



**TRANSITION**

Limited liability corporation with a Board of Directors (*société anonyme à Conseil d'administration*)

49 bis avenue Franklin Roosevelt, 75008 Paris, France

RCS Paris 895 395 622

**ANNUAL FINANCIAL REPORT FOR THE NINE MONTH PERIOD**

**ENDED DECEMBER 31, 2021**

This is a translation into English of the Annual Financial Report of the Company issued in French and which is available on the website of our company, [www.spactransition.com](http://www.spactransition.com).

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**I. DECLARATION BY THE PERSON RESPONSIBLE FOR THE ANNUAL FINANCIAL REPORT**

I certify, to the best of my knowledge, that the annual financial statements of Transition have been drawn up in accordance with applicable accounting standards, and give a true and fair view of the assets and liabilities, financial position, and profits and losses of the Company, and that the activity report therein presents a true and fair view of the major events that took place, and describes the main risks and uncertainties the Company is facing.

Paris, February 25, 2022

Xavier Caïtucoli  
Chairman and Chief Executive Officer

## II. ANNUAL ACTIVITY REPORT

### 1. Activities of Transition – Significant Events

#### *1.1 Preparation of the offering and admission to listing and trading on the Professional Segment of the regulated market of Euronext Paris of preferred shares and warrants*

The Company was incorporated on March 15, 2021 for the purpose of acquiring one or more companies or operating businesses headquartered in Europe through a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction. The Company was formed by Messrs. Xavier Caïtucoli and Erik Maris, each acting through and on behalf of their controlled affiliated entities named respectively Crescendix (or any entity controlled by Crescendix) and Schuman Invest, and by Eiffel Essentiel SLP (together, the “Founders”).

The management team has then been working on the preparation of the offering and admission to listing and trading on the Professional Segment of the regulated market of Euronext Paris of preferred shares and warrants, including the preparation of the prospectus dated June 16, 2021 approved by the *Autorité des Marchés Financiers* under no. 21-231 (the “Prospectus”), the financial statements included therein and the contractual documents necessary in connection with the foregoing.

#### *1.2 Completion of the offering of Units to certain qualified investors in France and outside of France, and admission to listing and trading of the Market Units*

##### *Offering of Units*

On June 17, 2021, the Company offered 20,000,000 of its class B shares, with a nominal value of €0.01 per share (the “Market Shares”) and 20,000,000 of its class B warrants (the “Market Warrants”). The Market Shares and the Market Warrants were offered only in the form of units (*actions de préférence stipulées rachetables assorties de bons de souscription d’actions ordinaires de la Société rachetables*) each consisting of one (1) Market Share and one (1) Market Warrant (the “Units”) at a price per Unit of €10.00 (the “Offering”) pursuant to the Prospectus.

Accordingly, this Offering was directed solely towards qualified investors (*investisseurs qualifiés*) acting for their own account, as defined in Article 2 point (e) of Regulation (EU) 2017/1129 (as amended, the “Prospectus Regulation”) and in accordance with Article L. 411-2 1° of the French *Code monétaire et financier*, inside or outside of France, and who belong to one of the following two targeted categories:

- qualified investors investing in companies and businesses operating in the energy transition sector; or
- qualified investors meeting at least two of the three following criteria set forth under Article D. 533-11 of the French *Code monétaire et financier*, i.e., (i) a balance sheet total equal to or exceeding twenty (20) million euros, (ii) net revenues or net sales equal to or exceeding forty (40) million euros, and/or (iii) shareholders’ equity equal to or exceeding two (2) million euros.

The minimum subscription amount in the context of the Offering was set at €1,000,000.

Mr. Xavier Caïtucoli and Eiffel Essentiel participated in the Offering, whether directly or indirectly, for the respective amounts of €5,000,000 and €10,000,000.

As from June 22, 2021, the Market Units traded as units on the Professional Segment (“*Compartment Professionnel*”) of the regulated market of Euronext Paris, on a single listing line.

On July 29, 2021, the Market Warrants were detached from the Market Shares and have been traded separately on a listing line from such date.

##### *Founders’ Shares and Founders’ Units*

Prior to the Offering, the Founders held 5,649,999 ordinary shares subscribed at their nominal value (€0.01). On June 22, 2021 (the “Listing Date”), each ordinary share held by such holders were converted into one (1) class A share (each, a “Founder Share”), with a nominal value of €0.01 per Founder Share. Founder Shares are preferred shares (*actions de préférence*) issued pursuant to provisions of Articles L. 228-11 *et seq.* of the French *Code de commerce*, the rights and obligations of which are defined in the Articles of Association as in effect on the listing date.

Simultaneously with the completion of the Offering, the Founders subscribed, in the context of a reserved issuance, a total of 592,800 units (the “Founders’ Units”) at a price of €10.00 per Founders’ Unit (€5,928,000 in the aggregate), each Founders’ Unit consisting of one (1) fully-paid ordinary share with a nominal value of €0.01 and one (1) class A warrant (a “Founders’ Warrant”). The Founders also subscribed 923,868 ordinary shares at a price of 0.01€ per ordinary share.

On the Listing Date, the ordinary shares held directly and indirectly by each of the Founders, including the ordinary shares underlying the Founders’ Units, have been converted as follows:

- 1,911,111 Ordinary Shares have been converted into 1,911,111 Class A1 Founders’ Shares;
- 1,911,111 Ordinary Shares have been converted into 1,911,111 Class A2 Founders’ Shares;
- 1,911,111 Ordinary Shares have been converted into 1,911,111 Class A3 Founders’ Shares; and
- 1,433,333 Ordinary Shares have been converted into 1,433,333 Class A4 Founders’ Shares.

The Class A Founders’ Shares and the Founders’ Warrants underlying the Founders’ Units have separated on July 31, 2021 upon decision by the *Président-Directeur Général*, acting upon delegation of the Company’s Board of Directors.

#### *Forward Purchase Agreement*

The Company issued, in a reserved issuance that occurred simultaneously with the completion of the Offering, a total of 7,100,000 warrants, at a price of €0.01 per warrant, each warrant giving its holder the right to subscribe for one (1) new Ordinary Share with one (1) Market Warrant attached, at an overall exercise price of €10.00 (subject to adjustment as described in the Prospectus) per warrant (the “Forward Purchase Warrants”). The Forward Purchase Warrants were purchased by Mr. Xavier Caïtucoli and by Eiffel Essentiel SLP (whether directly or indirectly) for the respective amounts of €5,000, and €10,000 (corresponding to the subscription of 500,000 and 1,000,000 Forward Purchase Warrants), and by the following investors who committed to participate in the Offering:

- Sycomore Asset Management subscribed 3,800,000 Forward Purchase Warrants;
- Guisando B.V. subscribed 1,000,000 Forward Purchase Warrants;
- Financière Arbevel subscribed 600,000 Forward Purchase Warrants; and
- Financière Saint-James subscribed 200,000 Forward Purchase Warrants.

#### *Over-allotment and Stabilization Period*

The Company granted to Goldman Sachs, acting as stabilization manager on behalf of the Bookrunners (the “Stabilization Manager”), an option to purchase up to 1,500,000 additional Units at a price of €10.00 per Unit (the “Over-allotment Units”), in an aggregate amount of up to €15 million, exercisable for 30 days following the Listing Date (the “Stabilization Period”), solely for the purpose of covering over-allotments and facilitating stabilization activities, if any (the “Over-allotment Option”).

The Over-allotment Units were subscribed by each of Mr. Xavier Caïtucoli and Eiffel Essentiel SLP (whether directly or indirectly) for the respective amounts of €5,000,000 and €10,000,000 (corresponding to the subscription of 500,000 and 1,000,000 Units) on June 17, 2021 and were immediately repurchased by the Company at the same price. The Company thereafter lent 1,500,000 Over-allotment Units to the Stabilization Manager for delivery to investors in respect of over-allotments, if any. The Stabilization Manager could, to the extent permitted by applicable laws and rules, over-allot the Units or effect transactions with a view to supporting the market price of the Units by buying an amount of Units up to the Over-allotment Units. In compliance with the provisions of the Market Abuse Regulation and Commission Delegated Regulation (EU) 2016/1052 of March 8, 2016 (the “Delegated Regulation”), stabilization transactions could not be effected at a price greater than the offering price in the Offering.

The Stabilizing Manager undertook stabilization activities (as defined under Article 3(2)(d) of the Regulation (EU) No 596/2014 of 16 April 2014 on market abuse) in relation to the first admission to trading on Euronext Paris of the Units pursuant to the Prospectus during the Stabilization Period. In accordance, the Company published three press releases on June 28, 2021, July 5, 2021 and July 22, 2021.

The Stabilization Period ended on July 22, 2021. The Stabilization Manager exercised in part the Over-allotment Option to purchase 650,000 additional Units from the Company, at the original offering price of €10.00 per Unit, corresponding to a total amount of approximately €6.5 million. As a result, the total number of Units offered in the private placement amounted to 20,650,000 Units, thereby increasing the total offering size to approximately €206.5 million.

Given the Over-allotment Option was not exercised in full, on July 26, 2021, the Stabilization Manager returned to the Company the Over-allotment Units which were been purchased by the Stabilization Manager, corresponding to an amount of 850,000 Units.

### *Share capital reduction*

In order to put the Founders in the situation they would have been in if the number of 20,650,000 Market Units subscribed in the context of the Offering had been known at the time of the determination of the number of Founders' Shares to be issued, the Board of Directors decided on July 30, 2021 in accordance with article 11.2 of the articles of association of the Company and article 4.2 of the terms and conditions of the Founders' Warrants, to implement a buy-back in cash by the Company (the "Share Buy-Back") of a total number of :

- 75,555 Class A1 Founders' Shares, consisting of (i) 4,623 Class A1 Founders' Shares corresponding to the former ordinary shares underlying the Founders' Units issued pursuant to the 23<sup>rd</sup> resolution of the Ordinary and Extraordinary General Meeting of June 16, 2021 and (ii) 70,932 Class A1 Founders' Shares corresponding to the former ordinary shares issued pursuant to the 24<sup>th</sup> resolution of the Ordinary and Extraordinary General Meeting of June 16, 2021;
- 75,558 Class A2 Founders' Shares, consisting of (i) 4,626 Class A2 Founders' Shares corresponding to the former ordinary shares underlying the Founders' Units issued pursuant to the 23<sup>rd</sup> resolution of the Ordinary and Extraordinary General Meeting of June 16, 2021 and (ii) 70,932 Class A2 Founders' Shares corresponding to the former ordinary shares issued pursuant to the 24<sup>th</sup> resolution of the Ordinary and Extraordinary General Meeting of June 16, 2021;
- 75,555 Class A3 Founders' Shares, consisting of (i) 4,623 Class A3 Founders' Shares corresponding to the former ordinary shares underlying the Founders' Units issued pursuant to the 23<sup>rd</sup> resolution of the Ordinary and Extraordinary General Meeting of June 16, 2021 and (ii) 70,932 Class A3 Founders' Shares corresponding to the former ordinary shares issued pursuant to the 24<sup>th</sup> resolution of the Ordinary and Extraordinary General Meeting of June 16, 2021;
- 56,667 Class A4 Founders' Shares, consisting of (i) 3,468 Class A4 Founders' Shares corresponding to the former ordinary shares underlying the Founders' Units issued pursuant to the 23<sup>rd</sup> resolution of the Ordinary and Extraordinary General Meeting of June 16, 2021 and (ii) 53,199 Class A4 Founders' Shares corresponding to the former ordinary shares issued pursuant to the 24<sup>th</sup> resolution of the Ordinary and Extraordinary General Meeting of June 16, 2021; and
- 17,340 Founders' Warrants, corresponding to the Founders' Warrants attached to the Class A1 Founders' Shares, the Class A2 Founders' Shares, the Class A3 Founders' Shares and the Class A4 Founders' Shares underlying the Founders' Units repurchased pursuant to the above.

On the same date, the Board of Directors of the Company also decided to implement a share capital reduction of the Company not motivated by losses for a total nominal amount of €11,333.35 (the "Share Capital Reduction") through the cancellation of:

- 850,000 Market Shares held by the Company as treasury stock (since the restitution made on July 26, 2021, as indicated above),

and:

- 75,555 Class A1 Founders' Shares (including 4,623 former Founders' Units),
- 75,558 Class A2 Founders' Shares (including 4,626 former Founders' Units),
- 75,555 Class A3 Founders' Shares (of which 4,623 former Founders' Units),
- 56,667 Class A4 Founders' Shares (including 3,468 former Founders' Units),

which have been repurchased by the Company under the conditions of article L. 228-12-1 II of the Commercial Code.

On July 30, 2021, the *Président-Directeur Général*, acting upon delegation of the Company's Board of Directors decided to proceed to the Share Buy-Back that occurred on the same day.

As a consequence of the implementation of the Share Buy-Back, 5,555 Class A1 Founders' Shares, 75,558 Class A2 Founders' Shares, 75,555 Class A3 Founders' Shares and 56,667 Class A4 Founders' Shares (and 17,340 Founders' Warrants attached to these shares) have been repurchased by the Company for a total price of €176,059.95.

Such 283,335 Class A Founders' Shares were immediately cancelled and 850,000 Market Shares were also cancelled in accordance with the deliberations of the Board of Directors.

The Company's share capital was therefore reduced by a total nominal amount of €11,333.35, from an amount of €286,666.67 euros to an amount of €275,333.32.

As from the completion of the Share Capital Reduction on July 30, 2021, the share capital of the Company has been composed of 6,883,332 Class A Founders' Shares, divided into 1,835,556 Class A1 Founders' Shares, 1,835,553 Class A2 Founders' Shares, 1,835,556 Class A3 Founders' Shares and 1,376,667 Class A4 Founders' Shares, and 20,650,000 Market Shares.

### ***1.3 Transfer of funds raised by the Company on a dedicated Escrow Account***

On the Listing Date, the Company transferred the net proceeds from (i) the Offering, (ii) the reserved issuance to the Founders of the Founders' Units less an amount to €1,500,000 (used by the Company as its initial working capital allowance), (iii) the reserved issuance of the Forward Purchase Warrants and (iv) the reserved issuance to the Founders of Ordinary Shares; together with an amount corresponding to the estimated deferred underwriting commissions, i.e. an amount of €200,075,545, in a secured deposit account opened by the Company with Crédit Industriel et Commercial (the "Escrow Account").

It is reminded that funds deposited in the Escrow Account may only be used in connection with the completion of the Initial Business Combination (as such terms are defined in the Prospectus) and the potential redemption of the Market Shares validly submitted for redemption. If the Company does not complete an Initial Business Combination by the Initial Business Combination Deadline (as such terms are defined in the Prospectus), the outstanding amounts in the Escrow Account (including the interests, if any, on such amounts) will, after satisfaction of creditors' claims and settlement of the Company's liabilities, be distributed to the holders of the Market Shares and to the Founders for their Founders' Shares.

Following the partial exercise of the Over-allotment Option, an amount of €6,502,034 was deposited in the Escrow Account, amounting to a total amount of €206,577,579 placed on the Escrow Account.

On September 27, 2021, the Company transferred the total amount from the Escrow Account to a new secured deposit account opened with Caisse d'Epargne. The Escrow Account now refers to such secured deposit account opened by the Company with Caisse d'Epargne.

### ***1.4 Allocation of the share capital of Transition and declarations regarding crossing of thresholds***

As of December 31, 2021, the share capital of the Company is composed of 27,533,332 shares and 22,485,556 voting rights.

As of December 31, 2021, the shareholders holding more than 5% of the share capital or of total voting rights are:

	% of the Company's share capital	% of the Company's voting rights
Xavier Caïtucoli <sup>1</sup>	10.15%	4.94%
Erik Maris <sup>2</sup>	8.33%	2.72%
Eiffel Essentiel SLP	11.97%	7.17%
Sycomore Asset Management	13.80%	16.90%
La Financière de l'Echiquier	4.54%	5.56%

### ***1.5 Operations of the Company***

During the nine-month period ended December 31, 2021, the Company actively pursued the search and identification of business combination opportunities, in accordance with the objectives and procedures described in the Prospectus.

<sup>1</sup> Xavier Caïtucoli holds his Founders' Shares, Founders' Warrants, Market Shares and Market Warrants through Crescendix (or any entity controlled by Crescendix). The shares of Crescendix are directly wholly owned by Xavier Caïtucoli.

<sup>2</sup> Erik Maris holds his Founders' Shares and Founders' Warrants through Schuman Invest. The shares of Schuman Invest are directly wholly owned by Erik Maris.

## **2. Statement of income (loss) and financial position analysis**

The points discussed in this section are based on the Company's statutory accounts for the nine-month period ended December 31, 2021.

### **2.1 Statement of income analysis**

As at December 31, 2021, no revenue has been achieved by the Company.

The operating income is a loss equal to €4,832 thousand mainly corresponding to external expenses in connection with the Offering and the Over-allotment Option. It also includes payment of legal, accounting, insurance and other general and administrative expenses.

The net income of the Company is a net loss equal to €5,245 thousand.

### **2.2 Statement of financial position analysis**

As of December 31, 2021, the Company has Cash at bank of €207,049 thousand including restricted cash of €206,578 thousand which mainly correspond to the proceeds from the issuance of the Market Units and the proceeds of the Over-allotment Option.

Other receivables of the Company amount to €18 thousand and correspond to deductible VAT. The prepaid expenses for €214 thousand relate to market admission and insurance fees invoiced in advance.

Company's equity amounts to €207,133 thousand and is as follows: share capital of the Company is equal to €275 thousand and €212,113 thousand have been recorded as equity premium as a result of the operations described in section *1.2 Completion of the offering of Units to certain qualified investors in France and outside of France, and admission to listing and trading of the Market Units*.

Borrowing and other financial liabilities amount to €97 thousand. They correspond to the negative interests recognized on the escrow account.

Trade payables amount to € 48 thousand as of December 31, 2021.

## **3. Investments**

No material investment has been completed during the year 2021.

## **4. Material events that occurred since the closing date of the 2021 annual financial statements**

No material event has occurred since the closing date of the 2021 annual financial statements.

## **5. Risk factors**

The risks identified by the Company as having a significant adverse effect on the Company's business, financial condition, results of operations or prospects, and which are important for investment decision-making are set forth in the "*Risk factors*" section of the Prospectus. Shareholders' and investors' attention is drawn to the fact that the list of risks presented in the Prospectus is not exhaustive and that other risks, not identified as of the date hereof or not identified as likely to have a significant adverse effect on the Company's business, financial condition, results of operations or prospects, may exist or arise.

## **6. Related-party transactions**

Material related party transactions are those set out in the "*Related party transactions*" section of the Prospectus and presented in Note 6 of the statutory accounts for the nine-month period ended December 31, 2021.



## **7. Prospect and main uncertainties**

The Company intends to actively pursue the search and identification of business combination opportunities, in accordance with the objectives and procedures described in the Prospectus. However, it is not certain that the Company will be able to identify, negotiate or select a business combination opportunity until then.

As a reminder, the Company has twenty-four (24) months from the Listing Date to complete the Initial Business Combination, plus an additional six (6) month period if it signs a legally binding agreement with the seller of a target and convenes an Approval Shareholders' Meeting (as defined in the Prospectus) to approve such proposed Initial Business Combination within those initial 24 months.

In accordance with its current articles of association, and unless an extension is decided under the conditions provided for by the articles of association and the applicable laws and regulations, the Company will be dissolved in the event of non-completion of an Initial Business Combination. The Company's liquidation operations will then be carried out under the conditions provided for by its current articles of association, as detailed in the Prospectus.

## **8 Information on the due date of receivables and payables**

No invoices received or issued at the balance sheet date that remain unpaid.

**9 Results and others main elements of the Company for each ending period since the Company was founded**

The following table presents the main financial results of the Company for the periods ended December 31, 2021 (nine months) and March 31, 2021 (13 days).

<i>In thousands of euros</i>	12.31.2021 9 months	03.31.2021 13 days
I. – Financial situation at the end of the period :		
a) Share capital	275	56
b) Number of shares issued	27,533,332	5,649,999
c) Number of convertible bonds in ordinary shares	-	-
II. – Global income of effective operations		
a) Gross turnover	-	-
b) Profit (loss) before tax, amortization and provisions	(5,245)	(10)
c) Income tax	-	-
d) Profit (loss) after tax, amortization and provisions	(5,245)	(10)
e) Profit distributed	-	-
III. Operation results per share	-	-
a) Profit (loss) after tax, before amortization and provisions	(5,245)	(10)
b) Profit (loss) after tax, amortization and provisions	(5,245)	(10)
c) Dividend per share	-	-
IV. - Employees :		
a) Number of employees.	-	-
b) Amount of the total payroll	-	-
c) Amount paid to employee benefits (social security, service projects, etc...)	-	-

### III. CORPORATE GOVERNANCE REPORT

To the Shareholders,

In accordance with Articles L. 22-10-9 to L.22-10-11 and Article L.225-37, paragraph 6 of the French Commercial Code, the Board of Directors hereby reports on:

- The composition of the Board of Directors, information relating to the offices held by its members, the conditions for the preparation and organization of its work;
- Valid financial delegations granted by the general shareholders' meeting with respect to capital increases;
- The composition and duties of Committees as decided by the Board of Directors;
- Compensation and benefits of any kind paid to corporate officers;
- Procedures applicable to prohibited, regulated and ordinary agreements;
- Specific procedures for shareholder participation in general meetings.

#### **Composition of the Board of Directors and conditions for the preparation and organization of its work**

The Company is a limited liability company with a Board of Directors (société anonyme à Conseil d'administration) incorporated under the laws of France. As of December 31, 2021, the Board of Directors of the Company comprises the following eight (8) members for whom the table below details the main directorships and positions they have held outside of the Company during the past five (5) years.

First and last Name	Age	Citizenship	Date of first appointment	Expiration date term of office	Principal position held in the Company	Offices and positions held as of 12/31/21 within the Company's group	Offices and positions held as of 12/31/21 outside the Company's group	Offices and positions held over the past five years
Xavier Caïtuoli	51	French	March 15, 2021	Ordinary general meeting called to approve the accounts for the financial year ending on 2023	Chairman of the Board of Directors	Chairman of the Board of Directors  Chief Executive Officer	Chief Executive Director of Crescendix  Director of Primeo Energie	Chief Executive Officer of Direct Energie  Senior Vice-President Power & Gas Europe of Total

First and last Name	Age	Citizenship	Date of first appointment	Expiration date term of office	Principal position held in the Company	Offices and positions held as of 12/31/21 within the Company's group	Offices and positions held as of 12/31/21 outside the Company's group	Offices and positions held over the past five years
Schuman Invest, represented by Erik Maris	58	French	March 15, 2021	Ordinary general meeting called to approve the accounts for the financial year ending on 2023	Member of the Board of Directors	Member of the Board of Directors	Board Member of Peter Auto  Board Member of Power Z	Board Member of Messier Maris & Associés  Board Member of Blade
Fabrice Dumonteil	48	French	March 15, 2021	Ordinary general meeting called to approve the accounts for the financial year ending on 2023	Member of the Board of Directors	Member of the Board of Directors	Chief Executive Officer of Eiffel Investment Group SAS  Managing Director of Eiffel Investment Group BV Chief Executive Officer of Impala Managing Director of 324 Partners Holding BV Member of the Supervisory Board of Volta Investissements SAS Managing Director of Rocket Club GP SARL	Managing Director Eiffel Investment Group SARL  Director of Eiffel eCapital Holding SA Director of LTIC SA Director of SALG Investment SA Director of Cameron France Holding SAS
Marie-Claire Daveu*	50	French	June 16, 2021	Ordinary general meeting called to approve the accounts for the financial year ending on 2023	Independent member of the Board of Directors	Independent member of the Board of Directors	Director of Crédit Agricole  Member of the Executive Committee of Kering Supervisory Board member of Ponant Director of Albioma	Director of CACIB  Director of SAFT

First and last Name	Age	Citizenship	Date of first appointment	Expiration date term of office	Principal position held in the Company	Offices and positions held as of 12/31/21 within the Company's group	Offices and positions held as of 12/31/21 outside the Company's group	Offices and positions held over the past five years
Béatrice Dumurgier*	48	French	June 16, 2021	Ordinary general meeting called to approve the accounts for the financial year ending on 2023	Independent member of the Board of Directors	Independent member of the Board of Directors	Director of Group Casino  Senior Adviser at Blackfin Capital Partners	Chief Operating Officer at BlaBlaCar, General Manager at BlablaBus  Director of SNCF Mobilités  Chief Executive Officer at BNP Paribas Personal Investors  Chairman of the Board of Sharekhan  Chief Operating Officer BNP Paribas Retail Banking  Non exec Director of BNL Non exec Director of TEB Non exec Director of BNP Paribas Personal Finance Non exec Director of ESP Non exec Director of Partecis
Christine Kolb*	51	French	June 16, 2021	Ordinary general meeting called to approve the accounts for the financial year ending on 2023	Independent member of the Board of Directors	Independent member of the Board of Directors	Partner and Head of Business Development at Sycomore Asset Management  President and Supervisory Board member of Sycomore Factory  President and Board member of the Fondation d'entreprise Sycomore  President of Komalix SAS	Board member of Sycomore Asset Management (in her capacity as representative of Komalix SAS)

First and last Name	Age	Citizenship	Date of first appointment	Expiration date term of office	Principal position held in the Company	Offices and positions held as of 12/31/21 within the Company's group	Offices and positions held as of 12/31/21 outside the Company's group	Offices and positions held over the past five years
Cowin, represented by Colette Lewiner*	76	French	June 16, 2021	Ordinary general meeting called to approve the accounts for the financial year ending on 2023	Independent member of the Board of Directors	Independent member of the Board of Directors	Advisor to the Chairman of Capgemini on matters regarding energy and utilities  Director of Bouygues SA Director of Colas (Bouygues Group) Director of EDF Director of CGG Director of Getlink	Director of Nexans  Director of Ingenico Director of Crompton Greaves Limited
Monique Roosmale Nepveu*	81	French	June 16, 2021	Ordinary general meeting called to approve the accounts for the financial year ending on 2023	Independent member of the Board of Directors	Independent member of the Board of Directors	President of the Swiss company Celeste Management  Member of the Supervisory Board of the Dutch company Guisando B.V.	Director of Direct Energie

\* *Independent member within the meaning of the AFEP-MEDEF Code.*

### **Corporate governance code**

The Company intends to generally comply with the recommendations of the AFEP-MEDEF Code, with reference to the version revised and made public in January 2020, except for the following.

Notwithstanding the recommendations of the AFEP-MEDEF Code, the Company has decided not to require that members of its Board of Directors hold a minimum number of shares during their respective terms of office, it being specified that such position is based on the particular nature of the Company as a SPAC, according to which Mr. Xavier Caïtucoli, who serves as Chief Executive Officer, Mr. Erik Maris, who serves as permanent representative of Schuman Invest, member of the Board of Directors, and Eiffel Essentiel SLP, represented by Mr. Fabrice Dumonteil who serves as member of the Board of Directors, already hold a significant number of the shares issued by the Company that are subject to contractual transfer restrictions before and after the completion of the Initial Business Combination. The Company has decided to leave to each of the other members of the Board of Directors the freedom to decide whether they wish to invest, whether significantly or not, in Company's shares or warrants or not before the Initial Business Combination. After the completion of the Initial Business Combination, the Company may envisage changing its practice in this respect to comply with the recommendations of the AFEP-MEDEF Code relating to the holding of shares by the management.

The Board of Directors comprises an adequate number of non-executive members qualifying as independent pursuant to the criteria set forth by the AFEP-MEDEF Code.

The criteria set forth by the AFEP-MEDEF Code to assess independence are as follows:

1. not to be and not to have been within the previous five years:
  - an employee or executive officer of the corporation;
  - an employee, executive officer or director of a company consolidated within the corporation; or
  - an employee, executive officer or director of the company's parent company or a company consolidated within this parent company;
2. not to be an executive officer of a company in which the corporation holds a directorship, directly or indirectly, or in which an employee appointed as such or an executive officer of the corporation (currently in office or having held such office within the last five years) holds a directorship;
3. not to be a customer, supplier, commercial banker, investment banker or consultant:
  - that is significant to the corporation or its group; or for which the corporation or its group represents a significant portion of its activities;
4. not to be related by close family ties to a company officer;
5. not to have been an auditor of the corporation within the previous five years; and
6. not to have been a director of the corporation for more than twelve years.

Based on the above, the Board of Directors of the Company believes that 5 of the 8 members of the Board of Directors are independent in character and judgment and free from relationships or circumstances which are likely to affect, or could appear to affect, their judgment, representing more than half of the members of the Board of Directors. Such members are Ms. Marie-Claire Daveu, Ms. Béatrice Dumurgier, Ms. Christine Kolb, Cowin (represented by Ms. Colette Lewiner) and Ms. Monique Roosmale Nepveu. In considering the independence of each director, the Board of Directors has taken into account the fact that Guisando B.V., the holding company of Ms. Monique Roosmale Nepveu, has participated in the initial public offering of Market Shares of the Company for an amount of €10,000,000 and has purchased 1,000,000 Forward Purchase Warrants, which has caused Guisando B.V. to hold 3.63% of the outstanding shares and voting rights of the Company. It is also specified that, even if Ms. Christine Kolb is an executive officer of Sycomore Asset Management, Ms. Christine Kolb is not a director representing Sycomore Asset Management. The Board of Directors has considered that the foregoing does not adversely affect the independence of Ms. Monique Roosmale Nepveu and Ms. Christine Kolb and that no relationship of any kind whatsoever with the Company or its management could compromise the exercise of their freedom of judgment.

### **Role of the Board of Directors**

The role of the Board of Directors is to manage the business of the Company and supervise the implementation thereof. Subject to the powers expressly attributed during general shareholders' meetings and within the limitations set out in the Company's Articles of Association and its corporate purpose, the Board of Directors shall deal with any issues concerning the correct management of the Company and the group, in accordance with the requirements of these rules of procedure.

As stated in Article 13.4 of the Company's Articles of Association, the Board of Directors shall approve in advance any proposed business combinations and, in the event of such approval, shall decide to convene a special meeting of holders of B Shares to approve the proposal.

Furthermore, within the framework of the Company's internal organization, the following transactions must be approved in advance by the Board of Directors before being initiated by the Chief Executive Officer:

- any acquisition(s), contribution(s), merger(s), equity investment(s) or any other transaction with an equivalent or similar effect, in particular within the framework of and/or constituting a business combination, and the signing of any agreement, binding or not, relating to such a transaction in an amount of more than two hundred thousand euros (€200,000);
- the issuing by the Company of any marketable securities;
- the signing, amendment or termination of any material contracts, particularly within the framework of a business combination;
- any purchase and cancellation of the Company's shares, with the exception of the buying of B Shares initiated by the Company in accordance with the terms and conditions of the Company's Articles of Association in the event of a business combination being approved in accordance with the terms set out in the Company's Articles of Association;
- the delisting of B Shares from the professional segment of the Euronext regulated market in Paris, the transfer of B Shares or any other marketable securities issued by the Company in the general segment of the Euronext regulated market in Paris or a request for their admission to trading on any other regulated or unregulated market;
- the premature winding up and liquidation of the Company in accordance with Article 26 of the Company's Articles of Association.

It is also specified that the Chief Executive Officer can only make decisions or delegate the authority to make decisions relating to a business combination and/or its realization if this has been validly agreed in advance by the Board of Directors and approved by the special meeting of holders of B Shares.

### **Membership structure of the Board of Directors**

The Articles of Association in effect provide that the Board of Directors is composed of a number of members comprising between three (3) and eighteen (18), who can be individuals or legal entities and can be selected outside the shareholders. The members of the Board of Directors are appointed and dismissed by decision of the General Meeting of Shareholders, it being specified that the first Board of Directors was appointed by the Articles of Association.

The term of office of members of the Board of Directors is three (3) years which shall expire at the end of the ordinary general meeting of the Shareholders called to approve the accounts for the previous financial year and held the year their term of office expires. The members of the Board of Directors may be removed by the ordinary general meeting of the Shareholders.

The Board of Directors grants to one of its members the title of chairman of the Board of Directors for a term that may not exceed his/her term of office as member of the Board of Directors.

In accordance with Article L.225-51-1 of the French Code de commerce, the general management of the Company is carried out under the responsibility of either by the Chairman of the Board of Directors or by another individual appointed by the Board of Directors and who takes the title of Chief Executive Officer (the "Chief Executive Officer").

The Board of Directors may choose between these two methods of exercising general management at any time and, at least, at each expiry of the term of office of the Chief Executive Officer or the term of office of the Chairman of the Board of Directors when the latter also assumes general management of the Company. It informs shareholders and third parties in accordance with regulatory requirements. The decision of the Board of Directors on the choice of the method of exercising general management is taken by a majority of the members present or represented.

At its meeting of March 15, 2021, the Board of Directors appointed Mr. Xavier Caitucoli as Chairman of the Board of Directors and Chief Executive Officer of the Company for the duration of his term of office as director, i.e. until the end of the annual general meeting to approve the financial statements for the 2023 financial year.



Mr. Caïtucoli is a French entrepreneur who co-founded independent energy group Direct Energie in 2003. He ran the group as Chief Executive Officer until it was sold to leading French energy company Total in 2018 for an equity value close to €2 billion, and subsequently renamed Total Direct Energie. Mr. Caïtucoli went on to become Senior Vice-President Power & Gas Europe at Total until 2019, leading the successful integration. Under Mr. Caïtucoli's leadership, Direct Energie went public on the Paris stock exchange and combined with its main independent domestic competitor Poweo to become the leading French alternative energy supplier. At the time of its integration within Total, the group supplied more than four million customers in France and Belgium, generated €2 billion in consolidated revenues and ca. €200 million in EBITDA, and operated 2 GW of installed generation capacities including notably renewables assets (solar, wind, hydraulic and biogas) and gas power plants (CCGTs). Previously, Mr. Caïtucoli had worked for French start-up Direct Médica and LVMH. Mr. Caïtucoli graduated from Ecole Polytechnique and Ecole Nationale des Ponts et Chaussées.

### **Role of the Chairman of the Board of Directors**

The Chairman of the Board of Directors represents the Board of Directors. He organizes and directs the work of the Board of Directors and reports thereon to the shareholders' meeting. He ensures that the Company's governing bodies function properly and, in particular, that the members of the Board of Directors are able to carry out their duties.

### **Role of the Chief Executive Officer**

The Chief Executive Officer is vested with the broadest powers to act on behalf of the Company in all circumstances. He exercises these powers within the limits of the corporate purpose, and subject to the powers expressly attributed by law to the shareholders' meeting and the Board of Directors.

He represents the Company in its dealings with third parties. The Company is bound even by acts of the Chief Executive Officer that do not fall within the corporate purpose, unless it proves that the third party knew that the act in question exceeded that purpose or that it could not have been unaware of it in the circumstances, it being specified that publication of the Articles of Association alone is not sufficient to constitute such proof.

In accordance with the provisions of Articles L. 225-149 and L. 232-20 of the French Code de commerce, the Chief Executive Officer is authorized to update the Company's Articles of Association, upon delegation by the Board of Directors, following a capital increase resulting from the issue of securities or the payment of a dividend in shares.

The Chief Executive Officer may be authorized by the Board of Directors, if the Board of Directors deems it appropriate, to give guarantees, endorsements and warranties, in aggregate and without limit of amount, to secure commitments made by companies under the exclusive control of the Company. The Board of Directors must report to the Chief Executive Officer on the use of this authorization at least once a year.

The Chief Executive Officer may be dismissed at any time by the Board of Directors.

### **Board meetings**

The Board meets as often as is necessary in the Company's interests, with meetings convened by the Chairman. However, Board members representing at least one third of members may convene a meeting of the Board of Directors, indicating the precise agenda for the meeting, if a meeting has not been held for more than two months.

The frequency and duration of meetings of the Board of Directors, like those of its committees, must enable the Board of Directors to fulfill its role and carry out its duties, and in particular conduct an in-depth review of any proposed business combinations presented to it or any other matters within its remit.

Each Board member has the freedom and responsibility to ask the Chairman of the Board of Directors to include in the agenda for a Board meeting any point(s) such member deems to fall within the Board of Directors' remit.

Decisions of the Board of Directors are only valid if at least half of Board members are present (or deemed to be present if videoconferencing is used).

The Board's decisions are made by the majority of members present (or deemed to be present if videoconferencing is used) or represented.

The vote of the Chairman, or that of the person chairing the meeting in the Chairman's absence, is not the casting vote.

### **Rules of procedure of the Board of Directors**

The Board of Directors has its own rules of procedure intended to set out the Board's modes of operation, in addition to applicable legal and regulatory requirements and the Company's Articles of Association. The stipulations of the rules of procedure came into effect on June 22, 2021, the date that the Company's B Shares were admitted to trading on the Euronext Paris regulated market.

The Board of Directors' rules of procedure fall within the framework of market recommendations aiming to ensure observance of the fundamental principles of corporate governance, in particular those set out in the AFEP-MEDEF Code. These rules of procedure describe the operation, powers and responsibilities of the Board of Directors and specify the ethics rules applicable to its members. In particular, they set out the rules applicable to holding Board meetings, use of videoconferencing or telecommunications media, Board evaluation, the general obligations of Board members and their right to information.

The Company's Articles of Association and rules of procedure are available on its website (<https://spactransition.com/>).

### **Activities of the Board of Directors during the year ended December 31, 2021**

Following the Company's IPO on the Euronext Paris regulated market on June 22, 2021, the Board of Directors met eight (8) times in 2021. The attendance rate for all Board members was 100%.

Board meetings held during the financial year from March 19, 2021 to December 31, 2021 covered the following:

1. *Meeting of May 19, 2021*: review and approval of the financial statements for the year ended March 31, 2021, proposed appropriation of income for the year ended March 31, 2021; review and approval of the financial statements prepared in accordance with IFRS for the year ended March 31, 2021; agreements concerned by Article L. 225-38 of the French Commercial Code;
2. *Meeting of May 24, 2021*: authorization given for the signing of contracts for BSABSAR warrants (Forward Purchase Agreement) between the Company, on the one hand, and Crescendissimo and Eiffel Essentiel on the other;
3. *Meeting of June 15, 2021*: preparation and convening of the general shareholders' meeting, adoption of the Board of Directors' report including the corporate governance report, adoption of the Board of Directors' report on the draft resolutions submitted to the shareholder vote;
4. *Meeting of June 16, 2021*; adoption of the rules of procedure, creation of the Audit Committee, creation of the Appointments and Remuneration Committee and Strategic Committee, division of total compensation awarded to the Board of Directors, authorization to sign the underwriting agreement to be entered into with financial

institutions for the placement of capital securities as part of Transition's IPO, authorization to sign the share transfer agreement between Transition and Crescendissimo, and authorization to sign the share transfer agreement between Transition and Eiffel Invest SLP within the framework of the over-allotment option and stabilization activity planned as part of Transition's IPO, authorization to sign an agreement to open a blocked joint account with Crédit Industriel et Commercial SA;

5. *Meeting of June 17, 2021*: increase in the Company's share capital of a maximum nominal amount of €6,540 by means of the issuing of common shares with redeemable warrants to purchase common shares of the Company, with preferential subscription rights for shareholders; increase in the Company's share capital of a maximum nominal amount of €18,626.67 by means of the issuing of common shares, with preferential subscription rights for shareholders; increase in the Company's share capital of a maximum nominal amount of €200,000, with a possible extension of 15%, by means of the issuing of preferred shares stipulated as redeemable with redeemable warrants to purchase common shares of the Company, with the waiver by shareholders of their preferential subscription rights in favor of categories of persons meeting specific criteria, and opening of their placement in France and abroad; issuing of 7,100,000 warrants each giving the right to purchase one (1) common share with one (1) redeemable warrant to purchase common shares of the Company and authorization of the resulting capital increase of a total of €71,000, with the waiver by shareholders of their preferential subscription rights in favor of designated persons;
6. *Meeting of June 18, 2021*: noting of subscriptions to the capital increase as decided by the 25th resolution of the combined general meeting of June 16, 2021, setting of the total amount of the capital increase as decided by the 23rd resolution of the combined general meeting of June 16, 2021, setting of the total amount of the capital increase as decided by the 24th resolution of the combined general meeting of June 16, 2021; sub-delegation to the Chairman and Chief Executive Officer to note the issuing of warrants giving the right to purchase one common share with one BSAR B warrant (redeemable share warrant), as decided by the 28th resolution of the combined general meeting of June 16, 2021; approval of the wording of the Board of Directors' supplementary report;
7. *Meeting of July 30, 2021*: noting of the return to the Company of a total of 850,000 ABSAR B shares (shares with redeemable share warrants); detachment of BSAR B warrants (redeemable share warrants) making up the ABSAR B shares and detachment of BSAR A warrants making up the ABSAR A shares; implementation of the purchasing of a total of 75,555 A1 shares, 75,558 A2 shares, 75,555 A3 shares, 56,667 A4 Shares and 17,340 BSAR A warrants; implementation of a reduction in the Company's share capital not due to losses of a maximum nominal amount of €11,333.35 by means of the cancelation of 850,000 B shares and 283,335 A shares;
8. *Meeting of September 13, 2021*: approval of the transfer of all blocked funds to a new bank account, presentation of potential targets for a merger with Transition, identification of the next steps to be taken;
9. *Meeting of October 22, 2021*: approval of the half-year financial statements to September 30, 2021, update on the process of finding targets.

### **Annual Board evaluation**

The Board of Directors' rules of procedure set out the means by which the Board of Directors shall evaluate its ability to respond to shareholders' expectations by means of periodical analysis of its composition, organization and operation. To this end, once a year, the Board of Directors shall, on the basis of the Appointments and Compensation Committee's report, dedicate an item on its agenda to evaluating its modes of operation, checking that significant matters are suitably prepared and debated within the Board of Directors, and assessing each member's effective contribution to the work of the Board of Directors with regard to their duties and involvement in decisions. This assessment is based on answers to an individual, anonymous questionnaire sent to each Board member once a year.

The Board of Directors shall evaluate the composition, organization and operation of the Board and its Committees by means of discussion within the Appointments and Compensation Committee, as well as during a Board meeting, held for the first time at the end of the 2022 financial year, following the Company's IPO on the Euronext Regulated market on June 22, 2021.

## **Committees of the Board of Directors**

Pursuant to the Articles of Association and its internal regulations, the Board of Directors decided to create three (3) specific permanent committees within itself, setting their composition and attributions. Such committees are in charge of studying questions submitted by the Board of Directors or the chairman of the Board of Directors for consideration and opinion on a consultative basis, and exercise their activity under the responsibility of the Board of Directors.

The three (3) committees created by the Board of Directors are:

- the Audit Committee (Comité d'Audit),
- the Strategy Committee (Comité Stratégique); and
- the Appointments and Compensation Committee (Comité des Nominations et des Rémunérations).

### **Audit Committee**

The Audit Committee comprises three (3) members appointed from among the members of the Board of Directors of the Company, including two (2) independent members within the meaning of the AFEP- MEDEF Code. The independent members must represent at least two-thirds of such Committee's members. The Audit Committee is chaired by one of the above-mentioned independent members, it being specified that the appointment or renewal of the chairman of the Audit Committee, proposed by the Appointments and Compensation Committee, will be subject to a specific review by the Board of Directors. The term of office of the Audit Committee's members may not exceed that of their office as Board of Directors members.

In accordance with the applicable legal provisions, the members of the Audit Committee must possess finance or accounting expertise.

The Audit Committee is in charge of overseeing:

- the preparation process for the Company's financial information;
- the effectiveness of internal control, internal audit and risk management procedures;
- the statutory auditing of the annual and consolidated financial statements by the Statutory Auditor; and
- the compliance with independence rules for Statutory Auditor. As part of that responsibility, the Audit Committee issues recommendations concerning the Statutory Auditor proposed for appointment.

Meetings of the Audit Committee are called by its chairman or by at least two (2) of its members. Notices of the Audit Committee's meetings contain the relevant meetings' agenda and may be issued by any means, including orally, at least five (5) calendar days prior to the scheduled meeting date except in case of emergency.

Meetings are chaired by the chairman of the Audit Committee or, in case of absence of the latter, by a session chairman appointed by the other members. Members may attend meetings in person or by way of videoconference or conference call, subject to the same criteria as those applying to the meetings of the Board of Directors in respect thereof. A member who cannot attend a particular meeting may be represented at such meeting by another member of the Audit Committee.

The Audit Committee meets as often as required. In particular, it meets before any meeting of the Board of Directors called to review the Company's financial statements and before any publication by the Company of its annual and half-yearly financial statements.

In order to validly deliberate, at least half of the members of the Audit Committee have to be present or represented at its meetings. Each Committee member has one vote and decisions are taken by a simple majority vote. In case of a tie, the Committee's chairman, or the session chairman as applicable, has the casting vote.

At its meeting dated June 16, 2021, the Board of Directors of the Company appointed Ms. Béatrice Dumurgier, Ms. Monique Roosmale Nepveu and Mr. Fabrice Dumonteil as members of the Audit Committee and designated Ms. Béatrice Dumurgier as chairwoman of the Audit Committee.

The Audit Committee met on October 22, 2021, to review the half-year financial statements for the period from April 1, 2021, to September 30, 2021.

### **Strategy Committee**

The Strategy Committee comprises all the members of the Board of Directors of the Company, and is chaired by an independent member. The term of office of the Strategy Committee's members may not exceed that of their office as Board of Directors members. The Strategy Committee is in charge of advising the Board of Directors on the major strategic orientations of the Company and on the development strategy developed by the Company's management (strategic agreements, partnerships, financial and trade market strategies). In particular, the Strategy Committee reviews any proposed Initial Business Combination before the latter is submitted to the Board of Directors and will in this context issue any recommendation or opinion to the Board of Directors.

Meetings of the Strategy Committee are called its chairman or by at least two (2) of its members. Notices of the Strategy Committee's meetings contain the relevant meetings' agenda and may be issued by any means, including orally, at least five (5) calendar days prior to the scheduled meeting date except in case of emergency.

Meetings are chaired by the chairman of the Strategy Committee or, in case of absence of the latter, by a session chairman appointed by the other members. Members may attend meetings in person or by way of videoconference or conference call, subject to the same criteria as those applying to the meetings of the Board of Directors in respect thereof. A member who cannot attend a particular meeting may be represented at such meeting by another member of the Strategy Committee.

The Strategy Committee meets as often as required, and at least once every quarter. In particular, it meets before any meeting of the Board of Directors called to review a proposed Initial Business Combination.

In order to validly deliberate, at least half of the members of the Strategy Committee have to be present or represented at its meetings. Each committee member has one vote and decisions are taken by a simple majority vote. In case of a tie, the committee's chairman, or the session chairman as applicable, has the casting vote. Finally, the Chief Executive Officer (and, if any, Chief Executive) attends all meetings of the Strategy Committee called to review a proposed Initial Business Combination.

At its meeting dated June 16, 2021, the Board of Directors of the Company decided to appoint Mr. Xavier Caïtucoli, Schuman Invest (represented by Mr. Erik Maris), Mr. Fabrice Dumonteil, Ms. Marie-Claire Daveu, Ms. Béatrice Dumurgier, Ms. Christine Kolb, Cowin (represented by Ms. Colette Lewiner) and Ms. Monique Roosmale Nepveu as members of the Strategy Committee and designated Ms. Christine Kolb as chairwoman of the Strategy Committee.

Strategy Committee meetings held during the year ended December 31, 2021, concerned the following:

- meeting of September 13, 2021: presentation of potential targets for a combination with Transition;
- meeting of October 22, 2021: update on the process of finding potential targets.

### **Appointments and Compensation Committee**

The Appointments and Compensation Committee comprises three (3) members appointed from among the members of the Board of Directors of the Company. Consistent with the recommendations of the AFEP-MEDEF Code, the majority of the members of the Appointments and Compensation Committee, i.e., two (2) members out of a total of three (3) members, are independent within the meaning of the AFEP-MEDEF Code. The Appointments and Compensation Committee is chaired by one of the above-mentioned independent members. The term of office of the Appointments and Compensation Committee's members may not exceed that of their office as Board of Directors members.

With respect to appointment matters, the Appointments and Compensation Committee of the Company:

- delivers an opinion to the Board of Directors on the proposed appointment or revocation of the members of the Board of Directors and its Chairman, it being specified that the Appointments and Compensation Committee may also submit candidates for appointment;
- submits proposals on the selection of the members of the Board of Directors and of its committees; and
- assesses the independence of the members of the Board of Directors and the candidates for appointment to the Board of Directors or one of its committees.

The Appointments and Compensation Committee is informed of the policy developed by the Board of Directors of the Company in terms of management of the senior executives of the Company.

In addition, the Appointments and Compensation Committee submits recommendations to the Board of Directors with respect to the compensation packages for the members of the Company's general management.

It gives its opinion to the Board of Directors with respect to all the elements of compensation, i.e. the fix part including benefit in kind, severance package, supplementary retirement plans, along with warrants allocation plans, warrant option plans or free share allocations.

These recommendations also include opinion on the balance of the different components in the global compensation package and their method of allocation, especially in terms of performance.

The Appointments and Compensation Committee also give its opinion to the Board of Directors on the variable part of the compensation proposed by the Company's general management to the top management of the Company regarding the allocation criteria in relation with the performance. It also gives its opinion on the allocation method of the annual compensation for the Board by the ordinary general meeting of the Shareholders.

Meetings of the Appointments and Compensation Committee are called its chairman or by at least two (2) of its members. Notices of the Appointments and Compensation Committee's meetings contain the relevant meetings' agenda and may be issued by any means, including orally, at least five (5) calendar days prior to the scheduled meeting date except in case of emergency.

Meetings are chaired by the chairman of the Appointments and Compensation Committee or, in case of absence of the latter, by a session chairman appointed by the other members. Members may attend meetings in person or by way of videoconference or conference call, subject to the same criteria as those applying to the meetings of the Board of Directors in respect thereof. A member who cannot attend a particular meeting may be represented at such meeting by another member of the Appointments and Compensation Committee.

The Appointments and Compensation Committee meet as often as required. In particular, it meets before any meeting of the Board of Directors called to review the terms and conditions of the compensation of a member of the Board of Directors.

In order to validly deliberate, at least half of the members of the Appointments and Compensation Committee have to be present or represented at its meetings. Each committee member has one vote and decisions are taken by a simple majority vote. In case of a tie, the committee's chairman, or the session chairman as applicable, has the casting vote.

At its meeting dated June 16, 2021, the Board of Directors of the Company decided to appoint Cowin (represented by Ms. Colette Lewiner), Ms. Marie-Claire Daveu and Schuman Invest (represented by Mr. Erik Maris) as members of the Appointments and Compensation Committee and designated Cowin (represented by Ms. Colette Lewiner) as chairwoman of the Appointments and Compensation Committee.

There has been no meeting of the Appointments and Compensation Committee in 2021.

### **Compensation and benefits of Board of Directors members**

Pursuant to the provisions of Article L. 22-10-14 of the French Code de commerce, the general meeting of the Shareholders of the Company may allocate to the Board of Directors a fixed annual amount referred to as attendance fees to be allocated by the Board of Directors between its members as it sees fit, for their office and duties in their capacity as members of the Board of Directors. For such purpose, the Board of Directors shall take into account the effective participation of members to the meetings of the Board of Directors and of its committees.

In addition, under Article L. 22-10-15 of the French Code de commerce exceptional compensation may be allocated by the Board of Directors for missions or mandates entrusted to its members; in this case, these compensations are subject to the provisions provided for related party transactions (conventions réglementées).

Furthermore, pursuant to the provisions of Article L. 22-10-16 of the French Code de commerce the Chairman of the Board of Directors may receive compensation, the amount of which is set by the Board of Directors, and such compensation is subject to the legal and statutory provisions applying to related party transactions.

The combined shareholders' meeting (Assemblée générale mixte) held on June 16, 2021 decided that the members of the Board of Directors will receive attendance fees for their office and duties in such capacity of a total annual amount of €100,000, which shall be freely distributed by the Board of Directors among its members. The Board of Directors, in its meeting held on June 16, 2021, decided to distribute such amount equally among the independent directors and not to allocate any attendance fees to the non-independent directors. Therefore, each of the independent directors will receive attendance fees of a total annual amount of € 20,000 until a new decision of the shareholders' meeting deciding otherwise.

Pursuant to the Articles of Association of the Company, the Board of Directors set the mode and amount of the compensation of each of the members of the Board of Directors under the conditions set by the applicable French laws and regulations and those set by the Articles of Association. Pursuant to the internal regulations of the Board of Directors, the Appointments and Compensation Committee submits recommendations to the Board of Directors with respect to the compensation packages for the members of the Board of Directors.

On June 16, 2021, the Board of Directors decided that Mr. Xavier Caïtucoli would not be compensated for his duties as Chief Executive Officer. Nevertheless, Mr. Xavier Caïtucoli, upon provision of supporting documents, shall be entitled to the reimbursement of reasonable expenses incurred in performing his duties as Chief Executive Officer. As of December 31, 2021, Mr. Xavier Caïtucoli does not have an employment contract with the Company and it is not envisaged that such a contract will be entered into until the completion of the Initial Business Combination.

### **Exceptional compensation in connection with the completion of the Initial Business Combination**

As of December 31, 2021, though no agreement has been entered into nor has any decision been made by the Company in this respect, the Board of Directors may decide to grant an exceptional compensation to the Chief Executive Officer in connection with the completion of the Initial Business Combination. Should the grant of such an exceptional compensation be eventually decided or contemplated before the completion of the Initial Business Combination, then the IBC Notice (i.e. the notice to be issued by the Company in connection with seeking Market Shareholders' approval of the proposed Initial Business Combination and providing for the opportunity for Market Shareholders to redeem their Market Shares) shall describe the amount and terms of any such exceptional compensation (that would be granted upon, and subject to, the completion of the Initial Business Combination).

### **Service contracts with members of the Board of Directors providing for benefits upon termination of employment**

As of December 31, 2021, the Company has not entered into any services contract with any member of the Board of Directors providing for benefits upon termination of employment.

## **Pensions, retirement or similar benefits to the Board of Directors members**

As of December 31, 2021, the Company has not contracted or implemented any pensions plan, retirement plan or similar benefits nor set aside any amounts to the benefit of the members of the Board of Directors of the Company.

## **Procedures applicable to regulated and ordinary agreements**

The purpose of this paragraph is to provide a summary of the procedure applied by Transition concerning the categorization of agreements entered into with persons mentioned in applicable legislation. This procedure was adopted by the Board of Directors at its meeting of January 27, 2022, and may, if applicable, be amended according to changes in legislative and regulatory requirements.

Summary of legal requirements:

### *Prohibited agreements*

Pursuant to Article L. 225-43 of the French Commercial Code, directors of Transition other than legal personalities shall be prohibited from contracting loans from the company irrespective of their form, from arranging for it to grant them a loan account or other borrowing whatsoever, or to arrange for the company to stand surety for them or act as their guarantor in respect of their obligations to third parties.

### *Ordinary agreements*

Agreements with the persons mentioned in Article L. 225-38 of the French Commercial Code may be freely entered into without being subject to prior approval of regulated agreements in the case of agreements concerning the company's ordinary course of business and entered into under normal conditions, assessed on the basis of a number of criteria as detailed below.

### *Regulated agreements*

If an agreement is entered into by Transition with one of the interested parties mentioned in Article L. 225-38 of the French Commercial code, i.e.:

- (a) directly or through an intermediary, the Chief Executive Officer, one of its Board members, one of its shareholders holding a fraction of the voting rights greater than 10% or, in the case of a corporate shareholder, the company which controls it within the meaning of Article L. 233-3 of the French Commercial Code,
- (b) any contracting third party, if one of the persons mentioned above has an indirect interest in the agreement with Transition, or
- (c) any company with directors in common with Transition, it must be submitted to the Board of Directors for prior authorization.

In accordance with Article L. 225-38 of the French Commercial Code, a person is considered to have an indirect interest in an agreement to which they are not party if they benefit or may benefit from the agreement due to their connections with the parties and the powers they hold to influence their conduct.

### *Applicable procedure*

The Board of Directors analyzes the agreement in question in the light of Articles L. 225-38 et seq. of the French Commercial Code in order to determine whether it is a prohibited, regulated or ordinary agreement. Three different cases must be distinguished:

1. The agreement is regarded as a prohibited agreement: each of the persons concerned is informed and the agreement is not entered into. The procedure ends at this stage.



2. The agreement is regarded as a regulated agreement: the Board of Directors is automatically informed of the agreement. The Board determines whether the agreement to be signed is in the Company's interest, taking account in particular of the associated financial terms, as well as its potential operational or accounting impact, and, if applicable, grants its express authorization. If the agreement is authorized, the main information about the agreement is published on the Company's website in accordance with regulatory requirements, and the Statutory Auditors are informed within one month of entering into the agreement so that it can be included in their special report on regulated agreements. Furthermore, the agreement is mentioned in the annual letter comprising a summary of the various agreements authorized and entered into during the financial year or during prior years that are still legally binding. In any case, agreements authorized and entered into are submitted to the shareholder vote at the next ordinary general meeting on the basis of the Statutory Auditors' special report. Any person with a direct or indirect interest in the agreement is not permitted to take part in the vote on the resolution presented to the shareholders' meeting. Their shares are not taken into account when calculating the majority but are taken into account for calculating the quorum.
3. The agreement meets the criteria of Article L. 225-39 of the French Commercial Code and concerns Transition's usual or regular operations within the framework of its ordinary course of business. This assessment concerns in particular whether the agreement is common and ordinary in nature, the circumstances surrounding entering into the agreement, the nature and materiality of the agreement and its economic and legal consequences, the practices of companies in a similar situation, and the absence of an undue advantage obtained by the contracting party or the party with an interest in the agreement with the Company due to their links with the Company.

During a yearly meeting ahead of approving the full-year financial statements for the last financial year, the Board of Directors reviews regulated agreements entered into during prior years that are still legally binding, and also conducts an individual review of agreements previously considered to relate to the ordinary course of business and entered into under normal conditions, for which it checks that the criteria relating to Article L. 225-39 of the French Commercial Code have been correctly applied and maintained.

Following this review, the Board of Directors may decide to amend the categorization of a previously entered into agreement from regulated to ordinary or vice versa, if applicable after consulting with the Company's Statutory Auditors. In any case, the party with an interest in the agreement cannot take part in this review, deliberations or the vote. If the Board recategorizes an existing agreement as a regulated agreement, information about the agreement recategorized as a regulated agreement is published on the Company's website and sent to the Statutory Auditors for inclusion in their special report on regulated agreements, and the agreement is ratified at the next general meeting.

### **Procedures for shareholder participation in general meetings**

Shareholder meetings are convened and deliberate in accordance with the conditions laid down in applicable legislation and regulations and the Company's Articles of Association.

Any shareholder holding A1 Shares or B Shares has the right to attend general meetings and vote in accordance with the terms and conditions set out in applicable legislation and regulations. However, A2 Shares, A3 Shares and A4 Shares do not give the right to vote at general meetings (although they do not exclude the right to attend general meetings). Any shareholder holding A1 Shares, A2 Shares, A3 Shares, A4 Shares or B Shares has the right to attend special meetings of holders of shares in the category they own and to vote in accordance with the terms and conditions set out in applicable legislation and regulations.

All shareholders have the right to attend shareholders' meetings in person or by proxy, on providing evidence of their identity and ownership of their shares at 00:00 (Paris time) on the second working day before the shareholders' meeting, in the form of an entry in the Company's registered share accounts or, for holders of bearer shares, a certificate of holding issued by the authorized intermediary and establishing registration of the shares in bearer share accounts.

All shareholders may vote by post in accordance with the terms and conditions set out in applicable legislation and regulations.

Shareholders may, on the decision of the Board of Directors as stated in the meeting notice and/or convocation, attend and vote at a shareholders' meeting by videoconference or by telecommunications means permitting their identification in accordance with the conditions set out in legislation and regulations in force at the time of using these methods. Any shareholder taking part in a shareholders' meeting by one of the above means is deemed to be present for calculating the quorum and majority.

**Factors that may have an impact in the event of a takeover bid or exchange offer**

Not applicable due to the Company's status as a special purpose acquisition company (SPAC).

**Summary table of valid financial delegations with respect to capital increases**

The general shareholders' meeting held on June 16, 2021, adopted the following financial delegations, which were valid on the date of this report:

	<b>Period of validity/Expiry</b>	<b>Maximum nominal amount</b>
Delegation of authority granted to the Board of Directors in relation to the increase of the Company's share capital, by offsetting, by a maximum nominal amount of €1,250 through the issuance of Founders' Units, without preferential subscription rights, in favor of an entity of Mr. Xavier Caïtucoli (29 <sup>th</sup> resolution)	18 months from June 16, 2021	€1,250
Delegation of authority granted to the Board of Directors in relation to the increase of the Company's share capital, by offsetting, by a maximum nominal amount of €1,250 through the issuance of Founders' Units, without preferential subscription rights, in favor of Eiffel Essentiel SLP (30 <sup>th</sup> resolution)	18 months from June 16, 2021	€1,250
Delegation of authority granted to the Board of Directors in relation to the increase of the Company's share capital, by offsetting, by a maximum nominal amount of €1,250 through the issuance of Founders' Units, without preferential subscription rights, in favor of an affiliated entity of Mr. Erik Maris (31 <sup>st</sup> resolution)	18 months from June 16, 2021	€1,250
Delegation of authority granted to the Board of Directors in relation to the increase of the Company's share capital through the issuance of shares and/or securities giving access to shares to be issued immediately or in the future by the Company or one of its subsidiaries with preferential subscription rights (32 <sup>nd</sup> resolution)	26 months following the approval of an Initial Business Combination by the Shareholders' Special Meeting	€163,333.33 for shares* €245,000,000 for securities giving access to shares**

	<b>Period of validity/Expiry</b>	<b>Maximum nominal amount</b>
Delegation of authority granted to the Board of Directors in relation to the increase of the Company's share capital through the issuance of shares and/or securities giving access to shares to be issued immediately or in the future by the Company of one or its subsidiaries without preferential subscription rights by way of a public offer referred to in Article L. 411-2 1° of the French <i>Code de commerce</i> (33 <sup>rd</sup> resolution)	26 months following the approval of an Initial Business Combination by the Shareholders' Special Meeting	€65,333.33 for shares €245,000,000 for securities giving access to shares**
Delegation of authority granted to the Board of Directors in relation to the increase of the Company's share capital through the issuance of shares and/or securities giving access to shares to be issued immediately or in the future by the Company, without preferential subscription rights, in consideration for contributions in-kind relating to equity securities or securities giving access to the capital of third-party companies other than in the event of a public exchange offer (34 <sup>th</sup> resolution)	26 months following the approval of an Initial Business Combination by the Shareholders' Special Meeting	€32,666.66 for shares €245,000,000 for securities giving access to shares**
Delegation of authority granted to the Board of Directors to increase the number of shares to be issued in relation to the increase of the Company's share capital with or without preferential subscription rights (35 <sup>th</sup> resolution)	26 months following the approval of an Initial Business Combination by the Shareholders' Special Meeting	(under the conditions provided for in Articles L. 225-135-1 and R. 225-118 of the French <i>Code de commerce</i> ***)

\* This amount is a global cap for all issues carried out pursuant to the delegations of authority provided for in the 32<sup>nd</sup>, 33<sup>rd</sup> and 34<sup>th</sup> resolutions.

\*\* This amount is construed as a common cap for securities giving access to shares for 32<sup>nd</sup>, 33<sup>rd</sup> and 34<sup>th</sup> resolutions.

\*\*\* At the date of this report: within thirty days of the closing of the subscription period, at the same price as that of the initial issue and within the limit of 15% of the initial issue.

**ANNUAL FINANCIAL STATEMENTS  
AND NOTES FOR THE NINE-MONTH PERIOD  
ENDED DECEMBER 31, 2021**

Unless stated otherwise, the amounts presented are in thousands of euros, rounded to the nearest thousand. In general, the amounts presented in the annual financial statements and related notes are rounded to the nearest unit. This may result in a non-material difference between the sum of the rounded amounts and the reported total. All ratios and variances are calculated using the underlying amounts rather than the rounded amounts.

## Income Statement

<i>(in thousands of euros)</i>	Notes	Dec 31, 2021 (9 months)	13 days period ended March 31, 2021
<b>Revenue</b>	6.1	-	-
Operational income (expenses)	6.2	4 832	10
Depreciation and amortization			
<b>Operating income / (loss)</b>		<b>(4 832)</b>	<b>(10)</b>
Other financial expenses	6.3	413	-
<b>Financial income / (loss)</b>		<b>(413)</b>	<b>-</b>
Income tax		-	-
<b>Net income / (loss)</b>		<b>(5 245)</b>	<b>(10)</b>
Attributable to owners of the company		<b>(5 245)</b>	<b>(10)</b>
Attributable to non-controlling interests			
<b>Earnings per share (in euros)</b>		<b>(0,19051)</b>	<b>(0,00177)</b>
- basic and diluted	7	(0,19051)	(0,00177)

## Comprehensive Income Statement

<i>(in thousands of euros)</i>	Notes	Dec 31, 2021 (9 months)	13 days period ended March 31, 2021
<b>Net income / (loss)</b>		<b>(5 245)</b>	<b>(10)</b>
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified to profit or loss		-	-
<b>Total comprehensive income / (loss) for the period</b>		<b>(5 245)</b>	<b>(10)</b>
Attributable to owners of the company		(5 245)	(10)
Attributable to non-controlling interests		-	-

## Balance sheet

<i>(in thousands of euros)</i>	<i>Notes</i>	<b>Dec 31, 2021 (9 months)</b>	<b>13 days period ended March 31, 2021</b>
<b>Total non-current assets</b>			
Other current assets	10	18	82
Restricted cash	11	206 578	
Cash and cash equivalents		472	56
Prepaid expenses		214	400
<b>Total current assets</b>		<b>207 282</b>	<b>538</b>
<b>Total assets</b>		<b>207 282</b>	<b>538</b>
<i>(in thousands of euros)</i>	<i>Notes</i>	<b>Dec 31, 2021 (9 months)</b>	<b>13 days period ended March 31, 2021</b>
Share capital		275	56
Share premium		5 749	
Retained earnings and net income / (loss)		(5 225)	(10)
Non controlling interests			
<b>Total equity</b>	8	<b>769</b>	<b>46</b>
Non current financial debt	9	206 294	
Debt instruments	9	71	
Other non current liabilities			
<b>Total non-current liabilities</b>		<b>206 365</b>	<b>-</b>
Current financial debt	12	101	
Debt instruments			
Other current liabilities		48	492
<b>Total current liabilities</b>		<b>149</b>	<b>492</b>
<b>Total equity and liabilities</b>		<b>207 282</b>	<b>538</b>

## Cash flow statement

<i>(in thousands of euros)</i>	Dec 31, 2021 (9 months)	13 days period ended March 31, 2021
Net income / (loss)	(5 245)	(10)
Depreciation and amortisation		
Provisions and depreciations		
Change in working capital	(202)	10
<b>Net cash flow from operating activities</b>	<b>(5 449)</b>	<b>-</b>
Acquisition of fixed assets		
Disposals of fixed assets		
<b>Net cash flows from investing activities</b>	<b>-</b>	<b>-</b>
Proceeds received from shareholders during capital increases	5 968	56
Change in financial debts	206 468	
<b>Net cash flows used in financing activities</b>	<b>212 435</b>	<b>56</b>
<b>Net change in cash and cash equivalents and restricted cash</b>	<b>206 995</b>	<b>56</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>56</b>	<b>-</b>
<b>Cash and cash equivalents at end of period</b>	<b>472</b>	<b>56</b>
Restricted cash at beginning of period	-	-
<b>Restricted cash at end of period</b>	<b>206 578</b>	<b>-</b>

## Change in equity

<i>(in euros)</i>	number of shares	Share capital	Share premium	Retained earnings and net profit/loss for the period	Equity attributable to equity holders	Non controlling interests	Total equity
<b>Equity at March 31 2021</b>	5 649 999	56 500	-	(10 000)	46 500		46 500
Issuance of Founder Units	575 460	5 755	5 748 845		5 754 600		5 754 600
Issuance of Founder Shares	657 874	6 579			6 579		6 579
Initial Offering of market units	20 000 000	200 000			200 000		200 000
Over-allotment units	650 000	6 500			6 500		6 500
Net profit/loss				(5 245 351)	(5 245 351)		(5 245 351)
<b>Equity at December 31 2021</b>	27 533 332	275 333	5 748 845	(5 255 351)	768 828		768 828



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## NOTE 1. GENERAL INFORMATION

TRANSITION S.A. (hereafter “the Company”) was incorporated on March 19, 2021 as a limited liability corporation with a Board of Directors (*société anonyme à Conseil d’Administration*) governed by French law, and is registered with the Registry of Commerce and Companies of Paris under number R.C.S. 895 395 622. The registered office of the Company is located at 49 bis avenue Franklin Roosevelt 75008 Paris, FRANCE. The Company is listed on Euronext Paris under the ticker symbol “TRAN”.

The Company was formed by Messrs. Xavier Caïtucoli and Erik Maris, each acting through and on behalf of their controlled affiliated entities named respectively Crescendix (or any entity controlled by Crescendix) and Schuman Invest, and by Eiffel Essentiel SLP (together, the “Founders”).

The Company, a SPAC (Special Purpose Acquisition Company), intends to focus on the completion of an Initial Business Combination with one or several target businesses and/or companies with principal operations in the energy transition sector (renewable energy production and energy efficiency) with a business seat in Europe (the “Initial Business Combination”).

The first financial year of the Company ended March 31, 2021 (period from March 19, 2021 to March 31, 2021). The ordinary and extraordinary general meeting of June 16, 2021 decided to modify the fiscal year end date to December 31 starting from the current financial year. As such, the current financial year beginning on April 1, 2021 will run until December 31, 2021.

The Company completed an Initial Public Offering of Market Units in June 2021. The Company will have twenty-four (24) months from the Listing Date to complete the Initial Business Combination, plus an additional six (6) month period if it signs a legally binding agreement with the seller of a target and convenes a shareholders’ meeting to approve such proposed Initial Business Combination within those initial 24 months (the “Initial Business Combination Deadline”) (or any longer period as may be decided by the shareholders’ general meeting). If the Company fails to complete the Initial Business Combination within the above-mentioned timeline, it will be liquidated (unless its term is validly extended by the extraordinary shareholders’ meeting).

## NOTE 2. SIGNIFICANT EVENTS IN THE CURRENT PERIOD

The Company completed in June 2021 an Initial Public Offering of Market Units, comprised of Market Shares and Market Warrants (see note 9), raising gross proceeds of €206,500,000 (including €6,500,000 of gross proceeds from the Overallotment Units). The Company also received approximately €5.7 million from the issuance of Founder Units (see Note 8).

## NOTE 3. BASIS OF PREPARATION

The Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards as published by the IASB and adopted by the European Union (“IFRS”) at the closing date. They relate to the nine-month period ended December 31, 2021, period from April 1, 2021 to December 31, 2021, and have been approved by the Company's Board of Directors on January 27, 2022 on an ongoing basis.

### 3.1 New and amended IFRS standards that are effective for the current year

The following new requirements took effect for annual periods beginning on or after 1 April 2021. They have had no effect on the balance sheet or performance of the Company:

Amendments to:

- IFRS 4: Extension of the Temporary Exemption from Applying IFRS 9
- IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16: Interest Rate Benchmark Reform – Phase 2
- IFRS 16: Covid-19-Related Rent Concessions beyond 30 June 2021

### 3.2 New and revised IFRS Standards in issue but not yet effective

At the date of authorization of these financial statements, the Group has not applied the following new and revised IFRS Standards that have been issued but are not yet effective:

- a. Annual periods beginning on or after January 1, 2022

Amendments to:

- IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use
- IAS 37 - Onerous Contracts: Costs of Fulfilling a Contract
- IFRS 1, IFRS 9, IFRS 16, IAS 41: Annual Improvements to IFRS Standards 2018-2020
- IFRS 3 Reference to the *Conceptual Framework*

The above amendments will come into effect as of January 1, 2022 and are not expected to have any impact on the Company's financial statements.

- b. Annual periods beginning on or after January 1, 2023

Standard:

- IFRS 17: Insurance Contracts (including Amendments to IFRS 17)

Amendments to :

- IAS 1 – Classification of Liabilities as Current or Non-Current (including Deferral of Effective Date)

These standard and amendments will come into effect as of January 1, 2023 with early application permitted.

## NOTE 4. SUMMARY OF SIGNIFICANT ACCOUNTING METHODS

### 4.1 Cash and cash equivalent and Restricted Cash

Cash and cash equivalents include balances with maturity less than three months from the balance sheet date, including cash and deposits with banks. Their carrying amounts represent their fair value. Cash balances held in escrow accounts and therefore not available for general use are presented separately as Restricted Cash.

### 4.2 Transaction costs

Transaction costs associated with the issuance of equity instruments are accounted for as operational expenses. Transaction costs include commissions paid to underwriting agents, fees paid to legal, accounting and other professional advisers, registration and other regulatory fees.

### 4.3 Provisions

Provisions are recognized when:

- the Company has an obligation as a result of a past event,
- it is probable that settlement will be required in the future,
- a reliable estimate of the obligation can be made.

Provisions are valued at the amount corresponding to the best estimation that management of the Company can make at the date of the close of the expense need to settle the obligation. These amounts are discounted if the effect is considered significant.

#### 4.4 Judgments and estimates

The preparation of Annual Financial Statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the Annual Financial Statements are as follow:

- *Recognition of deferred tax asset:*

The Company did not recognize a tax benefit with respect to the Initial Public Offering transaction costs (recorded in expenses) and the loss incurred for period as there is no convincing evidence (to the level required by IAS 12) that the related tax losses will be utilized against future taxable profits.

- *Financial debt classification of Market Shares:*

The Market Shares are redeemable for cash at €10 per share, at the request of the holder, if an Initial Business Combination is approved by the Company's board of directors and shareholders and is eventually completed.

The Company has twenty-four (24) months from the Listing Date to complete the Initial Business Combination, plus an additional six (6) month period if it signs a legally binding agreement with the seller of a target and convenes an Approval Shareholders' Meeting (as defined in the Prospectus) to approve such proposed Initial Business Combination within those initial 24 months.

In accordance with its current articles of association, and unless an extension is decided under the conditions provided for by the articles of association and the applicable laws and regulations, the Company will be dissolved in the event of non-completion of an Initial Business Combination

The Company determined that the Market Shares qualify as debt instruments and thus are classified in "Non-Current Financial Debt" (excluding current portion).

The Market Warrants, Founders' Warrants and Forward Purchase Warrants are derivative instruments within the scope of IFRS 9 and are fair valued, with change in value recognized through the income statement.

## NOTE 5. SEGMENT INFORMATION

As at the date hereof, Transition has not defined any reportable segments.

## NOTE 6. INCOME AND EXPENSES

### 6.1 REVENUE

Transition did not generate any revenue during the nine-month period ended December 31, 2021.

### 6.2 EXTERNAL CHARGES

During the nine-month period ended December 31, 2021, external charges primarily corresponded to expense fees related to the Offering and insurance costs.

### 6.3 OTHER FINANCIAL EXPENSES

During the nine-month period ended December 31, 2021, the financial expenses mainly corresponded to the negative interests recognized on the escrow account.

### NOTE 7. EARNING (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing profit (loss) for the period by the number of ordinary shares outstanding as of December 31, 2021. The Company had no ordinary shares outstanding as of December 31, 2021 and used the number of Market Shares and Founder's Shares, which was 27.533.332 as of December 31, 2021.

Diluted earnings (loss) per share is calculated by adjusting profit (loss) for the period and the number of shares at the end of the period by the impact of all potentially dilutive financial instruments.

### NOTE 8. EQUITY

#### Shares issued and outstanding

##### *Founder's Shares (Class A Preference Shares)*

As of December 31, 2021, the Company has 6,883,332 Founder's Shares outstanding, including:

- 575,460 shares equally issued to the three Founders at a price of 10€ per Founder Unit, with each Unit comprised of one Founder Share and one Founder Warrant.
- 6,307,872 shares issued at par value (0.01€) equally to the Founders,

On the Listing Date, the Founders' Shares held directly and indirectly by each of the Founders, including the Ordinary Shares underlying the Founders' Units, were converted as follows:

- 1,911,111 Ordinary Shares were converted into 1,911,111 Class A1 Founders' Shares (as defined below);
- 1,911,111 Ordinary Shares were converted into 1,911,111 Class A2 Founders' Shares (as defined below);
- 1,911,111 Ordinary Shares were converted into 1,911,111 Class A3 Founders' Shares (as defined below);
- and
- 1,433,333 Ordinary Shares were converted into 1,433,333 Class A4 Founders' Shares (as defined below).

The over-allotment Units subscribed by Mr. Xavier Caïtucoli and Eiffel Essentiel SLP for €15,000,000 (corresponding to the subscription of 1,500,000 Units at a price of €10.00 per unit) were immediately repurchased by the Company at the same price. The Company thereafter lent the 1,500,000 over-allotment Units to the Stabilization Manager for delivery to investors in respect of over-allotments. At the end of the stabilization period, the over-allotment option was partially exercised. As such, the Company bought back 850,000 Units and cancelled those 850,000 over-allotment Units which were not purchased by the Stabilization Manager.

After the end of the stabilization period and the buy-back by the Company of Founders' Shares on July 30, 2021, the share capital of the Company has been composed of 6,883,332 Class A Founders' Shares, divided into:

- 1,835,556 Class A1 Founders' Shares,
- 1,835,553 Class A2 Founders' Shares,
- 1,835,556 Class A3 Founders' Shares, and
- 1,376,667 Class A4 Founders' Shares.

Until their conversion into Ordinary Shares, the Founders' Shares will not be listed.

Each Class A1 Founders' Share shall entitle to one vote at the shareholders' meetings. The other classes of Founders' Shares are not entitled to vote at the general meetings of shareholders of the Company (but, for the avoidance of doubt, entitle to participate at general meetings).

Class A1 Founders' Shares grant their holder the right to propose to the ordinary shareholders' meeting the appointment to the Board of Directors of a number of members equal to half of the members of the Board of Directors. The other classes of Founders' Shares do not grant their holder such right.

Each "Class A1 Founders' Share" is a class A1 share of the Company with a nominal value of €0.01, convertible into one (1) Ordinary Share of the Company upon completion of the Initial Business Combination.

Each "Class A2 Founders' Share" is a class A2 share of the Company with a nominal value of €0.01, convertible into one (1) Ordinary Share of the Company if, from the date of completion of the Initial Business Combination until its tenth (10th) anniversary, the closing price of the Ordinary Shares for any 20 trading days out of a 30 consecutive trading-day period (whereby such 20 trading days do not have to be consecutive) equals or exceeds €12.00.

Each "Class A3 Founders' Share" is a class A3 share of the Company with a nominal value of €0.01, convertible into one (1) Ordinary Share of the Company if, from the date of completion of the Initial Business Combination until its tenth (10th) anniversary, the closing price of the Ordinary Shares for any 20 trading days out of a 30 consecutive trading-day period (whereby such 20 trading days do not have to be consecutive) equals or exceeds €14.00.

Each "Class A4 Founders' Share" is a class A4 share of the Company with a nominal value of €0.01, convertible into one (1) Ordinary Share of the Company if, from the date of completion of the Initial Business Combination until its tenth (10th) anniversary, the closing price of the Ordinary Shares for any 20 trading days out of a 30 consecutive trading-day period (whereby such 20 trading days do not have to be consecutive) equals or exceeds €20.00.

If the Company does not complete an Initial Business Combination by the Initial Business Combination Deadline (as such terms are defined in the Prospectus), the outstanding amounts in the Escrow Account (including the interests, if any, on such amounts) will, after satisfaction of creditors' claims and settlement of the Company's liabilities, be distributed to the holders of the Market Shares and to the Founders for their Founders' Shares.

In case of a liquidation, Founders' Shares will have rights to residual surplus, if any, after the liquidation preferences of the Market Shares has been satisfied.

#### *Ordinary shares*

The Company has no ordinary shares outstanding as of December 31, 2021.

## **NOTE 9. NON-CURRENT FINANCIAL DEBT AND DEBT INSTRUMENTS**

### ***Market Shares (Class B preference Shares)***

As of December 31, 2021, the Company has 20,650,000 Market Shares outstanding, all of which were issued during the period, at a price of €10.00 per Market Unit, with each Unit comprised of one Market Share and one Market Warrant.

Market Shares have voting rights, including a right to approve the Initial Business Combination at a 2/3<sup>rd</sup> majority of the votes of the market shareholders present or represented (the "Required Majority") at a Market Shareholders' special meeting (the "Approval Shareholders' Meeting").

Subject to the approval of the Initial Business Combination by the special meeting of the Market Shareholders at the Required Majority, all Market Shareholders will be entitled to request the redemption of their Market Shares, irrespective of their participation and voting record at the Approval Shareholders' Meeting.

Market Shares are redeemable for cash, at €10.00 per share, at the option of the holder, in case an Initial Business Combination is completed by the SPAC. Unredeemed Market Shares will automatically convert into ordinary shares (at a ratio of one for one) upon completion of the Initial Business Combination. If no Initial Business Combination is completed within 24 months from Initial Public Offering, and no decision is taken to extend the life of the Company, the latter will liquidate. In case of liquidation, the Market Shares have preference over Founder Shares for distribution of liquidation proceeds for up to €10.00 per share.

## **Warrants and options**

### *Market Warrants*

As of December 31, 2021, the Company has 20,650,000 Market Warrants outstanding, all of which were issued during the period in connection with the issuance of Market Units (see above). Three (3) Market Warrants will entitle their holder to subscribe for one (1) Ordinary Share with a nominal value of €0.01 (the “Exercise Ratio”), at an overall exercise price of €11.50 per new Ordinary Share.

The Market Warrants will become exercisable as from the Initial Business Combination Completion Date and will expire at the close of trading on Euronext Paris on the first business day after the fifth anniversary of the Initial Business Combination Completion Date or earlier upon (i) redemption or (ii) liquidation of the Company (the “Exercise Period”).

If a holder of Market Warrants has not exercised its Market Warrants before the end of the Exercise Period, those Market Warrants will lapse without value.

During the Exercise Period of the Market Warrants, the Company may, at its sole discretion, elect to call the Market Warrants for redemption in whole at a price of €0.01 per Market Warrant and upon a minimum of 30 days’ prior written notice of redemption, if, and only if, the last trading price of the Ordinary Shares equals or exceeds €18.00 per Ordinary Share for any period of 20 trading days within a 30 consecutive trading day period ending three Business Days before the Company sends the notice of redemption. Market Warrants redeemed by the Company will be cancelled immediately after their redemption.

### *Founders’ Warrants*

As of December 31, 2021, the Company has 575,460 Founders’ Warrants outstanding, all of which were issued during the period in connection with the issuance of Founder Units.

The terms and conditions of the Founders’ Warrants shall be identical to the terms of the Market Warrants described above, except that:

- they shall not be redeemable by the Company for so long as they are held by the Founders or their permitted transferees; and
- they shall not be listed on the regulated market of Euronext Paris or on any other stock exchange.

### *Forward Purchase Warrants*

The Company issued, in the context of an offer reserved to certain identified beneficiaries who committed to participate to the Offering and in compliance with Article L. 225-138 of the French Commercial Code (the “**Reserved Issuance**”), a number of 7,100,000 warrants, at a price of €0.01 per warrant, each giving its holder the right to subscribe, upon completion of the Initial Business Combination, for one (1) new ordinary share of the Company with one (1) Market Warrant attached, at an overall exercise price of €10.00 per warrant (subject to customary adjustments).

The Forward Purchase Warrants shall become exercisable before the anticipated Initial Business Combination Completion Date (as such terms are defined in the Prospectus (as defined below)) and for an amount to be determined in accordance with a specific notification procedure between the Company and the holders.

### *Over-allotment option*

The Company granted to Goldman Sachs, acting as stabilization manager on behalf of the Bookrunners, an option to purchase up to 1,500,000 Units at a price of €10.00 per Unit (the “Over-allotment Units”), in an aggregate amount of up to €15 million, exercisable for 30 days following the Listing Date (the “Stabilization Period”), solely for the purpose of covering over-allotments and facilitating stabilization activities, if any (the “Over-allotment Option”).

The Stabilization Period ended on July 22, 2021. The Stabilization Manager partially exercised the Over-allotment Option to purchase 650,000 additional Units from the Company, at the original offering price of €10.00 per Unit, corresponding to a total amount of €6.5 million. As a result, the total number of Units offered in the private placement amounted to 20,650,000 Units, thereby increasing the total offering size to €206.5 million.

### **NOTE 10. OTHER CURRENT ASSETS**

Trade and other receivables correspond to €18 thousand in deductible VAT recognized at the period-end. Insurance cost and market admission fees invoiced in advance for €214 thousand are recorded as prepaid expenses.

Transition elected to be VAT registered at the time it was incorporated and it therefore has a VAT number, which means it can already deduct VAT from the costs it incurs. Transition considers that, in view of the projects to which it has already committed, it will either carry out a business activity directly or it will be the holding company of several subsidiaries. In either of these cases it will therefore exercise an economic activity that will be subject to VAT. However, if Transition does not complete the Initial Business Combination, it will have to write off its VAT deductions and to book a loss.

### **NOTE 11. RESTRICTED CASH**

Out of the proceeds received by the Company from the Initial Public Offering, an amount of €206,577,579 million was placed in a secured deposit account opened with Caisse d’Epargne CEPAC (the “Escrow Account”). Funds deposited in the Escrow Account may only be used in connection with the completion of the Initial Business Combination and the potential redemption of the Market Shares validly submitted for redemption. If the Company does not complete an Initial Business Combination by the Initial Business Combination Deadline, the outstanding amounts in the Escrow Account (including the interests, if any, on such amounts) will, after satisfaction of creditors’ claims and settlement of the Company’s liabilities, be distributed to the holders of the Market Shares and to the Founders for their Founders’ Shares.

### **NOTE 12. CURRENT FINANCIAL DEBT**

As of December 31, 2021, the Company recorded €101 thousand under current financial debt that correspond to the negative interests related to the Escrow Account.

### **NOTE 13. RELATED-PARTY TRANSACTIONS**

As of December 31, 2021, the Company had no related party transactions other than those described in Note 8 (Equity) and Note 9 (Financial debt and debt instruments) of the annual financial statements for the nine month period ended December 31, 2021.

### **NOTE 14. CONTINGENT LIABILITIES**

None



## **NOTE 15. FINANCIAL LIABILITIES**

### *Financial commitments*

The bank fees linked to the Offering, if the Company successfully completes an Initial Business Combination are as follow:

- a fix fee of maximum 9 000 000 euros after completion of the Initial Business Combination, and
- a success fee up to 1 500 000 euros.

### *Financial liabilities received*

The Founders of the Company will provide the required financial resources to ensure the continuation of the Company's activity over the next twelve coming months.

## **NOTE 16. EVENTS AFTER THE BALANCE SHEET DATE**

No significant events occurred after the balance sheet date.

**TRANSITION**

Société Anonyme  
49 bis avenue Franklin D. Roosevelt  
75008 Paris  
France

**Statutory auditor's report on the IFRS Financial Statements for the nine-month period ended December 31, 2021**

*This is a translation into English of the statutory auditor's report on the IFRS financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.*

*This report should be read in conjunction with, and is construed in accordance with, French law and professional standards applicable in France.*



## TRANSITION

Société Anonyme  
49 bis avenue Franklin D. Roosevelt  
75008 Paris  
France

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### Statutory auditor's report on the IFRS Financial Statements for the nine-month period ended December 31, 2021

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To the Chairman and Chief Executive Officer of TRANSITION,

As statutory auditor of the company TRANSITION and at your request, we have audited the accompanying financial statements of the company TRANSITION prepared under International Financial Reporting Standards (“IFRS”) as adopted by the European Union for the nine-month period ended December 31, 2021 (hereafter the “IFRS Financial Statements”).

Due to the global crisis related to the Covid-19 pandemic, the IFRS Financial Statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the company's internal organization and the performance of our audit procedures.

These IFRS Financial Statements have been prepared under the responsibility of the Board of Directors. Our role is to express an opinion on these IFRS Financial Statements based on our audit.

We conducted our audit in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of statutory auditors (Compagnie nationale des commissaires aux comptes) relating to such engagement. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the IFRS Financial Statements are free of material misstatement. An audit includes examining, using sample testing techniques or other selection methods, evidence supporting the amounts and disclosures in the IFRS Financial Statements. An audit also includes evaluating the appropriateness of accounting policies used and significant accounting estimates made, as well as evaluating the overall presentation of the IFRS Financial Statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the IFRS Financial Statements present fairly, in all material respects, the assets and liabilities and of the financial position of the company as of December 31, 2021 and of the results of its operations for the nine-month period then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

This report is governed by, and construed in accordance with, French law. The Courts of France shall have exclusive jurisdiction in relation to any claim, difference or dispute which may arise out of or in connection with our engagement letter or this report.

Paris-La Défense, France, February 18, 2022

The Statutory Auditor

**DELOITTE & ASSOCIES**

**French original signed by**

François BUZY

**VI. STATUTORY ACCOUNTS AND NOTES FOR THE NINE-MONTH PERIOD ENDED DECEMBER 31, 2021**

## **Income Statement**

in thousands of euros	12/31/2021 (9 months)	12/31/21 (13 days)
<b>REVENUE</b>		
Net turnover	-	-
<b>Total revenue (I)</b>	-	-
<b>OPERATING COSTS</b>		
Other purchases and external charges	4,832	10
Amortization	-	-
<b>Total operating costs (II)</b>	4,832	10
<b>OPERATING RESULT (I-II)</b>	(4,832)	(10)
<b>FINANCIAL EXPENSES</b>		
Interests and related expenses	413	
<b>FINANCIAL RESULT</b>	(413)	
<b>Profit / (loss)</b>	<b>(5,245)</b>	<b>(10)</b>

## Balance sheet

<i>in thousands of euros</i>	12/31/2021 (9 months)	03/31/2021 (13 days)
<b>FIXED ASSETS</b>		
Intangible assets	-	-
Tangible assets	-	-
Financial assets	-	-
<b>Total (I)</b>	-	-
<b>CURRENT ASSETS</b>		
Other receivables	18	82
Cash at bank	207,049	56
Prepaid expenses	215	400
<b>Total (II)</b>	207,282	538
<b>TOTAL ASSETS (I+II)</b>	207,282	538

<i>in thousands of euros</i>	12/31/2021 (9 months)	03/31/2021 (13 days)
<b>EQUITY</b>		
Share capital	275	56
Share premium	212,113	
Retained earnings	(10)	
Profit (loss)	(5,245)	(10)
<b>Total (I)</b>	207,133	46
<b>TOTAL LIABILITIES</b>		
Bank overdrafts	4	
Borrowings and other financial liabilities	97	
Trade payables	48	492
<b>Total (II)</b>	149	492
<b>TOTAL EQUITY AND LIABILITIES (I+II)</b>	207,282	538

**NOTES ON THE STATUTORY ACCOUNTS FOR THE NINE-MONTH PERIOD ENDED**

**DECEMBER 31, 2021**

**NOTE 1. SIGNIFICANT EVENTS IN THE CURRENT PERIOD**

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The financial year was a nine-month period, from April 1, 2021 to December 31, 2021.

The first financial year of the Company ended March 31, 2021 (period from March 19, 2021 to March 31, 2021).

The ordinary and extraordinary general meeting of June 16, 2021 decided to modify the fiscal year end date to December 31 starting from the current financial year.

The comparability of the periods is not possible as the first financial year ended March 31, 2021 is a 13-days period and the second financial year ended December 31, 2021 is a nine-month period.

The following notes and tables are part of the statutory annual accounts.

## **NOTE 1. SIGNIFICANT EVENTS IN THE CURRENT PERIOD**

### **Completion of the offering of Units to certain qualified investors in France and outside of France, and admission to listing and trading of the Market Units**

On June 17, 2021, the Company offered 20,000,000 of its class B shares, with a nominal value of €0.01 per share (the “Market Shares”) and 20,000,000 of its class B warrants (the “Market Warrants”). The Market Shares and the Market Warrants were offered only in the form of units (*actions de préférence stipulées rachetables assorties de bons de souscription d’actions ordinaires de la Société rachetables*) each consisting of one (1) Market Share and one (1) Market Warrant (the “Units”) at a price per Unit of €10.00 (the “Offering”) pursuant to the Prospectus.

As from June 22, 2021, the Market Units traded as units on the Professional Segment (“*Compartiment Professionnel*”) of the regulated market of Euronext Paris, on a single listing line.

### **Founders’ Shares and Founders’ Units**

Prior to the Offering, the Founders held 5,649,999 ordinary shares subscribed at their nominal value (€0.01). On June 22, 2021 (the “Listing Date”), each ordinary share held by such holders were converted into one (1) class A share (each, a “Founder Share”), with a nominal value of €0.01 per Founder Share. Founder Shares are preferred shares (*actions de préférence*) issued pursuant to provisions of Articles L. 228-11 *et seq.* of the French *Code de commerce*, the rights and obligations of which are defined in the Articles of Association as in effect on the listing date.

Simultaneously with the completion of the Offering, the Founders subscribed, in the context of a reserved issuance, a total of 592,800 units (the “Founders’ Units”) at a price of €10.00 per Founders’ Unit (€5,928,000 in the aggregate), each Founders’ Unit consisting of one (1) fully-paid ordinary share with a nominal value of €0.01 and one (1) class A warrant (a “Founders’ Warrant”). The Founders also subscribed 923,868 ordinary shares at a price of 0.01€ per ordinary share.

### **Forward Purchase Agreement**

The Company issued, in a reserved issuance that occurred simultaneously with the completion of the Offering, a total of 7,100,000 warrants, at a price of €0.01 per warrant, each warrant giving its holder the right to subscribe for one (1) new Ordinary Share with one (1) Market Warrant attached, at an overall exercise price of €10.00 (subject to adjustment as described in the Prospectus) per warrant (the “Forward Purchase Warrants”).

On the Listing Date, the Company transferred the net proceeds from (i) the Offering, (ii) the reserved issuance to the Founders of the Founders’ Units less an amount to €1,500,000 (used by the Company as its initial working capital allowance), (iii) the reserved issuance of the Forward Purchase Warrants and (iv) the reserved issuance to the Founders of Ordinary Shares; together with an amount corresponding to the estimated deferred underwriting commissions, i.e.



an amount of €200,075,545, in a secured deposit account opened by the Company with Crédit Industriel et Commercial (the “Escrow Account”).

### **Over-allotment and Stabilization Period**

The Company granted to Goldman Sachs, acting as stabilization manager on behalf of the Bookrunners (the “Stabilization Manager”), an option to purchase up to 1,500,000 additional Units at a price of €10.00 per Unit (the “Over-allotment Units”), in an aggregate amount of up to €15 million, exercisable for 30 days following the Listing Date (the “Stabilization Period”), solely for the purpose of covering over-allotments and facilitating stabilization activities, if any (the “Over-allotment Option”).

The Over-allotment Units were subscribed by each of Mr. Xavier Caïtucoli and Eiffel Essentiel SLP (whether directly or indirectly) for the respective amounts of €5,000,000 and €10,000,000 (corresponding to the subscription of 500,000 and 1,000,000 Units) on June 17, 2021 and were immediately repurchased by the Company at the same price. The Company thereafter lent 1,500,000 Over-allotment Units to the Stabilization Manager for delivery to investors in respect of over-allotments, if any.

The Stabilization Period ended on July 22, 2021. The Stabilization Manager exercised in part the Over-allotment Option to purchase 650,000 additional Units from the Company, at the original offering price of €10.00 per Unit, corresponding to a total amount of approximately €6.5 million.

As a result, the total number of Units offered in the private placement amounted to 20,650,000 Units, thereby increasing the total offering size to approximately €206.5 million.

### **Share capital reduction**

Following the partial exercise of the Over-allotment Option, an amount of €6,502,034 was deposited in the Escrow Account, amounting to a total amount of €206,577,579 placed on the Escrow Account.

Given the Over-allotment Option was not exercised in full, on July 26, 2021, the Stabilization Manager returned to the Company the Over-allotment Units which were been purchased by the Stabilization Manager, corresponding to an amount of 850,000 Units.

On July 30, 2021, the Board of Directors of the Company decided to implement a share capital reduction of the Company not motivated by losses for a total nominal amount of €11,333.35 (the “Share Capital Reduction”). The Company’s share capital was therefore reduced by a total nominal amount of €11,333.35, from an amount of €286,666.67 euros to an amount of €275,333.32.

On September 27, 2021, the Company transferred the total amount from the Escrow Account to a new secured deposit account opened with Caisse d’Epargne.

## **NOTE 2. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE**

No significant event after the end of the period.

## **NOTE 3. BASIS OF PREPARATION**

### **General accounting conventions**

The annual statutory accounts have been prepared in accordance with the accounting rules in respect of the articles 121-1 to 121-5 and following of the French Plan Comptable Général.

Generally accounting conventions were applied in conformity with the principles of prudence and consistency of accounting methods, continuity of operations and cut-off principle.

The measurement of items booked in the accounts was carried out based on the historical cost method.

The annual financial statements have been prepared and presented in compliance with : the general rules applicable for the preparation and presentation of annual financial statements as defined by Autorité des Normes Comptables (“ANC” – France’s national accounting standards body), regulation ANC 2014-03 and ANC 2018-07; and generally accepted accounting principles in France.

### **General complementary information**

TRANSITION S.A. (hereafter “the Company”) was registered on March 19, 2021 as a limited liability corporation with a Board of Directors (*société anonyme à Conseil d’Administration*) governed by French law, and is registered with the Registry of Commerce and Companies of Paris under number R.C.S. 895 395 622. The registered office of the Company is located at 49 bis avenue Franklin Roosevelt 75008 Paris, FRANCE.

As of December 31,2021, the share capital amounts to €275,333.32 and is made up of 27,533,332 shares with a nominal value of €0.01 each.

The Company is listed on Euronext Paris (*compartiment professionnel*) under the ticker symbol "TRAN".

The Company was formed by Messrs. Xavier Caïtucoli and Erik Maris, each acting through and on behalf of their controlled affiliated entities named respectively Crescendix (or any entity controlled by Crescendix) and Schuman Invest, and by Eiffel Essentiel SLP (together, the “Founders”).

The purpose of the Company, a SPAC (Special Purpose Acquisition Company) is to acquire one or more companies or operating businesses with principal operations in the energy transition sector (renewable energy production and energy efficiency) headquartered in Europe through a merger, capital stock exchange, share purchase, asset acquisition, reorganization or similar transaction (the “Initial Business Combination”).

## **NOTE 4. COMPLEMENTARY INFORMATION ON THE BALANCE SHEET**

### **Maturity dates for receivables and debts**

<b>Schedule of receivables</b>	Gross amount	Under 1 year	Over 1 year
Other receivables	18 004	18 004	
Prepaid expenses	214 640	214 640	
<b>TOTAL</b>	<b>232 645</b>	<b>232 645</b>	

<b>Schedule of debts</b>	Gross amount	Under 1 year	From 1 to 5 years	Over 5 years
Bank overdrafts	4 196	4 196		
Borrowings and other financial liabilities	96 509	0	96 509	
Trade payables	48 000	48 000		
<b>TOTAL</b>	<b>148 705</b>	<b>52 196</b>	<b>96 509</b>	

### **Valuation of receivables and debts**

Receivables and debts were assessed at their par value.

### **Cash at bank**

As of December 31, cash amounted €207,049,388, including €206,577,579 that have been transferred to a secured deposit account opened with Caisse d'Épargne.

Out of the €206,577,579, €100,000,000 do not bear interest, and €106,577,579 bear negative interest recorded in financial expenses on the period.

### **Equity**

#### **Share capital**

As of December 31, 2021, the Company has 6,883,332 Founder's Shares outstanding, and 20,650,000 Market Shares outstanding, all of which were issued during the period, at a price of €10.00 per Market Unit, with each Unit comprised of one Market Share and one Market Warrant.

The Founder's shares split as follows:

- 575,460 shares equally issued to the three Founders at a price of 10€ per Founder Unit, with each Unit comprised of one Founder Share and one Founder Warrant.
- 6,307,872 shares issued at par value (0.01€) equally to the Founders,

Until their conversion into Ordinary Shares, the Founders' Shares will not be listed.

Market Shares have voting rights, including a right to approve the Initial Business Combination at a 2/3<sup>rd</sup> majority of the votes of the market shareholders present or represented (the "Required Majority") at a Market Shareholders' special meeting (the "Approval Shareholders' Meeting").

Subject to the approval of the Initial Business Combination by the special meeting of the Market Shareholders at the Required Majority, all Market Shareholders will be entitled to request the redemption of their Market Shares, irrespective of their participation and voting record at the Approval Shareholders' Meeting.

Market Shares are redeemable for cash, at €10.00 per share, at the option of the holder, in case an Initial Business Combination is completed by the SPAC. Unredeemed Market Shares will automatically convert into ordinary shares (at a ratio of one for one) upon completion of the Initial Business Combination. If no Initial Business Combination is completed within 24 months from Initial Public Offering, and no decision is taken to extend the life of the Company, the latter will liquidate. In case of liquidation, the Market Shares have preference over Founder Shares for distribution of liquidation proceeds for up to €10.00 per share.

#### ***Ordinary shares***

As of December 31, 2021, the Company has no ordinary shares outstanding.

### **Share premium**

#### ***Founders' Warrants***

As of December 31, 2021, the Company has 575,460 Founders' Warrants outstanding, all of which were issued during the period in connection with the issuance of Founder Units.

The terms and conditions of the Founders' Warrants shall be identical to the terms of the Market Warrants described above, except that:

- they shall not be redeemable by the Company for so long as they are held by the Founders or their permitted transferees; and

- they shall not be listed on the regulated market of Euronext Paris or on any other stock exchange.

### ***Market Warrants***

As of December 31, 2021, the Company has 20,650,000 Market Warrants outstanding, all of which were issued during the period in connection with the issuance of Market Units (see above). Three (3) Market Warrants will entitle their holder to subscribe for one (1) Ordinary Share with a nominal value of €0.01 (the “Exercise Ratio”), at an overall exercise price of €11.50 per new Ordinary Share.

The Market Warrants will become exercisable as from the Initial Business Combination Completion Date and will expire at the close of trading on Euronext Paris on the first business day after the fifth anniversary of the Initial Business Combination Completion Date or earlier upon (i) redemption or (ii) liquidation of the Company (the “Exercise Period”).

If a holder of Market Warrants has not exercised its Market Warrants before the end of the Exercise Period, those Market Warrants will lapse without value.

During the Exercise Period of the Market Warrants, the Company may, at its sole discretion, elect to call the Market Warrants for redemption in whole at a price of €0.01 per Market Warrant and upon a minimum of 30 days’ prior written notice of redemption, if, and only if, the last trading price of the Ordinary Shares equals or exceeds €18.00 per Ordinary Share for any period of 20 trading days within a 30 consecutive trading day period ending three Business Days before the Company sends the notice of redemption. Market Warrants redeemed by the Company will be cancelled immediately after their redemption.

### ***Forward Purchase Warrants***

The Company issued, in the context of an offer reserved to certain identified beneficiaries who committed to participate to the Offering and in compliance with Article L. 225-138 of the French Commercial Code (the “**Reserved Issuance**”), a number of 7,100,000 warrants, at a price of €0.01 per warrant, each giving its holder the right to subscribe, upon completion of the Initial Business Combination, for one (1) new ordinary share of the Company with one (1) Market Warrant attached, at an overall exercise price of €10.00 per warrant (subject to customary adjustments).

The Forward Purchase Warrants shall become exercisable before the anticipated Initial Business Combination Completion Date (as such terms are defined in the Prospectus (as defined below)) and for an amount to be determined in accordance with a specific notification procedure between the Company and the holders.

### **Accrued liabilities**

Amount of accrued liabilities in the balance sheet	Amount
Borrowings and other financial liabilities	96 509
Trade payables	48 000
Total	144 509

### **Prepaid expenses and deferred income**

Prepaid expenses	Amount
Operational charges	214 640
Total	214 640

## **NOTE 5. COMPLEMENTARY INFORMATION ON THE INCOME STATEMENT**

### **Other purchases and external charges**

During the nine-month period ended December 31, 2021, other purchases and external charges primarily corresponded to expense fees related to the Offering and insurance costs.

### **Interests and related expenses**

During the nine-month period ended December 31, 2021, the financial expenses mainly corresponded to the negative interests recognized on the escrow account.

## **NOTE 6. OFF-BALANCE SHEET COMMITMENTS AND OTHER INFORMATION**

### *Financial commitments*

The bank fees linked to the Offering, if the Company successfully completes an Initial Business Combination? are as follow:

- a fix fee of maximum 9 000 000 euros after completion of the Initial Business Combination, and
- a success fee up to 1 500 000 euros.

### *Financial liabilities received*

The Founders of the Company will provide the required financial resources to ensure the continuation of the Company's activity over the next twelve coming months.

### **Statutory auditor's fees**

The global fees paid to the statutory auditor over the period and that are recorded in the income statement amount to €91,225 euros. They split as follows:

- fees invoiced for carrying out the statutory audit of the accounts: €56,225
- fees invoiced regarding advices and services that fall in the diligences linked to the statutory audit assignments as defined by the professional standards mentioned in II of Article 822-11: €35,000.

### **Ownership of share capital**

As at December 31, 2021, the share capital of Transition was as follows:

<b>Share equity</b>	<b>Number of shares</b>	<b>%</b>
Founders	6,888,332	25%
Public	27,533,332	75%
<b>TOTAL</b>	<b>27,533,332</b>	<b>100%</b>

### Change in equity

<i>(in euros)</i>	Share capital	Share premium	Retained earnings	Net profit/(loss) for the period	Total Equity
<b>Closing balance at March 31, 2021 (13 days)</b>	56 500	-	-	(10 000)	46 500
<b>Changes of the nine-month period</b>					
Increase in capital	230 167	212 286 572			212 516 739
Decrease in capital	(11 333)	(173 227)			(184 560)
Dividends paid			(10 000)	10 000	0
Net profit/loss				(5 245 351)	(5 245 351)
Other changes					
<b>Closing balance at December 31, 2021 (9 months)</b>	275 333	212 113 345	(10 000)	(5 245 351)	207 133 328

### Related-party transactions

As of December 31,2021, the Company had no related-party transactions except for those mentioned in the above sections *Significant events for the current period* and *Equity*.

# TRANSITION

Société anonyme  
49 bis avenue Franklin Delano Roosevelt  
75008 Paris

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## **Statutory auditor's report on the financial statements**

For the nine-month period ended December 31, 2021

*This is a translation into English of the statutory auditor's report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.*

*This statutory auditor's report includes information required by French law, such as information about the appointment of the statutory auditor or verification of the management report and other documents provided to shareholders.*

*This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.*

## TRANSITION

Société anonyme

49 bis avenue Franklin Delano Roosevelt

75008 Paris

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### **Statutory auditor's report on the financial statements**

For the nine-month period ended December 31, 2021

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**To the annual general meeting of TRANSITION,**

#### **Opinion**

In compliance with the engagement entrusted to us by the Company's by-laws, we have audited the accompanying financial statements of TRANSITION (the "Company") for the nine-month period ended December 31, 2021.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company, as at December 31, 2021 and of the results of its operations for the nine-month period then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Board of Directors performing the functions assigned to the specialized committee referred to in Article L.823-19 of the French Commercial Code.





## **Basis for Opinion**

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditor's Responsibilities for the Audit of the Financial Statements" section of our report.

## **Independence**

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from April 1, 2021 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

## **Justification of Assessments – Key Audit Matters**

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L. 823-9 and R. 823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks. We have determined that there are no key audit matters to communicate in our report.

## **Specific Verifications**

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

## **Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to the Shareholders**

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to the Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D.441-6 of the French Commercial Code.

## **Information relating to Corporate Governance**

We attest that the Board of Directors' report on corporate governance, sets out the information required by Article L. 225-37-4, L.22-10-9 and L. 22-10-10 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received by or awarded to the directors and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled enterprises included in the scope of consolidation. Based on these procedures, we attest the accuracy and fair presentation of this information.



## **Other Information**

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

## **Other Legal and Regulatory Verifications or Information**

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of the Chairman and Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

## **Appointment of the Statutory Auditor**

We were appointed as statutory auditors of TRANSITION by the Company's by-laws on March 15, 2021.

As at December 31, 2021, Deloitte & Associés was in the 2<sup>nd</sup> year of total uninterrupted engagement, which is the 1<sup>st</sup> year since securities of the Company were admitted to trading on a regulated market.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Board of Directors performing the functions assigned to the specialized committee referred to in Article L.823-19 of the French Commercial Code is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

## **Statutory Auditor's Responsibilities for the Audit of the Financial Statements**

### **Objectives and audit approach**

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As specified in Article L. 823-10-1 of the French Commercial Code (*code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

**Report to the Board of Directors performing the functions assigned to the specialized committee referred to in Article L.823-19 of the French Commercial Code**

We submit a report to the Board of Directors performing the functions assigned to the specialized committee referred to in Article L.823-19 of the French Commercial Code which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Board of Directors performing the functions assigned to the specialized committee referred to in Article L.823-19 of the French Commercial Code includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.



We also provide the Board of Directors performing the functions assigned to the specialized committee referred to in Article L.823-19 of the French Commercial Code with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Board of Directors performing the functions assigned to the specialized committee referred to in Article L.823-19 of the French Commercial Code the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La Défense, February 18, 2022  
The Statutory Auditor  
Deloitte & Associés

**French original signed by**

François BUZY