million in the year ended 31 December 2022, driven by the plant's shut-down in 2023 being for a longer period of time, therefore conserving purchase of electricity from external sources when not generating electricity.

Repairs and maintenance decreased by PHP 11.7 million, or 54.7%, to PHP 9.7 million in the year ended 31 December 2023, from PHP 21.4 million in the year ended 31 December 2022, reflective of the plant not being operational in 2022 and 2023 and therefore repairs lower.

Taxes and licenses increased by PHP 27.4 million, to PHP 30.8 million in the year ended 31 December 2023, from PHP 3.3 million in the year ended 31 December 2022, reflective of certain non-recurring filings and taxes relating to long-term leases and mortgage.

Professional fees increased by PHP 11.9 million to PHP 13.6 million in the year ended 31 December 2023, from PHP 1.7 million in the year ended 31 December 2022. This increase related to the services previously provided under the management services contract.

A foreign exchange gain of PHP 70.3 million was recorded in the year ended 31 December 2023 reflecting the weakening of the US dollar in relation to the outstanding loan amounts payable to the parent company, being CTI Asia, denominated in US dollars. The exchange rate that 31 December 2023 was PHP 51.40: US$1 in comparison to PHP 51.74: US$1 at 31 December 2022. In the year ended 31 December 2022 a foreign exchange loss was recognised of PHP 455.1 million as the US dollar strengthened, with an exchange rate at 31 December 2021 of PHP 50.99: US$1. Additionally, the amount outstanding on the loan to the parent decreased in the year ended 31 December 2023 by PHP 2.7 billion as part of the debt for equity swap to recapitalise and restructure the balance sheet.

In both the years ended 31 December 2023 and 31 December 2022 there were certain non-recurring impairments, write downs and provisions recorded. In the year ended 31 December 2023, SCB derecognised input VAT receivable of PHP 8.8 million related to purchases of suppliers not directly related to the generation of renewable energy. In the year ended 31 December 2022, SCB wrote off PHP 570.9 million of inventories, relating to biomass fuel inventories which was more than two years old which had not been utilised during the pre-operational and maintenance periods. The write down of the biomass fuel inventories was deemed necessary due to the degradation of the fuel quality following the storing of the fuel without protection from the elements, in that the heat generation was commercially unviable.

In the year ended 31 December 2022, a management fee was incurred of PHP 51.3 million, or US$1.0 million, in relation to an external provider of oversight and management services. Following the change in the foreign direct ownership rules in relation to biomass plants in 2019, the decision was made to acquire the remaining shareholding from SCB's co-shareholders in 2020 and the management services contract was terminated at 1 January 2023.

Other expenses relate to transmission charges payable to the grid, plant office supplies, equipment and service vehicle rentals, professional fees, trainings, travel and transportation and other expenses. Such expenses decreased by PHP 1.3 million, or 4.6%, to PHP 28.9 million in the year ended 31 December 2023, from PHP 27.6 million, primarily driven by decreased travel and professional fees as the plant completed pre-operational studies.

Other income – SCB

PHP'000s	For the year ended 31 December 2023	2022
Other income:		
Interest income	8	17
Gain on disposal of equipment	1,042	310
Reversal of bad debt provisions	-	2,230
Cane loading and land preparation income	17	194
Total other income	**1,067**	**2,751**

Other income decreased by PHP 1.7 million, or 61.2%, to PHP 1.1 million in the year ended 31 December 2023, from PHP 2.8 million, primarily driven by non-recurring a non-recurring gain of PHP 2.2 million relating to a provision on doubtful debts was reversed on collection of the receivable. In addition, there was a non-recurring gain on disposal of equipment of PHP 1.0 million in the year ended 31 December 2023 and PHP 310,000 in the year ended 31 December 2022.

Interest and other financial charges – SCB

Interest and other financial charges decreased by PHP 20.3 million, or 71.9%, to PHP 8.1 million in the year ended 31 December 2023 from PHP 28.3 million in the year ended 31 December 2022. This is a finance cost in relation to the lease liabilities.

Tax – SCB

The Company is registered as a Renewable Energy Develop of Biomass Energy Resources under the Renewable Energy Act of 2008 (R.A.9513) with Registration Certificate No. 2018-174, dated August 13, 2018. As such, the Company is entitled to a seven-year tax holiday from the date of commercial operations, being 5 June 2022, to 4 June 2029. Therefore, no taxes were payable during the period in relation to income tax. At 31 December 2023 SCB has PHP 676.7 million of unrecognised deferred tax assets which may be utilised over the period to 2029.

Loss for the year – SCB

Loss for the year ended 31 December 2023 decreased by PHP 307.3 million to a loss of PHP 1,257.8 million from a loss of PHP 1,565.1 million in the year ended 31 December 2022.

CTI Asia – Results of operations[25]

The condensed financial information of CTI Asia set out below has been extracted without material adjustment from the audited financial information of CTI Asia for the years ended 31 December 2023 and 2022.

[25] Annex 1, items 7.1.1 and 7.2.2.

Comparison of Results of Operations – CTI Asia

US$'000s	**2023**	**2022**
Movements on financial assets held at FVTPL	832	40,864
Total net financial income/(expense)	**832**	**40,864**
Unrealised foreign exchange (gains)/losses on loans - related parties	(4,974)	6,991
Other operating (expenses)/ income – net	(632)	(594)
Total costs and expenses	**(5,606)**	**6,397**
Profit/(loss) before interest and tax	**(4,774)**	**47,261**
Interest income	19,797	26,060
Interest and other financial charges	(23,505)	(21,096)
Profit/(loss) before tax	**(8,482)**	**52,225**
Tax....	**-**	**-**
Profit/(loss) for the year	**(8,482)**	**52,225**

Movements on financial assets held at fair value through profit and loss

Movements on financial assets held relate to the investment in the Biopower Platform, which have been calculated a number of valuation approaches, being income, market comparable, comparable transactions and net asset value. Utilising the income approach and stress testing this, unrealised gains of US$0.9 million were recognised in the year ended 31 December 2023, from gains of US$40.9 million in the year ended 31 December 2022 due to lower short term outlook for electricity prices to be achieved, due to short-term power purchase agreements signed with fixed or capped pricing models, offset by a decrease in the discount rate from 10.8% to 10.0% following commencement of operations and risk profile following signing of power purchase agreement.

Unrealised foreign exchange losses on loans – related parties

Unrealised foreign exchange losses on loans -related parties relate to euro denominated loans from the Luxembourg fund, being TL SICAV. In the year ended 31 December ended 2023, total unrealised foreign exchange losses were US$5.0 million in relation to €92.6 million of loan principal outstanding with the US Dollar strengthening to US$1: €1.1050. In the year ended 31 December 2022, the loan principal was €92.2 million with a US Dollar exchange rate of US$1: €1.0666.

Other operating expenses – net

Other operating expenses – net remained relatively stable at US$0.6 million in both the years ended 31 December 2023 and 2022. Other operating expenses relate to personnel expenses, legal and professional fees and other ongoing operating expenses.

Interest income

Interest income decreased by US$6.3 million to US$19.8 million in the year ended 31 December 2023 from US$26.0 million reflective of the amounts repaid on loans financed to the Biopower Platform. Interest on Biopower Platform loans is charged at 10% and 15% dependent on the loan.

Interest and other financial expense

Interest and other financial expenses relates to loans payable to the parent prior to the restructuring, TL CTIH and the Luxembourg fund, being TL SICAV. Interest expense increased by US$2.4 million to US$23.5 million in the year ended 31 December 2023 from US$21.1 million in the year ended 31 December 2022 due to increased interest accruing on the TL SICAV loan which relates to interest in the principal and foreign exchange impacts as the loan is denominated in Euros.

Profit/(loss) for the year

Loss for the year ended 31 December 2023 increased by US$60.7 million to a loss of US$8.5 million from a gain of US$ 52.2 million

Liquidity and Capital Resources[26]

The Group's principal sources of liquidity have been cash flow from operating activities and proceeds from loans and borrowings. Our primary liquidity and capital resource needs are to finance working capital and capital expenditures, as well as development of new business projects, acquisitions to expand the Group's existing portfolio of assets and debt service requirements on existing and future debt. The Group expenses that its ongoing sources of liquidity will include net cash generated from operating activities, borrowings under new financing arrangements and the issuance of equity securities as appropriate, subject to market conditions.

The tables below summarises the cash flow consolidated Group, or for the relevant entity in the Predecessor excluding TCS UK, for the periods indicated. This table should be read in conjunction with the accompanying notes in the Historical Financial Statements included elsewhere in this Prospectus.

Condensed statement of cash flows – Group [27]

	For the year ended 31 December		
€'000s	**2024**	**2023 Predecessor**	**2022 Predecessor**
Net cash flows (used in)/generated by operating activities	(4,340)	3,641	4,676
Net cash flows used in investing activities	(4,956)	(1,910)	(1,294)
Net cash flows generated by/(used in) financing activities	9,600	(1,742)	(4,165)

Net cash flows generated by operating activities – Group

In the year ended 31 December 2024, net cash used in operating activities increased by €7.9 million to a cash out flow of €4.3 million in the year ended 31 December 2024 from cash generated in the year ended 31 December 2023 of €3.6 million, primarily due to the cash used on operations of the Biopower Platform. Excluding the cash utilised in the Climate Infrastructure segment of €10.2 million, the Climate Finance segment generated €6.2 million.

In the year ended 31 December 2023, net cash generated from operating activities decreased by €1.1 million to €3.6 million in the year ended 31 December 2023 from €4.7 million, primarily due to a decrease in climate finance revenues related to lower structuring and financing projects, coupled with an increase in personnel costs specific or exceptional legal and professional expenses related to the restructuring.

In the year ended 31 December 2022, net cash generated from operating activities decreased by €5.8 million to €4.7 million in the year ended 31 December 2023 from €10.5 million, primarily due to a decrease in climate finance revenues related to lower structuring and financing projects, offset by lower sales and distribution expenses.

Net cash flows used in investing activities – Group

Cash flows used in investing activities in the year ended 31 December 2024 were €5.0 million and relate to investment in capital expenditures at the Biopower Platform, offset by cash acquired on acquisition of the Biopower Platform of €1.1 million and €1.2 million proceeds from sale of assets.

Cash flows used in investing activities in the year ended 31 December 2023 were €1.9 million and relate to continued investment in the digital co-investment-platform, ImpactPlus and a €0.8 million sale of TL SICAV shares held to investors.

Cash flows used in investing activities in the year ended 31 December 2022 were €1.3 million and relate to investment in development of the user experience of the digital co-investment-platform and compliance additions.

Net cash flows used in financing activities – Group

Cash flows generated by financing activities in the year ended 31 December 2024 were €9.6 million which relate to €1.9 million of proceeds for external borrowings at NNB, offset by €2.3 million of lease payments relating to the Biopower Plants and office space in Switzerland, UK and Germany.

Cash flows used in financing activities in the year ended 31 December 2023 were €2.3 million which relate to €1.7 million of lease payments relating to office space in Switzerland, UK and Germany and €0.5 million of interest settled in relation to the corporate bonds.

[26] Annex 1, items 8.1 and 8.4.
[27] Annex 1, item 8.2.

Cash flows used in financing activities in the year ended 31 December 2022 were €5.3 million and relate to €1.7 million of lease payments relating to office space in Switzerland, UK and Germany, €2.6 million of corporate bond redemptions and €1.1 million of interest settled in relation to the corporate bonds.

Condensed statement of cash flows – SNB[28]

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Net cash flows used in operating activities	(253,594)	(148,980)
Net cash flows used in investing activities	(385,813)	(490,612)
Net cash flows generated by financing activities	671,321	262,338

Cash Flows used in operating activities – SNB

Net cash flows used in operating activities increased by PHP 104.6 million to PHP 253.6 million in the year ended 31 December 2023 from PHP 149.0 million in the year ended 31 December 2022 due to lower generation and increased expenses in relation to salaries and benefits, offset by lower cash outflows in relation to payments of payables specifically in relation to externally acquired software licenses accrued at the end of the year.

Cash Flow used in investing activities – SNB

Cash flows used in investing activities in the year ended 31 December 2023 were PHP 385.8 million and relate to investments in intangible assets, being the acquisition of externally acquired software licenses.

Cash flows used in investing activities in the year ended 31 December 2022 were PHP 490.6 million and relate to investments in intangible assets, being the acquisition of externally acquired software licenses of PHP 447.9 million and investments of PHP 42.9 million in transloading stations, communication and other property, plant and equipment.

Cash Flow generated by financing activities – SNB

Cash flows generated by financing activities in the year ended 31 December 2023 were PHP 671.3 million which relate to PHP 832.3million of loans received, primarily from external borrowings, offset by repayment of loans to CTI Asia of PHP 97.9 million, loans to SCB and NNB of PHP 25.7 million, finance fees on external borrowings of PHP 12.7 million and payments and finance fees relating to lease liabilities of PHP 23.6 million.

Cash flows generated by financing activities in the year ended 31 December 2022 were PHP 262.3 million and relate to PHP 396.2 million of loans received, primarily from the parent company, CTI Asia, offset by PHP 108.0 million payments to SCB and NNB and payments and finance fees relating to lease liabilities of PHP 25.9 million

Condensed statement of cash flows – NNB[29]

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Net cash flows used in operating activities	(277,684)	(173,844)
Net cash flows used in investing activities	120,565	31,542
Net cash flows generated by financing activities	163,993	42,075

[28] Annex 1, item 8.2.
[29] Annex 1, item 8.2.

Cash Flows used in operating activities – NNB

Net cash flows used in operating activities increased by PHP 103.8 million to PHP 277.7 million in the year ended 31 December 2023 from PHP 173.8 million in the year ended 31 December 2022 due to decreased generation, increased expenses in relation to salaries and benefits of temporary labour and increased legal and professional fees of PHP 28.0 million.

Cash Flow used in investing activities – NNB

Cash flows used in investing activities in the year ended 31 December 2023 were PHP 120.7 million and relate to PHP 122.6 million received from related parties for cost recharges, offset by investments in property, plant and equipment, of PHP 2.1 million.

Cash flows used in investing activities in the year ended 31 December 2022 were PHP 31.5 million and relate to PHP 92.2 million received, net, from related parties for cost recharges, offset by investments in property, plant and equipment, specifically plant and machinery, of PHP 60.8 million.

Cash Flow generated by Financing activities – NNB

Cash flows generated by financing activities in the year ended 31 December 2023 were PHP 164.0 million which relate to PHP 304.7 million of loans received, primarily from SNB and SCB, offset by payments and finance fees relating to lease liabilities of PHP 139.0 million.

Cash flows generated by financing activities in the year ended 31 December 2022 were PHP 42.1 million and relate to PHP 75.3 million of loans received, primarily from SNB, offset by payments and finance fees relating to lease liabilities of PHP 33.3 million.

Condensed statement of cash flows – SCB[30]

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Net cash flows used in operating activities	(246,827)	(346,379)
Net cash flows used in investing activities	(11,623)	(17,319)
Net cash flows generated by financing activities	272,694	351,412
Net cash flows generated by operating activities	(246,827)	(346,379)
Net cash flows used in investing activities	(11,623)	(17,319)
Net cash flows generated by financing activities	272,694	351,412

Cash Flows used in operating activities – SCB

Net cash flows used in operating activities decreased by PHP 99.6 million to PHP 246.8 million in the year ended 31 December 2023 from PHP 346.4 million in the year ended 31 December 2022 due to decreased expenses in relation to salaries and benefits of temporary labour, coupled by lower cash outflows in relation to payments of payables.

Cash Flow used in investing activities – SCB

Cash flows used in investing activities in the year ended 31 December 2023 were PHP 11.6 million and relate to PHP 12.7 million investments in property, plant and equipment, being investment in grid-line migration and plant machinery, offset by gains on sale on disposal of fully depreciated equipment of PHP 1.0 million.

Cash flows used in investing activities in the year ended 31 December 2022 were PHP 17.3 million and relate to investments in grid-line migration, fuel collection equipment and communication devices.

Cash Flow generated by financing activities – SCB

Cash flows generated by financing activities in the year ended 31 December 2023 were PHP 272.7 million which relate to PHP 500.0 million of loans received, primarily from external borrowings, offset by repayment of loans to CTI Asia of PHP 122.7 million, finance fees on external borrowings of PHP 142.9 million and payments and finance fees relating to lease liabilities of PHP 43.0 million.

[30] Annex 1, item 8.2.

Cash flows generated by financing activities in the year ended 31 December 2022 were PHP 351.4 million and relate to PHP 88.6 million of loans received, primarily from SNB, offset by payments and finance fees relating to lease liabilities of PHP 36.7 million.

Condensed statement of cash flows – CTI Asia[31]

US$'000s	For the year ended 31 December 2023	2022
Net cash flows used in operating activities	(738)	(558)
Net cash flows used in investing activities	(1,630)	(7,544)
Net cash flows generated by financing activities	2,240	3,373

Net cash flows generated by operating activities – CTI Asia

In the year ended 31 December 2023, net cash used in operating activities was US$0.7 million, an increase of US$0.1 million in comparison to the net cash used in operating activities of US$0.6 million in the year ended 31 December 2022. This increase primarily reflects operating expenses, primarily personnel costs of US$0.5 million and legal and professional expenses of US$0.1 million. In the year ended 31 December 2022, net cash used in operating activities, excluding non-cash impacts, included personnel costs of US$0.4 million, travel and expenses of US$0.1 million.

Net cash flows used in investing activities – CTI Asia

Net cash flows used in investing activities in the year ended 31 December 2023 were US$1.6 million and relate to investment in SNB of US$3.8 million for essential maintenance prior to the start of operations, offset by receipt of advisory fee income of US$1.5 million.

Net cash flows used in investing activities in the year ended 31 December 2022 were US$7.5 million and relate to investment in SNB to support ongoing

Net cash flows generated by financing activities – CTI Asia

Cash flows generated by financing activities in the year ended 31 December 2023 were US$2.2 million which relate to US$5.8 million of loans received, primarily from the subscriber to the loan notes, TL CTIH, which have been sold to TCS as part of the CTI Asia Acquisition, offset by repayment of loans of US$3.5 million.

Cash flows generated by financing activities in the year ended 31 December 2022 were US$3.4 million and relate to US$12.1 million of loans received, primarily from the subscriber to the loan notes, TL CTIH, which have been sold to TCS as part of the CTI Asia Acquisition, , offset by US$8.7 million repaid following receipt of disposal proceeds in relation to the sale of the solar platform in the year ended 31 December 2021.

Working Capital[32]

The Company is of the opinion that the Group's working capital is sufficient for its present requirements, that is for at least the next twelve months following the date of this Prospectus. [TO BE UPDATED FOR REFINANCING]

Capital Expenditure[33]

Capital expenditure – Group

€'000s	Year ended 31 December 2024 Successor	2023 Predecessor	2022 Predecessor
Capital expenditure			
Property, plant and equipment	6,031	39	357
Intangible assets	155	1,063	1,320
Total capital expenditure – Group	**6,186**	**1,102**	**1,677**

[31] Annex 1, item 8.2.
[32] Annex 11, item 3.1.
[33] Annex 1, item 5.7.1.

Investment in the year ended 31 December 2024 in property, plant and equipment was solely in relation to Climate Infrastructure, and the Biopower Platform. During 2024, all three plants underwent significant maintenance programs to replace and increase generational efficiencies.

Investment in the Predecessor period has been predominantly expenditure on developer costs for new functionality to the ImpactPlus platform.

<u>Capital Expenditure – Biopower Platform</u>

	For the year ended 31 December	
PHP'000s	**2023**	**2022**
Capital expenditure		
SNB		
Property, plant and equipment	20,972	42,908
Intangible assets		-
Total SNB capital expenditure	**20,972**	**42,907**
NNB		
Property, plant and equipment	2,056	60,820
Intangible assets		
Total NNB capital expenditure	**2,056**	**60,820**
SCB		
Property, plant and equipment	13,688	17,646
Intangible assets	-	-
Total SCB capital expenditure	**13,688**	**17,646**
Total capital expenditure – Biomass Platform	**36,719**	**121,373**

The Biopower Platform incurred capital expenditures of PHP 36.7 million, and PHP 121.4 million in the years ended 31 December 2023 and 2022, respectively. In the year ended 31 December 2023, PHP 30.7 million related to the initial construction costs of four trans-loading stations situated across the Biomass Platform, in addition to some civil engineering and preparatory work. The construction of these trans-loading stations is expected to be complete in 2024 and will provide additional free-standing storage areas and baling capacity for the sustainable fuel supply.

<u>Capital expenditure – CTI Asia</u>

There was no capital expenditure incurred in CTI Asia in the years ended 31 December 2023 and 2022.

Research and development

We undertake our research and development activities through our TL Innovation hub, a community of country level technology or sector specialists whom have been tasked with researching applied and proven technologies or techniques to assess how these can be integrated into our current markets. Our research includes assessing the practical application of these technologies or techniques from the perspective of how they can drive profitability and operational excellence, but also how they can accelerate our impact-led strategic aims. The research and development activities overseen by the Group's Executive Committee, to foster both country level thinking and testing but also to ensure a One TL application of these. We additionally seek to use advanced technology across the whole platform, in particular AI, to maximise generation and financial returns of the projects, customer satisfaction in our Climate Finance segment and to minimise corporate expenses, as well as our overall impact metrics.

In the years ended 31 December 2023 and 2022 we have centred our efforts in research and development in the following areas;

- Development of new code, utilisation of AI and additional automation in relation to our digital co-investment-platform, ImpactPlus, with the aim of increasing user experience, geographical expansion and updating for compliance matters;
- The application of sustainable fuel growing and harvesting techniques, to increase yield and longevity of the plantations and
- Alternative fuel mixes to increase heat generation efficacy of the load factor to the plant and maximise profitability.

We have capitalised €0.3 million in the year ended 31 December 2024 and in the predecessor periods, we capitalised €0.8 million and €1.5 million in the years ended 31 December 2023 and 2022 in TCS UK respectively, related to expenditure in developing the digital co-investment-platform, ImpactPlus. All other amounts have been expensed.

Indebtedness, Financial Commitments, Contractual Obligations and Contingencies[34]

Indebtedness

The table below sets forth the Group's outstanding indebtedness at 31 December 2024 (the underlying loan agreements, as described in more detail further below, together the "**Financing Agreements**"):

€'000s	**Maturity**	**2024 Successor**	**2023 Predecessor**	**2023 Predecessor**	**Note**
Current - Secured					
SNB – PHP 600 million	26 August 2025	9,960	-	-	1
NNB – PHP 500 million	2 May 2026	12,580	-	-	2
SCB – PHP 750 million	26 August 2025	8,430	-	-	3
Total secured and current		**30,970**	-	-	
ThomasLloyd Cleantech Infrastructure Holding GmbH	n/a	-	49,047	21,287	
MNA Capital Pte Ltd	n/a	-	2,656	-	
Vierte Cleantech Infrastrukturgesellschaft mbH	n/a	-	1,866	1,908	
Total unsecured and current		-	**53,569**	**23,195**	
Total current borrowings		**30,970**	**53,569**	**23,195**	
Non-current - Unsecured					
TL SICAV EICF	31 December 2026	143,067	-	-	4
TL SICAV SIGF	31 December 2026	1,020	-	-	5
ThomasLloyd Cleantech Infrastructure Holding GmbH	31 December 2028	49,113	67,695	47,100	6
Vierte Cleantech Infrastrukturgesellschaft mbH	31 December 2028	1,140			7
Total non-current - unsecured		**194,341**	**67,695**	**47,100**	
Total borrowings		**223,311**	**121,264**	**70,295**	
Preferred shares	Indefinite				

<u>Secured facilities</u>

1) <u>PHP600 million floating interest rate Working Capital Facility, SNB and LandBank, Philippines</u>

On 1 September 2023, SNB entered into a 12-month working capital loan facility agreement for PHP 600 million. At 31 December 2024 this represents €10.0 million of current borrowings payable to LandBank of the Philippines. The purpose of the facility is to provide additional working capital to fund the entry of SNB into full commercial operation, with the funds utilised, inter alia, for fuel collection, maintenance and capital expenditures for the fuel collection equipment and power plant, and general working capital purposes. At 31 December 2024 this facility was fully drawn.

The facility had an original maturity of 12 months from drawdown, drawdown being 1 September 2023, with payment due as a terminal payment on maturity. The facility has had its maturity extended to 29 December 2024 which has been extended to 26 August 2025. Interest is charged quarterly in arrears, at the LandBank prevailing market interest rate. The loan is secured over the power plant, machinery and equipment and other real assets. The right to receivables, contracts, insurance policies and land lease have all been assigned and LandBank have step-in rights to the shares held by CTI Asia in the event of a default. The facility does not include any restrictions on dividend distributions nor any financial covenants.

2) <u>PHP750 million floating interest rate Term Loan and Omnibus Line Facility, NNB and Security Bank, Philippines</u>

On 2 May 2024, NNB entered into a 24-month term loan and omnibus line facility agreement for PHP 750 million in aggregate. At 31 December 2024 this represents €12.5 million of current borrowings payable to Security Bank, Philippines. The indebtedness comprises two tranches, being a Term Loan of up to PHP 450 million and the Omnibus Line of up to PHP300 million The purpose of these loans is to provide additional working capital to fund the entry of NNB into full commercial operation, with the funds utilised, inter alia, for cane trash collection, maintenance and capital

[34] Annex 1, items 8.3 and 20.1.

expenditures for the fuel collection equipment and power plant, and general working capital purposes.. The payment of dividends is not permitted whilst the loan is outstanding, both partially and in entirety.

The term loan is repayable 24 months from drawdown, drawdown being 2 May 2024, with payment due as a terminal payment on maturity. At 31 December 2024 this facility was fully drawn. Interest is charged on the term loan quarterly in arrears, at the Security Bank prevailing market interest rate plus 2.25%. The omnibus line facility is repayable 12 months from signing, being 2 May 2025, with payment due as a terminal payment on maturity. Interest is charged on the omnibus line at the prevailing counter lending rate. The loan is secured over the power plant, machinery and equipment and other real assets. The right to receivables, contracts, insurance policies and land lease have all been assigned and Security Bank have step-in rights to the shares held by CTI Asia in the event of a default. The loan restricts any dividend distribution while the loan principal is outstanding.

3) <u>PHP500 million floating interest rate Working Capital Facility SCB and LandBank, Philippines</u>

On 1 September 2023, SCB entered into a 12-month working capital loan facility agreement for PHP 500 million. At 31 December 2024 this represents €8.3 million of current borrowings payable to LandBank of the Philippines. The purpose of the facility is to provide additional working capital to fund the entry of the San Carlos Biopower plant into full commercial operation, with the funds utilised, inter alia, for maintenance and capital expenditures for the fuel collection equipment and power plant and general working capital purposes. At 31 December 2024, this facility was fully drawn.

The facility had an original maturity of 12 months from drawdown, drawdown being 1 September 2023, with payment due as a terminal payment on maturity. The facility has had its maturity extended to 29 December 2024 which has been extended to 31 March 2025. Interest is charged quarterly in arrears, at the LandBank prevailing market interest rate. The facility is secured over the power plant, machinery and equipment and other real assets. The right to receivables, contracts, insurance policies and land lease have all been assigned and LandBank have step-in rights to the shares held by CTI Asia in the event of a default. The facility does not include any restrictions on dividend distributions nor any financial covenants.

<u>Unguaranteed/Unsecured facilities</u>

4) <u>€140 million fixed rate Omnibus Loan Agreement, CTI Asia and TL SICAV</u>

On 31 December 2017, TL SICAV entered into an omnibus loan agreement through its sub-fund, being TL SICAV – Energy Impact Credit Fund to subscribe to notes issued by CTI Asia. At 31 December 2024, the Omnibus Loan Agreement, as amended on 31 March 2024, provides for an aggregate subscription amount of US$140 million with an applicable interest rate of 8.5%. At 31 December 2024, the principal drawn under the Omnibus Loan Agreement was €92.6 million and including accrued interest, this represented €140.7 million of indebtedness to TL SICAV. The purpose of this loan is to invest in sustainable infrastructure in the renewable energy sector, amongst others. The loan is not secured, guaranteed and does not include any restrictions on dividend distributions nor any financial covenants. On 28 August 2024, the maturity of the loan and accrued interest was extended to 31 December 2026.

5) <u>€1 million Subscription Agreement, CTI Asia and TL SICAV</u>

On 19 September 2022, TL SICAV entered into a subscription agreement through its sub-fund, being TL SICAV – Sustainable Infrastructure Growth Fund to subscribe to notes issued by CTI Asia. At 31 December 2024, the subscription agreement, as amended, provides for an aggregate subscription amount of €1 million with an applicable interest rate of 15%. At 31 December 2024, the principal drawn under the Omnibus Loan Agreement was €0.8 million and including accrued interest, this represented €1.0 million of indebtedness to TL SICAV. The purpose of this loan was to invest in sustainable infrastructure in the renewable energy sector, amongst others, in Asia where the project may be at any stage of development, including greenfield projects. The loan does not include any restrictions on dividend distributions nor any financial covenants. On 28 August 2024, the maturity of the loan and accrued interest was extended to 31 December 2026.

6) <u>€50 million loan facility from CTIH</u>

On 13 November 2024, the Company entered into a loan agreement with CTIH to provide for an aggregate amount of €50 million of which €19.1 million was drawn at 31 December 2024. The purpose of this loan was to consolidate amounts owed through the TCS Group after the CTI Asia Acquisition had been completed. The is not secured, guaranteed and does not include any restrictions on dividend distributions nor any financial covenants. The maturity of the loan and accrued interest is 31 December 2028.

7) <u>€2 million loan facility from Vierte Cleantech Infrastrukturgesellschaft mbH</u>

On 13 November 2024, the Company entered into a loan agreement with Vierte Cleantech Infrastrukturgesellschaft mbH to provide for an aggregate amount of €2 million of which €1.1 million was drawn at 31 December 2024. The purpose of this loan was to consolidate amounts owed through the TCS Group after the Other Asset Acquisition had been completed. The is not secured, guaranteed and does not include any restrictions on dividend distributions nor any financial covenants. The maturity of the loan and accrued interest is 31 December 2028.

Debt for equity swap – CTI Asia and the Biopower Platform

As part of the project to restructure and re-capitalise the Biopower Platform, CTI Asia has entered into Deeds of Assignments with each of the Biopower Platform entities. On 31 August 2023, SNB entered a Deed of Assignment to CTI Asia whereby US$47.8 million or PHP 3.8 billion of debt under the Omnibus Subscription Agreement with a security pledge was agreed to be converted into preferred redeemable shares. At 31 December 2023, this amount has been recorded as a subscription of future capital stock in the SNB Financial Statements, being 4,219,746 preferred redeemable shares of 157 PHP par value, pending approval by the Philippine SEC and issuance of the shares.

On 31 August 2023, the NNB entered a Deed of Assignment to CTI Asia whereby US$30,808,264 or PHP 1.7 billion of debt was agreed to be converted into preferred redeemable shares. At 31 December 2023, this amount has been recorded as a subscription of future capital stock, in the NNB Financial Statements being 2,707,007 preferred redeemable shares of 157 PHP par value, pending approval by the Philippine SEC and issuance of the shares. Additionally on 31 August 2023, CTI Asia agreed to waive its security and pledge in relation to the plant and machinery.

On 31 August 2023, the SCB entered a deed of assignment to CTI Asia whereby US$47.8 million or PHP 3.8 billion of debt under the Omnibus Subscription Agreement with a security pledge was agreed to be converted into preferred redeemable shares. At 31 December 2023, this amount has been recorded as a subscription of future capital stock, in the SCB Financial Statements being 4,219,746 preferred redeemable shares of 157 PHP par value, pending approval by the Philippine SEC and issuance of the shares. Additionally on 27 July 2023, CTI Asia agreed to waive its security and pledge in relation to the plant and machinery.

Financial commitments, contractual obligations and contingencies

Commitments – Leases – Group

The Group includes the Biopower Platform non-cancellable operating leases as well as other leases for office space throughout the Group.

	At 31 December		
€'000s	**2024**	**2023**	**2022**
Minimum lease payments			
Under 1 year	1,716	1,220	1,176
1-5 years	6,864	4,655	4,608
Over 5 years	13,704	4,019	4,674
Total present value of minimum lease payments	**22,284**	**9,894**	**10,458**

Financial maturities

The tables below analyse the relevant company's financial liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date:

Group

€'000s	**Less than 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**5+ years**	**Total contractual cash flows**
At 31 December 2024						
Trade payables and other liabilities	15,502	3,189	-	-	-	18,691
Borrowings	-	30,970	-	164,305	-	195,275
Lease liabilities	858	858	3,432	3,432	13,704	22,284
Provisions	-	-	1,360	370	-	1,730
Employee Benefit Obligation	-	50	120	250	278	698
Borrowings	-	30,970	-	164,305	-	195,275

Other financial commitments

There are no other external financial commitments at 31 December 2024 other than as disclosed above.

At the date of this Prospectus, as described in *Operating and Financial Review – Current Trading and Recent Developments"*, the Company has entered into an agreement to acquire 11.7% of the issued share capital of OneWater, for a total consideration of US$20.0 million, equivalent to

€17.8 million at the 31 December 2024 closing exchange rate. The OneWater Acquisition is subject to a number of closing conditions. The consideration for the OneWater Acquisition is to be settled in cash and in tranches, with US$2.2 million expected to be paid prior to 31 December 2024 (equivalent to €2.0 million) and US$17.8 million during 2025 (equivalent to €17.5 million). The acquisition does not commit the Company to other funding or financing of OneWater once the purchase price has been settled, although the Company has the right to a first refusal of increasing its stake to above 25% in the first 18-month period.

Quantitative and Qualitative Disclosures about Market Risk

Overview

The Group is exposed to a variety of financial risks: market risk (including currency risk and price risk), credit risk and liquidity risk. The overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Foreign exchange risk – Foreign exchange risk arises from various currency exposures, primarily with respect to the Philippine Peso and the US Dollar. Currency risk comprises (i) transaction risk arising in the ordinary course of business, including certain financial debt denominated in a currency other than the currency of the operations; (ii) transaction risk linked to investments or acquisitions; and (iii) translation risk arising on the consolidation in Euros of subsidiaries with a functional currency other than the Euro. To mitigate foreign exchange risk, (i) most revenues and operating costs incurred in the countries where Group operates are denominated in the functional currency of the relevant project company; (ii) the external financial debt is mostly denominated in the currency that matches the currency of the revenue expected to be generated from the benefiting project, thereby reducing currency risk; (iii) where cash flows are expected within a 12 month period, the corporate level entity may enter into various foreign currency sale/forward and/or option transactions; and (iv) certain contracts in currencies other than the U.S. Dollar and the Euro include inflation-adjustment mechanisms which provide a natural currency hedge. The Group has limited currency exposure at the asset level, other than the inter-Group funding and financing arrangements.

The Group’s exposure to foreign currency risk at 31 December 2024 is as follows:

€’000s	**Euro**	**PHP**	**CHF**	**Other**	**31 December 2024**
Financial assets at amortised cost	86,573	**-**	**-**	**-**	**86,573**
Trade receivables	7,685	3	-		**7,688**
Contract assets	42,385	-	-	-	**42,385**
Cash and cash equivalents	11	556	-	63	**630**
Financial assets at fair value through profit or loss	49,898	-	-	250	**50,148**
Total financial assets	**186,552**	**559**	**-**	**313**	**187,424**
Trade and other payables (excluding non-financial liabilities)	(2,029)	(7,124)	(7,343)	(2,195)	**(18,691)**
Contract liabilities	(286)	-	-	-	**(286)**
Borrowings	(164,305)	(30,970)	-	-	**(195,275)**
Lease liabilities	-	(13,365)	(8,808)	(110)	**(22,283)**
Total financial liabilities	**(166,621)**	**(51,459)**	**(16,151)**	**(2,305)**	**(236,536)**
Total exposure	**19,932**	**(50,900)**	**(16,151)**	**(1,992)**	**(49,111)**

The aggregate foreign exchange gains and losses recognised in the statement of profit or loss and comprehensive income were as follows:

	For the year ended 31 December		
€'000s	**2024**	**2023**	**2022**
Exchange gains on foreign currency borrowings included in general and administrative expenses.	18,653	186	1,509
Exchange losses recognised in comprehensive income	(7,307)	94	(990)

Holding all other variables constant, a 10% increase or decrease in the following exchange rate would decrease or increase profit for the period by the following amounts:

€'000s impact on profit before tax at 31 December 2024	**PHP**	**USD**
10% increase in the PHP	4,627	
10% decrease in the PHP	(5,656)	
5% increase in the CHF		769
5% decrease in the CHF		(850)

Interest rate risk – Interest rate risk arises primarily from the Biopower Platform' current working capital facilities. Interest cash flow risk arises from borrowings issued at variable rates, partially offset by cash held at variable rates. Interest rate risk is managed through its policy of maintaining at least 50% of its borrowings at fixed rate. The Group's borrowings at variable rate were mainly denominated in PHP and Euro. The percentage of borrowings shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings, not inclusive of the preferred shares classified as non-controlling interests.

€'000s	**At 31 Dec 2024**	**% of borrowings**	**At 1 Jan 2024**	**% of borrowings**	**At 31 Dec 2023**	**% of borrowings**
Variable rate – borrowings	30,970	14%	-	-	-	-
Fixed rate borrowings						
Under 1 year	-	-	53,569	44%	70,295	100%
1-5 years	144,087	64%	67,695	56%	-	-
Over 5 years	50,253	22%	-	-	-	-
Total Borrowings	**225,311**	**100%**	**121,264**	**100%**	**70,295**	**100%**

Commodity Price risk – The Group's future cash flows may be impacted by changes in the prices of electricity, although at 31 December 2024, 57.0% of the Biopower Platform' potential generating capacity is covered by either a fixed price or floor or cap PSA. These agreements generally mitigate against significant fluctuations in cash flows from generation although do not mitigate against significant increases to input materials such as diesel and other commodity prices.

Credit risk – Credit risk relates to risk arising from customers, suppliers, partners, intermediaries, and banks on its operating and financing activities, when such parties are unable to honour their contractual obligations. Credit risk results from a combination of payment risk, delivery risk (failure to deliver services or products paid for) and the risk of replacing contracts in default (known as mark to market exposure—i.e., the cost of replacing the contract in conditions other than those initially agreed). The Group analyses the credit risk for each new client prior to entering into an agreement. Additionally, the Group aims to restrict exposure to any one counterparty by setting credit limits based on the credit quality as defined by S&P and by defining the types of financial instruments which may be entered into. PSAs are typically with offtakers who have strong credit profiles. The minimum credit rating the Group generally accepts from banks or financial institutions is BBB- (S&P). If there is no independent rating, the Group assess the credit quality of the customer, taking into account its financial position, past experience and other factors.

Liquidity risk – Liquidity risk arises from the individual entities on their own, or as a combined group, not being able to meet its obligations. The Group has historically relied on long-term debt solutions to fund construction and acquisitions and in the year ended 31 December 2023 and the year ended 31 December2024, has secured external financing at the Biopower Platform level to support their transition into full operations. All significant long-term financing arrangements are covered by the cash flows expected from the power plants when operational.

***Critical Accounting Policies, Critical Accounting Estimates and Key Judgments**.*

This section discusses the accounting policies and estimates that the Group considers to be important to its financial condition and results of operations in the preparation of the consolidated financial statements at and for the year ended 31 December 2024 and that require significant judgment and estimates on the part of management in their application.

Critical accounting judgements – Group

Classification of spare parts and supplies as inventories or property, plant, and equipment – Determining when spare parts or supplies are classified as inventory, instead of in property, plant and equipment, and therefore as current assets, requires judgement. Management has determined that where the spare parts or supplies are acquired, and subsequently held, for use in the generation of electricity process, or in the collection of sustainable fuel, and where they will be used in more than one accounting period, then these spare parts or supplies are classified as property, plant and equipment and depreciated from the date of acquisition. Where the spare parts or supplies are to be consumed in a single accounting period and will not generate economic benefits for the relevant company over more than one single accounting period, or be used in administrative processes, then these are accounted for as inventories.

Classification of sustainable fuel plantations as inventories or biological assets – Sustainable fuel plantations may be classified as biological assets and held at fair value until the crop is harvested and available for sale or they may be classified as inventories and therefore valued at the lower of cost and net realisable value. As the planted trees are to be harvested and the wood chips may be sold to external third parties, the sustainable fuel plantation and any harvested agricultural produce has been classified as inventory.

Determining the lease term and extension option of leases assumed to be applied in calculation of a right-of-use asset and related liability – Each of SNB, NNB and SCB, in addition to companies within the TCS UK Group, has entered into several leases. In each case the lease has the option to extend the lease term and therefore when determining whether the extension should be included in the calculation and recognition of the right-to-use asset and related liability, Management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The following factors were considered for determining whether an extension will be utilised:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate);
- If leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend the term;
- Other factors including historical lease durations and the costs and business disruption required to replace the leased asset; and
- Management has determined that generally where the lease property is integral to the business, where it is shorter than the asset life of the plant and where the option is enforceable and within the control of the Company, then the economic incentive exists and there is reasonable certainty that the lease will be extended. The assumption to extend has been applied to the lease of office space in Switzerland.

Capitalisation of internally generated development costs during construction of an asset – Internally generated product development costs only qualify for capitalisation if the Group can demonstrate all of the following:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete the intangible asset and use or sell it;
- Its ability to use or sell the intangible asset, including how the intangible asset will generate probable future economic benefits;
- The usefulness of the intangible asset;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- Its ability to measure reliably the expenditure attributable to the intangible asset during development.

Commercial viability of new products, modules or capabilities is generally not proven until the major high–risk development issues have been resolved through testing of the specific development. Development expenditure incurred on minor or major upgrades, or other changes in software functionality, does not satisfy the criteria, where it is considered that the product is not substantially new in its design or functional characteristics. Such expenditure is therefore recognised as an expense.

The Group is required to assess each ongoing project in order to determine at what stage (if at all) a project meets the criteria outlined in the Group's accounting policies. Such assessment may, in certain circumstances, require significant judgement. In making this judgement, the Group evaluates, amongst other factors, the stage at which technical feasibility has been achieved, management's intention to complete and use the product or additional feature, the likelihood of success, the availability of technical and financial resources to complete the development phase and management's ability to measure reliably the expenditure attributable to the project. Research and product development expenditure incurred on minor or major upgrades, or other changes in software functionality, does not satisfy the criteria where it is considered that the product is not substantially new in its design or functional characteristics. Such expenditure is therefore recognised as an expense. The Group continually assesses the eligibility of development costs for capitalisation on a project–by–project basis. Research and development costs which do not meet the criteria set out above are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in subsequent periods. The costs capitalised are development management fees, the costs of certain consultants, engineers or other expert fees and borrowing costs meet the definition of an asset, in that future economic benefits will flow to the relevant company because the costs incurred will be used in combination with other assets for future revenue generation. At 31 December 2024, the Group has capitalised €4.4 million of external software development costs incurred in the production of an internally developed digital co-investment platform, ImpactPlus, utilised by its investors.

Rebuttable presumptions in relation to determining loss provisions – In assessing and calculating the expected credit loss provision at each period end, management has determined that the 30- and 90-day rebuttable presumption as to whether financial assets are impaired is not applicable due to the relevant historical experience and collection history of receivables. Therefore, the management of the individual company have determined that 120 days is the default trigger. If a 30 day or 90 day presumption had been applied, the loss provision would have increased by €2.3 million and €1.7 million respectively.

Key estimation uncertainties

Assessing and determining expected credit losses – Each of the companies is required to evaluate the expected credit losses related to its financial assets based on an individual assessment and available facts and circumstances, including, but not limited to historical loss experience and macro-economic factors, and forecast information. Each company uses credit ratings, performance of banking industry, macro-economic and bank's financial information to assess the expected credit losses on its bank deposits. Each company uses historical experience and current financial information and forecast macro-economic factors to assess the expected credit losses on receivables, due from related parties and security deposits. In view of the foregoing factors, Management believes that due from related parties are collectible, hence allowance for credit losses is unnecessary.

Valuation of inventories – The valuation of inventories is based on the lower of cost and net realisable value. Management values inventory based on the cost to collect, store and transport the sustainable fuel to the plant site. The value of inventories is adjusted to the extent that Management determines that the cost cannot be recovered due to obsolescence, deterioration in quality or other factors. In making these determinations, Management uses estimates of future demand, an estimate of market value to determine an appropriate provision or allowance account to record inventories at the lower of cost or net realisable value.

Impairment of property, plant and equipment – Each of SNB, NNB and SCB has performed an impairment review to determine the fair value of, amongst others, property, plant and equipment. In performing this review, Management has assessed future cash flows expected to be generated from the continued use and ultimate disposition of such assets. In undertaking this assessment, Management has made certain estimates and assumptions, which if different, could significantly impact the financial statements. The key assumptions utilised in this assessment were the price of electricity per kwh to be achieved outside the period of any PSA, generation levels and related outage time as well as the discount rate used to assess a value in use amount. In 2023, SCB recorded an impairment of PHP 695.7 million (equivalent US$ 12.6 million). If any one of the assumptions used moved a significant amount, there may be an indication of impairment at the other two plants or increase the impairment recorded at SCB which could lead to a write-down in value.

Impairment of goodwill - The Group assesses whether goodwill has suffered an impairment on an annual basis. It assesses the recoverable amount of the cash-generating units based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on the financial budgets approved by management covering a 25-year period. Cash-flows beyond a five-year period are extrapolated using inflation and growth rates. The financial models and forecasts have been reviewed by an external independent valuation expert. The following assumptions have been used:

Assumption	**Approach used**
Generation – net	Potential generation capacity of the plant, with scheduled outages and own use provision applied. Additionally a provision for unplanned outages applied.
Sales price	Current terms of power supply arrangements with estimated market pricing forecast outside the current terms. Market pricing developed in-house by sales trading team and validated with external outlook from an independent source.
Budgeted gross margin	Based on management expectations for the future
Other operating costs	Fixed costs based on current structure of the business, adjusting for inflationary increase, but not reflecting any future restructuring or cost-saving measures.
Annual capital expenditure	Expected cash costs for each plant, based on historical experience and planned maintenance. No cost savings are assumed and inflation outlook applied throughout forecast period.

Inflation	Based on local government's outlook of 2-4% inflation per annum
Long-term growth rate	Weighted average growth rate to extrapolate cash flows beyond the 5-year period which are consistent with industry expectations
Pre-tax discount rate	Reflects specific risks to the segment and size of the Biopower Platform, using a 20-year government bond yield of the Philippines

Estimation of asset retirement obligations or dilapidation provisions – The Group is obligated to return certain of the land it leases to the state in which it accessed it at the start of the lease term. Each year, Management assesses the cost to return the land to this state, including estimates of rehabilitation activities, technological changes, regulatory changes, and expenses. These costs in total are then assessed for inflationary impacts, an estimate of timing of incurrence of the costs are made and then a discount factor is applied to reflect the present value of this expenditure. Management has used its incremental borrowing rate of 9.4% to measure the present value and has assumed that the dilapidation provision will be utilised at the end of the non-cancellable lease term.

Deferred tax asset recognition – Each of SNB, NNB and SCB, by virtue of each of the companies being generators of renewable energy, is entitled to an income tax holiday for the first seven years following commencement of operations, being 5 June 2022. In assessing the recognition or carrying amount of deferred tax assets, the management of the relevant company has evaluated that due to the eligibility for the tax holiday, it is unlikely that there will be taxable profits in the near-term future. Therefore, deferred tax assets of PHP 1.6 billion or €23.4 million have not been recognised at 31 December 2024 in aggregate across the Biomass Platform.

Value of the Retirement Benefit Obligation "RBO" – In assessing the RBO, management has assessed certain assumptions used by actuaries as appropriate or reasonable. These assumptions include, but are not limited to, the discount rate applied, and the expected rate of salary increases. While Management believes that the assumptions are reasonable and appropriate, significant differences in the actual experience or significant changes in the assumptions may materially affect the RBO and other retirement obligations.

Utilising tax losses – The calculation of the TCS UK Group's tax charge involves a degree of estimation and judgement. Liabilities relating to open and judgemental matters, including those in relation to deferred taxes, are based on the Group's assessment of the most likely outcome based on the information available. As a result, certain tax amounts are based on estimates using factors that are relevant to the specific judgement. The Group engages constructively and transparently with tax authorities with a view to early resolution of any uncertain tax matters. Where the final tax outcome of these matters is different from the amounts provided, such differences will affect the tax charge in a future period. Such estimates are based on assumptions made on the probability of potential challenge within certain jurisdictions and the possible outcome based on relevant facts and circumstances, including local tax laws. There was no individual judgemental component of the tax expense that was material to the TCS UK Group results when taking into account the likely range of potential outcomes. Amounts recorded within the tax charge relating to these judgements were not material.

Fair value of securities not quoted in an active market – The fair value of such securities not quoted in an active market may be determined by the relevant company using its own models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. In assessing the valuation of the below assets, we considered the following valuation approaches: income, market comparable, comparable transaction method and net asset value method. It was concluded that the income approach was the most relevant as the value of investments is influenced by many factors, including contractual terms, and the income approach allows stress testing to key value drivers.

Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The sensitivity to unobservable inputs is based on management's expectation of reasonable possible shifts in these inputs, taking into consideration historical volatility and estimations of future market movements.

The determination of what constitutes 'observable' requires significant judgement by the relevant company. The relevant company considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Significant Estimates and Judgements in the preparation of the individual company financial statements, not relevant or material to the Group Financial Statements.

Determining the functional currency of the Biopower Platform – The functional currency of an individual entity or company is generally the primary economic environment in which the company operates. However, CTI Asia has financed the Biopower Platform through US Dollar denominated loans from CTI Asia which could be an indicator that the functional currency of he Biopower Platform could be a currency other than PHP. Management have determined that the functional currency is the PHP as its sales of electricity are invoiced and received in PHP as well as most of its labour, material and others costs of sales of electricity are denominated and paid in PHP. Additionally, all leases and most construction costs were denominated and paid in PHP.

***Embedded derivatives in a financing relationship of the Biopower Platform* –** SNB, NNB and SCB has been funded by CTI Asia under various subscription agreements (the "**Subscription Agreements**"). These Subscription Agreements provide CTI Asia with the right to convert these loans, in part or in whole, into shares, or an equity interest, in the relevant company, at a conversion rate and upon such other terms and conditions as each party may agree at the time of conversion. At 31 December 2023, CTI Asia has elected to convert part of the loans to equity, which is recorded as a deposit for subscription at the year-end. The conversion option should be assessed as to whether it is an embedded derivative which not clearly and closely related with the host contract. An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. A derivative that is attached to a financial instrument but is contractually transferable independently of that instrument, or has a different counterparty, is not an embedded derivative, but a separate financial instrument. On the basis that the terms and conditions of this conversion have not been prescribed, Management believes that this conversion feature is closely related to the economic characteristics and risks of the host contract, being the various Subscription Agreements. On this basis the embedded derivative is not separable as has not met all the conditions for separation and therefore has not been valued separately.

BUSINESS

Overview[35]

ThomasLloyd Climate Solutions is a clean energy and technology group, whose purpose is to work towards a net-zero world. The Company, whose origins date back to 2003, was formed to address the growing global need for complete, ready-to-use decarbonisation solutions, through a merger of the Biopower Platform, a major Asian biomass independent power producer and biofuels producer, and TCS UK, a pioneering North-American/European clean-tech advisor, sustainable energy infrastructure project developer and asset manager, and climate finance specialist.

The Group's comprehensive and fully integrated energy transition platform encompasses physical assets and services across a wide range of pivotal decarbonisation sectors, such as energy, water, waste management, transportation, agriculture and forestry, which all have strong strategic and operational synergies between one another and allow it to offer an end-to-end energy transition service from a single source.

The Group, which has 36 corporate and site offices across Europe, Asia and North America, owns, develops, finances, constructs, operates and manages customised emission reduction and active carbon removal projects, assets and businesses along the entire energy transition value chain using a holistic decarbonisation approach for a variety of customers from the private and public sectors with a focus on the high-growth APAC region.

History[36]

The history of the Group and some of the key milestones achieved are summarised in the table below.

2003	• ThomasLloyd established as a public investment company and alternative asset manager with a focus on special situations private equity and debt in Stuttgart, Germany.
2004	• Successful takeover of listed securities trading bank Schnigge Wertpapierhandelsbank AG, Germany.
2005	• Acquisition of a qualified minority interest in asset manager Illington Fund Management and investment bank Illington Capital LLC ("**Illington Group**") based in New York with offices and representation in San Francisco, Hong Kong, Beijing and London.
2006	• Complete takeover of Illington Group, restructuring and re-positioning of the Group as a pioneering specialised investment banking and principal finance business, solely dedicated to clean technologies and sustainable infrastructure. • Seed capital investor and (exclusive) financial advisor of Fisker Automotive, an international hybrid electric vehicle manufacturer headquartered in California, USA from establishment until 2009, including Series A, B and C equity fund raises and a US$ 529 million loan as part of the US Department of Energy's Advanced Technology Vehicles Manufacturing (ATVM) loan program.
2007	• Sale of restructured Schnigge Wertpapierhandelsbank AG to German PE firm Augur Capital with a return on investment of 600%+, honoured by ACQ as "Deal of the Year".
2008	• Sole financial advisor to Q-Cells International (today Hanwha Q-Cells) on their North American market entry and project development (commercial documentation) and project financing (equity and debt) of Starwood Solar Sault Ste. Marie, a solar facility which at the time was the second largest in North America and amongst the largest globally, later acquired by KKR.[37] • Advising the shareholders of Encelium Technologies (New Jersey, USA), a company producing intelligent and efficient light control systems, on the sale of the company to OSRAM Licht AG.
2009	• Exclusive financial advisor, sole financial sponsor and co-developer initially to Bronzeoak UK and later also Bronzeoak Philippines for various clean energy projects with different technologies across the APAC region including San Carlos Bio Energy, what the Company believes to be the first regenerative combined cycle power plant in Asia using sugarcane that produces 42 million liters of bio-ethanol and 60 million kWh of electricity per annum. • The joint local development platform in the Philippines was honoured with the "Project Developer of the Year" award by Euromoney and Ernst & Young Global Renewable Energy Awards and has been a finalist at Platts Global Energy Awards for Infrastructure Project of the Year.

[35] Annex 1, item 5.1.1(a)-(b).
[36] Annex 1, item 5.3.
[37] The Wall Street Journal, February 15, 2013 Starwood.

2010	• Advisor to Alter NRG, a company specialising in the planning, construction and operation of waste gasification plants using plasma technology for communal waste in North America, Europe and Asia. Advisory services include the sale of a coal deposit in Alberta of 468 million tonnes, a 100% stake in Westinghouse Plasma Corporation and 100% stake in Clean Energy Development Corporation and raising equity and financing for Navitus Plasma, what the Company believes to be the first waste gasification plant in Ontario, Canada.
2011	• Launch of ThomasLloyd´s flagship private market climate change mitigation, adaptation and carbon-offsetting investment strategy "ThomasLloyd Cleantech Infrastructure". • First direct investment in the Philippines for the development of a biomass-to-power stand-alone plant including a dedicated fuel-sourcing strategy, laying the foundation of what would eventually become the Biopower Platform, one of the leading integrated bioenergy and agri-businesses in the APAC region.
2012	• Setup of a project development platform in Cambodia.
2013	• Development and start of construction of SaCaSol, what the Company believes to be the first utility-scale renewable energy plant in the Philippines. • Groundbreaking of the San Carlos Biopower plant, what the Company believes to be the first large-scale biomass plant utilising agricultural residues.
2014	• The Philippine president, Benigno Aquino III together with various members of the Philippine government attends the inauguration of SaCaSol, underlining the significance of the major solar facility financed by the Group for his country. In front of 600 invited international guests SaCaSol was commissioned as the first Philippine utility-scale renewable energy plant with a total nominal output of 22 megawatts (phase I). The plant on Negros Island supplies up to 50,000 people with sustainably generated electricity. • SaCaSol receives the silver Asian Power Award in the 'Solar Power Project of the Year', the IFC Sustainable Energy Finance Award and named 'Green Company of the Year'. • Frost & Sullivan Best Practices Award 2014: Frost & Sullivan presented SaCaSol, ThomasLloyd's solar holding company, with the Best Practices Award 2014 in the 'Philippines Solar Photovoltaic System Integrator of the Year' category.
2015	• Bank of the Philippines Islands ("**BPI**"), what the Company understands to be the first financial institution to finance solar facilities on the Philippines, made three loans totalling PHP 1.5 billion (approx. US$ 36 million) available to SaCaSol, a subsidiary of the ThomasLloyd, between July 2014 and May 2015. The loans will be used to build the Group's solar projects. The Company believes these are the first of their kind to be provided by a Philippine financial institution in this sector and therefore represent an important transaction in the Philippine capital markets. • TL SICAV EICF – awarded "excellent" rating for its suitability for corporate pension funds. 'Highly compatible' and 'a stable outlook in the medium term' were the assessments of the Austrian Society for Environment and Technology ("**ÖGUT**"). The fund was examined in detail on the basis of the set of criteria which ÖGUT uses to certify corporate pension funds. • Following the sale of SaCaSol in June 2015, which included a 45 MW solar facility at San Carlos City, Negros Occidental, the Group confirmed on 14 September 2015 that it had divested all of its rights to the projects of NISPI, a 80 MW solar facility, in a second transaction also to the Philippine Investment Alliance for Infrastructure ("**PINAI**").
2016	• The Group signs definitive loan agreements for a facility of up to US$161 million with the IFC (World Bank Group) and other sovereign investors for a potential refinancing of Biopower Platform following commencement of operations. This facility matured in 2022 and no funds were drawn under the facility. • The Group lays the foundations for a second biomass power plant (SNB) and inaugurates a further two solar power plants. • As part of its ratings update, rating agency TELOS awarded the investment process of the TL SICAV EICF an 'AAA' rating and attested to its 'highest standards of quality'. A further improvement compared with the previous year placed the Group in the top group of companies rated by TELOS.
2017	• Representatives of the Group speak at the "Spring Meeting" of the IMF and World Bank providing updates on the construction of the Biopower Platform.
2018	• Launch of "ThomasLloyd SICAV - Energy Impact Credit Fund", one of the first fully regulated open-ended public sustainable energy infrastructure debt fund.

	• Initial acquisition of a significant stake in Delhi-based SolarArise, a large Indian Renewable energy development platform, with co-investment partners EIB and Kotak Mahindra Bank.. The Group becomes the largest investor in SolarArise.
2019	• The Group reaches a record high for finance for its climate projects: the Group has raised €339 million from investors through its impact investment solutions in the year ended 31 December 2019, representing a considerable year-on-year growth (2018: €209 million) increase of no less than 63%. The capital acquired from investors came to the Group primarily from its core European markets. • The Group's cumulative impact investment transaction volume in its climate change mitigation, adaptation and carbon-offsetting investment strategy exceeds US$ 1 billion.
2020	• Listing of the "TL SICAV -EICF" on the Luxembourg Bourse. • Launch of ImpactPlus. • The TL SICAV EICF has been granted the 'Environment Label' by LuxFLAG, the independent Luxembourg Finance Labelling Agency. • Solar PV Plant in Karnataka, India commences commercial operations.
2021	• Successful RFP participation for UK government mandate under COP 26 related "Mobilist" initiative. The Group was selected as winner by virtue of its granted mandate by FCDO for the structuring, distribution and initial management of an LSE-listed Investment Company with a climate-related investment strategy on low- and middle-income countries, the "ThomasLloyd Energy Impact Trust PLC", the first and only investment trust on the London Stock Exchange dedicated to providing direct access to sustainable energy infrastructure in the fast-growing economies of Asia from Q2 2021 until Q4 2022. • SolarArise commissions a 75MW solar plant in Uttar Pradesh, India.
2022	• Various impact investment solutions of the Group are classified as sustainable investments in accordance with Article 9 of the EU Sustainable Finance Disclosure Regulation.[38] • The Group expands its operations into Vietnam through a new local partnership.
2023	• The Group, as investment manager of AEIT, oversees the acquisition of remaining shareholding in the SolarArise platform, so that AEIT owns 100%. • SolarArise initiates construction of 200MW solar plant in Madhya Pradesh. • Commissioning of the Biopower plants completed.
2024	• Signing of PSAs for the Group's biomass plants with what the Company believes to be among the Philippine's leading power distribution utilities/retail electricity suppliers. • Agreement reached on the acquisition of a minority interest in OneWater Group, which is engaged in the global development, manufacture, sale and maintenance of Algaewheel®, a proprietary U.S. patented technology for the decentralised wastewater treatment market.
2025	• Each of the Biopower Plants successfully tested for alternative fuel options, with each plant successfully generating on 100% woodchip inputs. Supply agreements with two providers signed for the provision of woodchips and logs. • Termination of the externally sourced O&M services contract in April 2025, to bring the O&M specialists in-house with an estimated annualised cost saving of c. €1 million • Acquisition of an Indian development and O&M team with the strategic aim of building out the Group's development and construction capabilities in solar and hydro in India and the surrounding geographies.

Business Segments[39]

Overview

The Group's business model includes both the ownership of physical assets and provision of asset-light energy transition focussed services. The business model is designed to cover the entire value chain of energy transition, is vertically integrated and organised across three complimentary operating segments, supported by the Group's corporate shared service centre, providing it with the resources required to deliver value in the Group's respective markets.

[38] Adepa Asset Management S.A., https://www.adepa.com/third-party-fund-management-company/sustainability-related-disclosures/
[39] Annex 1, item 5.1.1(c)-(d).

This scalable and modular setup delivers economies of scale with increased margins, creates synergies in origination, enhances competitiveness, lowers execution and operational risks and provides shareholders and investors with a gateway to attractive energy transition opportunities when it comes to creating impact and high risk-adjusted returns.

Climate Infrastructure

With its CI business segment, the Group employs c.300 people across 15 locations with a 25+ year average experience at executive level.

For more than 20 years, the Group's CI segment has helped to further develop markets and establish new markets, utilising its vast industrial and commercial experience – see also "*Business – History*". Hereby the focus of the Group's CI segment has been on energy transition areas in particular and geographical regions which are underserved and not yet commoditised as well as hard-to-abate industries.

The Group's CI segment develops, finances, constructs and operates climate infrastructure projects in the areas of renewable energy power generation and storage, smart energy infrastructure and energy efficiency, both for the Group itself as well as for third-parties. The curret geographical focus of the Group's CI's segment is on the APAC region, the fastest-growing major power generation market[40] and largest carbon emitter[41] globally with a significant untapped runway.[42]

The technology focus of the Group's CI segment is on small to medium-size higher-returning, more sophisticated projects and energy solutions including commercial and industrial solar markets, hybrid and round-the-clock projects, renewable energy base-load plants and retrofit decarbonisation of coal power plants. Within its CI segment, the Group predominantly originates and invests in project developments to maximise risk-adjusted financial returns and implement its impact and ESG agenda from the outset. Thereafter the Group, through its CI segment, may recycle capital through divesting at the end of the value creation period at the start of commercial operations ("**COD**") or during initial operations.

To date, the Group's CI team has been responsible for the successful realisation and operation of 115 energy projects in 20 countries with a total generation capacity of 27.6 GW. This includes 10.3 GW of renewable energy generation and storage, consisting of solar energy (1.7 GW), wind energy (4.5 GW), hydropower (2.1 GW), ocean energy (599 MW), bioenergy (583 MW), hybrid energy solutions (880 MW) and battery energy storage systems ("**BESS**") (1.2 GWh) across 14 countries in the APAC region, of which 69 were greenfield projects. In addition our team has been responsible for the successful delivery and operation of more than 600 wastewater treatment systems.

The Group, through its CI segment, owns, operates and manages a diversified portfolio of climate infrastructure projects, assets and businesses in the APAC region, the vast majority of which it has originated, developed, constructed and commissioned, as well as an energy sales and trading business. This portfolio includes three operational biomass power plants utilising agricultural residues and a utility-scale solar power plant development with 615 GWh total annual generation capacity in the Philippines. Furthermore, as part of its CI segment, the Group partially owns and manages a minority interest in a pan-Asian solar portfolio with 12 projects across 5 states in India, the Philippines and Vietnam with 320 MW of renewable capacity in operation and 350 MW under construction/contract.

The income streams of the Group's CI segment are realised in the area of energy generation & storage, which generates contracted power sales revenues from credit-worthy counterparties based on fixed-price PPAs and PSAs, in the area of energy trading, which generates trading revenues from buying and selling clean energy capacity in the spot market on energy exchanges and in the area of energy solutions & services, which generates development fee revenues ("**DaaS**") and transaction, management and performance fee revenues from energy & asset management services.

Philippines

Renewable Energy generation from biomass - Biopower Platform

<u>Overview</u>

Biopower plants are thermal power plants with a boiler and a steam turbine generator and operate based on well-established, reliable and proven technologies.[43] Using processes similar to those used with fossil fuels, Biopower plants, in contrast, convert locally sourced renewable biomass into heat and electricity. The carbon that is released from biomass during combustion has previously been sequestered from the atmosphere and will be sequestered again as the plants regrow, as long as there is no reduction in forest carbon stocks.[44] The locally sourced sugarcane trash that is the primary fuel for the Biopower plants is the residue of a crop with a short growing cycle of 7-9 months, an almost immediate balancing of carbon debt, and does not affect local forest carbon stocks.

[40] International Monetary Fund, World Economic Outlook Database.
[41] International Monetary Fund, Global Carbon Atlas.
[42] International Monetary Fund, World Economic Outlook Database.
[43] US Department of Energy. Bioenergy Technologies Office, Bioenergy Basics, Biopower Basics
[44] IEA, 2020, The use of forest biomass for climate change mitigation: dispelling some misconceptions. https://www.ieabioenergy.com/wp-content/uploads/2020/08/The-use-of-biomass-for-climate-change-mitigation-dispelling-some-misconceptions-August-2020-Rev1.pdf and IEA 2018, is Energy from woody biomass good for the climate. https://www.ieabioenergy.com/wp-content/uploads/2018/01/FAQ_WoodyBiomass-Climate_final-1.pdf.

Electricity generated from biomass is produced by direct combustion. Biomass is burned in a boiler to produce high-pressure steam. This steam flows over a series of turbine blades, causing them to rotate. The rotation of the turbine drives a generator, thereby producing electricity. Biomass can be used either on a stand-alone basis, in a new purpose-built plant or fully converted fossil fuel plant or can also serve as substitute for a portion of coal in an existing power plant furnace in a process called co-firing, combusting two different types of materials at the same time.

Biopower plants are suitable to utilise a wide range of agricultural feedstocks (solid biomass), ranging from agricultural residues or other types of waste such as SCT, rice husk, and other cereal straw, that are left on the fields after harvests, dedicated energy crops like perennial grasses to woodchips or pellets from short rotation sustainable plantations or forestry.

The respective chosen boiler designs and their integral components, e.g. a circulating fluidised bed boiler or a vibrating grate boiler, ensure the high efficiency firing of biomass with the lowest possible air pollutant emission rates. The Biopower plants operate on a continuous 24-hour basis generating baseload power. The plants have an operational life of 30 years and the Company expected that, with appropriate maintenance over its life, the operational life can be extended this by an additional 10 years or more, as is common with most coal plants using similar technology.

Where biomass plants globally are struggling to compete due to the increasing demand for feedstock and its increasing prices, the Group has a differentiated approach. The Group has vertically integrated its fuel supply through its SF business segment for its Biopower plants that form part of its CI business segment, which reduces the risk of its operations significantly as it is not reliant on third parties for their feedstock. The Group's Biopower Platform has long-term visibility of its feedstock demands and, accordingly, secures certainty on feedstock volume and price through a fuel supply agreement. The Group, through its SF segment, sources, collects, produces and supplies the Biopower Platform with its annual feedstock requirement.

The Group's specific approach, through its SF and CI's business segments, for its Biopower Platform is to develop, construct and operate Biopower plants in areas where there is an abundant feedstock which can offer a long term sustainable local feedstock supply following a distributed generation approach, i.e. "local production for local consumption", in particular in the tropical and subtropical climate zones. This gives a Biopower plant long term security of its feedstock and the ability to control its price, as e.g. SCT on Negros and across the Philippines is not a commodity. The Biopower Platform explicitly excludes in its environmental and social management system the use of non-sustainable fuels including the use of (i) wood chips or feedstocks coming from deforestation, (ii) fuels, where transportation from source to plant significantly dilutes the sustainable character of a fuel or (iii) fuels, where the land-use of growing such fuels negatively impacts/competes with the food-supply chain. The Group monitors and manages the GHG emissions associated with the collection of this waste, and the operations of the Biopower platform as a whole.[45]

The Group's Biopower Platform[46]

Following extensive research, the Group has strategically developed and constructed its initial three biomass plants on Negros Island, due to the lack of supply in generation capacity, its connection to Cebu-Negros-Panay sub-grid of the Visayas electricity grid, it's operation under the Philippine WESM and the abundance of locally available sustainable feedstock. Negros Island is the fourth largest and third most populous island in the Philippines, with total land area of 13,309 km2 and a population of more than 4.7 million people (in 2020).

The Sugar Regulatory Association data shows that there are 208,000 hectares of land planted to sugarcane on the island of Negros. At an average yield of 25 dry tons of SCT per hectare, the island produces an annual volume of about 5 million tons of dry matter SCT, 7.6x more fuel annually than what is required by the three Biopower plants.

The plant's feedstock will predominantly comprise sugarcane leaves and residues typically left in the fields after harvest, known as SCT. As required, SCT may be in specific circumstances augmented by locally available coconut palm fronds, husks and shells and rice straw as well as grasses and woodchips from dedicated sustainable plantations and developed locally. If required during unusual circumstances, additional biomass waste material could also be sourced from neighbouring islands.

Due to the large scale of annual SCT and despite a prohibition set by the Philippine government under the Philippine Clean Air Act of 1999 (the "**Clean Air Act**") without the collection of SCT by the Group, the majority of the farmers continue to burn the SCT, to reduce risk of rat infestations and allow for replanting of new cane crops. This represents a clear violation of the government health and safety standards by the farmers. However, farmers have no alternative methods of removing SCT but to burn the SCT, there is also no market to sell or dispose of the SCT.

The benefits the Biopower plants provides are:

- Providing baseload renewable energy power from a waste agricultural product,
- Creating value and additional revenue for farmers, and
- Helping farmers and the Philippines comply with the Clean Air Act.

The Biopower plants operate on a merchant market basis, which has the following competitive advantages in the Philippines:

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[45] The GHG Protocol requires that CO2 emissions from biomass combustion at stationary sources are reported as biomass CO2 emissions (in terms of total amount of biogenic CO2 emitted) and are tracked separately from fossil CO2 emissions. Biomass CO2 emissions are not included in the overall CO2-equivalent emissions inventory. US EPA. 2016. Greenhouse Gas Inventory Guidance Direct Emissions from Stationary Combustion Sources.

[46] Annex 1, item 5.6.

- **Priority dispatch**: The plants are categorised in the Philippines as a renewable energy source. As such, the plants are able to dispatch their power to the grid as a priority power provider, which reduces the risk of being subjected to curtailments as most other baseload non-renewable power providers are when grid congestion occurs.
- **Higher floor price**: The Philippines at present is heavily reliant on imported fuel to generate electricity. With coal dominating the generation mix, coal power plants set the price benchmark as a floor. Therefore, biomass plants operating on merchant strategies in the Philippines have the benefit of planning their dispatch and pricing higher or largely at the same prices as coal.
- **Availability of bilateral contracts**: Bilateral PSAs or PPAs, are long-term contracts between Power Generation Companies to Distribution Utilities. Retail suppliers are under increasing pressure to strike bilateral contracts with generators. Striking bilateral contracts provides long-term stable revenue streams for generators as well as providing consumers a long-term fixed price for the electricity. Long-term bilateral contracts are more lucrative than current Feed-in-Tariff regimes on which most biomass plants operate.
- **Rare base-load Renewable Energy Certificates**: In the Philippines, under the Philippines Department of Energy Renewable Portfolio Standards, certain energy suppliers are mandated to source an agreed portion of their energy supplied from eligible renewable sources. Renewable energy providers, once registered, are issued with one electronic REC for every MWh of eligible renewable energy generation, which can be traded. All Feed-in-Tariff projects are assumed to have their REC's purchased within the tariff, so cannot trade them separately. The Company believes that the Biopower plants are distinctive in their position as a baseload REC's producer. Due to Philippines Department of Energy's recent escalation of its targeted renewable energy supply mix, under the mandated renewable energy supply percentage, REC's are now in high demand as suppliers struggle to meet the updated requirements. There is a burgeoning market for REC's separated from the energy generation, i.e. power sold under WESM and REC's sold separately, but also significant interest in renewable energy bilateral contracts including REC's, which the Biopower plants are perfectly positioned to take advantage of.

The Biopower plants aim to promote the transition to a circular economy by making use of farm-based sugar cane trash, while also creating a wide range of jobs, and adding to the income streams of smallholder sugarcane farmers across Negros.

	San Carlos Biopower plant	***South Negros Biopower plant***	***North Negros Biopower plant***
			
Location	San Carlos City, Philippines	La Carlota City, Philippines	Manapla, Philippines
Capacity	20 MW	25 MW	25 MW
Gross annual generation	153.7 GWh	192.1 GWh	192.1 GWh
Site	210,000m^2	300,000m^2	252,900m^2
Project Developer	TCS	TCS	TCS
General contractor (EPC)	Wuxi Huaguang Electric Power Engineering Co.	Afry Philippines	Afry Philippines
Operations & maintenance	TCS	TCS	TCS
Key Equipment Suppliers	- Boiler: Wuxi Huaguang Boiler - Steam Turbine: Harbin Turbine - Generator: Shandong Jinan Power Equipment - Transformer: Shihlin Electric	- Boiler: Jinan Boiler Group - Steam Turbine: Siemens - Generator: Siemens - Transformer: Shihlin Electric	- Boiler: Jinan Boiler Group - Steam Turbine: Siemens - Generator: Siemens - Transformer: Shihlin Electric
Fuel/Feedstock	- primarily sugar cane trash - utilisation: 170,000 tonnes p.a. - availability: 1.1 million tonnes p.a. of biomass are available within a 40 km-radius catchment area	- primarily sugar cane trash - utilisation: 244,000 tonnes p.a. - availability: 1.4 million tonnes p.a. of biomass are available within a 50 km-radius catchment area	- primarily sugar cane trash - utilisation: 244,000 tonnes p.a. - availability: 2.1 million tonnes p.a. of biomass are available within a 50 km-radius catchment area
Offtake	MPower (Meralco) PSA with remainder sold via the Wholesale Electricity Spot Market to corporates and utilities in the Philippines	Mpower (Meralco) PSA with remainder sold via the Wholesale Electricity Spot Market to corporates and utilities in the Philippines	Shell Energy Philippines PSA with remainder sold via the Wholesale Electricity Spot Market to corporates and utilities in the Philippines
Commercial operations	2023	2023	2023
Ownership interest of the Group / managed by the Group	92% / 98% (economic/voting) / 100%	100% / 100%	100% / 100%

Solar Energy

<u>*Overview*</u>

The Group invested in Negros Island Solar Power, which involved three operational solar projects with a total capacity of 80 MW located across two sites on Negros. The peak-load solar plants have been as hybrid energy solutions strategically co-located directly next to base-load Biopower plants.

In 2015 and 2016, the Group originated, developed and constructed all three solar plants. The plants were successfully sold at COD in 2016 to an external third party, PINAI. In 2020, due to conditions imposed by the Philippine competition authority in the context of another large transaction, the three plants came back to market for sale and were reacquired by the Group from PINAI jointly with local partner ACEN. In 2021, the Group disposed of its interest to AEIT although continued oversight of NISPI through the investment management mandate with AEIT up until 1 November 2023.

Origination, development and investment track record

Over the last 10 years, the Group has originated and developed solar assets with 202 MW capacity across a project site of more than 2.7 million m^2 in the Philippines. These solar assets totalled more than US$395 million of capital expenditure. The track record has created 254 new permanent jobs, provided more than 305,000 people with renewable energy and avoided 195,000+ tonnes of CO2 per year.

Negros Island Solar Power[47]	***ISLASOL I A***	***ISLASOL I B***	***ISLASOL II***
			
Location	La Carlota City, Philippines	La Carlota City, Philippines	Manapla, Philippines
Capacity	18 MW	14 MW	48 MW
Site	247,300m²	200,000m²	638,000m²
Project Developer	TCS	TCS	TCS
Commercial operations	2016	2016	2016

47 Annex 1, item 5.7.3.

Other	***Montesol***	***SacaSun***
		
Location	Bais City, Philippines	San Carlos City, Philippines
Capacity	18 MW	59 MW
Site	213,292m²	750,000m²
Project (Co-) Developer	TCS	TCS
Commercial operations	2016	2016

India

Solar Energy

SolarArise platform[48]

Overview

The Group invested in a minority interest in SolarArise, which owns seven operational utility-scale ground mounted solar plants with a total capacity of 434 MW across a project site of more than 6.3 million m^2. The SolarArise assets are all located in India, but the portfolio is geographically diversified with projects across five states: Maharashtra, Karnataka, Telangana, Uttar Pradesh and Madhya Pradesh. These solar assets totalled more than US$249 million of capital expenditure. SolarArise has created 396 new permanent jobs, provided more than 592,446 people with renewable energy and avoided 660,315 tonnes of CO_2 per year.

The Group has originated, developed, and managed the constructed all seven solar plants. SolarArise was managed by the Group as part of the investment management mandate with TL SICAV EICF up until 2021 and AEIT until November 2023. SolarArise was originally a joint venture between the Company, Kotak Mahindra and the European Investment Bank.

Origination, development and investment track record

SolarArise	***Telangana I, II***	***Maharashtra I***	***Karnataka I***
			
Location	Gadwal District, Telenagana, India	Beed District, Maharashtra, India	Koppal District, Maharashtra, India
Capacity	24 MWp	67 MWp	40.1 MWp
Site	384,851 m^2	1,760,382 m^2	951,011 m^2
Project Developer	TCS	TCS	TCS
Commercial operations	2016	2017	2018

48 Annex 1, item 5.7.3.

SolarArise	***Karnataka II***	***Uttar Pradesh I***	***Madhya Pradesh I***
			
Location	Koppal District, Karnataka, India	Budaun District, Uttar Pradesh, India	Shajapur District, Madhya Pradesh, India
Capacity	27 MWp	75 MWp	200 MWp
Site	484,328 m^2	894,356 m^2	2,585,900 m^2
Project Developer	TCS	TCS	TCS
Commercial operations	2019	2021	2024

Vietnam

Solar Energy

Overview

The Group has managed and held a minority interest in Viet Solar System JSC ("**VSS**"), which wholly owns five operational rooftop solar facilities with a total capacity of 6.12MW. The VSS assets are all located in Vietnam but the portfolio is geographically diversified with projects across five separate rooftops in two provinces; Binh Duong Province and Ben Tre Province.

Both projects are located on the rooftops of factories and a nominal amount of the electricity generated at both sites is consumed by the factory, with payment subject to the terms of the PPA. A minority of the electricity generated is sold directly to the factory at a similar price, with any surplus electricity not consumed by the factory sold to Vietnam Electricity through the electricity grid.

Origination, development and investment track record

Viet Solar System platform[49]	***Binh Duong I***	***Ben Tre I***
		
Location	Binh Duong Province, Vietnam	Ben Tre Province, Vietnam
Capacity	2.37 MW	3.75 MW
Site	6,048m^2	6,720 m^2
Commercial operations	2020	2020

[49] Annex 1, item 5.7.3.

Sustainable Fuels

Through its SF business segment, the Group employs around c.600 people, across 14 locations.

Since the late 1990's, persons that currently are part of the Group's SF team have worked in R&D in the areas of sustainable biomass and biofuels production, forests and plantations management, land use, and carbon storage and sequestration across the tropical and subtropical zone. The Group's Biopower projects aim to be a model for a bio-circular green economy.

With its SF business segment, the Group develops, finances, constructs and operates sustainable fuel assets and businesses in the areas of agricultural residues, sustainable plantations and forestry, production facilities and logistics, both for the group as well as for third-parties.

The initial geographical focus of the Group's SF business segment is on the APAC region, expected to remain the strongest growth market in the global solid biomass-to-power industry[50], with supply and customers co-located.

The technology focus of the Group's SF business segment is on larger-scale production of various solid biomass fuels sourced from agricultural residues and sustainably managed plantations and forests (covering planting, harvesting, collection, processing and transportation) as well as other low-emission liquid & gaseous fuels.

With its SF business segment, the Group utilises both organic growth initiatives and selective acquisitions to maximise risk-adjusted financial returns and to implement its impact and ESG agenda from the outset.

To date the Group's team has been responsible for the realisation and operation of 14 greenfield fuel projects in the Philippines with a total annual production capacity of 700,000 t of solid-biomass fuels and 92.4 million litres of liquid biofuels (bioethanol). Furthermore, its team has advised another 6 sustainable fuel projects across biodiesel, renewable natural gas and synthesis gas in North America, Europe and Asia.[51]

With its SF business segment, the Group owns and operates a portfolio of sustainable fuel infrastructure and agricultural projects, assets and businesses in the APAC region, the vast majority of which the Group's CI business segment has originated, developed, constructed, and commissioned. This portfolio includes an agricultural residues business with one of the largest agricultural fleets in the Philippines with over 600 machines and devices which cooperates with 1,700+ farmers across 70,000 ha of farmland and which has an annual fuel production capacity of more than 700,000t of solid-biomass fuel and a sustainable plantations and forestry business with two dedicated energy crop plantations planted on degraded land previously used for industrial sugarcane farming.

The income streams of the Group's SF business are realised in the area of fuel production, which generates contracted fuel sales revenues from credit-worthy counterparties based on fuel supply agreements ("**FSAs**") and in the area of fuel services, which generates management, transaction fees or other services revenues.

Philippines

Solid biomass fuels - BioFuel Platform

<u>Overview</u>

Bioenergy is produced from organic material, known as biomass, which contains carbon absorbed by plants through photosynthesis. When this biomass is used to produce energy, the carbon is released during combustion and returns to the atmosphere. As more biomass is produced an equivalent amount of carbon is absorbed, making modern bioenergy a near zero-emission fuel. It is the largest source of renewable energy globally, accounting for 55% of renewable energy and over 6% of global energy supply.[52]

Modern bioenergy is an important source of renewable energy. Its contribution to final energy demand across all sectors is currently five times higher than wind and solar (photovoltaic) combined, even when the traditional use of biomass is excluded. Heating remains the largest use of bioenergy, and while space heating will be increasingly electrified, bioenergy could potentially play a major role in hard-to-electrify sectors such as aviation and shipping. Modern bioenergy does not include the traditional use of biomass in developing countries and emerging economies for cooking and heating with open fires or simple stoves, which impairs human health and the environment.

Biofuel is a sustainable fuel solution to a significant global market opportunity in producing and supplying solid-biomass fuels to the renewable energy market, as biomass solid fuel is the most suitable replacement for fossil fuels.[53] The global market is supported by annual growth rates, rising prices, and continuing pressure to substitute renewable baseload energy from coal and nuclear power.[54] Furthermore, the pace of technological developments in substituting petroleum-based products for sustainable biomass products underpins the opportunities in the market.

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[50] Ecoprog, 12th edition annual Biomass to Power report.
[51] Includes all projects where either the Group or members of its SF team have developed and/or constructed and/or operated such project in a leading capacity as owner or advisor to the owner.
[52] International Energy Agency.
[53] US Department of Energy, study of impact of both fossil fuels and biomass solid fuels on global warming during the life-cycle of a power generation facility
[54] MarketsandMarkets, Solid Biomass Feedstock Markt, 2024.

Agricultural residues division

The Group's AR business owns, operates and maintains a large fleet of agricultural machinery to collect, process, bale, store and deliver solid biomass fuels to its customers. The Company believes that the fleet is one of the largest agricultural fleets in the Philippines, comprising over 600 individual agricultural machines, including tractors, rakes, collection wagons, balers, trailers and trucks for transportation. The fleet management is performed centrally and has a 24/7 back-office support team.

Agricultural fleet

The Group's AR business cooperates with 1,700+ farmers across 70,000 ha of farmland on Negros and has an annual fuel production capacity of more than 700,000 tonnes of solid-biomass fuel. Negros Island, "the sugar bowl" of the Philippines and producer of more than half the nation's sugar output, approximately generates 5,000,000 tonnes of sugar cane trash annually.[55]

The Group's AR business operates on Negros currently a total of 12 sustainable fuel facilities, each dedicated to a Biopower plant and located in its proximity to secure and store fuel supply inventory for an entire year, therefore having more than enough fuel available during the cane harvest off-season.

The Group's AR business employs c.600 people on a permanent basis, increasing to 1000+ fully trained personnel available for biomass operations during peak collection periods. The Group's AR business has negotiated FSAs (structured as authority to collect sugarcane trash on a planter's/farmer's field) directly with thousands of independent sugarcane planters to collect sugar cane trash from newly harvested sugarcane fields, and The Group's AR business has a team of "field coordinators" that continually monitor the sugarcane harvesting and availability for collection of the sugar cane trash.

The sugar cane trash used to produce a solid biomass fuel for Biopower plants is a waste product from the sugarcane harvesting which is typically burned by the sugarcane farmers. The environmental impact of burning the sugar cane trash in the fields is damaging, causing local air pollution in the surrounding area, and damage to the soil. By collecting the sugar cane trash and burning it in the controlled environment of Biopower plants that meet local air quality standards, these environmental impacts are avoided, and further, the ash from the power station boilers is utilised by the farmers as a natural fertiliser thereby completing the circular economy.

A further benefit of the sugar cane trash collection is that the Group pays the farmer to take away their sugar cane trash, so the farmers receive additional revenue and avoid the cost of burning their sugar cane trash. The Group's field coordinator team engages closely with the farmers and the local community.

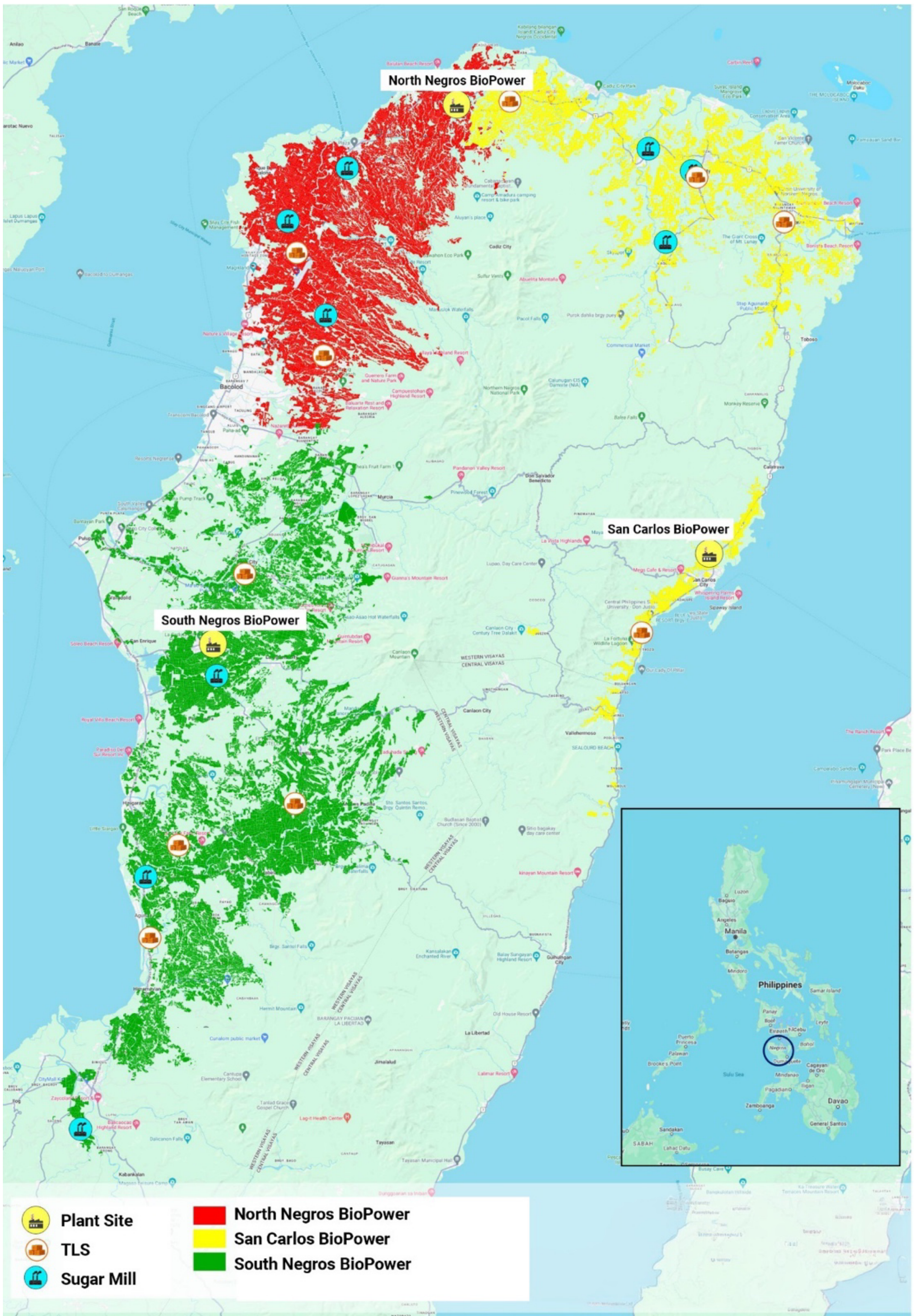
The Group has also recently commenced a manual sugar cane trash collection initiative, whereby it has entered into an agreement with a local cooperative of smaller farmers to supply sugar cane trash. These farmers have generally smaller or more remote fields which the Group's AR equipment cannot access. The arrangement is that through the cooperative, these farmers will deliver manually collected sugar cane trash to the

[55] Sugar Regulatory Administration.

Group's sugar cane trash collection and baling facilities around the island. This arrangement is considered beneficial in providing an additional supply of sugar cane trash that is typically late in the harvesting season, one that is high quality with limited contaminants, and one which benefits smaller typically less affluent farmers.

Added socio-economic benefits from sugar cane trash collection are:

- **Reduce pollution resulting from open field burning**: sugar cane trash is usually burned on the field therefore releasing harmful pollutants into the air. The Group's fuel supply strategy reduces this practice, putting the sugar cane trash to productive use after harvest.
- **Added income to small farmers and communities**: The FSAs diversify the income of thousands of independent farmers across Negros from sugarcane farming, therefore adding value to their crops.



Sugarcane

Sugarcane

Raking

Collecting

Loading

Baling

Stored at zones

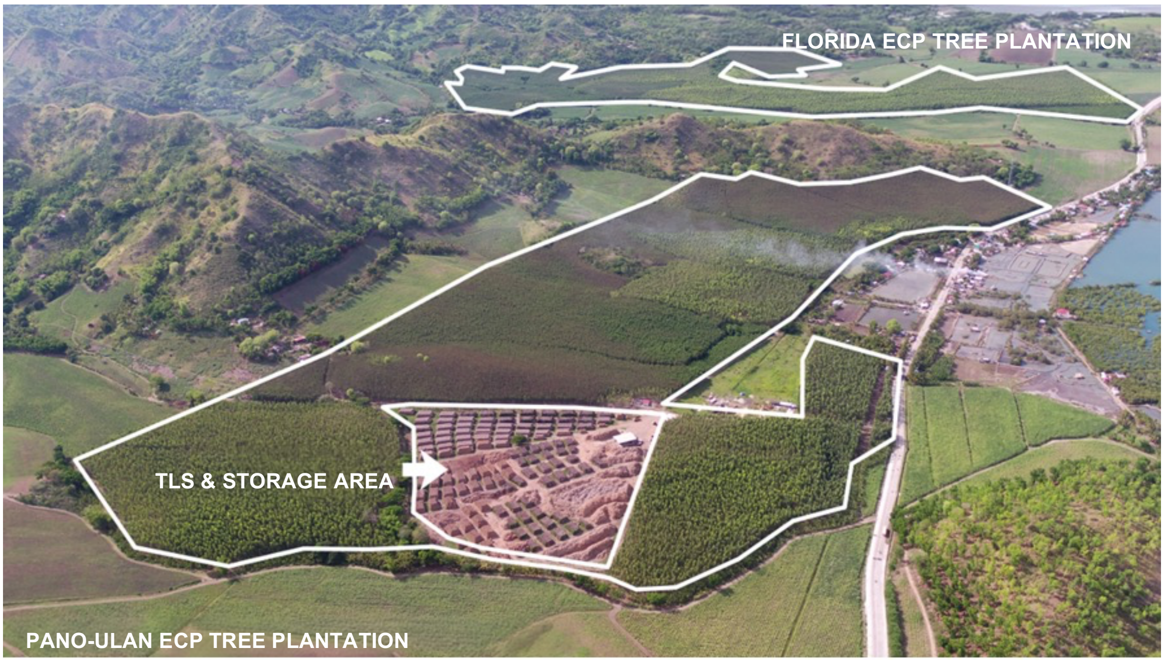
Delivery to plant

Biomass

Sustainable plantations and forestry division[56]

The Group's BioFuel business develops and operates sustainably managed plantations geared towards the production of woodchips which the Group believes will have multiple positive social and environmental impacts. With a vertically integrated approach across the supply chain, ranging from acquiring land rights, managing the plantations, over controlling, harvesting and processing to facilitate transportation to offtakers, the Group believes these plantations will also contribute to solutions to climate change, promote a shift to more responsible production and consumption, foster rural livelihoods and economies, and build the supply chain to enable a growing range of renewable products made from natural fibres. The adoption of short rotation coppicing to supply regional demand for biomass is a more sustainable alternative to the felling of long-established trees and forests, enables greater crop yield from given land utilisation and increased carbon capture impact over time.

In 2016, the Group's BioFuel business established a 93-ha tree plantation to pilot commercial production of wood and a demonstration area for sustainable biomass fuel production for energy, known as energy crop plantations ("**ECP**") prior to large scale operations. The pilot ECP is managed under a short rotation coppice regime which is a natural regeneration method that allows natural vigorous regrows (coppices) after harvest, taking advantage of its high growth potential at the early age and survive several rotations on a three-year cycle. This pilot ECP is located 13 km from the San Carlos Biopower plant, on a former sugarcane field that was underproductive.



Biopower Energy Crop Plantation established in 2016 in San Carlos City, Philippines.

The two species grown are Eucalyptus camaldulensis and Leucaena leucocephala variety K636, from known provenance. The choice of species is a product of species-site matching and research funded by the European Union and Canada with international technical experts from the Netherlands, Canada, Australia and the Philippines, contributing to a deep knowledge pool base from nursery to plantation management in tropical settings. These species are known for its vigorous coppicing ability after cutting – a natural ability of the tree to sprout and maintain multiple stems after harvest, fast growth, culturally known survival ability after several harvests on short rotation basis, relatively high wood specific density, adaptability to a wide range of soil condition and availability of seeds with known provenance. The concept was to manage high-density plantation at 2,500 trees planted per hectare to produce the highest biomass possible at a shortest possible time.

The pilot ECP has allowed expertise to be gathered in the coppicing techniques, spacing, evaluation of suitable machinery and also measurement of actual yields. The Group's BioFuel business has established permanent monitoring plots within the ECP to study growth and yield performance of these stands. An initial study shows the 3-year stand can yield 30-45 tonnes per hectare per year on the first rotation. This is significantly higher than those found in literature and can be attributed to the soil condition and maintenance management. Studies on the second rotation yields slightly lower than this but results were not conclusive due to data limitation and limited maintenance activities done on the monitoring plots due to COVID lockdown restrictions in the Philippines. The study also confirms the optimum rotation of three years for these species at the current tree density per hectare. Limited harvesting was done in 2022 to trial different harvesting methods. These stands have coppiced successfully as shown in Figures 2, 3 and 4. Currently, the trees on the remaining 77 hectares are 7.5 years of age and being harvested to provide supplemental fuel to the

[56] Annex 1, items 5.1.2, 5.5(d.) and 7.1.2(b.).

San Carlos Biopower plant, the nearest Biopower plant. The Company expects it to produce 16,000 tonnes of woodchips. This serves as the first rotation of the pilot ECP and expected to coppice in the next few months when the rain season begins. The same plantation is expected to reproduce 4,000 tons of wood chips three years from now and more thereafter with proper harvesting techniques and silvicultural management.

Eucalyptus camaldulensis, commonly known as Camal at 15 days after harvest.

Leucaena leucocephala, commonly knowns as Giant Ipil-ipil, at 15 days after harvest.

Giant Ipil-ipil, at 2 years after harvest.

Eucalyptus camaldulensis, commonly known as Camal, at 2 years after harvest.

Camal at 2 years after harvest.

The Group's BioFuel business is considering to expanding the ECP operations as a dedicated source of sustainable biomass fuel to biomass power plants. The Group also considers the lucrative potential of producing other products from woody biomass to sustainably supply solid biomass fuel for cofiring in coal plants. The ECP under a short rotation coppice regime not only creates a new industry that will revitalise the Philippine forestry sector, but also supports the country's climate change action plan and sustainable development goals.

Energy Crop Plantation

Seedlings of Eucalyptus Camaldulensis

Seedlings of Leucaena Leucocephala

Land preparation

Planti

Eucalyptus Camaldulensis, 8,32 meters tall

Leucaena Leucocephala, 5 month old

Selected customers, partners and stakeholders of the Group and its investments in alphabetical order

All companies mentioned in this table are/have been counterparty to one or more transactions with projects, assets or businesses directly or indirectly owned, managed or advised by the Group or any of its affiliates.

Corporate customers (including power off takers, Renewable Energy Certificate ("**REC**") buyers, project acquirers)	Aboitiz Power Corporation, ACEN (Ayala Group), ADB Asian Development Bank, Air France, Algemene Pensioen Groep (APG), Encelium, EcoAct, Fisker Automotive, Government Service Insurance System (GSIS), Macquarie Infrastructure and Real Assets, MPower (Meralco), Shell Energy Philippines, SunEdison, Q-Cells.
Public sector customers (including power offtakers)	BESCOM (Bangalore Electricity Supply Company), Indian Railways, M.P. Power Management Company (Madhya Pradesh), Solar Energy Corporation of India (SECI), Telangana State Southern Power Distribution Company, Uttar Pradesh Power Corporation, Vietnam Electricity ("**EVN**"), Philippine Electricity Market Corporation (Wholesale Electricity Spot Market "**WESM**").
R&D partners	GENESYS (Global Environment and Nature Ecosystems Society (Phil.) Foundation, Inc.), Philsurin (Philippine Sugar Research Institute Foundation, Inc.), SIFI (Sugar Industry Foundation, Inc.).
(Co-)Investors (including joint ventures managed by the CI business and projects and corporates advised by the CF business)	European Investment Bank (via GEEREF, investors include: European Union, Germany, Norway), FE Clean Energy Group, Greenergy Holdings, Kleiner Perkins, Kotak Mahindra Bank (via CIIF, investors include: Japan Bank for International Cooperation, Sumitomo Mitsui Banking Cooperation, Brookfield Asset Management), New Enterprise Associates (NEA), Pacific, Century Group, Palo Alto Investors, Qatar Investment Authority (QIA), Starwood Energy Group.
Corporate & Project Finance providers (including projects owned by the Group and projects and corporates advised by the CF business)	Aseem Infrastructure Finance, BPI, BDO Unibank, Canada Climate Change Program (Government of Canada), Chinabank, Climate Investment Funds (CIF), Development Bank of the Philippines (DBP), IFC (via MCPP, investors include: Peoples's Bank of China, Allianz Global Investors, Eastspring Investments, AXA, Hong Kong Monetary Authority, Liberty Specialty Markets, Munich Re, Swiss Re), India Infradebt, India Infrastructure Finance Company (IIFCL), KfW IPEX-Bank, Kotak Mahindra Bank, L&T Finance, Land Bank of the Philippines (LandBank), National Development Company, National Investment & Infrastructure Fund (NIIF), NORD/LB, Power Finance Corporation (PFC), Security Bank Corporation, SREI Infrastructure Finance, Tata Capital, U.S. Department of Energy.
Private, wholesale and institutional customers (invested through Climate Finance Impact Investment Solutions. Structured, managed or advised by the CF business)	20,000+ customers from 80+ countries, including private customers (retail, mass affluent, HNI, UHNI), wholesale customers (wealth manager & family offices, asset managers, banks) and institutional customers (private pension funds, sovereign investors).

Current Group Asset Impact Contributions to Sustainable Development

United Nation's sustainable development goal ("UN SDG")	KPI applied by the Group to measure contribution to UN SDG	Impact generated attributable to the Group measured by percentage of ownership
SDG 7 Ensure access to affordable, reliable, sustainable and modern energy for all	MWh of renewable energy generated.	Platform biomass power plants with a maximum capability of generating 537,776 MWh of baseload renewable energy annually based on Company estimates. Supporting efforts to increase the share of electricity generated from renewable energy in the Philippines.
SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Jobs directly supported (Full Time Equivalent at the end of 2023).	Supports 1,129 jobs, and is committed to quality employment practices, paying all employees at least the minimum living wage, and committed to strong health and safety practices, with a strong commitment to community safety and human rights reflected in its policies and operations.
SDG 12: Ensure sustainable consumption and production patterns	Tonnes of sugar cane trash reused.	The Group estimates that the fully operational platform is capable of making use of up to 650,000 tonnes of sugar cane trash, based on maximum capability. This agricultural waste would otherwise be burned in open fields by farmers resulting in local air pollution. By using the waste as fuel in plants that meet regulatory air quality standards, this pollution is avoided.
SDG 13: Take urgent action to combat climate change and its impacts	Tonnes of CO2 equivalent (tCO2e) annually.[57] All calculations are based on the International Financial Institutions Technical Working Group on GHG Accounting Methodology for GHG Accounting for Grid Connected Renewable Energy projects and associated harmonized grid default emission factors.[58] The calculations are made by the Company. Scope 1, 2 and 3 GHG emissions of all operations are monitored and disclosed in the Group's annual reports.	The Group estimates the platform's maximum avoided emissions potential at 259,208 tCO2e annually. The avoided emissions per MWh of electricity generated estimates account for the GHG emissions associated with the sugarcane trash fuel collection process (0.482 tCO2e per MWh).[59]

[57] Methodologies used to calculate the maximum avoided emissions potential in tCO2e have been reviewed by ERM, a globally recognized expert sustainability consulting firm.
[58] In line with this methodology, the electricity output from the renewable energy project is multiplied by the appropriate country specific grid emissions factor in tCO2e/MWh The Group uses the most recent harmonized grid emission factors produced by the IFI Technical Working Group on Harmonized Approaches to GHG Accounting for Grid Connected Renewable Energy as published by the UNFCCC Secretariat, see https://unfccc.int/climate-action/sectoral-engagement/ifis-harmonization-of-standards-for-ghg-accounting/ifi-twg-list-of-methodologies.
[59] The estimate used as input emissions for the SCT fuel collection process has been reviewed by ERM.

United Nation's sustainable development goal ("UN SDG")	**KPI applied by the Group to measure contribution to UN SDG**	**Impact generated attributable to the Group measured by percentage of ownership**
SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Hectares of land managed sustainably.	Platform operations include a 93 hectare sustainably managed forestry plantation, planted on land that was formerly degraded through industrial agriculture. Platform forestry related activities are implemented in line with the SDG 15 objectives, seeking to avoid negative impacts on biodiversity and ecosystems.

Climate Finance

The Group's CF business segment employs c.50 people across 14 locations in Europe and Asia.

Through its CF business segment, the Group considers itself to be a pioneer in private sector climate finance, founded in 2005 as a pure-play cleantech investment banking and investment management boutique in the United States and regulated by the SEC.

With its CF business segment, the Group structures and manages impact investment solutions with an emphasis on financing and investing in climate change mitigation, adaptation and carbon-offsetting projects for private and wholesale investors, financial intermediaries as well as institutional investors.

The Group's CF business offers private investors and their advisors access to target-group specific prepared information and education with regard to climate change and climate change mitigation, and access to a range of diversified, managed climate finance portfolios investing in projects, assets and businesses realised by the Group's CI and SF businesses through its proprietary, fully-digital co-investment-platform ImpactPlus.

The Group offers wholesale and institutional investors bespoke mandates or investment solutions to co-invest with its CI and SF businesses in individual projects, assets or businesses in selected technologies, sectors or countries.

The Group's CF business offers corporates and individuals a range of high-quality end-to-end carbon credit procurement solutions through a range of commercial structures including renewable energy certificates ("**REC**") and high-impact nature-based credits and offsets sourced e.g. from renewable energy projects, energy efficiency improvements, carbon and methane capture and land use and reforestation projects (carbon sinks).

To date with its CF business, the Group has originated and acted as lead-arranger, sole placement agent and exclusive financial advisor in 62 corporate and project financing transactions worth more than €2.2 billion across a large number of clean energy and technology sectors including energy, mobility, buildings, agriculture, forestry and other land use, as well as waste and distributed €1.6 billion in impact investment and decarbonisation solutions in 80 countries.[60]

The capital under management and advisory by the Group's CF business in "Climate Finance"–impact investment solutions, which predominantly invest in private markets and real assets, amounts to €1.1 billion. The investor portfolio of the Group's CF business consists of 20,000+ private investors, ranging from retail, affluent, high net worth individuals to ultra high net worth individuals to wholesale investors, including wealth managers, asset managers and banks across 59 countries worldwide with an average contract/mandate term of 5+ years. The Group maintains relationships with more than 1,850 distribution partners across 14 countries.

The income streams generated by the Group's CF business segment are realised in the area of impact investment management, which generates long-term annual management and performance fees, in the area of carbon markets trading & procurement services, which generates revenue from distributing carbon offsets into the voluntary carbon market and other emerging environmental markets and trading revenues from carbon credits and carbon offtakes and procurement consultancy fees, in the area of structuring impact investment solutions, which generates repeatable structuring fees and in the area of corporate & project finance, which generates advisory and transaction fee revenues.

[60] Includes all corporate and project financing transactions for projects, assets and businesses which either the Group or members of its CF team have originated and acted as lead-arranger and/or sole placement agent and/or exclusive financial advisor.

Key Strengths

The Group has identified a number of key strengths, which are a combination of its successful track record, highly experienced team, strong existing asset base and development platforms, impact focus, and entrepreneurial and innovative approach.

Successful entrepreneurial track record

Since its establishment in 2003, the Group has earned a reputation as a pioneer in cleantech investing and climate infrastructure development. The Group's industry expertise fosters pioneering achievements, consistently charting new territories, spearheading progress in underserved and emerging sectors to deliver value to investors and high impact outcomes. The Group remains undeterred by the complexity of challenging transition areas or hard-to-abate industries, recognising them as the vital frontiers where impactful solutions are forged. Its strategic focus on these areas demonstrates the Group's commitment to driving positive environmental and social change.

Examples include the Group's development, financing, construction and commissioning of the first utility-scale renewable energy plant in the Philippines in 2013 and 2014[61,62] which was switched on during a ceremony presided over by state president Benigno Aquino III, the first cross-border renewable energy M&A transaction in Southeast Asia and the development, financing, construction and commissioning of the first stand-alone large-scale Biopower plant in the Philippines utilising predominately agricultural residues. In respect of the latter, Biopower was designed to avoid the burning of sugar cane trash in the fields and supply base load power to an island whose development was being curtailed due to a lack of available power, which it has achieved as well as well as providing employment and additional revenue to sugarcane planters.

The Group draws strength from the depth and breadth of the capacities of its over 1,000 employees who are distributed across 36 locations in Europe, Asia, and North America, and bring diverse perspectives and a wealth of cross-border knowledge. This collective experience, averaging over 20 years at executive level, is complemented by a spirit of youthful dynamism. The Group cultivates an energetic and collaborative environment where seasoned expertise merges with a relentless drive to break new ground, continuously pushing the boundaries of innovation to deliver solutions of impact.

The Group consistently seeks out nascent yet high-potential sectors and markets, unafraid to invest in the complex and the uncharted. This pioneering spirit is the bedrock of its success and a testament to the collective ingenuity that drives its truly international team of dedicated experts.

Deep regional expertise in the APAC region

The Group possesses a depth of expertise in developing, financing, constructing, managing, and operating climate infrastructure projects throughout the dynamic APAC region. As both the world's fastest-growing energy market[63] and the largest carbon emitter,[64] APAC represents a pivotal landscape for impactful climate solutions – see "*Business – History*". The Group's extensive boots-on-the-ground presence across multiple geographies, coupled with established platforms, deep-rooted relationships, and extensive experience in these often-complex markets, positions it well to capitalise on this region's vast potential.

The Group's combination of a track record of proven developmental success, its existing strategic platforms, and regional knowledge provides the Group with a compelling advantage. It understands the specific challenges and opportunities presented by the APAC region, both in established and emerging markets. As APAC continues its rapid growth and pursues its decarbonization goals, the Group will be a driving force in facilitating the region's vital energy transition through its expertise, deep regional networks, and innovative solutions.

Breadth of the Group's global energy transition platform

The Group is a vertically integrated pure-play clean energy and technology group that boasts a broad spectrum of expertise across wide parts of the climate change, energy transition and sustainability sectors, encompassing both company-owned projects and those it delivers for external third-parties. This bundled and comprehensive suite of competencies empowers the Group to tailor decarbonisation and sustainability solutions that address the diverse needs of infrastructure, businesses and private consumers in the APAC region and beyond, providing the right tools to solve complex challenges while maximizing returns.

The Group's breadth is a powerful catalyst for growth. It positions the Group to capitalise on the fast-growing and prosperous sectors within the energy transition space while ensuring it can pivot quickly to meet emerging market demands. The Group has forged a large number of partnerships across sectors, technologies, and geographies, further enhancing its reach and agility.

The Group's integrated approach allows it to address multifaceted challenges holistically for private and public sector customers, drawing on cross-sector synergies to deliver efficient and impactful outcomes. The Group is well-positioned to offer aggregated products and services to its customers, resulting in streamlined solutions that surpass the offerings of single-sector providers. This nimble, flexible, and wide-ranging approach positions the Group as a valuable partner in comprehensive climate solutions.

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[61] Statista, Total solar energy capacity in the Philippines from 2012 to 2023.
[62] Wikipedia, SaCaSol
[63] International Monetary Fund, World Economic Outlook Database.
[64] International Monetary Fund, Global Carbon Atlas.

Frontiers of innovation for sustainable transformation

Climate change mitigation progress is hampered by challenges such as insufficient funding, uneven resource distribution, lack of quality projects, fragmented markets, and a disconnect between public and private stakeholders. To counter these obstacles, the Group was formed with the singular purpose of implementing global solutions for this global challenge. It leverages both existing and pioneering technologies to adapt and thrive in a rapidly evolving market landscape.

In this context the Group significantly contributes to developing and commercialising sustainable clean energy and technology solutions. The Group explores critical areas such as sustainable biomass and biofuel production, forest and plantation management, land-use optimisation, and carbon capture and sequestration strategies – with a particular focus on tropical and subtropical zones. This commitment is exemplified by projects such as the Group's bioenergy business, which demonstrates the real-world potential of a bio-circular green economy.

The Group's history is marked by a pioneering spirit and a willingness to take calculated risks. It pursues technological and/or regional "firsts", particularly within nascent markets, where its depth of experience, ability to deliver, innovative approach and technological solutions create transformative opportunities. The Group recognises that profound, systemic change is urgently needed to achieve net-zero emissions by 2050. This transformation demands a substantial investment surge in clean energy and innovative technologies.

Impact-driven approach

The Group is a purpose-driven organisation. It holds a deep conviction that measurable environmental and social outcomes must be prioritised alongside financial returns, as evidenced by its "triple return" approach. Its commitment to sustainability and social responsibility extends beyond a focus on the bottom line. It strives to create positive change in the world, addressing the challenges of climate change, and empowering shareholders and investors to align their portfolios with the shared vision of a more sustainable and equitable future.

Climate change presents an existential threat to humanity that demands urgent, collaborative action. Addressing this global challenge is the Group's purpose, compelling it to leave an enduring, positive impact. The Group is driven by the determination to leave a tangible, positive impact on the world, and seek to align with and advance implementation of the UN SDGs. The Group embraces impact measurement and prioritise data-driven insights, which ensures that its actions translate into tangible, quantifiable benefits for communities and the planet.

The Group's impact-driven strategy centres around an approach aimed at maximising its influence. To achieve this, it carefully analyses countries and sectors where its solutions can yield the most significant environmental and social benefits and deliver attractive returns to its shareholders and investors. The Group seeks to drive impact in the following core areas:

- Climate and clean energy, where it paves the way for the energy transition;
- Nature and the circular economy, where it champions conservation, regeneration and productive use of wastes; and
- Jobs and social impact, where it fosters economic empowerment and equitable opportunities.

Each of these pillars contributes to the Group's overarching mission, creating a ripple effect of positive change and demonstrating that impactful business practices can drive both social progress and robust financial returns.

Strategy[65]

The Group's mission is to achieve exponential growth by offering a unified, diversified end-to end climate change and energy transitions service globally. The energy market is changing at a rapid pace and the key trends in the energy transition can be described as: decarbonisation, decentralisation, digitalisation and democratisation and the Group believes its offering addresses all of these. The Group operates a diversified, balanced portfolio of high-quality projects and services businesses, including its climate financing and decarbonisation offerings, with the aim to grow earning-per-share through active management and capital recycling, cross-selling initiatives and the provision of services, including (i) technical services such as project development, engineering and design, power-system integration, operations & maintenance and plantation & forest management, (ii) financial services such as financing, structuring, investment & risk management and certification and (iii) other services such as emissions measurement and tracking solutions.

Market background driving the Group's strategy within the clean energy and technology industry

A successful, profound and systemic transformation of the global economy needed to achieve net-zero emissions by 2050 requires a significant increase in spending on clean energy and technologies, totalling about US$ 275 trillion between 2021 and 2050, or about 7.5% of global GDP annually on average, see "*Market and Industry*". Against this background, the Group believes that the market for clean energy and technology to implement the global energy transition will be transformative for humanity in the coming decades and offers exceptional growth and significant economic opportunities for companies specialising in this field. However, the market opportunity for clean energy and technology is very unevenly distributed across regions and sectors.

All countries have opportunities to tap into the potential for growth presented by the global energy transition and secure advantages, through their endowments of natural capital, e.g. renewable energy sources, forestland, mineral resources and CO_2 sequestration potential, and through the

[65] Annex 1, items 5.4 and 7.1.2.

availability of technological, human and physical resources. Based on the common nature of their transition exposure, physical risk exposure and opportunities to benefit from the transition, the net-zero transition is likely to play out very different globally across countries and sectors.

Countries are unevenly exposed to the transition. It is important to distinguish between emissions-intensive producing countries (e.g. India, China, Indonesia, Bangladesh, Vietnam, Thailand, Turkey and South Africa), services-based economies (e.g. Singapore, New Zealand, Israel, the United States and many countries in Western Europe), fossil fuel resource producing countries (e.g. many countries of the Middle East region, Australia, Canada, Nigeria and Norway), downstream-emissions manufacturing countries (e.g. South Korea, Japan, Mexico, Austria, Germany, Italy, Sweden and many countries in the CEE, agriculture-based economies (e.g. the Philippines, Sri Lanka, Kenya, Ghana, Morocco and Senegal) and land-use-intensive countries (e.g. Malaysia and many countries of Latin and South America).

Sectors are also unevenly exposed to the transition. While all sectors of the economy are exposed to a net-zero transition because of their participation in energy and land-use systems, some are more exposed than others. The sectors with the highest degree of exposure directly emit significant quantities of greenhouse gases, such as the coal and gas power sector, or sell products that emit greenhouse gases, such as the fossil fuel sector. Approximately 20% of global GDP is in these sectors.[66] A further 10% of GDP[67] is in sectors with high-emissions supply chains, such as construction. Other sectors accounting for about 70% of GDP[68] have less pronounced direct exposure. They are nevertheless dependent on the highly exposed sectors, for example through interconnected economic and financial systems, and therefore could also be affected by the transition.

The Group's pure-play low carbon strategy to capitalise on the transition's growth potential differs from other market participants

Where many companies active in the energy transition space operate only in a specific region or country or cover only a certain fragment of the value chain or only partially cover energy transition related activities, the Group has been established to create a pure-play, fully-integrated global energy transition platform. The platform intends to achieve this through both, the organic growth of its existing business segments and by adding complimentary divisions or business segments to the platform by pursuing selective M&A opportunities.

As there is no "one size fits all" solution for climate change mitigation and adaption, the Group's strategy follows a customer-centric approach with the aim to offer its customers real added value through end-to-end decarbonisation solutions to accelerate their transition to net-zero. For this the platform connects a fast-growing number of like-minded specialists from the clean energy and technology industry, from different regions across multiple sectors and technologies and provides them with the resources required to build nimble, highly-specialised and complementary energy transition businesses. This allows the Group to work with a broad range of customers across the public, private and non-profit sectors and develop, finance, implement and manage customised emission reduction and active removal solutions for them using a wholistic decarbonisation approach.

The identified areas of interest for the Group in the global shift to net-zero include (i) the decarbonisation of legacy products and processes, (ii) the replacing of high-emissions products and processes with low-emission ones and (iii) new offerings to aid decarbonisation including infrastructure, supply chain inputs and support services

Core pillars of the Group´s strategy to deliver scalable, profitable and sustainable growth

Where a market and demand for wholistic decarbonisation solutions exists basically in all seven energy and land-use systems globally, due to the uneven distribution of capital and resources creating variances in market development, competition, risks and opportunities, the Group's strategy and expansion plan aims to focus on areas offering the highest margins and risk-adjusted financial returns while creating positive environmental and societal impact. The Group's growth model has four core pillars on what it will focus on to drive revenue, profitability and shareholder return, as well as increasing its global impact:

Growth of market share in our existing geographic markets and technology segments

The Group believes there is significant opportunity to grow its market share in its existing markets and this opportunity will continue to exist over the next decades. Due to continued economic growth, population growth and urbanisation and its direct correlation to the growth of energy consumption, the Group sees significant demand for applying clean energy and technology solutions in its existing markets to combat emissions.

It is estimated that the renewable energy share of installed capacity will increase from 42% at the end of 2022 to 64% in 2030 in aggregate across the Initial Target Markets,[69] representing an increase of almost 500 GW. This is driven, among other things, by government commitments to significantly reduce overall emissions and to reduce the fossil fuel dependence on imported coal, gas and oil. The Group believes therefore that demand for its decarbonisation offerings will accordingly increase substantially in both the short and medium-term, and with that, the need for specialised companies such as the Group, developing, financing, constructing and operating such projects. The Group believes it is well-positioned to address these demands with its bespoke independent platform-led business model successfully applied and demonstrated in the Philippines, India and Vietnam. The Group expects to expand organically, by replicating its existing portfolio and technology expertise, through additional

[66] McKinsey Global Institute.
[67] Idem.
[68] Idem.
[69] Phillipines: Department of Energy 2023. Philippines Energy Plan 2020-2040. India: Estimates based on Power Ministry of India National Electricity Plan 2022-2032 and IEA 2020. Vietnam: Vietnam's Eighth National power Development Plan.

greenfield projects, but also by continuing to develop its partnerships with e.g. multilateral institutions and development banks which can provide additional political risk insurance, support, and financing. The Group believes its growth and footprint expansion can be managed organically, for instance its sustainable fuel plantations, which have been researched and tested in the Philippines, now have the opportunity for expansion and development with future direct sales to other markets. The Group's organic growth will be supported by its commitment to foster development across the Group´s team and support innovative thinking and application. However, the Group will also continuously assess and pursue M&A opportunities at the local level, which will support these organic growth ambitions.

Development and growth by new market expansion

The Group has a proven track record of developing, financing, constructing and operating in its Initial Target Markets. However there are a number of new geographic markets and technologies that have a requirement for what the Group already has achieved in its Initial Target Markets. For instance, the Group is continuing to assess and pursue new opportunities in Indonesia, Thailand, and Malaysia, all countries that either have regulatory, macro or clean energy demand profiles which are analogous to the Initial Target Markets, with high barriers to entry and which are unserved and not yet commoditised. The Group's selection of new markets will be driven by the conclusion that entry will be scalable, there are strong structural or macro-economic tailwinds and where the Group believes it has a competitive advantage. The Group believes that its climate change and energy transition service offering can been applied across a number of these new markets, in a controlled manner, and relatively quickly, by replicating the business model in existence and build on the first-hand experience of its team. This will position the Group as a gateway for shareholders and investors alike to gain access to attractive energy transition opportunities in those fast-growing countries.

Harnessing new technology and application to grow revenue and shareholder returns and maximise impact metrics

The Group has centred its historical efforts on researching applied and proven technologies and how these can be integrated into its current markets, including assessing their practical application from the perspective of how they can drive profitability and operational excellence, but also how they can accelerate its impact-led strategic aims. As the problem of climate change does not abate, the application of new technologies and using existing technologies in new ways becomes even more essential to tackling this issue. The Group's platform-led approach is to continue to develop how technologies are used, whether they can be applied to adjacent technology applications and can they be adapted to drive profitable growth and increase impact in the long-term. The Group's innovation hubs have been established at country level, overseen by the Group's Executive Committee, to foster both country level thinking and testing but also to ensure a "One Group" application of these. This includes capitalising on the market lead that the Group's own technology platform has built up through years of research and development efforts and expand these globally before the competition becomes stronger, including in the areas of baseload renewables (Biopower), sustainable fuels (BioFuels), retrofit decarbonisation of coal power plants and other sophisticated round-the-clock clean energy solutions. In addition, the Group is assessing the development and application of sustainable water treatment solutions, which can be implemented at the Group's existing projects in the energy sector but also beyond on a stand-alone basis. The Group additionally seeks to use advanced technology across the whole platform, in particular AI, to maximise generation and financial returns of the projects, its overall impact metrics and customer satisfaction in its Climate Finance business and to minimise corporate expenses.

Margin and shareholder return optimisation

The Group also aims to strengthen its financial position to achieve economies of scale across the platform to benefit from lower procurement and administration costs for the existing business segments and divisions, and to enhance vertical and horizontal integration by adding further complimentary businesses to the platform to capture margins, lower execution, and operational risks and for each country platform to become largely self-sufficient. On a project basis the Group's focus will be on maximising cash flow distributions to allow for recycling into new greenfield developments, M&A opportunities, and coverage of corporate costs, reducing the dependence on capital markets funding where possible.

Regulation[70]

The Group's projects, assets and businesses are subject to a significant number of regulations, laws, administrative determinations and similar legal constraints. Where applicable, the Group's entities have obtained the regulatory permits, licences and approvals needed to operate their regulated businesses. Many of the regulations and laws to which the Group is subject are regularly re-examined.

This section provides a regulatory overview for the Group that describes the requisite permits, licences and approvals held by the Group for its operations as well as material regulatory considerations with particular relevance for the Group in selected key jurisdictions. This section does not capture all regulatory requirements in all jurisdictions in which the Group conducts its operations. For a description of risks associated with regulatory requirements that are applicable to the Group, or may become applicable over time. See also "*Risk Factors – The regulatory environment in which the Group operates is subject to continuous change, and regulatory developments designed to increase oversight may adversely affect the Group's business*".

[70] Annex 1, item 5.5(b) and 9.1.

Applicable regulatory framework for the Climate Infrastructure business segment

Philippines

Biopower Platform

The Biopower plants have secured all regulatory permits and licenses necessary to develop, build, own and operate the plants. A number of these permits and licenses are issued once with an indefinite term, whilst others are issued for a fixed period of time and are subject to monitoring and compliance tests for renewal.

The DOE, particularly the Renewable Energy Management Bureau ("**DOE-REMB**"), is the governing agency that implements the Renewable Energy Act of 2008 (Republic Act No. 9513) ("**RE Act**"). The DOE-REMB issues the Biopower business' primary permit, the biomass renewable energy operating contract, which provides the authority to develop, build, and operate biomass power generation facilities.

All companies registered with the Department of Energy ("**DOE**") are issued with endorsements to be provided to other government agencies to fast-track development of renewable energy projects through the Energy Virtual One-Stop-Shop Platform (EVOSS), which provides a single decision-making portal for the application of permits necessary for power generation, transmission, and distribution projects.

The agencies from which the Biopower companies have secured their key permits and licenses are:

- Board of Investments ("**BOI**") which is mandated by the RE Act to administer the fiscal incentives.
- NGCP which is mandated to connect power projects and protect the System Operations.
- Department of Environment and Natural Resources ("**DENR**") which ensures design compliance to safeguard the environment during construction and operations.
- National Commission on Indigenous People ("**NCIP**") which ensures the rights of the indigenous community are protected in developing natural resources within ancestral domain.
- Energy Regulatory Commission ("**ERC**") which is the quasi-judicial agency mandated to ensure compliance of energy companies with all regulatory frameworks.

All electricity market participants in the Philippines are required to register with the Independent Market Operator of the Philippines ("**IEMOP**"), the sole independent market operator of the WESM. The key permits and licenses required by each of the Biopower companies are summarised below, together with their date of issuance and term.

San Carlos Biopower Inc

Permit / License	**Authority / body**	**Initial Issuing date**	**Most recent renewal date**	**Term**
Certificate of registration	BOI	21 December 2012	N/A	Indefinite
Registration as renewable energy developer under the RE Act	BOI	21 December 2012	N/A	Indefinite
Environmental Compliance Certificate ("**ECC**")	DENR-EMB Regional Office	19 February 2010	30 Augustus 2013	Indefinite
Biomass renewable energy operating service contract	DOE-REMB	16 December 2011	31 October 2013	16 December 2036
Registration as a renewable energy developer	DOE	16 December 2011	N/A	Indefinite
Certification of plant capability	NGCP	11 May 2022	N/A	Indefinite
Certificate of Compliance ("**COC**")	ERC, Licensing and Market Monitoring Division	Filed, ongoing application: 27 November 2018		Indefinite
Certificate of non-overlap	NCIP (Region VI)	5 October 2020	N/A	Indefinite
Registration as WESM member	IEMOP	21 December 2018	N/A	Indefinite

Permit to operate air pollution source and control installation	DENR EMB Region VI	4 August 2022		04 August 2027

<u>*South Negros Biopower Inc*</u>

Permit / License	**Authority / body**	**Initial Issuing date**	**Most recent renewal date**	**Term**
Certificate of registration	BOI	18 May 2017	N/A	Indefinite
Registration as renewable energy developer under the RE Act	BOI	18 May 2017	N/A	Indefinite
ECC	DENR-EMB Regional Office	17 December 2013	2 Jun 2014	Indefinite
Biomass renewable energy operating service contract	DOE-REMB	11 April 2014	N/A	11 April 2039
Registration as a renewable energy developer	DOE	22 November 2016	N/A	Indefinite
Certification of plant Capability	NGCP	31 March 2022	N/A	Indefinite
COC	ERC, Licensing and Market Monitoring Division	Filed, ongoing application: 29 July 2019		6 June 2025 with indefinite certificate in process
Certificate of non-overlap	NCIP (Region VI)	5 October 2020	N/A	Indefinite
Registration as WESM member	IEMOP	12 September 2019	N/A	Indefinite
Permit to operate air pollution source and control Installation	DENR-EMB Region VI	29 August 2022		29 December 2026

<u>*North Negros Biopower Inc*</u>

Permit / License	**Authority / body**	**Initial Issuing date**	**Most recent renewal date**	**Term**
Certificate of registration	BOI	13 August 2018	N/A	Indefinite
Registration as renewable energy developer under the RE Act	BOI	4 February 2019	N/A	Indefinite
ECC	DENR-EMB Regional Office	22 August 2017	N/A	Indefinite
Biomass renewable energy operating service contract	DOE-REMB	1 June 2018	N/A	1 Jun 2043
Registration as a renewable energy developer	DOE	1 June 2018	N/A	Indefinite
Certification of plant capability	NGCP	5 April 2022	N/A	Indefinite

COC	ERC, Licensing and Market Monitoring Division	25 September 2023	N/A	3 May 2027
Certificate of non-overlap	NCIP (Region VI)	5 October 2020	N/A	Indefinite
Registration as WESM member	IEMOP	27 July 2019	N/A	Indefinite
Permit to operate air pollution source and control Installation	DENR EMB Region VI	9 August 2022		9 November 2024

Applicable regulatory framework for the Climate Finance business segment

On 13 September 2018, ThomasLloyd Global Asset Management (Americas) LLC ("**TCS US**") was registered with the US Securities and Exchange Commission (the "**SEC**") under the Investment Advisers Act of 1940 as an investment adviser and is currently permitted to carry on the following regulated activities:

- financial planning services;
- portfolio management for individuals and/or small businesses;
- portfolio management for investment companies (as well as 'business development companies' that have made an election pursuant to section 54 of the Investment Company Act of 1940);
- portfolio management for pooled investment vehicles (other than investment companies);
- portfolio management for businesses (other than small businesses) or institutional investors (other than registered investment companies and other pooled investment vehicles);
- pension consulting services;
- selection of other advisers (including private fund managers);
- publication of periodicals or newsletters;
- security ratings or pricing services;
- market timing services; and
- educational seminars/workshops.

The US Investment Advisers Act of 1940

TCS US provides investment management and advisory services on a discretionary basis to the Group´s pooled investment vehicles and advisory clients. TCS US is registered under the US Advisers Act as an investment adviser with the SEC. Investment advisers registered with the SEC are subject to the requirements and regulations of the US Advisers Act. Such requirements and regulations include, among other things, fiduciary duties to advisory clients, compliance program obligations, recordkeeping and regulatory reporting requirements, disclosure obligations, advertising rules, mandated safeguards for protecting client funds and securities, limitations on agency gross and principal transactions between an adviser and its advisory clients, restrictions on advisory contract assignments, political contributions, and general anti-fraud prohibitions.

Supervision and sanctions

TCS US, as a registered investment adviser, is subject to periodic inspection and examination by the SEC. A regular or routine SEC inspection or examination will typically involve, at a minimum, a careful review of the adviser's books and records and certain of the adviser's practices and may include interviewing certain employees. The staff of the SEC division of examination may also conduct examinations focusing on a limited number of specific issues or conduct an examination "*for cause*". The SEC may bring civil actions against investment advisers, and seek damages or other relief, either in a US district court or before an administrative law judge. Charges for criminal actions under the US Advisers Act are referred to the US Attorney's Office or the US Department of Justice. The US Advisers Act provides that persons who wilfully violates the provisions and rules of the US Advisers Act are subject to criminal penalties of up to five years in prison and/or significant monetary penalties. In general, Section 203(e)-(f) of the US Advisers Act gives the SEC the authority to discipline an adviser if, among other things, the adviser or certain persons associated with the adviser engaged in certain prohibited acts, generally including securities fraud. The disciplinary actions, orders or sanctions the SEC may impose can include significant monetary penalties, disgorgement of gain, cease-and-desist orders, censure, suspension, and revocation of the investment adviser's registration. The SEC can also bar an individual from being associated with a registered investment adviser for a prescribed period or take other actions designed to prevent future violations.

Certain consents necessary for acquisitions above certain thresholds

Under the US Advisers Act, each of the investment advisory agreements for funds and other accounts managed now or in the future by an SEC-registered investment adviser, including TCS US, must provide that it may not be "*assigned*" without the consent of the fund or other client. An "*assignment*" for the purposes of the advisory contacts of TCS US could take place where, for example, an investor acquires 25% or more of the Company's ordinary shares and any investor contemplating such an acquisition should seek independent legal advice to test whether regulatory pre-approval might be necessary.

While it is not expected that the Admission or the Restructuring (as defined below) will result in an assignment under the US Advisers Act, there can be no assurance that the SEC or a court would agree. Furthermore, if a third-party acquired a sufficient number of shares to be able, alone or acting in concert with others, to control the appointment of directors and other matters submitted to Shareholders for a vote, it could be deemed a change of control of entities within the Group that are registered as investment advisers, and thus an assignment. It is not expected that potential acquirers of ordinary shares of the Company would meet the relevant thresholds for indirect shareholdings in TCS US if only buying ordinary shares in the Company. However, if such an assignment occurs, it is not certain that entities within the Group that are registered as investment advisers will be able to obtain the necessary consents from the funds and other clients, which could cause the Group to lose the management fees and performance allocations generated from such funds and other clients.

Investment management-related regulation

In the area of funds and investment management, the main bodies of legislation that are relevant for the Group are: the Alternative Investment Fund Managers Directive (Directive 2011/61/EU, "**AIFMD**") and the Markets in Financial Instruments Directive (Directive 2004/39/EC2014/65/EU, "**MiFID II**") related to Luxembourg domiciled Alternative Investments Funds (AIFs) managed by TCS US and distributed in Europe. Rules that apply here are relevant for the investment management business of the Group that operates in the EU. Discussed below are only the most relevant recent developments. Nevertheless, other EU legislation and non-EU legislation, such as FATCA rules, also have an impact on the investment management business that should be taken into account.

AIFMD

The AIFMD is an EU regulatory initiative to regulate and supervise the alternative investment fund management industry. The AIFMD lays down the rules for the authorisation, ongoing operation and transparency of fund managers that manage and market AIFs in the EU. The final text came into force on 21 July 2011 and Member States needed to transpose the framework into national law by 22 July 2013. As a consequence of the implementation, AIFMs established within the EU required authorisation by 22 July 2013 (or will require authorisation by 22 July 2014 in Member States that use the transitional period provided for in the AIFMD). Licensed AIFMs will be subject to detailed rules on delegation, transparency, conduct of business, remuneration, leverage and reporting. Additionally, licensed AIFMs will be required to appoint an independent custodian for each AIF that they manage and have independent risk management and valuation functions. AIFMs authorised under the AIFMD will be granted the possibility to passport their licence to either manage AIFs in other Member States or market units or shares in AIFs to professional investors. In short, the AIFMD created a uniform regulatory system for the EU for managers of alternative investment funds that do not constitute undertakings for collective investment in transferable securities.

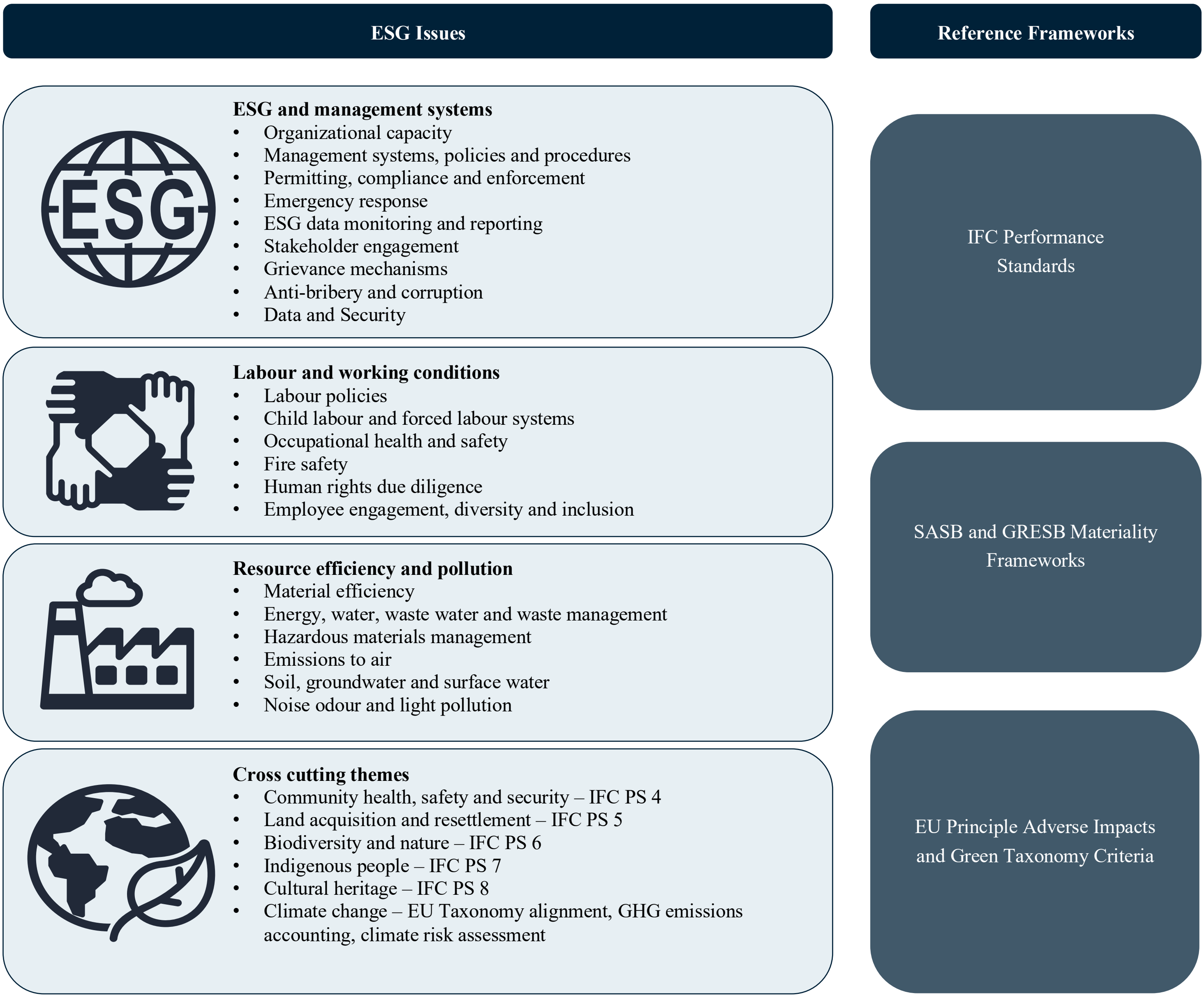
MiFID II and MiFIR

Another important piece of legislation in this area is the Markets in MIFID II and the accompanied Markets in Financial Instruments Regulation (Re. EU/600/2014, "**MiFIR**"). MiFID II is the revision of the Markets in Financial Instruments Directive (Directive 2004/39/EC, "**MiFID I**"). MiFID I was designed to set out: (i) conducts of business and organisational requirements for investment firms, (ii) authorisation requirements for regulated markets, (iii) regulatory reporting to avoid market abuse, (iv) trade transparency obligation for shares, and (v) rules on the admission of financial instruments to trading. MiFID II and MiFIR significantly widened the scope of application to include a broader group of firms and instruments. They aim at making financial markets in the EU more robust and transparent. Under MiFID II organised trading facilities (OTF) were supervised and regulated for the first time; in addition positions in commodity derivatives became more transparent. MiFID II and MiFIR encompasses among others the rules and guidelines on governance, products, investor protection and information disclosure. On the governance side MiFID II firms must, among other things identify, define, and review strategic objectives, risk strategies and internal governances, install remuneration and inducements policies for persons involved in providing services, install conflict of interest registers, regulates tied agents. On the investor protection side, among other things, MiFID II imposes strict product governance obligations including a target market assessment for the product manufacturer and distributors. In addition, investors will receive much more information and costs and inducements paid. The MiFIR gives among others national authorities the power to prohibit or restrict marketing and distribution of financial instruments.

Group Sustainability Policy Framework

The Group's environmental and social policy framework requires comprehensive assessment and mitigation of potential environmental and social risks prior to acquisition or development of any new infrastructure assets, and active monitoring and management of environmental, social and governance issues. They are aligned with the International Finance Corporation's ("**IFC**") Performance Standards on Environmental and Social Sustainability. The policies in place provide a framework that helps identify and manage potential significant harm to any environmental or social objectives, including water; biodiversity and ecosystems; circular economy; pollution prevention. The Group has developed proprietary ESG materiality assessment frameworks for new acquisitions or investments, that draw on Sustainability Accounting Standards Board (SASB) and GRESB (a global ESG benchmark focused on infrastructure) materiality assessment maps.

In line with IFC Performance Standard requirements, specific environmental and social management systems are established for all assets in which the Group has an ownership stake, including adherence with the UN Guiding Principles for Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work, and to address critical ESG issues in asset supply chains, such as forced labour in the case of Photovoltaic solar assets, or feedstock sustainability for Biomass electricity generation assets. The below provides an overview of the Group's ESG policy framework.



On an ongoing basis, the Group considers potential enhancements to contributions to sustainable development, including in response to insights from sustainability reporting efforts. ESG indicators including GHG emissions, electricity consumption, water consumption, water effluent discharge, waste generation (disaggregated by type and channel of disposal), health and safety incidents, and hours worked are regularly monitored by the Group and discussed in quarterly impact and ESG review meetings for assets that are directly managed by it. A comprehensive GHG inventory including Scope 3 emissions is completed annually. For each of the Group's assets, key impact indicators capturing their positive contributions in support of the SDGs are agreed and monitored. The current sustainability policy of the Group, and the basis of calculation of all impact and ESG performance indicators, was developed with expert input and review from a global sustainability advisory group. These methodologies are reviewed periodically, to reflect global good practices and improvements in data availability. In future reporting, the Group intends to seek independent reviews or assurance of metrics prior to reporting.

The scope of the Group's sustainability policy framework is expressly based on a double materiality approach and addresses the substantive topic areas covered by the CSRD. In early 2023, the Group undertook a high level assessment of its readiness for CSRD reporting. The assessment concluded that the Group's data collection and monitoring systems are largely complete and its systems are well developed, although both are being enhanced, strengthened and tested in preparation for CSRD reporting.

Environmental risk management

The Group faces various environmental risks that may affect the operations of its assets. Such risks are systematically identified and managed at asset level, using the Group's proprietary ESG due diligence tools which reflect global frameworks including the Global Sustainability Accounting Standards Board (SASB) and the Global Real Estate Sustainability Benchmark (GRESB), a global ESG benchmark focused on infrastructure.

The Group has conducted physical environmental risk assessments for all assets held by it. Major climate change related risks include disruptions to feedstock growing cycles, which are managed through a feedstock diversification and adaptive collection strategy, or flooding, which are managed through active drainage management as part of maintenance, as well as insurance against flood related damages. Disruptions to water availability and quality may also affect the operations of the Group's assets. As such, asset sites have been chosen with due regard for water availability, and water utilization is monitored. The Group also faces waste and hazardous material issues that affect the operations of its assets. In response, the Group actively monitors the volumes of waste generated by its assets, and the channels through which they are disposed of to ensure appropriate management of this risk.

Material Agreements[71]

Other that the agreements referred to in "*Operating and Financial Review – Indebtedness*" and "*Major Shareholders and Related Party Transactions – Related Party Transactions*", within the two years immediately preceding the date of this Prospectus the Group has not entered into any agreement that is outside the ordinary course of business, that is material or that has been entered into at any other time and which contains provisions under which the Group has an obligation or entitlement that is material to it as of the date of this Prospectus.

Employees and Contractors[72]

As of 31 December 2024, the Group has 1,226 employees and contractors (i.e. temporary employees), being 1,020 employees and a further 206 full time contractors. The table below shows the average number of fulltime employees per geographical segment for the periods indicated:

	At 31 December		
Department	**2024**	**2023**	**2022**
Employees			
Climate Infrastructure	290	216	236
Sustainable Fuels	549	621	814
Climate Finance	35	48	42
Corporate Shared Services	146	141	151
Total employees	**1,020**	**1,026**	**1,243**

Legal and Arbitration Proceedings[73]

There are no, and during the 12 months preceding the date of this Prospectus there have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Group is currently aware) that may have, or have had in the recent past, significant effects on the Group and/or the Group's financial position or profitability.

The Group's investment management mandate terminated on 1 November 2023 and there are no legal proceedings pending in relation to this mandate. However, the prior Board of AEIT made a statement, as part of the initiation of the members voluntary liquidation process of AEIT, that the liquidators of AEIT, with the assistance of the previous AEIT board members, would progress AEIT's investigation into AEIT's right to seek

[71] Annex 1, item 20.1.
[72] Annex 1, item 15.1.
[73] Annex 1, item 18.6.1.

compensation for the material asset value loss that AEIT had suffered and the additional professional fees that it has incurred since May 2023. The Company believes that this statement is without merit and would contest such a threat if it were to crystallise.

Insurance

The Group maintains a comprehensive insurance portfolio for its business and operations. The Group obtains insurance either in the form of group insurance policies or individual insurance policies, in each case to cover identified risks and meet applicable legal requirements. The Group's insurance cover includes D&O insurance, including professional indemnity insurance, travel insurance and benefit insurances for health and life cover.

The Group's main fixed assets, the Biopower plants and BioFuel agricultural fleet, are exposed to a number of risks, including natural catastrophes, power plant equipment failures, plant and fuel fires, and accidents with mobile agricultural machinery. See also "*Risk Factors – The operation of clean energy and sustainable fuel generation projects is subject to inherent and significant operational risks and occupational hazards*." During the commissioning and initial operations period, industrial all risk insurances have been taken out for the plants with the following level of coverage, in US Dollar, split between insured value, uninsured value and historical construction costs:

US$	Insured value	Uninsured value	Construction costs
South Negros Biopower plant	55,577,222	24,422,778	80,000,000
North Negros Biopower plant	56,278,207	13,721,793	70,000,000
San Carlos Biopower plant	49,599,679	50,400,321	100,000,000

As the plants have been taken into operation, the Group has engaged Marsh, a large insurance broker and risk advisor, to undertake a comprehensive review of the insurance coverage of the Biopower and BioFuel assets, which includes a detailed risk engineering review, natural catastrophe assessment, business interruption analysis, and security threat vulnerability risk assessment. The reports resulting from this review will be used as a basis for implementing an insurance package. The Group is in the process of implementing recommendations from this review including in relation to fire protection, power plant spare parts and plant security. Marsh also carried out a detailed asset valuation to determine the appropriate insured value for the assets. Marsh is in the process of placing a comprehensive package of insurances for the Biopower assets, including operational all risk, business interruption, sabotage & terrorism property damage, sabotage & terrorism business interruption, and operational third-party liability insurances. This package of insurances is considered market standard for similar assets in an international financing context.

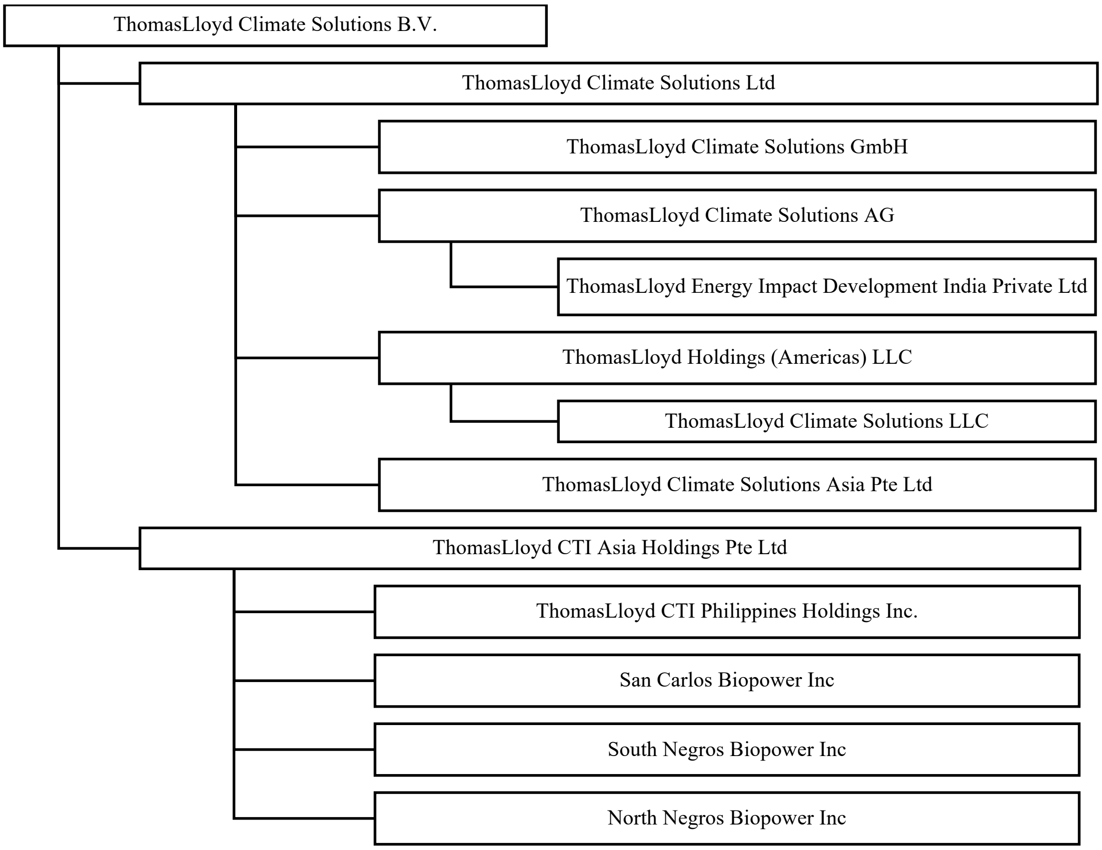
The Group believes that it maintains insurance coverage in a manner consistent with customary practice in its industry. The Group reviews its insurance portfolio on a regular basis to optimise its insurance structure taking into account, amongst other things, the insurance market conditions and the expansion of its business.

The Group provides directors' and officers' liability insurance for all members of the Board, as well as certain other persons within the Group. See "*Management and Employees – Directors' Indemnification and Insurance*".

Group Structure[74]

The structure chart below shows the structure of the Group at 31 December 2024, where all entities are 100% held by the Company, directly or indirectly other than SCB which is 98% owned from a voting perspective and 92% owned economically:

[74] Annex 1, item 6.1.


ThomasLloyd Climate Solutions B.V.
ThomasLloyd Climate Solutions Ltd
ThomasLloyd Climate Solutions GmbH
ThomasLloyd Climate Solutions AG
ThomasLloyd Energy Impact Development India Private Ltd
ThomasLloyd Holdings (Americas) LLC
ThomasLloyd Climate Solutions LLC
ThomasLloyd Climate Solutions Asia Pte Ltd
ThomasLloyd CTI Asia Holdings Pte Ltd
ThomasLloyd CTI Philippines Holdings Inc.
San Carlos Biopower Inc
South Negros Biopower Inc
North Negros Biopower Inc

MARKET AND INDUSTRY[75]

Introduction

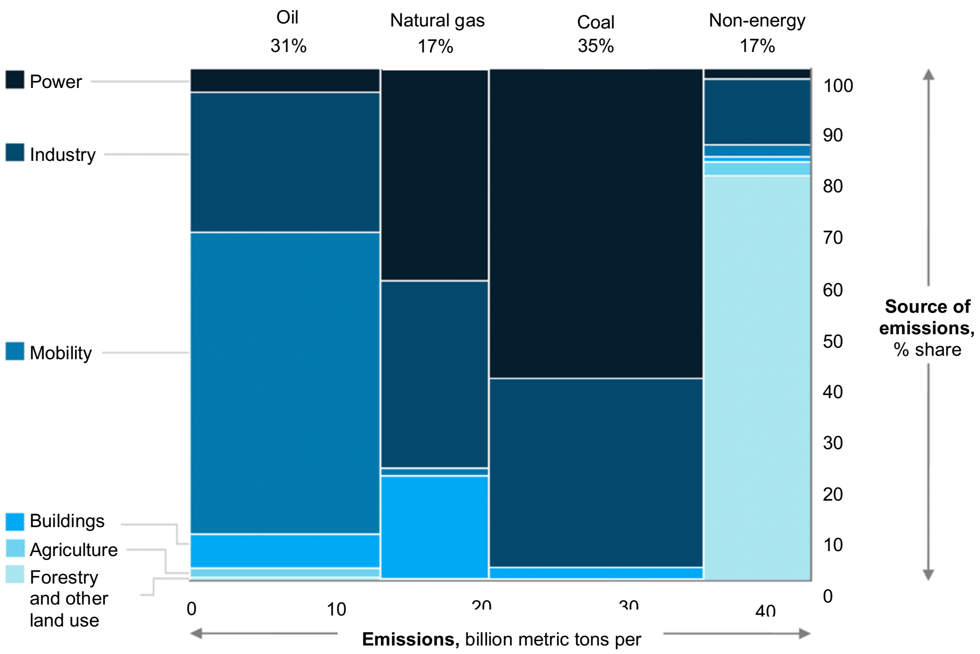
The global energy transition required to address the threat of climate hange is a multi-trillion USD market.[76] Climate change is directly contributing to humanitarian emergencies from heatwaves, wildfires, droughts, floods, and storms, and they are increasing in scale, frequency, and intensity.[77]

The Group believes that a successful, profound and systemic transformation of the global economy is needed to achieve net-zero emissions by 2050. This requires a significant increase in investment on clean energy and technologies, with an estimated total funding requirement of approximately US$ 275 trillion by 2050, equivalent to about 7.5% of global GDP annually on average.[78]

Currently, the global energy transition is off-track and the rate of change falls far short of the 1.5°C pathway.[79] In addition to insufficient funding the Group believes that this is caused by various factors, in particular uneven and inefficient distribution of capital and other resources across countries, sectors and projects, a lack of high-quality investable projects, often isolated and uncoordinated approaches between public and private stakeholders missing a consistent overall plan, and fragmented markets from geopolitical conflicts.

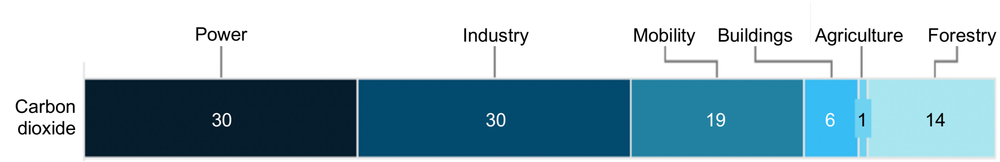
Climate change[80]

Climate change is caused by adding amounts of greenhouse gases to those naturally occurring in the atmosphere, increasing the greenhouse effect and global warming. The greenhouse gas carbon dioxide (CO_2) is causing about 75% of global warming and can take thousands of years to be fully absorbed by the carbon cycle and methane followed by nitrous oxide causes most of the remaining warming.[81] There are seven energy and land-use systems that account for all global emissions today. These include energy, industry, mobility, buildings, agriculture, forestry, and other land use, and waste. Across all these energy and land-use systems, energy use accounts for 83% of the emitted CO_2. The chart below illustrates the CO_2 emissions per fuel and energy and land-use system:[82, 83, 84]

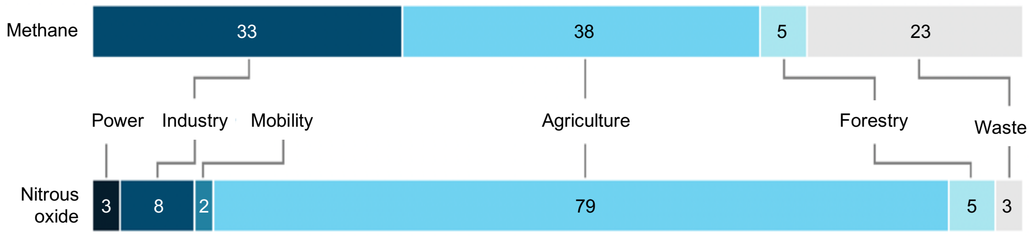


[75] Annex 1, items 5.2(b) and 5.6.
[76] Deloitte, Financing the Green Energy Transition.
[77] World Health Organization, Climate Change, 12 October 2023
[78] McKinsey Global Institute, The net-zero transition, What it would cost, what it could bring
[79] McKinsey Global Institute, The net-zero transition, What it would cost, what it could bring
[80] Annex 1, item 5.7.4.
[81] European Commission, Causes of climate change. United Nations, Climate Action, Causes and Effects of Climate Change.
[82] Chart includes all fossil fuel CO_2 sources as well as short-cycle emissions (e.g., large-scale biomass burning, forest fires). Power includes emissions from electricity and heat generation (i.e., from combined heat and power plants); Industry includes various industrial processes, including production of steel, cement, and chemicals, and extraction and refining of oil, gas, and coal; Mobility includes emissions from road, aviation, rail, maritime, and other forms of transportation; Buildings includes emissions from heating, cooking, and lighting of commercial and residential buildings; Agriculture includes emissions from direct on-farm energy use and fishing; Forestry includes net flux of CO_2 from land use and land cover change but not the opportunity cost of lost carbon capture. The global CO_2 emissions in this chart represent the total emissions of the full sectors, not of certain subsectors. Based on 2019 emissions
[83] Regarding *Non-energy*: in addition to energy-related CO_2 emissions, anthropogenic emissions include industry process emissions and deforestation.
[84] EMIT database by McKinsey Sustainability Insights (September 2021, data for 2019); International Energy Agency; McKinsey Global Energy Perspectives; McKinsey Global Institute analysis. Source note: this is based on the McKinsey EMIT database that draws on a variety of bottom-up sources. Depending on the emissions database used, data per sector and the economy as a whole may vary. Figures may not sum to 100% because of rounding.

As evidenced by the chart, power and industry are major energy consumers and together generate about 60% of CO emissions. The charts below show the emitters and the share of total of each of the widely regarded most important greenhouse gases emitted per energy and land-use system:[85],[86],[87]



The territorial chart below shows the largest carbon emitters globally per country and region:[88]



[85] This chart includes all fossil fuel CO_2 sources as well as short-cycle emissions (e.g., large-scale biomass burning, forest fires). Power includes emissions from electricity and heat generation (i.e., from combined heat and power plants); Industry includes various industrial processes, including the production of steel, cement, and chemicals, and the extraction and refining of oil, gas, and coal; Mobility includes emissions from road, aviation, rail, maritime, and other forms of transportation; Buildings includes emissions from heating, cooking, and lighting of commercial and residential buildings; Agriculture includes emissions from direct on-farm energy use and fishing; Forestry includes net flux of CO_2 from land use and land cover change but not the opportunity cost of lost carbon capture; Waste includes emissions from solid waste disposal and treatment, incineration, and wastewater treatment. The global CO_2 emissions in this chart represent the total emissions of the full sectors, not of certain subsectors. Based on 2019 emissions.

[86] "*Forestry*" refers to forestry and other land use.

[87] EMIT database by McKinsey Sustainability Insights (September 2021, data for 2019); McKinsey Global Institute analysis. Source note: This is based on the McKinsey EMIT database that draws on a variety of bottom-up sources. Depending on the emissions database used, data per system and the economy as a whole may vary. Figures may not sum to 100% because of rounding.

[88] Global Carbon Atlas. https://globalcarbonatlas.org/emissions/carbon-emissions/

Rank	Country	$MtCO_2$
1	China	11397
2	United States of America	5057
3	India	2830
4	Russian Federation	1652
5	Japan	1054
6	Indonesia	729
7	Iran	691
8	Germany	666
9	Saudi Arabia	663
10	South Korea	601
11	Canada	548
12	Mexico	512
13	Brazil	484
14	Turkey	436
15	South Africa	404
16	Australia	392
17	Vietnam	344
18	Italy	338
19	Poland	323
20	United Kingdom	319
21	France	298
22	Malaysia	291
23	Taiwan	278
24	Kazakhstan	271
25	Thailand	271
26	Egypt	259
27	Spain	246
28	United Arab Emirates	244
29	Pakistan	200
30	Argentina	193
31	Iraq	179
32	Algeria	176
33	Philippines	150
34	Ukraine	141
35	Nigeria	129
36	Netherlands	125
37	Uzbekistan	121
38	Kuwait	109
39	Bangladesh	102
40	Qatar	101

The Group expects that physical risks will continue to accumulate until net-zero is achieved. As average temperatures rise, acute hazards such as heat waves and floods increase in frequency and severity, and chronic hazards such as drought and rising sea levels intensify.[89] These hazards and changes could lead to rising, nonlinear, and systemic socioeconomic impacts, as described in McKinsey's 2020 report on physical climate risk.[90] Most recently, the Sixth Assessment Report of the United Nations Intergovernmental Panel on Climate Change ("**IPCC AR6**") reaffirmed that continued GHG will result in increasingly severe consequences for the earth system and, potentially, abrupt and catastrophic changes that might occur as the climate passes tipping points.[91] As physical climate risk spreads, it could trigger broader economic, financial, and social disruptions.[92] The effect of hard-to-predict biotic feedback loops (for example, the thawing of permafrost) or knock-on economic effects (for example, from impacts on financial valuations) could push losses beyond the current estimates.

[89] Noah S. Diffenbaugh and Christopher B. Field, "Changes in ecologically critical terrestrial climate conditions", Science, volume 341, number 6145, August 2013; Seth D. Burgess, Samuel Bowring, and Shu-zhong Shen, "High-precision timeline for Earth's most severe extinction", Proceedings of the National Academy of Sciences, volume 111, number 9, March 2014.
[90] Climate risk and response: Physical hazards and socioeconomic impacts, McKinsey Global Institute, January 2020.
[91] Climate change 2021: The physical science basis: Contribution of Working Group I to the Sixth Assessment Report, Intergovernmental Panel on Climate Change (IPCC), 2021.
[92] Climate risk and response: Physical hazards and socioeconomic impacts, McKinsey Global Institute, January 2020.

Energy transition

To stabilise the climate and limit physical climate risks, climate science believes that it is necessary to reduce the addition of GHG to the atmosphere to net-zero and limit warming to 1.5°C above preindustrial levels to reduce the odds of dangerous and irreversible effects of climate change.

The IPCC AR6 report estimated that restricting all future net CO_2 emissions to 400–500 Gt, combined with substantial decreases in emissions of short-lived GHG like methane, would lead to a 50 to 67% probability of limiting warming to 1.5°C above preindustrial levels. At current emissions rates, the carbon budget for 1.5°C of warming would thus likely be exceeded within about the next decade.[93] Climate science indicates that the earth system will continue to change along the journey to net-zero, and some changes will continue even after we have stopped the earth from further warming. Therefore, actions to reduce emissions will also need to go hand-in-hand with climate change adaptation.[94]

More than 140 countries, including the biggest polluters – China, the United States and India – which collectively account for over 88% of global emissions, have put net-zero commitments in place and more than 9000 companies, over 1000 cities, more than 1000 educational institutions, and over 600 financial institutions have joined the race to zero, pledging to take action to halve global emissions by 2030.[95] Yet even if all the existing commitments and national climate pledges were fulfilled, estimates suggest that warming would exceed 1.5°C above preindustrial levels, increasing the odds of initiating the catastrophic impacts of climate change, including biotic feedback loops.[96] Moreover, most of these commitments have yet to be supported by detailed plans or executed. Nor will execution be trivial, as it would require a careful balancing of shorter- and longer-term risks. Today, while the imperative to reach net-zero is increasingly recognised, the net-zero equation is not solved.[97]

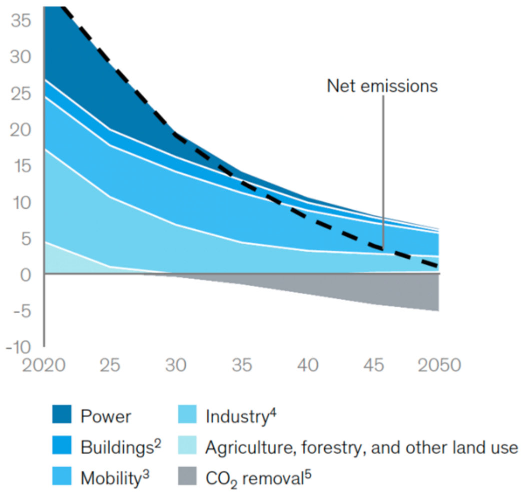
A key feature of the transition to net-zero emissions is its universality, across all energy and land-use systems and throughout the global economy. This is for two reasons. First, each of these energy and land-use systems contributes substantially to emissions. Thus, every one of these systems will need to undergo transformation if the net-zero goal is to be achieved. Second, these systems are highly interdependent; actions to reduce emissions must thus take place in concert and at scale across systems, economic sectors, and geographies.[98] For instance, electric vehicles are valuable only to the extent that low-emissions electricity production has been achieved. All sectors of the economy participate in these energy and land-use systems across global value chains. Similarly, all countries contribute to emissions, either directly or through their role in value chains. Reaching net-zero emissions will thus require a transformation of the global economy.

The Group believes that the scale of the required economic transformation would be significant. Shifts in demand during the net-zero transition would trigger the retirement or transformation of some existing physical assets and the development and construction of new ones.[99] The estimated cumulative capital spending on physical assets for the net-zero transition between 2021 and 2050 would be about US$ 275 trillion, approximately US$ 9.2 trillion per year.[100]

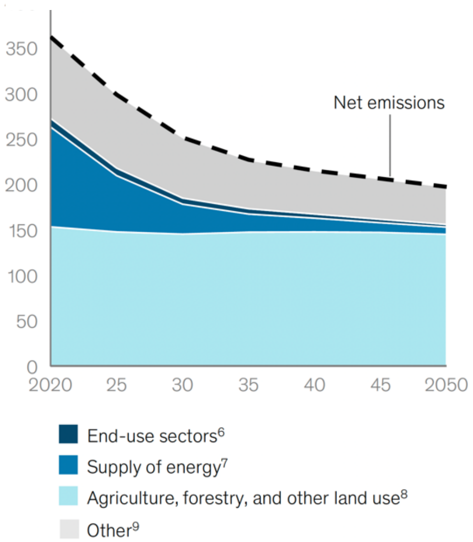
The chart below shows the net-zero 2050 scenario pathway from the Network for Greening the Financial System ("**NGFS**"),[101] based on a combination of emissions reductions and the active removal of unavoidable CO_2 emissions, as also promoted by the Science Based Targets Initiative:F[102, 103, 104, 105, 106, 107, 108,109].

[93] The IPCC AR6 report.
[94] McKinsey Global Institute, The Net-Zero Transition, January 2022
[95] United Nations. Climate Action, Net-zero commitments / coalition.
[96] Based on policies currently enacted into law, UNEP, Climate Action Tracker, and the International Energy Agency project that warming will be 2.6–2.7°C by 2100. In alternate scenarios, where current net-zero targets and 2030 pledges are fully implemented, these organizations project that warming would be restricted between 2.1 and 2.2°C. IEA lowers this estimate to 1.8°C if targets that are still under discussion are also fully implemented. Emissions gap report 2021: The heat is on, UNEP, 2021; Warming projections global update, Climate Action Tracker, November 2021; and World energy outlook 2021, International Energy Agency, October 2021. Estimates from the Network for Greening the Financial System (NGFS) similarly suggest that if current implemented policies continue, approximately 1,250 additional gigatons of CO_2 would enter the atmosphere by 2050, breaching the limit that scientists consider necessary to keep warming below 1.5°C. Based on an analysis of the NGFS Current Policies scenario, using the REMIND-MAgPIE 2.1/4.2 model. See also Climate change 2021: The physical science basis: Contribution of Working Group I to the Sixth Assessment Report, Intergovernmental Panel on Climate Change (IPCC), 2021.
[97] McKinsey Global Institute, The Net-Zero Transition, January 2022
[98] McKinsey Global Institute, The Net-Zero Transition, January 2022
[99] McKinsey Global Institute, The Net-Zero Transition, January 2022.
[100] McKinsey Global Institute. The Net-Zero Transition, January 2022.
[101] The net-zero scenario is based on the NGFS net-zero 2050 scenario using REMIND-MAgPIE from the 2021 release of NGFS (phase 2).
[102] "*Buildings*" refers to CO_2 emissions from energy use in residential and commercial buildings.
[103] "*Mobility*" refers to CO_2 emissions from energy use in transportation sector (road, rail, shipping, and aviation).
[104] "*Industry*" refers to CO_2 emissions from energy use in industry and industrial process emissions, energy conversion excluding electricity, fugitive emissions from fuels, and emissions from carbon dioxide transport and storage.
[105] "*Co_2 removal*" refers to total CO_2 emissions captured through bioenergy carbon capture and storage (BECCS). BECCS is deployed across multiple energy systems (e.g. electricity generation, hydrogen production, and industry).
[106] "*End-use sectors*" refers to methane emissions from energy use.
[107] "*Supply of* "Methane emissions from energy conversion including electricity and fugitive emissions from fuels.
[108] "*Agriculture, forestry and other land use*" refers to methane emissions from agriculture, forestry, and other land use.
[109] "*Other*" refers to methane emissions from all other sources (e.g. waste).

CO_2 emissions, billion metric tons



Methane emissions, million metric tons



Philippines

Overview

Geography and demographics

The Philippines is located in South-East Asia with a total land area approximately 300,000 km^2 and comprising 7,641 islands.[110] The largest of these islands is Luzon, with a land area of approximately 105,000 km^2, followed by Mindanao (95,000 km^2), Samar (13,429 km^2) and Negros (13,310 km^2):

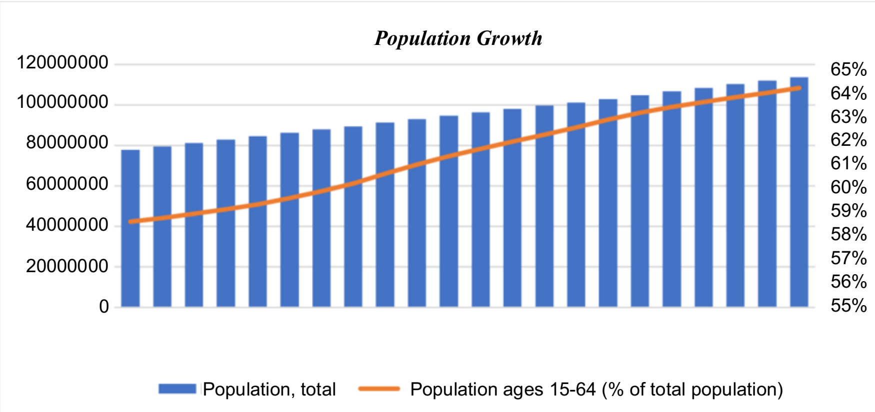
Map of the Philippines. Source: Philippines Department of Foreign Affairs.

[110] The World Factbook. Philippines Country Profile. 24. April 2024. Accessed online: https://www.cia.gov/the-world-factbook/countries/philippines/#geography.

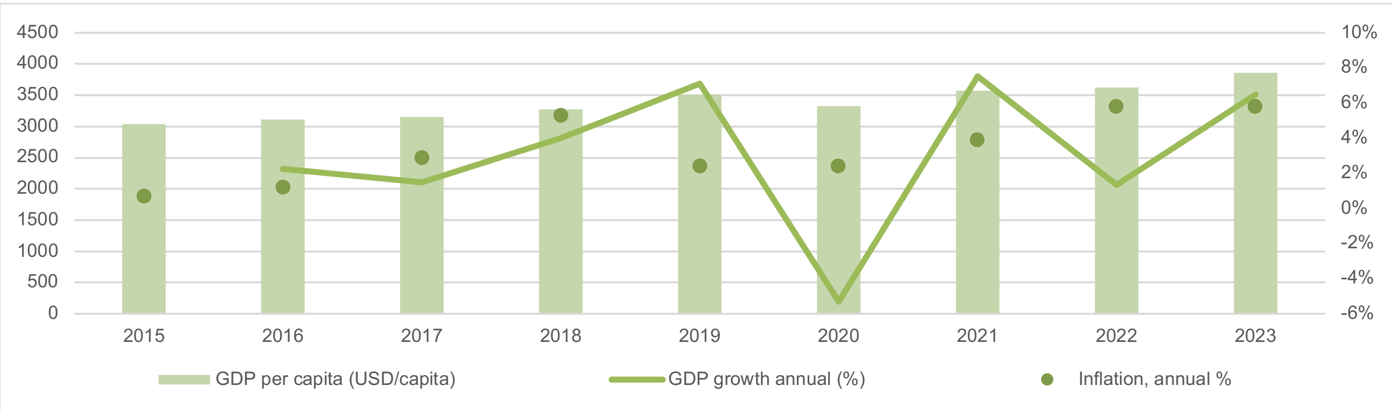
The Philippines is the world's 13th largest country by population, with approximately 116 million people.[111] Population growth is about 1.5% per year for 2023 and forecasted for 2024, but it is expected to moderate in the coming years. However, the population is forecasted to reach 160 million by 2050. Around 48% of the population live in urban environments, with the urbanisation rate having seen a rapid increase from only 30% in 1960, but which has now slowed to its current level.[112] These demographics create both a robust labour force to support investment in the Philippines, growing demand for infrastructure, and a growing consumer base.

Economy

The Philippine economy is the 32nd largest in the world, with a GDP in 2023 of USD 437 billion.[113] After being significantly impacted by the COVID-19 pandemic throughout 2020 and into early 2022, GDP has since grown by over 10% in both the latter half of 2022 and into 2023, with forecast GDP growth of 6.3% in 2024. The country is progressively rising in the list of the world's largest economies ranked by GDP and is forecast to be within the world's top twenty largest economies by 2050.[114]



Population growth in the Philippines. Source: Review of Macroeconomics of the Philippines between 2000 to 2021. Available from: https://www.researchgate.net/figure/The-Philippiness-Population-Growth-from-2000-to-2021-In-millions-3-Economic-Growth_fig1_374805917.



GDP and Inflation in the Philippines. IMF 2024. https://www.imf.org/external/datamapper/NGDPD@WEO/OEMDC/ADVEC/WEOWORLD

Key sectors

Data from the Philippine central bank shows the services sector contributed 62% of GDP in 2023, followed by manufacturing and industry with 29%, and agriculture at 9%.[115]

[111] The World Factbook. Philippines Country Profile. 24. April 2024. Accessed online: https://www.cia.gov/the-world-factbook/countries/philippines/#geography.
[112] World Bank. 2022. World Development Indicators. Accessed online: https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=PH.
[113] IMF. World Economic Outlook Database. 2023. Accessed online https://www.imf.org/en/Publications/WEO/weo-database/2023/October.
[114] IMF. 2024. World Economic outlook and BMI Fitch Research. PH economy to become18th biggest by mid-century. Quoted in Philippines Business Enquirer. 22 Jun 2023. https://business.inquirer.net/406613/ph-economy-to-rank-18th-by-mid-century
[115] Bangko Sentral Ng Pilipinas. Report on Economic and Financial Developments Third Quarter 2023. https://www.bsp.gov.ph/Lists/Quarterly%20Report/Attachments/25/LTP_3qtr2023.pdf

- **Services**: Key sectors within the services industry are telecommunications, business process outsourcing ("**BPO**") and finance, with the Philippines being a major global BPO hub. It is estimated to employ 1.3 million Filipinos, with a global market share of 10-15%, and growing at 8-10% per annum.1[116]
- **Manufacturing and industry**: Electronics including semi-conductor manufacturing are major exports, as well as mining, where there are significant reserves of copper, gold, nickel, zinc and silver.
- **Agriculture**: While agriculture's contribution to GDP has reduced, it still employs around 24% of the workforce, with key products being coconuts, sugar, and rice.[117]

Social issues

The human development index value ("**HDI**") is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and having a decent standard of living, with countries scored on a scale of 0 to 1, with 1 representing the highest levels of human development. The Philippine's HDI value for 2022 is 0.710, positioning it at 113 out of 193 countries assessed by the United Nations. Between 1990 and 2022, the Philippine's HDI value changed from 0.598 to 0.710 and life expectancy at birth increased by 6.3 years.[118] Unemployment in the Philippines is low, at only 3.5% and with a labour force participation rate of 96.5%. However, despite these low levels of unemployment, 22.4% of the population lives below the poverty line, with an inequitable distribution of wealth.[119]

Investor outlook and investment climate

The Philippines sovereign credit rating is BBB+ with a stable outlook by Standard & Poor's,[120] Baa2 by Moody's with a stable outlook,[121] and BBB by Fitch, also with a stable outlook.[122] Standard & Poor's has upgraded the Philippines five times since 2005 and has rated the Philippines as investment grade for over 10 years.

The Philippines has taken a range of reforms to attract private investment over the years, and recent World Bank analysis stresses that effective implementation of pro-investment reforms in renewable energy and sectors like trade, transport, and telecommunications would generate economy wide productivity gains.[123]

The World Bank's 'Ease of Doing Business 2020' report presented various indicators that measure, among others, the ease of starting a business, registering a property, obtaining construction permits, getting credit, paying taxes, enforcing contracts and resolving insolvency. The Philippines' rank slipped from 113 to 124 in 2019 but by 2020 it had risen to 95; its best-ever placing in the report.[124]

Governance

The World Governance Indicators ("**WGI**") ranks the Philippines in the 53rd percentile (third quintile) for government effectiveness and regulatory quality. The national government has set targets in the people's development plan to improve its WGI rating.[125] Transparency International ranked the Philippines 115th out of 180 countries in 2023, scoring 33/100, noting seemingly limited efforts by the government to address.[126] The Group is aware of these challenges, and navigates them with care, focusing its investments and relationships with companies with strong governance including established Philippines private sector platforms where the Group engages to strengthen corporate governance, international companies with established codes of conduct on governance and ethical issues, or through transparent mechanisms such as the WESM.

Infrastructure investments

The Philippines government has accordingly identified infrastructure as a key enabler for growth, recognising the many years of underinvestment and now high level of urbanisation.[127] Through the current Marcos administration's 'build-better-more' program, the government has identified 197 'Infrastructure Flagship Projects' with a total cost of US$ 155.5 billion.[128] These projects are principally in the transportation (road and rail) and water resource sectors, many of which will be implemented through a public-private partnership model. These processes tend to be cumbersome and bureaucratic and as a result the Group generally avoids this type of project.

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[116] Talmage-Rostron, Mark. "The Future of BPO Industry in the Philippines 2024." Nexford University, 26 Mar. 2024, www.nexford.edu/insights/the-future-of-bpos-in-the-philippines-and-growth-opportunities.
[117] Philippines Statistics Authority. 2023. https://psa.gov.ph/content/unemployment-rate-december-2022-estimated-43-percent.
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[119] World Bank. World Development Indicators. Accessed 29. April 2024. https://databank.worldbank.org/reports.aspx?source=2&country=phl.
[120] Standard and Poors. 2023. https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/type/HTML/id/3094893.
[121] Moodys. 2024. Philippines credit rating. https://www.moodys.com/credit-ratings/Philippines-Government-of-credit-rating-607410/reports?category=Ratings_and_Assessments_Reports_rc|Issuer_Reports_rc&type=Rating_Action_rc|Announcement_rc|Announcement_of_Periodic_Review_rc,Credit_Opinion_ir_rc|Issuer_in_Depth_rc.
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[123] World Bank. Implementing Reforms to Boost Private Investment Key to Sustained Job Creation and Poverty Reduction in the Philippines. 2023. https://www.worldbank.org/en/news/press-release/2023/12/05/implementing-reforms-to-boost-private-investment-key-to-sustained-job-creation-and-poverty-reduction-in-ph.
[124] World Bank. Ease of Doing Business Rankings 2020(Archived) 2021. Accessed online: https://archive.doingbusiness.org/en/rankings.
[125] World Bank. World Governance Indicators 2022. https://www.worldbank.org/en/publication/worldwide-governance-indicators/interactive-data-access.
[126] Transparency International. 2023 Corruptions Perceptions Index Ranking. Accessed online: https://www.transparency.org/en/cpi/2023.
[127] Philippines News Agency. 23 June 2023. PBBM assures continuity of Philippines "golden age of infrastructure". https://www.pna.gov.ph/articles/1204137.
[128] Office of the President of the Philippines. 2023. *Approval of P8.7-T Infrastructure Flagship Projects, ensuring food security, job generation, among NEDA's 2023 accomplishments*. Accessed online: https://pco.gov.ph/news_releases/approval-of-p8-7-t-infrastructure-flagship-projects-ensuring-food-security-job-generation-among-nedas-2023-accomplishments/.

Foreign investment

Whilst the Philippines historically did have a cap of 40% on foreign ownership for many sectors including renewable energy, these have been lifted to encourage the significant amounts of foreign investment required into these sectors, such that there are now no foreign ownership caps on renewable energy investment.[129] Republic Act No. 11659 of 4 April 2023 further opened up foreign investment, including to distribution and transmission of electricity and water, wastewater and sewerage pipeline systems.

Climate investment

The Bloomberg New Energy Finance ("**BNEF**") climatescope rating, which assesses a country's readiness to put energy transition investment to work effectively, is 2.48 out of 5 for the Philippines as of November 2023, making the Philippines the fourth most attractive developing economy for clean energy investment behind India, China, and Chile. The Philippines gained six places since the 2022 report, which BNEF attributed to its supportive policy environment and success in running renewable energy auctions.[130]

Access to infrastructure

Whilst 97.5% of the population has access to electricity, reliability of service remains an issue.[131] Furthermore, electricity prices are very high, in part due to the Philippine's reliance on imported coal and liquefied natural gas ("**LNG**") for power generation, creating significant affordability issues.[132]

Access to water and sanitation is a significant issue in the Philippines, with UN and UNICEF data showing that 53% of households lack access to a safely managed water supply and 39% lack safe sanitation.[133] As a result of rapid urbanisation, only 10% of wastewater is treated and 58% of groundwater is contaminated, with only 5% of the population connected to a sewer network. As a result, the water quality in rivers in the Philippines is very poor. Furthermore, the Philippines is one of the largest contributors of ocean plastics, with 2021 research from Oxford University estimating that around 25% of global ocean plastic pollution originates from rivers in the Philippines.[134] Water availability itself is also an increasing challenge in the Philippines, which is being exacerbated by climate change, with the Philippines in 2024 facing water shortages which are likely to impact both water supply and power generation from hydro and thermal power plants.[135]

Energy Market

The Philippines electric power industry was restructured following the implementation of the Electric Power Industry Reform Act ("**EPIRA**") of 2001, which resulted in the privatisation of generation, transmission, distribution, and certain electricity supply.

The power transmission sector is a monopoly owned by NGCP, which is 40% owned by China's State Grid and 60% by Philippine investors. Power distribution is regionally monopolised by multiple private enterprises, with the principal ones being Manila Electric Company (Meralco), Visayan Electric Company (Visayas), and Davao Light and Power (Mindanao).[136]

The electricity retail sector has been partly liberalised, whereby customers with a monthly average peak demand in excess of 750 kW are fully contestable while customers with a load of 500-749 kW can voluntarily apply. Customers below this threshold remain as customers of their incumbent distribution company. Based on the latest 'Competitive Retail Electricity Market' report published by the Energy Regulatory Commission of the Philippines in July 2023, contestable customers comprised 44.69% (5,454.41 MW) of the peak demand as of 31 July 2023. For the full year 2023, retail transactions comprised 22% (22.6 TWh) of total market load of 102.6 TWh. Retailers include affiliates of large local conglomerates including Ayala and Aboitiz, generators such as First Gen, GN Power and Alsons, and international energy companies such as Shell. Of these, Aboitiz has the largest share of contestable customers (31.56%), followed by Meralco (28.54%), San Miguel (11.32%) and Ayala (8.62%).[137]

[129] Philippines Department of Energy. 2022 and UNCTAD. Philippines Allows 100% foreign ownership in the renewable energy sector. 15 Nov 2022. https://investmentpolicy.unctad.org/investment-policy-monitor/measures/4130/philippines-allows-100-foreign-ownership-in-the-renewable-energy-sector-#:~:text=On%2015%20November%202022%2C%20the,a%2040%20per%20cent%20cap).
[130] All points in this paragraph based on BloombergNEF. 2023. Climatescope 2023.https://www.global-climatescope.org.
[131] IRENA. 2023. Philippines Energy Profile.
[132] S. Reynolds. Draft natural gas rules in the Philippines ignore high costs and economic consequences Institute for Energy Economics and Financial Analysis, September 2023. https://ieefa.org/resources/draft-natural-gas-rules-philippines-ignore-high-costs-and-economic-consequences.
[133] WHO and UNICEF. Joint Monitoring Programme for Water Supply, Sanitation and Hygiene. 2022. https://washdata.org/data/household#!/.
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[135] WRI. 2023. Aqueduct Water Risk Atlas.
[136] Data points drawn from ADB. 2018. Philippines: Energy sector Assessment Strategy and Road Map. https://www.adb.org/sites/default/files/publication/463306/philippines-energy-assessment-strategy-road-map.pdf.
[137] Philippines Electricity Market Corporation. 2023. Retail Market Assessment Report for the 3rd Quarter of 2023 (December 2023).

EPIRA created the ERC as the independent electricity market regulator. The key Philippine electricity market regulatory bodies are:

- **IEMOP** – the sole independent market operator of the WESM, whose role includes registering market participants.
- **PEMC** – governs the market, enforces and modifies rules to safeguard the WESM mechanism and its participants, manages the system to ensure that it meets standards and targets, resolves market participants' disputes, and monitors unfair monopoly and abusive trading practices.
- **ERC** – the regulator, which approves the price determination methodology and market fees, sets criteria for eligibility for membership in the WESM market and performance standards through the grid code, and monitors the generators' energy offers to the WESM and market prices.
- **DOE** – provides overall supervision, responsible for the restructuring of the electricity industry and ensuring that there is an environment conducive to free and active private sector participation in the energy sector.

The Philippines WESM was also established under EPIRA and began commercial operations in Luzon in 2006, in Visayas in 2010, and in Mindanao in 2023. The WESM provides a centralised venue for trading electricity in real time, transparency in price determination, signals for real economic value in the electricity markets, provides generation competition, and ensures utilisation of the least cost power facilities through economic dispatch.

The WESM is a gross pool, with generators offering their maximum available capacity for scheduling and dispatch, with offers arranged from cheapest to most expensive to determine dispatch. Locational marginal pricing is computed at each node in the power system to reflect cost of transmission line losses and congestion. Only spot quantities are settled at the market/nodal price, with bilateral quantities settled outside of the market. Distribution and retail companies procure power mainly through long-term bilateral transactions with power generators, which in 2023 comprised almost 80-85% of the total metered quantities, so only around 20-25% of total generation is settled through the WESM.[138] *Power transmission and generation*

Transmission network

The Philippines' electricity transmission system is divided into three grids: one each for Luzon, Visayas and Mindanao. At end-2023, the total installed electricity capacity was 28,772 MW, which was divided across the three grids 20,051 MW, 4,048 MW and 4,673 MW respectively.[139] The Luzon and Visayas grids are interconnected albeit with limited capacity through subsea cables.[140] The NGCP transmission grid is suffering from poor planning and a prolonged period of underinvestment, and as a result is experiencing frequent outages and grid instability with any upgrade works slow to be completed.[141]

Generation capacity

The total installed capacity in the Philippines at end 2023 was 28.8 GW, of which the largest share of installed capacity was coal fired generation at 12.5 GW (43%), but with 112,000 GWh of electricity generated by coal plant in 2023 constituting over 60% of the total.[142] There is limited domestic coal production, so most of the Philippine's coal is imported, mainly from Indonesia. A further issue with the coal plants is that a number of the larger plants are now more than 20 years old and are experiencing increasing forced outages.[143]

A further 3.7 GW (13%) of installed capacity is natural gas power plant, with an additional 3.8 GW of oil-fired generating capacity. The Philippines' principal source of natural gas is the Malampaya gas field, which is depleting and is expected to run out during 2024, although there is some potential for extension to 2027. Malampaya currently supplies 2,700 MW of generation, representing 40% of the Luzon grid.[144] To fill this gap, as the Philippines is exploring further domestic gas resources, as well as looking to enter into LNG import contracts to supply these gas plants, which is an expensive source of energy, given increasing LNG prices and PHP depreciation versus the USD.[145] The total installed renewable energy capacity at end 2023 was 8.3 GW (29%), of which 3.8 GW (13%) was run-of-river and storage hydro, 1.6 GW (5.4%) solar, 427 MW (1.5%) wind, 2.0 GW (6.8%) geothermal and 585 MW (2.0%) biomass:[146]

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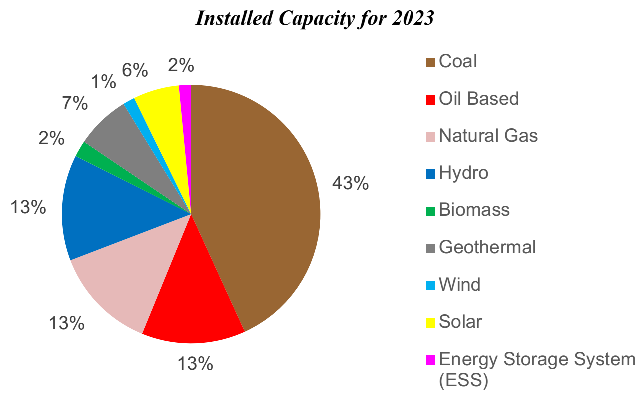
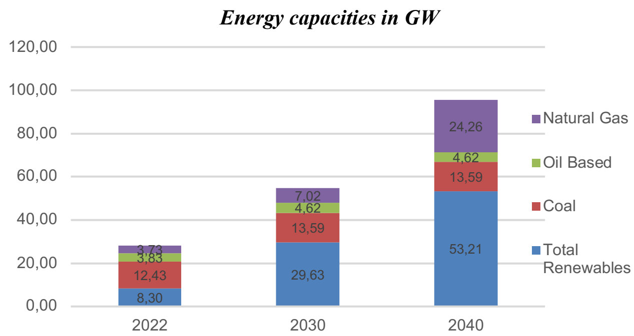
[138] Independent Electricity Market Operator of the Philippines (IEMOP). 2024. Philippine Electric Power Industry Assessment 2023. Pg 55. https://www.iemop.ph/home-media/publications/?md_file=d3AtY29udGVudC91cGxvYWRzLzIwMjQvMDMvSUVNT1AtQW5udWFsLVJlcG9ydC0yMDIzLVBoaWxpcHBpbmUtRWxlY3RyaWMtUG93ZXItSW5kdXN0cnktQXNzZXNzbWVudC5wZGY=.
[139] Department of Energy. 2023. List of Existing Power Plants (Grid Connected) as of 31 December 2023. https://doe.gov.ph/sites/default/files/pdf/electric_power/LoEPP-Capacity-mix-installed-dependable-December-2023.PDF.
[140] Department of Energy. 2020-2040 Philippine Energy Plan. June 2023. Available online: https://www.doe.gov.ph/sites/default/files/pdf/pep/PEP-2020-2040-Final%20eCopy-as-of-15-June-2023.pdf.
[141] BMI Fitch research quoted in Philippines Daily Enquirer. Grid infrastructure can't cope with RE boom- BMI research. 19 Feb 2024. https://business.inquirer.net/446086/grid-infrastructure-cant-cope-with-re-boom-bmi-research.
[142] BloombergNEF. 2023. Climatescope 2023. https://www.global-climatescope.org/.
[143] K. Crismundo. DOE on red, yellow alerts: Extreme heat affected power plant ops. Philippines News Agency 16 April 2024. https://www.pna.gov.ph/articles/1222741 and I. Suarez and M. Gray. Coal Refinancing in the Philippines. TransitionZero, 18 Jan 2024.https://www.transitionzero.org/insights/cat-philippines
[144] Department of Energy. 2023. Philippine Energy Plan 2020-2040. https://www.doe.gov.ph/sites/default/files/pdf/pep/PEP-2020-2040-Final%20eCopy-as-of-15-June-2023.pdf
[145] E. Dela Cruz and E. Chow. As gas reserves wane, Philippines faces rising costs in switch to LNG. Reuters: 24 May 2023.https://www.reuters.com/markets/commodities/gas-reserves-wane-philippines-faces-rising-costs-switch-lng-2023-05-24/.
[146] Department of Energy. 2023. List of Existing Power Plants. https://doe.gov.ph/sites/default/files/pdf/electric_power/LoEPP-Capacity-mix-installed-dependable-December-2023.PDF

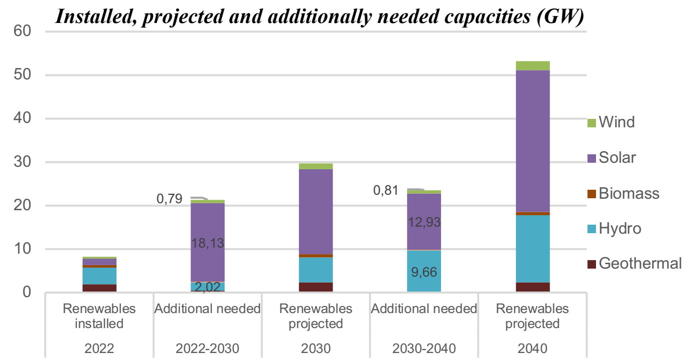


Fuel Type	Installed Capacity for 2023				
	System (MW)	**% share (%)**	**Luzon (MW)**	**Visayas (MW)**	**Mindanao (MW)**
Coal	12.406	43%	8.792	1.346	2.268
Oil Based	3.737	13%	2.354	550	833
Natural Gas	3.732	13%	3.731	1	-
Hydro	3.799	13%	2.548	55	1.196
Biomass	586	2%	175	326	85
Geothermal	1.952	7%	865	975	112
Wind	427	1%	337	90	-
Solar	1.653	6%	1.082	487	84
Energy Storage System (ESS)	436	2%	258	82	96
Total	**28.728**	**100%**	**20.142**	**3.912**	**4.674**

Installed capacity for 2023. Source: Department of Energy. 2023. List of Existing Power Plants. https://doe.gov.ph/sites/default/files/pdf/electric_power/LoEPP-Capacity-mix-installed-dependable-December-2023.PDF

Whilst the Philippines has geothermal and biomass resources, the Group believes there is very limited installed capacity due to historical underinvestment and challenges to entry in this market due to the significant investment needed. The Philippines is focusing on building out of solar, with planned additional capacity of 18 GW of solar to 2030 and a further 12.9 GW from 2030-2040:





Planned electricity generation in the Philippines.

With the forecast increase in solar capacity, the grid will face challenges in providing sufficient generation during the hours of darkness, in the absence of replacement baseload power, significant mid merit gas generation, and baseload energy storage systems ("**BESS**") and/or pump storage hydro. The Philippines presently has a total of 1,230 MW of storage capacity, of which only 314 MW is BESS[147] and additional 590 MW is expected to come online in 2024.[148]

[147] Department of Energy. 2023. List of Existing Power Plants. https://doe.gov.ph/sites/default/files/pdf/electric_power/LoEPP-Capacity-mix-installed-dependable-December-2023.PDF
[148] Philippines Department of Energy, 2024. https://www.doe.gov.ph/press-releases/doe-expects-more-4000-mw-come-online-2024-boost-grid.

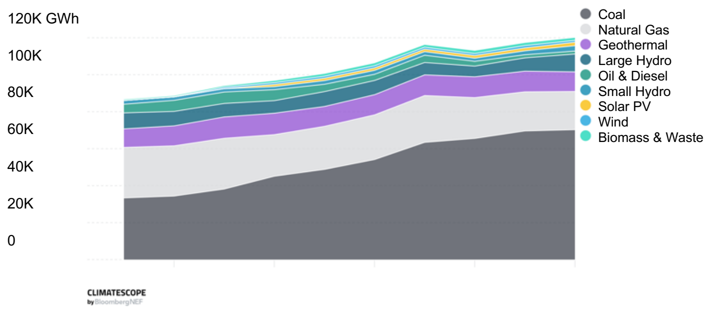
Electricity demand

Peak system demand for the whole of the Philippines was 17.2 GW in 2023, an increase of 640 MW from the 2022 peak at 16,564 MW, representing a 4% increase. Growth in Visayas was 6% in 2023, returning closer to its pre-COVID growth rate of 8% per year. The DOE forecasts annual growth for the next ten years of 5-6% per annum, driven by increases in both domestic and industrial usage:

Year	Luzo			Visaya			Mindanao			System		
	Peak	Growth	GR	Peak	Growth	GR	Peak	Growth	GR	Peak	Growth	GR
	MW	MW	%	MW	MW	%	MW	MW	%	MW	MW	%
2013	8,305			1,572			1,428			11,243		
2014	8,717	412	5%	1,636	64	4%	1,469	41	3%	11,663	420	4%
2015	8,928	211	2%	1,768	132	8%	1,518	49	3%	11,984	321	3%
2016	9,726	798	9%	1,893	125	7%	1,653	135	9%	13,209	1,225	10%
2017	10,054	328	3%	1,975	82	4%	1,760	107	6%	13,679	470	4%
2018	10,876	822	8%	2,053	78	4%	1,853	93	5%	14,651	972	7%
2019	11,344	468	4%	2,224	171	8%	2,013	160	9%	15,565	914	6%
2020	11,103	-241	-2%	2,201	-23	-1%	1,978	-35	2%	15,196	-369	-2%
2021	11,640	537	5%	2,252	51	2%	2,144	166	8%	15,863	667	4%
2022	12,113	473	4%	2,316	64	3%	2,167	23	1%	16,564	701	4%
2023	12,550	437	4%	2,458	142	6%	2,315	148	7%	17,204	640	4%
Ave		**425**	**4%**		**89**	**5%**		**89**	**5%**		**596**	**4%**

Energy System Demand in the Philippines. Philippines Energy Plan.

Electricity generation in the Philippines (in GWh)



2023 Philippines. Source: Bloomberg New Energy Finance. Climatescope 2023 Philippine https://www.global-climatescope.org/markets/ph/

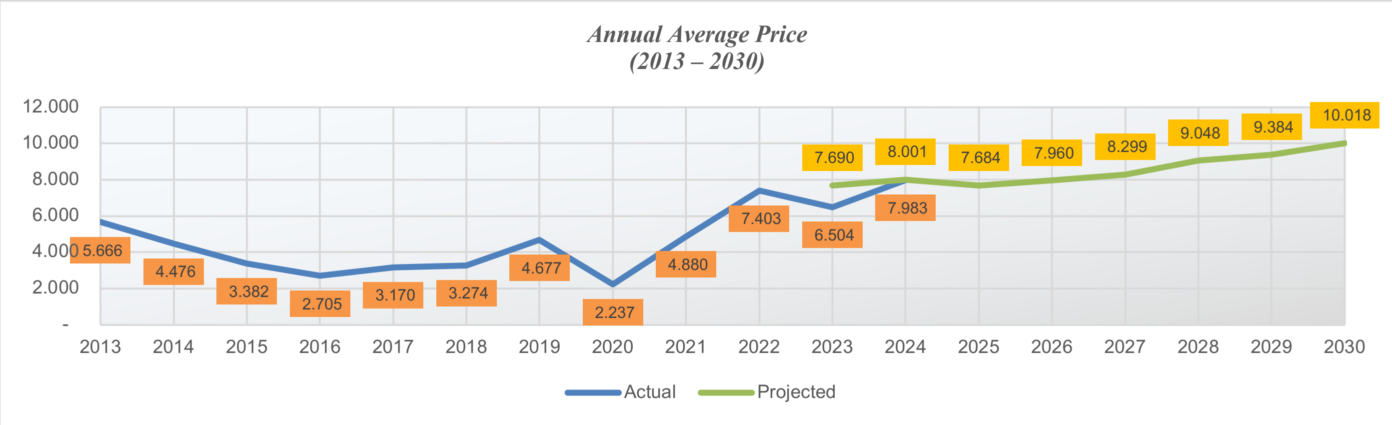
As evidenced by the chart, in 2023 in aggerate, 84.26% (in Luzon), 55.51% (in Visayas), and 61.86% (in Mindanao) of electricity generated was from fossil fuels, over 75% in aggregate, with over 60% of the total being from coal fired generation. The share of fossil fuel generated electricity is significantly higher than the installed capacity figure given the typically higher capacity factor of many fossil fuel plants, with the obvious exception of oil plants which are typically peaking plant.

This proportion of fossil fuel generation results in the Philippines having both high carbon emissions as well as a very high cost of energy. Retail electricity prices in the Philippines are amongst the highest in Asia – for a typical household in Manila the electricity tariff is similar to that in Singapore and Japan, which are significantly more wealthy countries.[149]

[149] ADB. 2018. Philippines Energy Sector Assessment Strategy and Road Map. https://www.adb.org/sites/default/files/publication/463306/philippines-energy-assessment-strategy-road-map.pdf and PH Power prices among the highest in ASEAN next to Singapore. 19 Sep 2023. Power Philippines News. https://powerphilippines.com/ph-power-prices-among-highest-in-asean-next-to-singapore/.

The 2023 peak demand of 17.2 GW versus total installed capacity of 28.8 GW represents a reserve margin of over 60%.[150] Whilst this is high, this includes ageing coal plants with increasing reliability challenges, gas plants which are suffering gas supply shortages, weather dependent renewables such as wind and solar, hydro plant suffering water shortages due to drought, and polluting, and inefficient oil-fired power plant.[151] The challenges of decarbonising the grid and reducing power costs call for renewable energy generation capacity, in particular given the moratorium on coal plant and lack of additional indigenous gas resources.

As a result of these challenges, electricity prices in the WESM have been increasing, and are forecast to continue to do so at least in the medium term:



WESM Price Forecast. Source: historical WESM data and the Group's internal WESM forecasts.

Renewable energy policy

The Philippines government has focused on the rapid expansion of renewable energy capacity, given the combination of climate change, cost, reduced reliance on imported fossil fuels, and pollution. To help meet this objective, a more rapid build-up in both electricity capacity and production will have to come from solar, wind and biomass energy.[152]

It ranks 36rd globally for CO^2 emissions,[153] and while a small contributor globally (approx. 0.39% of global emissions),[154] it ranks in the top quartile for emissions amongst low- and middle-income countries, with increases projected in the coming decades.[155] As an island nation highly susceptible to natural disasters, the Philippines has been a strong supporter of reductions in greenhouse gas reductions and has committed to a 75% decrease between 2020 and 2030 across agriculture, waste, industry, transport, and energy, one of the highest in Asia.[156] The target to increase renewable energy to 35% by 2030 and 50% by 2040 is a key element of this strategy, given that 54% of greenhouse gas emissions in the Philippines come from the energy sector.[157] The accelerated development of the renewable energy sector began with the enactment of the Renewable Energy Law of 2008 (the "**RE Law**"). To achieve the objectives of the RE Law, the DOE together with its stakeholders headed by the National Renewable Energy Board formulated the National Renewable Energy Program ("**NREP**") which summarised the 20-year aspirational targets from biomass, solar, wind, hydropower, geothermal and ocean energy.[158] It also called for a series of programmes, including fiscal incentives for eligible renewable energy developers, a green energy option programme, and a renewable portfolios standard.

The NREP, which was launched in 2011, served as the country's roadmap in the development and utilization of renewable energy. The targets under NREP were to triple the installed capacity in 2010 of 5,439 MW by 2030.[159] Solar energy significantly contributes to the Philippines' push for renewable energy and is prominent in terms of installation, operation and grid connectivity.

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[150] Independent Electricity Market Operator of the Philippines (IEMOP). 2024. Philippine Electric Power Industry Assessment 2023. Pg 55. https://www.iemop.ph/home-media/publications/?md_file=d3AtY29udGVudC91cGxvYWRzLzIwMjQvMDMvSUVNT1AtQW5udWFsLVJlcG9ydC0yMDIzLVBoaWxpcHBpbmUtRWxlY3RyaWMtUG93ZXItSW5kdXN0cnktQXNzZXNzbWVudC5wZGY=
[151] K. Crismundo. DOE on red, yellow alerts: Extreme heat affected power plant ops. Philippines News Agency 16 April 2024. https://www.pna.gov.ph/articles/1222741 and I. Suarez and M. Gray. Coal Refinancing in the Philippines. TransitionZero, 18 Jan 2024.https://www.transitionzero.org/insights/cat-philippines.
[152] Department of Energy. 2023. Philippine Energy Plan 2020-2040. https://www.doe.gov.ph/sites/default/files/pdf/pep/PEP-2020-2040-Final%20eCopy-as-of-15-June-2023.pdf.
[153] Our World In Data. 2022. 'Share of global CO2 emissions', https://ourworldindata.org/co2-emissions.
[154] European Commission. 2022. 'CO2 emissions of all world countries', https://edgar.jrc.ec.europa.eu/report_2022
[155] World Bank. 2013. https://www.worldbank.org/en/country/philippines/publication/getting-a-grip-on-climate-change-in-the-philippines#:~:text=Though%20a%20minor%20contributor%20to,projected%20in%20the%20coming%20decades
[156] Republic of the Philippines. 2021. Nationally Determined Contribution Communicated to the UNFCC on 15 April 2021. Available online: https://unfccc.int/sites/default/files/NDC/2022-06/Philippines%20-%20NDC.pdf.
[157] Department of Energy. 2023. Philippine Energy Plan 2020-2040. https://www.doe.gov.ph/sites/default/files/pdf/pep/PEP-2020-2040-Final%20eCopy-as-of-15-June-2023.pdf.
[158] DOE. National Renewable Energy Program. 2024. https://www.doe.gov.ph/national-renewable-energy-program.
[159] DOE. National Renewable Energy Program. 2024. https://www.doe.gov.ph/national-renewable-energy-program.

In 2019, 7% of the Philippine trade deficit arose from USD denominated coal imports.[160] The government has therefore recently augmented the original legislation. To help the future development of locally generated renewable energy, rules for the Renewable Portfolio Standard ("**RPS**") and Green Energy Option Program ("**GEOP**") provided for in the 2008 RE Law were finally released in 2017, with mandatory RPS compliance scheduled from 2020. The RPS stipulated that all distribution utilities, electricity suppliers and generating companies increase their renewable energy by 1% per annum for the next ten years. This was designed to help meet the goal of 35% renewable energy generation across the country by 2030. The RPS was subsequently amended to require retailers and distributors to source an additional 2.52% per annum of their electricity from renewable sources from 2023, which proportion is anticipated to continue to increase. At end 2023, the RPS requirement was for 8.86% of retailer and distributor's demand to be met from renewable energy sources.[161]

To demonstrate compliance with the RPS, a system of REC trading was put in place, administered by a newly created Philippine Renewable Energy Market System. In parallel to the RPS system, the GEOP aims to develop and improve the functioning of a market in which large-scale corporate power consumers can enter into agreements with registered third-party renewable energy developers to purchase renewable electricity which is transmitted to them by the existing power distribution utilities. These corporate PPAs are becoming a familiar feature of electricity markets around the world. The Group believes that a Philippine GEOP system designed to complement the RPS framework could help lower energy costs whilst meeting the new legal obligations.

In addition to regulation, industrial and commercial customers themselves are now seeking to source their electricity from renewable energy sources. Some customers, including data centres and various multinationals, are demanding load matched renewable energy supply, which is particularly challenging for weather dependent renewable energy technologies such as solar and wind, and provides an attractive opportunity for base load renewable generation such as biomass. The Group believes that a biomass plant would provide a significantly cheaper supply of renewable power than a solar/battery combination, which would typically require four times the generating capacity of a biomass plant to provide round the clock electricity.[162]

Electric vehicles

The Philippines developed a road map for the electric vehicle industry in 2023, with a target of 10% EV deployment by 2030. National clean energy scenarios envisage deployment as high as 50% by 2040.[163] Manufacture and assembly of EVs, charging stations, batteries, parts, and components are included in the strategic investment priority plan, with incentives provided under the corporate recovery and tax incentives for enterprises act. EVs are entitled to incentives under the Tax Reform for Acceleration and Inclusion program. Importation of completely built charging stations are exempt from duties for 8 years, while EVs and hybrid EVs are entitled to 30% and 15% discounts from the payment of the motor vehicle user's charge, registration, and inspection fee for 8 years from the effectivity of the Electric Vehicle Industry Development Act.[164] The market is poised for rapid growth though in its early stages. Given rapidly growing car usage in the Philippines, there is substantial impact potential associated with EV roll out at scale, but only if renewable energy sources can power the roll out, creating new opportunities for renewable energy suppliers in the country.

Sustainable fuels

The Philippines has natural resources available for use as sustainable fuels. In 2022, biomass production in the Philippines amounted to 7.73 million tons of oil equivalent, the majority of which, in total 4.4 million tons of oil equivalent, was fuel wood, with the remainder primarily from agricultural residues.[165] This compares to the Philippines' 2022 production of municipal waste of only 7,000 tons of oil equivalent.

Forests are one of the Philippine's most valuable natural resources, with forests covering around 7.7 million hectares or around 26% of the total country.[166]

The agricultural sector is described as the traditional backbone of the Philippine economy, employing almost half of the country's labour force. The Philippines' major agricultural crops are rice, coconuts, corn, sugarcane, bananas, pineapples, and mangoes, with irrigated farms used primarily for rice and sugarcane.

The Group believes that both woodchips and certain agricultural residues provide excellent sources of sustainable fuels for power generation, whether for dedicated biomass plants or as a transition fuel for co-firing existing coal plants. Sugarcane residues, whether sugar cane trash or bagasse, are proven sources of fuel for biomass plants, as are rice husks and coconut shells, with the latter having a very high energy content.

[160] J. E. B. Villaneuva. Just Transition to Low Carbon and Climate Resilient Industries: Energy Sector. https://ils.dole.gov.ph/issue-paper/2021-issue-papers/just-transition-to-low-carbon-and-climate-resilient-industries-energy-sector.
[161] Philippines Department of Energy. 2022. Department Circular No DC 2022-09 0030 Prescribing the adjusted annual percentage increment to be imposed on all mandated participants of the renewable portfolio standards for on grid areas. Available online: https://www.doe.gov.ph/sites/default/files/pdf/issuances/dc2022-09-0030.pdf
[162] Group estimates based on the fact that the maximum hours of generation from a solar panel would generally be 8 hours a day.
[163] Philippines Department of Energy. 2022. Electric Vehicle Data and Information FAQs. Accessed online 29 April 2024: https://www.doe.gov.ph/electric-vehicle-data-and-information.
[164] Baker McKenzie. 2022. Philippines: The Electric Vehicle Industry Development Act (EVIDA), Republic Act No. 11697, lapses into law https://insightplus.bakermckenzie.com/bm/tax/philippines-the-electric-vehicle-industry-development-act-evida-republic-act-no-11697-lapses-into-law.
[165] Statista, 2024. https://www.statista.com/statistics/1275454/philippines-biomass-production-by-fuel-type/.
[166] World Bank. 2021. World Development Indicators. https://data.worldbank.org/indicator/AG.LND.FRST.ZS?locations=PH.

Given that approximately 60% of the Philippine' electricity is generated by coal fired power plants, these coal plants cannot be closed down overnight.[167] Co-firing fuel with biomass, which can behave very similarly to coal for feeding and in the boiler up to around a 20% mix, thereby requiring minimal modifications to existing coal plant, can provide a cost-efficient transition option. The owners of existing coal plants in the Philippines are racing to reduce the carbon footprint of their plant, with biomass co-firing a simple proposition both technically and commercially. Ultimately, the Group believes that coal plants could be fully converted to biomass, albeit with modifications required to their feeding systems and boilers.

Impact challenges and opportunities

The key challenges for the Philippines mapped against relevant UN SDG's and the potential opportunities for the Group are summarised in the table below:

UN SDG	**Issue**	**Opportunity according to the Group**
Climate Change and Clean Energy (SDG 7 and 13)	High grid carbon intensity (0.672 t CO_2 e/MWh),[168] with severe supply challenges especially as natural gas reserves are depleted	Development of lower cost renewable generation, in particular base load capacity such as biomass to replace coal plant
	Peak electricity demand forecast to increase 4x from 15,282MW in 2020 to 54,655 MW in 2040[169]	BESS plants tied to renewable power generation Grid infrastructure poor and many islands, need for distributed generation
	Electricity prices second highest in Southeast Asia, driving affordability concerns, and pressure for cheaper power from citizens	High prices driven by USD imported coal and LNG, drive efforts to replace with lower cost renewable energy with indigenous fuel
	Highly vulnerable to the impacts of climate change and natural hazards	Climate resilient infrastructure and active climate risk management key
	Enduring access to energy and quality of supply issues, particularly in more remote island parts of the archipelago	Potential for remote island renewable energy solutions
Quality Jobs and Human Rights (SDG 8, 10 and 16)	Improving human development conditions though persistent challenges remain, including widespread disparities and pervasive inequality	Creation of quality jobs, employer of choice Ensuring suppliers adhere to the Group's standards
	Large informal economy and underemployment behind relatively low formal unemployment rates	
	Amidst democratic structures with a significant degree of decentralization to local governments, tendencies towards authoritarianism and major controversies over respect for human rights	
Nature and the Circular Economy (SDG 2, 6, 12, 14, 15)	24% forest cover, and a global biodiversity hotspot.[170] Biodiversity and ecosystem integrity eroded by commercial exploitation, population growth and introduction of invasive alien species in recent years	Strict compliance with the Group's ESG standards and holding suppliers to these standards. Investments in nature-based solutions to development needs, and supporting nature positive approaches to infrastructure, including in biomass projects
	One of the largest waste generators in Southeast Asia, and top contributors of plastic waste pollution in the oceans	Support productive use of wastes, including through waste to energy power plants, for co-firing or replacement of coal-fired power plants to ensure base load supply

[167] Department of Energy. Philippines Energy Plan 2020-2040. https://www.doe.gov.ph/pep.
[168] UNFCCC IFI Harmonized Default Grid Factors 2022, Philippines, Operating Margin Grid Emission Factor, gCO2/kWh (including for use in PCAF GHG accounting).
[169] Department of Energy. Philippines Energy Plan 2020-2040. https://www.doe.gov.ph/pep
[170] Convention on Biodiversity. Philippines Country Profile. Available Online: https://www.cbd.int/countries/profile?country=ph#:~:text=This%20unique%20biodiversity%20is%20supported,of%20the%20total%20land%20area. Accessed 29 April 2024.

	3.4% of global cobalt reserves (2.7% of production) and 5% of global nickel reserves (13.5% of production), critical minerals for renewables and batteries.[171]	Greening and improving the human rights footprint of these industries necessary, including in response to EU carbon and sustainability requirements for imports
	Poor water quality and security of supply challenges. Inefficient water treatment processing requiring amount of energy and therefore cost, with methane footprint from treatment methods	More sustainable water treatment solutions that process effluents efficiently with lower energy consumption and methane emissions

India

Overview

Geography and demographics

India, located in South Asia, is the seventh-largest country with a total land area of approximately 2,973,190 km.[172] India is the most populous country in the world and is home to more than 1.42 billion people. The population has grown by more than a billion since 1950. Though growth has now slowed, the number of people in the country is still expected to continue to rise for the next few decades, hitting its peak of 1.7 billion by 2064.[173] Around 35.87% of the population live in urban environments, with the urbanisation rate having seen a rapid increase from only 17.9% in 1960.1[174] It has a significant pool of increasingly skilled workers and global talent across the technology, science, and manufacturing sectors.

Economy

The Indian economy is the 5th largest in the world, with a GDP in 2023 of US$ 3,937 billion and a predicted US$ 6,437 billion by 2029 according to the IMF.[175] After real GDP contracted in FY20/21 due to the COVID-19 pandemic, growth bounced back strongly in FY21/22, supported by accommodative monetary and fiscal policies and wide vaccine coverage. Subsequently, in 2022, India emerged as one of the fastest growing economies in the world, despite significant challenges in the global environment.[176] The Group believes that strong GDP growth, relatively reasonable costs of capital at country level, and a high performing stock market, have attracted international investors, however regulators are increasing scrutiny of lenders fearing growing risks to the domestic financial system.

Key sectors

Data from the World Bank shows the services sector contributed 48.4% of GDP in 2022,[177] industry (including construction) contributed 25.66%,[178] and agriculture at 16.7%.[179] While agriculture's share in India's economy has progressively declined due to high growth rates of the industrial and services sectors, it remains substantial. Nearly, three-quarters of India's families depend on rural incomes with the majority of those below the poverty line found in rural areas.[180] India's food security also depends on producing cereal crops, as well as increasing its production of fruits, vegetables, and milk to meet the demands of a growing population with rising incomes. India is quickly emerging as a future export manufacturing powerhouse due to the country's competitive cost structures, deep pools of labour, and growing scale and capabilities across diverse industries. The Group believes that as a regional manufacturing hub, benefitting from a range of government efforts to foster domestic manufacturing, India is reaping the benefits from ongoing efforts to diversify supply chains away from reliance on Chinese manufacturing. The Federation of Indian Export Organisations has projected that India's exports are likely to rise to US$ 900 billion in 2023-24 from US$ 770 billion the previous year due to rising demand from companies around the world.[181] India also has a substantial services sector, including information technology services, software development, BPO, and financial services.

Social issues

India's HDI value for 2022 is 0.644, positioning it at 134 out of 193 countries assessed by the UN. Between 1990 and 2022, India's HDI value changed from 0.434 to 0.644, an improvement of nearly 50%.[182] While the official unemployment rate is relatively low (around 4.7% according to recent World Bank data[183]), inequality remains a serious concern. About 12.9% of the population still lives in poverty on less than US$ 2.15 per

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171 Wilson Center. 2022. Critical Mineral Maps 2022. https://www.wilsoncenter.org/article/critical-mineral-maps.
172 World Bank. 2022: Land area (sq. km) – India, https://data.worldbank.org/indicator/AG.LND.TOTL.K2?locations=IN
173 World Bank. 2022: Population, total – India, https://data.worldbank.org/indicator/SP.POP.TOTL?locations=IN
174 World Bank. 2022: Urban population (% of total population) – India, https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=IN
175 IMF: GDP, current prices, https://www.imf.org/external/datamapper/NGDPD@WEO/IND?zoom=IND&highlight=IND
176 Reuters. 2024. 'India's economy grows at its fastest pace in six quarters in election boost for Modi' https://www.reuters.com/world/india/indias-economic-growth-expected-slip-below-7-oct-dec-quarter-2024-02-29/#:~:text=India%20has%20consistently%20beat%20market,to%207.6%25%20from%207.3%25.
177 World Bank. 2022: Services, value added (% of GDP) – India, https://data.worldbank.org/indicator/NV.SRV.TOTL.ZS?locations=IN.
178 World Bank. 2022: Industry (including construction), value added (% of GDP) – India https://data.worldbank.org/indicator/NV.IND.TOTL.ZS?locations=IN.
179 World Bank. 2022: Agriculture, forestry, and fishing, value added (% of GDP) – India, https://data.worldbank.org/indicator/NV.AGR.TOTL.ZS?locations=IN.
180 World Bank. 2022. 'India: Issues and Priorities for Agriculture'. https://www.worldbank.org/en/news/feature/2012/05/17/india-agriculture-issues-priorities.
181 Reuters: 'India's exports likely to touch US$900 billion in 2023-2024, exporters say', https://www.reuters.com/world/india/indias-exports-likely-touch-900-bln-202324-exporters-2023-05-04/
182 UNDP Human Development Reports – India, https://hdr.undp.org/data-center/specific-country-data#/countries/IND
183 World Bank. 2022: Unemployment, total (% of labour force) (modelled ILO estimate) – India, https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS?locations=IN

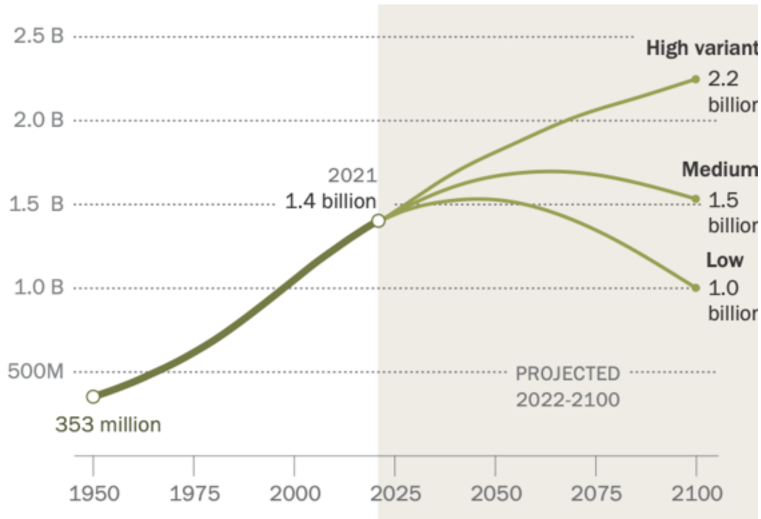
day in 2017 purchasing power parity terms.[184] About 28% of the country's wealth is held by the richest 10% of the country, while the poorest 40% are estimated to hold only 20% of wealth.[185]

Investor outlook and investment climate

Since efforts to liberalise India's economy began in the 1990s, successive government administrations have focused on attracting foreign direct investment ("**FDI**") to foster and support national economic goals. The government has taken a range of measures to enable and simplify foreign investment, consolidating and rationalising many of the associated policies and regulations, and reducing requirements for prior government approval of foreign approvals in many sectors and activities. India is now widely regarded as an attractive market by international investors. This simplifies the process for investors and reduces bureaucratic hurdles. India's sovereign credit rating is BBB- with a stable outlook by Standard & Poor's, Baa3 by Moody's with a stable outlook, and BBB- by Fitch, also with a stable outlook:[186]

India's population has more than doubled since 1950

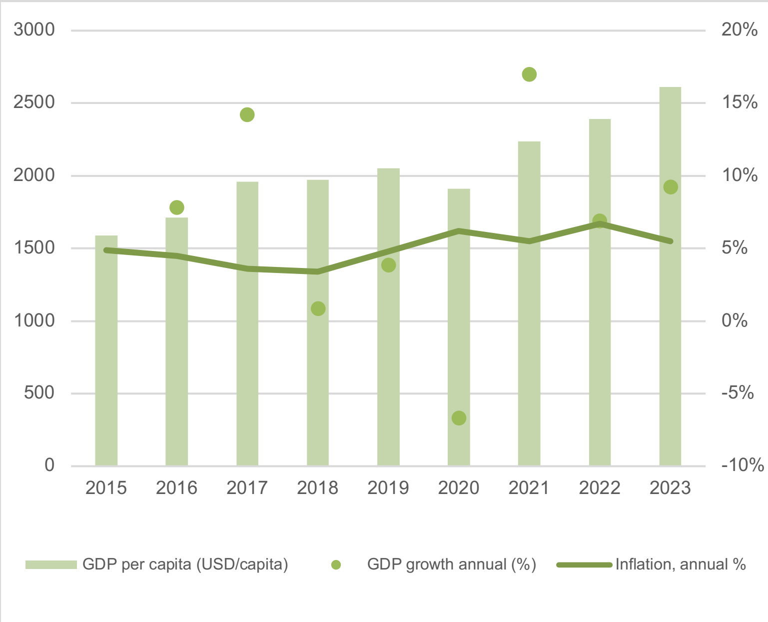
Number of people in India, by variant



Note: May differ from national census figures. The "medium variant" is the middle-of-the-road estimate provided by the UN; "high" and "low variant" scenarios involve total fertility being 0.5 births above or below the medium scenario, respectively.
Source: UN Population Division's World Population Prospects: The 2022 Revision.

[184] World Bank. 2022: Poverty gap at US$2.15 a day (2017 PPP) (%) – India, https://data.worldbank.org/indicator/SI.POV.GAPS?locations=IN.
[185] UNDP. Human Development Report 2023-24. https://hdr.undp.org/system/files/documents/global-report-document/hdr2023-24reporten.pdf.
[186] IMF – India, https://www.imf.org/external/datamapper/profile/IND.

Pew Research Center



Governance

The WGI rank India in the 63rd percentile for government effectiveness, 50.94th percentile for regulatory quality, 55th percentile for rule of law, 49th percentile for voice and accountability, 44th percentile for control of corruption, and 24.5th percentile for political stability and absence of violence.[187] Transparency International ranked India 93rd out of 180 countries in 2023, scoring 39/100.[188] While there are important concerns about wider democratic trends including civic space and the rights of minorities, the Group believes that governance and policies have been attractive to investors and private businesses both domestic and foreign.

Infrastructure investment

The Group believes India's infrastructure sector is set for growth, catalysed by government initiatives, and increased investments. Under the National Infrastructure Pipeline , investments worth US$ 1.4 trillion are planned for 2025 alone.[189] India has made efforts to drive massive volumes of capital into various infrastructure sub-sectors, including energy, roads, railways, airports, and urban development. Partnerships with the private sector have been a mainstay of these efforts. Specific focus areas are the expansion of public digital infrastructure, clean and renewable energy projects, and establishing resilient urban infrastructure. The Group believes that these efforts support and facilitate national economic development objectives, and market access to global supply chains.

Foreign participation

India allows FDI up to 100% through the automatic route for renewable energy projects.[190] The Group believes that national policy, however, has encouraged a domestic renewable energy manufacturing ecosystem, and the use of domestically manufactured renewable energy components.

[187] World Bank. 2022: Worldwide Governance Indicators, https://www.worldbank.org/en/publication/worldwide-governance-indicators/interactive-data-access.
[188] Transparency International. 2023. https://www.transparency.org/en/countries/india
[189] EY: 'India's infrastructure sector is poised for unparalleled growth, driven by government initiatives and increased investments', https://www.ey.com/en_in/infrastructure/unleashing-india-s-infrastructure-potential-ey-roundtable-insights#:~:text=India's%20infrastructure%20sector%20is%20poised,government%20initiatives%20and%20increased%20investments.&text=India's%20infrastructure%20sector%20is%20poised%20for%20strong%20growth%2C%20with%20investments,National%20Infrastructure%20Pipeline%20(NIP).
[190] Ministry of New and Renewable Energy. India’s renewable energy sector has received FDI equity investment of US$ 6.1 billion during April 2020 – September 2023: Union Minister for Power and New & Renewable Energyhttps://pib.gov.in/PressReleaseIframePage.aspx?PRID=1988293.

Climate investment

The BNEF climatescope rating is 2.67 out of 5 for India as of November 2023, making India the number 1 most attractive developing economy for clean energy investment.[191] India gained four places since the 2021 report, which BNEF attributed to its investment in clean energy and success in running renewable energy auctions.[192]

India has ambitious targets for adding clean energy capacities. The country is aiming for 500 GW of renewable energy capacity by 2030 and has laid out a trajectory to bid out 50 GW of such capacity every year for five years from 2024.[193] India is also committed to achieving its nationally determined contributions (NDCs) target of having 50% share of non-fossil fuel installed electricity capacity by 2030.[194] At the same time, the country is highly vulnerable to the impacts of climate change.[195] Rising temperatures, changing rainfall patterns, and declining groundwater levels, can precipitate crises for livelihoods, food security and the economy.

India amended its Energy Conservation Act in December 2022, laying the groundwork for a potential domestic carbon market. The Amendment Act includes provisions for the establishment of a carbon market through the introduction of a 'Carbon Credit Trading Scheme' by the central government.

Access to infrastructure

Whilst 99.6% of the population has access to electricity,[196] by 2030 it is projected that 40% of India's population will reside in urban areas, posing challenges in managing infrastructure and delivering services efficiently.

India has made rapid progress in providing drinking water and safe sanitation to urban and rural households. Due to the success of Swachh Bahrat Mission, India has achieved universal sanitation coverage in rural areas. It was estimated that this has contributed in preventing 300,000 deaths over 5 years.[197] However, challenges still remain, including reducing the microbial contamination of water sources, especially in rural areas. India has only 4% of the global water resources against 18% of the global population. The annual utilisable water resources in the country are 447 BCM from groundwater and 690 BCM from surface water.2[198] Over 80% of the rural and urban domestic water supplies in India are served by groundwater. With only 31% of the industrial and domestic sewage (generated from 23 big cities) being treated, and the rest being disposed as raw sewage into the water bodies, water pollution is a concern for India.[199] According to a study by the Central Pollution Control Board, government of India, India generated 3.3 million metric tonnes of plastic waste in 2018-2019, and a significant amount of plastic waste was disposed of in open landfills due to its population growth, urbanisation, and industrialisation.[200]

Energy Markets

India's Electricity Act of 2003 is the principal legislation on generation, transmission, distribution, trade and use of electricity in India. It also provides a framework of agencies that administer the activities under the act.[201]

India's Ministry of Power oversees the electricity sector through the CEA. The CEA is the statutory body under the Electricity Act of 2003 that advises the government of India on establishing policies, safety requirements and technical standards. The CEA prepares the national electricity plan in accordance with the national electricity policy, serves as main technical advisor of the government and regulatory commissions, and specifies the technical standards and safety requirements for construction, operation and maintenance of electrical standards and electrical lines.

The Ministry of Power works in close coordination with the Central Electricity Regulatory Commission ("**CERC**") and CEA. Given the emphasis on renewable energy, there is also a separate MNRE under the Ministry of Power. The government of India (in consultation with the states and the CEA) sets policies (such as the National Tariff Policy ("**NTP**") and the National Electricity Policy ("**NEP**") as a guideline for the CERC and the State Electricity Regulatory Commissions ("**SERCs**") when they make their regulations.

[191] Bloomberg NEF Climatescope: India, https://www.global-climatescope.org/markets/in/
[192] Bloomberg NEF Climatescope: India, https://www.global-climatescope.org/markets/in/.
[193] Indian Ministry of New and Renewable Energy, Press Release: https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1913789.
[194] Government of India: 'India's Updated First Nationally Determined Contribution Under Paris Agreement', https://unfccc.int/sites/default/files/NDC/2022-08/India%20Updated%20First%20Nationally%20Determined%20Contrib.pdf.
[195] Bloomberg NEF Climatescope: India, https://www.global-climatescope.org/markets/in/
[196] World Bank. 2022: Access to electricity (% of population) – India, https://data.worldbank.org/indicator/EG.ELC.ACCS.ZS?locations=IN.
[197] United Nations. 2022. Health, Water and Sanitation. https://india.un.org/en/171844-health-water-and-sanitation#:~:text=Through%20the%20rural%20component%20of,300%2C000%20deaths%20over%205%20years.
[198] Deccan Herald. 2020. https://www.deccanherald.com/opinion/groundwater-reaching-dangerous-levels-816761.html
[199] United Nations. 2022. Health, Water and Sanitation. https://india.un.org/en/171844-health-water-and-sanitation
[200] United Nations. 2022. Health, Water and Sanitation https://india.un.org/en/171844-health-water-and-sanitation.
[201] Ministry of Law and Justice. 2003. https://cercind.gov.in/Act-with-amendment.pdf.

The CERC oversees various functions, including:[202]

- regulating the tariffs of government-owned or controlled generating companies;
- regulating the interstate transmission of energy, including tariff regulations for transmission utilities;
- granting licenses for interstate transmission and trading; and
- providing advice to the government of India on formulating the NTP and NEP.

SERCs are responsible for:[203]

- determining tariffs for electricity generation, supply, transmission, and wheeling within the state, whether for wholesale, bulk, or retail sale; and
- issuing licenses for intrastate transmission, distribution, and trading to encourage co-generation and the use of renewable energy sources.

Other significant bodies include:

- Appellate tribunals: Established under the Electricity Act of 2003, to hear appeals against decisions of the SERCs.
- Central Transmission Utility[204] and State Transmission Utility[205]: Manage interstate and intrastate transmission systems respectively and coordinate their planning and operations.
- Load dispatch centres: Such as the National Load Dispatch Centre, Regional Load Dispatch Centres, and State Load Dispatch Centres, ensure integrated power systems at national, regional, and state levels. They are responsible for electricity dispatch, grid monitoring, and ensuring grid stability within their respective regions.

India has organised markets for sale of electricity and gas. India's short-term power market has three competitors: (i) Indian Energy Exchange Limited, (ii) Power Exchange India Limited, and (iii) Hindustan Power Exchange Limited, which offer a variety of products and operate in the same area. All three exchanges are approved and regulated by CERC. The power exchanges primarily deal with products in broadly two segments; the (i) day-ahead markets for delivery the next day, and (ii) term-ahead markets, which includes day-ahead contingency, intra-day, daily and weekly markets, for contracts ranging from the very same day to up to 11 days in advance. The introduction of green term-ahead markets in 2020 enabled the sale of green power in the open market without the need for renewable energy developers to enter into long-term PPAs for the same.

Power transmission and generation

<u>Transmission Network</u>

India's transmission network consists of about 4813,260 million km of transmission lines and 1,225,260 MW of transformation capacity as of January 2024. The inter-regional capacity has increased by 224% to 116,540 MW since 2014.[206] Transmission congestion and market splitting that was experienced in 2014, has become a rarity now resulting in a single price across the power market. During 2013-2014, approximately 16% of electricity transacted through power exchanges were constrained due to transmission congestion; in 2020-2021 this had reduced to 0.06%.[207] A range of incentives for integrating storage solutions including battery storage and pumped storage are being rolled out across the country, with a view to supporting grid capacity to absorb high volumes of intermittent renewable energy. In 2023 the government announced US$ 452 million in incentives for battery storage to support achievement of renewable energy targets.[208]

<u>Generation Capacity</u>

The total installed capacity in India at the end of 2022 was 486.93 GW, of which the largest share of installed capacity was coal fired generate on at 252.98 GW (51.95%), but with 1,383,127.8 GWh of electricity generated by coal plant in 2022 constituting over 75.18% of the total.[209]

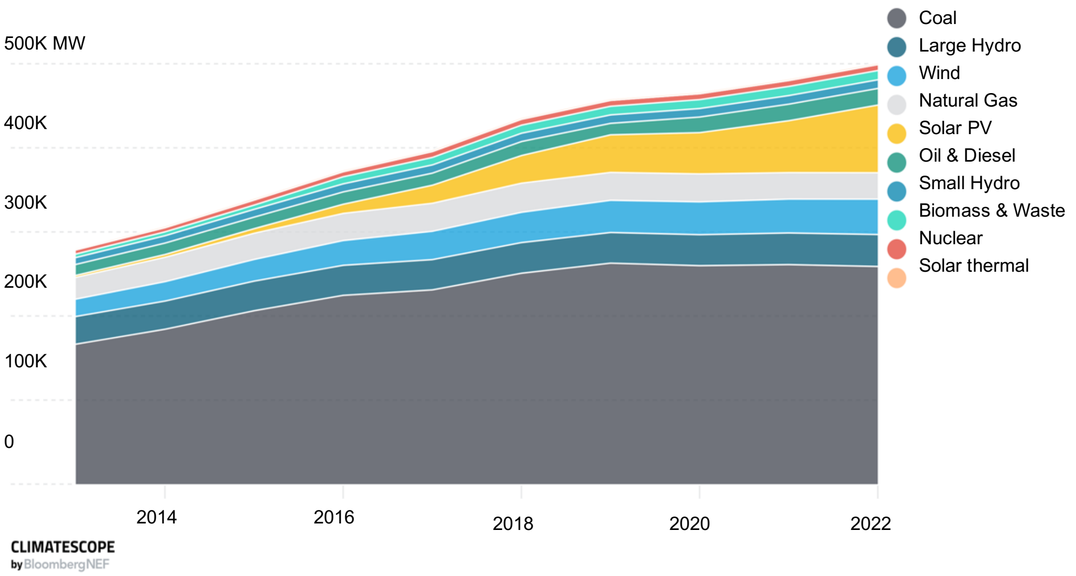
The government has encouraged large scale development of 'utility scale' renewables, including through government supported renewable energy parks where issues such as land acquisition and grid connection are facilitated by national authorities. The total installed renewable energy capacity at the end of 2022 was 177.42 GW (36.4%), of which 78.45 GW (16.11%) was solar, 40.99 GW (8.42%) wind, 37 GW (7.6%) large hydro, 10.73 GW (2.2%) biomass & waste and 10.05 GW (2.06%) small hydro.[210]

There has been growth in deployment of photovoltaic solar energy across India, driven by decreasing costs, complemented by domestic manufacturing and deployment capacity, delivering economies of scale, and policy measures such as reverse auctions. Despite solar accounting

[202] Central Electricity Regulatory Commission. 2024. https://www.cercind.gov.in/
[203] State Electricity Regulatory Commission. 2024. https://www.cercind.gov.in/serc.html.
[204] Central Electricity Regulatory Commission https://powermin.gov.in/en/content/central-transmission-utilityctu.
[205] Government of India. Ministry of Power. https://powermin.gov.in/en/content/state-transmission-utilities-stus.
[206] Government of India. Ministry of Power. https://powermin.gov.in/en/content/overview-0.
[207] Government of India. Ministry of Power. https://powermin.gov.in/en/content/overview-0.
[208] Reuters. 2023. https://www.reuters.com/business/energy/india-offer-455-mln-incentives-battery-storage-projects-sources-2023-06-06/.
[209] Bloomberg NEF ClimateScope. 2024. https://www.global-climatescope.org/markets/in/.
[210] Bloomberg NEF ClimateScope. 2024. https://www.global-climatescope.org/markets/in/.

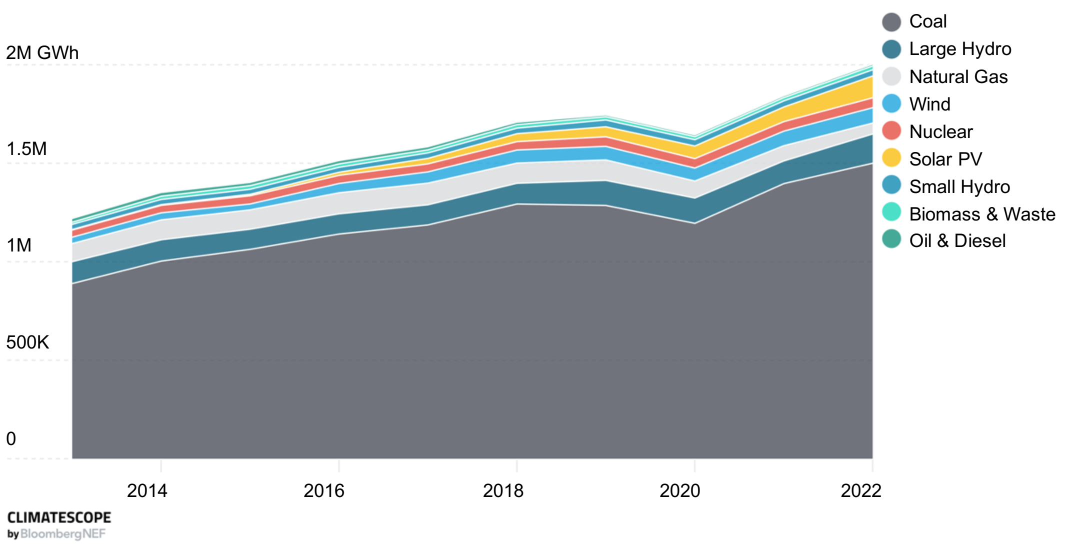
for 16.11% of the installed capacity, only 5.54% (102,010 GWh) accounted for the total electricity generation in 2022.[211] Floating solar and rooftop solar deployment hold substantial potential in the country and are being encouraged and incentivised by local authorities.

Installed capacity in India (in MW)



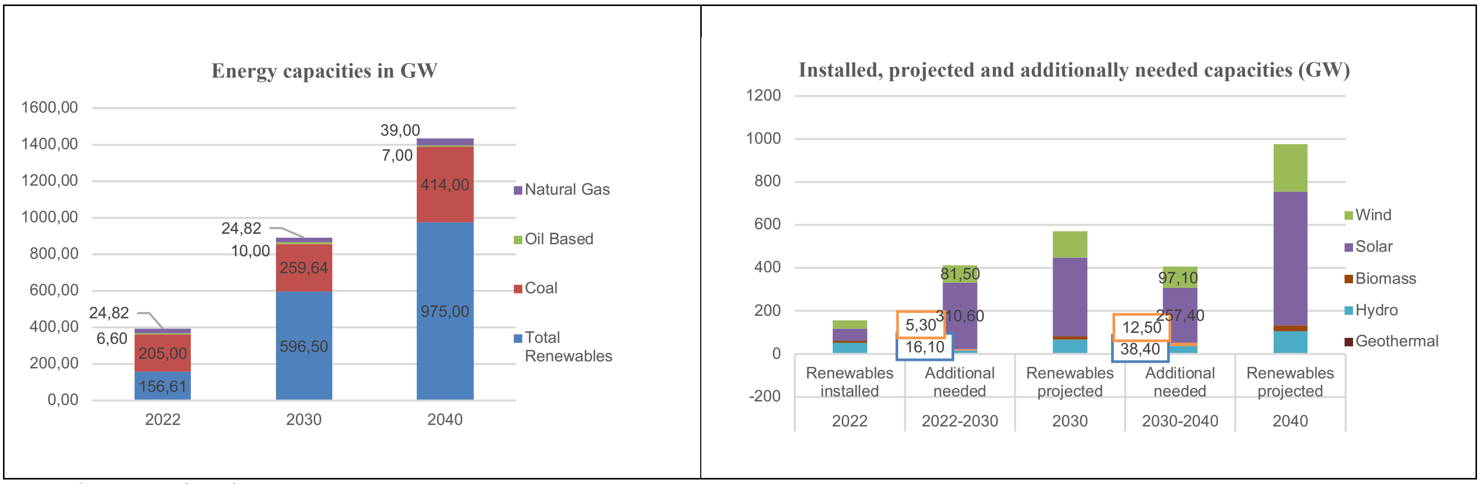
Source: BNEF Climatescope 2023. India.

Electricity generation in India (in GWh)



Source: BNEF Climatescope 2023. India.

[211] Bloomberg NEF ClimateScope. 2024. https://www.global-climatescope.org/markets/in/.



Projected energy mix for India.

As evidenced by the chart, there is a growing focus on bringing hybrid systems online, including those that integrate battery storage, or combine different forms of renewable energy (for example wind with solar), which are incentivised through higher tariffs.

Electricity demand

In September 2023, India, the third-largest global electricity consumer, witnessed a record peak electricity demand of 243 GW, surpassing the power ministry's projections of 229 GW.[212] Government officials expect electricity demand to surge to a high of 384 GW in the 12 months through March 2032, a 5% increase on an estimate issued in May 2023.[213] A review of forecasts was carried out after a sharp rise in demand last year, when soaring temperatures promoted higher use of air conditioners and pumps for irrigation. Electricity demand in India rose 7% in 2023 and is likely to average growth of 6% a year through 2026. According to the International Energy Agency: "*Over the next three years, India will add electricity demand roughly equivalent to the current consumption of the UK*".[214]

[212] Bloomberg UK. 2024. Accessed Online: https://www.bloomberg.com/news/articles/2024-02-26/india-sees-higher-peak-in-electricity-demand-as-power-consumption-surges
[213] Bloomberg UK. 2024. Accessed Online: https://www.bloomberg.com/news/articles/2024-02-26/india-sees-higher-peak-in-electricity-demand-as-power-consumption-surges
[214] IEA. 2024. https://www.iea.org/reports/electricity-2024/executive-summary.

The power supply position in the country during 2009-10 to 2023-24

Year	Energy				Peak			
	Requirement	Availability	Surplus(+)/Deficits(-)		Peak Demand	Peak Met	Surplus(+)/Deficts(-)	
	(MU)	(MU)	(MU)	(%)	(MW)	(MW)	(MW)	(%)
2009-10	8,30,594	7,46,644	-83,950	-10.1	1,19,166	1,04,009	-15,157	-12.7
2010-11	8,61,591	7,88,355	-73,236	-8.5	1,22,287	1,10,256	-12,031	-9.8
2011-12	9,37,199	8,57,886	-79,313	-8.5	1,30,006	1,16,191	-13,815	-10.6
2012-13	9,95,557	9,08,652	-86,905	-8.7	1,35,453	1,23,294	-12,159	-9.0
2013-14	10,02,257	9,59,829	-42,428	-4.2	1,35,918	1,29,815	-6,103	-4.5
2014-15	10,68,923	10,30,785	-38,138	-3.6	1,48,166	1,41,160	-7,006	-4.7
2015-16	11,14,408	10,90,850	-23,558	-2.1	1,53,366	1,48,463	-4,903	-3.2
2016-17	11,42,929	11,35,334	-7,595	-0.7	1,59,542	1,56,934	-2,608	-1.6
2017-18	12,13,326	12,04,697	-8,629	-0.7	1,64,066	1,60,752	-3,314	-2.0
2018-19	12,74,595	12,67,526	-7,070	-0.6	1,77,022	1,75,528	-1,494	-0.8
2019-20	12,91,010	12,84,444	-6,566	-0.5	1,83,804	1,82,533	-1,271	-0.7
2020-21	12,75,534	12,70,663	-4,871	-0.4	1,90,198	1,89,395	-802	-0.4
2021-22	13,79,812	13,74,024	-5,787	-0.4	2,03,014	2,00,539	-2,475	-1.2
2022-23	15,11,847	15,04,264	-7,583	-0.5	2,15,888	2,07,231	-8,657	-4.0
2023-24	2,66,951	2,66,360	-591	-0.2	2,21,370	2,21,347	-23	-0.01

** Up to May 2023 (Provisional). Government of India, Ministry of Power. 2023. Source: https://powermin.gov.in/en/content/power-sector-glance-all-india*

As evidenced by the chart,[215] the reliability of the power grid and ensuring the constant availability of adequate resources for the power supply remains a challenge. Despite a surge of recent solar additions – increasing capacity by approx. 58 GW in the last 5 years – which have mitigated the risk of power outages during the daytime, India faces an increased risk of power shortfalls during nighttime. To prepare for the risk of power supply shortfalls, the Indian Ministry of Power invoked emergency rules the past two summers to keep coal plants operating at full capacity on imported coal, despite the unfavourable economics of them doing so.

The Group believes that the domestic regulatory framework for efficiency trading in heavy industry sectors is now quite developed and poised to improve further through implementation of the planned Indian carbon market framework.

Electric Vehicles

Electric vehicles in India currently makes up 5% of the market share but has the potential to achieve over 40% with US$ 100 billion revenue by 2030. The government has set a target for 30% electric vehicle deployment by 2030.[216] This growth is expected to be driven by a strong adoption in both two-wheeler and three-wheeler categories, with four-wheelers penetration projected to grow to more than 20%.[217] However, several structural challenges need to be addressed to achieve this potential. India significantly lags other geographies on charging infrastructure, with roughly 200+ EVs per commercial charging point in the country, as compared to 20 in the US and less than 10 in China.[218] Ensuring that EVs are powered by clean renewable energy is imperative to ensure that they deliver on their climate change mitigation and air pollution reduction potential. The government recognises the dearth of charging infrastructure as the key impediment to meeting its 30% EV target, supported through the FAME II initiative (i.e. faster adoption and manufacturing of electric vehicles).[219] The government expects 46,397 public charging stations across 9 cities by 2030 and is providing incentives to retail spaces amongst others to install charging infrastructure.[220]

Renewable energy policy

The Indian government has announced that it is committing to reach net zero emissions by 2070 and will meet 50% of its electricity requirements from renewable energy sources by 2030.[221] It has also committed to installing 500 GW of renewable energy capacity by 2030, reducing the

[215] Government of India, Ministry of Power. 2023. https://powermin.gov.in/en/content/power-sector-glance-all-india.
[216] Bain & Company. 2023. https://www.bain.com/insights/india-electric-vehicle-report-2023/.
[217] Bain & Company. 2023. https://www.bain.com/insights/india-electric-vehicle-report-2023/.
[218] Bain & Company. 2023. https://www.bain.com/insights/india-electric-vehicle-report-2023/.
[219] Government of India, Ministry of Heavy Industries. 2023. https://heavyindustries.gov.in/fame-ii.
[220] Bain & Company. 2023. https://www.bain.com/insights/india-electric-vehicle-report-2023//
[221] Government of India. 2022. https://unfccc.int/sites/default/files/NDC/2022-08/India%20Updated%20First%20Nationally%20Determined%20Contrib.pdf

emissions intensity of its economy by 45%. The Group believes that government policies and regulations, such as renewable purchase obligations, feed-in tariffs, tax incentives, and competitive bidding mechanisms, play a crucial role in driving the deployment of renewable energy in India.

India's climate policy is spread across several policy documents, sector-specific strategies, and laws with the National Action Plan for Climate Change ("**NAPCC**") serving as the overarching guidance for these efforts. In 2023, the National Electricity Plan ("**NEP2023**"), the National Green Hydrogen Mission ("**NGHM**") and the recently amended Energy Conservation Act, emerged.

Highlights of the NAPCC:[222]

- released by the Prime Minister on 30 June 2008;
- outlined eight National Missions covering: solar, energy efficiency, sustainable habitat, water, sustaining the Himalayan eco-system, Green India, sustainable agriculture and knowledge for climate change; and
- is constantly updated to reflect new targets.

Highlights of the NEP2023:[223]

- released in May 2023; and
- projected increase in coal capacity of 23% between 2021-2022 and 2031-2032.

Highlights of the NGHM:[224]

- approved on 4 January 2022;
- target: To produce at least 5 MMTPA of green hydrogen by 2030; and
- the government will provide incentives of up to Rs50/kg for green H2 production and up to Rs4,440/kW for electrolyser capacities.

India has not yet committed to phasing out coal power or a future without fossil gas. Its latest electricity plan includes additional 25.5 GW of coal capacity from 2025-30, on top of the 25.6 GW already under construction.

Sustainable Fuels

Agriculture remains a significant part of India's economy, and there is a significant stock of agricultural residues that can be used as fuels, with potentially significant environmental and social benefits. The World Economic Forum and McKinsey, for example, estimated that 166 million tons of feedstocks are available each year in India, including used cooking oil, municipal solid waste, sugar streams and agricultural residues.[225]

Under the national mission on use of biomass in thermal power plants, the Indian government is targeting biomass use in coal fired power plants. The program aims to also help foster a supply chain for sustainable agricultural residues.[226]

India has set a target for 20% blending of ethanol in petrol from 2025.[227] The government is supporting ongoing ethanol production, and second generation biorefineries, as well as developing new feedstocks and technologies for conversion. produced from lignocellulosic feedstocks (i.e. agricultural and forestry residues, e.g. rice, wheat straw/corn cobs, stover / bagasse, and woody biomass), non-food energy crops (i.e. grasses and algae), animal dung or industrial waste and residue streams. It aims to encourage development of fuels that have low CO_2 emissions, support high GHG reductions, and do not compete with food crops for land use. Pilots of indigenously produced biofuels from agricultural residues developed have been successfully piloted.

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[222] National Centre for Biotechnology Information. 2009. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2822162/.
[223] Government of India, Ministry of Power. 2023. https://powermin.gov.in/en/content/national-electricity-plan-0
[224] Government of India, Ministry of New and Renewable Energy. 2023. https://mnre.gov.in/national-green-hydrogen-mission/.
[225] McKinsey & Company. 2021. https://www.mckinsey.com/industries/travel-logistics-and-infrastructure/our-insights/from-farm-to-sky-feedstocks-fuel-indias-path-to-cleaner-skies.
[226] Government of India, Ministry of Power. 2023. https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1907726#:~:text=To%20address%20the%20burning%20issue,July%202021%20and%20the%20revised.
[227] The Economic Times. 2024. https://economictimes.indiatimes.com/industry/renewables/us-offers-to-help-india-meet-ethanol-blending-target-by-2025/articleshow/109671356.cms?from=mdr.

The key challenges for India mapped against relevant UN SDG's and the potential opportunities for the Group are summarised in the table below:

UN SDG	**Issue**	**Opportunity according to the Group**
Climate Change and Clean Energy (SDG 7 and 13)	Largest energy market in developing Asia, with heavy reliance on coal resulting in a high grid factor of 951 tCO_2e/MWh[228] National target to install at least 500 GW of renewable energy by 2030. NDC revised to reflect more ambitious targets after early attainment of carbon intensity and renewable energy targets	Development of lower cost renewable generation, in particular base load capacity through battery storage integration or round the clock solutions for industrial and commercial customers
	Many energy-intensive users and growing demand for energy, including cooling needs in the face of increasing heat stress, and potential load from electrification of infrastructure	Invest in energy efficiency and demand-side reduction and management measures, and leverage government incentives for efficiency in energy-intensive industries
	While largely electrified, quality and reliability of service remains a challenge particularly in rural areas	Continued enhancement of rural energy supply infrastructure, including through storage integration
	Highly vulnerable to climate change, with poorer households facing severe risks related to heat, water stress, health risks, and flooding. Glacial retreat in the Himalayas would disrupt subcontinental water systems. Extensive coastal urban areas also vulnerable to climate impacts	Climate resilient infrastructure and water efficiency critical imperatives for the region
	Growing manufacturing and services base meeting international demand for goods and services	Greening and improving the human rights footprint of these industries necessary, including in response to EU carbon and sustainability requirements for imports
Quality Jobs and Human Rights (SDG 8, 10 and 16)	While human development index scores have improved, extensive gaps remain, and about 45% of the population lived in at least moderate poverty in 2023 according to the World Bank	Creation of quality jobs, employer of choice. Promote more inclusive employment practices, creating opportunities for women Ensuring suppliers adhere to the Group´s standards
	Unemployment rates were at 4.5% at the end of 2022,[229] though reportedly falling over the course of 2023, but job creation remains low	
	Female workforce participation declining. Most jobs are low paid and low quality, and consumption constrained.	
Nature and the Circular Economy (SDG 2, 6, 12, 14, 15)	Although India is a biodiversity hotspot, economic development has come at a severe environmental cost. Less than 5% of land is conserved	Investments in nature-based solutions for development needs and nature-positive approaches to infrastructure can augment the ongoing afforestation efforts that India has undertaken in recent decades
	As waste production grows, including both agricultural waste and solid waste, India is positioning itself to play a more central role in the circular economy, with a focus on	Support productive use of wastes. Invest in solutions for waste to energy and sustainable waste management, including low carbon wastewater treatment solutions.

[228] UNFCCC. IFI Dataset of Default Grid Factors. 2022. https://unfccc.int/sites/default/files/resource/Harmonized_IFI_Default_Grid_Factors_2021_v3.2_0.xlsx.
[229] World Bank. 2022. Unemployment Rate https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS?locations=IN.

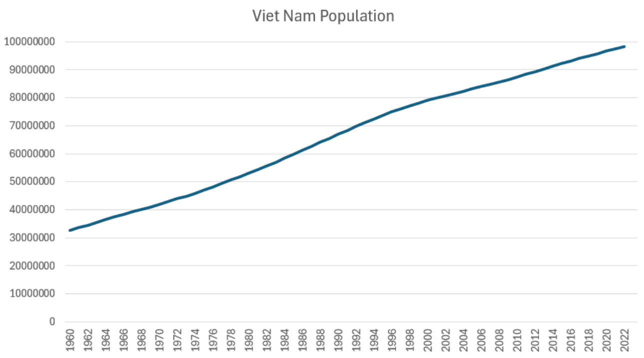
	waste and residue management linked to its biofuel targets, while investing in research and innovation. Measures to promote better waste management also promoted	

Vietnam

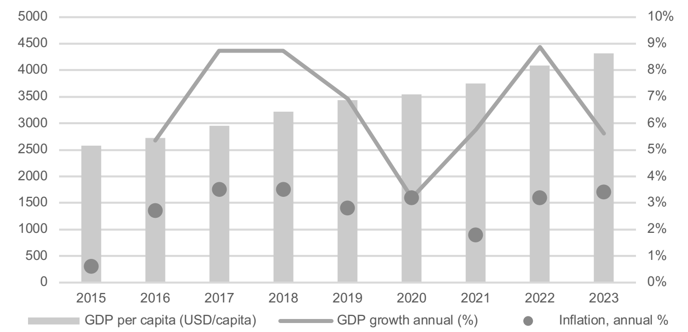
Overview

<u>*Geography and demographics*</u>

Vietnam is located centrally within Asia, benefitting from approximately 3400 km of coastline providing ready access to adjacent markets including China, Thailand, the Philippines and Indonesia. Vietnam has developed numerous deepwater ports, enhancing its trade and logistics capabilities. The country boasts a large population of 98 million people,[230] with a growth rate of around 0.7% per annum[231] and a median age of 33, offering both a substantial domestic market and a well-educated and youthful labour force. Vietnam's ongoing urbanization creates rising consumption potential in its major cities as the middle class expands.[232]



Development Indicators.
Source: World Bank. 2022. World
https://data.worldbank.org/indicator/SP.POP.TOTL?locations=VN.



Source: IMF. 2024.
https://www.imf.org/external/datamapper/profile/VNM.

<u>*Economy*</u>

Vietnam has been successful in transforming its economy from being centrally controlled to market-based through "Doi Moi" reforms, which were economic and political policies initiated in the mid-1980's. The reforms removed barriers to entry to encourage foreign investment and business in the private sector, rapidly expanding the country's GDP to an estimated US$ 465.8 billion[233] (2024) with a projected growth of 6.5% per annum (2024). The key contributors to GDP are the manufacturing, services, agricultural, and industrial sectors:

- **Manufacturing**: Vietnam has emerged as a global manufacturer as a result of strategic government policies, competitive labour costs, a young, adaptable workforce.[234] Global geopolitical tensions with China have driven many companies to diversify their manufacturing bases, and Vietnam is a major beneficiary of this trend.[235] The country's integration into regional and global supply chains attracted FDI across a multitude of sectors. There has been significant growth in the electronics industry and Vietnam has become a major production hub for smartphones, semiconductors, and other electronic components for all types of businesses, including global tech giants. The textile, footwear, and garment industries remain pillars of the manufacturing sector and an attractive location for global apparel brands. Vietnam is actively diversifying its manufacturing base, seeking investment in higher-value industries such as automotive components, machinery, and technology products.

230 World Bank. 2022. World Development Indicators. https://data.worldbank.org/indicator/SP.POP.TOTL?locations=VN.
231 World Bank. 2022. World Development Indicators. https://data.worldbank.org/indicator/SP.POP.GROW?locations=VN.
232 https://www.britannica.com/place/Vietnam.
233 IMF. World Economic Outlook. 2024. https://www.imf.org/external/datamapper/NGDPD@WEO/VNM?zoom=VNM&highlight=VNM.
234 M. Francois, T. Hansmann, B. Huang, Z. Nguyen. Sep 2023. Boosting Vietnam's Manufacturing sector: From low cost to high productivity. https://www.mckinsey.com/featured-insights/asia-pacific/boosting-vietnams-manufacturing-sector-from-low-cost-to-high-productivity
235 O. Ryan. Vietnam becomes vital link in supply chain as business pivots from China. Financial Times 3 July 2023.

- **Services**: In addition to its vibrant tourism sector, a young and increasingly tech-savvy population supports a large and growing business process outsourcing sector as Vietnam aims to attract international companies seeking customer service, back-office operations, and technical support functions while offering significant cost advantages compared to developed markets.[236] The potential of logistics, healthcare, e-commerce, and financial services are also recognised. Vietnam benefits from its prime location in Asia and has made ongoing investments in modern ports, airports, and transportation networks to optimise its connectivity within Southeast Asia and globally. The country's rapidly expanding middle class fuels a strong domestic market for e-commerce and financial services, with ongoing efforts to broaden access and enhance digital platforms.[237]
- **Agriculture**: Even as its proportional GDP share decreases, Vietnam's large agriculture sector ensures domestic food security, provides significant employment in rural areas, and contributes substantially to export earnings. Key exports include rice, coffee, seafood, cashews, coconuts, sugar, pepper, tea, and a variety of tropical fruits. Vietnam is also a major exporter of wood products and has sustained its effort in increasing exports through developing sustainable plantations. The government and industry players are aggressive in promoting modernisation initiatives, including introducing new technologies, improving irrigation systems, promoting efficient land use practices, and supporting the processing and branding of Vietnamese agricultural products to fetch higher prices on international markets. Additionally, there is a strong emphasis on quality and safety standards.[238]

Social issues

The HDI is a summary measure of average achievement in key dimensions of human development: a long and healthy life, being knowledgeable and having a decent standard of living, in which countries are scored on a scale of 0 (lowest) to 1 (highest). Vietnam's HDI value for 2022 was 0.726, positioning it at 107 out of 193 countries assessed by the United Nations. Between 1990 and 2022, Vietnam's HDI value changed from 0.492 to 0.726, an improvement of nearly 50%.[239] While the official unemployment rate is relatively low (around 2-3% according to recent World Bank data), inequality remains a serious concern.[240] About 1% of the population still lives in poverty on less than US$ 2.15 per day in 2017 purchasing power parity terms.[241] Approximately 28.5% of income is held by the richest 10% of the country while the poorest 40% are estimated to hold only 18% of income. Furthermore, energy affordability presents a challenge as Vietnam relies on a mix of imported fossil fuels and hydropower for its electricity generation.

Investor Outlook and Investment Climate

A track record of sound economic policies has enhanced investor confidence in Vietnam, resulting in favourable sovereign credit ratings from Standard & Poor's BBB (with a stable outlook), Moody's Ba2 (with a stable outlook), and Fitch BB (with a positive outlook).[242] This confidence is further strengthened by the country's active participation in numerous free trade agreements, including the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (2018), the Regional Comprehensive Economic Partnership (2021), and the EU-Vietnam Free Trade Agreement (2020). These agreements offer preferential trade terms, reduced tariffs, and streamlined market entry procedures, making Vietnam an attractive destination for foreign investment.

Vietnam's progress in creating a favourable business environment is reflected in various metrics such as the ease of establishing a business, obtaining construction permits, resolving insolvency, and accessing credit. For example, the time required to register a new business has decreased significantly and now averages around 7-10 days. Additionally, Vietnam has simplified tax procedures and enhanced its digital infrastructure to facilitate trade.

Climate Investment

The BNEF climatescope rating, which assesses a country's readiness to effectively utilise investment into the energy transition, was 2.21 out of 5 for Vietnam as of November 2023, making the country the eleventh most attractive developing economy for clean energy investment in the world.[243] Globally, Vietnam ranks 30th, two places better than in 2022. Vietnam has also entered a Just Energy Transition Partnership with international partners including the EU, US, UK, Norway and Japan, and made commitments towards early retirement of coal plants.[244]

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[236] D. Dulal Das. Reasons behind the Emergence of Vietnam as a Favourite BPO Hub. Apr 2022. https://www.dragonsourcing.com/reasons-behind-the-emergence-of-vietnam-as-a-favourite-bpo-hub/
[237] This paragraph draws on World Bank. March 2023. Taking Stock: Harnessing the Potential of the Services Sector for Growth. https://www.worldbank.org/en/country/vietnam/publication/taking-stock-vietnam-economic-update-march-2023
[238] ADB. 2022. Agriculture, Natural Resources and Rural Development Sector Assessment, Strategy and Road Map - Viet Nam 2021–2025 https://www.adb.org/sites/default/files/institutional-document/763181/viet-nam-2021-2025-agriculture-sector-assessment-strategy-road-map.pdf
[239] UNDP. Human Development Report 2023-24. https://hdr.undp.org/system/files/documents/global-report-document/hdr2023-24reporten.pdf
[240] World Bank. 2022. World Development Indicators. https://data.worldbank.org/indicator/SL.UEM.TOTL.ZS
[241] World Bank. 2022. World Development Indicators https://data.worldbank.org/indicator/SI.POV.DDAY?locations=VN
[242] Trading Economics. 2022. Vietnam – Credit Rating https://tradingeconomics.com/vietnam/rating
[243] Bloomberg NEF. 2024. https://www.global-climatescope.org/markets/vn/#:~:text=Overview,rank%2017%2C%20to%20rank%2030
[244] European Commission. 2023. https://ec.europa.eu/commission/presscorner/detail/en/statement_23_6243

As part of efforts to implement its nationally determined contribution of climate action under the Paris Agreement on climate change, the government has been developing a domestic carbon market framework to be executed by 2027.[245] While the scope to sell carbon credits from conventional grid connected renewable energy is limited under most credible global voluntary carbon market standards, there is significant scope to develop carbon removal projects and nature-based removal activities.

Governance

While the WGI note limited voice and accountability, the indicators show relatively better performance on political stability, government effectiveness and rule of law, rating the country in the third quintile for these metrics. Transparency International's Corruption Perception Index indicates that corruption is a key challenge for Vietnam, awarding it score of 33/100 in 2023 (where 100 represents the lowest perceived level of corruption).[246] The Vietnamese government has acknowledged the WGI ratings and taken steps to improve control of corruption over the years, including:

- **National Anti-Corruption Steering Committee**: This body leads policy development and implementation of anti-corruption strategies.
- **Public Sector Reforms**: These reforms prioritise transparency, accountability, and streamlining procedures to reduce opportunities for corruption.
- **Public Awareness Campaigns**: Programs aimed to raise awareness about the negative impacts of corruption and foster a culture of integrity across Vietnamese society.
- **Strengthening Legal Framework**: Vietnam regularly updates its laws and regulations to combat corruption, targeting areas like public procurement and asset declaration by public officials.

Infrastructure Investment

Vietnam's strong economic development in recent decades has been closely linked to substantial investments in public infrastructure. Transportation networks have been a particular focus, with significant investments in roads, airports, and seaports. Vietnam's public and private infrastructure investment now comprises roughly 5.7% of its GDP, leading Southeast Asia and second in Asia only to China.[247] This commitment sustains investment projects, boosts economic growth, and fosters job creation. Addressing the needs of a growing urban demographic and ensuring efficient connectivity and utilities is also paramount for maintaining Vietnam's economic growth.

Foreign Ownership

Vietnam has progressively eased restrictions on foreign ownership across multiple economic sectors, signalling its commitment to attracting foreign investment for its development goals.[248]

Access to infrastructure

While electricity access is generally widespread, albeit with some rural electrification still required, quality of service is often challenging in some parts of the country, and costs can place a strain on households and businesses. Addressing water and sanitation issues is a national priority. According to World Bank and UNICEF figures, access to safely managed water and sanitation remains limited for a significant portion of the population. The country faces challenges related to wastewater treatment, groundwater quality, and marine pollution. Media reporting based on data from the Ministry of Natural Resources and Environment suggests that as of 2022, only about 20% of industrial clusters invested in centralised wastewater treatment systems, with the remainder either treating wastewater on their own or directly discharging it. The government has set a target to increase the rate of wastewater treated from 15% to 70% over the next 10 years. Vietnam also experiences increasing water stress, with climate change-exacerbated droughts and irregular rainfall patterns posing risks to water resources and impacting hydropower generation.[249]

Energy Market

Vietnam's Ministry of Industry and Trade ("**MOIT**") holds the primary responsibility for overseeing its energy sector. The MOIT's key functions include strategic planning, regulation, and management of sector reforms. Two specialised agencies largely implement these duties:

- **Electricity and Renewable Energy Authority**: Focuses on policy development, sector planning, and the advancement of renewable energy within Vietnam's energy mix.

[245] Baker McKenzie. 2022. Vietnam: New Decree on greenhouse gas reduction, ozone layer protection and carbon market development. https://insightplus.bakermckenzie.com/bm/attachment_dw.action?attkey=FRbANEucS95NMLRN47z%2BeeOgEFCt8EGQJsWJiCH2WAUTleh6%2BAJHrvJ6F%2BbybppU&nav=FRbANEucS95NMLRN47z%2BeeOgEFCt8EGQbuwypnpZjc4%3D&attdocparam=pB7HEsg%2FZ312Bk8OIuOIH1c%2BY4beLEAevBYQBtxjbYk%3D&fromContentView=1 and V. Chau. Vietnam Poised to Harness the Power of Carbon Markets. 7 April 2024. https://vneconomy.vn/vietnam-poised-to-harness-the-power-of-carbon-markets.htm
[246] Transparency International. 2023 Corruptions Perceptions Index Ranking. Accessed online: https://www.transparency.org/en/cpi/2023
[247] Open Development Vietnam. 2022. https://vietnam.opendevelopmentmekong.net/topics/infrastructure/
[248] Vietnam Law Magazine. 2024. https://vietnamlawmagazine.vn/vietnam-remains-attractive-destination-for-foreign-investors-71483.html
[249] VietnamPlus. 2023. Vietnam's wastewater treatment needs better technologies. Available online: https://en.vietnamplus.vn/vietnams-wastewater-treatment-needs-better-technologies/269447.vnp

- **Electricity Regulatory Authority of Vietnam**: Responsible for various regulatory aspects of the power sector, aiming to ensure a stable, efficient, and transparent electricity market.

The development of Vietnam's energy sector is guided by the National Power Development Master Plan ("**PDP**"). These comprehensive plans are prepared for 10-year periods, establishing national energy targets and strategic directions. PDPs are then integrated into detailed provincial power development plans for specific project implementation.

The current plan is Power Development Plan 8 ("**PDP 8**"), covering the period from 2021 to 2030. Roll out of PDP 8 was delayed by the COVID pandemic, and whilst it was released in mid-2023, its implementation was not approved by the Vietnam Prime Minister until April 2024. Although PDP 8 has set the strategic direction for the power sector through to 2030, much of the enabling legislation is yet to be implemented and critical details remain to be finalised.

Vietnam faces the crucial challenge of meeting its rapidly growing energy demands while ensuring stable, cost-effective, and sustainable power supplies. Rising per-capita electricity consumption driven by economic expansion, urbanization, and industrialization, necessitate a significant increase in generation capacity. Demand has been increasing rapidly: during 2000 to 2020, it grew at a compound annual rate of 13% and is projected to continue increasing at 8% per annum through to 2030.[250] Generation capacity is forecast to grow from 80.6 GW in 2023 to 130.4 GW by 2030 and to 262.0 GW by 2045.[251]

Vietnam's power generation mix is transitioning away from its historical reliance on coal and hydropower towards a more diversified portfolio. While hydropower remains a crucial component, its share in national generation capacity is expected to decline as its hydro potential is largely tapped. Additionally, to align with decarbonization goals, Vietnam has placed a moratorium on new coal-fired power plants (with exceptions for projects already under construction or in advanced development stages). Consequently, the share of coal in the power mix is projected to decrease significantly in the coming decades. This shift creates a substantial opportunity for natural gas, wind, and solar power. These sources are anticipated to see rapid growth, with gas-to-power and renewables playing a central role in Vietnam's future energy landscape.

Vietnam's commitments under the Paris Agreement drive its transition toward a lower-carbon economy. The country has pledged an economy-wide greenhouse gas emissions reduction of 9% below projected business-as-usual levels by 2030, achievable solely through domestic resources. With international support, this reduction target could increase significantly to 27%.[252] Growing awareness among the Vietnamese public about the environmental and health impacts of coal-fired power has accelerated the shift toward cleaner sources.[253]

Vietnam's energy sector is undergoing a gradual but steady shift towards deregulation and market competition. This reform process began with the passage of the Electricity Law in 2004, which paved the way for introducing competition into the sector. A significant step was the unbundling of the state-owned monopoly, EVN, in 2012. This allowed for the corporatization of its various units and opened the door for competition in the generation segment. Currently, EVN's share of the total installed generation capacity has shrunk to around 58%.[254]

The reform process is ongoing, with the Vietnam wholesale electricity market becoming operational in 2019, introducing competition in power trading. The next stage aims to introduce competition in power distribution and retail, although the timing of this is uncertain. Upon full implementation, EVN will retain its monopoly only in the power transmission segment, although the government has expressed some openness to future foreign investment in power transmission assets.[255]

Power Transmission and Generation

Power Transmission

Vietnam's electricity transmission network is divided into several regional grids. The three primary grids are the Northern Power Grid, the Central Power Grid, and the Southern Power Grid. The installed generation capacity varies across these grids, with the highest concentration typically found near major demand centres. Grid connectivity is enhanced through high-voltage transmission lines, including both alternating current and direct current links. For example, the 500 kV north-south transmission line plays a crucial role in power transfers and system stability. In recent years efforts to develop additional storage capacity to enable greater renewable energy uptake in the grid have commenced, with several utility

[250] World Bank. 2018. Vietnam: Maximizing Finance for Development in the Energy Sector. Available Online: https://documents1.worldbank.org/curated/en/290361547820276005/pdf/133788-WP-OUO-9-Vietnam-Energy-MFD-Report-ENG-for-printing.pdf.
[251] Vietnam. 2023. Power Development Plan VII 2021-30.
[252] Viet Nam. Updated Nationally Determined Contribution 2020. Available online: https://unfccc.int/sites/default/files/NDC/2022-06/Viet%20Nam_NDC_2020_Eng.pdf
[253] Vietnam and Third-Wave Data: How Environmental NGOs are Leveraging Data to Improve Air Quality Governance. 2019. https://datadrivenlab.org/air-quality-2/vietnam-and-third-wave-data-how-environmental-ngos-are-leveraging-data-to-improve-air-quality-governance/
[254] FitchRatings. 2019. 'Fitch Affirms Vietnam Electricity at 'BB'; Positive Outlook https://www.fitchratings.com/research/corporate-finance/fitch-affirms-vietnam-electricity-at-bb-outlook-positive-17-09-2019
[255] Vietnam and Third-Wave Data: How Environmental NGOs are Leveraging Data to Improve Air Quality Governance. 2019. https://datadrivenlab.org/air-quality-2/vietnam-and-third-wave-data-how-environmental-ngos-are-leveraging-data-to-improve-air-quality-governance/

scale battery storage projects (15 MW plus) underway.[256] PDP 8 envisages 2,700 MW and 30,650 MW of pumped storage hydropower and other battery storage sources by 2030 and 2050, respectively, with an initial 300 MW of battery storage projects by 2030.[257]

The rapid installation of renewable energy capacity coupled with the continuing high demand growth in Vietnam have led to the requirement for significant enhancements to the power grid, which was already in a poor condition. A significant problem Vietnam faces is that approximately 75% of the country's installed renewable energy generation activities are located in the south since the solar irradiation levels and wind speeds are higher than in the north. However, the load growth is higher in the north and power from the south cannot be exported.[258]

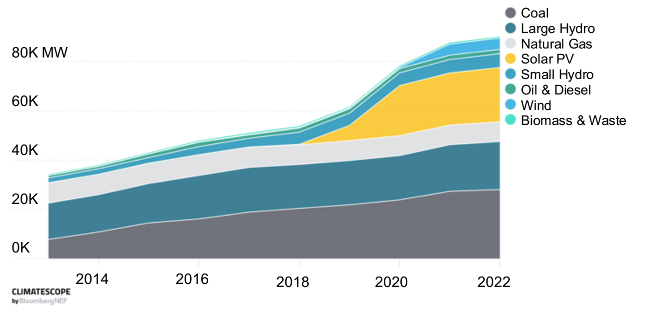
Delays in building new transmission infrastructure as a result of lengthy land acquisition and permitting processes as well as a shortage of funding from EVN have resulted in significant congestion and high levels of curtailment, particularly for solar projects in the south, and blackouts in the north. These issues have been exacerbated by a drought in the north of the country where many of the hydro assets are located, high coal and LNG prices, and delays in commencing the construction of new thermal plants in the north, in particular LNG. The Vietnamese government has been reluctant to pass through the increased costs of coal and LNG resulting from the global increases in commodity prices, and as a result, EVN has been suffering funding shortages which have delayed transmission augmentations and new generation.

PDP 8 sets out a commitment to upgrade the country's 500 kV transmission backbone and improve the 200 kV network that would alleviate many of the curtailment issues being faced by renewable energy projects as well as supply shortages, but these upgrades are likely to take considerable time and it is unclear whether the EVN will have the required funding available.

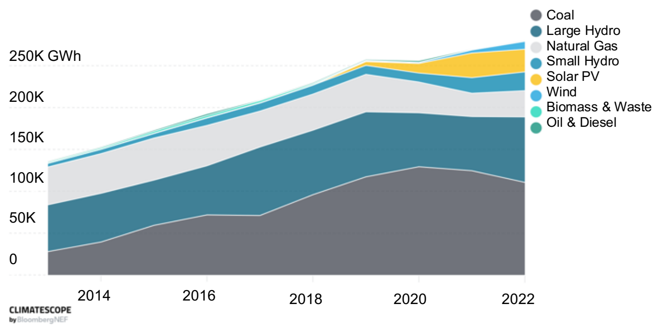
<u>*Generation Capacity*</u>

The total installed capacity in Vietnam as of end-2022 was 80.89 GW, of which the largest share of installed capacity was coal fired generation at 25.31 GW (31.29%), with 104,921 GWh of electricity generated by coal plants in 2022 constituting just under 40% of the total electricity generated given coal's high capacity factor versus other forms of generation.[259] Until about a decade ago, Vietnam was a net exporter of coal, but its fast pace of economic growth and resulting power needs have turned it into a net importer. In 2020, Vietnam imported US$ 3.83 billion worth of coal. That year, the leading sources were Australia (50.7%), South Africa (18.1%), Indonesia (16.5%), and Russia (12.4%).[260]

Installed capacity in Vietnam (in MW)



Electricity generation in Vietnam (in GWh)

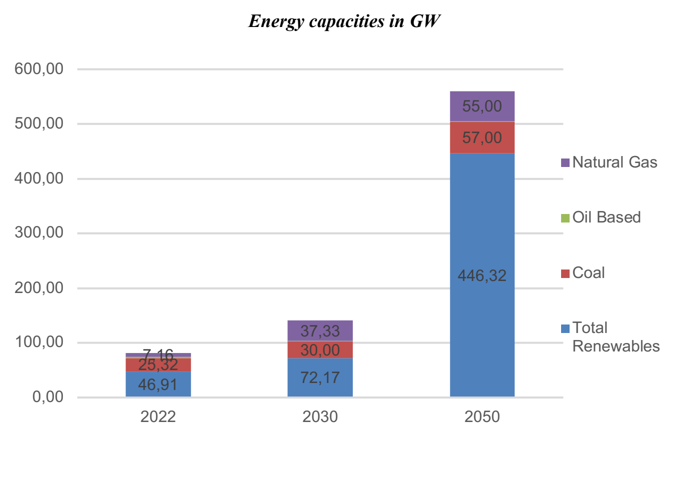


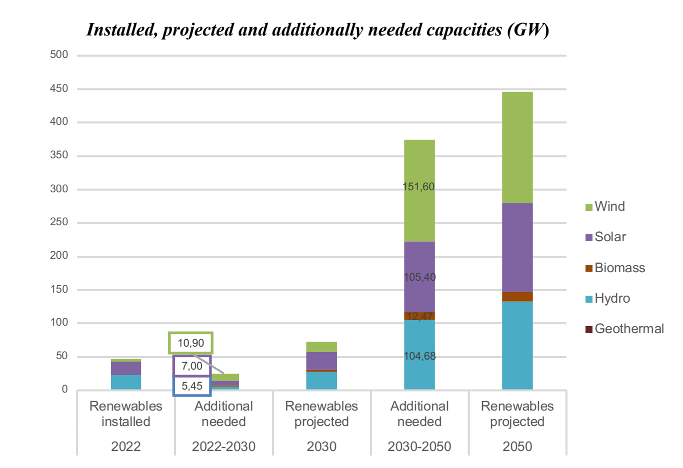
Source: BNEF. 2023. Climatescope - Vietnam.

Overall, Vietnam consumed 53.52 million tons of coal in 2021, up from 38.77 million tons in 2015 and 27.8 million tons in 2011. In 2021, Vietnam imported 38.77 million tons of coal, a decrease of 33.6% from the previous year.[261]

The total installed renewable energy capacity at end-2023 was 46.84 GW (57.9%), of which 17.5 GW (21.65%) was large hydro, 19.85 GW (24.54%) solar, 5.03 GW (6.22%) small hydro, 4.09 GW (5.06%) wind and 0.356 GW (0.44%) biomass.[262]

[256] A. Colthorpe. 2023. Vietnam's first grid-connected battery storage system to be integrated by Honeywell. https://www.energy-storage.news/vietnams-first-grid-connected-battery-storage-system-to-be-integrated-by-honeywell/
[257] J. Tran. As Vietnam embarks on renewables push, battery firms hungry for more green financing. 27 Feb 2024. Online: https://www.businesstimes.com.sg/international/asean/vietnam-embarks-renewables-push-battery-firms-hungry-more-green-financing.
[258] McKinsey. 2023. Putting renewable energy within reach: Vietnam's high-stakes pivothttps://www.mckinsey.com/industries/electric-power-and-natural-gas/our-insights/putting-renewable-energy-within-reach-vietnams-high-stakes-pivot
[259] BNEF. 2023. Climatescope - Vietnam.
[260] ASEAN Briefing. 2022. Vietnam's Energy Crunch: Coal's Dominance and the Need for Renewables. https://www.aseanbriefing.com/news/vietnams-energy-crunch/
[261] S&P Global. 2022. 'Vietnam targets higher coal imports as domestic demand climbs' https://www.spglobal.com/commodityinsights/en/market-insights/latest-news/energy-transition/081522-vietnam-targets-higher-coal-imports-as-domestic-demand-climbs
[262] BNEF. 2023. Climatescope - Vietnam.





Projected capacity and demand.
Source: Vietnam PDP 8

With the forecasted significant increase in solar, wind, and hydro capacity and the absence of replacement baseload power and additional storage capacity such as battery storage systems or pump storage hydro, the grid will face significant challenges in providing sufficient generation during times of intermittency. Planned renewable energy capacity additions are split relatively evenly between wind, solar, and hydro.

Generation capacity is owned by a combination of EVN and privately owned foreign and domestic independent power producers ("**IPPs**"). EVN is a state-owned enterprise that is the largest generator of power and has a monopoly position for electricity transmission and distribution. EVN and other Vietnamese state-owned enterprises own approximately 60% of the country's generation capacity, with the remainder owned by IPPs owning and operating thermal and renewable power plants with long term PPAs with EVN.[263]

In addition to domestic generation, Vietnam also imports power from neighbouring Lao PDR, largely hydro as well as several wind projects in the pipeline whose generation is countercyclical with hydro. Vietnam previously imported power from China but these imports ceased when geopolitical tensions between the two countries increased. PDP 8 targets 5,000 MW of imports from Lao PDR by 2030, with a potential for up to 8,000 MW.[264]

PDP 8 details the planned capacity expansions through to 2030. For conventional sources of generation, it envisages an increase in coal fired generation to over 30 GW by 2030 (additional 5 GW vs 2022) and a significant increase in the capacity of natural gas and LNG generation projects to over 37 GW.[265]

In addition to the addition of over 31 GW of renewable energy projects (see below), PDP 8 also envisages an additional over 1,000 MW of waste to energy projects.[266] Vietnam has a major waste management challenge and has recently mandated the use of greater waste recycling and waste to energy power projects for the waste management sector with short timelines for implementation.

<u>Electricity Demand</u>

Peak system demand for the whole of Vietnam was 45.43 GW in 2022, an increase of 6.95% from the 2021 peak at 42.48 GW. Demand growth pre-COVID in the period from 2000 to 2020 was at a compounded annual rate of 13% and is projected to continue increasing at 8% per annum through to 2030.[267]

Vietnam has a high generation reserve margin, with peak demand in 2022 of 45.4 GW versus total installed capacity of 80.9 GW. However, a combination of transmission constraints, the intermittent nature of renewables, very limited storage capacity, and increasing droughts particularly impacting hydro generation assets resulted in supply shortfalls in the summer of 2023, which are expected to be repeated in 2024. Whilst Vietnam is seeking to meet its renewable energy and carbon emission reduction targets, it is also now proceeding with the construction of new thermal plant to address its supply shortfalls.

[263] SIPET, 2021 https://www.sipet.org/Power-Sector-Snapshot-Vietnam.aspx#:~:text=Viet%20Nam%27s%20energy%20market%20is,monopoly%20over%20transmission%20and%20distribution.
[264] Vietnam Briefing. 2024. https://www.vietnam-briefing.com/news/vietnams-national-electricity-development-plan-2021-2030-roadmap-approved.html/.
[265] Vietnam Briefing. 2024. https://www.vietnam-briefing.com/news/vietnams-national-electricity-development-plan-2021-2030-roadmap-approved.html//
[266] Ibid.
[267] EVN. 2023. 'Updates on Vietnam power system and electricity market operation' https://vepg.vn/wp-content/uploads/2023/06/EN_NLDC_Updates-on-Vietnam-Power-System-and-Electricity-Market.pdf.

Electric Vehicles

Vietnam's electric vehicles market is experiencing rapid growth, with adoption rates forecast to grow to from 2.9% in 2022 to more than 13% by 2030.[268] The country is home to a major electric vehicle manufacturer, Vinfast, with extensive regional reach. The government has set a target to have 100% electric vehicles by 2050.[269] Additionally, Vietnam now has the highest proportion of electric to total two-wheelers in the region and the majority of Southeast Asia's two-wheeled electric vehicles is now produced for the Vietnamese market. The popularity of motorbikes as a mode of transportation allows the potential for Vietnam to make electric vehicle adoption even faster as there is a clear demand in the market, and this mode of transport is well suited to battery substitution.[270] While growing use of electric vehicles has the potential to reduce pollution and fossil fuel consumption and thereby greenhouse gas emissions, ensuring a low carbon source of electricity for charging infrastructure is essential.

Renewable Energy Policy

In 2021, Vietnam announced its target to achieve net zero by 2050, and in 2022 the Prime Minister approved the National Climate Change Strategy.[271] The plan targets the phasing out of coal fired generation entirely by 2050, with a reduction to 30 MW (20% of the capacity mix) by 2030 from the current 30%. The plan also includes a reducing emission from land use and forestry by 70%, thereby increasing the carbon absorption rate by 20% and achieving a total carbon sink capacity of 95 $MtCO_2e$ by 2030.[272] This drives a requirement for a significant increase in renewable energy generating capacity.

Vietnam's initial steps toward a renewable energy policy framework began in the early 2000's. Key measures included the National Energy Development Strategy, which launched in 2007 and outlined diversification targets, and the Renewable Energy Development Strategy, which launched in 2015 and aimed to increase the renewable energy share in the power mix. During this period, Feed-in-Tariffs ("**FITs**") were introduced for specific renewable technologies, notably onshore wind and solar. While these early FITs had some success in stimulating initial investments, they faced limitations in terms of contract duration and pricing levels.

Vietnam's renewable energy development gained significant momentum with Vietnam's Prime Minister Decision 11/2017/QD-TTg in 2017,[273] which offered a more attractive FIT scheme for solar power projects. This revised scheme, coupled with rapidly decreasing solar photovoltaic costs globally, led to an unprecedented solar boom. To manage this surge and ensure grid stability, the government implemented deadlines for FIT eligibility. As a result, over 9 GW of rooftop solar was commissioned in 2020 and a further 1.5 GW of ground mounted and floating solar.[274] These projects were grid connected and sold generation to its rooftop host with excess generation being sold to the grid under power purchase agreements with EVN at an attractive FIT. These projects were attractive for customers in supplying power at a significantly cheaper price than the EVN supply tariffs, and in providing renewable energy supply which was an essential requirement for many manufacturing facilities whose customers required its products to be manufactured using renewable energy, such as Nike and Adidas.[275] With the forecast continuing shortfalls of supply from the grid and a desire for the use of 100% renewable energy, these customers are now focused on round-the-clock renewable energy solutions.[276]

Parallel to the solar focus, government decisions encouraging wind power development have also been issued, offering FIT support, and setting a 2021 deadline for project commissioning.[277] A significant number of these projects did not achieve commissioning prior to this tariff deadline and are in continuing negotiation with EVN as to securing some form of offtake arrangement.

As Vietnam navigates the large-scale integration of renewables into its grid, its policy framework is continuously adapting. The focus has shifted away from fixed tariffs towards more market-based mechanisms like competitive auctions. This aims to drive down costs and promote long-term sustainability for the renewables sector. Furthermore, Vietnam is actively exploring solutions to address grid integration challenges, including energy storage, transmission upgrades, and enhanced forecasting capabilities.

Vietnam employs a range of incentives to accelerate the growth of its renewable energy sector. These include ambitious targets for renewable energy integration outlined in its national power development plans, signalling a strong, long-term commitment to clean energy transition. The country is also increasingly utilising competitive auctions for renewable energy procurement, driving down costs and promoting market

[268] Nguyen, Dat. 2023. https://e.vnexpress.net/news/data-speaks/electric-vehicle-adoption-to-quadruple-by-2030-4639387.html
[269] Fitch Solutions. Vietnam EV Profile: Strong National Brand and More Affordable EVs will support adoption. 29 Jan 2024. Available Online: https://www.fitchsolutions.com/bmi/autos/vietnam-ev-profile-strong-national-brand-and-more-affordable-evs-will-support-adoption-29-01-2024#:~:text=Under%20the%20government%20action%20programme,by%20electricity%20or%20green%20energy.
[270] Lan, Ngoc. 2024. https://vneconomy.vn/ceo-talk-vietnams-electric-two-wheeler-market-on-the-road-to-success.htm
[271] VietnamPlus. 2 May 2023. Plan approved to realise net-zero emissions goal by 2050 https://en.vietnamplus.vn/plan-approved-to-realise-netzero-emissions-goal-by-2050/251907.vnp
[272] Climate Action Tracker. Nov 2023. Vietnam Profile. Available online: https://climateactiontracker.org/countries/vietnam/policies-action/
[273] Asia Pacific Energy. 2017. https://policy.asiapacificenergy.org/node/3446.
[274] PV Magazine. Jan 2021. Scaling up Rooftop Solar in Vietnam. https://www.pv-magazine.com/press-releases/scaling-up-rooftop-solar-in-vietnam-more-than-9gw-installed-in-2020/#:~:text=Vietnam%20installed%20a%20record%206.71,in%20the%20country%20in%202020.
[275] VietnamPlus. 2 May 2023. Vietnam plays important role in supply chains of major global sporting goods brands. https://en.vietnamplus.vn/vietnam-plays-important-role-in-supply-chains-of-major-global-sporting-goods-brands/268160.vnp
[276] McKinsey. 2023. Putting renewable energy within reach: Vietnam's high-stakes pivot. Online: https://www.mckinsey.com/industries/electric-power-and-natural-gas/our-insights/putting-renewable-energy-within-reach-vietnams-high-stakes-pivot
[277] Socialist Republic of Vietnam. Decision Amending and Supplementing a number of articles of Decision DECISION NO.37/2011/QD-TTG date June 29, 2011 by the Prime Minister on Support Mechanism to Develop Wind Power Projects in Vietnam. Online: http://vepg.vn/wp-content/uploads/2018/10/39_2018_QD-TTg_1009188_CP_New-Wind-FIT_Unofficial-EN-Transl.pdf

transparency. While new FITs for demonstrated technologies (e.g. solar, onshore wind) are now replaced by auctions, existing projects commissioned under previous FIT programs still benefit from their guaranteed rates.

The implementation plan for PDP, under Vietnam's Prime Minister Decision No. 262/QD-TTg ("**Decision 262**") approved by the Prime Minister in April 2024 sets out new legislation to be enacted to achieve the objectives set out in PDP 8:

- Implementing a direct PPA regime to enable renewable energy generators to directly sell clean electricity to private off takers.
- Developing distributed/rooftop solar projects for self-consumption;
- Amending the Electricity Law and Law on Efficient Use of Energy to achieve the objectives of PDP 8;
- Developing a carbon credit market; and
- Establishing a tariff for each type of fuel source, a key current impediment to further renewable project development.

Decision 262 details how the renewable energy targets for 2030 will be achieved, providing an allocation by fuel type and province.[278] The breakdown by type is:

- Offshore wind - 6,000 MW
- Onshore wind (including near shore) - 17,894 MW
- Biomass - 1,878 MW
- Rooftop solar - 2,600 MW

The strong focus is on onshore wind, reflecting the higher cost of offshore wind as well as the current already high capacity of solar. It is important to note that there is no allocation for ground mounted solar, reflecting the already high penetration of solar which is resulting in an oversupply and significant curtailment at around the mid-day solar peak. For solar rooftop, the allocation is very small, with caps on a province-by-province basis. The draft legislation allows for grid connection of solar rooftop, but with a zero FIT making the projects less attractive without installation of a battery energy storage system that will allow for increased utilisation by the rooftop host with "round the clock" systems. There is a significant allocation to biomass, which currently has a relatively small installed capacity, as the country recognises the ability of biomass to provide base load generation.

Decision 262 also details the 500 kV and 220 kV transmission projects that will proceed to upgrade the transmission network and plans to connect the many rural, mountainous and island areas that are still not connected to the electricity grid.[279]

A key challenge to date for foreign investment into the renewable energy sector in Vietnam has been the PPAs offered by EVN. These PPAs are not financeable by international project finance and the Vietnam domestic project finance market remains undeveloped, limited in liquidity and expensive.[280] Key issues with the EVN PPAs include no protection from curtailment, being governed by Vietnamese law with Vietnamese arbitration, and concerns as to EVN credit with no government guarantee. As a result, the majority of domestic renewables projects with EVN offtake have been developed and financed by Vietnamese companies and some more aggressive international players. Given EVN's success in attracting investors to develop renewable projects under its existing PPA, it is very unlikely that there will be any improvements to these offtake contracts.[281] As a result, supply to industrial and commercial customers is likely to remain a more attractive opportunity for international investors.

Furthermore, Vietnam offers several tax incentives to encourage renewable energy investments. These include corporate income tax reductions or exemptions for eligible renewable energy projects, along with import duty exemptions for essential equipment.[282] Net metering schemes, primarily focused on rooftop solar, allow consumers with solar installations to offset their electricity bills by feeding excess power back into the grid.

Sustainable Fuels

Vietnam has both significant agricultural and forestry sectors which can provide feedstocks for sustainable fuels. In its agricultural sector, Vietnam is one of the world's largest producers of rice, coffee, and cashew nuts, as well as being a major producer of a number of other agricultural products including sugarcane, coconuts, and maize.[283]

Vietnam has forest cover of approximately 45% of the country,[284] of which only around 0.6% is classified as primary forests. Vietnam's Forestry Development Strategy, which was approved in 2021, targets US$ 20 billion of exports by 2025 of wood and forestry products.[285]

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[278] Mayer Brown. 2024. IMPLEMENTATION PLAN TO VIETNAM'S PDP8 RELEASED: https://www.mayerbrown.com/en/insights/publications/2024/04/implementation-plan-to-vietnams-pdp8-released.
[279] Mayer Brown. 2024. IMPLEMENTATION PLAN TO VIETNAM'S PDP8 RELEASED: https://www.mayerbrown.com/en/insights/publications/2024/04/implementation-plan-to-vietnams-pdp8-released.
[280] Unlocking international finance for Vietnam's renewable energy transition. 23 May 2022. https://www.iucn.org/news/viet-nam/202205/unlocking-international-finance-vietnams-renewable-energy-transition.
[281] Vietnam Investment Review. December 2023. New rules and the removal of various disadvantages in the country's current power purchase agreement model could help international finance find its way into Vietnam's energy transition process.https://vir.com.vn/power-purchase-agreements-just-the-ticket-for-vietnam-107414.html.
[282] PwC – Viet Nam. 2024. https://taxsummaries.pwc.com/vietnam/corporate/tax-credits-and-incentives.
[283] United Sates Department of Agriculture. 2014. https://www.ers.usda.gov/webdocs/publications/43899/49392_eib130.pdf?v=0.
[284] World Bank. 2022. World Development Indicators. https://data.worldbank.org/indicator/AG.LND.FRST.ZS?locations=VN.
[285] SNRD Asia. 2022. https://snrd-asia.org/wp-content/uploads/2022/03/Decision-on-Viet-Nam-Forestry-Development-Strategy_EN.pdf.

Vietnam's forests were dwindling during the 1990s, resulting in a ban being imposed in 1997 on the export of all forest products. The Vietnam government commenced a focused campaign starting in the 1990s to reclaim land for forests with a program to plant trees. This campaign was successful, with exports of over US$ 14 billion in 2021.[286] The Vietnam government considers wood and forest products as a key focus for export growth.

The Forestry Development Strategy includes a focus on sustainable forest management, a key requirement for export, including a need for local community involvement, efficient management, and a mechanism for generating carbon credits.

Both woodchips and certain agricultural residues can provide excellent sources of sustainable fuels for power generation, whether for dedicated biomass plants or as a transition fuel for co-firing existing coal plants. Sugarcane residues, whether sugar cane trash or bagasse, are proven sources of fuel for biomass plants, as are rice husks and coconut shells, with the latter having a very high energy content.

Given that approximately 40% of Vietnam's electricity is generated by coal-fired power plants,[287] and EVN may elect to build additional coal plants, the country's coal plants cannot be closed down overnight. Co-firing with biomass, whether agricultural residues or woodchips, which the existing coal-fired power stations could use with minimal modifications up to around a 20% mix, could provide a cost-efficient transition option. Ultimately, coal plants could be fully converted to biomass, albeit with more significant modifications required to their feeding systems and boilers.

Impact Challenges and Opportunities

The key challenges for Vietnam mapped against relevant UN Sustainable Development Goals are summarised in the table below, together with the opportunities that these challenges create for the Group.

UN Sustainable Development Goal	**Issue**	**Opportunity**
SDG 7 and 13 Climate Change and Clean Energy	Medium high grid carbon intensity (0.56 tCO_2e/MWh).[288] High prices driven by USD imported coal and LNG.	Development of lower cost renewable generation, in particular base load capacity, such as biomass, and the development of battery storage capacity. Commercial and industrial customers demanding 100% renewable energy at competitive prices provides opportunity for round-the-clock renewable generation and storage solutions.
	Peak electricity demand forecast to grow 8% annually through 2030, one of the fastest power consumption growth rates in Asia.[289]	Significant opportunities to invest in energy efficiency, demand side management and battery storage. Vietnam has well-defined energy efficiency targets in its National Energy Efficiency Program, and a legal foundation for Demand Side Management and Energy Efficiency (DSM/EE). A rapidly developing commercial and industrial sector with an export focus will drive growing focus on decarbonisation including in response to global regulation, e.g. the EU Carbon Border Adjustment Mechanism.
	Vulnerable to the impacts of climate change and natural hazards, already disrupting reliability of hydropower resources.	Climate resilient infrastructure investments, in particular to ensure year-round power generation availability. Increasing incidence of power supply interruptions as a result of droughts and extreme weather conditions driving commercial and industrial customers to secure round-the-clock sustainable energy solutions.
	Enduring access to energy and quality of supply issues, particularly in more remote areas.	Potential for distributed energy solutions, for both household and industrial users.

[286] Mongabay. 2021. Accessed online: https://news.mongabay.com/2021/05/drastic-forest-development-vietnam-to-plant-1-billion-trees-but-how/.
[287] Bloomberg NEF Climatescope. 2024. https://www.global-climatescope.org/markets/vn/.
[288] UNFCCC. IFI Dataset of Default Grid Factors. 2022. https://unfccc.int/sites/default/files/resource/Harmonized_IFI_Default_Grid_Factors_2021_v3.2_0.xlsx.
[289] FitchRatings. 2022. 'Vietnam Electricity' https://www.fitchratings.com/research/corporate-finance/vietnam-electricity-10-10-2022.

SDG 8, 10 and 16 Quality Jobs and Human Rights	While there are significant restrictions on freedom of association and civil liberties, the government has expressed commitment to strengthening labour rights and the quality of employment offered to its people. Pay disparities between men and women remains a major challenge.	Creation of quality jobs, emphasising inclusive practices as an employer of choice.
SDG 2, 6, 12, 14, 15 Nature and the Circular Economy	46.7% forest cover,[290] and a global biodiversity hotspot. Biodiversity and ecosystem integrity eroded by commercial exploitation, population growth and introduction of invasive alien species in recent years.	Investments in nature-based solutions and nature positive approaches to infrastructure, potentially including biomass projects.
	Vietnam has severe waste management and plastic pollution issues. The total volume of waste each year in the country is approximately 25.5 million tons, of which 75% goes into landfills[291]	Support productive use of wastes, including through waste to energy power plants, for co-firing or replacement of coal-fired power plants to ensure base load supply.
	Water quality and availability are growing issues. Only about 20% of industrial clusters invested in waste water treatment systems, and the government has set targets to increase treatment from 15% to 70% over the next 10 years.[292]	Water treatment facilities that avoid Methane emissions and have reduced energy footprints can help meet these challenges, providing safer water for households and irrigation as well as reduced carbon emissions.

[290] World Bank. 2022. World Development Indicators https://data.worldbank.org/indicator/AG.LND.FRST.ZS?locations=VN.
[291] UNDP - Vietnam. 2024. https://www.undp.org/vietnam/stories/ripples-change-viet-nams-journey-reduce-plastic-pollution#:~:text=The%20consumption%20of%20single%20use,of%20plastic%20waste%20being%20recycled.
[292] Vietnam Plus. 2023. https://en.vietnamplus.vn/vietnams-wastewater-treatment-needs-better-technologies/269447.vnp.

MANAGEMENT AND EMPLOYEES

General

Set out below is an overview of relevant information concerning the Board and the Group's employees, and an overview of certain significant provisions of Dutch corporate law as in effect on the date of this Prospectus, the Articles of Association and the Board Rules (as defined below) as these will read as of the First Trading Date.

This overview does not purport to give a complete overview and should be read in conjunction with the Articles of Association and the relevant provisions of Dutch corporate law. This overview does not constitute legal advice regarding these matters and should not be considered as such. The full text of the Articles of Association is available in Dutch and English at the Company's business address during regular business hours. The Articles of Association are also available in Dutch and English on the Group's website.

The business address of the members of the Board is Zuidplein 36, 1077XV Amsterdam, The Netherlands.

Management Structure

The Company has a one-tier board structure. The Board consists of members that have the responsibility to supervise the performance of duties by the Executive Directors (as defined below) as well as the general course of affairs of the Company and the business it operates (the "**Non-Executive Directors**") and those members who have responsibility for the day-to-day management of the Company (the "**Executive Directors**").

Board

Powers, responsibilities and functioning

The Board is both the executive and supervisory body of the Company. It is entrusted with the management of the Company's operations as well as the operations of the Group and the supervision thereon. In the exercise of their duties, the Board members must be guided by the interests of the Company and the business connected with it. Each Board member is responsible for the general course of affairs of the Company. The Board is accountable for these matters to the General Meeting.

The Board's responsibilities include, among other things,

- developing the strategy and supervising the implementation thereof;
- developing a view on long-term value creation by the Company;
- enhancing and optimising the performance of the Company;
- setting the Company's management agenda, including the appointment of members of the Executive Committee and supervision of their activities;
- identifying, analysing and managing the risks associated with the Company's strategy and activities;
- engaging with stakeholders of the Group;
- the financial reporting process and drawing up the annual accounts; and
- establishing and implementing internal procedures, which safeguard that all relevant information is known to the Board in a timely manner.

The duty of the Non-Executive Directors is to supervise the performance of duties by the Executive Directors as well as the general course of affairs of the Company and the business it operates. The Non-Executive Directors shall support the Executive Directors with their advice. The Board may perform all acts necessary or useful for achieving the Company's corporate purposes, except for those expressly attributed to the General Meeting pursuant to Dutch law or the Articles of Association (see "*– Board – Decision making*").

Pursuant to the Articles of Association and the Board Rules, the Board may delegate duties and powers to individual Board members. In fulfilling their responsibilities, the members of the Board must act in the interest of the Company and the business it operates, taking into consideration the relevant interests of the Group's employees, shareholders, lenders, customers, suppliers and other stakeholders of the Group.

The Board as a whole and the Executive Directors jointly are authorized to represent the Company.

Board Rules

In accordance with the Articles of Association, the Board may adopt rules governing, among other things, the Board's decision-making process and working methods (the "**Board Rules**"). The Board Rules describe the duties, tasks, composition, procedures and decision-making of the Board. The Board Rules are available on the Group's website.

Composition, Appointment, Dismissal and Suspension

The Articles of Association provide that the number of Board members shall be determined by the Board. Only individuals can be Directors. At the date of this Prospectus, the Board comprises five members although the intention is to increase this number in line with the expected growth of the Company and Group. Board members are appointed by the General Meeting, either as an Executive Director or as a Non-Executive Director. Pursuant to the Relationship Agreement, MNA is granted the right to designate one person for appointment as a Non-Executive Director, see also "*Major Shareholders and Related Party Transactions – Related Party Transactions – Relationship Agreement*". It is agreed that it is not required that this Non-Executive Director qualifies as independent within the meaning of the Dutch Corporate Governance Code.

The General Meeting may at any time suspend or dismiss a member of the Board. A resolution of the General Meeting to suspend or dismiss a member of the Board shall be adopted by absolute majority of the votes cast. An Executive Director may also be suspended by the Board. Any suspension may be extended one or more times but may not last longer than three months in the aggregate. If, at the end of that period, no decision has been taken on termination of the suspension or on dismissal, the suspension will end. A suspension may at any time be discontinued by the General Meeting.

Term of Appointment

Any new member of the Board is appointed for a maximum period of four years, provided that, unless a member of the Board resigns earlier, his/her appointment period shall end immediately after the General Meeting that will be held in the fourth calendar year after the date of his/her appointment. The current members of the Board have been appointed for a term of up to four years. A member of the Board may be reappointed for a term of not more than four years at a time, which reappointment should be prepared in a timely fashion. The Company's diversity and inclusion policy and board profile (the "**Diversity and Inclusion Policy and Board Profile**") drawn up in accordance with the Board Rules, will be considered in the preparation of the appointment or reappointment of a member of the Board.

Decision-making

Except as provided otherwise in the Articles of Association and the Board Rules, resolutions of the Board are adopted by an absolute majority of the votes cast. If there is a tie in voting, the chairperson of the Board will have a decisive vote. The Board may designate in writing types of resolutions which are subject to requirements deviating from the foregoing.

The Board may also adopt resolutions without convening a meeting, provided that all members of the Board entitled to vote have been consulted and none of them have raised an objection to adopt resolutions in this manner. Resolutions of the Board outside a meeting are adopted by an absolute majority of the votes cast.

In the Board Rules it is provided that the Executive Directors can lawfully adopt resolutions concerning any matters relating to the day-to-day management of the Company (the "**Executive Matters**"). The authority of the Executive Directors with respect to Executive Matters does not prevent the Board from adopting resolutions on any Executive Matters.

The Board Rules provide that certain matters always require a resolution of the Board, unless the Articles of Association or Dutch law requires otherwise. This concerns the following matters:

- Determination of the annual budget;
- Issuances of Shares, granting rights to subscribe for Shares or exclusion of pre-emptive rights;
- Share buy-back transactions by the Company;
- Reduction of the share capital of the Company;
- Disposal of Shares held by the Company in its own capital;
- Reservation or distribution of profits or reserves by the Company;
- Interim distributions of dividends by the Company;
- Amendment of the Articles of Association;
- Legal merger or demerger of any material subsidiary;
- Amendment of the Board Rules;
- Any material acquisitions, investments or mergers by the Company or any of its subsidiaries;
- Any material divestments or disposals by the Company or any of its subsidiaries;
- Any material financings by any subsidiary unless within ordinary course of business;

- Dissolution or liquidation of any material subsidiary;
- Bankruptcy or suspension of payments of any material subsidiary;
- Allocation of duties among the Directors;
- Delegation of authorities to members of the executive committee of the Company;
- Appointment and dismissal of the Company secretary;
- Appointment and dismissal of the senior internal auditor of the Company;
- Termination of employment or significant change in the working conditions of a significant number of employees of the Group;
- Appointment or dismissal of individuals employed by any Group company with a base salary in excess of €300,000 per annum;
- Listing or delisting of securities of the Company;
- Extraordinary material related party transactions;
- Transactions where there is a conflict of interest;
- Resolutions where there is a conflict of interest;
- Material legal proceedings involving or relating to the Company;
- Adoption of annual budget or business plan of the Company and material amendments thereto.

In addition, Dutch law and the Articles of Association provide that resolutions of the Board involving a significant change of identity or character of the Company or its business are subject to the approval of the General Meeting. Such changes include:

- the transfer of all or a substantial portion of the business and/or assets of the Company to a third-party;
- entering into or terminating a long-term cooperation between the Company or a subsidiary (*dochtermaatschappij*) and another legal entity or company or as a fully liable partner in a limited partnership or general partnership, if such cooperation or termination thereof is of fundamental importance for the Company; and
- the Company or a subsidiary (*dochtermaatschappij*) acquiring or disposing a participation in the capital of a company if the value of such participation is at least one-third of the sum of its assets according to the Company's consolidated balance sheet and explanatory notes set out in the last adopted annual accounts of the Company.

In each of the above-mentioned situations, the absence of approval from the General Meeting does not affect the authority of the Board or its members to represent the Company.

Members of the Board[293]

As of the date of this Prospectus, the Board is composed of the following members:

Name	Age	Position	Member since	Term
Jan van den Berg	58	Non-Executive Director (Chairperson)	2025	4 years
Marc van 't Noordende	66	Non-Executive Director	2025	4 years
Herta Von Stiegel	66	Non-Executive Director	2025	4 years
Clare Wallace Roy	51	Non-Executive Director	2025	4 years
Michael Sieg	47	Group Chief Executive Officer	2024	4 years
Vivienne Maclachlan	46	Group Chief Financial Officer	2025	4 years

[293] Annex 1, items 12.1 and 14.1.

CVs Directors

Jan van den Berg

Jan van den Berg is the Chair of the Board. He has extensive experience as supervisory board member. Since 2019 he served as chair of the supervisory board of Impatients and since 2018 he has served as member of the supervisory board of Oranje Fonds, and chair of the supervisory boards of Achmea Group. In addition, from 2018 to 2023, he was member of the supervisory board of HealthTech Global and since 2018 he served as principal of the Joep Lange Institute. In his earlier career, from 2011 to 2020, he held various roles with Prudential Financial Inc., including as senior advisor, based in Amsterdam, and as CEO of the Asia region, based in Singapore, covering Prudential's Asian operations. Before this, from 2000 to 2010, he worked at AXA Netherlands, as CEO Netherlands, and AXA Asia Pacific, General Insurance, as Asia CEO, based in Singapore, covering AXA's entities in Asia. From 1994 to 2000 he held various management positions with ING Group/Nationale Nederlanden, covering all insurance business lines. He started his career with the Finance team of Coopers & Lybrand Corporate Finance (now PricewaterhouseCoopers), where he worked from 1990 to 1994, both based in Amsterdam and London. Jan holds a degree in Medicine and an MBA from the Rotterdam School of Management.

Marc van 't Noordende

Marc van 't Noordende is a Non-Executive Director and began his professional journey in 1980 at the Dutch Ministry of Finance, establishing his foundation in regulatory compliance and financial management. From 1984 until 1995, he held various positions with Akzo Nobel, including general manager of the Crystex business. In 1995, Marc joined Gemini Consulting in Paris as vice president, leading the chemicals practice in Southern Europe. From 1996 to 1997, he was CEO at Protein Genetics in the United States. After the sale of Protein Genetics, Marc returned to Europe to join Essent, where he worked from 2000 until 2008, and was appointed COO in 2005. As interim CEO of Theolia in France from 2008 to 2010, and as CEO of NKT Cables from 2011 until 2015, he steered the companies through their turnaround phases. Since 2016, Marc has worked at Morgan Stanley as operating partner and, since 2024, as an advisor. In addition to his executive activities, Marc has held several non-executive director positions, including at Delta N.V. from 2015 to 2017, ICE Endex Holding B.V. since 2013, Berenschot Group B.V., where he also serves as chair of the supervisory board since 2015, and at PNE AG since 2022. Marc holds a masters in Law from the University of Leiden and completed an MBA at INSEAD.

Herta Von Stiegel

Herta Von Stiegel is a Non-Executive Director. She has over 30 years of international management, investment banking, and board-level experience. Starting as a tax attorney and consultant in New York and Michigan, Herta transitioned into the banking industry. In 1989, she joined Citibank where she held various positions, including vice president & head of the Financial Engineering Group, Global Derivatives. Herta moved to Rabobank International in London in 1998, where she served as managing director, Global Financial Markets. She joined JP Morgan in London as vice president & head of Structured Tax Products for Europe one year later. In 2000, she joined AIG Financial Products in London as managing director. In 2008, Herta founded Ariya Capital Group Ltd, a regulated financial services firm and project developer focusing on clean energy and enabling infrastructure investments in Africa. Since 2006, Herta has held several non-executive roles alongside her executive positions. Among others, she was chairman of Stargate Capital Investments Group from 2006 to 2008, chairman of CHAPS Clearing Company LTD from 2013 until 2017, non-executive director at the London Metal Exchange, serving on the audit and risk, nominations, and enforcement committees from 2019 until 2023, and has been a member of the supervisory board of Leaseplan since 2015. She is also a member of the Foundation Council of RBG Kew. Herta holds bachelor degrees in History, German, and Law, a master in Taxation from the New York University School of Law, and completed the executive programme in Corporate Finance at the London Business School.

Clare Wallace Roy

Clare Wallace Roy is a Non-Executive Director. She brings over 30 years of experience in financial markets, specialising in fundraising, financial analysis, research, sales, and change management. Clare began her career in 1995 at NatWest Securities, where she worked as an Dutch equity analyst. In 1997, she transitioned to equity sales at Rabo Securities. Between 1998 and 2008, Clare held various roles at ABN AMRO, including as senior vice president of equity sales and pan European sales. From 2008 to 2021, Clare worked as senior pan European account manager at Kepler Cheuvreux, focusing on ECM transactions, fundraising, and building long-term relationships with investors and investment houses. In 2022, she joined Van Lanschot Kempen as managing director to lead the transformation of the Local Alpha offering into a sustainability-focused product. In 2024, Clare founded Clearhart, an investor relations advisory service that supports listed companies in developing equity narratives and enhancing communication with investors to create stakeholder value. Clare holds an honours master's degree in Economics and Finance from the University of St Andrews and a master's degree in Banking and International Finance from Heriot-Watt University.

Michael Sieg[294]

Michael Sieg is the founder and Chief Executive Officer of the Group and has been involved in all phases of the Group's development. He has over 25 years of experience in global financial markets, specialised in alternative investments, ranging from private equity and private debt over

[294] Annex 1, item 12.1(c).

infrastructure and other real assets to impact investments. He has advised clients and managed portfolios in the clean energy and technology sector since 2005 with a focus on high-growth industries, particularly in markets in North America, Europe and the Asia-Pacific region. Since having established the Group in 2003, Michael has acted as its CEO and Chair of the investment committee. Additional management roles he has assumed in the Group over the past two decades include CFO and Head of Asset Management. Michael has also held numerous board positions within the ThomasLloyd group of companies, including Chairman of the board of directors of ThomasLloyd Group, member of the supervisory board of the Schnigge Wertpapierhandelsbank, managing director of ThomasLloyd Cleantech Infrastructure Holding and member of the board of directors of CTI Asia and San Carlos Biopower. Before establishing the Group, from 1996 to 2002, Michael was the founder and managing partner of Sieg Consulting, as part of which he provided a broad range of consulting services in the area of structured and insurance-based investment products to corporate, wholesale and institutional clients in Europe, including advice on legal, tax, regulatory and finance-related topics. Prior to the start of his career, Michael attended the educational institutes Johannes-Kepler-Gymnasium and Technisches Gymnasium in Leonberg (Stuttgart), where he specialised in physics, technology and mechanical engineering and electrical engineering.

Vivienne Maclachlan

Vivienne Maclachlan is the Chief Financial Officer of the Group since 2019. She started her career with PricewaterhouseCoopers in 2000 and has more than 16 years of public accounting experience in the audit and capital markets teams of PricewaterhouseCoopers, where she was based in London as well as Moscow and Aberdeen. During her years at PricewaterhouseCoopers, she was part of the capital markets team for more than 12 years, where she assisted and advised management teams and owners of companies on raising capital in UK, US and European markets and on merger and acquisition transactions. Prior to joining the Group, Vivienne Maclachlan acted as CFO of Alfa Financial Software, a technology company based in London, with operations in the US, Europe, Australia, and New Zealand. In this role, she was closely involved in the initial public offering of Alfa Financial Software. Vivienne holds a bachelors degree in Law from the University of Aberdeen and is Chartered Accountant, being a member of the Institute of Chartered Accountants, Scotland.

Executive Committee[295]

The Group has an executive committee (the "**Executive Committee**") that's supports the members of the Board in the day-to-day management of the Group's business. As of the date of this Prospectus, the Executive Committee is composed of the following members:

Name	**Age**	**Position**
Michael Sieg	47	Group Chief Executive Officer
Vivienne Maclachlan	46	Group Chief Financial Officer
Duncan Black	54	Group Chief Operating Officer
Anil Nayar	59	Head of Project Development and Construction
Miriam Plater	62	Group Chief People Officer

The composition of the Executive Committee will be assessed on a regular basis and may change due to new appointments, retirements, resignations or if the Board considers this necessary to align the composition of the Executive Committee with the strategy, the growth, the positioning or aspirations of the Company. Furthermore, the Board will assess the effectiveness of the governance structure of the Executive Committee and the Board.

<u>*CVs Executive Committee*</u>

Duncan Black

Duncan Black is the Group Chief Operating Officer and based in Singapore. Duncan has been with the Group since 2023 as head of portfolio & asset management. Prior to joining the Group, from 2019, he worked as managing director of Asia Infrastructure Advisors, a financial advisory firm focused on advising renewable energy businesses in Asia on greenfield development, M&A, debt and equity financial transactions, and asset management, during which time he led the commercial negotiations and project financing for the US$1 billion Monsoon Wind Farm in Lao PDR. Moreover, from 2020 onwards, Duncan Black has been independent non-Executive chairperson of SIMEC Atlantis Energy.

Other positions held by Duncan were co-head infrastructure at Eastspring Investments, from 2017 to 2019, which involved infrastructure equity and infrastructure project finance debt investment and partner, executive director and CFO at Daestrum Capital in Singapore from 2016 to 2017. Duncan also worked as head of infrastructure acquisitions at Deutsche Asset Management in Asia from 2015 to 2016, where he focused on

[295] Annex 1, item 12.1(d).

renewable energy businesses in India, Indonesia, Thailand and China and identified target sectors and opportunities. As part of this role, Duncan was responsible for the origination of investments for a US$ 1 billion pan-Asian infrastructure fund. Prior to this, from 2011 to 2018, Duncan held various roles at Atlantis Resources Limited, including the role of CFO.

From 2009 to 2011, Duncan Back acted as managing director at Lyon Group, from 2008 to 2009 Duncan was chief executive officer of the Asia Infrastructure Fund in Singapore and from 2003 to 2008 Duncan held various positions at CLP Holdings in Hong Kong and Australia, including as director development & corporate finance and CFO, where he was responsible for M&A, development, financing and management of power assets in South-East Asia and Australia. Before his role at CLP Holdings, Duncan Black was director and head of project development and financing at InterGen from 2000 to 2003 and investment banker at Schroders Investment Bank from 1996 to 2000.

Duncan started his career working as a site civil engineer in the United Kingdom. Duncan holds a bachelor degree with Honours in civil engineering from Imperial College, London. Duncan also holds a PhD in Fluid Mechanics from Imperial College, London.

Anil Nayar

Anil Nayar is the Head of Project Development and Construction, based in Delhi, India. He joined the Group in 2024. Previously Anil Nayar was the co-founder and CEO of SolarArise India, a developer, owner and operator of utility-scale solar plants across India in which the Group also holds a minority interest. Prior to working at SolarArise, Anil Nayar co-founded Sunborne Energy, a solar development company in India in September 2009. Prior to that Anil was a senior vice-president of operations and head of investor relations at GenPact, where he headed a business with revenues of over US$ 250 million and a team of over 2,500 people to support global operations. Before joining GenPact, between 2001 and 2006, Anil Nayar served as senior partner in the area of audit and advisory services at KPMG India, as part of which he was actively involved in transaction services, working on cross-border transactions and advisory services across America and India in multiple industries including financial services and business process off-shoring. Anil holds a bachelor's degree with honours in accounting from the University of Waterloo, Canada and is a chartered accountant in Canada.

Miriam Plater

Miriam Plater has been the Chief People Officer of the Group since 2018. Before joining the Group, from 2016 to 2018, Miriam served as International HR Director of Goodwin Procter LLP, for which she was based in London, and from 2001 to 2015 Miriam held several positions with Bibby Financial Services, including Global HR Director, for which she was based in Atlanta, US and the UK. Miriam also worked for several companies on consultancy or interim basis, including for ThomasLloyd. Before joining Bibby Financial Services, Miriam worked in both the public and private sectors, including as HR advisor for TUI travel, operational manager and training manager of Bass Brewers and generalist HR assistant with the UK National Health Services. Her educational background includes CIPD from Staffordshire University UK, and CIPD chartered Fellow status.

Non-Executive Directors' Committees

The Board will have an audit and risk committee (the "**Audit and Risk Committee**"), a remuneration committee (the "**Remuneration Committee**") and a nomination committee (the "**Nomination Committee**"). Only Non-Executive Directors will be appointed to the Audit and Risk Committee, Remuneration Committee and Nomination Committee.

The function of these committees is to assist the decision-making of the Board.

Audit and Risk Committee[296]

The Audit and Risk Committee assists the Board in monitoring the integrity of the Company's financial reporting, reviewing and monitoring the adequacy and effectiveness of the internal control and risk management systems, assessing the effectiveness and the objectivity of the external audit processes, overseeing the effectiveness of the speak-up and whistleblowing procedures and overseeing and developing the assurance and oversight in relation to impact and ESG reporting.

The roles and responsibilities of the Audit and Risk Committee as well as the composition and the manner in which it discharges its duties are set out in the terms of reference of the Audit and Risk Committee. The Audit and Risk Committee will meet as often as circumstances dictate but in any event at least five times per year.

The members of the Audit and Risk Committee will be: Marc van 't Noordende (chairperson), Jan van den Berg and Herta Von Stiegel.

Remuneration Committee[297]

The Remuneration Committee assists the Board with respect the framework of remuneration and remuneration arrangements for the members of the Board and the members of the Executive Committee. It is responsible for preparing a proposal to the Board for the remuneration policy to be

[296] Annex 1, item 14.3(a.).
[297] Annex 1, item 14.3(b.).

adopted by the General Meeting and preparing a proposal to the Board for the determination of the annual remuneration of the Executive Directors and the members of the Executive Committee, including any performance based payments.

The role and responsibility of the Remuneration Committee as well as the composition thereof and the manner in which the members thereof discharge their respective duties are set out in the terms of reference of the Remuneration Committee. The Remuneration Committee will meet as often as circumstances dictate but in any event at least twice per year.

The members of the Remuneration Committee will be: Herta Von Stiegel (chairperson) and Jan van den Berg.

Nomination Committee

The Nomination Committee assists the Board by advising on matters such as Board evaluation and appointments, Board succession planning, assessing the performance of Board members, and evaluating Board candidates prior to their appointment. The Nomination Committee also reviews and proposes for Board approval, diversity and inclusion metrics, including corporate governance oversight matters

The role and responsibility of the Nomination Committee as well as the composition thereof and the manner in which the members thereof discharge their respective duties are set out in the terms of reference of the Nomination Committee. The Nomination Committee will meet as often as circumstances dictate but in any event at least twice per year.

The members of the Nomination Committee will be: Jan van den Berg (chairperson) and Herta Von Stiegel.

Remuneration of the Executive Directors[298]

The remuneration of the members of the Executive Board is determined by the Non-Executive Directors, with due observance of the remuneration policy as adopted by the General Meeting.

The remuneration policy is designed to attract, encourage, and retain Board members by incentivising them in line with the Company's strategy. Furthermore, the remuneration policy is designed to remunerate high performance in a competitive, fairly, and open manner.

Pursuant to the remuneration policy, the remuneration of the members of the Board will consist of:

- a base salary;
- pensions;
- benefits;
- a variable annual bonus (short term cash incentive);
- a long-term variable incentive; and
- severance arrangements.

Furthermore, the remuneration policy provides that Executive Directors are required to retain 100% (net of tax) of any long-term or annual bonus awarded in shares until they reach a specific ownership guideline.

Remuneration components

Base salary

The core element of the remuneration of the Executive Directors is the base salary, which is a fixed amount paid monthly in cash. Each year, the Remuneration Committee reviews the base salaries, taking into account both the market remuneration and the level of the base salaries. The purpose of the base salary is to provide a foundation for competitive remuneration, to facilitate attraction, and to reward performance in day-to-day activities.

As of the date of Admission, the base salary of the CEO amounts to €900,000 and the base salary of the CFO amounts to €[435,000].

Pension plan

The Executive Directors are provided with the opportunity to participate in a defined contribution pension plan, which includes an allowance to participate in a pension scheme, pension insurance and insurance for disability to work. Payouts under the pension plan occur on an annual basis. The purpose of the pension plan is to provide the Executive Directors with employee welfare and retirement needs.

at the date of Admission, the CEO does not participate in a pension plan and the pension plan of the CFO amounts to [15]% of the base salary.

[298] Annex 1, item 13.1.

Additional benefits

Executive Directors may receive benefits such as expense allowances, reimbursement of expenses, company cars and health insurance. The Remuneration Committee evaluates and, if appropriate, recommends to the Board the introduction of new benefits, taking into account the specific circumstances and prevailing market practices. The purpose of providing additional benefits is to offer market competitive benefits to aid retention.

As of 1 January 2025, the CEO is not awarded additional benefits and the additional benefits of the CFO amount to [€10,000].

Bonuses and other short-term incentives

Bonuses and other short-term incentives are awarded in cash with a portion awarded in deferred Ordinary Shares A of the Company or a right to receive such shares for nil cost. More specifically, bonuses and short-term incentives in excess of 75% of the Executive Director's base salary will be awarded in deferred Ordinary Shares A, with a total vesting and holding period of five years, or a right to receive such shares for nil cost. Prior to the end of the performance year, the Executive Directors may indicate that they wish to receive up to an additional 25% of their bonus or other short-term incentive payouts in shares. The purpose of the bonus and other short-term incentives is to encourage sound business decisions for the long-term company health and to align Executive Directors' and shareholders' interests.

Bonuses and other short-term incentives granted are based on the extent to which the targets for performance measures for that financial year are met. The performance measures are divided into financial measures (75%) and non-financial measures (25%). For 2024, the following performance measures are in place, applied as a percentage of the payout:

Performance measure	**CEO**	**CFO**
Revenue growth	40%	10%
Adjusted EBITDA profit margin	20%	20%
Impact	15%	15%
Automation, transformation and cost efficiency projects	n/a	30%
Individual leadership metrics	25%	25%
	100%	100%

For each performance measure, the following payout levels apply as a percentage of salary:

Performance level	Threshold	Target	Maximum
Performance metric	75%	100%	150%

As of 1 January 2025, the bonuses and short-term incentives plans of the CEO and CFO which could be awarded for the year ended 31 December 2025 is up to a maximum of 150% of the base salary of the CEO and CFO respectively.

Long-term incentives plan (LTIP)

The LTIP is designed to provide annual awards to both the Executive Directors and other senior employees. Such awards will consist of Ordinary Shares A in the Company's capital with a vesting period of at least three years, with an additional two-year holding period. The purpose of the LTIP is to promote sound business decisions for long-term company health, to align Executive Directors' and shareholders' interests, and to promote the retention of Executive Directors. Currently, no awards are granted to any employees under any LTIP, the first year of award will be for the financial year ended 31 December 2025.

The vesting of awards under the LTIP hinges on the Company's performance over a period of three years on the following performance measures, applied as a percentage of the payout:

Performance measure	**Metric**
Profitability – Earnings per share growth	40%
Shareholder return – Total shareholder return	40%
Impact – Emissions avoided	20%
	100%

For each performance measure, the following payout levels apply as a percentage of base salary. As the CEO ultimately controls the Company, he does not receive awards under the LTIP.

Performance level	Threshold	Target	Maximum
Performance metric	75%	100%	150%

Remuneration of the Non-Executive Directors[299]

The Non-Executive Directors are paid a fixed yearly fee approved by the General Meeting, with due observance of the remuneration policy. Fee levels are regularly evaluated, taking into account the required time commitment, responsibilities of the role, and market levels in comparable companies.

As of 1 January 2025, the annual remuneration for the Non-Executive Directors is as follows:

- Chair – €75,000;
- Non-Executive Director – €50,000;
- Chair of the Audit and Risk committee – additional €10,000; and
- Chair of a Board committee other than the Audit and Risk Committee – additional €5,000.

Remuneration of the Board and the Executive Committee

For the year ended 31 December 2023, the remuneration of Michael Sieg amounted to €900,000 and the remuneration of Vivienne Maclachlan amounted to €467,800. None of the other members of the Board received any remuneration in the year ended 31 December 2023.

The total aggregate remuneration received by the members of the Executive Committee amounted to €1.9 million in the year ended 31 December 2023.

Shareholding Information[300]

MNA, an entity directly controlled by Michael Sieg, will hold [●]% of the Ordinary Shares A and all of the Ordinary Shares B. See also "*Major Shareholders and Related Party Transactions*". Other than that, at the First Trading Date, none of the Directors or members of the Executive Committee own shares or stock options giving access to the share capital of the Company.

The Remuneration Policy provides that the CEO and the CFO are encouraged to retain a shareholding consummate to 200% and 150% of their respective base salary (the "**Executive Director Shareholding Amount**"). To facilitate the build-up of the Executive Director Shareholding Amount, each Executive Director is required to retain 100% of any long-term incentive or annual bonus awarded in shares which have vested, until the Executive Director reaches the ownership requirement of the Executive Director Shareholding Amount. This ensure that the interests of the Executive Directors are aligned with the Shareholders.

Service Agreements, Employment Agreements and Severance Agreements[301]

Each Executive Director has entered into a service agreement with the Group. The service agreements of the CEO and the CFO provide for a severance payment in the event of termination. The amount of the severance payment will be the fixed remuneration component of one year's salary, each for the preceding financial year. No severance payment will be awarded if the service agreement is terminated early at the initiative of the CEO or the CFO, as applicable, or in the event of seriously culpable or negligent behaviour on the part of the CEO or the CFO, as applicable.

The Non-Executive Directors do not have employment, service or severance agreements with the Group.

Board Conflicts of Interest

Under Dutch law, a member of the Board who has a conflict of interest must abstain from participating in the deliberation and the decision-making process with respect to the relevant matter. If any such member was nevertheless involved in the decision-making process, then such decision may be nullified.

Pursuant to the Articles of Association, if all Board members have a conflict of interest with the Company and, as a result thereof, no resolution can be passed by the Board, the resolution may nevertheless be passed by the Board as if none of the Directors has a conflict of interests as described in the previous sentence.

[299] Annex 1, item 13.1.
[300] Annex 1, item 15.2.
[301] Annex 1, item 14.2.

As a general rule, agreements and transactions entered into by a company based on a decision of its board that are adopted with the participation of a board member who had a conflict of interest with respect to the matter cannot be annulled. However, under certain circumstances, a company may annul such an agreement or transaction if the counterparty misused the relevant conflict of interest.

Related Party Transactions Policy

The Board Rules provide for a related party transactions policy in accordance with Dutch law. Related party transactions include transactions between the Group and "related parties" as defined in the Board Rules, including, a legal entity who legally or beneficially holds at least 10% of the shares in the Company from time to time and any parties qualifying as such in accordance with IFRS (IAS 24 (Related Party Disclosures)). The related party transaction policy provides procedures for members of the Board to notify a potential related party transaction. Each extraordinary material related party transaction requires the approval of the Board. Any member of the Board who is involved in a related party transaction cannot participate in the deliberations or decision-making with respect to the related party transaction concerned. See "*Description of Share Capital and Corporate Governance – Related Party Transactions Regime*" for further information on when a related party transaction is considered to be an extraordinary material related party transaction.

Potential Conflicts of Interest and Other Information[302]

The Directors do not have any conflicts of interest between their duties to the Company and their private interests or other duties. Furthermore, the Directors do not have any potential conflicts of interest between their duties to the Company and their private interests, except for the CEO and founder of the Company, Michael Sieg, who indirectly controls the Company, through its ownership of MNA, that will hold [●]% of the issued Ordinary Shares A and 100% of the issued Ordinary Shares B. See also "*Risk Factors - The Company is controlled by MNA, that will continue to be in a position to exert substantial influence over the Group. The interests pursued by MNA could differ from the interests of the Company's other Shareholders*". For the avoidance of doubt, the Company is not aware of any conflict between the private interests of Michael Sieg and the interests of the Company, but the Company cannot exclude that in the future a potential conflict of duties may arise due to his role as controlling shareholder of the Company and his role as CEO of the Company. As CEO of the Company, Michael Sieg should focus on the interests of the Company and all its stakeholders, which includes MNA, but is not limited thereto, whereas as owner and director of MNA, Michael Sieg may focus on the interests of MNA alone. A situation may arise in which the private interests of Michael Sieg and the interests of the Company or its stakeholders diverge and a conflict of interests may arise. In this context, as part of the Relationship Agreement, MNA undertakes to refrain from exercising its voting rights attached to the Ordinary Shares B held by it on resolutions brought before the General Meeting that relate to, among others, a transaction between the Company and a party that forms part of the MNA Group. There are no other circumstances that may lead to a potential conflict of interest between the private interests or other duties of members of the Board vis-à-vis the Group's interests. There is no family relationship between any members of the Board.

With respect to each of the members of the Board, the Group is not aware of (i) any convictions in relation to fraudulent offences in the last five years; (ii) any bankruptcies, receiverships or forced liquidations of any entities in which such member held any office, directorship or senior management position in the last five years; or (iii) any official public incriminations or sanctions of such member by statutory or regulatory authorities (including designated professional bodies), or disqualifications by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

Directors' Indemnification and Insurance

Under Dutch law, members of the Board 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 to the Company and to third parties for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil and criminal liabilities. Members of the Board and certain other officers of the Company and certain subsidiaries are insured under an insurance policy against damages resulting from their conduct when acting in their capacities as such members or officers.

The Articles of Association include provisions regarding the indemnification of current or former Board members who was or is in his or her capacity as member of the Board a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal or administrative or any action, suit or proceeding in order to obtain information (other than an action, suit or proceeding instituted by or on behalf of the Company), against any and all liabilities including all expenses (including attorneys' fees), judgments, fines, amounts paid in settlement and other financial losses, actually and reasonably incurred by him in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company.

No indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged in a final and non-appealable judgment by any competent court to be liable for gross negligence or wilful misconduct in the performance of his or her duty to the Company, unless and only to the extent that the judge before whom such action or proceeding was brought or any other competent court having appropriate jurisdiction shall determine upon application that, despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to a compensation which the judge before whom such action or proceeding was brought or such

[302] Annex 1, items 12.1(e.) and 12.2.

other judge having appropriate jurisdiction shall deem proper; or insofar costs and losses have been insured under any insurance and the insurance company has reimbursed to him or her the costs and losses.

The Company shall pay any expenses (including attorneys' fees) incurred by the current or former Board member in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of an such current or former Board Member to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Company.

Limitations of Supervisory and Non-Executive Positions

Pursuant to Dutch law, there are limitations to the number of supervisory or non-executive positions persons can hold on the boards of directors of "large Dutch companies". The term "large Dutch company" applies to Dutch public limited liability companies, Dutch private limited liability companies and Dutch foundations that at two consecutive balance sheet dates meets at least two of the following criteria: (i) the value of its assets, as given in its balance sheet (together with explanatory notes) on the basis of their acquisition price and production costs, is more than €25 million; (ii) its net turnover in the applicable year is more than €50 million; and (iii) the average number of employees in the applicable financial year is at least 250. The Company will qualify as a "large Dutch company".

A person cannot be appointed as a managing or executive director of a "large Dutch company" if: (i) they already hold a supervisory or non-executive position at more than two other "large" Dutch companies or foundations; or (ii) they are the chairperson of the supervisory board or one-tier board of directors of another "large" Dutch company or foundation. Also, a person cannot be appointed as a supervisory director or non-executive director of a "large Dutch company" if they already hold a supervisory position or non-executive position at five or more other "large" Dutch companies or foundations, whereby the position of chairperson of the supervisory board or one-tier board of directors of another "large" Dutch company is counted twice.

As at First Trading Date, the Board members will comply with these rules as none of the Board members will hold more than the allowed number of positions with a large Dutch company on the First Trading Date.

Diversity

Dutch companies listed on a regulated market in the Netherlands have to comply with a quota of at least one-third for both female members and male members on supervisory boards or non-executive directors (if the number of members is not divisible by three, the one-third requirement is based on the next rounded up number). For as long as the composition of the supervisory board or non-executive directors is not 'gender balanced' under this rule, a nominee from the overrepresented gender cannot be appointed, unless it concerns the reappointment of a member of the supervisory board or non-executive director within the first eight years after the year of that board member's first appointment. A new appointment not in accordance with the one-third quota will be regarded as null and void (*nietig*). As a result, the person in question will not become a member of the supervisory board or non-executive director of the company. The Company will be compliant with these rules, as the Non-Executive Directors will be composed of two female member and two male members as of First Trading Date.

Long Term Incentive Plan[303]

The Company intends to implement a Long Term Incentive Plan ("**LTIP**"), which is aimed to align the interests of the Directors and the employees of the Group with those of the long-term shareholders and which provides an incentive for longer term commitment and retention of the Executive Directors and its senior employees. The LTIP furthermore serves as a retention tool for critical talent. Under the proposed LTIP scheme, the Executive Directors and certain senior employees are eligible to be granted share awards of Ordinary Shares A on an annual basis. This will be in the form of conditional free shares or nil or nominal cost options. The amount of annual awards will be determined by reference to a number of Ordinary Shares A equal in value to (ordinarily) 100% of the Director's salary in the case of performance share awards to Executive Directors. The first performance share awards under the LTIP are currently expected to be made on or shortly following the announcement of the annual results for the financial year of the Group ending 31 December 2025.

In the normal course of events, awards, other than deferred bonus awards, will vest three years from the date of that the award was granted or, in respect of the performance share awards, upon the assessment of performance conditions, if this occurs later, subject to the participant's continued service to the Group and the extent to which the performance conditions specified for the awards are satisfied. In addition to Executive Directors, selected senior managers will also participate in the LTIP.

The terms of the LTIP include that Executive Directors and the senior managers participating in the scheme will ordinarily be required to retain their net of tax number of vested shares (if any) delivered under the LTIP for at least two years from the time of vesting of the relevant performance share award. Where such holding period terms apply, the Remuneration Committee shall retain discretion to allow the relevant participants to sell, transfer, assign or dispose of some or all of such shares before the end of the holding period, subject to such additional terms and conditions (if any) that the Remuneration Committee may specify.

[303] Annex 1, item 15.3.

The Remuneration Committee will supervise the operation of the LTIP. The Remuneration Committee may decide to satisfy awards in cash, although it does not currently intend to do so. In addition, the Remuneration Committee may decide to satisfy part of any awards in cash to enable withholding taxes to be paid from this element thus avoiding the need for shares to be sold by the participant to cover the withholding tax obligation.

Employee Share Ownership Plan

The Company intends to launch an employee share ownership plan ("**ESOP**") for all eligible employees prior to 31 December 2025. This plan envisages offering this benefit globally in order to promote employee long-term shareholding under preferential conditions and provide employees the opportunity to participate in and benefit from the Company's successes. The structure of these ownership or savings plans may vary depending on the jurisdiction and may take the form of a save as you earn plan, or employee stock purchase plan. It is expected that this will be externally managed by an external provider and the Company will grant a matching shares relative to employee investment.

Employees and Contractors

As of 31 December 2024, the Group has 1,226 employees and contractors. See "*Business – Employees and Contractors*".

Pension Schemes[304]

The Group operates a number of defined contribution and defined benefit pension plans. TCS UK and its subsidiaries and CTI Asia operate defined contribution pension plans, which are defined contribution post-employment benefit plans under which the TCS UK entities pay certain fixed contributions to publicly or privately administered pension insurance plans. Once the fixed contributions have been paid, the Group has no further payment obligations with respect to the plan.

Each of SNB, SCB and NNB operate a defined benefit plan, which is a post-employment benefit plan that is an unfunded and non-contributory defined benefit retirement plan based on Republic Act 7641. This benefit defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The cost of providing benefits is determined using the Projected Unit Credit Method ("**PUCM**") which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries. Post-employment expenses include current service cost, past service cost, and net interest on defined benefit asset/liability. Remeasurements which include cumulative actuarial gains and losses, return on plan assets, and changes in the effects of asset ceiling are recognised directly in other comprehensive income and is also presented under equity in the statements of financial position. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in profit or loss. The liability recognised in the statements of financial position in respect of defined benefit pension plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by an independent actuary using the PUCM. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of market rates on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

At 31 December 2024, the Group has €0.5 million of employee benefit obligations, which relate to the Biopower Platform retirement benefit liabilities.

		At 31 December	
PHP'000s	**2024**	**2023**	**2022**
Retirement benefit obligation – SNB...	15,686	15,686	10,572
Retirement benefit obligation – SCB ...	13,632	13,632	9,368
Retirement benefit obligation – NNB	12,727	12,727	6,889
Total Biopower Platform retirement benefit obligation	**42,045**	**42,045**	**26,829**

Employee Representation

The only employee representative bodies that are in place within the Group are the labour management relations committees that have been installed at the level of SCB, SNB and NNB. These committees aim to support a labour relations climate conducive to productivity improvement, improve the quality of work environment, and enable worker participation in decision making processes. The Committees engage on issues including worker welfare, health and wellness, family welfare, prevention of sexual harassment, and any employee grievances or appeals.

[304] Annex 1, item 13.2.

MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Major Shareholdings[305] -

At the date of this Prospectus, the Shareholders that hold 3% or more in the capital of the Company are as follows:

Shareholder	Number of shares	Number of votes	Percentage of voting rights
MNA Capital Pte Ltd	180,966,949	573,425,395	75.20%
ThomasLloyd Cleantech Infrastructure Holding GmbH	[88,844,304]	88,844,304	[11.65%]
Fünfte Cleantech Infrastrukturgesellschaft mbH & Co. KG	[39,362,661]	39,362,661	[5.16%]
CT Infrastructure Holding Ltd	30,710,605	30,710,605	4.03%
Zweite Cleantech Infrastrukturgesellschaft mbH & Co. KG	[13,458,036]	13,458,036	[1.76%]

Following the Admission, Michael Sieg will, through his ownership of MNA, hold 42.08% of the issued Ordinary Shares A and 100% of the issued Ordinary Shares B, which represent 75.2% of the voting rights in the Company. As a result, MNA will be able to exercise control over the business and affairs of the Group, including matters submitted to a vote of the General Meeting. See also "*Risk Factors – The Company is controlled by MNA, that will continue to be in a position to exert substantial influence over the Group. The interests pursued by MNA could differ from the interests of the Company's other Shareholders*."

Related Party Transactions[306]

Relationship Agreement[307]

On or about [●], the Company and MNA entered into a relationship agreement (the "**Relationship Agreement**"). The Relationship Agreement contains certain arrangements regarding the relationship between the Company and MNA after the Admission. Below is an overview of the main elements of the Relationship Agreement.

Composition of the Board

As at the First Trading Date, the parties to the Relationship Agreement have agreed that the Board will consist of the members as set out under "*Management and Employees – Board – Members of the Board*". In accordance with the Board Rules, the Board has prepared a profile for the Board members as part of its Diversity and Inclusion Policy and Board Profile. The parties to the Relationship Agreement agree that the composition of the Board will align with this profile.

For so long as the MNA, any other person controlled, directly or indirectly, by MNA, or any person controlling, directly, or indirectly, MNA or any person controlled, directly or indirectly, by the person controlling MNA, but excluding the Group (the "**MNA Group**") directly or indirectly holds at least between 20% and 50% of the aggregate voting rights in the capital of the Company and Michael Sieg no longer holds the position of CEO on the Board, MNA has the right to designate one Non-Executive Director as well as replacements for such Non-Executive Director (a "**MNA Non-Executive Director**"). An individual designated to be appointed as MNA Non-Executive Director shall be nominated by the Non-Executive Directors for appointment by the General Meeting. MNA shall only designate individuals who fulfil the requirements outlined in the Company's Diversity and Inclusion Policy and Board Profile.

The right of MNA to designate an MNA Non-Executive Director for nomination by the Non-Executive Directors shall expire if the shareholding of the MNA Group in the Company falls below the threshold of 20%. Upon the shareholding of the MNA Group falling below such threshold, MNA shall procure the resignation of the MNA Non-Executive Director within ten Business Days after such occurrence, unless the chairperson of the Board requests MNA before expiry of this period in writing to maintain the MNA Non-Executive Director for a certain period and MNA consents to such extension.

Composition of the Board Committees

The Relationship Agreement provides that the Board will have an audit and risk committee, a remuneration committee, and a nomination committee. Each of the Board committees consists of not less than three members. As long as MNA has designated for nomination at least one Non-Executive Director pursuant to the Relationship Agreement, MNA has the right to have at least one Non-Executive Director appointed by it to each of the Board committees.

[305] Annex 1, items 16.1 and 16.3.
[306] Annex 1, items 17.1 and 20.1.
[307] Annex 1, item 12.2(c).

Voting

As part of the Relationship Agreement, MNA irrevocably and unconditionally undertakes to refrain from exercising the voting rights attached to the Ordinary Shares B held by it on resolutions brought before the General Meeting that relate to:

1. a transaction between the Company and a party that forms part of the MNA Group;
2. the remuneration of the Directors; or
3. the appointment of a MNA Non-Executive Director.

Furthermore, MNA irrevocably and unconditionally undertakes in the Relationship Agreement to refrain from exercising the voting rights attached to the Ordinary Shares A on resolutions brought before the General Meeting or the meeting of holders of Ordinary Shares A that relate to any resolution to issue additional Ordinary Shares B.

Orderly Market Arrangements and Fully Marketed Offerings

Pursuant to the Relationship Agreement, MNA acknowledges and agrees that any transfer by it of Ordinary Shares will be carried out in an orderly market manner to avoid, to the extent possible, a negative impact on the price of the Ordinary Shares A resulting from such transfer.

Upon MNA's written request, the Company undertakes with regard to an offering of Ordinary Shares A by the MNA Group which entails the Company's involvement in the form of a management road show and/or the preparation of a prospectus or offering memorandum (a "**Fully Marketed Offering**") relating to 10% or more of the Ordinary Shares A (i) to provide such cooperation and assistance to the MNA Group, any prospective or actual underwriters for a Fully Marketed Offering and their respective directors, officers, employees and professional and other advisers in connection with a Fully Marketed Offering in accordance with market practice; (ii) to provide MNA and any of its advisors with such information as may be reasonably be requested in connection with the preparation of a Fully Marketed Offering; and (iii) to a reasonable extent make available members of its senior management, representatives and advisers to participate in due diligence or marketing sessions in relation to the Fully Marketed Offering as well as other meetings with MNA and potential investors.

MNA agrees that the obligation of the Company to provide the cooperation as set out above is limited to one Fully Marketed Offering by MNA per twelve month period, unless agreed otherwise. The Company is also entitled to delay the cooperation and the Fully Marketed Offering for a reasonable period, if the Board determines that such cooperation and Fully Marketed Offering could materially interfere with a bona fide business or financing transaction of the Company or is reasonably likely to require premature disclosure of information, the premature disclosure of which could materially and adversely affect the Company.

Accelerated Book Build Offerings or Bock Trades

The Relationship Agreement furthermore provides that in the event of a sale of 3% or more of the Ordinary Shares A by any person that forms part of the MNA Group other than by way of a Fully Marketed Offering, the Company shall facilitate such sale by providing reasonable access to management and an opportunity to perform a limited due diligence investigation by or on behalf of (i) a bookrunner or coordinator; or (ii) a bona fide, creditworthy potential purchaser.

Information Sharing

In accordance with the Relationship Agreement and to the extent permitted by applicable laws and regulations, the Company shall provide or procure that MNA is promptly provided with all information in respect of any company within the Group necessary in order for the MNA Group to (i) complete any tax return, compilation or filing as required by applicable law; and (ii) comply with any financial reporting, audit and other legal and regulatory obligations which apply to any member of the MNA Group as required by applicable law.

The Relationship Agreement contains provisions requiring both MNA and the Company to maintain the confidentiality of all information provided, subject to certain exceptions set forth in the Relationship Agreement, and to comply with all applicable laws and regulations governing the use of such information, including the requirements under the Market Abuse Regulation.

Lock-up and Transfer Restrictions

Pursuant to the Articles of Association and the Relationship Agreement, MNA has agreed to restrict the transfer of its Shares.

Except as set forth below, MNA has agreed that the Ordinary Shares A it holds are not transferable, assignable or saleable until 365 days following the First Trading Day (the "**Lock-Up**"). Such restrictions shall not apply to transfers of Ordinary Shares A (i) to a legal entity that directly or indirectly is controlled by Michael Sieg; (ii) in the case of an individual, by virtue of laws of descent and distribution upon death of the individual; (iii) in the case of an individual, pursuant to a qualified domestic relations order; (iv) in the event of liquidation or dissolution of MNA; (v) with respect to the Ordinary Shares A held by MNA that will form part of the liquidity pool as set out under "*The Admission – Liquidity Arrangement*"; or (vi) for which the prior written consent of each Independent Non-Executive Director has been obtained, representing the Company, provided, however, that in the case of (i) through (iv) these permitted transferees must agree in writing to be bound by the transfer restrictions and the other restrictions to which the transferor was subject.

In addition, except in case of a mandatory transfer as set forth below, MNA has agreed that the Ordinary Shares B it holds are not transferable, with the exception of any transfer (i) to a legal entity that is directly or indirectly controlled by Michael Sieg; (ii) to the Company in accordance with the Relationship Agreement; or (iii) for which the prior written consent of each Independent Non-Executive Director has been obtained, provided, however, that in the case of (i) these permitted transferees must agree in writing to be bound by the transfer restrictions and the other restrictions to which the transferor was subject.

Mandatory Transfer and Cancellation of Ordinary Shares B

The Relationship Agreement provides that, as soon as Michael Sieg no longer directly or indirectly controls the Ordinary Shares B, MNA irrevocably and unconditionally undertakes to transfer all Ordinary Shares B held by the MNA Group to the Company against payment of the fair value of such Ordinary Shares B as determined by the Company. Furthermore, the Company grants MNA the right to sell and transfer the Ordinary Shares B to the Company and the Company agrees to purchase and acquire from MNA such Ordinary Shares B at the sole discretion of MNA, against payment of the fair value of such Ordinary Shares B as determined by the Company. Upon receipt of the Ordinary Shares B in accordance with the above, the Company irrevocably and unconditionally undertakes to cancel such Ordinary Shares B.

Termination

The Relationship Agreement shall terminate with immediate effect upon the earlier of:

i. the Admission not having occurred on or before 30 June 2025;

ii. the Ordinary Shares A ceasing to be listed on Euronext Amsterdam;

iii. MNA ceasing to own or control, directly or indirectly, more than 3% of the total aggregate Ordinary Shares or voting rights attached to the Ordinary Shares in issue;

iv. upon mutual written consent of the parties to the Relationship Agreement; and

v. written notice by MNA to the Company on or at any time after

    - any person acquiring or obtaining control of the Company;
    - the Company passing a resolution for its winding up or a court of competent jurisdiction making an order for the Company's winding up or dissolution;
    - the commencement of any legal proceedings in relation to a suspension of payments or bankruptcy of the Company, unless such proceedings are frivolous or vexatious and are discharged, stayed or dismissed within 60 calendar days of commencement; or
    - the Company making an arrangement or composition with its creditors generally or making an application to a court of competent jurisdiction for protection from its creditors generally.

Governing Law

The Relationship Agreement is governed by Dutch law.

Other related party transactions

See note 16 to the Group Financial Statements. Furthermore, please refer to "*Operating and Financial Review – Indebtedness, Financial Commitments, Contractual Obligations and Contingencies*" for a description of the related party loan agreements that the Group has entered into.

DESCRIPTION OF SHARE CAPITAL AND CORPORATE GOVERNANCE[308]

Set out below is an overview of certain information concerning the Company's share capital and certain significant provisions of Dutch corporate law, and a brief overview of certain provisions of the Articles of Association.

This overview does not purport to give a complete overview and should be read in conjunction with the Articles of Association, or with relevant provisions of Dutch law as in force on the date of this Prospectus, and does not constitute legal advice regarding these matters and should not be considered as such. The full text of the Articles of Association is available, in Dutch and English, at the Company's business address during regular business hours. The Articles of Association are available in Dutch and English at the website www.thomas-lloyd.com. See "*General Information – Available Information*".

General[309]

The Company was incorporated on 26 January 2024 as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under Dutch law. The Company was converted to a public limited liability company (*naamloze vennootschap*) on [●] 2024. The legal and commercial name of the Company is ThomasLloyd Climate Solutions N.V. The Company is registered with the trade register of the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 92773397. The business address of the Company is Zuidplein 36, 1077XV Amsterdam, The Netherlands, its website is www.thomas-lloyd.com, and its telephone number is +31 20 7997616. The corporate seat (*statutaire zetel*) of the Company is in Amsterdam, the Netherlands. The Company's Legal Entity Identifier ("**LEI**") 254900JY3WSRA0572L22. The Ordinary Shares' A. International Security Identification Number ("**ISIN**") is NL00150024H0.

Corporate Objectives[310]

It is the Company's corporate purpose to perform all activities related to clean energy, clean technology and energy transition. The Company intends to do this by pursuing the following corporate objectives, which follow from article 3 of its Articles of Association; (i) incorporating, participating in and conducting the management of other companies and businesses; (ii) rendering administrative, technical, financial, economic or managerial services to other companies, persons and businesses; (iii) acquiring, disposing of, managing and utilising real property, personal property and other goods, including patents, trademark rights, licenses, permits and other industrial property rights; (iv) borrowing, lending and raising funds, including the issue of bonds, promissory notes or other financial instruments and entering into agreements in connection with aforementioned activities; and (v) granting guarantees, binding the Company and pledging or otherwise encumbering its assets for obligations of the Company, subsidiaries and third parties. In addition, article 3 of the Articles of Association provide that, to pursue these objectives, the Company may undertake to perform all activities which are incidental to or which may be conducive to any of the foregoing.

Share Capital

History of Share Capital[311]

Upon the incorporation of the Company, the total amount of issued and outstanding shares amounted to €1, comprising of 1 share with a nominal value of €1. On 13 November 2024, an additional 326,438,317 ordinary shares were issued, pursuant to which the share capital amounted to €326,438,318, consisting of 326,438,318 ordinary shares with a nominal value of €1. On [●] 2025, the amendment of the Articles of Association renamed the issued 326,438,318 ordinary shares to Ordinary Shares A and reduced the nominal value of the Ordinary Shares A to €0.10. Such amendment also allowed for the creation of Ordinary Shares B. The aforementioned resulted in an issued and paid-up capital of €32,643,831.80, divided into 326,438,318 Ordinary Shares A with a nominal value of €0.10 each. Immediately after the amendment of the Articles of Association 43,606,494 Ordinary Shares B with a nominal value of €1 were issued, resulting in an issued and paid-up capital of €76,250,325.80, consisting of 326,438,318 Ordinary Shares A and 43,606,494 Ordinary Shares B.

Authorised and Issued Share Capital[312]

As of the date of this Prospectus, the issued share capital of the Company consists of 326,438.318 Ordinary Shares A with a nominal value of €0.10 each and 43,606,494 Ordinary Shares B with a nominal value of €1.00 each. The Company's authorised capital amounts to €[●] and is divided into Ordinary Shares A each having a nominal value of €0.10 and Ordinary Shares B, each having a nominal value of €1.00. Prior to First Trading Date, the outstanding share capital of the Company will consist of [●] Ordinary Shares A, with a nominal value of €0.10 each and [43,606,494 ●] Ordinary Shares B, with a nominal value of €1.00 each.

On the date of this Prospectus, no Ordinary Shares are held by the Company.

At the date of this Prospectus, all issued Shares are fully paid-up and are subject to, and have been issued under, the laws of the Netherlands.

[308] Annex 1, item 19.2.3].
[309] Annex 1, items 1.1(b), 4.1, 4.2, 4.3 and 4.4 and Annex 11, items 1.1(b) and 4.1.
[310] Annex 1, item 19.2.1.
[311] Annex 1, item 19.1.7.
[312] Annex 1, item 19.1.1 and Annex 11, item 4.2.

Dual Class Share Structure[313]

Purpose of the dual class share structure

The Company aims to become an important and significant institution in the field of energy transition. The Company believes that this requires capital, time, stability and independence. The Company bridges multiple industries, including energy, water, waste, transportation, finance and technology, all of which have experienced considerable consolidation and attempted hostile takeovers.

The Company has thus created a corporate structure that is biased towards stability and independence over extended periods of time. The Company believes that this will allow new investors to fully share in the Company's economic future while making it more challenging for external parties to take over the Company or influence its strategic decisions. This structure – a dual share class voting structure, which is described below – will facilitate the execution of the Company's long-term corporate strategy by the Board and allow the Board to maintain the Company's innovative and pioneering approach in advancing its core values, thereby fully utilising the Company's growth potential. The Company also believes the stability afforded by the dual class structure will enable it to preserve its unique culture and continue to attract and retain talented people.

The Company believes that it is not a conventional renewable energy company. The Board intends to operate differently, applying the values the Company has developed as a private company. The Company focuses on long-term optimisation rather than attempting to achieve consistent quarterly earnings. While a dual class structure is historically not typically seen for companies in the area of energy and environmental services, similar structures are common in the technology and media business as well as in founder-led companies across multiple sectors, in particular in the United States where this structure has had a profound importance.

Key features of the dual class share structure

As at the date of the Prospectus, the Company will have issued 43,606,494 Ordinary Shares B to MNA, with a nominal value of €1.00 per share. The Ordinary Shares B carry limited economic rights. The profit rights attached to the Ordinary Shares B are limited to 0.1% of the nominal value of each Ordinary Share B. From any distribution an amount equal to (i) 0.1% of the nominal value of each Ordinary Share B then outstanding; or (ii) if and to the extent the amount under (i) is higher than 1% of the profits remaining after reservation, an amount equal to 1% of the profits remaining after reservation, shall be added to the dividend reserve for Ordinary Shares B. Other than this, the Ordinary Shares B shall not carry any entitlement to profits. The Ordinary Shares B carry higher voting rights than the Ordinary Shares B, proportionate to the respective nominal value: for each Ordinary Share B, ten votes can be exercised in the general meeting of shareholders, whereas for each Ordinary Share A one vote can be exercised in the general meeting of shareholders. The Ordinary Shares B are not admitted to trading and under the Articles of Association, Ordinary Shares B may only be issued by a resolution of the General Meeting with the prior approval of the meeting of holders of Ordinary Shares A and the prior approval of the holders of Ordinary Shares B, see also "*Risk Factors – Under the Articles of Association, Ordinary Shares B may only be issued by a resolution of the General Meeting with the prior approval of the meeting of holders of Ordinary Shares A and the prior approval of the holders of Ordinary Shares B."* The Ordinary Shares B MNA holds are not transferable and can only be held by a legal entity that is directly or indirectly controlled by Michael Sieg or by the Company, see "*Description of Share Capital and Corporate Governance – Lock-up and Transfer Restrictions*".

Form of Ordinary Shares[314]

The Ordinary Shares A and the Ordinary Shares B (together the "**Shares**") are in registered form (*op naam*) and are only available in the form of an entry in the shareholders' register and not in certificate form and shall at all times remain in dematerialised form.

Shareholders Register[315]

The Shares are in registered form (*op naam*). The shareholders register is kept by the Board. The Company's shareholders' register records the names and addresses of the Shareholders, the number of Ordinary Shares A and/or Ordinary Shares B held, the date on which such Ordinary Shares A and/or Ordinary shares B were acquired, the date of acknowledgement and/or service upon the Company of the instrument of transfer, the amount paid on each Ordinary Share, the date of registration in the shareholders register and other information as required by Dutch law or considered appropriate by the Board. In addition, each transfer or passing of ownership is registered in the shareholders register. The shareholders register also includes the names and addresses of persons and legal entities with a right of pledge or a right of usufruct on those Ordinary Shares, the date on which they acquired such a right and the date of acknowledgement or service upon the Company of the instrument of transfer.

The Ordinary Shares A are eligible for entry into and will be entered into, (i) a collective depot (*verzameldepot*) as referred to in the Securities Giro Act (*Wet giraal effectenverkeer*) or (ii) a giro depot (*girodepot*) as referred to in the Securities Giro Act. The intermediary, as defined in the Securities Giro Act, is responsible for the management of the collective depot, and Euroclear Nederland, being the central institute for the purposes of the Securities Giro Act, is responsible for the management of the giro depot. The name and address of the intermediary or the central institute

[313] Annex 1, items 19.2.2 and 19.2.3.
[314] Annex 11, item 4.3(a).
[315] Annex 11, item 4.3(a)-(b).

shall be entered in the shareholders register, stating the date on which those shares became part of a collective depot or the giro depot, the date of acknowledgement as well as the paid-up amount on each share.

Issuance of Ordinary Shares and Pre-Emptive Rights[316]

Under the Articles of Association the Company may issue Ordinary Shares A, or grant rights to subscribe for Ordinary Shares A, pursuant to a resolution of the General Meeting pursuant to and in accordance with a proposal thereto of the Board.

The Articles of Association provide that, pursuant to and in accordance with a proposal thereto of the Board, the General Meeting may designate the Board as the corporate body authorised to resolve to issue Ordinary Shares A or grant rights to subscribe for Ordinary Shares A. Pursuant to the Dutch Civil Code the period of designation may not exceed five years. Such designation may be renewed by a resolution of the General Meeting for a subsequent period of up to five years each time. Unless the resolution determines otherwise, the designation is irrevocable. At the designation, the number of Ordinary Shares A which may be issued by the Board must be determined.

Under the Articles of Association, Ordinary Shares B may only be issued by a resolution of the General Meeting with the prior approval of the meeting of holders of Ordinary Shares A and the prior approval of the holders of Ordinary Shares B.

The Articles of Association provide that, upon the issue of Ordinary Shares A, each Shareholder has a pre-emptive right in proportion to the number of its Shares. Exceptions to these pre-emptive rights include: (i) the issue of Ordinary Shares B; (ii) the issue of Shares against payment other than in cash, (iii) the issue of Shares to employees of the Company or of the Group, and (iii) the issue of Shares to persons exercising a previously granted right to subscribe for Shares.

Ordinary Shares A shall be issued pursuant to a resolution of the General Meeting, or pursuant to a resolution of the board if designated thereto by the General meeting at the proposal of the Board for a period not exceeding five years. After such period of five years or so much earlier as the General Meeting has revoked the designation, the pre-emptive rights of the Shareholders may be restricted or excluded pursuant to a resolution of the General Meeting, or pursuant to a resolution of the Board if designated thereto by the General Meeting. The designation may be extended from time to time, pursuant to a resolution of the General Meeting.

Prior to the Admission, the Board has been designated for a period of 18 months as the corporate body authorised to resolve to (i) issue Ordinary Shares A and to grant rights to subscribe for Ordinary Shares A up to 10% of the issued and outstanding capital and (ii) restrict or exclude pre-emptive rights of Shareholders in connection with any such issuance.

Repurchase of Ordinary Shares in the Company's Capital[317]

The Company may repurchase fully paid Ordinary Shares A and Ordinary Shares B at any time for no consideration, or, subject to certain provisions of Dutch law and the Articles of Association, if (i) the Company's shareholders' equity, less the payment required to make the acquisition, does not fall below the sum of the paid-in and called-up part of the Company's issued share capital and any statutory reserves; (ii) the Company and its subsidiaries would thereafter not hold Ordinary Shares or hold a pledge over the Ordinary Shares with an aggregate nominal value exceeding 50% of the Company's issued share capital; and (iii) the Board has been authorised to repurchase Ordinary Shares by the General Meeting at the proposal of the Board.

An authorisation from the General Meeting to repurchase Ordinary Shares must specify the number of Ordinary Shares that may be acquired, the manner in which Ordinary Shares may be repurchased and the price range within which Ordinary Shares may be acquired. Such authorisation will be valid for no more than 18 months.

Pursuant to the Articles of Association, the Board is authorised for a period of 18 months following First Trading Date, to repurchase shares, up to a maximum of 10% of the issued share capital at the time of the repurchase for (a) Ordinary Shares A between at least the nominal value and at most the stock exchange price plus 10% and (b) for Ordinary Shares B between at least the nominal value and at most the fair value, whereby the fair value will be determined by the Company. The stock exchange price is defined as the average listed closing price as included on the official list of Euronext Amsterdam during the five trading days preceding the date of repurchase. The designation may be extended from time to time, pursuant to a resolution of the General Meeting at the proposal of the Board.

The Company may not cast votes on, and is not entitled to dividends paid on, Ordinary Shares held by it, nor will such Ordinary Shares be counted for the purpose of calculating a voting quorum. For the computation of the profit distribution, the Ordinary Shares held by the Company shall not be included.

Reduction of Share Capital[318]

Subject to the provisions of Dutch law and the Articles of Association, the General Meeting may resolve to reduce the issued share capital by (i) reducing the nominal value of the Ordinary Shares through an amendment of the Articles of Association; or (ii) cancellation of Ordinary Shares

[316] Annex 11, item 4.5(a)-(c).
[317] Annex 11, item 4.5(f).
[318] Annex 11, item 4.5(f).

held by the Company itself. A resolution of the General Meeting to cancel Ordinary Shares can only relate to (i) Ordinary Shares held by the Company itself; or (ii) all Ordinary Shares B. The resolution of the General Meeting to reduce the issued capital can only be adopted pursuant to and in accordance with a proposal thereto of the Board. A reduction of the nominal value of the Ordinary Shares, with or without repayment must be made pro rata on all Ordinary Shares concerned. This pro rata requirement may be waived if all shareholders concerned so agree.

In addition, Dutch law contains detailed provisions regarding the reduction of capital. A resolution to reduce the issued share capital shall not take effect as long as creditors have legal recourse against the resolution.

Dividends and Other Distributions[319]

The Company may make distributions to its shareholders only insofar as its shareholders' equity exceeds the sum of the paid-in and called-up part of the Company's share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association. Under the Articles of Association, the Board decides which part of any profit will be reserved. The Company shall maintain an Ordinary Shares A dividend reserve, to which the holders of Ordinary Shares A are exclusively entitled, and an Ordinary Shares B dividend reserve, to which the holders of Ordinary Shares B are exclusively entitled. See "*Dividends and Dividend Policy*".

The Company may make a distribution of dividends to its shareholders after the adoption of its statutory annual accounts demonstrating that such distribution is legally permitted. The profit, as this appears from the adopted annual accounts and to the extent not reserved by a decision of the Board, shall be at the free disposal of the General Meeting, provided that the General Meeting may only resolve on any reservation of the profits or the distribution of any profits pursuant to and in accordance with a proposal thereto of the Board. Resolutions of the General Meeting with regard to a distribution at the expense of the Company's reserves can only be adopted pursuant to and in accordance with a proposal thereto of the Board.

The profits shown after a reservation shall be at the disposal of the General Meeting for distribution to the holders of Ordinary Shares A in proportion to the aggregate nominal value of their Ordinary Shares A, provided that with any distribution an amount equal to (i) 0.1% of the nominal value of each Ordinary Share B then outstanding, or (ii) if and to the extent the amount under (i) is higher than 1% of the profits remaining after reservation, an amount equal to 1% of the profits remaining after reservation shall be added to the dividend reserve for Ordinary Shares B.

The Board and, upon a proposal thereto by the Board, the General Meeting are permitted to resolve to make interim distributions to the shareholders of the Company, insofar as its shareholders' equity exceeds the amount of the paid-in and called-up part of the share capital increased with the reserves required to be maintained by Dutch law or by the Articles of Association. For this purpose, the Board must prepare an interim statement. The Board may, subject to the prior approval of the General Meeting, decide that a distribution on the Ordinary Shares shall not be made in cash or not entirely be made in cash but other than in cash, including, but not limited to, in the form of the Ordinary Shares, or decide that Shareholders shall be given the option to receive a distribution either in cash or other than in cash. The Board may determine the conditions under which such option can be given to the Shareholders.

Claims to dividends and other distributions not made within five years from the date following the date on which such dividends or distributions became payable will lapse, and any such amounts will be considered to have been forfeited to the Company.

General Meetings of Shareholders and Voting Rights

General Meetings

The annual General Meeting must be held within six months after the end of each financial year. An extraordinary General Meeting may be convened, whenever the Company's interests so require, by the Board. Shareholders representing alone or in aggregate at least 10% of the Company's issued and outstanding share capital may, pursuant to the Dutch Civil Code, request that a General Meeting be convened. If no General Meeting has been held within eight weeks of the shareholders making such request, they may be authorised, upon request, by a District Court in summary proceedings to convene a General Meeting. Within three months of it becoming apparent to the Board that the Company's shareholders' equity has decreased to an amount equal to or lower than one-half of the paid-in and called-up part of the share capital, a General Meeting will be held to discuss any requisite measures.

Notice of a General Meeting must be given by at least such number of days prior to the day of the meeting as required by Dutch law, which is currently 42 days. The notice convening any General Meeting must include, among other items, an agenda indicating the place and time of the meeting, the items for discussion and voting, the proceedings for registration including the registration date, as well as any proposals for the agenda. Shareholders representing alone or in aggregate at least 3% of the Company's issued and outstanding share capital may, pursuant to the Dutch Civil Code, request that an item is added to the agenda. Such requests must be made in writing, must either be substantiated or include a proposal for a resolution, and must be received by the Company at least 60 days before the day of the General Meeting.

[319] Annex 11, item 4.5(a)-(d).

The General Meeting is chaired by the chairperson of the Board, or, in his/her absence, by the vice- chairperson of the Board or another person appointed by the Board to preside over the General Meeting. Members of the Board may attend a General Meeting. In these General Meetings, they have an advisory vote. The chairperson of the General Meeting may decide at his/her discretion to admit other persons to the General Meeting.

Each shareholder (as well as other persons with voting rights or meeting rights) may attend the General Meeting, may address the General Meeting and, insofar as they have such right, may exercise voting rights pro rata to its shareholding, either in person or by proxy. Shareholders may exercise these rights if they are the holders of Ordinary Shares on the registration date, which is currently the 28th day before the day of the General Meeting, and they or their proxy have notified the Company of their intention to attend the meeting in writing at the address and by the date specified in the notice of the meeting.

Under the Articles of Association, the Board may decide that persons entitled to attend and vote at General Meetings may, within a period prior to the General Meeting to be set by the Board, which period cannot start prior to the registration date, cast their vote electronically or by post in a manner to be decided by the Board. Votes cast in accordance with the previous sentence are equal to votes cast at the meeting.

Voting Rights[320]

Each Ordinary Share A will have the right to confer one (1) vote in a General Meeting. Each Ordinary Share B will have the right to confer ten votes in a General Meeting. Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of Ordinary Shares which are held by the Company. Each resolution of the General Meeting shall be adopted with an Absolute Majority, unless the Articles of Association or Dutch law, to the extent the Articles of Association do not determine otherwise, do prescribe a larger majority.

In the Relationship Agreement, MNA irrevocably and unconditionally undertakes to refrain from exercising the voting rights attached to the Ordinary Shares B held by it on resolutions brought before the General Meeting that relate to:

i. a transaction between the Company and a party that forms part of the MNA Group;
ii. the Remuneration of the Directors; or
iii. the appointment of a MNA Non-Executive Director.

Furthermore, MNA irrevocably and unconditionally undertakes in the Relationship Agreement to refrain from exercising the voting rights attached to the Ordinary Shares A on resolutions brought before the General Meeting or the meeting of holders of Ordinary Shares A that relate to any resolution to issue additional Ordinary Shares B.

See "*Major Shareholders and Related Party Transactions – Relationship Agreement.*"

Dutch Corporate Governance Code[321]

The Dutch Corporate Governance Code, as amended, became effective on 20 December 2022 and finds its statutory basis in Book 2 of the Dutch Civil Code (the "**Dutch Corporate Governance Code**"). The Dutch Corporate Governance Code applies to the Group as it has its registered office in the Netherlands and Ordinary Shares A will be listed on Euronext Amsterdam.

The Dutch Corporate Governance Code is based on a 'comply or explain' principle. Accordingly, companies are required to disclose in their management report whether or not they are complying with the various best practice provisions of the Dutch Corporate Governance Code that are addressed to the board and, if applicable, the supervisory board of the company. If a company deviates from a best practice provision in the Dutch Corporate Governance Code, the reason for such deviation must be properly explained in its management report.

The Company acknowledges the importance of good corporate governance and agrees with the approach and provisions of the Dutch Corporate Governance Code. The Company does not deviate from any of the best practice provisions of the Dutch Corporate Governance Code.

Dissolution and Liquidation[322]

Under the Articles of Association, the Company may be dissolved by a resolution of the General Meeting, upon a proposal thereto by the Board.

In the event of dissolution, the business will be liquidated in accordance with Dutch law and the Articles of Association, and the liquidation shall be arranged by the Board, unless the General Meeting appoints other liquidators. During liquidation, the provisions of the Articles of Association will remain in force to the extent possible.

The balance of the Company's remaining equity after payments of debts and liquidation costs will be distributed to holders of Ordinary Shares, in proportion to the number of Ordinary Shares that such shareholder holds.

See "*Taxation*" for a discussion of certain aspects of taxation on the Dissolution and Liquidation of the Company for holders of Ordinary Shares.

[320] Annex 1, item 16.2 and Annex 11, item 4.5(b).
[321] Annex 1, item 14.4.
[322] Annex 11, item 4.5(e).

Liability of Board members

Under Dutch law, members of the Board 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 to the Company and to third parties for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil and criminal liabilities. Members of the Board and certain of the Group's officers are insured under an insurance policy against damages resulting from their conduct when acting in the capacities as such members or officers. Furthermore, the Articles of Association provide for an indemnity for members of the Board and, at the Board's discretion, certain other officers of the Company. See "*Management and Employees – Directors' Indemnification and Insurance*".

Financial Information

The Company must publish its annual accounts within four months after the end of each financial year and its half-yearly reports within three months after the end of the first six months of each financial year. Within five calendar days after adoption of its annual accounts, the Company must submit its adopted annual accounts to the AFM. There is no obligation under Dutch law to publish interim management statements or quarterly financial statements.

The Company's financial year coincides with the calendar year. The Board prepares the annual accounts (which must be accompanied by the management report) and makes these available for inspection at the Company's address. All members of the Board sign the annual accounts and if a member does not so sign, the reason for this must be stated.

The General Meeting adopts the annual accounts at the annual general meeting of shareholders, in which meeting the discharge of liability of the members of the Board during the relevant financial year, insofar as this appears from the annual accounts, shall also be discussed and resolved upon. The annual accounts, the management report and the independent auditor's report will be available at the Company's corporate office to the Company's Shareholders for review, and published on the website, as from the day of the notice convening the annual general meeting of shareholders.

Obligations of Shareholders to Make a Public Offer[323]

The European Directive 2004/25/EC of 21 April 2004, relating to public takeover bids has been implemented in the Dutch Financial Supervision Act. Pursuant to the Dutch Financial Supervision Act, a person who, alone or acting in concert with others, directly or indirectly obtains control of a Dutch public company with limited liability whose shares or depositary receipts for shares are listed on a regulated market is required to make a public offer for all shares and/or depositary receipts for shares of that Dutch company. Such control is deemed present if such person is able to exercise, alone or acting in concert with others, at least 30% of the voting rights in the general meeting of shareholders of that Dutch company. It is not allowed to make a public offer, whether or not obliged or voluntarily, for the shares of that Dutch company unless an offer memorandum which has been approved by the AFM has been published.

Squeeze-out Procedures[324]

Pursuant to Article 2:92a of the Dutch Civil Code, a shareholder who for his/her own account holds at least 95% of the issued share capital of a Dutch public company with limited liability may initiate proceedings against the minority shareholders jointly for the transfer of their shares to him. The proceedings are held before the Enterprise Chamber of the Amsterdam Court of Appeals ("**Enterprise Chamber**") and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure. The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him. Unless the addresses of all of them are known to the acquiring person, such person is required to publish the same in a Dutch daily newspaper with a national circulation.

In addition, pursuant to Article 2:359c of the Dutch Civil Code, the offeror under a public offer is also entitled to start a squeeze-out procedure if, following the public offer, the offeror holds at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. The claim of a takeover squeeze-out must be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the public offer. The Enterprise Chamber may grant the claim for a takeover squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. In principle, the offer price is considered reasonable if the offer was a mandatory offer or if at least 90% of the shares to which the offer related were received by way of voluntary offer.

Article 2:359d of the Dutch Civil Code entitles those minority shareholders that have not previously tendered their shares under a public offer to transfer their shares to the offeror, provided that the offeror has acquired at least 95% of the outstanding share capital and represents at least 95%

[323] Annex 11, item 4.9(a).
[324] Annex 11, item 4.9(b)

of the total voting rights. In regard to price, the same procedure as for takeover squeeze-out proceedings initiated by an offeror applies. This claim must also be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the public offer.

Cooling-Off Period

Pursuant to Dutch law, a statutory cooling-off period of up to 250 days applies during which the General Meeting would not be able to dismiss, suspend or appoint members of the Board (or amend the provisions in the Articles of Association dealing with those matters) unless those matters are proposed by the Board. This cooling-off period could be invoked by the Board in case:

- shareholders, using either their shareholder proposal right or their right to request the General Meeting, propose an agenda item for the General Meeting to dismiss, suspend or appoint a member of the Board (or to amend any provision in the Articles of Association dealing with those matters); or
- a public offer for the Company is made or announced without the Company's support, provided, in each case, that the Board believes that such proposal or offer materially conflicts with the interests of the Company and its business.

The cooling-off period, if invoked, ends upon the occurrence of the earlier of:

- the expiration of 250 days from (i) in case of shareholders using their shareholder proposal right, the day after the expiry of the deadline for making such proposal; (ii) in case of shareholders using their right to request a General Meeting, the day when they obtain court authorisation to do so; or (iii) in case of a hostile offer being made, the first day thereafter;
- the day after the hostile offer has been declared unconditional; or
- the Board voluntarily terminating the cooling-off period.

In addition, shareholders representing at least 3% of the Company's issued share capital may request the Enterprise Chamber for early termination of the cooling-off period. The Enterprise Chamber must rule in favour of the request if the shareholders can demonstrate that:

- the Board, in light of the circumstances at hand when the cooling-off period was invoked, could not reasonably have come to the conclusion that the relevant shareholder proposal or hostile offer constituted a material conflict with the interests of the Company and its business;
- the Board cannot reasonably believe that a continuation of the cooling-off period would contribute to careful policy-making;
- other defensive measures have been activated during the cooling-off period and not terminated or suspended at the relevant shareholders' request within a reasonable period following the request (i.e., no 'stacking' of defensive measures).

During the cooling-off period, if invoked, the Board must gather all relevant information necessary for a careful decision-making process. In this context, the Board must at least consult with shareholders representing at least 3% of the Company's issued share capital at the time the cooling-off period was invoked and with the Group's works council. Formal statements expressed by these stakeholders during such consultations must be published on the Company's website to the extent these stakeholders have approved that publication.

Ultimately one week following the last day of the cooling-off period, the Board must publish a report in respect of its policy and conduct of affairs during the cooling-off period on the Company's website. This report must remain available for inspection by shareholders and others with meeting rights under Dutch law at the Company's office and must be tabled for discussion at the next General Meeting.

Obligations to Disclose Holdings

General

Shareholders may be subject to notification obligations under the "*Wet op het financieel toezicht*" and the rules promulgated thereunder (the "**Dutch Financial Supervision Act**") and the Regulation (EU) No. 236/2012. Pursuant to Chapter 5.3 of the Dutch Financial Supervision Act, any person who, directly or indirectly, acquires or disposes of an actual or potential capital interest and/or voting rights in the Company must immediately give notice to the AFM of such acquisition or disposal if, as a result of such acquisition or disposal, the percentage of capital interest and/or voting rights held by such person reaches, exceeds or falls below one of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%. In addition, any person whose capital interest and/or voting rights reaches, exceeds or falls below one of the abovementioned thresholds due to a change in the Company's outstanding share capital or in the votes that can be cast on the Ordinary Shares, as notified to the AFM by the Company, should notify the AFM no later than on the fourth trading day after the AFM has published the Company's notification of the change in its outstanding share capital or in the votes that can be cast on the Ordinary Shares. Furthermore, any person whose capital interest or voting rights reaches, exceeds or falls below one of the abovementioned thresholds due to a change in the composition of his/her capital interest or voting rights as a result of (i) exercising any option or other right to acquire shares or exchanging shares in depositary receipts for shares; and/or (ii) exercising any right to acquire voting rights, should notify the AFM no later than the fourth trading day after the date on which this person became aware, or should have become aware, of reaching, exceeding or falling below the abovementioned thresholds.

Each person holding an interest in the Company's share capital or voting rights of 3% or more at the time of admission of the Ordinary Shares A to trading on Euronext Amsterdam must immediately notify the AFM.

For the purpose of calculating the percentage of capital interest and/or voting rights, the following interests must, inter alia, be taken into account: (i) shares and/or voting rights directly held (or acquired or disposed of) by any person; (ii) shares and/or voting rights held (or acquired or disposed of) by such person's controlled entities; (iii) voting rights held (or acquired or disposed of) by a third-party for such person's account or by a third-party with whom such person has concluded an oral or written voting agreement; (iv) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights in consideration for a payment; (v) shares and/or voting rights which such person, or any controlled entity or third-party referred to above, may acquire pursuant to any option or other right to acquire shares and/or the attached voting rights; (vi) shares that determine the value of certain cash settled financial instruments such as contracts for difference and total return swaps; (vii) shares that must be acquired upon exercise of a put option by a counterparty; and (viii) shares that are the subject of another contract creating an economic position similar to a direct or indirect holding in those shares.

Controlled entities (within the meaning of the Dutch Financial Supervision Act) do not themselves have notification obligations under the Dutch Financial Supervision Act as their direct and indirect interests are attributed to their (ultimate) parent. If a person who has a 3% or larger interest in the Company's share capital or voting rights ceases to be a controlled entity it must immediately notify the AFM, and all notification obligations under the Dutch Financial Supervision Act will become applicable to such former controlled entity.

Special attribution rules apply to the attribution of shares and/or voting rights which are part of the property of a partnership or other form of joint ownership. A holder of a pledge or right of usufruct in respect of shares can also be subject to notification obligations, if such person has, or can acquire, the right to vote on the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger notification obligations as if the pledgee or beneficial owner were the legal holder of the shares and/or voting rights.

For the same purpose, the following instruments qualify as 'shares': (i) shares; (ii) depositary receipts for shares (or negotiable instruments similar to such receipts); (iii) negotiable instruments for acquiring the instruments under (i) or (ii) (such as convertible bonds); and (iv) options for acquiring the instruments under (i) or (ii).

Furthermore, when calculating the percentage of capital interest, a person is also considered to be in possession of shares if (i) such person holds a financial instrument the value of which is (in part) determined by the value of the shares or any distributions associated therewith and which does not entitle such person to acquire any shares; (ii) such person may be obliged to purchase shares on the basis of an option; or (iii) such person has concluded another contract whereby such person acquires an economic interest comparable to that of holding a share.

Under the Dutch Financial Supervision Act, the Company is required to file a report with the AFM promptly after the date of listing of the Ordinary Shares A setting out the Company's issued and outstanding share capital and voting rights. Thereafter, the Company is required to notify the AFM promptly of any change of 1% or more in its issued and outstanding share capital or voting rights since the previous notification. The AFM must be notified of other changes in the Company's issued and outstanding share capital or voting rights within eight days after the end of the quarter in which the change occurred. The AFM will publish all notifications by the Company of its issued and outstanding share capital and voting rights in a public register.

Furthermore, each member of the Board must immediately give notice to the AFM of all Ordinary Shares and voting rights held by him/her in the Company at the time of admission of its Ordinary Shares A to listing on Euronext Amsterdam and thereafter of any change in his/her holding of shares and voting rights in the Company.

Short Positions

Any natural or legal person holding a net short position equal to or exceeding 0.2% of the issued share capital of a company whose financial instruments are admitted to trading on a trading venue in the Netherlands is required to notify such position to the AFM. Each subsequent increase of this position by 0.1% above 0.2% must also be notified. Each net short position equal to or exceeding 0.5% of the issued share capital of a company whose financial instruments are admitted to trading on a trading venue in the Netherlands and any subsequent increase of that position by 0.1% will be made public by the AFM. To calculate whether a natural person or legal person has a net short position, his/her short positions and long positions must be set off. A short transaction in a share can only be contracted if a reasonable case can be made that the shares sold can actually be delivered, which requires confirmation of a third-party that the shares have been located. The notification shall be made no later than 15:30 Central European Time ("**CET**") on the following trading day.

Any natural or legal person holding a gross short position in relation to the issued share capital of a company whose financial instruments are admitted to trading on a trading venue in the Netherlands that reaches, exceeds or falls below any one of the following thresholds: 3%, 5%, 10 %, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%, must immediately give written notice to the AFM.

If a person's gross short position reaches, exceeds or falls below one of the above mentioned thresholds as a result of a change in the Company's issued share capital, such person is required to make a notification not later than the fourth trading day after the AFM has published the Company's notification in the public register of the AFM. The Shareholders are advised to consult with their own legal advisors to determine whether the gross short selling notification obligation applies to them.

Obligations of members of the Board to Disclose Holdings

Pursuant to the Dutch Financial Supervision Act, each member of the Board must notify the AFM: (i) immediately following Settlement of the number of Shares he/she holds and the number of votes he/she is entitled to cast in respect of the Company's issued share capital; and (ii) subsequently, of each change in the number of Shares or options he/she holds and of each change in the number of votes he/she is entitled to cast in respect of the Company's issued share capital, immediately after the relevant change. If a member of the Board has notified a transaction to the AFM under the Dutch Financial Supervision Act as described under "*– Obligations to Disclose Holdings – General*" above, such notification is sufficient for purposes of the Dutch Financial Supervision Act as described in this paragraph.

Furthermore, pursuant to the Market Abuse Directive (2014/57/EU) as implemented in Dutch law and Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, which entered into force on 3 July 2016 (the "**Market Abuse Regulation**") persons discharging managerial responsibilities (each a "**PDMR**") must notify the AFM and the Company of any transactions conducted for their own account relating to Shares or any debt instruments of the Company or to derivatives or other financial instruments linked thereto.

PDMRs within the meaning of the Market Abuse Regulation include: (i) members of the Board, or (ii) members of the senior management of the Company who have regular access to inside information relating directly or indirectly to the Company and the authority to take managerial decisions affecting the future developments and business prospects of the Company. PDMRs must notify the Company and the AFM by means of a standard form of any transactions conducted for his/her or her own account relating to the Shares or debt instruments of the Company or derivatives or other financial instruments linked thereto.

In addition, pursuant to the Market Abuse Regulation and the regulations promulgated thereunder, certain persons who are closely associated with PDMRs, are also required to notify the AFM and the Company of any transactions conducted for their own account relating to Shares or any debt instruments of the Company or to derivatives or other financial instruments linked thereto. The Market Abuse Regulation and the regulations promulgated thereunder cover, inter alia, the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse; (ii) dependent children; (iii) other relatives who have shared the same household for at least one year at the relevant transaction date; and (iv) any legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to under (i), (ii) or (iii) above, which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interest of which are substantially equivalent to those of such a person.

These notification obligations under the Market Abuse Regulation apply when the total amount of the transactions conducted by a PDMR or a person closely associated to a PDMR reaches or exceeds the threshold of €5,000 within a calendar year (calculated without netting). The transactions carried out by a PDMR or by a closely associated person should not be aggregated. The first transaction reaching or exceeding the threshold must be notified as set out above. The notifications pursuant to the Market Abuse Regulation described above must be made to the AFM and the Company no later than the third business day following the relevant transaction date. Notwithstanding the foregoing, members of the Board need to notify the AFM of each change in the number of Shares that they hold and of each change in the number of votes they are entitled to cast in respect of the Company's issued share capital, immediately after the relevant change.

Market Abuse Rules

The regulatory framework on market abuse is set out in the Market Abuse Regulation which is directly applicable in the Netherlands.

The Market Abuse Regulation provides for specific rules that intend to prevent market abuse, such as the prohibitions on insider trading, divulging inside information and tipping, and market manipulation. The Company is subject to the Market Abuse Regulation, and non-compliance with these rules may lead to criminal fines, administrative fines, imprisonment or other sanctions.

The Market Abuse Regulation may restrict the Company's ability to buy back the Ordinary Shares. In certain circumstances, the Company's investors can also be subject to the Market Abuse Regulation.

Public registry

The AFM keeps a public register of all notifications made pursuant to these disclosure obligations and publishes any notification received.

Non-compliance

Non-compliance with the notification obligations under the Market Abuse Regulation and the Dutch Financial Supervision Act, set out in the paragraphs above, is an economic offence (*economisch delict*) and could lead to the imposition of criminal fines, administrative fines, imprisonment or other sanctions. The AFM may impose administrative penalties or a cease-and-desist order under penalty for non-compliance. If criminal charges are pressed, the AFM is no longer allowed to impose administrative penalties and vice versa, the AFM is no longer allowed to seek criminal prosecution if administrative penalties have been imposed. Furthermore, a civil court can impose measures against any person who fails to notify or incorrectly notifies the AFM of matters required to be correctly notified. A claim requiring that such measures be imposed must be instituted by the Company and/or one or more Shareholders who alone or together with others represent(s) at least 3% or the Company's issued share capital or are able to exercise at least 3% of the voting rights. The measures that the civil court may impose, include:

- an order requiring the person violating the disclosure obligations under the Dutch Financial Supervision Act to make appropriate disclosure;
- suspension of the voting rights in respect of such person's shares for a period of up to three years as determined by the court;
- voiding of a resolution adopted by the general meeting, if the court determines that the resolution would not have been adopted but for the exercise of the voting rights of the person who is obliged to notify, or suspension of a resolution until the court makes a decision on such voiding, and;
- an order to the person violating the disclosure obligations under the Dutch Financial Supervision Act to refrain, during a period of up to five years as determined by the court, from acquiring the shares and/or voting rights in the shares.

Identity of the Shareholders and distribution of information

The Company may, in accordance with Chapter 3A of the Dutch Securities Giro Transfer Act, request Euroclear Nederland, admitted institutions, intermediaries, institutions abroad, and managers of investment institutions, to provide certain information on the identity of the Shareholders. Such request may be made at any time. No information will be given on Shareholders with an interest of less than 0.5% of the Company's issued share capital. A Shareholder who, individually or together with other Shareholders, holds an interest of at least 10% of the Company's issued share capital may request the Company to establish the identity of the Shareholders. This request may only be made in writing during a period of 60 days until (and not including) the 42nd day before the day on which the General Meeting will be held.

If a request as referred to in the previous paragraph has been made by either the Company or a Shareholder, the Shareholders who, individually or with other Shareholders, hold Shares that represent at least 1% of the issued and outstanding share capital or a market value of at least €250,000, may request the Company to disseminate information that is prepared by them in connection with an agenda item for a General Meeting. The Company can only refuse disseminating such information, (i) if received less than seven business days prior to the General Meeting, (ii) if the information gives or could give an incorrect of misleading signal or (iii) if, in light of the nature of the information, the Company cannot reasonably be required to disseminate it.

Related Party Transactions Regime

Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement (the "**Shareholder Rights Directive II**"), establishes requirements in relation to the exercise of certain shareholder rights attached to voting shares in relation to general meetings of companies which have their registered office in a Member State and the shares of which are admitted to trading on a regulated market situated or operating within a Member State.

The Dutch Act to implement the Shareholder Rights Directive II (*bevordering van de langetermijnbetrokkenheid van aandeelhouders*) (the "**Dutch SRD Act**"), among other things, adds rules on related party transactions to the Dutch Civil Code and provides that "material transactions" with "related parties" not entered into within the ordinary course of business or not concluded on normal market terms ("extraordinary transactions"), will need to be approved by the supervisory board, in case of a two-tier board, or the board of directors, in case of a one-tier board, and be publicly announced at the time that the transaction is entered into. In addition, certain items in respect of any such related party transaction not concluded on normal market terms must be disclosed in the explanatory notes to the Company's annual accounts. If information is required to be published at an earlier stage under the Market Abuse Regulation, that requirement prevails. The supervisory board, in case of a two-tier board, or the board, in case of a one-tier board, is required to establish an internal procedure to periodically assess whether transactions are concluded in the ordinary course of business and on normal market terms. Any director or shareholder that has a, direct or indirect, personal interest in the transaction cannot participate in the deliberations or decision-making with respect to the related party transaction concerned. In this context: a "related party" is interpreted in accordance with IFRS (IAS 24 (Related Party Disclosures)) and includes a party that has "control" or "significant influence" over the company or is a member of the company's key management personnel; and a transaction is considered "material" if it would constitute inside information within the meaning of the Market Abuse Regulation and is concluded between the company and a related party (which for this purpose, and in line with the Dutch Corporate Governance Code, in any event includes one or more shareholders representing at least 10% of the issued share capital, an executive director or a non-executive director). Not all transactions with a "related party" are subject to the approval and disclosure provisions of the Dutch SRD Act (for example, transactions concluded between a company and its subsidiary fall outside of the scope of the Dutch SRD Act).

Transparency Directive

On admission of the Ordinary Shares A to listing on Euronext Amsterdam, the Company will be a public company with limited liability (*naamloze vennootschap*) incorporated and existing under the laws of the Netherlands. The Netherlands is the home member state of the Company for the purposes of Directive 2004/109/EC (as amended by Directive 2013/50/EU, the "**Transparency Directive**") as a consequence of which the Company will be subject to certain on-going transparency and disclosure obligations under the Dutch Financial Supervision Act and the Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*) (the "**Dutch Financial Reporting Supervision Act**").

Dutch Financial Reporting Supervision Act

On the basis of the Dutch Financial Reporting Supervision Act, the AFM supervises the application of financial reporting standards by, among others, companies whose corporate seat are in the Netherlands and whose securities are listed on a regulated Dutch or foreign stock exchange. Pursuant to the Dutch Financial Reporting Supervision Act, with regard to the Company's annual accounts and half-yearly reports, the AFM has an independent right to (i) request an explanation from the Company regarding its application of the applicable financial reporting standards; and (ii) recommend the Company to make further explanations available. If the Company does not comply with such a request or recommendation, the AFM may request that the Enterprise Chamber orders the Company to (i) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports; or (ii) prepare its financial reports in accordance with the Enterprise Chamber's instructions.

THE ADMISSION

Listing and Trading[325]

An application has been submitted for the admission to listing and trading of all the Ordinary Shares A under the symbol "TCS" on Euronext Amsterdam. The ISIN is NL00150024H0. Trading in the Ordinary Shares A on Euronext Amsterdam is expected to commence on [●].

Reference Price

The technical reference price of the Ordinary Shares A will be announced by Euronext Amsterdam. This price will be determined by the Board.

Settlement

Trades in the Ordinary Shares A on Euronext Amsterdam shall settle via the facilities of the Netherlands Central Institute for Giro Securities Transactions (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.* trading as Euroclear Nederland).

Liquidity Arrangement

CT Infrastructure Holding Ltd will make available 30,710,605 of the Ordinary Shares A it holds, ThomasLloyd Cleantech Infrastructure Holding GmbH will make available [TBC] of the Ordinary Shares A it hold] and MNA will make available [TBC] of the Ordinary Shares A it holds, i.e. in aggregate [48,071,060] Ordinary Shares A, to the Liquidity Provider to facility trades following the First Trading Day and support an orderly market. The liquidity pool will be managed by the Liquidity Provider. The liquidity pool has solely been set up to facilitate trades and not to stabilise the price of the Ordinary Shares A. The Liquidity Provider promotes and supports an orderly and liquid market and may therefore quote bid and offer prices. The Liquidity Provider may purchase and sell Ordinary Shares A at its own discretion.

Listing and Paying Agent

ABN AMRO Bank N.V. is acting as listing and paying agent for the Ordinary Shares A. The address of ABN AMRO is Gustav Mahlerlaan 10, 1082 PP Amsterdam, The Netherlands.

[325] Annex 11, item 4.1 and item 6.1 (a)-(b).

TAXATION

Taxation in the Netherlands

General[326]

The income received from the Ordinary Shares A may be impacted by applicable tax legislation, in particular by tax legislation of the jurisdiction of residence of prospective investors and of the jurisdiction of incorporation of the Company. The information set out below is a general summary of certain material Dutch tax consequences in connection with the acquisition, holding and disposal of Ordinary Shares A (in view of the Company's incorporation under Dutch law).

This summary does not purport to be a comprehensive or complete description of all the Dutch tax considerations or consequences that may be relevant for a particular holder of Ordinary Shares A, who or which may be subject to special tax treatment under any applicable law, nor does this summary intend to be applicable in respect of all categories of holders of Ordinary Shares A. In particular, any considerations or consequences in relation to the Dutch Minimum Tax Act 2024 (*Wet minimumbelasting 2024*, the implementation in Dutch tax law of Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union) are not addressed in this summary. For purposes of Dutch tax law, a holder of Ordinary Shares A may include an individual who, or an entity that, does not have the legal title to the Ordinary Shares A, but to whom or to which the Ordinary Shares A or the income therefrom are nevertheless attributed based on specific statutory provisions or on the basis of such individual or entity having a(n) (beneficial) interest in the Ordinary Shares A or the income therefrom.

This general summary is based upon the tax laws of the Netherlands as in effect on the date of this Prospectus and as applied and interpreted in case law of the courts of the Netherlands and in administrative guidance of the relevant authorities of the Netherlands, in each case as publicly available in printed form on or before such date, without prejudice to any developments or amendments introduced at a later date and implemented with or without retroactive effect. The tax consequences that may arise in any jurisdiction other than the Netherlands in connection with the acquisition, holding and disposal of Ordinary Shares A are not addressed in this summary.

All references in this summary to the Netherlands and to Netherlands or Dutch law are to the European part of the Kingdom of the Netherlands and its law, respectively, only. In addition, any reference hereafter made to a double taxation convention concluded by the Netherlands includes the Tax Regulation for the Kingdom of the Netherlands (*Belastingregeling voor het Koninkrijk*), the Tax Regulation Netherlands-Curacao (*Belastingregeling Nederland-Curaçao*), the Tax Regulation Netherlands Sint Maarten (*Belastingregeling Nederland Sint Maarten*), the Tax Regulation for the country of the Netherlands (*Belastingregeling voor het land Nederland*) and the Agreement between the Taipei Representative Office in the Netherlands and the Netherlands Trade and Investment Office in Taipei for the Avoidance of Double Taxation.

As this is a general summary only, (prospective) holders of Ordinary Shares A should consult their own tax advisors as to the Dutch or other tax consequences of the acquisition, holding and disposal of Ordinary Shares A, including, in particular, the application to their specific situations of the tax considerations discussed below.

Excluded Holders of Ordinary Shares A

The description of the Dutch tax consequences set out in this general summary is not intended for any holder of Ordinary Shares A:

- who has or that has a Substantial Interest or deemed Substantial Interest (as defined below) in the Company;
- for whom the income or capital gains derived from the Ordinary Shares A are attributable to a membership of a management board or a supervisory board, an employment relationship or a deemed employment relationship, the income from which is taxable in the Netherlands;
- that is an entity that is resident or deemed to be resident in the Netherlands and that is, in whole or in part, not subject to or exempt from Dutch corporate income tax (such as qualifying pension funds);
- that is an entity for which the income and/or capital gains derived in respect of the Ordinary Shares A are exempt under the participation exemption (*deelnemingsvrijstelling*) or are subject to the participation credit (*deelnemingsverrekening*) as set out in the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*) (as further discussed below) or for which the income and/or capital gains derived in respect of the Ordinary Shares A would have been subject to either the participation exemption or participation credit regime if such holder of Ordinary Shares A had been a taxpayer in the Netherlands;
- that is an exempt investment institution (*vrijgestelde beleggingsinstelling*) or a fiscal investment institution (*fiscale beleggingsinstelling*) as meant in Articles 6a and 28 of the Dutch Corporate Income Tax Act 1969, respectively, or, in the case of an entity that is not resident in the Netherlands for tax purposes, has a function comparable to any such exempt investment institution or fiscal investment institution;

[326] Annex 11, item 4.11(b).

- which is an entity that is a resident of Aruba, Curaçao or Sint Maarten and has a business enterprise which is carried on through a permanent establishment (*vaste inrichting*) or permanent representative (*vaste vertegenwoordiger*) located on Bonaire, Sint Eustatius or Saba to which the Ordinary Shares A are attributable; and/or
- who is, or that is, not considered the beneficial owner of the Ordinary Shares A and/or the income and/or capital gains derived therefrom

Generally, a holder of Shares will have a substantial interest (*aanmerkelijk belang*) in the Company if such holder holds, alone or, in the case of an individual, together with his/her partner (statutorily defined term in Dutch tax law), whether directly or indirectly, the ownership of, or certain rights over, Shares representing 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of Shares, such as the Ordinary Shares A) of the Company, or rights to acquire Shares, whether or not already issued, that represent 5% or more of the Company's total issued and outstanding capital (or the issued and outstanding capital of any class of Shares), or the ownership of certain profit participating certificates that relate to 5% or more of the Company's annual profit, and/or 5% of the proceeds upon liquidation of the Company ("**Substantial Interest**"). A Shareholder will also have a Substantial Interest if one of certain relatives of that holder or of his/her partner has a Substantial Interest in the Company. If a holder of Shares does not have a Substantial Interest, a deemed Substantial Interest (*fictief aanmerkelijk belang*) will be present if (part of) a Substantial Interest has been disposed of, or is deemed to have been disposed of, without recognising a taxable gain.

Generally, a holding of Ordinary Shares A may qualify as a participation for purposes of the participation exemption or participation credit regime if that holding represents an interest of 5% or more in the nominal paid-up capital of the Company and certain conditions are met. A holder of Ordinary Shares A may also have a qualifying participation if it does not have such 5% interest but a related entity (a statutorily defined term under Dutch tax law) does, or if the Company is a related entity (a statutorily defined term under Dutch tax law) of the holder of the Ordinary Shares A.

Dividend Withholding Tax

General

Dividends paid on Ordinary Shares A to a holder of such Ordinary Shares A are generally subject to Dutch dividend withholding tax at a rate of 15%. Generally, such dividend withholding tax will not be borne by the Company, but will be withheld from the gross dividends paid on the Ordinary Shares A. The term 'dividends' for this purpose includes, but is not limited to:

- distributions in cash or in kind, deemed and constructive distributions and repayments of paid-in capital not recognised for Dutch dividend withholding tax purposes;
- liquidation proceeds, proceeds of redemption of Ordinary Shares A or, generally, consideration for the repurchase of Ordinary Shares A, other than as a temporary portfolio investment (*ter tijdelijke belegging*), in excess of the average paid-in capital recognised for Dutch dividend withholding tax purposes;
- the nominal value of Ordinary Shares A issued to a holder of Ordinary Shares A or an increase of the nominal value of Ordinary Shares A, as the case may be, to the extent that it does not appear that a contribution to the capital recognised for Dutch dividend withholding tax purposes was made or will be made; and
- a (partial) repayment of paid-in capital recognised for Dutch dividend withholding tax purposes if and to the extent that there are net profits (*zuivere winst*), within the meaning of the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*), unless the general meeting of shareholders of the Company has resolved in advance to make such a repayment and provided that the nominal value of the Ordinary Shares A concerned has been reduced by a corresponding amount by way of an amendment of the articles of association of the Company. The term "net profits" includes, but is not limited to, anticipated profits that have yet to be realised.

Holders of Ordinary Shares A Resident in the Netherlands

A holder of Ordinary Shares A who or which is, or is deemed to be, a resident of the Netherlands for tax purposes can generally credit Dutch dividend withholding tax against his/her Dutch personal income tax or its Dutch corporate income tax liability and is generally entitled to a refund of Dutch dividend withholding tax exceeding his/her aggregate Dutch personal income tax or its Dutch corporate income tax liability, provided certain conditions are met.

However, a holder of Ordinary Shares A subject to Dutch corporate income tax that is a resident or deemed resident of the Netherlands for purposes of Dutch taxation is only allowed to credit the aggregate amount of Dutch dividend withholding tax (together with any gaming tax (*kansspelbelasting*) in respect of items of profits taxable for Dutch corporate income tax purposes) levied in a relevant year against the amount of Dutch corporate income tax payable in that same year. The excess amount (if any) is not refunded but can be carried forward indefinitely, subject to certain conditions being met.

Holders of Ordinary Shares A not Resident in the Netherlands

General

With respect to a holder of Ordinary Shares A who or which is not and is not deemed to be a resident of the Netherlands for purposes of Dutch taxation and who or which is considered to be a resident of a jurisdiction other than the Netherlands under the provisions of a double taxation convention the Netherlands has concluded with such jurisdiction, the following may apply. Such holder of Ordinary Shares A may, depending on his/her or its specific circumstances and the terms of and subject to compliance with the procedures for claiming benefits under such double taxation convention, be eligible for a full or partial exemption from or a reduction or refund of Dutch dividend withholding tax, provided such holder is entitled to the benefits of such double taxation convention.

Relief for certain holders of Ordinary Shares A not resident in the Netherlands

Furthermore, certain holders of Ordinary Shares A that are resident in (a) another EU member state, (b) a designated state that is a party to the Agreement on the EEA (currently Liechtenstein, Iceland and Norway) or (c) a designated jurisdiction which has an arrangement for the exchange of tax information with the Netherlands (under the additional condition that such holder under (c) holds the Ordinary Shares A as a portfolio investment within the meaning of Article 63 (and considering Article 64) of the Treaty on the Functioning of the European Union), may under certain circumstances be entitled to a full or partial refund of Dutch dividend withholding tax:

(i) if it is an entity that (x) is not subject to taxation levied by reference to profits in its state of residence and (y) would not be subject to Dutch corporate income tax, had it been a resident in the Netherlands; or

(ii) if and to the extent (x) the dividend payment forms part of dividends in respect of which such holder is not subject to Dutch personal income tax or Dutch corporate income tax (as applicable), (y) the amount of Dutch dividend withholding tax withheld from such dividends in a relevant calendar year exceeds, after any reductions resulting from a refund pursuant to Dutch domestic law or a double taxation convention concluded by the Netherlands, the amount of Dutch personal income tax or Dutch corporate income tax (as applicable) due by the holder had he, she or it been resident in the Netherlands, and (z) such holder is not entitled to a full credit for the amount of Dutch dividend withholding tax concerned in its jurisdiction pursuant to a double taxation convention concluded between the Netherlands and that jurisdiction.

Alternatives (i) and (ii) can only be applied if certain administrative conditions are met. In addition, holders of Ordinary Shares A that are eligible for alternative (i) may be eligible for a specific Dutch exemption at source, provided that certain additional conditions are met. If such exemption has been applied in respect of dividends paid to such holders of Ordinary Shares A, they no longer be eligible to apply for the refund described under (i) above.

Beneficial ownership

Holders of Ordinary Shares A will not be entitled to a credit, refund, full or partial exemption or reduction of Dutch dividend withholding tax if they cannot be considered the beneficial owner of the dividends. Pursuant to Dutch domestic tax law, a holder of Ordinary Shares A who is the recipient of dividends (the "**Recipient**") will in any case not be considered the beneficial owner of dividends for Dutch dividend withholding tax purposes if:

- as a consequence of a combination of transactions, a person or entity other than the Recipient wholly or partly, directly or indirectly, benefits from the dividends;
- such other person or legal entity would:
  - as opposed to the Recipient, not be entitled to an exemption from dividend withholding tax; or
  - in comparison to the Recipient, to a lesser extent be entitled to a credit, reduction or refund of dividend withholding tax; and
- such other person or legal entity has, directly or indirectly, retained or acquired a similar interest in the Ordinary Shares A.

For Dutch dividend withholding tax purposes, the Recipient of a dividend paid on the Ordinary Shares A will be considered the person who or which holds such Ordinary Shares A at the end of the business day on the record date (*registratiedatum*) according to the books of Euroclear Nederland.

[*Remittance to Dutch tax authorities upon redistribution of certain foreign distributions*

In principle, the Company will be required to remit all amounts withheld by it as Dutch dividend withholding tax to the Dutch tax authorities. However, in respect of amounts that the Company has withheld from dividends that originate from distributions received by the Company from certain qualifying foreign subsidiaries (including subsidiaries resident in Aruba, Curacao, Sint Maarten, Bonaire, Sint Eustatius or Saba), the Company may be allowed, subject to certain conditions, to reduce the amount of Dutch dividend withholding tax to be remitted to the Dutch tax authorities by the lesser of:

(i) 3% of the amount of the dividend paid by the Company that is subject to Dutch dividend withholding tax; and

(ii) 3% of the profit distributions, before deduction of foreign withholding taxes, received by the Company from qualifying foreign subsidiaries in the relevant calendar year (up to the date of the dividend payment by the Company) and the two preceding calendar years, insofar as such dividends and profit distributions have not yet been taken into account for purposes of establishing the above-mentioned deductions.

Although this reduction reduces the amount of Dutch dividend withholding tax that the Company is required to pay to the Dutch tax authorities, it does not reduce the amount of tax that the Company is required to withhold from dividends.

Conditional Withholding Tax

If a holder of Ordinary Shares A is related (*gelieerd*) to the Company, dividends paid by the Company to such holder may, in addition to the Dutch dividend withholding tax described above, be subject to a conditional withholding tax if certain specific characteristics apply to such holder. These characteristics are generally applicable where (i) related holders of Ordinary Shares A are located in designated low taxed jurisdictions (*laagbelastende jurisdicties*), (ii) in situations that are considered abusive (which may for instance be the case if a related holder holds its Ordinary Shares A with (one of) the main purpose(s) of avoiding taxation for another person) or (iii) in certain situations involving hybrid entities.

For purposes of the Dutch conditional withholding tax on dividends a holder of Ordinary Shares A will be considered related to the Company if (i) such holder, directly or indirectly, alone or together with other entities forming a cooperating group (*samenwerkende groep*), has an interest in the Company that enables the holder(s) thereof to influence the Company's decision making in such a manner that its decisions and thus its activities can be determined (a 'qualifying interest'), or (ii) a third-party, directly or indirectly, alone or together with other entities forming a cooperating group, has a qualifying interest in the holder of Ordinary Shares A and in the Company.

Dutch conditional withholding tax is levied at a rate equal to the highest Dutch corporate income tax rate (25.8% in 2024). The tax base for the Dutch conditional withholding tax on dividends is in line with the description of the term 'dividends' set forth above under "*Taxation – Taxation in the Netherlands – Dividend Withholding Tax*". If a dividend is subject to both Dutch dividend withholding tax and conditional withholding tax, the amount of Dutch dividend withholding tax levied in respect of the dividend reduces the conditional withholding tax due in respect thereof.

Taxes on Income and Capital Gains

Dutch Resident Individuals

A holder of Ordinary Shares A who is an individual and who is resident or deemed to be resident in the Netherlands for purposes of Dutch taxation (a "**Dutch Resident Individual**"), will generally be subject to Dutch personal income tax (*inkomstenbelasting*) with respect to income and capital gains derived or deemed to be derived from the Ordinary Shares A at the progressive rates up to 49.5% (rates for 2024) if:

(i) the holder derives profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise (other than as an entrepreneur or a shareholder), to which enterprise the Ordinary Shares A are attributable or deemed to be attributable; or

(ii) the holder derives income or capital gains from the Ordinary Shares A, as the case may be, that are taxable as benefits from 'miscellaneous activities' (*resultaat uit overige werkzaamheden*, as defined in the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*)), which include the performance of activities with respect to the Ordinary Shares A, that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*) and also include benefits resulting from a lucrative interest (*lucratief belang*).

If neither condition (i) nor condition (ii) mentioned above applies, a Dutch Resident Individual will generally be subject to Dutch personal income tax on a deemed return with respect to the Ordinary Shares A, regardless of the actual income or capital gains derived therefrom. As of 1 January 2023, transitional legislation applies to determine the income from savings and investments based on a deemed return, until a new system will be implemented (currently envisaged to enter into force as of 2027). Under this transitional regime, the taxable income from savings and investments is calculated by applying the relevant individual's deemed return percentage (*effectieve rendementspercentage*) to the individual's yield basis (*rendementsgrondslag*) to the extent it exceeds a personal threshold (*heffingvrij vermogen*) (*grondslag sparen en beleggen*). The individual's deemed return percentage is calculated on the basis of the actual composition of the individual's yield basis (determined as the fair market value of certain qualifying assets less the fair market value of certain qualifying liabilities) on 1 January of the relevant year (subject to certain rules against reference date arbitration; *peildatumarbitrage*), with separate (periodically announced) deemed return percentages applying for bank deposits (*banktegoeden* – estimated at 1.03% for 2024), other investments (such as Ordinary Shares A; *overige bezittingen* – 6.04% for 2024) and debts (*schulden* – estimated at 2.47% for 2024). The taxable income from savings and investments will be taxed at a rate of 36% (2024).

However, on 6 June 2024 and 14 June 2024, the Dutch Supreme Court ruled in a number of cases that the application of the aforementioned transitional regime violates the principle of non-discrimination and the fundamental right to property, if and to the extent the deemed return applicable to the savings and investments of a taxpayer exceeds such taxpayer's actual return in the respective calendar year. In the rulings, the Dutch Supreme Court gives detailed rules for calculating the actual return and provides that Dutch personal income tax under the regime for savings and investment should be based on that actual return if the taxpayer successfully substantiates that the actual return is lower than the deemed return determined under the aforementioned transitional regime. In response to the abovementioned rulings, the Dutch Under-Minister for Finance has amongst other things announced his intention to lay down rules for calculating the actual return in Dutch tax law. However, as of the date of this Prospectus no legislative changes have been formally proposed by the Dutch legislator. Dutch Resident Individuals should therefore consult their own tax advisors as to the application of these Dutch Supreme Court rulings to their specific situations.

Dutch Resident Entities

A holder of Ordinary Shares A that is an entity (including for example a partnership or mutual fund, in each case to the extent taxable as a corporate entity for Dutch tax purposes) and that is resident or deemed to be resident in the Netherlands for Dutch corporate income tax purposes (a "**Dutch Resident Entity**"), will generally be subject to Dutch corporate income tax with respect to income and capital gains derived or deemed to be derived from the Ordinary Shares A at a rate of 19% for the first €200,000 of taxable amount and a rate of 25.8% for the taxable amount exceeding €200,000 (rates for 2024).

Non-Dutch Residents

A holder of Ordinary Shares A who is not, nor deemed to be, a Dutch Resident Individual or a Dutch Resident Entity, (a "**Non-Dutch Resident**") is generally not subject to Dutch personal income tax or corporate income tax with respect to the income and capital gains derived from the Ordinary Shares A, provided that:

- such Non-Dutch Resident does not derive profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise (other than as an entrepreneur or a shareholder), which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Ordinary Shares A are attributable or deemed attributable;
- in the case of a Non-Dutch Resident who is an individual, such individual does not derive income or capital gains from the Ordinary Shares A, as the case may be, that are taxable as benefits from miscellaneous activities performed in the Netherlands (*resultaat uit overige werkzaamheden in Nederland*), which include, but are not limited to, the performance of activities in respect of the Ordinary Shares A, that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*) and also includes benefits resulting from a lucrative interest (*lucratief belang*);
- in case such Non-Dutch Resident is an individual, such individual is not entitled to a share in the profits of an enterprise effectively managed in the Netherlands, other than by way of the holding of securities or through an employment relationship, to which enterprise the Ordinary Shares A or payments in respect of the Ordinary Shares A are attributable; and
- in case such Non-Dutch Resident is an entity (including for example a partnership or mutual fund, in each case to the extent taxable as a corporate entity), such entity is neither entitled to a share in the profits of an enterprise nor co-entitled to the net worth of such enterprise effectively managed in the Netherlands, other than by way of the holding of securities, to which enterprise the Ordinary Shares A, or payments in respect of the Ordinary Shares A are attributable.

Gift and Inheritance Taxes

Dutch Residents

Generally, gift taxes (*schenkbelasting*) and inheritance taxes (*erfbelasting*) may arise in the Netherlands with respect to a transfer of the Ordinary Shares A by way of a gift by, or, on the death of, a holder of Ordinary Shares A who is resident or deemed to be resident in the Netherlands for the purpose of the Dutch Gift and Inheritance Tax Act 1956 (*Successiewet 1956*) at the time of the gift or his/her death.

Non-Dutch Residents

No Dutch gift or inheritance taxes will be levied on the transfer of Ordinary Shares A by way of gift by, or on the death of, a holder who is neither a resident nor deemed to be a resident of the Netherlands for the purpose of the relevant provisions, unless:

(i) the transfer is construed as an inheritance or bequest or as a gift made by or on behalf of a person who, at the time of the gift or death, is or is deemed to be a resident of the Netherlands for the purpose of the relevant provisions; or

(ii) such holder dies while being a resident or deemed resident of the Netherlands within 180 days after the date of a gift of the Ordinary Shares A; or

(iii) the gift is made under a condition precedent and such holder is or is deemed to be resident in the Netherlands at the time the condition is fulfilled.

For purposes of the Dutch Gift and Inheritance Tax Act 1956, an individual who is of the Dutch nationality will be deemed to be a resident of the Netherlands if he/she has been a resident of the Netherlands at any time during the ten years preceding the date of the gift or his/her death.

For purposes of Dutch gift tax, an individual will, irrespective of his/her nationality, be deemed to be a resident of the Netherlands if he/she has been a resident of the Netherlands at any time during the 12 months preceding the date of the gift. The same twelve-month rule may apply to entities that have transferred their seat of residence out of the Netherlands. Applicable tax treaties may override such deemed residency.

Value Added Tax

In general, there is no Dutch value added tax (*omzetbelasting*) payable by a holder of Ordinary Shares A in connection with the acquisition, holding and disposal of the Ordinary Shares A (other than value added tax on fees payable in respect of additional services not exempt from Dutch value added tax).

Other Taxes and Duties

No Dutch registration tax, stamp duty or any other similar tax or duty will be payable in the Netherlands by a holder of Ordinary Shares A in respect of or in connection with the acquisition, ownership or transfer of Ordinary Shares A.

INDEPENDENT AUDITORS[327]

The consolidated financial statements of the Company at 31 December 2024, 2023 and 2022 and for each of the years then ended, as included in this Prospectus, have been audited by [KPMG], independent auditors, as stated in their independent auditor's report appearing herein. [KPMG] is an independent registered accounting firm. The address of [KPMG] is [TBC]. The auditor who signs on behalf of [KPMG] is a member of [x].

The financial statements of CTI Asia at 31 December 2023 and 2022 and for each of the years then ended, as included in this Prospectus, have been audited by PKF-CAP LLP independent auditors, as stated in their independent auditor's report appearing herein. PKF-CAP LLP is an independent registered accounting firm. The address of PKF-CAP LLP is 6 Shenton Way, OUE Downtown 1 #38-01 Singapore 068809. The auditor who signs on behalf of PKF-CAP LLP is a member of the Institute of Singapore Chartered Accountants.

The following financial statements, as all included in this Prospectus, have been audited by PKF R.S. Bernaldo & Associates independent auditors, as stated in their independent auditor's report appearing herein:

- The financial statements of NNB at 31 December 2023 and 2022 and for each of the years then ended;
- The financial statements of SNB at 31 December 2023 and 2022 and for each of the years then ended; and
- The financial statements of SCB at 31 December 2023 and 2022 and for each of the years then ended

PKF R.S. Bernaldo & Associates is an independent registered accounting firm. The address of PKF R.S. Bernaldo & Associates is Cityland Condominium 10 Tower 1, 6815 Ayala Avenue cor. H.V. Dela Costa Street, Makati City, Philippines. The auditor who signs on behalf of PKF R.S. Bernaldo & Associates is a member of the Philippine Institute of Chartered Accountants.

Each of [KPMG], PKF-CAP LLP and PKF R.S. Bernaldo & Associates has given, and has not withdrawn, its consent to the inclusion or incorporation by reference of its reports in this Prospectus in the form and context in which they are included. As the Ordinary Shares A have not been and will not be registered under the US Securities Act, Each of [KPMG], PKF-CAP LLP, and PKF R.S. Bernaldo & Associates has not filed and will not file a consent under the US Securities Act.

[327] Annex 1, items 1.3 (a)-(c), 2.1 and 18.3.1, Annex 11, items 1.3 and 10.1.

GENERAL INFORMATION

Corporate Resolutions

On [●], the Board resolved to list the Ordinary Shares A on Euronext Amsterdam.

No Significant Change[328]

As at the date of this Prospectus, there has been no significant change in the financial performance or the financial position of the Group since [31 March 2025 other than as detailed below].

Available Information[329]

For the term of the Prospectus the following documents can be inspected free of charge from the Group's website (www.thomas-lloyd.com):

- the Prospectus;
- the up to date Articles of Association; and
- the Financial Statements.

No Incorporation of Website[330]

The contents of the Group's website and all other websites mentioned in this Prospectus, including any websites accessible from hyperlinks on its website, do not form part of this Prospectus, unless it is expressly stated in this Prospectus that certain specific information published thereon is incorporated by reference into this Prospectus. The information on such websites has not been scrutinised or approved by the AFM.

[328] Annex 1, items 10.1(b.) and 18.7.1.
[329] Annex 1, item 21.1.
[330] Annex 1, item 4.4(d).

DEFINED TERMS

The following list of defined terms is not intended to be an exhaustive list of definitions, but provides a list of the defined terms used in this Prospectus.

Admission	the admission to listing and trading of all Ordinary Shares A on Euronext Amsterdam
AFM	*Stichting Autoriteit Financiële Markten*, the Netherlands Authority for the Financial Markets
AIFMD	the Alternative Investment Fund Managers Directive (Directive 2011/61/EU, "AIFMD")
APAC	Asia-Pacific
AR	agricultural residues division of the Biopower Platform
Articles of Association	the articles of association (*statuten*) of the Company as they shall read as of the First Trading Date
Asian Acquisition	The acquisition of CTI Asia, an investment holding company, which owns a controlling investment in the Biopower Platform which completed on 13 November 2024 and effective as of 1 January 2024.
Asia Group	the Biopower Platform and CTI Asia
Audit and Risk Committee	the audit and risk committee of the Board
Biopower Platform	NNB, SNB and SCB
BNEF	the Bloomberg New Energy Finance
Board	the one-tier of the Company
BOI	Board of Investments
Board Rules	the rules adopted by the Board governing the Board's duties, tasks, composition, procedures and decision-making
CEE	Central and Eastern Europe
CET	Central European Time
CF	the Group's Climate Finance business segment
CI	the Group's Climate Infrastructure business segment
CTI Asia	ThomasLloyd CTI Asia Holdings Pte Ltd
CTI Asia Financial Statements	Audited historical financial information for CTI Asia as at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS
COD	the start of commercial operations
CO_2	greenhouse gas carbon dioxide

Company	ThomasLloyd Climate Solutions N.V.
Issuer Group Companies	the Company, TCS UK, CTI Asia, NNB, SNB and SCB
DENR	Department of Environment and Natural Resources
Directors	the Non-Executive Directors together with the Executive Directors
Dutch Corporate Governance Code	The Dutch Corporate Governance Code, as amended, became effective on 20 December 2022
Dutch Financial Reporting Supervision Act	the Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*)
Dutch Financial Supervision Act	the Dutch Financial Supervision Act (*Wet op het financëel toezicht*) and the rules promulgated thereunder
Dutch Resident Entity	a holder of Ordinary Shares A that is an entity (including for example a partnership or mutual fund, in each case to the extent taxable as a corporate entity for Dutch tax purposes) and that is resident or deemed to be resident in the Netherlands for Dutch corporate income tax purposes
Dutch Resident Individual	a holder of Ordinary Shares A who is an individual and who is resident or deemed to be resident in the Netherlands for purposes of Dutch taxation
Dutch SRD Act	the Dutch Act to implement the Shareholder Rights Directive II (*bevordering van de langetermijnbetrokkenheid van aandeelhouders*)
EEA	European Economic Area
EPC	engineering, procurement and construction
EVN	Electricity Vietnam
EPIRA	Electric Power Industry Reform Act
Enterprise Chamber	the Enterprise Chamber of the Amsterdam Court of Appeals
EU-IFRS	IFRS as adopted by the European Union
Euro or €	the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time
Euroclear Nederland	the Netherlands Central Institute for Giro Securities Transactions (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*) trading as Euroclear Nederland
Euronext Amsterdam	the regulated market operated by Euronext Amsterdam N.V.
Executive Directors	the members of the Board that are responsible for the day-to-day operations of the Company

Fee Generating Mandates	the fees earned under the Group's investment management agreements, including management fees and performance fees, which are based on the value of the capital or assets under management or advisory
Financing Agreements	the loan agreements entered into by the Group as set out under "*Operating and Financial Review – Indebtedness – Secured facilities*" and "*Operating and Financial Review – Indebtedness – Unsecured facilities*"
First Trading Date	the date on which trading in the Ordinary Shares A on Euronext Amsterdam is expected to commence
Fully Marketed Offering	an offering of Ordinary Shares A by the MNA Group which entails the Company's involvement in the form of a management road show and/or the preparation of a prospectus or offering memorandum relating to 10% or more of the Ordinary Shares
FVTPL	fair value through profit or loss
GDP	gross domestic product
GDPR	General Data Protection Regulation (EU) 2016/679
General Meeting	the general meeting of Shareholders of the Company
GHG	greenhouse gas emissions
Group	the Company and its subsidiaries
Group Financial Statements	Audited historical consolidated financial statements of ThomasLloyd Climate Solutions N.V. as at and for each of the years ended 31 December 2023 and 2024, prepared in accordance with EU-IFRS
HDI	human development index value
LEI	Legal Entity Identifier
LNG	liquefied natural gas
IFRS	International Financial Reporting Standards issued by the International Accounting Standards Board
ImpactPlus	the Group's proprietary, fully-digital co-investment-platform
Initial Target Markets	the Philippines, India and Vietnam
INR	Indian Rupee
IP	Intellectual property
ISIN	International Security Identification Number
IPCC AR6	The Sixth Assessment Report of the United Nations Intergovernmental Panel on Climate Change
LEI	Legal Entity Identifier
Listing and Paying Agent	ABN AMRO Bank N.V.
Liquidity Provider	ABN AMRO Bank N.V.

Market Abuse Regulation	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, which entered into force on 3 July 2016
MiFID II	the Markets in Financial Instruments Directive (Directive 2004/39/EC2014/65/EU)
MNA	MNA Capital Pte Ltd
MNA Group	MNA, but excluding the Group
MNA Non-Executive Director	the right of MNA to nominate a Non-Executive Director for appointment by the General meeting [●]
NCIP	National Commission on Indigenous People
NDCs	nationally determined contributions
NGFS	Network for Greening the Financial System
NGCP	National Grid Corporation of the Philippines
NNB	North Negros Biopower Inc
NNB Financial Statements	Audited historical financial information for NNB as at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS
Nomination Committee	the nomination committee of the Board
Non-Dutch Resident	A holder of Ordinary Shares A who is not, nor deemed to be, a Dutch Resident Individual or a Dutch Resident Entity
Non-Executive Directors	the members of the Board responsible to supervise the functioning of the Executive Directors
OneWater	OneWater Group Ltd
OneWater Acquistion	the acquisition by the Company of 11.7% of the issued share capital of OneWater Group
Ordinary Shares A	the ordinary shares in the capital of the Company with a nominal value of €0.10 each
Ordinary Shares B	the ordinary shares in the capital of the Company with a nominal value of €1.00 each
PDP 8	Power Development Plan 8
PDMR	Person discharging managerial responsibilities within the meaning of the Market Abuse Regulation
PHP	Philippine peso
Prospectus	this prospectus dated [●]
Prospectus Regulation	Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended
RBO	Retirement Benefit Obligation provision, in relation to the defined benefits schemes mandated under Philippine law at the Biopower Platform.

Recipient	a holder of Ordinary Shares A who is the recipient of dividends
Relationship Agreement	the relationship agreement dated on or about [●] between the Company and MNA
Remuneration Committee	the remuneration committee of the Board
Restructuring	The internal reorganisation of the Group
RPS	Renewable Portfolio Standard
SolarArise	SolarArise Holdings Private Ltd
SaCaSol	San Carlos Solar Energy Inc.
SCB	San Carlos Biopower Inc.
SCB Financial Statements	Audited historical financial information for SCB as at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS
Selected Financial Information	selected statement of comprehensive income, consolidated balance sheet and consolidated statement of cash flows
Shareholder	any holder of Shares at any time
Shares	the Ordinary Shares A and the Ordinary Shares B
Shareholder Rights Directive II	Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement
SNB	South Negros Biopower Inc
SNB Financial Statements	Audited historical financial information for SNB as at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with EU-IFRS
Substantial Interest	a holder of shares, holding alone or, in the case of an individual, together with his/her partner (statutorily defined term in Dutch tax law), whether directly or indirectly, the ownership of, or certain rights over, Shares representing 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of Shares, such as the Ordinary Shares A) of the Company, or rights to acquire Shares, whether or not already issued, that represent 5% or more of the Company's total issued and outstanding capital (or the issued and outstanding capital of any class of Shares), or the ownership of certain profit participating certificates that relate to 5% or more of the Company's annual profit, and/or 5% of the proceeds upon liquidation of the Company.
Transactions	the Initial Issuance to acquire 100% of the share capital through the acquisition of CTI Asia, which owns 100% of the shares issued by NNB and SNB and 92.3% of the shares issued by SCB, which took place on 13 November 2024 and the acquisition by the Company of TCS UK which took place on 13 November 2024
TL CTIF SICAV	ThomasLloyd Cleantech Infrastructure Fund SICAV
TL SICAV	ThomasLloyd SICAV

TL SICAV EICF	A sub-fund of TL SICAV, being TL SICAV – Energy Impact Credit Fund (formerly known as ThomasLloyd SICAV - Cleantech Infrastructure Fund)
TL SICAV SIGF	A sub-fund of TL SICAV, being TL SICAV – Sustainable Impact Growth Fund
TCS Asia	ThomasLloyd Climate Solutions Pte Ltd
TCS UK	ThomasLloyd Climate Solutions Ltd (formally ThomasLloyd Group Limited)
TCS UK Acquisition	The acquisition of ThomasLloyd Climate Solutions Limited and its subsidiaries completed on 13 November 2024
TCS UK Financial Statements NNB	Audited historical consolidated financial information for TCS UK as at and for each of the years ended 31 December 2022 and 2023, prepared in accordance with UK IFRS
TCS US	ThomasLloyd Climate Solutions LLC (formerly ThomasLloyd Global Asset Management (Americas) LLC)
TLH	ThomasLloyd Holdings Limited
UK-IFRS	IFRS as issued by the International Accounting Standards Board and as promulgated by UK law
UN SDG	United Nation's sustainable development goals
US Securities Act	the US Securities Act of 1933, as amended
USD	US Dollar
WESM	Wholesale Electricity Spot Market
WGI	World Governance Indicators

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F-PAGES

[To be included.]

COMPANY

ThomasLloyd Climate Solutions N.V.
Zuidplein 36
1077XV Amsterdam, The Netherlands

LEGAL ADVISERS TO THE COMPANY

Stibbe N.V.
Beethovenplein 10
1077WM Amsterdam, The Netherlands

LISTING AND PAYING AGENT

ABN AMRO Bank N.V.
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

INDEPENDENT AUDITORS

As auditors of the Financial Statements the Company
[KPMG]

As auditors of the Financial Statements CTI Asia
PKF-CAP LLP
6 Shenton Way, OUE Downtown 1 #38-01
Singapore 068809

As auditors of the Financial Statements NNB, SNB and SCB
PKF R.S. Bernaldo & Associates
Cityland Condominium 10 Tower 1, 6815
Ayala Avenue cor. H.V. Dela Costa Street,
Makati City, Philippines