



# ESG

**FY 2023 EARNINGS | FRIDAY, MAY 10**

**0800 EST**

## **HIGHLIGHTS**

**Revenues increase by +23.5%**

**+4.8% gross margin expansion from 64.3% to 69.1%**

**Guidance for topline growth between +23% and +53% for 2024**

# Forward-Looking Statements & Non-GAAP Measures

This Presentation and the accompanying oral presentation contain “forward-looking statements” within the meaning of “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: “target,” “believe,” “expect,” “will,” “shall,” “may,” “anticipate,” “estimate,” “would,” “positioned,” “future,” “forecast,” “intend,” “plan,” “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Examples of forward-looking statements include, among others, statements made in this press release regarding anticipated future financial and operating performance and results, including estimates for growth, gross margins, adjusted EBITDA, potential regional expansion, development of new products, partnerships, customer relationships, demand for waste processing, and sales of circular products. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on ESGL management’s current beliefs, expectations, and assumptions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict and many of which are outside of our control. Actual results and outcomes may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements.

A further list and description of risks and uncertainties can be found in documents filed with the SEC by ESGL and other documents that the Company may file or furnish with the SEC, which you are encouraged to read. Any forward-looking statement made by us in this press release is based only on information currently available to the Company and speaks only as of the date on which it is made. The Company undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments, or otherwise, except as required by law.

This presentation contains certain financial information not derived in accordance with the United States generally accepted accounting principles (GAAP). These items include non-GAAP EBITDA and non-GAAP adjusted EBITDA. ESGL uses these non-GAAP financial measures internally in analyzing its financial results and for financial and operational decision-making purposes. Management believes that such non-GAAP financial measures provide useful information to investors and others about its operating results, enhance the overall understanding of its past performance and future prospects, and allow for greater visibility with respect to key metrics used by its management in its financial and operational decision-making. Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP financial measures and should be read only in conjunction with the consolidated financial statements of ESGL prepared in accordance with GAAP. Non-GAAP financial measures presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting their usefulness as comparative measures to the data of ESGL. A reconciliation of the historical non-GAAP financial measures to the most directly comparable GAAP measures has been provided in this presentation’s appendix.

Non-GAAP EBITDA is a supplemental performance measure defined by ESGL as net income (loss), computed in accordance with GAAP, adjusted for interest expenses, tax benefits (expenses), depreciation and amortization expenses. This metric is an important indicator of the Company’s operating performance. Adjusted EBITDA is a supplemental performance measure defined by ESGL as EBITDA further adjusted for the exclusion of non-recurring expenses related to its business combination transaction. This metric is another important indicator of the Company’s operating performance.

Please note that the included financials are not yet final due to the required review of our forward purchase agreement (“FPA”) valuation by our auditors. As such, we have taken the most conservative approach and written off the FPA to zero. Any subsequent adjustments would be non-cash in nature but could potentially result in changes to the shareholder’s equity and GAAP net income reported within.

EARNINGS

FY 2023

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OUTLOOK

FY2024

[ir.esgl.asia](http://ir.esgl.asia)



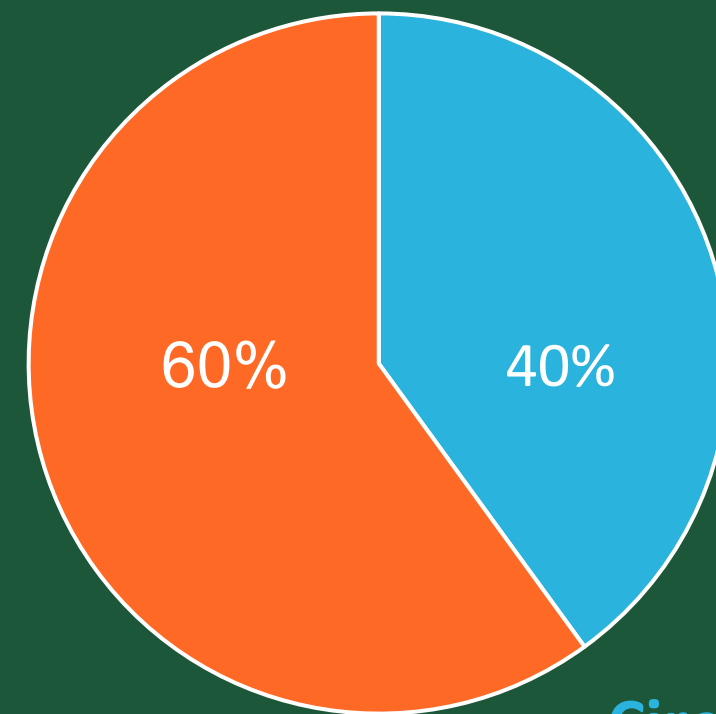
We Do What We Do  
*Today*  
Because We Believe  
it's Best for the  
Environment  
*Tomorrow*



**Leng Chuang, QUEK**  
**Chairman and Chief Executive Officer**  
**ESGL Holdings Limited**

## Revenue Mix

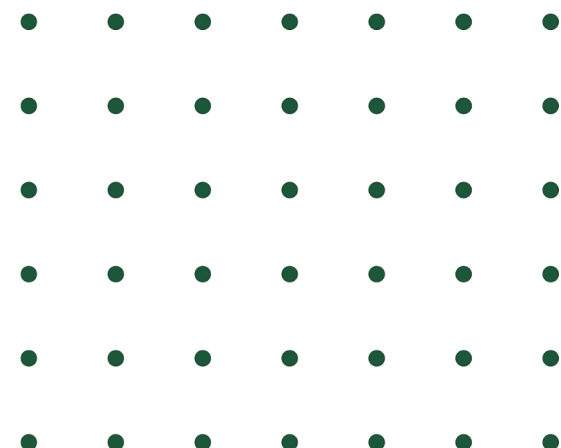
### REVENUE



Services

Circular Products

Total Revenue derived 60% from Service Revenue and 40% from Product Revenue = **competitive advantage + predictability + margin expansion**



Increase mix of upcycled, innovative products to build brand and expand margins – SOLID PROGRESS



Lock in contracts with guaranteed volumes to gain revenue visibility – DONE (bookings at \$8 million 3/31/2024)



Focus on operating leverage and cash generation to strengthen balance sheet



Leverage existing capacity to drive increased volumes with minimal capex – HIGH CONFIDENCE



**Lawrence, LAW**  
**Chief Strategy & Sustainability Officer**  
**ESGL Holdings Limited**

# ESG

## GROWTH PILLARS

01



Innovative Culture and  
Cutting-Edge Sustainable  
Technologies



02

03



Disciplined Capital Management



04



# Stable Recurring Contracts with Global Customers Across Strategic Verticals

Expanded Purchase Orders and Scope of Services

## Petrochemical

ExxonMobil

**HUNTSMAN**  
Enriching lives through innovation



## Semi-Conductor

Micron

ST life.augmented

## Pharmaceutical

abbvie

Alcon

Pfizer

## Others

BASF

Linxens

Linco<sup>2</sup>tech

STELLA  
CHEMIFRA

# Competitive Advantage Sustainable Products - 2024 Circular Portfolio



**NEWCAT**



**NEWSPAR**



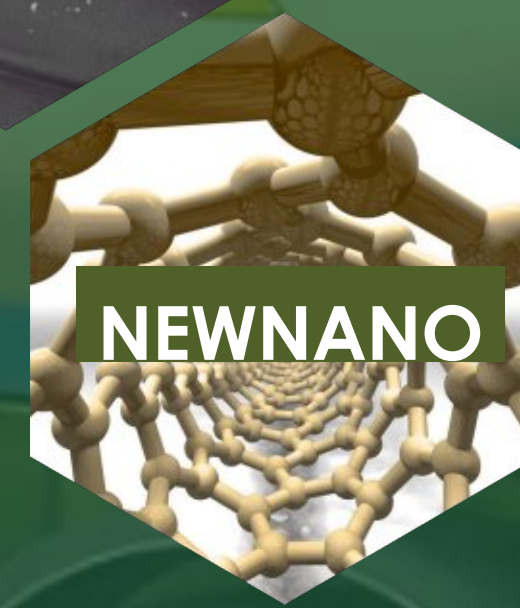
**NEWKAO**



**NEWCHEM**



**NEWLIME**



**NEWNANO**



**NEWOIL**

**Currently Selling**

**In Development**

# ESG



## Margin Expansion Through Upcycling & Innovation



**NEWCHEM**

### High Margins > 65%

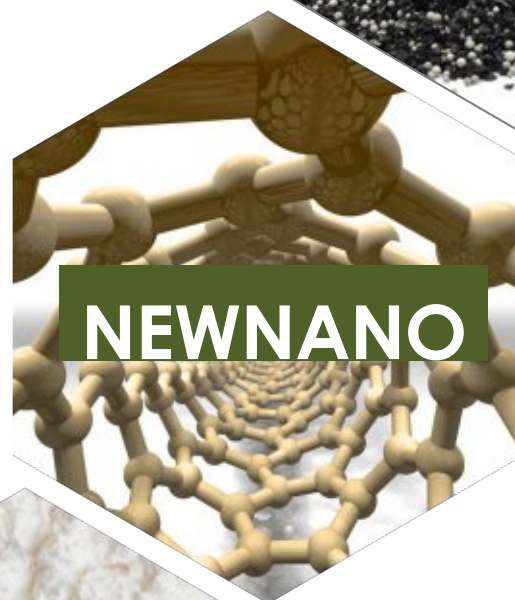
24k metric ton capacity – top 5 in Singapore  
Unlike competitors, we upcycle waste, creating a higher value product



**NEWCAT**

### High Margins > 60%

24k metric ton capacity – Proprietary Methodology  
We upcycle used catalysts into concentrates, creating a higher value product



**NEWNANO**

### Innovation Pipeline

- Phase 2 completed
- Phase 3 set to begin production in May
- Process will recover > \$9k from plastics waste per ton, ~40x more than competitor methods



**NEWSPAR**

### Margin Accretive

12k metric ton cost avoidance on disposal fees leading to margin contribution

# ESG



## Disciplined Capacity Utilization Drives Operating Leverage

	Technology	Circular Product	2023 Capacity Utilization	2024 Utilization Expectations
Chemical Synthesis (M4 System)		 	51%	60% - 70%
Thermal Processing (G2 System)		  	56%	65% - 75%
Depolymerisation (FR3 System)		 	50%	50% - 70%

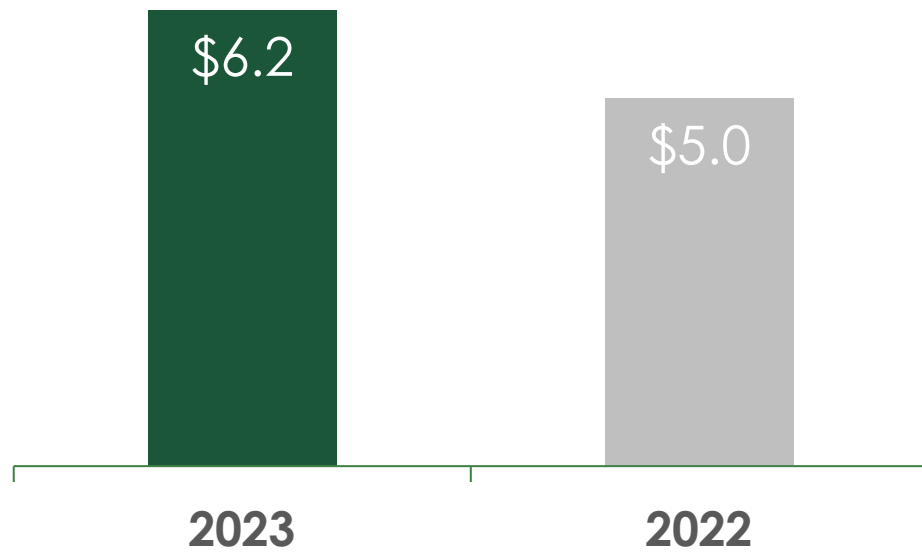


**HO Shian Ching**  
**Chief Financial Officer**  
**ESGL Holdings Limited**

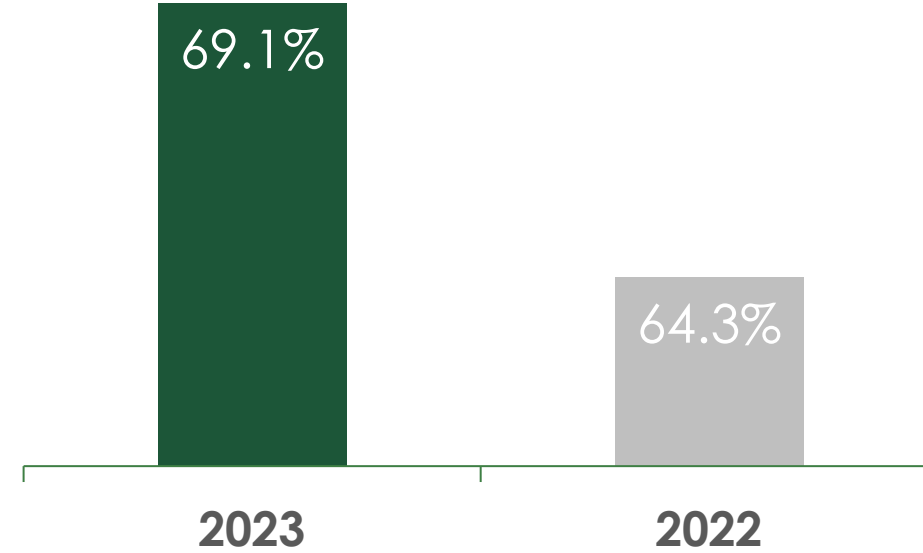
# 2023 Results (\$ in millions)



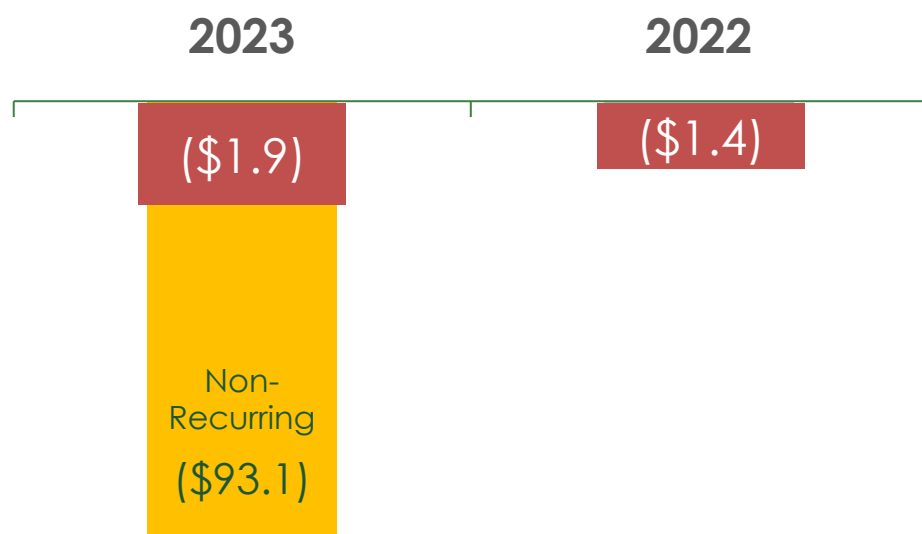
## Revenue



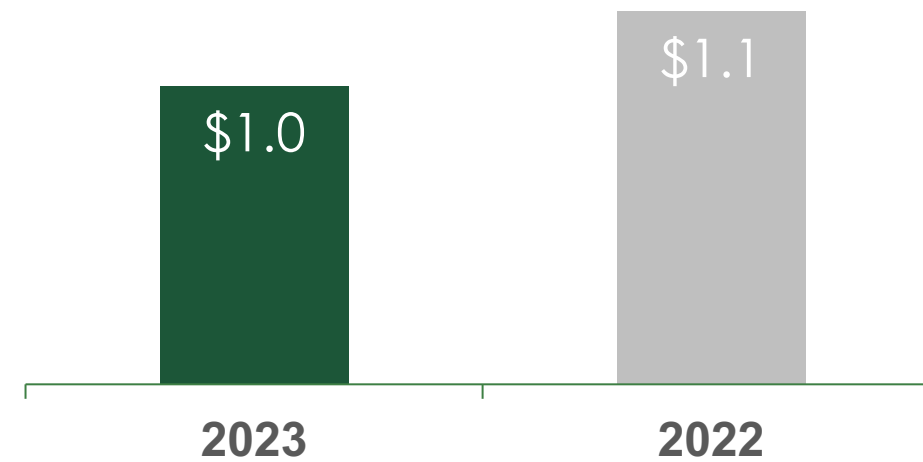
## Gross Margin



## Net Loss



## Adjusted EBITDA



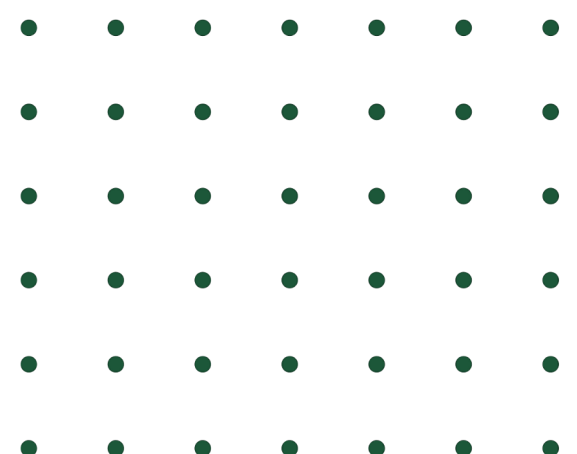
2023 Summary:

Revenue increased 23.5% y/y

Gross margin increased almost 5%

Impacted by non-recurring DESPAC listing fees, net loss was approximately \$95 million

Adjusted EBITDA was positive \$965 thousand

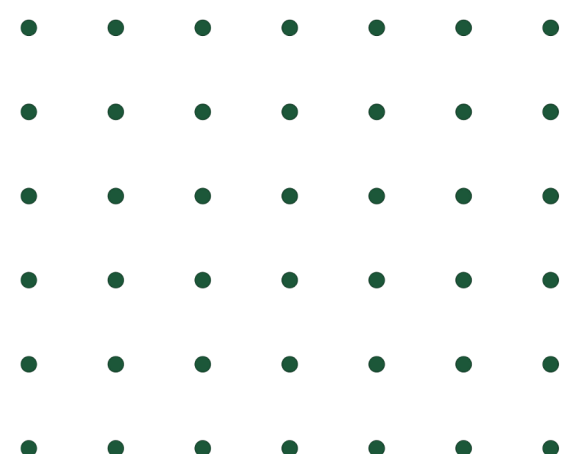


# Balance Sheet



	2023*	2022*
Cash and cash equivalents	\$366,761	\$252,399
Current Assets	\$1,463,467	\$1,288,678
Fixed Assets	\$24,167,830	\$24,339,195
Working Capital	(\$13,765,199)	(\$8,609,969)

\*as at 31<sup>st</sup> December



# Macroeconomic Expectations

Semiconductor Industry

Double-digit anticipated growth

Polyolefin Petrochemicals

Robust opportunity

Oil and Gas

Remain cautious

Pharmaceuticals

Recalibrating approach



# 2024 Guidance



**Revenue**

\$7.6 to \$9.5 million  
+23% to 53%

**Gross Margin**

68.0%

**Net Income**

Positive, excluding non-recurring items

**Revenue Mix**

Maintain 60/40 services and circular products

**Adjusted EBITDA**

> \$2 million

# Q&A

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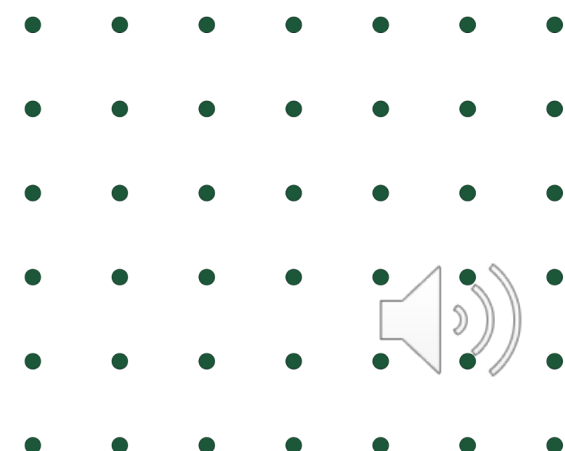


# APPENDIX



# Capital Structure

	December 31, 2023	As of May 1, 2024
Ordinary shares outstanding	12,683,069	22,998,039
Warrants outstanding, each exercisable to purchase one ordinary share at \$11.50 per share	9,002,331	9,002,331
Shares owned by Directors and Executive Officers	4,640,189	4,640,189
Percent of shares outstanding owned by D&EO	36.6%	20.2%



# Balance Sheet

	December 31, 2023 US\$	December 31, 2022 US\$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	366,761	252,399
Trade and other receivables	1,032,522	815,128
Prepaid forward purchase agreement	-	-
Inventories	64,184	221,151
	<u>1,463,467</u>	<u>1,288,678</u>
<b>Non-current assets</b>		
Property, plant and equipment, net	21,786,365	22,493,283
Intangible assets, net	2,381,465	1,845,912
	<u>24,167,830</u>	<u>24,339,195</u>
<b>Total assets</b>	<b>25,631,297</b>	<b>25,627,873</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	6,540,559	4,285,345
Lease liabilities	192,282	185,764
Borrowings	5,666,160	5,427,538
Deferred underwriting fee payable	2,753,125	-
Tax liabilities	76,540	-
	<u>15,228,666</u>	<u>9,898,647</u>
<b>Non-current liabilities</b>		
Lease liabilities (non-current)	1,974,524	2,071,571
Borrowings (non-current)	112,319	371,103
Deferred tax liabilities	296,000	163,000
	<u>2,382,843</u>	<u>2,605,674</u>
<b>Total liabilities</b>	<b>17,611,509</b>	<b>12,504,321</b>
<b>Net assets</b>	<b>8,019,788</b>	<b>13,123,552</b>
<b>EQUITY</b>		
Share Capital	10,892	10,000
Accumulated losses	(99,986,897)	(5,006,590)
Other reserves	3,422,799	3,422,799
Share premium reserve	89,725,052	-
Exchange Reserves	(123,198)	(460,481)
Revaluation Surplus	14,971,140	15,157,824
<b>Total equity</b>	<u>8,019,788</u>	<u>13,123,552</u>



# Income Statement

	For the Year Ended December 31,	
	2023	2022
	(US\$)	(US\$)
<b>Revenue</b>	<b>6,164,173</b>	4,992,034
Other income	169,819	396,373
Cost of inventory	977,619	1,093,194
Logistics costs	925,225	689,762
Operating expenses	3,466,606	2,460,951
Finance expense	388,717	246,359
Depreciation and amortization	2,354,839	2,300,252
Listing expenses	93,068,293	981,701
<b>Loss before income tax</b>	<b>(94,847,307)</b>	<b>(2,383,812)</b>
Income tax credit	133,000	8,000
<b>Net loss</b>	<b>(94,980,307)</b>	<b>(2,391,812)</b>



# Reconciliation of GAAP to Non-GAAP Measures

	For the Year Ended December 31,	
	2023	2022
	US\$	US\$
Loss before income tax	(94,847,307)	(2,383,812)
Finance expense	388,717	246,359
Depreciation and amortization	2,354,839	2,300,252
<b>EBITDA</b>	<b>(92,103,751)</b>	<b>162,799</b>
add : non recurring listing expenses	93,068,293	981,701
<b>Adjusted EBITDA</b>	<b>964,542</b>	<b>1,144,500</b>