

## **Purpose ESG: Impactful Investment In Net-Zero Energy Transition**

*“Capitalizing on green energy transition amidst a geo-economic paradigm shift”*

In response to growing global instabilities, governments and organizations are accelerating their transition to cleaner, more sustainable energy sources to mitigate geopolitical risks and preemptively become market leaders in the “new” energy ecosystem.

Transitioning to new energy will have a major impact, from power generation to end-user applications. The path to this transition is expected to rapidly grow to a commercial scale, backed by innovative breakthroughs led by both technology start-ups and global energy companies spurred on by the proven commercial successes of conventional renewables such as Electrification and Hydrogen.

Ambitious start-ups are vying to lead in the technology field and unlock the enormous commercial potentials of the new energy ecosystem in a way that could upgrade the way we use energy in our daily lives. In this arena, technology plays a pivotal role in accelerating commercial ramp-up with improved safety and sustainability.

These are the areas Purpose ESG Holdings Inc. (“Purpose ESG”) is keen to invest and perform in. Purpose ESG has been researching the latest technology trends and assessing competitive market dynamics to identify 5 core technologies driving the commercialization of the new energy transition, with the aim to build our investment portfolio across these essential technologies: **Electrification, Hydrogen, Carbon Capture, the Circular Economy, and Food Technology.**

Purpose ESG acknowledges that the transition to new, cleaner energy is expected to significantly impact supply and demand, capital allocation, end-to-end value chain costs, and jobs. The transition is also expected to occur within a longer timeline and with certain risks.

To proactively manage structural market challenges, Purpose ESG has developed a strategy that is expected to manage these challenges while ensuring that performance goals are met. Purpose ESG intends to achieve our objectives by identifying prospective investment opportunities at the earliest possible stages, teaming up with management and stakeholders to foster continued business growth as well as capitalize on exit values, thereby garnering expected returns on investment in an accelerated timeframe.

To better deliver on our commitments for 2022, Purpose ESG has identified our “4 Pillars of Competencies” as benchmarks for tracking tangible progress:

1. **Investment Portfolio:** Completed investment in three Canada-based ESG technology start-ups, namely Midori Bio Solutions, Nauticol, and Carbon Upcycling Technologies.
  - **Midori Bio Solutions** : A certified organic solutions for end of life plastics and textiles to accelerate the natural bio degradation process.
  - **Nauticol** : A Canadian Blue Methanol producer plans to garner 1.2 million tonnes from 2026. Signed an off take agreement with a S’pore Trading Hub.
  - **Carbon Upcycling Technologies** : A Calgary based CO2 reduced cement and chemical processing company with business MOUs with 3 of the world’s 10 largest cement companies
2. **Investment Database and Valuation:** Prepared a structured and detailed company profile database consisting of more than 300 North American start-ups across 5 sectors of the technology areas to monitor, evaluate, and identify start-ups ideal for investment.
3. **Expense Management:** Achieved an annualized OPEX reduction of 30% by insourcing and optimizing budget allocations for marketing and public relations.
4. **Corporate Setup:** Established vital corporate structures, including board/team compositions, procedures for identifying investment opportunities, risk management policies, board/advisory collaborations, operational processes, filing preparations, and digital, marketing, and public relations content.

Bolstered by these foundations, which were successfully established in Q1 & Q2 2022, Purpose ESG will continue to strengthen 4 core areas that will define us and set us apart:

1. Building a competitive investment portfolio and expediting financial gains through strategic capital market activities
2. Incubating new start-ups to maximize returns above and beyond projections over the medium term.
3. Promoting Purpose ESG in investment communities and to both potential investors as well as investees.
4. Exercising operational excellence with continuous, measurable improvements in performance.

In closing, we would like to express our sincere gratitude for your investment in Purpose ESG Holdings, an ESG impact investment company. Purpose ESG will continue to operate with prudence and vigilance to protect shareholders' interests. With the ongoing support of our stakeholders and investors, and in tandem with our portfolio companies as well as partners both global and local, Purpose ESG will deliver on our commitments by achieving steady, sustainable growth.

Regards,

Young Bann

CEO

Purpose ESG Holdings