SPEAR Investments I B.V.

(*a private company with limited liability* (*besloten vennootschap met beperkte aansprakelijkheid*) *incorporated under the laws of the Netherlands, with its corporate seat in Amsterdam, the Netherlands*)

Shareholder Circular relating to the proposed combination with QEV Technologies S.L.

including

Convocation of and agenda for extraordinary general meeting of Shareholders of SPEAR Investments I B.V.

This document is a circular and a convocation (the **Circular**) relating to the definitive agreement SPEAR Investments I B.V. (the **Company** or **SPEAR**) has entered into with QEV Technologies S.L. (**QEV**) and the shareholders of QEV (the **QEV Shareholders**) (the **Business Combination Agreement**) pursuant to which QEV Shareholders shall exchange, or cause to exchange, all of the issued and outstanding shares in the capital of QEV (the **QEV Shares**) they directly or indirectly hold to SPEAR in return for 25.05556 ordinary shares in the capital of SPEAR (the **Ordinary Shares**) for each QEV Share exchanged (the **Share Exchange**). As a result of the Share Exchange, SPEAR will be the holding company of QEV, and the QEV Shareholders and the shareholders of SPEAR (the **Shareholders**) will be the joint shareholders of SPEAR (the **Business Combination**).

This Circular is not a prospectus for the purposes of Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended and thus has not been approved by, or filed with, the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the AFM). This Circular does not constitute or form part of any offer or invitation to purchase, otherwise acquire or subscribe for, or any solicitation of any offer to purchase, otherwise acquire or subscribe for, any security.

The convocation, including the agenda for the Company's extraordinary general meeting of the Shareholders of SPEAR, which will be held on 27 September 2023 (the EGM), is set out in section 3 of this document (the Convocation), and the explanatory notes to the agenda are set out in section 4 of this document. The agenda and explanatory notes thereto constitute an integral part of this Convocation.

This Circular, including the Convocation, is published electronically and in English only (with the exception of the New Articles, which will also be provided in Dutch).

This Circular is dated 1 August 2023

TABLE OF CONTENTS

1. EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	Date (Time)
Registration Date (record date for voting)	30 August 2023
Start registration period for the EGM	31 August 2023
Repurchase period starts	12 September 2023
Deadline for (i) registration for the EGM and (ii) submitting electronic voting instructions or proxies	20 September 2023
Repurchase period ends	22 September 2023
Deadline for submitting questions regarding EGM agenda items	22 September 2023
Ex-distribution date	25 September 2023
Record date for distribution	26 September 2023
EGM	27 September 2023 at 15:00 CET
Repurchase of Ordinary Shares under the Revised Share Repurchase Arrangement	29 September 2023
Completion of Business Combination	2 October 2023
Appointment of Board members becomes effective	2 October 2023
Conversion into an N.V.	2 October 2023
Payment of consideration for repurchased Ordinary Shares	3 October 2023
Start trading Ordinary Shares and Warrants under the name QEV N.V.	3 October 2023
Start Exercise period Warrants	9 October 2023

The dates and times given are based on the Company's current expectations and may be subject to change. Any revised dates and/or times will be notified to the Shareholders, by way of a press release published on the Company's website (www.spearinvestments.com).

2. LETTER TO SHAREHOLDERS

Dear Shareholder,

On behalf of the Company, we are pleased to invite you to the EGM which is to be held on 27 September 2023 at 15:00 CET and to provide you with this Circular. Shareholders can attend the EGM in person at Keizersgracht 62, 1015 CT Amsterdam, the Netherlands. The EGM will also be webcast.

This meeting will also be considered a meeting of the holders of a particular class of shares for approval of the proposed resolutions by such holders of a particular class (to the extent required) as described under "*Convocation and Agenda for Extraordinary General Meeting*".

The purpose of this Circular is to ensure that the shareholders of the Company (the **Shareholders**) are adequately informed of the facts and circumstances relevant to the proposals on the agenda for the EGM. This should enable the Shareholders (to the extent they have voting rights in the General Meeting) to vote on the proposed resolutions, including amongst others, to (i) approve the Business Combination; (ii) appoint the members of the Board; (iii) adopt the remuneration policy for the Board; and (iv) resolve upon and authorise the amendments to the articles of association of the Company.

After careful consideration, the current board of SPEAR (the **Board**) considers that the terms and conditions of the Business Combination Agreement and the transactions contemplated thereby, including the Business Combination, to be in the best interest of the Company and its stakeholders, including the Shareholders, for the reasons set out under "*Background to, and Rationale for, the Business Combination – SPEAR's rationale for the Business Combination*". The Board unanimously recommends the Business Combination Agreement and the Business Combination to you and since we cannot complete without the General Meeting's approval of the Business Combination (as described under "*Business Combination – Principal Terms of the Business Combination – Conditions to Completion*"), recommends that you vote in favour of the Business Combination, including the transactions contemplated by the Business Combination Agreement, and the other resolutions proposed for adoption at the EGM.

The key deal terms for the proposed Business Combination include:

- Pre-Business Combination equity value of QEV of approximately €185 million;
- The current one-tier board structure of the Company will continue. The Company will install certain new Executive Directors and Non-Executive Directors pursuant to, inter alia, the director nomination rights of the QEV Shareholders and the Promote Investors;
- After Completion and the conversion into an N.V., the Company is to be named QEV N.V.

Although we hope that the Shareholders will remain shareholders post-Business Combination, we are also providing Shareholders with the opportunity to have part or all of their Ordinary Shares repurchased subject to Completion (as described under "*Business Combination – Description of the Business Combination Transaction – Revised Share Repurchase Arrangement*") even if they vote in favour of the Business Combination in accordance with the timeline set out in the section titled "*Expected Timetable of Principal Events*".

This Circular provides detailed information on the proposed Business Combination and on a number of related matters. It begins with the convocation of the EGM and the agenda items and explanatory notes thereto, to be considered and voted upon at the EGM. It continues with a description of the background to and rationale for the Business Combination, followed by a more detailed description of the Business Combination. Thereafter, this Circular sets out the risk factors and a detailed description of QEV's business, its current shareholding structure and certain financial information.

We encourage you to read this Circular and the additional documentation referred to in it carefully. We hope you will agree with the recommendation of the Board to approve the Business Combination, including the transactions contemplated by the Business Combination Agreement, and the other resolutions proposed for adoption at the EGM.

We value and thank you for your continued support and look forward to welcoming you to our EGM on 27 September 2023.

Yours sincerely,

The Board

3. CONVOCATION AND AGENDA FOR EXTRAORDINARY GENERAL MEETING

The EGM will be held on 27 September 2023 at Keizersgracht 62, 1015 CT Amsterdam, the Netherlands. Shareholders can attend the EGM in person. The EGM will also be webcast.

The Shareholders have the opportunity to ask (i) questions prior to the EGM by submitting questions up to 72 hours before the EGM and (ii) follow-up questions during the EGM (for more information, see the section titled "*Asking questions before and during the EGM*").

The Board has decided that this Circular, including the Convocation, shall only be communicated to the Shareholders electronically.

3.1 AGENDA

(1) Opening;

(2) Consummation of the Business Combination (***voting item***), which single item will include the following resolutions (the **Resolutions**):

(a) approval of the proposed Business Combination;

(b) conversion of SPEAR from a private limited liability company under Dutch law into a public company under Dutch law named "QEV N.V." and amendment of the Articles of Association;

(c) discharge to all members of the Board for their acts in such capacity until the date of the EGM to the extent that these are apparent from public disclosures by the Company;

(d) appointment of Joan Orús Valls and Juan Fernández Krutchkoff as members of the Board as Executive Directors with effect as of Completion;

(e) appointment of Miriam van Dongen, Carlos Conti, Elisa Sanchini and Derek Whitworth as members of the Board as Non-Executive Directors with effect as of Completion;

(f) adoption of the remuneration policy of the Executive Directors and the remuneration policy of the Non-Executive Directors, including approval of the key terms of the Employment Stock Option Plan to the extent it regards the Board;

(g) consent with communication with shareholders through electronic means;

(h) authorisation of the Board to repurchase Ordinary Shares with effect as of Completion;

(i) authorisation to make payment to non-redeeming shareholders in the form of redemption premium by means of a distribution from the general share premium reserve (*algemene agioreserve*) of SPEAR;

(j) designation of the Board as the competent body to (i) issue Ordinary Shares and (ii) restrict or exclude pre-emptive rights upon issuance of Ordinary Shares with effect as of Completion;

(k) cancellation of Ordinary Shares with effect prior to Completion; and

(l) conditional cancellation of all Ordinary Shares acquired under the authorisation referred to under Proposal 2h

(3) Closing.

The above matters are more fully described in this Circular. We urge you to carefully read this Circular in its entirety. Furthermore, it is noted that, to the extent necessary, it will be at the discretion of the Board to withdraw one or more proposals from the agenda in order to facilitate the adoption of the other proposals.

After careful consideration, the Board has considered the proposed Business Combination and concluded that the Business Combination is in the best interest of the Company and its stakeholders, including but not limited to the holders of Special Shares and Ordinary Shares. When you consider the Board's recommendation of these proposals, you should keep in mind that the members of the Board have interests in the Business Combination that may conflict with your interests as a shareholder. Please see the sections titled "*Background to, and Rationale for, the Business Combination***" and "***Business Combination***" for additional information. In addition, you should read the section titled "***Risk Factors***" for a discussion of the risks you should consider in evaluating the proposed Business Combination and how it may affect you.**

3.2 REGISTRATION DATE

Holders of Ordinary Shares and Special Shares (i.e. Shares with voting rights in the EGM) will be entitled to attend and vote at the EGM and holders of Capital Shares (i.e. Shares without voting rights in the EGM) will be entitled to attend the EGM, provided these Shareholders (i) are registered as a Shareholder on 30 August 2023, after processing of all settlements on that date (the **Registration Date**) in one of the registers mentioned below, and (ii) have submitted their application to attend the EGM in accordance with the procedure as set out in the paragraph below.

The Board has designated as registers, in each case as at the Registration Date: (i) for the Ordinary Shares held through Euroclear Nederland: the administrations of the banks and brokers which are intermediaries (*intermediairs*) of Euroclear Nederland within the meaning of the Dutch Securities Giro Transfer Act (*Wet giraal effectenverkeer*); and (ii) for Shares held by persons registered in the Company's shareholders register: the Company's shareholders register at the Company's office in Amsterdam (see the section titled "*Registration for the EGM*" of this Circular).

3.3 REGISTRATION FOR THE EGM

A Shareholder who wishes to participate in the EGM is required to register within the registration period (i) via ABN AMRO Bank N.V. (**ABN AMRO**) at www.abnamro.com/evoting, (ii) via the intermediary in whose administration the Shareholder is registered as a shareholder of the Company, or (iii) for holders of Shares who are registered in the Company's shareholders register (except for Ordinary Shares held by Euroclear Nederland pursuant to the shareholders register), in the manner as communicated to them by the Company. Option (i) and (ii) only apply if the Shareholder concerned exercises its voting rights electronically in accordance with the procedure set out below (see "*Convocation and Agenda for Extraordinary General Meeting – Proxies with voting instructions*") in which case the Shareholder shall automatically be registered for the EGM. The registration period starts at 31 August 2023 and ends at 20 September 2023.

Please note that, for verification and authentication purposes, certain information of the Shareholders must be provided upon registration. A Shareholder must provide, or ensure that the intermediary can provide on its behalf, the full address details, email address, securities account number (if applicable) and mobile phone number of the relevant ultimate beneficial owner of the Shares (if applicable). Such information must be provided to ABN AMRO in order for them to efficiently verify such Shareholder's interest at the Registration Date and provide access to the EGM.

No later than 20 September 2023 (for option (i) and (ii) above) the intermediaries must provide an electronic statement to ABN AMRO via www.abnamro.com/intermediary stating the number of Ordinary Shares held through Euroclear Netherland at the Registration Date by each relevant Shareholder and the number of such Ordinary Shares which have been applied for registration or (for option (iii) above) the respective Shareholder must provide a confirmation from the intermediary on the number of Ordinary Shares held by the Shareholder as attachment to his or her registration email. ABN AMRO will send Shareholders a proof of registration directly or via the relevant intermediary.

3.4 PROXIES WITH VOTING INSTRUCTIONS

Electronic proxy to the Notary

Once registered in accordance with the procedure set out above (see "*Registration for the EGM*"), to the extent applicable, a Shareholder can exercise its voting rights electronically by giving a proxy with voting instructions via www.abnamro.com/evoting to the civil law notary (*notaris*) J.J.C.A. Leemrijse of Allen & Overy LLP in Amsterdam, the Netherlands, and any prospective civil law notary acting under her supervision (the "Notary") no later than 20 September 2023 at 5:30 p.m. CET.

Written proxy to the Notary

To the extent a Shareholder has the right to vote at the EGM, such Shareholder can also give a proxy with voting instructions to the Notary by using a written proxy form including voting instructions, and sending such form to ABN AMRO , by e-mail ava@nl.abnamro.com) or, alternatively, if by e-mail is not feasible by mail to ABN AMRO Bank N.V., Department Corporate Broking & Issuer Services, HQ7212, Gustav Mahlerlaan 10, 1082 PP Amsterdam, the Netherlands), and must be in the possession of ABN AMRO no later than 20 September 2023 at 5:30 p.m. CET. Such a proxy form is available on https://www.spearinvestments.com/investor-relations/ and can also be asked for at ABN AMRO (telephone +31 (0)20 628 6070; email: ava@nl.abnamro.com). This proxy form can also be used if a Shareholder is unable to give its voting instruction through www.abnamro.com/evoting.

Please note that, for verification and authentication purposes, certain information of the Shareholder must be provided upon registration. A confirmation by the intermediary in which administration the holder is registered for the deposit shares must be submitted to ABN AMRO by no later than 20 September 2023 at 5:30 p.m. CET stating that such shares were registered in his/her/its name at the Registration Date. With this confirmation, intermediaries are furthermore requested to include the full address details of the relevant holder via www.abnamro.com/intermediary in order to be able to verify the shareholding on the Registration Date in an efficient manner. ABN AMRO will send Shareholders a proof of registration directly or via the relevant intermediary.

3.5 WEBCAST

Shareholders who have registered their shares and wish to follow the live webcast are requested to contact the Company via michael.rosen@spearinvestments.com. Subsequently, they will receive the log-in details of the webcast. During the webcast it is not possible to ask questions nor to vote.

3.6 ASKING QUESTIONS BEFORE AND DURING THE EGM

Shareholders who have registered for the EGM are invited to submit their questions relating to agenda items prior the EGM by sending an email to michael.rosen@spearinvestments.com. Questions can be submitted until 22 September 2023. The Company aims to address these questions during the EGM. Where possible, the questions received by the Company may be combined, so they can be discussed in an efficient manner.

Shareholders who submitted questions prior to the EGM in accordance with the procedure described above, also have the possibility to ask follow-up questions in writing about the various items on the agenda. The chair of the EGM, who is responsible for the orderly and efficient conduct of the meeting, may take measures to ensure such order, such as limiting the number of questions and combining questions (thematically or otherwise). The questions received in advance will be answered first and, subject to limitations as decided upon by the chair, will be followed by any follow-up questions.

4. EXPLANATORY NOTES TO THE AGENDA FOR THE EXTRAORDINARY GENERAL MEETING

Agenda Item 2

The proposals mentioned under this agenda item 2 "Consummation of the Business Combination" will be put to a vote as one single voting item as all these proposals relate to the Business Combination and the Business Combination will only be consummated if each of these proposed resolutions have been adopted. As such, the adoption of the proposals through the vote on the single voting item is a condition precedent to the consummation of the Business Combination.

The Board has carefully considered the proposed Business Combination and concluded that the Business Combination is in the best interest of the Company and its stakeholders, including but not limited to the holders of Special Shares and Ordinary Shares. The Board therefore proposes to the General Meeting, to vote in favour of the consummation of the Business Combination as proposed under this agenda item 2. Please see sections "*Background to, and Rationale for, the Business Combination*" and "*Business Combination*" for additional information. When you consider the Board's recommendation of these proposals, you should keep in mind that the members of the Board have interests in the Business Combination that may conflict with your interests as a shareholder. In addition, you should read section "*Risk Factors*" for a discussion of the risks you should consider in evaluating the proposed Business Combination and how it may affect you.

The Company has three classes of shares, two of which entitle the holder thereof to cast one vote per share in the General Meeting, namely Ordinary Shares and Special Shares. Capital Shares do not entitle the holder of those shares to cast a vote in the General Meeting.

To the extent any of the proposals jointly constituting agenda item 2 require a resolution of the meeting of holders of Ordinary Shares or Special Shares, such resolution will be deemed to be adopted if the majority of the votes on shares of the relevant class have been cast in favour of the single voting item under this Agenda Item 2. This Agenda Item 2 proposes that the meeting of holders of Ordinary Shares respectively Special Shares resolves on or approves in that capacity such proposals to the extent required. The holders of Capital Shares will resolve on or approve the proposals under Agenda Item 2 as well prior to the Extraordinary General Meeting of Shareholders.

Proposal 2a | Approval of the proposed Business Combination

The resolution of the Board that the Company shall enter into the Business Combination requires the approval of the General Meeting pursuant to article 20.1 of the Articles of Association. It is proposed to the General Meeting to grant such approval.

Proposal 2b | Conversion of the Company from a private limited liability company under Dutch law into a public company under Dutch law named "QEV N.V." and amendment of the Articles of Association

The Board proposes, in accordance with article 39.1 of the Articles of Association, to resolve on the conversion of the Company from a private limited liability company under Dutch law into a public company under Dutch law named "QEV N.V." and on the related amendment of the Articles of Association in connection with the consummation of the Business Combination and the changes in the governance and capital structure of the Company in that connection.

The draft deed of conversion and amendment of the Articles (the **Deed of Conversion**) including the proposed Articles of Association (the **New Articles**) is available at the offices of the Company in Amsterdam and on our website (www.spearinvestments.com/investor-relations/), both in the governing Dutch language and in an unofficial English translation. A further explanation of the proposed amendments can be found there as well. Please find below an overview with the most important changes of the articles of association of the Company as included in the proposed Articles of Association. This can not be considered as an exhaustive list of the changes. Capitalized terms not defined in this document have the same meaning as used in the New Articles.

- related to the conversion of a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) to a public company with limited lability (*naamloze vennootschap*), various mandatory changes are made such as:

    a. the name of the Company is changed to QEV N.V.;

    b. the introduction of an authorized capital, which will amount to €638,750, consisting of 60,000,000 Ordinary Shares, with a nominal value of €0.01, 2,875,000 Special Shares, with a nominal value of €0.01 and 1 Capital Shares, with a nominal value of €10,000;

    c. updated references to the N.V. provisions in the Dutch Civil Code;

    d. the General Meeting resolves upon the issuance of new shares, acquisition of own shares and the limitation or exclusion of pre-emptive rights, but is able to delegate such authorities to the Board under the limitations as included in the proposed Articles of Association;

    e. as the capital of an N.V. cannot consist of non-voting shares, all shares entitle the holder to exercise voting rights, whereby the number of votes that can be exercised is related to the nominal value of those shares.

- related to the entering of the Business Combination Agreement the following changes are made:

    a. references to the Escrow Account, Escrow Amount and Intertrust (all as defined in the current articles of association of the Company) are deleted;

    b. references to a business combination and related deadlines are deleted;

    c. the objects of the Company are updated to include the operational activities of QEV;

    d. the liquidation preference is updated;

- related to the updated governance in connection with the entering of the Business Combination Agreement the following changes are made:

    a. deletion of references to a Dutch Representative (as defined in the current articles of association of the Company);

    b. the number of Executive Directors and Non-Executive Directors will be determined by the Board and the appointment procedure has been changed;

    c. the manner of adoption of resolutions of the Board is changed by the inclusion of a quorum for Board resolutions;

    d. the provisions regarding the chairperson of the General Meeting are revised;

- the Capital Shares issued in the capital of the Company will remain outstanding;

- references to warrants issued by the Company are deleted;

- the representation authority is changed, each Executive Director individually will be able to represent the Company;

- the indemnification clause is updated in accordance with the agreed terms and conditions of the Business Combination Agreement and related documents;

- a provision related to the adjunction of disputes is included; and

- the place of effective management of the Company shall be in Spain.

This Proposal 2b includes the proposal to authorise each executive director of the Company as well as each lawyer, (candidate) civil law notary and paralegal practicing with Allen & Overy LLP to execute the Deed of Conversion. The Deed of Conversion shall become effective at Completion.

Proposal 2c | Discharge to all members of the Board for their acts in such capacity until the date of the EGM to the extent that these are apparent from public disclosures by the Company

In connection with the resignation of John St. John, Jorge Lucaya and Joes Leopold as Executive Directors and Frank Dangeard, Miriam van Dongen, Rick Medlock, Ignacio Moreno and Martin Schwab (previously on the Board) as Non-Executive Directors, it is proposed to the General Meeting to grant a full and final discharge for their performance to the extent these are apparent from public disclosures by the Company to the General Meeting, for instance in this Circular.

Proposal 2d | Appointment of Joan Orús Valls and Juan Fernández Krutchkoff as members of the Board as Executive Directors with effect as of Completion

In connection with the Business Combination it is proposed to appoint the individuals mentioned as Executive Directors on the terms as specified below.

1. Joan Orús Valls

It is proposed to appoint Joan Orús Valls for a term ending at the close of the annual General Meeting to be held in 2027. Joan Orús Valls holds Shares in the capital of SPEAR as of Completion.

Name:	Joan Orús Valls
Age:	48
Nationality:	Spanish
Current position:	CEO & co-founder of QEV
Previous positions:	COO of QEV; Team Manager Mahindra Racing Formula E Team; Team Principal in China Racing Formula E, Team Principal WTCC SEAT Sport/SUNRED, Team principal International GT Championship, CEO on SUNRED, race engineer and team responsible in SEAT SPORT
Other (board) positions:	Board member of QEV
Motivation:	Co-founder of QEV and prominent figure in the electric vehicle and motorsport industries. As CEO of QEV, he has been responsible for a number of important innovations and the development of the company's portfolio of sustainable transportation solutions. He has had a distinguished career spanning nearly 30 years, 15 years of which has been in electric supercar development and 10 years in electric racing, in particular in premier motorsport events, including Formula E, RX2e, and Extreme E. In addition to his role at QEV, Joan Orús has also led successful collaborations with public institutions, including leading the successful bid in the public tender for the former facilities of Nissan in Barcelona. With a Mechanical Engineering degree from ETSEIB, Joan Orús possesses a solid technical foundation that underpins his achievements.

2. Juan Fernández Krutchkoff

It is proposed to appoint Juan Fernández Krutchkoff for a term ending at the close of the annual General Meeting to be held in 2027. Juan Fernández Krutchkoff holds Shares in the capital of SPEAR as of Completion.

Name:	Juan Fernández Krutchkoff

Age:	56
Nationality:	Spanish
Current position:	CTO & co-founder of QEV
Previous positions:	Technical Director, Chief Engineer, and Race Engineer at Mahindra Formula E, Team China Racing Formula E, F3 Open Campos Racing, WTCC SEAT Sport/SUNRED, GP2 Campos Racing, World Series, Spanish GT Championship, Gabord Competition, USA Champ CART Championship, and Spanish Touring Car Championship.
Other (board) positions:	CTO of Hispano Suiza since 2018 (through QEV)
Motivation:	Co-founder of QEV and a highly accomplished professional in the electric motorsport industry. As the CTO of QEV since 2014, Juan Fernández has played a vital role in driving the company's technological advancements and innovation. Throughout his career, Juan Fernández has dedicated over ten years to developing engines and electric powertrains for the industry. His technical leadership, in collaboration with Joan Orús, has been instrumental in driving the success of QEV Technologies' car projects. In electric motorsport his career has spanned several prestigious championships. His expertise as a race engineer and technical director has contributed to numerous championship victories, including the Spanish RAID Championship, Spanish Touring Car Championship, USA Champ CART Championship, GABORD Competition, GP2, and Formula E.

Proposal 2e | Appointment of Miriam van Dongen, Carlos Conti, Elisa Sanchini and Derek Whitworth as members of the Board as Non-Executive Director with effect as of Completion

In connection with the Business Combination it is proposed to appoint the individuals mentioned as Non-Executive Directors on the terms as specified below.

As a Dutch Company listed on Euronext Amsterdam, the Company is subject to a gender diversity quota for non-executive directors (see for more information section "*Corporate Governance – Diversity*" of this Circular), pursuant to which only a director of the underrepresented gender can be appointed if prior to such appointment each gender did not make up at least one-third of the non-executive directors on the board. Application of this gender quota requires that non-executive directors are not appointed simultaneously, but in a certain order instead. To allow for proper application of the gender diversity quota, and to ensure compliance therewith, the appointments of the first individual mentioned below shall become effective at Completion, and the appointment of the other individuals shall become effective in the order set out below whereby each appointment becomes effective immediately after the preceding appointment becoming effective.

1. Derek Whitworth

It is proposed to appoint Derek Whitworth for a term ending at the close of the annual General Meeting to be held in 2027. Derek Whitworth holds Shares in the capital of SPEAR.

Derek Whitworth is considered to be independent in the meaning of the Dutch Corporate Governance Code. It is intended that Derek Whitworth will be designated chairperson of the Board once his appointment becomes effective.

Name:	Derek Whitworth
Age:	64
Nationality:	British
Current position:	Operating Partner at Pamplona Capital Management, Chairman of CSC Serviceworks, Loparex and Pelsis, and Director at Octo Telematics. Member of Advisory Group of SPEAR Investments I BV
Previous positions:	CEO of TMD Friction; Chairman of CPT Ltd
Other (board) positions:	Chairman of CSC Serviceworks, Loparex and Oxsensis, and Director at Signature Foods and Octo Telematics

Motivation:	A highly-experienced CEO, Chairman and board member in the automotive, industrial and energy sectors who started his career as an engineer and manager working across a wide range of countries and industries, from biopharma to offshore oil. Derek has previously had operational and management roles at Rolls Royce, TRW Aeronautical Systems and Pall Corp. He has lived and worked in Japan, the United States, Germany and the United Kingdom. Derek was previously the CEO of TMD Friction from 2005 to 2012, a European automotive brake pad company, and is currently an Operating Partner at Pamplona Capital Management, having joined in 2012. During this period Derek has served as interim CEO at BBB Industries, an automotive supplier, and at Pelsis. He is also a member of the Advisory Group of SPEAR Investments I BV.

2. Miriam van Dongen

It is proposed to appoint Miriam van Dongen for a term ending at the close of the annual General Meeting to be held in 2027. Miriam van Dongen holds Shares in the capital of SPEAR.

Miriam van Dongen is considered to be independent in the meaning of the Dutch Corporate Governance Code.

Name:	Miriam van Dongen
Age:	54
Nationality:	Dutch
Current position:	Non-Executive Director of SPEAR Investments I, BV, together with other directorships.
Previous positions:	Equity analyst for IRIS (the former independent research institute of Rabobank and Robeco) before holding positions in Corporate Finance with McKinsey and Company and with Delta Lloyd as director in finance, in treasury, in strategy and m&a and as the CFO of Delta Lloyd Belgium in 2003, and after that she became the CFO of the healthcare division of Achmea in 2007, the largest Dutch financial services and insurance business.
Other (board) positions:	Non-executive director of Mollie, Achmea, Kadaster and Optiver.
Motivation:	Experienced non-executive director with experience in the logistics, education, retail and banking and insurance industries, and a non-executive director of SPEAR prior to the Business Combination. Miriam started her career in 1994 as an equity analyst for IRIS (the former independent research institute of Rabobank and Robeco) before holding positions in Corporate Finance with McKinsey and Company and with Delta Lloyd as director in finance, in strategy and M&A and as the CFO of Delta Lloyd Belgium in 2003. After that, she became the CFO of the healthcare division of Achmea in 2007, the largest Dutch financial services and insurance business. Miriam's current roles are as a non-executive director of Mollie, the financial technology payment services provider, as well as a non-executive director of Achmea, Kadaster and Optiver. She graduated from HAN University of Applied Sciences and Tilburg University with degrees in Business Economics and Corporate Finance.

3. Carlos Conti

It is proposed to appoint Carlos Conti for a term ending at the close of the annual General Meeting to be held in 2027. Carlos Conti holds no Shares in the capital of SPEAR as of Completion.

Name:	Carlos Conti
Age:	44
Nationality:	Spanish
Current position:	General Partner GAEA Inversión and Director of Inveready
Previous positions:	Impala Capital Partners, UBS Investment Banking, BNP Paribas Structured Finance and JP Morgan Chase Equity Capital Markets.
Other (board) positions:	GIGAS Hosting, VozTelecom, Orgoa, TICNOVA, Conversia
Motivation:	Partner at fund management firm Inveready responsible for the private equity division, GAEA Inversión. With more than 15 years of principal investing experience, Carlos has led more than 30 transactions throughout their full cycle. As a member of the strategic public vertical centred on high growth quoted companies which he launched in 2016, he has extensive experience on the boards of high growth companies that have listed on public markets, in particular in the cases of Gigas Hosting, Clerhp and VozTelecom, later acquired in a Public to Private transaction by Gamma Communications. Prior to Inveready, Carlos worked in Investment Banking covering the areas of structured financed at BNP Paribas in Paris, JP Morgan's Equity Capital Markets department in London, and in the Latin America M&A team of UBS in New York. He holds a degree in Economics from the University of Bath and an MBA from IESE Business School.

4. Elisa Sanchini

It is proposed to appoint Elisa Sanchini for a term ending at the close of the annual General Meeting to be held in 2027. Elisa Sanchini holds no Shares in the capital of SPEAR.

Elisa Sanchini is considered to be independent in the meaning of the Dutch Corporate Governance Code.

Name:	Elisa Sanchini
Age:	42
Nationality:	Italian
Current position:	CIO of Charming Crystal
Previous positions:	Senior Investment Advisor in Bank Julius Baer
Other (board) positions:	Director of the board of StockCrowd FAN
Motivation:	Elisa has over 19 years of experience in the financial industry. She commenced her career in 2004 as a derivatives sales-trader at HSBC in London. Thereafter, Elisa relocated to Hong Kong and held senior investment advisor positions at Credit Agricole Bank first and Julius Baer Bank after, managing assets under management totalling hundreds of millions. Since 2020, Elisa has served as the Chief Investment Officer of Charming Crystal, where she is responsible for identifying, analyzing, monitoring, and advising on early-stage private investments. Elisa holds a master's degree in economics from Bocconi University in Milan and recently obtained an Executive MBA from NYU Stern, LSE, and HEC Paris.

4. **Proposal 2f | Adoption of the remuneration policy of the Executive Directors and remuneration policy of the Non-Executive Directors, including approval of the key terms of the Employment Stock Option Plan to the extent it regards the Board**

The Board proposes to the General Meeting to adopt the the remuneration policy of the Executive Directors and remuneration policy of the Non-Executive Directors, with effect as of Completion.

The Board furthermore proposes to the General Meeting to approve the key terms of the Employment Stock Option Plan to the extent it regards the Board as such key terms are set out in the remuneration polices.

The full proposed remuneration policies and Employment Stock Option Plan are available at www.spearinvestments.com/investor-relations/ and are included in the meeting documents. Further information on the remuneration policy and the key terms for the equity incentive plan can be found in this Circular in section "*Corporate Governance".*

In view of Section 2:135 paragraph 5 of the Dutch Civil Code, the proposal to approve the key terms of a new equity incentive plan to the extent it regards the Board also includes the proposal to approve the aggregate number of Ordinary Shares that can be rewarded to directors under such equity incentive plan (including for the avoidance of doubt equity incentives that may be granted to newly appointed directors upon their initial appointment as director) and shall not exceed the number of Ordinary Shares that the Board can issue from time to time as competent body pursuant to a designation by the General Meeting (irrespective of whether such grants will be settled through the issuance of new Ordinary Shares), and therefore as of Completion 10% of the issued share capital (reference is made to Proposal 2j).

Proposal 2g | Consent with communication with shareholders through electronic means

Article 5:25k paragraph 5 of the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht, the Wft) provides that an issuer of securities may only submit certain information to its shareholders through electronic means if the General Meeting has consented therewith.

The Board proposes that the General Meeting resolves to consent toinformation being submitted to Shareholders through electronic means, in accordance with article 5:25k(5) of the Wft.

Proposal 2h | Authorisation of the Board to repurchase Ordinary Shares with effect as of Completion

Under the New Articles, the Board will be authorised to repurchase Ordinary Shares to the extent the Board has been authorised to do so (subject to certain exemptions if such Ordinary Shares are repurchased to cover the Company's obligations under equity awards made). The Board proposes that the General Meeting authorises the Board to repurchase Ordinary Shares, Special Shares and Capital Shares as further set out below:

Ordinary Shares

The Board considered it in the best interest of the Company that the General Meeting authorises the Board to repurchase Ordinary Shares under conditions that are customary for Dutch listed companies.

Accordingly, the Board proposes that the General Meeting authorises the Board to repurchase Ordinary Shares for a period of 18 months starting on the date of Completion, provided that the aggregate number of Ordinary Shares acquired by or on behalf of the Company under this authorisation shall not exceed 10% of the Company's issued share capital on the day of Completion, that the Ordinary Shares may be acquired, by or on behalf of the Company, on a stock-exchange or through other means, and that the price per Ordinary Share of at least the nominal value and at mostshall not exceed the Quoted Share Price plus 10%. The **Quoted Share Price** is defined as the average of the closing prices of the Company's Ordinary Shares as reported by Euronext Amsterdam over the five trading days prior to the acquisition date.

Proposal 2i | Authorisation to make payment / distribution of redemption premium to non-redeeming shareholders in the form of redemption premium by means of a distribution from the general shar premium reserve (algemene agioreserve) of SPEAR

The Board proposes that the General Meeting approves the distribution in the form of redemption premium by means of a distribution from the general share premium reserve (*algemene agioreserve*) of the Company. The amount to be distributed in cash on each Ordinary Share will be the result of the Redemption Price per Ordinary Share minus €10 per Ordinary Share, with the Redemption Price per Ordinary Share being a result of the amount in escrow upon Completion divided by the total number of Ordinary Shares. The ex-distribution date is 25 September 2023 and the record date is 26 September 2023. The distribution will be payable as from 3 October 2023.

Proposal 2j | Designation of the Board to (i) issue Ordinary Shares and (ii) restrict or exclude pre-emptive rights upon issuance of Ordinary Shares with effect as of Completion

The Board considered it in the best interests of the Company that the General Meeting authorises the Board to issue Ordinary Shares and restrict or exclude pre-emptive rights upon issuance of Ordinary Shares under conditions that are customary for Dutch listed companies.

Accordingly, the Board proposes that the General Meeting designates the Board as the competent body (i) to issue Ordinary Shares and to grant rights to subscribe for Ordinary Shares and (ii) to restrict or exclude pre-emptive rights of existing holders of Ordinary Shares upon the issuance of Ordinary Shares or the granting of rights to subscribe for Ordinary Shares, such for a period of 18 months, starting on Completion.

The number of Ordinary Shares that can be issued under this authorisation shall not exceed 10% of the issued share capital at the time of the issuance.

Proposal 2k | Cancellation of Ordinary Shares with effect prior to Completion

The Company presently holds certain Ordinary Shares, as described in more detail in the SPEAR initial public offering prospectus dated 9 November 2021 (the **Prospectus**) and this Circular. The number of Ordinary Shares the Company holds will increase to the extent the Company will acquire Ordinary Shares pursuant to the Revised Share Repurchase Arrangement. At the same time, certain of these Treasury Shares will be used for purposes of the Transaction, (including the future delivery of Ordinary Shares upon Warrants and Founder Warrants being exercised, or the delivery of Ordinary Shares to holders of Special Shares), and to meet the Company's obligations under potential future equity grants. However, it is to be expected that there will be no foreseeable purpose for a part of the Ordinary Shares that the Company would hold after Completion.

Accordingly, the Board proposes that the General Meeting resolves to cancel the Ordinary Shares the Company holds just prior to Completion, with the exception of such number of Ordinary Shares for which the Board has determined in its sole discretion by a resolution to be adopted prior to Completion that there is a foreseeable purpose. This resolution to cancel Ordinary Shares will become effective upon such resolution of the Board having been adopted.

Proposal 2l | Conditional cancellation of all Ordinary Shares acquired under the authorisation referred to under Proposal 2h

Pursuant to the authorisation referred to under Proposal 2h, the Company may acquire Ordinary Shares. To the extent Ordinary Shares have been acquired for capital reduction purposes, such Ordinary Shares will in principle not be placed with third parties after the acquisition thereof.

Accordingly, it is proposed to the General Meeting to cancel all or part of the Ordinary Shares acquired by the Company under proposal 2h, conditional upon a resolution of the Board to effectuate such cancellation. The cancellation may take place in one or more tranches and the Board has full discretion to resolve not to effectuate, or to only partially effective the cancellation of these Ordinary Shares.

Cancellation of Ordinary Shares pursuant to this agenda item will only take place after Completion, and consequently such cancellation will take place under the regime applicable to Dutch N.V. companies and be subject to a formal procedure. This procedure entails customary filings with the Dutch Trade Register and observation of a two-month creditor opposition period as described in Section 2:100 of the Dutch Civil Code. Under the provisions of Section 2:100 of the Dutch Civil Code, creditors may lodge objections to the capital reduction within a period of two months following the announcement of the filing of the resolution to reduce the share capital with the Dutch Trade Register.

Agenda item 3 | Closure of the meeting

Under this agenda item the meeting will be closed.

5. BACKGROUND TO, AND RATIONALE FOR, THE BUSINESS COMBINATION

5.1 BACKGROUND TO THE BUSINESS COMBINATION

SPEAR is a special purpose acquisition company (a **SPAC**) incorporated on 9 June 2021 under the laws of the Netherlands. SPEAR has been created for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganisation or similar business combination with or acquisition of an operating business or entity. SPEAR has focused on opportunities to complete a business combination with mid-market target businesses in all industries and sectors with their headquarters in Europe (including the United Kingdom) or with the majority of their operations in Europe (including the United Kingdom), which have strong business fundamentals, and defensible and high quality earnings, and use technology, innovation and/or new business models to drive strong growth and profitability.

SPEAR was launched by AZ Capital SPEAR Investments I S.L. (the **AZ Capital Sponsor**) and STJ SPEAR Investments I LLP (the **STJ Advisors Sponsor**) (together, **the Sponsors**). SPEAR has successfully completed the SPEAR IPO and, following the exercise of the Extension Clause, raised €175 million. In the SPEAR IPO, each unit comprised one ordinary share in the share capital of the Company (the **Ordinary Shares**) and one-half (1/2) warrant that was allotted concurrently with, and for, each corresponding Ordinary Share (the **Warrants**). The Ordinary Shares and Warrants are currently separately listed on Euronext Amsterdam, a regulated market operated by Euronext Amsterdam N.V., as one share and one warrant. The Ordinary Shares and the Warrants were listed on Euronext Amsterdam as of 11 November 2021 (trading under the symbols: SPR1 and SPR1W, respectively).

On 25 November 2022 the Company announced that it was evaluating a new proposal for the extension of the Business Combination Deadline of the Company and, further to an Extraordinary General Meeting on 13 January 2023, on 16 January 2023 the Company announced that the number of Ordinary Shares not tendered for repurchase during the Pre-Extension Repurchase Period was 5,063,912, equating to €50.6 million of capital based on the at-settlement price per Unit of €10.00. Further information in relation to the extension of the Business Combination Deadline can be found in the shareholder circular published on 2 December 2022 on the Company's website at www.spearinvestments.com/investor-relations.

SPEAR has assembled the Sponsors, Leadership Team, Non-Executive Directors, and the Advisory Group in order to create a compelling business combination proposition. SPEAR's Leadership Team is comprised of John St. John (Executive Director, Co-Chief Executive Officer), Jorge Lucaya (Executive Director, Co-Chief Executive Officer), Joes Leopold (Executive Director, Chief Financial Officer) and Michael Rosen (Chief Operating Officer). SPEAR's Board is comprised of the aforementioned Executive Directors together with the Non-Executive Directors, who are Frank Dangeard, Miriam van Dongen, Rick Medlock and Ignacio Moreno.

SPEAR's Advisory Group is comprised of Federico Canciani, Björn Fröling, Alex Hawkinson, Anne Lange, Marco Lippi, John-Paul Warszewski, Derek Whitworth, Nathan Medlock, Ali Alpacar and Jon Sigurdsson. SPEAR's Leadership Team, Non-Executive Directors, and the Advisory Group are further supported by the STJ Advisors Sponsor (represented on the Board by John St. John as an Executive Director and backed by STJ Advisors), as well as the AZ Capital Sponsor (represented on the Board by Jorge Lucaya as an Executive Director and backed by AZ Capital). More background on SPEAR's team composition, individual team members and the Sponsors is set out in the Prospectus, p. 77-87.

QEV is a developer and manufacturer of electric light commercial vehicles and electric buses, as well as a service provider in the electric motorsport market (see section headed "*QEV's Business and Industry*").

In the context of SPEAR's objective to identify an attractive candidate for a business combination, and QEV's desire to raise additional capital to grow its business and become a publicly traded company, SPEAR and QEV started discussions on a potential business combination.

The proposed Business Combination is the result of an extensive search by SPEAR for a potential transaction utilising SPEAR's team and global network of relationships. SPEAR's Leadership Team used its extensive network to find targets in accordance with the selection criteria set out on pages 72 and 73 of the Prospectus and, after entering early-stage discussions with a number of targets, some of which resulted in signature of non-disclosure agreements and advanced discussions in relation to potential transactions, SPEAR ultimately decided to pursue more detailed discussions with QEV.

On 24 November 2022, SPEAR and QEV entered into a non-disclosure agreement and started initial discussions on a potential business combination. After the execution of the Letter of Intent, SPEAR and QEV entered into negotiations in relation to the Business Combination Agreement

Between 25 April 2023 and the date of the execution of the Business Combination Agreement, SPEAR conducted business, industry, financial, tax and legal due diligence with respect to QEV. QEV provided the representatives of SPEAR with access to an online data room to support SPEAR's business, industry, financial, tax and legal due diligence with respect to QEV. SPEAR's management team reviewed the analyses and reports prepared by its due diligence advisors on QEV and the various aspects of the potential transaction and leveraged such analyses in its assessment of the attractiveness of QEV as a business combination target and its valuation. The due diligence advisors accept no liability towards third parties and their reports may be outdated.

Between 8 June 2023 and 20 July 2023, SPEAR and QEV jointly conducted investor presentations as part of a market sounding process with existing and potential new shareholders.

As of 26 July 2023, SPEAR has secured commitments in the amount of €23,133,060 from non-redemption agreements entered into with certain existing Shareholders, executed commitments through the sale of Ordinary Shares prior to the signing of the Business Combination Agreement, executed commitments of Convertible Instruments Holders to participate in the Inveready and GAEA Share Capital Increase and a backstop facility provided by Promote Investors. Please refer to section "*Business Combination – Funding*".

On 31 July 2023 SPEAR, QEV and the QEV Shareholders entered into the Business Combination Agreement pursuant to which the Company will receive 100% of the issued and outstanding share capital of QEV as a result of the Share Exchange, subject to certain conditions precedent being fulfilled as described under "*Business Combination – Principal Terms of the Business Combination*". The terms of the Business Combination Agreement are the result of extensive negotiations among the representatives of SPEAR and QEV.

On 20 July 2023, SPEAR and QEV jointly and publicly announced by way of a joint press release that they were in constructive discussions in respect of an expected business combination, but that no binding agreement had been signed or entered into between them at that stage. On 1 August 2023, SPEAR and QEV jointly and publicly announced by way of a joint press release the signing of the Business Combination Agreement.

In addition to this Circular, other relevant documents available to Shareholders include (i) the investor presentation, which is available at https://www.spearinvestments.com, and (ii) the Prospectus, which is available at https://www.spearinvestments.com/wp-content/uploads/2021/11/20211109-Documents-Prospectus.pdf and www.afm.com.

5.2 RATIONALE FOR THE BUSINESS COMBINATION

SPEAR's rationale for the Business Combination

The Board believes that the proposed Business Combination is an attractive opportunity for the Shareholders to become investors in what the Board views as a fast-growing, technologically-advanced company with the potential to grow in conjunction with the significant demand in the business-to-business electric light commercial vehicle and electric bus markets. The Board believes that the following characteristics of QEV combine to create an attractive opportunity for Shareholders:

- **Deep technology and engineering expertise in electric mobility**, developed in the demanding arena of electric motorsport, and covering design and assembly of battery packs and electric vehicle powertrains, the ability to tailor battery pack architecture to meet customers' needs, and deep exertise in software development to maximize the performance and efficiency if electric vehicles;

- **High quality, cost-competitive production capabilities**, which provide the capability to manufacture high volumes of vehicles, strategically located in Barcelona's free trade zone (*ZonaFranca Customs of Barcelona*) and providing a favourable tax environment, excellent logistics links, and a pool of former Nissan employees available for re-employment by QEV and its partner;

- **Concrete orders and a strong pipeline of business**, with an order book of more than 1,000 vehicles, including more than 250 vehicles delivered to date, and letters of intent received for more than 9,500 vehicles, with detailed discussions taking place with current customers and potential new customers; and

- **Expectations of high growth in the electric vehicle market for corporate fleets and public transport companies in a supportive regulatory environment**, with the high utilisation of fleet vehicles making the transition to light commercial vehicles compelling for fleets from a commercial perspective, and the electrification of fleets taking place as a result of environmentally-aware and focused corporates, and increasing regulatory requirements, such as the requirement for all new cars and vans sold in Europe to be zero-emission by 2035.

After careful consideration, the Board has unanimously (i) concluded that the terms and conditions of the Business Combination Agreement and the transactions contemplated thereby, including the Business Combination are in the best interest of the Company and its stakeholders, including the Shareholders and (ii) decided to recommend that the General Meeting votes in favour of the approval of the Business Combination including the transactions contemplated by the Business Combination Agreement, and the other resolutions proposed for adoption at the EGM and that Shareholders do not offer their Shares for repurchase in accordance with the Revised Share Repurchase Arrangement.

In arriving at its conclusions, the Board considered and evaluated a number of factors, including, but not limited to, the factors discussed below. In light of the complexity of those factors, the Board considered these factors as a whole and did not consider it practicable to, nor did it attempt to, quantify or otherwise assign relative weights to the specific factors it took into account in reaching its decision. In addition, individual members of the Board may have given different weight to different factors. In evaluating the transaction with QEV, the Board also consulted its legal advisors. The explanation of the Company's reasons for the Business Combination and all other information presented in this section may be forward-looking in nature and, therefore, should be read in light of this fact and should not be relied on.

Before reaching its decision, the Board reviewed the results of the due diligence exercise conducted by its Leadership Team and expert external advisors, which included:

- meetings with QEV's incumbent management and board (including shareholder representatives);
- review of financial, operational, legal and other information made available to SPEAR;
- review of commercial, and financial due diligence materials prepared by professional advisors to QEV;
- review of legal and tax due diligence materials prepared by professional advisors to SPEAR;
- review of historical financial performance of QEV (including audited and unaudited financials) and management projections for the business (including QEV's pipeline of potential future business);
- review of QEV's capital structure on a standalone basis pre-transaction and on an illustrative *pro forma* basis giving effect to the Business Combination;
- document review, including reviews of material contracts; and
- financial and valuation analyses of QEV.

The Board considered a number of factors pertaining to the Business Combination as generally being supportive of its recommendation to enter into the Business Combination Agreement and the transactions contemplated thereby, including but not limited to, the following factors:

- **Business and operations**: QEV's historic expertise and experience in electric mobility; the background and experience of QEV's management team; QEV's existing contracts and committed orders for new vehicles, together with its pipeline of potential future business; QEV's joint venture's tenancy of, and the electric vehicle manufacturing capacity reserved for QEV in, a large former Nissan facility in Barcelona's free-trade zone;

- **Due diligence:** The Board reviewed the due diligence exercises conducted by SPEAR and its expert advisors, and the results of related discussions between SPEAR and QEV's management in connection therewith; and

- **Terms of the transaction:** The Board reviewed and considered the terms of the Business Combination Agreement and the related agreements, including the parties' conditions to their respective obligations to complete the transactions contemplated therein and their ability to terminate the Business Combination Agreement. Please see "*Business Combination – Principal Terms of the Business Combination*" for a more detailed description of the terms and conditions of these agreements.

The Board also considered a variety of uncertainties and risks and other potentially negative factors concerning the Business Combination as described more fully in the section entitled "*Risk Factors*", including the following:

- **Shareholder vote:** The risk that the Shareholders may object to and challenge the Business Combination and take action that may prevent or delay the Completion, including to vote down the proposals at the General Meeting;

- **Closing Conditions:** The fact that Completion is conditional on the satisfaction of certain closing conditions (as further described in "*Business Combination – Principal Terms of the Business Combination – Conditions to Completion*") that are not within SPEAR's control;

- **Repurchases:** The risk that current Shareholders would exercise their repurchase rights, thereby reducing the amount of cash available in the Escrow Account;

- **Fees and Expenses:** The fees and expenses associated with completing the Business Combination as well as those to be borne in the event that the Business Combination does not complete;

- **Liquidation:** The risks and costs to SPEAR if the Business Combination is not completed, including the risk of diverting management focus and resources from other business combination opportunities, which could result in SPEAR being unable to effect a business combination within the time period available as a result of the extension of the Business Combination Deadline, which would require SPEAR to liquidate;

- **Litigation:** The possibility that litigation challenging the Business Combination could indefinitely postpone Completion;

- **Risks relating to QEV's industry and business:** These risks are outlined in the section titled "*Risk Factors – Risks relating to QEV's industry and business*"; and

- **Other risks:** Various other risks associated with the Business Combination, the business of SPEAR and the business of QEV described in the section titled "*Risk Factors*".

The Board concluded that the potential benefits that it expects to be realised as a result of the Business Combination outweighed the potential risks and uncertainties associated with the Business Combination. Accordingly, the Board unanimously determined that the Business Combination and the Business Combination Agreement are in the best interest of the Company and its stakeholders, including the Shareholders.

QEV's rationale for the Business Combination

QEV, its senior management team, board of directors and shareholders believe that its Business Combination with SPEAR will create a partnership that will support the growth of QEV in the long term and generate long term value for its shareholders and stakeholders.

In 2020, Nissan decided to relocate its production center in Europe, affecting the manufacturing plants located in Barcelona. In March 2023, Nissan and the local authorities awarded the facilities to an industrial project developed by a decarbonisation hub and led by QEV (the **D-Hub**) along with Goodman's logistics project to reindustrialize the former Nissan factory. The D-Hub is currently engaged in the adaptation and upgrade of the legacy facilities in order to produce its own products. In this

context, QEV has been looking for potential investors in order to finance, in combination with other funding sources, the initial capex plan for refurbishing the facilities and to support the company in a new stage of growth.

After several months of analysis and careful evaluation of potential alternatives, the shareholders of QEV jointly with the management team decided unanimously that the proposed Business Combination with SPEAR is the best option to allow it to accomplish its business plan.

The Business Combination expects to raise at least €23 million of new capital in the form of equity investment or from convertible instruments, to fund the company's future growth and in particular the growth of its electric light commercial vehicle and electric bus businesses. This investment, together with the proceeds from other funding sources, including grants and other financing instruments, will be used to fund engineering, moulds and tooling capital expenditures that support the ramp up in the company's expected future vehicle production in its Barcelona facility, the company's equity investment in the D-Hub factory, and other operating and financing needs.

Before reaching its decision, QEV carried out an exhaustive process led by its leadership team and expert external advisors, which included:

- Meetings with SPEAR's incumbent management and board (including shareholder representatives)
- Comprehensive background-check of the SPEAR Leadership Team
- Review of commercial, financial and legal materials that were presented to the potential investors of the proposed Business Combination

QEV also expects to benefit from its public listing through the expansion of its shareholder base, the potential for its earlier investors to achieve liquidity for their investments in the future, a higher public profile, and the ability to use its listing to incentivise its current and future management team, board members, and employees through equity-linked incentivisation programmes.

SPEAR's sponsor firms, AZ Capital and STJ Advisors, as well as SPEAR's advisory group and promote investor group also expect to support QEV in the long-term, by (i) facilitating introductions to potential corporate clients through their networks of relationships; (ii) facilitating introductions to potential regional and country-level partners as QEV expands its distribution network, (iii) providing strategic advisory, corporate finance and M&A advisory services to support the growth of QEV across multiple geographies; and (iv) providing equity capital markets advisory services to support the visibility, understanding and communication of QEV's equity story to institutional investors.

Target Business Profile

The Prospectus sets out on pages 72 and 73 certain non-binding criteria and guidelines for selecting and evaluating prospective target businesses, which are referred to as the "target business profile". This section of this Circular explains how the proposed Business Combination aligns with the target business profile.

For ease of reference, an extract from pages 72 and 73 of the Prospectus is set out below:

Consistent with its strategy, the Company has identified the following general criteria and guidelines to evaluate prospective target businesses. The Company has undertaken a large screening exercise in order to identify more than 140 different businesses and further categorised potential targets based on the below criteria and guidelines. The Company may, however, decide to enter into its Business Combination with a target business that does not meet all or any of these criteria or guidelines.

The Company currently intends to merge with or acquire a business that satisfies one or more of the below criteria:

- a mid-market company headquartered in Europe or with the majority of its current business operations in Europe;

- a company with a valuation between €700 million and €2.0 billion;
- a company with strong fundamentals using technology, innovation, and / or new business models to drive superior growth and profitability with limited technology or adoption risk, and which is either currently profitable or can demonstrate a near-term path to profitability;
- a company for whom the technology, innovation and / or new business model driving this growth will be at an early to mid-point of its adoption curve, with its value creation potential not yet fully realised and whose growth the Company has the potential to support and accelerate;
- a company that may have strong environmental, climate and / or sustainability credentials;
- a company that is family, founder, private equity or venture capital investor-owned, or a corporate carve-out; and
- a company that the Company believes is likely to benefit from a long-term partnership with the Company, and in particular from its collective founder, entrepreneurial, capital markets, M&A, investment, operating, governance and technology expertise, as well as its large networks, as supported by the Leadership Team, the Non-Executive Directors, the Advisory Group and the Sponsors.

The Company does not currently expect to seek to replace the existing management of the target that it invests in, and therefore anticipates the attractiveness of its proposition to potential target companies to be increased, and its risk profile from the perspective of investors to be reduced, as a result.

These general criteria and guidelines that the Company is likely to consider are indicative and are not intended to be either limiting or exhaustive. Any evaluation relating to the merits of a particular acquisition is likely to be based, to the extent relevant, on some or all of the above factors as well as other considerations deemed relevant to the Company's business objectives by the Leadership Team and the Non-Executive Directors. A selected target may not have all of the above characteristics. For reasons of transparency, the Company elects to disclose the target business profile as set out above. Such disclosure is without prejudice to the fact that the Company explicitly retains the flexibility to propose to its Ordinary Shareholders a Business Combination with a target business that does not meet one or more of the criteria.

The Company also retains the flexibility to structure the acquisition of the target in its Business Combination through a range of possible transaction structures resulting in a pro forma ownership percentage of the target business that will be determined on a case by case basis."

As discussed above, the SPEAR Board believes that the proposed Business Combination meets many of the non-binding criteria and guidelines for selecting and evaluating prospective target businesses as outlined in the Prospectus, with the exception of the non-binding target valuation, which is lower than anticipated. QEV is a mid-market company headquartered in Europe that the SPEAR Board believes has strong fundamentals and is using technology, and innovation, to drive superior growth and profitability. It is a company that has demonstrated a near-term path to profitability, and one for whom the technology driving this growth is at an early to mid-point of its adoption curve, with its value creation potential not yet fully realised. QEV also has strong environmental, climate and sustainability credentials, and is founder and venture capital investor-owned. It is furthermore a company that is likely to benefit from a long-term partnership with the Company, and in particular from its collective founder, entrepreneurial, capital markets, M&A, investment, operating, governance and technology expertise, as well as its large networks, as supported by the Leadership Team, the Non-Executive Directors, the Advisory Group and the Sponsors.

6. BUSINESS COMBINATION

6.1 PRINCIPAL TERMS OF THE BUSINESS COMBINATION

General description of the Business Combination Agreement

On 31 July 2023, SPEAR Investments I B.V. (**SPEAR**), QEV Technologies S.L. (**QEV**) and Evi Mobility, S.L., Charming Crystal, Limited, Servicios Integrales Formación Arquitectura Ingeniería. S.L.U., Engiser 101, S.L.U., Re Motorsports Investment, S.L.U., New Automovile Development LLP, Power Electronics Internacional, S.L., Mr. Juan Antonio García Navarro, Mr. Miquel Àngel Bonachera Sierra, Mr. Sergi Audivert Burgue and Multi Billion Pacific Ltd (each a **QEV Shareholder** and together the **QEV Shareholders**) and Inveready First Capital III, S.C.R., S.A, Inveready First Capital III Parallel, F.C.R., Inveready Evergreen, S.C.R., S.A., GAEA Inversión, S.C.R., S.A. and Innvierte Economia Sostenible, SICC SME, S.A. (each a **Convertible Instrument Holder** and together the **Convertible Instrument Holders**) have agreed on a business combination between QEV and SPEAR whereby QEV Shareholders shall exchange, or cause to exchange, all of the issued and outstanding QEV Shares they directly or indirectly hold to SPEAR in return for 25.05556 Ordinary Share for each QEV Share exchanged (the **Share Exchange**). As a result of the Share Exchange, SPEAR will be the holding company of the Spanish group listed on the regulated market operated by Euronext Amsterdam, and the QEV Shareholders, Shareholders, the PIPE Investors and some Convertible Instrument Holders (please refer to section "*Business Combination – Funding*") will be the joint shareholders of SPEAR on the Completion Date. The QEV Shareholders, the Convertible Instrument Holders, QEV and SPEAR (the **Parties**) have agreed on an equity value of QEV of €185,000,000 on a fully-diluted pre-transaction equity value basis (the **Equity Value**).

Completion is expected to take place on the fifth Business Day following the day on which all Conditions are satisfied or waived, or such date to be agreed between SPEAR, the Convertible Instrument Holders, the QEV Shareholders and QEV (the **Completion Date**) in accordance with the Business Combination Agreement (see*"Conditions to Completion"*). Immediately following the Share Exchange, SPEAR will be converted into a public company (*naamloze vennootschap*) and be named "QEV N.V." and it will trade publicly on Euronext Amsterdam under a new ticker symbol.

Consideration to the QEV Shareholders in the Business Combination and Waterfall

By and subject to the terms and conditions of the Business Combination Agreement, the Parties have agreed to establish a business combination between SPEAR and QEV (the **Business Combination**), whereby SPEAR will receive all the QEV Shares. The Parties have agreed that the consideration given by SPEAR to the QEV Shareholders (including the Ordinary Shares which shall be held in treasury in order to comply, in its case, with SPEAR's obligations to undertake the Convertible Instrument Share Exchange, but excluding the Ordinary Shares to be delivered to the relevant Convertible Instrument Holders in consideration for the QEV Share Capital Increase Shares (as set out in the section "*Convertible Instrument Share Exchange*" below) shall be a total consideration of 18,500,000 Ordinary Shares (the **Share Consideration**), to the QEV Shareholders.

For Spanish tax purposes, it is intended that the Share Exchange will qualify as a share-for-share exchange (*canje de valores*) for the purposes of Section 76.5 and Section 80 of the Spanish CIT Act, and eligible for the Spanish Tax-Neutral Regime, subject to the terms and conditions set forth thereunder. The Share Exchange will be communicated before the Tax Authorities by SPEAR in due time and manner and, insuch communication, the Spanish Tax-Neutral Regime will not be waived.

As part of the Share Exchange, on Completion, the current QEV Shareholders shall transfer their QEV Shares to SPEAR, free from all restrictions and together with all rights attached to them (including the right to receive dividends declared but not paid on or after the Completion Date).

Convertible Instrument Share Exchange

The Convertible Instruments Holders as holders, respectively, of the following convertible instruments: (i) Inveready C&P Convertible Loan (ii) the Inveready Evergreen Convertible Loans (iii) GAEA Convertible Loan; and (iv) the Innvierte Convertible Loan (or, in any case, their successors) (the **Convertible Loans**) are entitled to (but not obligated to) convert totally or partially the convertible instruments foreseen in the Convertible Loans at any time following Completion in exchange

for an amount of QEV Shares which is determined in accordance with the terms of the relevant Convertible Loans, and which would entitle the Convertible Instruments Holders to acquire the number of QEV Shares set forth below:

- Assuming conversion of 100% of the convertible instruments of QEV held by GAEA, 171,322 QEV Shares held by GAEA, that will be entitled (but not obliged) to exchange all those shares for 4,292,569 Ordinary Shares.

- Assuming conversion of 100% of the convertible instruments of QEV held by Inveready Parallel, 13,707 QEV Shares held by Inveready Parallel, that will be entitled (but not obliged) to exchange all those shares for 343,437 Ordinary Shares.

- Assuming conversion of 100% of the convertible instruments of QEV held by Inveready Capital, 8,022 QEV Shares held by Inveready Capital, that will be entitled (but not obliged) to exchange all those shares for 200,996 Ordinary Shares.

- Assuming conversion of 100% of the convertible instruments of QEV held by Inveready Evergreen, 32,594 QEV Shares held by Inveready Evergreen, that will be entitled (but not obliged) to exchange all those shares for 816,661 Ordinary Shares.

- Assuming conversion of 100% of the convertible instruments QEV held by Innvierte, 48,318 QEV Shares held by Innvierte that will be entitled (but not obliged) to exchange all those shares for 1,210,635 Ordinary Shares.

(considering that such number of shares have been calculated assuming that conversion takes place at the mid-point between 17 July 2023 and the maturity of such convertible instruments in order to determine the accrued PIK interest, thus acknowledging that the final number of shares will vary depending on the date on which the Convertible Instruments Holders execute the conversion of their Convertible Loans).

In case of conversion of the Convertible Loans into QEV Shares, the Convertible Instruments Holders may request and SPEAR shall execute promptly in this case a share exchange by virtue of which the Convertible Instruments Holders will be entitled (but not obliged) to exchange all the QEV Shares they hold for Ordinary Shares at a ratio equivalent to that at which the Share Exchange has been executed on Completion (the **Convertible Instrument Share Exchange**), which will be adjusted upwards or downwards in case a dilution event not foreseen in the Business Combination Agreement takes place in SPEAR in order for the consideration to be received by the Convertible Instrument Holders in exchange for the Convertible Instrument Share Exchange to be equivalent to what they would have received if such dilution event had not taken place. A dilution event shall include any event which causes a dilution effect of the Ordinary Shares and which is not foreseen in the Business Combination Agreement, including share splits, aggregation of shares, reclassifications, reorganisations or consolidations of shares. For Spanish tax purposes, it is intended that the Convertible Instrument Share Exchange will qualify as a share-for-share exchange (*canje de valores*) for the purposes of Section 76.5 and Section 80 of the Spanish CIT Act and for the purposes of Section 101.5 and Section 105 of the Gipuzkoan CIT Act, and eligible for the Spanish Tax-Neutral Regime, subject to the terms and conditions set forth thereunder. The Convertible Instrument Share Exchange will be communicated before the Tax Authorities by SPEAR in due time and manner and the Convertible Instruments Holders will decide if, in such communication, the Spanish Tax-Neutral Regime is waived or not.

SPEAR shall maintain at all times a number of Ordinary Shares as treasury shares in a number equivalent to the maximum amount of Ordinary Shares that it would be obliged to deliver to the Convertible Instruments Holders in case the Convertible Instrument Share Exchange takes place, this is, at least 7,345,520 Ordinary Shares, or, in case a dilution event not foreseen in the Business Combination Agreement, the number resulting from adding to this last figure, the amount of Ordinary Shares required in order for the consideration to be received by the Convertible Instrument Holders in exchange for the Convertible Instrument Share Exchange to be equivalent to what they would have received if such dilution event had not taken place.

Upon execution of the Convertible Instrument Share Exchange, the Convertible Instruments Holders will assume the same obligations and have the same rights as the rest of the common shareholders of SPEAR. For the sake of clarity, in accordance with what is set forth in the section "*Lock-up Undertaking*" below, the lock-up restriction will apply for the same time period (twelve months from Completion, regardless of the date of conversion) for the Ordinary Shares which are acquired, in its case,

by the Convertible Instruments Holders through the Convertible Instruments Holders Share Exchange (in case it takes place during this initial period*)*.

Use of Proceeds

Following the Completion, the IPO Proceeds held on the Escrow Account, net of (i) cash required to settle SPEAR's redemption obligations pursuant to the Prospectus and the circular by SPEAR to its shareholders, dated 2 December 2022, and net of (ii) cash required to make payment to non-redeeming shareholders to reflect the share premium they would have received if they had redeemed their shares; plus the executed commitments of PIPE Investors through the sale of Ordinary Shares, the investment by Convertible Instruments Holders who commited to participate in the Inveready and GAEA Share Capital Increase, the investment or relevant proportion of the investments made by Promote Investors who provided a backstop facility, if applicable (please refer to section "*Funding*"), and potential debt financing at the level of QEV in the form of a convertible note, (together the **Proceeds**) will be applied by SPEAR as follows:

(a) firstly, the Proceeds will be used for the payment of the Transaction Costs (including amongst others the Transaction bonus as set out in *"Long-Term Incentive Plan*";

(b) secondly, the remaining Proceeds, will be placed on SPEAR's balance sheet to fund operations and future growth following Completion. Parties will use good faith endeavours to structure the contribution as efficiently as possible, both from a legal and a tax perspective.

Funding

SPEAR has secured commitments, as at the date of the Business Combination Agreement, in the amount of €23,133,060, as follows:

a) non-redemption agreements, in the amount of €6,250,000;

b) executed commitments of PIPE Investors through the sale of Ordinary Shares prior to the signature of the Business Combination Agreement in the amount of €2,100,000 (please refer below);

c) Convertible Instruments Holders commitment in the amount of €7,399,910 to be formalized through the Inveready and GAEA Share Capital Increase (please refer below); and

d) backstop commitments from Promote Investors in the amount of €7,383,150 (the **Backstop Facility**),

Prior to Completion, SPEAR and QEV will dedicate their best efforts to increase the referred commitments from the currently committed investors and from new third parties which may be provided, amongst others, through equity investments or a convertible loan instrument of up to €25,000,000 at the level of QEV. QEV and SPEAR have agreed on certain fundraising requirements to be complied with by QEV.

If the Proceeds raised from sources excluding the Backstop Facility are in excess of €33,000,000 at Completion, then the Backstop Facility will not be drawn, and where the Proceeds raised from such sources excluding the Backstop Facility are below €33,000,000 million, then the Backstop Facility will only be drawn to the extent of such shortfall (also see "*Backstop Facility*" below).

PIPE Financing

In connection with the execution of the Business Combination Agreement, the Company and QEV entered into Investment Agreements with certain investors (the **PIPE Investors**). The PIPE Investors have agreed to purchase 210,000 Ordinary Shares (the **PIPE Shares**) in the aggregate for a purchase price of €10.00 per PIPE Share and an aggregate purchase price of of €2,100,000 (the **PIPE Proceeds**). The commitments of the PIPE Investors are contingent upon, among other customary closing conditions, the EGM Shareholder Approval and subsequent Completion of the Business Combination. The PIPE Shares are identical to the Ordinary Shares and, in addition, they have not been registered under the U.S. Securities Act in reliance upon

an exemption from the registration requirements of the U.S. Securities Act. The PIPE Shares are not subject to a lock-up period.

Inveready and GAEA Share Capital Increase

The Convertible Instrument Holders (except Innvierte) have committed to invest an amount of €7,399,910 in QEV, ultimately acquiring 29,534 QEV Shares that will be exchanged into a total of 739,991 Ordinary Shares, which will be executed in the following two phases (i) first, through a monetary share capital increase at the level of QEV executed for the full amount which will be executed, notarized and registered in the commercial registry prior to Completion (the **Inveready and GAEA Share Capital Increase**); and (ii) on Completion, the execution of a share exchange of 100% of the new QEV shares resulting from the Inveready and GAEA Share Capital Increase (the **QEV Share Capital Increase Shares**) for Ordinary Shares in the capital of the Company (the **Inveready and GAEA Share Capital Increase Share Exchange**) at a ratio equivalent to the Share Exchange.

For Spanish tax purposes, it is intended that the Inveready and GAEA Share Exchange will qualify as a share-for-share exchange (*canje de valores*) for the purposes of Section 76.5 and Section 80 of the Spanish CIT Act and for the purposes of Section 101.5 and Section 105 of the Gipuzkoan CIT Act, and eligible for the Spanish Tax-Neutral Regime, subject to the terms and conditions set forth thereunder. In the same terms as the Share Exchange, the Inveready and GAEA Share Exchange will be communicated before the Tax Authorities by SPEAR in due time and manner and, in such communication, the Spanish Tax-Neutral Regime will not be waived.

The referred Ordinary Shares received by the relevant Convertible Instrument Holders in exchange for the QEV Share Capital Increase Shares will not be subject to the lock-up provisions detailed below. The Special Shares received by the relevant Convertible Instrument Holders, in its case as per that set forth in "*Amended Promote Structure*" below, would be subject to the same lock-up provision as the rest of the Special Shares in accordance with what is set forth in "*Lock-up Undertaking*" below.

Backstop Facility

Some of the Promote Investors have provided backstop commitments in the amount of €7,383,150 (the Backstop Facility). Under this Backstop Facility, the Promote Investors will purchase Ordinary Shares at a price of €10 per Ordinary Share, prior Completion, through irrevocable commitments. The proceeds from the Backstop Facility will be used by QEV to execute its business plan, including investment in capex, payment of operating expenses and transaction fees. If Proceeds raised through other sources than the Backstop Facility, such as non-redemptions, the PIPE, the Inveready and GAEA Share Capital Increase and potential debt financing at the level of QEV in the form of a convertible note in of up to €25,000,000, in aggregate exceeds €33,000,000, the Backstop Facility will not be used or will be used partially to reach an amount of €33,000,000 in aggregate. If the Proceeds raised through other sources exceeds €33,000,000 million, the Backstop Facility will not be used at all.

SPEAR Recommendation Change

Upon the occurrence of an Intervening Event, the Board may, at any time prior to the BC-EGM, revoke or modify, amend or qualify its Recommendation (an **Adverse Recommendation Change**), if and only if all of the following conditions are met:

a) SPEAR has (x) given four Business Days prior written notice, which notice shall (i) set forth in reasonable detail information describing the Intervening Event (as defined below) and the rationale for the Adverse Recommendation Change and (ii) state expressly that, subject to the re-evaluation obligations described under (b) below, the Board has determined to effect an Adverse Recommendation Change and has determined, in good faith, after consultation with its external legal counsel and financial advisors, that the failure to effect an Adverse Recommendation Change would constitute a violation of the fiduciary duties of the Board under the Applicable Rules and (y) prior to making such an Adverse Recommendation Change, to the extent requested in writing by QEV, engaged in good faith negotiations with QEV during such four Business Day period to amend the Business Combination Agreement in response to the Intervening Event in such a manner that the failure of any of the Board to effect an Adverse Recommendation Change in response to the Intervening Event

in accordance with the re-evaluation obligations described under (b) below would no longer constitute a violation of the respective fiduciary duties of the Board under the Applicable Rules; and

b) no earlier than the end of such four (4) Business Day period, the Board has determined in good faith, after consultation with its external legal counsel and financial advisors, that, in light of such Intervening Event and taking into account any revised terms proposed by QEV, the failure to effect an Adverse Recommendation Change would continue to constitute a violation of the fiduciary duties of the Board under the Applicable Rules.

Representations and Warranties

QEV provides customary representations and warranties to SPEAR relating to, among other things: information supplied for this Circular; financial statements, corporate organisation; share capital; corporate power; authorisation;; compliance with applicable law and regulations; consents and authorisations;; insolvency; material contracts; and tax matters. QEV also provides a representation and warranty to SPEAR that to the best of its knowledge, no consent, approval, authorisation, licence, or permit, from or with any governmental, public administration or regulatory authority, is required to be obtained by any of the QEV Group Companies under applicable laws, in connection with the Business Combination and its consummation, and the transfer of shares in QEV as contemplated by the Share Exchange, or for the continued operation of the QEV Group's Business after Completion.

The QEV Shareholders provide customary representations and warranties to SPEAR relating to, among other things: ownership of QEV's shares; authority of the QEV Shareholder; absence of bankruptcy and consents and authorisations.

The Convertible Instrument Holders provide representations and warranties to SPEAR relating to, among other things, corporate power; authorisation; compliance with applicable laws and regulations; consents and authorisations; insolvency, tax matters.

SPEAR provides customary representations and warranties to QEV and the QEV Shareholders relating to, among other things: corporate organisation; authorisation; no governmental approval required; litigation; enforceability of the Sponsors & Investors Commitment subscription agreements; absence of breaches; information supplied for this Circular; capitalisation and SPEAR's share capital.

Liability limitations

The liability of the QEV Shareholders and the Convertible Instrument Holders for any breach of its representations and warranties or of its obligations under the Business Combination Agreement is limited as follows:

(a) They are only liable for breaches of warranties that are above a certain minimum amount individually, and that together exceed a certain threshold amount. The liability is capped on the proportional value of the Share Consideration;

(b) They are only liable for breaches of warranties within a certain period of time from the Completion Date.

Conditions to Completion

The respective obligations of each of SPEAR, the QEV Shareholders and QEV to effect the Completion is subject to the satisfaction of the following conditions, or to the waiver (either in whole or in part, provided that any part that is not waived is otherwise satisfied) in writing by SPEAR, QEV and the QEV Shareholders jointly (the **Conditions**):

(a) SPEAR's articles of association having been updated to reflect, inter alia, the updated liquidation waterfall taking into account the cash required to make the payment to non-redeeming shareholders to reflect the share premium they would have received if they had redeemed their shares and the Amended Promote Structure;

(b) the EGM having adopted the Resolutions (the **EGM Shareholder Approval**);

(c) the Inveready and GAEA Share Capital Increase has been duly registered in the Commercial Registry of Barcelona;

(d) the European Investment Bank has issued its approval of the transaction in the terms contemplated in the Business Combination Agreement;

(e) none of the Parties has breached its respective Warranties under the Business Combination Agreement (the **Warranty Condition**), provided that:

(i) in case of a breach of a QEV Warranty or a QEV Shareholder warranty, this Condition shall only be deemed to not have been fulfilled in case the breach is expressly declared by the non-breaching party (unless the breach is known to the breaching party, be it QEV and/or any QEV Shareholder, and not known to the non-breaching party, and the breaching party did not disclose the breach to the non-breaching party), and has resulted in any change, event or development that, individually or taken together with all such other changes, events or developments, has or would reasonably be expected to have a material adverse effect on the business, assets, cash flow, financial condition, results of operations or capitalisation of the QEV Group; and

(ii) in case of a breach of a SPEAR Warranty, this Condition shall only be deemed to not have been fulfilled in case the breach is expressly declared by the non-breaching party (unless the breach is known to the breaching party, be it SPEAR and not known to the non-breaching party, and the breaching party did not disclose the breach to the non-breaching party);

it being agreed that in case of a breach of a QEV or a QEV Shareholder Warranty, the Warranty Condition can be waived by SPEAR, at its sole discretion, and in the case of a breach of a SPEAR Warranty, the Warranty can be waived by QEV and the QEV Shareholders jointly, at their sole discretion.

Parties shall, to the extent permitted by Applicable Rules, disclose in writing to each other anything which will or is likely to prevent the Conditions from being satisfied, promptly after it comes to their notice.

Lock-up Undertakings

As part of the Transaction, the Share Consideration that the QEV Shareholders will receive will be subject to certain restrictions on their transfer or disposal for a period of twelve months after Completion. This restriction will apply for the same time period (twelve months from Completion, regardless of the date of conversion) for the Ordinary Shares which are acquired, in its case, by the Convertible Instruments Holders through the Convertible Instruments Holders Share Exchange (in case it takes place during this initial period*)*. For the sake of clarity, the Ordinary Shares received by some Convertible Instrument Holders in exchange for the QEV Share Capital Increase Shares will not be subject to any lock-up. The Special Shares received by such Convertible Instrument Holders are subject to the same lock-up provisions as the rest of the Special Shares in accordance with what is set forth in "— *Sponsors and Special Shares*" below.

The QEV Shareholders will not be able to sell or otherwise dispose of their Consideration Shares during the lock-up period, except in limited circumstances as described below. If the closing share price of the Ordinary Share on Euronext Amsterdam equals or exceeds €12.00 per share (as adjusted for stock splits, stock dividends, reorganisations, recapitalisations and the like) for any 20 trading days within any 30-trading day period commencing at least 150 days following completion, the obligation set out in this paragraph will no longer apply, save for QEV Shareholders who are active as senior managers of the Company.

The limited circumstances in which the QEV Shareholders may transfer or dispose of their Consideration Shares during the lock-up period are:

- any share exchange carried out with GAEA, Inveready Parallel, Inveready Capital, Inveready Evergreen or their successors or assignees in accordance with the Business Combination agreement.

- accepting a general offer made to all the holders of shares in the capital of the Company in accordance with the Dutch Financial Supervision Act on terms that treat all such holders alike and that has become or been declared unconditional in all respects by the Board, or the provision of an irrevocable undertaking to accept such an offer;

- the sale, transfer or other disposal of Ordinary Shares as required in the context of a sell-to-cover arrangement to cover tax liabilities pursuant to any employees' share and incentive scheme of the Group

- the sale, transfer or other disposal of Ordinary Shares by a person to a personal holding company under the control of such person or any similar vehicle under the control of such person, provided that such holding company or vehicle provides equivalent lock-up undertakings ;

- the sale, transfer or other disposal of Ordinary Shares amongst the shareholders of SPEAR at Completion (including the QEV Shareholders) during the lock up period provided such transactions (a) these transfers are approved by STJ Advisors Group Limited and AZ Capital S.L STJ; or (b) are carried out as private block trades that do not affect the publicly available share price; and

- where required by any relevant court or regulatory authority.

Sponsors and Special Shares

The Sponsors have (i) entered into lock-up arrangements as described in the Prospectus, p. 131.

In addition, the Parties have agreed in the Business Combination Agreement that (ii) if following Completion or in general, the conversion, transfer or award of the Special Shares or Founder Warrants constitutes a taxable event to their holders, or a direct or indirect shareholder or member of any such Promote Investor, for purposes of corporate income tax, withholding tax, personal income tax, capital gains tax or other tax or social security (including any required employer or employee social security payments), in relation to which the tax due or social security is assessed prior to the end of the lock-up period, then a fraction of the Ordinary Shares held by the relevant Promote Investor, following Completion, may be disposed of on the market but only insofar as necessary to cover the amount of such applicable taxes or social security premiums due directly in relation to the Special Shares or Founder Warrants.

Covenants and undertakings of the Parties

The Parties to the Business Combination Agreement have made certain undertakings and covenants under the Business Combination Agreement towards each other, including the following:

Sharing of information

During the period from the date of the Business Combination agreement to the earlier of (i) Completion and (ii) the date on which the Business Combination Agreement is terminated (the **Interim Period**), subject to Applicable Rules relating to the sharing of information, upon the reasonable request of, respectively, SPEAR or QEV, as the case may be, SPEAR or QEV shall (and shall cause their Subsidiaries to) provide the other Party's Representatives access to such existing and readily available information, properties and staff as is reasonably necessary to facilitate the other Party's integration planning and operational transition planning efforts or as otherwise reasonably deemed appropriate by SPEAR and QEV; provided that no information provided shall affect or be deemed to modify or qualify any Warranty, as applicable; provided, further, that no Party shall be required to disclose (i) any privileged information, as the case may be, of the relevant Party or of any of its Subsidiaries or (ii) any information that the board of the relevant Party, as applicable, determines, in good faith, is subject to an obligation of confidentiality, competitively sensitive or otherwise inappropriate to disclose to the other Party. All requests for information made shall be directed to an executive officer of the relevant Party, as the case may be, or such other person as may be designated in writing by their executive officers, as the case may be.

Covenants and Undertakings made by SPEAR

SPEAR shall procure that the Sponsors will commit to support the Business Combination, to vote in favour of all items requiring EGM Shareholder Approval in connection with the Business Combination, and not to redeem their shares. SPEAR shall use best efforts to procure that the other Promote Investors and their respective directors, officers and affiliates as set out in the Prospectus and cornerstone investors (as described on page 126 of the Prospectus) will provide the same commitments, and use best efforts to minimise redemptions and, where feasible to obtain commitments from SPEAR's other shareholders to support the Business Combination, to vote in favour of all items requiring EGM Shareholder Approval in connection with the Business Combination, and not to redeem their shares.

During the Interim Period, SPEAR shall support the QEV Group Companies in their IPO-readiness efforts (without prejudice to QEV Group Companies' own obligations in this respect). SPEAR shall provide a reasonable degree of assistance to QEV in the fields of coordinating various work streams in the period before Completion and in relation to reporting obligations.

Immediately after Closing, SPEAR shall adopt the necessary actions (which shall include the appointment of directors and the adoption of resolutions by its governing bodies, and filing for the establishment of a tax domicile and the registration of SPEAR with the Spanish census of taxpayers) to ensure that SPEAR is tax resident entity in Spain for Spanish corporate income tax purposes, pursuant to Section 8.1.c) of the Spanish CIT Act and also for the purposes of the convention between the Netherlands and Spain for the avoidance of double taxation with respect to taxes on income and on capital (as may be renegotiated).

Conduct of business before Completion

During the Interim Period QEV shall, and QEV undertakes that it shall, cause their respective QEV Group Companies to conduct its (or their) business in the ordinary course of business and consistent with past practice in all material respects.

During the Interim Period and subject to Applicable Rules and except for any (i) actions expressly contemplated by the Business Combination Agreement or (ii) action consented to in writing by QEV, which consent will not unreasonably be withheld and which shall in any event be deemed to be given if no response is received within ten Business Days of a written request by SPEAR, SPEAR undertakes that it shall use best efforts to conduct its (or their) business in the ordinary course of business and consistent with past practice in all material respects and shall not execute any agreement which can imply additional liabilities for SPEAR which individually or in aggregate exceed €10,000.

Undertakings made by QEV

During the Interim Period, QEV shall not and shall procure that its group companies shall not, without the prior written consent of SPEAR, such consent not to be unreasonably withheld, conditioned or delayed:

(a) make any material changes to the legal, Tax or accounting structure, principles or practices of the QEV Group Companies, except in the ordinary course of business consistent with past practice or as required or prompted by Applicable Rules or as agreed in accordance with the Business Combination Agreement which specifically states that the Convertible Instruments Holders (except Innvierte) assume a financial commitment of €7,399,910 to invest in QEV and ultimately acquire Ordinary Shares which will be executed in the following two phases (i) first, through the Inveready and GAEA Share Capital Increase; and (ii) on the Completion Date, the execution of QEV Share Capital Increase Exchange.

(b) amend any organisational documents of the QEV Group Companies, except as required by applicable rules or necessary in connection with the performance of, or as contemplated by the Business Combination Agreement, or in respect of changes to trade register information in the ordinary course of business (or with respect to the cancellation of QEV shares, as the case may be);

(c) in respect of a QEV Group Company, declare, make or pay any dividend or any distribution in cash or in kind, whether from capital or reserves;

(d) declare, make or pay any dividend or any distributions in cash or in kind or any other payment to QEV Shareholders / related parties, whether for capital or reserves except for permitted payments included in the Business Combination Agreement (and any dividend or distribution not disclosed in the Business Combination Agreement shall require approval by the Board);

(e) create, issue (other than those resulting from the conversion rights executed by the holders of the Convertible Instrument Agreements and the Inveready and GAEA Share Capital Increase and, in its case, the potential additional debt financing at the level of QEV in the form of a convertible note of up to €25,000,000), grant, increase, split, combine, amend the rights of, acquire, repurchase, reduce, repay, redeem or dispose of or encumber any shares, or equity interests or derivative equity instruments, whether cash settled or physically settled, including options or phantom shares, in the capital of a QEV Group Company, or any instruments convertible or exchangeable into shares of a QEV Group Company;

(f) except for the creation of liens arising in the ordinary course of business, or intragroup transactions, sell or dispose of, transfer, wholesale, lease, license, encumber, create, issue or grant any third party rights over:

(i) any of the QEV Group Company's material assets;

(ii) any of the QEV Group Company's material rights; and/or

(iii) any securities in any member of the QEV Group Companies;

except if the value of any such transaction does not exceed €250,000 on an individual basis and in aggregate which shall not apply in case QEV grants guarantees or endorsements in the framework of tender processes, licences, subsidies or otherwise in its ordinary course of business, it being agreed that QEV shall be permitted to, without consent of SPEAR, make any investments as part of budgets or investment forecasts which have been Fairly Disclosed, and to create liens or other third party rights in connection therewith on arms' length terms and in accordance with the ordinary course of business;

(g) provide, extend or renew any guarantee or security for the obligations of any other party other than those of any of the QEV Group Companies;

(h) enter into any material borrowings or change or agree to change the principal terms of any material existing borrowings;

(i) unless prior approval from the board of directors of QEV and the Board is obtained, directly or indirectly acquire by merging with, purchasing a substantial equity interest in or a substantial portion of the assets of, or making a substantial investment in or a substantial loan or capital contribution to any company, partnership or other business organisation or undertaking that is not QEV Group Company;

(j) unless prior approval from the board of directors of QEV and the Board is obtained, enter into any new joint venture agreement or other alliance of any nature whatsoever whereby a third party would obtain any interest in any QEV Group Company, or the authority to incur any obligation or liability on behalf of a QEV Group Company;

(k) permit any of its material insurance to lapse or do anything which would make any policy of insurance void or voidable, it being understood that the QEV Group Companies will be entitled to renegotiate its existing insurance policies in the normal course of business provided that their coverage is not significantly affected;

(l) except (a) pursuant to, and to the extent required by, (b) any applicable rules or (c) as contemplated by the Business Combination Agreement, become a party to, establish, amend, commence participation in, terminate or commit itself to the adoption of any stock option plan or other stock-based compensation

plan, accelerate the vesting of or lapsing of restriction with respect to any stock-based compensation or other long-term incentive compensation under any benefit plan or grant any stock option or other stock-based compensation award;

(m) except (a) pursuant to, and to the extent required by, (b) any Applicable Rules, amend the terms of employment or engagement of any of the directors or key employees, or terminate the employment agreements of any such individuals or enter into employment, agency or consultancy contracts with new directors or key employees, it being understood that the current terms of employment of any of the key employees may be amended to align other than financial terms thereof with the requirements of a publicly listed company;

(n) enter into any transaction which would prevent any of the actions contemplated by the Business Combination Agreement or the receipt of any material approval or material clearance, in any case as required in connection with the Business Combination;

(o) change any material method of Tax accounting or an annual accounting period, settle or compromise any audit or other proceeding relating to a material amount of Tax, make or change any material Tax election, re-file any amended Tax return relating to a material amount of Tax, agree to an extension or waiver of the statute of limitations with respect to the assessment or determination of a material amount of Taxes, enter into any closing agreement with respect to any material amount of Tax or surrender any right to claim any material Tax refund, except, in each case, (i) in the ordinary course of business consistent with past practice or (ii) as required by applicable rules;

(p) compromise or settle any matter, case, claim, governmental investigation, criminal charge or litigation involving a payment by any QEV Group Company exceeding €300,000, or which would oblige a QEV Group Company to take any material action or impose any material restrictions on the business or financial position of a QEV Group Company;

(q) liquidate, dissolve a QEV Group Company, apply for any insolvency proceedings in relation to a QEV Group Company, or pass a resolution to the same; and

(r) agree to any of the foregoing,

and insofar such actions involve any corporate action requiring shareholder approval, any other shareholder resolution pursuant to the organisational documents of QEV or Applicable Rules or any other cooperation from any QEV Shareholder, each QEV Shareholder undertakes to not (i) grant such approval, (ii) vote in favour of such resolution or (iii) provide such cooperation, in each case without the required prior written consent having been obtained.

None of these restrictions shall limit QEV from carrying out any payments derived from (i) paying or pre-paying any amounts to the European Investment Bank (**EIB**) derived from the financing agreement entered into by and between QEV and the EIB on 15 October 2019 as amended last on 12 April 2022, which shall be paid on or before Completion; and (ii) covering working capital costs in order to comply with the demands of the transaction entered into by QEV and the Bimbo Group.

Indemnity

The Business Combination Agreement contains provisions that require SPEAR and QEV to jointly and severally indemnify and hold harmless certain parties, including the advisors, the shareholders of QEV, the Convertible Instrument Holders, the shareholders of SPEAR pre-Completion, the Sponsors, and their respective affiliates and representatives, from any losses arising from any claims relating to the disclosure documents, including this Circular. These indemnified parties may include SPEAR's Advisory Group and SPEAR's former and current directors, officers and employees. These claims may allege that disclosure documents (meaning all public or investor disclosure on or related to the Transaction, including material information provided by QEV to SPEAR for purposes of the investor presentation and certain sections of the Circular, and any and all draft

and final versions of the Circular, but excluding the Prospectus and SPEAR's annual report for 2022, as published in 2023) contain untrue or misleading statements or omissions of material facts, or fail to comply with applicable laws or regulations. Such claims may be brought by any party or third party, including regulators, securities holders, or other persons who may have relied on the disclosure documents.

The indemnity does not apply if the claim or loss is caused by fraud, wilful misconduct or gross negligence of the indemnified party. The indemnified parties have the right to enforce their rights against SPEAR and QEV under the Business Combination Agreement. The Parties to the Business Combination Agreement have agreed not to sue any of the indemnified parties for any conduct, action or omission by them in connection with the Business Combination, except in case of fraud, wilful misconduct, gross negligence or criminal behaviour by them.

Conflicts of interest in respect of the Business Combination Agreement

The members of the Board shall be deemed to have a personal conflict of interest with respect to (i) any claim or potential claim of SPEAR against the QEV Shareholders as a result of a breach of a warranty provided by the QEV Shareholders or any other obligation of the QEV Shareholders under the Business Combination Agreement; (ii) any claim or potential claim of SPEAR against QEV as a result of a breach of a warranty provided by QEV or any other obligation of QEV under the Business Combination Agreement; or (iii) any breach of a warranty provided by SPEAR or any other obligation of SPEAR under the Business Combination Agreement. In the event of any such conflict of interest in respect of the Business Combination Agreement, any relevant resolution of SPEAR with respect to the matter giving rise to the conflict of interest may still be adopted by the Board.

Termination

If the conditions to Completion as set out under "*Conditions to Completion*" have not been satisfied or waived in accordance with the Business Combination Agreement or Completion has otherwise not occurred by 31 December 2023 (the **Termination Date**), or such later date as may be agreed in writing between the Parties, the Business Combination will automatically terminate.

Furthermore, if one of the Parties does not comply with its respective Completion obligations on the Completion Date in any material respect, the non-defaulting party may terminate the Business Combination Agreement, subject to Completion having first been deferred for a period of ten (10) Business Days or the non-defaulting party having used best efforts to complete any outstanding obligations to effect Completion as far as practically possible.

Expenses

If the Business Combination is consummated, the costs and expenses of SPEAR up to a maximum of €8,000,000 (exluding VAT) will be paid from the capital of the Company. If the Business Combination is not consummated, each of the Parties shall bear its own Transaction Costs.

Amendments

The Business Combination Agreement may only be amended by written agreement between the Parties. Any resolution of the Company to consent to amendment or modify the Business Combination Agreement (excluding for the avoidance of doubt the New Articles of Association) or the Relationship Agreement after Completion shall require (i) the approval of the Non-Executive Directors with a two/thirds (2/3) majority of the votes cast, including the affirmative vote of Derek Whitworth and Miriam van Dongen, in a meeting or written resolution in which the majority of the Non-Executive Directors entitled to vote have exercised their vote, and (ii) the prior written approval from the Sponsors. Each of the Sponsors will have, by way of an irrevocable third party stipulation for no consideration, the right to enforce its rights against the Company.

Governing Law and Dispute Resolution

The Business Combination Agreement is governed by the laws of Spain. Any disputes arising out of or in connection with the Business Combination Agreement will be settled by arbitration in accordance with the rules of ICC. The place of the arbitration

will be Barcelona, Spain. The language of the arbitration will be English. The arbitrators will decide according to the rules of law. Their arbitral award will not be disclosed other than to the parties to the arbitral proceedings.

6.2 DESCRIPTION OF THE BUSINESS COMBINATION TRANSACTION

Structure of the Business Combination

Pursuant to the Business Combination Agreement, QEV Shareholders shall exchange, or cause to exchange, all of the issued and outstanding QEV Shares they directly or indirectly hold to SPEAR in return for 25.05556 SPEAR Ordinary Share for each QEV Share exchanged (the **Share Exchange**). As a result of the Share Exchange, SPEAR will be the holding company of the Spanish group listed on the regulated market operated by Euronext Amsterdam, and the QEV Shareholders and Shareholders will be the joint shareholders of SPEAR (toghether with the PIPE Investors and some Convertible Instrument Holders). The following overview shows the key highlights of the Business Combination, including the sources and uses for funding of the Business Combination, assuming no repurchases under the Revised Share Repurchase Arrangement:

KEY TRANSACTION HIGHLIGHTS

Headline Valuation	
Enterprise Value	€209m
2023E Revenue	2.6x-3.5x
Pro-forma Equity Value	€179m
Pro-forma Equity Value fully-diluted[2]	€260m
QEV Shareholders roll-over equity	€103m
Value of Convertible Instrument Holders and EIB stakes (assuming conversion)	€82m
QEV Shareholders equity fully-diluted[2]	€185m
QEV Shareholders ownership[2]	58%
QEV Shareholders ownership fully-diluted[2;4]	71%
Financing Details	
SPAC size[1]	€51m
Proceeds from new funds[5]	€9m
Net Proceeds for growth	€51m
Pro-forma Net cash pre-deal[6]	€1m
Pro-forma Net cash post-deal	€51m

USES AND SOURCES

Sources	
QEV Shareholders roll-over equity	€103m
Cash in escrow account[1]	€51m
Proceeds from new funds	€9m
SPAC promote[3]	€15m
Total	**€179m**
Uses	
QEV Shareholders roll-over equity	€103m
Net proceeds for growth	€51m
Transaction costs	€9.6m
SPAC promote[3]	€15m
Total	**€179m**

Pro-Forma Ownership[4] (at BC)	**%**	**Value €**
QEV Shareholders roll-over equity	58%	€103m
SPAC ordinary shareholders	28%	€51m
New funds	5%	€9m
SPAC promote[3]	8%	€15m
Total	**100%**	**€179m**

Pro-Forma Ownership[4] (fully-diluted[2])	**%**	**Value €**
QEV Shareholders roll-over equity	71%	€185m
SPAC ordinary shareholders	19%	€51m
New funds	4%	€9m
SPAC promote[3]	6%	€15m
Total	**100%**	**€260m**

1. 100% of the cash invested in SPEAR by Ordinary Shareholders. Assumes no SPAC redemptions. Excludes payment of redemption premium to non-redeeming shareholders.
2. Assumes instruments held by Inveready and GAEA are converted and EIB warrant is exercised.
3. Only includes the maximum number of Special Shares that will convert at business combination. There are also a maximum of 1,437,500 Special Shares that will convert at €12.00 and a maximum of 1,437,500 Special Shares that will convert at €14.00. The final number of Special Shares at each tranche could decrease depending on the Proceeds – Please see "*Amended Promote Structure*" below
4. Excludes the impact of out-of-the money public Warrants (8,750,000) and Founder Warrants (8,150,833), both of which have a strike price of €11.50
5. Includes investment from PIPE investors as well as Inveready and GAEA Share Capital increase
6. As of 31st March 2023 excluding Convertible Loans

Amended Promote Structure

Special Shares

SPEAR undertakes in the Business Combination Agreement to amend as required its constitutional and governance documents at the BC-EGM to reflect the conversion of the Special Shares as set forth below:

The total number of Special Shares that can convert into Ordinary Shares will vary depending on the amount of Proceeds raised but will follow the same three tranches as per the Promote Schedule defined in the Prospectus: (i) between 1,250,000 and 1,500,000 Special Shares will convert on the trading day following the Business Combination, (ii) between 625,000 and 1,437,500 Special Shares will convert if, post Business Combination, the closing price of the Ordinary Shares exceeds €12.00 for any 10 trading days within a consecutive 30 trading day period (the **Special Shares at €12.00**) and (iii) between 625,000 and 1,437,500 Special Shares will convert if, post Business Combination, the closing price of the Ordinary Shares exceeds €14.00 for any 10 trading days within a consecutive 30 trading day period (the **Special Shares at €14.00**). The final number of Special Shares available will depend on the Proceeds raised at Completion and any other Special Shares that are not available at each tranche will be cancelled at Completion.

The final number of such shares available for conversion at each tranche will be allocated among the Promote Investors and certain Convertible Instrument Holders also based on the amount of Proceeds raised. Certain existing Shareholders and Convertible Instrument Holders would be entitled to between 0 Special Shares and a maximum of 125,000 Special Shares at the time of the Business Combination, 406,250 Special Shares at €12.00 and 406,250 Special Shares at €14.00.

Founder Warrants

SPEAR undertakes in the Business Combination Agreement to amend as required its constitutional and governance documents at the BC-EGM to reflect the allocation of the Founder Warrants as set forth below:

The 8,150,833 Founder Warrants originally available for the Promote Investors as per the Prospectus would be allocated among the Promote Investors, current Shareholders, Convertible Instrument Holders and a potential convertible investor depending on the amount of the Proceeds raised. Any Founder Warrants that are not allocated will be cancelled at Business Combination.

- The Promote Investors will keep between 2,668,341 and 3,864,334 Founder Warrants depending on the Proceeds raised

- The QEV Shareholders, certain Convertible Instrument Holders and a potential convertible investor will receive between 4,286,499 and 4,969,833 Founder Warrants

The resulting Promote Structure after the amendments to the Original Promote Structure described above is to be referred to as the **Amended Promote Structure**.

Illustrative scenarios of the Amended Promote Structure

The below sets out various potential scenarios, purely for illustrative purposes:

No Repurchase Scenario: Assumes €60.1 million Proceeds raised from current Shareholders plus committed new funds to date (excludes Backstop Facility).

Maximum Repurchase Scenario: €23.1 million Proceeds raised as per committed funds to date;

	To SPEAR Promoters					To other investors[1]					Cancelled	
	Special shares				Founder	Special shares				Founder	Special	Founder
Scenarios	@ BC	@ €12.0	@ €14.0	Total	Warrants	@ BC	@ €12.0	@ €14.0	Total	Warrants	Shares	Warrants
No Repurchase	1,425,000	1,193,750	1,193,750	3,812,500	3,864,334	75,000	243,750	243,750	562,500	4,286,499	-	-
Max Repurchase	1,250,000	625,000	625,000	2,500,000	2,668,341	-	-	-	-	4,286,499	1,875,000	1,195,993

Note 1: Other investors include current Shareholders, Convertible Instrument Holders and a potential convertible investor

Revised Share Repurchase Arrangement

The Company will repurchase Ordinary Shares held by the Shareholders that so wish (the **Redeeming Shareholders**), irrespective of whether and how they voted at the EGM. The arrangements set out in this paragraph are referred to as the **Revised Share Repurchase Arrangement**. For the avoidance of doubt, a Shareholder can vote on its Ordinary Shares at the EGM irrespective of whether it has elected to exercise its rights to have such Ordinary Shares repurchased under the Revised Share Repurchase Arrangement.

The repurchase of Ordinary Shares submitted for repurchase under the Revised Share Repurchase Arrangement by the Redeeming Shareholders before the end of the acceptance period becomes unconditional upon completion of the Business Combination subject to complying with applicable law and satisfaction of certain conditions (the **Repurchase Effective Moment**). Immediately after Completion and the subsequent resolution of the Board to repurchase the Ordinary Shares submitted for repurchase under the Revised Share Repurchase Arrangement by the Redeeming Shareholders before the end of the acceptance period becomes effective, the repurchase price becomes due and payable.

Gross Repurchase Price and Acceptance Period

The gross repurchase price of an Ordinary Share under the Revised Share Repurchase Arrangement in connection with a Business Combination is equal to a *pro rata* share of funds in the Escrow Account as determined three business days on which banks in the Netherlands and Euronext Amsterdam are generally open for normal business (**Business Days**) prior to the EGM, which is anticipated to be €10.69 per Ordinary Share.

The acceptance period for the repurchase of Ordinary Shares under the Revised Share Repurchase Arrangement starts on 12 September 2023 (i.e. nine Business Days after the Registration Date) and ends on 22 September 2023. The repurchase of Ordinary Shares under the Revised Share Repurchase Arrangement is anticipated to take place on 29 September 2023 and is subject to Completion of the Business Combination. Redeeming Shareholders will receive the gross repurchase price within two trading days after the Business Combination Completion Date from their bank or stockbroker (the **Financial Intermediary**). SPEAR can only repurchase shares to the extent allowed under applicable law and repurchases will be made in accordance with applicable law.

Transfer Details

Redeeming Shareholders must instruct their financial intermediary ultimately before 15:00 CET on 22 September 2023 or at any earlier deadline communicated by the financial intermediary. The financial intermediary must submit their instruction for the Revised Share Repurchase Arrangement electronically through the system of Euroclear Nederland via MT565 SWIFT message or Easyway before 15:00 CET on 22 September 2023. By doing so the financial intermediary must clearly state the name and address of the Redeeming Shareholders to ABN AMRO. As soon as it has been indicated in the Euroclear system that a Shareholder has elected to have its Ordinary Shares redeemed by the Company, these Ordinary Shares will be blocked and can no longer be traded on Euronext Amsterdam or otherwise transferred.

Cancellation or Placement of Ordinary Shares Repurchased

In accordance with the Prospectus, the Board may resolve: (i) within one month following repurchase, to place any or all of the Ordinary Shares repurchased by the Company with existing Shareholders or with third parties seeking to obtain Ordinary

Shares; or (ii) to cancel any or all the Ordinary Shares repurchased by SPEAR under the Revised Share Repurchase Arrangement.

No lock-up provisions

At the start of the acceptance period for the repurchase of Ordinary Shares, Ordinary Shareholders (except for the Sponsors) will cease to be bound by any remaining lock-up undertaking with respect to their Ordinary Shares. Accordingly, each Ordinary Shareholder will be entitled to transfer such Ordinary Shares to any third party, including to another Ordinary Shareholder or to the Promote Investors. For the avoidance of doubt, the Company shall be under no obligation to repurchase the Ordinary Shares if it appears that such Shareholder has transferred in the meantime the full ownership of his/her/its Ordinary Shares.

For the avoidance of doubt, the repurchase of the Ordinary Shares held by an Ordinary Shareholder does not trigger the repurchase of the Warrants held by such Ordinary Shareholder (if any). Accordingly, Ordinary Shareholders whose Ordinary Shares are repurchased by the Company will retain all rights to any Warrants that they may hold at the time of repurchase.

Limitation on Repurchase

SPEAR stipulates that an Ordinary Shareholder, together with any affiliate of such shareholder or any other person with whom such shareholder is acting in concert ("*personen die in onderling overleg handelen*" as defined in Section 1:1 of the Dutch Financial Supervision Act), will be restricted from seeking repurchase rights with respect to more than an aggregate of 15% of the Ordinary Shares sold in the Offering, defined as the **Excess Shares**. Such restriction shall also be applicable to affiliates of SPEAR. SPEAR believes this restriction will discourage shareholders from accumulating large blocks of shares, and subsequent attempts by such holders to use their ability to exercise their repurchase rights against a proposed Business Combination as a means to force SPEAR or the Board to repurchase their shares at a significant premium to the then-current market price or on other undesirable terms. Absent this provision, an Ordinary Shareholder holding more than an aggregate of 15% of the Ordinary Shares sold in the Offering could threaten to exercise its repurchase rights if such holder's shares are not purchased by SPEAR or the Board at a premium to the then-current market price or on other undesirable terms. By limiting the Ordinary Shareholders' ability to cause SPEAR to repurchase no more than 15% of the Ordinary Shares sold in the Offering without SPEAR's prior consent, SPEAR believes it will limit the ability of a small group of shareholders to unreasonably attempt to block its ability to complete the Business Combination, particularly in connection with a Business Combination with a target that requires as a closing condition that the Company has a minimum net worth or a certain amount of cash. However, SPEAR does not restrict shareholders' ability to vote all of their shares (including Excess Shares) for or against the Business Combination.

Sequence

On the same date as completion of the Business Combination, subject to complying with applicable law and satisfaction of certain conditions, SPEAR will implement the Revised Share Repurchase Arrangement. The Revised Share Repurchase Arrangement is implemented prior to the conversion of the Special Shares to Ordinary Shares in accordance with the Prospectus and the circular by SPEAR to its shareholders, dated 2 December 2022 (unless it is determined by the Board, after obtaining advice from a reputable Dutch tax counsel, that an alternative sequence should not result in any material adverse Dutch withholding tax consequences for the Ordinary Shareholders).

TAX MATTERS ARE COMPLICATED, AND THE TAX CONSEQUENCES OF EXERCISING YOUR RIGHT TO SEEK A REPURCHASE WILL DEPEND ON THE FACTS OF YOUR OWN SITUATION. YOU SHOULD CONSULT YOUR OWN TAX ADVISOR AS TO THE SPECIFIC TAX CONSEQUENCES OF THE EXERCISE OF THIS RIGHT TO YOU IN YOUR PARTICULAR CIRCUMSTANCES.

7. CORPORATE GOVERNANCE

General

Set out below is an overview of relevant information concerning the Board and the Company's employees on Completion. It includes an overview of certain significant provisions of Dutch corporate law as in effect on the date of this Circular, the articles of association of the Company as they shall read immediately after the deed of conversion and amendment of the Articles (the **Articles of Association**), and the Board Rules as these will be in effect immediately after Completion.

This overview does not purport to give a complete overview and should be read in conjunction with the Articles of Association, the Board Rules, and the relevant provisions of Dutch law as in effect on the date of this Circular. This overview does not constitute legal advice regarding these matters and should not be considered as such. The Articles of Association are available in the governing Dutch language and in an unofficial translation thereof on the Company's website www.spearinvestments.com, and at the Company's business address during regular business hours. The Board Rules in the governing English language are also available on the Company's website.

Management Structure

Upon conversion, the Company will have a one-tier board structure, consisting of Executive Directors and Non-Executive Directors.

At the Completion Date, the provisions of Dutch law, which are commonly referred to as the 'large company regime' (*structuurregime*), do not apply to the Company. The Company may meet the requirements of the 'large company regime' in the future, which may have an impact on the governance described below.

Board

Powers, responsibilities and functioning

As a matter of Dutch law, the Board is responsible for the Company's general affairs. Pursuant to the Articles of Association, the Board may divide its duties among its members, with the Company's day-to-day operations entrusted to the Executive Directors. The Non-Executive Directors supervise the Executive Director's policy and performance of duties and the Company's general affairs and its business, and render advice to the Executive Directors. In addition, both the Executive Directors and Non-Executive Directors must perform any duties allocated to them under or pursuant to Dutch law or the Articles of Association. The division of tasks within the Board is determined by the Board on the basis of a decision taken to that effect with two-thirds of the votes cast in a meeting at which all Directors are present or represented. Each Director has a duty to properly perform the duties allocated to him or her and to act in the Company's corporate interest. Under Dutch law, the corporate interest extends to the interests of all stakeholders, such as shareholders, creditors, employees and others.

Subject to certain statutory exceptions, the Board as a whole is authorised to represent the Company. Any Executive Director is also authorised to represent the Company individually. Pursuant to the Articles of Association, the Board may authorise one or more persons, whether or not employed by the Company, to represent the Company on a continuing basis or authorise in a different manner one or more persons to represent the Company.

Board Rules

Pursuant to the Articles of Association, the Board shall adopt regulations dealing with its internal organisation, the manner in which decisions are taken, the composition of the Board, the duties and organisation of committees and any other matters concerning the Board, the Executive Directors, the Non-Executive Directors and committees established by the Board.

Composition, Appointment, Dismissal and Suspension

Pursuant to the Articles of Association, Directors are appointed by the General Meeting by an absolute majority of the votes cast on a binding nomination by the Board. The General Meeting may at all times overrule the binding nomination by a simple

majority of the votes cast, representing at least one-third of the issued share capital. If a majority of the votes cast is in favour of overruling the binding nomination, but less than one-third of the issued share capital is represented at the General Meeting, a new General Meeting may be convened at which the resolution to overrule the binding nomination may be adopted by a simple majority of the votes cast, regardless of the issued share capital represented by that majority. If the nomination comprises one candidate for a vacancy, a resolution concerning the nomination shall result in the appointment of the candidate, unless the nomination is overruled and notwithstanding the previous sentence. If a binding nomination for the appointment of a Director is overruled or if a majority of the votes cast was in favour of overruling the binding nomination, but less than one-third of the issued share capital was represented at the General Meeting, the Board may make a new binding nomination.

The General Meeting may at all times suspend or dismiss a Director pursuant to a resolution adopted thereto with an absolute majority of the votes cast. A resolution to suspend or dismiss a Director other than at the proposal of the Board requires a simple majority of the votes cast, representing at least one-third of the issued share capital. A second General Meeting as referred to in article 2:120(3) Dutch Civil Code cannot be convened. The Board may at all times suspend an Executive Director. If after three months no decision has been taken on the termination of the suspension or the dismissal, the suspension shall end. A suspension can be terminated by the General Meeting at any time.

Pursuant to the Relationship Agreement, the QEV Shareholders shall have the right to propose two individuals for appointment as Non-Executive Directors by the General Meeting pursuant to a binding nomination by the Board and AZ Capital and STJ Advisors each have the right to propose one individual for appointment as Non-Executive Director by the General Meeting pursuant to a binding nomination by the Board, subject to the binding nomination made by the Board not being overruled by the General Meeting. In addition, AZ Capital and STJ Advisors will each be entitled to appoint one board observer and the QEV Shareholders will be entitled to appoint one board observer.

Term of appointment

A Director shall be appointed for a period ending at the close of the fourth annual General Meeting held after appointment, unless otherwise specified in the appointment resolution. A Director may be reappointed with due observance of the preceding sentence.

Decision-making

Each Director has one vote. The Board adopts its resolutions by an absolute majority in a meeting where more than half of the Directors in office are present or represented, unless the Articles of Association or the Board Rules expressly provide otherwise. In the event of a tie vote, the chairperson of the Board has a casting vote.

Resolutions of the Board regarding an important change in the identity or character of the Company or its associated business enterprise are subject to shareholder approval. This includes in any case: (i) the transfer of the business enterprise, or practically the entire business enterprise, to a third party; (ii) concluding or cancelling a long-lasting cooperation of the Company or a subsidiary with another legal person or company or as a fully liable general partner in a partnership, provided that the cooperation or cancellation is of material significance to the Company; and (iii) acquiring or disposing of a participating interest in the share capital of a company with a value at least one-third of the Company's assets, as shown in the consolidated balance sheet with explanatory notes according to the last adopted annual accounts, by the Company or a subsidiary.

Members of the Board

As of Completion, the Board will be composed of the following members, who will have been appointed for the terms set out below:

Name	Position	Term	Independent within the meaning of the Dutch Corporate Governance Code?
Joan Orús Valls	Executive Director	4 years	N/A
Juan Fernandez Krutchkoff	Executive Director	4 years	N/A

Miriam van Dongen	Non-Executive Director	4 years	Yes
Carlos Conti	Non-Executive Director	4 years	No
Elisa Sanchini	Non-Executive Director	4 years	Yes
Derek Whitworth	Non-Executive Director	4 years	Yes

Joan Orús will be one of the Company's Executive Directors. He is a co-founder of QEV Technologies and a prominent figure in the motorsport industry, having had a distinguished career spanning nearly 30 years, with 15 years in electric supercar development and 10 years in electric racing. As CEO of QEV Technologies, he has led a number of important innovations and the development of sustainable transportation solutions. Under his guidance, QEV has revolutionized sustainable transportation, producing electric-powered vans, platforms, buses, and hydrogen-powered platforms, driving the global adoption of clean energy solutions. Joan Orús's extensive experience in premier motorsport events, including Formula E, RX2e, and Extreme E, has provided him with valuable insights into the future potential of electric racing. Furthermore, under his leadership, he has led the advancement of sustainable transportation solutions, cementing QEV Technologies as an industry leader. In addition to his role at QEV Technologies, Joan Orús has also led successful collaborations with public institutions, including leading the bidding process for acquiring the facilities of Nissan Barcelona. With a Mechanical Engineering degree from ETSEIB, Joan Orús possesses a solid technical foundation that underpins his achievements.

Juan Fernández will be one of the Company's Executive Directors. He is a co-founder of QEV Technologies, and a highly-accomplished professional in the motorsport industry, with a career spanning several prestigious championships. His expertise as a race engineer and technical director has contributed to numerous championship victories, including the Spanish RAID Championship, Spanish Touring Car Championship, USA Champ CART Championship, GABORD Competition, GP2, and Formula E. Throughout his career, Juan Fernández has also dedicated over ten years to developing engines and electric powertrains for the industry. His technical leadership, in collaboration with Joan Orús, has been instrumental in driving the success of QEV Technologies' car projects. As the CTO of QEV Technologies since 2014, Juan Fernández has played a vital role in driving the company's technological advancements and innovation. His contributions extend beyond QEV Technologies, as he has also served as the CTO of Hispano Suiza cars s.l. since 2018, further solidifying his position as a prominent figure in the industry. Prior to his current roles, Juan Fernández held positions such as technical director, Chief Engineer, and Race Engineer at Mahindra Formula E, Team China Racing Formula E, F3 Open Campos Racing, WTCC SEAT Sport/SUNRED, GP2 Campos Racing, World Series, Spanish GT Championship, Gabord Competition, USA Champ CART Championship, and Spanish Touring Car Championship.

Miriam van Dongen is and will be one of the Company's independent Non-Executive Directors. Ms. Van Dongen's current roles are as a non-executive director of Mollie, the early-stage financial technology payment services provider, as well as a non-executive director of Achmea, Kadaster and Optiver. Currently, she is also a board member of SPEAR Investments I BV.

Ms. Van Dongen has held a number of non-executive director roles, including in the logistics, education, retail and banking and and insurance industries. She started her career in 1994 as an equity analyst for IRIS (the former independent research institute of Rabobank and Robeco) before holding positions in Corporate Finance with McKinsey and Company and with Delta Lloyd as director in finance, in treasury, in strategy and m&a and as the CFO of Delta Lloyd Belgium in 2003. After that she became the CFO of the healthcare division of Achmea in 2007, the largest Dutch financial services and insurance business.

Carlos Conti will be one of the Company's Non-Executive Directors. Mr. Conti is a partner at fund management firm Inveready Asset Management SGEIC SA responsible for the private equity division, GAEA Inversión. With more than 15 years of principal investing experience, Mr. Conti has led more than 30 transactions throughout their full cycle. As a member of the strategic public equity vertical centred in high growth quoted companies, which he launched in 2016, he has extensive experience on the board of listed companies which have gone through the IPO process. This was the case in Gigas Hosting SA, Clerhp Estructruas SA and VozTelecom SA, later acquired in a public-to-private transaction by Gamma Communications PLC. Prior to InvereadyAsset Management SGEIC SA, Mr. Conti worked in investment banking being involved in the areas of structured financed at BNP Paribas S.A. in Paris, JP Morgan Chase equity capital markets department in London, and in the Latin America M&A team of UBS Investment Bank in New York. He holds a degree in Economics from the University of Bath and an MBA from IESE Business School (2005-2007).

Elisa Sanchini will be one of the Company's independent Non-Executive Directors. Ms. Sanchini possesses over 19 years of experience in the financial industry. She commenced her career in 2004 as a derivatives sales-trader at HSBC in London. Thereafter, she relocated to Hong Kong and held senior investment advisor positions at Credit Agricole Bank first and Julius Baer Bank after, managing assets under management totalling hundreds of millions.

Since 2020, Ms. Sanchini has served as the Chief Investment Officer of a Single-Family office, where she is responsible for identifying, analyzing, monitoring, and advising on early-stage private investments. She holds a master's degree in economics from Bocconi University in Milan and recently obtained an Executive MBA from NYU Stern, LSE, and HEC Paris.

Derek Whitworth will be one of the Company's independent Non-Executive Directors and chairman of the Board. Mr. Whitworth is currently an Operating Partner at Pamplona Capital Management, having joined in 2012. He is also currently Chairman of CSC Serviceworks, Loparex and Pelsis, and Director at Octo Telematics. He is also a member of the Advisory Group of SPEAR Investments I BV, and was previously the CEO of TMD Friction from 2005 to 2012, a European automotive brake pad company, interim CEO at BBB Industries, an automotive supplier, and at Pelsis.

Mr. Whitworth was born in 1959 and holds a B.Sc. (Hons) degree in Mechanical Engineering (Total Technology) from Imperial College, University of London. Mr. Whitworth started his career as an engineer and manager working across a wide range of countries and industries, from biopharma to offshore oil. He has previously had operational and management roles at Rolls Royce, TRW Aeronautical Systems and Pall Corp. Mr. Whitworth has lived and worked in Japan, the United States, Germany and the United Kingdom. He is a Fellow of the Royal Aeronautical Society and a Freeman of the City of London.

Board Committees

The Board will have an audit committee (the **Audit Committee**) and a selection, appointment and remuneration committee (the **Selection, Appointment and Remuneration Committee**).

The function of these committees is to assist the decision-making of the Board.

Audit Committee

The Audit Committee carries out the following statutory duties:

- notifying the Board of the result of the statutory audit, explaining how the statutory audit has contributed to the integrity of the financial and sustainability reporting and what role the audit committee has in that process;
- the monitoring of the financial-accounting process and preparation of proposals to safeguard the integrity of said process;
- monitoring the effectiveness of the internal control systems, the internal audit function and risk management systems with regard to the Company's financial and sustainability reporting;
- the monitoring of the statutory audit of the annual accounts, and in particular the process of such audit (taking into account the review of the Dutch Authority for the Financial Markets in accordance with Section 26 EU-Regulation 537/2014 of the European Parliament and of the Council of the European Union of 16 April 2014 on specific requirements regarding statutory audit of public interest entities and repealing Commission Decision 2005/909/EC (Audit Regulation);
- assessing and monitoring the independence of the external auditor or the audit firm of the Company, if applicable, specifically taking into account the extension of ancillary services to the Company; and
- determining the selection process for the external auditor or the audit firm of the Company, if applicable and the nomination to perform the assignment to carry out the statutory audit in accordance with Article 16 of the Audit Regulation.

Also, the Audit Committee prepares the Board's decision-making regarding the supervision of the integrity and quality of the Company's financial reporting and the effectiveness of the Company's internal risk management and control system. Furthermore, the Audit Committee focuses on, among other things, monitoring the Board with regard to (a) relations with, and compliance with recommendations and follow up of comments by, the internal and external auditors, (b) the funding of the Company, (c) the application of information and communication technology by the Company, including risks relating to cybersecurity, and (d) the Company's tax policy.

The responsibilities and composition of the Audit Committee are set out in the charter of the Audit Committee.

The members of the Audit Committee will be Carlos Conti, Derek Whitworth and Elisa Sanchini.

Selection, Appointment and Remuneration Committee

The Selection, Appointment and Remuneration Committee carries out the following duties regarding remuneration:

(a) reviewing and evaluating the Company's remuneration policies and benefits policies generally, including the review and recommendation of incentive-compensation and equity-based plans of the Company, as well as the compensation of the Directors;

(b) submitting proposals to the Board concerning changes to the Company's remuneration policies, as relevant;

(c) submitting proposals to the Board concerning the compensation of the Executive Directors, at least covering:

  (i) the compensation structure;

  (ii) the amount of the fixed and variable compensation components;

  (iii) the applicable performance criteria;

  (iv) the scenario analysis that has been carried out;

  (v) the pay ratios within the Company's group; and

  (vi) the views of the Executive Director concerned, with regard to the amount and structure of his or her own compensation,

(d) preparing the Company's compensation report for the Board; and

(e) otherwise assisting the Board in discharging its responsibilities related to remuneration, including but not limited to remuneration of Directors, and preparing the decision making by the Board on these subjects.

The Selection, Appointment and Remuneration Committee carries out the following duties regarding people and culture:

- assisting the Board in discharging its responsibilities with regard to key people and organizational culture strategies, policies and processes and their alignment with the Company's group overall strategy and vision; and

- assisting the Board in discharging its responsibilities with regard to (i) human resources policies, (ii) diversity and inclusion, (iii) performance management and succession planning, and (iv) ensuring that employees and others be safe in all workplaces.

The Selection, Appointment and RemunerationCommittee carries out the following duties regarding selection and appointment of Directors:

(a) drawing up of selection criteria and appointment procedures for the Directors;

(b) reviewing the size and composition of the Board, and submitting proposals for the composition profile of the Board;

(c) reviewing the functioning of individual Directors and reporting on such review to the Board;

(d) drawing up a plan for the succession of Directors;

(e) submitting proposals for (re)appointment of Directors;

(f) supervising the policy of the Board regarding the selection criteria and appointment procedures for the Company's senior management;

(g) overseeing the self-evaluation of the Board and its committees to determine whether they are functioning effectively; and

(h) drawing up the Company's diversity policy for the composition of the Board.

The responsibilities and composition of the Selection, Appointment and Remuneration Committee are set out in the charter of the Selection, Appointment and Remuneration Committee.

The members of the Selection, Appointment and Remuneration Committee will be Elisa Sanchini and Derek Withworth.

Board Remuneration

The remuneration of the Executive Directors will be determined by the Board, with due observance of the remuneration policy as adopted by the General Meeting. The Executive Directors shall not participate in the decision-making of the Board concerning the remuneration of the Executive Directors. The arrangements for Executive Directors in the form of Shares or rights to acquire Shares should be submitted to the General Meeting for approval. For the authorisation of the Board to issue Shares, see the section titled "*Explanatory Notes to the Agenda for the Extraordinary General Meeting*". The remuneration of the Non-Executive Directors will be determined by the Non-Executive Directors who shall form a separate corporate body for this purpose, with due observance of the remuneration policy as adopted by the General Meeting.

The remuneration policies set forth below, including the key terms of the Employment Stock Option Plan (as defined below) to the extent it regards the Board will be proposed to the General Meeting as per agenda item 2f and the explanatory notes thereto.

The remuneration policies aim to attract, motivate and retain highly-qualified individuals and reward them with a market competitive remuneration package that focuses on achieving sustainable financial results aligned with the long-term business strategy of the Company.

Pursuant to the remuneration policy for the Executive Directors, the gross remuneration may consist of:

- a fixed base salary;
- a variable annual bonus;
- a long-term variable incentive; and
- severance arrangements.

Pursuant to the remuneration policy, the remuneration of the Non-Executive Directors may only consist of an annual fee.

Remuneration components

The base salary of the members of the Executive Directors aims to reflect the responsibility and scope of their role, taking into account their level of seniority and experience. The base salary for each Executive Director is a fixed cash compensation paid on a monthly basis. The actual base salary and increases will be reported in the remuneration report.

The base salary will be evaluated periodically taking into account the Company's and individual performance, experience, capability and marketability of the Board as well as general market developments.

Variable annual bonus

The Executive Directors are eligible to receive an annual bonus subject to the achievement of certain pre-determined financial, strategic and operational performance measures, supporting the overall focus on sustainable long-term value creation of the Company. Pursuant to the Company's remuneration policy, the annual bonus is maximum 35% of the annual base salary. The achievement of targets and pay-out levels will be reported in the annual remuneration report.

Long-term variable incentive

The Executive Directors are eligible for the Employment Stock Option Plan (as defined below) as further set out under "*Long-Term Incentive Plan*".

Fringe benefits

The Executive Directors are entitled to certain customary fringe benefits such as expense allowances, reimbursements of costs and health insurance. Where appropriate, the Company may meet certain costs relating relocations of Exexutive Directors and (if necessary) expatriate benefits.

Service management agreement and Severance payment

Each Executive Director has entered into a service management agreement. The service management agreements provide for a maximum severance pay of two annual fixed base salaries if the Executive Director is not re-appointed or otherwise terminated by the Company. See also "*Dutch Corporate Governance Code* ".

Remuneration of the Executive Directors

The expected individual remuneration of the Executive Directors will be as follows:

Name	**Salary (including bonus)**
Joan Orús Valls	€207,000
Juan Fernández Krutchkoff	€185,625

Non-Executive Directors Remuneration

The remuneration policy with respect to the Non-Executive Directors has been designed to ensure that the Company attracts, retains and appropriately compensates a diverse and highly-experienced group of Non-Executive Directors.

The chairman of the Board is entitled to gross annual fee of €75,000, and each other Non-Executive Director is entitled to a gross annual fee of € 50,000. The Non-Executive Directors will not receive any variable remuneration such as performance shares and/or rights to performance shares and will not be entitled to any severance pay. The Non-Executive Directors shall be reimbursed for all reasonable costs, such as costs for relocation (not exceeding a total amount of € 5,000).

Board Conflicts of Interest

Under Dutch law, a member of the Board who has a personal conflict of interest must in principle abstain from participating in the deliberation and the decision-making process with respect to the relevant matter. Such a conflict of interest in any event

exists if in the situation at hand the member of the Board is deemed to be unable to serve the interests of the company and the business connected with it with the required level of integrity and objectivity. If any such member was nevertheless involved in the decision-making process, then such decision may be nullified.

Pursuant to the Board Rules, any member of the Board shall report any actual or potential conflict of interest without delay to the chairperson of the Board, or in the chairperson's absence, the vice-chairperson. If the chairperson of the Board has an actual or potential conflict of interest, he or she should report this to the vice-chairperson of the Board (if a vice-chairperson has been appointed), or in the vice-chairperson's absence, to the other Directors. All transactions in which there is a conflict of interest with Directors must be concluded on terms that are customary in the sector or industry concerned and approved by the Board. A member of the Board may not participate in the discussions and decision making with respect to a matter in relation to which he or she has a direct or indirect personal conflict of interest. In such event, the other Directors shall be authorised to adopt the resolution. See "*Business Combination – Principal Terms of the Business Combination*" for a description of the applicable rules in the event of any such conflict of interest in respect of the Business Combination Agreement. In addition, if a member of the Board does not comply with the provisions on conflicts of interest, the resolution concerned may be subject to nullification (*vernietigbaar*). If all Directors have a conflict of interest as referred to above, the resolution shall be adopted by the Board, irrespective of the conflict of interest.

Related Party Transactions

The Company's related party transactions policy provide for rules on related party transactions in accordance with Dutch law and the Dutch Corporate Governance Code. Related party transactions include transactions between the Group and "related parties" as further set out in the Company's related party transactions policy. The related party transaction rules provide for procedures for Directors to notify a potential related party transaction. Any member of the Board who is involved in an extraordinary material related party transaction cannot participate in the deliberations or decision-making with respect to the related party transaction concerned.

Potential Conflicts of Interest and Other Information

See "*Related Party Transactions*" for a description of the related party transactions.

The Company entered into services agreements with the main shareholders of the Sponsors to act as financial advisers in connection with the Business Combination, and such shareholders also entered into a subscription agreement as part of the PIPE financing in connection with the Business Combination. As a result, the interests of the Sponsors may be different from, or in addition to, those of the other Shareholders.

The Company, other than as described above and in "*Business Combination*", is not aware of any other circumstance that may lead to a potential conflict of interest between the private interests or other duties of Directors vis-à-vis the Company's interests. There is no family relationship between any Directors. With respect to each of the Directors, the Company is not aware of (i) any convictions in relation to fraudulent offences in the last five years; (ii) any bankruptcies, receiverships or liquidations of any entities in which such member held any office, directorship or senior management position in the last five years; or (iii) any official public incriminations or sanctions of such member by statutory or regulatory authorities (including designated professional bodies), or disqualifications by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

Directors' Indemnification and Insurance

Under Dutch law, Directors may be liable to the Company for damages in the event of improper or negligent performance of their duties. They may be jointly and severally liable for damages to the Company and to third parties for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code. In certain circumstances, they may also incur additional specific civil and criminal liabilities. Directors and certain other officers of the Company and certain subsidiaries are insured under an insurance policy against damages resulting from their conduct when acting in their capacities as such Directors or officers.

Directors are insured under an insurance policy taken out by the Company against damages resulting from their conduct when acting in their capacities as Directors. In addition, the Articles of Association provide for indemnification of the Company's current and former Directors against any and all actual or threatened, claims, costs, charges, losses and liabilities incurred by such persons in relation to the execution of their duties or the exercise of their powers or any other acts performed in any such capacities in or for the Company (or such other position as the indemnified person performs or has performed at the request of the Company) including, without limitation, a liability incurred in defending proceedings. This indemnification does not apply if an act or failure to act was intentional (*opzettelijk*), intentionally reckless (*bewust roekeloos*) or seriously culpable (*ernstig verwijtbaar*), as established in final judgement by a Dutch court or, in the case of artbitration, by an arbiter. The Board may also resolve to indemnify current or former officers of the Company.

Diversity

On 1 January 2022, a new law (*Wet voor meer evenwicht tussen het aantal mannen en vrouwen in de top van het bedrijfsleven*) introducing gender diversity requirements for members of boards of directors entered into force. In terms of such law, Dutch companies listed on a Dutch regulated market with a one-tier board are required to comply with a quota of at least one-third for both female non-executive directors and male non-executive directors (if the number of members is not divisible by three, the one-third requirement is based on the next rounded up number). For as long as the board is not 'gender balanced' under this rule, a board nominee from the overrepresented gender cannot be appointed, unless it concerns the reappointment of a member of the board within the first eight years after the year of that board member's first appointment. A new appointment not in accordance with the one-third quota will be regarded as null and void (*nietig*). As a result, the person in question will not become a member of the board of the company.

The Company will be compliant with these rules as of Completion, as the Board will be composed of two female non-executive members and two male non-executive members as of Completion.

Long-Term Incentive Plan

Transaction Bonus

The management team and certain employees of QEV shall be entitled to, upon Completion, receive a transaction bonus of €500,000 gross, to be allocated amongst the members of such management team and other employees in accordance with the distribution, which is decided by Directors of SPEAR, considering the proposal made by the Executive Directors (the **Transaction Bonus**).

Employee Stock Option Plan

The Company intends to implement an Employee Stock Option Plan (**ESOP**) aimed at fostering an engaged employee community who can share in the successes of the Company as it grows and matures. The ESOP furthermore serves as a retention tool for critical talent.

Under the ESOP, the Executive Directors and certain employees will be entitled to receive Ordinary Shares. The Ordinary Shares received under the ESOP will be subject to a lock-up period to align shareholder interests and increase retention of participating employees within the Company. Participants in the ESOP are eligible to receive shares, dependent on the Company's stock price achieving certain milestones, and provided that the shares are held by the participant during the lock-up period as set out in the ESOP.

A maximum of 700,000 Ordinary Shares will be paid to the participants in case all the abovementioned milestones are completed (the **Maximum ESOP Shares**). The participants will be entitled to receive the corresponding Ordinary Shares in the following tranches and in accordance with the completion of the following ESOP milestones (the **ESOP Milestones**):

– Tranche 1: Tranche 1 of the ESOP is equivalent to 1/3 of the Maximum ESOP Shares, this is a total of 233,333 Ordinary Shares. Tranche 1 will be unlocked in case the price of the Ordinary Share reaches €12 per share.

– Tranche 2: Tranche 2 of the ESOP is equivalent to 1/3 of the Maximum ESOP Shares, this is a total of 233,333 Ordinary Shares. Tranche 2 will be unlocked in case the price of the Ordinary Share reaches €13 per share.

– Tranche 3: Tranche 3 of the ESOP is equivalent to 1/3 of the Maximum ESOP Shares, this is a total of 233,334 Ordinary Shares. Tranche 3 will be unlocked in case the price of the Ordinary Share reaches €14 per share.

The amount of ESOP shares which are accrued at each given time is referred to as the **Accrued ESOP Shares**. The Accrued ESOP Shares will be vested monthly at a rate of 1/36 per month upon completion of the relevant ESOP Milestone (the **Vesting Ratio**).

The specific allocation of the number of Accrued ESOP Shares at each time to each of the members of the ESOP Team will be subject to approval by the Board, considering the proposal of the Selection, Appointment and Remuneration Committee. The Executive Directors do not participate in the deliberation and decision-making regarding the determination of the remuneration of the Executive Directors.

Lock-up Period

Each participant shall not, except as set forth below, transfer or dispose the Accrued ESOP Shares in favor of any third party until the following periods have elapsed:

(i) Once twenty-four (24) months have elapsed (as from the day the relevant Accrued ESOP Shares vested): one third (1/3) of the Accrued ESOP Shares will be released from the lock-up provision.

(ii) Once thirty (30) months have elapsed (as from the day the relevant Accrued ESOP Shares vested): an additional one third (1/3) of the Accrued ESOP Shares will be released from the lock-up provision.

(iii) Once thirty six (36) months have elapsed (as from the day the relevant Accrued ESOP Shares vested): an additional one third (1/3) of the Accrued ESOP Shares will be released from the lock-up provision.

(iv) Once forty two (42) months have elapsed (as from the day the relevant Accrued ESOP Shares vested): any remaining Accrued ESOP Shares will be released from the lock-up provision.

The aforementioned lock-up provisions shall not be applicable to:

- accepting a general offer made to all the holders of shares in the capital of the Company in accordance with the Dutch Financial Supervision Act on terms that treat all such holders alike and that has become or been declared unconditional in all respects by the Board, or the provision of an irrevocable undertaking to accept such an offer;

- the sale, transfer or other disposal of Ordinary Shares as required in the context of a sell-to-cover arrangement to cover tax liabilities pursuant to any employees' share and incentive scheme of the Group;

- the sale, transfer or other disposal of Ordinary Shares by a person to a personal holding company under the control of such person or any similar vehicle under the control of such person, provided that such holding company or vehicle provides undertakings to the Company equivalent to those agreed in this schedule; and

- where required by any relevant court or regulatory authority.

The monetary value of the variable remuneration to be awarded under the ESOP depends on various factors, including:

- the share price, both in the sense that it determines whether the ESOP Milestones will be achieved, and that it determines the value of the shares awarded upon vesting; and
- specific allocation of the number of Accrued ESOP Shares upon reaching respective ESOP Milestones.

Dutch Corporate Governance Code

The Dutch Corporate Governance Code applies to the Company as the Company has its corporate seat in the Netherlands and its Ordinary Shares are listed on Euronext Amsterdam.

The Dutch Corporate Governance Code is based on a 'comply or explain' principle. Accordingly, companies are required to disclose in their management report whether or not they are complying with the various best practice provisions of the Dutch Corporate Governance Code that are addressed to the Board. If a company deviates from a best practice provision in the Dutch Corporate Governance Code, the reason for such deviation must be properly explained in its management report.

The Company acknowledges the importance of good corporate governance. The Company agrees with the general approach and with the majority of the provisions of the Dutch Corporate Governance Code. However, considering its interests and the interest of its stakeholders, the Company deviates from a limited number of best practice provisions.

The best practice provisions of the Dutch Corporate Governance Code the Company expects not to comply with following Completion are:

- *Best Practice Provisions 1.3.1, 1.3.2, 1.3.3, 1.3.4 and 1.3.5: Absence of internal audit function*

  In deviation from provisions 1.3.1, 1.3.2, 1.3.3, 1.3.4 and 1.3.5 of the Dutch Corporate Governance Code, the Company will not have an internal audit function. It has been concluded that, given the size, complexity and risk profile of the Company, an internal audit function is currently not required. The Audit Committee will continue to evaluate the need for an internal audit function on an annual basis and will report its findings and recommendations to the Board.

- *Best Practice Provision 2.3.2: Combination of Remuneration Committee and Selection and Appointment Committee*

  In deviation from provision 2.3.2 of the Dutch Corporate Governance Code, the Company will not install a separate Remuneration Committee and a Selection and Appointment Committee as of Completion, but instead these will be combined into one committee in the form of the Selection, Appointment and Remuneration Committee.

- *Best Practice Provision 3.2.3: Severance payments*

  In deviation from provision 3.2.3 of the Dutch Corporate Governance Code, the severance payments for the Executive Directors are capped at two year's salary, instead of one year's salary. This deviation is made to counterbalance their relatively moderate remuneration compared to other Dutch listed companies and to ensure the Executive Directors' financial security upon termination and to keep the Company's remuneration competitive.

7.1 DESCRIPTION OF SHARE CAPITAL AND CORPORATE STRUCTURE

Set out below is a summary of the relevant information concerning the Company's share capital and of the relevant significant provisions of Dutch law and the Articles of Association. It is based on relevant provisions of Dutch law in effect on the date of this Shareholder Circular and the Articles of Association. This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the Articles of Association and the relevant provisions of Dutch law. The full text of the Articles of Association (in Dutch, and an unofficial English translation) will be available free of charge on the Company's website (www.spearinvestments.com) or, during their normal business hours, at the registered office of the Company from the date of this Shareholder Circular until at least the Completion Date. See also section "*Corporate Governance*" for a summary of the material provisions of the Articles of Association and Dutch law relating to the Board.

General

The Company is incorporated as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) governed by Dutch law and is registered in the Business Register of the Netherlands Chamber of Commerce (*handelsregister*

van de Kamer van Koophandel) under number 83051899. The Company's LEI is 213800HZ8NNFILOCWB40. The Company will be converted into a public company (*naamloze vennootschap*) on the Completion Date.

QEV Technologies is incorporated as a private limited company (*Sociedad Limitada)* governed by Spanish Law and is registered with the Spanish Trade Register under number B98585714.

Corporate Purpose

Pursuant to article 3 of the Articles of Association, the Company's objects are:

a. consultancy and promotion of sportsmen and sportswomen, representing them in competitions, managing competition teams, conducting R&D projects in the automotive and health sectors, and manufacturing, marketing, and selling sports and health-related products. Additionally, the company engages in the sale of books and magazines, coordinates professional activities, provides services related to the automotive sector, and manufactures, markets, and sells motor vehicles and related products, including electric vehicles, and offers services in the automotive sector;

b. to incorporate, participate in and conduct the management of other companies and enterprises;

c. to render administrative, technical, financial, economic or managerial services to other companies, persons and enterprises;

d. to acquire, dispose of, manage and utilize real property, personal property and other goods, including patents, trademark rights, licenses, permits and other industrial property rights;

e. to borrow, lend and raise funds, including the issue of bonds, promissory notes or other financial instruments and to enter into agreements in connection with aforementioned activities; and

f. to grant guarantees, bind the Company and to pledge or otherwise encumber its assets for obligations of the Company, subsidiaries and third parties,

g. and to perform all activities which are incidental to or which may be conducive to any of the foregoing.

Share Capital

Issued Share Capital

As at the Completion Date, and assuming no stock price conversion trigger event has occurred with respect to the Special Shares and Warrants, the Company's issued share capital is expected to amount to €638,750, divided into 2,875,000 Special Shares, each with a nominal value of €0.01, 60,000,000 Ordinary Shares, each with a nominal value of €0.01 and one Capital Share with a nominal value of €10,000.

All shares are in registered form. At the date of this Shareholder Circular, all outstanding shares are paid up. The shares have been created under, and are subject to, Dutch law.

Special Shares

Following completion of the Business Combination, the Special Shares will convert automatically into Ordinary Shares in accordance with the schedule as set out in the Amended Promote Structure. Any Special Shares shall remain subject to the lock-up provisions as set out in the Prospectus, p. 151-152.

Capital Shares

As at the date of this Circular, the AZ Capital Sponsor holds 1 Capital Share. Upon Completion and the conversion of the Company into an N.V., this Capital Share will carry one million votes and the AZ Capital Sponsor is annually entitled to 1% of the nominal value (€ 10,000) of the Capital Share, in accordance with the provisions of the Articles of Association. The AZ

Capital Sponsor will agree not to exercise the voting rights on its Capital Share and to grant a right of pledge (*pandrecht*) on its Capital Share in favour of the Company (as pledgee), effectively resulting in the situation that the voting rights attached to the Capital Share cannot be exercised by the AZ Capital Sponsor in the general meeting of the Company.

Founder Warrants

Please see the Prospectus, p. 126 - 127 for a description of the Founder Warrants. Please refer to section *"Amended Promote Structure – Founder Warrants*" for further detail.

Pre and immediately following the Business Combination Shareholding Structure

The following tables include details of the securities in the following scenarios: (i) pre-Business Combination; (ii) immediately following the Business Combination (no repurchase); and (iii) immediately following the Business Combination (maximum repurchase).

The 'No Repurchase Scenario' assumes that no Ordinary Shares are repurchased by the Company under the Revised Share Repurchase Arrangement from the Shareholders, plus committed funds to date (excluding Backstop Instrument), resulting in Proceeds of €60.1 million.

The 'Maximum Repurchase Scenario' assumes that the 4,438,912 Ordinary Shares held by the public shareholders not subject to non-redemptions commitments are repurchased by the Company under the Revised Share Repurchase Arrangement for an aggregate payment of approximately €47.4 million (based on the estimated per share repurchase price of approximately €10.69 per Ordinary Share) from the Escrow Account, plus remaining committed funds to date, resulting in Proceeds of €23.1 million.

(i) Pre-Business Combination Shareholding Structure

	Pre-Business Combination									
	Ordinary shares		Special shares[1]		Founder warrants		Public Warrants		Capital shares	
	#	%	#	%	#	%	#	%	#	%
STJ Advisors Sponsor	-	-	953,637	21.8%	1,778,124	21.8%	-	-	-	0.0%
AZ Capital Sponsor	-	-	2,335,218	53.4%	4,347,523	53.3%	-	-	1	100.0%
Total Sponsors	**-**	**-**	**3,288,855**	**75.2%**	**6,125,647**	**75.2%**	**-**	**-**	**1**	**100.0%**
Total Direct Investors	-	-	1,086,145	24.8%	2,025,186	24.8%	-	-	-	0.0%
Total SPEAR Promote	**-**	**-**	**4,375,000**	**100.0%**	**8,150,833**	**100.0%**	**-**	**-**	**1**	**100.0%**
SPEAR Shareholders / Warrantholders	**5,063,912**	**100.0%**	**-**	**-**	**-**	**-**	**8,750,000**	**100.0%**	**-**	**-**
New funds	-	-	-	-	-	-	-	-	-	-
Backstop facility	-	-	-	-	-	-	-	-	-	-
Company Shareholders	-	-	-	-	-	-	-	-	-	-
Convertible Instrument Holders + EIB	-	-	-	-	-	-	-	-	-	-
TOTAL	**5,063,912**	**100.0%**	**4,375,000**	**100.0%**	**8,150,833**	**100.0%**	**8,750,000**	**100.0%**	**1**	**100.0%**

1. 50% of Special shares to convert upon Business Combination, 25% of shares to convert once the share price for any 10 trading days within a consecutive 30 trading day period exceeds €12 and 25% of shares to convert for any 10 trading days within a consecutive 30 trading day period exceeds €14

(ii) Immediately following the Business Combination (No Repurchase Scenario) -assumes €50.6 million contributed by the Shareholders and €9.1 million of committed new funds

	Post-Business Combination											
	Ordinary shares at BC		Special shares at €12		Special shares €14		Founder warrants		Public Warrants		Capital shares	
	#	%	#	%	#	%	#	%	#	%	#	%
STJ Advisors Sponsor	295,083	1.7%	152,720	10.6%	152,720	10.6%	499,230	6.1%	-	-	-	-
AZ Capital Sponsor	722,583	4.0%	373,972	26.0%	373,972	26.0%	1,220,619	15.0%	-	-	1	100.0%
Total Sponsors	**1,017,666**	**5.7%**	**526,692**	**36.6%**	**526,692**	**36.6%**	**1,719,849**	**21.1%**	**-**	**-**	**1**	**100.0%**
Total Direct Investors	407,334	2.3%	245,815	17.1%	245,815	17.1%	768,595	9.4%	-	-	-	-
Total SPEAR Promote	**1,425,000**	**8.0%**	**772,507**	**53.7%**	**772,507**	**53.7%**	**2,488,444**	**30.5%**	**-**	**-**	**1**	**100.0%**
SPEAR Shareholders / Warrantholders	**5,063,912**	**28.4%**	**-**	**-**	**-**	**-**	**-**	**-**	**8,750,000**	**100.0%**	**-**	**-**
PIPE	210,000	1.2%	-	-	-	-	-	-	-	-	-	-
Inveready and GAEA Share Capital Increase	814,991	4.6%	243,750	17.0%	243,750	17.0%	271,332	3.3%	-	-	-	-
New funds	**1,024,991**	**5.7%**	**243,750**	**17.0%**	**243,750**	**17.0%**	**271,332**	**3.3%**	**-**	**-**	**-**	**-**
Backstop	**-**	**-**	**421,243**	**29.3%**	**421,243**	**29.3%**	**1,375,890**	**16.9%**	**-**	**-**	**-**	**-**
EVI Mobility, S.L.	1,916,976	10.7%	-	-	-	-	-	-	-	-	-	-
SIFAI S.L.U.	1,092,097	6.1%	-	-	-	-	281,008	3.4%	-	-	-	-
Charming Crystal, Ltd	934,522	5.2%	-	-	-	-	240,462	3.0%	-	-	-	-
Engiser S.L.U.	896,939	5.0%	-	-	-	-	230,792	2.8%	-	-	-	-
RE Motorsports Investment, S.L.U.	819,066	4.6%	-	-	-	-	210,754	2.6%	-	-	-	-
Antonio Garcia Navarro	537,442	3.0%	-	-	-	-	138,289	1.7%	-	-	-	-
Other	395,552	2.2%	-	-	-	-	101,780	1.2%	-	-	-	-
Company Shareholders	**10,347,871**	**57.9%**	**-**	**-**	**-**	**-**	**2,169,358**	**26.6%**	**-**	**-**	**-**	**-**
Convertible Instrument Holders + EIB	**-**	**-**	**-**	**-**	**-**	**-**	**1,845,809**	**22.6%**	**-**	**-**	**-**	**-**
TOTAL	**17,861,774**	**100.0%**	**1,437,500**	**100.0%**	**1,437,500**	**100.0%**	**8,150,833**	**100.0%**	**8,750,000**	**100.0%**	**1**	**100.0%**

(iii) Immediately following the Business Combination (Maximum Repurchase Scenario) - assumes €6.25 MM committed by SPEAR Shareholders, €9.1 MM of committed new funds and €7.4 MM from Backstop Facility

	Post-Business Combination											
	Ordinary shares at BC		Special shares at €12		Special shares €14		Founder warrants		Public Warrants		Capital shares	
	#	%	#	%	#	%	#	%	#	%	#	%
STJ Advisors Sponsor	267,672	1.9%	78,070	12.5%	78,070	12.5%	336,287	4.8%	-	-	-	-
AZ Capital Sponsor	655,462	4.7%	191,174	30.6%	191,174	30.6%	822,224	11.8%	-	-	1	100.0%
Total Sponsors	**923,135**	**6.6%**	**269,244**	**43.1%**	**269,244**	**43.1%**	**1,158,512**	**16.7%**	**-**	**-**	**1**	**100.0%**
Total Direct Investors	326,865	2.3%	140,418	22.5%	140,418	22.5%	583,013	8.4%	-	-	-	-
Total SPEAR Promote	**1,250,000**	**9.0%**	**409,661**	**65.5%**	**409,661**	**65.5%**	**1,741,525**	**25.0%**	**-**	**-**	**1**	**100.0%**
SPEAR Shareholders / Warrantholders	**625,000**	**4.5%**	**-**	**-**	**-**	**-**	**-**	**-**	**8,750,000**	**100.0%**	**-**	**-**
PIPE	210,000	1.5%	-	-	-	-	-	-	-	-	-	-
Inveready and GAEA Share Capital Increase	739,991	5.3%	-	-	-	-	271,332	3.9%	-	-	-	-
New funds	**949,991**	**6.8%**	**-**	**-**	**-**	**-**	**271,332**	**3.9%**	**-**	**-**	**-**	**-**
Backstop	**738,315**	**5.3%**	**215,339**	**34.5%**	**215,339**	**34.5%**	**926,817**	**13.3%**	**-**	**-**	**-**	**-**
EVI Mobility, S.L.	1,916,976	13.8%	-	-	-	-	-	-	-	-	-	-
SIFAI S.L.U.	1,092,097	7.9%	-	-	-	-	281,008	4.0%	-	-	-	-
Charming Crystal, Ltd	934,522	6.7%	-	-	-	-	240,462	3.5%	-	-	-	-
Engiser S.L.U.	896,939	6.4%	-	-	-	-	230,792	3.3%	-	-	-	-
RE Motorsports Investment, S.L.U.	819,066	5.9%	-	-	-	-	210,754	3.0%	-	-	-	-
Antonio Garcia Navarro	537,442	3.9%	-	-	-	-	138,289	2.0%	-	-	-	-
Other	395,552	2.8%	-	-	-	-	101,780	1.5%	-	-	-	-
Company Shareholders	**10,347,871**	**74.4%**	**-**	**-**	**-**	**-**	**2,169,358**	**31.2%**	**-**	**-**	**-**	**-**
Convertible Instrument Holders + EIB	**-**	**-**	**-**	**-**	**-**	**-**	**1,845,809**	**26.5%**	**-**	**-**	**-**	**-**
TOTAL	**13,911,177**	**100.0%**	**625,000**	**100.0%**	**625,000**	**100.0%**	**6,954,840**	**100.0%**	**8,750,000**	**100.0%**	**1**	**100.0%**

Shareholders' Register

The Ordinary Shares are in registered form (*op naam*). No share certificates (*aandeelbewijzen*) are or may be issued.

Pursuant to Dutch law and the Articles of Association, the Company must keep a shareholders' register (the **Shareholders' Register**). The Shareholders' Register records the names and addresses of all holders of Shares and must be kept up to date. In the Shareholders' Register, the names and addresses of all other persons holding meeting rights (being the right to be invited to and attend General Meetings and to speak at such meetings and the other rights the Dutch Civil Code grants to persons holding depository receipts for shares issued with the cooperation of the Company, as a Shareholder or as a person to whom these rights have been attributed in accordance with the Articles of Association) must also be recorded, as well as the names and addresses of all holders of a right of pledge or usufruct in respect of shares not holding meeting rights. The Shareholders' Register also contains the names and addresses of usufructuaries (*vruchtgebruikers*) or pledgees (*pandhouders*) of Shares, stating whether they hold the rights attached to such shares pursuant to Section 2:88 paragraphs 2, 3 and 4, as it relates to

usufructuaries (*vruchtgebruikers*), and Section 2:89 paragraphs 2, 3 and 4, as it relates to pledgees (*pandhouders*), of the Dutch Civil Code and, if so, which rights have been conferred upon them. With regard to pledgees, the Company will deviate from the Dutch Civil Code such that the Shareholders' Register shall state that neither the voting right attached to the Shares, nor the rights attached under Dutch law to "depositary receipts" for shares issued with the Company's cooperation (as contemplated in the Dutch Civil Code), have been conferred upon them. The Shareholders' Register shall also state, with regard to each Shareholder, pledgee or usufructuary, the date on which they acquired the Shares, their right of pledge or usufruct as well as the date of acknowledgement or service.

If requested, the Board will provide a Shareholder, usufructuary or pledgee of such Shares with an extract from the Shareholders' Register relating to his or her title to a Share free of charge. If the Shares are encumbered with a right of usufruct (*vruchtgebruik*) or a right of pledge (*pandrecht*), the extract will state to whom such rights will fall. The Shareholders' Register is kept by the Board. For shares as referred to in the Dutch Act on Securities Transactions by Giro (*Wet giraal effectenverkeer*, the **Dutch Securities Transactions Act**), more particular the Ordinary Shares, which are included in: (i) a collective depot as referred to in the Dutch Securities Transactions Act, of which shares form part, as being kept by an intermediary, as referred to in the Dutch Securities Transactions Act; or (ii) a giro depot as referred to in the Dutch Securities Transactions Act of which shares form part, as being kept by a central institute as referred to in the Dutch Securities Transactions Act, the name and address of the relevant intermediary or the relevant central institute shall be entered in the Shareholders' Register, stating the date on which those shares became part of such collective depot or giro depot, the date of acknowledgement by or giving of notice to, as well as the paid-up amount on each share.

Issuance of Shares

Resolutions to issue Shares are adopted by the General Meeting or the Board if the General Meeting designates the Board to do so. A resolution of the General Meeting to issue Shares or to designate the Board as competent corporate body to issue Shares, can be adopted with an absolute majority. This also applies to the granting of rights to subscribe for Shares, such as options, but is not required for an issue of Shares pursuant to the exercise of a previously granted right to subscribe for Shares. A designation by the General Meeting to issue Shares must state the term for which it is valid, which term may not be longer than five years. The designation may be renewed in each case for another maximum period of five years. Unless provided otherwise in the authorisation, it may not be withdrawn.

Prior to the Completion Date, it is expected that the General Meeting will designate the Board as the body authorised to issue Ordinary Shares, to grant rights to subscribe for Shares and to restrict or exclude statutory pre-emptive rights in relation to such issuances of Ordinary Shares or granting of rights to subscribe for Ordinary Shares. Aforementioned authorisation of the Board is limited to a maximum of 10% of the Shares at the time of issuance, and is valid for a period of 18 months as of Completion.

Certain aspects of Taxation of the issuance of Ordinary Shares are described in the section "*Taxation*". Moreover, as of the date of this Shareholder Circular, there is no intention to issue new Special Shares.

Pre-emptive Rights

Upon issue of Ordinary Shares, each holder of Ordinary Shares shall have pre-emptive rights in proportion to the number of its Ordinary Shares. Upon issue of Capital Shares, each holder of Capital Shares shall have pre-emptive rights in proportion to the aggregate nominal value of its Capital Shares. Upon issue of Special Shares, each holder of Special Shares shall have pre-emptive rights in proportion to the aggregate nominal value of its Special Shares.

Shareholders shall not have pre-emptive rights in respect of Shares issued: (i) to employees of the Company or of a group company of the Company as defined in Section 2:24b of the Dutch Civil Code; (ii) against payment other than in cash; and (iii) to a person exercising a previously acquired right to subscribe for Shares. These pre-emptive rights and non-applicability of pre-emptive rights also apply in case of the granting of rights to subscribe for Ordinary Shares or Special Shares.

Pursuant to the Articles of Association, the pre-emptive rights may be restricted or excluded pursuant to a resolution of the General Meeting. The proposal to this effect must explain in writing the reasons for the proposal and the intended issue price.

The pre-emptive rights may also be restricted or excluded by the Board if the Board has been designated by a decision of the General Meeting for a limited period of time of no longer than eighteen months to restrict or exclude the pre-emptive rights.

Pursuant to a resolution of the General Meeting to be adopted on or prior to the Completion Date, the Board is authorised for a period of 18 months following the Completion Date, to resolve to restrict or exclude pre-emptive rights of Shareholders in relation to the issue of, or grant of rights to subscribe for, Ordinary Shares for which it was authorised by the General Meeting to resolve upon as described above.

Reduction of Share Capital

Subject to the provisions of Dutch law and the Articles of Association, the General Meeting may, but only if proposed by the Board and in compliance with Section 2:99 of the Dutch Civil Code, pass resolutions to reduce the issued share capital by: (i) cancelling Shares; or (ii) reducing the value of the Shares by amendment of the Articles of Association. A resolution to cancel Shares can only relate to (i) Shares held by the Company itself or of which it holds depositary receipts; or (ii) Special Shares, with repayment, but only with the approval of the meeting of holders of Special Shares; or (iii) Capital Shares, with repayment, but only with the approval of the meeting of holders of Capital Shares. The resolution must be passed by a majority of at least two-thirds of the votes cast if less than half of the issued capital is represented at the General Meeting. Reduction of the nominal value of the Shares without repayment and without release from the obligation to pay up the Shares shall take place proportionately on all Shares. This *pro rata* requirement may be waived if all Shareholders concerned have given their consent hereto.

In addition, Dutch law contains detailed provisions regarding the reduction of capital.

Certain aspects of Taxation of a reduction of share capital are described in the section "*Taxation*".

Acquisition of own Shares

Subject to the approval of the General Meeting, the Board is authorised to acquire its own fully paid-up Ordinary Shares either for no consideration (*om niet*), under universal succession of title or if: (i) the Company's equity, less the payment required to make the acquisition, does not fall below the sum of called-up and paid-in share capital and any statutory reserves; (ii) the aggregate nominal value of the Ordinary Shares which the Company acquires, holds or holds as pledge or which are held by a subsidiary does not exceed 50% of the issued share capital; and (iii) the Board has been authorised by the General Meeting to repurchase Ordinary Shares. The Company may, without authorisation by the General Meeting, acquire its own Ordinary Shares for the purpose of transferring such Ordinary Shares to its employees under a scheme applicable to such employees, provided such Ordinary Shares are quoted on the price list of a stock exchange.

The Board, pursuant to a resolution of the General Meeting to be adopted prior to the Completion Date, will be authorised for a period of 18 months following the Completion Date to acquire Ordinary Shares up to a maximum of 10% of the aggregate number of Ordinary Shares issued on the Completion Date, provided the Company will hold no more Ordinary Shares in stock than at maximum 50% of the issued share capital, either through purchase on a stock exchange or otherwise, at a price, excluding expenses, not lower than the nominal value of the Ordinary Shares and not higher than the opening price on Euronext Amsterdam on the day of the repurchase plus 10%.

The Company may not cast votes on, and is not entitled to dividends paid on, Ordinary Shares held by it nor will such Ordinary Shares be counted for the purpose of calculating a voting quorum. Votes may be cast on Ordinary Shares held by the Company if the Ordinary Shares are encumbered with a right of usufruct that benefits a party other than the Company or a subsidiary, the voting right attached to those Ordinary Shares accrues to another party and the right of usufruct was established by a party other than the Company or a subsidiary before the Ordinary Shares belonged to the Company or the subsidiary. No dividend shall be paid on the Ordinary Shares held by the Company in its own capital, unless such Ordinary Shares are subject to a right of usufruct or pledge. For the computation of the profit distribution, the Ordinary Shares held by the Company in its own capital shall not be included. The Board is authorised to dispose of the Company's own Ordinary Shares held by it.

Certain aspects of Taxation of the repurchase of Ordinary Shares are described in the section "*Taxation*".

Form and Transfer of Shares

The Ordinary Shares are in registered form. The Shareholders' Register is held at the Company's head office. No share certificates will be issued for Ordinary Shares. The names and addresses of the holders of Ordinary Shares in registered form and usufructuaries (*vruchtgebruikers*) in respect of such Ordinary Shares are recorded in the Shareholders' Register and any other information prescribed by Dutch law.

The transfer of rights a Shareholder holds with regard to Ordinary Shares included in the giro system as referred to in the Dutch Securities Transactions Act (the **Statutory Giro System**) must take place in accordance with the provisions of the Dutch Securities Transactions Act. The transfer of an Ordinary Share in registered form (not included in the Statutory Giro System) requires a deed to that effect and acknowledgement by the Company.

If a registered Ordinary Share is transferred for inclusion in a collective deposit, the transfer will be accepted by the intermediary concerned. If a registered Ordinary Share is transferred for inclusion in a giro deposit, the transfer will be accepted by the central institute, being Euroclear Nederland. Upon issue of a new Ordinary Share to Euroclear Nederland or to an intermediary, the transfer and acceptance in order to include the Ordinary Share in the giro deposit or the collection deposit will be effected without the cooperation of the other participants in the collection deposit or the giro deposit, respectively. Deposit shareholders are not recorded in the Shareholders' Register. Ordinary Shares included in the collective deposit or giro deposit can only be delivered from a collective deposit or giro deposit with due observance of the related provisions of the Dutch Securities Transactions Act. The transfer by a deposit shareholder of its book-entry rights representing such Ordinary Shares shall be effected in accordance with the provisions of the Dutch Securities Transactions Act. The same applies to the establishment of a right of pledge and the establishment or transfer of a right of usufruct on these book-entry rights.

Dividends and Other Distributions

General

The Company may only make distributions, whether a distribution of profits or of freely distributable reserves, to its Shareholders if its Shareholders' equity exceeds the sum of the paid-up and called-up share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association.

The dividend pay-out can be summarised as follows.

Annual profit distribution

A distribution of profits other than an interim distribution is only allowed after the adoption of the Company's annual accounts (i.e. non-consolidated) by the General Meeting, and the information therein will determine if the distribution of profits is legally permitted for the respective financial year.

Right to reserve

The Board may resolve to reserve the profits or a part of the profits realised during a financial year. The profits remaining after being allocated to the reserves shall be put at the disposal of the General Meeting. The Board shall make a proposal for that purpose. Furthermore, the Board may decide that payments to the Shareholders shall be at the expense of reserves which the Company is not prohibited from distributing by virtue of Dutch law or the Articles of Association.

Interim distribution

Subject to Dutch law and the Articles of Association, the Board may resolve to make an interim distribution of profits provided that it appears from an interim statement of assets signed by the Board that the Company's equity does not fall below the sum of called-up and paid-up share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association.

Distribution in kind

The Board may decide that a distribution on Ordinary Shares shall not take place as a cash payment but as a payment in the form of Ordinary Shares, or decide that Shareholders shall have the option to receive a distribution as a cash payment and/or as a payment in Ordinary Shares, subject to the prior approval of the General Meeting. The Company does not expect such distribution in kind to take place within the first three (3) years following the Completion Date, but (optional) distributions in kind are likely to be part of the Company's dividend policy in the long-term.

Profit ranking of the Shares

All of the Ordinary Shares issued and outstanding on the day following the Completion Date will rank equal. In the event of insolvency, any claims of the holders of Ordinary Shares are subordinated to those of the creditors of the Company. This means that an investor could potentially lose all or part of its invested capital.

Payment

Payment of any future dividend on Ordinary Shares in cash will in principle be made in euro. Any dividends on Ordinary Shares that are paid to Shareholders through Euroclear Nederland will be automatically credited to the relevant Shareholders' accounts. There are no restrictions in relation to the payment of dividends under Dutch law in respect of holders of Ordinary Shares who are non-residents of the Netherlands. However, see section "*Taxation"* for a discussion of Taxation of dividends and refund procedures for non-tax residents of the Netherlands.

Payments of profit and other payments are announced in a notice by the Company and will be made payable pursuant to a resolution of the Board within four weeks after adoption, unless the Board sets another date for payment. Payments of profit and other payments are announced in a notice by the Company. A Shareholder's claim to payments of profits and other payments lapses five years and one day after the day on which the claim became payable. Any profit or other payments that are not claimed within this period will be considered to have been forfeited to the Company and will be carried to the reserves of the Company.

Exchange Controls and Other Provisions Relating to Non-Dutch Shareholders

Under Dutch law, subject to the 1977 Sanction Act (*Sanctiewet 1977*), or otherwise by international sanctions, there are no exchange control restrictions on investments in, or payments on, Ordinary Shares. There are no special restrictions in the Articles of Association or Dutch law that limit the right of Shareholders who are not citizens or residents of the Netherlands to hold or vote Ordinary Shares.

General Meetings and Voting Rights

General Meetings

General Meetings must be held in the Netherlands at a place outlined in the Articles of Association, as such at choice of those who call the meeting. The annual General Meeting must be held at least once a year, within six months after the end of the financial year. Extraordinary General Meetings may be held as often as the Board deems desirable. In addition, one or more Shareholders, who solely or jointly represent at least the percentage of the issued capital as required by law, which currently is at least one-tenth of the issued capital, may request that a General Meeting be convened, the request setting out in detail matters to be considered. If no General Meeting has been held within six weeks of the shareholder(s) making such request, such shareholder(s) will be authorised to request in summary proceedings a District Court to convene a General Meeting. Within three months of it becoming apparent to the Board that the equity of the Company has decreased to an amount equal to or lower than one-half of the paid-up part of the capital, a General Meeting will be held to discuss any requisite measures.

The convocation of the General Meeting must be published through an announcement by electronic means. The notice must be given by at least such number of days prior to the day of the meeting as required by Dutch law, which is currently 42 days.

The notice convening any General Meeting must include, among other items, the subjects to be dealt with, the venue and time of the General Meeting, the requirements for admittance to the General Meeting, the time on which registration for the meeting must have occurred ultimately, the address of the Company's website, as well as the place where the meeting documents may be obtained and such other information as may be required by Dutch law. The agenda for the annual General Meeting must, among other things, include the adoption of the annual accounts, the discussion of any substantial change in the corporate governance structure of the Company and the allocation of the profits, insofar as this is at the disposal of the General Meeting. In addition, the agenda shall include such items as have been included therein by the Board or Shareholders (with due observance of Dutch law as described below). If the agenda of the General Meeting contains the item of granting discharge to the Executive Directors and Non-Executive Directors concerning the performance of their duties in the financial year in question, the matter of the discharge shall be mentioned on the agenda as separate items for the Board respectively.

The agenda shall also include such items as one or more Shareholders and others entitled to attend General Meetings, representing at least the percentage of the issued and outstanding share capital as required by law (which as of the date of this Shareholder Circular is 3%), have requested the Board by a motivated request to include in the agenda, at least 60 days before the day of the General Meeting. No resolutions may be adopted on items other than those which have been included in the agenda (unless the resolution would be adopted unanimously during a meeting where the entire issued capital of the Company is present or represented).

The General Meeting is presided over by the chairperson of the Board, or in his or her absence, by the vice-chairperson. The Board may also appoint another person to preside over the General Meeting, even if the chairperson of the Board is present at the meeting. If the chairperson of the Board is absent and the Board has not appointed another person with presiding over the General Meeting instead, the General Meeting itself shall appoint a chairperson of the General Meeting, provided that so long as such appointment has not taken place, the chairpersonship will be held by a director designated for that purpose by the directors present at the meeting. The chairperson will have all powers necessary to ensure the proper and orderly functioning of the General Meeting. Directors may attend a General Meeting. In these General Meetings, directors have an advisory vote. The chairperson of the General Meeting may decide at his or her discretion to admit other persons to the General Meeting.

Each Shareholder (as well as other persons with voting rights or meeting rights) may attend the General Meeting, address the General Meeting and exercise voting rights *pro rata* to its shareholding, either in person or by proxy. Shareholders may exercise these rights, if they are the holders of Ordinary Shares, on the record date as required by Dutch law, which is currently the 28th day before the day of the General Meeting, and they or their proxy have notified the Company of their intention to attend the General Meeting in writing or by any other electronic means that can be reproduced on paper at the address and by the date specified in the notice of the General Meeting. The convocation notice shall state the record date and the manner in which the persons entitled to attend the General Meeting may register and exercise their rights.

The Board may decide that persons entitled to attend and vote at General Meetings may cast their vote electronically or by post in a manner to be decided by the Board. Votes cast in accordance with the previous sentence rank as equal to votes cast at the General Meeting.

Voting rights

Each Ordinary Share and each Special Share confer the right to cast one vote in the General Meeting. The voting rights of the holders of Special Shares rank *pari passu* with each other and with all other Ordinary Shares.

Upon conversion of the Company, the Capital Shares will carry one million votes per Capital Share and holders of Capital Shares are annually entitled to 1% of the nominal value (€10,000 per Capital Share) of the Capital Shares held by them, in accordance with the provisions of the Articles of Association. AZ Capital will, at Closing, deliver a written undertaking, in terms of which it undertakes to create a limited right (beperkt recht) over its Capital Share on behalf of SPEAR, such that the voting rights attached to it are transferred to SPEAR, and effectively cannot be exercised by AZ Capital.

Subject to exceptions provided by Dutch law or the Articles of Association, resolutions of the General Meeting are passed by an absolute majority of votes cast, regardless of which part of the issued share capital such votes represent. Pursuant to Dutch law, no votes may be cast at a General Meeting in respect of Shares which are held by the Company or any of its subsidiaries.

Amendment of the Articles of Association

The General Meeting may pass a resolution to amend the Articles of Association, with an absolute majority of the votes cast, but only on at the proposal of the Board. A proposal to amend the Articles of Association must be stated in the notice of the General Meeting. In the event of a proposal to the General Meeting to amend the Articles of Association, a copy of such proposal containing the verbatim text of the proposed amendment will be deposited at the Company's office, for inspection by Shareholders and other persons holding meeting rights, until the end of the meeting. Furthermore, a copy of the proposal will be made available free of charge to Shareholders and other persons holding meeting rights from the day it was deposited until the day of the meeting.

Legal Merger/Legal Demerger

The General Meeting may pass a resolution to effect a legal merger or a legal demerger, with an absolute majority of the votes cast, but only at the proposal of the Board. A proposal to effect a legal merger or a legal demerger must be stated in the notice.

Dissolution and Liquidation

The Company may only be voluntarily dissolved by a resolution of the General Meeting, with an absolute majority of the votes cast, but only at the proposal of the Board. When a proposal to dissolve the Company is to be made to the General Meeting, such proposal must be stated in the notice convening the General Meeting. If the General Meeting has resolved to dissolve the Company, the Board must carry out the liquidation of the Company, unless otherwise resolved by the General Meeting at the proposal of the Board. During liquidation, the provisions of the Articles of Association will remain in force as far as possible.

The balance of the assets of the Company remaining after all liabilities and the costs of liquidation shall be distributed among the Shareholders, as follows:

(i) firstly, the holders of Capital Shares will be paid, if possible, the amount of the nominal value of their Capital Shares or, if those Capital Shares have not been fully paid-up, the amount paid on those Capital Shares, pro rata to the aggregate nominal value of Capital Shares held by each holder of Capital Shares; and

(ii) secondly, the balance, if any, remaining after the payments referred to under (i) will be for the benefit of the holders of Ordinary Shares and Special Shares, pro rata to the aggregate nominal value of Ordinary Shares or Special Shares held by each holder of Ordinary Shares and Special Shares.

Once the liquidation has been completed, the books, records and other data carriers of the dissolved Company will be held by the person or legal person appointed for that purpose by the General Meeting for the period prescribed by law (which as of the date of this Shareholder Circular is seven years).

Certain tax aspects of liquidation proceeds are described in section "*Taxation*".

Annual Accounts and Semi-Annual Accounts

Annually, no later than four months after the end of the financial year, the Board must prepare the annual accounts and make them available for inspection by the Shareholders and other persons holding meeting rights at the offices of the Company. The annual accounts must be accompanied by an auditor's statement, a management report and other information required under Dutch law. The annual accounts must be signed by all directors. If the signature of one or more of them is missing, this will be stated and reasons for this omission will be given.

The annual accounts, the auditor's statement, the management report and the other information required under Dutch law must be made available to the Shareholders for review as from the day of the notice convening the annual General Meeting where they are discussed until the conclusion of such meeting.

The annual accounts must be adopted by the General Meeting. The Board must send the adopted annual accounts to the AFM within five business days after adoption.

After the proposal to adopt the annual accounts has been discussed and voted on, a proposal shall be made to the General Meeting, in connection with the annual accounts and the statements made regarding them at the General Meeting, to discharge the directors for their duties in the last financial year.

The Company must prepare and make publicly available a semi-annual financial report as soon as possible, but at the latest three months after the end of the first six months of the financial year. If the semi-annual financial report is audited or reviewed, the independent auditor's audit or review report, respectively, must be published together with the semi-annual financial report.

Dutch Financial Reporting Supervision Act

On the basis of the Dutch Financial Reporting Supervision Act (*Wet toezicht financiële verslaggeving*, the **FRSA**) the AFM supervises the application of financial reporting standards by companies whose seat is in the Netherlands and whose securities are listed on a regulated Dutch or foreign stock exchange, such as the Company.

Pursuant to the FRSA, the AFM has an independent right to: (i) request an explanation from the Company regarding its application of the applicable financial reporting standards if, based on publicly known facts or circumstances, it has reason to doubt that the Company's financial reporting meets such standards; and (ii) recommend that the Company make available further explanations. If the Company does not comply with such a request or recommendation, the AFM may request that the enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*, the **Enterprise Chamber**) orders the Company to: (i) provide an explanation of the way it has applied the applicable financial reporting standards to its financial reports; or (ii) prepare its financial reports in accordance with the Enterprise Chamber's instructions.

Rules Governing Obligations of Shareholders to Make a Public Takeover Bid

Pursuant to the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (**Dutch FMSA**), and in accordance with European Directive 2004/25/EC, also known as the takeover directive, any Shareholder who (individually or jointly) directly or indirectly obtains control of a Dutch listed company is required to make a public takeover bid for all issued and outstanding shares in that company's share capital. Such control is deemed present if a (legal) person is able to exercise, alone or acting in concert, at least 30% of the voting rights in the General Meeting of such listed company (subject to an exemption for major Shareholders who, acting alone or in concert, already had such stake in the company at the time of that company's initial public offering).

In addition, it is prohibited to launch a public takeover bid for shares of a listed company, such as the Ordinary Shares, unless an offer document has been approved by the AFM. A public takeover bid may only be launched by way of publication of an approved offer document unless a company makes an offer for its shares. The public takeover bid rules are intended to ensure that in the event of a public takeover bid, among other things, sufficient information will be made available to the Shareholders, that the Shareholders will be treated equally, that there will be no abuse of inside information and that there will be a proper and timely offer period.

Squeeze-out Proceedings

Pursuant to section 2:92a of the Dutch Civil Code, a shareholder who on his or her own account contributes at least 95% of a Dutch public company (*naamloze vennootschap*) issued share capital may institute proceedings against such company's minority shareholders jointly for the transfer of their shares to him or her. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him or her. Unless the addresses of all of them are known to him or her, he or she is required to publish the same in a daily newspaper with nationwide circulation.

The offeror under a public takeover bid is also entitled to start squeeze-out proceedings if, following the public takeover bid, the offeror contributes at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. The claim of a takeover squeeze-out needs to be filed with the Enterprise Chamber within three months, following the expiry of the acceptance period of the offer. The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. In principle, the offer price is considered reasonable if the offer was a mandatory offer or if at least 90% of the shares to which the offer related were received by way of voluntary offer.

The Dutch takeover provisions of the Dutch FMSA also entitle those minority shareholders that have not previously tendered their shares under an offer to transfer their shares to the offeror, provided that the offeror has acquired at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. In regard to price, the same procedure as for takeover squeeze-out proceedings initiated by an offeror applies. The claim also needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer.

Dutch statutory reflection period in face of Shareholder Activism or Hostile Takeover Bid

On 23 March 2021, the Senate of the Dutch Parliament (*Eerste Kamer*) adopted a bill on a statutory reflection period for all Dutch public companies whose shares are listed on a regulated market or a multilateral trading facility in the Netherlands or abroad. According to the bill, Dutch listed companies can invoke a statutory reflection period of up to 250 days in response to shareholder activists seeking changes in the board composition and/or upon hostile takeover attempts (the **Reflection Period**). The act on the Reflection Period entered into force on 1 May 2021.

Dutch listed companies can invoke the Reflection Period if (i) there is a hostile offer or shareholder initiative to change the board composition, (ii) which is deemed to materially conflict with the company's interest, and (iii) there is a need for further policy making.

The Board can invoke the Reflection Period in a reasoned decision. No shareholder approval is required to invoke the Reflection Period. The 250 days-period is a statutory maximum period. The Board may determine a shorter timeframe. No works council consultation is required for invoking the Reflection Period.

During the Reflection Period, the General Meeting may not vote on shareholder proposals to:

- appoint, suspend or dismiss directors; and
- amend the provisions on these specific subjects in the Articles of Association.

The Shareholders do, however, have the right to discuss in the General Meeting the appointment, suspension or dismissal of directors or the amendment of the Articles of Association. If these proposals are put on the agenda at the initiative of the Board, the General Meeting can vote on them. Accordingly, upon individual defective performance of a directors, the (other members of) the Board can continue to proceed with seeking dismissal of such director. During the Reflection Period, the Board must gather all relevant information necessary for a careful decision making process. In this context, the Board must consult with Shareholders representing at least 3% of the Company's issued share capital at the time the Reflection Period was invoked, and with the group's works council, if applicable. Formal statements expressed by these stakeholders during such consultations must be published on the Company's website to the extent these stakeholders have approved that publication.

The Reflection Period, if invoked, ends upon the occurrence of the earlier of (i) the expiration of 250 days from (a) in case of Shareholders using their shareholder proposal right, the day after the expiry of the deadline for making such proposal, (b) in case of Shareholders using their right to request a General Meeting, the day when they obtain court authorisation to do so, or (c) in case of a hostile offer being made, the first day thereafter, (ii) the day after the hostile offer has been declared unconditional, or (iii) the Board voluntarily terminating the Reflection Period.

In addition, Shareholders representing at least 3% of the Company's issued share capital may request the Enterprise Chamber for early termination of the Reflection Period. The Enterprise Chamber must rule in favour of the request if the Shareholders

can demonstrate that (i) the Board, in light of the circumstances at hand when the Reflection Period was invoked, could not reasonably have come to the conclusion that the relevant shareholder proposal or hostile offer constituted a material conflict with the interests of the Company and its business, (ii) the Board cannot reasonably believe that a continuation of the Reflection Period would contribute to careful policy-making, and (iii) if other defensive measures have been activated during the Reflection Period and not terminated or suspended at the relevant Shareholders' request within a reasonable period following the request (i.e., no 'stacking' of defensive measures).

Ultimately one week following the last day of the Reflection Period, the Board must publish a report in respect of its policy and conduct of affairs during the Reflection Period on the Company's website. This report must remain available for inspection by Shareholders and others with meeting rights under Dutch law at the Company's office and must be tabled for discussion at the next General Meeting.

Obligations to Disclose Holdings

Shareholders may be subject to notification obligations under the Dutch FMSA. Shareholders are advised to seek professional advice on these obligations.

Obligations of Shareholders to disclose holdings

Pursuant to the Dutch FMSA, any person who, directly or indirectly, acquires or disposes of an actual or potential interest in the capital or voting rights of a listed public company (*naamloze vennootschap*) must immediately notify the AFM by means of a standard form, if, as a result of such acquisition or disposal, the percentage of capital interest or voting rights held by such person in the Company reaches, exceeds or falls below any of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%.

The Company will be converted from a private company (*besloten vennootschap met beperkte aansprakelijkheid*) into a public company (*naamloze vennootschap*) as of Completion.

A notification requirement also applies if a person's capital interest or voting rights reaches, exceeds or falls below the abovementioned thresholds as a result of a change in the Company's total outstanding share capital or voting rights. Such notification has to be made no later than the fourth trading day after the AFM has published the Company's notification of the change in its outstanding share capital. The Company is required to notify the AFM immediately of the changes to its total share capital or voting rights if its issued share capital or voting rights changes by 1% or more since the Company's previous notification. The Company must furthermore notify the AFM within eight days after each quarter, in the event its share capital or voting rights changed by less than 1% in that relevant quarter since the Company's previous notification.

In addition, every holder of 3% or more of the Company's share capital or voting rights whose interest changes in respect of the previous notification to the AFM by reaching or crossing one of the thresholds mentioned above as a consequence of the interest being differently composed due to having acquired shares or voting rights through the exercise of a right to acquire such shares or voting rights, must notify the AFM of the changes within four trading days after the date on which the holder knows or should have known that his or her interest reaches or crosses a relevant threshold.

Controlled entities, within the meaning of the Dutch FMSA, do not have notification obligations under the Dutch FMSA, as their, direct and indirect, interests are attributed to their (ultimate) parent. Any person may qualify as a parent for purposes of the Dutch FMSA, including a natural person. A person who has a 3% or larger interest in the Company's share capital or voting rights and who ceases to be a controlled entity for these purposes must immediately notify the AFM. As of that moment, all notification obligations under the Dutch FMSA will become applicable to the former controlled entity.

For the purpose of calculating the percentage of capital interest or voting rights, the following interests must, *inter alia*, be taken into account: (i) shares and voting rights directly held (or acquired or disposed of) by any person; (ii) shares and voting rights held (or acquired or disposed of) by such person's controlled entity or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement; (iii) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights against a payment; (iv) shares which such person (directly or indirectly) or third party referred to above may acquire pursuant to any option or other right to acquire shares; (v) shares that

determine the value of certain cash settled financial instruments such as contracts for difference and total return swaps; (vi) shares that must be acquired upon exercise of a put option by a counterparty; and (vii) shares that are the subject of another contract creating an economic position similar to a direct or indirect holding in those shares.

Special attribution rules apply to shares and voting rights that are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of shares can also be subject to the reporting obligations, if such person has, or can acquire, the right to vote on the shares. The acquisition of (conditional) voting rights by a pledgee or beneficial owner may also trigger the reporting obligations as if the pledgee or beneficial owner were the legal holder of the shares.

For the same purpose, the following instruments qualify as 'shares': (i) shares; (ii) depositary receipts for shares (or negotiable instruments similar to such receipts); (iii) negotiable instruments for acquiring the instruments under (i) or (ii) (such as convertible bonds); and (iv) options for acquiring the instruments under (i) or (ii).

Notification of Short Positions

Each person holding a gross short position in relation to the issued share capital of a Dutch listed company that reaches, exceeds or falls below any one of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%, must immediately give written notice to the AFM. If a person's gross short position reaches, exceeds or falls below one of the abovementioned thresholds as a result of a change in the Company's issued share capital, such person must make a notification not later than the fourth trading day after the AFM has published the Company's notification in the public register of the AFM. Shareholders are advised to consult with their own legal advisers to determine whether the gross short selling notification obligation applies to them.

In addition, pursuant to Regulation (EU) No 236/2012, each person holding a net short position attaining 0.2% of the issued share capital of a Dutch listed company is required to notify such position to the AFM. Each subsequent increase of this position by 0.1% above 0.2% must also be notified. Each net short position equal to 0.5% of the issued share capital of a Dutch listed company and any subsequent increase of that position by 0.1% will be made public via the AFM short selling register. To calculate whether a natural person or legal person has a net short position, their short positions and long positions must be set-off. A short transaction in a share can only be contracted if a reasonable case can be made that the shares sold can actually be delivered, which requires confirmation of a third party that the shares have been located.

Obligations of directors to disclose holdings

Pursuant to the Dutch FMSA, each director must notify the AFM of each change in the number of Ordinary Shares, Warrants or options he or she holds and of each change in the number of votes he or she is entitled to cast in respect of the Company's issued share capital, immediately after the relevant change. If a director has notified a change in shareholding to the AFM under the Dutch FMSA as described above under section "*Obligations to Disclose Holdings — Obligations of Shareholders to disclose holdings*" above, such notification is sufficient for purposes of the Dutch FMSA as described in this paragraph.

Furthermore, pursuant to the Regulation (EU) No 596/2014 of the European Parliament and the Council (the **Market Abuse Regulation**) and the regulations promulgated thereunder, any director, as well as any other person discharging managerial responsibilities in respect of the Company who has regular access to inside information relating directly or indirectly to the Company and power to take managerial decisions affecting future developments and business prospects of the Company, must notify the AFM by means of a standard form and the Company of any transactions conducted for his or her own account relating to the Ordinary Shares, the Warrants or debt instruments of the Company or to derivatives or other financial instruments linked thereto.

In addition, pursuant to the Market Abuse Regulation, certain persons who are closely associated with directors or any of the other persons as described above are required to notify the AFM of any transactions conducted for their own account relating to the Ordinary Shares, the Warrants or debt instruments of the Company or to derivatives or other financial instruments linked thereto. The Market Abuse Regulation covers, *inter alia*, the following categories of persons: (i) the spouse or any partner considered by national law as equivalent to the spouse; (ii) dependent children; (iii) other relatives who have shared the same household for at least one year at the relevant transaction date; and (iv) any legal person, trust or partnership whose managerial

responsibilities are discharged by a person referred to under (i) to (iii) above or by the relevant directors or other person discharging the managerial responsibilities in respect of the Company as described above. The notifications pursuant to the Market Abuse Regulation described above must be made to the AFM no later than the third business day following the relevant transaction date. Under circumstances, these notifications may be postponed until all transactions within a calendar year have reached a total amount of €5,000 (calculated without netting). When calculating whether the threshold is reached or exceeded, persons discharging managerial responsibilities must add any transactions conducted by persons closely associated with them to their own transactions and *vice versa*. The first transaction reaching or exceeding the threshold must be notified as set forth above. Any subsequent transaction must be notified as set forth above. Notwithstanding the foregoing, directors need to notify the AFM of each change in the number of Shares that they hold and of each change in the number of votes they are entitled to cast in respect of the Company's issued share capital, immediately after the relevant change.

Non-compliance

Non-compliance with the disclosure obligations under the Market Abuse Regulation and the Dutch FMSA, set out in the paragraphs above, is an economic offense (*economisch delict*) and may lead to the imposition of criminal prosecution, administrative fines, imprisonment or other sanctions. The AFM may impose administrative penalties or a cease-and-desist order under penalty for non-compliance. If criminal charges are pressed, the AFM is no longer allowed to impose administrative penalties and, *vice versa*, the criminal prosecution is no longer allowed if administrative penalties have been imposed. Furthermore, a civil court can impose measures against any person who fails to notify or incorrectly notifies the AFM of matters required to be correctly notified. A claim requiring that such measures be imposed must be instituted by the Company and/or one or more Shareholders who alone or together with others represent(s) at least 3% of the issued share capital or are able to exercise at least 3% of the voting rights. The measures that the civil court may impose include:

- an order requiring the person violating the disclosure obligations to make appropriate disclosure;
- suspension of voting rights in respect of such person's Ordinary Shares for a period of up to three years as determined by the court; and
- voiding a resolution adopted by a General Meeting, if the court determines that the resolution would not have been adopted if the voting rights of the person who is obliged to notify had not been exercised, or suspension of a resolution until the court makes a decision about such voiding; and an order to the person violating the disclosure obligations to refrain, during a period of up to five years as determined by the court, from acquiring Ordinary Shares and/or voting rights in Ordinary Shares.

Public registry

The AFM does not issue separate public announcements of these notifications. It does, however, keep a public register of all notifications under the Dutch FMSA on its website (www.afm.nl). Third parties can request to be notified automatically by e-mail of changes to the public register in relation to a particular company's shares or a particular notifying party.

Identity of Shareholders and distribution of information

The Company may, in accordance with Chapter 3A of the Dutch Securities Transactions Act, request Euroclear Nederland, admitted institutions, intermediaries, institutions abroad, and managers of investment institutions to provide information on the identity of its Shareholders. No information will be given on Shareholders with an interest of less than 0.5% of the issued share capital. A Shareholder who, individually or together with other Shareholders, holds an interest of at least 10% of the issued share capital may request the Company to establish the identity of its Shareholders. This request may only be made during a period of 60 days until (and not including) the 42nd day before the day on which the General Meeting will be held.

If a request as referred to in the previous paragraph has been made by either the Company or a shareholder in accordance with the previous paragraph, Shareholders who, individually or with other Shareholders, hold Ordinary Shares that represent at least 1% of the issued and outstanding share capital or a market value of at least €250,000 may request the Company to disseminate information that is prepared by them in connection with an agenda item for a General Meeting. The Company can only refuse disseminating such information, if received less than seven business days prior to the General Meeting, if the information gives

or could give an incorrect of misleading signal or if, in light of the nature of the information, the Company cannot reasonably be required to disseminate it.

Related Party Transactions

Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement, establishes requirements in relation to the exercise of certain shareholder rights attached to voting shares in relation to general meetings of companies which have their registered office in a Member State of the European Union and the shares of which are admitted to trading on a regulated market situated or operating within a Member State of the European Union. The Dutch Act to implement the Shareholders Rights Directive II (*bevordering van de langetermijnbetrokkenheid van aandeelhouders*, the **Dutch SRD Act**) entered into force on 1 December 2019 and, among other things, governs related party transactions to the Dutch Civil Code and provides that "material transactions" with "related parties" not entered into within the ordinary course of business or not concluded on normal market terms, will need to be approved by the supervisory board, or, in the case of a one-tier board, the (non-executive members of the) board of directors, and be publicly announced at the time that the transaction is entered into. In addition, certain items in respect of any such related party transaction not concluded on normal market terms must be disclosed in the explanatory notes to the Company's annual accounts. If following the Market Abuse Regulation the information should be published at an earlier stage, that requirement prevails. The board of directors will be required to establish an internal procedure to periodically assess whether transactions are concluded in the ordinary course of business and on normal market terms.

Any director or shareholder that has a personal interest, direct or indirect, in the transaction cannot participate in the deliberations or decision-making with respect to the related party transaction concerned. As long as not all of the directors are excluded on the basis that they have a personal interest in the relevant transaction, no approval from the General Meeting will be required. In this context: a "*related party"* is interpreted in accordance with IFRS-EU (International Accounting Standards 24 (*Related Party Disclosures*)) and includes a party that has "*control"* or "*significant influence"* over the company or is a member of the company's key management personnel; and a transaction is considered "*material"* if it would constitute inside information within the meaning of the Market Abuse Regulation and is concluded between the company and a related party (which for this purpose, and in line with the Dutch Corporate Governance Code, in any event includes one or more Shareholders representing at least 10% of the issued share capital or a managing director or supervisory director). Certain transactions are not subject to the approval and disclosure provisions of the Dutch SRD Act (for example, transactions concluded between a company and its subsidiary). The supervisory board, or, in the case of a one-tier board, the board of directors, will be required to establish an internal procedure to periodically assess whether transactions are concluded in the ordinary course of business and on normal market terms.

Market Abuse Regime

Reporting of Insider Transactions

Pursuant to the Market Abuse Regulation, no natural or legal person is permitted to: (i) engage or attempt to engage in insider dealing in financial instruments listed on a regulated market or for which a listing has been requested, such as the Ordinary Shares and the Warrants; (ii) recommend that another person engages in insider dealing or induce another person to engage in insider dealing; or (iii) unlawfully disclose inside information relating to the Ordinary Shares or the Company.

Furthermore, no person may engage in or attempt to engage in market manipulation.

The Company is required to inform the public, as soon as possible and in a manner that enables fast access and complete, correct and timely assessment of the information, of inside information which directly concerns the Company. Pursuant to Market Abuse Regulation, inside information is knowledge of concrete information directly or indirectly relating to the issuer or the trade in its securities, which has not yet been made public and publication of which would significantly affect the trading prices of the securities (i.e. information a reasonable investor would be likely to use as part of the basis of its investment decision). An intermediate step in a protracted process can also deemed to be inside information. The Company is required to post and maintain on its website all inside information for a period of at least five years. Under circumstances, the disclosure of inside information may be delayed, which needs to be notified to the AFM after the disclosure has been made. Upon request of the AFM, a written explanation needs to be provided setting out why a delay of the publication was considered permitted.

A person discharging managerial responsibilities is not permitted to (directly or indirectly) conduct any transactions on its own account or for the account of a third party, relating to Ordinary Shares or debt instruments of the Company or other financial instruments linked thereto, during a closed period of 30 calendar days before the announcement of an half-yearly financial report or a management report of the Company.

Non-compliance with the EU Market Abuse Rules

In accordance with the Market Abuse Regulation, the AFM has the power to take appropriate administrative sanctions, such as fines, and/or other administrative measures in relation to possible infringements. Non-compliance with the market abuse rules set out above could also constitute an economic offense (*economisch delict*) and/or a crime (*misdrijf*) and could lead to the imposition of administrative fines by the AFM. The public prosecutor could press criminal charges resulting in fines or imprisonment. If criminal charges are pressed, it is no longer allowed to impose administrative penalties and *vice versa*.

The AFM shall in principle also publish any decision imposing an administrative sanction or measure in relation to an infringement of the Market Abuse Regulation.

Insider Trading

The Company has adopted an insider trading policy in respect of the reporting and regulation of transactions in the Company's securities by directors and its employees, which will be effective as at the Completion Date.

The Company and any person acting on its behalf or on its account is obligated to draw up an insiders list, to promptly update the insider list and provide the insider list to the AFM upon its request. The Company and any person acting on its behalf or on its account is obligated to take all reasonable steps to ensure that any person on the insider list acknowledges in writing the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information.

Transparency Directive

The Netherlands will be the Company's home Member State for the purposes of Directive 2004/109/EC (as amended by Directive 2013/50/EU) as a consequence of which the Company will be subject to the Dutch FMSA in respect of certain ongoing transparency and disclosure obligations.

7.2 RELATED PARTY TRANSACTIONS

Relationship Agreement

The Company, certain QEV Shareholders and the Sponsors will enter into a relationship agreement (the Relationship Agreement), which will become effective on Completion. The Relationship Agreement replaces the existing relationship agreement between the Sponsors and SPEAR, as set out in the Prospectus, p. 127-128. The Relationship Agreement will contain provisions regarding the relationship between the Company, certain QEV Shareholders and the Sponsors after Completion which reflect, at a minimum, ongoing nomination rights, and include other shareholder rights and provisions customary for a transaction of this nature.

7.3 DIVIDEND POLICY

Following Completion, in the short to medium term, SPEAR expects to reinvest any profits and not to pay any dividend. In the longer term, after the envisaged major investment and transformation phase is completed, the free cash flows may allow SPEAR to pay dividends.

The Company's intentions in relation to dividend payments are subject to a number of assumptions, risks and uncertainties, many of which are beyond its control. The ability and intention of the Company to pay dividends in the future will depend on its financial position, results of operations, capital requirements, investment alternatives, existence of distributable reserves, available liquidity, (forward-) market developments, industry peers and other factors that the Board may deem relevant. Please

see "*Risk Factors – Dividends distributed by the Company may be subject to dividend withholding tax in both Spain and the Netherlands*". Furthermore, the Company's dividend policy is subject to change as the Board will revisit its dividend policy from time to time.

8. TAXATION

The income received from the Ordinary Shares or Warrants may be impacted by applicable tax legislation, in particular by the tax legislation of the country of residence of the relevant Shareholder or Warrant Holder. The discussions below summarise the relevant tax consequences under Dutch law and Spanish law.

The tax position of the Shareholders and the Warrant Holders can be adversely impacted by the number of the Ordinary Shares, Warrants, Founder Warrants, Capital Shares, Special Shares and Conditional Special Shares outstanding at any given time as well as dilution following exercise of the Warrants, Founder Warrants, Capital Shares, Special Shares and Conditional Special Shares and any shares granted in SPEAR that the QEV Shareholders obtain as consideration for the Business Combination. Please see "Risk Factors – Risks Relating to Taxation".

The Shareholders and/or the Warrant Holders should consult their own tax advisors on the possible tax consequences of the acquisition, ownership and transfer of Ordinary Shares or Warrants, and in particular the specific tax consequences in relation to the Business Combination.

The summaries incorporated in this Section have been elaborated in accordance with the following:

- *The Company is incorporated as a private company with limited liability under the laws of the Netherlands. On the basis of section 2 subsection 4 Dutch Corporate Income Tax Act 1969, a company which is incorporated under Dutch law, is considered to be resident of the Netherlands for Dutch domestic tax purposes. This notwithstanding, the effective management of the Company will be carried out from Spain immediately after Completion, since the key management and commercial decisions that are necessary to conduct the entity's business will be taken from Spain. On the basis of such circumstance, the Company is also regarded as resident in Spain for tax purposes, as provided by Law 27/2014, of November 27, on Corporate Income Tax.*

- *Under this scenario in which the Company is resident for tax purposes both in Spain and in the Netherlands, the provisions contained in the Convention between the Kingdom of the Netherlands and the State of Spain for the avoidance of double taxation ("**Convention**") apply.*

- *In case of double taxation conflicts between Spain and The Netherlands, after Completion pursuant to section 4 subsection 4 of the Convention (which deals with the general criteria followed by the Convention to consider a person as a resident of a Contracting State), an entity which is a resident of both Spain and the Netherlands is considered to be a resident of the State in which the place of its effective management is located (i.e., Spain). Please see "Risk Factors– Risks Relating to Taxation".*

Taxation in Spain

General

The following is a summary of the material Spanish tax consequences of the acquisition, ownership and disposition of the Ordinary Shares and the Warrants by Spanish and non-Spanish tax resident investors. This summary is not a complete analysis or listing of all the possible Spanish tax consequences of such transactions and does not address all tax considerations that may be relevant to all categories of potential purchasers, some of whom may be subject to special rules (as such, financial institutions, collective investment undertakings, pension funds cooperatives, etc.). In particular, this tax section does not address the Spanish tax consequences applicable to "look-through" entities (such as trusts or estates) that may be subject to the tax regime applicable to such non-Spanish tax resident entities under the Spanish Non-Resident Income Tax Law, approved by Royal Legislative Decree 5/2004 of 5 March, as amended (the "**NRIT Law**"). Furthermore, this summary does not take into account the regional special tax regimes in force in the Basque Country and Navarre, or the regulations adopted by the Spanish Autonomous Regions that may apply to Shareholders regarding particular taxes.

Accordingly, Shareholders should consult their own tax advisers as to the applicable tax consequences of their purchase, ownership and disposition of Ordinary Shares or Warrants, including the effect of tax laws of any other jurisdiction, based on their particular circumstances.

The description of Spanish tax laws set forth below is based on law in effect in Spain as of the date of this Shareholder Circular, and on the administrative interpretations thereof. As a result, this description is subject to any changes in such laws or interpretations occurring after the date hereof, including changes having retroactive effect. As used in this section "Taxation in Spain", the term "Holder" means a beneficial owner of Ordinary Shares or Warrants.

Taxation on ownership and transfer of Ordinary Shares or Warrants

Indirect Taxation

The acquisition of Ordinary Shares or Warrants and any subsequent transfer thereof will be exempt from transfer tax, stamp duty and VAT, under the terms and with the exemptions set out in article 338 of the Spanish Securities Markets Act.

Direct Taxation

Holders who are individuals resident in Spain

Personal Income Tax ("PIT")

Taxation of dividends from Ordinary Shares. According to the Spanish PIT Law (Law 35/2006, of 28 November as amended by Law 26/2014, of 27 November) ("**PIT Law**"), the following, among others, shall be treated as gross capital income: income received by a Shareholder who is a PIT taxpayer in the form of dividends, shares in profits, consideration paid for attendance at shareholders meetings, income from the creation or assignment of rights of use or enjoyment of the shares and any other income received in his or her capacity as shareholder.

Gross capital income shall be reduced by any administration and custody expenses (but not by those incurred in individualised portfolio management) and the net amount shall be included in the relevant Shareholder's savings taxable base and taxed as follows: at a rate of 19% (for the first €6,000 of capital income obtained by the individual), 21% (for income of between €6,000.01 and €50,000), 23% (for income of between €50,000.01 and €200,000), 27% (for the income of between €200,000 and €300,000) or 28% (for income in excess of €300,000).

The payment to Shareholders of dividends or any other distribution will be generally subject to a withholding tax at the rate of 19%, such withholding tax will be deductible from the net PIT payable (*cuota líquida*), and if the amount of tax withheld is higher than the amount of the net PIT payable, the taxpayer will be entitled to a refund of the excess withheld in accordance with the PIT Law.

Taxation of capital gains and losses. Gains or losses recorded by a Shareholder or Warrant Holder who is a PIT taxpayer as a result of the transfer of listed Ordinary Shares or Warrants will qualify for the purposes of the PIT Law as capital gains or losses and will be subject to Taxation according to the general rules applicable to capital gains. The amount of capital gains or losses shall be the difference between the Ordinary Shares or Warrants' acquisition value (plus any inherent fees or taxes incurred) and the transfer value, which is the listed value of the share as of the transfer date or, if higher, the agreed transfer price, less any inherent fees or taxes incurred.

Capital gains or losses arising from the transfer of the Ordinary Shares or Warrants shall be included in the Shareholder or Warrant Holder's savings taxable base of the tax period in which the transfer takes place, being taxed at a rate of 19% (for the first €6,000 of capital gains realised by the individual), 21% (for capital gains of between €6,000.01 and €50,000), 23% (for capital gains of between €50,000.01 and €200,000) 27% (for capital gains of between €200,000 and €300,000) or 28% (for capital gains in excess of €300,000).

If capital losses exceed the capital gains of the tax period in which the transfer takes place, such losses may be offset against and up to the 25% of the positive balance of the income included in the savings taxable base of the same tax period. Any remaining losses may be offset in the subsequent four years subject to the same limit.

Certain losses arising from the transfer of shares admitted to trading on certain official stock exchange markets will not be treated as capital losses if securities of the same kind are acquired during the period between two months prior and two months

after the date of the transfer which originated the loss. In such cases, capital losses shall be included in the taxable base upon the transfer of the remaining shares of the taxpayer.

Capital gains arising from the transfer of Ordinary shares or Warrants are not subject to withholding tax on account of PIT.

Pre-emptive subscription rights. Distributions to Shareholders of pre-emptive subscription rights to subscribe for new Ordinary Shares ("**Pre-emptive Subscription Rights**") are not treated as income under PIT Law. The exercise of Pre-emptive Subscription Rights is not considered a taxable event under PIT Law.

The proceeds obtained from the transfer of Pre-emptive Subscription Rights received by a Shareholder shall be regarded as capital gains for the transferor corresponding to the tax period in which the transfer takes place (in the manner described under "*Taxation on capital gains and losses*" above).

The amount received in the transfer of Pre-emptive Subscription Rights will be subject to withholding on account of PIT at a tax rate of 19%. This withholding on account of PIT is levied by the depositary entity or, in the absence thereof, by the financial intermediary or notary public that intervenes in the transfer. Such withholding shall be fully creditable against the annual PIT payable and refundable if withheld amounts exceed such PIT payable.

Share premium distributions from Ordinary Shares. The amount obtained through the distribution of the issue premium for shares admitted to trading on any of the regulated securities markets defined in MiFID II (such as the Ordinary Shares are) shall reduce, until cancellation, the acquisition value of the specific shares. The excess over that acquisition value will be taxed as capital income in the manner described under "*Dividend Payments*" above. As an exception, PIT withholding is not applied on distributions of share premium.

Spanish Net Wealth Tax

Shareholders who are resident in Spain are subject to the Spanish Net Wealth Tax on all their assets and rights deemed to be owned as of 31 December (such as the Ordinary Shares or Warrants) of each year, irrespective of where their assets might be located or rights might be exercised.

Spanish Net Wealth Tax Law (Law 19/1991 of 6 June) provides that the first €700,000 of net wealth owned by a Shareholder will be exempt from Taxation, while the rest of the net wealth will be taxed at a rate ranging between 0.2% and 3.5%. However, Spanish Autonomous Regions have legislative power in this tax (including tax rates and tax exemption or reliefs). As such, prospective holders should consult their tax advisors, as certain tax allowances/different rates may result applicable.

Shareholders resident for tax purposes in Spain who acquire the Ordinary Shares and Warrants who are required to file Spanish Net Wealth Tax returns must declare the Ordinary Shares and Warrants that they hold at December 31 of each year, which shall be valued using the average trading price in the last quarter of the year. The Ministry of Finance publishes annually this average trading price for the Spanish Net Wealth Tax purposes.

Spanish Temporary Solidarity Tax on Major Fortunes

As from tax year 2022, Shareholders who are resident for tax purposes in Spain are subject to the Spanish Temporary Solidarity Tax on Major Fortunes on all their assets and rights deemed to be owned as of 31 December (such as the Company's Ordinary Shares and Warrants) of each year, regardless of where their assets are located or the rights may be exercised.

Taxation under this tax may be levied in accordance with the provisions of Spanish Net Wealth Tax Law (see section above) and Spanish Temporary Solidarity Tax on Major Fortunes Law (Law 38/2022, of 27 December), which, for these purposes, sets a minimum tax-free allowance of €700,000. Furthermore, Taxation will be determined according to a scale with marginal rates ranging from 0.0% to 3.5%.

The Spanish Temporary Solidarity Tax on Major Fortunes is incorporated as complementary to the Spanish Net Wealth Tax, levying an additional tax on the assets of individuals whose value, determined in accordance with the rules of the Spanish Net Wealth Tax, exceeds €3,000,000.00 and to the extent that they are not taxed by the Spanish Net Wealth Tax or are taxed for

an amount lower than that which would result from Taxation under the Spanish Temporary Solidarity Tax on Major Fortunes. In this sense, the net tax liability accrued for the Spanish Temporary Solidarity Tax on Major Fortunes will be reduced, in addition to the amount of the deductions and allowances set forth in Spanish Net Wealth Tax Law, by the amount of the net tax liability effectively paid pursuant to Spanish Net Wealth Tax.

The Spanish Temporary Solidarity Tax on Major Fortunes is established for an initial period of 2 years (i.e., tax year 2022 and 2023). However, the Spanish Temporary Solidarity Tax on Major Fortunes Law incorporates a revision clause to evaluate its results at the end of the initially planned period of validity in order to assess whether it should be maintained or removed.

Spanish Inheritance and Gift Tax ("IGT")

Shareholders resident in Spain for tax purposes who acquire the Ordinary Shares and Warrants by inheritance or gift will be subject to IGT in accordance with the Spanish IGT Law (Law 29/1987 of 18 December), without prejudice to the specific legislation applicable in each Spanish Autonomous Region.

The tax rate applicable to the taxable base ranges from 7.65% to 34%. The effective tax rate would depend on specific factors, such as the wealth of the taxpayer and the degree of their kinship with the deceased or the donor, subject to the specific rules approved in each Spanish Autonomous Region and, as a result, the effective tax rate may vary from between 0% to 81.6%.

Shareholders or Warrant Holders who are entities resident in Spain

Corporate Income Tax ("CIT")

Taxation of Dividends. CIT taxpayers shall include the gross amount of dividends or interest in profits received as a result of ownership of the Ordinary Shares in their taxable base, in accordance with the Spanish CIT Law (Law 27/2014, of 27 November) ("**CIT Law**"). The general tax rate applicable to this income is 25%.

Those CIT taxpayers that hold, at least, a 5% stake in the Company for a minimum period of one year could be entitled to apply a 95% exemption on the dividends received. In practice, this means that dividends and interests in profits of a company obtained by CIT taxpayers will be taxed at a maximum effective 1.25% rate (i.e., general 25% CIT rate on the 5% of the registered dividends and interests in profits of a company). Shareholders are urged to consult their tax advisors regarding compliance with the requirements for application of the aforesaid participation exemption.

As a general rule, dividend payments will be subject to withholding tax on account of the shareholder's CIT at a tax rate of 19%. Such withholding taxes should be fully recoverable upon filing of the CIT returns of the tax period of dividends payments. No withholding taxes would be levied on dividend payments made to shareholders entitled to apply the 95% exemption explained above, provided the relevant formalities are fulfilled.

Taxation on capital gains and losses. Any gains or losses derived from the transfer of the Ordinary Shares or Warrants, whether for valuable consideration or not, shall be included in the taxable base of CIT taxpayers; such gains being generally taxed as profits at the general tax rate applicable of 25%. Losses realized respect of a stake meeting 95% exemption requirements might not be deductible for CIT purposes.

Capital gains are not subject to withholding on account of CIT.

Also, capital gains derived from the transfer of Ordinary Shares by CIT taxpayers may entitle to a 95% exemption if they hold, at least, a 5% stake in the Company for a minimum period of one year. In practice, this means capital gains realised by CIT taxpayers will be taxed at a maximum effective 1.25% rate (i.e., general 25% CIT rate on the 5% of the capital gains). Shareholders are urged to consult their tax advisors regarding compliance with the requirements for application of the aforesaid participation exemption.

Pre-emptive Subscription Rights. The allocation of Pre-emptive Subscription Rights and their subscription will not generate any income for CIT purposes provided that the Pre-emptive Subscription Rights are not associated with a shareholders' remuneration program.

However, if these Pre-emptive Subscription Rights are transferred by a CIT taxpayer, any accounting income that may arise from the transfer will be subject to the general CIT tax rate of 25%. Shareholders who are CIT taxpayers must consult their tax advisors regarding the possibility to apply the 95% CIT participation exemption on this income.

Share premium distribution. A distribution of share premium will not in itself constitute taxable income but will instead reduce the acquisition value of the Ordinary Shares. If the amount of the share premium received exceeds the acquisition value of the Ordinary Shares held by a CIT taxpayer, such excess would constitute a taxable income, generally subject to the general CIT tax rate of 25%. Shareholders who are CIT taxpayers must consult their tax advisors regarding the possibility to apply the 95% CIT participation exemption on this income.

Spanish Net Wealth Tax

Spanish resident legal entities are not subject to Spanish Net Wealth Tax.

Spanish Temporary Solidarity Tax on Major Fortunes

Spanish resident legal entities are not subject to Spanish Temporary Solidarity Tax on Major Fortunes.

Spanish Inheritance and Gift Tax

Spanish resident legal entities are not subject to IGT. In the event of the gratuitous acquisition of the Ordinary Shares and Warrants upon death and by gift by a CIT taxpayer, the income generated for the latter will be taxed according to the CIT rules at the standard CIT rate of 25%.

Non-Spanish tax resident Holders acting through a permanent establishment in Spain

Ownership of the Ordinary Shares or Warrants by Shareholders or Warrant Holders who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain. In the event that a non-Spanish tax resident Shareholder or Warrant Holder act in Spain through a permanent establishment, the Ordinary Shares or Warrants would only be considered as affected to such permanent establishment if the Ordinary Shares or Warrants are related to the activity undertaken by the permanent establishment and the letter is a branch (sucursal) complying with all the relevant requirements.

In this case, tax rules applicable to income and capital gains or losses deriving from the Ordinary Shares or Warrants will be the same as those set out for legal entities with tax residence in Spain described in the preceding section.

Non-Spanish tax resident Holders not acting through a permanent establishment in Spain

Non-Resident Income Tax

Taxation of dividends. Under Spanish law, dividends paid by a Spanish resident company to a non-Spanish resident Shareholder are subject to NRIT, approved by the NRIT Law, withheld at the source on the gross amount of dividends, at a tax rate of 19%. This tax rate can be eliminated or reduced as per the application of (i) the NRIT exemption implementing the EU Parent-Subsidiary Directive or (ii) the provisions of Double Income Tax Treaties ("**DTT**"), as long as the non-resident shareholders non-acting through a permanent establishment in Spain are the beneficial owners of the income and meets any other requirements under the applicable DTT.

Under the EU Parent-Subsidiary Directive exemption, no Spanish withholding taxes should be levied on the dividends distributed by a Spanish subsidiary to its EU parent company, or the permanent establishment of these located in other member states, when the following requirements are met:

- Both companies are subject to, and not exempt from, any of the taxes levied on legal entities in member states of the EU, according to article 2(c) of Directive 2011/96/EU of the Council of November 30, 2011, with regard to the regime applicable to parent companies and subsidiaries in different member states, and the permanent establishments are subject to, and not exempt from, Taxation in the state in which they are located.

- The distribution of profits is not due to the liquidation of the subsidiary company.

- Both companies are incorporated under the laws of a EU member state, under one of the corporate forms set forth in the Annex to Directive 2011/96/EU of the Council of November 30, 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different member states, as amended by Directive 2014/86/EU of the Council of July 8, 2014.

- The parent company is the beneficial owner of the dividend received from its subsidiary.

A company is considered to be a parent company when it owns a direct or indirect participation of at least 5% in the share capital of the other company. The other company is deemed a subsidiary. This interest must have been held uninterruptedly during the year prior to the date on which the profit has been distributed or becomes payable or, otherwise, the participation must continue to be held for the period needed to complete one year. In the latter case, Spanish withholding taxes (at the applicable rate) would be levied on the dividend at the time it is paid out, and the NRIT-taxpayer and parent company should request a reimbursement to the Spanish tax authorities when the one year threshold is met. Shareholders are advised to consult their tax advisors or lawyers about the procedure to request this refund from the Spanish tax authorities.

This exemption shall also apply to profits distributed by subsidiaries resident in the Spanish territory to parent companies resident in member states of the European Economic Area ("**EEA**") and the permanent establishments of such parent companies located in other member states of the EEA, provided that the requirements set forth in the NRIT Law are met.

The exemption does not apply if the majority of the voting rights of the parent company are held, directly or indirectly, by legal entities or individuals who are non-resident in member states of the EU or the EEA with which Spain has an effective exchange of Taxation information, pursuant to section 4 of the first additional provision of Law 36/2006 of November 29 on measures for the prevention of fiscal fraud, unless when the incorporation and operation of such parent company is due to valid economic reasons and substantive business purposes.

When the requirements to apply the EU Parent-Subsidiary Directive are not met, considering the tax residency of the recipient, the relevant DTT signed between Spain and the jurisdiction of tax residency of the recipient could apply. The exemption or reduced tax rate established in the DTT for such income shall apply, provided that the provisions of the DTT are more beneficial than the domestic regulations and the requirements foreseen in the relevant DTT are met. To this effect, the taxpayer must provide evidence of their tax residency, in the form established in the corresponding legislation.

When an exemption or reduced withholding tax rate under a DTT is applicable, and the Shareholder does not give evidence of its tax residency in a timely manner, the Shareholder may request the Spanish tax authorities the refund of the amount withheld in excess, following the procedure and using the form stipulated in Spanish Order EHA/3316/2010 of December 17, 2010.

In any case, if the NRIT withholding has been already made or the entitlement to the exemption has been recognized, non-resident Shareholders are not required to file a tax return for NRIT purposes in Spain.

Shareholders are advised to consult their tax advisors or lawyers about the procedure to request any refund from the Spanish tax authorities.

Taxation of capital gains and losses. Capital gains derived from the transfer or sale of the Ordinary Shares or Warrants will be deemed gains source in Spain, and, therefore, are taxable in Spain for NRIT purposes being the tax payable calculated, generally, in accordance with the rules set forth in PIT Law calculated separately for each transaction and without the possibility or offsetting gains and losses. In particular, capital gains obtained from transfer of the Ordinary Shares or Warrants shall be subject to NRIT at the rate of 19% in tax year 2023, unless a domestic exemption or a DTT applies, in which case the provisions of the DTT shall prevail. Domestic tax exemptions, such as the one provided to EU and EEA tax resident entities or individuals, or DTT exemption could apply but other requirements to be met.

Pursuant to the NRIT Law, capital gains are not subject to withholding on account of NRIT.

Shareholders or Warrant Holders must submit a Spanish Tax Form (Form 210) within the time periods set out in the applicable Spanish regulations to pay the corresponding tax or qualify for an exemption. In order for the exemptions mentioned above to apply, a non-Spanish resident Shareholder or Warrant Holder must provide a certificate of tax residence issued by the tax authority of its country of residence when submitting the Spanish Tax Form. The Shareholder or Warrant Holder's tax representative in Spain and the depositary of the Ordinary Shares or Warrants are also entitled to carry out such filing. The certificate of tax residence mentioned above will be generally valid for a period of one year after its date of issuance.

Pre-emptive Subscription Rights. Distributions to non-Spanish tax resident Shareholders of the Pre-emptive Subscription Rights to subscribe the Ordinary Shares are not treated as income under Spanish NRIT Law. The exercise of such pre-emptive rights is not considered a taxable event under NRIT Law.

The proceeds derived from a transfer of pre-emptive rights by a NRIT taxpayer (without permanent establishment in Spain) will be regarded as capital gains and subject to NRIT Law in the manner described under "—Capital gains and losses" above.

Share premium distributions. A distribution of the share premium will not in itself constitute taxable income but will instead reduce the acquisition value of the shares for shares admitted to trading on any of the regulated securities markets defined in MiFID II (such as the Ordinary Shares). If the amount of the share premium received exceeds the acquisition value of the Ordinary Shares held by a non-resident Shareholder, such excess would constitute a taxable income subject to NRIT at a flat rate of 19%, unless otherwise provided by a DTT (although this income would not be subject to withholding tax on account of NRIT in Spain).

Taxation in the Netherlands

The following summary outlines certain principal Dutch tax consequences of the acquisition, holding, redemption and disposal of the Ordinary Shares or Warrants, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, this general summary should be treated with corresponding caution.

For purposes of Dutch tax law, a Shareholder or Warrant Holder may include an individual or entity who does not have the legal title of these Ordinary Shares or Warrants, but to whom nevertheless the Ordinary Shares or Warrants or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Ordinary Shares or Warrants or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, redemption and disposal of the Ordinary Shares or Warrants. This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Shareholder Circular, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect. This summary does therefore not take into account the amendments to the Dutch Withholding Tax Act (*Wet Bronbelasting 2021*) introducing an additional conditional Dutch withholding tax for dividend distributions to low-tax jurisdictions and in abusive situations (*Wet invoering conditionele bronbelasting op dividenden*), as these amendments are not yet in effect as of the date of this Shareholder Circular. Once these amendments become effective on 1 January 2024, as announced, dividends paid to certain entities considered related to the Company may be subject to an additional Dutch withholding tax equal to the highest corporate income tax rate at the time of the dividend payment Please see "*Risk Factors – Risks Relating to Taxation*".

The following summary is based on the understanding that immediately after Completion the Company's place of effective management will be located in Spain and therefore (i) it should be regarded as a tax resident of Spain for Spanish domestic law purposes; (ii) the Company should be considered to be exclusively tax resident in Spain for purposes of the applicable tax treaties, including the Convention and (iii) the Company should not be regarded as a tax resident of any jurisdiction other than Spain or the Netherlands either for purposes of the domestic tax laws of such jurisdiction or for the purposes of any applicable tax treaty. Please see "*Risk Factors – Risks Relating to Taxation*".

This summary does not address the Dutch corporate and individual income tax consequences for:

(s) investment institutions (*fiscale beleggingsinstellingen*);

pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other Dutch tax resident entities that are not subject to or exempt from Dutch corporate income tax, as well as entities that are exempt from corporate income tax in their country of residence, such country of residence being another state of the European Union, Norway, Liechtenstein, Iceland or any other state with which the Netherlands has agreed to exchange information in line with international standards;

corporate Ordinary Shareholders for which the income and/or capital gains derived in respect of the Ordinary Shares and/or Warrants qualify for the participation exemption (*deelnemingsvrijstelling*) or would qualify for the participation exemption had the Ordinary Shareholders been resident in the Netherlands or which qualify for participation credit (*deelnemingsverrekening*) as set out in the Dutch corporate Income Tax Act (*Wet op de vennootschapsbelasting)* or for which the income and/or capital gains derived in respect of the the Ordinary Shares and/or Warrants would have been subject to either the participation exemption or participation credit regime if such holder of Ordinary Shares and/or Warrants had been a taxpayer in the Netherlands. Generally speaking, a shareholding is considered to qualify as a participation for the participation exemption or participation credit if it represents an interest of 5% or more of the nominal paid-up share capital. An Ordinary Shareholder may also have a participation if (a) such holder does not have a shareholding of 5% or more but a related entity (statutorily defined term) has a participation, or (b) the company in which the shares are held is a related entity (statutorily defined term)

Ordinary Shareholders or Warrant Holders holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in the Company under the Dutch income tax act (*Wet inkomstenbelasting 2001)* and Ordinary Shareholders or Warrant Holders of whom a certain related person holds a substantial interest in the Company. Generally speaking, a substantial interest in the Company arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of the Company or 5% or more of the issued capital of a certain class of shares of the Company (e.g. of the Ordinary Shares, Capital Shares, Special Shares or Conditional Special Shares, respectively), (ii) rights to acquire, directly or indirectly, such interest (e.g. Warrants or Founder Warrants) or (iii) certain profit-sharing rights in the Company that relate to 5% or more of the company's annual profits or to 5% or more of the company's liquidation proceeds. A holder of securities in a company will also have a substantial interest if any relatives by blood or marriage in the direct line (including foster children) of that holder or of his or her partner have a substantial interest in that company. A deemed substantial interest may arise if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;

- persons to whom the Ordinary Shares or Warrants and the income therefrom are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*);

- entities which are a resident of Aruba, Curaçao or Sint Maarten and that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Newly Issued Shares are attributable to such permanent establishment or permanent representative;

- holders of Ordinary Shares or Warrants which are not considered the beneficial owner (*uiteindelijk gerechtigde*) of these Ordinary Shares or Warrants or the benefits derived from or realised in respect of these Ordinary Shares or Warrants; and

- individuals to whom the Ordinary Shares or Warrants or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands.

Where this summary refers to 'the Netherlands' or 'Dutch', such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

Dividend Withholding Tax

The Company is incorporated under the laws of the Netherlands and is therefore in principle considered a Dutch tax resident for Dutch domestic tax purposes and subject to Dutch corporate income tax and generally required to withhold Dutch dividend withholding tax from profit distributions made by it. After the Completion, its place of effective management is expected to be located in Spain as a result of which the Company should be considered to be an exclusive tax resident of Spain on the basis of the Convention.

Nevertheless, after Completion the Company is in principle still required to withhold 15% Dutch dividend withholding tax in respect of profit distributions in whatever kind or form (see "*Profit Distributions"* below) on the basis that it is incorporated in the Netherlands. The Spanish-Netherlands Tax Treaty however, should in principle preclude the Netherlands from imposing Dutch dividend withholding tax since the Company will be resident in Spain for tax purposes, save from profit distributions made to Dutch (or deemed Dutch) tax resident shareholders. For these purposes, a non-Dutch tax resident shareholder which has a Dutch permanent establishment to which the shares can be allocated qualifies as a Dutch tax resident shareholder.

However, as long as the Company will for the purposes of the Convention be considered to be exclusively tax resident in Spain, the Convention would, on the basis of case law of the Dutch Supreme Court, in principle preclude the Netherlands from imposing Dutch dividend withholding tax on dividends paid by the Company to a holder of Ordinary Shares other than a Dutch tax resident investor (the "**Withholding Tax Restriction**"). For purposes of this summary a Dutch tax resident investor is a holder of Ordinary Shares that is resident in the Netherlands for tax purposes. However, it cannot be entirely excluded that the term Dutch tax resident investor also extends to a holder of Ordinary Shares that is not resident in the Netherlands for tax purposes but that has a permanent establishment in the Netherlands to which the Ordinary Shares are fundamentally linked (*wezenlijk verbonden*).

Consequently, dividends paid by the Company on the Ordinary Shares to a holder thereof who is not a Dutch tax resident shareholder are in principle not subject to Dutch dividend withholding tax. As a result of the foregoing, upon a distribution of dividends, the Company is required to identify its shareholders in order to assess whether there are Dutch tax resident shareholder among them, in respect of which Dutch dividend withholding tax then needs to be withheld. Such identification may be problematic and not always possible in practice. If the identity of the Company's shareholders cannot be timely determined, withholding of both Spanish and Dutch dividend withholding tax may occur upon a dividend distribution. In light of the foregoing, the Company may, as a condition for not withholding Dutch dividend withholding tax, in its sole discretion decide to require holders of Ordinary Shares to submit information, including information certifying their status as not being a Dutch tax resident shareholder.

If and to the extent dividends are paid on the Ordinary Shares to a holder who is a Dutch tax resident shareholders, such dividends are generally subject to Dutch dividend withholding tax of 15% imposed by the Netherlands. If for any reason Dutch dividend withholding tax is withheld from a dividend distribution made by the Company to holders of Ordinary Shares other than Dutch tax resident shareholders, such holders may apply for a refund of such Dutch dividend withholding tax levied. In case the Company distributes profits to Dutch (or deemed Dutch) tax resident shareholders, the Company would generally be required to withhold Dutch dividend withholding tax. A Dutch tax resident shareholder can generally credit Dutch dividend withholding tax against its Dutch individual income tax (in case the Dutch shareholder is an individual) or Dutch corporate income tax (in case the Dutch shareholder is an entity) liability. Such shareholder subject to Dutch corporate income tax is only allowed to credit the Dutch dividend withholding tax incurred in that year against the Dutch corporate income tax due in that same year. Insofar as the Dutch dividend withholding tax exceeds the Dutch corporate income tax due, the excess dividend tax can be carried forward indefinitely and is generally available to be offset against a positive balance of Dutch corporate income tax payable in future years. Pursuant to domestic rules to avoid dividend stripping, Dutch dividend withholding tax will only be credited against Dutch individual income tax or Dutch corporate income tax, as applicable, exempted, reduced or refunded if the shareholder is the beneficial owner of the profit distribution. The recipient will not be considered the beneficial owner of these proceeds, if, in connection with such proceeds, the recipient has paid a consideration as part of a series of transactions in respect of which it is likely:

(a) that the proceeds have in whole or in part accumulated, directly or indirectly, to a person or legal entity that would:

(i) as opposed to the recipient paying the consideration, not be entitled to an exemption from dividend withholding tax; or

(ii) in comparison to the recipient paying the consideration, to a lesser extent be entitled to a reduction or refund of dividend withholding tax; and

that such person or legal entity has, directly or indirectly, retained or acquired an interest in shares, profit-sharing certificates or loans, comparable to the interest it had in similar instruments prior to the series of transactions being initiated.

If for any reason Dutch dividend withholding tax is withheld from a dividend distribution made by the Company to holders of Ordinary Shares other than Dutch tax resident investors, such holders may apply for a (full) refund of such Dutch dividend withholding tax levied.

Profit Distributions

The Company is required to withhold 15% Dutch dividend withholding tax in respect of dividends paid on the Ordinary Shares and, after Completion, as set out above, it is in principle only required to withhold Dutch Dividend withholding tax in respect of dividends paid on the Ordinary Shares to Dutch (or deemed Dutch) tax resident shareholders. Generally, Dutch dividend withholding tax will not be borne by the Company, but will be withheld from the gross dividends paid on the Ordinary Shares. In the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*), dividends are defined as the proceeds from shares, which include:

(a) direct or indirect distributions of profit, regardless of their name or form;

(b) liquidation proceeds, proceeds on redemption of the Ordinary Shares and, as a rule, the consideration for the repurchase of the Ordinary Shares by the Company (including under the Revised Share Repurchase Arrangement) in excess of its average paid-in capital recognised for Dutch dividend withholding tax purposes, unless a particular statutory exemption applies;

(c) the nominal value of the Ordinary Shares issued to a Shareholder or an increase of the nominal value of the Ordinary Shares, insofar as the (increase in the) nominal value of the Ordinary Shares is not funded out of the Company's paid-in capital as recognised for Dutch dividend withholding tax purposes; and

(d) partial repayments of paid-in capital recognised for Dutch dividend withholding tax purposes, if and to the extent there are qualifying profits (*zuivere winst*), unless the General Meeting has resolved in advance to make such repayment and provided that the nominal value of the Ordinary Shares concerned has been reduced by an equal amount by way of an amendment of the articles of association and the paid-in capital is recognised as capital for Dutch dividend withholding tax purposes. The term "qualifying profits" includes anticipated profits that are yet to be realized.

In addition to the above, it cannot be excluded that any payments made by the Company to the holder of a Warrant (including proceeds of a redemption of the Warrants and proceeds of a repurchase of the Warrants or a full or partial cash or cashless settlement of the Warrants) fall within the scope of the expression "dividends distributed" and are therefore subject to Dutch dividend withholding tax at a rate of 15% (as set out above, in principle only applicable to Dutch tax resident investors). However, to date no authoritative case law of the Dutch courts has been made publicly available in this respect. Nevertheless, the issuance of Ordinary Shares upon the exercise of the Warrants should not give rise to Dutch dividend withholding tax, provided that (i) the exercise price paid in cash is at least equal to the nominal value of the Ordinary Share issuable upon the exercise of such Warrant, or (ii) the nominal value of the Ordinary Share issuable upon the exercise of such Warrant is charged against SPEAR's share premium reserve recognised for Dutch dividend withholding tax purposes.

In case the Company takes the position that no Dutch dividend withholding tax need to be withheld in respect of certain payments or transactions, and subsequently the Dutch tax authorities would successfully argue that Dutch dividend withholding tax needed to be withheld and remitted, the Company could incur a grossed-up liability on account of Dutch

dividend withholding tax, which would make it effectively a cost to the Company rather than the relevant holders of Ordinary Shares and/or Warrants.

Corporate and Individual Income Tax

Residents of the Netherlands

If a holder of Ordinary Shares or Warrants is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Ordinary Shares or Warrants are attributable, income derived from the Ordinary Shares and gains realised upon the redemption or disposal of the Ordinary Shares or Warrants are generally taxable in the Netherlands (at up to a maximum rate of 25.8%).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Ordinary Shares and gains realised upon the redemption or disposal of the Ordinary Shares or Warrants are taxable at the progressive rates (at up to a maximum rate of 49.50%) under the Dutch Income Tax Act 2001, if:

(a) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Ordinary Shares or Warrants are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Ordinary Shares or Warrants are attributable; or

(b) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Ordinary Shares or Warrants that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (a) nor condition (b) above applies to the holder of the Ordinary Shares or Warrants, taxable income with regard to the Ordinary Shares or Warrants must be determined on the basis of a deemed return on savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a statutory threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The individual's deemed return is calculated by multiplying the individual's yield basis with a 'deemed return percentage' (*effectief rendementspercentage*), which percentage depends on the actual composition of the yield basis, with separate deemed return percentages for savings (*banktegoeden*), other investments (*overige bezittingen*) and debts (*schulden*). As of 1 January 2023, the percentage for other investments, which include the Ordinary Shares or Warrants, is set at 6.17%. The deemed return on savings and investments is taxed at a rate of 32%.

Non-residents of the Netherlands

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Dutch income tax in respect of income derived from the Ordinary Shares and gains realised upon the redemption or disposal of the Ordinary Shares or Warrants, unless:

(a) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or a permanent representative the Ordinary Shares or Warrants are attributable, or (2) is, other than by way of securities, entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Ordinary Shares or Warrants are attributable.

(b) This income is subject to Dutch corporate income tax at up to a maximum rate of 25.8%.

(c) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Ordinary Shares or Warrants are attributable, or (2) realises income or gains with respect to the Ordinary Shares or Warrants that qualify as income from miscellaneous activities in the Netherlands which include activities with respect to the Ordinary Shares or Warrants that exceed regular, active portfolio management, or (3) is, other than by way of securities, entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands and to which enterprise the Ordinary Shares or Warrants are attributable.

Income derived from the Ordinary Shares or Warrants as specified under (1) and (2) by an individual is subject to individual income tax at progressive rates up to a maximum rate of 49.50%. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on savings and investments (as described above under "*Residents of the Netherlands*").

Gift and Inheritance tax

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of the Ordinary Shares or Warrants by way of gift by, or on the death of, a holder of Ordinary Shares or Warrants, unless:

(a) the holder of the Ordinary Shares or Warrants is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions at the time of the gift or his or her death; or

(b) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions;

(c) such holder dies while being a resident or deemed resident of the Netherlands within 180 days after the date of a gift of the Ordinary Shares or Warrants; or

(d) the gift is made under a condition precedent and such holder is or is deemed to be resident in the Netherlands at the time the condition is fulfilled.

Value Added Tax

In general, no value added tax will arise in respect of payments in consideration for the issue of the Ordinary Shares or Warrants or in respect of a cash payment made under the Ordinary Shares or Warrants or in respect of a transfer of the Ordinary Shares or Warrants.

Other Taxes and Duties

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Ordinary Shares or Warrants.

Residency

A Shareholder and/or Warrant Holder will not become a resident or deemed resident of the Netherlands by reason only of holding the Ordinary Shares and/or Warrants.

9. RISK FACTORS

Prior to voting on the Resolutions, Shareholders should carefully consider all the uncertainties and risks referred to or described below, together with the other information that is included or incorporated by reference in this Circular, including but not limited to those risk factors discussed in the section "Risk Factors" in the Prospectus (in particular the risk factors that relate to the potential situation in which the Business Combination would not be completed).

The occurrence of any of the events or circumstances described in the below risk factors, individually or together with other circumstances, could have a material adverse effect on the Company's, or following completion on the Combined Group's, business, financial condition, results of operations and prospects. The trading price of the Ordinary Shares and/or the Warrants could decline and a Shareholder might lose part or all of its investment upon the occurrence of any such event.

All of these risk factors and events are contingencies that may or may not occur. The Company or, following Completion, the Combined Group, may face a number of these risks described below simultaneously and some risks described below may be interdependent. Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to the Company's or following Completion on the Combined Group's business, financial condition, results of operations and prospects. While the risk factors below have been divided into categories, some risk factors could belong in more than one category and Shareholders should carefully consider all of the risk factors set out in this section.

Although the Company believes that the risks and uncertainties described below are the material risks and uncertainties concerning the Company's, or following Completion, the Combined Group's, business and industry, and the Ordinary Shares and/or the Warrants, they are not the only risks and uncertainties relating to the Company, following Completion, the Combined Group, and the Ordinary Shares and/or the Warrants. Other risks, events, facts or circumstances not presently known to the Company or that the Company currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Company's, or following Completion, the Combined Group's, business, financial condition, results of operations and prospects.

Shareholders should carefully read the entire Circular and should reach their own views on the Business Combination. Shareholders should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers, and carefully review the risks associated with the Business Combination and its investment in Ordinary Shares and/or Warrants in light of their personal circumstances.

RISKS RELATING TO THE TRANSACTION

1. The Promote Investors have agreed to vote in favour of the Business Combination, regardless of how the other Shareholders vote.

In connection with the Business Combination, the Promote Investors have each agreed to vote their Ordinary Shares and Special Shares in favour of the Business Combination. On the date of the EGM, the Promote Investors collectively have approximately 46.4% of the voting rights by owning certain outstanding Ordinary Shares and Special Shares. Accordingly, it is more likely that the necessary EGM Shareholder Approval for the Business Combination will be received than would be the case if the Promote Investors agreed to vote their Ordinary Shares and Special Shares in accordance with the majority of the votes cast by the other Shareholders.

2. Since the Promote Investors and/or their affiliates and the members of the Board have interests that are different, or which may conflict with the interests of the Shareholders, a conflict of interest may have existed in determining whether the Business Combination with QEV is appropriate. Such interests include that the Promote Investors and/or their affiliates and the members of the Board will lose their entire investment in the Ordinary Shares and Warrants if a business combination is not completed, and that the Promote Investors and/or their affiliates will benefit from the completion of a business combination and may be incentivised to complete the Business Combination, even if it is with a less favourable target company or on less favourable terms to Shareholders, rather than liquidate the Company.

When Shareholders are considering the recommendation of the Board in favour of approval of the Business Combination proposal, Shareholders should keep in mind that certain members of the Leadership Team, the Non-Executive Directors, the Advisory Group and the Promote Investors have interests in such proposal that are different from, or which may conflict with, those of the Shareholders and the Warrant Holders generally. The interests of the Sponsors, for example, could differ because their main shareholders entered into a service agreements with the Company to act as financial advisers in connection with the Business Combination, and such shareholders also entered into a subscription agreement as part of the PIPE Financing in connection with the Business Combination. In addition, the Leadership Team, the Non-Executive Directors, and the Sponsors may earn a positive return on their investment due to the relatively low purchase price of the Sponsor Shares, even though other Shareholders and Warrant Holders may experience a negative return on their investment. The Board is aware of and considered these interests, among other matters, in evaluating and negotiating the Business Combination Agreement and in recommending to the Company's Shareholders that they vote in favour of the proposals presented at the EGM, including the Business Combination proposal. Shareholders should take the potentially conflicting interests into account in deciding whether to approve the proposals presented at the EGM, including the Business Combination proposal.

The foregoing interests, and those set forth in more detail below, present a risk that the Promote Investors and their affiliates will benefit from the completion of a business combination, including in a manner that may not be aligned with the Shareholders – as such, the Promote Investors and/or their affiliates may be incentivised to complete an acquisition of a less favourable target company or on terms less favourable to Shareholders rather than liquidate. These interests include, among other things, the interests listed in the table on the following page.

The personal and financial interests of the Promote Investors and/or their affiliates as well as one or more members of the Board may have influenced their motivation in identifying and selecting QEV as a business combination target, completing a business combination with QEV and influencing the operation of the business following the Business Combination. In considering the recommendations of the Board to vote for the proposals, Shareholders should consider these interests.

	Immediately following the Business Combination [1;2]									
	Ordinary Shares		Special Shares €12		Special Shares €14		Founder Warrants		Capital Shares	
	#	%	#	%	#	%	#	%	#	%
STJ Advisors Sponsor	295,083	1.7%	152,720	10.6%	152,720	10.6%	499,230	6.1%	-	0.0%
AZ Capital Sponsor	722,583	4.0%	373,972	26.0%	373,972	26.0%	1,220,619	15.0%	1.00	100.0%
Total Sponsors	**1,017,666**	**5.7%**	**526,692**	**36.6%**	**526,692**	**36.6%**	**1,719,849**	**21.1%**	**1.00**	**100.0%**
Total Direct Investors	**407,334**	**2.3%**	**667,058**	**46.4%**	**667,058**	**46.4%**	**2,144,485**	**26.3%**	**-**	**0.0%**
Total Promote investors	**1,425,000**	**8.0%**	**1,193,750**	**83.0%**	**1,193,750**	**83.0%**	**3,864,334**	**47.4%**	**1.00**	**100.0%**
EXECUTIVE DIRECTORS AND COO	**301,190**	**1.7%**	**304,270**	**21.2%**	**304,270**	**21.2%**	**900,286**	**11.0%**	**0.16**	**16.3%**
John St. John (including indirect stake in STJ Advisors and STJ Advisors Sponsor)	114,192	0.6%	121,731	8.5%	121,731	8.5%	395,306	4.8%	-	0.0%
Jorge Lucaya (including indirect stake in AZ Capital and AZ Capital Sponsor)	121,855	0.7%	123,574	8.6%	123,574	8.6%	443,448	5.4%	0.16	16.3%
Joes Leopold	12,978	0.1%	6,864	0.5%	6,864	0.5%	21,448	0.3%	-	0.0%
Michael Rosen	52,165	0.3%	52,101	3.6%	52,101	3.6%	40,084	0.5%	-	0.0%
DIRECTORS	**86,952**	**0.5%**	**48,843**	**3.4%**	**48,843**	**3.4%**	**152,884**	**1.9%**	**0.07**	**7.4%**
Frank Dangeard (through Harcourt IGN DMCC)	19,467	0.1%	13,149	0.9%	13,149	0.9%	41,490	0.5%	-	0.0%
Rick Medlock	12,978	0.1%	6,864	0.5%	6,864	0.5%	21,448	0.3%	-	0.0%
Ignacio Moreno	28,551	0.2%	15,101	1.1%	15,101	1.1%	47,114	0.6%	0.04	3.9%
Miriam van Dongen	25,956	0.1%	13,728	1.0%	13,728	1.0%	42,831	0.5%	0.04	3.5%

1. No Repurchase Scenario plus commited New Funds (includes PIPE and Inveready and GAEA Share Capital Increase)
2. Fractional shares relate to the indirect shareholding through the vehicles of the Sponsors, its Affiliates and the Direct Investors

3. The exercise of discretion by the members of the Board in agreeing to changes in the terms of the Business Combination or waivers of conditions may result in a conflict of interest when determining whether such changes to the terms of the Business Combination or waivers of conditions are appropriate and in the Shareholders' best interest.

Prior to Completion, events may occur that, pursuant to the Business Combination Agreement, would require the Company to agree to amend the Business Combination Agreement, to consent to certain actions intended or proposed to be taken by QEV or to waive rights that the Company has under the Business Combination Agreement. Such events could arise because of changes in QEV's business, a request by QEV to undertake actions that require the Company's consent under the Business Combination Agreement or the occurrence of other events that would have a material adverse effect on QEV's business and would entitle the Company to terminate the Business Combination Agreement. In any such circumstances, it would be at the Company's discretion, acting through its Board, to agree to any such amendment of the Business Combination to grant its consent to such a request or waive any such rights. The existence of financial or personal interests of one or more of the members of the Board described in "*Potential Conflicts of Interest and Other Information*" may result in a conflict of interest on the part of such member between what he, she or they may believe is best for the Company, its Shareholders and Warrant Holders and what he, she or they may believe is best for himself, herself or themselves in determining whether or not to take the requested action or waive rights. As of the date of this Circular, the Company does not foresee that there will be any such amendments, changes or waivers that the Company would be likely to make. While certain changes could be made without further Shareholder approval, the Company intends to circulate a new or amended Circular if changes in the terms of the Business Combination or waivers of conditions have a material impact on the position of the Shareholders and Warrant Holders.

4. The Company has not obtained a third-party valuation or fairness opinion in determining whether or not to proceed with the Business Combination.

While the Company is not required to obtain a third-party valuation or fairness opinion, the Company did not obtain a third-party valuation or fairness opinion either in connection with its determination to recommend the Business Combination. In analysing the Business Combination, the Company together with its advisors, conducted due diligence on QEV. The Company also consulted with QEV's management and advisors and considered a number of factors, uncertainties and risks, and reviewed comparisons of selected financial and operational data of QEV with its peers in the industry and the financial terms set forth in the Business Combination Agreement, and concluded that the Business Combination was in the best interest of the Company's Shareholders (see "*Background to, and Rationale for, the Business Combination – Rationale for the Business Combination – SPEAR's rationale for the Business Combination*"). Accordingly, investors will be relying mainly on the judgement of the Company's Board in valuing QEV (as well as the implicit endorsement of the terms of the Business Combination by PIPE Investors).

Although the Company undertook analyses of the business and financial condition and prospects of QEV in making its determination regarding the fairness of the terms of the Business Combination, there can be no assurance that an independent analysis would arrive at the same conclusion. the Company relied upon its own substantial business experience and the expertise of its individual members in the areas of mergers and acquisitions, and finance and in evaluating the operating and financial merits of companies from a wide range of industries, and concluded that their experience and expertise, together with the experience and expertise of the Company's advisors, enabled them to determine the value range of QEV and whether the terms of the Business Combination are fair to the Shareholders.

Accordingly, there is a risk that the Company may be incorrect in its assessment of the Business Combination or the value of QEV and, as a result, the terms may not be fair from a financial point of view to the Shareholders. As a result, there can be no assurance that Shareholders will receive the value of their investment upon disposition thereof. The lack of a third-party valuation or fairness opinion may also lead an increased number of Shareholders to vote against the proposed Business Combination or demand repurchase of their Ordinary Shares for cash, which could potentially impact the Company's ability to complete the Business Combination.

5. All forward-looking information including QEV's pipeline, orderbook, near and mid-term financial and operational targets and the assumptions and judgements underlying these targets may prove inaccurate, and as a result, the Company may not achieve its targeted financial results.

The forward-looking information contained in this Circular as well as the information on the orderbook and pipeline is based on the information provided by QEV to SPEAR and has not been verified by an independent third party. All forward-looking information might be subject to change which may have an adverse impact on the Company's current and future financial position and valuation. QEV has experienced strong growth in revenue and sales volume and has adapted its business plan and near and mid-term targets accordingly. However, there is no guarantee that all the orderbook and pipeline for the near term and mid-term will materialise. Should the orderbook or pipeline prove to be materially lower than anticipated, the Company's financial position and valuation will be negatively affected.

6. As QEV will become a publicly-traded company through the Business Combination rather than through an initial public offering, no underwriting syndicate has been engaged in the Transaction, which could mean that there is less protection for investors than in a traditional public offering process.

As QEV will become a publicly-traded company through the Business Combination by means of completing the Business Combination rather than by means of a traditional initial public offering, there is no independent third-party underwriting syndicate selling the Ordinary Shares, and, accordingly, the Shareholders will not have the benefit of an independent review and investigation of the type normally performed.

Since the Company is already a publicly-traded company, no underwriting syndicate has been engaged. The Sponsors have an inherent conflict as they will lose their investment in the Ordinary Shares if a business combination is not completed (see "*Potential Conflicts of Interest and Other Information*"). While the Company conducted a due diligence review and investigation on QEV (see "*Background to, and Rationale for, the Business Combination – Rationale for the Business Combination – SPEAR's rationale for the Business Combination*"), it is not necessarily the same level of due diligence undertaken by an underwriting syndicate in a traditional initial public offering and, therefore, it may not have uncovered facts that would be important to a potential investor, resulting in an heightened risk of an incorrect valuation of the business or material misstatements or omissions in this document.

Moreover, the Shareholders will not benefit from additional roles of the underwriting syndicate in a traditional initial public offering, such as the book-building process, which helps inform efficient price discovery, and underwriter support to help stabilize the public price of the new issuance immediately after listing. The lack of such support in connection with the Ordinary Shares could result in greater potential for errors, diminished investor demand, inefficiencies in pricing and a more volatile public price for the Ordinary Shares during the period immediately following the Completion.

7. If an Ordinary Shareholder or Ordinary Shareholders acting in concert are deemed to hold in excess of 15% of the Ordinary Shares, such shareholders will lose the ability to redeem all such Ordinary Shares in excess of 15% of the Ordinary Shares.

As described in "*Business Combination– Description of the Business Combination Transaction – Revised Share Repurchase Arrangement – Limitation on Repurchase*" the Company stipulates that an Ordinary Shareholder, together with any affiliate of such Ordinary Shareholder or any other person with whom such Ordinary Shareholder is acting in concert, will be restricted from redeeming its Ordinary Shares with respect to more than an aggregate of 15% of the Ordinary Shares sold in the Offering (**Excess Shares**). However, the Company does not restrict Ordinary Shareholders' ability to vote all of their Ordinary Shares (including Excess Shares) for or against a Business Combination. An Ordinary Shareholder's inability to redeem the Excess Shares will reduce the ability of a small group of Ordinary Shareholders to block the Company's ability to complete the proposed Business Combination. Ordinary Shareholders could suffer a material loss on their investment if they sell Excess Shares in open market transactions. Additionally, Ordinary Shareholders will not receive redemption distributions with respect to the Excess Shares if the Company completes a Business Combination. And as a result, Ordinary Shareholders will continue to hold Excess Shares, being that number of Ordinary Shares exceeding 15% and, in order to dispose of such Excess Shares, would be required to sell in open market transactions, potentially at a loss.

8. Risk of indemnification obligations under the Business Combination Agreement

Under the Business Combination Agreement, SPEAR and QEV have agreed to jointly and severally indemnify and hold harmless certain parties, including the advisors, the shareholders of QEV, the Convertible Instrument Holders, the shareholders of SPEAR pre-Completion, the Sponsors, and their respective affiliates and representatives, from any losses arising from any claims relating to the disclosure documents, including the Shareholder Circular. These claims may allege that disclosure documents (meaning all public or investor disclosure on or related to the Transaction, including material information provided by QEV to SPEAR for purposes of the investor presentation and certain sections of the Shareholder Circular, and any and all draft and final versions of the Shareholder Circular, and the investor presentation, but excluding the Prospectus and SPEAR's annual report for 2022, as published in 2023) contain untrue or misleading statements or omissions of material facts, or fail to comply with applicable laws or regulations. Such claims may be brought by any party or third party, including regulators, securities holders, or other persons who may have relied on the disclosure documents.

The indemnification obligations under the Business Combination Agreement are not limited in amount or duration, and may be substantial. If any such claims are successful or settled, SPEAR and QEV may be required to pay significant amounts of damages, fines, penalties, interest, costs, or expenses, which could adversely affect their financial condition, results of operations, or achieve their strategic objectives. Furthermore, the indemnification obligations may create conflicts of interest between SPEAR and QEV and the indemnified parties, or among the indemnified parties themselves, in relation to the preparation, review, approval, or disclosure of the disclosure documents, or the defence or settlement of any claims. Additionally, the indemnification obligations may discourage or deter potential claims or litigation that may otherwise benefit SPEAR or QEV.

SPEAR and QEV may not have sufficient insurance coverage or financial resources to satisfy their indemnification obligations under the Business Combination Agreement, or may not be able to recover any amounts from third parties who may have contributed to the losses. Moreover, the indemnification obligations may not be enforceable in some jurisdictions or against some parties, or may be subject to limitations or exclusions under applicable laws or contracts. Therefore, there can be no assurance that SPEAR and QEV will be able to fully or partially indemnify or be indemnified by the indemnified parties or any other parties in respect of any claims relating to the disclosure documents, or that such indemnification will not have a material adverse effect on SPEAR or QEV.

9. Third parties, such as QEV's customers, suppliers and financiers, may terminate or (endeavour to) alter existing contracts with QEV as a result of the Business Combination.

Several of QEV's customer, supplier and financing agreements contain change of control clauses stipulating notification obligations for a QEV Group Company or termination rights for the contractual counterparty. While, in certain cases, there may be valid arguments that the Transaction would not trigger termination rights under the respective change of control clause, it cannot be excluded that a contractual counterparty (and, ultimately, a court) takes a different view. Accordingly, such change of control clauses bear a risk that the relevant counterparty terminates the relevant contract as a consequence of the Transaction or tries to re-negotiate the terms of the relevant contract after the relevant QEV Group Company notifies the Transaction to the relevant counterparty. In addition, contractual counterparties may terminate existing contracts with QEV as a result of the Business Combination subject to the notice period in the relevant contract.

10. Recourse under the Business Combination Agreement in respect of breaches of warranties and indemnities is limited monetarily and by time.

Under the Business Combination Agreement, the QEV Shareholders have provided the Company with certain representations, warranties and covenants. The Company's recourse under the Business Combination Agreement for losses and liabilities resulting from breach of any such representation, warranty or covenant, or for amounts covered under the indemnification provisions, is subject to the monetary and time limitations specified therein.

While the Company has carried out an extensive due diligence investigation of QEV (see "*Background to, and Rationale for, the Business Combination – Rationale for the Business Combination– SPEAR's rationale for the Business Combination*"), it has not had access to all information available in respect of QEV. The Company cannot assure Shareholders that its investigation and due diligence of QEV uncovered all events or conditions that might result in future losses or liabilities or

that any known potential losses or liabilities have been fully addressed under the relevant provisions in the Business Combination Agreement, as further described in "*The diligence performed by the Company in connection with the Business Combination may not have revealed all relevant issues and liabilities.*" As a result, after Completion, the Company may suffer losses or incur liabilities for which it has limited or no recourse. Furthermore, if any such losses or liabilities were exceeding the monetary limitations or became known to the Company after expiry of the relevant time period limitations, each as specified in the Business Combination Agreement, the Company may not have any recourse under the Business Combination Agreement. If the Company was required to bear such losses or liabilities itself, it could have a material adverse effect on the Company's financial position and results of operations.

11. The diligence performed by the Company in connection with the Business Combination may not have revealed all relevant issues and liabilities.

For the purposes of estimating the value of QEV's business and inform its decision as to whether to vote in favour of the Business Combination, the Company has conducted a due diligence investigation. If the Company's due diligence investigation of QEV's business was inadequate, then following the Business Combination Shareholders and Warrant Holders could lose (a part of) their investment. Even though the Company conducted a due diligence investigation of QEV's business with the assistance of external advisors (see "*Background to, and Rationale for, the Business Combination – Rationale for the Business Combination – SPEAR's rationale for the Business Combination*"), the Company cannot be sure that this due diligence investigation uncovered all material issues that may be present inside QEV's business, or that it would be possible to uncover all material issues through a customary amount of due diligence, or that factors outside QEV's business and outside of its control will not arise at a later moment in time.

Whilst conducting due diligence and assessing a potential acquisition, the Company has relied on information provided by QEV, third-party investigations and public sources. The Company relied on this information for the evaluation of QEV's business model and for the formation of the estimates and projections of potential future performance underlying its decision to enter into the Business Combination. As part of the due diligence, the Company has also made subjective judgements regarding the results of operations, financial condition and prospects of a potential opportunity. There can be no assurance that the due diligence undertaken with respect to QEV has revealed all relevant facts that may be necessary to fully and accurately evaluate QEV, which evaluation includes a fair determination of the consideration payable by the Company in connection with the Business Combination, or to formulate a business strategy. Furthermore, the information provided during the due diligence may have been incomplete, inadequate or inaccurate or the Company may have misunderstood information. If the Company was provided with incomplete, inadequate, incorrect information or if it misunderstood information, its assumptions and estimates relating to the merits, risks and opportunities of the Business Combination may be inaccurate. In addition, if the due diligence investigation has failed to correctly identify material issues and liabilities that may be present in QEV, or if the Company considers such material risks to be commercially acceptable relative to the opportunity and does not receive adequate recourse post-Business Combination with respect to such risks, and the Company proceeds with the Business Combination, QEV may subsequently incur substantial impairment charges or other losses, effectively meaning that the Company has and indirectly the Shareholders have overpaid for QEV.

In addition, following Completion, the Combined Group may be subject to significant, previously undisclosed liabilities or contingent liabilities of QEV that were not identified during due diligence. As a result of this, the Company may be exposed to liabilities and incur additional costs and expenses and the Combined Group may be forced to later write-down or write-off assets, restructure its operations, or incur impairment or other charges that could result in its reporting losses. If any of these risks materialise, this may adversely affect the Combined Group's business, financial position, results of operations and/or prospects, as well as the price of its Shares and Warrants, and could contribute to negative market perceptions about its securities or the Company. Accordingly, Shareholders, including those who chose to remain shareholders of the Company following the Business Combination, could suffer a reduction in the value of their shares. Such Shareholders are unlikely to have a remedy for such reduction in value unless they are able to successfully claim that the reduction was due to the breach by the Company's directors or officers of a duty of care or other fiduciary duty owed to them, or if they are able to successfully bring a private claim under applicable securities laws that this Shareholder Circular contained an actionable material misstatement or material omission.

The materialisation of these factors could contribute to poor operational performance, undermine any attempt to restructure, operate and/or grow the target business in line with the Combined Group's business plan and may materially and adversely affect QEV's business, financial condition and results of operations.

12. The implementation of the Business Combination is subject to satisfaction or waiver, where applicable of a number of conditions.

Even if the proposed Business Combination is approved by the Shareholders, specified conditions must be satisfied or waived before the parties to the Business Combination Agreement are obligated to complete the Business Combination. For a list of the material completion conditions contained in the Business Combination Agreement, see "*Business Combination – Conditions to Completion*". The Company, the QEV Shareholders and QEV may not satisfy all of the completion conditions in the Business Combination Agreement. If the completion conditions are not satisfied or waived, the Business Combination will not occur, or will be delayed pending later satisfaction or waiver, and such delay may cause the Company and QEV to each lose some or all of the intended benefits of the Business Combination.

13. QEV and the Company will incur significant transaction-related costs in connection with the Business Combination. Moreover, the costs of achieving the benefits of the Business Combination may be higher than anticipated, and the continuing post-Business Combination integration affecting QEV's business may not be as expected.

QEV and the Company have both incurred and expect to incur significant costs in connection with completing the Business Combination. The Company and QEV currently estimate that transaction expenses will not exceed €9.6 million. The Company and QEV may also incur unanticipated costs associated with the Business Combination and recurring costs related to the Business Combination being a listed company. These unanticipated and recurring costs could have an adverse impact on the results of operations of the Company following Completion. The Company and QEV cannot provide assurance that the benefits of the Business Combination will offset the incremental Transaction Costs in the near term, if at all.

14. Because of the limited resources of the Company and the significant competition for business combination opportunities, if the Business Combination is not completed, it may be more difficult for the Company to complete a business combination. If the Company has not completed a business combination within the required time period and distributes the amounts held in the Escrow Account as liquidation proceeds or consideration in the Revised Share Repurchase Arrangement, Ordinary Shareholders could receive less than €10.00 per Ordinary Share or nothing at all.

The Company has encountered and expects to encounter strong competition from other entities having a similar business objective, including strategic buyers, sovereign wealth funds, the increasing number of other SPACs seeking out business combination opportunities and public and private investment funds, among others, many of which may be well established and may have extensive experience in identifying and completing acquisitions and business combinations. A number of these competitors may possess greater technical, financial, human and other resources than the Company and a greater ability to source investment opportunities and borrow funds to acquire targets if needed. These competitors may also be able to facilitate a more expedited acquisition process as they, unlike the Company, may not require the approval of a shareholders' meeting of a publicly listed company. Additionally, certain features of the Company, such as its incorporation under Dutch law or its listing on Euronext Amsterdam may be less attractive to potential targets, placing the Company at a disadvantage relative to certain other competitors in respect of Business Combination opportunities. Furthermore, such competitors may offer more attractive terms for the acquisition, including, for example, by not requiring representation on the target's board of directors. Any of these or other factors may place the Company at a competitive disadvantage in successfully negotiating or completing an attractive business combination relative to such potential competitors. There can be no assurance that the Company will be successful against such competition. While the Company believes there are numerous target businesses it could potentially acquire, should the Business Combination fail, its ability to compete with respect to the acquisition of certain target businesses that are sizable is limited by the available financial resources, which will be further decreased as a result of the transaction-related costs incurred by the Company in connection with the evaluation, negotiation and effectuation of the Business Combination. This inherent competitive limitation gives others an advantage in pursuing the acquisition of certain target businesses.

Furthermore, the Company is obligated to offer Shareholders the right to have their shares repurchased for cash at the time of a business combination in conjunction with a Shareholder Approval. Target companies will be aware that this may reduce the resources available to the Company for the business combination. Any of these obligations may place the Company at a competitive disadvantage in successfully negotiating and effectuating a business combination in the event that the Business Combination fails. If the Company has not completed a business combination within the required time period, and distributes the amounts held in the Escrow Account as consideration in the Revised Share Repurchase Arrangement and liquidation proceeds, Ordinary Shareholders could receive less than €10.00 per Ordinary Share as the amounts held in the Escrow Account may be subject to claims that would take priority over the claims of the Ordinary Shareholders and, as a result, the repurchase amount or liquidation price per Ordinary Shares could be less than the initial amount per Ordinary Share held in the Escrow Account, or nothing at all.

15. Following the Business Combination, the Company may face litigation challenging the Business Combination.

Following the Business Combination, the Company may face potential litigation or other disputes challenging the legitimacy of the Business Combination or invoking claims under applicable securities laws, contractual claims or other claims arising from the Business Combination. As of the date of this Circular, the Company has no knowledge of any such litigation or dispute. However, such litigation or dispute may arise in the future. Any such litigation or dispute, whether successful or not, could have a material adverse effect on the Combined Group's business, financial condition, results of operations and/or the price of the Ordinary Shares and/or Warrants.

16. Securities of companies formed through SPAC combinations such as the Business Combination may experience a material decline in price relative to the share price of the SPAC prior to the merger.

Securities of companies formed through SPAC combinations such as the Business Combination may experience a material decline in price relative to the share price of the SPAC prior to the combination. As with most SPAC initial public offerings in recent years, the Company issued shares for €10.00 per share upon the closing of its initial public offering. The €10.00 per share price of the Company reflected each share having a one-time right to redeem such share for a pro rata portion of the proceeds held in the Escrow Accounts equal to approximately €10.69 per Ordinary Share prior to Completion. Following Completion, no shares outstanding will have any such redemption right and will be solely dependent upon the fundamental value of QEV, which, like the securities of other companies formed through SPAC combinations in recent years, may be significantly less than €10.00 per ordinary share.

RISKS RELATING TO QEV'S INDUSTRY AND BUSINESS

17. The automotive and e-mobility markets are highly competitive. QEV faces intense and increasing competition in the light commercial vehicle and transit bus market and may not be able to compete successfully against new participants that may be able to produce similar products as those of QEV at a lower production cost and/or through consolidation among QEV's competitors which may improve their economies of scale. These developments could materially adversely affect QEV's business, financial condition, results of operations and prospects.

Both the light commercial vehicle (LCV) and transit bus markets generally and the battery electric segments of these markets in particular are highly competitive, Furthermore, LCV market foresees increasing competitive pressure from Chinese companies and EV pure players with reliable vehicles which are entering the market with new go-to-market strategies, the Group competes for sales with:

- Historical and established players (e.g., Daimler, Volkswagen, Stellantis, Ford) who have developed electric versions of LCV best sellers and are progressively electrifying their whole range of vehicles;

- Pure EV insurgent (e.g., Rivian, Canoo, Voltia) which are focus on Electric Vehicles ("EVs") with still a limited portfolio offering and geographical reach; and

- Low-cost players which are characterized by having very competitive pricing but suffer from limited brand image so far.

Moreover, QEV's competitors that also produce diesel-hybrid and compressed natural gas vehicles may have an advantage with existing and prospective customers that are interested in exploring diesel alternatives without committing to zero emission vehicles or that wish to pursue a gradual zero emission or electrification strategy with the same supplier. Additionally, many of these competitors have more experience with the procurement process of major corporates and public transit authorities, such as Idiada Automotive Technology S.A, ("Applus+ Idiada"), who is the main PTA of QEV for the homologation of the vehicles manufactured in China.

There are some market entry barriers, which make it increasingly more difficult for new players to become competitive such as:

- Track record of the product quality and the after sales service, which is a positive experience that must be established in order to compete
- Manufacturing knowhow in order to ensure quality and efficiency of production and to meet the particular demands of the client
- Customer relationships are key in order to enter in large accounts. Over time it will become more difficult to establish relationships as most customers will already have a preferred manufacturer
- High upfront investments which are necessary to start production and to create an after-sale network
- Product availability given the fact that the lack of key components is reducing the manufacturing volume for all players in the sector, thus, new entrants are struggling to obtain raw materials

The automotive market and its various submarkets as well as the industries linked thereto could become even more competitive in the future. This relates in particular to new market entrants, for example from China and India and emerging market countries, which may benefit from lower production costs, for example in relation to costs for labour, energy, facility, logistics and infrastructure, and transportation, and could be able to produce similar products as those of QEV more cheaply, as well as expansion of QEV's existing competitors, who could extend their product range and/or set up production lines in Europe. This could lead to increased price competition in the battery electric LCV and bus segments. Since price is one of the factors that make up the total cost of ownership, if QEV's competitors lower their prices, this could lead to them having a more competitive total cost of ownership compared to QEV's total cost of ownership for its zero emission LCVs and buses, which could harm QEV's business, decreasing its competitive advantage and/or resulting in fewer of QEV's vehicles being sold, as well as its operating results, or prospects as QEV could feel pressure to decrease the price of its zero emission LCVs and buses, reducing its overall profitability.

Competition is based on several key criteria, which include, among other things, price, product technology and reliability, product quality and performance, ramp-up time, size, weight, product design and innovation, customization, reputation as well as speed, time-to-market and flexibility, solid relation with customers & suppliers, generation of brand equity and financing modalities (e.g., renting) among others. There can be no assurance that certain industry players, who currently do not compete with QEV in terms of quality and market share, will not be able to increase their product and production quality and enter the market in the coming years. QEV's ability to compete in the industries and markets in which it currently operates may be adversely affected by a number of factors, such as:

- Increasing competitive pressure: mainly from (i) China which has been the first mover in EVs (e.g. BYD, JAC Motors) and (ii) insurgent regional players (e.g. Arrival, Rivian) to threaten the hegemony of historical ICE manufacturers
- Strong governmental push for EVs play willing to change infrastructure and supporting with public deployment plans. Governments are also showing protectionism across regions with grants for R&D and manufacturing for the eLCV (e.g Strong public incentives from China have boosted EVs development of local OEMs

- EV pure players: A relatively fragmented electrification LCV market leaves room for newcomers to establish presence and exploit technical superiorities with an exclusive EV product offering with no legacy on ICE being capable to create a recognize brand in LCV

- International development of Asian & Chinese brands: Asian, and especially Chinese brands (e.g. BYD), have expanded its footprint globally. Specifically, Latin-America has become a relevant market given fewer barriers to trade where the players have stablished local assembling plants (e.g. BYD, JAC Motors)

- European and US OEMs to reduce Asian dependency: Global race in Europe and the U.S. to change dependence on China for the processing electric batteries and dependance on spare parts

- New distribution / go-to-market strategies: eLCV have introduced a revolution compared to traditional ICE distribution models. New go-to-market EV paradigm that includes bundles of products and services, digital channels for direct sale or sales combined with flagship stores in main counties cities

Other factors affecting competition include product quality and features, vehicle range, environmental impact, innovation and development time, reliability, safety, fuel economy, and customer and aftermarket service as each of these factors are often part of the considerations that customers use to evaluate alternative vehicles. While QEV believes that it currently has a competitive advantage in relation to the total cost of ownership of its vehicles, pricing, fuel economy and maintenance costs are also factors that impact total cost of ownership. Existing and potential competitors may be able to develop vehicles and provide services that drive down the total cost of ownership of their vehicles due to their price, features, environmental impact or innovation. Alternatively, they may be able to develop products or services that are better able to compete on the basis of other factors that are equal or superior to those offered by QEV or which achieve greater market acceptance. However, while the Group's existing and potential customers often use the total cost of ownership to make purchasing decisions, other customers, particularly those in markets, such as Mexico or Philippines, (where QEV holds Purchase Orders of >1,000 vehicles), without as much access to finance or with less favourable finance options, may place more importance on the upfront price of the vehicle, which could hinder QEV's ability to expand or compete in these markets. Furthermore, customers may favour local competitors, irrespective of total cost of ownership and some of QEV's competitors may aggressively discount their products and services in order to compete on price and gain market share, which could result in pricing pressures, reduced profit margins, lost market share, or a failure to grow market share by QEV. This could impact QEV's ability to compete successfully and may materially adversely affect QEV's business, financial condition, operating results or prospects.

18. QEV has been and may continue to be impacted by macroeconomic and other conditions resulting from the Covid-19 pandemic, including by disruptions to its supply chain and production, which could materially adversely affect QEV's business, financial condition, results of operations or prospects. Current problems in the supply chain make it more difficult to determine lead times, but delay means penalties for the manufacturer

The Covid-19 pandemic has impacted worldwide economic activity since early 2020. Government regulations and shifting social behaviours have limited or closed non-essential transportation, government functions, business activities and person-to-person interactions and resulted in disruption on the normal operations of port infrastructure and logistic operators plus many employees working from home slows down the processing of the vehicles. In some cases, the relaxation of such trends has been followed by actual or contemplated returns to stringent restrictions on gatherings or commerce, including in parts of Europe, where the Group's primary operations are currently located.

QEV is operating, manufacturing and delivering in different locations with different, and fast moving, government regulations; these trends have resulted in unexpected delays in production, transport onboarding on origin, transport offloading on destination, registration of vehicles on destination, amongst others. Furthermore, there is a legacy bullwhip effect that can result in supply chain shortages of critical automotive components throughout the entire industry that can result in delays in production.

On top of Macroeconomic conditions and changes in levels of corporate demand for electric LCVs and end user demand for public transit and customer spending on public transit in the future may further adversely affect the LCV and transit bus markets more generally, including the battery electric LCV and bus segments within which QEV operates.

On the other hand, Macroeconomic conditions and changes in levels of both corporate and public enforced electric vehicle demand can result in a supply chain shock that can result in shortages of critical parts and components specific to electric vehicles such as battery cells and certain electrical components within the battery pack.

19. QEV's business and profitability may be materially adversely affected by increases in costs, disruptions, failure or non-performance of the Group's third-party suppliers

As explained in the business model and strategy section on page 111, QEV will progressively shift from a roll-in roll-out to a Completely Build Up operating model, this adaptation is expected to generate limited challenges mainly related to component sourcing. QEV could be affected by increased costs on transportation, modifications on import taxes in the EU zone, higher prices of raw materials that could raise the BOM cost, or higher costs from suppliers who prefer to sell bigger quantities to major manufacturers in the sector.

19. As the eMobility business line was created in 2020 and is currently the growth driver of the Company, QEV may be materially adversely affected in the short term by client and supplier concentration

Two clients to represent the majority of the revenues for 2023E and 2024E:

1) Bimbo (Citizens Resources Mexico S.A.P.I. de C.V.): company based in Mexico with the subsidiary brand Link EV Electric Vehicles and managing Bimbo's fleet. Link EV is in charge of developing end-to-end solutions flor fleet operators to meet new emission standards. At the beginning of 2022 (when Bimbo started the commercial relations with QEV), the company announced the construction of the first assembly plant for electric buses and other vehicles, starting in July, and financed by Link EV ($265m).

Bimbo is the main client of the Company and the contract has been signed for a period of 5 years, with the first order of >1.000 vehicles already received through 20 official Purchase Orders in tranches of 50 vehicles each, with the first batch of 200 vehicles already delivered.

2) GET Worldwide is based in Philippines and is a first mover in Electric Mass Mobility as a Service. QEV started the commercial relations with GET in 2021 and their aim is to merge top-of-the-line electric minibuses with a comprehensive app-based management system. GET's relationship with QEV started in April 2018 with the signature of the first framework agreement to develop and manufacture EV conversion kits. GET progressed the partnership with QEV to develop the COMET 3 electric minibus; a world-class zero-emission fully electric 6.5 meter bus that uses fast-charging lithium-ion batteries. QEV has received Purchase Orders to date of >95 units and is the second main client of the company.

Despite the good commercial relationship with both customers and the leading positions that they have in Mexico and Philippines, there is a clear risk factor regarding the revenue dependency with these two contracts, as they represent the majority of the revenues for 2023E and 2024E.

Additionally, doubtful clients, currently only one client holding a position of €91,783 in receivables accounts may create some future risk such as delay or default on payments impacting the company's cash flow or disrupt financial planning of QEV.

Regarding the relation with the suppliers, component sourcing and part manufacturing are performed in China, leveraging in a key Chinese OEM supplier: EV Dynamics, a local manufacturer established in 1998 which currently has capacity for +10k vehicles annually and is focused on e-mobility. QEV will progressively shift from a roll-in roll-out to a Completely Build Up operating model in the coming years benefiting from a new factory located at Barcelona's Zona Franca and gradually losing the high dependence from the key Chinese suppliers.

20. The achievement of QEV's business plan is reliant on the successful ramp-up of production in the facility in Barcelona's Zona Franca (free trade zone) in which QEV holds a partial ownership.

QEV is a core member of the D-Hub which have led the takeover of Nissan's assets in Barcelona along with Goodman's logistics project. It includes 3 facilities (Zona Franca, Sant Andreu and Montcada) that have been taken by QEV (San Andreu to be re-localized in the two other facilities). These facilities will allow QEV to ramp up volume production with an annual capacity of 60k vehicles while benefitting from duty free status of Zona Franca facility and leveraging experienced human capital to ensure high quality levels. The D-Hub is also formed by Btech, a leading factory design and services company that provides production engineering and automotive technical expertise. QEV and Btech have established a Joint Venture (where QEV retains a 60% stake vs. 40% from Btech) which is the owner of Nissan's former production assets and will be in charge of the employees hiring.

The factory will require approximately €115 million of CAPEX to adapt and upgrade the legacy facilities and some operating needs. This investment will be funded mainly by (i) Goodman Group, who committed in the tender negotiation process to support the selected industrial partner, (ii) public grants already awarded from the PERTE I, and (iii) other public grants programmes who are expected to be launch by the end of 2023E and 2024E such as PERTE II and Moves (MOVilidad Eficiente y Sostenible). In this sense, if the public entities finally decide not to award the company, QEV may suffered some delays in this ramp-up of production in the facility for the coming years.

Moreover, as QEV will progressively shift toward more elaborated operating models (roll-in roll-out model to a completely build up model), the business model will rely on the production capacity of the facility. In the event that the facility suffers any external damage QEV may not be able to meet its commercial comittments.

21. Developments or advances in alternative technologies, including but not limited to hydrogen, solid state battery technology, or improvements in the internal combustion engine, may materially adversely affect the demand for QEV's zero emission vehicles, result in additional expenses for QEV or affect the competitiveness of the total cost of ownership of QEV's zero emission vehicles compared to its competitors and QEV's business, financial condition, results of operations or prospects could be materially adversely affected.

QEV may be unable to keep up with the changes in zero emission technology or other alternative fuel sources and, as a result, its competitiveness may suffer. Developments or advances in alternative technologies, such as hydrogen fuel cells, advanced diesel, ethanol, or compressed natural gas, or improvements in the fuel economy of the internal combustion engine or other technological advances that would make such alternative technologies more competitive against or attractive than the Group's zero emission vehicles, could result in QEV's competitors having zero emission or other vehiles with a lower total cost of ownership than those of QEV, which could materially adversely affect QEV's business or prospects.

Even if QEV is able to keep pace with changes in technology and develop new products and services, QEV is subject to the risk that its prior models, products, services and designs will become obsolete more quickly than expected, resulting in a lower return on investments made in research and development of QEV's products or, in some cases, QEV may be required to write off any materials or components already purchased that can no longer be used due to changing technologies. Inability of QEV to keep pace with changes in technology or early obsoletion of its existing technology would affect the total cost of ownership of its vehicles as the total time that QEV's vehicles are used by clients may be materially adversely affected (which impacts the total cost of ownership) or it could increase the maintenance costs if QEV can upgrade the technology (which would also increase the total cost of ownership, unless such upgrades were provided at the customer's own expense). Any failure of QEV to successfully react to changes in existing technologies, any adverse impact on demand for QEV's products as a result of alternative technologies, or to manage expenses arising from developments or advances in alternative technologies, could impact the total cost of ownership for QEV's vehicles, materially harm its competitive position and growth prospects and may have a material adverse effect on QEV's business, financial condition, results of operations or prospects.

22. QEV spends a significant amount on research and development and invests time and resources into strategic partnerships and collaborations with its suppliers. If QEV fails to make the right investment decisions in its technologies and services, strategic partnerships or collaborations with suppliers, its business, financial condition, results of operations or prospects could be materially adversely affected.

The electrification of commercial vehicles is a relatively new field and one which continues to evolve. As more companies invest in electric LCV and bus markets, alternative modes of transportation or adjacent markets, and new technologies are developed, QEV and its technologies may be unable to keep up with such advances and, as a result, QEV's competitiveness

may suffer. Since technologies change, QEV has spent and expects to continue to spend significant resources in ongoing research and development, including by upgrading or adapting its products and services, collaborating on research and forming strategic partnerships with research institutions, industrial partners and suppliers.

As part of its research and development investments, QEV has formed strategic partnerships with private and public institutions and some of these arrangements are evidenced by memorandums of understanding, non-binding letters of intent, or early stage agreements that are used for design and development purposes, which could be terminated or may not materialise into next-stage contracts or long-term contract partnership arrangements or otherwise result in innovation. If QEV is unable to maintain such arrangements and agreements, contribute to innovation through these arrangements and agreements or if such arrangements and agreements contain other restrictions from or limitations on developing zero emission vehicles and other relevant technology with other strategic partners, QEV could be negatively impacted.

Furthermore, QEV's research and development efforts, its strategic partnerships and collaboration with its suppliers help QEV to develop competitive technology. For example, with CATL, LG with battery components such as modules and cells, NEWATEK for special high performance cells, ZF for drive trains or axels for heavy duty vehicles and OMNIGEAR regarding electric motors. With the research and development efforts of QEV and its strategic partnerships and suppliers, QEV is able to develop battery modules and various related components to continue to develop the range of its vehicles or charge efficiency and maintain the competitive advantage that QEV believes its batteries provide. Should QEV fail to maintain its research and development efforts or fail to maintain the relationships with its strategic partners or suppliers, QEV's competitive advantage could be materially and adversely affected.

QEV invests a significant amount of resources internally and in collaboration with its third-party battery suppliers and strategic partners to reduce the total cost of ownership of its vehicles, provide longer range zero emission vehicles and provide products or services QEV believes will enhances its competitiveness. However, QEV's research and development efforts may not be sufficient or could involve substantial costs and delays and prove ineffective investments. The Group has invested a significant amount of time and resources to develop its product portfolio but these may not appeal to, be purchased or adopted by customers at the rates anticipated. If QEV's existing technologies are not widely purchased or adopted, or if QEV selects and invests in technological innovations, standards or features that are not widely purchased or adopted by customers within the LCV and bus markets in the future, QEV may not recover its investments in these technologies and may be at a competitive disadvantage. Furthermore, while QEV uses non-disclosure agreements and other means to protect trade secrets and intellectual property developed with strategic partners, collaborators or suppliers, should these inadequately protect any technology developed or should any of these third parties use knowledge gained in these partnerships to prepare similar technology, QEV could lose important technology or competitive advantages which could materially and adversely affect QEV's business, financial condition, results of operations or prospects.

23. QEV's success depends, in part, on its ability to retain, attract and hire key and highly-skilled personnel. If QEV is unable to retain, attract or hire highly-skilled personnel, its ability to compete may be harmed.

QEV's success depends, in part, on its continuing ability to identify, hire, attract, train, develop and retain other highly-skilled personnel, such as composite engineers, electrical engineers, industrial engineers, automotive engineers, production employees, and tender and sales personnel. Since QEV is one of the early producers of zero emission vehicles within Europe, QEV has a number of experienced employees who have worked on the development of QEV's technology for several years. If such employees were to begin working for a competitor, QEV could find it difficult and costly to enforce agreements in place that are intended to protect the intellectual property used by QEV and prevent it from being used by a competitor. Furthermore, as the demand for zero emission vehicles like QEV's electric LCVs and buses continues to increase, the competition for experienced employees with skill sets needed for QEV's business increases.

QEV's success depends, in part, on its ability to retain its key personnel. QEV is highly dependent on the services of its key managers (including Joan Orús Valls, its founder and Chief Executive Officer (CEO)). The unexpected loss of or failure to retain one or more senior or other key managers could materially adversely affect its business. QEV does not currently maintain any key person life insurance policies with respect to Mr Orus or any other member of senior management team. If senior or other key managers or other key personnel were to discontinue their service to QEV due to death, disability or any other reason, QEV would be significantly disadvantaged in the event that it was unable to appoint or hire suitable replacements in a timely manner.

Any loss of senior and other key managers or failure by senior or other key managers to perform as expected may have a material adverse effect on QEV's business, financial condition, results of operations or prospects.

QEV's future success also depends on its continuing ability to attract, retain and develop personnel for its manufacturing sites. As is customary in the automotive industry, there is a relatively high turnover of blue-collar personnel. Competition for such personnel is intense, particularly in the current tight labour market. However, QEV has an employment pool of former Nissan's factory workers from which it will be able to recruit qualified personnel as production levels demands. QEV does not need to hire all former workers at once but can hire as it deems necessary for production. Should QEV be unable to attract, hire and retain such personnel, its ability to successfully compete in tender processes may be adversely affected.

Any failure of QEV to attract, hire and retain other key employees and highly skilled personnel, may have a material adverse effect on QEV's business, financial condition, results of operations or prospects.

24. QEV has experienced rapid growth in recent periods and expects to continue to experience rapid growth for the foreseeable future. If QEV is unable to manage its growth effectively, its business, financial condition, results of operations or prospects could be materially adversely affected.

QEV has experienced rapid growth in recent periods. For example, QEV's revenue is expected to increase to between €60 and €80 million for the financial year ended 31 December 2023, with more than €55 million in committed orders and €280 million in pipeline under letters of intent. During this same period, the number of employees at the Group is expected to significantly increase. Sustaining QEV's growth has placed and will continue to place significant demands on senior and other key managers as well as on QEV's administrative, operational, legal and financial staff and resources. To manage growth effectively, QEV must continue to improve and expand its infrastructure, including its information technology, financial, legal, compliance and administrative systems and controls. QEV must also continue to effectively and efficiently manage its employees, operations, finances, research and development, and capital expenditure as it grows.

QEV plans to continue to expand its operations and personnel in new jurisdictions. Following the initial capital expenditure needed to implement QEV's international expansion strategy, QEV may also be required to raise additional capital to maintain and grow production of its zero emission vehicles through its new operations. QEV also expects to significantly increase its personnel in order to manage and implement its international expansion strategy If QEV is unable to manage its expected growth effectively, the quality of QEV's products and services, brand and reputation may suffer, which could in turn materially adversely affect QEV's business, financial condition, results of operations or prospects.

In addition to expanding its sales, manufacturing and assembly operations and personnel in new jurisdictions, QEV intends to expand its internal and outsourced after-sales services and parts delivery services for its customers in new jurisdictions in order to maintain its vehicles over their expected lifetime. Currently, QEV offers a range of options for after-sales services such as maintenance plans and spare parts to customers as part of a package with its zero emission vehicles. QEV currently offers in-house after-sales services in Spain and Latin America through large distributors with whom QEV has reached a pre-agreement to carry out this service and via supervisory support, outsourcing or third-party partnerships in its other markets where it has vehicles in operation and intends to provide after-sales to customers through these means in new jurisdictions as it sells vehicles in additional markets. QEV's after-sales services business is an important factor that customers consider in selecting its supplier for zero emission vehicles and providing timely, efficient and effective after-sales services at the costs anticipated is important to QEV's business and operations. If QEV or the third parties it engages fail to deliver suitable after-sales services, this could damage QEV's reputation, result in a loss of repeat purchases by its existing customers or make it more difficult for QEV to attract new customers. Furthermore, even if QEV is able to provide high quality and efficient after-sales care, it may find it difficult to compete against established competitors with strong reputations and extensive existing after-sales care operations since QEV's customers may already have a high degree of trust with established companies and in their ability to provide the level of ongoing services required over the life of the vehicles. This, coupled with QEV's limited experience, could materially and adversely affect QEV's business, financial condition, results of operations or prospects.

25. QEV's capacity to make short & medium term payments on and refinance its debt or working capital expenditures and other expenses will depend on the future operating performance of QEV and capacity to generate cashflow from operations. Such capacity is subject to competitive, general macro-economic, legislative and regulatory

factors and other factors that are beyond QEV's control. QEV may not be able to generate sufficient cashflow, to meet its payment obligations or obtain enough capital to service its debt or other working capital expenditures.

QEV's capacity to make short- and medium-term payments on and refinance its debt or working capital expenditures and other expenses will depend on the future operating performance of QEV and capacity to generate cashflow from operations. Such capacity is subject to competitive, general macro-economic, legislative and regulatory factors and other factors that are beyond the QEV's control. QEV may not be able to generate sufficient cashflow, to meet its payment obligations or obtain enough capital to service its debt or other working capital expenditures. Thus, QEV may be forced to reduce or delay planned expansions or capital expenditures, sell significant assets, discontinue specified operations or obtain additional funding in the form of debt or equity in order to restructure or refinance all or a portion of its debt on or before maturity. However, no assurance can be given that QEV would be able to accomplish any of these alternatives on a timely basis or on commercially reasonable terms. If the business is growing massively more working capital will be needed to achieve delivery times with customers, so QEV depends on deals with banks to achieve their grow projection.

26. QEV's business and reputation could be materially adversely affected by accidents, safety incidents or defects in design, materials or workmanship involving its zero emission vehicles, charging systems, maintenance services or other products or services.

An accident or safety incident involving the Group's vehicles could expose QEV to significant liability and a public perception that its vehicles are unsafe or unreliable. While QEV maintains liability insurance in amounts and of the type generally consistent with industry practice, the amount of such coverage may not be adequate to cover fully all claims and QEV may be forced to bear substantial losses from an accident or safety incident. Nevertheless, insurance policies are subject to usual limitations (such as excesses and caps). In addition, not all claims are covered by insurance policies and QEV cannot exclude the possibility that it may be faced with a major incident that is not covered by any of its insurance policies. Moreover, the cost of its policies may increase in response to any negative development in QEV's claims history or as a result of a general increase in prices in the insurance market. As a result, QEV cannot guarantee that it will continue to be able to obtain sufficient insurance coverage at commercially reasonable terms and costs or at all. The realisation of any of these risks could have a material adverse effect on QEV's business, financial condition, results of operations and prospects.

Any accident involving one of QEV's vehicles or that of a competitor could also harm its reputation and result in a loss of future customer demand if it creates a public perception that QEV's vehicles or electric vehicles in general are unsafe or unreliable as compared to those offered by other suppliers or compared to other available means of transportation. However, local EU production guarantees higher level of quality and compliance with EU standards – especially thanks to established qualified labor force (e.g., ex. Nissan workers). Furthermore, any negative publicity related to the safety of QEV's vehicles or the safety of electric vehicles generally in the future could materially and adversely affect QEV's business, financial condition, results of operations or prospects.

Given the increasing focus and publicity surrounding incidents relating to zero emission forms of transportation, the public may be more sensitive to incidents involving zero emission vehicles, thereby compounding the effects of any such incidents on the public and customer perception of QEV's zero emission vehicles, even if the Group's product or design are ultimately not found to be the cause of the incident due to customer modifications or other factors. As a result, any accident or safety incident involving QEV's zero emission vehicles or the electric vehicles of the Group's competitors or manufacturers in the electric vehicle industry more generally could cause reputational harm that may decrease demand for QEV's vehicles or for electric vehicles more generally.

QEV's vehicles may contain defects in design, materials or workmanship that may cause them not to perform as expected or may require unforeseen maintenance. There can be no assurance that QEV will be able to detect and fix any defects in its vehicles that may arise. QEV could experience recalls in the future, which could materially adversely affect QEV's brand and reputation. QEV's vehicles may not perform consistently with customers' expectations or consistently with other private and public vehicles which may become available. Any design or product defects or any other failure of QEV's vehicles to perform as expected could harm QEV's reputation and could also result in significant costs due to warranty replacement and other expenses, a loss of customer goodwill due to failing to meet maintenance targets in QEV's total cost of ownership calculations, adverse publicity, lost revenue, delivery delays, product recalls or product liability claims. Negative publicity surrounding the issue could negatively influence customers' perception of the QEV or Zeroid brands. Additionally, discovery of such defects

if they cannot be remedied or are too costly to remedy could result in a decrease in the residual value of QEV's vehicles, which may materially harm its business. Moreover, problems and defects experienced by other electric vehicle companies could by association also have a negative impact on perception and customer demand for QEV's vehicles. Any negative impact on perception or customer demand for QEV's zero emission buses could materially adversely affect QEV's business, financial condition, results of operations or prospects.

27. Negative developments in global and European economic conditions could adversely affect consumer spending in the automotive and e-mobility markets, and have a material adverse effect on QEV's business, financial condition, results of operations and prospects

QEV is affected by changes in macroeconomic conditions in the markets in which it operates, especially in Latin America, Europe and Asia Unfavourable macroeconomic conditions such as absence of, or below-trend, growth in gross domestic product, government austerity measures, high unemployment rates, constrained credit markets, reduced consumer confidence, increased business operating and a decrease in relative disposable incomes typically lead to reduced demand for our customers' products and services and therefore may lead to reduced demand for our products and services. This could materially adversely affect QEV's business, financial condition, results of operations or prospects. Markets are dynamic and usually respond to changes in economic conditions mainly in price adjustments, and supply and demand shifts. Favourable conditions will probably boost demand for QEV's vehicles; however an economic downturn could reduce orders from the customers. QEV's current customers are mainly located in Spain, Germany, México, Colombia, Chile and Philippines. However, QEV is already expanding its business to other countries such as Perú, Italy, United Kingdom, Romania, etc; this strategy that QEV is carrying out, will reduce the client risk by diversifying the geographical presence of its customers.

In addition, other adverse macroeconomic conditions, including financial conditions such as inflation and changes in interest rates, have previously led and in the future may lead to reduced spending by our customers, which may have a material adverse effect on QEV's business, financial condition, results of operations or prospects. See "*QEV has been and may continue to be impacted by macroeconomic and other conditions resulting from the Covid-19 pandemic, including by disruptions to its supply chain and production, which could materially adversely affect QEV's business, financial condition, results of operations or prospects*" for more details regarding the impact of the Covid-19 pandemic.

28. QEV may experience disruptions, delays or outages of its production and assembly operations or of its other services if it fails to scale or implement information technology systems and infrastructure.

QEV has recently introduced a number of new information technology systems to help it manage its growth and QEV expects to continue to invest in its existing and new information technology systems, including enterprise resource planning software, production planning software, data centres, network services, data storage, database technologies, and cybersecurity technologies, both to assist QEV in its manufacturing and assembling operations, logistics and general business operations, and to enhance the technology in QEV's vehicles, charging systems and other products. Creating the appropriate information technology support systems for QEV's business is time intensive, expensive and complex. QEV's implementation, maintenance and improvement of these systems may create inefficiencies, operational failures and increased vulnerability to cyber-attacks. Moreover, there are inherent risks associated with developing, improving, and implementing new information technology systems, including the disruption of QEV's current enterprise resource planning, procurement, manufacturing, execution, finance, supply chain, sales, service processes and data management. As QEV continues to implement additional information technology systems, it becomes increasingly important for such systems to be integrated and to work efficiently and effectively to enable QEV to operate efficiently and increases QEV's risk of disruptions, delays or outages if any part of its information technology systems fails to work as anticipated. In addition, as QEV grows its services that rely on collecting and analysing customer telematics and charging data, QEV's exposure to information technology risks will increase. These risks may affect QEV's ability to manage its manufacturing, production or planning, procurement of parts or supplies, sales, tenders, deliveries, after-sales services, data, inventory, or achieve and maintain compliance with applicable regulations. Implementation, operational errors, failures or successful cyber-attacks of QEV's information technology systems could compromise QEV's production activities, proprietary information, the quality of QEV's services, and its ability to perform for its customers, resulting in damage to QEV's reputation, which could materially adversely affect QEV's reputation, business, financial condition, results of operations or prospects.

29. QEV's management system and compliance controls, policies and procedures could fail to prevent or detect corruption, fraud or other criminal as well as any other unauthorised behaviour, which could materially and adversely affect its financial condition and results of operations.

QEV's risk management and compliance systems may prove to be inadequate to prevent and discover breaches of laws and regulations and to identify, evaluate and take appropriate countermeasures against relevant risks. Effective internal and disclosure controls are necessary for QEV to provide reliable financial reports, effectively prevent fraud and operate successfully as a business. QEV is responsible for establishing and maintaining adequate internal controls. QEV is constantly alert to the new legal requirements, evaluates on a recurring basis the different risks that affect interested parties to take any necessary action to reduce or eliminate it.

QEV carries out the analysis of the weaknesses and possible threats of its business process, monitoring the environment, following the alerts of possible risks in the sector, both through internal process analysis and through the means to stay informed and permanently alert. QEV annually generates actions that will reduce the effects of the identified risks, proposing clear objectives that guarantee the low impact of the risk or the likelihood of it occurring. QEV carries out a strategic action plan and monitors them periodically, evaluating their indicators to maintain strict control of their evolution, and they are presented to the different business areas to re-determine the impact of these risks and follow the process of continuous improvement.

While QEV has developed and implemented internal controls, policies and procedures designed to prevent or mitigate employee misconduct or misconduct by third parties, including agents, QEV may engage to assist with tenders in new jurisdictions, and such controls, policies and procedures may not be effective in all instances and may be difficult to monitor and enforce with third parties and agents. For this reason, QEV's conduct policies have been generated, and their follow-up have been generated. QEV has systems against such misconduct or fraudulent activities of its employees, enforcing confidentiality agreements and contractual responsibilities by both parties. The discovery of misconduct or fraudulent activities by any of QEV's employees or third parties could result in significant negative publicity in relation to such misconduct and harm QEV's reputation and brands.

In recent years, QEV has experienced rapid growth and intends to expand its operations further through its international expansion plan. See "*QEV has experienced rapid growth in recent periods and expects to continue to experience rapid growth for the foreseeable future. If QEV is unable to manage its growth effectively, its business, financial condition, results of operations or prospects could be materially adversely affected.*" for more details regarding QEV's rapid growth, future plans of international expansions and related risks. As QEV expands the size and scope of its operations, there is an increased risk that its internal controls may not mature at the same pace. For example, some of the processes related to internal controls may be new for personnel in newly entered jurisdictions. As QEV grows, the required sophistication of its internal controls and accounting and financial reporting functions will also need to expand to ensure that its internal controls remain adequate. Moreover, as a newly listed public company, QEV will incur new and more demanding obligations for financial reporting and disclosures, which require further development of its internal controls.

If QEV's internal controls do not keep pace with its growth in size and the sophistications of its business and the applicable financial reporting framework, it may not be able to implement and maintain adequate internal controls. Failure to implement and maintain effective internal controls could result in material misstatements in its financial statements or failure to meet its reporting obligations at all or in a timely manner and may cause a loss of confidence in QEV's reported financial information. Any loss of confidence in QEV's reported financial information could materially and adversely affect QEV's business, financial condition, results of operations or prospects.

30. QEV may not be able to implement its business strategies, maintain or grow its revenue or manage its growth effectively, including with respect to the use of the Proceeds from the Business Combination. In addition, QEV's medium-term objectives and the assumptions and judgements underlying these objectives and other forward-looking performance measures may prove inaccurate, and as a result QEV may not achieve its targeted financial results.

QEV's future financial performance and success depends, in part, on its ability to implement its business strategies successfully. The electric vehicle market is undergoing rapid changes, including technological and regulatory changes, and, as such, it is

difficult to predict the timing and size of QEV's opportunities. The evolving nature of the electric vehicle market and the regulatory measures make it difficult to predict customer demand or adoption rates for QEV's vehicles or the future growth of the markets in which QEV operates. Furthermore, the contemplated Proceeds of the Business Combination are amongst others intended for investments related to the business plan of QEV. The Proceeds are only expected to fund the initial phase of QEV's international expansion strategy and QEV's business plan assumes it will require a further estimated €90 million in the medium term to fully implement its expansion strategy, which QEV will need to secure through other equity, equity-linked or debt financing which may not be available at all or on favourable terms at the time QEV requires such funds. If QEV fails to raise part or all of the additional funding required for the remainder of its international expansion strategy, its medium-term objectives could be adversely delayed.

Additionally, regulatory, safety or reliability requirements, many of which are outside QEV's control, may cause delays or otherwise impair commercial adoption of new technologies, which may materially adversely affect QEV's medium-term objectives. As a result, the medium-term objectives and other forward-looking performance measures in this document reflect various estimates and assumptions that may not prove accurate and these projections could differ materially from actual results.

QEV also has a limited operating history and has experienced rapid growth in its own operations and sales and has limited information upon which to evaluate its business and future prospects, including its international expansion strategy. This subjects QEV to a number of risks and uncertainties, including QEV's ability to plan for and predict future growth in its current operations and through its international expansion strategy. For example, QEV's medium-term objectives include certain assumptions regarding contracts with leading commercial companies, grants of public aids (such us: PERTE, Moves) and international market penetration. If the demand does not develop, if QEV cannot raise the additional funding needed for the remainder of its international expansion strategy to meet its medium-term objectives or if QEV cannot accurately forecast customer demand, the size of its markets, or its future financial results, its business, financial condition, results of operations or prospects could be materially adversely affected.

31. QEV is exposed to various operational risks associated with its production and assembly facilities and business operations. Disruptions in operational processes or loss of assets may materially adversely affect QEV's business, financial condition and results of operations.

QEV's manufacturing operations are currently concentrated in China, leveraging Chinese OEM EV Dynamics' capabilities. These plants and also other facilities are exposed to various operational hazards and risks of disruption associated with industrial operations. These risks include production or machinery equipment failures, disruptions in supply of electricity and energy, chemical or hazardous substance spills or exposure, explosions and fires as well as natural disasters such as floods, tornadoes and earthquakes. Battery assembly operations, in particular, are especially vulnerable to fire.

Inherent in working with high-voltage electricity is danger and QEV's maintenance services, manufacturing and assembly activities that are currently carried out or are expected to be carried out result in employees and others working under potentially hazardous conditions. Although QEV's current operations and future operations are expected to be carried out in accordance with relevant health and safety regulations and requirements, liabilities may arise as a result of accidents or other workforce-related incidents, some of which may be beyond QEV's control. Accidents, events or conditions that are detrimental to the health and safety of QEV's employees, including, could have a material adverse effect on QEV's reputation which may lead to loss of customers or inability to attract new customers and may lead to challenges to attract new employees, which may in turn could have a material adverse effect on QEV's business, financial condition, results of operations and prospects.

32. Global demand for raw materials and certain components currently exceeds available supply, QEV may experience delays in receiving required supplies and it may be difficult to find or replace suppliers, which may lead to disruptions in production. In addition, raw materials may be subject to price increases which may not be able to be passed on to customers, impacting QEV's operating margin.

QEV's production and assembly processes depend on the availability and timely supply of large quantities of raw materials, components and finished goods from third-party suppliers and cost of raw materials which account for a portion of QEV's costs. QEV or its third-party suppliers use various materials, including lithium, aluminium, carbon fibre, nickel, copper and neodymium, steel. The prices and supply of these materials may fluctuate depending on market conditions and global demand for these materials, including increased production of electrical vehicles and other products utilising similar technologies by

QEV's competitors and companies in adjacent markets such as electric passenger cars. QEV's reliance on raw materials exposes QEV directly or indirectly through its third-party suppliers to commodity price risks as the availability of certain raw materials may be limited, and the market for raw materials may be dominated by a small number of large suppliers with substantial market power. QEV does not have specific contractual provisions regarding price with its suppliers, but it is actively working on concluding such contractual agreements for consiferable quantities. Besides, regarding raw materials QEV's forecasts could be inaccurate and QEV could be required to cover any price increases that occur. Furthermore, while QEV monitors changes in the price of raw materials to increase planning reliability for QEV and its production decisions and forecasts, changes in raw materials prices cannot be predicted and are inherently uncertain.

Establishing operations in Nissan's former facilities will allow QEV to: (i) Benefit from duty-free trade zone (Zona Franca) – reducing costs of imports, and (ii) benefit from a dynamic ecosystem of automotive suppliers, accessing a much wider universe of suppliers, limiting the risk of dependence on a small number of suppliers. The new facility will bring QEV to the next level in terms of industrial capacity and access to the adequate automotive ecosystem.

Furthermore, fluctuations in fuel costs, or other economic conditions, may cause QEV to experience significant increases in freight charges and material costs. Additionally, because in some cases, the price of QEV's vehicles is agreed with customers ahead of their production, QEV, rather than its customers, bears the economic risk of increases in the cost of raw materials or other components. Moreover, any attempts to increase the price of QEV's vehicles in response to increased costs could increase the difficulty of selling QEV's vehicles at attractive prices to new and existing customers. Should QEV fail to adequately anticipate and address raw material price changes, it could lead to increased costs for producing QEV's vehicles, which may have a material adverse effect on QEV's business, financial condition, results of operations or prospects.

33. QEV's business may be materially adversely affected by workforce disruptions.

An extended work stoppage or labour dispute within one or more of QEV's third-party suppliers could adversely affect QEV's ability to fulfil customer orders and deliver its vehicles in a timely manner. Any failure of QEV's third-party suppliers to negotiate collective bargaining agreements could result in disruptions to QEV's supply chain, production, assembly and sale of vehicles. Such delays could have a material and adverse effect on QEV's business, financial condition, results of operations or prospects. However, as QEV continues to expand and should it partner with additional suppliers or should the current number of third-party suppliers with workforces represented by labour agreements increase, the risk of labour disputes or work stoppages may increase, which could result in disruptions to QEV's supply chain, production, assembly and sale of its vehicles and thus materially and adversely affect QEV's business and operations.

QEV's employees are covered by the 20th National Collective Labour Agreement for Engineering Companies, Technical Studies Offices, Inspection, Supervision and Engineering; Technical Studies Offices, Inspection, Supervision and Control signed on 12 January 2023 and published in the Official Gazette of the Spanish State ("Boletín Oficial del Estado" or "BOE") on March 10 2023 at its plants in Spain and expects the number of employees that are covered by collective labour agreements will expand as its production and assembly operations expand and as a result of QEV's international expansion strategy.

Currently, QEV's employees are not represented by a works council or union**,** though it is common for employees of OEMs, such as QEV, to form a works council and/or become a member of a union. If QEV's employees decide to form a works council or become a member of a labour union, as a matter of law, which will be the case most likely in the D-Hub, certain important business decisions and decisions concerning schemes and policies relating to collective employee terms and conditions may only be taken following the works council's advice or with the works council's consent. QEV expects that a works council may be formed as its production and assembly operations expand. QEV may be subject to further negotiations with unions to agree collective labour agreements with a union, which could result in higher employee costs, higher administrative and legal costs and increased risk of work stoppages. If this were to occur and QEV fails to obtain consent or advice from a works council or experiences work stoppages or strikes by unions, QEV may be unable to implement changes in a timely manner or at all or to operate some or all of its production operations, which may materially adversely impact its operations, generate incremental costs or damage its reputation.

RISKS RELATING TO LEGAL, REGULATORY AND COMPLIANCE MATTERS

34. QEV faces legal and regulatory risks and uncertainties as it expands its international operations and manufacturing capacity. Compliance with a varity of laws and regulations may require significant costs and resources from QEV.

As a company expecting to have a global range, QEV shall comply with a variety of laws and regulations of different jurisdictions as it scales up its manufacturing capacity by expanding its operations internationally and opens additional plants abroad. These laws and regulations affecting QEV's business might vary across jurisdictions and thus may be inconsistent with one another imposing conflicting or uncertain restrictions. Given the early stage of QEV's international expansion, there are no known potentially conflicting laws and regulations at this time for its expected operations. Compliance with these different laws and regulations may require additional costs and resources from QEV. The costs of compliance, including assessing any changes to its operations and notices required in QEV's facilities or on QEV's vehicles regarding potential hazards that may be mandated by new or amended laws, may be significant.

35. QEV's manufacturing operations are subject to various environmental, health and safety laws and regulations that could impose substantial costs upon it and negatively impact its ability to operate its plants if it fails in its efforts to abide by these laws and regulations.

QEV and its manufacturing plants are subject to numerous environmental, health and safety laws and regulations in the various jurisdictions in which it operates, including laws relating to exposure to, use, handling, storage and disposal of hazardous materials or the installation and testing of batteries or high-voltage systems. These requirements generally induce health and safety standards, notice of safety defect requirements, reporting requirements and other requirements with which QEV must comply. Compliance with the health and safety laws and regulations, including any additional requests from relevant regulators, can be time consuming and costly. In addition, legislative and regulatory bodies or self-regulatory organisations may extend the scope of current laws or regulations, enact new laws or regulations or issue revised rules or guidance regarding environmental, health and safety laws and regulations to which QEV is subject imposing substantial costs to comply with new requirements or delay production if QEV cannot comply on the timetable required.

As an organisation operating in the automotive sector, the QEV Group is aware of the importance of complying with all the licenses and permits required for its activity and confirms that all licenses and permits are indeed obtained and up to date, since all of those was transferred by Nissan from the former Nissan facility in Barcelona.

Moreover, QEV may be subject to additional regulations as it scales up its manufacturing capacity by expanding its operations internationally and opening additional plants. Depending on the jurisdictions where QEV opens plants in connection with its international roll-out plan, it might be subject to environmental regulations at a municipal or national level since standards vary from jurisdiction to jurisdiction. Given the early stage of QEV's international expansion, there are no known environmental permits that must be obtained at this time for its expected operations. Compliance with these regulations may require additional costs and resources from QEV. The costs of compliance, including assessing any changes to its operations and notices required in QEV's facilities or on QEV's vehicles regarding potential hazards that may be mandated by new or amended laws, may be significant.

Environment, health, and safety factors are an essential part of the business model of the QEV Group and the industry it operates in. To this end, the QEV Group seeks to achieve and maintain compliance with all applicable environmental, health and safety laws and regulations, and believes that it is currently in compliance with all such applicable laws and regulations. QEV cannot ensure that violations of the health and safety laws and regulations which it is subject to will not occur in the future and have not occurred in the past as a result of human error, accidents, equipment failure, manufacturing, assembly or design defects or other causes.

Any violations of the applicable environmental, health and safety laws and regulation in relation to any of QEV's manufacturing plants may result in recalls, substantial fines and penalties, remediation costs, third-party damages, suspension or cessation of QEV's operations and negative publicity, each of which would have a material adverse effect on QEV's business, financial condition, results of operations or prospects.

Since its early days, the QEV Group has focused on motorsport, its commitment to the environment has placed it at the forefront of the electric vehicle revolution, an industry that embodies sustainability and innovation for generations to come.

At a time when environmental concerns have reached unprecedented levels, the QEV Group is committed to developing new sustainable solutions to lead our society towards a greener, cleaner tomorrow. Electric vehicles offer an unprecedented opportunity to reduce the carbon footprint, by moving away from fossil fuels and towards clean energy, a significant reduction in greenhouse gas emissions, air pollution and the devastating effects of climate change can be achieved. Commitment to sustainability is not just a buzzword, but a core principle that drives all its actions.

Moreover, the QEV Group is dedicated to pushing the boundaries of innovation in electric vehicle technology. The investment in research and development aims to ensure that its vehicles not only meet but exceed expectations. The QEV Group is eager to enhance battery efficiency, range increase and fast charging capabilities to make the electric vehicles more convenient and accessible for the public. From supply chain management to manufacturing processes, priority is given to environmentally friendly practices, striving to minimise waste and reduce ecological impact. QEV Technology takes responsibility for its role in building a sustainable future. Every electric vehicle sold represents a step towards a cleaner, healthier future.

As an organisation operating in the automotive sector, the QEV Group is aware of the importance of complying with occupational health and safety regulations. Indeed, the automotive sector is known for its strict safety standards and QEV Group complies with them with the utmost diligence. The QEV Group believes that a safety working environment not only protects the employees but also enhances productivity and overall business performance. By prioritizing occupational Health and Safety, a culture of trust and confidence is created in the whole organization, fostering a sense of well-being among all the workforces.

Working with electric vehicles requires additional precautions due to the high-voltage technologies involved. As electric vehicle specialists, the entire team ensures the implementation of strict safety measures to protect all employees and ensure a safe working environment. To meet these requirements, a comprehensive set of safety protocols, procedures and practices have been implemented that are specially adapted to the unique challenges posed by high-voltage technologies.

36. **QEV could incur material losses and costs from warranty claims, recalls, or remediation of vehicles or for its third-party supplier components used in QEV's vehicles for real or perceived deficiencies or from customer satisfaction campaigns.**

QEV offers different levels of guarantee depending on the specific vehicle and the customer relation. However, the standard contract and guarantee policies that are provided are as follows:

QEV provides a guarantee of 3 years for every mechanical part (these do not include any consumable parts or parts that are degradable with time or use).

QEV provides an anti-corrosion guarantee for the frames of its vehicles. This guarantee is of 5 years for LCV bodyshell and Chassis and of 10 years for Bus and Coach main Frame.

QEV provides a back-to-back guarantee for its battery packs coming from CATL. This guarantee includes a minimum of 3,000 cycles of charge-discharge and or 5 years of life (whatever comes first). This guarantee contemplates that the battery retains up to 80% of its original capacity after these uses.

Due to QEV's current transition from Spanish Generally Accepted Accounting Principles (GAAP) to International Financial Reporting Standards as adopted by the European Union (EU) (IFRS) and lack of track record under IFRS accounting, QEV is unable to currently make provisions for the warranties under IFRS accounting standards. QEV has not provisioned any amount regarding potential future claims in its financial statements. If QEV were to receive any warranty claims which costs are required to be covered by QEV, QEV will not have provisions in its accounts for such claims. Since these are not provisioned, QEV's reported revenue may be too high and not reflect future warranty claims. Historically QEV has processed a small number of warranty claims in the ordinary course of its business. However, if the number of warranty claims were to rise and/or QEV has still been unable to create warranty provisions or if any warranty provisions were inadequate to cover the

costs of future warranty claims on its vehicles, or QEV were not compensated by any applicable suppliers related to such claims when expected, its business, financial condition, results of operations or prospects may be materially adversely affected.

QEV has in the past made factory updates to implement improvements and could in the future also potentially be subject to recalls or remediation of its vehicles to cure real or perceived manufacturing or design defects or to comply with applicable laws, regulations and standards. A warranty claim, recall or remediation of QEV's vehicles, as a result of real or perceived defects, caused by systems or components engineered, manufactured or assembled by QEV or its third-party suppliers, could involve a significant expense and may materially adversely affect QEV's business, financial condition, results of operations or prospects. Even if a defect or perceived defect is not subject to a warranty claim or recall, QEV may still incur costs from customer satisfaction campaigns or a factory update when QEV chooses to remedy or upgrade a defect without cost to the customer. The associated costs of such warranty claims, recalls, remediation, customer campaigns or factory updates could be significant and could have a material adverse effect on QEV's business, financial condition, results of operations or prospects.

37. QEV is subject to stringent and changing privacy laws, regulations and standards, information security policies and contractual obligations related to data privacy and security. QEV's actual or perceived failure to comply with such obligations could harm its business, financial condition, results of operations or prospects.

QEV has legal and contractual obligations regarding the protection of confidentiality and the appropriate use of personally identifiable information. QEV is subject to a variety of regulations, laws, directives and standards that are evolving at a rapid pace and can be subject to differing interpretation. Given the extensive scope and timing of the changes, QEV cannot guarantee that its practices have complied or will comply fully with all applicable laws and regulations and their interpretation. Any failure, or perceived failure, by QEV to comply with any of these laws or regulations could result in damage to QEV's reputation and a loss of revenue, and any legal or enforcement action brought against QEV as a result of actual or alleged non-compliance could further damage its reputation and result in substantially increased legal expenses or penalties. In addition, legislative and regulatory bodies or self-regulatory organisations may extend the scope of current laws or regulations, enact new laws or regulations or issue revised rules or guidance regarding privacy, data protection and consumer protection.

QEV is subject to a number of laws relating to privacy and data protection, including, in particular, the General Data Protection Regulation (Regulation (EU) 2016/679) and the European Directive 2002/58/EC, also known as the e-Privacy Directive, as implemented into the local laws of Spain. Such laws govern QEV's ability to collect, use and transfer personal data, including relating to its customers and third-party suppliers, as well as any such data relating to its employees and others, and give rise to an increasingly complex set of compliance obligations to QEV.

While QEV strives to comply with all applicable laws and regulations relating to privacy and data protection, such laws are subject to frequent evolution. These data protection rules continue to evolve and may result in ever-increasing regulatory and public scrutiny and escalating levels of enforcement and sanctions and increased costs of compliance. QEV cannot yet determine the impact such future laws, regulations and standards will have on its business.

As QEV continues to implement its international expansion strategy, it is possible that applicable privacy and data protection laws and regulations may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another or may conflict with other rules or QEV's practices. That concern is particularly relevant for the GDPR, given that different Member State regulators may differ as to its interpretation and their approach to enforcement, and for the e-Privacy Directive.

Data protection is a particularly sensitive and politically charged issue in Europe, and any actual or alleged failure by QEV to comply with applicable laws or regulations could have a material adverse effect on QEV's reputation, which could harm its business, financial condition, results of operations or prospects.

38. The loss of important intellectual property rights or potential infringement of third party intellectual property rights by QEV could have a material adverse effect on its business, financial condition, results of operations or prospects.

The QEV Group intellectual property assets principally include its vehicle, complete vans, cab-chassis, and bus platforms innovations, body innovations, assembly related innovations, its battery and battery management technologies, its powertrain and energy efficiency systems, its vehicle monitoring and location system and the related software systems. The QEV Group

considers that the manufacturing processes and the parameters used, such as tolerances, assembly guidelines, specifications, and the quality control process, are technical know-how and trade secrets of the QEV Group. It also considers detailed static and dynamic analyses of structures, shapes through CFD and electrical simulations used to qualify and optimise the products and guarantee their durability, safety and efficiency, an internal know-how mastered and ensured by the QEV Group.

The QEV Group seeks to protect its intellectual property rights and proprietary technology, including trade secrets and know-how, through limited access, confidentiality and other contractual agreements with its suppliers, customers, employees, and collaborators. All intellectual property relating to the composite body innovations is secured via non-disclosure agreements with the QEV Group's employees and key suppliers. QEV believes its intellectual property rights, including its trademarks, company names and company signs, including the QEV and Zeroid logo, as well as domain names, customer data, copyrights, trade secrets, software, proprietary technology, and similar intellectual property are relevant to its success. QEV relies on a combination of design and trademark registrations, intellectual property laws, as well as contractual arrangements, as appropriate, to establish and protect its intellectual property rights. Excluding trademarks that may be renewed, other intellectual property protection is often only available for a limited period of time, and due to differences in the term of protection in different countries certain protections may expire in a particular country but continue to be in force in other countries. While QEV attempts to obtain broad trademark protection by corresponding registrations (for example through Zeroid's trademark process of registration with the European Union Intellectual Property Office (EUIPO), Colombia and Chile), in certain instances, it may fail to obtain adequate protection.

Additionally, in certain cases QEV has intentionally not applied for any registrable intellectual property protection so as not to disclose technical details of products which could enable competitors to reverse engineer aspects of QEV's products that it considers to represent a competitive advantage.

The QEV Group also protects its intellectual property rights by maintaining all technology internally and off-line on servers. It also has confidentiality and invention assignment agreements with the relevant employees and consultants of the QEV Group, and materially all its strategic partners, suppliers and other collaborative partners, so that the Group retains all intellectual property rights conceived, created and/or developed. Automotive digitalization is driving the need for robust, proactive information security management. QEV Group has the Certification to Trusted Information Security Assessment Exchange (TISAX®) an assessment and exchange mechanism for information security in the automotive industry. The TISAX® label allows us to confirm that a company's information security management system meets defined security levels. Any failure to obtain adequate protection of its intellectual property rights, due to statutory or other restrictions or prior third-party rights, or any failure to secure that its products are not in breach of third parties' intellectual property rights, among other reasons, may result in lost sales and growth opportunities or, in certain cases, the complete loss of the intellectual property rights in question. Although the QEV Group expects to develop additional intellectual property and proprietary technology over time QEV may not be able to secure intellectual property rights in the future or be able to uphold intellectual property rights it currently holds.

In addition to the foregoing, it should be noted:

(i) that QEV owns the trademark "ZEROID" in the United Kingdom, Peru and Ecuador.

(ii) that Fittippaldi Holdings SARL has a license to use several trademarks related with the name "Fittipaldi": and

(iii) that QEV Extreme, S.L. has the license to use the name and trademark "Carlos Sainz" in connection with the Extreme-E Championship; and

(iv) that Ebro Urban Vans Mobility, S.L. holds a non-exclusive licence from Nissan Motor Co., Ltd. for the manufacture and assembly of fully electric vehicle models under the trademark "EBRO" corresponding to the "e-NV200 vehicle".

QEV might be required to spend significant resources to monitor, maintain and protect its intellectual property rights. QEV may not be able to discover or determine the extent of any infringement, misappropriation or other violation of QEV's intellectual property rights. QEV may initiate claims or litigation against others for infringement, misappropriation or violation of QEV's intellectual property rights, or to establish the validity of such rights. Despite QEV's efforts, QEV may be unable to prevent third parties from infringing upon, misappropriating or otherwise violating QEV's intellectual property rights. If third

parties infringe on QEV's intellectual property rights, this could result in lengthy litigation or administrative proceedings. Any litigation, whether or not it is resolved in QEV's favour, could result in substantial costs and diversion of its resources.

As stated above QEV enters into confidentiality and invention assignment or intellectual property ownership agreements with its relevant employees and third parties (such as consultants, suppliers and collaboratoris). QEV cannot ensure that these agreements, or all the terms thereof, will be enforceable or compliant with applicable law, or otherwise effective in controlling access to, use of, reverse engineering and distribution of QEV's proprietary information or in effectively securing exclusive ownership of intellectual property rights developed by QEV's current or former employees and third parties. Besides, depending on the contractual relationship and assigned functions at stake, some of the employment and consultancy agreements do not contain such intellectual property assignment provisions or are limited to certain intellectual property rights (e.g. only copyrights) so that it cannot be excluded that some relevant intellectual property rights remain with the employee or consultant/contractor (notwithstanding the fact that any underlying subject matter was created to the benefit of and paid for by QEV). QEV may therefore not be able to enforce said intellectual property rights fully vis-à-vis third parties, given the uncertainty with respect to the underlying property rights. Further, these agreements with employees and other third parties may not prevent other parties from independently developing technologies and products that are substantially equivalent or superior to QEV's technologies or products. Failure to adequately protect QEV's intellectual property rights could result in its competitors offering similar products, potentially resulting in the loss of some of QEV's competitive advantage, which could materially adversely affect QEV's business, financial condition, results of operations or prospects.

Trademark and trade secret laws vary significantly throughout the world and QEV's trademarks do not cover each of the jurisdictions in which QEV operates or is targeting for its international expansion. Companies, organisations or individuals, including QEV's competitors, may hold or obtain trademarks or other proprietary rights that would prevent, limit or interfere with QEV's ability to make, use, develop, sell or market its vehicles, which could make it more difficult for QEV to operate its business. From time to time, QEV may receive communications from holders of trademarks or other intellectual property rights regarding their proprietary rights. Companies holding trademarks or other intellectual property rights may bring suits alleging infringement of such rights or otherwise assert their rights and urge QEV to take licences. As mentioned above, not all relevant intellectual property rights created, conceived, developed by employees, consultants and/or contractors of QEV within the framework of their employment/services agreement may have been fully vested in QEV, in the absence of (complete) intellectual property assignment provisions. Some of QEV's technologies and their uses in QEV's vehicles could be found to infringe upon existing intellectual property rights held by third parties. If QEV is determined to have infringed upon a third party's intellectual property rights, it may be required to cease selling or incorporating certain components into its vehicles, pay substantial damages, seek a licence from a holder of the infringed intellectual property right, redesign its vehicles or establish and maintain alternative branding for its products or services, each of which could materially adversely affect QEV's business, financial condition, results of operations or prospects.

39. QEV is subject to claims, investigations and other legal proceedings in the ordinary course of business, which could harm QEV's financial condition and liquidity if it were not able to successfully defend or insure against such claims.

In the ordinary course of business, QEV is subject to, and may in the future become involved in claims, private actions, investigations and various other legal proceedings by customers, employees, suppliers, competitors, government agencies or others. The results of any such litigation, investigation or other legal proceedings are inherently unpredictable and expensive. Any claims against QEV, whether meritorious or not, could be time consuming, result in costly litigation or damage to QEV's reputation, require significant management time, and divert significant resources. If any future legal proceedings were to QEV, or QEV were to enter into a settlement agreement, it could be exposed to monetary damages or limits on its ability to operate its business, which could materially and adversely affect QEV's business, financial condition, results of operations or prospects. Nonetheless, QEV is not aware of any current legal or arbitration proceedings.

40. QEV is exposed to risks associated with product liability, warranty claims, product recalls and lawsuits or claims that could be brought against QEV, especially in relation to its exposed to risks associated with product liability, warranty claims, product recalls and lawsuits or claims that could be brought against QEV. If QEV's products or the products of its clients fail to perform as expected, QEV could lose existing and furure business, which could harm QEV's financial condition and liquidity if QEV is not able to successfully defend or insure against such claims.

QEV is exposed to the risk of warranty and liability claims from its customers, end—users of its products of other parties in respect of the products it manufactures. Such claims may arise if the products or one or more of its components manufactured or assembled and sold by QEV (i) fail or allegedly fail to perform as expected or otherwise do not conform to the product's specifications, *g.* have a shorter lifetime or a safety-related defect; or (ii) the use of QEV's products results or is alleged to result in bodily injury or property damage or a risk thereof, including from malfunction of QEV's customers end products, such as unsafe batteries that could cause ventilation (fire) at the QEV's assembly line or in vehicles in use by end-users containing a QEV manufactured battery, possibly leading to product recalls, and related business interruptions of customers and third parties.

QEV has ISO certifications and developed a quality management system coordinating a set of elements (resources, procedures, documents, organizational structure and strategies) to achieve the quality of the products or services offered to the client, plan, control and continuous improvement of their products and processes of the organization that pursues customer satisfaction and the achievement of the desired results by the organization.

QEV faces inherent risk of exposure to claims in the event its zero emission buses or components do not perform as expected. QEV's vehicles have not been involved in minor nor major incidents but may in the future be involved in crashes resulting in death or personal injury, which could lead to claims. This is particularly the case in relation to the products in its Bus products, where they transport people rather than cargo as in the LCV van segment.

Exposure towards product liability and warranty claims further increases in instances where products are sold or used in multiple countries. Although QEV endeavours at all times to comply with all legislation applicable to its products, QEV may not or not fully comply with legislation applicable to its products in all countries in which its products are sold or used, due to, amongst other reasons, conflicting or unclear legislation or because it is unaware that its products are sold or used in a specific country.

While QEV carries insurance for product liability, it is possible that its insurance coverage may not cover the full exposure on a product liability claim of significant magnitude. A successful product liability claim against QEV could require QEV to pay a substantial monetary award. QEV's insurance premiums may also increase substantially because of such claims. A product liability claim could also generate substantial negative publicity about QEV's vehicles or other products and business and hurt QEV's brand or reputation and could materially and adversely affect QEV's business, financial condition, results of operations or prospects.

Provisions for product warranties cover the estimated costs to repair or replace products still under warranty. The industry practice is to estimate that around 2% of the delivered products will indeed be repaired, however being these products new, these complaints might be significantly higher. Claims under product warranties may however be significantly higher than the amounts for which provisions have been made. If product warranty claims significantly exceed the provisioned amounts, this could have a material adverse effect on the financial condition and results of operations of QEV. In addition to monetary impact, product liability and warranty claims could have an adverse effect on the reputation of QEV and its products. Also, product liability and warranty claims could lead to time consuming and costly litigation, particularly in the event of class action claims. This could have a material adverse effect on QEV's business, financial condition, results of operations and prospects.

41. Changes in tax laws may materially adversely affect QEV's business, financial condition, results of operations or prospects.

New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time which could materially adversely affect QEV's business, financial condition, results of operations or prospects. Further, existing tax laws, statutes, rules, regulations or ordinances could be interpreted, changed, modified or applied adversely to QEV. In addition, as QEV's international expansion strategy begins, QEV could face new tax consequences. Adverse new tax consequences, whether as a result of changes to existing tax laws or QEV's international expansion strategy, may have a material and adverse effect on QEV's business, financial condition, results of operations or prospects.

42. Risk of requalification of self-employed persons as employees of the Group

There is a risk that the contractual relationship between the Company and certain persons holding management positions within the Company and other self-employed workers to which the Company outsources certain services, such as engineering and developing, can be requalified as an employment relationship. As a result, there is a risk that the persons should be included in the General Social Security Scheme as an assimilated employee, which they are currently not. Therefore, the Company may face significant liabilities and penalties from the Social Security, which may have a material and adverse effect on the Company's financial position.

Please also refer to risk factor "*Tax risks in relation to incorrect classifications of labour relationships*" for the associated tax risks.

RISKS RELATING TO THE LISTING OF THE ORDINARY SHARES, THE WARRANTS AND CORPORATE STRUCTURE

43. QEV will face additional administrative and operational requirements as a result of the listing on Euronext Amsterdam.

Following the Business Combination, QEV will be subject to the legal requirements for Dutch public companies admitted to trading on Euronext Amsterdam. In addition to non-recurring costs, the listing on Euronext Amsterdam will generate additional administrative costs for QEV. The governance, planning, reporting, disclosure and monitoring systems required from a listed company are more extensive than those required from private companies. These requirements include, for instance, the preparation and publication of annual and semi-annual financial reports and other public disclosures, regular calls with securities and industry analysts and other required disclosures. Also, the preparation, convening and conduct of General Meetings and the regular communications with Shareholders and potential investors will entail greater attention and expenses. As a result, QEV will need to allocate management's and personnel's resources to such operations and ensure its systems comply with the applicable regulations and guidelines.

It is possible that the implementation of the required operations and processes and the personnel and resources adjustment requires more resources than planned and these tasks cannot be performed with the same level of quality as prior to the Business Combination or that such operations will be suspended, especially in view of the relatively limited time QEV has had to prepare to become a publicly listed company. It is also possible that QEV fails to implement and organize the functions required from a listed company or to maintain these functions partly or entirely. In addition, QEV and the Company, respectively, may incur significant additional expenditures to improve their central functions and internal controls. Furthermore, the regulations and requirements applicable to listed companies are frequently changing, and the amendments can be difficult to survey, causing risk of infringements by the Company which can result in extensive fines and administrative fees. Any inability to manage the additional demands as a result of the listings, as well as the increasing costs resulting therefrom, may harm the Company's, business, results of operations and financial condition.

Tight communication schedules and dependence on data systems and key employees to carry out required operations and processes may pose challenges to the correctness of financial and other information and to the timely release of such information. If information published by the Combined Group turns out to be incorrect, misleading or otherwise not in compliance with the applicable laws, rules and regulations, the Combined Group may lose the trust of its investors and other stakeholders and face sanctions as a result of such actions.

QEV has prepared for listing and compliance with the obligations placed on listed companies. However, following completion of the Business Combination, QEV may not be able to fulfil all of the obligations of a listed company, and it may fail to comply with current or future regulations after the listing or listings. The increased costs resulting from the increased administration, compliance with regulations and instructions as well as possible neglects resulting in fines and other sanctions may negatively impact the Combined Group's business, results of operations and financial condition.

44. It is not certain whether a liquid market for the Ordinary Shares and the Warrants will develop and persist on Euronext Amsterdam.

Prior to the Business Combination, the Company has not been engaged in any of the operational business activities of QEV and the shares of QEV have not been traded publicly. It cannot be predicted whether an active market for the Ordinary Shares

and/or the Warrants will develop or be sustained following the Business Combination or how the development of such a market might affect the market price for the the Ordinary Shares and/or the Warrants. The market price of the the Ordinary Shares and/or the Warrants could be subject to significant fluctuations. If an active and liquid trading market for the Ordinary Shares and/or the Warrants does not develop or is not sustained, this may result in lower trading prices and increased volatility, which could adversely affect the value of an investment in the the Ordinary Shares and/or the Warrants, may cause the Ordinary Shares and/or the Warrants to trade at a lower price than the investor paid to purchase the Ordinary Shares and/or the Warrants and may make it difficult for investors to sell any the Ordinary Shares and/or the Warrants held by them at or above the price paid for such securities or at all.

45. A number of the QEV Shareholders will hold a significant interest in the Company and, therefore, they will be in a position to exert substantial influence on the Company and the interests pursued by them could differ from the interests of the Company's other shareholders. In addition, the QEV Shareholders could exert substantial influence on the market price of the Ordinary Shares and the Warrants through a future sale of (parts of) their substantial interests.

Immediately after Completion, certain of the QEV Shareholders will hold a significant interest in the Company's issued and outstanding share capital. Even though none of the QEV Shareholders are, or have an intention to be, "acting in concert" (*tezamen met personen met wie in onderling overleg wordt gehandeld*) with any other party in connection with the Business Combination, they may be able to individually exert a substantial influence or potentially control matters requiring approval by the General Meeting and may vote its shares in a way with which other Shareholders do not agree, as the QEV Shareholders' interests may differ from those of other Shareholders. Matters requiring approval by the General Meeting include adoption of the financial statements, declarations of dividends, the appointment and dismissal of directors, capital increases, amendments to the Company's Articles of Association and approval of significant corporate transactions. Corporate actions might be taken even if one or more of the QEV Shareholders vote in favour and other Shareholders oppose them.

Pursuant to the business combination the Convertible Instrument Holders, and assuming conversion of 100% of the convertible instruments existing under the Convertible Instrument Agreements (and taking for the purposes of this calculation that conversion takes place at the mid-point between 17 July 2023 and the maturity of such convertible instruments in order to determine the accrued PIK interest, thus acknowledging that the final number of shares held by the Convertible Instruments Holders will vary depending on the date on which they execute the conversion of their Convertible Loans), the Convertible Instrument Holders will be entitled to receive the following shares:

(i) Assuming conversion of 100% of the convertible instruments of the Company held by GAEA, 171,322 QEV Shares held by GAEA;

(ii) Assuming conversion of 100% of the convertible instruments of the Company held by Inveready Parallel, 13,707 QEV Shares held by Inveready Parallel;

(iii) Assuming conversion of 100% of the convertible instruments of the Company held by Inveready Capital, 8,022 QEV Shares held by Inveready Capital;

(iv) Assuming conversion of 100% of the convertible instruments of the Company held by Inveready Evergreen, 32,594 QEV Shares held by Inveready Evergreen; and

(v) Assuming conversion of 100% of the convertible instruments of the Company held by Innvierte, 48,318 QEV Shares held by Innvierte.

This concentration of ownership may have the effect of delaying, preventing or deterring a change of control of the Combined Group and could materially adversely affect the trading volume and market price of the Ordinary Shares and/or the Warrants. This could be the case if investors determine that the stock is not as attractive due to high concentration of ownership and degree of influence by the QEV Shareholders, as a result of which demand for the Ordinary Shares may decrease.

In addition, if any of the QEV Shareholders were to sell substantial amounts their Ordinary Shares and/or Warrants, this could have downward pressure on the price of Ordinary Shares and/or Warrants. The QEV Shareholders will each be subject to a

lock-up of one year in relation to the Ordinary Shares which they will receive upon Completion. It is therefore only after one year following Completion that a QEV Shareholder will be able to initiate a sell down of its shareholdings.

46. Future Ordinary Share issuances and sales of significant numbers of Ordinary Shares, or the perception that such issuances or sales could occur, may reduce the price of the Ordinary Shares and/or the Warrants and any future share issuances may dilute the share of ownership of the Shareholders.

Future issuances of Ordinary Shares or other equity securities by the Company may dilute the holdings of Shareholders and could adversely affect the market price of the Ordinary Shares and/or the Warrants. The Company may issue additional Ordinary Shares or securities convertible into Ordinary Shares through directed offerings without pre-emptive subscription rights for existing holders in connection with future acquisitions, any share incentive or share option plan or otherwise. Any such additional offering could reduce the proportionate ownership and voting interests of Shareholders, as well as the earnings per Ordinary Share, and the net asset value per Ordinary Share. The issuance or sale of a significant number of Ordinary Shares or an understanding that such an issue or sale may take place in the future may have an adverse effect on the market price of the Ordinary Shares and/or the Warrants and on the Company's ability to raise funds in the future with equity financing. In addition, any possible future directed Ordinary Share issue, or a rights issue where any Shareholders decide not to exercise their subscription rights, could dilute Shareholders' relative share of shares and votes.

47. The price of the Ordinary Shares and/or the Warrants may be volatile and affected by a number of factors, some of which are beyond the control of the Company.

The stock exchange markets in general have experienced extreme volatility in the past that has often been unrelated to the operating performance of particular companies. Any of the following factors, amongst others, could cause a substantial decline in the markets in which QEV operates: general economic conditions, geopolitical conditions, including war, acts of terrorism and other man-made or natural disasters, financial regulatory reforms, political or regulatory developments in the EU, the United States and other jurisdictions, changes in earnings estimates by stock exchange markets analysts and other events and factors beyond the control of the Company. These factors, and other factors described elsewhere in this section, could adversely affect the trading price of the Ordinary Shares and/or the Warrants.

48. Even if the Business Combination is completed, the Warrants may never be in the money, and they may expire worthless.

If the Business Combination is completed, the outstanding Warrants to purchase an aggregate of approximately 8,750,000 Ordinary Shares will become exercisable in the exercise period, which begins five days after the Completion. The exercise price of the Warrants is €11.50 per Ordinary Share, which exceeds the market price of the Ordinary Shares, which was €10.2 per Ordinary Shares based on the closing price on 31 July 2023. The Warrants will expire in case of (i) redemption of the Warrants; (ii) Liquidation; or (iii) any regular liquidation of the Company. There can be no assurance that the Warrants will ever be in the money prior to their expiration and, as such, the Warrants may expire worthless. Further, the Warrants are subject to mandatory redemption (see also "*The Warrants are subject to mandatory redemption and therefore the Company may redeem a holder's unexpired Warrants prior to their exercise at a time that is disadvantageous to the Warrant Holder.*" in the Prospectus).

49. The payment of future dividends will depend on the Company's financial condition and results of operations, as well as on the Company's operating subsidiaries' distributions to their parent company.

Distribution of dividend may take place only after the adoption of the annual accounts referred to in article 2:391 BW (the **Annual Accounts**) by the general Shareholder meeting which show that the distribution is allowed. The Company may make distributions to its Shareholders insofar as its equity exceeds the sum of the paid-in and called-up share capital increased by the reserves as required to be maintained by Dutch law or by the Articles of Association as they will read immediately after the Business Combination. The Board determines whether the Company is able to or should make distributions. Because the Company is a holding company that conducts its operational business mainly through its subsidiaries, the Company's ability to pay dividends depends directly on the Company's operating subsidiaries' distributions to the Company. The amount and timing of any distributions will depend on the laws of the operating companies' respective jurisdictions. The distribution by the Company of interim dividend and the distribution of dividend in the form of shares is subject to the prior approval of the

Board. Any of these factors, individually or in combination, could restrict the Company's ability to pay dividends. See also section "*Business Combination–Dividend Policy*".

RISKS RELATING TO TAXATION

Tax Risks Relating to the Group

20. Tax risks relating to the Group's tax losses

QEV has a significant amount of tax losses pending to be offset, which may be subject to adjustment or challenge by the Spanish Tax Authorities. In particular, QEV has incurred in significant tax losses in the past years, which can be carried forward and offset against future taxable profits, subject to certain legal and regulatory limitations and conditions.

QEV has tax losses pending to be offset for an amount of €11,569,000 as of 31 December 2022. The possibility exists that the criteria for registering such losses followed by QEV could not be fully aligned with the criteria of the Tax Authorities. Therefore, under an eventual successful challenge by the Tax Authorities, QEV could face the risk of forfeiture of approximately €1 million of tax losses and payment of tax penalties in the range of approximately €130,000 – €230,000.

51. Tax risks relating to a CIT-deduction of non-deductible financial expenses

QEV has subscribed a compound financial instrument that consists of a loan convertible into shares, the terms and conditions of which may affect the tax deductibility of the related financial expenses. QEV has claimed the financial expenses derived from this loan as tax deductible in its CIT return for FY 2021. However, QEV believes that such expenses should be treated as non-deductible, as they may be regarded as a distribution of equity. This could expose QEV to a potential CIT adjustment and related penalties and interest, if challenged by the tax authorities. The amount of this tax risk cannot be quantified at the date of this shareholders circular, but it is expected that an action by the Spanish Tax Authorities could have a material adverse effect on QEV's financial position, results of operations and cash flows.

QEV has not documented the provision of services to QEV Extreme, S.L., nor has it submitted Form 232 in this regard, as required by the tax regulations. This could expose QEV to penalties imposed by the Spanish Tax Authorities. This is irrespective of any tax liability deriving from potential unpaid taxes as a consequence of related party transactions not being entered into in accordance with the arm's length principle.

In addition, QEV cannot assure that the Spanish Tax Authorities will accept the value assigned by QEV to its related party transactions or that it will not challenge QEV's transfer pricing policies or practices. Any such challenge could result in significant tax liabilities, litigation costs and reputational damage for QEV.

53. Tax risks in relation to incorrect classifications of labour relationships

QEV cannot be certain that relevant tax authorities will not challenge the classification of certain individuals as self-employees or that QEV will be able to successfully defend its position or regularize its situation in a timely and cost-effective manner. QEV may be subject to significant tax liabilities and penalties due to the incorrect classification of certain individuals as self-employees instead of employees. This could result in QEV having to pay penalties and interest for the input VAT deducted and the lack of withholding tax on personal income tax for FY 2021 and FY 2022. Therefore, this could have a material adverse effect on QEV's financial position, results of operations and cash flows.

Please also refer to risk factor "*Risk of requalification of self-employed persons as employees of the Group*" for the associated Social Security risks.

50. Changes in tax, tariff or fiscal policies could adversely affect demand for QEV's products

Imposition of any additional taxes and levies on QEV's products could adversely affect the demand for its products and results of operations. Changes in corporate and other Taxation policies as well as changes in export and other incentives given by various governments, or import or tariff policies, could also adversely affect QEV's results of operations. Considerable

uncertainty surrounds the introduction and scope of tariffs by countries around the world, as well as the potential for trade actions, and the imposition of tariffs and trade restrictions as a result of international trade disputes or changes in trade policies may adversely affect QEV's sales and profitability. The occurrence of any the above may have a material adverse effect on QEV's business, financial condition, results of operations and prospects.

51. Changes to Taxation or the interpretation or application of tax laws could have an adverse impact on the Company's and/or QEV's results of operations and financial condition.

QEV's business is subject to various taxes in different jurisdictions (mainly, in Spain), which include, among others, corporate income tax, trade tax, value added tax and other indirect taxes. The Company and QEV will be exposed to the risk that its overall tax burden and related compliance costs may increase in the future. Changes in tax laws or regulations, or in the position of the relevant authorities regarding the application, administration or interpretation of these laws or regulations, particularly if applied retrospectively, could have a material adverse effect on the Company's and QEV's business, financial condition, results of operations and prospects.

In addition, tax laws are complex and subject to subjective valuations and interpretive decisions, and the Company and/or QEV periodically may be subject to tax audits aimed at its compliance with direct and indirect taxes. The tax authorities may not agree with the Company's and/or QEV's interpretations of, or the positions it has taken or intends to take on, tax laws applicable to the Company's and/or QEV's respective ordinary activities and extraordinary transactions. In addition, conflicting interpretations by tax authorities in different jurisdictions could increase the risk of double Taxation. In case of challenges by the tax authorities to the Company's and/or QEV's respective interpretations, it could face long tax proceedings that could result in the payment of additional tax and penalties, with potential material adverse effects on the Company's and QEV's business, financial condition, results of operations and prospects.

52. QEV is subject to risks related to the complexity and uncertainty in interpretation of transfer pricing rules.

QEV operates in various jurisdictions and is subject to taxation in Spain and in other countries in which its subsidiaries are located. Within QEV, transactions between related parties located in different countries are carried out in the ordinary course of business and are mainly related to the purchase and sale of goods and the provision of services.

These transactions are subject to transfer pricing rules defined globally by the Organization for Economic Co-operation and Development (OECD), tax treaties and local tax laws. In this respect, QEV's intercompany prices are set up consistently with the arm's length principle and other guidance provided by the OECD Transfer Pricing Guidelines and QEV and its subsidiaries prepare specific transfer pricing documentation with respect to such transactions.

Although QEV considers that its transfer pricing is correct, due to the complexity of these rules and the uncertainties in their interpretation, the tax authorities might challenge the prices of certain of QEV's intercompany transactions and propose transfer pricing adjustments. Consequently, such adjustments may increase the related taxes and impose penalties and late payment interests, which may increase the risk of multiple taxation and result in a material adverse effect on the Company's and QEV's business, financial condition, results of operations and prospects. Additionally, the Company could receive formal penalties in case it performs related party transactions subject to transfer pricing documentation and such documentation is not delivered upon Spanish Tax Authorities' request.

53. The Company intends to be treated as a resident of the State of Spain and the Netherlands for tax purposes, as a result of which it and its Shareholders could be subject to increased and/or different taxes.

As a result of the Company's incorporation under Dutch law as a Dutch private limited liability company (*besloten vennootschap*) and subsequent conversion to a Dutch limited liability company (*naamloze vennootschap*), the Company will be deemed tax resident in the Netherlands for purposes of the Dutch Dividend Withholding Tax Act 1965 (*Wet op de dividendbelasting 1965*), the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*) and the Dutch Conditional Withholding Tax Act (*Wet bronbelasting 2021)*. However, after the Business Combination, the Company intends to conduct its management and organisational structure in such a manner that (i) the Company's place of effective management would be in Spain and it should be regarded as a tax resident of Spain for Spanish domestic income tax law purposes; (ii) upon conflict of double Taxation between Spain and the Netherlands, the Company should be considered to be exclusively tax

resident in Spain for purposes of the Convention; and (iii) the Company should not be regarded as a tax resident of any jurisdiction other than Spain or the Netherlands either for purposes of the domestic tax laws of such jurisdiction or for the purposes of any applicable tax treaty. However, the determination of the Company's tax residency depends primarily upon its place of effective management, which is largely a question of fact, based on all relevant circumstances. Therefore, no assurance can be given regarding the final determination of the Company's tax residency by tax authorities. In addition, changes to applicable laws and income tax treaties, including a change to the provisional reservation made under the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (the **MLI**) made at the time of signing the MLI with respect to Article 4 (Dual Resident Entities) of the MLI, or interpretations thereof and changes to applicable facts and circumstances (*e.g.*, a change of Board members or the place where Board meetings take place), may have a bearing on the determination of the Company's tax residency, the consequent tax treatment and may result in exit taxes becoming due.

If the competent tax authorities of a jurisdiction other than Spain takes the position that the Company should be treated as (exclusively) tax resident of that jurisdiction for purposes of an applicable tax treaty, it could be subject to corporate income tax and all distributions made by it to its shareholders could be subject to any applicable dividend withholding tax in such other jurisdiction(s) as well as in Spain. This could include the competent tax authorities of the Netherlands, although the Company believes that the competent tax authorities of the Netherlands should view it as exclusively tax resident of Spain based on the understanding that immediately after Completion the Company's place of effective management will be located in Spain.

To resolve any dual tax residency issue, the Company may have access to a mutual agreement procedure and/or dispute resolution mechanisms under an applicable tax treaty and the dispute resolution mechanism under the EU Arbitration Directive (if it is an EU jurisdiction), or the Company could submit its case for judicial review by the relevant courts. These procedures would require substantial time, costs and efforts, and it is not certain that double Taxation issues can be resolved in all circumstances. In case the Company would be considered resident in more than one jurisdiction, and this is not resolved under an applicable (tax) treaty, the Company's overall effective income tax rate and income tax expense could materially increase, which could have a material adverse effect on the Company's business, results of operations, financial condition and prospects, which could cause the Company's share price and trading volume to decline.

The Company's exclusive tax residency in Spain for the purposes of the Convention is subject to the application of the provisions on tax residency as stipulated in the Convention as effective as of the date of this document. In this regard it should be noted that the Netherlands and Spain announced that they agreed upon a renewed tax treaty (**Renewed Convention**). The Renewed Convention has yet to be published, signed and ratified. The Dutch State Secretary of Finance indicated in a written consultation on the negotiation of tax treaties that the implementation of MLI's anti-abuse provisions in the Convention is in sight. Therefore, it is generally expected that under the Renewed Convention, the Company will only be entitled to the benefits of the Renewed Convention if the establishment of the Company's tax residency in Spain did not have as one of its principal purposes the obtaining of treaty benefits (the **Principal Purpose Test**). The Company believes it meets the Principal Purpose Test and therefore should be entitled to the benefits of the Renewed Convention. However, it cannot be excluded that competent Dutch tax authorities will be able to establish otherwise. A failure to meet the Principal Purpose Test would mean that the Company is not entitled to any relief or exemption from tax provided by the Renewed Convention and there would be a risk that both Spain and the Netherlands would levy withholding tax on all distributions by the Company, in addition to the risk of double Taxation on the Company's profits. This could have a material adverse impact on the financial position of the Company and Investors.

In addition, the Renewed Convention may include a mutual agreement tie-breaker provision instead of the corporate tie-breaker currently included in the Convention. As a result of the inclusion of a mutual agreement tie-breaker provision, the competent authorities of Spain and the Netherlands will have to determine the exclusive tax residency of the Company by mutual agreement instead of by the place of the effective management. During the period in which a mutual agreement between both states is absent, the Company may not be entitled to any relief or exemption from tax provided by the Renewed Convention and there would be a risk that both Spain and the Netherlands could levy withholding tax on all distributions by the Renewed Convention, in addition to the risk of double Taxation on the Company's profits. This could have a material adverse impact on the financial position of and investors.

54. Dividends distributed by the Company may be subject to dividend withholding tax in both Spain and the Netherlands

As the Company intends to maintain its management structure and governance in such a manner that it should be treated as (exclusively) tax resident of Spain under Spain domestic tax laws and for purposes of the Convention, dividends distributed by the Company are generally subject to Spanish withholding tax. In addition, because it is an entity incorporated under Dutch law, any dividends distributed by the Company are also subject to Dutch dividend withholding tax on the basis of Dutch domestic law. However, pursuant to the Withholding Tax Restriction the Netherlands will be restricted in imposing Dutch dividend withholding tax on dividends distributions made by the Company to holders of Ordinary Shares other than Dutch tax resident investors. If, for any reason, Dutch dividend withholding tax is withheld from a dividend distribution made by the Company to holders of Ordinary Shares other than Dutch tax resident investors, such holders may apply for a refund of such Dutch dividend withholding tax levied.

As a result of the foregoing, upon a distribution of dividends, the Company is required to identify its shareholders in order to assess whether there are Dutch tax resident investors among them, in respect of which Dutch dividend withholding tax then needs to be withheld. Such identification may be problematic and not always possible in practice. If the identity of the Company's shareholders cannot be timely determined, withholding of both Spanish and Dutch dividend withholding tax would occur upon a dividend distribution to any investor. In light of the foregoing, the Company may, as a condition for not withholding Dutch dividend withholding tax, in its sole discretion decide to require holders of Ordinary Shares to submit information, including information certifying their status as not being a Dutch tax resident shareholder. In that respect, the Dutch tax authorities are generally approached to discuss the practical aspects of the Company's Dutch whitholding tax position and agree on a process through which it would handle any Dutch whitholding tax obligations in the future.

Furthermore, if the Company would (temporarily) not be entitled to the benefits of the Convention (for example if a mutual agreement tie-breaker provision is included in the Renewed Convention) the Withholding Tax Restriction referred to above would not apply. Consequently, any dividends distributed by the Company during the period it is not entitled to the benefits of the Renewed Convention may be subject to both Spanish and Dutch dividend withholding tax.

In addition, it is not entirely clear whether the Withholding Tax Restriction applies if a distribution by the Company qualifies as a dividend for the purposes of Dutch tax laws while it does not qualify as a dividend for the purposes of Spanish tax laws. On the basis of a literal reading of the Convention, a distribution that qualifies as a dividend under the tax laws of the Netherlands but that does not qualify as a dividend under the tax laws of Spain, is not in scope of the Withholding Tax Restriction. Since Spain and the Netherlands may have a differing concept of what constitutes a dividend under their domestic tax laws, which could also be subject to change, it cannot be entirely excluded that certain acts of the Company vis-à-vis investors constitute a dividend under the tax laws of the Netherlands while they do not constitute a dividend under the tax laws of Spain, in which case the Netherlands may not be precluded from levying Dutch dividend withholding under the Withholding Tax Restriction. Consequently, the Netherlands would under the Convention be entitled to levy Dutch dividend withholding tax in relation to all investors (in addition to any Spanish tax that may become due), although the Netherlands might then still be precluded from levying Dutch dividend withholding tax under a double tax treaty concluded between the Netherlands and the jurisdiction of residence of a relevant investor depending on the provisions of the double tax treaty and the specific situation of the investor.

As of 1 January 2024, a Dutch conditional withholding tax will be imposed on dividends distributed by a Dutch company to related recipients in low-tax jurisdictions and in abusive situations. Under this Dutch conditional withholding tax a recipient of dividends that is related to the Company for purposes of the Dutch conditional withholding tax and that (i) is established or has a permanent establishment (to which the dividend payment is allocated) in a jurisdiction that has a statutory corporate tax rate below 9% or in a jurisdiction included on the EU's black-list of non-cooperative jurisdictions, (ii) is a hybrid entity or a reverse hybrid entity or (iii) is interposed to avoid tax otherwise due by another entity, will be subject to a conditional withholding tax on dividends at the highest Dutch corporate income tax rate (currently 25.8%), as a result of which such holders of Ordinary Shares would receive lower after-tax dividends as of 1 January 2024. The Dutch conditional withholding tax on dividends will be reduced, but not below zero, by any regular Dutch dividend withholding tax withheld in respect of

the same dividend distribution. Holders of Ordinary Shares should seek their own tax advice on the consequences of this Dutch conditional withholding tax on dividends.

It cannot be excluded that proceeds of a redemption of the Warrants, proceeds of a repurchase of the Warrants, or a full or partial cash or cashless settlement of the Warrants fall within the scope of the expression "dividends distributed", as a result of which the matters set out in this risk factor could also apply with respect to holders of Warrants (and references to 'holders of Ordinary Shares' should then be read as 'holders of Ordinary Shares and/or Warrants)

55. Investors may suffer adverse tax consequences in connection with acquiring, owning and disposing of the Ordinary Shares and/or Warrants, and other securities issued by the Company.

The tax consequences in connection with acquiring, owning and disposing of the Ordinary Shares and/or Warrants may differ from the tax consequences in connection with acquiring, owning and disposing of securities in other entities and may differ depending on an investor's particular circumstances including, without limitation, where investors are tax resident. Such tax consequences could be materially adverse to investors and investors should seek their own tax advice about the tax consequences in connection with acquiring, owning and disposing of the Ordinary Shares and/or Warrants, including, without limitation, the tax consequences in connection with the redemption of the Ordinary Shares and/or Warrants and whether any payments received in connection with a redemption would be taxable.

In particular, the repurchase of Ordinary Shares under the Revised Share Repurchase Arrangement may attract Dutch dividend withholding tax. Any repurchase of Ordinary Shares by the Company will be subject to Dutch dividend withholding tax to the extent that the gross repurchase price exceeds the average paid-in capital recognised for Dutch dividend withholding tax purposes determined per class of shares. The subscription price payable per Ordinary Share is expected to be accounted for as nominal paid-in capital of €0.01 and the larger part of the subscription price as share premium, both of which are taken into account as paid-in capital recognised for Dutch dividend withholding tax purposes on the Ordinary Shares. If an Ordinary Shareholder elects for the repurchase of its Ordinary Shares under the Revised Share Repurchase Arrangement, the Company will repurchase such Ordinary Shares at a gross repurchase price equal to a pro rata share of funds in the Escrow Account. Consequently, the average paid-in capital recognised for Dutch dividend withholding tax purposes per Ordinary Share may be lower than the gross repurchase price per Ordinary Share payable under the Revised Share Repurchase Arrangement, and accordingly, any repurchase thereunder may attract Dutch dividend withholding tax at a rate of 15% on the amount by which the gross repurchase price would exceed the average paid-in capital.

10. QEV'S BUSINESS AND INDUSTRY

OVERVIEW

QEV Technologies (**QEV**) designs, develops, manufactures, and sells electric light commercial vehicles and electric buses, as well as offering aftersales and maintenance services, and has further business lines related to electric motorsport. QEV sells its electric vans, trucks and buses primarily to businesses and public transport companies seeking to establish or grow their electric fleets, and is focused on serving the corporate, urban mobility and last mile delivery markets. Under the Zeroid brand, QEV offers a zero-emission fleet that includes multiple electric van models, delivery trucks, and electric and hydrogen platforms for buses.

QEV was founded in 2013, and both historically and on an ongoing basis also provides design, engineering and training services to the electric motorsport industry. Building on its history and expertise in electric mobility, QEV expanded into the commercial electric vehicle market in 2020 and now has both in-house and outsourced manufacturing capabilities, having together with its joint venture partner won the tender to operate Nissan's former manufacturing facilities in Montcada Reixac and in the industrial free trade area of Barcelona in March 2023. QEV's revenues and Adjusted EBITDA for the fiscal year ended 31 December 2022 were €13.4 million and €1.8 million, respectively, and QEV expects its revenues to grow significantly on the basis of its order backlog and pipeline. As of June 2023, QEV has sold more than 200 vehicles in Mexico, the Philippines and Spain.

QEV believes that the size of the electric van market (light commercial vehicle market with gross weights below 3.5 tonnes) in its key target geographies of Europe, Latin America and South-East Asia may grow from approximately €11 billion in 2023 to approximately €75 billion in 2027.

QEV believes that the size of the electric bus market in its key target geographies of Europe, Latin America and South-East Asia may grow from approximately €4 billion in 2023 to approximately €17 billion in 2027.

Business model and strategy

Business divisions

- eMobility (vehicles sold under the Zeroid brand (https://www.zeroidelectric.com)): electric light commercial vehicles and vehicle platforms for corporate, urban mobility and last mile delivery markets, and electric buses and bus platforms for public urban mobility.

- eRacing: full-service offering in electric motorsport, including car design, championship organization and team management, for the main current FIA eChampionships worldwide and many others in the United States and Europe.

- eEngineering: in-house development of prototypes and preparation of third-party vehicles which are cross-sold through eRacing and eMobility divisions, encompassing design and styling, vehicle development, propulsion system development and vehicle dynamics and torque vectoring.

- eAcademy: post-graduate degree offering to train new racing engineers and mechanics. The programme encompasses 28 seats officially issued by the Central University of Catalonia.

Core capabilities

QEV's core capabilities in the electric vehicle market are a combination of:

1. **Deep engineering expertise** developed in the demanding arena of electric motorsport, and covering design and assembly of battery packs and electric vehicle powertrains, the ability to tailor battery pack architecture to meet customers' needs, and deep exertise in software development to maximize performance and efficiency;

2. **Vehicle development and prototype building**, in particular the expertise and ability to manage the design and manufacturing process at all stages for both in-house and third-party projects, including the full vehicle homologation process;

3. **Manufacturing and assembly**, with a proven ability to deliver vehicles at scale, with body, motors, gear boxes and other components currently manufactured by third parties and assembled in China by EV Dynamics, and with an increasing proportion of the company's production expected to be transferred to the company's Barcelona facilities from 2024.

Core strategic focus and growth plan

Through its e-mobility division, QEV has become a volume electric vehicle OEM focused on the manufacturing of electric light commercial vehicles and elecetric buses with a B2B fleet-focused portfolio and commercial strategy. With more than 300 vehicles on the road and more than two million kilometers driven, sales to date have validated a market opportunity to provide a customized fleet proposition and serve major corporates' ESG requirements.

In the e-mobility division, design and prototyping occurs in QEV's facilities in Montmelo, Barcelona. The adaptation and homologation process is managed by QEV's R&D and engineering department. QEV's in-house design, adaptation and homologation of its vehicles, provides it with full ownership of the IP of its light commercial vehicles and its commercialised platforms in the case of its electricbus portfolio.

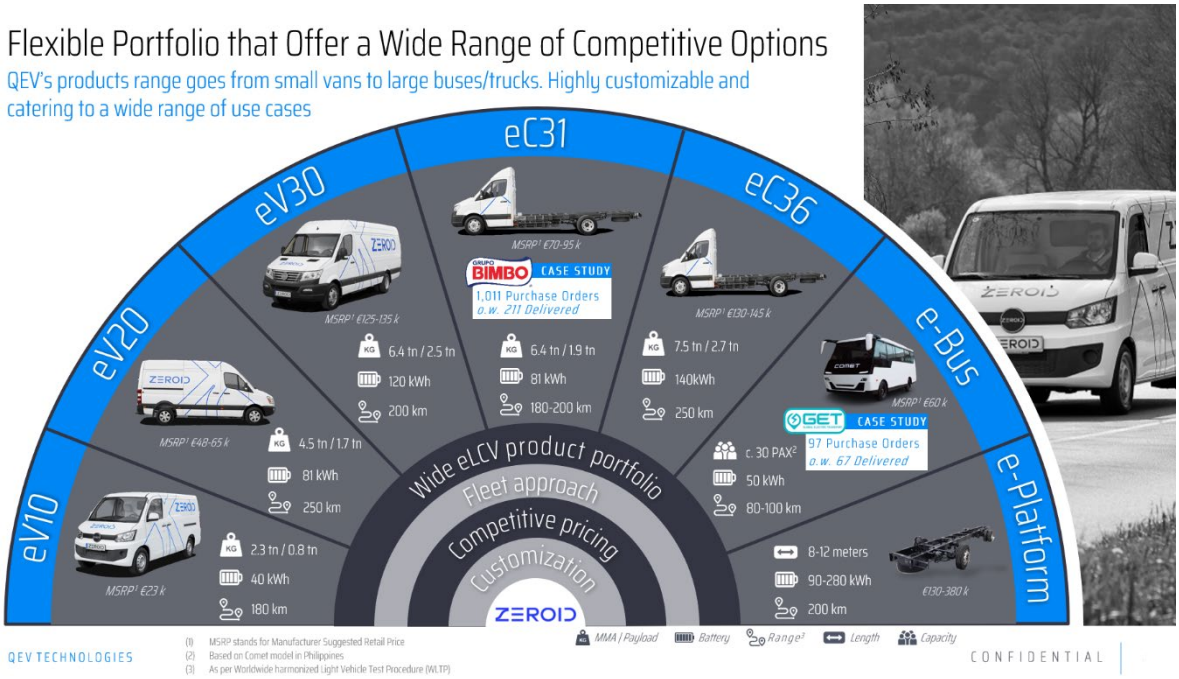
Vehicles are currently manufactured in China, where QEV has a partnership with EvDynamics, a Chinese automotive company with an annual production capacity of +10,000 units, and distribution is carried out by QEV's own sales force and sales agents. Vehicles requiring no adaptations are currently distributed 100% assembled directly from the manufacturing facilities of QEV's Chinese production partner, and adapted vehicles are assembled by QEV in its facilities in Spain.

In the near term QEV expects to increase its production in its Barcelona facilities, having recently won a tender together with a joint venture partner for the operation of a major automotive production facility in Barcelona's free trade area. In May 2020, Nissan made the strategic decision to relocate its production center in Europe, which affected the manufacturing plants (the **Facilities**) located in Barcelona: Zona Franca, Montcada and Sant Andreu. In March 2023, Nissan and the local authorities awarded the Facilities to a consortium between logistics company Goodman and the decarbonisation hub (**D-Hub**) led by QEV (D-Hub being a 60%/40% joint venture between QEV and Sustainable Mobility Vehicles S.L. (Subsidiary of Btech group). D-Hub is currently working at the Facilities with the objective of recommencing production in 2024. The Facilities have a maximum potential capacity of 180,000 vehicles per year and provide QEV with the opportunity to boost its capacities and speed up its industrial ramp-up in the coming years from facilites with high quality standards, supported by both a dynamic ecosystem of automotive suppliers and duty-free benefits as a result of their strategic location in Barcelona's free trade zone.

The new facility represents a competitive advantage compared to peers that have significantly higher capital investment requirements in order to deliver comparable new production capacity. The facilities are expected to be financed at the D-Hub subsidiary level through grants, third party financing and a €20 million equity investment into the D-Hub to be made by QEV and Sustainable Mobility Vehicles S.L. (Subsidiary of Btech group).

Product portfolio

QEV's vehicle portfolio ranges from small electric vans to large buses and trucks, which are highly customizable and serve a wide range of use cases:



Manufacturing Strategy

QEV is currently operating under a Ro-Ro model (importing of complete vehicles being driven into/from the transport) with adaptations made to its vehicles for homologation and regulatory processes where required. QEV plans to progressively shift towards an in-house manufacturing strategy that leverages the industrial capacity, human capital knowledge, oversight, flexibility and efficiency provided by its Barcelona facilities:

- First phase - from Ro-Ro model to semi knocked down (**SKD**): where the vehicle is manufactured in China and dismantled (approximately 40 parts), with parts then being assembled in Spain. This business model has limited capital expenditure requirements and operating advantages in terms of time-to-market and import taxes.

- Second phase - from SKD to complete knocked down (**CKD**): where the vehicle is manufactured in China and dismantled (approximately 80 parts), and parts are then assembled in Spain with some technical works. This business model requires higher capital expenditure, but benefits from low import taxes and higher gross margins compared to the SKD manufacturing model.

- Third phase - from complete knocked down to complete build up (**CBU**): target operating model of QEV that will represent full in-house manufacturing capabilities where QEV has total control on the value chain, and is able to obtain higher gross margins and lower logistic costs.

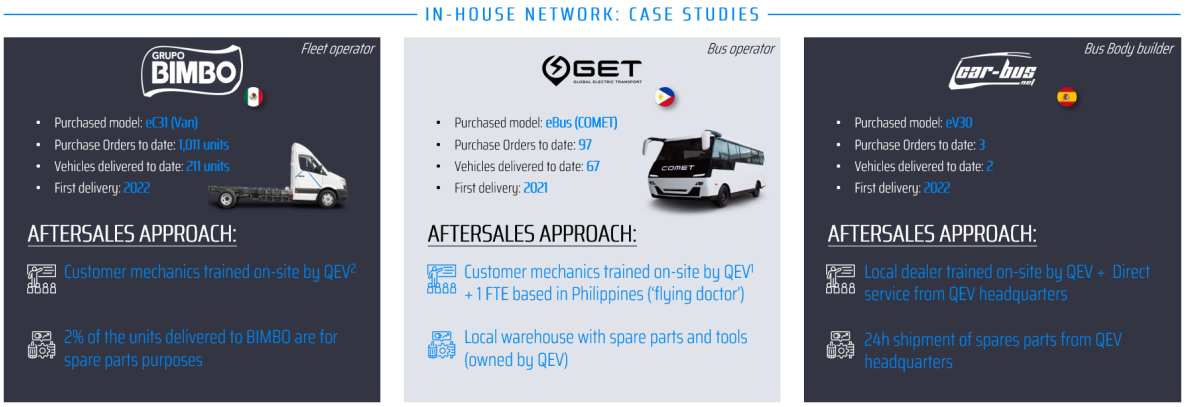
Aftersales service offerings

QEV offers its customers two possible aftermarket service models, depending on the particular requirements of individual corporate customers. Services are either provided by QEV itself, or through QEV's partnerships with local dealers:

- In-house network: aftersales capabilities are provided on customers' premises either by QEV employees training customer mechanics or by deploying QEV employees on site with customers (referred to as 'flying doctors').

- Parternships with local dealers: QEV is in advanced conversations to secure local aftersales presence via partnerships with dealers and/or specialized workshops in multiple geographies in and in conjunction with advanced discussions with potential future customers. This will allow QEV to obtain capillarity and provide timely responses to customers.

The following case studies describe and provide further data on QEV's aftersales service offering as provided to individual customers:



1. Once the product is delivered, QEV employees can travel to customer premises to train their mechanics (case studies: 2 FTEs travelled to Mexico and 3 FTEs travelled to the Philippines).

Nissan's former manufacturing facilities

Nissan's former manufacturing facilities are intended to be used by QEV as a stepping-stone for its industrial project, which has been validated by local authorities after an extensive tender process that has allowed QEV to benefit from advanced and proven manufacturing facilities. The facilities provide the capability to manufacture high volumes of vans and pick-up trucks, with a maximum annual production capacity of 180,000 units and total capex expected in the amount of €157 million[1], representing capex of less than €1,000 per unit of capacity.

The facilities, strategically located in Barcelona's free trade zone (*ZonaFranca Customs of Barcelona*), offer the following advantages: (i) gateway to and from the European Union; (ii) no import duties, internal taxes (including VAT) or trade policy measures; (iii) proximity to air, sea and rail links minimizing transportation costs; and (iv) a pool of 1,300 former Nissan employees available for re-employment by QEV and its partner (no human resources bottleneck, high-quality technical capabilities delivered by an experienced, highly-skilled workforce).

The land on which the facilities are built is a free-trade zone owned by the Consorci Zona Franca and controlled by local authorities. The industrial project led by QEV was the preferred option to reindustrialize the former Nissan factory in Barcelona, and received support from local authorities. In the context of this support, a total of €41 million non-refundable public grants (QEV €22 million and D-HUB €19 million) has already been secured by QEV/D-HUB under the PERTE I support scheme. QEV has applied or will also apply for grants under PERTE II(2024 continuation of Perte I: European Next Generation Funds through Spain), and MOVES (yearly and ongoing Next Generation Funds focusing on financing sustainability and electric mobility).

Order book and pipeline

As at the date of this Circular and based on the information provided by QEV to SPEAR, QEV's orderbook and pipeline consists of:

- An order book of more than 1,000 vehicles, with purchase orders placed by customers that include Grupo Bimbo (pre-paid purchase order), GET and car-bus, and which have either been recently delivered or will be delivered to customers in the near term;

- Letters of intent received for more than 9,500 vehicles, with detailed discussions taking place with current customers like Bimbo, Carbus, and GET plus potential new customers; and

- Commercial proposals presented for potential demand of more than 6,500 vehicles, with potential customers including a European leader in rental services of refrigerated vans, a leading Dutch parcel company with a strong presence in Spain

[1] Expected to be financed at subsidiary level through grants, third-party financing and €20 million equity from QEV and Btech. Excludes €40 million of additional future payment to Nissan through a variable fee per vehicle produced.

and a leading Spanish coachbuilder.

Financial guidance

QEV is currently experiencing rapid growth in its e-mobility business division, which is expected to represent approximately 90% of total revenues in 2023 (vs. 9% in 2022A), supported by purchase orders of over 1,000 vehicles:

- 200 units already being manifactured to leading food company in Mexico (Bimbo).
- 800 units in production by EV Dynamics in China for delivery to Bimbo in the near term.

In 2023, the company's revenues are expected to increase by more than 4 times to more then €60 million.

By 2027, QEV aims to generate approximately €1 billion in net revenue from sales of 16,000 vehicles by securing 0.8% of the electric light commercial vehicle market in Europe, 1% of the electric light commercial vehicle markets in Latin America and Southeast Asia, and 2% of the global electric bus market, and supported by the in-house production capacity provided by its Barcelona facility.

In terms of profitability, QEV expects in the long term to reach gross margins of 14-18% (driven by top line growth and efficiency in local production) and EBITDA margins of 11-15%, with marketing costs representing c.30% of OPEX during the ramp-up period, from expected gross margins and expected EBITDA margin in 2023 of 10-13% and breakeven, respectively.

QEV's capex needs for 2023E and 2024E are expected to be €35 million for engineering capex and €45 million for molds and tooling in total. QEV's capex is independent from the D-Hub's capex, and includes the investments for Product Development Engineering (R&D) and Molds and Tooling (i.e. new machinery to adapt production). Long term maintenance capex per model is estimated at €1 million.

History

QEV was founded in 2013 and has developed its electric mobility expertise through its activities in electric motorsport. From 2013 to 2020 key milestones of QEV have been:

- Provider of complete service offering and management for world class competitive teams across best-in-class and innovative electric vehicle championships worldwide: over 1,800 races, more than 10 championships and over 300 victories in different categories, more than 10 victories and two driver championship in Formule-E. QEV uses these competitions not only as a source of revenue, but also as a testing ground to develop and learn the latest technologies.
- Development of fully in-house electric engineering capabilities: strong track-record in the design and manufacturing of hyper cars with a renowned brand in the market. QEV has developed cars from concept stage, or had fine-tunded existing vehicles to achieve certain milestones with a team of more than 100 engineers. Many of QEV's historic projects have been the conception, design and manufacturing of the electric models of historic luxury brands Hispano Suiza cars, S.l., and BAIC.

Since 2020, QEV has developed its light commercial vehicle and electric bus businesses, focused on fleets, and started to offer solutions for public urban mobility and companies engaged in last-mile delivery, with a highly competitive portfolio in terms of price and performance. In 2021 QEV sold its first vehicle in the Philippines, and as of 30 June 2023, QEV has sold over 250 vehicles to top-tier clients:

- 200 vehicles to a leading food company based in Mexico and with worldwide presence
- 67 vehicles to a bus operator based in the Philippines
- 2 vehicles to a bus body builder based in Spain

Management

QEV's senior management team decides on all material operational and strategic matters related to the QEV Group and consists of the CEO, the CTO, the CFO, the CSO, the COO and the directors of operational teams.

The biographies of QEV's senior management team are sumarised as follows:

Joan Orús Valls (CEO):
Joan Orús is the co-founder of QEV and a prominent figure in the electric vehicle and motorsport industries. As CEO of QEV, he has been responsible for a number of important innovations and the development of the company's portfolio of sustainable transportation solutions. He has had a distinguished career spanning nearly 30 years, 15 years of which has been in electric supercar development and 10 years in electric racing, in particular in premier motorsport events, including Formula E, RX2e, and Extreme E.

In addition to his role at QEV, Joan Orús has also led successful collaborations with public institutions, including leading the successful bid in the public tender for the former facilities of Nissan in Barcelona.

Education: Mechanical Engineering degree from ETSEIB.

Juan Fernández Krutchkoff (CTO):

Juan Fernández is the co-founder of QEV Technologies and has been the CTO of QEV Technologies since 2014, playing a vital role in driving the company's technological advancements and innovation. He previously worked as Technical Director, Chief Engineer, and Race Engineer at Mahindra Formula E, Team China Racing Formula E, F3 Open Campos Racing, WTCC SEAT Sport/SUNRED, GP2 Campos Racing, World Series, Spanish GT Championship, Gabord Competition, USA Champ CART Championship, and Spanish Touring Car Championship.

Throughout his career, Juan Fernández has dedicated over ten years to developing engines and electric powertrains for the industry. His technical leadership, in collaboration with Joan Orús, has been instrumental in driving the success of QEV Technologies' car projects.

In electric motorsport, his career has spanned several prestigious championships. His expertise as a race engineer and technical director has contributed to numerous championship victories, including the Spanish RAID Championship, Spanish Touring Car Championship, USA Champ CART Championship, GABORD Competition, GP2, and Formula E.

Antonio Rodriguez (CFO):

Antonio Rodriguez has more than 20 years' experience advising some of the largest Spanish investment funds, with extensive experience in the development of Business Plans, budgeting control, analyses and execution of investments, strategic planning, and corporate finance in holdings and subsidiaries.

He started his career as a Consultant in PwC in the Strategy and Operation Department. After that, he worked for 4 years in an Industrial Family Office (NEFINSA) as a strategic planning analyst. In 2008 he joined Atitlan Group as the Investment Manager and participated in the development of the industrial fund Atitlan Alpha and the multisectorial capital risk fund Angels Capital FCR. In 2012 he became the CFO of Atitlan, made up of 23 principal investment vehicles, obtaining leverage for the company operations (in excess of €400 million) and managing the Group treasury Budget whose consolidated sales were €335 million and its asset book value €300 million.

Education: (i) Bachelor of Industrial Engineering (Madrid) and (ii) MBA University of Instituto de Empresa (Spain). First Class Honours.

Pol Sancho (CSO):

Pol Sancho is a former Formula 1 senior engineer and holds an Executive MBA from IESE Business School. He also holds an MSc in Motorsport Engineering from Oxford Brookes University with First Class Honours and a double degree in Industrial and Automotive Engineering from Politecnic University of Catalonia.

This education, combined with over 10 years of working as a Formula 1 Senior Engineer and as group leader of the front of the F1 world championship car, Product Director, and Project Leader has given a unique set of skills that has resulted in a deeper understanding of business, strategy, technical problems and performing well under pressure.

He started his career as a Project Engineer in a consultancy in Barcelona on top of his first two ventures before obtaining an MSc from Oxford Brookes University in 2015, for which he obtained a Distinction and First Class Honours. Straight after, he started his F1 Engineering career at Manor Racing, Force India (now Aston Martin Racing) and ultimately at Renault F1 team (now Alpine F1 Team).

Oscar Carrasco (COO):

Oscar Carrasco has more than 20 years' experience in the automotive sector. He previously worked at Applus IDIADA with different responsibilities, ultimately as Senior Manager for engineering services focusing on the validation of a range of vehicle types and their functionalities at complete vehicle level that allowed Carrasco to work for several major OEMs around the world. He continued his career at QEV and joined as Head of Project Management before assuming the role of COO.

Employees

QEV, together with the D-Hub, had 138 employees (of which 137 were permanent and of those 48 employed by the D-Hub) and 16 freelancers as at 30 June 2023. This represents an increase from the 77 employees (of which all were permanent and 2 employed by the D-Hub) and 14 freelancers as at 31 December 2022.

As of 30 June 2023, QEV has the following operational divisions or teams:

1. Mobility: develops and markets a wide range of sustainable electric vehicles and platforms tailored for urban fleets under the "ZEROID" brand name; led by Mr. Jose Ramon Veiga.
2. Motorsport: participates in events such as the "FIA RX2e Championship", "Nitro Rallycross", "Extreme E Championship", "Race Of Champions", "Formula E" and others, and is positioned at the forefront of innovation and sustainability in motorsport, and as a leading platform for research and development in the field of electric mobility; led by Mr. Javier Alonso.
3. Technical: responsible for the development of prototypes and small-scale productions, offering a diverse range of solutions in the realm of sustainable mobility; its research and development team is at the forefront of testing and implementing the latest advancements in electric mobility, both for high-performance vehicles and consumer and corporate use cases; led by the company's Chief Technical Officer (CTO), Mr. Juan Fernández.
4. Operations: integrates the project managers, workshop teams, both mechanical and composite materials, as well as the warehouse, maintenance, purchasing, IT and quality departments; led the Chief Operating Officer (COO), Mr. Óscar Carrasco.
5. Academy: post-graduate degree offering to train new racing engineers and mechanics.
6. Financial: responsible for the group's finance function; led by the company's Chief Financial Officer (CFO), Mr. Antonio Rodríguez.
7. Human Resources: responsible for the company's human resources function; led by Mr. David de Abásolo.
8. Marketing and Communication: responsible for all marketing and communication strategies of the QEV Group.
9. Strategy formulation and management: responsible for formulating corporate strategy from an operational point of view, as well as ensuring the successful execution and operation of strategic initiatives and the corporate portfolio of businesses, including mergers and acquisitions, transformation, and partnerships; led by the company's Chief Strategy Officer (CSO), Mr. Pol Sancho.

QEV's employees are included in the public pension scheme which is part of the social security system in Spain.

QEV's employees are also covered by the 20th National Collective Labour Agreement for Engineering Companies; Technical Studies Offices; Inspection, Supervision and Engineering; Technical Studies Offices; Inspection, Supervision and Control

signed on 12 January 2023 and published in the Official Gazette of the Spanish State ("*Boletín Oficial del Estado*" or "*BOE*") on 10 March 2023. This agreement, having been signed by the most representative employers' and trade union organisations at national level in the subsector of engineering and technical studies services companies, is of mandatory application to all companies whose main activity is included in its scope of application.

Legal Structure and Subsidiaries

The table below summarises the current legal structure of QEV as at the date of this Shareholder Circular. All of the below group companies fall within the scope of this Transaction.

Subsidiary	**Direct interest**	**Indirect interest**	**Jurisdiction of Incorporation**
QEVTECH Bus, S.L……	100%	100%	Spain
QEV Motorsport, S.L……..	100%	100%	Spain
QEV Extreme, S.L……	10%	20%	Spain
ERX Operations, S.L……	-	100%	Spain
Btech Aeronautics Engineering, S.L……	100%	100%	Spain
Fittipaldi Holding, SARL…….	25%	25%	Luxemburg
Shanghai Enhard N.E……..	30%	30%	China
GET Philippines, Inc……	2%	2%	Philippines
Hub Tech Factory, S.L…….	60%	60%	Spain
Ebro Urban Vans Mobility, S.L……..	43%	43%	Spain

QEVTECH Bus, S.L. (Spain): Spanish limited liability company with registered seat in Barcelona and business address in Calle rec del Molinar, 11, Montmeló, 08160, Barcelona. Its purpose is the manufacture, commercialization and sale, distribution, repair, import and export of all kinds of electric vehicles, as well as their parts and components, and all kinds of products related to them. Additionally, the management, promotion and provision of services related to the electric vehicle sector. It was constituted on 4th March 2020 with a share capital of €100,000.
QEV Motorsport, S.L. (Spain): Spanish limited liability company with registered seat in Barcelona and business address in Calle rec del Molinar, 11, Montmeló, 08160, Barcelona. Its purpose is the organization, promotion, management and representation of all kinds of sporting competitions related to motor sports, the technical and sporting management of competition teams in motor sports as well as consultancy, technical and economic promotion of competition teams, brands and manufacturers, and their image and representation contracts. It was constituted on 4th March 2020.
QEV Extreme, S.L. (Spain): Spanish limited liability company with registered seat in Barcelona and business address in Calle rec del Molinar, 11, Montmeló, 08160, Barcelona. Its purpose is the organization, promotion, management, and representation of all kinds of sporting competitions related to motor sports and the technical and sporting management of motor sports competition teams. It was constituted on 15th December 2020.
ERX Operations, S.L. (Spain): Spanish limited liability company with registered seat in Barcelona and business address in Calle rec del Molinar, 11, Montmeló, 08160, Barcelona. Its purpose is the organization, promotion, management, and representation of all kinds of sporting competitions related to motor sports, the technical and sporting management of competition teams in motor sports as well as consultancy, technical and economic promotion of competition teams, brands and manufacturers, and their image and representation contracts. It was constituted on 16th June 2020.
Btech Auronautics Engineering, S.L. (Spain): Btech Auronautics Engineering, S.L. is a Spanish limited liability company with registered seat in Barcelona and business address in Calle rec del Molinar, 11, Montmeló, 08160, Barcelona. The company's main activity is the design of industrial components and parts, as well as the consultancy and provision of engineering services for industrial development. It was constituted on 16th July 2019. This company is waiting to be liquidated.
Fittipaldi Holding, SARL. (Luxemburg): Fittipaldi Holdings, SARL is a Luxemburgish limited liability company incorporated in April 2020 with registered seat in G.D. Luxemburg and business address in West Side Village, 89 E Parc

d'Activités, Capellen, 8308, Luxembourg. Its purpose is the design, development, production, marketing and sale, distribution, repair, import and export of electric hyper-cars under the Fittipaldi brand and is a joint venture with the Fittipaldi family.

Shanghai Enhard N.E. (China): Shanghai Enhard N.E. is a limited liability company with registered seat in the People's Republic of China and business address in Room 2093, 2nd Floor, No. 24, Lane 315, Feng gu Road, Xuhui District, Shanghai. Its purpose is to provide full support to QEV on its related activities in China, in terms of sales, production capacity, supply chain capabilities, logistics, financing and capital market resources, amongst others. It was constituted on 28th of November 2022.

Get Philippines, Inc (Philippines): Get Philippines, Inc is a company with seat in the Republic of the Philippines and business address in 2006 Edison Street Corner Arnaiz Ave., Brgy, San Isidro, Makati City, Philippines. Its purpose is the manufacture and operation of an integrated and comprehensive microbus ecosystem in the Philippines. It was constituted on 20 March 2013.

Hub Tech Factory, S.L. (Spain): Hub Tech Factory, S.L. is a Spanish limited liability company with registered seat in Barcelona and business address in Calle Joan de la Cierva, 2, Martorell, 08760, Barcelona. It is a joint venture of which QEV has a 60% ownership share (with the other 40% indirectly owned by Sustainable Mobility Vehicles S.L. (Subsidiary of Btech group)), intended to own and operate the production assets in Zona Franca of Barcelona acquired from Nissan. The company also has a sublease agreement with Goodman Duero Logistics (Spain), S.L. ("Goodman", winner of the former Nissan factory Zona Franca land lease. It was constituted on 16th July 2019.

Ebro Urban Vans Mobility, S.L. (Spain): Ebro Urban Vans Mobility, S.L. is a Spanish limited liability company with registered seat in Barcelona and business address in Carrer de Joan de la Cierva 2, Esplugues de Llobregat, 08950, Barcelona. Its purpose is the industrialization, manufacture, and commercialization of motor vehicles. It is a joint venture of which QEV has a 43% ownership share (with the other 57% indirectly owned by SMV MOBILITY, S.L. (Subsidiary of Btech group). It was constituted on 19th July 2021.

Material Agreements

The QEV Group's business model includes establishing and maintaining strategic partnerships and relationships with other companies in its sector, with third party suppliers and with its customers.

While several customers procure products through individual purchase orders based on general terms and conditions, some customers have comprehensive framework agreements. These agreements are negotiated individually and therefore contain differing conditions. In terms of relationships with third-party suppliers, which the QEV Group believes help reduce design-to-cost, design-to-manufacture efforts and execution risk, the following agreements are highlighted:

(i) The contract for the project "Moldex nº1" dated 28 October 2022 between QEV, CITIZENS RESOURCE MÉXICO, S.A.P.I., CHINA DYNAMICS NEW ENERGY TECHNOLOGY COMPANY LIMITED and EV DYNAMICS (HOLDINGS) LTD, concerning the entire manufacturing chain, as well as the supply and sale to the final customer MOLDES Y EXHIBIDORES, S.A. DE CV (BIMBO) of vans.

(ii) The contract between HISPANO SUIZA CARS, S.L., and QEV dated 13 September 2019, for the manufacture of several units of the new "Hispano Suiza" branded super luxury electric car called "Carmen", which is intended to be sold and distributed worldwide, whereby QEV is the exclusive manufacturer of the first nineteen new Hispano Suiza cars.

The QEV Group believes that strategic relationships result in continuous development and long-term competitive advantage, and inthis regard the following joint venture and partnership agreements are highlighted:

(i) The two joint venture and shareholders agreement signed on 31 October 2022 between Sustainable Mobility Vehicles, S.L. and QEV Technologies, S.L., in relation to Hub Tech Factory, S.L. and Ebro Urban Vans Mobility, S.L., on the major project to set up an electric car factory in the former Zona Franca and Montcada i Reixac factories of Nissan Motor Ibérica, S.A.

(ii) The joint venture agreement signed on 1 March 2021 between The Fittipaldi Family Irrevocable Trust, Mr. Emerson Fittipaldi, New Automobile Development LLP, Electric R-Evolution S.L. and QEV, for the design, development, production and sale of a high-performance electric sports car under the brand name "Fittipaldi".

(iii) The joint venture and shareholders agreement signed on 9 February 2021 between Imacar, S.L.U., Saiva Management, S.L., Acciona Mobility Global, S.L.U., QEV Motorsport, S.L.U. and QEV, with the main purpose of creating, developing, managing and operating the "ACCIONA | Sainz XE Team" racing team for its participation in the international off-road electric car "Extreme E Championship".

In connection with the aforementioned set up of the Barcelona electric car factory, the following agreements signed on 28 February 2023, which were subject to a condition precedent that was fulfilled on 3 March 2023 are also considered material contracts for the QEV Group:

(i) The sale and purchase agreement (APA) between Nissan Motor Ibérica, S.A. and Hub Tech Factory, S.L. relating to certain Nissan Motor Ibérica, S.A. assets located in the Zona Franca and Sant Andreu sites. Under the APA a series of payments remain outstanding: (i) a deferred price amounting to €70,000,000, out of which (a) €20,000,000 shall be paid six months from the closing date (i.e. 10 September 2023); (b) €10,000,000 shall be paid on the first anniversary of the closing date (i.e. 10 March 2024); and (c) €40,000,000 shall be paid, through a per-vehicle canon of (300-500€ per vehicle) and completed to be paid, at least, on the seventh anniversary of the closing date (i.e. 10 March 2030); and (ii) expenses payable to Nissan for the maintenance of the assets amounting to €606,000.

(ii) The lease agreement between Hub Tech Factory, S.L. and Nissan Motor Ibérica, S.A. over the Montcada I Reixac site, consisting of the land, the buildings and certain assets located therein, which includes a call option (for a term of ten years) to acquire the property and assets (both terms as defined in the said lease agreement), as well as certain ancillary covenants.

(iii) The license agreement relating to the use by Ebro Urban Vans Mobility, S.L. of certain intellectual property rights owned by Nissan Motor Co., Ltd., relating to the "e-NV200 vehicle". Nissan can choose during a period of 24 months the remuneration for this contract between (i) 1€ or; (ii) 5% of HUB's share capital. If the 5% choice is made, additionally, Nissan has a put option to sell back the shares to HUB or its shareholders for €5,000,000.

The bailment ("*comodato*") agreement and a put option between Ebro Urban vans Mobility, S.L. and Nissan Motor Ibérica, S.A. Nissan Motor Ibérica, S.A.

(v) A sale and purchase agreement between Nissan Motor Ibérica, S.A. and Ebro Urban Vans Mobility, S.L. relating to certain Nissan Motor Ibérica, S.A. dies, tooling, and gauges. Nissan, as seller and Ebro, as buyer, entered into a production tooling sale and purchase agreement for the purchase of certain production tooling equipment for the production of electric vehicles, such as moulds and tooling. Under this agreement, a portion of the purchase price amounting to €1,000,000 was not paid at closing but deferred and payable in instalments of €100 for each vehicle assembled, until the earlier of (i) the fifth anniversary of the closing date (i.e. 10 March 2028); or (ii) the date on which the aggregate of all instalments equals the purchase price

(vi) A 20 year (with a potential of 10 year extensions) sublease agreement between GOODMAN DUERO LOGISTICS (SPAIN), S.L. and "Hub Tech Factory, S.L.over certain areas of the Zona Franca plot, excluding the "Nissan Technical Centre Europe" and the designated logistic areas. The parties undertake to invest an amount of at least €50,000,000 during the first 2 years following the date on which Goodman obtains the building/environmental permits, as follows: (i) an amount of €30,000,000 that Goodman will lend to HUB under a financing agreement (see item (iii) below); (ii) €5,000,000 that Goodman will allocate to the execution of infrastructures; and (iii) €15,000,000 that Hub Tech Factory will invest in the property for the development of its industrial activity.

The QEV Group also has the following key financing agreements to facilitate its working capital needs:

(i) The finance agreement between the European investment Bank (EIB), as lender, and QEV, as borrower, pursuant to which a loan facility of up to seventeen million euro (€17,000,000) is made available, of which seven million (7,000,000 €) were actually lent, together with the warrant agreement, which grants the EIB the right to subscribe for shares in QEV, as well as certain security covenants.

(ii) The various subordinated convertible loans contracts entered into between GAEA INVERSIÓN, S.C.R., S.A., INVEREADY EVERGREEN, S.C.R, S.A., INVEREADY FIRST CAPITAL III, S.C.R., S.A., INVEREADY FIRST CAPITAL III PARALLEL, F.C.R., and INNVIERTE ECONOMÍA SOSTENIBLE, SICC SME, S.A., as lenders, and QEV, as borrower, pursuant to which a total loan of twelve million two hundred and fifty thousand euros (€12,250,000) was made available to the QEV Group.

(iii) The finance agreement between GOODMAN DUERO LOGISTICS (SPAIN), S.L., as lender, and Hub Tech Factory, S.L., as borrower, pursuant to which a loan facility of up to thirty million euro (30,000,000 €) is made available, as well as certain security covenants.

Public grants

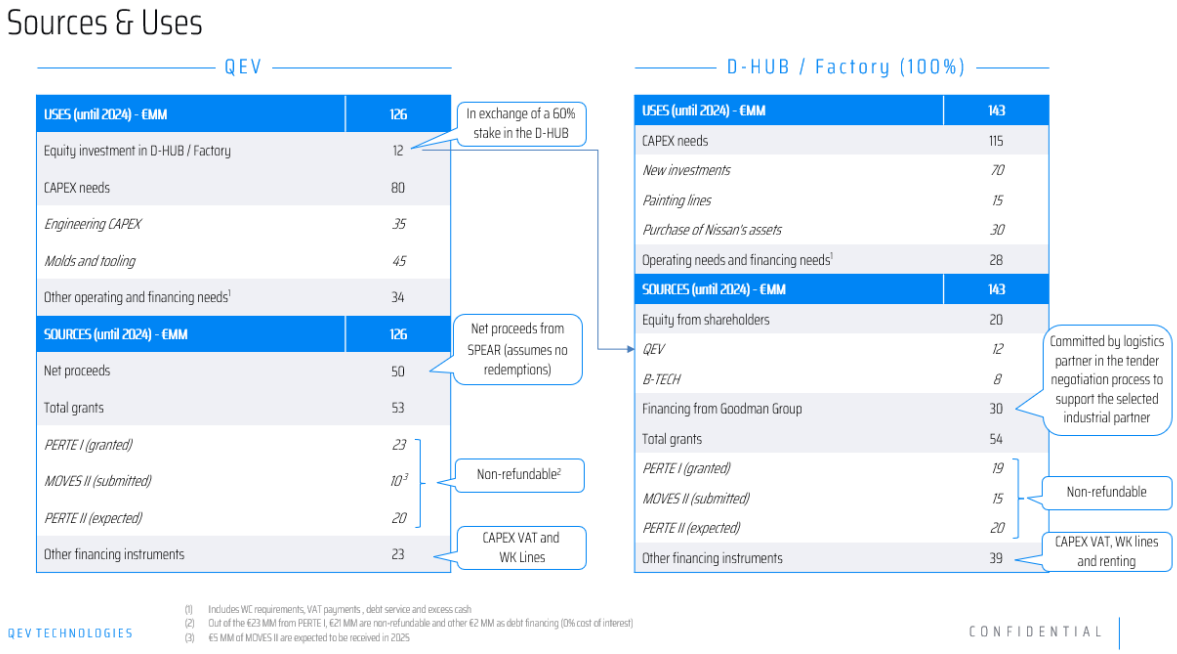
On 16 May 2022, a group of companies, including Hub Tech Factory, S.L. entered into a business grouping agreement in order to regulate the operation and management of the business group consortium and the project "Hub-DC02: Decarbonisation Hub

for the adaptive, modular and multi-reference manufacturing of VECs", within the scope of the call for aids for comprehensive actions in the electric vehicle industrial chain and connected within the Strategic Project for the Recovery and Economic Transformation in the Electric and Connected Vehicle Sector (PERTE).

On 20 January 2023, the Ministry of Industry, Commerce and Tourism of Spain granted the overall consortium Project an aid of €65 million, out of which €62 million were a subsidy and €3 million a loan. QEV is entitled to €23 million (€21 million as grants, plus €2 million as a loan) and Hub Tech Factory, S.L. is entitled to €19 million (as grants). The term to execute the project ends on 30 June 2025.

Sources and Uses

QEV's expectations in terms of the sources of funding and uses of that funding in relation to the investment requirements to deliver QEV's business plan at both the QEV, and D-Hub levels are as follows. The below table assumes the No Repurchase Scenario in relation to the capital raised in the Business Combination transaction, as well as making certain assumptions as shown in relation to grant funding and other sources of capital.



Industry

Market Context

Vehicle electrification is a global trend for the mobility industry, and the light commercial vehicle and public transport markets are electrifying as a result of environmentally-aware and focused customers, and regulatory requirements, such as local authorities requiring service providers to include electric vehicles in public bus fleets. Electric vehicle demand is also supported and driven by the increasing range and reliability of electric vehicles, growing charging infrastructures, and improving total cost of ownership and performance metrics with regards to range, recharging speed and weight.

QEV believes that the size of the electric van market (light commercial vehicle market with gross weights below 3.5 tonnes) in its key target geographies of Europe, Latin America and South-East Asia may grow from approximately €11 billion in 2023 to approximately €75 billion in 2027.

QEV believes that the size of the electric bus market in its key target geographies of Europe, Latin America and South-East Asia may grow from approximately €4 billion in 2023 to approximately €17 billion in 2027.

The new regulations and measures that governments and other public organisations are implementing in relation to the transportation sector which are increasing the penetration of electric vehicles include:

- A ban on new petrol and diesel cars from 2035 in the EU, with the aim of speeding up Europe's shift to electric vehicles and giving automotive manufacturers the confidence to invest heavily in electrification;

- EU laws setting targets for the installation of vehicle chargers;

- Purchase and tax incentives aimed at facilitating the purchase of electric vehicles, developing national manufacturing capabilities and setting up optimal charging infrastructure, with purchase incentives for electric vehicles currently available in 18 EU member states, and counitres also offering acquisition and ownership tax incentives;

- Implementation of low or zero emission zones by major cities, with European cities applying access restrictions for ICE vehicles, for example in Spain, the law forcing municipalities to establish low emission zones in cities with more than 50,000 inhabitants was approved in 2023, and will restrict ICE vehicles in 150 cities.

- The Spanish government, as part of PERTE-VEC (Strategic Project for the Recovery and Economic Transformation of the Electric and Connected Vehicle), granted +€800m in 2022 to OEMs with a presence in Spain engaged in the manufacturing of electric vehicles, and has announced a second PERTE plan to grant +€1.2bn in 2024. In this context, QEV/D-Hub has already secured public grants of €41m (€22m non-refundable grants directly granted to QEV) and will apply for other public programs in the coming months.

- The European Union ratified the "Clean Vehicle Directive" establishing an electric vehicle quota on newly purchased vehicles for the public sector of 29-50% in 2025 and 43-75% in 2030. Southeast Asian and Latin American countries are also starting to adopt detailed electric bus roadmaps.

- The C40 clean bus declaration is an initiative of the C40 cities network started in 2015 with the goal to incentivize all stakeholders to help increase the share of zero emission buses (ZEBs) in city transit systems. More than 30 cities globally, covering a fleet of more than 175k buses, have signed up to the initiative (with 11 more supporting cities) and have pledged to meaningfully reduce emissions from transportation. Concretely, most cities have pledge to procure only ZEBs from 2025.

Electric LCV Competitive Landscape and Dynamics

Increasing competition in the electric light commercial vehicle market is expected from Chinese companies and EV pure players with reliable vehicles entering the market with new go-to-market strategies. Three types of competitors can be differentiated in the electric light commercial vehicle market:

- Historical and established players (e.g., Daimler, Volkswagen, Stellantis, Ford): recognized brands have developed electric versions of best-selling light commercial vehicles and are progressively electrifying their full range of vehicles.

- Pure electric vehicle new entrants (e.g., QEV, Rivian, Canoo, Voltia): focused solely on battery electric vehicles with focused portfolio offerings and defined geographical focuses.

- Low-cost players: characterized by having very competitive pricing but suffer from limited brand image so far.

The buying process differs by type of clients: (i) Large fleets have tendering processes of 8-12 months, (ii) public administration tender processes typically last for 3-6 months (not including manufacturing) while (ii) SMEs buy directly from car dealerships.

Success factors include technical capabilities and reliability, and large fleets also value customization while public administration & SMEs put more emphasis on pricing. To successfully win contracts companies need to produce reliable high-quality products and this will over time also generate brand equity that will further support demand. Solid relationships with

high quality suppliers, an aftersale service network and the ability to offer different financing alterantives, including renting, are also key success factors.

Electric Bus Competitive Landscape and Dynamics

Four types of competitor can be differentiated in the electric bus market, with platform suppliers such as QEV acting as key partners for bodybuilders (teaming up on tenders):

- Market leader (i.e. BYD): Chinese company with a global footprint, significant knowhow and track record in battery electric buses (first mover).
- Low-cost players (e.g. Yutong, Foton) characterized by having very competitive pricing.
- Regional players (e.g., Ebusco, Solaris, VDL): strong focus on particular geographies.
- Established OEMs (e.g. Man): recognized brands with global footprint that have developed electric versions of bus best sellers.
- Bodybuilders (e.g., Castrosua, Marcopolo): manufacturer of buses mounted on chassis of various OEMs – to be supported by chassis provider's technology (e.g. QEV).

The buying process for electric buses is similar for different types of clients: with similar tendering processes of 2-5 months, not including manufacturing. Success factors include reliability and ability to deliver technical and performance requirements. Public companies value the regional footprint of the product while private companies put more emphasis on the total cost of ownership.

Regulatory overview

Data Protection Laws and Compliance

The QEV Group is subject to legislative and regulatory obligations concerning the retention and management of personal data, the protection of individuals regarding the processing of personal data, and the free movement of such data, and seeks to comply with data protection requirements in accordance with the rules of relevant regulatory frameworks.

The QEV Group carries out processing activities as Data Controller, carrying out manual and automated procedures for the collection, storage, consultation, modification, organisation, structuring, communication and deletion of personal data relating to employment, logistics, customers and suppliers, leads, students, future students, commercial (self-employed collaborators / contracted personnel), newsletter, commercial communications, advertising and video surveillance where appropriate.

Intellectual Property

The QEV Group intellectual property assets principally include its vehicle, complete vans, cab-chassis, and bus platforms innovations, body innovations, assembly-related innovations, its battery and battery management technologies, its powertrain and energy efficiency systems, its vehicle monitoring and location system and the related software systems.

The QEV Group considers that the manufacturing processes and the parameters used, such as tolerances, assembly guidelines, specifications, and the quality control process, are technical know-how and trade secrets of the QEV Group. It also considers detailed static and dynamic analyses of structures, shapes through CFD and electrical simulations used to qualify and optimise the products and guarantee their durability, safety and efficiency, as internal know-how mastered and ensured by the QEV Group.

The QEV Group expects to continue to develop additional intellectual property and proprietary technology over time.

The QEV Group seeks to protect its intellectual property rights and proprietary technology, including trade secrets and know-how, through limitations on access, confidentiality and other contractual agreements with its suppliers, customers, employees, and collaborators. All intellectual property relating to the composite body innovations is secured via non-disclosure agreements with the QEV Group's employees and key suppliers.

The QEV Group also protects its intellectual property rights by maintaining all technology internally and off-line on servers. It also has confidentiality and invention assignment agreements with the relevant employees and consultants of the QEV Group, and materially all its strategic partners, suppliers and other collaborative partners, so that the Group retains all intellectual property rights conceived, created and/or developed. Automotive digitalization is driving the need for robust, proactive information security management. QEV Group has the Certification to Trusted Information Security Assessment Exchange (TISAX®), an assessment and exchange mechanism for information security in the automotive industry. The TISAX® label confirms that a company's information security management system meets defined security levels.

In addition to the foregoing, it should be noted that:

(i) QEV owns the trademark "ZEROID" in the United Kingdom, Peru and Ecuador and is in the process of registration with the European Union Intellectual Property Office (EUIPO), Colombia and Chile;

(ii) Fittippaldi Holdings SARL has a license to use several trademarks related with the name "Fittipaldi";

(iii) QEV Extreme, S.L. has the license to use the name and trademark "Carlos Sainz" in connection with the Extreme-E Championship; and

(iv) Ebro Urban Vans Mobility, S.L. holds a non-exclusive licence from Nissan Motor Co., Ltd. for the manufacture and assembly of fully electric vehicle models under the trademark "EBRO" corresponding to the "e-NV200 vehicle".

Environment, Social and Governance

Environment, health, and safety factors are an essential part of the business model of the QEV Group and the industry it operates in.

At a time when environmental concerns have reached unprecedented levels, the QEV Group is committed to developing new sustainable solutions to lead the world towards a greener, cleaner tomorrow. Electric vehicles offer a significant opportunity to reduce greenhouse gas emissions, air pollution and the devastating effects of climate change.

Moreover, the QEV Group is dedicated to pushing the boundaries of innovation in electric vehicle technology. The QEV Group is eager to enhance battery efficiency, and to increase range and fast-charging capabilities to make electric vehicles more convenient and competitive.

QEV's focus on sustainability extends beyond its product offerings and to all aspects of the company's daily operations. From supply chain management to manufacturing processes, priority is given to environmentally friendly practices, waste minimisation and the reduction of ecological impact.

As an organisation operating in the automotive sector, the QEV Group is also aware of the importance of complying with occupational health and safety regulations. Working with electric vehicles requires additional precautions due to the high-voltage technologies involved. As electric vehicle specialists, the QEV team assumes responsibility for implementing strict safety measures to protect all employees and to ensure a safe working environment. To meet these requirements, a comprehensive set of safety protocols, procedures and practices have been implemented that are specially adapted to the precise challenges posed by high-voltage technologies.

Employees receive specialised training to operate and work with electric vehicles safely and efficiently. In day-to-day operations, teams comply with and adhere to these safety regulations and guidelines. This includes the use of appropriate tools, protective equipment and safety protocols to minimise the risk associated with high voltage systems. The commitment to safety extends throughout the organisation, from the manufacturing plant and workshop to the administrative offices.

The QEV Group seeks to achieve and maintain compliance with all applicable environmental, health and safety laws and regulations, and believes that it is currently in compliance with all such applicable laws and regulations.

Real Estate

The QEV Group does not currently own any premises but rents the premises located at the following addresses:

(i) Rec del Molinar 11, 08160 Montmeló, Barcelona;

(ii) Rec del Molinar 18, 08160 Montmeló, Barcelona;

(iii) Carrer del Camí Fondo de Can Guitet, 3, 08160 Montmeló, Barcelona; and

(iv) Carrer del Mig, 86, 08110 Montcada i Reixac, Barcelona.

The QEV Group, though its subsidiary D-Hub, has a purchase option to acquire the property, building and certain assets of the Montcada i Reixac site.

Insurance

The QEV Group maintains insurance coverage that is appropriate and standard for the industry. The QEV Group insurance coverage includes property insurance, directors' and officers' insurance, professional indemnity and general liability insurance and other specific insurance coverage in place, all to the extent that it believes its appropriate for operating the business.

The QEV Group has not made any material claims under any of its insurance policies.

Legal and Arbitration Proceedings

The QEV Group Companies are not aware of any legal or arbitration proceedings.

11. CURRENT SHAREHOLDING STRUCTURE OF QEV

Issued Share Capital

As at the date of this Circular and immediately prior to Completion, the issued share capital of QEV consists of 412.997 ordinary shares with a nominal value of 0.01 euro each. All issued ordinary shares are fully paid-up and are subject to, and have been issued under, the laws of Spain.

Current Shareholders

As at the date of this Circular, the shareholders of QEV are:

	Ordinary shares in the capital of QEV Technologies S.L.	
	Number	**%**
New Automovile Development (NAD Capital)	99,387	24.065%
EVI Mobility[2]	76,509	18.525%
Joan Orús (co-founder and CEO)[3]	43,587	10.554%
Juan Fernández (co-founder and CTO)[4]	35,798	8.668%
Power Electronics International	50,491	12.226%
RE Motorsports Investment, S.L.U.	32,690	7.915%
Charming Crystal Limited	37,298	9.031%
Multi Bilion Pacific Limited	10,595	2.565%
Juan Antonio García Navarro	21,450	5.194%
Miquel Àngel Bonanchera Sierra	2,596	0.629 %
Sergi Audivert Burgue	2,596	0.629 %
Total issued share capital	**412.997**	**100%**

Without prejudice to the above, please find enclosed a chart that addresses both the current shareholding structure and the fully diluted structure:

	Ordinary shares in the capital of QEV Technologies S.L.	
	Number	**%**
New Automovile Development (NAD Capital)	99,387	13.5%
EVI Mobility[5]	76,509	10.4%
Joan Orús (co-founder and CEO)[6]	43,587	5.9%

[2] Investment holding company in liquidation – auction process pending (QEV shareholders have right of first refusal).
[3] Through 'Servicios Integrales Formación Arquitectura Ingeniería , S.L.U.'
[4] Through 'Engiser101, S.L.'
[5] Investment holding company in liquidation – auction process pending (QEV shareholders have right of first refusal).
[6] Through 'Servicios Integrales Formación Arquitectura Ingeniería , S.L.U.'

Juan Fernández (co-founder and CTO)[7]	35,798	4.8%
Power Electronics International	50,491	6.8%
RE Motorsports Investment, S.L.U.	32,690	4.4%
Charming Crystal Limited	37,298	5.1%
Multi Bilion Pacific Limited	10,595	1.4%
Juan Antonio García Navarro	21,450	2.9%
Miquel Àngel Bonanchera Sierra	2,596	0.4%
Sergi Audivert Burgue	2,596	0.4%
EIB	51,399	7.0%
GAEA Inversión, S.C.R., S.A.	171,322	23.2%
Invready First Capital III Parallel, F.C.R	13,707	1.9%
Invready First Capital III, S.C.R, S.A.	8,022	1.1%
Invready Evergreen, S.C.R. S.A.	32,594	4.4%
INNVIERTE ECONOMIA SOSTENIBLE, SICC SME, S.A.	48,318	6.5%
Total issued share capital	**738,359**	**100%**

[7] Through 'Engiser101, S.L.'

12. FINANCIAL INFORMATION OF QEV

The special purpose consolidated financial statements (or consolidated financial statements) at 31 December 2022 of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (EU-IFRS).

The special purpose consolidated financial statements are the Group's first consolidated financial statements prepared in accordance with IFRS, with an IFRS transition date of January 1, 2021. The principles and requirements for first-time adoption of IFRS are set out in IFRS 1 First-Time Adoption of International Financial Reporting Standards (IFRS 1).

The Group has not historically published consolidated financial statements in accordance with Spanish GAAP and, therefore, reconciliations are not required and have not been disclosed in the consolidated financial statements.

IFRS 1 allows certain exceptions and exemptions in the application of particular standards to prior periods in order to assist companies with the transition process. The transitional disclosures regarding mandatory exceptions and optional exemptions as required by IFRS 1 are as follows:

- Estimates in accordance with IFRS at the date of transition shall be consistent with estimates made for the same date in accordance with its previous assertions made for its internal financial information purposes, unless there is objective evidence that those estimates were in error. The Group has considered such information about historic estimates and has treated the receipt of any such information in the same way as non-adjusting events after the reporting period in accordance with IAS 10 Events after the reporting period thus ensuring IFRS estimates as at 1 January 2021 are consistent with the estimates as at the same date made previously. IFRS estimates as at 1 January 2021 are consistent with the estimates as at the same date made in conformity with Spanish GAAP.

- The other compulsory exceptions from IFRS 1 have not been applied as these are not relevant to the Group. The Group considered the additional optional exemptions from the full retrospective application but were not taken.

The special purpose consolidated financial statements at 31 December 2022 have been **audited** by Evidence Auditores, S.L., an independent auditor.

The selected consolidated financial information stated in this section may not contain all of the information that is important to the Shareholders and, accordingly, should be read in conjunction with the rest of this Circular, and in particular the information contained in "*Important Information – Presentation of Financial and Other Information*", "*Capitalisation and Indebtedness*", "*Operating and Financial Review*" and "*Risk Factors*".

Basis of consolidation

These special purpose consolidated financial statements comprise the financial statements of QEV and its subsidiaries as at 31 December 2022. Control is achieved when the Group is exposed, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)

- Exposure, or rights, to variable returns from its involvement with the investee

- The ability to use its power over the investee to affect its returns

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resulting gain or loss is recognized in the statement of profit or loss as profit or loss. Any investment retained is recognized at fair value.

Functional and presentation currency

These special purpose consolidated financial statements are presented in euro, which is QEV's functional currency. All amounts have been rounded to the nearest unit of euro, unless otherwise indicated.

Non-IFRS Financial Measures

This Circular contains certain non-IFRS financial measures, or alternative performance measures, including, among others gross profit, EBITDA and Adjusted EBITDA. Although certain of this data has been extracted or derived from the financial statements contained in this Circular, this data, nor assumptions underlying this data, have not been audited or reviewed by the independent statutory auditors. These non-IFRS financial measures are not recognised measures of financial performance, financial condition or liquidity under IFRS, but are measures used by management to monitor the underlying performance of QEV's business and operations. These non-IFRS financial measures may not be indicative of QEV's historical operating results, nor are such measures meant to be predictive of QEV's future results. QEV presents these non-IFRS financial measures because it considers them an important supplemental measure of QEV's performance and believes that they and similar measures are widely used in the industry in which QEV operates as a means of evaluating a company's operating performance, financial condition and liquidity. However, not all companies calculate non-IFRS financial measures in the same manner or on a consistent basis. As a result, these measures may not be comparable to measures used by other companies under the same or similar names. Accordingly, non-IFRS financial measures should not be considered as a substitute for profit for the year, cash flow, expenses or other financial measures computed in accordance with IFRS.

The non-IFRS financial measures have limitations as analytical tools. The shareholders are encouraged to evaluate any adjustments to IFRS measures and the reasons the management considers them appropriate for supplemental analysis. Because of these limitations, as well as further limitations discussed above, the non-IFRS financial measures presented should not be considered in isolation or as a substitute for performance measures calculated in accordance with IFRS. Each of the non-IFRS financial measures is described below.

- Gross Profit is defined as revenue minus costs of sales.
- EBITDA is defined as operating profit / loss excluding depreciation, amortisation and impairment of non-current assets.
- Adjusted EBITDA is defined as EBITDA before certain specific non-recurring costs selected by QEV's management.

Use of Judgements and Estimates

The preparation of the special purpose consolidated financial statements in accordance 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.

Critical judgment and estimates

A summary is given below of the critical aspects that have also involved a greater degree of judgement or complexity, or those in which the assumptions and estimates have an influence on the preparation of the special purpose consolidated financial statements.

Key assumptions concerning the future and other relevant data on the estimation of uncertainty at the reporting date, which entail a considerable risk of significant changes in the value of the assets and liabilities in the coming year, are as follows:

- ***Going concern***

The special purpose consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to realize its assets and discharge its liabilities.

The Group has experienced net losses and significant cash outflows from cash used in operating activities over the past years. During the fiscal year ended 31 December 2022, the Group incurred a consolidated net loss of Euros 5.6 million and negative cash flows from operations of Euros 281,005. As of 31 December 2022, the Group had negative retained earnings of Euros 12.3 million and negative working capital of Euros 2.6 million. As of 31 December 2022, the Group had cash and cash equivalents of Euros 2.4 million.

In assessing the going concern basis of preparation of the consolidated financial statements, Management has taken into consideration the detailed cash flow forecasts for the Group after year-end 2022 and the additional external funding received after year-end in the form of compound financial instruments for Euros 4.7 million and grants for Euros 22.2 million.

Based on these factors, Management has a reasonable expectation that the Group has and will have adequate resources to continue in operational existence for the foreseeable future.

- ***Capitalization of development costs and determination of the useful life of intangible assets***

The Group's management reviews expenditures, including wages and benefits for employees, incurred on development activities and based on their judgment of the costs incurred assesses whether the expenditure meets the capitalization criteria set out in IAS 38 and the intangible assets accounting policy applicable. The Group's management specifically considers if additional expenditure on projects relates to maintenance or new development projects.

The useful life of capitalized development costs is determined by management at the time the newly developed intangible asset is brought into use and is regularly reviewed for appropriateness.

- ***Measurement of the compound financial instruments***

Compound financial instruments issued by the Group comprise a subordinated loan agreement convertible into shares at the option of the holder. The nominal amount of the subordinated loan amounts to 12.25 million euros (7.5 million in 2021).

The liability component of this compound financial instrument is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The determination of this fair value is based on an estimated incremental rate which reflects the risk of the country where the company is located, the currency of payments, the specific risk of the sector and the company's particular situation. To determine the discount factor estimates need to be made in respect of the risk-free rate, the country risk premium and the credit spread.

The equity component is initially recognized at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component is not remeasured in the following periods.

- ***Income Taxes***

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. To determine the amount of the deferred tax assets to be recognized, the management consider the amounts and dates on which future taxable profits will be obtained and the reversal period for taxable temporary differences. The Group has recognized deferred tax assets at December 31, 2022 and at December 31, 2021. The key area of judgement is therefore an assessment of whether it is probable that there will be suitable taxable profits against which any deferred tax assets can be utilized.

Research and development tax credit is recognized as an asset once it is considered that there is sufficient assurance that any amount claimable will be received. The key judgement therefore arises in respect of the likelihood of a claim being successful when a claim has been quantified but has not been received. In making this judgement the Group considers the nature of the claim and in particular the track record of success of previous claims. First claim was requested in July 2022 corresponding to research and development expenses incurred in 2021 when corporate income tax of 2021 filing was presented. At 31 December 2022 the Group has not received yet assurance that the amount claimed will be received. Hence, no amounts have been recognised at 31 December 2022 in the statement of financial position nor in profit or loss.

The Group recognizes a provision for situations that might arise in the foreseeable future based on an assessment of the probabilities as to whether additional taxes will be due. An uncertain tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. Penalties and interest incurred related to underpayment of income tax are classified as income tax expense in the period incurred. No provision is recognised as at 31 December 2022 and 2021 in this regard.

- ***Revenue recognition***

The Group account for a contract with a customer only when all of the following criteria are met:

(a) The parties to the contract have approved the contract and are committed to perform their respective obligations;

(b) The Group can identify each party's rights regarding the goods or services to be transferred;

(c) The Group can identify the payment terms for the goods or services to be transferred;

(d) The contract has commercial substance; and

(e) It is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

The Group recognise revenue when it transfers control over a good or service to the customer, over time or at a point time depending on the nature and timing of satisfaction of performance obligations.

The key areas of judgement are therefore the assessment of whether a customer does meet the criteria for identifying a contract, whether revenue from contracts with customers is recognized over time or at a point in time and when recognized over time, the measure of progress towards complete satisfaction of the performance obligation.

- ***Equity-accounted investees***

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its associate and joint venture are accounted for using the equity method.

The key area of judgement is therefore the assessment of whether the Group has significant influence or joint control over an investee.

- ***Loss allowances for ECLs on financial assets***

The Group recognizes loss allowances for ECLs on financial assets measured at amortized cost and contract assets at an amount equal to lifetime ECLs, except for certain assets, which are at an amount equal to 12-month ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

The key areas of judgement are therefore the assessment of whether the credit risk of a financial asset has increased significantly since initial recognition and the estimate of ECLs.

- ***Government grants***

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

The key area of judgement is therefore the assessment of whether the grant will be received, and all attached conditions will be complied with.

New IFRS and IFRIC not yet effective

A number of new standards and interpretations are effective for annual periods beginning after 1 January 2023 and 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

The following amended standards and interpretations are not expected to have a significant impact on the future Group's financial position and results of operations:

Standards and interpretations effective as of 1 January 2023

IFRS 17 Insurance Contracts	1 January 2023
Amendments to IFRS 17	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
Definition of Accounting Estimate (Amendments to IAS 8)	1 January 2023
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction – Amendments to IAS 12 Income Taxes	1 January 2023
Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendments to IFRS 17)	1 January 2023

Standards and interpretations effective as of 1 January 2024

Classification of liabilities as current or non-current (Amendments to IAS 1)	1 January 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 January 2024

Non-current Liabilities with Covenants (Amendments to IAS 1)	1 January 2024

Selected Consolidated Income Statement

	31 December 2022	31 December 2021
Revenue	13,446,829	14,442,706
Cost of sales	(6,074,475)	(5,836,709)
Employee benefits	(2,270,987)	(1,301,511)
Other operating expenses	(4,729,273)	(4,560,046)
Amortization and depreciation	(5,630,682)	(3,727,678)
Other income	320,622	154,977
Operating Loss	**(4,937,966)**	**(828,261)**
Finance costs	(1,741,994)	(671,451)
Foreign exchange gains/(losses)	687	(529)
Net Finance Costs	**(1,741,307)**	**(671,980)**
Share of loss of equity-accounted investees	(763,846)	(1,635)
Loss before Tax	**(7,443,119)**	**(1,501,876)**
Income tax expense/income	1,852,264	1,343,755
Loss for the Year	**(5,590,855)**	**(158,121)**
Non-IFRS financial measures		
Gross Profit	**7,372,354**	**8,605,997**
EBITDA	**692,716**	**2,899,417**
% over revenues	*5,2%*	*20,0%*
Adjustments[8]	1,454,422	2,010,883
Adjusted EBITDA	**2,147,138**	**4,910,300**
% over revenues	*16,0%*	*34,0%*

[8] This includes provision of €2,010,883 (2021A) and €499,957 (2022A) for doubtful accounts. No such provisions had been recorded in the past. 2022A figure also excludes fees for consulting and legal advisory services of €954,465, which relate to (i) former Nissan factory tender, (ii) PERTE I application process and (iii) capital raising advisory costs

Selected Consolidated Statement of Financial Position

	31 December 2022	31 December 2021
Assets		
Non-Current Assets		
Property, plant and equipment	4,038,569	5,715,770
Right-of-use assets	1,738,531	650,819
Intangible assets	10,691,390	10,540,233
Equity-Accounted Investees	1,743,609	2,504,365
Non-current financial assets	1,813,758	1,250,800
Other non-current receivables	2,221,161	-
Deferred tax assets	3,324,883	1,472,619
Total Non-Current Assets	**25,571,900**	**22,134,606**
Current Assets		
Inventories	4,426,179	504,362
Trade and other financial receivables	3,661,797	4,162,539
Other current receivables	20,325,235	505,044
Other current financial assets	74,909	131,621
Advance payments	3,401,687	900
Cash and cash equivalents	2,385,475	1,770,538
Total Current Assets	**34,275,282**	**7,075,004**
Total Assets	**59,847,182**	**29,209,610**
Equity and Liabilities		
Equity		
Share capital	4,130	3,894
Share premium	4,633,035	2,133,271
Reserves	2,919,240	2,919,240
Retained earnings	(12,335,439)	(6,744,585)
Other equity components	6,008,936	3,679,061
Total Equity attributable to owners of QEV	**1,229,902**	**1,990,881**
Liabilities		
Non-Current Liabilities		
Loans and borrowings	17,914,257	17,174,146
Lease liabilities	1,375,279	439,387
Other non-current liabilities	225,236	225,236
Deferred income	22,211,605	-
Total Non-Current Liabilities	**41,726,377**	**17,838,769**
Current Liabilities		
Loans and borrowings	4,708,808	4,268,937
Lease liabilities	379,730	217,944
Trade and other financial payables	6,252,053	4,527,315
Contract liabilities	5,469,193	60,465
Current tax liabilities	69,897	95,092
Other current liabilities	11,222	205,323
Deferred income	-	4,884
Total Current Liabilities	**16,890,903**	**9,379,960**
Total Liabilities	**58,617,280**	**27,218,729**
Total Equity and Liabilities	**59,847,182**	**29,209,610**

Selected Consolidated Statement Cash Flows

	31 December 2022	31 December 2021
Cash flows from Operating Activities		
Loss before tax	**(7,443,119)**	**(1,501,876)**
Adjustments for:		
Amortisation and depreciation	5,630,682	3,727,678
Expected credit loss and other losses for trade and other receivables	499,957	2,010,883
Write-off of Inventories	137,505	-
Impairments of financial instruments	-	172,002
Government grants	-	(154,977)
Gain on disposal of property, plan equipment	(56,399)	-
Finance costs	1,741,994	671,451
Exchange differences	(687)	529
Share of loss of equity-accounted investees	763,846	1,635
Changes in:		
- inventories	(7,460,109)	155,253
- government grants and deffered income	(4,884)	(569,080)
- trade and other financial receivables	(297,713)	(1,227,423)
- other assets	-	(414,103)
- trade and other financial payables	7,108,271	1,138,667
- other non-current assets	-	(15,401)
Cash generated from operating activities	619,344	3,995,238
Interest paid	(900,349)	(653,926)
Net cash from/(used) in operating activities	**(281,005)**	**3,341,312**
Cash flows from Investing Activities		
Investments in equity-accounted investees and joint ventures	(3,090)	(2,678,002)
Acquisition of intangible assets	(3,823,375)	(8,895,207)
Acquisition of property, plant and equipment	(80,941)	(271,650)
Other financial assets, net	(36,807)	(1,262,821)
Proceeds from sale of property, plant and equipment	198,834	-
Net cash used in investing activities	**(3,745,379)**	**(13,107,680)**
Cash flows from Financing Activities		
Proceeds from issuing equity instruments	2,500,000	2,133,865
Proceeds from borrowings	477,282	4,201,258
Proceeds from loans	2,439,692	1,783,775
Proceeds from compound financial instruments	2,329,875	3,679,061
Repayments of loans	(2,532,036)	(1,657,123)
Repayments of related parties loans	(150,157)	(10,590)
Payment of principal portion of lease liabilities	(359,824)	(265,763)
Other payments	(63,511)	(8,343)
Net cash from financing activities	**4,641,321**	**9,856,140**
Net increase in cash and cash equivalents	**614,937**	**89,772**
Cash and cash equivalents at beginning of year	1,770,538	1,680,766
Cash and cash equivalents at 31 December	**2,385,475**	**1,770,538**

In addition, the following **unaudited** selected consolidated financial information is provided for informational purposes only:

Selected Consolidated Income Statement

	31 March 2023	31 March 2022
Revenue	6,776,769	3,070,183
Cost of sales	(5,560,490)	(3,707,051)
Employee benefits	(973,732)	(621,534)
Other operating expenses	(1,014,742)	(721,919)
Amortization and depreciation	(1,473,005)	(1,259,387)
Other income	(79,947)	(40,079)
Operating Loss	**(2,325,147)**	**(3,279,787)**
Finance costs	(597,981)	(1,070,824)
Foreign exchange gains/(losses)	8,736	1,069
Net Finance Costs	**(589,245)**	**(1,069,755)**
Share of loss of equity-accounted investees	116,465	133,021
Loss before Tax	**(2,797,927)**	**(4,216,521)**
Income tax expense/income	914,345	(875)
Loss for the period	**(1,883,582)**	**(4,217,396)**

Selected Consolidated Statement of Financial Position

	31 March 2023	31 March 2022
Assets		
Non-Current Assets		
Property, plant and equipment	3,620,860	5,440,176
Right-of-use assets	1,713,890	684,651
Intangible assets	9,787,844	9,888,050
Investment in associates	1,860,074	1,887,386
Non-current financial assets	1,736,222	1,250,800
Deferred tax assets	4,239,227	1,471,744
Total Non-Current Assets	**22,958,117**	**20,622,807**
Current Assets		
Inventories	5,822,172	504,363
Trade and other financial receivables	5,997,520	4,413,203
Other receivables	2,762,856	288,943
Other current financial assets	76,781	164,305
Other current assets / deferred charges	300,000	-
Advance payments	1,800,771	-
Cash and cash equivalents	19,017,630	765,804
Total Current Assets	**35,777,730**	**6,136,618**
Total Assets	**58,735,847**	**26,759,425**
Equity and Liabilities		
Equity		
Share capital	4,130	3,894
Share premium	4,633,035	2,133,271
Reserves	2,919,240	2,919,240
Retained earnings	(14,219,021)	(10,961,981)
Other equity components	6,008,936	3,679,061
Total Equity attributable to owners of QEV	**(653,680)**	**(2,226,515)**

Liabilities		
Non-Current Liabilities		
Loans and borrowings	19,520,861	17,128,961
Lease liabilities	1,354,608	474,916
Other non current liabilitites	225,236	150,157
Total Non-Current Liabilities	**21,100,705**	**17,754,034**
Current Liabilities		
Loans and borrowings	6,107,704	4,401,574
Lease liabilities	379,730	217,944
Trade and other financial payables	9,500,454	6,311,907
Other payables	89,329	75,245
Other current liabilitites	-	225,236
Contract liabilities	22,211,605	-
Total Current Liabilities	**38,288,822**	**11,231,906**
Total Liabilities	**59,389,527**	**28,985,940**
Total Equity and Liabilities	**58,735,847**	**26,759,425**

OPERATING AND FINANCIAL REVIEW

The following sets out QEV's operating and financial performance for 2022 and 2021 and for the three-month period ended 31 March 2023 and the three-month period ended 31 March 2022.

Consolidated Income Statement

Comparison between 2022 and 2021

Revenue

Revenue in 2022 decreased €995,877 mainly driven by a decrease of €1,851,112 in revenues from the eMobility division. Such decrease in sales of the eMobility division is explained by the set-up and ramp-up process this business line is undergoing since its launch in 2020. In 2021, 65 units of buses were sold to QEV Philippines generating revenues of USD 3,851,250. Revenues in 2022 have mostly been a result of first ten units to Bimbo (5 air cooled and other 5 water cooled) and sale of test units to prospective customers.

On the contrary, the eRacing has had a positive performance increasing revenues by €691,711 driven by related revenues from Extrem-E Championship, eRally Cross revenues for the supply of rally cars to pilots and engineering support and the launch of the NXT Gen Cup in Sweden

The behaviour of the eEngineering and eAcademy have been relatively stable in 2022 compared to 2021.

Revenue breakdown by business division:

(Euros)	31 December 2022	31 December 2021
Mobility	1,200,642	3,051,754
Research and development	3,313,686	3,050,018
Motorsport	8,691,750	8,000,039
Academy	240,751	340,895
Total	**13,446,829**	**14,442,706**

Revenue breakdown by geography:

(In Euros)	**31 December 2022**		**31 December 2021**	
Country	**Revenue**	**%**	**Revenue**	**%**
Sweden	4,144,785	31%	1,687,415	12%

Spain	2,518,818	18%	6,364,711	44%
Germany	587,795	4%	815,422	6%
France	189,985	1%	92,158	1%
United Kingdom	115,698	1%	78,441	1%
Belgium	39,854	0%	88,796	1%
Other Countries	5,849,894	45%	5,315,763	35%
Total	**13,446,829**	**100%**	**14,442,706**	**100%**

Cost of sales

Cost of sales mostly consists of (i) purchases of car components such as powertrains, chassis, batteries, etc., (ii) championship registration fees, (iii) tools used by engineers and (iv) work carried out by external companies as external consulting support for development of activities.

The increase in cost of sales from €5,836,709 in 2021 to €6,074,475 in 2022 was mainly caused by (i) increase of pricing for both raw materials and logistic costs; (ii) unit tests for homologation purposes and testings; and (iii) change in product mix towards more electric vehicles.

Employee Benefits

Employee benefits increased by €969,476 in 2022 compared to 2021, driven by a shift from personnel from R&D activities to production as the company increases the delivery of products it has developed in the past years. Salaries of production personnel are not capitalised as are those dedicated to R&D activities.

(Euros)	31 December 2022	31 December 2021
Salaries and similar	1,458,545	515,947
Social Security	812,442	785,564
Total	**2,270,987**	**1,301,511**

Other Operating Expenses

In 2022 other operating expenses increased €169,227. Several items are included within other operating expenses with the largest cost line in 2022 being professional services (€1,935,964 compared to €314,912). Professional services are mostly related to advisory costs and legal costs for the tender process of the D-Hub and capital raising costs incurred in the year.

On the other hand, there was a material reduction in marketing expenses and delivery costs of €1,078,160 caused by a reduction of marketing activity mainly because of the reduction in sponsorship for RX2e and delivery costs related to events, logistics and other related to RX2e and Extreme championships as the company focuses on its e-Mobility division.

With regards to expenses for Expected credit loss and other losses for trade and other receivables, in 2022 QEV registered €499,957 in this concept compared to €2,010,883 in 2022. These expenses are mainly one-off provisions for accumulated doubful accounts that should have been provisioned before 2021.

(Euros)	31 December 2022	31 December 2021
Professional services	1,935,964	314,192
Marketing expenses	79,191	601,227
Delivery	551,029	1,107,153
Insurance premium	146,841	78,613
Utilities and similar expenses	160,335	130
Customs duty tax	129,892	38,829
Short-term and low value leases	334,762	152,955
Bank Services	13,858	442
Expected credit loss and other losses for trade and other receivables	499,957	2,010,883
Repairs	153,766	(433)
Other	723,678	256,055

Total	**4,729,273**	**4,560,046**

Amortizacion and depreciation

Amortization is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss. There are no intangible assets with an indefinite useful life.

Amortization methods and periods are reviewed at each reporting date and adjusted prospectively, as required, unless accounting errors have occurred.

Repairs that do not extend the useful lives of the assets and software maintenance costs are recognized in profit or loss when incurred.

The estimated useful lives for current and comparative periods are as follows:

	Useful life (years)
Industrial/Intellectual property	3 years
Computer software	3 years
Development	20 % - 25% - 50% per year

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate

Comparison between the three-month period ended 31 March 2023 and the three-month period ended 31 March 2022

	31 March 2023	**31 March 2022**	**change**
Revenue	6,776,769	3,070,183	3,706,586
Cost of sales	(5,560,490)	(3,707,051)	(1,853,439)
Employee benefits	(973,732)	(621,534)	(352,198)
Other operating expenses	(1,014,742)	(721,919)	(292,823)
Amortization and depreciation	(1,473,005)	(1,259,387)	(213,618)
Other income	(79,947)	(40,079)	(39,868)
Operating Loss	**(2,325,147)**	**(3,279,787)**	**954,640**
Finance costs	(597,981)	(1,070,824)	472,843
Foreign Exchange gains/(losses)	8,736	1,069	7,667
Net Finance Costs	**(589,245)**	**(1,069,755)**	**480,510**
Share of loss of equity-accounted investees	116,465	133,021	(16,556)
Loss before Tax	**(2,797,927)**	**(4,216,521)**	**1,418,594**
Income tax expense/income	914,345	(875)	915,220
Loss for the period	**(1,883,582)**	**(4,217,396)**	**2,333,814**

Revenues and cost of sales evolution for the three-month period ended 31 March 2023 (Q1 2023)

Compared to Q1 2022, revenues in Q1 2023 have increased 121% driven by the delivery to Bimbo of the first two batches of 50 vehicles each (total of 100 vehicles). These deliveries are part of the 20 official Purchase Orders in tranches of 50 vehicles each for a total of 1.000 units made by Bimbo in 2022 and to be delivered in 2023. With regards to cost of sales, the increase compared to Q1 2022 is also driven by the eMobility division and the costs related to the vehicles delivered to Bimbo.

Compared to Q1 2022, Q1 2023 has delivered positive gross margin of €1,216,279 (€-636,868 in 2021), that is 17.9% over revenue.

Consolidated Statement of Financial Position

Comparison between 2022 and 2021

Property, plant and equipment

Property, plant and equipment is mainly comprised of fixtures and fittings related with QEV's activity. QEV does not own manufacturing premises nor offices as it operates under lease agreements.

In 2021, an amount of €5,477,208 of intangible assets capitalized in relation to development costs, was transferred to Property, plant and equipment in relation to FIA eRX2 project corresponding to tooling and transport elements when the project was already completed and the units when into commercial use as rentals and leases to participating teams. Such transfer into Property, plant and equipment led to higher amortization costs in 2022.

As of 31 December 2022, and 2021, there are no additions of Property, plant and equipment pending of payment.

(In Euros)	Fixtures and fittings	Total
Balance at 1 January 2021	**886,485**	**886,485**
Additions	271,650	271,650
Depreciation for the year	(348,588)	(348,588)
Transfers (Cost)	5,477,208	5,477,217
Transfers (Accumulated amortization)	(570,985)	(570,976)
Balance at 31 December 2021	**5,715,770**	**5,715,770**
Additions	80,941	**80,941**
Disposals	(142,435)	**(142,435)**
Depreciation for the year	(1,615,707)	**(1,615,707)**
Balance at 31 December 2022	**4,038,569**	**4,038,569**

Intangible assets

Intagible assets of €10,373,365 as of December 2022 relate to capitalized in-house R&D projects over the last five years (2018-2022). The main capitalized projects relate to the conceptualization, design and assembly of hypercars, the development of electric rally cars and the development of hydrogen batteries, among other projects which aim at being sold in series.

During 2022, the Group made investments in several development projects, including both capitalized payroll expenses, purchases of goods and ancillary materials, including subcontracted work amounting to €3,654,242 (€8,596,095 at 31 December 2021), corresponding to development expenditure that meets the requirements for capitalization.

Details and movement of items composing intangible assets are as follows:

(In Euros)	Software	Patents	Development costs	Total
Balance at 1 January 2021	**209,115**	**312,999**	**9,153,475**	**9,675,589**
Additions	299,112	-	8,596,095	**8,895,207**
Amortization for the year	(249,060)	(271,000)	(2,604,280)	**(3,124,340)**
Transfers (Cost)	-	-	(5,477,208)	**(5,477,208)**
Transfers (Accumulated amortization)	-	-	570,985	**570,985**

Balance at 31 December 2021	**259,167**	**41,999**	**10,239,067**	**10,540,233**
Additions	8,882	160,251	3,654,242	**3,823,375**
Amortization for the year	(131,275)	(21,000)	(3,519,944)	**(3,672,219)**
Balance at 31 December 2022	**136,774**	**181,251**	**10,373,365**	**10,691,390**
Cost				
At 1 January 2021	**551,347**	**812,999**	**16,423,261**	**17,787,607**
At 31 December 2021	**850,459**	**812,999**	**19,542,148**	**21,205,606**
At 31 December 2022	**859,341**	**973,250**	**23,196,390**	**25,028,981**
Accumulated amortization				
At 1 January 2021	**(342,232)**	**(500,000)**	**(7,269,786)**	**(8,112,018)**
At 31 December 2021	**(591,292)**	**(771,000)**	**(9,303,081)**	**(10,665,373)**
At 31 December 2022	**(722,567)**	**(791,999)**	**(12,823,025)**	**(14,337,591)**

Assets for Rights of Use and lease liabilities - Group as a lessee

The Group has lease contracts for various items of buildings, vehicles and other equipment used in its operations. Leases of buildings generally have lease terms between 3 and 10 years, while motor vehicles and other equipment generally have lease terms between 2 and 4 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Group is restricted from assigning and subleasing the leased assets.

The Group applies the 'short-term lease' and 'lease of low-value assets' (less than Euros 5,000) recognition exemptions for these kinds of leases.

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the periods:

(In Euros)	Buildings	Vehicles	Other assets	Total
Balance at 1 January 2021	**494,694**	**176,035**	**225,785**	**896,514**
Additions	-	-	9,055	**9,055**
Depreciation for the year	(95,747)	(56,653)	(102,350)	**(254,750)**
Balance at 31 December 2021	**398,947**	**119,382**	**132,490**	**650,819**
Additions	939,890	40,170	450,408	**1,430,468**
Depreciation for the year	(147,586)	(65,485)	(129,685)	**(342,756)**
Balance at 31 December 2022	**1,191,251**	**94,067**	**453,213**	**1,738,531**

Set out below are the carrying amounts of lease liabilities and the movements during the periods:

(In Euros)	Buildings	Vehicles	Other assets	Total
Balance at 1 January 2021	**494,694**	**176,035**	**225,785**	**896,514**
Additions to liabilities	-	-	9,055	**9,055**
Interest on lease liabilities	10,162	3,359	4,004	**17,525**
Lease payments	(101,880)	(58,797)	(105,086)	**(265,763)**
Balance at 31 December 2021	**402,976**	**120,597**	**133,758**	**657,331**
Additions to liabilities	939,890	40,170	450,407	**1,430,467**
Interest on lease liabilities	17,708	2,766	6,561	**27,035**
Lease payments	(158,655)	(66,507)	(134,662)	**(359,824)**
Balance at 31 December 2022	**1,201,919**	**97,026**	**456,064**	**1,755,009**

The analysis of the contractual maturity of lease liabilities is as follows:

(In Euros)	31 December 2022	31 December 2021
6 months or less	240,802	141,333
6 months to 1 year	207,980	143,657
From 1 to 2 years	388,817	224,747
From 2 to 5 years	617,360	302,134
More than 5 years	464,400	-
Total	**1,919,358**	**811,872**

Amounts recognized in profit or loss derived from lease liabilities and expenses on short-term and low value leases (IFRS 16 exemption applied) are as follows:

(In Euros)	31 December 2022	31 December 2021
Other lease expenses	334,762	152,955

Equity-accounted investees

The Group holds investments in certain companies being accounted as associates and joint ventures by using the equity method.

Detail of Equity-Accounted Investees as of 31 December 2022 and 2021 are as follows:

(In Euros)	31 December 2022	31 December 2021
Fittipaldi Holding, Sàrl.	1,740,390	2,497,971
QEV Extreme, S.L.	2,062	6,394
Ebro Urban Vans Mobility, S.L.	1,157	-
Hub Tech Factory, S.L.	-	-
Total	**1,743,609**	**2,504,365**

Associates

Fittipaldi Holding, Sàrl: Fittipaldi Holding, Sàrl (hereinafter "Fittipaldi") was incorporated in Luxembourg on April 9, 2020. On September 27, 2021, the Group acquired a 25% ownership interest in Fittipaldi resulting in having significant influence over this company because the Group has meaningful representation on the Board of the investee. Its principal activity is the developing of electric high-performance sport cars. Fittipaldi is not publicly listed.

QEV Extreme, S.L.: QEV Extreme S.L. (hereinafter "Extreme"), was a subsidiary established by the Group and controlled by the Group as of 31 December 2020. On 8 February 2021, the Group lost control over it subsidiary and it derecognised the

assets and liabilities of the subsidiary. No gain or loss arise in the lost of control. The interest retained in the former subsidiary was measured at fair value when control was lost. Extreme is not publicly listed.

Joint ventures

Ebro Urban Vans Mobility, S.L.: Ebro Urban Vans Mobility, S.L., (hereinafter "Ebro") is a joint venture in which the Group has joint control and 43% ownership interest acquired on 31 October 2022. It is principally engaged in the Industrialization, manufacturing, and marketing of motor vehicles. Ebro is not publicly listed.

Hub Tech Factory, S.L.: Hub Tech Factory, S.L. (hereinafter "Hub Tech") is a joint venture in which the Group has joint control and 60% ownership interest acquired on 31 October 2022. It is principally engaged in the Industrialization, manufacturing, and marketing of motor vehicles. Hub Tech is not publicly listed

Deferred tax assets

As of 31 December 2022, QEV holds €3,324,883 in tax assets. In addition to previous tax losses recognised in the statement of financial position, other deferred tax assets are also recognised in the statement of financial position corresponding to temporary differences related to research expense and expected credit loss expense of customers.

Deferred tax assets by category are as follows:

(Euros)	2022	2021
At 1 January	**1,472,619**	**113,463**
Temporary differences related to:		
Expected credit loss expense	65,529	(17,055)
Research expense	26,471	40,652
Tax losses	1,760,264	1,335,559
At 31 December	**3,324,883**	**1,472,619**

Deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Trade and Other financial receivables

QEV holds trade and other financial receivables of €2,221,161 (non-current) and €23,987,032 (current) as of December 2022. Out of these, there are €20,325,235 current other receivables related to non-refundable public grants granted in November 2022 and received by QEV in March 2023.

	31 December 2022		31 December 2021	
(In Euros)	**Non-current**	**Current**	**Non-current**	**Current**
Customer sales and services	-	3,065,644	-	4,162,539
Other receivables	2,221,161	20,325,235	-	505,044
Loans to employees	-	-	-	-
Receivables from Associates	-	596,153	-	-
Trade and other financial receivables	**2,221,161**	**23,987,032**	**-**	**4,667,583**

Financial assets

QEV holds €1,813,758 in non-current financial assets, mainly being a loan to a customer of €1,657,351 (compared to €1,250,800 and €1,131,200 respectively for December 2021).

	31 December 2022		31 December 2021	
(In Euros)	**Non-current**	**Current**	**Non-current**	**Current**

Loans	1,657,351	-	1,131,200	-
Loans to Related Parties	100,000	-	100,000	-
Guarantee deposit	56,407	-	19,600	-
Financial assets	**1,813,758**	**-**	**1,250,800**	**-**

Inventories

As of December 2022, QEV holds €4,426,179 in inventories. Inventories are made up of:

(a) Raw materials and other supplies mostly related to spare parts for the vehicles it manufactures for eRacing (€1,956,498 in December 2022)

(b) Work in progress and semi-finished products related with prototypes and hypercars being manufactured at QEV's premises (€1,189,064 in December 2022)

(c) Finished products mainly comprised of vans, platforms and microbuses in stock all related to the eMobility business

(In Euros)	31 December 2022	31 December 2021
Raw materials and other supplies	1,956,498	504,362
Work in progress ans semi-finished products	1,189,064	-
Finished products	1,280,617	
Total	**4,426,179**	**504,362**

As of December 2022 there were €3,401,687 under Advance payments for the acquisition of inventories.

Cash and cash equivalents

QEV holds Cash and cash equivalents that as of December 2022 totaled €2,385,475.

(In Euros)	31 December 2022	31 December 2021
Cash	815	11,431
Bank and other credit institutions	2,323,002	1,759,107
Bank and other credit institutions, foreign currency	61,658	-
Total	**2,385,475**	**1,770,538**

Bank and other credit institutions, foreign currency are as follows:

(In Euros)	31 December 2022	31 December 2021
US Dollar	61,658	-
Total	**61,658**	**-**

Deferred income

Deferred income is composed mainly of government grants received in the last years. In addition to government grants received, the Group received advance consideration from customers which is also recognised as deferred income in the consolidated statement of financial position. Details of government grants on 31 December 2022 are as follows (nil at 31 December 2021):

(Euros)	1 January 2021	Additions / (Reductions)	Transfer to profit or loss	31 December 2021

Grant 1	156,636	(3,259)	(153,377)	-
Grant 2	-	1,600	(1,600)	-
Total	**156,636**	**(1,659)**	**(154,977)**	**-**

(Euros)	31 December 2021	Additions / (Reductions)	Transfer to profit or loss	31 December 2022
Grant 2	-	6,400	6,400	-
Grant 3	-	135,683	135,683	-
Grant 4	-	15,000	15,000	-
Grant 5	-	22,211,605	-	22,211,605
Total	**-**	**22,368,688**	**157,083**	**22,211,605**

Government grants include €156,636 grant obtained on 29 December 2017 under the call for high-impact R&D projects issued by the Agency for Business Competitiveness in accordance with Resolution EMC/1900/2017, approving the terms and conditions of the program for funding investments in high-impact R&D projects, and Resolution EMC/2169/2017 of 21 August 2017, announcing the 2017 program for funding high-impact business investments. €153,377 of these funds were collected in 2021, €3,259 less than the amount initially granted, which was transferred in full to profit or loss in 2021.

The second amount of aid constituted funds from the Catalan Government granted by the Agency for Business Competitiveness within the call for aid to fund business competitiveness issued in January 2021 in an amount of €8,000. After duly justifying the grant, the final amount collected was €1,600 in 2021 and €6,400 in 2022, transferred to profit or loss for the same amount in each corresponding year.

The third aid corresponds to a subsidy received from the CDTI in relation to a research and development project of a new battery with high discharge performance for super sports vehicles.

The fifth aid corresponds to a subsidy granted by the Directorate General of Industry and Small and Medium Enterprises in 2022 for integral actions of the industrial chain of the electric and connected vehicle within the Strategic Project for the Recovery and Economic Transformation in the Electric and Connected Vehicle sector (PERTE VEC) amounting to €22,211,605, having collected in the first quarter of 2023 the 90% of the grant, with the remaining 10% of the grant expected to be collected in the first quarter of 2024. This grant requires the occurrence of certain investments and expenses, rules applicable to the concepts of financeable expenses and investment justifications.

Loans and borrowings

At 31 December 2022 the Group had credit lines of €3,940 thousand (€5,560 thousand at 31 December 2021), of which a total of €3,160 thousand have been drawn down (€3,476 thousand at 31 December 2021).

At 31 December 2022 a financial institution has granted QEV a financial guarantee in the amount of €33,920 (nil amount at 31 December 2021).

Interest expenses from bank loans amounted to €608,703 on 31 December 2022 (€653,926 at 31 December 2021). At 31 December 2022 there are accrued interests pending to be paid amounting to €27,035 (€17,525 at 31 December 2021).

As of December 2022, the amount corresponding to the convertible debt provided by Inveready/GAEA and Innvierte is €7,055,674

Details of the maturities, by length and effective interest rates, of the principals and interest of the loans and borrowings at 31 December are as follows:

(in Euros)	31 December 2022

QEV	Currency	Effective interest rate	Less than 1 year	1 to 3 years	Over 3 years	Total
Non-Current Liabilities						
Loans and borrowings						
Fixed rate loan	EUR	2.86%	-	10,907,294	4,929,731	**15,837,025**
Floating rate loan	EUR	3.71%	-	1,951,756	125,476	**2,077,232**
			-	**12,859,050**	**5,055,207**	**17,914,257**
Current Liabilities						
Loans and borrowings						
Fixed rate loan	EUR	2.40%	1,786,957	-	-	**1,786,957**
Floating rate loan	EUR	2.21%	2,921,851	-	-	**2,921,851**
			4,708,808	**-**	**-**	**4,708,808**

(in Euros)			31 December 2021			
QEV	**Currency**	**Effective interest rate**	**Less than 1 year**	**1 to 3 years**	**Over 3 years**	**Total**
Non-Current Liabilities						
Loans and borrowings						
Fixed rate loan	EUR	2.86%	-	9,174,212	5,910,702	**15,084,914**
Floating rate loan	EUR	3.28%	-	1,958,007	131,225	**2,089,232**
			-	**11,132,219**	**6,041,927**	**17,174,146**
Current Liabilities						
Loans and borrowings						
Fixed rate loan	EUR	2.40%	1,625,601	-	-	**1,625,601**
Floating rate loan	EUR	1.98%	2,643,336	-	-	**2,643,336**
			4,268,937	**-**	**-**	**4,268,937**

Other liabilities

Within other liabilities there is a loan from one of QEV's shareholders amounting to €225,236 (€375,394 at 31 December 2021)

Trade and other financial payables

As of December 2022 QEV holds €6,252,053 in trade and other financial payables. Details as of 31 December 2022, and 31 December 2021 are as follows:

(In Euros)	31 December 2022	31 December 2021
Suppliers	4,541,930	3,982,680
Various payables	1,710,123	544,162
Personnel (salaries payable)	-	473
Total	**6,252,053**	**4,527,315**

Contract liabilities

QEV holds contract liabilities which relate to the advance consideration received from customers. As of December 2022 this amounted to €5,469,193 (€60,465 as of December 2021).

Retained earnings and Other equity components

At 31 December 2022, QEV had retained earnings of €-12,335,439 (€-6,744,585 at 31 December 2021), including the loss for year amounting to €-5,590,855 (€-158,121 at 31 December 2021).

At 31 December 2022 the equity component arising from the issuance of compound financial instruments, specifically subordinated loan agreements convertible into shares with nominal amount of €12.25 million (€7.5 million in 2021) amount to €6,008,936 (€3,679,061 in 2021), having been allocated to the liability component €7,055,674 (€3,820,939 in 2021).

Comparison between the three-month period ended 31 March 2023 and the three-month period ended 31 March 2022

As of March 2023, the main changes impacting QEV's Consolidated Statement of Financial Position is the collection of the public grants granted in November 2022. As 90% of this grant has been collected by QEV, €19,990,444 have moved from Other receivables to Cash and Cash equivalents. The remaining 10% of €2,221,160 is kept within other receivables. The associated liability to this grant is registered in Contract Liabilities.

On the other hand, as of March 2023, the amount corresponding to the convertible debt provided by Inveready/GAEA and Innvierte is €7,352,667.

	31 March 2023	31 March 2022
Assets		
Non-Current Assets		
Property, plant and equipment	3,620,860	5,440,176
Right-of-use assets	1,713,890	684,651
Intangible assets	9,787,844	9,888,050
Investment in associates	1,860,074	1,887,386
Non-current financial assets	1,736,222	1,250,800
Deferred tax assets	4,239,227	1,471,744
Total Non-Current Assets	**22,958,117**	**20,622,807**
Current Assets		
Inventories	5,822,172	504,363
Trade and other financial receivables	5,997,520	4,413,203
Other receivables	2,762,856	288,943
Other current financial assets	76,781	164,305
Other current assets / deferred charges	300,000	-
Advance payments	1,800,771	-
Cash and cash equivalents	19,017,630	765,804
Total Current Assets	**35,777,730**	**6,136,618**
Total Assets	**58,735,847**	**26,759,425**
Equity and Liabilities		
Equity		
Share capital	4,130	3,894
Share premium	4,633,035	2,133,271
Reserves	2,919,240	2,919,240
Retained earnings	(14,219,021)	(10,961,981)
Other equity components	6,008,936	3,679,061
Total Equity attributable to owners of QEV	**(653,680)**	**(2,226,515)**
Liabilities		
Non-Current Liabilities		
Loans and borrowings	19,520,861	17,128,961
Lease liabilities	1,354,608	474,916
Other non current liabilitites	225,236	150,157
Total Non-Current Liabilities	**21,100,705**	**17,754,034**
Current Liabilities		
Loans and borrowings	6,107,704	4,401,574
Lease liabilities	379,730	217,944

Trade and other financial payables	9,500,454	6,311,907
Other payables	89,329	75,245
Other current liabilitites	-	225,236
Contract liabilities	22,211,605	-
Total Current Liabilities	**38,288,822**	**11,231,906**
Total Liabilities	**59,389,527**	**28,985,940**
Total Equity and Liabilities	**58,735,847**	**26,759,425**

13. CAPITALISATION AND INDEBTEDNESS

The tables below set out Group's capitalisation and indebtedness as at 31 March 2023, on an actual basis and as adjusted to reflect the Business Combination at the Completion Date taking into account two scenarios i.e. No Repurchase and Maximum Repurchase.

The information set out in the tables below is derived from the unaudited management accounts of SPEAR Investments I B.V. and QEV Technologies S.L. as at 31 March 2023 and have been prepared by selecting suitable accounting policies and applying reasonable judgments and accounting estimates.

The information set out in the tables below should be read in conjunction with and is qualified by reference to sections, "*Important Information – Presentation of Financial and Other Information*", "*Selected Consolidated Financial Information*", "*Operating and Financial Review*" and "*Index to Financial Statements*".

Capitalisation

Figures in EUR

	QEV	**SPEAR**	**No Repurchase Scenario**	**Maximum Repurchase Scenario**
	31 March 2023	**31 March 2023**		
Total current financial debt	**6,487,434**	**59,103,618**	**17,785,892**	**16,411,865**
Guaranteed			0	0
Secured		47,805,160	0	0
Unguaranteed/Unsecured	6,487,434	11,298,458	17,785,892	16,411,865
Total non-current debt (excluding current portion of long-term debt)	**20,875,469**	**0**	**20,875,469**	**20,875,469**
Guaranteed			0	0
Secured			0	0
Unguaranteed/Unsecured	20,875,469		20,875,469	20,875,469
Shareholder equity	**(653,680)**	**(6,083,894)**	**43,821,546**	**13,030,551**
a. Share capital	4,130	53,750	118,019	85,355
b. Share Premium	4,633,035		55,132,016	24,373,685
c. Reserves	2,919,240	60,000	2,979,240	2,979,240
d. Retained earnings	(14,219,021)	(6,197,644)	(20,416,665)	(20,416,665)
e. Other equity components	6,008,936		6,008,936	6,008,936
Total capitalisation	**26,709,223**	**53,019,725**	**82,482,907**	**50,317,886**

Indebtedness

Figures in EUR

	QEV 31 March 2023	SPEAR 31 March 2023	No Repurchase Scenario	Maximum Repurchase Scenario
A. Cash	19,017,630	1,430,437	71,007,187	33,968,067
B. Cash equivalents			0	0
C. Other current financial assets	76,781	51,850,200	76,781	76,781
D. Liquidity (A)+(B)+(C)	**19,094,411**	**53,280,637**	**71,083,968**	**34,044,848**
E. Current financial debt	6,487,434	59,103,618	17,785,892	16,411,865
F. Current portion of non-current financial debt			0	0
G. Current financial indebtedness (E)+(F)	**6,487,434**	**59,103,618**	**17,785,892**	**16,411,865**
H. Net current financial indebtedness (G)-(D)	**(12,606,977)**	**5,822,981**	**(53,298,076)**	**(17,632,983)**
I. Non-current financial debt	20,875,469		20,875,469	20,875,469
J. Non-current financial indebtedness	**20,875,469**	**0**	**20,875,469**	**20,875,469**
K. Total net financial indebtedness (H+J)	**8,268,492**	**5,822,981**	**(32,422,607)**	**3,242,486**

Retained Earnings

Retained Earnings includes the result for the quarter ended 31 March 2023.

Ordinary Shares

Ordinary Shares issued by SPEAR have been recognised as financial debt and measured at amortised cost. Transaction costs relating to listing of SPEAR have been deducted. In both scenarios, Ordinary shares will be cancelled prior to Completion and the corresponding liability will be derecognised.

Ordinary Shares can be redeemed by shareholders prior to Business Combination and are therefore classified as Secured Debt.

Founder Warrants

Founder Warrants issued by SPEAR are recognised as financial debt. Founder Warrants are subject to re-measurement at each balance sheet and changes in fair value have been recognised in SPEAR's profit and loss account. Under the Maximum Repurchase Scenario, 1,195,993 Founder Warrants are cancelled resulting in a decrease in current financial debt.

Warrants

Warrants issued by SPEAR are recognised as financial debt. Warrants are subject to re-measurement at each balance sheet and changes in fair value have been recognised in SPEAR's profit and loss account.

Other Current Financial Assets

Other current financial assets include funds held in SPEAR's Escrow bank accounts. The funds will be used to repurchase shares from existing shareholders who choose to redeem their shares. The shareholders who do not redeem their shares will be issued new share capital and funds from their original investment will be reclassified as Cash.

Transaction Costs

In accordance with IAS 32, Transaction costs has been deducted from shareholder equity in both scenarios.

Shareholder Liabilities

Balances held between QEV and its related parties have not been included in financial debt.

14. OTHER IMPORTANT INFORMATION

General

NO OFFERING IS BEING MADE TO ANY PERSON IN ANY JURISDICTION. THIS CIRCULAR MAY NOT BE USED FOR, OR IN CONNECTION WITH, AND DOES NOT CONSTITUTE, OR FORM PART, AN OFFER BY, OR INVITATION BY OR ON BEHALF OF, THE COMPANY OR ANY REPRESENTATIVE OF THE COMPANY, TO PURCHASE ANY SECURITIES, OR THE SOLICITATION TO BUY SECURITIES BY ANY PERSON IN ANY JURISDICTION. NO ACTION HAS BEEN OR WILL BE TAKEN IN ANY JURISDICTION BY THE COMPANY THAT WOULD PERMIT AN OFFERING OF THE ORDINARY SHARES OR POSSESSION OR DISTRIBUTION OF A PROSPECTUS IN ANY JURISDICTION.

In particular, the Ordinary Shares to be issued in connection with the Business Combination have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the U.S. absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act.

The Company does not undertake to update this Circular unless required pursuant to applicable law and regulation, and therefore the Shareholders should not assume that the information in this Circular is accurate as at any date other than the date of this Circular. The Company, however, reserves the right to amend this Circular. Should the Company do so, it will make such amendment available through its website (www.spearinvestments.com). No person is or has been authorised to give any information or to make any representation in connection with the Business Combination, other than as contained in this Circular. If any information or representation not contained in this Circular is given or made, the information or representation must not be relied upon as having been authorised by the Company or its directors or any of their respective affiliates or representatives.

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This Circular is governed by Dutch law and must be read and interpreted in accordance therewith. Any dispute arising in connection with this Circular will be subject to the exclusive jurisdiction of the competent court in Amsterdam, the Netherlands.

Information Regarding Forward-Looking Statements

Certain statements in this Circular other than statements of historical facts are forward-looking statements. In particular, this Circular contains forward-looking statements under the following headings: "*Risk Factors*", "*Business Combination - Dividend Policy*", "*QEV's Business and Industry*" and "*Financial Information of QEV*", regarding the Company's and QEV's strategy, targets, expectations, objectives, future plans and other future events or prospects are forward-looking statements. These forward-looking statements are based on the Company's and QEV's current beliefs and projections and on information currently available to us. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's and QEV's control and all of which are based on its current beliefs and expectations about future events. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believe", "expect", "may", "will", "seek", "would", "could", "should", "intend", "estimate", "plan", "assume", "predict", "anticipate",

"annualised", "goal", "target", "potential", "continue", "hope", "objective", "position", "project", "risk" or "aim" or the highlights or negatives thereof or other variations thereof or comparable terminology, or by discussions of the Company's and QEV's strategy, short-term and mid-term objectives and future plans that involve risks and uncertainties.

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

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

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

Rounding and negative amounts

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

In preparing the financial information included in this Circular, most numerical figures are presented in millions of Euro. For the convenience of the reader of this Circular, certain numerical figures in this Circular are rounded to one decimal point. Accordingly, figures shown for the same category presented in different tables may vary slightly, and figures shown as totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them.

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

Currency

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

Market and Industry Data

All references to market share, market data, industry statistics and industry forecasts in this Circular consist of estimates compiled by industry professionals, competitors, organisations or analysts or of the Company's and QEV's own assessment of QEV's sales and markets.

This Circular contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to QEV's business and markets. The information in this Circular that has been specifically sourced from third parties has been accurately reproduced with reference to these sources in the relevant paragraphs and, as far as the Company is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information provided inaccurate or misleading.

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

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

Available information

The following documents (or copies thereof) may be obtained free of charge from our website (www.spearinvestments.com):

- this Circular;
- the proxy form including voting instructions;
- the Prospectus;
- the Investor Presentation;
- the New Articles; and
- the Remuneration Policy of the Board

Definitions

In this Circular, the "Company" refers to SPEAR Investments I B.V. (which will be renamed QEV N.V. shortly after Completion) prior to and/or after giving effect to the Business Combination, as the context may require. "QEV" refers to QEV Technologies S.L. prior to giving effect to the Business Combination and, where appropriate, its subsidiaries as defined in Section 2:24b of the Dutch Civil Code.

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

15. DEFINED TERMS

The following list of defined terms is not intended to be an exhaustive list of definitions, but provides a list of the key defined terms used in this Circular.

ABN AMRO	means ABN AMRO Bank N.V.
Accrued ESOP Shares	means the amount of ESOP shares which are accrued at each given time
Adjusted EBITDA	means EBITDA before certain specific non-recurring costs selected by QEV's management
Advisory Group	means Federico Canciani, Björn Fröling, Alex Hawkinson, Anne Lange, Marco Lippi, John-Paul Warszewski, Derek Whitworth, Nathan Medlock, Ali T. Alpacar and Jon Sigurdsson who will assist management in sourcing potential acquisition targets and accessing founders and owners for the Company by engaging their various networks and experience
Adverse Recommendation Change	means the the Board revoking or modifying, amending or qualifiying its Recommendation upon the occurance of an Intervening Event, at any time prior to the BC-EGM
Affiliate	means in relation to any person or entity, any direct or indirect Subsidiary or direct or indirect holding company of that person or entity and any other Subsidiary of such holding company
AFM	means the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiele Markten)*
Amended Promote Structure	means the resulting Promote Structure after the amendments to the Original Promote Structure
Applicable Rules	means any and all applicable rules (whether civil, criminal or administrative/public or environmental) including common law, statutes, subordinate legislation, treaties, regulations, rules, directives, decisions, collective bargaining agreements, by-laws, circulars, codes (including applicable corporate governance codes), orders, notices, demands, decrees, injunctions, guidance, judgments or resolutions of a parliamentary government, quasigovernment, federal, state or local government, statutory, administrative or regulatory body, securities exchange, court or agency in any part of the world which are in force or enacted and are, in each case, legally binding as at the relevant time, and the term Applicable Rules will be construed accordingly
Articles of Association	means the articles of association (*statuten*) of the Company as they shall read following the execution of the deed of conversion and amendment of the articles of association
Audit Committee	means the audit committee of the Board
AZ Capital	means AZ Capital S.L.
AZ Capital Sponsor	means AZ Capital SPEAR Investments I S.L.
Backstop Facility	means the backstop commitments from SPEAR Promote Investors in the amount of €7,380,000

BC-EGM	means the extraordinary General Meeting to which the Board will submit the proposed Business Combination for approval by the Ordinary Shareholders and Special Shareholders
BC Underwriting Fee	means up to 3.0% of the offer price per Unit of €10.00 multiplied by the aggregate number of underwritten Units and a discretionary fee as determined by the Company at its sole discretion of up to 1.5% of the offer price per Unit of €10.00 multiplied by the aggregate number of underwritten Units, conditional on and payable to the SPEAR IPO underwriters (Citigroup Global Markets Europe AG, Jefferies GmbH and J.P. Morgan AG) 45 days following on the date of Completion of the Business Combination
BEV	means battery electric vehicles
BMS	means battery management systems
Board	means the board of the Company following the execution of the notarial deed containing the First Amendment AoA
Board Rules	means the rules adopted by the Board governing the Board's principles and best practices
Business Combination	means the acquisition by the Company of 100% of the issued and outstanding share capital of QEV
Business Combination Agreement	means the agreement between QEV, the QEV Shareholders and SPEAR in connection with the Business Combination, its Schedules and ancillary documents or agreements in connection with the Business Combination and entered into at the date of the Business Combination Agreement
Business Combination Completion Date	means the date on which the Business Combination is completed
Business Combination Deadline	means 15 February 2023 (subject to the Extensions)
Business Day	means a day (other than a Saturday or Sunday) on which banks in the Netherlands and Euronext Amsterdam are generally open for normal business
Capital Shareholders	means a holder of one or more Capital Share(s)
Capital Shares	means capital shares in the Company with a nominal value of €10,000
CET	means Central European Time
Circular or Shareholder Circular	means this document
CIT	company income tax
Combined Group or Group	means the Company and its subsidiaries as defined in Section 2:24b of the Dutch Civil Code upon Completion
Company	means SPEAR Invesments I B.V. a private company with limited liability (besloten vennootschap) incorporated under Dutch law, having its registered office at Apollolaan 151 Newday Office, 1077 AR Amsterdam, the Netherlands and registered in the Business

	Register of the Netherlands Chamber of Commerce (*handelsregister van de Kamer van Koophandel*) under number 83051899, which will be renamed QEV N.V. two business days after Completion
Completion	means the completion of the Business Combination
Completion Date	the date on which Completion occurs, 2 October 2023, or such other date to be agreed between the Parties
Convention	means the convention between the Kingdom of the Netherlands and the State of Spain for the avoidance of double taxation
Convertible Instrument Holders	means Inveready First Capital III, S.C.R., S.A, Inveready First Capital III Parallel, F.C.R., Inveready Evergreen, S.C.R., S.A., GAEA Inversion, S.C.R., S.A. and Innvierte Economia Sostenible, SICC SME, S.A.
Convertible Loans	means the following convertible instruments: (i) Inveready C&P Convertible Loan (ii) the Inveready Evergreen Convertible Loans (iii) GAEA Convertible Loan; and (iv) the Innvierte Convertible Loan (or, in any case, their successors)
Convertible Instrument Share Exchange	means the share exchange by virtue of which the Convertible Instruments Holders will be entitled (but not obliged) to exchange all the QEV Shares they hold for Ordinary Shares at a ratio equivalent to that at which the Share Exchange has been executed on Completion
Convocation	means the notice of the EGM set out in section 3 (*Convocation of Extraordinary General Meeting*) of this Circular, including the agenda for the EGM
COO	means Chief Operating Officer
Deed of Conversion	means the draft deed of conversion and amendment of the Articles
Direct Investors	means investors including the following who are related to or member of the Leadership Team or the Advisory Group: Joes Leopold, Harcourt IGN DMCC, Marco Lippi, Björn Fröling, Anne Lange, John-Paul Warszewski, Great path Ventures, LLC, Federico Canciani, Stodir hf. and Castland Capital Limited
Director	means a member of the Board
DPO	means Data Protection Officer
Dutch Corporate Governance Code	means the Dutch corporate governance code
Dutch Civil Code	means the Dutch civil code (*Burgerlijk wetboek*) and the rules promulgated thereunder
Dutch Financial Supervision Act or Dutch FMSA	means the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and implementing European Directive 2004/25/EC
Dutch GAAP	means Dutch Generally Accepted Accounting Principles
Dutch Securities Giro Transfer Act	means the Dutch Act on Securities Giro Transfer (*Wet giraal Effectenverkeer*)

Dutch Securities Transaction Act	means the Dutch Act on the Supervision of Securities Transactions 1995 (*Wet toezicht effectenverkeer 1995*), including the rules and regulations promulgated thereunder
Dutch SRD Act	means the Dutch Act to implement the Shareholders Rights Directive II (*bevordering van de langetermijnbetrokkenheid van aandeelhouders*) entered into force on 1 December 2019
Dutch Supreme Court	means the Dutch supreme court (*de Hoge Raad*)
EBITDA	operating profit / loss excluding depreciation, amortisation and impairment of non-current assets
EEA	means the European Economic Area
EGM Shareholder Approval	the EGM having approved the Resolutions
ePrivacy Directive	Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy
Equity Value	means the equity value of QEV of €185,000,000 on a pre-Business Combination equity value basis
Escrow Account	an escrow account which is held by Stichting SPEAR Investments Escrow, a foundation with corporate seat in Amsterdam, the Netherlands with Intertrust
ESG	Environmental, Social and Governance
EU	the European Union
EURIBOR	Euro Interbank Offered Rate
EUR, Euro or €	the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty on the functioning of the European Community, as amended from time to time
Euroclear Nederland	means the Netherlands Central Institute for Giro Securities Transactions (*Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.*) trading as Euroclear Nederland
Euronext Amsterdam	means Euronext in Amsterdam, a regulated market operated by Euronext Amsterdam N.V.
Excess Shares	means the Ordinary Shares held by an Ordinary Shareholder, together with any affiliate of such shareholder or any other person with whom such shareholder is acting in concert ("*personen die in onderling overleg handelen*" as defined in Section 1:1 of the Dutch Financial Supervision Act), who is restricted from seeking repurchase rights with respect to more than an aggregate of 15% of the Ordinary Shares sold in the Offering
Executive Director	means the statutory executive directors of the Company being John St. John, Jorge Lucaya and Joes Leopold as at the date of this Circular
Exercise Price or Warrant Exercise Price	means the exercise price per Warrant or Founder Warrant of €11.50 per new Ordinary Share, subject to certain anti-dilution adjustments

Extension Clause	means the option for the Company and the underwriters to increase the size of the Offering to up to €175,000,000 (corresponding to a maximum of up to 17,500,000 Units)
Extensions	means the First Extension and the Second Extension
Extraordinary General Meeting or EGM	means the extraordinary general meeting of the Shareholders of SPEAR, which will be held virtually on 27 September 2023 at 15:00 CET
Facilities	means the manufacturing plants, affected by Nissan's decision regarding the relocation of the production center in Europe, in Barcelona (Zona Franca, Montcada and Sant Andreu)
FAQ	means frequently asked questions
Financial Intermediary	The bank or stockbroker through which the Redeeming Shareholders will receive the gross repurchase price
Founder Warrant Holder	means a holder of one or more Founder Warrant(s)
Founder Warrants	means the founder warrants the Promote Investors have purchased in or following a private placement that occured simultaneously with the completion of the Offering
FTEs	full time employee equivalents
FY 2021	financial year 2021
FY 2022	financial year 2022
GAEA	means GAEA Inversion, S.C.R., S.A. company organized and existing under the laws of Spain, with registered office at Zuatzu 7 Bj 1 (Ed Urola) Donostia Guipuzkoa (Spain), and with TAX ID A75223396
GAEA Convertible Loan	The subordinated convertible loan contract entered into between GAEA INVERSIÓN, S.C.R., S.A. as lender and the Company as borrower
General Meeting	the general meeting of the Shareholders of the Company
Governmental Entity	means any governmental or regulatory authority, agency, commission, body or other governmental or regulatory entity, national or supra-national, state or local, including any self-regulatory organisation
IFRS	means International Financial Reporting Standards as adopted by the EU
Innvierte	means INNVIERTE ECONOMIA SOSTENIBLE, SICC SME, S.A., a company organized and existing under the laws of Spain with registered office at Madrid, calle Alfonso XI, número 6, 2ª planta, and with TAX ID A-86510021
Innvierte Convertible Loan	means the convertible loan agreement entered into between QEV, as debtor, and Innvierte, as lender, executed on 22 December 2022 for a principal amount of €2,250,000, and which was novated on 9 January 2023, as amended from time to time
Intervening Event	means a force majeure event occurring between the date of the Business Combination Agreement and the BC-EGM and which will beyond reasonable doubt result in a material decrease of the Equity Value (were that value calculated as the time of such Intervening

	Event). The Parties expressly acknowledged that the lack of completion with the QEV's (or any QEV Group Company) business plan or any other key performance indicator of QEV not being reached prior to Completion, shall not be considered an Intervening Event
Interim Period	means the period from the date of the Business Combination Agreement until the earlier of (i) Completion and (ii) the date on which the Business Combination Agreement is terminated
Inveready C&P Convertible Loan	means the convertible loan agreement entered into between QEV as debtor, Inveready Capital and Inveready Parallel, as lenders, executed on 23 August 2022 and which was amended on 22 December 2022, for a principal amount of €1,000,000 as amended from time to time
Inveready Capital	means Inveready First Capital III, S.C.R., S.A, a company organized and existing under the laws of Spain, with registered office at Zuatzu Kalea, 7, Edificio Urola, Local nº1, Planta Baja, 20018 San Sebastián (Guipúzcoa), and with TAX ID A-88.257.407
Inveready Evergreen Convertible Loan 1	means the convertible loan agreement between QEV, as debtor, and Inveready Evergreen, as lender, executed on 23 August 2022 and which was amended on 22 December 2022, for a principal amount of €1,000,000 as amended from time to time
Inveready Evergreen Convertible Loan 2	means the convertible loan agreement entered into between QEV as debtor, and Inveready Evergreen, as lender, executed on 23 August 2022 and which was amended on 22 December 2022, for a principal amount of €500,000 as amended from time to time
Inveready Evergreen Convertible Loans	means the Inveready Evergreen Convertible Loan 1 and Inveready Evergreen Convertible Loan 2
Inveready Evergreen	means Inveready Evergreen, S.C.R., S.A., a company organized and existing under the laws of Spain, with registered office at Zuatzu Kalea, 7, Edificio Urola, Local nº1, Planta Baja, 20018 San Sebastián (Guipúzcoa), and with TAX ID A-66.962.234
Inveready Parallel	means Inveready First Capital III Parallel, F.C.R., a company organized and existing under the laws of Spain, with registered office at Zuatzu Kalea, 7, Edificio Urola, Local nº1, Planta Baja, 20018 San Sebastián (Guipúzcoa), and with TAX ID V-88.352.398
Investor Presentation	means the presentation used in the PIPE Financing process
IPO	means the initial public offering
IPO Proceeds	means the proceeds from the initial public offering
Letter of Intent	means the non-binding letter of intent between SPEAR and QEV dated 24 May 2023
Liquidation	means the Company adopting a resolution to (i) dissolve and liquidate the Company and (ii) to delist the Ordinary Shares and Warrants
Market Abuse Regulation	means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, which entered into force on 3 July 2016
Material Adverse Effect	means any change, event or development that, individually or taken together with all such other changes, events or developments, has or should reasonably be expected to have a material adverse effect on the business, assets, cash flow, financial condition, results of operations or capitalisation of SPEAR or the QEV Group, as the case may be

Member State	means a member state of the European Economic Area
MiFID II	means EU Directive 2014/65/EU on markets in financial instruments
New Articles	the first deed of amendment of the articles of association of the Company intended to be executed on the Completion Date
New Incentive Plan	the New Incentive Plan to be implemented by the Company as further described in "*Business Combination – Corporate Governance– New Incentive Plan.*"
Non-Executive Directors	Carlos Conti, Monika Mikac, Derek Whitworth and Miriam van Dongen
Non-Financial Reporting Directive	means Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups
Offering	means the offering of Units, as contemplated in the SPEAR IPO Prospectus
Ordinary Shareholder	means a holder of one or more Ordinary Share(s)
Ordinary Shares	means the ordinary shares in the capital of the Company with a nominal value of €10 each
Parent-Subsidiary Directive	means the Parent-Subsidiary Directive 2011/96/EU, as amended
Parties	means the QEV, QEV Shareholders, the Convertible Instruments Holders and SPEAR
PDMR	means persons discharging managerial responsibilities
PIPE	means private investment in public equity
PIPE Financing	means the private investment in public equity in connection with the Business Combination
PIPE Investment Agreements	means the investments agreements between the Company, QEV and PIPE Investors
PIPE Investors	means the investors that entered into the PIPE Investment Agreements for the PIPE Financing
PIPE Proceeds	means the amount raised in the PIPE Financing
PIPE Shares	means the 210,000 Ordinary Shares at a purchase price of €10.00 per share purchased by the PIPE Investors
Pre-Extension Repurchase Period	the period between 29 December 2022 and 12 January 2023 in which Ordinary Shareholders were invited to offer their Ordinary Shares for repurchase under the Revised Share Repurchase Arrangement
Proceeds	means the IPO Proceeds held on the Escrow Account, net of (i) cash required to settle SPEAR's redemption obligations pursuant to the SPEAR IPO Prospectus and the circular by SPEAR to its shareholders, dated 2 December 2022, and net of (ii) cash required to make payment to non-redeeming shareholders to reflect the share premium they would have received if they had redeemed their shares; plus the executed commitments of PIPE private placement through the sale of SPEAR Ordinary Shares, the investment by

	Convertible Instruments Holders who commited to participate in the Inveready and GAEA Share Capital Increase and GAEA Share Capital Share Increase, the investment by SPEAR Promote Investors who provided a backstop facility, and potential debt financing at the level of QEV in the form of a convertible note in the range of €15,000,000 to €25,000,000
Promote Investors	means the Sponsors and Direct Investors jointly
QEV	means QEV Technologies, S.L., a private limited company (*Sociedad Limitada*) incorporated under the laws of Spain with registered office in Cl del Rec del Molinar Num.11 Montmelo 08160, Spain and registered with the Spanish Trade Register under number B98585714
QEV Group or QEV Group Company	means QEV and its Subsidiaries, and QEV Group Company means any member of the QEV Group
QEV Shareholders	means Evi Mobility, S.L., Charming Crystal, Limited, Servicios Integrales Formación Arquitectura Ingeniería. S.L.U., Engiser 101, S.L.U., Re Motorsports Investment, S.L.U., New Automovile Development LLP, Power Electronics Internacional, S.L., Mr. Juan Antonio García Navarro, Mr. Miquel Àngel Bonachera Sierra, Mr. Sergi Audivert Burgue and Multi Billion Pacific Ltd
QEV Shares	means the issued and outstanding shares in the share capital of QEV
QEV Warranty	means the representations and warranties of QEV under the Business Combination Agreement
Recommendation	means the unanimous recommendation of the Board that the General Meeting votes in favour of the approval of the Business Combination including the transactions contemplated by the Business Combination Agreement, and the other resolutions proposed for adoption at the EGM and that Shareholders do not offer their Shares for repurchase in accordance with the Revised Share Repurchase Arrangement the resolutions at the BC-EGM and not offer their Ordinary Shares for repurchase
Redeeming Shareholders	means Shareholders that wish to have their Ordinary Shares repurchased by the Company under the Revised Share Repurchase Arrangement
Reflection Period	the up to 250 days statutory reflection period that Dutch listed companies can invoke in response to shareholder activists seeking changes in the board composition and/or upon hostile takeover attempts
Related Persons	means in relation to any party that is not an individual: (i) its Affiliates; and (ii) in relation to any party that is a fund, any adviser, nominee, manager, administrator, trustee, general partner or limited partner to or of that fund or any investor in any of them; (iii) any entity or fund which is advised by or the assets of which are managed by that party or that party's general partner, trustee, nominee, manager or adviser; (iv) any co-investment scheme of a party or any person holding shares under such scheme or entitled to the benefit of shares under such scheme; and (v) any employer, officer, director or partner of that party or any of the persons referred to in (i) to (v) above, but will not include any of the QEV Group Companies
Relationship Agreement	means the relationship agreement dated on or about Completion between QEV, certain QEV Shareholders, the Sponsors and SPEAR

Registration Date	30 August 2023
Repurchase Effective Moment	The repurchase of Ordinary Shares submitted for repurchase under the Revised Share Repurchase Arrangement by the Redeeming Shareholders before the end of the acceptance period becomes unconditional upon completion of the Business Combination
Revised Share Repurchase Arrangement	means the share repurchase arrangement as described under "*Business Combination – . Description of the Business Combination Transaction - Revised Share Repurchase Arrangement*"
Second Extension	means the three month extension period after the First Extension as described in the SPEAR IPO Prospectus, p. 37
Selection, Appointment and Remuneration Committee	means the selection, appointment and remuneration committee of the Board
Share Consideration	means a total of 18,500,000 Ordinary Shares, which consists of Ordinary Shares to be given to QEV Shareholders in exchange for the acquisition of the QEV Shares and Ordinary Shares to be held in treasury to comply with the Convertible Instrument Share Exchange
Shareholder	means any holder of Shares at any time
Shares	means the shares of the Company, including the Ordinary Shares, the Capital Shares and the Special Shares
SPEAR	means SPEAR Investments I B.V.
SPEAR Board	means the one tier board (*raad van bestuur*) of the Company
SPEAR IPO	the intial public offering of SPEAR
SPEAR IPO Prospectus	means SPEAR's IPO prospectus dated 9 November 2021, prepared in connection with the offering described therein
SPEAR Warranty	means the represetnations and warranties of SPEAR under the Business Combination
Special Shareholder	means a holder of one or more Special Share(s)
Special Shares	means the convertible special shares of the Company with a nominal value of €0.01 each
Sponsors	means the AZ Capital Sponsor and the STJ Advisors Sponsor
Statutory Giro System	the giro system as referred to in the Dutch Securities Transactions Act
STJ Advisors Sponsor	STJ SPEAR Investments I LLP
Subsidiaries	means, with respect to any person, any corporation, partnership, joint venture, limited liability company or other entity (i) of which such person or a Subsidiary of such person is a general partner or (ii) of which a majority of the voting securities or other voting interests, or a majority of the securities or other interests of which, having by their terms ordinary voting power to elect a majority of the board of directors or persons performing similar functions with respect to such entity, is directly or indirectly owned by such person and/or one or more Subsidiaries thereof

Taxation or Tax	means all forms of taxation irrespective by which authority it is imposed, administered or collected and irrespective whether it is imposed, administered or collected in any jurisdiction, including income tax, corporation tax, capital gains tax, inheritance tax, value added tax, customs and other import or export duties, excise duties, transfer taxes or duties, social security or other similar contributions, in each case, including tax or amounts equivalent to or in respect of income tax required to be deducted or withheld from or accounted for in respect of any payment, and any interest, penalty, surcharge or fine relating to such taxation
Termination Date	31 December 2023
Transaction	means the transaction contemplated by the Business Combination Agreement
Transaction Bonus	a transaction bonus of €500,000 gross, to be allocated amongst the members of such management team and other employees in accordance with the distribution, which is decided by Directors of SPEAR, considering the proposal made by the Executive Directors
Transaction Costs	means all costs and expenses (including fees and expenses of legal counsel, investment bankers, brokers, finders, and other representatives or consultants) for both QEV and SPEAR in relation to the Business Combination and the PIPE Financing
Treasury Shares	means the Ordinary Shares held in treasury by the Company
United States or US	means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
Units	means a unit consisting of one (1) Ordinary Share and one-half (1/2) Warrant
US Holder	means a beneficial owner of the Warrants or Ordinary Shares who or that is, for U.S. federal income tax purposes (a) an individual who is a citizen or resident of the United States; (b) a corporation created in, or organised under the laws of the United States or any state thereof, including the District of Columbia; (c) an estate the income of which is subject to U.S. federal income tax regardless of its source; or (d) a trust if such trust has validly elected to be treated as a U.S. person for U.S. federal income tax purposes or if (1) a U.S. court can exercise primary supervision over the trust's administration and (2) one or more U.S. persons are authorised to control all substantial decisions of the trust
USD, U.S. dollars or $	means US dollars, the lawful currency of the United States
U.S. Securities Act	means US Securities Act of 1933, as amended
Vesting Ratio	the vesting ratio applicable to the Accrued ESOP Shares of 1/36 per month upon completion of the relevant ESOP Milestone
Warrant Agent	means ABN AMRO Bank N.V.
Warrant Exercise Period	means the period beginning 30 days after the completion of the Business Combination (Business Combination Completion Date) and ends at the close of trading on Euronext Amsterdam (17:30 CET) on the first business day after the fifth anniversary of the Business Combination Completion Date or earlier upon (i) redemption of the Warrants, (ii) Liquidation, (iii) or any regular liquidation of the Company

Warrant Exercise Price or Exercise Price	means the exercise price per Warrant or Founder Warrant of €11.50 per new Ordinary Share, subject to certain anti-dilution adjustments
Warrant Holder	means a holder of one or more Warrant(s)
Warrants	means the warrants underlying the Units allotted in the Offering. During the Warrant Exercise Period described in the SPEAR IPO Prospectus, each whole Warrant entitles an eligible Warrant Holder (i.e. someone who fulfils the eligibility requirements set out in the SPEAR IPO Prospectus under "*Description of the Securities – The Warrants – Exercise of Warrants*") to subscribe for one (1) Ordinary Share, for the Warrant Exercise Price
Dutch Dividend Withholding Tax Act	means the Act on Taxation of Non-Residents 627/1978, as amended
Warranty Condition	the warranties under the Business Combination Agreement
Withholding Tax Restriction	the preclution of the Netherlands from imposing Dutch dividend withholding tax on dividends paid by the Company to a holder of Ordinary Shares other than a Dutch tax resident investor