
Bescheinigung nach prüferischer Durchsicht

The Exploration Company GmbH
Planegg

Prüferische Durchsicht von Konzernfinanzinformationen
zum 31. Dezember 2023

Auftrag: DEE00127718.1.1



Bescheinigung nach prüferischer Durchsicht

An die The Exploration Company GmbH, Planegg

Wir haben die beigefügte Konzernfinanzinformationen – bestehend aus Konzernbilanz und Konzern-Gewinn- und Verlustrechnung – der The Exploration Company GmbH, Planegg, (die „Gesellschaft“) und ihrer Tochtergesellschaften (der „Konzern“) für das Geschäftsjahr vom 1. Januar bis 31. Dezember 2023 einer prüferischen Durchsicht unterzogen. Die Aufstellung der Konzernfinanzinformationen nach den in den erläuternden Angaben dargestellten Rechnungslegungs- und Konsolidierungsgrundsätzen liegt in der Verantwortung der gesetzlichen Vertreter der Gesellschaft. Unsere Aufgabe ist es, eine Bescheinigung zu den Konzernfinanzinformationen auf der Grundlage unserer prüferischen Durchsicht abzugeben.

Wir haben die prüferische Durchsicht der Konzernfinanzinformationen unter Beachtung der vom Institut der Wirtschaftsprüfer (IDW) festgestellten deutschen Grundsätze für die prüferische Durchsicht von Abschlüssen vorgenommen. Danach ist die prüferische Durchsicht so zu planen und durchzuführen, dass wir bei kritischer Würdigung mit einer gewissen Sicherheit ausschließen können, dass die Konzernfinanzinformationen in wesentlichen Belangen nicht in Übereinstimmung mit den in den erläuternden Angaben dargestellten Rechnungslegungs- und Konsolidierungsgrundsätzen aufgestellt worden sind. Eine prüferische Durchsicht beschränkt sich in erster Linie auf Befragungen von Mitarbeitern der Gesellschaft und auf analytische Beurteilungen und bietet deshalb nicht die durch eine Abschlussprüfung erreichbare Sicherheit. Da wir auftragsgemäß keine Abschlussprüfung vorgenommen haben, können wir einen Bestätigungsvermerk nicht erteilen.

Auf der Grundlage unserer prüferischen Durchsicht sind uns keine Sachverhalte bekannt geworden, die uns zu der Annahme veranlassen, dass die Konzernfinanzinformationen in wesentlichen Belangen nicht in Übereinstimmung mit den in den erläuternden Angaben dargestellten Rechnungslegungs- und Konsolidierungsgrundsätzen aufgestellt worden sind.

Ohne unsere Beurteilung einzuschränken weisen wir auf die in den erläuternden Angaben dargestellten Rechnungslegungs- und Konsolidierungsgrundsätze hin, in denen Rechnungslegungsgrundsätze beschrieben werden einschließlich der Vorgabe zur Bilanzierung unter Beachtung des Rechnungslegungsgrundsatzes der Fortführung der Unternehmenstätigkeit, obwohl derzeit die Fortführung der Unternehmenstätigkeit nicht hinreichend nachgewiesen ist. Die Konzernfinanzinformationen stellen keinen vollständigen Konzernabschluss der Gesellschaft in Übereinstimmung mit den deutschen handelsrechtlichen Vorschriften oder den International Financial Reporting Standards dar und sind nicht dazu bestimmt, in Übereinstimmung mit den deutschen handelsrechtlichen Vorschriften oder den International Financial Reporting Standards ein den tatsächlichen Verhältnissen entsprechendes Bild der Vermögens- und Finanzlage des Konzerns zum 31. Dezember 2023 oder der Ertragslage für das dann endende Geschäftsjahr zu vermitteln. Die Konzernfinanzinformationen wurden für interne Zwecke erstellt. Folglich sind die Konzernfinanzinformationen möglicherweise für einen anderen als den vorgenannten Zweck nicht geeignet.

Unsere Bescheinigung ist ausschließlich für die Gesellschaft bestimmt und darf nicht ohne unsere vorherige schriftliche Zustimmung an Dritte weitergegeben werden.

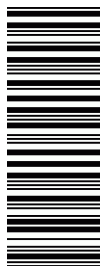
Wir erteilen diese Bescheinigung auf Grundlage des mit der Gesellschaft geschlossenen Auftrags, dem, auch mit Wirkung gegenüber Dritten, die beiliegenden Allgemeinen Auftragsbedingungen für Wirtschaftsprüferinnen, Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften vom 1. Januar 2024 zu Grunde liegen.

Düsseldorf, den 8. Mai 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Matthias Barnert
Wirtschaftsprüfer

ppa. Dario Nikolic
Wirtschaftsprüfer



Anlagen

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General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and
Wirtschaftsprüfungsgesellschaften dated January 1, 2024

**Consolidated financial information
from January 1 to December 31, 2023**

The Exploration Company GmbH, Planegg
Amtsgericht Munich, HR B-Nr. 267885

Consolidated statement of financial position

	31.12.2023	31.12.2022*
	€	€
Intangible assets	1.215.604	0
Right-of-use asset under leases	1.486.737	0
Property, plant and equipment	78.402	21.393
Other non current financial assets	16.030	6.978
Non-current assets	2.796.773	28.371
Trade receivables	550.810	156.162
Income and other tax receivable	1.211.999	0
Other financial and non-financial assets	931.666	3.257.673
Cash and cash equivalents	42.272.768	5.808.508
Current assets	44.967.243	9.222.343
Assets	47.764.016	9.250.714
Subscribed share capital	116.764	100.874
Share capital - additional paid	56.406.415	12.356.318
Retained Earnings and other reserves	-5.326.633	-283.384
Current year result	-21.115.430	-4.881.030
Total equity	30.081.116	7.292.778
Lease liabilities	1.242.947	0
Deferred tax liability	443.384	0
Other provisions	1.586.716	857.333*
Loans	6.458.789	0
Non-current liabilities	9.731.836	857.333
Contract liabilities	2.137.700	0
Loans	2.373.783	0
Lease liabilities	179.929	0
Trade payables	1.012.672	376.694
Other provisions	2.246.980	723.909
Current liabilities	7.951.064	1.100.603
Equity and liabilities	47.764.016	9.250.714

*As at the end of 31.12.2022 there has been no IFRS positions taken, except for the VSOP position.

The Exploration Company GmbH, Planegg
 Amtsgericht Munich, HR B-Nr. 267885

Consolidated Income Statement

	01.01.2023 - 31.12.2023	01.01.2022 - 31.12.2022*
	€	€
Revenue	1.929.618	763.341
Other operating Income	682.671	0
Total Income	2.612.289	763.341
Wages and personnel expenses	-4.511.302	-1.905.089
Operating expenditures	-18.754.004	-3.555.782
Operating profit	-20.653.017	-4.697.530
Financial income	194.341	0
Financial expense	-442.277	-183.500
Financial result	-247.936	-183.500
Profit before income taxes	-20.900.953	-4.881.030
Income taxes	-214.477	0
Result for the period from continuing operations	-21.115.430	-4.881.030
 Current year result	 -21.115.430	 -4.881.030

*As at the end of 31.12.2022 there has been no IFRS positions taken, except for the VSOP position.

Planegg, May 7, 2024

The Exploration Company GmbH, Planegg

Note 1 (Erläuternde Angaben)

1. General Information

The Company has its head office at Behringstraße 6, 82152 Planegg, Germany. It is entered in the commercial register of the Local Court of Munich under the number HRB 267885. The company develops, manufactures, and operates the space capsules for the Low Earth orbit and ultimately for the Moon. Main customers are space agencies and space stations, as well as both space and non-space companies in other industries. Although the company's first missions will be cargo missions, the Company's capsule "Nyx" is designed to ultimately also be able to carry humans.

2. Accounting principles and methods

The consolidated financial statements have been prepared on the basis of the going-concern assumption and the historical cost principle. The reporting currency is euro. It should be noted that the use of rounded figures and percentages may result in differences due to commercial rounding.

3. Consolidation methods and equity accounting

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Company. All material subsidiaries under the legal or constructive control of The Exploration Company GmbH have been consolidated. Any remaining positive difference between the cost of acquiring the shareholdings and the net assets calculated at their fair values is recognized as goodwill under IAS 3.32. The full goodwill method is applied. Revenues, expenses, income as well as receivables and liabilities between consolidated companies are netted and any inter-Company profits eliminated. The accounting methods and the reporting period applied by the subsidiaries are the same as those used by The Exploration Company GmbH.

The Exploration Company's (TEC) consolidated financial statements include TEC SAS, France, and TEC Srl, Italy, in fully consolidated form.

The financial statements of the consolidated companies are prepared as at the balance sheet date of The Exploration Company GmbH.

4. Accounting and valuation of assets

Property, plant and Equipment

Assets classed as property, plant and equipment are carried at historical cost less scheduled straight-line depreciation over their expected useful lives. Subsequent expenditure on assets which do not increase their value or materially extend their useful lives is expensed. Material additions and improvements are recognized as assets. Disposals are reflected in historical acquisition costs as well as accumulative depreciation. Gains and losses from the disposal of assets are recorded within operating income/expenses. The following depreciation periods are applied to property, plant, and equipment: between 10 (ten) years and 20 (twenty) years for buildings, 5 (five) to 10 (ten) ten years for machinery and technical equipment and 3 (three) to 10 (ten) years for other equipment as well as operating and business equipment. As of each reporting date, the Company carrying amounts of its property, plant, and equipment to identify any evidence of impairment. In this case, the recoverable amount of the asset in question is calculated to determine the amount of any impairment. The recoverable amount is defined as the fair value less possible costs of sale or the value in use, whichever is the greater.

Internally generated intangible Assets, Research & Development costs

IAS 38 requires recognition of an intangible asset arising from development (or the development phase of an internal project), while it imposes stringent conditions that restrict recognition. The criteria, all of which need to be met, can be found in IAS 38.55.

Thereby defines IAS 38 development in contrast to research as the application of research findings or other knowledge to a plan or design for the production of new or substantially improved materials, devices, products, processes, systems or services before the start of commercial production or use (IAS 38.8). The fact that an entity can demonstrate that the asset will generate probable future economic benefits distinguishes development activity from the research phase, where it is unlikely that such a demonstration would be possible (IAS 38.58).

Among the criteria of IAS 38.55, technical feasibility is usually the most critical one. The criterion can be operationalized by using the TRL. The TRL system is a well-established method of estimating the maturity of critical technology elements on a scale of one to nine, with nine being the most mature technology. The description of the individual levels indicates when the development phase has been reached and when the criterion of technical feasibility in accordance with IAS 38.55(a) has been met.

According to our understanding of the classification, the development phase begins at the earliest with Level 4 (technology validated in lab).

Therefore, the Company is individually capitalizing by project, as an intangible asset, the design costs that have been assessed above TRL level 5 as justifiable for development costs.

Those intangible assets will then be amortized over future recurring products or missions sold to customers.

Given the incremental value of those costs in the future, the Company will define a financial model with the rules for the amortization of those intangible assets. The Company will also assess annually the fair value of each asset through an impairment test.

On the opposite, all costs related to Research activities (ie. below maturity TRL 5) are expensed in the income statement of the period.

Right of use asset

According to IFRS 16 as a lessee we are required to recognize an asset and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The lease we are currently entered into for our premises in Planegg, Munich we do not deem as low value, therefore we have recognized a Right of use asset within the balance sheet at the reporting date. The lease term has a period of 10 years and at the end of the fixed lease term, it is extended by an additional 5 years if we do not terminate within 12 months. As the extension option lies far in the future, its utilization is not considered reasonably certain and for accounting treatment purposes the lease contract is based on a term of 10 years. Along with the assets and liabilities of the lease, we have recognized a deferred tax liability at 26.675%.

With the lease held in Aéroparc, Bordeaux due to the lease term being only 3 years it is classified as a short-term lease and we are not required to recognize a right of use asset, therefore we have taken this decision. Instead, lease payments are recognized as an expense over the lease term within the profit and loss statement.

Inventories

Inventories are recognized at historical cost or the lower net recoverable value prevailing on the reporting date. Production costs comprise the individual costs of material and production, overhead costs of material and production as well as depreciation and amortization expense in connection with the production equipment.

Advance payments on inventories are recognized at nominal value.

According to IAS 2.6, "Inventories are assets in the form of materials or supplies to be consumed in the production process or in the rendering of services.". The costs incurred for the demonstrator capsule "Mission Possible" have been recognised as Work in progress within inventory. Due to the net realisable value of the capsule being lower than the cost incurred to date. We have written down the cost to the net realisable value, this being the total advance payments received by customers for Mission Possible as at the balance sheet date, however, will be recognised once the service has been provided to the customer in the period 2024-2025. This has resulted in a significant write down in value which has been included within the cost of

sales within the statement of profit and loss for the total amount of 11.726.118 EUR for the year ending 31 December 2023.

Cash and cash equivalents

Cash includes checks received and balances with banks. Cash equivalents are financial investments with maximum maturities of three months from the acquisition date that are subject to no more than insignificant fluctuations in value and will give rise to predefined cash inflows. Cash and cash equivalents are measured at amortized cost.

Short-term investments or deposits with maturity dates above 3 months are also considered cash equivalents if the Company has the ability to withdraw the amounts at any time without fluctuation of the capital amounts. Under IAS 7 the short term investments have been reclassified to cash and cash equivalent from financial assets for the period ending 31 December 2023 as they bear no restriction and are readily available within 24 hours of request.

Cash and cash equivalents are subject to loss allowances under IFRS 9. However, the loss allowances identified were immaterial and therefore not recognized.

Financial Assets

Financial assets comprise receivables and contract assets. A financial asset is initially recognized on the settlement date at fair value, plus transaction costs in most cases.

Impairments of financial assets and contract assets

The Company has Trade receivables and contract assets as types of assets that are subject to the credit loss model defined by IFRS 9.

Trade receivables and contract assets were combined based on common credit risk characteristics and days passed due to measure the expected credit losses.

As a consequence of the analysis, the contract asset related to the work in progress on the Mission Possible demonstrator developed by the Company has been impaired as of December 31, 2023, to reflect the customer contract's value (See Inventory).

The regularly reviewed expected loss rates are based on historical default rates adjusted for future oriented components relating to the creditworthiness of customers. In the light of the Company's customer structure, historical default rates are minimal. Loss allowances are reported in the income statement under net operating profit.

Foreign currency measurement

Monetary items, such as receivables and liabilities, that are denominated in currencies other than the Company's functional currency are measured at closing rates. Related exchange

differences are recognized as exchange gains or losses under other financial income or expenses.

The deferred charges on the statement of financial position contain expenditures prior to the closing date that will give rise to expenses in a defined subsequent period.

Virtual Stock Option Plan

The Virtual Participation Program constitutes a cash-settled share-based payment transaction under IFRS 2. The Company acquires goods or services by incurring a liability to transfer cash (or other assets) to the supplier of those goods or services (employees, consultants or other service providers) for amounts that are based on the price of equity instruments (here as shares of the Company).

The accounting treatment of such cash-settled transactions has the goal to expense the ultimate costs which equals the cash paid to the relevant counterparty. This will be the fair value at the settlement date. The cumulative cost recognized until settlement is a liability.

The liability is recognized and measured as follows:

- At each reporting date between grant date and settlement date the fair value of the award has to be determined usually using an option pricing model. This means that not only the intrinsic value but also the time value of the award has to be considered.
- During the vesting period, the liability recognized at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- After the end of the vesting period until settlement, the liability recognized is the full fair value of the liability at the reporting date.

All changes in the liability are recognized in profit or loss for the period.

This means the following for the assessment of the Virtual Participation Program of the Company:

- The vested shares expected to be exercised were determined as of December 31, 2023. Only after the first twelve months of an agreement concluded with an employee the expired portion of a vesting period was taken into account. Thereafter vesting takes place month by month.
- For determining the fair value, the Company took the estimate based on the Company value used in the last financing round.

As of December 31st, 2023, the Company accrued a provision for a value of 1.586.716 Euro for the Virtual Participation Program.

5. Accounting and valuation of equity and liabilities

Equity

Subscribed capital is recognized at nominal value.

Equity is composed of subscribed capital, the share premium, unrealized gains and losses recognized within other comprehensive income, retained earnings and accrued losses brought forward. If such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable transaction costs, is included in the equity attributable to the owners.

Convertible Loans

The convertible loans are hybrid contracts within the scope of IFRS 9.

The Company issued a financial instrument that includes a non-derivative host (the loan payable) and an embedded derivative (the lender's right to convert the loan into the Company's equity instruments).

Since the embedded derivative is to be settled in equity instruments, the Company had to determine whether it meets the definition of an equity instrument or of a financial liability from its perspective.

In September 2023, the Company signed Convertible Loan Agreements (CLA) with different financial institutions or lenders for an amount of approx. 10 million EUR.

In December 2023, a notary meeting was held in Munich for the Company's shareholders to contractually agree with terms and conditions of an increase in capital to convert a substantial portion of the CLAs to equity. The agreement details the price per share used for the conversion and the number of shares to be received for each new shareholder. The registration in the commercial register in Germany of this increase in capital took place in February 2024.

As stated in Section 4 of the Accession and Extension Agreement signed at the notary, the lenders of the convertible loan transferred all claims vis-à-vis the Company under and in connection with the Convertible Loan Agreements 2023 to the Company; the Exploration Company being formally obliged to repay the loans and pay the agreed interest as at December 31, 2023.

Based on the requirement in IAS 32.15 to classify financial instruments "in accordance with the substance of the contractual arrangement," IAS 32.25(a) explains that no liability must be recognized for contingent liabilities if the settlement provision is not genuine. Therefore, even if the registration was held after December 31, 2023, the accounting for the converted loans must be done as if the registration process had taken place in 2023, with a derecognition of the convertible loans (loans and derivatives) and an increase in capital reserve according to section 272 para. 2 no. 4 HGB.

For the CLAs not included in the notary process held in December 2023, to meet the definition of an equity instrument, the fixed-for-fixed condition according to IAS 32.16(b)(ii) must be satisfied. This condition requires that the derivative will be settled by exchanging a fixed amount of cash or another financial asset for a fixed number of the Company's equity instruments.

According to Section 5.3 of the Convertible Loan Agreement, the number of new shares a lender receives upon conversion depends on the price per share of the new shares. As per the contract, this price is subject to different prices based on the economic conditions of the future Series B round. As a consequence, the fixed-for-fixed condition according to IAS 32.16(b)(ii) is not met.

Consequently, As of December 31, 2023, the Company accounted for the remaining CLA as a financial debt with two financial instruments separately: the loan payable and a derivative, which are both measured at fair value.

Other provisions

Other provisions have been reliably assessed for matters result-ing in an outflow of enterprise resources to settle present obligations in accordance with IAS 37. Estimates are primarily based on detailed calculations. Provisions for which a cash outflow is not expected before 12 months are classified as non-current and recognized at the present value of the future cash outflows.

Financial liabilities

Liabilities comprise financial liabilities, trade payables and other liabilities and are classified as financial liabilities at amortized cost ("FLAC"). Financial liabilities are recognized at amortized cost using the effective interest method. They are initially recognized at their fair value including transaction costs. Financial liabilities are derecognized when the contractual obligations are settled, suspended or expired. If the financial liabilities are not due for settlement within 12 months of the end of the reporting period, they are classified as non-current, otherwise as current.

Advance payments received are recognized at nominal value.

Deferred Income

Income prior to the balance sheet date that represents income for a certain period after the balance sheet date is recognized as deferred income.

Loans

Loans within the financial statements comprise of three types of loans, bank loans, convertible loans and other loans with special conditions. The split of the various loans are as follows:

<u>Current liabilities</u>	EUR	
Convertible loans and derivatives		860.171
Bank loans		1.513.612
<u>Non-current liabilities</u>		
Bank loans		4.797.195
Other loans		1.661.594

6. Accounting and valuation of revenue and expenses

Recognition of revenues

IFRS 15 is the standard used by the Company to assess the revenue recognition methodology.

Revenue is recognized according to the principle that revenue equaling the consideration is not recognized until control of the goods or services is transferred to the customer. The contractual provisions and all relevant facts and circumstances must be taken into account in this connection. As a general rule, individual contracts with a customer are accounted for unless the conditions for combining contracts are satisfied. The guidance provided by the standard is applied uniformly to similarly structured contracts and under similar circumstances.

Development contracts

Development contracts usually involve a longer period of time and many individual development phases. There is a distinction made between promises to deliver goods/services, milestones and performance obligations. Only distinct delivery goods or services promised by the Company are deemed to be performance obligations. Performance obligation is deemed to be the completion of the contract and the milestones are deemed to be an accurate measure of the stage of completion.

The transaction price reflects the present value of money if the contract contains a significant financing component, regardless of whether this is explicitly or implicitly stated in the contract. If there is a financing component, the transaction price is calculated on the basis of the nominal value of the consideration, adjusted for the financing effect. The Company does not identify a significant financing component if, at the inception of the contract, the period between transfer of the goods or services to the customer and payment by the customer is not expected to exceed one year.

Long-term development contracts generally satisfy the prerequisites for revenue recognition over time. Output-oriented methods are used to determine the progress towards complete satisfaction of the performance obligation. For this purpose, the degree of completion is determined on the basis of the contract costs which have arisen as of the balance sheet date relative to the expected total contract costs. Revenues from contracts are calculated based on the transaction price assigned to each milestone which is stated within the customer contract. Long-term projects in progress on the reporting date are based on the Milestones achieved. If the milestone has not been met at the reporting date the revenue is not to be recognized and to be deferred within the balance sheet and the delivery of services/goods has not been made. The Company has fulfilled its contractual obligations by transferring goods and services to the customer before payment is made or become due. The simplified model of expected credit losses in accordance with IFRS 9 is applied to contract assets (see section on financial investments and other financial assets). An unconditional claim arises from a final invoice or a partial settlement with the result that a trade receivable is recognized.

Depending on the earlier payment or due date, a contract liability must be reported separately on the face of the balance sheet if a customer has paid consideration (e. g. prepayment) or if the Company has an unconditional right to consideration (i. e. a receivable or right to receive prepayment and before a good or service has been transferred to the customer).

Contract assets and contract liabilities arising from one and the same contract must be shown net and broken down into settlement periods (non-current and current).

Where contract performance costs do not fall within the scope of another standard, they are capitalized provided that the conditions for capitalization are met and amortized over the expected period of performance of the obligation.

Provisions are recognized for individual obligations of the Company to repair or replace defective products under statutory or standard warranty conditions (see "Other provisions") IFRS 15 does not provide any guidance on the recognition of provisions for impending losses from orders, but instead references IAS 37. Reference is made to the contract itself and not to the individual performance obligations.

Sale of goods and services

In addition, revenue, mainly from the sale of goods and the provision of services, is recognized on a point-in-time basis if the performance obligation is not fulfilled over time in accordance with IFRS 15.35-37. In this connection, the guidance for determining the date of transfer of control including a wide variety of indicators for this are considered.

As a rule, payment of the transaction price falls due in 30 days. Receivables due for settlement in more than one year are classified as non-current.

Customer-specific contract production

A large proportion of the revenues from customer-specific contract production is recognized over time in accordance with the corresponding contracts. In this connection, each part delivery of a capsule set is normally classified as a performance obligation which is almost exclusively customer-specific and for which entitlement to payment arises in the event of cancellation. Revenue is recognized using the output-oriented method. Contract assets and contract liabilities are presented in the same way as development contracts.

7. Going Concern

The preparation of the consolidated financial information is based on the assumption that the company will continue as a going concern within the meaning of IAS 1.25. Thus, assets and liabilities are accounted for on the basis that the company will be able to realise its assets and settle its liabilities in the ordinary course of business.

This assumption is made even though the continuation of the company's operations is currently not evidenced and depends on the successful conclusion of an agreement for follow-up financing.

The reasons why a momentary going concern assumption cannot be conclusively clarified are inherent risks that affect a large number of young growth companies.

First, the company is currently in the research and development phase, during which only low turnover is regularly achieved. However, a thorough research phase is the foundation of the company's business model to generate sustainable revenues in the future.

Secondly, the resulting lack of revenue streams is the main reason for the negative operating result. However, based on the business development forecast, revenue streams and profit will increase, once the development phase is concluded.

Against this background, however, the company has a bank balance of EUR 42 million as of December 2023, which, according to current planning, is expected to be sufficient to cover the company's needs at least until the end of 2024.

In addition, the company was able to conclude a sales contract with a major customer in autumn 2023, worth around EUR 150 million, subject to the validation of technical milestones and is to be settled in 2027, which confirms the forecast of the ability to generate sustainable sales.

Finally, the company expects a second financing round with external investors in 2024, which will enable the company to build up further financial reserves and invest further in research and development. However, no binding financing agreements have yet been concluded.

Against this background, the company's ability to continue as a going concern is currently not sufficiently assured. However, as the purpose of this consolidated financial information is to present information for investors, this consolidated financial information has nevertheless been prepared on a going concern basis. This consolidated finance information is prepared for internal purposes only and used as information for our investors.

Planegg, May 7., 2024

The Exploration Company GmbH

DocuSigned by:

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Hélène Huby, Chief Executive Officer

General Engagement Terms

for

Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]

as of January 1, 2024

1. Scope of application

(1) These engagement terms apply to contracts between German Public Auditors (Wirtschaftsprüferinnen/Wirtschaftsprüfer) or German Public Audit Firms (Wirtschaftsprüfungsgesellschaften) – hereinafter collectively referred to as "German Public Auditors" – and their engaging parties for assurance services, tax advisory services, advice on business matters and other engagements except as otherwise agreed in writing (Textform) or prescribed by a mandatory rule.

(2) Third parties may derive claims from contracts between German Public Auditors and engaging parties only when this is agreed or results from mandatory rules prescribed by law. In relation to such claims, these engagement terms also apply to these third parties. A German Public Auditor is also entitled to invoke objections (Einwendungen) and defences (Einreden) arising from the contractual relationship with the engaging party to third parties.

2. Scope and execution of the engagement

(1) Object of the engagement is the agreed service – not a particular economic result. The engagement will be performed in accordance with the German Principles of Proper Professional Conduct (Grundsätze ordnungsmäßiger Berufsausübung). The German Public Auditor does not assume any management functions in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of competent persons to conduct the engagement.

(2) Except for assurance engagements (betriebswirtschaftliche Prüfungen), the consideration of foreign law requires an express agreement in writing (Textform).

(3) If circumstances or the legal situation change subsequent to the release of the final professional statement, the German Public Auditor is not obligated to refer the engaging party to changes or any consequences resulting therefrom.

3. The obligations of the engaging party to cooperate

(1) The engaging party shall ensure that all documents and further information necessary for the performance of the engagement are provided to the German Public Auditor on a timely basis, and that he is informed of all events and circumstances that may be of significance to the performance of the engagement. This also applies to those documents and further information, events and circumstances that first become known during the German Public Auditor's work. The engaging party will also designate suitable persons to provide information.

(2) Upon the request of the German Public Auditor, the engaging party shall confirm the completeness of the documents and further information submitted as well as the explanations and statements provided in statement as drafted by the German Public Auditor or in a legally accepted written form (gesetzliche Schriftform) or any other form determined by the German Public Auditor.

4. Ensuring independence

(1) The engaging party shall refrain from anything that endangers the independence of the German Public Auditor's staff. This applies throughout the term of the engagement, and in particular to offers of employment or to assume an executive or non-executive role, and to offers to accept engagements on their own behalf.

(2) Were the performance of the engagement to impair the independence of the German Public Auditor, of related firms, firms within his network, or such firms associated with him, to which the independence requirements apply in the same way as to the German Public Auditor in other engagement relationships, the German Public Auditor is entitled to terminate the engagement for good cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in a legally accepted written form (gesetzliche Schriftform) or in writing (Textform) as part of the work in executing the engagement, only that

presentation is authoritative. Draft of such presentations are non-binding. Except as otherwise provided for by law or contractually agreed, oral statements and explanations by the German Public Auditor are binding only when they are confirmed in writing (Textform). Statements and information of the German Public Auditor outside of the engagement are always non-binding.

6. Distribution of, a German Public Auditor's professional statement

(1) The distribution to a third party of professional statements of the German Public Auditor (results of work or extracts of the results of work whether in draft or in a final version) or information about the German Public Auditor acting for the engaging party requires the German Public Auditor's consent be issued in writing (Textform), unless the engaging party is obligated to distribute or inform due to law or a regulatory requirement.

(2) The use by the engaging party for promotional purposes of the German Public Auditor's professional statements and of information about the German Public Auditor acting for the engaging party is prohibited.

7. Deficiency rectification

(1) In case there are any deficiencies, the engaging party is entitled to specific subsequent performance by the German Public Auditor. The engaging party may reduce the fees or cancel the contract for failure of such subsequent performance, for subsequent non-performance or unjustified refusal to perform subsequently, or for unconscionability or impossibility of subsequent performance. If the engagement was not commissioned by a consumer, the engaging party may only cancel the contract due to a deficiency if the service rendered is not relevant to him due to failure of subsequent performance, to subsequent non-performance, to unconscionability or impossibility of subsequent performance. No. 9 applies to the extent that further claims for damages exist.

(2) The engaging party must assert a claim for subsequent performance (Nacherfüllung) in writing (Textform) without delay. Claims for subsequent performance pursuant to paragraph 1 not arising from an intentional act expire after one year subsequent to the commencement of the time limit under the statute of limitations.

(3) Apparent deficiencies, such as clerical errors, arithmetical errors and deficiencies associated with technicalities contained in a German Public Auditor's professional statement (long-form reports, expert opinions etc.) may be corrected – also versus third parties – by the German Public Auditor at any time. Misstatements which may call into question the results contained in a German Public Auditor's professional statement entitle the German Public Auditor to withdraw such statement – also versus third parties. In such cases the German Public Auditor should first hear the engaging party, if practicable.

8. Confidentiality towards third parties, and data protection

(1) Pursuant to the law (§ [Article] 323 Abs 1 [paragraph 1] HGB [German Commercial Code: Handelsgesetzbuch], § 43 WPO [German Law regulating the Profession of Wirtschaftsprüfer: Wirtschaftsprüferordnung], § 203 StGB [German Criminal Code: Strafgesetzbuch]) the German Public Auditor is obligated to maintain confidentiality regarding facts and circumstances confided to him or of which he becomes aware in the course of his professional work, unless the engaging party releases him from this confidentiality obligation.

(2) When processing personal data, the German Public Auditor will observe national and European legal provisions on data protection.

9. Liability

(1) For legally required services by German Public Auditors, in particular audits, the respective legal limitations of liability, in particular the limitation of liability pursuant to § 323 Abs. 2 HGB, apply.

(2) Insofar neither a statutory limitation of liability is applicable, nor an individual contractual limitation of liability exists, claims for damages due to negligence arising out of the contractual relationship between the

engaging party and the German Public Auditor, except for damages resulting from injury to life, body or health as well as for damages that constitute a duty of replacement by a producer pursuant to § 1 ProdHaftG [German Product Liability Act: Produkthaftungsgesetz], are limited to € 4 million pursuant to § 54 a Abs. 1 Number 2 WPO. This applies equally to claims against the German Public Auditor made by third parties arising from, or in connection with, the contractual relationship.

(3) When multiple claimants assert a claim for damages arising from an existing contractual relationship with the German Public Auditor due to the German Public Auditor's negligent breach of duty, the maximum amount stipulated in paragraph 2 applies to the respective claims of all claimants collectively.

(4) The maximum amount under paragraph 2 relates to an individual case of damages. An individual case of damages also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty regardless of whether the damages occurred in one year or in a number of successive years. In this case, multiple acts or omissions based on the same source of error or on a source of error of an equivalent nature are deemed to be a single breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the German Public Auditor is limited to € 5 million.

(5) A claim for damages expires if a suit is not filed within six months subsequent to the written statement (Textform) of refusal of acceptance of the indemnity and the engaging party has been informed of this consequence. This does not apply to claims for damages resulting from scienter, a culpable injury to life, body or health as well as for damages that constitute a liability for replacement by a producer pursuant to § 1 ProdHaftG. The right to invoke a plea of the statute of limitations remains unaffected.

(6) § 323 HGB remains unaffected by the rules in paragraphs 2 to 5.

10. Supplementary provisions for audit engagements

(1) If the engaging party subsequently amends the financial statements or management report audited by a German Public Auditor and accompanied by an auditor's report (Bestätigungsvermerk), he may no longer use this auditor's report.

If the German Public Auditor has not issued an auditor's report, a reference to the audit conducted by the German Public Auditor in the management report or any other public reference is permitted only with the German Public Auditor's consent, issued in a legally accepted written form (gesetzliche Schriftform), and with a wording authorized by him.

(2) If the German Public Auditor revokes the auditor's report, it may no longer be used. If the engaging party has already made use of the auditor's report, then upon the request of the German Public Auditor he must give notification of the revocation.

(3) The engaging party has a right to five official copies of the report. Additional official copies will be charged separately.

11. Supplementary provisions for assistance in tax matters

(1) When advising on an individual tax issue as well as when providing ongoing tax advice, the German Public Auditor is entitled to use as a correct and complete basis the facts provided by the engaging party – especially numerical disclosures; this also applies to bookkeeping engagements. Nevertheless, he is obligated to indicate to the engaging party any material errors he has identified.

(2) The tax advisory engagement does not encompass procedures required to observe deadlines, unless the German Public Auditor has explicitly accepted a corresponding engagement. In this case the engaging party must provide the German Public Auditor with all documents required to observe deadlines – in particular tax assessments – on such a timely basis that the German Public Auditor has an appropriate lead time.

(3) Except as agreed otherwise in writing (Textform), ongoing tax advice encompasses the following work during the contract period:

- a) preparation and electronic transmission of annual tax returns, including financial statements for tax purposes in electronic format, for income tax, corporate tax and business tax, namely on the basis of the annual financial statements, and on other schedules and evidence documents required for the taxation, to be provided by the engaging party
- b) examination of tax assessments in relation to the taxes referred to in (a)
- c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b)
- d) support in tax audits and evaluation of the results of tax audits with respect to the taxes referred to in (a)
- e) participation in petition or protest and appeal procedures with respect to the taxes mentioned in (a).

In the aforementioned tasks the German Public Auditor takes into account material published legal decisions and administrative interpretations.

(4) If the German Public auditor receives a fixed fee for ongoing tax advice, the work mentioned under paragraph 3 (d) and (e) is to be remunerated separately, except as agreed otherwise in writing (Textform).

(5) Insofar the German Public Auditor is also a German Tax Advisor and the German Tax Advice Remuneration Regulation (Steuerberatungsvergütungsverordnung) is to be applied to calculate the remuneration, a greater or lesser remuneration than the legal default remuneration can be agreed in writing (Textform).

(6) Work relating to special individual issues for income tax, corporate tax, business tax and valuation assessments for property units as well as all issues in relation to sales tax, payroll tax, other taxes and dues requires a separate engagement. This also applies to:

- a) work on non-recurring tax matters, e.g. in the field of estate tax and real estate sales tax;
- b) support and representation in proceedings before tax and administrative courts and in criminal tax matters;
- c) advisory work and work related to expert opinions in connection with changes in legal form and other re-organizations, capital increases and reductions, insolvency related business reorganizations, admission and retirement of owners, sale of a business, liquidations and the like, and
- d) support in complying with disclosure and documentation obligations.

(7) To the extent that the preparation of the annual sales tax return is undertaken as additional work, this includes neither the review of any special accounting prerequisites nor the issue as to whether all potential sales tax allowances have been identified. No guarantee is given for the complete compilation of documents to claim the input tax credit.

12. Electronic communication

Communication between the German Public Auditor and the engaging party may be via e-mail. In the event that the engaging party does not wish to communicate via e-mail or sets special security requirements, such as the encryption of e-mails, the engaging party will inform the German Public Auditor in writing (Textform) accordingly.

13. Remuneration

(1) In addition to his claims for fees, the German Public Auditor is entitled to claim reimbursement of his expenses; sales tax will be billed additionally. He may claim appropriate advances on remuneration and reimbursement of expenses and may make the delivery of his services dependent upon the complete satisfaction of his claims. Multiple engaging parties are jointly and severally liable.

(2) If the engaging party is not a consumer, then a set-off against the German Public Auditor's claims for remuneration and reimbursement of expenses is admissible only for undisputed claims or claims determined to be legally binding.

14. Dispute Settlement

The German Public Auditor is not prepared to participate in dispute settlement procedures before a consumer arbitration board (Verbraucherschlichtungsstelle) within the meaning of § 2 of the German Act on Consumer Dispute Settlements (Verbraucherstreitbeilegungsgesetz).

15. Applicable law

The contract, the performance of the services and all claims resulting therefrom are exclusively governed by German law.

