

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(MARK ONE)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **June 30, 2024**

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-40296

NUVVE HOLDING CORP.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

86-1617000

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

2488 Historic Decatur Road, Suite 200

San Diego,

California

92106

(Address of principal executive offices)

(Zip Code)

(619) 456-5161

(Registrant's telephone number), including area code

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	NVVE	The Nasdaq Stock Market
Warrants to Purchase Common Stock	NVVEW	The Nasdaq Stock Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

As of August 6, 2024, 6,527,227 shares of the issuer's common stock, par value \$0.0001 per share, were issued and outstanding.

NUVVE HOLDING CORP.
FORM 10-Q FOR THE QUARTER ENDED June 30, 2024

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Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q and other documents incorporated herein by reference contain forward-looking statements that are based on current expectations, estimates, forecasts and projections about us, our future performance, our financial condition, our products, our business strategy, our beliefs and our management's assumptions. In addition, we, or others on our behalf, may make forward-looking statements in press releases or written statements, or in our communications and discussions with investors and analysts in the normal course of business through meetings, webcasts, phone calls and conference calls. These forward-looking statements can be identified by the use of words like "anticipates," "estimates," "projects," "expects," "plans," "believes," "intends," "will," "could," "may," "assumes" and other words of similar meaning. These statements are based on management's beliefs, assumptions, estimates and observations of future events based on information available to our management at the time the statements are made and include any statements that do not relate to any historical or current fact. These statements are not guarantees of future performance and they involve certain risks, uncertainties and assumptions that are difficult to predict. Actual outcomes and results may differ materially from what is expressed, implied or forecast by our forward-looking statements due in part to the risks, uncertainties and assumptions described in Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023, as well as those discussed elsewhere in this report and other factors described from time to time in our filings with the SEC.

Factors that could cause actual results to differ materially from those in forward-looking statements include, (i) risks related to the rollout of Nuvve's business and the timing of expected business milestones; (ii) Nuvve's dependence on widespread acceptance and adoption of electric vehicles and increased installation of charging stations; (iii) Nuvve's ability to maintain effective internal controls over financial reporting, including the remediation of identified material weaknesses in internal control over financial reporting relating to segregation of duties with respect to, and access controls to, its financial record keeping system, and Nuvve's accounting staffing levels; (iv) Nuvve's current dependence on sales of charging stations for most of its revenues; (v) overall demand for electric vehicle charging and the potential for reduced demand if governmental rebates, tax credits and other financial incentives are reduced, modified or eliminated or governmental mandates to increase the use of electric vehicles or decrease the use of vehicles powered by fossil fuels, either directly or indirectly through mandated limits on carbon emissions, are reduced, modified or eliminated; (vi) potential adverse effects on Nuvve's backlog, revenue and gross margins if customers increasingly claim clean energy credits and, as a result, they are no longer available to be claimed by Nuvve; (vii) the effects of competition on Nuvve's future business; (viii) risks related to Nuvve's dependence on its intellectual property and the risk that Nuvve's technology could have undetected defects or errors; (ix) the risk that we conduct a portion of our operations through a joint venture exposes us to risks and uncertainties, many of which are outside of our control; (x) that our joint venture with Levo Mobility LLC may fail to generate the expected financial results, and the return may be insufficient to justify our investment of effort and/or funds; (xi) changes in applicable laws or regulations; (xii) the COVID-19 pandemic and its effect directly on Nuvve and the economy generally; (xiii) risks related to disruption of management time from ongoing business operations due to our joint ventures; (xiv) risks relating to privacy and data protection laws, privacy or data breaches, or the loss of data; (xv) the possibility that Nuvve may be adversely affected by other economic, business, and/or competitive factors; and (xvi) risks related to the benefits expected from the \$1.2 trillion dollar infrastructure bill passed by the U.S. House of Representatives (H.R. 3684), as well as other risks described in this Quarterly Report on Form 10-Q and other factors described from time to time in our filings with the SEC.

Given these risks and uncertainties, you should not rely on forward-looking statements as a prediction of actual results. Any or all of the forward-looking statements contained in this Quarterly Report on Form 10-Q and any other public statement made by us, including by our management, may turn out to be incorrect. We are including this cautionary note to make applicable and take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 for forward-looking statements. We expressly disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events, changes in assumptions or otherwise, except as required under federal securities laws and the rules and regulations of the SEC.

PART I—FINANCIAL INFORMATION

Item 1. Interim Financial Statements.

NUVVE HOLDING CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 2024	December 31, 2023
Assets		
Current assets		
Cash	\$ 1,431,414	\$ 1,534,660
Restricted cash	480,000	480,000
Accounts receivable, net	516,193	1,724,899
Inventories	6,044,136	5,889,453
Prepaid expenses	789,112	994,719
Deferred costs	1,394,824	1,667,602
Other current assets	633,565	751,412
Total current assets	11,289,244	13,042,745
Property and equipment, net	709,916	766,264
Intangible assets, net	1,132,484	1,202,203
Investment in equity securities	670,951	670,951
Investment in leases	106,916	112,255
Right-of-use operating lease assets	4,593,229	4,839,526
Financing receivables	—	288,872
Security deposit, long-term	24,285	27,690
Total assets	\$ 18,527,025	\$ 20,950,506
Liabilities and Equity		
Current liabilities		
Accounts payable	\$ 1,869,527	\$ 1,694,325
Accrued expenses	4,920,770	4,632,101
Deferred revenue	1,069,978	1,030,056
Operating lease liabilities - current	848,497	856,250
Other liabilities	7,170	105,141
Total current liabilities	8,715,942	8,317,873
Operating lease liabilities - noncurrent	4,413,069	4,646,383
Warrants liability	1,484,504	4,621
Derivative liability - non-controlling redeemable preferred shares	313,354	309,728
Other long-term liabilities	867,404	681,438
Total liabilities	15,794,273	13,960,043
Commitments and Contingencies		
Mezzanine equity		
Redeemable non-controlling interests, preferred shares, zero par value, 1,000,000 shares authorized, 3,138 shares issued and outstanding at June 30, 2024 and December 31, 2023; aggregate liquidation preference of \$3,901,709 and \$3,750,201 at June 30, 2024 and December 31, 2023, respectively	4,516,561	4,193,629
Class D Incentive units, zero par value, 1,000,000 units authorized; 50,000 units issued and outstanding at June 30, 2024 and December 31, 2023, respectively	278,681	216,229
Stockholders' equity		
Preferred stock, \$0.0001 par value, 1,000,000 shares authorized; zero shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively	—	—
Common stock, \$0.0001 par value, 100,000,000 shares authorized; 6,527,227 and 1,246,589 shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively	6,403	5,927
Additional paid-in capital	162,146,327	155,615,962
Accumulated other comprehensive income	71,932	93,676
Accumulated deficit	(158,894,045)	(148,240,859)
Nuvve Holding Corp. Stockholders' Equity	3,330,617	7,474,706
Non-controlling interests	(5,393,107)	(4,894,101)
Total stockholders' (deficit) equity	(2,062,490)	2,580,605
Total Equity	2,732,752	6,990,463
Total Liabilities and Equity	\$ 18,527,025	\$ 20,950,506

The accompanying notes are an integral part of these condensed consolidated financial statements.

NUVVE HOLDING CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue				
Products	\$ 369,192	\$ 1,546,723	\$ 845,661	\$ 2,975,609
Services	301,567	502,286	521,438	853,785
Grants	131,421	71,118	214,837	145,519
Total revenue	802,180	2,120,127	1,581,936	3,974,913
Operating expenses				
Cost of products	256,902	1,311,268	593,574	2,679,841
Cost of services	345,813	639,848	518,585	732,179
Selling, general, and administrative	4,489,772	6,097,336	10,417,882	12,269,360
Research and development	1,473,567	2,387,215	3,063,144	4,487,303
Total operating expenses	6,566,054	10,435,667	14,593,185	20,168,683
Operating loss	(5,763,874)	(8,315,540)	(13,011,249)	(16,193,770)
Other income (expense)				
Interest income, net	10,736	20,644	19,748	88,981
Change in fair value of warrants liability	1,584,772	143,794	2,312,434	(69,964)
Change in fair value of derivative liability	7,907	83,059	(3,626)	6,219
Other, net	211,444	83,946	4,941	524,332
Total other income, net	1,814,859	331,443	2,333,497	549,568
Loss before taxes	(3,949,015)	(7,984,097)	(10,677,752)	(15,644,202)
Income tax expense	—	—	—	—
Net loss	\$ (3,949,015)	\$ (7,984,097)	\$ (10,677,752)	\$ (15,644,202)
Less: Net (loss) income attributable to non-controlling interests	(10,268)	8,466	(24,566)	14,754
Net loss attributable to Nuvve Holding Corp.	\$ (3,938,747)	\$ (7,992,563)	\$ (10,653,186)	\$ (15,658,956)
Less: Preferred dividends on redeemable non-controlling interests	76,504	70,678	151,508	139,970
Less: Accretion on redeemable non-controlling interests preferred shares	161,466	161,466	322,932	322,932
Net loss attributable to Nuvve Holding Corp. common stockholders	\$ (4,176,717)	\$ (8,224,707)	\$ (11,127,626)	\$ (16,121,858)
Net loss per share attributable to Nuvve Holding Corp. common stockholders, basic and diluted	\$ (0.67)	\$ (11.86)	\$ (2.15)	\$ (24.68)
Weighted-average shares used in computing net loss per share attributable to Nuvve Holding Corp. common stockholders, basic and diluted	6,230,284	693,353	5,172,358	653,245

The accompanying notes are an integral part of these condensed consolidated financial statements.

NUVVE HOLDING CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net loss	\$ (3,949,015)	\$ (7,984,097)	\$ (10,677,752)	\$ (15,644,202)
Other comprehensive (loss) income, net of taxes				
Foreign currency translation adjustments, net of taxes	(8,093)	1,299	(21,744)	10,233
Total comprehensive loss	\$ (3,957,108)	\$ (7,982,798)	\$ (10,699,496)	\$ (15,633,969)
Less: Comprehensive income (loss) attributable to non-controlling interests	(10,268)	8,466	(24,566)	14,754
Comprehensive loss attributable to Nuvve Holding Corp.	\$ (3,946,840)	\$ (7,991,264)	\$ (10,674,930)	\$ (15,648,723)
Less: Preferred dividends on redeemable non-controlling interests	(76,504)	(70,678)	(151,508)	(139,970)
Less: Accretion on redeemable non-controlling interests preferred shares	(161,466)	(161,466)	(322,932)	(322,932)
Comprehensive loss attributable to Nuvve Holding Corp. common stockholders	<u>\$ (3,708,870)</u>	<u>\$ (7,759,120)</u>	<u>\$ (10,200,490)</u>	<u>\$ (15,185,821)</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

NUVVE HOLDING CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Non-controlling Interests	Total
	Shares	Amount					
Balances December 31, 2023	1,246,589	5,927	155,615,962	93,676	(148,240,859)	(4,894,101)	\$ 2,580,605
Exercise of stock options and vesting of restricted stock	174,137	18	(18)	—	—	—	—
Stock-based compensation	—	—	846,514	—	—	—	846,514
Proceeds from common stock offering, net of offering costs	3,035,000	304	5,029,118	—	—	—	5,029,422
Issuance of Pre-funded Warrants	1,614,916	108	—	—	—	—	108
Currency translation adjustment	—	—	—	(13,651)	—	—	(13,651)
Preferred dividends - non-controlling interest	—	—	—	—	—	(75,004)	(75,004)
Accretion on redeemable non-controlling interests preferred shares	—	—	—	—	—	(161,466)	(161,466)
Net loss	—	—	—	—	(6,714,438)	(14,299)	(6,728,737)
Balances March 31, 2024	6,070,642	\$ 6,357	\$ 161,491,576	\$ 80,025	\$ (154,955,297)	\$ (5,144,870)	\$ 1,477,791
Exercise of stock options and vesting of restricted stock	6,606	1	(1)	—	—	—	—
Stock-based compensation	—	—	481,800	—	—	—	481,800
Issuance of Pre-funded Warrants	149,979	15	(15)	—	—	—	—
Exercise of Warrants	300,000	30	172,967	—	—	—	172,997
Currency translation adjustment	—	—	—	(8,093)	—	—	(8,093)
Preferred dividends - non-controlling interest	—	—	—	—	—	(76,504)	(76,504)
Accretion on redeemable non-controlling interests preferred shares	—	—	—	—	—	(161,466)	(161,466)
Net loss	—	—	—	—	(3,938,747)	(10,268)	(3,949,015)
Balances June 30, 2024	6,527,227	\$ 6,403	\$ 162,146,327	\$ 71,932	\$ (158,894,044)	\$ (5,393,108)	\$ (2,062,490)

The accompanying notes are an integral part of these condensed consolidated financial statements.

NUVVE HOLDING CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (continued)
(Unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Non-controlling Interests	Total
	Shares	Amount					
Balances December 31, 2022	606,804	\$ 2,427	\$144,073,505	\$ 76,182	\$ (116,956,528)	\$ (3,950,186)	\$23,245,400
Exercise of stock options and vesting of restricted stock	2,283	9	(9)	—	—	—	—
Stock-based compensation	—	—	1,414,183	—	—	—	1,414,183
Proceeds from Direct Offering, net of offering costs	13,587	54	469,946	—	—	—	470,000
Proceeds from common stock offering, net of offering costs	1,966	8	136,709	—	—	—	136,717
Currency translation adjustment	—	—	—	8,934	—	—	8,934
Preferred dividends - non-controlling interest	—	—	—	—	—	(69,292)	(69,292)
Accretion on redeemable non-controlling interests preferred shares	—	—	—	—	—	(161,466)	(161,466)
Net loss	—	—	—	—	(7,666,393)	6,288	(7,660,105)
Balances March 31, 2023	624,639	2,498	146,094,334	85,116	(124,622,921)	(4,174,656)	17,384,371
Exercise of stock options and vesting of restricted stock options	15,610	62	391,129	—	—	—	391,191
Stock-based compensation	—	—	1,069,188	—	—	—	1,069,188
Proceeds from Direct Offering, net of offering costs	107,768	432	1,876,760	—	—	—	1,877,192
Proceeds from common stock offering, net of offering costs	33,409	134	644,773	—	—	—	644,907
Currency translation adjustment	—	—	—	1,299	—	—	1,299
Preferred dividends - non-controlling interest	—	—	—	—	—	(70,678)	(70,678)
Accretion on redeemable non-controlling interests preferred shares	—	—	—	—	—	(161,466)	(161,466)
Net loss	—	—	—	—	(7,992,563)	8,466	(7,984,097)
Balances June 30, 2023	781,426	\$ 3,126	\$150,076,184	\$ 86,415	\$ (132,615,484)	\$ (4,398,334)	\$13,151,907

The accompanying notes are an integral part of these condensed consolidated financial statements.

NUVVE HOLDING CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended June 30,	
	2024	2023
Operating activities		
Net loss	\$ (10,677,752)	\$ (15,644,202)
Adjustments to reconcile to net loss to net cash used in operating activities		
Depreciation and amortization	179,170	156,290
Stock-based compensation	1,390,808	2,069,227
Change in fair value of warrants liability	(2,312,434)	69,964
Change in fair value of derivative liability	3,626	(6,219)
Warrants issuance costs	305,065	—
Gains from sale of investments in equity securities	—	(325,155)
Noncash lease expense	252,997	233,730
Change in operating assets and liabilities		
Accounts receivable	1,208,706	(903,652)
Inventory	(154,683)	2,612,535
Prepaid expenses and other assets	921,517	249,728
Accounts payable	175,202	(1,595,737)
Due to customers	—	2,980,318
Accrued expenses and other liabilities	(74,049)	1,195,845
Deferred revenue	45,261	(140,783)
Net cash used in operating activities	(8,736,566)	(9,048,111)
Investing activities		
Purchase of property and equipment	(53,103)	(101,775)
Proceeds from sale of investments in equity securities	—	1,325,155
Net cash (used) provided in investing activities	(53,103)	1,223,380
Financing activities		
Proceeds from exercise of warrants	172,997	—
Proceeds from Direct Offering of common stock, net of issuance costs	—	2,347,192
Proceeds from common stock offering, net of issuance costs	8,516,741	781,624
Payment of finance lease obligations	(5,477)	(4,480)
Net cash provided in financing activities	8,684,261	3,124,336
Effect of exchange rate on cash	2,162	5,503
Net decrease in cash and restricted cash	(103,246)	(4,694,892)
Cash and restricted cash at beginning of year	2,014,660	16,233,896
Cash and restricted cash at end of period	\$ 1,911,414	\$ 11,539,004

The accompanying notes are an integral part of these condensed consolidated financial statements.

Note 1 – Organization and Description of Business

Description of Business

Nuvve Holding Corp., a Delaware corporation headquartered in San Diego, California (the “Company” or “Nuvve”), was founded on November 10, 2020 under the laws of the state of Delaware. On March 19, 2021, the Company (at the time known as NB Merger Corp.) acquired the outstanding shares of Nuvve Corporation (“Nuvve Corp.”), and the Company changed its name to Nuvve Holding Corp.

Reverse Stock Split

At the Company’s Special Meeting of Stockholders held on January 5, 2024, the Company’s stockholders approved a proposal to authorize a reverse stock split of the Company’s common stock, at a ratio within the range of 1-for-2 to 1-for-40. The Board approved a 1-for-40 reverse split ratio, and on January 19, 2024, the Company filed a Certificate of Amendment to the Amended and Restated Certificate of Incorporation of the Company with the Secretary of State of the State of Delaware to effect the reverse split effective January 19, 2024. The reverse stock split is also applicable to the Company’s outstanding warrants, stock options and restricted stock units. The number of shares of common stock into which these outstanding securities are convertible or exercisable are adjusted proportionately as a result of the reverse stock split. The exercise prices of any outstanding warrants or stock options will also be proportionately adjusted in accordance with the terms of those securities and the Company’s equity incentive plans. The reverse stock split did not affect the number of authorized shares of the Company’s common stock or the par value of the common stock. All issued and outstanding common stock, options to purchase common stock, warrants to purchase common stock and per share amounts contained in the condensed consolidated financial statement have been retroactively adjusted to reflect the reverse stock split for all periods presented.

Structure of the Company

Nuvve has two wholly owned subsidiaries, Nuvve Corp. and Nuvve Pennsylvania LLC. Nuvve Corp. has four wholly owned subsidiaries: (1) Nuvve Denmark ApS, (“Nuvve Denmark”), a company registered in Denmark, (2) Nuvve SaS, a company registered in France, (3) Nuvve KK (Nuvve Japan), a company registered in Japan, and (4) Nuvve LTD, a company registered in United Kingdom. Nuvve Norway, a company registered in Norway is a branch of Nuvve Denmark.

On August 4, 2021, the Company formed Levo Mobility LLC, a Delaware limited liability company ("Levo"), with Stonepeak Rocket Holdings LP, a Delaware limited partnership ("Stonepeak"), and Evolve Transition Infrastructure LP, a Delaware limited partnership ("Evolve"). Levo is a consolidated entity of the Company. Please see [Note 2](#) for the principles of consolidation.

Levo is a sustainable infrastructure company focused on rapidly advancing the electrification of transportation by funding vehicle-to-grid ("V2G") enabled Electric Vehicle ("EV") fleet deployments. Levo utilizes Nuvve’s V2G technology and conditional capital contribution commitments from Stonepeak and Evolve to offer Fleet-as-a-Service ("FaaS") for school buses, last-mile delivery, ride hailing and ride sharing, municipal services, and more to eliminate the primary barriers to EV fleet adoption including large upfront capital investments and lack of expertise in securing and managing EVs and associated charging infrastructure.

Levo's turnkey solution simplifies and streamlines electrification, can lower the total cost of EV operation for fleet owners, and supports the grid when the EVs are not in use. For a fixed monthly payment with no upfront cost, Levo will provide the EVs, such as electric school buses, charging infrastructure powered by Nuvve’s V2G platform, EV and charging station maintenance, energy management, and technical advice.

Levo focuses on electrifying school buses, providing associated charging infrastructure, and delivering V2G services to enable safer and healthier transportation for children while supporting carbon dioxide emission reduction, renewable energy integration, and improved grid resiliency.

Note 2 – Summary of Significant Accounting Policies

For a detailed discussion about the Company's significant accounting policies, see Note 2, "*Summary of Significant Accounting Policies*," in the Notes to Consolidated Financial Statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 Form 10-K").

During the six months ended June 30, 2024, there were no significant updates made to the Company's significant accounting policies.

Basis of Presentation

The accompanying (i) unaudited condensed consolidated balance sheet as of December 31, 2023, which has been derived from audited financial statements, and (ii) unaudited interim condensed consolidated financial statements have been prepared in accordance pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Certain information and note disclosures normally included in annual financial statements prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") have been condensed or omitted pursuant to those rules and regulations, although the Company believes that the disclosures made are adequate to make the information not misleading. Therefore, it is recommended that these unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes in the 2023 Form 10-K, filed with the SEC on March 28, 2024.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, comprehensive loss, cash flows, and total equity for the interim periods, but are not necessarily indicative of the results to be anticipated for the full year 2024 or any future period.

In accordance with the related Going Concern accounting standards, the Company has evaluated whether there are conditions and events, considered in the aggregate, that raise substantial doubt about its ability to continue as a going concern within one year after the consolidated financial statements are issued. Since inception, the Company has incurred recurring losses and negative cash flows from operations and has an accumulated deficit of \$158.9 million and \$148.2 million as of June 30, 2024 and December 31, 2023, respectively. The Company incurred operating losses of approximately \$13.0 million as of the six months ended June 30, 2024, and \$32.1 million and \$36.9 million for the years ended December 31, 2023, and 2022, respectively. The Company's cash used in operations were \$8.7 million for the six months ended June 30, 2024, and \$21.3 million and \$34.1 million for the years ended December 31, 2023, and 2022, respectively. As of June 30, 2024, the Company had a cash balance, working capital, and total equity of \$1.4 million, \$2.6 million and \$2.7 million, respectively. The Company continues to expect to generate operating losses and negative cash flows and will need additional funding to support its planned operating activities through profitability. The transition to profitability is dependent upon the successful expanded commercialization of the Company's GIVe platform and the achievement of a level of revenues adequate to support its cost structure.

Management plans to fund current operations through increased revenues and raising additional capital. Management's expectations with respect to the Company's ability to fund current planned operations is based on estimates that are subject to risks and uncertainties. There is an inherent risk that the Company may not achieve such financial projections and if so, cash outflows could be higher than currently anticipated. However, as such, plans are not solely within management's control, management cannot conclude as of the date of this filing that the plans are probable of being successfully implemented and as such has concluded that substantial doubt exists about the Company's ability to continue as a going concern for twelve months from the date of issuance of our financial statements.

The condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of this uncertainty.

Principles of Consolidation

The condensed consolidated financial statements include the accounts and operations of the Company, its wholly owned subsidiaries and its consolidated variable interest entity. All intercompany accounts and transactions have been eliminated upon consolidation.

Variable Interest Entities

Pursuant to the consolidation guidance, the Company first evaluates whether it holds a variable interest in an entity in which it has a financial relationship and, if so, whether or not that entity is a variable interest entity ("VIE"). A VIE is an entity with insufficient equity at risk for the entity to finance its activities without additional subordinated financial support or in which equity investors lack the characteristics of a controlling financial interest. If an entity is determined to be a VIE, the Company evaluates whether the Company is the primary beneficiary. The primary beneficiary analysis is a qualitative analysis based on power and economics. The Company concludes that it is the primary beneficiary and consolidates the VIE if the Company has both (i) the power to direct the activities of the VIE that most significantly influence the VIE's economic performance, and (ii) the obligation to absorb losses of, or the right to receive benefits from, the VIE that could potentially be significant to the VIE.

The Company formed Levo with Stonepeak and Evolve, in which the Company owns 51% of Levo's common units. The Company has determined that Levo is a VIE in which the Company is the primary beneficiary. Accordingly, the Company consolidates Levo and records a non-controlling interest for the share of the entity owned by Stonepeak and Evolve.

Assets and Liabilities of Consolidated VIEs

The Company's condensed consolidated financial statements include the assets, liabilities and results of operations of VIEs for which the Company is the primary beneficiary. The other equity holders' interests are reflected in "Net income (loss) attributable to non-controlling interests" in the condensed consolidated statements of operations and "Non-controlling interests" in the condensed consolidated balance sheets. See [Note 18](#) for details of non-controlling interests. The Company began consolidating the assets, liabilities and results of operations of Levo during the quarter ended September 30, 2021.

The creditors of the consolidated VIE do not have recourse to the Company other than to the assets of the consolidated VIE. The following table summarizes the carrying amounts of Levo assets and liabilities included in the Company's condensed consolidated balance sheets at June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
Assets		
Cash	\$ 4,953	\$ 27,337
Prepaid expenses and other current assets	341	1,363
Total Assets	\$ 5,294	\$ 28,700
Liabilities		
Accounts payable	\$ 24,280	\$ 8,380
Accrued expenses and dividend payable	761,329	620,421
Derivative liability - non-controlling redeemable preferred shares	313,354	309,728
Total Liabilities	\$ 1,098,963	\$ 938,529

Redeemable Non-Controlling Interest - Mezzanine Equity

Redeemable non-controlling interest represents the shares of the preferred stock issued by Levo to Stonepeak and Evolve (the "preferred shareholders"), who own 49% of Levo common units. The preferred stock is not mandatorily redeemable or currently redeemable, but it could be redeemable with the passage of time at the election of Levo, the preferred shareholders or a triggering event as defined in the preferred stock agreement. As a result of the contingent put right available to the preferred shareholders, the redeemable non-controlling interests in Levo are classified as mezzanine equity in the Company's unaudited condensed consolidated balance sheets. The initial carrying value of the redeemable non-controlling interest is reported at the initial proceeds received on issuance date, reduced by the fair value of embedded derivatives resulting in an adjusted initial carrying value. The adjusted initial carrying value is further adjusted for the accretion of the difference with the redemption price value using the effective interest method. The accretion amount is a deemed dividend recorded against retained earnings or, in its absence, to additional paid-in-capital. The carrying amount of the redeemable non-controlling interest is measured at the higher of the carrying amount adjusted each reporting period for income (or loss) attributable to the non-controlling interest, or the carrying amount adjusted each reporting period by the accretion amount. See [Note 18](#) for details.

Non-controlling interests

The Company presents non-controlling interests as a component of equity on its condensed consolidated balance sheets and reports the portion of its earnings or loss for non-controlling interest as net earnings or loss attributable to non-controlling interests in the condensed consolidated statements of operations.

Emerging Growth Company

Section 102(b)(1) of the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”) permits emerging growth companies (“EGC”) to delay complying with new or revised financial accounting standards that do not yet apply to private companies (that is, those that have not had a Securities Act registration statement declared effective or do not have a class of securities registered under the Exchange Act). The Company qualifies as an EGC. The JOBS Act provides that an EGC can elect to opt-out of the extended transition period and comply with the requirements that apply to non-EGCs, but any such election to opt-out is irrevocable. The Company has elected not to opt-out of such an extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, the Company, as an EGC, can adopt the new or revised standard at the time private companies adopt the new or revised standard. This different adoption timing may make a comparison of the Company’s financial statements with another public company, which is neither an EGC nor an EGC that has opted out of using the extended transition period, difficult or impossible because of the potential differences in accounting standards used.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates and assumptions made by management include the impairment of intangible assets, the net realizable value of inventory, the fair value of share-based payments, lease incremental borrowing rate, derivative liability associated with redeemable preferred shares, revenue recognition, the fair value of warrants, annual bonus accrual, and the recognition and disclosure of contingent liabilities.

Management evaluates its estimates on an ongoing basis. Actual results could materially vary from those estimates.

Cash and Restricted Cash

The Company maintains cash balances that can, at times, exceed amounts insured by the Federal Deposit Insurance Corporation, which is up to \$250,000. The Company has not experienced any losses in these accounts and believes it is not exposed to any significant credit risk in this area. In connection with a new office lease agreement, the Company was required to provide an irrevocable, unconditional letter of credit to the landlord upon execution of the lease. The amount securing the letter of credit was recorded as restricted cash as of June 30, 2024 and December 31, 2023 was \$480,000.

Concentrations of Credit Risk

At June 30, 2024 and December 31, 2023, the financial instruments which potentially expose the Company to concentration of credit risk consist of cash in financial institutions (in excess of federally insured limits) and trade receivables.

The Company had certain customers whose revenue individually represented 10% or more of the Company’s total revenue, or whose accounts receivable balances individually represented 10% or more of the Company’s total accounts receivable, as follows:

For the three and six months ended June 30, 2024 three customers accounted for 57.1% and 44.7% of revenue, respectively. For the three and six months ended June 30, 2023 two and one customer accounted for 28.4% and 27.5% of revenue, respectively.

During the three and six months ended June 30, 2024, the Company's top five customers accounted for approximately 75.4% and 62.4% of the Company’s total revenue, respectively. During the three and six months ended June 30, 2023, the Company's top five customers accounted for approximately 53.5% and 52.1% of the Company’s total revenue, respectively.

At June 30, 2024, three customers accounted for 68.9% of accounts receivable. At December 31, 2023, three customers accounted for 60.9% of accounts receivable.

Approximately 95.0% and 74.0% of the Company’s trade accounts receivable balance was with five customers at June 30, 2024 and December 31, 2023, respectively. The Company estimates its maximum credit risk for accounts receivable at the amount

recorded on the balance sheet. The trade accounts receivables are generally short-term and all probable bad debt losses have been appropriately considered in establishing the allowance for doubtful accounts.

Recently adopted accounting pronouncements

None Applicable

Recently issued accounting pronouncements not yet adopted

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280) Improvements to Reportable Segment Disclosures*. ASU 2023-07 requires disclosure of significant segment expenses that are regularly provided to the chief operating decision maker (“CODM”) and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items to reconcile to segment profit or loss, and the title and position of the Company’s CODM. The amendments in this update also provide new segment disclosure requirements for entities with a single reportable segment, and expand the interim segment disclosure requirements. ASU 2023-07 is effective for the fiscal year ending December 31, 2024 and for the Company’s interim periods beginning with the first quarter ended 2025. Early adoption is permitted and the amendments in this update are required to be applied on a retrospective basis. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740) Improvements to Income Tax Disclosures*. ASU 2023-09 requires disclosure of disaggregated income taxes paid in both U.S. and foreign jurisdictions, prescribes standard categories for the components of the effective tax rate reconciliation and modifies other income tax-related disclosures. ASU 2023-09 is effective for the Company’s fiscal year ending December 31, 2025. Early adoption is permitted and the amendments in this update should be applied on a prospective basis, though retrospective adoption is permitted. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

Note 3 – Revenue Recognition

The disclosures below discuss the Company’s material revenue contracts.

The following table provides information regarding disaggregated revenue:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue recognized over time:				
Services - engineering and others	\$ 186,269	\$ 409,895	\$ 366,500	\$ 631,731
Grid services	115,298	92,391	154,938	222,054
Grants	131,421	71,118	214,837	145,519
Revenue recognized at point in time:				
Products	369,192	1,546,723	845,661	2,975,609
Total revenue	\$ 802,180	\$ 2,120,127	\$ 1,581,936	\$ 3,974,913

The aggregate amount of revenue for the Company’s existing contracts and grants with customers as of June 30, 2024 expected to be recognized in the future, and classified as deferred revenue on the condensed consolidated balance sheet, for year ended December 31, is as follows (this disclosure does not include revenue related to contracts whose original expected duration is one year or less):

2024 (remaining six months)	386,817
2025	286,168
2026	148,109
2027	113,197
Thereafter	135,687
Total (1)	\$ 1,069,978

(1) The revenue recognition is subject to the completion of construction and commissioning of the EV infrastructure.

The Company operates in a single business segment, which is the EV V2G Charging segment. The following table summarizes the Company’s revenues by geography:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues:				
United States	\$ 746,454	\$ 1,979,610	\$ 1,502,064	\$ 3,738,063
United Kingdom	—	—	—	33,483
Denmark	55,726	140,517	79,872	203,367
	\$ 802,180	\$ 2,120,127	\$ 1,581,936	\$ 3,974,913

The following table summarizes the Company’s intangible assets and property, plant and equipment in different geographic locations:

	June 30, 2024	December 31, 2023
Long-lived assets:		
United States	\$ 1,649,866	\$ 1,741,009
United Kingdom	2,154	2,894
Denmark	190,380	224,564
	\$ 1,842,400	\$ 1,968,467

NUVVE HOLDING CORP. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note 4 – Fair Value Measurements

The following are the liabilities measured at fair value on the condensed consolidated balance sheet at June 30, 2024 and December 31, 2023 using quoted price in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3):

	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total at June 30, 2024	Total Gains (Losses) For The Three Months Ended June 30, 2024	Total Gains (Losses) For The Six Months Ended June 30, 2024
Recurring fair value measurements						
Private warrants	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Stonepeak and Evolve unvested warrants	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
2022 July Institutional/Accredited Investor warrants	\$ —	\$ —	\$ 3	\$ 3	\$ 3	\$ 4,621
2024 February Institutional/Accredited Investor warrants	\$ —	\$ —	\$ 1,484,504	\$ 1,484,504	\$ 1,584,770	\$ 2,307,813
Derivative liability - non-controlling redeemable preferred shares	\$ —	\$ —	\$ 313,354	\$ 313,354	\$ 7,907	\$ (3,626)
Total recurring fair value measurements	\$ —	\$ —	\$ 1,797,861	\$ 1,797,861	\$ 1,592,680	\$ 2,308,808

	Level 1: Quoted Prices in Active Markets for Identical Assets	Level 2: Significant Other Observable Inputs	Level 3: Significant Unobservable Inputs	Total at December 31, 2023	Total Gains (Losses) For The Three Months Ended June 30, 2023	Total Gains (Losses) For The Six Months Ended June 30, 2023
Recurring fair value measurements						
Private warrants	\$ —	\$ —	\$ —	\$ —	\$ 784	\$ 1,784
Stonepeak and Evolve unvested warrants	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
2022 July Institutional/Accredited Investor warrants	\$ —	\$ —	\$ 4,621	\$ 4,621	\$ 143,010	\$ (71,748)
Derivative liability - non-controlling redeemable preferred shares	\$ —	\$ —	\$ 309,728	\$ 309,728	\$ 83,059	\$ 6,219
Total recurring fair value measurements	\$ —	\$ —	\$ 314,349	\$ 314,349	\$ 226,853	\$ (63,745)

The following is a reconciliation of the opening and closing balances for the liabilities related to the warrants (Note 11) and derivative liability - non-controlling redeemable preferred shares measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the three and six months ended June 30, 2024:

	Private warrants	Stonepeak and Evolve unvested warrants	2022 July Institutional/Accredited Investor warrants	2024 February Institutional/Accredited Investor warrants	Non-controlling redeemable preferred shares - derivative liability
Balance at December 31, 2023	\$ —	\$ —	\$ 4,621	\$ —	\$ 309,728
Initial fair value	—	—	—	3,792,317	—
Total (gains) losses for period included in earnings	—	—	(4,619)	(723,043)	11,533
Balance at March 31, 2024	—	—	3	3,069,274	321,261
Total (gains) losses for period included in earnings	—	—	(3)	(1,584,770)	(7,907)
Balance at June 30, 2024	\$ —	\$ —	\$ —	\$ 1,484,504	\$ 313,354

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NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The fair value of the level 3 Private Warrants was estimated at June 30, 2024 using the Black-Scholes model which used the following inputs: term of 1.72 years, risk free rate of 4.82%, no dividends, volatility of 46.0%, and strike price of \$460.00.

The fair value of the level 3 Private Warrants was estimated at December 31, 2023 using the Black-Scholes model which used the following inputs: term of 2.22 years, risk free rate of 4.20%, no dividends, volatility of 60.0%, and strike price of \$460.00.

The fair value of the level 3 2022 July Institutional/Accredited Investor warrants was estimated at June 30, 2024 using the Black-Scholes model which used the following inputs: term of 3.60 years, risk free rate of 4.47%, no dividends, volatility of 57.0%, common stock price of \$0.80, and strike price of \$150.00.

The fair value of the level 3 2022 July Institutional/Accredited Investor warrants was estimated at December 31, 2023 using the Black-Scholes model which used the following inputs: term of 4.10 years, risk free rate of 3.92%, no dividends, volatility of 63.0%, common stock price of \$0.12, and strike price of \$150.00.

The fair value of the level 3 2024 February Institutional/Accredited Investor warrants was estimated at June 30, 2024 using the Black-Scholes model which used the following inputs: term of 4.60 years, risk free rate of 4.37%, no dividends, volatility of 99.0%, common stock price of \$0.80, and strike price of \$2.00.

The following table presents the significant unobservable inputs and valuation methodologies used for the Company's fair value measurements of non-recurring (level 3) Stonepeak and Evolve unvested warrants at June 30, 2024:

	Series C Unvested Warrants	Series D Unvested Warrants	Series E Unvested Warrants	Series F Unvested Warrants
Fair value (in millions)	\$—	\$—	\$—	\$—
Valuation methodology	Monte Carlo Simulation & Black Scholes	Monte Carlo Simulation & Black Scholes	Monte Carlo Simulation & Black Scholes	Monte Carlo Simulation & Black Scholes
Capital expenditure forecast (in millions)	\$—	\$—	\$—	\$—
Probability of warrants vesting (a)	—%	—%	—%	—%

(a) During the second quarter ended June 30, 2022, the Company significantly lowered its forecast of Levo's capital deployments due to the passage by the United States Congress of the Infrastructure Investment and Jobs Act bill, and the related unveiling of the Environmental Protection Agency's 2022 Clean School Bus rebates. The resulting lower forecast of capital deployments reduced the probabilities of the future vesting of the unvested warrants. Therefore, at June 30, 2024, the Company has determined that it is unlikely that the unvested warrants will vest.

The following table presents the significant unobservable inputs and valuation methodologies used for the Company's fair value measurements of non-recurring (level 3) Stonepeak and Evolve unvested warrants at December 31, 2023:

	Series C Unvested Warrants	Series D Unvested Warrants	Series E Unvested Warrants	Series F Unvested Warrants
Fair value (in millions)	\$—	\$—	\$—	\$—
Valuation methodology	Monte Carlo Simulation & Black Scholes	Monte Carlo Simulation & Black Scholes	Monte Carlo Simulation & Black Scholes	Monte Carlo Simulation & Black Scholes
Capital expenditure forecast (in millions)	\$—	\$—	\$—	\$—
Probability of warrants vesting (a)	—%	—%	—%	—%

(a) During the second quarter ended June 30, 2022, the Company significantly lowered its forecast of Levo's capital deployments due to the passage by the United States Congress of the Infrastructure Investment and Jobs Act bill, and the related unveiling of the Environmental Protection Agency's 2022 Clean School Bus rebates. The resulting lower forecast of capital deployments reduced the probabilities of the future vesting of the unvested warrants. Therefore, at December 31, 2023, the Company has determined that it is unlikely that the unvested warrants will vest.

The fair value of the level 3 derivative liability - non-controlling redeemable preferred shares are estimated at June 30, 2024 using the Monte Carlo Simulation model which used the following inputs: terms range from 0.09 years to 7.0 years, risk free rate of 4.4%, no dividends, volatility of 101.0% and probability of redemptions triggered of 75.0%.

The fair value of the level 3 derivative liability - non-controlling redeemable preferred shares are estimated at December 31, 2023 using the Monte Carlo Simulation model which used the following inputs: terms range from 0.60 years to 7.0 years, risk free rate of 3.9%, no dividends, volatility of 79.0% and probability of redemptions triggered of 75.0%.

There were no transfers between Level 1 and Level 2 of the fair value hierarchy in 2024 and 2023.

NUVVE HOLDING CORP. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Cash, accounts receivable, accounts payable, and accrued expenses are generally carried on the cost basis, which management believes approximates fair value due to the short-term maturity of these instruments.

Note 5 - Derivative Liability - Non-Controlling Redeemable Preferred Stock

The Company has determined that the redemption features embedded in the non-controlling redeemable preferred stock is required to be accounted for separately from the redeemable preferred stock as a derivative liability. Separation of the redemption features as a derivative liability is required because its economic characteristics and risks are considered more akin to a debt instrument, and therefore, not considered to be clearly and closely related to the economic characteristics of the redeemable preferred stock. The economic characteristics of the redemption features are considered more akin to a debt instrument because the minimum redemption value could be greater than the face amount, the redemption features are contingently exercisable, and the shares carry a fixed mandatory dividend.

Accordingly, the Company has recorded an embedded derivative liability representing the estimated fair value of the right of the holders to exercise their redemption option upon the occurrence of a redemption event. The embedded derivative liability is adjusted to reflect fair value at each period end with changes in fair value recorded in the "Change in fair value of derivative liability" financial statement line item of the Company's condensed consolidated statements of operations. For additional information on the non-controlling redeemable preferred stock, see [Note 18](#).

The following table displays the fair value of derivatives by balance sheet line item:

	June 30, 2024	December 31, 2023
Derivative liability - non-controlling redeemable preferred shares	\$ 313,354	\$ 309,728

Note 6 – Investments

The Company accounts for its 13% equity ownership in Dreev as an investment in equity securities without a readily determinable fair value subject to impairment. The Company has a consulting services agreement with Dreev related to software development and operations. The consulting services were zero for the three and six months ended June 30, 2024. The consulting services were zero for the three and six months ended June 30, 2023. The consulting services are being provided to Dreev at the Company's cost and is recognized as other income, net in the condensed consolidated statements of operations.

Note 7 – Account Receivables, Net

The following tables summarizes the Company's accounts receivable:

	June 30, 2024	December 31, 2023
Trade receivables	\$ 831,909	\$ 2,107,497
Less: allowance for credit losses	(315,716)	(382,598)
Accounts receivable, net	\$ 516,193	\$ 1,724,899

Allowance for credit losses:

	\$ (382,598)	
Balance December 31, 2023	(382,598)	
Provision	(41,175)	
Write-off	—	
Recoveries	108,057	
Balance at June 30, 2024	\$ (315,716)	

NUVVE HOLDING CORP. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Note 8 – Inventories

The following table summarizes the Company's inventories balance by category:

	June 30, 2024	December 31, 2023
DC Chargers	\$ 5,357,368	\$ 5,275,934
AC Chargers	446,357	236,316
Component parts and Carbon Credit	240,411	377,203
Total	<u>\$ 6,044,136</u>	<u>\$ 5,889,453</u>

Note 9 – Property, Plant and Equipment

The following table summarizes the Company's property, plant and equipment balance:

	Useful Lives			June 30, 2024	December 31, 2023
Computers & Servers	1 year	to	3 years	\$ 169,528	\$ 154,337
Vehicles	5 years	to	7 years	65,492	65,577
Office furniture and equipment	3 years	to	5 years	366,323	366,323
Test units and loaned chargers (1)	5 years	to	7 years	628,032	598,820
Total				<u>1,229,375</u>	<u>1,185,057</u>
Less: Accumulated Depreciation				(519,459)	(418,793)
Property, plant and equipment, net				<u>\$ 709,916</u>	<u>\$ 766,264</u>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Depreciation expense	\$ 51,088	\$ 46,571	\$ 102,884	\$ 96,529

(1) Represents DC Chargers temporarily loaned out to customers while their DC Chargers are being repaired.

Note 10 – Intangible Assets

At both June 30, 2024 and December 31, 2023, the Company had recorded a gross intangible asset balance of \$2,091,556, which is related to patent and intangible property rights acquired. Amortization expense of intangible assets was \$34,860 for each of the three months ended June 30, 2024 and 2023. Amortization expense of intangible assets was \$69,719 for each of the six months ended June 30, 2024 and 2023. Accumulated amortization totaled \$959,072 and \$889,353 at June 30, 2024 and December 31, 2023, respectively.

The net amount of intangible assets of \$1,132,483 at June 30, 2024, will be amortized over the weighted average remaining life of 8.3 years.

Total estimated future amortization expense is as follows:

2024 (remaining six months)	\$ 69,717
2025	139,437
2026	137,770
2027	132,770
2028	132,770
Thereafter	520,019
	<u>\$ 1,132,483</u>

Note 11 – Stockholders' Equity (Deficit)

Reverse Stock Split

The reverse stock split did not affect the number of authorized shares of the Company's common stock or the par value of the common stock. Following the reverse stock split effectiveness on January 19, 2024, all references in the condensed consolidated financial statements to number of common shares issued or outstanding, price per share and weighted average number of shares outstanding prior to the 1- for - 40 reverse split have been adjusted to reflect the stock split on a retroactive basis as of the earliest period presented.

Authorized Shares

As of June 30, 2024, the Company has authorized two classes of stock, Common Stock, and Preferred Stock. The total number of shares of all classes of capital stock which the Company has authority to issue is 101,000,000, of which 100,000,000 authorized shares are Common Stock with a par value of \$0.0001 per share ("Common Stock"), and 1,000,000 authorized shares are Preferred Stock of the par value of \$0.0001 per share ("Preferred Stock"). Please see Note 11, "Stockholders' Equity," in the Notes to Consolidated Financial Statements included in the Company's 2023 Form 10-K for a detailed discussion of the Company's stockholders' equity.

February 2024 Public Offering

On January 31, 2024, the Company entered into an underwriting agreement (the "Underwriting Agreement") with Craig-Hallum Capital Group LLC ("Craig-Hallum") regarding an underwritten public offering of its securities (the "Offering"). The Offering was conducted pursuant to our Registration Statement on Form S-1 filed with the SEC, which was declared effective as of January 31, 2024. On February 2, 2024, the Company completed the Offering and received gross proceeds of approximately \$9.6 million prior to deducting underwriting discounts and commissions and offering expenses. Craig-Hallum received underwriting discounts and commissions equal to 7.0% of the gross proceeds of the Offering, and is further entitled to receive 7.0% of the gross proceeds received by the Company in connection with the exercise of any of the outstanding Series B Warrants issued in the Offering.

As noted above, on January 31, 2024, the Company entered into an Underwriting Agreement regarding the Offering which was comprised of the followings:

1. 3,035,000 shares of common stock;
2. 1,765,000 pre-funded warrants ("Pre-Funded Warrants") to purchase shares of common stock;
3. 4,800,000 Series A Warrants ("Series A Warrants") to purchase shares of common stock, with an initial exercise price of \$2.00 per share and a term of five years following the issuance date;
4. 4,800,000 Series B Warrants ("Series B Warrants") to purchase shares of common stock with an exercise price of \$2.00 per share and a term of nine months following the issuance date; and
5. 4,800,000 Series C Warrants ("Series C Warrants") to purchase shares of common stock with an exercise price of \$2.00 per share and a term of five years following the issuance date, subject to early expiration as described below.

Each share of common stock and Pre-Funded Warrant issued in the Offering was accompanied by a Series A Warrant to purchase one share of common stock, a Series B Warrant to purchase one share of common stock and a Series C Warrant to purchase one share of common stock. The combined price per share of Common Stock and the accompanying Series A Warrant, Series B Warrant and Series C Warrant was \$2.00. The combined price per share of each Pre-Funded Warrant and accompanying Series A Warrant, Series B Warrant, and Series C Warrant was equal to \$1.9999, and the exercise price of each Pre-Funded Warrant is \$0.0001 per share. The Series C Warrants may only be exercised to the extent and in proportion to a holder of the Series C Warrants exercising its Series B Warrants, and are subject to an early expiration of nine months, in proportion and only to the extent any Series C Warrants expire unexercised. In addition, Craig-Hallum was granted warrants to purchase up to 480,000 shares of common stock (the "Underwriter Warrants") at an exercise price of \$2.00 per share. The Underwriter Warrants have a term of five years and are immediately exercisable, provided that 240,000 of the shares of common stock underlying the Underwriter Warrants shall only be exercisable pro rata upon the exercise of the Series B Warrants issued in the Offering.

The fair value of the Series A, B and C Warrants are recorded as a liability in the condensed consolidated balance sheets with changes in fair value recorded in the condensed consolidated statements of operations as the warrants are deemed not to be indexed to the Company's common stock. See [Note 4](#) for details of changes in fair value of the warrants recorded in the condensed consolidated statement of operations.

Warrants - Stonepeak and Evolve

On May 17, 2021, in connection with the signing of a letter of agreement, relating to the formation of Levo (the "Letter Agreement"), the Company issued to Stonepeak and Evolve ten year warrants to purchase common stock (allocated 90% to Stonepeak and 10% to Evolve). See below for details. The grant-date fair value of the warrants issued to Stonepeak and Evolve were: series B \$12.8 million, series C \$5.6 million, series D \$4.8 million, series E \$3.8 million and series F \$3.2 million. The fair values of the vested warrants are recorded in the condensed consolidated balance sheets in additional paid-in capital in stockholders' equity as the vested warrants are indexed to the Company's common stock and meet the conditions for equity classification. The unvested warrants are recorded as a liability in the condensed consolidated balance sheets at fair value, with changes in fair value recorded in the condensed consolidated statements of operations as the unvested warrants are deemed not to be indexed to the Company's common stock. See [Note 4](#) for details of changes in fair value of the unvested warrants recorded in the condensed consolidated statement of operations.

The Company issued to Stonepeak and Evolve the following ten year warrants to purchase common stock (allocated 90% to Stonepeak and 10% to Evolve):

- Series B warrants to purchase 50,000 shares of the Company's common stock, at an exercise price of \$400.00 per share, which are fully vested upon issuance,
- Series C warrants to purchase 25,000 shares of the Company's common stock, at an exercise price of \$600.00 per share, which are vested as to 50% of the shares upon issuance and vest as to the remaining 50% when Levo has entered into contracts with third parties for \$125 million in aggregate capital expenditures,
- Series D warrants to purchase 25,000 shares of the Company's common stock, at an exercise price of \$800.00 per share, which are vested as to 50% of the shares upon issuance and vest as to the remaining 50% when Levo has entered into contracts with third parties for \$250 million in aggregate capital expenditures,
- Series E warrants to purchase 25,000 shares of the Company's common stock, at an exercise price of \$1,200.00 per share, which are vested as to 50% of the shares upon issuance and vest as to the remaining 50% when Levo has entered into contracts with third parties for \$375 million in aggregate capital expenditures, and
- Series F warrants to purchase 25,000 shares of the Company's common stock, at an exercise price of \$1,600.00 per share, which are vested as to 50% of the shares upon issuance and vest as to the remaining 50% when Levo has entered into contracts with third parties for \$500 million in aggregate capital expenditures.

The warrants may be exercised at any time on or after the date that is 180 days after the applicable vesting date.

Securities Purchase Agreement

On May 17, 2021, in connection with the signing of the Letter Agreement, the Company entered into a Securities Purchase Agreement with Stonepeak and Evolve which provide them from time to time between November 13, 2021 and November 17, 2028, in their sole discretion, to purchase up to an aggregate of \$250 million in shares of the Company's common stock at a purchase price of \$2,000.00 per share (allocated 90% to Stonepeak and 10% to Evolve). See below for details. The grant-date fair value of the Securities Purchase Agreement to purchase shares of the Company's common stock was \$12.6 million, and is recorded in the condensed consolidated balance sheets as equity in additional-paid-in capital as it is indexed to the Company's common stock and meets the conditions for equity classification.

In connection with the signing of the Letter Agreement, as referenced above, the Company also entered into a Securities Purchase Agreement (the "SPA") and a Registration Rights Agreement (the "RRA") with Stonepeak and Evolve.

- The SPA includes customary representations and warranties and closing conditions and customary indemnification provisions. In addition, Stonepeak and Evolve may elect to purchase shares under the SPA on a cashless basis in the event of a change of control of the Company.

Warrants - Public and Private

In connection with its initial public offering on February 19, 2020, Newborn sold 143,750 units, which included one warrant to purchase Newborn's common stock (the "Public Warrants"). Also, on February 19, 2020, NeoGenesis Holding Co., Ltd., Newborn's sponsor ("the Sponsor"), purchased an aggregate of 6,813 private units, each of which included one warrant (the "Private Warrants"), which have the same terms as the Public Warrants. Upon completion of the merger between Nuvve and Newborn, the Public Warrants and Private Warrants were automatically converted to warrants to purchase Common Stock of the Company.

The terms of the Private Warrants are identical to the Public Warrants as described above, except that the Private Warrants are not redeemable so long as they are held by the Sponsor or its permitted transferees. Concurrently with the execution of the Merger Agreement on November 11, 2020, Newborn entered into subscription agreements with certain accredited investors pursuant to which the investors agreed to purchase 35,625 of Newborn's common stock, at a purchase price of \$400.00 per share, for an aggregate purchase price of \$14,250,000 (the "PIPE"). Upon closing of the PIPE immediately prior to the closing of the Business Combination, the PIPE investors also received 1.9 PIPE Warrants to purchase the Company's Common Stock for each share of Common Stock purchased. The PIPE Warrants are each exercisable for one-half of a common share at \$460.00 per share and have the same terms as described above for the Public Warrants. The PIPE investors received demand and piggyback registration rights in connection with the securities issued to them.

Because the Private Warrants have dissimilar terms with respect to the Company's redemption rights depending on the holder of the Private Warrants, the Company determined that the Private Warrants are required to be carried as a liability in the condensed consolidated balance sheet at fair value, with changes in fair value recorded in the condensed consolidated statement of operations. The Private Warrants are reflected as a liability in the condensed consolidated balance sheet as of June 30, 2024 and the change in the fair value of the Private Warrants is reflected in the condensed consolidated statement of operations. See [Note 4](#) for details of changes in fair value of the Private Warrants recorded in the condensed consolidated statement of operations.

The following table is a summary of the number of shares of the Company's Common Stock issuable upon exercise of warrants outstanding at June 30, 2024:

	Number of Warrants	Number of Warrants Exercised	Number of Warrants Exercisable	Exercise Price	Expiration Date
Public Warrants	71,875	—	71,875	\$460.00	March 19, 2026
Private Warrants	3,406	—	3,406	\$460.00	March 19, 2026
PIPE Warrants	33,844	—	33,844	\$460.00	March 19, 2026
Stonepeak/Evolve Warrants - series B	50,000	—	50,000	\$400.00	May 17, 2031
Stonepeak/Evolve Warrants - series C	25,000	—	12,500	\$600.00	May 17, 2031
Stonepeak/Evolve Warrants - series D	25,000	—	12,500	\$800.00	May 17, 2031
Stonepeak/Evolve Warrants - series E	25,000	—	12,500	\$1,200.00	May 17, 2031
Stonepeak/Evolve Warrants - series F	25,000	—	12,500	\$1,600.00	May 17, 2031
2022 July Institutional/Accredited Investor Warrants	100,000	—	100,000	\$150.00	January 29, 2028
2024 February Institutional/Accredited Investor Pre-Funded Warrants	575,000	575,000	—	\$0.0001	February 2, 2029
2024 February Institutional/Accredited Investor Warrants - series A	4,800,000	—	4,800,000	\$2.00	February 2, 2029
2024 February Institutional/Accredited Investor Warrants - series B	4,800,000	300,000	4,500,000	\$2.00	November 2, 2024
2024 February Institutional/Accredited Investor Warrants - series C	4,800,000	—	4,800,000	\$2.00	February 2, 2029
	<u>15,334,125</u>	<u>875,000</u>	<u>14,409,125</u>		

Unit Purchase Option

On February 19, 2020, Newborn sold to the underwriters of its initial public offering for \$100, a unit purchase option ("UPO") to purchase up to a total of 7,906 units at \$460.00 per unit (or an aggregate exercise price of \$3,636,875) commencing on the date of Newborn's initial business combination, March 19, 2021, and expiring February 13, 2025. Each unit issuable upon exercise of the UPO consists of one and one-tenth of a share of the Company's common stock and one warrant to purchase one share of the Company's common stock at the exercise price of \$460.00 per share. The warrant has the same terms as the Public Warrant. In no event will the Company be required to net cash settle the exercise of the UPO or the warrants underlying the UPO. The holders of the unit purchase option have demand and "piggy back" registration rights for periods of five and seven years, respectively, from the effective date of the IPO, including securities directly and indirectly issuable upon exercise of the unit purchase option. The UPO is classified within stockholders' equity as "additional paid-in capital" in accordance with *ASC 815-40, Derivatives and Hedging-Contracts* in an Entity's Own Equity, as the UPO is indexed to the Company's common stock and meets the conditions for equity classification.

Note 12 – Stock Option Plan

In 2010, the Company adopted the 2010 Equity Incentive Plan (the “2010 Plan”), which provides for the grant of restricted stock awards, stock options, and other share-based awards to employees, consultants, and directors. In November 2020, the Company’s Board of Directors extended the term of the 2010 Plan to July 1, 2021. In 2021, the Company adopted the 2020 Equity Incentive Plan (the “2020 Plan”), which provides for the grant of restricted stock awards, incentive and non-statutory stock options, and other share-based awards to employees, consultants, and directors. In June 2023, the 2020 Plan was amended, as approved by shareholders, to increase the common shares reserved for issuance under the plan by 100,000 shares. As of June 30, 2024, there is an aggregate of 182,500 common shares reserved for issuance under the 2020 Plan. All options granted to date have a ten year contractual life and vesting terms of four years. In general, vested options expire if not exercised 90 days after termination of service. A total of 59,727 shares of common stock remained available for future issuance under the 2020 Plan as of August 6, 2024. Forfeitures are accounted for as they occur.

Stock-based compensation expense recognized in selling, general, and administrative, and research and development are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Options	\$ 362,748	\$ 667,923	\$ 1,040,231	\$ 1,350,871
Restricted stock	119,052	389,646	287,956	985,807
Stock options - modified options	—	11,618	169	24,250
Profit interest units	31,226	34,219	62,452	(291,701)
Total	\$ 513,026	\$ 1,103,406	\$ 1,390,808	\$ 2,069,227

The following is a summary of the stock option activity under the 2010 Plan for the six months ended June 30, 2024:

	Shares	Weighted-Average Exercise Price per Share(\$)	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value(\$)
Outstanding - December 31, 2023	19,115	102.75	3.53	—
Granted	—	—	—	—
Exercised	—	—	—	—
Forfeited	(11)	344.89	—	—
Expired/Cancelled	(53)	54.61	—	—
Outstanding - June 30, 2024	<u>19,051</u>	102.85	3.01	—
Options Exercisable at June 30, 2024	19,044	102.76	3.00	—
Options Vested at June 30, 2024	19,044	102.76	3.00	—

The weighted-average grant-date fair value of options granted during the six months ended June 30, 2024 was zero.

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The following is a summary of the stock option activity under the 2020 Plan for the six months ended June 30, 2024:

	Shares	Weighted-Average Exercise Price per Share (\$)	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value(\$)
Outstanding - December 31, 2023	57,892	338.67	7.91	—
Granted	—	—	—	—
Exercised	—	—	—	—
Forfeited	(4,087)	123.89	—	—
Expired/Cancelled	(4,618)	109.54	—	—
Outstanding - June 30, 2024	<u>49,187</u>	377.73	7.22	—
Options Exercisable at June 30, 2024	29,581	501.82	6.89	—
Options Vested at June 30, 2024	29,581	501.82	6.89	—

The weighted-average grant-date fair value of options granted during the six months ended June 30, 2024 was zero.

During the year ended December 31, 2021, 41,000 options were modified to lower the exercise price by \$24.00 per share, which resulted in \$246,000 of incremental compensation cost to be recognized over the remaining vesting period. The amount of additional compensation expense for the three and six months ended June 30, 2024, was zero and \$169, respectively. The amount of additional compensation expense for the three and six months ended June 30, 2023, was \$11,618 and \$24,250, respectively.

Other Information:

	Six Months Ended June 30,	
	2024	2023
Amount received from option exercised	\$ —	\$ —
	<u>June 30, 2024</u>	<u>Weighted average remaining recognition period</u>
Total unrecognized options compensation costs	\$ 1,810,081	0.82

No amounts relating to the 2010 Plan or 2020 Plan have been capitalized. Compensation cost is recognized over the requisite service period based on the fair value of the options.

A summary of the status of the Company's nonvested restricted stock units as of December 31, 2023, and changes during the six months ended June 30, 2024, is presented below:

	Shares	Weighted-Average Grant Date Fair Value(\$)
Nonvested at December 31, 2023	10,307	98.03
Granted	—	—
Vested/Release	(7,334)	261.14
Cancelled/Forfeited	(2,933)	280.13
Nonvested and Outstanding at June 30, 2024	<u>40</u>	1,587.46

As of June 30, 2024, there was \$1,851 of total unrecognized compensation cost related to nonvested restricted stock. The Company expects to recognize this compensation cost over a remaining weighted-average period of approximately 0.09 years.

Note 13 – Income Taxes

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Income tax expense	\$ —	\$ —	\$ —	\$ —
Effective tax rate	0.0 %	0.0 %	0.0 %	0.0 %

The effective tax rate used for interim periods is the estimated annual effective tax rate, based on current estimate of full year results, except that taxes related to specific events, if any, are recorded in the interim period in which they occur. The effective tax rate differed from the U.S. federal statutory tax rate primarily due to operating losses that receive no tax benefit as a result of a valuation allowance recorded for such losses.

The Company accounts for income taxes in accordance with ASC Topic 740, *Income Taxes* (“ASC 740”). Under the provisions of ASC 740, management is required to evaluate whether a valuation allowance should be established against its deferred tax assets. The Company currently has a full valuation allowance against its deferred tax assets. As of each reporting date, the Company’s management considers new evidence, both positive and negative, that could impact management’s view with regard to future realization of deferred tax assets. For the six months ended June 30, 2024, there was no material change from the year ended December 31, 2023 in the amount of the Company’s deferred tax assets that are not considered to be more likely than not to be realized in future years.

Note 14 – Net Loss Per Share Attributable to Common Stockholders

The following table sets forth the calculation of basic and diluted net loss per share attributable to common stockholders during the three and six months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net loss attributable to Nuvve Holding Corp. common stockholders	\$ (4,176,717)	\$ (8,224,707)	\$ (11,127,626)	\$ (16,121,858)
Weighted-average shares used to compute net loss per share attributable to Nuvve common stockholders, basic and diluted	6,230,284	693,353	5,172,358	653,245
Net Loss per share attributable to Nuvve common stockholders, basic and diluted	<u>\$ (0.67)</u>	<u>\$ (11.86)</u>	<u>\$ (2.15)</u>	<u>\$ (24.68)</u>

The following outstanding shares of common stock equivalents were excluded from the calculation of the diluted net loss per share attributable to Nuvve common stockholders because their effect would have been anti-dilutive:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Stock options issued and outstanding	72,847	63,074	68,761	62,783
Nonvested restricted stock issued and outstanding	5,176	9,590	40	8,625
Public warrants	71,875	71,875	71,875	71,875
Private warrants	3,406	3,406	3,406	3,406
PIPE warrants	33,844	33,844	33,844	33,844
Stonepeak and Evolve warrants	150,000	150,000	150,000	150,000
Stonepeak and Evolve options	125,000	125,000	125,000	125,000
2022 July Institutional/Accredited Investor Warrants	100,000	100,000	100,000	100,000
2024 February Institutional/Accredited Investor Warrants - series A	4,800,000	—	4,800,000	—
2024 February Institutional/Accredited Investor Warrants - series B	4,500,000	—	4,500,000	—
2024 February Institutional/Accredited Investor Warrants - series C	4,800,000	—	4,800,000	—
Total	<u>14,662,149</u>	<u>556,789</u>	<u>14,652,926</u>	<u>555,533</u>

Note 15 – Related Parties

As described in [Note 6](#), the Company holds equity interests in and provides certain consulting services to Dreev, an entity in which a stockholder of the Company owns the other portion of Dreev's equity interests.

During the three and six months ended June 30, 2024 the Company recognized revenue of \$63,517 and \$139,176, respectively, from an entity that is an investor in the Company. During the three and six months ended June 30, 2023, the Company recognized revenue of zero and \$65,670, respectively, from an entity that is an investor in the Company. The Company had a balance of accounts receivable of zero at June 30, 2024 and December 31, 2023 from the same entity that is an investor in the Company.

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Note 16 – Leases

The Company has entered into leases for commercial office spaces and vehicles. These leases are not unilaterally cancellable by the Company, are legally enforceable, and specify fixed or minimum amounts. The leases expire at various dates through 2031 and provide for renewal options. In the normal course of business, it is expected that these leases will be renewed or replaced by leases on other properties.

The leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Also, the agreements generally require the Company to pay real estate taxes, insurance, and repairs.

Supplemental unaudited condensed consolidated balance sheet information related to leases is as follows:

Classification		June 30, 2024	December 31, 2023
Operating lease assets	Right-of-use operating lease assets	\$ 4,593,229	4,839,526
Finance lease assets	Property, plant and equipment, net	9,925	13,154
Total lease assets		\$ 4,603,154	\$ 4,852,680
Operating lease liabilities - current	Operating lease liabilities - current	\$ 848,497	856,250
Operating lease liabilities - noncurrent	Operating lease liabilities - noncurrent	4,413,069	4,646,383
Finance lease liabilities - current	Other liabilities - current	7,170	7,391
Finance lease liabilities - noncurrent	Other long-term liabilities	4,621	7,764
Total lease liabilities		\$ 5,273,357	\$ 5,517,788

The components of lease expense are as follows:

Classification		Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Operating lease expense	Selling, general and administrative	\$ 228,633	\$ 228,633	\$ 457,248	\$ 457,267
Finance lease expense:					
Amortization of finance lease assets	Selling, general and administrative	1,423	1,432	2,547	2,855
Interest on finance lease liabilities	Interest income, net	321	464	678	957
Total lease expense		\$ 230,377	\$ 230,529	\$ 460,473	\$ 461,079

	Operating Lease	Finance Lease
	June 30, 2024	June 30, 2024
Maturities of lease liabilities are as follows:		
2024	\$ 440,551	\$ 3,585
2025	893,046	7,170
2026	921,273	1,793
2027	946,683	—
2028	937,727	—
Thereafter	2,860,827	—
Total lease payments	7,000,107	12,548
Less: interest	(1,738,541)	(757)
Total lease obligations	\$ 5,261,566	\$ 11,791

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Lease term and discount rate:

	June 30, 2024	December 31, 2023
Weighted-average remaining lease terms (in years):		
Operating lease	7.4	7.8
Finance lease	1.8	2.5
Weighted-average discount rate:		
Operating lease	7.8%	7.8%
Finance lease	7.8%	7.8%

Other Information:

	Six Months Ended June 30,	
	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows - operating leases	\$ 252,997	\$ 229,044
Operating cash flows - finance leases	\$ 3,526	\$ 4,686
Financing cash flows - finance leases	\$ 5,477	\$ 4,480
Leased assets obtained in exchange for new finance lease liabilities	\$ 9,925	\$ 15,918
Leased assets obtained in exchange for new operating lease liabilities	\$ —	\$ —

Sublease

In April 2022, the Company entered into a sublease agreement with certain local San Diego companies to sublease a portion of the Company's 4,811 square foot expansion. The term of the sublease is six months to twelve months with fixed base rental income ranging from \$2,250 to \$14,500 per month. The sublease has no option for renewal or extension at the end of the sublease term.

Sublease income are as follows:

	Classification	Three Months Ended June 30,		Six Months Ended June 30,	
		2024	2023	2024	2023
Sublease lease income	Other, net	\$ 112,578	\$ 101,915	\$ 213,379	\$ 231,685

Lessor

In February 2022, the Company entered into a 10 year master services agreement ("MSA") with a certain school district for FaaS to electrify their school bus fleet. A statement of work ("SOW") for engineering, procurement and construction ("EPC") was also executed in conjunction with the MSA. As part of this SOW, the Company will provide electric vehicle supply equipment ("EVSE") and related warranties, infrastructure engineering and construction, installation of EVSE, and subscription services to Nuvve's V2G GIVE platform. The MSA has both lease and non-lease components. The lease component is the EVSE and non-lease components are the EPCs. The Company accounted for the lease components as a sale-type lease with the investment in lease of \$106,916 and \$112,255 at June 30, 2024 and December 31, 2023, respectively.

Lease income are as follows:

	Classification	Three Months Ended June 30,		Six Months Ended June 30,	
		2024	2023	2024	2023
Lease income	Products and services	\$ 1,138	\$ 24,027	\$ 2,276	\$ 24,027
Interest income	Products and services	4,864	3,835	8,979	6,430
Total lease income		\$ 6,002	\$ 27,862	\$ 11,255	\$ 30,457

Note 17 – Commitments and Contingencies

(a) Legal Matters

The Company is subject to various claims and legal proceedings covering matters that arise in the ordinary course of its business activities, including product liability claims. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or results of operations of the Company. Please see Note 17(e) and (f) below for details regarding legal proceedings with Company suppliers.

(b) Research Agreement

Effective September 1, 2016, the Company is party to a research agreement with a third party, which is also a Company stockholder, whereby the third party will perform research activity as specified annually by the Company. Under the terms of the agreement, the Company paid a minimum of \$400,000 annually in equal quarterly installments. For the six months ended June 30, 2024 and 2023, \$42,714 and \$233,333, respectively, were paid under the research agreement. In September 2023, the agreement was renewed through December 2024. At June 30, 2024, \$213,571 remained to be paid under the renewed agreement.

(c) In-Licensing

The Company is a party to a licensing agreement for non-exclusive rights to intellectual property which will expire at the later of the date at which the last patent underlying the intellectual property expires or 20 years from the sale of the first licensed product. Under the terms of the agreement, the Company will pay up to an aggregate of \$700,000 in royalties upon achievement of certain milestones. As of June 30, 2024 and December 31, 2023, no royalty expenses had been incurred under this agreement.

In November 2017, the Company executed an agreement ("IP Acquisition Agreement") with the University of Delaware ("Seller") whereby all rights, title, and interest in the licensed intellectual property was assigned to the Company in exchange for an upfront fee of \$500,000 and common shares valued at \$1,491,556. The total acquisition cost of \$1,991,556 was capitalized and is being amortized over the fifteen year expected life of the patents underlying the intellectual property. Under the terms of the agreement, the Company will pay up to an aggregate \$7,500,000 in royalties to the Seller upon achievement of milestones, related to the aggregate number of vehicles that have had access to the Company's GIVE platform system for a period of at least six consecutive months, and for which the Company has received monetary consideration for such access pursuant to a subscription or other similar agreement with the vehicle's owner as follows:

Milestone Event: Aggregated Vehicles	Milestone Payment Amount
10,000	\$ 500,000
20,000	750,000
40,000	750,000
60,000	750,000
80,000	750,000
100,000	1,000,000
200,000	1,000,000
250,000	2,000,000
	\$ 7,500,000

The Seller will retain a non-exclusive, royalty-free license, to utilize the intellectual property solely for research and education purposes. As of June 30, 2024, no royalty expenses had been incurred under this agreement.

(d) Investment

The Company is committed to possible future additional contributions to the Investment in Dreev ([Note 6](#)) in the amount of \$270,000.

(e) Purchase Commitments

On July 20, 2021, Nuvve issued a purchase order ("PO") to its supplier, Rhombus Energy Solutions, Inc. ("Rhombus"), for a quantity of DC fast chargers and dispensers for EVs (the "DC Chargers"), for a total price of \$13.2 million. A dispute (the "Dispute") arose as to the PO, and an arbitration proceeding was initiated.

On February 2, 2024 (the "Settlement Date"), the Company and Rhombus entered into a settlement and release agreement (the "Settlement Agreement") pursuant to which, among other things, the Company agreed to pay Rhombus approximately \$0.46 million for certain initial DC Chargers within 15 days from the Settlement Date. The Company further agreed to pay Rhombus an aggregate of \$2.40 million for certain DC Chargers upon shipment with payments correlating to the amounts shipped due prior to shipment, a minimum of 50% of which shall be paid within 12 months after the Settlement Date, with the remaining balance, if any, to be paid within 24 months after the Settlement Date. The Settlement Agreement further provides for the dismissal of the legal action as to the Company and Rhombus. The Company and Rhombus agreed to release one another from any and all claims relating to the Dispute.

(f) School Bus Storage Litigation

In October and November 2021, the Company purchased an aggregate of five school buses from a certain school bus dealership in Pittsburgh, Pennsylvania. Thereafter, the Company entered into agreements to sell these buses to certain third-party purchasers. However, the dealership refused to release four of the buses and to provide us with a manufacturer statement of origin (an "MSO") for all five buses, claiming that the Company owed them approximately \$0.45 million in storage fees allegedly incurred since January 2022. The Company disputed that it had an obligation to pay the storage fees as well as the amount of fees demanded by the dealership, and filed a petition for preliminary injunction with the Court of Common Pleas of Allegheny County, Pennsylvania.

On November 1, 2023, the court granted the Company's petition for preliminary injunction requiring the dealership to release and provide keys for the four buses and to provide the MSOs for all five buses, contingent on the Company posting an injunction bond in the amount of \$0.55 million within seven days of the order. The Company timely posted the injunction bond on November 7, 2023. The Company anticipates that the storage fee dispute with the dealership will be adjudicated by the end of the fiscal year 2024.

Note 18 - Non-Controlling Interest

For entities that are consolidated, but not 100% owned, a portion of the net income or loss and corresponding equity is allocated to owners other than the Company. The aggregate of the net income or loss and corresponding equity that is not owned by the Company is included in non-controlling interests in the condensed consolidated financial statements.

Non-controlling interests are presented outside as a separate component of stockholders' equity on the Company's condensed consolidated balance sheets. The primary components of non-controlling interests are separately presented in the Company's condensed consolidated statements of changes in stockholders' equity to clearly distinguish the interest in the Company and other ownership interests in the consolidated entities. Net income or loss includes the net income or loss attributable to the holders of non-controlling interests on the Company's condensed consolidated statements of operations. Net income or loss is allocated to non-controlling interests in proportion to their relative ownership interests.

Levo Series B Redeemable Preferred Stock

Levo is authorized to issue 1,000,000 shares of Series B Preferred Stock at no par value.

The Series B Preferred Stock (a) pays a dividend, when, as and if declared by Levo's Board of Directors, of 8.0% per annum of the stated value per share, payable quarterly in arrears, (b) has an initial stated value of \$1,000 per share, and dividends are paid in cash. Levo accrues for undeclared and unpaid dividends as they are payable in accordance with the terms of the Certificate of Designations filed with the Secretary of State of the State of Delaware. At June 30, 2024, Levo had accumulated unpaid accrued preferred dividends of \$763,709, included in accrued liabilities, on 3,138 issued and outstanding shares of Series B Preferred Stock. Series B Preferred Stock is not a participating or convertible securities. Series B Preferred Stock is not currently redeemable but it could be redeemable with the passage of time at the election of Levo or the preferred shareholders or upon the occurrence of a trigger event as defined in the preferred stock agreement. Since the redeemable preferred stock may be redeemed by the preferred shareholders or upon the occurrence of a trigger event that is not solely within the control of Levo, but is not mandatorily redeemable; therefore, based on its characteristics, Levo has classified the Series B Preferred Stock as mezzanine equity.

At June 30, 2024, Series B Preferred Stock consisted of the following:

Shares Authorized	Shares Issued and Outstanding	Stated Value per Share	Initial Carrying Value	Cumulative Unpaid Accrued Preferred Dividends	Liquidation Preference
1,000,000	3,138	\$ 1,000	\$ 3,138,000	\$ 763,709	\$ 3,901,709

The Company has determined that the redemption features embedded in the non-controlling redeemable preferred stock is required to be accounted for separately from the redeemable preferred stock as a derivative liability. See [Note 5](#) for detail disclosure of the derivative liability.

The redeemable preferred stock has been initially recognized at fair value of \$3,138,000, the proceeds on the date of issuance. This amount has been further reduced by \$497,606, the fair value of the embedded derivative liability at date of issuance, resulting in an adjusted initial value of \$2,640,394. Levo is accreting the difference between the adjusted carrying initial value and the redemption price value over the seven-year period from date of issuance of August 4, 2021 through July 4, 2028 (the date at which the preferred shareholders have the unconditional right to redeem the shares, deemed to be the earliest likely redemption date) using the effective interest method. The accretion to the carrying value of the redeemable preferred stock is treated as a deemed dividend, recorded as a charge to retained earnings of Levo. During the six months ended June 30, 2024, Levo accreted \$322,932 resulting in the carrying value of the redeemable preferred stock of \$4,516,561.

NUVVE HOLDING CORP. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The following table summarizes Levo non-controlling interests presented as a separate component of stockholders' equity on the Company's condensed consolidated balance sheet at June 30, 2024:

	June 30, 2024	December 31, 2023
Beginning Balance	\$ (4,894,101)	(3,950,186)
Net income (loss) attributable to non-controlling interests	\$ (24,566)	(12,456)
Less: dividends paid to non-controlling interests	151,508	285,595
Less: Preferred share accretion adjustment	322,932	645,864
Non-controlling interests	\$ (5,393,107)	\$ (4,894,101)

The following table summarizes Levo non-controlling interests presented as a separate component of the Company's condensed consolidated statements of operations as of June 30, 2024:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income (loss) attributable to non-controlling interests	\$ (10,268)	\$ 8,466	\$ (24,566)	\$ 14,754

Redeemable Non-controlling Interest Reconciliation — Mezzanine Equity

	June 30, 2024	December 31, 2023
Beginning balance	\$ 4,193,629	\$ 3,547,765
Preferred share Accretion adjustment	322,932	645,864
Ending balance	\$ 4,516,561	\$ 4,193,629

Profits Interests Units (Class D Incentive Units)

In April 2022, Levo issued Class D Incentive Units to certain key employees in the form of profits interests within the meaning of the Internal Revenue Service ("Profits Interests"). Any future distributions under the Profits Interests will only occur once distributions made to all other member units exceed a threshold amount. The Company performed an analysis of the key features of the Profits Interests to determine whether the nature of the Profits Interests are (a) an equity award which should be accounted for under ASC 718, *Compensation – Stock Compensation* or (b) a bonus arrangement which should be accounted for under ASC 710, *Compensation – General*. Based on the features of the Profits Interests, the awards are considered stock compensation to be accounted for as equity. Accordingly, compensation expense for the Profits Interests will be recognized over the vesting period of the awards.

Subject to the grantee not incurring a termination prior to the applicable vesting date, the Incentive Units will vest as follows: (i) 80% of the Incentive Units will vest in equal 25.0% installments on each of the first four (4) anniversaries of the grant date (such that 80% of the total number of Incentive Units issued to the grantee hereunder will be vested on the fourth anniversary of the Grant Date) and (ii) the remaining 20% of the Incentive Units will vest upon a Change of Control. Therefore, the expenses recorded will only reflect the 80% vesting portion.

During the three and six months ended June 30, 2024, the Company recorded compensation expenses, included in selling, general, and administrative, under the Profits Interests of \$31,226 and \$62,452, respectively. During the three and six months ended June 30, 2023, the Company recorded compensation expenses, included in selling, general, and administrative, under the Profits Interests of \$34,219 and \$62,451, respectively.

NUVVE HOLDING CORP. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The Company uses the Monte Carlo Simulation model to estimate the fair value of Class D Incentive Units. Fair value is estimated at the date of grant for employee and nonemployee options. The following assumptions were used in the Monte Carlo Simulation model to calculate the fair value of Class D Incentive Units outstanding as of June 30, 2024.

	Class D Units
Expected life of Class D Incentive Units (in years) (1)	5.5
Risk-free interest rate (2)	3.02 %
Volatility (3)	69.50 %

- (1) The expected life of options is the average of the contractual term of the Class D Incentive Units and the vesting period.
(2) The risk-free interest rate is based on the yields on U.S. Treasury debt securities with maturities approximating the estimated life of the options.
(3) Volatility is estimated by management. As the Company has been a private company for most of its existence, there is not enough historical volatility data related to the Company's Common Stock as a public entity. Therefore, this estimate is based on the average volatility of certain public company peers within the Company's industry.

A summary of the status of the Company's Class D Incentive Units as of December 31, 2023, and changes during the six months ended June 30, 2024, is presented below:

	Shares	Weighted- Average Grant Date Fair Value(\$)
Nonvested at December 31, 2023	50,000	12.49
Granted	—	—
Vested	—	—
Cancelled	—	—
Nonvested and Outstanding at June 30, 2024	50,000	12.49

As of June 30, 2024, there was \$220,930 of total unrecognized compensation cost related to nonvested Class D Incentive Units. The Company expects to recognize this compensation cost over a remaining weighted-average period of approximately 1.50 years.

Note 19 - Subsequent Events

Term Loan

On August 9, 2024, the Company entered into a Subordinated Business Loan and Security Agreement ("Term Loan") with Agile Lending, LLC, as lender, and Agile Capital Funding, LLC, as collateral agent. The Term Loan is a short-term, thirty-week, fixed interest rate obligation. Principal and interest on the Term Loan are payable in arrears weekly. The Term Loan is secured by certain Company assets, and it is evidenced by a subordinated secured promissory note.

The Term Loan contains customary affirmative and negative covenants. Among other things, these covenants restrict the Company's ability to incur certain types or amounts of indebtedness, incur liens on certain assets, dispose of material assets, enter into certain restrictive agreements, or engage in certain transactions with affiliates. Additionally, the Term Loan contains customary default provisions including, but not limited to, failure to pay interest or principal when due.

The foregoing summary of the Term Loan is qualified in its entirety by reference to the text of the agreement. Please refer to Exhibit 10.2 in this Quarterly Report on Form 10-Q for the full text of the agreement.

The following is a summary description of the key terms of the Term Loan:

Debt	Debt Origination Date	Maturity	Principal Amount Borrowed	Carrying Value	Weighted Weekly Average Interest Rate
Term loan	8/9/2024	3/6/2025	\$ 1,000,000	\$ 1,000,000	2.96 %

NUVVE HOLDING CORP. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Principal and interest payments of \$50,750 is due weekly on the Term Loan for thirty weeks effective August 9, 2024 to March 6, 2025, when the Term Loan is fully paid off. Total interest of \$522,501 is expected to be paid over the thirty-week loan period.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

This Quarterly Report on Form 10-Q (this “Quarterly Report”) includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. In some cases, you can identify forward-looking statements by terminology such as “may,” “should,” “could,” “would,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “continue,” or the negative of such terms or other similar expressions. Forward-looking statements are not guarantees of future performance and our actual results may differ significantly from the results discussed in the forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and assumptions about us that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to such a discrepancy include, but are not limited to, those described in our other filings with the Securities and Exchange Commission (“SEC”).

References in this Quarterly Report to “we,” “us” and “our” and to “Nuvve” and the “Company” are to Nuvve Holding Corp. and its subsidiaries.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the financial statements and the notes thereto contained elsewhere in this Quarterly Report.

Overview

We are a green energy technology company that provides, directly and through business ventures with our partners, a globally-available, commercial V2G technology platform that enables EV batteries to store and resell unused energy back to the local electric grid and provide other grid services. Our proprietary V2G technology — Grid Integrated Vehicle (“GIVE”) platform — has the potential to refuel the next generation of EV fleets through cutting-edge, bi-directional charging solutions.

Our proprietary V2G technology enables us to link multiple EV batteries into a virtual power plant to provide bi-directional services to the electrical grid. Our GIVE software platform was created to harness capacity from “loads” at the edge of the distribution grid (i.e., aggregation of EVs and small stationary batteries) in a qualified, controlled and secure manner to provide many of the grid services offered by conventional generation sources (i.e., coal and natural gas plants). Our current addressable energy and capacity markets include grid services such as frequency regulation, demand charge management, demand response, energy optimization, distribution grid services and energy arbitrage.

Our customers and partners include owner/operators of light duty fleets, heavy duty fleets (including school buses), automotive manufacturers, charge point operators, and strategic partners (via joint ventures, other business ventures and special purpose financial vehicles). We also operate a small number of company-owned charging stations serving as demonstration projects funded by government grants. We expect growth in company-owned charging stations and the related government grant funding to continue, but for such projects to constitute a declining percentage of our future business as our commercial operations expand.

We offer our customers networked charging stations, infrastructure, software, professional services, support, monitoring and parts and labor warranties required to run electric vehicle fleets, as well as low and in some cases free energy costs. We expect to generate revenue primarily from the provision of services to the grid via our GIVE software platform and sales of V2G-enabled charging stations. In the case of light duty fleet and heavy duty fleet customers, we also may receive a mobility fee, which is a recurring fixed payment made by fleet customers per fleet vehicle. In addition, we may generate non-recurring engineering services revenue derived from the integration of our technology with automotive OEMs and charge point operators. In the case of recurring grid services revenue generated via automotive OEM and charge point operator customer integrations, we may also share the recurring grid services revenue with the customer.

On August 4, 2021, we formed Levo Mobility LLC (“Levo”), a Delaware limited liability company, with Stonepeak Rocket Holdings LP (“Stonepeak”), a Delaware limited partnership and Evolve Transition Infrastructure LP (“Evolve”), a Delaware limited partnership. Levo is our consolidated subsidiary.

Levo is a sustainable infrastructure company focused on rapidly advancing the electrification of transportation by funding V2G-enabled EV fleet deployments. Levo utilizes our V2G technology and committed capital from Stonepeak and Evolve to offer Fleet-as-a-Service for school buses, last-mile delivery, ride hailing and ride sharing, municipal services, and more to eliminate

the primary barriers to EV fleet adoption including large upfront capital investments and lack of expertise in securing and managing EVs and associated charging infrastructure.

Levo's turnkey solution simplifies and streamlines electrification, can lower the total cost of EV operation for fleet owners, and support the grid when the EVs are not in use. For a fixed monthly payment with no upfront cost, Levo will provide the EVs, such as electric school buses, charging infrastructure powered by our V2G platform, EV and charging station maintenance, energy management, and technical advice.

Levo focuses on electrifying school buses, providing associated charging infrastructure, and delivering V2G services to enable safer and healthier transportation for children while supporting carbon dioxide emission reduction, renewable energy integration, and improved grid resiliency.

Backlog

Our total backlog represents the estimated future transaction price values for unsatisfied and partially satisfied estimated product and service deliveries to our customers. Backlog is generally determine based upon customer issued purchased orders or contracts with customers. Backlog does not include agreements we have with customers to earn future grid service revenues. Backlog is converted into revenue in future periods as we satisfy the performance obligations to our customers for our products and services, primarily based on the cost incurred or at delivery and acceptance of products, depending on the applicable accounting method.

Our estimated backlog on June 30, 2024, was \$18.2 million, which we expect to be earned in future periods. We anticipate recognizing revenue from this backlog from 2024 through 2026.

Results of Operations

Three and Six Months Ended June 30, 2024 Compared with Three and Six Months Ended June 30, 2023

The following table sets forth information regarding our consolidated results of operations for the three and six months ended June 30, 2024 and 2023.

	Three Months Ended June 30,		Period-over-Period Change		Six Months Ended June 30,		Period-over-Period Change	
	2024	2023	Change (\$)	Change (%)	2024	2023	Change (\$)	Change (%)
Revenue								
Products	\$ 369,192	\$ 1,546,723	\$ (1,177,531)	(76)%	\$ 845,661	\$ 2,975,609	\$ (2,129,948)	(72)%
Services	\$ 301,567	\$ 502,286	\$ (200,719)	(40)%	\$ 521,438	\$ 853,785	\$ (332,347)	(39)%
Grants	131,421	71,118	60,303	85 %	214,837	145,519	69,318	48 %
Total revenue	802,180	2,120,127	(1,317,947)	(62)%	1,581,936	3,974,913	(2,392,977)	(60)%
Operating expenses								
Cost of product	256,902	1,311,268	(1,054,366)	(80)%	593,574	2,679,841	(2,086,267)	(78)%
Cost of service	345,813	639,848	(294,035)	(46)%	518,585	732,179	(213,594)	(29)%
Selling, general and administrative expenses	4,489,772	6,097,336	(1,607,564)	(26)%	10,417,882	12,269,360	(1,851,478)	(15)%
Research and development expense	1,473,567	2,387,215	(913,648)	(38)%	3,063,144	4,487,303	(1,424,159)	(32)%
Total operating expenses	6,566,054	10,435,667	(3,869,613)	(37)%	14,593,185	20,168,683	(5,575,498)	(28)%
Operating loss	(5,763,874)	(8,315,540)	2,551,666	(31)%	(13,011,249)	(16,193,770)	3,182,521	(20)%
Other income (expense)								
Interest income, net	10,736	20,644	(9,908)	(48)%	19,748	88,981	(69,233)	(78)%
Change in fair value of warrants liability	1,584,772	143,794	1,440,978	NM	2,312,434	(69,964)	2,382,398	NM
Change in fair value of derivative liability	7,907	83,059	(75,152)	90 %	(3,626)	6,219	(9,845)	158 %
Other, net	211,444	83,946	127,498	152 %	4,941	524,332	(519,391)	(99)%
Total other income, net	1,814,859	331,443	1,483,416	448 %	2,333,497	549,568	1,783,929	325 %
Loss before taxes	(3,949,015)	(7,984,097)	4,035,082	(51)%	(10,677,752)	(15,644,202)	4,966,450	(32)%
Income tax expense	—	—	—	— %	—	—	—	— %
Net loss	\$ (3,949,015)	\$ (7,984,097)	\$ 4,035,082	(51)%	\$ (10,677,752)	\$ (15,644,202)	\$ 4,966,450	(32)%
Less: Net (loss) income attributable to non-controlling interests	(10,268)	8,466	(18,734)	(221)%	(24,566)	14,754	(39,320)	(267)%
Net loss attributable to Nuvve Holding Corp.	\$ (3,938,747)	\$ (7,992,563)	\$ 4,053,816	(51)%	\$ (10,653,186)	\$ (15,658,956)	\$ 5,005,770	(32)%

NM - Not Meaningful

Revenue

Total revenue was \$0.80 million for the three months ended June 30, 2024, compared to \$2.12 million for the three months ended June 30, 2023, a decrease of \$1.32 million, or 62.2%. The decrease was primarily attributable to a \$1.18 million decrease in products revenue and \$0.2 million decrease in services revenue due to lower customers sales orders and shipments, partially offset by an increase in grants of \$0.06 million. Products and services revenue for the three months ended June 30, 2024, consisted of DC and AC Chargers of \$0.37 million, grid services revenue of \$0.12 million, and engineering services of \$0.19 million.

Total revenue was \$1.6 million for the six months ended June 30, 2024, compared to \$4.0 million for the six months ended June 30, 2023, an decrease of \$2.4 million, or 60.2%. The decrease was primarily attributable to a \$2.1 million decrease in products revenue and \$0.3 million decrease in services revenue due to lower customers sales orders and shipments, partially offset by an increase in grants of \$0.1 million. Products and services revenue for the six months ended June 30, 2024, consisted of sales of DC and AC Chargers of \$0.8 million, grid services revenue of \$0.2 million, and engineering services of \$0.4 million.

Cost of Product and Service Revenue

Cost of products and services revenue for the three months ended June 30, 2024, decreased by \$1.3 million to \$0.6 million, or 69.1% compared to \$2.0 million for the three months ended June 30, 2023 due to lower customers sales orders and shipments. Products and services margin increased by 5.4% to 10.1% for the three months ended June 30, 2024, compared to 4.8% in the same prior year period. Margin benefited from a lower mix of hardware charging stations' sales and a higher mix of engineering services in the current quarter compared with the second quarter of 2023.

Cost of products and services revenue for the six months ended June 30, 2024, decreased by \$2.3 million to \$1.1 million, compared to \$3.4 million for the six months ended June 30, 2023 due to lower customers sales orders and shipments. Products and services margin increased by 7.7% to 18.6% for the six months ended June 30, 2024, compared to 10.9% in the same prior year period. Margin was mostly impacted by a lower mix of hardware charging stations sales, and a higher mix of engineering services in the six months ended June 30, 2024.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist of selling, marketing, advertising, payroll, administrative, legal finance, and professional expenses.

Selling, general and administrative expenses were \$4.5 million for the three months ended June 30, 2024, as compared to \$6.1 million for the three months ended June 30, 2023, a decrease of \$1.7 million, or 26.4%.

The decrease during the three months ended June 30, 2024 was primarily attributable to decreases in compensation expenses of \$0.4 million, including share-based compensation, decreases in public company related costs of \$0.3 million, decreases in subcontractor and outside services expenses of \$0.4 million, decreases in travel and marketing/promotions related expenses of \$0.4 million, and decreases in bad debt expenses of \$0.1 million. Expenses resulting from the consolidation of Levo's activities during the three months ended June 30, 2024, accounted for \$0.1 million of the decrease in selling, general and administrative expenses.

Selling, general and administrative expenses were \$10.4 million for the six months ended June 30, 2024, as compared to \$12.3 million for the six months ended June 30, 2023, a decrease of \$1.9 million, or 15.1%.

The decrease during the six months ended June 30, 2024 was primarily attributable to decreases in compensation expenses of \$0.4 million, including share-based compensation, decreases in subcontractor and outside services expenses of \$0.7 million, and decreases in travel and marketing/promotions related expenses of \$0.6 million, decreases in public company related costs of \$0.3 million, decreases in insurance related expenses of \$0.2 million, partially offset by increases in software subscriptions expenses of \$0.1 million, and expenses resulting from the consolidation of Levo's activities during the six months ended June 30, 2024, of \$0.1 million.

Research and Development Expenses

Research and development expenses decreased by \$0.9 million, or 38.3%, from \$2.4 million for the three months ended June 30, 2023 to \$1.5 million for the three months ended June 30, 2024. Research and development expenses decreased by \$1.4 million, or 31.7%, from \$4.5 million for the six months ended June 30, 2023 to \$3.1 million for the six months ended June 30, 2024. The decrease during the three and six months ended June 30, 2024 was primarily attributable to decreases in

compensation expenses and subcontractor expenses used to advance our platform functionality and integration with more vehicles.

Other Income, net

Other income, net consists primarily of interest expense, change in fair value of warrants liability and derivative liability, and other income (expense). Other income, net increased by \$1.5 million from \$0.3 million of other income for the three months ended June 30, 2023, to \$1.8 million in other income for the three months ended June 30, 2024. The increase during the three months ended June 30, 2024 was primarily attributable to the change in fair value of the warrants liability and sublease income related to the subleasing of part of our main office space (See [Note 16](#)).

Other income, net consists primarily of interest expense, change in fair value of warrants liability and derivative liability, and other income (expense). Other income, net increased by \$1.8 million from \$0.5 million of other income for the six months ended June 30, 2023, to \$2.3 million in other income for the six months ended June 30, 2024. The increase during the six months ended June 30, 2024 was primarily attributable to the change in fair value of the warrants liability and sublease income related to the subleasing of part of our main office space (See [Note 16](#)).

Income Taxes

In each of the three and six months ended June 30, 2024 and 2023, we recorded no material income tax expenses. The income tax expenses during each of the three and six months ended June 30, 2024 and 2023 were minimal primarily due to operating losses that receive no tax benefits as a result of a valuation allowance recorded for such losses.

Net Loss

Net loss decreased by \$4.0 million, or 50.5%, from \$8.0 million for the three months ended June 30, 2023, to \$3.9 million for the three months ended June 30, 2024. The decrease in net loss was primarily due to an increase in other income of \$1.5 million, and a decrease in operating expenses of \$3.9 million, which includes a decrease in cost of product and services of \$1.3 million, and a decrease in revenue of \$1.3 million, for the above aforementioned reasons.

Net loss decreased by \$5.0 million, or 31.7%, from \$15.6 million for the six months ended June 30, 2023, to \$10.7 million for the six months ended June 30, 2024. The decrease in net loss was primarily due to an increase in other income of \$1.8 million, and a decrease in operating expenses of \$5.6 million, which includes a decrease in cost of product and services of \$2.3 million, and a decrease in revenue of \$2.4 million, for the above aforementioned reasons.

Net Income (Loss) Attributable to Non-Controlling Interest

Net loss attributable to non-controlling interest was \$0.01 million for the three months ended June 30, 2024 compared to net income attributable to non-controlling interest of \$0.01 million for the three months ended June 30, 2023. Net loss attributable to non-controlling interest was \$0.02 million for the six months ended June 30, 2024 compared to net income attributable to non-controlling interest of \$0.01 million for the six months ended June 30, 2023.

Net income (loss) is allocated to non-controlling interests in proportion to the relative ownership interests of the holders of non-controlling interests in Levo, an entity formed by us with Stonepeak and Evolve. We own 51% of Levo's common units and Stonepeak and Evolve own 49% of Levo's common units. We have determined that Levo is a variable interest entity ("VIE") in which we are the primary beneficiary. Accordingly, we consolidated Levo and recorded a non-controlling interest for the share of Levo owned by Stonepeak and Evolve during the three and six months ended June 30, 2024.

Liquidity and Capital Resources

Sources of Liquidity

We are still an early-stage business enterprise. We have not yet demonstrated a sustained ability to generate sufficient revenue from sales of our technology and services or conduct sales and marketing activities necessary for the successful commercialization of our GIVE platform. We have not yet achieved profitability and have experienced substantial net losses, and we expect to continue to incur substantial losses for the foreseeable future. We have incurred operating losses of approximately \$13.0 million as of the six months ended June 30, 2024, and \$32.1 million and \$36.9 million for the years ended December 31, 2023, and 2022, respectively. Our cash used in operations were \$8.7 million as of the six months ended June 30, 2024, and \$21.3 million and \$34.1 million for the years ended December 31, 2023, and 2022, respectively. As of June 30, 2024, we had a cash balance, working capital, and total equity of \$1.4 million, \$2.6 million and \$2.7 million, respectively.

We have incurred net losses and negative cash flows from operations since our inception. We have funded our business operations primarily with the issuance of equity and cash from operations. We plan to fund current operations through increased revenues and raising additional capital. Please see below for details. However, there can be no assurance we will be successful in raising necessary funds in the future, on acceptable terms or at all.

February 2024 Public Offering

On January 31, 2024, we entered into an underwriting agreement (the “Underwriting Agreement”) with Craig-Hallum Capital Group LLC (“Craig-Hallum”) regarding an underwritten public offering of its securities (the “Offering”). The Offering was conducted pursuant to our Registration Statement on Form S-1 filed with the SEC, which was declared effective as of January 31, 2024. On February 2, 2024, we completed the Offering and received gross proceeds of approximately \$9.6 million prior to deducting underwriting discounts and commissions and offering expenses. Craig-Hallum received underwriting discounts and commissions equal to 7.0% of the gross proceeds of the Offering, and is further entitled to receive 7.0% of the gross proceeds received by us in connection with the exercise of any of the outstanding Series B Warrants issued in the Offering.

As noted above, on January 31, 2024, we entered into an Underwriting Agreement regarding the Offering which was comprised of the followings:

1. 3,035,000 shares of common stock;
2. 1,765,000 pre-funded warrants (“Pre-Funded Warrants”) to purchase shares of common stock;
3. 4,800,000 Series A Warrants (“Series A Warrants”) to purchase shares of common stock, with an initial exercise price of \$2.00 per share and a term of five years following the issuance date;
4. 4,800,000 Series B Warrants (“Series B Warrants”) to purchase shares of common stock with an exercise price of \$2.00 per share and a term of nine months following the issuance date; and
5. 4,800,000 Series C Warrants (“Series C Warrants”) to purchase shares of common stock with an exercise price of \$2.00 per share and a term of five years following the issuance date, subject to early expiration as described below.

Each share of common stock and Pre-Funded Warrant issued in the offering was accompanied by a Series A Warrant to purchase one share of common stock, a Series B Warrant to purchase one share of common stock and a Series C Warrant to purchase one share of common stock. The combined price per share of Common Stock and the accompanying Series A Warrant, Series B Warrant and Series C Warrant was \$2.00. The combined price per share of each Pre-Funded Warrant and accompanying Series A Warrant, Series B Warrant, and Series C Warrant was equal to \$1.9999, and the exercise price of each Pre-Funded warrant is \$0.0001 per share. The Series C Warrants may only be exercised to the extent and in proportion to a holder of the Series C Warrants exercising its Series B Warrants, and are subject to an early expiration of nine months, in proportion and only to the extent any Series C Warrants expire unexercised. In addition, Craig-Hallum was granted warrants to purchase up to 480,000 shares of common stock (the “Underwriter Warrants”) at an exercise price of \$2.00 per share. The Underwriter Warrants have a term of five years and are immediately exercisable, provided that 240,000 of the shares of common stock underlying the Underwriter Warrants shall only be exercisable pro rata upon the exercise of the Series B Warrants issued in the Offering.

Shelf Registration

On April 25, 2022, we filed a shelf registration statement with the SEC which allows us, subject to limitations under the baby shelf rules discussed below, to issue unspecified amounts of common stock, preferred stock, warrants for the purchase of shares of common stock or preferred stock, debt securities, and units consisting of any combination of any of the foregoing securities, in one or more series, from time to time and in one or more offerings up to a total dollar amount of \$100.0 million. The shelf registration statement was declared effective on May 5, 2022. Our ability to utilize the full capacity of our shelf registration, or any future shelf registration on Form S-3, is limited by our compliance with the baby shelf rules. Pursuant to the “baby shelf rules” promulgated by the SEC, if our public float is less than \$75.0 million as of specified measurement periods, the number of securities that may be offered and sold by us under a Form S-3 registration statement, including pursuant to our shelf

registration statement, in any twelve-month period is limited to an aggregate amount that does not exceed one-third of our public float. As a result, we will be limited by the baby shelf rules until such time our public float exceeds \$75 million, which means we only have the capacity to sell shares up to one-third of our public float under shelf registration statements in any twelve-month period.

Fresno Economic Opportunities Commission ("Fresno EOC")

On May 14, 2024 (the "Effective Date"), the Company and Fresno EOC entered into a master services agreement to outline the general scope of work, timeline, and pricing pursuant to which the Company will provide services and materials to Fresno EOC in connection with a turnkey fleet electrification program for its 50-shuttle fleet (the "Agreement").

Pursuant to the Agreement, between the Effective Date and June 30, 2036 (the "Term"), the Company will be responsible for the design and construction of a 26,000 square foot parking lot and implementing a comprehensive electrification system for Fresno EOC's transit fleet, including the installation of electric vehicle chargers, solar power generation hardware and integrating a battery storage system. The Company also agreed to provide certain grant writing and project management services to Fresno EOC.

The total estimated fees and expenses payable to the Company by Fresno EOC for services and materials provided in relation to the Project during the Term is approximately \$15.7 million. Each party's obligations under the Agreement are contingent to the receipt of certain grant funding by Fresno EOC, provided that if Fresno EOC terminates the Agreement due to the failure to receive such grant funding, Fresno EOC has agreed to pay the Company for services provided on or prior to such termination subject to certain limitations. Additionally, each party may terminate the Agreement upon certain material breaches of the Agreement by the other party and failure to cure.

Term Loan

On August 9, 2024, we entered into a Subordinated Business Loan and Security Agreement ("Term Loan") with Agile Lending, LLC, as lender, and Agile Capital Funding, LLC, as collateral agent. The Term Loan is a short-term, thirty-week, fixed interest rate obligation. Principal and interest on the Term Loan are payable in arrears weekly. The Term Loan is secured by certain of our assets, and it is evidenced by a subordinated secured promissory note.

The Term Loan contains customary affirmative and negative covenants. Among other things, these covenants restrict our ability to incur certain types or amounts of indebtedness, incur liens on certain assets, dispose of material assets, enter into certain restrictive agreements, or engage in certain transactions with affiliates. Additionally, the Term Loan contains customary default provisions including, but not limited to, failure to pay interest or principal when due.

The foregoing summary of the Term Loan is qualified in its entirety by reference to the text of the agreement. Please refer to Exhibit 10.2 in this Quarterly Report on Form 10-Q for the full text of the agreement.

The following is a summary description of the key terms of the Term Loan:

Debt	Debt Origination Date	Maturity	Principal Amount Borrowed	Carrying Value	Weighted Weekly Average Interest Rate
Term loan	8/9/2024	3/6/2025	\$ 1,000,000	\$ 1,000,000	2.96 %

Principal and interest payments of \$50,750 is due weekly on the Term Loan for thirty weeks effective August 9, 2024 to March 6, 2025, when the Term Loan is fully paid off. Total interest of \$522,501 is expected to be paid over the thirty-week loan period.

Levo

On August 4, 2021, we formed Levo with Stonepeak and Evolve to rapidly accelerate the deployment of electric fleets, including zero-emission electric school buses for school districts in the United States through V2G hubs and Transportation as a service ("TaaS"). Levo utilizes our proprietary V2G technology, and the conditional capital contribution commitments from Stonepeak and Evolve of \$750 million, subject to project approval process as outlined under the terms of the definitive agreements, to fund acquisition of electric fleets, and construction of EV infrastructure. Stonepeak and Evolve have the option to increase their conditional capital contribution commitments to \$1.0 billion when Levo has entered into contracts with third parties for \$500 million in aggregate capital expenditures. See Note 11, in the Notes to Consolidated Financial Statements

included in the Company's 2023 Form 10-K for a detailed discussion of the Company's Stonepeak and Evolve Warrants related Securities Purchase Agreement (as defined in the Company's 2023 Form 10-K).

Cash Flows

	Six Months Ended June 30,	
	2024	2023
Net cash (used in) provided by:		
Operating activities	\$ (8,736,566)	\$ (9,048,111)
Investing activities	(53,103)	1,223,380
Financing activities	8,684,261	3,124,336
Effect of exchange rate on cash and restricted cash	2,162	5,503
Net decrease in cash and restricted cash	\$ (103,246)	\$ (4,694,892)

Net cash used in operating activities during the six months ended June 30, 2024 was \$8.7 million as compared to net cash used of \$9.0 million in the six months ended June 30, 2023. The \$0.3 million decrease in net cash used in operating activities was primarily attributable to lower use of cash for working capital during the six months ended June 30, 2024 as compared to the same prior period. Working capital during the six months ended June 30, 2024 was impacted by, among other items, lower net loss of \$10.7 million, resulting from decrease in operating expenses and lower revenue. Additionally, improved timing and management of vendor terms compared to the cash settlement of such items contributed to lower use of cash for working capital.

During the six months ended June 30, 2024, cash used for investing activities was \$0.05 million as compared to net cash provided by investing activities of \$1.2 million during the six months ended June 30, 2023. Net cash provided by investing activities during the six months ended June 30, 2023 were from the sale of our equity investment in Switch EV Ltd partnership alliance, partially offset by purchase of fixed assets.

Net cash provided for financing activities for the six months ended June 30, 2024 was \$8.7 million, of which \$8.5 million was the proceeds from public offering of common stock, partially offset by issuance cost, and \$0.2 million was from the exercise of common stock warrants, partially offset by issuance cost. Net cash provided for financing activities for the six months ended June 30, 2023 was \$3.1 million, of which \$2.3 million was the proceeds from direct offering, partially offset by issuance cost, and \$0.8 million was provided in connection with the proceeds from the at-the-market common stock offering.

Off-Balance Sheet Arrangements

We are not a party to any off-balance sheet arrangements.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these consolidated financial statements requires us to make estimates and assumptions for the reported amounts of assets, liabilities, revenue, expenses and related disclosures. Our estimates are based on its historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and any such differences may be material.

For a summary of our significant accounting policies, see Note 2, Summary of Significant Accounting Policies, of the Notes to Consolidated Financial Statements included in Part I, Item 1 of our 2023 Form 10-K. For a summary of our critical accounting estimates, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates" in our 2023 Form 10-K.

Recent Accounting Pronouncements

See Note 2, Summary of Significant Accounting Policies, of the Notes to Consolidated Financial Statements included in Part I, Item 1 of our 2023 Form 10-K.

Emerging Growth Company Accounting Election

Section 102(b)(1) of the JOBS Act exempts emerging growth companies from being required to comply with new or revised financial accounting standards until private companies are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can choose not to take advantage of the extended transition period and comply with the requirements that apply to non-emerging growth companies, and any such election to not take advantage of the extended transition period is irrevocable. The Company is an "emerging growth company" as defined in Section 2(A) of the Securities Act of 1933, as amended, and has elected to take advantage of the benefits of this extended transition period.

The Company expects to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public business entities and non-public business entities until the earlier of the date the Company (a) is no longer an emerging growth company or (b) affirmatively and irrevocably opts out of the extended transition period provided in the JOBS Act. This may make it difficult or impossible to compare the Company's financial results with the financial results of another public company that is either not an emerging growth company or is an emerging growth company that has chosen not to take advantage of the extended transition period exemptions because of the potential differences in accounting standards used. See Note 2 of the accompanying unaudited condensed consolidated financial statements of Nuvve included elsewhere in this Quarterly Report for the recent accounting pronouncements adopted and the recent accounting pronouncements not yet adopted for the six months ended June 30, 2024.

In addition, the Company intends to rely on the other exemptions and reduced reporting requirements provided by the JOBS Act. Subject to certain conditions set forth in the JOBS Act, if, as an emerging growth company, the Company intends to rely on such exemptions, the Company is not required to, among other things: (a) provide an auditor's attestation report on the Company's system of internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act; (b) provide all of the compensation disclosure that may be required of non-emerging growth public companies under the Dodd-Frank Wall Street Reform and Consumer Protection Act; (c) comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the consolidated financial statements (auditor discussion and analysis); or (d) disclose certain executive compensation-related items such as the correlation between executive compensation and performance and comparisons of the Chief Executive Officer's compensation to median employee compensation.

The Company will remain an emerging growth company under the JOBS Act until the earliest of (a) December 31, 2025, which the last day of the Company's first fiscal year following the fifth anniversary of Newborn's IPO, (b) the last date of the Company's fiscal year in which the Company has total annual gross revenue of at least \$1.235 billion, (c) the date on which the Company is deemed to be a "large accelerated filer" under the rules of the SEC with at least \$700.0 million of outstanding securities held by non-affiliates or (d) the date on which the Company has issued more than \$1.0 billion in non-convertible debt securities during the previous three years.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, our principal executive officer and principal accounting and financial officer, respectively, have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of June 30, 2024.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. Based on the evaluation of our disclosure controls and procedures, our Chief Executive Officer and our Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of June 30, 2024.

Changes in Internal Control over Financial Reporting

There has been no change in our internal control over financial reporting during the quarter ended June 30, 2024, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

The information required to be set forth under this Part II, Item 1 is incorporated by reference to Note 17 “Commitments and Contingencies” of the Notes to Unaudited Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

From time to time, we may be involved in legal proceedings or subject to claims incident to the ordinary course of business. The outcome of litigation is inherently uncertain, and there can be no assurances that favorable outcomes will be obtained. In addition, regardless of the outcome, such proceedings or claims can have an adverse impact on us because of defense and settlement costs, diversion of resources and other factors.

Item 1A. Risk Factors

Below we are providing, in supplemental form, changes to our risk factors from those previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023. Our risk factors disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023 provide additional discussion regarding these supplemental risks and we encourage you to read and carefully consider all of the risk factors disclosed in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023, together with the below, for a more complete understanding of the risks and uncertainties material to our business.

Our stock price has recently fallen below the Nasdaq Capital Market’s minimum closing bid price requirement of \$1.00 per share for 30 consecutive days. Additionally, we have received notice from Nasdaq that our stockholders’ equity is below \$2,500,000. Our failure to meet Nasdaq’s continued listing standards could result in the delisting of our common stock from the Nasdaq Capital Market, which could have a material adverse effect on our financial condition, negatively impact the price of our common stock and could make it more difficult for holders of our common stock to sell their shares. We are not in compliance with the Nasdaq Capital Market \$1.00 minimum bid price requirement nor the minimum stockholders’ equity requirement and our failure to meet Nasdaq’s continued listing standards could result in the delisting of our common stock, negatively impact the price of our common stock and negatively impact our ability to raise additional capital.

Our common stock is currently listed on the Nasdaq Capital Market and is therefore subject to the continued listing requirements of the Nasdaq Capital Market, including requirements with respect to the market value of publicly held shares, market value of listed shares, minimum bid price per share, and minimum stockholder’s equity, among others, and requirements relating to board and committee independence. On March 27, 2024, we received written notice from the Listing Qualifications Department of The Nasdaq Stock Market notifying us that, for the preceding 30 consecutive business days, the bid price of the Company’s common stock had closed below the minimum \$1.00 per share requirement for continued inclusion under Nasdaq Marketplace Rule 5550(a)(2) (the “Bid Price Rule”) and which provided us a grace period of 180 calendar days, or until September 23, 2024, to regain compliance with the minimum bid price requirement. We may achieve compliance during this 180-day period if the closing bid price of our common stock is at least \$1.00 per share for a minimum of 10 consecutive business days before September 23, 2024. If we fail to regain compliance on or prior to September 23, 2024, we may be eligible for an additional 180 day compliance period.

Additionally, on May 22, 2024, we received written notice from the Listing Qualifications Department of Nasdaq notifying us that we are not currently in compliance with the requirement of maintaining stockholders’ equity of at least \$2,500,000 for continued inclusion on The Nasdaq Capital Market under Nasdaq Marketplace Rule 5550(b)(1) (the “Stockholders’ Equity Rule”). In the Company’s Quarterly Report on Form 10-Q for the three months ended March 31, 2024, the Company reported stockholders’ equity of less than \$2,500,000. On July 5, 2024, we provided Nasdaq a plan regarding how we expect to regain compliance with the Stockholders’ Equity Rule. If Nasdaq accepts our proposed plan, we may be granted an extension of up to November 18, 2024, to evidence compliance with the rule. There may be no assurances that our plan of compliance will be successful or that we will be able to regain compliance with the Stockholders’ Equity Rule. If we fail to regain compliance with the Stockholders’ Equity Rule we may be subject to the delisting of our common stock from the Nasdaq Capital Market.

Additionally, if we fail to comply with any other continued listing standards of Nasdaq, our common stock will also be subject to delisting. If that were to occur, our common stock would be subject to rules that impose additional sales practice requirements on broker-dealers who sell our securities. The additional burdens imposed upon broker-dealers by these requirements could discourage broker-dealers from effecting transactions in our common stock. This would significantly and negatively affect the ability of investors to trade our securities and would significantly and negatively affect the value and liquidity of our common stock. These factors could contribute to lower prices and larger spreads in the bid and ask prices for our common stock. On July 16, 2024, we filed a definitive proxy statement in connection with our 2024 annual meeting of

stockholders which contained, among other things, a proposal seeking stockholder approval to effect a reverse stock split of our issued and outstanding shares of common stock at a ratio calculated to maintain listing on the Nasdaq Capital Market, as determined by the Board in its sole discretion. There can be no assurance that our stockholders will approve such reverse stock split. Additionally, if we receive stockholder approval and determine to seek to implement a reverse stock split in order to remain listed on the Nasdaq Capital Market, the announcement and/or implementation of a reverse stock split could significantly negatively affect the price of our common stock. For example, in January 2024 we implemented a 1-for-40 reverse stock split in order to regain compliance with the Bid Price Rule pursuant to a previously announced notice we received from the Nasdaq Listing Center in April 2023. Following the effectiveness of the January 2024 reverse stock split, our common stock experienced increased volatility and adverse effects to its trading price. We intend to continue to actively monitoring the bid price for our common stock between now and September 23, 2024, and will consider available options to resolve the deficiency and regain compliance with the Bid Price Rule. However, there can be no assurance that we will regain compliance or otherwise maintain compliance with any of the other listing requirements. If our common stock were to be delisted from Nasdaq, trading of our common stock would most likely be conducted in the over-the-counter market on an electronic bulletin board established for unlisted securities such as the OTC Markets or in the “pink sheets.” Such a downgrading in our listing market may limit our ability to make a market in our common stock and may impact purchases or sales of our securities.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

During the three months ended June 30, 2024, no director or officer of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Term Loan

On August 9, 2024, we entered into a Subordinated Business Loan and Security Agreement (“Term Loan”) with Agile Lending, LLC, as lender, and Agile Capital Funding, LLC, as collateral agent. The Term Loan is a short-term, thirty-week, fixed interest rate obligation. Principal and interest on the Term Loan are payable in arrears weekly. The Term Loan is secured by certain of our assets, and it is evidenced by a subordinated secured promissory note.

The Term Loan contains customary affirmative and negative covenants. Among other things, these covenants restrict our ability to incur certain types or amounts of indebtedness, incur liens on certain assets, dispose of material assets, enter into certain restrictive agreements, or engage in certain transactions with affiliates. Additionally, the Term Loan contains customary default provisions including, but not limited to, failure to pay interest or principal when due.

The foregoing summary of the Term Loan is qualified in its entirety by reference to the text of the agreement. Please refer to Exhibit 10.2 in this Quarterly Report on Form 10-Q for the full text of the agreement.

The following is a summary description of the key terms of the Term Loan:

Debt	Debt Origination Date	Maturity	Principal Amount Borrowed	Carrying Value	Weighted Weekly Average Interest Rate
Term loan	8/9/2024	3/6/2025	\$ 1,000,000	\$ 1,000,000	2.96 %

Principal and interest payments of \$50,750 is due weekly on the Term Loan for thirty weeks effective August 9, 2024 to March 6, 2025, when the Term Loan is fully paid off. Total interest of \$522,501 is expected to be paid over the thirty-week loan period.

Item 6. Exhibits.

Exhibit No.	Description	Incorporation by Reference		
		Form	Exhibit No.	Filing Date
3.1	Amended and Restated Certificate of Incorporation	8-K	3.1	3/25/2021
3.2	Certificate of Amendment to Amended and Restated Certificate of Incorporation	8-K	3.1	1/22/2024
3.3	Second Amended and Restated Bylaw of Nuvve Holding Corp.	8-K	3.1	12/5/2023
10.1†	Master Services Agreement, dated May 14, 2024, by and between the Company and the Board of Fresno Economic Opportunities Commission.	*		
10.2	Subordinated Business Loan and Security Agreement, dated August 9, 2024, by and among Nuvve Holding Corp. as borrower, Agile Lending, LLC, as Lender, and Agile Capital Funding, LLC, as collateral agent.	*		
31.1	Rules 13a-14(a) Certification of Chief Executive Officer	*		
31.2	Rules 13a-14(a) Certification of Chief Financial Officer	*		
32.1	Section 1350 Certification of Chief Executive Officer	+		
32.2	Section 1350 Certification of Chief Financial Officer	+		
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	+		
101.SCH	Inline XBRL Taxonomy Extension Schema Document	+		
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	+		
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	+		
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document	+		
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	+		
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.	+		

* Filed herewith.

+ Furnished herewith.

† Certain confidential information contained in this document, marked by [***], has been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K because it is both (i) not material and (ii) the type of information that the registrant treats as private or confidential.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

August 13, 2024

NUVVE HOLDING CORP.

By: /s/ Gregory Poilasne
Gregory Poilasne
Chief Executive Officer
(Principal Executive Officer)

By: /s/ David Robson
David Robson
Chief Financial Officer
(Principal Financial and Accounting Officer)

[***] = Certain confidential information contained in this document, marked by brackets, has been omitted because it is both (i) not material and (ii) is the type that the registrant treats as private or confidential.

MASTER SERVICES AGREEMENT

This Master Services Agreement (this “**Agreement**”), dated as of May 14, 2024 (the “**Effective Date**”), is by and between Nuvve Holding Corp., a Delaware corporation, with offices located at 2488 Historic Decatur Rd., Suite 200, San Diego, CA 92106 (“**Service Provider**”) and the Fresno County Economic Opportunities Commission, a California nonprofit public benefit corporation, with offices located at 1920 Mariposa St., Suite 330, Fresno, CA 93721 (“**Client**” and together with Service Provider, the “**Parties**”, and each a “**Party**”).

WHEREAS, Service Provider has the capability and capacity to provide certain services, including the design and implementation of electrification system for transit fleets;

WHEREAS, Client has been or will be awarded funding from *Carl Moyers* (“*Carl Moyers Funding*”) as well as other funding sources that will ultimately total the amount of Services, as defined in Section 1 below, under this Agreement (collectively, the “**Funding**”) in order to fund the design and implementation of an electrification system for its transit fleet; and

WHEREAS, Client desires to retain Service Provider to provide said design and implementation services in order to design and implement an electrification system for Client’s transit fleet, and Service Provider is willing to perform such services under the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the above recitals, which are incorporated into and a part of this Agreement, and the mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Service Provider and Client agree as follows:

1. Services. Service Provider shall, in a satisfactory, proper, and timely manner as reasonably determined by Client, provide to Client the services (the “**Services**”) set out in the statement of work (the “**SOW**”) attached hereto as Exhibit A and incorporated herein by reference. The details of the method and manner for performance of the Services by the Service Provider shall be under its own control and consistent with industry standard. Notwithstanding anything to contrary in this Agreement or the SOW, each Parties’ obligations under this Agreement and the SOW, including but not limited to Client’s obligation to compensate Service Provider and Service Provider’s obligation to perform the Services, shall be contingent upon Client’s receipt of the approval of the Funding. Client may suspend or terminate this Agreement at any time and without penalty in the event the Carl Moyer Funding is terminated, defunded, or delayed. Service Provider shall commence performance of this Agreement on the Effective Date and shall complete performance to the satisfaction of Client no later than June 30, 2026 (the “**Term**”).

2. Change Requests. Client may occasionally request changes in the SOW to be performed hereunder. Such changes, including any increase or decrease in the amount of Service

Provider's compensation, which are mutually agreed upon by and between Client and Service Provider, shall be incorporated by written amendment to this Agreement signed by both Parties.

3. Fees and Expenses.

3.1 In consideration of the provision of the Services by the Service Provider and the rights granted to Client under this Agreement, Client shall pay the fees set forth in the in the Budget and Payment Schedule attached hereto as Exhibit B. Payment to Service Provider of such fees and the reimbursement of expenses pursuant to this Section 3 shall constitute payment in full for the performance of the Services. It is expressly understood and agreed that in no event shall the total amount to be paid by Client to Service Provider under this Agreement exceed \$[***], provided, such amount may be increased as a result of a mutually agreed upon change request resulting in the increase of such total payments or otherwise as may be provided for in an amendment to this Agreement as agreed upon by the parties pursuant to the terms herein. Client shall make payments under this Agreement within [***] days of receipt by the Client of an invoice from Service Provider for services rendered during that period. Payments due hereunder must be made by wire transfer, certified check, bank check or such other method as may be agreed upon by the Service Provider. Each invoice shall include a running tally of all charges paid by Client to Service Provider since the Effective Date of this Agreement.

3.2 If Service Provider is to be reimbursed for travel expenses, the cost charged for travel shall not exceed those allowable to Client's employees. No such reimbursement shall be made unless Client has authorized such travel expense before incurring said costs. If the SOW provides for reimbursement of expenses or if otherwise agreed by the Parties in writing, Client shall reimburse Service Provider for reasonable out-of-pocket expenses incurred in connection with performing the services, provided prior approval is obtained from Client for such expenses.

3.3 Client shall be responsible for all sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by Client hereunder. Notwithstanding the previous sentence, in no event shall Client pay or be responsible for any taxes imposed on, or with respect to, Service Provider's income, revenues, gross receipts, personnel, or real or personal property, or other assets.

3.4 In addition to all other remedies available under this Agreement or at law (which Service Provider does not waive by the exercise of any rights hereunder), Service Provider shall be entitled to suspend the provision of any Services if the Client fails to pay any undisputed amounts when due hereunder and such failure continues for [***] days following written notice thereof, and such withholding of Services shall not be considered a breach or default of any of Service Provider's obligations under this Agreement.

4. Subcontracting. Notwithstanding anything to the contrary set forth herein, Service Provider may subcontract certain aspects of the Services hereunder, provided that any such subcontracting arrangement comply with the conditions and guidelines set forth in the SOW. Service Provider shall immediately notify Client of the retention or engagement by Service Provider of any subcontractor or supplier providing services under this Agreement and the SOW. Client shall not provide Service Provider with additional compensation due to the failure of Service Provider, a subcontractor, or supplier to satisfactorily perform and complete the SOW or due to Service Provider's replacement of subcontractors or suppliers to provide services under this Agreement.

5. Records. Service Provider shall maintain complete and accurate records relating to the provision of the Services under this Agreement, including records of the time spent and materials used by Service Provider in providing the Services, property, personnel, and financial records reasonably deemed necessary by the Client or the director of the Client's Funding source to ensure proper accounting for all project funds, including the Federal and Non-Federal Shares. During the Term and for a period of three years thereafter, upon Client's request, Service Provider shall allow Client, the Client's Funding sources, the Comptroller General of the United States, or any authorized representative for audit purposes, to inspect and make copies of such records in connection with the provision of the Services. Such records shall be retained by Service Provider during the Term and for a period of three years thereafter, unless Client and its Funding source provide Service Provider with written consent to destroy such records.

6. Warranty.

6.1 Service Provider warrants that it shall perform the Services:

6.1.1 In accordance with the terms and subject to the conditions set forth in the SOW and this Agreement.

6.1.2 Using personnel of commercially reasonable skill, experience, and qualifications.

6.1.3 In a timely, workmanlike, and professional manner in accordance with generally recognized industry standards for similar services.

6.2 In the event of a breach of the warranties set forth in Section 6.1 above:

6.2.1 Service Provider shall use reasonable commercial efforts to promptly cure any such breach; provided, that if Service Provider cannot cure such breach within a reasonable time (but no more than [***] days) after Client's written notice of such breach, Client may, at its option, terminate the Agreement by serving written notice of termination in accordance with Section 11.2.

6.2.2 In the event the Agreement is terminated pursuant to Section 6.2.1 above, Service Provider shall within [***] days after the effective date of termination, refund to

Client any fees paid by the Client as of the date of termination for the Services, less a deduction equal to the fees for receipt or use of such Services up to and including the date of termination on a prorated basis.

6.2.3 The foregoing remedy shall not be available unless Client provides written notice of such breach within [***] days after delivery of such Service or Deliverable to Client.

7. Intellectual Property. Any discovery or invention arising out of or developed in the course of work aided by this Agreement shall be promptly and thoroughly reported to Client for determination as to whether patent protection on such invention or discovery shall be sought and how the rights in the invention or discovery, including rights under any patent issued thereof, shall be disposed of and administered, to protect the public interest. If Service Provider is to provide a license to Client for any of its software, technology, or related intellectual property rights, such license shall be set forth in a separate license agreement. Each Party acknowledges, agrees and understands that, except as provided for in this Section 7, it does not have, and shall not acquire, any interest in the other Party's software, technology, or other related intellectual property rights.

8. Confidentiality. From time to time during the Term of this Agreement, either Party (as the "**Disclosing Party**") may disclose or make available to the other Party (as the "**Receiving Party**"), non-public, proprietary, and confidential information of Disclosing Party that, if disclosed in writing or other tangible form is clearly labeled as "confidential," or if disclosed orally, is identified as confidential when disclosed and within 30 days thereafter, is summarized in writing and confirmed as confidential ("**Confidential Information**"); provided, however, that Confidential Information does not include any information that: (a) is or becomes generally available to the public other than as a result of Receiving Party's breach of this Section 8(b) is or becomes available to the Receiving Party on a non-confidential basis from a third-party source, provided that such third party is not and was not prohibited from disclosing such Confidential Information; (c) was in Receiving Party's possession prior to Disclosing Party's disclosure hereunder; or (d) was or is independently developed by Receiving Party without using any Confidential Information. The Receiving Party shall: (x) protect and safeguard the confidentiality of the Disclosing Party's Confidential Information with at least the same degree of care as the Receiving Party would use to protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care; (y) not use the Disclosing Party's Confidential Information, or permit it to be accessed or used, unless required by applicable law or legal process, for any purpose other than to exercise its rights or perform its obligations under this Agreement; and (z) unless required by applicable law or legal process, not disclose any such Confidential Information to any person or entity, except to the Receiving Party's Group who need to know the Confidential Information to assist the Receiving Party, or act on its behalf, to exercise its rights or perform its obligations under this Agreement.

If the Receiving Party is required by applicable law or legal process to disclose any Confidential Information, it shall, prior to making such disclosure, use commercially reasonable

efforts to notify Disclosing Party of such requirements to afford Disclosing Party the opportunity to seek, at Disclosing Party's sole cost and expense, a protective order or other remedy. For purposes of this Section 8, "Receiving Party's Group" shall mean the Receiving Party's affiliates and its or their employees, officers, directors, independent sublicensees, subcontractors, attorneys, accountants, and financial advisors.

9. Cooperation of the Parties. Both Parties agree to comply with all reasonable requests of the other. Client shall provide Service Provider's personnel with access to such documents and Client's premises, employees, contractors, and equipment as may be reasonably necessary for the performance of the Services under the Agreement. Client agrees to furnish without charge adequate space at Client's premises, as reasonably determined by Client, for use by Service Provider's personnel while performing the Services. Client and Service Provider shall each designate one of its employees or agents to serve as its primary contact with respect to this Agreement and to act as its authorized representative with respect to matters pertaining to this Agreement (respectively, the "**Client Contract Manager**" and the "**Service Provider Contract Manager**"). The Client Contract Manager shall initially be Thomas Dulin, Director, Transit System; the Service Provider Contract Manager shall initially be Jeff Vengas, Vice President Operation; such designations to remain in force unless and until a successor representative is appointed. Client shall require that the Client Contract Manager respond promptly to any reasonable requests from Service Provider for instructions, information, or approvals required by Service Provider to provide the Services. Service Provider shall require that the Service Provider Contract Manager respond promptly to any reasonable requests from Client for information, records, or approvals requested by Client pursuant hereto.

10. Service Provider's Compliance; Covenants.

10.1 For the purposes of compliance with California Assembly Bill 334, Service Provider's duties and services under this Agreement shall not include preparing or assisting Client with any portion of the public entity's preparation of a request for proposals, request for qualifications, or any other solicitation regarding a subsequent or additional contract with Client. Client shall at all times retain responsibility for public contracting, including with respect to any subsequent phase of the project. Service Provider's participation in the planning, discussions, or drawing of project plans or specifications shall be limited to conceptual, preliminary, or initial plans or specifications. Service Provider shall cooperate with Client to ensure that all bidders for a subsequent contract on any subsequent phase of this project have access to the same information, including all conceptual, preliminary, or initial plans or specifications prepared by Service Provider pursuant to this Agreement.

10.2 Service Provider shall comply with all conditions governing grants as required by Client, the Funding sources, and/or Federal and State regulations.

10.3 Service Provider agrees to comply with all federal, state, and local statutes and regulations concerning its employees, including but not limited to prevailing wage standards imposed because of the source of the Funding. All laborers and mechanics employed, if any, by

contractors or subcontractors in the construction, alteration, or repair, including painting and decorating of projects, buildings, and works that are federally assisted under this Agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276-a-276a-5).

10.4 Service Provider warrants that no person or entity has been employed or retained to solicit or secure this Agreement in consideration for a commission, parentage, brokerage, or contingent fee. For breach or violation of this warrant, Client shall have the right to terminate this Agreement without liability or, in its discretion, to deduct from the Service Provider's compensation, or otherwise recover, the total amount of such commission, percentage, brokerage, or contingent fee.

10.5 Service Provider represents and warrants that, to the best of Service Provider's knowledge, for Client contracts exceeding One Hundred Thousand Dollars (\$100,000), Service Provider is entirely in compliance with the earning assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department as set forth in subdivision (1) Public Contract Code 7110.

10.6 Service Provider or any subcontractor assigned work under this Agreement who has 50 or more employees and an agreement of Fifty Thousand Dollars (\$50,000.00) or more shall be required to develop a written Affirmative Action Compliance Program so long as such plan is not invalidated by any court or subsequent law. The written program is to follow the guidelines set forth in Title 41 CFR Section 60-1.40, Sections 60-2.10 through 60-2.32, Sections 60-250.1 through 60-250-33, and Sections 60-741.4 through 60-741.32. Service Provider or any subcontractor with less 50 employees must comply with Section 202 of Part II of Executive Order 11246, as amended. Service Provider shall ensure that Subcontractors falling within the scope of this provision shall comply in full with the requirements thereof.

10.7 Service Provider shall comply with all applicable laws, ordinances, and codes of the State and Local governments.

11. Term, Termination and Survival.

11.1 This Agreement shall commence as of the Effective Date and shall continue thereafter until Service Provider shall complete performance of the Services to the satisfaction of the Client no later than the Term, unless earlier terminated or extended in accordance with the provisions of the Agreement, unless sooner terminated pursuant hereto.

11.1.1 Client shall have the right to terminate this Agreement without penalty to Client by giving written notice to Service Provider upon the following events: (i) if Service Provider materially fails to fulfill, in a timely and proper manner, its obligations under

this Agreement; (ii) if the Service Provider materially violates any of the covenants, agreements, or stipulations of this Agreement; (iii) if the Funding, grant, or contract under which this Agreement is made, authorized, or funded, is terminated, materially reduced, defunded, or suspended by the funding source; or (iv) if Client is the Delegate Agency, as defined in section 8101 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 7801], of a grantee and the contract by which such delegation is made is terminated. If that Service Provider is unable to comply, with advance written notice and reasonable justification, with such additional conditions as may be lawfully imposed by the funding source on the grant or contract under which the Client is performing the program to which Service Provider's services are being rendered, then Service Provider shall have the right to terminate the Agreement without penalty or liability to Service Provider by giving written notice to the Client signifying the effective date thereof. In the event of termination, (i) all property and finished or unfinished documents, data studies, and reports purchased or prepared by the Service Provider under this Agreement shall become its property at the option of the Client and (ii) Client shall compensate Service Provider for Service Provider's actual time as of the effective date of termination and for any unreimbursed expenses incurred in the satisfactory performance of this Agreement through the effective date of termination. In the event that Client terminates this Agreement due to the failure to receive the Carl Moyers Funding, Client's obligation to compensate Service Provider, as provided herein, shall be capped at no more than [***] Dollars (\$[***]). Notwithstanding the above, the Service Provider shall not be relieved thereby of liability to Client for damages sustained by Client by virtue of any material breach of the Agreement by the Service Provider. If the Service Provider materially breaches this Agreement and fails to cure such material breach within [***] ([***)] days of receipt of written notice of such material breach from the Client, then the Client may withhold any such reimbursement or compensation to the Service Provider for the purpose of offset until such time as the exact amount of damages due Client from the Service Provider is agreed upon or otherwise determined.

11.1.2 Notwithstanding anything to the contrary herein, Service Provider may terminate this Agreement, effective upon written notice, if Client fails to pay any amount when due hereunder and such failure continues for [***] days after Client's receipt of written notice of nonpayment.

11.2 Either party may terminate this Agreement, effective upon written notice to the other Party (the "**Defaulting Party**"), if the Defaulting Party materially breaches any covenant or obligation under this Agreement, and such breach is incapable of cure, or with respect to a material breach capable of cure, the Defaulting Party does not cure such breach within [***] days after receipt of written notice of such breach.

11.3 Termination of this Agreement for any reason shall not discharge either Party's liability for obligations incurred hereunder and amounts unpaid at the time of such termination.

11.4 Following the termination of this Agreement, any provision set forth herein which, by its very nature, is intended to survive any expiration or termination hereof, shall

so survive, including without limitation, the provisions respecting ownership of work product, confidentiality, indemnification, limitation of liability, non-solicitation, accrued payment obligations, and governing law and venue.

12. Indemnification; Defense; Hold Harmless. Service Provider shall indemnify, defend, and hold harmless the Client, its officers, commissioners, agents, and employees (the “**Agency Indemnitees**”) from all claims, suits, or actions of every name, kind, and description brought forth on account of injuries to or death of any person or damage to property arising from or connected with the willful misconduct, negligent acts, breach of this Agreement, errors or omissions, ultra-hazardous activities, activities giving rise to strict liability, or defects in design by Service Provider or any person directly or indirectly employed by or acting as agent for Service Provider in the performance of this Agreement, including the concurrent or successive passive negligence of the Agency Indemnitees. Acceptance of insurance certificates and endorsements required under this Agreement does not relieve Service Provider from liability under this indemnification and hold harmless clause. This indemnification, defense, and hold harmless clause shall apply whether such insurance policies are determined to apply to any such damages or claims for damages. Service Provider’s responsibility for such defense and indemnity shall survive termination or completion of this agreement for the entire period allowed by law. In the event of a claim is brought against the Client, the Client shall provide Service Provider prompt written notice of the claim and Service Provider shall have control and authority over the defense and/or settlement of the claim, provided that the Client may join in defense with counsel of its own choice at its own expense. Service Provider shall not consent to the entry of any judgment or enter into any settlement or compromise requiring the Client to admit liability, pay money or take (or refrain) from any action without the prior written consent of the Client, which shall not be unreasonably withheld, conditioned or delayed.

13. Insurance. Service Provider shall, at its own expense, maintain and carry insurance with financially sound and reputable insurers, in full force and effect that includes, but is not limited to, commercial general liability in a sum no less than Five Hundred Thousand Dollars (\$500,000) to cover any negligent acts committed by the Service Provider or Service Provider’s employees or agents. Such insurance policy shall also cover any liability that may arise due to the Service Provider’s use of an automobile in connection with the performance of the Services. Upon Client’s request, Service Provider shall provide Client with a certificate of insurance from Service Provider’s insurer evidencing the insurance coverage specified in this Agreement. The certificate of insurance shall name Client as an additional insured.

14. Local Workforce. Service Provider hereby acknowledges and recognizes Client’s commitment to supporting the local economy and promoting job opportunities within the community. Service Provider shall hire or engage qualified subcontractors who are residents from Fresno County, California and adjoining counties (“**Local Workforce**”) for the construction phase of the SOW. If Service Provider is unable to find a Local Workforce for this phase of the SOW, Service Provider shall immediately notify Client in writing and described in detail the efforts undertaken to obtain a Local Workforce for the project. The Parties will work cooperatively to resolve the matter. After such cooperative efforts, Service Provider may then

notify Client in writing that it intends to use certain non-Local Workforce to carry out those limited areas of the SOW in which they are unable to identify a Local Workforce. Service Provider shall comply with all relevant labor laws, including but not limited to those specific to the State of California, to ensure fair employment practices, worker protection, and prevailing wage and working hour requirements.

15. Local Workforce Reports. Upon Client's request, Service Provider shall provide reports to the Client no more than quarterly, demonstrating its efforts to comply with the Local Workforce initiative set forth in Section 13 above. These reports shall be submitted to the Client within thirty (30) days following the end of the applicable calendar quarter. The Client shall have the right to review and audit these reports and request additional information or documentation reasonably related to meeting the Local Workforce target. This reporting and compliance obligation shall remain in effect for the duration of the Agreement and any extensions or renewals thereof.

16. Notices. All notices, requests, consents, claims, demands, waivers, and other communications under this Agreement (each, a "**Notice**", and with the correlative meaning "**Notify**") must be in writing and addressed to the other Party at its address set forth below (or to such other address that the receiving Party may designate from time to time in accordance with this Section). All Notices must be delivered by personal delivery, electronic mail or sent by nationally recognized overnight courier, or certified or registered mail (in each case, return receipt requested, postage prepaid). Notices delivered personally will be deemed communicated as of actual receipt; electronic mail delivery will be deemed communicated upon the receipt of such message; mailed notices will be deemed communicated as of five (5) days after mailing. Except as otherwise provided in this Agreement, a Notice is effective only (a) on receipt by the receiving Party; and (b) if the Party giving the Notice has complied with the requirements of this Section 16.

Notice to Client: Fresno County Economic Opportunities Commission
1920 Mariposa St., Suite 300
Fresno, CA 93721
Attn: Thomas Dulin

With a copy to:
Notice to Service Provider: Nuvve Holding Corp.
2488 Historic Decatur Rd., Suite 200
San Diego, CA 92106
Attn: Chief Executive Officer

With a copy to:

17. Amendments. No amendment to or modification of or rescission, termination, or discharge of this Agreement is effective unless it is in writing and signed by each Party.

18. Waiver. No waiver by any Party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

19. Assignment. Neither Party shall assign this Agreement without the prior written consent of the other Party.

20. Successors and Assigns. This Agreement is binding on and inures to the benefit of the Parties to this Agreement and their respective permitted successors and permitted assigns.

21. Relationship of the Parties. The relationship of the Parties hereto is that of independent contractors. Nothing in this Agreement, and no course of dealing between the Parties, shall be construed to create or imply an employment or agency relationship or a partnership or joint venture relationship between the Parties or between one Party and the other Party's employees or agents. Each of the Parties is an independent contractor, and neither Party has the authority to bind or contract any obligation in the name of or on account of the other Party or to incur any liability or make any statements, representations, warranties, or commitments on behalf of the other Party, or otherwise act on behalf of the other. The Agreement shall not be construed as constituting either Party as partner, joint venture, or fiduciary of the other Party or to create any other form of legal association that would impose liability upon one Party for the act or failure to act of the other Party, or as providing either Party with the right, power or authority (express or implied) to create any duty or obligation of the other Party. Each Party shall be solely responsible for payment of the salaries of its employees and personnel (including withholding of income taxes and social security), workers compensation, and all other employment benefits. All expenses and disbursements incurred by Service Provider under this Agreement, unless delineated explicitly as Client's responsibility, shall be borne wholly and entirely by Service Provider, and Client shall not be in any way responsible or liable therefor. Service Provider does not have, nor shall hold itself out as having, any right, power, or authority to create any contract or obligation, expressed or implied, on behalf of, in the name of, or binding upon Client. Service Provider acknowledges that as an independent contractor, he or she will not be treated as an employee for Federal tax purposes, for California State tax purposes, or any other purposes and that no FICA (Social Security) payroll tax shall be withheld from payments to Service Provider by Client; Client shall pay no Federal Unemployment Insurance on account of Service Provider; no State of Federal income tax shall be withheld from the payments to Service Provider; neither State Disability Insurance nor State Unemployment Insurance shall be withheld or paid by Client on account of Service Provider and

no Worker's Compensation Insurance has or will be obtained by Client on account of Service Provider for the task to be performed by Service Provider or Service Provider's employees.

22. Prevailing Wage. Service Provider shall comply with and ensure that all subcontractors comply with California Prevailing Wage law for all construction work performed under this Agreement. Service Provider and each subcontractor shall (i) maintain and verify payroll records, and (ii) register with the California Department of Industrial Relations ("DIR") and shall provide all certified payroll records to the DIR as required by law. Additionally, Service Provider and subcontractors shall, as required by law and to the greatest extent practicable, use certified apprenticeships (a minimum of 20% of work hours) to carry out the construction portion of the SOW. If the use of such apprenticeships results in additional savings to the Budget and Payment Schedule described in Exhibit B, such savings shall be retained by Client.

23. RFP Documents. Client's Request for Proposal 2324 dated October 31, 2023 (the "**RFP**") and Service Provider's proposal to Client (the "**Proposal**") are expressly incorporated into this Agreement. For the purposes of priority of interpretation, and in the event of directly conflicting terms between the RFP, the Proposal, and this Agreement, this Agreement shall have priority over the RFP and Proposal, and the RFP will have priority over the Proposal. This Agreement otherwise contains the entire agreement and understanding between the parties relating to the subject matter hereof and supersedes all verbal statements and prior writings with respect thereto.

24. Severability. If any term, provision, covenant, or restriction contained in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable or against public policy, the remainder of the terms, provisions, covenants, and restrictions contained herein shall remain in full force and effect and shall in no way be affected, impaired, or invalidated. Service Provider and Client shall endeavor in good faith negotiations to replace the invalid, void, or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, void, or unenforceable provisions.

25. Prevailing Party. In the event of any controversy, claim, or dispute between the Parties arising out of or relating to this Agreement or the breach thereof, the prevailing Party shall be entitled to recover from the other Party reasonable expenses, attorneys' fees, and costs.

26. Whole Agreement. This Agreement, including all exhibits and attachments and documents expressly incorporated herein by Section 23 above, supersedes any and all agreements, either oral or written, between the parties hereto concerning the rendering of services by Service Provider to Client, constitutes the complete, final and exclusive statement of the terms of the agreement between the Parties regarding the subject matter hereof, and contains all of the covenants and agreements between the Parties concerning the rendering of such services in any manner whatsoever. Each Party to this Agreement acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by

any Party, or anyone acting on behalf of any Party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

27. No Third-Party Beneficiaries. This Agreement benefits solely the Parties to this Agreement and their respective permitted successors and assigns and nothing in this Agreement, express or implied, confers on any other Person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

28. Nondiscrimination.

28.1 Service Provider shall not discriminate against any employee employed in the performance of the Services under this Agreement or against any applicant for employment in the performance of the Services because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical disability (cancer), age (over 40), marital status and denial of family care leave. The foregoing requirement shall apply to, but not be limited to, the following: employment, upgrading, demotion, or transfer; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

28.2 No person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age (over 40), gender, or sexual orientation, be excluded from participation in, be denied the proceeds of, or be subject to discrimination in the performance of this Agreement by Service Provider. Service Provider will comply with all statutes and regulations promulgated by the Federal Government, State Government, and Local Government Agency regarding such discrimination.

28.3 Service Provider hereby certifies that is in compliance with: (i) the Federal Executive Order 11246, as amended by Executive Order 11375 relating to equal employment opportunity; (ii) Title VI and Title VII of the Civil Rights Act of 1964, as amended; (iii) the Rehabilitation Act of 1973, as amended; (iv) the Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended; and (v) Title 41, Code of Federal Regulations, Chapter 60.

28.4 Service Provider agrees to abide with and shall include, in substantially the form provided, the nondiscrimination and compliance provisions of the following clause in all subcontracts to perform the Services:

“During the performance of this Agreement, Service Provider shall not unlawfully discriminate against any employee or applicant for employment because of any race, religion, color, national origin, ancestry, physical handicap, medical conditions, marital status, age (over 40), gender or sexual orientation. Service Provider shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination. Service Provider shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.). The applicable regulations of the Fair Employment and Housing

Commission implementing Government Code Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Administrative Code, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Service Provider shall give written notice of its obligations under this clause to labor organizations with a collective bargaining or other agreement.”

28.5 Service Provider signature affixed to this Agreement shall constitute a certification under the penalty of perjury under the laws of the State of California, that, to the best of its knowledge, Service Provider has, unless exempted, complied with the nondiscrimination program requirements set forth in this Section 28.

29. Pro-Children Act. Service Provider must comply with Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act). This Act requires that smoking not be permitted in any portion of any indoor facility owned, leased, or contracted by an entity and used routinely or regularly for the provision of health, daycare, education, or library services to children under the age of 18 if the services are funded by Federal programs either directly or through State and local governments. Federal programs include grants, cooperative agreements, loans or loan guarantees, and contracts. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug and alcohol treatment.

Service Provider further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontracts shall certify compliance accordingly.

30. Reports. Service Provider shall make all financial, progress, and other reports as reasonably requested by Client and will be available for on-site inspections by Client at its request. Service Provider’s provision of financial reports shall be solely limited to the Scope of Work and financial information related thereto.

31. Publications. Service Provide may publish results of its functions and participation in the program with prior review by Client, provided that such publications acknowledge that the program is supported by funds from Client.

32. No Partisan Activity. None of the funds, materials, property, or services contributed by Client or Service Provider under this Agreement shall be used in the performance of this Agreement or the Services for any partisan political activity or to further the election or defeat of any candidate for public office.

33. Non-Religious. There shall be no religious worship, instruction, or proselytization as part of or in connection with the performance of the Services and/or the obligations of the Parties under this Agreement.

34. NLRB Compliance. Service Provider hereby certifies under penalty of perjury that no more than one final unappealable finding of contempt of court by a Federal Court has been issued against Service Provider within the immediately preceding two (2) year period because Service Provider failed to comply with an order of a Federal Court which orders Service Provider to comply with an order of the National Labor Relations Board

35. Choice of Law. This Agreement and all related documents including all exhibits attached hereto, are governed by and construed in accordance with the laws of the State of California, United States of America, without giving effect to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the laws of any jurisdiction other than those of the State of California and without regard to the United Nations Convention on Contracts for the International Sale of Goods.

36. Choice of Forum. Each Party irrevocably and unconditionally agrees that it will not commence any action, litigation, or proceeding of any kind whatsoever against the other Party in any way arising from or relating to this Agreement, including all exhibits, schedules, attachments, and appendices attached to this Agreement, and all contemplated transactions, in any forum other than the U.S. District Court for the Eastern District of California or, if such court does not have subject matter jurisdiction, the courts of the State of California sitting in Fresno County, and any appellate court from any thereof. Each Party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts and agrees to bring any such action, litigation, or proceeding only in the U.S. District Court for the Eastern District of California or, if such court does not have subject matter jurisdiction, the courts of the State of California sitting in Fresno County. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

37. Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. The Parties may execute this Agreement by electronically transmitted signature and such electronically transmitted signature will be as effective as an original executed signature page. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

38. Force Majeure. No Party shall be liable or responsible to the other Party, or be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement (except for any obligations of the Client to make payments to Service Provider hereunder), when and to the extent such failure or delay is caused by or results from acts beyond the impacted party's ("**Impacted Party**") reasonable control, including, without limitation, the following force majeure events ("**Force Majeure Event(s)**"): (a) acts of God; (b) flood, fire, earthquake, hurricane, epidemic, pandemic or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order, law, or actions; (e) embargoes or blockades in effect on or after the

date of this Agreement; (f) national or regional emergency; (g) strikes, labor stoppages or slowdowns, or other industrial disturbances; (h) telecommunication breakdowns, power outages or shortages, lack of warehouse or storage space, inadequate transportation services, or inability or delay in obtaining supplies of adequate or suitable materials; and (i) other similar events beyond the reasonable control of the Impacted Party.

The Impacted Party shall give notice within 10 days of the Force Majeure Event to the other Party, stating the period of time the occurrence is expected to continue. The Impacted Party shall use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized. The Impacted Party shall resume the performance of its obligations as soon as reasonably practicable after the removal of the cause. In the event that the Impacted Party's failure or delay remains uncured for a period of 30 days following written notice given by it under this Section 38, the other Party may thereafter terminate this Agreement upon 30 days' written notice.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the effective date by their respective duly authorized officers.

Fresno County Economic Opportunities Commission

By: /s/ Emilia Reyes

Name: Emilia Reyes

Title: Chief Executive Officer

Nuvve Holding Corp.

By: /s/ Gregory Poilasne

Name: Gregory Poilasne

Title: Chief Executive Officer

[Signature Page to Master Services Agreement]

EXHIBIT A
STATEMENT OF WORK

EXHIBIT B

BUDGET AND FEE SCHEDULE

SUBORDINATED BUSINESS LOAN AND SECURITY AGREEMENT

THIS SUBORDINATED BUSINESS LOAN AND SECURITY AGREEMENT (as the same may be amended, restated, modified, or supplemented from time to time, this “**Agreement**”) dated as of August 06, 2024 (the “**Effective Date**”) among Agile Capital Funding, LLC as collateral agent (in such capacity, together with its successors and assigns in such capacity, “**Collateral Agent**”), and Agile Lending, LLC, a Virginia limited liability company (“**Lead Lender**”) and each assignee that becomes a party to this Agreement pursuant to Section 12.1 (each individually with the Lead Lender, a “**Lender**” and collectively with the Lead Lender, the “**Lenders**”), and NUVVE HOLDING CORP., a Delaware corporation (“**Parent**”) and its subsidiaries, NUVVE CORPORATION, a Delaware corporation and together with Parent, and the other entities shown as signatories hereto or that are joined from time to time as a Borrower, individually and collectively, jointly and severally (“**Borrower**”), and provides the terms on which the Lenders shall lend to Borrower and Borrower shall repay the Lenders the loans described herein. The Collateral Agent, Lenders, and Borrower, each a “**Party**” and collectively the “**Parties**”, intending to be legally bound, hereby agree as follows:

1. **DEFINITIONS, ACCOUNTING AND OTHER TERMS**

1.1 Capitalized terms used herein shall have the meanings set forth in Section 13 to the extent defined therein. All other capitalized terms used but not defined herein shall have the meaning given to such terms in the Code. Any accounting term used but not defined herein shall be construed in accordance with GAAP and all calculations shall be made in accordance with GAAP. The term “financial statements” shall include the accompanying notes and schedules thereto. Any section, subsection, schedule or exhibit references are to this Agreement unless otherwise specified.

2. **LOANS AND TERMS OF PAYMENT**

2.1 Promise to Pay. Borrower hereby unconditionally promises to pay each Lender the outstanding principal amount of the Term Loan advanced to Borrower by such Lender and accrued and unpaid interest thereon and any other amounts due hereunder as and when due in accordance with this Agreement.

2.2 Term Loan.

(a) Availability. The Lenders, relying upon each of the representations and warranties set out in this Agreement, as well as each of the representations, covenants and warranties set out in the other Loan Documents, hereby severally and not jointly agree with the Borrower that, subject to and upon the terms and conditions of this Agreement, shall advance the Term Loan to the Borrower on the Effective Date, but in any event no later than two (2) Business Days after the date hereof, by wiring the funds to the Borrower’s Account.

(b) Repayment. Borrower agrees to pay all amounts owing pursuant to the terms of this Agreement, including any financing charge, specified fees, interest and any other charges that may be assessed as provided in this Agreement or as documented in the Business Loan and Security Agreement Supplement on Exhibit B-5 (the “**Supplement**”) or the Subordinated Secured Promissory Note (as defined below). The Term Loan shall be repaid by Borrower on the dates specified on Exhibit B-4 of this Agreement (each a “**Scheduled Repayment Date**”) by the amount set out opposite each Scheduled Repayment Date (each a “**Scheduled Repayment Amount**”) and in accordance with the Term Loan Amortization Schedule. If any payment on the Subordinated Secured Promissory Note is due on a day which is not a Business Day, such payment shall be due on the next succeeding Business Day, and such extension of time shall be taken into account in calculating the amount of interest payable under this Note. All unpaid principal and accrued and unpaid interest with respect to the Term Loan is due and payable in full on the Maturity Date. The Term Loan may only be prepaid in accordance with Sections 2.2(c) and 2.2(d). Once repaid, no portion of the Term Loan may be reborrowed.

(c) Mandatory Prepayments. If an event described in Section 7.2(b) hereof occurs, or the Term Loan is accelerated following the occurrence of an Event of Default, Borrower shall immediately pay to Lenders, payable to

each Lender in accordance with its respective Pro Rata Share, an amount equal to the sum of: (i) all outstanding principal of the Term Loan plus accrued and unpaid interest thereon accrued through the prepayment date, (ii) the Prepayment Fee (as defined in Section 2.2(d) below), plus (iii) all other Obligations that are due and payable, including, without limitation, interest at the Default Rate with respect to any past due amounts.

(d) Permissive Prepayments and Make-Whole Premium. Borrower shall have the right to make a full prepayment or partial prepayment of any or all of the Obligations. The foregoing notwithstanding, upon the prepayment of any principal amount, Borrower shall be obligated to pay a make-whole premium payment on account of such principal so paid, which shall be equal to the aggregate and actual amount of interest (at the contract rate of interest) that would be paid through the Maturity Date (“**Prepayment Fee**”).

2.3 Payment of Interest on the Term Loan.

(a) Interest Rate. Borrower agrees to pay in full the interest as set forth in the Supplement found in Exhibit B-5 of this Agreement. Interest shall accrue on the Term Loan commencing on, and including, the Effective Date of the Term Loan, and shall accrue on the principal amount outstanding under the Term Loan through and including the day on which the Term Loan is paid in full.

(b) Default Rate. Immediately upon the occurrence and during the continuance of an Event of Default, Obligations shall accrue interest at a fixed per annum rate equal to the rate that is otherwise applicable thereto plus five percentage points (5.00%) (the “**Default Rate**”). Payment or acceptance of the increased interest rate provided in this Section 2.3(b) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of Collateral Agent.

(c) 360 Day Year. Interest shall be computed on the basis of a three hundred sixty (360) day year and the actual number of days elapsed.

(d) Debit of Accounts; Payments. All payments on the Subordinated Secured Promissory Note shall be made via automated clearing house transfers of immediately available funds to be initiated by Lender in accordance with the authorization and direction of Borrower to Lead Lender provided in Exhibit B-6 of this Agreement.

(e) Usury Savings Clause. This Agreement and the other Loan Documents are subject to the express condition that at no time shall Borrower be required to pay interest on the principal balance of the Term Loan at a rate which could subject Lenders to either civil or criminal liability as a result of being in excess of the Maximum Legal Rate. If by the terms of this Agreement or the other Loan Documents, Borrower is at any time required or obligated to pay interest on the principal balance due hereunder at a rate in excess of the Maximum Legal Rate or the Default Rate, as the case may be, shall be deemed to be immediately reduced to the Maximum Legal Rate and all previous payments in excess of the Maximum Legal Rate shall be deemed to have been payments in reduction of principal and not on account of the interest due hereunder. All sums paid or agreed to be paid to the Collateral Agent or Lenders for the use, forbearance, or detention of the sums due under the Term Loan, shall, to the extent permitted by applicable law, be amortized, prorated, allocated, and spread throughout the full stated term of the Term Loan until payment in full.

2.4 Fees. Borrower shall pay to Collateral Agent and/or Lenders:

(a) Administrative Agent Fee. The Administrative Agent Fee of FIFTY THOUSAND DOLLARS (\$50,000.00), which shall be paid at closing out of proceeds of the Term Loan for the account of Collateral Agent.

2.5 Subordinated Secured Promissory Notes. The Term Loan shall be evidenced by a Subordinated Secured Promissory Note in the form attached as Exhibit D hereto (“**Subordinated Secured Promissory Note**”) and shall be repayable as set forth in this Agreement.

3. CONDITIONS OF LOANS

3.1 Conditions Precedent to Term Loan. Each Lender's obligation to make the Term Loan is subject to the condition precedent that each Lender shall consent to or shall have received, in form and substance satisfactory to each Lender, such documents, and completion of such other matters, as each Lender may reasonably deem necessary or appropriate.

4. CREATION OF SECURITY INTEREST

4.1 Grant of Security Interest. Effective from and after the Effective Date of the Term Loan, Borrower hereby grants Collateral Agent, for the ratable benefit of the Lenders, to secure the payment and performance in full of all of the Obligations, a continuing security interest in, and pledges to Collateral Agent, for the ratable benefit of the Lenders, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof. If Borrower shall acquire a commercial tort claim (as defined in the Code), Borrower shall grant to Collateral Agent, for the ratable benefit of the Lenders, a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to Collateral Agent. If this Agreement is terminated, Collateral Agent's Lien in the Collateral shall continue until the Obligations (other than inchoate indemnity obligations) are repaid in full in cash. Upon payment in full in cash of the Obligations (other than inchoate indemnity obligations) and at such time as the Lenders' obligation to extend the Term Loan has terminated, Collateral Agent shall, at the sole cost and expense of Borrower, release its Liens in the Collateral and all rights therein shall revert to Borrower.

4.2 Authorization to File Financing Statements. Borrower hereby authorizes Collateral Agent to file such financing statements and/or take any other action required to perfect Collateral Agent's security interests in the Collateral, without notice to Borrower, with all appropriate jurisdictions to perfect or protect Collateral Agent's interest or rights in the Collateral and under the Loan Documents; provided, however, **Collateral Agent shall only be permitted to file a financing statement upon an Event of Default.**

4.3 Guaranty. (Intentionally omitted).

5. REPRESENTATIONS AND WARRANTIES

Each Borrower, jointly and severally, represents and warrants to Collateral Agent and the Lenders as follows:

5.1 Due Organization, Authorization: Power and Authority. Each Borrower and each of its respective Subsidiaries is duly formed, validly existing and in good standing as under the laws of its jurisdiction of organization or formation and each Borrower and each of its respective Subsidiaries is qualified and licensed to do business and is in good standing in any jurisdiction in which the conduct of its businesses or its ownership of property requires that it be qualified except where the failure to do so could not reasonably be expected to result in a Material Adverse Change.

5.2 Collateral. Borrower and Subsidiaries have good title to, have rights in, and the power to transfer each item of the Collateral upon which it purports to grant a Lien under the Loan Documents, free and clear of any and all Liens except Permitted Liens. The security interests granted herein are and shall at all times continue to be a first priority perfected security interest in the Collateral, subject only to Permitted Liens. All Inventory that is part of the Collateral is in all material respects of good and marketable quality, free from material defects.

5.3 Litigation. Except as disclosed on the Perfection Certificate, there are no actions, suits, investigations, or proceedings pending or, to the knowledge of any of the Responsible Officers, threatened in writing by or against Borrower or any of its Subsidiaries involving more than Five Hundred Thousand Dollars (\$500,000.00).

5.4 No Material Adverse Change; Financial Statements. All consolidated financial statements for Parent and its Subsidiaries, delivered to Collateral Agent fairly present, in conformity with GAAP, in all material respects the consolidated financial condition of Parent and its Subsidiaries, and the consolidated results of operations of

Parent and its Subsidiaries. Since the date of the most recent financial statements submitted to any Lender, there has not been a Material Adverse Change.

5.5 Solvency. Borrower and each of its Subsidiaries, when taken as a whole, is Solvent.

5.6 Regulatory Compliance. Neither Borrower nor any of its Subsidiaries has violated any laws, ordinances or rules, the violation of which could reasonably be expected to result in a Material Adverse Change. Borrower and each of its Subsidiaries has obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all governmental authorities that are necessary to continue their respective businesses as currently conducted.

5.7 Investments. Neither Borrower nor any of its Subsidiaries owns any stock, shares, partnership interests or other equity securities except for Permitted Investments.

5.8 Tax Returns and Payments; Pension Contributions. Each Borrower and each of its respective Subsidiaries has timely filed all required tax returns and reports, and, except as disclosed, each Borrower and each of its respective Subsidiaries, has timely paid all foreign, federal, state, and local taxes, assessments, deposits and contributions owed by such Borrower and such Subsidiaries, in all jurisdictions in which such Borrower or any such Subsidiary is subject to taxes, including the United States, unless such taxes are being contested in good faith.

5.9 Use of Proceeds. Borrower shall use the proceeds of the Term Loan solely to fund its general business requirements in accordance with the provisions of this Agreement, and not for personal, family, household or agricultural purposes.

5.10 Full Disclosure. No written representation, warranty or other statement of any Borrower or any of its Subsidiaries in any certificate or written statement given to Collateral Agent or any Lender, as of the date such representation, warranty, or other statement was made, taken together with all such written certificates and written statements given to Collateral Agent or any Lender, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained in the certificates or statements not misleading (it being recognized that projections and forecasts provided by Borrower in good faith and based upon reasonable assumptions are not viewed as facts and that actual results during the period or periods covered by such projections and forecasts may differ from the projected or forecasted results).

5.11 Shares. Each Borrower has full power and authority to create a first lien on its Shares and no disability or contractual obligation exists that would prohibit such Borrower from pledging the Shares pursuant to this Agreement. To Borrower's knowledge, there are no subscriptions, warrants, rights of first refusal or other restrictions on transfer relative to, or options exercisable with respect to the Shares. With respect to each Subsidiary which is a corporation, the Shares have been and will be duly authorized and validly issued, and are fully paid and non-assessable. To Borrower's knowledge, the Shares are not the subject of any present or threatened suit, action, arbitration, administrative or other proceeding, and Borrower knows of no reasonable grounds for the institution of any such proceedings.

5.12 Guarantee. (Intentionally omitted)

6. AFFIRMATIVE COVENANTS

Borrower shall, and shall cause each of its Subsidiaries to, do all of the following:

6.1 Government Compliance. Maintain its and all its Subsidiaries' legal existence and good standing in their respective jurisdictions of organization and maintain qualification in each jurisdiction in which the failure to so qualify could reasonably be expected to have a Material Adverse Change.

6.2 Financial Statements, Reports, Certificates, Notices.

(a) Deliver to Collateral Agent and each Lender: (i) as soon as available, but no later than thirty (30) days after the last day of each month, a company prepared consolidated and consolidating balance sheet, income statement and cash flow statement covering the consolidated operations of Parent and its Subsidiaries for such month certified by a Responsible Officer and in a form reasonably acceptable to Collateral Agent; (ii) prompt notice of any material amendments of or other changes to the capitalization table of Borrower (other than Parent) and to the Operating Documents of Borrower or any of its Subsidiaries, together with any copies reflecting such amendments or changes with respect thereto; (iii) as soon as available, but no later than thirty (30) days after the last day of each month, copies of the month end account statements for each Collateral Account maintained by Borrower or its Subsidiaries, which statements may be provided to Collateral Agent and each Lender by Borrower or directly from the applicable institution(s); (iv) prompt notice of any event that (A) could reasonably be expected to materially and adversely affect the Borrower's Intellectual Property taken as a whole and (B) could reasonably be expected to result in a Material Adverse Change; (v) written notice at least (10) days' prior to Borrower's creation of a new Subsidiary in accordance with the terms of Section 6.10; (vi) written notice at least (10) days' prior to Borrower's (A) changing its jurisdiction of organization, (B) changing its organizational structure or type, (C) changing its legal name, (D) changing any organizational number (if any) assigned by its jurisdiction of organization, or (E) registering or filing any Intellectual Property; (vii) upon Borrower becoming aware of the existence of any Event of Default or event which, with the giving of notice or passage of time, or both, would constitute an Event of Default, prompt (and in any event within three (3) Business Days) written notice of such occurrence, which such notice shall include a reasonably detailed description of such Event of Default or event which, with the giving of notice or passage of time, or both, would constitute an Event of Default; (viii) notice of any commercial tort claim of Borrower or any Guarantor and of the general details thereof; (ix) other information as reasonably requested by Collateral Agent or any Lender; (x) written notice of any litigation or governmental proceedings pending or threatened (in writing) against Borrower or any of its Subsidiaries, which could reasonably be expected to result in damages or costs to Borrower or any of its Subsidiaries of more than Five Hundred Thousand Dollars (\$500,000.00); and (xi) written notice of all returns, recoveries, disputes and claims regarding Inventory that involve more than Five Hundred Thousand Dollars (\$500,000.00) individually or in the aggregate in any calendar year.

(b) Keep proper, complete and true books of record and account in accordance with GAAP and in all material respects. Borrower shall, and shall cause each of its Subsidiaries to, allow, at the sole cost of Borrower, Collateral Agent or any Lender, during regular business hours upon reasonable prior notice (provided that no notice shall be required when an Event of Default has occurred and is continuing), to visit and inspect any of its properties, to examine and make abstracts or copies from any of its books and records, and to conduct a collateral audit and analysis of its operations and the Collateral. Such audits shall be conducted no more often than once every year unless (and more frequently if) an Event of Default has occurred and is continuing. Notwithstanding the foregoing, upon request of any Lender, Borrower agrees to permit such Lender to communicate with Borrower's accounting firm, in the presence of a Responsible Officer of the Borrower or the Parent, with respect to the consolidated financial statements delivered pursuant to this Section 6.2.

6.3 Inventory and Returns. Keep all Inventory in good and marketable condition, free from material defects. Returns and allowances between Borrower, or any of its Subsidiaries, and their respective account debtors shall follow Borrower's, or such Subsidiary's, customary practices as they exist at the Effective Date.

6.4 Taxes. Timely file and require each of its Subsidiaries to timely file, all required tax returns and reports and timely pay, and require each of its Subsidiaries to timely pay, all foreign, federal, state, and local taxes, assessments, deposits and contributions owed by Borrower or its Subsidiaries, except as otherwise permitted pursuant to the terms of Section 5.8 hereof.

6.5 Insurance. Keep Borrower's and its Subsidiaries' business and the Collateral insured for risks and in amounts standard for companies in Borrower's and its Subsidiaries' industry and location and as Collateral Agent may reasonably request (including customary lender's loss payable endorsements and naming the Collateral Agent as an additional insured), and give the Collateral Agent thirty (30) days' prior written notice before any such policy or policies shall be materially altered or canceled (other than cancellation for non-payment of premiums, for which ten (10) days' prior written notice shall be required). At Collateral Agent's request, Borrower shall deliver certified copies of policies and evidence of all premium payments to Collateral Agent. If Borrower or any of its Subsidiaries

fails to obtain insurance as required under this Section 6.5 or to pay any amount or furnish any required proof of payment to third persons, Collateral Agent and/or any Lender may make (but has no obligation to do so), at Borrower's expense, all or part of such payment or obtain such insurance policies required in this Section 6.5, and take any action under the policies Collateral Agent or such Lender deems prudent.

6.6 Litigation Cooperation. Commencing on the Effective Date and continuing through the termination of this Agreement, make available to Collateral Agent and the Lenders, without expense to Collateral Agent or the Lenders, Borrower and each of Borrower's officers, employees and agents and Borrower's books and records, to the extent that Collateral Agent or any Lender may reasonably deem them necessary to prosecute or defend any third party suit or proceeding instituted by or against Collateral Agent or any Lender with respect to any Collateral or relating to Borrower.

6.7 Landlord Waivers; Bailee Waivers. Borrower shall give Collateral Agent at least ten (10) days' prior written notice if, after the Effective Date, Borrower adds any new offices or business locations, including warehouses, or otherwise store any portion of the Collateral with, or deliver any portion of the Collateral to, a bailee.

6.8 Further Assurances. Execute any further instruments and take any and all further action as Collateral Agent reasonably requests to perfect or continue Collateral Agent's Lien in the Collateral or to effect the purposes of this Agreement.

7. NEGATIVE COVENANTS

Borrower shall not, and shall not permit any of its Subsidiaries to, do any of the following without the prior written consent of the Required Lenders:

7.1 Dispositions. Convey, sell, lease, transfer, assign, dispose of (collectively, "**Transfer**"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property (including Intellectual Property), except for Transfers (a) of (i) Inventory in the ordinary course of business and (ii) Inventory, that, prior to the Effective Date, has been written down or written off, together with related tangible assets and non-material Intellectual Property; (b) of worn out or obsolete Equipment; (c) in connection with Permitted Liens, Permitted Investments, Permitted Indebtedness and Permitted Licenses; (d) of any non-material Intellectual Property; (e) from (i) Borrower to another Borrower, (ii) a non-Borrower Subsidiary to a Borrower, and (iii) a non-Borrower Subsidiary to another non-Borrower; or (f) permitted under Section 7.3 below.

7.2 Changes in Business or Management, Ownership. (a) Engage in or permit any of its Subsidiaries to engage in any business other than the businesses engaged in by Borrower as of the Effective Date or reasonably related thereto; (b) liquidate or dissolve or permit any of its Subsidiaries to liquidate or dissolve; or (c) cause or permit, voluntarily or involuntarily, any Key Person to cease to be actively engaged in the management of Borrower unless written notice thereof is provided to Collateral Agent and each Lender within ten (10) days of such Key Person ceasing to be actively engaged in the management of Borrower,

7.3 Encumbrance. Create, incur, allow, or suffer any Lien on any of its property, or assign or convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries to do so, except for Permitted Liens, or permit any Collateral not to be subject to the first priority security interest granted herein (except for Permitted Liens), or enter into any agreement, document, instrument or other arrangement (except with or in favor of Collateral Agent, for the ratable benefit of the Lenders) with any Person which directly or indirectly prohibits or has the effect of prohibiting Borrower, or any of its Subsidiaries, from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of Borrower's or such Subsidiary's Intellectual Property.

7.4 Maintenance of Collateral Accounts. Maintain any Collateral Account except as otherwise provided herein.

7.5 Restricted Payments. Following the occurrence and during the continuance of an Event of Default, pay any dividends (other than dividends payable solely in capital stock) or make any distribution or payment in respect of or redeem, retire or purchase any capital stock.

7.6 Transactions with Affiliates. Directly or indirectly enter into any material transaction with any Affiliate of Borrower or any of its Subsidiaries (other than among Borrower), except for (a) transactions that are in the ordinary course of Borrower's or such Subsidiary's business, upon fair and reasonable terms that are no less favorable to Borrower or such Subsidiary than would be obtained in an arm's length transaction with a non-affiliated Person, and (b) Subordinated Debt or equity investments by Borrower's investors in Borrower or its Subsidiaries.

7.11 Material Agreements. Waived.

7.12 Financial Covenants. Waived.

8. EVENTS OF DEFAULT

Any one of the following shall constitute an event of default (an "**Event of Default**") under this Agreement:

8.1 Payment Default. Borrower fails to (a) make any payment of principal or interest on the Term Loan on its due date, or (b) pay any other Obligation within three (3) Business Days after such Obligation is due and payable (which three (3) Business Day grace period shall not apply to payments due on the Maturity Date or the date of acceleration pursuant to Section 9.1 (a) hereof).

8.2 Covenant Default. Borrower or any of its Subsidiaries fails or neglects to perform any obligation in Sections 6.2 (Financial Statements, Reports, Certificates), 6.4 (Taxes), 6.5 (Insurance), or Borrower violates any provision in Section 7 and such violation is not cured within thirty (30) days after Borrower becomes aware of failure.

8.3 Material Adverse Change. A Material Adverse Change has occurred and is continuing.

8.4 Attachment; Levy; Restraint on Business.

(a) (i) The service of process seeking to attach, by trustee or similar process, any funds of Borrower or any of its Material Subsidiaries or of any entity under control of Borrower or its Material Subsidiaries on deposit with any institution at which Borrower or any of its Subsidiaries maintains a Collateral Account, or (ii) a notice of lien, levy, or assessment is filed against Borrower or any of its Material Subsidiaries or their respective assets by any government agency, and the same under subclauses (i) and (ii) hereof are not, within ten (10) days after the occurrence thereof, discharged or stayed (whether through the posting of a bond or otherwise); and

(b) (i) any material portion of Borrower's or any of its Subsidiaries' assets is attached, seized, levied on, or comes into possession of a trustee or receiver, or (ii) any court order enjoins, restrains, or prevents Borrower or any of its Subsidiaries from conducting any part of its business;

8.5 Insolvency. (a) Parent is or becomes Insolvent; (b) Parent and its Subsidiaries, taken as a whole, are or become Insolvent; (c) Borrower or any Material Subsidiary begins an Insolvency Proceeding; or (d) an Insolvency Proceeding is begun against Borrower or any Material Subsidiary and is not dismissed or stayed within sixty (60) days (but no Term Loan shall be extended while Parent or any Subsidiary is Insolvent and/or until any Insolvency Proceeding is dismissed);

8.6 Judgments. (a) One or more judgments, orders, or decrees for the payment of money in an amount, individually or in the aggregate, of at least Five Hundred Thousand Dollars (\$500,000.00) (not covered by independent third party insurance) shall be rendered against Borrower or any of its Subsidiaries and shall remain unsatisfied, unvacated, or unstayed for a period of thirty (30) days after the entry thereof or (b) any judgments,

orders or decrees rendered against Borrower that could reasonably be expected to result in a Material Adverse Change;

8.8 Misrepresentations. Borrower or any of its Subsidiaries or any Person acting for Borrower or any of its Subsidiaries makes any representation, warranty, or other statement now or later in this Agreement, any Loan Document or in any writing delivered to Collateral Agent and/or Lenders or to induce Collateral Agent and/or the Lenders to enter this Agreement or any Loan Document, and such representation, warranty, or other statement, when taken as a whole, is incorrect in any material respect when made.

8.9 Lien Priority. Any Lien created hereunder or by any other Loan Document shall at any time fail to constitute a valid and perfected first Lien on any of the Collateral purported to be secured thereby, subject to no prior or equal Lien, other than Permitted Liens or liens arising as a matter of applicable law.

9. RIGHTS AND REMEDIES

9.1 Rights and Remedies. Upon the occurrence of an Event of Default hereunder (unless all Events of Default have been cured by Borrower, as applicable, or waived by Lenders in writing), Lenders may, at their option: (i) by written notice to Borrower, declare the entire unpaid principal balance of the Term Loan, together with all accrued interest thereon and any other charges or fees payable hereunder, immediately due and payable regardless of any prior forbearance and (ii) exercise any and all rights and remedies available to it hereunder, under the Subordinated Secured Promissory Note and/or under applicable law, including, without limitation, the right to collect from Borrower all sums due under this Agreement and the Subordinated Secured Promissory Note and repossess any Collateral at Borrower's expense. Borrower shall pay all reasonable costs and expenses incurred by or on behalf of Lenders or Collateral Agent in connection with Lenders' exercise of any or all of its rights and remedies under this Agreement or the Subordinated Secured Promissory Note, including, without limitation, reasonable attorneys' fees. Borrower waives the right to any stay of execution and the benefit of all exemption laws now or hereafter in effect.

9.2 Power of Attorney. Borrower hereby irrevocably appoints Collateral Agent as its lawful attorney in fact, exercisable upon the occurrence and during the continuance of an Event of Default, to: (a) endorse Borrower's or any of its Subsidiaries' name on any checks or other forms of payment or security; (b) sign Borrower's or any of its Subsidiaries' name on any invoice or bill of lading for any Account or drafts against Account Debtors; (c) settle and adjust disputes and claims about the Accounts directly with Account Debtors, for amounts and on terms Collateral Agent determines reasonable; (d) make, settle, and adjust all claims under Borrower's insurance policies; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, and adverse claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; and (f) transfer the Collateral into the name of Collateral Agent or a third party as the Code or any applicable law permits. Borrower hereby appoints Collateral Agent as its lawful attorney in fact to sign Borrower's or any of its Subsidiaries' name on any documents necessary to perfect or continue the perfection of Collateral Agent's security interest in, and lien on, the Collateral regardless of whether an Event of Default has occurred until all Obligations (other than inchoate indemnity obligations) have been satisfied in full and Collateral Agent and the Lenders are under no further obligation to extend the Term Loan hereunder. Collateral Agent's foregoing appointment as Borrower's or any of its Subsidiaries' attorney in fact, and all of Collateral Agent's rights and powers, coupled with an interest, are irrevocable until all Obligations (other than inchoate indemnity obligations) have been fully repaid and performed and Collateral Agent's and the Lenders' obligation to provide the Term Loan terminates.

9.3 No Waiver; Remedies Cumulative. Failure by Collateral Agent or any Lender, at any time or times, to require strict performance by Borrower of any provision of this Agreement or any other Loan Document shall not waive, affect, or diminish any right of Collateral Agent or any Lender thereafter to demand strict performance and compliance herewith or therewith. No waiver hereunder shall be effective unless signed by Collateral Agent and the Required Lenders and then is only effective for the specific instance and purpose for which it is given. The rights and remedies of Collateral Agent and the Lenders under this Agreement and the other Loan Documents are cumulative. Collateral Agent and the Lenders have all rights and remedies provided under the Code, any applicable law, by law, or in equity. The exercise by Collateral Agent or any Lender of one right or remedy is not an election,

and Collateral Agent's or any Lender's waiver of any Event of Default is not a continuing waiver. Collateral Agent's or any Lender's delay in exercising any remedy is not a waiver, election, or acquiescence.

9.4 Demand Waiver. Borrower waives, to the fullest extent permitted by law, demand, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees held by Collateral Agent or any Lender on which Borrower or any Subsidiary is liable.

10. NOTICES

All notices, consents, requests, approvals, demands, or other communication (collectively, "**Communication**") by any party to this Agreement or any other Loan Document must be in writing and shall be deemed to have been validly served, given, or delivered: (a) upon the earlier of actual receipt and three (3) Business Days after deposit in the U.S. mail, first class, registered or certified mail return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by facsimile transmission or e-mail; (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when delivered, if hand delivered by messenger, all of which shall be addressed to the party to be notified and sent to the address, facsimile number, or email address indicated below. Any of Collateral Agent, any Lender or Borrower may change its mailing address or facsimile number by giving the other party written notice thereof in accordance with the terms of this Section 10.

If to Borrower:

Address:

E-Mail Address:

If to Collateral Agent:

Agile Capital Funding, LLC

244 Madison Ave, Suite 168

New York, NY 10016

E-Mail Address: aaron@agilecapitalfunding.com

11. CHOICE OF LAW, VENUE AND JURY TRIAL WAIVER

11.1 Waiver of Jury Trial. EACH OF BORROWER, COLLATERAL AGENT AND LENDERS UNCONDITIONALLY WAIVES ANY AND ALL RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, ANY OF THE OTHER LOAN DOCUMENTS, ANY OF THE INDEBTEDNESS SECURED HEREBY, ANY DEALINGS AMONG BORROWER, COLLATERAL AGENT AND/OR LENDERS RELATING TO THE SUBJECT MATTER OF THIS TRANSACTION OR ANY RELATED TRANSACTIONS, AND/OR THE RELATIONSHIP THAT IS BEING ESTABLISHED AMONG BORROWER, COLLATERAL AGENT AND/OR LENDERS. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT. THIS WAIVER IS IRREVOCABLE. THIS WAIVER MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING. THE WAIVER ALSO SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENTS, OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THIS

TRANSACTION OR ANY RELATED TRANSACTION. THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

11.2 Governing Law and Jurisdiction.

(a) THIS AGREEMENT, THE OTHER LOAN DOCUMENTS (EXCLUDING THOSE LOAN DOCUMENTS THAT BY THEIR OWN TERMS ARE EXPRESSLY GOVERNED BY THE LAWS OF ANOTHER JURISDICTION) AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER SHALL IN ALL RESPECTS BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE COMMONWEALTH OF VIRGINIA (WITHOUT REGARD TO THE CONFLICT OF LAWS PRINCIPLES THAT WOULD RESULT IN THE APPLICATION OF ANY LAWS OTHER THAN THE LAWS OF THE COMMONWEALTH OF VIRGINIA), INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, REGARDLESS OF THE LOCATION OF THE COLLATERAL, PROVIDED, HOWEVER, THAT IF THE LAWS OF ANY JURISDICTION OTHER THAN VIRGINIA SHALL GOVERN IN REGARD TO THE VALIDITY, PERFECTION OR EFFECT OF PERFECTION OF ANY LIEN OR IN REGARD TO PROCEDURAL MATTERS AFFECTING ENFORCEMENT OF ANY LIENS IN COLLATERAL, SUCH LAWS OF SUCH OTHER JURISDICTIONS SHALL CONTINUE TO APPLY TO THAT EXTENT.

(b) Submission to Jurisdiction. Any legal action or proceeding with respect to the Loan Documents shall be brought exclusively in the courts of the Commonwealth of Virginia, including, without limitation the Circuit Court of Arlington County in the Commonwealth of Virginia and, by execution and delivery of this Agreement, Borrower hereby accepts for itself and in respect of its Property, generally and unconditionally, the jurisdiction of the aforesaid courts. Notwithstanding the foregoing, Collateral Agent and Lenders shall have the right to bring any action or proceeding against Borrower (or any property of Borrower) in the court of any other jurisdiction Collateral Agent or Lenders deem necessary or appropriate in order to realize on the Collateral or other security for the Obligations. The parties hereto hereby irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, that any of them may now or hereafter have to the bringing of any such action or proceeding in such jurisdictions.

(c) Service of Process. Borrower irrevocably waives personal service of any and all legal process, summons, notices and other documents and other service of process of any kind and consents to such service in any suit, action or proceeding brought in the United States of America with respect to or otherwise arising out of or in connection with any Loan Document by any means permitted by applicable requirements of law, including by the mailing thereof (by registered or certified mail, postage prepaid) to the address of Borrower specified herein (and shall be effective when such mailing shall be effective, as provided therein). Borrower agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(d) Non-exclusive Jurisdiction. Nothing contained in this Section 11.2 shall affect the right of Collateral Agent or Lenders to serve process in any other manner permitted by applicable requirements of law or commence legal proceedings or otherwise proceed against Borrower in any other jurisdiction.

12. GENERAL PROVISIONS

12.1 Successors and Assigns. This Agreement binds and is for the benefit of the successors and permitted assigns of each Party. Borrower may not transfer, pledge or assign this Agreement or any rights or obligations under it without Collateral Agent's prior written consent (which may be granted or withheld in Collateral Agent's discretion, subject to Section 12.5). The Lenders have the right, with the consent of Borrower (which consent shall not be unreasonably withheld), to sell, transfer, assign, pledge, negotiate, or grant participation in (any such sale, transfer, assignment, negotiation, or grant of a participation, a "**Lender Transfer**") all or any part of, or any interest in, any one or more Lenders' obligations, rights, and benefits under this Agreement and the other Loan Documents. In the event of such a Lender Transfer, Collateral Agent or Lead Lender shall have the right to, at its respective sole and absolute option, (a) notify Borrower of such Lender Transfer, in accordance with Section 10 hereof, and direct

Borrower to make payments directly to such other Lender or Lenders, indicating such other Lenders' Pro Rata share of the Term Loan and the amount of the payment to be made in connection therewith, or (b) continue to collect payments hereunder and under the other Loan Documents and pay such other Lenders their Pro Rata Share of the Term Loan, in accordance with, and on such terms, as are determined by and between the Lenders.

12.2 Indemnification. Borrower, jointly and severally, agrees to indemnify, defend and hold Collateral Agent and the Lenders and their respective members, managers, directors, officers, employees, consultants, agents, attorneys, or any other Person affiliated with or representing Collateral Agent or the Lenders (each, an "**Indemnified Person**") harmless against: (a) all obligations, demands, claims, and liabilities (collectively, "**Claims**") asserted by any other party in connection with; related to; following; or arising from, out of or under, the transactions contemplated by the Loan Documents; and (b) all losses or expenses incurred, or paid by Indemnified Person in connection with; related to; following; or arising from, out of or under, the transactions contemplated by the Loan Documents between Collateral Agent, and/or the Lenders and Borrower (including reasonable attorneys' fees and expenses), except for Claims and/or losses directly caused by such Indemnified Person's bad faith, gross negligence or willful misconduct. Borrower hereby further, jointly and severally, indemnifies, defends and holds each Indemnified Person harmless from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the fees and disbursements of counsel for such Indemnified Person) in connection with any investigative, response, remedial, administrative or judicial matter or proceeding, whether or not such Indemnified Person shall be designated a party thereto and including any such proceeding initiated by or on behalf of Borrower, and the reasonable expenses of investigation by engineers, environmental consultants and similar technical personnel and any commission, fee or compensation claimed by any broker (other than any broker retained by Collateral Agent or Lenders) asserting any right to payment for the transactions contemplated hereby which may be imposed on, incurred by or asserted against such Indemnified Person as a result of or in connection with the transactions contemplated hereby and the use or intended use of the proceeds of the loan proceeds except for liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements directly caused by such Indemnified Person's bad faith, gross negligence or willful misconduct.

12.3 Severability of Provisions. Each provision of this Agreement is severable from every other provision in determining the enforceability of any provision.

12.4 Correction of Loan Documents. Collateral Agent may correct patent errors and fill in any blanks in this Agreement and the other Loan Documents consistent with the agreement of the parties.

12.5 Amendments in Writing; Integration. (a) No amendment, modification, termination or waiver of any provision of this Agreement or any other Loan Document, no approval or consent thereunder, and no consent to any departure by Borrower or any of its Subsidiaries therefrom, shall in any event be effective unless the same shall be in writing and signed by Borrower, Collateral Agent and the Required Lenders provided that:

(i) no such amendment, waiver or other modification that would have the effect of increasing or reducing a Lender's Term Loan Commitment or Commitment Percentage shall be effective as to such Lender without such Lender's written consent;

(ii) no such amendment, waiver or modification that would affect the rights and duties of Collateral Agent shall be effective without Collateral Agent's written consent or signature; and

(iii) no such amendment, waiver or other modification shall, unless signed by all the Lenders directly affected thereby, (A) reduce the principal of, rate of interest on or any fees with respect to the Term Loan or forgive any principal, interest (other than default interest) or fees (other than late charges) with respect to the Term Loan (B) postpone the date fixed for, or waive, any payment of principal of the Term Loan or of interest on the Term Loan (other than default interest) or any fees provided for hereunder (other than late charges or for any termination of any commitment); (C) change the definition of the term "Required Lenders" or the percentage of Lenders which shall be required for the Lenders to take any action hereunder; (D) release all or substantially all of any material portion of the Collateral, authorize Borrower to sell or otherwise dispose of all or substantially all or

any material portion of the Collateral, except, in each case with respect to this clause (D), as otherwise may be expressly permitted under this Agreement or the other Loan Documents (including in connection with any disposition permitted hereunder); (E) amend, waive or otherwise modify this Section 12.5 or the definitions of the terms used in this Section 12.5 insofar as the definitions affect the substance of this Section 12.5; (F) consent to the assignment, delegation or other transfer by Borrower of any of its rights and obligations under any Loan Document or release Borrower of its payment obligations under any Loan Document, except, in each case with respect to this clause (F), pursuant to a merger or consolidation permitted pursuant to this Agreement; (G) amend any of the provisions of Section 9.4 or amend any of the definitions of Pro Rata Share, Term Loan Commitment, Commitment Percentage or that provide for the Lenders to receive their Pro Rata Shares of any fees, payments, setoffs or proceeds of Collateral hereunder; (H) subordinate the Liens granted in favor of Collateral Agent securing the Obligations. It is hereby understood and agreed that all Lenders shall be deemed directly affected by an amendment, waiver or other modification of the type described in the preceding clauses (C), (D), (E), (F), (G) and (H) of the immediately preceding sentence.

(b) Other than as expressly provided for in Section 12.5(a)(i) (iii), Collateral Agent may, if requested by the Required Lenders, from time to time designate covenants in this Agreement less restrictive by notification to a representative of Borrower.

(c) This Agreement and the Loan Documents represent the entire agreement about this subject matter and supersede prior negotiations or agreements with respect to such subject matter. All prior agreements, understandings, representations, warranties, and negotiations between the parties about the subject matter of this Agreement and the Loan Documents merge into this Agreement and the Loan Documents.

12.6 Counterparts; Electronic Signatures. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement. Any and all electronic signatures, whether by scan, e-mail, PDF, Docusign or similar means, and any electronic delivery of signature pages hereto, shall be treated as originals.

12.7 Survival. All covenants, representations and warranties made in this Agreement continue in full force and effect until this Agreement has terminated pursuant to its terms and all Obligations (other than inchoate indemnity obligations and any other obligations which, by their terms, are to survive the termination of this Agreement) have been satisfied. The obligation of Borrower in Section 12.2 to indemnify each Lender and Collateral Agent, as well as the confidentiality provisions in Section 12.8 below, shall survive until the statute of limitations with respect to such claim or cause of action shall have run.

12.8 Confidentiality. In handling any confidential information of Borrower, the Lenders and Collateral Agent shall exercise the same degree of care that it exercises for their own proprietary information, but disclosure of information may be made: (a) subject to the terms and conditions of this Agreement, to the Lenders' and Collateral Agent's Subsidiaries or Affiliates; (b) to prospective transferees (other than those identified in (a) above) or purchasers of any interest in the Term Loan (provided, however, the Lenders and Collateral Agent shall obtain such prospective transferee's or purchaser's agreement to the terms of this provision or to similar confidentiality terms); (c) as required by law, regulation, subpoena, or other order; (d) to Lenders' or Collateral Agent's regulators or as otherwise required in connection with an examination or audit; (e) as Collateral Agent reasonably considers appropriate in exercising remedies under the Loan Documents; and (f) to third party service providers of the Lenders and/or Collateral Agent so long as such service providers have executed a confidentiality agreement or have agreed to similar confidentiality terms with the Lenders and Collateral Agent with terms no less restrictive than those contained herein. Confidential information does not include information that either: (i) is in the public domain or in the Lenders' and/or Collateral Agent's possession when disclosed to the Lenders and/or Collateral Agent, or becomes part of the public domain after disclosure to the Lenders and/or Collateral Agent at no fault of the Lenders or the Collateral Agent; or (ii) is disclosed to the Lenders and/or Collateral Agent by a third party, if the Lenders and/or Collateral Agent does not know that the third party is prohibited from disclosing the information. Collateral Agent and the Lenders may use confidential information for any purpose, including, without limitation, for the development of client databases, reporting purposes, and market analysis. The provisions of the immediately preceding sentence shall survive the termination of this Agreement. The agreements provided under this

Section 12.8 supersedes all prior agreements, understanding, representations, warranties, and negotiations between the parties about the subject matter of this Section 12.8.

12.9 Right of Set Off. Borrower hereby grants to Collateral Agent and to each Lender, a lien, security interest and right of set off as security for all Obligations to Collateral Agent and each Lender hereunder, whether now existing or hereafter arising, upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Collateral Agent or the Lenders or any entity under the control of Collateral Agent or the Lenders (including a Collateral Agent affiliate) or in transit to any of them. At any time after the occurrence and during the continuance of an Event of Default, without demand or notice, Collateral Agent or the Lenders may set off the same or any part thereof and apply the same to any liability or obligation of Borrower even though unmatured and regardless of the adequacy of any other collateral securing the Obligations. ANY AND ALL RIGHTS TO REQUIRE COLLATERAL AGENT TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF BORROWER ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED BY BORROWER.

12.10 Borrower Liability. Each Borrower may, acting singly, request credit extensions hereunder. Each Borrower hereby appoints the other as agent for the other for all purposes hereunder, including with respect to requesting credit extensions hereunder. Each Borrower hereunder shall be jointly and severally obligated to repay all credit extensions made hereunder, regardless of which Borrower actually receives said credit extension, as if each Borrower hereunder directly received all credit extensions. Each Borrower waives (a) any suretyship defenses available to it under the Code or any other applicable law, and (b) any right to require Collateral Agent or any Lender to: (i) proceed against any Borrower or any other person; (ii) proceed against or exhaust any security; or (iii) pursue any other remedy. Collateral Agent and/or any Lender may exercise or not exercise any right or remedy it has against any Borrower or any security it holds (including the right to foreclose by judicial or non-judicial sale) without affecting any Borrower's liability. Notwithstanding any other provision of this Agreement or other related document, each Borrower irrevocably waives all rights that it may have at law or in equity (including, without limitation, any law subrogating Borrower to the rights of Collateral Agent and the Lenders under this Agreement) to seek contribution, indemnification or any other form of reimbursement from any other Borrower, or any other Person now or hereafter primarily or secondarily liable for any of the Obligations, for any payment made by Borrower with respect to the Obligations in connection with this Agreement or otherwise and all rights that it might have to benefit from, or to participate in, any security for the Obligations as a result of any payment made by Borrower with respect to the Obligations in connection with this Agreement or otherwise. Any agreement providing for indemnification, reimbursement or any other arrangement prohibited under this Section 12.10 shall be null and void. If any payment is made to a Borrower in contravention of this Section 12.10, such Borrower shall hold such payment in trust for Collateral Agent and the Lenders and such payment shall be promptly delivered to Collateral Agent for application to the Obligations, whether matured or unmatured.

12.11. Change of Law. If, due to any change in applicable law or regulations, or the interpretation thereof by any court of law or other governing body having jurisdiction subsequent to the date of this Agreement, the performance of any provision of this Agreement, the loans granted pursuant hereto or any transaction contemplated hereby shall become unlawful, impracticable or impossible, the Lender shall have the right, with the consent of the Borrower not to be unreasonably withheld, conditioned or delayed, to amend the terms hereof in good faith so as to comply with the then current laws, rules and/or regulations in the way that, in its reasonable judgment, best and most closely reflects the terms and conditions negotiated herein and intended hereby.

12.12. Subordination to Senior Indebtedness. In addition to the subordination and other provisions contained in any subordination or intercreditor agreement, Borrower, Collateral Agent and Lenders agree that the payment of all amounts payable hereunder and under the Subordinated Secured Promissory Note are expressly subordinated in right of payment to the payment when due of all obligations under the Senior Indebtedness. The Collateral Agent and the Lenders acknowledge and agree to negotiate, execute, deliver and perform, in good faith, the any subordination agreement or intercreditor agreement which may be required by Borrower and the holders of any Senior Indebtedness, in form and substance acceptable to Borrower and such holders in their reasonable

discretion; provided, however, that in no event shall any such agreement require that the Maturity Date be extended without the express approval of the Lenders.

13. **DEFINITIONS**

As used in this Agreement, the following terms have the following meanings:

“**Accounts**” shall mean accounts receivable of Parent.

“**Affiliate**” of any Person is a Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person’s senior executive officers, directors, partners if such Person is a partnership and, for any Person that is a limited liability company, that Person’s managers and members.

“**Business Day**” is any day that is not a Saturday, Sunday or a day on which banks are closed in the Commonwealth of Virginia.

“**Code**” is the Uniform Commercial Code, as enacted in the Commonwealth of Virginia.

“**Collateral**” is any and all properties, rights and assets of Borrower described on Exhibit A.

“**Disbursement Instruction Form**” is that certain form attached hereto as Exhibit B-2.

“**Drawdown**” means any principal amount borrowed or to be borrowed (by any means) under the provisions hereof.

“**Equipment**” is all “equipment” as defined in the Code with such additions to such term as may hereafter be made, and includes without limitation all machinery, fixtures, goods, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing.

“**Existing Indebtedness**” is the indebtedness of Borrower listed in the Perfection Certificate.

“**Indebtedness**” is (a) indebtedness for borrowed money or the deferred price of property or services, such as reimbursement and other obligations for surety bonds and letters of credit, (b) obligations evidenced by notes, bonds, debentures or similar instruments, (c) capital lease obligations, (d) merchant cash advances; and (e) Contingent Obligations in respect of any of the foregoing.

“**Insolvency Proceeding**” is any proceeding by or against any Person under the United States Bankruptcy Code, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions or proceedings seeking reorganization, arrangement, or other relief.

“**Insolvent**” means not Solvent.

“**Intellectual Property**” shall mean, all (a) trademarks, trademark rights, trade names, trade name rights, service marks, service mark rights, logos, trade dress, domain names, web sites, and all other indicia of origin or quality, and goodwill associated therewith and arising therefrom; (b) patents and patent rights; and (c) works of authorship and copyrights therein, and all common law rights in all of the foregoing, and registration and applications for all of the foregoing issued by or filed with the US Patent and Trademark Office, any State of the US, the US Copyright Office, or any foreign equivalent thereof, and all of the foregoing (a)-(c) used in, at, or in connection with and/or necessary for the (i) conduct of any Borrower’s business and/or (ii) use and/or operation of the Collateral.

“**Inventory**” is all “inventory” as defined in the Code in effect on the date hereof with such additions to such term as may hereafter be made under the Code, and includes without limitation all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products, including without limitation such inventory as is temporarily out of any Person’s custody or possession or in transit and including any returned goods and any documents of title representing any of the above.

“**Investment**” is any beneficial ownership interest in any Person (including stock, partnership interest or other securities), and any loan, advance or capital contribution to any Person.

“**Key Person**” is GREGORY POILASNE

“**Lien**” is a mortgage, deed of trust, levy, charge, pledge, security interest, or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

“**Loan Documents**” are, collectively, this Agreement, each Subordinated Secured Promissory Note, each Disbursement Instruction Form, any subordination agreements, any note, or notes or guaranties executed by Borrower or any other Person, and any other present or future document, certificate, form or agreement entered into by Borrower or any other Person for the benefit of the Lenders and Collateral Agent in connection with this Agreement; all as amended, restated, or otherwise modified or supplemented from time to time.

“**Material Adverse Change**” is (a) a material adverse change in the business, operations or financial condition of Parent and each Subsidiary, taken as a whole; (b) a material impairment of the prospect of repayment of any portion of the Obligations, or (c) a material adverse effect on the Collateral, taken as a whole.

“**Maturity Date**” is 30 weeks from the Effective Date.

“**Maximum Legal Rate**” shall mean the maximum nonusurious interest rate, if any, that at any time or from time to time may be contracted for, taken, reserved, charged or received on the indebtedness evidenced by the Note and as provided for herein or the other Loan Documents, under the laws of such state or states whose laws are held by any court of competent jurisdiction to govern the interest rate provisions of the Term Loan.

“**Obligations**” are all of Borrower’s obligations to pay when due any debts, principal, interest, the Prepayment Fee, and other amounts Borrower owes the Lenders now or later, in connection with, related to, following, or arising from, out of or under, this Agreement or the other Loan Documents, and including interest accruing after Insolvency Proceedings begin (whether or not allowed) and debts, liabilities, or obligations of Borrower assigned to the Lenders and/or Collateral Agent, and the performance of Borrower’s duties under the Loan Documents.

“**Operating Documents**” are, for any Person, such Person’s formation documents, as certified by the Secretary of State (or equivalent agency) of such Person’s jurisdiction of organization on a date that is no earlier than thirty (30) days prior to the Effective Date, and, (a) if such Person is a corporation, its bylaws in current form, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (c) if such Person is a partnership, its partnership agreement (or similar agreement), each of the foregoing with all current amendments or modifications thereto.

“**Perfection Certificate**” is that certain form attached hereto as Exhibit B-1.

“**Permitted Indebtedness**” is: (a) Borrower’s Indebtedness to the Lenders and Collateral Agent under this Agreement and the other Loan Documents; (b) Indebtedness existing on the Effective Date and disclosed on the Perfection Certificate(s); (c) unsecured Indebtedness to trade creditors and Indebtedness in connection with credit cards incurred in the ordinary course of business; (d) Indebtedness which may be deemed to exist with respect to swap contracts; (e) Indebtedness owed in respect of any netting services, overdrafts, and related liabilities arising from treasury, depository, and cash management services in connection with any automated clearinghouse transfers of funds; (f) unsecured insurance premiums owing in the ordinary course of business; and (g) extensions, refinancings, modifications, amendments and restatements of any items of Permitted Indebtedness (a) through (c)

above, provided that the principal amount thereof is not increased or the terms thereof are not modified to impose materially more burdensome terms upon Borrower, or its Subsidiary, as the case may be.

“**Permitted Investments**” are: (a) investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of business; (b) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business; provided that this paragraph (b) shall not apply to Investments of Borrower in any Subsidiary; (c) investments owned by any Borrower on the Effective Date; and (d) investments by a Borrower in its Subsidiaries.

“**Permitted Licenses**” are licenses of over-the-counter software that is commercially available to the public.

“**Permitted Liens**” are (a) Liens existing on the Effective Date and disclosed on the Perfection Certificate; (b) Liens arising under this Agreement and the other Loan Documents; (c) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of the Borrower in conformity with GAAP; (d) non-consensual Liens arising by operation of law, arising in the ordinary course of business, and for amounts which are not overdue for a period of more than sixty (60) days or that are being contested in good faith by appropriate proceedings; (e) judgement Liens arising solely as a result of the existence of judgments, orders, or awards for the payment of money that do not constitute an Event of Default under Section 8.6; (f) deposits to secure a Borrower’s obligations in connection with the making or entering into of bids, tenders, or leases in the ordinary course of business and not in connection with the borrowing of money (other than leases constituting Indebtedness); (g) easements, rights of way, and zoning restrictions that do not materially interfere with or impair the use or operation thereof or materially detract from the value of real property; (h) non-exclusive licenses of patents, trademarks, copyrights, and other intellectual property rights in the ordinary course of business; and (i) rights of setoff or bankers’ liens upon deposits of cash in favor of banks or other depository institutions, solely to the extent incurred in connection with the maintenance of such deposit accounts in the ordinary course of business.

“**Person**” is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

“**Property**” means any interest in any kind of property or asset, whether real, personal or mixed, and whether tangible or intangible.

“**Pro Rata Share**” is, as of any date of determination, with respect to each Lender, a percentage (expressed as a decimal, rounded to the ninth decimal place) determined by dividing the outstanding principal amount of the Term Loan held by such Lender by the aggregate outstanding principal amount of the Term Loan.

“**Related Persons**” means, with respect to any Person, each Affiliate of such Person and each director, officer, employee, agent, trustee, representative, attorney, accountant and each insurance, environmental, legal, financial and other advisor and other consultants and agents of or to such Person or any of its Affiliates.

“**Required Lenders**” means (i) for so long as the Lead Lender has not assigned or transferred any of its interests in the Term Loan, Lenders holding one hundred percent (100%) of the aggregate outstanding principal balance of the Term Loan, or (ii) at any time from and after the Lead Lender has assigned or transferred any interest in its Term Loan, Lenders holding at least fifty one percent (51%) of the aggregate outstanding principal balance of the Term Loan.

“**Responsible Officer**” is any of the President, Chief Executive Officer, or Chief Financial Officer of Borrower or Parent.

“Senior Indebtedness” is that Permitted Indebtedness existing on the Effective Date and disclosed on the Perfection Certificate(s).

“Shares” means one hundred percent (100.0%) of the stock, units or other evidence of equity ownership held by Borrower or its Subsidiaries of any Subsidiary which is organized under the laws of the United States.

“Solvent” is, with respect to any Person: the fair salable value of such Person’s consolidated assets (including goodwill minus disposition costs) exceeds the fair value of such Person’s liabilities; such Person is not left with unreasonably small capital after the transactions in this Agreement; and such Person is able to pay its debts (including trade debts) as they mature in the ordinary course (without taking into account any forbearance and extensions related thereto).

“Subordinated Debt” is indebtedness incurred by Borrower or any of its Subsidiaries subordinated to all Indebtedness of Borrower and/or its Subsidiaries to the Lenders (pursuant to a subordination, intercreditor, or other similar agreement in form and substance satisfactory to Collateral Agent and the Lenders entered into between Collateral Agent, Borrower, and/or any of its Subsidiaries, and the other creditor), on terms reasonably acceptable to Collateral Agent and the Lenders.

“Subordinated Secured Promissory Note” is defined in Section 2.5.

“Subsidiary” is, with respect to any Person, any Person of which more than fifty percent (50%) of the voting stock or other equity interests (in the case of Persons other than corporations) is owned or controlled, directly or indirectly, by such Person or through one or more intermediaries. Unless otherwise specified, references herein to a Subsidiary means a Subsidiary of Borrower.

“Term Loan” is defined in Exhibit B-5 hereof.

“Term Loan Amortization Schedule” means the amortization schedule set forth in Exhibit B-4 of this Agreement.

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IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by one of its officers thereunto duly authorized on the date hereof.

<u>Parties</u>	<u>Name of Signatory and Title</u>	<u>Signature</u>
<u>Borrowers</u>		
NUVVE HOLDING CORP.	GREGORY POILASNE, CEO	
NUVVE CORPORATION	GREGORY POILASNE, CEO	
<u>Guarantors</u>		
NUVVE HOLDING CORP.	GREGORY POILASNE, CEO	
NUVVE CORPORATION	GREGORY POILASNE, CEO	

LEAD LENDER:
Agile Lending, LLC

COLLATERAL AGENT:
Agile Capital Funding, LLC

 By: Aaron Greenblott
 Its: Member

 By: Aaron Greenblott
 Its: Member

EXHIBITS TO FOLLOW

EXHIBIT A

DESCRIPTION OF COLLATERAL

The Collateral consists of all of Borrower's right, title and interest in and to the following property:

All of Borrower's goods, Accounts, Equipment, Inventory, contract rights or rights to payment of money, leases, license agreements, franchise agreements, General Intangibles (including Intellectual Property), commercial tort claims, documents, instruments (including any promissory notes), chattel paper (whether tangible or electronic), cash, deposit accounts and other Collateral Accounts, all certificates of deposit, fixtures, letters of credit rights (whether or not the letter of credit is evidenced by a writing), securities, and all other investment property, supporting obligations, and financial assets, whether now owned or hereafter acquired, wherever located; and

All of Borrower's books and records relating to the foregoing, and any and all claims, rights and interests in any of the above and all substitutions for, additions, attachments, accessories, accessions and improvements to and replacements, products, proceeds and insurance proceeds of any or all of the foregoing.

Notwithstanding the foregoing, the Collateral does not include: (i) any license or contract, in each case if the granting of a Lien in such license or contract is prohibited by or would constitute a default under the agreement governing such license or contract (but (A) only to the extent such prohibition is enforceable under applicable law and (B) other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-408 or 9-409 (or any other Section) of Division 9 of the Code); provided that upon the termination, lapsing or expiration of any such prohibition, such license or contract, as applicable, shall automatically be subject to the security interest granted in favor of Collateral Agent hereunder and become part of the "Collateral."; (ii) any interest of Borrower as a lessee or sublessee under a real property lease; or (iii) intent-to-use trademark applications.

EXHIBIT B-1

PERFECTION CERTIFICATE

The undersigned, the President of NUVVE HOLDING CORP., a Delaware corporation, (the “Company”), hereby certifies, with reference to (i) the Business Loan and Security Agreement, dated as of August 06, 2024 (the “Loan Agreement”), among Agile Capital Funding, LLC as collateral agent (in such capacity, together with its successors and assigns in such capacity, “Collateral Agent”), and Agile Lending, LLC, a Virginia limited liability company (“**Lead Lender**”) and each assignee that becomes a party to this Agreement pursuant to Section 12.1 (each individually with the Lead Lender, a “**Lender**” and collectively with the Lead Lender, the “**Lenders**”), and NUVVE HOLDING CORP., a Delaware corporation (“**Parent**”) and its subsidiaries, NUVVE CORPORATION, a Delaware corporation, Parent, and the other entities shown as signatories hereto or that are joined from time to time as a Borrower, individually and collectively, jointly and severally, “**Borrower**”) to the Lender as follows:

1. **Name, Tax ID, and State of Formation**. The exact legal name of the Borrower as that name appears on its Certificate of Organization, as amended, is as follows:

Name	Tax ID	State of Incorporation
NUVVE HOLDING CORP.		Delaware
NUVVE CORPORATION		Delaware

2. **Other Identifying Factors**.

(a) The following is the mailing address of the Borrower:

**2488 HISTORIC DECATUR RD.
SUITE 200
SAN DIEGO CA 92106**

**108 W. 13TH STREET SUITE 100
WILMINGTON DE 19801**

(b) The following are any DBAs of the Borrower:

3. **Other Current Locations**.

(a) The following are all other locations in the in which the Borrower maintains any books or records relating to any of the Collateral consisting of accounts, instruments, chattel paper, general intangibles or mobile goods:

(b) The following are all other places of business of Borrower in the United States of America:

(c) The following are all other locations where any of the Collateral consisting of inventory or equipment is located:

(d) The following are the names and addresses of all persons or entities other than the Company, such as lessees, consignees, warehousemen or purchasers of chattel paper, which have possession or are intended to have possession of any of the Collateral consisting of instruments, chattel paper, inventory or equipment:

4. Prior Locations.

(a) Set forth below is the information required by §4(a) or (b) with respect to each location or place of business previously maintained by the Company at any time during the past five years in a state in which the Company has previously maintained a location or place of business at any time during the past four months:

(b) Set forth below is the information required by §4(c) or (d) with respect to each other location at which, or other person or entity with which, any of the Collateral consisting of inventory or equipment has been previously held at any time during the past twelve months:

5. Fixtures. Set forth below is the information required by UCC §9-502(b) or former UCC §9-402(5) of each state in which any of the Collateral consisting of fixtures are or are to be located and the name and address of each real estate recording office where a mortgage on the real estate on which such fixtures are or are to be located would be recorded.

6. Intellectual Property.

Set forth below is a complete list of all United States and foreign patents, copyrights, trademarks, trade names and service marks registered or for which applications are pending in the name of the Company.

7. Securities; Instruments. Set forth below is a complete list of all stocks, bonds, debentures, notes and other securities and investment property owned by the Company (*provide name of issuer, a description of security and value*).

8. Motor Vehicles. The following is a complete list of all motor vehicles owned by the Borrower (*describe each vehicle by make, model and year and indicate for each the state in which registered and the state in which based*):

Vehicle		State of Registration	State in Which Based
Truck	Plate	VIN	Make

9. **Permitted Indebtedness.**

Lender	Balance	Total Payment (indicate daily, weekly, or monthly)

10. **Permitted Liens:**

Liens in connection with Permitted Indebtedness.

11. **Bank Accounts.** The following is a complete list of all bank accounts (including securities and commodities accounts) maintained by the Borrower (provide name and address of depository bank, type of account and account number):

Bank Account	Account Number	Account Routing

12. **Unusual Transactions.** All of the Collateral has been originated by the Borrower in the ordinary course of the Borrower's business or consists of goods which have been acquired by the Borrower in the ordinary course from a person in the business of selling goods of that kind.

13. Litigation

a. The following is a complete list of pending and threatened litigation or claims involving amounts claimed against the Borrower in an indefinite amount or in excess of \$500,000 in each case:

b. The following are the only claims which the Borrower has against others (other than claims on accounts receivable), which the Borrower is asserting or intends to assert, and in which the potential recovery exceeds \$500,000:

14. Insurance Broker. The following broker handles the Borrower’s property insurance:

Broker	Contact	Telephone	Email

The Borrower agrees to advise you of any change or modification to any of the foregoing information or any supplemental information provided on any continuation pages attached hereto, and, until such notice is received by you, you shall be entitled to rely upon such information and presume it is correct. The Borrower acknowledges that your acceptance of this Perfection Certificate and any continuation pages does not imply any commitment on your part to enter into a loan transaction with the Borrower, and that any such commitment may only be made by an express written loan commitment, signed by one of your authorized officers.

Date: August 06, 2024 [_____]

By:

Name: GREGORY POILASNE
Its:CEO
Email:

EXHIBIT B-2

DISBURSEMENT INSTRUCTION FORM

The proceeds of the first advance of Term Loan shall be disbursed as follows:

Term Loan	\$1,050,000.00
Less:	
Administrative Agent Fee to be remitted to <u>Agile Capital Funding, LLC</u>	(\$50,000.00)
TOTAL TERM LOAN NET PROCEEDS TO BORROWER	\$1,000,000.00

The aggregate net proceeds of the Term Loan shall be transferred to the Designated Deposit Account as follows:

BORROWER: NUVVE HOLDING CORP.

Account Name: _____

Bank Name: _____

ABA Number: _____

Account Number: _____

The proceeds of the subsequent advances of the Term Loan shall be disbursed as follows:

EXHIBIT B-3

DRAWDOWN SCHEDULE

[Within 2 Business Days of Closing Date].

EXHIBIT B-4
REPAYMENT AND AMORTIZATION SCHEDULE

Projected Payment Schedule	
	Weekly Payment
8/15/2024	\$50,750.00
8/22/2024	\$50,750.00
8/29/2024	\$50,750.00
9/5/2024	\$50,750.00
9/12/2024	\$50,750.00
9/19/2024	\$50,750.00
9/26/2024	\$50,750.00
10/3/2024	\$50,750.00
10/10/2024	\$50,750.00
10/17/2024	\$50,750.00
10/24/2024	\$50,750.00
10/31/2024	\$50,750.00
11/7/2024	\$50,750.00
11/14/2024	\$50,750.00
11/21/2024	\$50,750.00
11/28/2024	\$50,750.00
12/5/2024	\$50,750.00
12/12/2024	\$50,750.00
12/19/2024	\$50,750.00
12/26/2024	\$50,750.00
1/2/2025	\$50,750.00
1/9/2025	\$50,750.00
1/16/2025	\$50,750.00
1/23/2025	\$50,750.00
1/30/2025	\$50,750.00
2/6/2025	\$50,750.00
2/13/2025	\$50,750.00
2/20/2025	\$50,750.00
2/27/2025	\$50,750.00
3/6/2025	\$50,750.00
Total	\$1,522,500.00

EXHIBIT B-5

Business Loan and Security Agreement Supplement

Principal Amount of Loan (the "Term Loan"):	\$1,050,000.00, including the Administrative Agent Fee , available as set forth in the Drawdown Schedule found in Exhibit B-3 of this Agreement.
Total Repayment Amount:	The total repayment amount of the Term Loan, including all interest, lender fees, and third-party fees, assuming all payments are made on time is \$1,522,500.00 .
Payment Schedule:	As set forth in the Repayment and Amortization Schedule found in Exhibit B-4 of the Agreement.
Payment Multiplier: (The per dollar cost of the loan inclusive of all interest and fees).	1.45
Interest Charge:	\$472,500.00 , assuming all payments are made on time.
Fees payable to Collateral Agent and its designees:	Administrative Agent Fee: \$50,000.00 , payable at closing out of proceeds of the Term Loan

EXHIBIT B-6

**AUTHORIZATION AGREEMENT
FOR AUTOMATED CLEARING HOUSE TRANSACTIONS**

Borrower hereby authorizes Lender and / or Servicer (or its representatives) to present automated clearing house (ACH) debits to the following checking account in the amount of fees and other obligations due to Lender from Borrower under the terms of the Business Loan and Security Agreement and Subordinated Secured Promissory Note entered into between Lender and Borrower, as it may be amended, supplemented or replaced from time to time. In addition, if an Event of Default (as defined in the Business Loan and Security Agreement or Secured Promissory Note) occurs, Borrower authorizes Lender and / or Servicer (or its representatives) to debit any and all accounts controlled by Borrower or controlled by any entity with the same Federal Tax Identification Number as Borrower up to the total amount, including but not limited to, all fees and charges, due to Lender from Borrower under the terms of the Agreement.

Transfer Funds To/From: _____

Account Name: _____

Bank Name: _____

ABA Number: _____

Account Number: _____

This authorization is to remain in full force and effect until all obligations due to Borrower under the Agreement have been fulfilled.

Borrower Information: _____

Borrower's Name: _____

Signature of Authorized Representative: _____

Print Name: _____

Title: _____

Borrower's Tax ID: _____

Date: _____

EXHIBIT D

SUBORDINATED SECURED PROMISSORY NOTE

SUBORDINATED SECURED PROMISSORY NOTE

\$1,050,000.00

Dated: August 06, 2024

FOR VALUE RECEIVED, the undersigned, NUVVE HOLDING CORP., a Delaware corporation ("**Parent**"), and its subsidiaries, NUVVE CORPORATION, a Delaware corporation, Parent, and the other entities shown as signatories hereto or that are joined from time to time as a Borrower, individually and collectively, jointly and severally, "**Borrower**", HEREBY JOINTLY AND SEVERALLY PROMISE TO PAY to the order of Agile Lending, LLC, or its designees or assigns ("**Lead Lender**") the principal amount of ONE MILLION FIFTY THOUSAND DOLLARS (\$1,050,000.00) or such lesser amount as shall equal the outstanding principal balance of the Term Loan made to Borrower by Lender, plus interest on the aggregate unpaid principal amount of the Term Loan, at the rates and in accordance with the terms of the Business Loan and Security Agreement dated August 06, 2024, by and among Borrower, Lender, Collateral Agent, and the other Lenders from time to time party thereto (as amended, restated, supplemented or otherwise modified from time to time, the "**Loan Agreement**"). If not sooner paid, the entire principal amount and all accrued and unpaid interest hereunder shall be due and payable on the Maturity Date as set forth in the Loan Agreement. Any capitalized term not otherwise defined herein shall have the meaning attributed to such term in the Loan Agreement.

Principal, interest and all other amounts due with respect to the Term Loan, are payable in lawful money of the United States of America to Lender as set forth in the Loan Agreement and this Subordinated Secured Promissory Note (this "**Note**").

The Loan Agreement, among other things, (a) provides for the making of a secured Term Loan by Lender to Borrower, and (b) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events.

This Note may not be prepaid except as set forth in Section 2.2(c) and Section 2.2(d) of the Loan Agreement.

This Note and the obligation of Borrower to repay the unpaid principal amount of the Term Loan, interest on the Term Loan and all other amounts due Lender under the Loan Agreement is secured as provided under the Loan Agreement.

Presentment for payment, demand, notice of protest and all other demands and notices of any kind in connection with the execution, delivery, performance and enforcement of this Note are hereby waived.

Borrower shall pay all reasonable fees and expenses, including, without limitation, reasonable attorneys' fees and costs, incurred by Lender in the enforcement or attempt to enforce any of Borrower's obligations hereunder not performed when due.

All claims of the holder of this Note to principal, interest and any other amounts at any time owed under this Note (collectively, "**Junior Indebtedness**") is hereby expressly subordinated in right of payment, as herein set forth, to the prior payment in full of all Senior Indebtedness.

This Note shall be governed by, and construed and interpreted in accordance with, the internal laws of the Commonwealth of Virginia.

The ownership of an interest in this Note shall be registered on a record of ownership maintained by Lender or its agent. Notwithstanding anything else in this Note to the contrary, the right to the principal of, and stated interest on, this Note may be transferred only if the transfer is registered on such record of ownership and the transferee is identified as the owner of an interest in the obligation. Borrower shall be entitled to treat the registered holder of this Note (as recorded on such record of ownership) as the owner in fact thereof for all purposes and shall not be bound to recognize any equitable or other claim to or interest in this Note on the part of any other person or entity.

BORROWER HEREBY KNOWINGLY, VOLUNTARILY AND INTELLIGENTLY WAIVES ANY AND ALL RIGHTS THAT EACH PARTY TO THIS NOTE MAY NOW OR HEREAFTER HAVE UNDER THE LAWS OF THE UNITED STATES OF AMERICA OR THE COMMONWEALTH OF VIRGINIA, TO A TRIAL BY JURY OF ANY AND ALL ISSUES ARISING DIRECTLY OR INDIRECTLY IN ANY ACTION OR PROCEEDING RELATING TO THIS NOTE, THE LOAN DOCUMENTS OR ANY TRANSACTIONS CONTEMPLATED THEREBY OR RELATED THERETO. IT IS INTENDED THAT THIS WAIVER SHALL APPLY TO ANY AND ALL DEFENSES, RIGHTS, CLAIMS AND/OR COUNTERCLAIMS IN ANY SUCH ACTION OR PROCEEDING.

[Signature Page to Follow]

IN WITNESS WHEREOF, Borrower caused this Note to be duly executed under seal by one of its officers thereunto duly authorized on the date hereof.

BORROWER:

_____[SEAL]
By: GREGORY POILASNE
Date:

BORROWER:

_____[SEAL]
By:
Date:

STATE:
COUNTY OF:

I hereby certify that on __, before me, the undersigned, Notary Public in and for the State of __, at large, personally appeared GREGORY POILASNE, individually and as the CEO of NUVVE HOLDING CORP., A Domestic Delaware Corporation (“Parent”) and its subsidiaries, NUVVE CORPORATION, A Domestic Delaware Corporation known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the foregoing on behalf of himself individually, NUVVE HOLDING CORP., A Domestic Delaware Corporation (“Parent”) and its subsidiaries, NUVVE CORPORATION, A Domestic Delaware Corporation for the purposes set forth therein.

(Seal)
_____ Notary Public

My Commission Expires: Registration Number:

EXHIBIT D

SUBORDINATED SECURED PROMISSORY NOTE

SUBORDINATED SECURED PROMISSORY NOTE

\$1,050,000.00

Dated: August 06, 2024

FOR VALUE RECEIVED, the undersigned, NUVVE HOLDING CORP., a Delaware corporation ("Parent"), and its subsidiaries, NUVVE CORPORATION, a Delaware corporation, Parent, and the other entities shown as signatories hereto or that are joined from time to time as a Borrower, individually and collectively, jointly and severally, "Borrower"), HEREBY JOINTLY AND SEVERALLY PROMISE TO PAY to the order of Agile Lending, LLC, or its designees or assigns ("Lead Lender") the principal amount of ONE MILLION FIFTY THOUSAND DOLLARS (\$1,050,000.00) or such lesser amount as shall equal the outstanding principal balance of the Term Loan made to Borrower by Lender, plus interest on the aggregate unpaid principal amount of the Term Loan, at the rates and in accordance with the terms of the Business Loan and Security Agreement dated August 06, 2024, by and among Borrower, Lender, Collateral Agent, and the other Lenders from time to time party thereto (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"). If not sooner paid, the entire principal amount and all accrued and unpaid interest hereunder shall be due and payable on the Maturity Date as set forth in the Loan Agreement. Any capitalized term not otherwise defined herein shall have the meaning attributed to such term in the Loan Agreement.

Principal, interest and all other amounts due with respect to the Term Loan, are payable in lawful money of the United States of America to Lender as set forth in the Loan Agreement and this Subordinated Secured Promissory Note (this "Note").

The Loan Agreement, among other things, (a) provides for the making of a secured Term Loan by Lender to Borrower, and (b) contains provisions for acceleration of the maturity hereof upon the happening of certain stated events.

This Note may not be prepaid except as set forth in Section 2.2(c) and Section 2.2(d) of the Loan Agreement.

This Note and the obligation of Borrower to repay the unpaid principal amount of the Term Loan, interest on the Term Loan and all other amounts due Lender under the Loan Agreement is secured as provided under the Loan Agreement.

Presentment for payment, demand, notice of protest and all other demands and notices of any kind in connection with the execution, delivery, performance and enforcement of this Note are hereby waived.

Borrower shall pay all reasonable fees and expenses, including, without limitation, reasonable attorneys' fees and costs, incurred by Lender in the enforcement or attempt to enforce any of Borrower's obligations hereunder not performed when due.

All claims of the holder of this Note to principal, interest and any other amounts at any time owed under this Note (collectively, "Junior Indebtedness") is hereby expressly subordinated in right of payment, as herein set forth, to the prior payment in full of all Senior Indebtedness.

This Note shall be governed by, and construed and interpreted in accordance with, the internal laws of the Commonwealth of Virginia.

The ownership of an interest in this Note shall be registered on a record of ownership maintained by Lender or its agent. Notwithstanding anything else in this Note to the contrary, the right to the principal of, and stated interest on, this Note may be transferred only if the transfer is registered on such record of ownership and the transferee is



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identified as the owner of an interest in the obligation. Borrower shall be entitled to treat the registered holder of this Note (as recorded on such record of ownership) as the owner in fact thereof for all purposes and shall not be bound to recognize any equitable or other claim to or interest in this Note on the part of any other person or entity.

BORROWER HEREBY KNOWINGLY, VOLUNTARILY AND INTELLIGENTLY WAIVES ANY AND ALL RIGHTS THAT EACH PARTY TO THIS NOTE MAY NOW OR HEREAFTER HAVE UNDER THE LAWS OF THE UNITED STATES OF AMERICA OR THE COMMONWEALTH OF VIRGINIA, TO A TRIAL BY JURY OF ANY AND ALL ISSUES ARISING DIRECTLY OR INDIRECTLY IN ANY ACTION OR PROCEEDING RELATING TO THIS NOTE, THE LOAN DOCUMENTS OR ANY TRANSACTIONS CONTEMPLATED THEREBY OR RELATED THERETO. IT IS INTENDED THAT THIS WAIVER SHALL APPLY TO ANY AND ALL DEFENSES, RIGHTS, CLAIMS AND/OR COUNTERCLAIMS IN ANY SUCH ACTION OR PROCEEDING.


(Signature Page to Follow)

A handwritten signature or set of initials, possibly 'GP', written in black ink.

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4861-4415-2534.2

IN WITNESS WHEREOF, Borrower caused this Note to be duly executed under seal by one of its officers thereunto duly authorized on the date hereof.

BORROWER:

_____[SEAL]
By: GREGORY POILASNE
Date: 8/9/24

BORROWER:
_____[SEAL]
By:
Date:

STATE:
COUNTY OF:

I hereby certify that on____, before me, the undersigned, Notary Public in and for the State of____, at large, personally appeared GREGORY POILASNE, individually and as the CEO of NUVVE HOLDING CORP., A Domestic Delaware Corporation ("Parent") and its subsidiaries, NUVVE CORPORATION, A Domestic Delaware Corporation known to me or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the foregoing on behalf of himself individually, NUVVE HOLDING CORP., A Domestic Delaware Corporation ("Parent") and its subsidiaries, NUVVE CORPORATION, A Domestic Delaware Corporation for the purposes set forth therein.

(Seal)
Notary Public _____

-SEE ATTACHED CERTIFICATE-



My Commission Expires: Registration Number:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of San Diego)
On 08/09/2024 before me, Alex Melgoza, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Gregory Poilasne
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though this section is optional, completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Subordinated Secured Promissory Note
Document Date: 8/9/24 Number of Pages: 3
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Gregory Poilasne
 Corporate Officer — Title(s): CEO
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
Other: _____
Signer Is Representing: Nuvve Holding Corp

Signer's Name: _____
 Corporate Officer — Title(s): _____
 Partner — Limited General
 Individual Attorney in Fact
 Trustee Guardian or Conservator
Other: _____
Signer Is Representing: _____

RULE 13A-14(D) CERTIFICATION

I, Gregory Poilasne, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of Nuvve Holding Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the ineffectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 13, 2024

By: /s/ Gregory Poilasne
Gregory Poilasne
Chief Executive Officer
(Principal Executive Officer)

RULE 13A-14(D) CERTIFICATION

I, David Robson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 of Nuvve Holding Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the ineffectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 13, 2024

By: /s/ David Robson
David Robson
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

**CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Nuvve Holding Corp. (the "Company") for the quarter ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gregory Poilasne, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 13, 2024

By: /s/ Gregory Poilasne
Gregory Poilasne
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATIONS OF CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Nuvve Holding Corp. (the "Company") for the quarter ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David Robson, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 13, 2024

By: /s/ David Robson

David Robson
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)