Annual Report 2022/2023

ESGTI AG

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Publication date

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Amounts in this report are stated in Swiss Francs ("CHF") unless otherwise stated.

Disclaimer

Chairman's note

In the Chairman's note, one typically anticipates an overview of the previous reporting period, accompanied by insights into the current financial year and future prospects. However, recent developments have prompted me to adopt a more detailed approach the present report. My goal is to provide you with a thorough overview of the company's challenges and issues spanning from the previous reporting period until today. My aim is to offer deeper context and insights to the reasons behind the publication delay, the suspension of our stock trading on the BX Swiss stock exchange, and other events that have affected our Company's operational and financial status.

Reporting Period Review: January 2022 – April 2023

The reporting period was marked by a series of global challenges, including the ongoing COVID-19 pandemic and the crisis in the Ukraine, both of which significantly impacted key regions and had widespread repercussions on global supply chains. These concurrent crises, particularly the precarious situation regarding food and energy security in Europe due to events in the Ukraine, indirectly affected our portfolio, though their impact on our direct operations was limited. In navigating this complex environment, ESGTI adopted a strategy of financial caution, while also exploring opportunities arising from regulatory shifts aimed at addressing these disruptions.

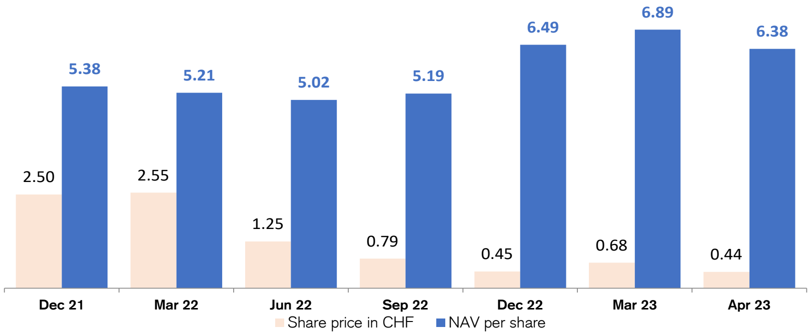
One such opportunity emerged when the Italian Ministry of Agricultural, Food and Forestry Policies unveiled a €1.5 billion initiative in August 2022 to foster the development of Agri-photovoltaic (APV) projects. This program aims to assist Italy and other European countries in achieving their renewable energy objectives and enhancing agricultural practices; a program aligning with ESG Eko Agro Group’s (EEAG) mission and its strategic efforts in bolstering sustainable agriculture and leveraging renewable energy through their Agri-photovoltaic (APV) initiative in Italy.

Moreover, our investment in AltEnergis has continued to show promising results, with the completion of a novel energy harvesting device in partnership with Johnson Matthey Piezo Products in Germany. This breakthrough in utilizing ambient energy offers a cost-efficient alternative to traditional electricity generation, finding application across various industries such as aerospace, healthcare, automotive, and consumer electronics. We remain optimistic about the investment potential within this sector, given its growing adoption and innovation.

Net Asset Value Performance

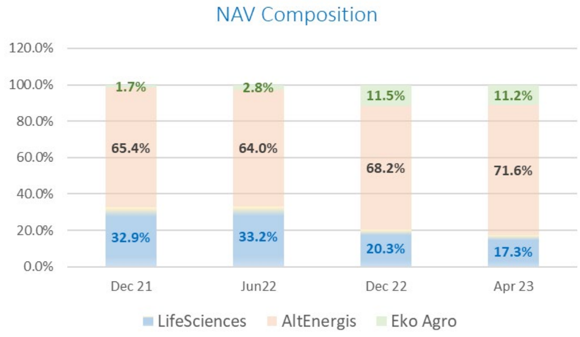
We can rightfully say that we are pleased with a Net Asset Value per share (NAV) performance of 18.6% for the period from January 1st, 2022, to April 30th, 2023, or 13.9% calculated over one year.

NAV performance and share price discount



However, as we operate in three main investment areas, it is useful to look at the NAV evolution for each of these three areas and understand the disparities within.

	Dec 21 - Jun 22	Jun 22 - Dec 22	Dec 22 - Apr 23
LifeSciences	-1.4%	-18.8%	-10.4%
AltEnergis	-4.6%	41.6%	10.4%
Eko Agro	61.4%	450.8%	1.6%



Whilst EEAG had a strong performance showing an 803% gain, EEAG's relative weight within ESGTI's portfolio remains limited. By contrast, our Life Sciences portfolio experienced a loss of -28.3% (explanations can be found later in this note) and had a more significant impact on our overall NAV.

In August 2022, the EU launched an initiative to support APV installations, which in light of EEAG's specialist field, offered a new direction for the company's business activities. After a thorough research and preparation phase, EEAG announced a preliminary agreement with RWE Renewables Italia (RWE) and a partnership agreement with Rheaura OP, a major Italian agricultural producers' organization, in early March 2023. These two agreements were the basis for the fair value calculation of EEAG as of April 30th, 2023. During the Q4 2023, discussions with RWE began to decelerate significantly, posing a risk to the timely progression of EEAG's APV development projects. In response to the prolonged due diligence and extensive documentation requirements from RWE, EEAG proactively sought to diversify its strategic partnerships to mitigate potential setbacks. This led to the initiation of negotiations with Romelectro, a leading company in the APV sector, culminating in the signing of an investment agreement to develop 405 MWp of renewable energy over twenty farms and total estimated investment volume of EUR 420M through APV projects in February 2024. This strategic turnaround not only provided EEAG with a valuable alternative to its initial engagement with RWE, but also reinforced EEAG's commitment to maintaining its developmental momentum and sustained focus in this APV project in Italy.

As we continue to place increasing focus on the agricultural sector, our aim is to rebalance these NAV contributions within the portfolio and consequently see a positive growth in NAV.

Through our quarterly factsheets, which were published monthly until April 2023, we have consistently provided you with key updates including the development of our NAV and relevant news. This information has been available on our website and disseminated via EQS with its European distribution channels. Additionally, shareholders who have signed up for news receive timely notifications of news publications of our portfolio.

Share Price Development

Just as we are satisfied with the progression of our NAV, the 82.6% decrease in our share price during the reporting period, reducing it to only 6% of our NAV as of April 30th, 2023, is a matter of concern. The steady downward trend of share price necessitates an explanation on the potential reasons we believe are contributing to this.

Firstly, discussions with potential investors have highlighted concerns regarding our diversified focus on the food, health and energy sectors, suggesting that such a varied investment portfolio presents a "mixed bag" with an ambiguous risk profile. This diversity has made it challenging for analysts to apply conventional metrics, or offer meaningful insights on our shares. Acknowledging this feedback, we are considering a strategic spin-off of our Life Science portfolio, a move mentioned in our 2023 Extraordinary General Meeting, to sharpen our focus on the energy and agriculture sectors.

Secondly, without significant development in our portfolio, we have faced challenges in leveraging effective public or investor relations activities. Up to this point, ESGTI has perhaps under-leveraged its listing on the BX Swiss, viewing it as more of a regulatory requirement rather than as an opportunity to enhance our share visibility. Concurrently, the BX Swiss' international recognition is limited (it is in fact not recognized as equivalent in some countries, including the UK). This limitation means that ESGTI's shares are not tradable on most major platforms, requiring foreign investors to open additional accounts to trade or hold our shares.

Company Challenges During the Reporting Period

Throughout the reporting period, in addition to navigating substantial global challenges and economic/geographic unrest, our company encountered several internal obstacles.

On August 18th, 2022, we published that ESGTI AG along with its corporate entities and certain individuals, were summoned to a mediation hearing in March 2022 in connection with alleged liability claims under corporate law. These claims were initiated by two minority shareholders of SynDermix AG, Stans, a company in which our wholly-owned subsidiary, ESG LifeSciences AG, has a majority stake. The plaintiffs contended that the defendants were liable for damages allegedly incurred by SynDermix AG. We perceived these accusations as broadly sweeping accusations, targeting numerous individuals, many of whom had no connection to the allegations, in an attempt to unsettle and possibly coerce a settlement. The claimants did not pursue their complaint within the legal timeframe, leading to the resolution of this matter with no ongoing claims against our company or its officers.

Prior to these allegations, SynDermix had faced several legal challenges in connection to these minority shareholders, starting in 2020, including a provisional block from the commercial register and actions for annulment against two of its General Meetings. These legal disputes have significantly hindered the operations of ESGTI's life science division, leading to substantial costs, developmental delays, and the suspension of financing and partnership discussions. This situation has been reflected in the -28% decrease in the value of ESG LifeSciences, highlighting the detrimental impact of these actions on our operations. Despite these difficulties, we have endeavored to advance our Life Science portfolio, sharing updates via our website.

Furthermore, at the end of 2021, ESGTI faced liquidity challenges which were anticipated to be resolved with funding from our major shareholder in early 2022. Although the shareholder had secured a deal with an investor in March 2022, regulatory obstacles have prevented the completion of this transaction. During this period, the ESGTI companies received approximately CHF 2.5M in loans, insufficient to cover all liquidity needs, with other fundraising efforts hindered by the aforementioned challenges.

As a consequence, the company was unable to timely fulfill the interest obligation on its outstanding bonds. Fortunately, since most bondholders are associated with the company, immediate legal action was averted as they consented to defer the interest payments. We extend our gratitude to the key service providers across all companies for their cooperation in extending payment deadlines for their services.

Overview of Post-Balance Sheet Period (From May 1st, 2023, to Present)

August 2023: ESG Engineering Italia, a subsidiary of ESGTI and the operator of EEAG, published a patent for its Agro-Industrial Integrated Digital Process in August 2023. This patent validates the vision and approach of Eko Agro in the field of Agri-PV and its potential benefits, considered a major asset for the company.

To bridge finance until the final contracts with RWE, ESGTI requested a loan from a shareholder in May. The shareholder agreed to sell 3 million ESGTI shares to raise funds for ESGTI and to diversify the shareholding.

However, the buyer failed to complete the transaction, citing difficulties in selling the shares to his clients on the stock exchange (see "Stock price development" above).

September 2023: ESGTI obtained a EUR 20M financing commitment based on future revenues resulting from the APV projects. The financing was contingent on the finalization of the contract with RWE. EEAG had been working diligently on all aspects of the collaboration with RWE since the preliminary agreement was signed, including the preparations on the farmers' side and the fine details of the contract.

October 2023: Aldburg notes defaulted on its interest payments to the bondholders.

November 2023: EEAG efficiently fulfilled all preliminary requirements and submitted due diligence documents that were requested by RWE headquarters in Germany, with the expectation of promptly moving forward to the signing of the contract. Regrettably, there was an unforeseen cessation of communication from RWE, for reasons that have not been disclosed, leaving the anticipated culmination of our negotiations in a state of suspension.

February 2024: EEAG signed an investment agreement to develop 405MWp of renewable energy through APV development with Romelectro. This alternative to RWE and quick turnaround from EEAG allows the group to maintain momentum and continue its focus on APV development; details are available on our website's news, dated 20th February.

Challenges with Financial Reporting and Audit Process

On May 25th, 2023, the Board of Directors of ESGTI resolved to extend the 2022 financial year by four months, setting the future fiscal year-end to April 30th annually. As a result, the auditors were required to restructure their audit planning to accommodate this change.

By early to mid-November 2023, our audit process encountered delays stemming from a challenging liquidity scenario, which was exacerbated by the potential withdrawal of RWE. This situation prompted a reassessment of the viability of the going concern assumption.

The Board of Directors has convened monthly since November to evaluate the necessity of taking measures in accordance with Article 725 of the Swiss Code of Obligations, including the consideration of applying for a debt restructuring moratorium. As of the current date, the Board has determined that such actions are not required. Nevertheless, it maintains the Board's prerogative to reassess this decision as circumstances warrant.

We have also disclosed our half-year results, in compliance with BX Swiss regulations, which mandated publication by February 29, 2024. While we believe that finalizing this Annual Report prior to the Semi-Annual Report's release would have provided more comprehensive insights, adherence to regulatory requirements took precedence. The delay in releasing our Financial Statements led to a temporary suspension of trading in our shares by BX Swiss, a measure that remains in effect as we issue these results.

Next Steps

Following the publication of this Report, you will shortly receive an invitation to the overdue Annual General Meeting to approve the present Annual Report. During this period, we welcome any questions you may have, and trust that this detailed chairman's note has preemptively addressed many of them.

In the meantime, we are working hard to reroute financing commitments linked to our new APV investment developments and believe the latest news in this field to be very positive. Indeed, we are eager to start growing the APV sector as the current governmental and climatic backdrop shows it to have huge potential for growth and sustainability.

As we have resolved the issues with the minority shareholders of SynDermix AG, we are also ready to spin off our Life Science pole. Moreover, we have a great opportunity to merge ESG LifeSciences AG with a Canadian company; more information will follow as and when we are able to disclose details.

Everyone at ESGTI is diligently striving to address our current challenges, and we are very grateful for the support and understanding of our shareholders throughout this period. Amidst the various events and developments that have unfolded in recent months, it is important to remember that ESGTI remains a young enterprise in the process of establishing its strategic business foundation.

Hünenberg, 14 March 2024,

Andreas R. Bihrer, Chairman

ESGTI Investments

At its creation in 2020, ESGTI was created as an investment company driven by the overriding belief that investing based on ESG principles will deliver equal returns for investors and better returns for our world.

As we grew, the sharp increase of ESG investments and reporting during 2020-2021 reflected a welcome framework and common language in which we could operate, adopted by governments and investors alike. However, 2022 saw an emergence of questions about the validity of ESG investing with reporting techniques and misleading claims coming under scrutiny from stakeholders.

> *"For managers with a clear focus on green and clean energy investments, our White Space ESG Analysis indicates that these are key areas to promote"*
>
> Peregrine Communication
>
> The ESG Report 2022

Within this context we closely monitor the evolution and incorporation of ESG considerations into our regulatory framework. Key regulatory actors arrive in the form of the Sustainable Finance Disclosure Regulation (SFDR), seeking to improve transparency relating to sustainable investment products, and the EU Taxonomy Regulation, establishing an EU-wide classification system and common language for environmental considerations.

On the sector-specific side, we see significant demand for firms to communicate how their commitments and activities relate to nature. With the ESG stakes at their highest with our portfolio company Eko Agro Group (EEAG), this is a topic we monitor closely in relation to future business activities.

In this space some firms have partnered with conservation groups and charities over the past year, evolving into new frameworks such as the Taskforce on Nature-related Financial Disclosures (TNFD), but the movement to address these issues is still in its early stages. With the backwind of our patented agro-industrial process, we are focused on getting the measurement stage right - encompassing anything from water quality to soil condition, and renewable energy generated to carbon offsets. With themes including biodiversity and deforestation identified as areas where supply of content is much lower than organic demand from audiences,

ESGTI Investment Criteria

In conjunction with business and economical context, we continue to lean on key criteria to drive our investment choices. By remaining steadfast to our three pillars portfolio, we look at investments which create portfolio synergies; fostering co-development and leveraging specialist know-how. Currently we are paying particular attention to the agricultural and energy sectors; of critical importance to the region in which we operate and awash with technological opportunities.

the call for content shows that protecting our natural capital is an increasingly significant environmental goal and one we strive to meet.

Fair value

The core of ESGTI's NAV ultimately lies in the health and potential of our portfolio. Adjustments in our NAV can be found in our results and are primarily the result of three main factors:

1. Obtaining asset-level valuations of each of our major portfolio companies, we primarily rely on our internal team's expertise. However, to guarantee the highest level of accuracy and impartiality, we occasionally engage third-party valuators. This method is not a fixed requirement but is strategically implemented when deemed necessary to complement our internal assessments with an external, unbiased viewpoint, ensuring our valuations are both comprehensive and reflective of the latest industry standards.
2. A consistency in the valuation methodologies and an evaluation of individual company assets in their own right. As a company we focus on development and commercialisation of technology, thus a precise view of individual market potential is pivotal to accuracy.
3. The reflection of key developmental milestones within the period: whilst we aim never to over-inflate our projections, we recognise a high potential upside and strive to reflect key technological developments within fair value.

We prioritize precise and necessary communication, focusing on the progress and notable value changes within our portfolio. Our approach involves providing monthly or quarterly disclosures, to ensure our shareholders are consistently informed on the main factors influencing their overall investments' performance and/or the valuation of companies experiencing the highest material value changes.

At the beginning of March 2023, the Eko Agro Group signed a preliminary agreement with a major European energy provider RWE, to develop an extensive renewable energy initiative in Italy. This marked a major step for EEAG in their goal to strengthen farming sustainability and leverage the growing synergy between green energy and sustainable agriculture. Simultaneously, a partnership agreement was signed with Rheaura OP, a major nationwide organisation of Italian agricultural producers. The breadth and specificities of these agreements are reflected in EEAG's valuation as of April 2023, based on the proposition to develop 700MWp of clean energy via Agri-photovoltaic (APV) solutions across 35 designated agricultural sites in key Italian regions. This integration of agricultural and Agri-photovoltaic operations positioned EEAG's valuation at EUR 40.7M and ESGTI's investment values at CHF 20.8M.

As discussions with RWE began to slow towards the end of 2023, posing a risk to the timely advancement of EEAG's APV projects, EEAG faced the challenge of ensuring project continuity. The extended negotiations and rigorous documentation requirements from RWE prompted EEAG to seek alternative partnerships to avoid delays. This strategic shift led EEAG to engage with Romelectro, a recognized leader in the APV sector. The successful negotiations with Romelectro resulted in the signing of an investment agreement in February 2024, to develop a total portfolio of 405 MWp of renewable energy through APV projects, with a total estimated investment volume of EUR 420M. The agreement stipulates that Romelectro and its subcontractors shall finance and deliver turnkey APV solutions, with a performance bond guaranteeing the delivery of the turnkey solution and maintenance of the APV site over a 20-year period. For each individual APV installation, EEAG and Romelectro shall set up a so-called Special Purpose Vehicle ("SPV"), offering interested investors the opportunity to acquire a majority stake in each SPV; each SPV shall in turn sell the electricity generated to the Italian power grid at a market price guaranteed by the Italian state. This move provided EEAG with a crucial alternative to its initial plans with RWE, reinforcing the company's commitment to the APV project and dedication to maintain momentum of this innovative agricultural and APV initiative in Italy.

AltEnergis, with asset developments in the sectors of Piezoelectricity and Gearbox efficiencies was valued at CHF 134.6M. Our continued valuation partner Trilemma Consulting has specialist knowledge of the CleanTech and Energy industry and thus is apt in providing an accurate view on market sizing, potential of individual technologies and an understanding of the navigational steps needed for successful commercialisation. Valuations included an upward turn in the industry outlook - spurred by the climate and energy crisis experienced today in Europe.

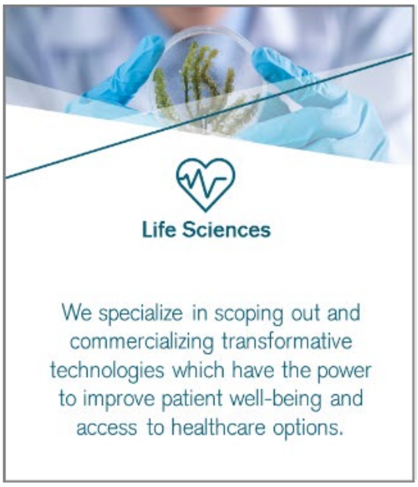
The increased valuation also reflected significant milestones that occurred during 2022, notably manufacturing of the piezoelectric device by Johnson Matthey Piezo Products in Germany and integration of the gearbox technology into a test environment in the second half of the year.

The asset valuation process for SynDermix and its three subsidiary companies, proved to be more complex, culminating in a valuation of CHF 40.2M as of 30th April, 2023. This represented a 44% decline compared to 2021. The primary factors contributing to this decrease included delays in development timelines and the consequent reduction in patent life, as well as ongoing litigation involving two shareholders, which hindered the Company’s ability to issue new shares. Despite these challenges, the subsidiaries remained proactive in seeking partnership opportunities and fundraising efforts, especially in support of the development of BioEleSonic’s BES-1001 device.

The valuations for these entities, as well as for the rest of our portfolio companies, received approval from our Board and were fine-tuned through consultations with our thematic Subject-Matter Experts. These collaborative efforts underpin our confidence in ESGTI's Net Asset Value (NAV) as we progress into 2023.

Our Portfolio

We continue to segment and orientate our portfolio approach into three core pillars, designed to build on environmental and social fields and closely align to the UN Sustainable Development Goals. This renewed and focused approach allows us to streamline our investment, focus our knowledge and look for possible synergies across these business areas.



ESG Ratings

Just as we invest in technological development, we too invest in measuring and monitoring our ESG performance. At the end of 2022 we undertook an independent evaluation of ESGTI and its portfolio companies in order to build upon understanding from 2021.

ESGTI's environmental and social impact ratings for our portfolio show superior ESG grades than the sector average. With promotion of sustainable agriculture and a focus on renewable energy technologies, efficiencies and investments, we are able to drive high social and environmental scores. Equally, as energy solutions gain momentum within our portfolio, these contribute to an increase in environmental ratings in 2022.

ESG Ratings	ESGTI 2021	ESGTI 2022	Benchmark
Environmental Impact	B (0.54)	B+ (0.60)	C+ (0.40)
Social Impact	A- (0.69)	A- (0.68)	B- (0.44)
Overall Impact	B- (0.48)	B- (0.47)	C+ (0.44)

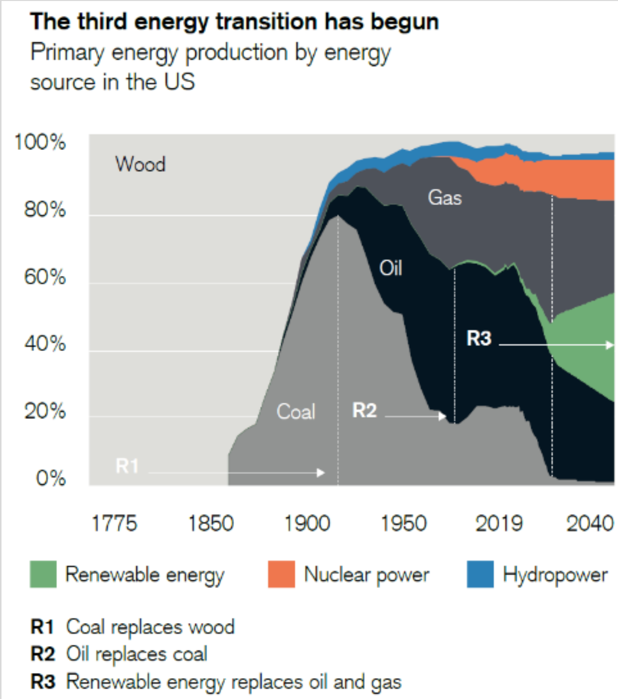
Source: Inrate evaluation 2022

ESG in numbers

ESG scores continue to reinforce our choice of portfolio focus themes and give us the baseline scores from which we understand how our activities and operational structure stand up to industry benchmarks and engage our portfolio companies on material financial and ESG issues.

A Focus on Energy

The world today has great ambitions to shift its energy supplies from fossil fuels to alternative sources. The root incentive for such transition lies with climate change concerns, but huge disruption seen in 2022 from energy security risks and rising geopolitical tensions added a hefty catalyst into the equation. Pegged by some as "the beginning of the third energy transition", the intertwined landscape of energy, geopolitics and economic success makes the backdrop a complex breeding ground in which to operate.



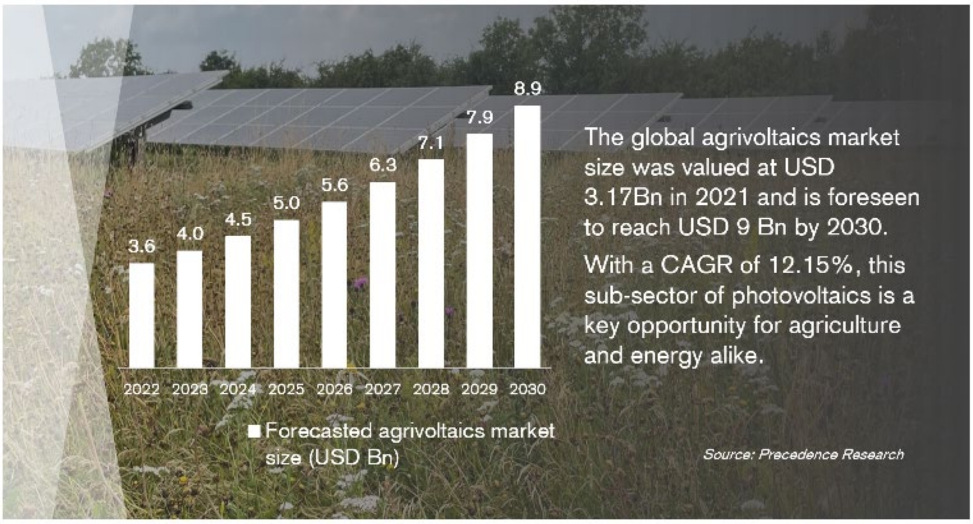
Source: Credit Suisse Escher report 2023

Our position within this is a continued focus on the development of renewable, environmentally friendly, and cost-effective energy sources. This increasingly important focus births a portfolio which is naturally converging on energy – across all three pillars. And because energy is one of life's fundamentals, we remain sensitive to the symbiotic opportunities with food and health.

Building on our fair value disclosure, we would like to share some details on these energy assets. By delving into each investment opportunity and its corresponding operating context, we aim to share with you some of the diversity of energy today – from clean sources to improved efficiencies, vibrational energy to natural sources. The diversity of technologies reflects the diversity we strive for in our portfolio – minimising risk and maximising impact.

Solar power at The Eko Agro Group

In 2020 The World Economic Forum in Davos and the 'Trillion Tree Project' captured the attention of world leaders and major headlines, without necessarily convincing climate activists that the world is taking climate change seriously enough. Three Forums later in 2023, energy security has reclaimed its spot as the top concern of policymakers and industry leaders, calling for a crucial rethink to the topic of energy transition.

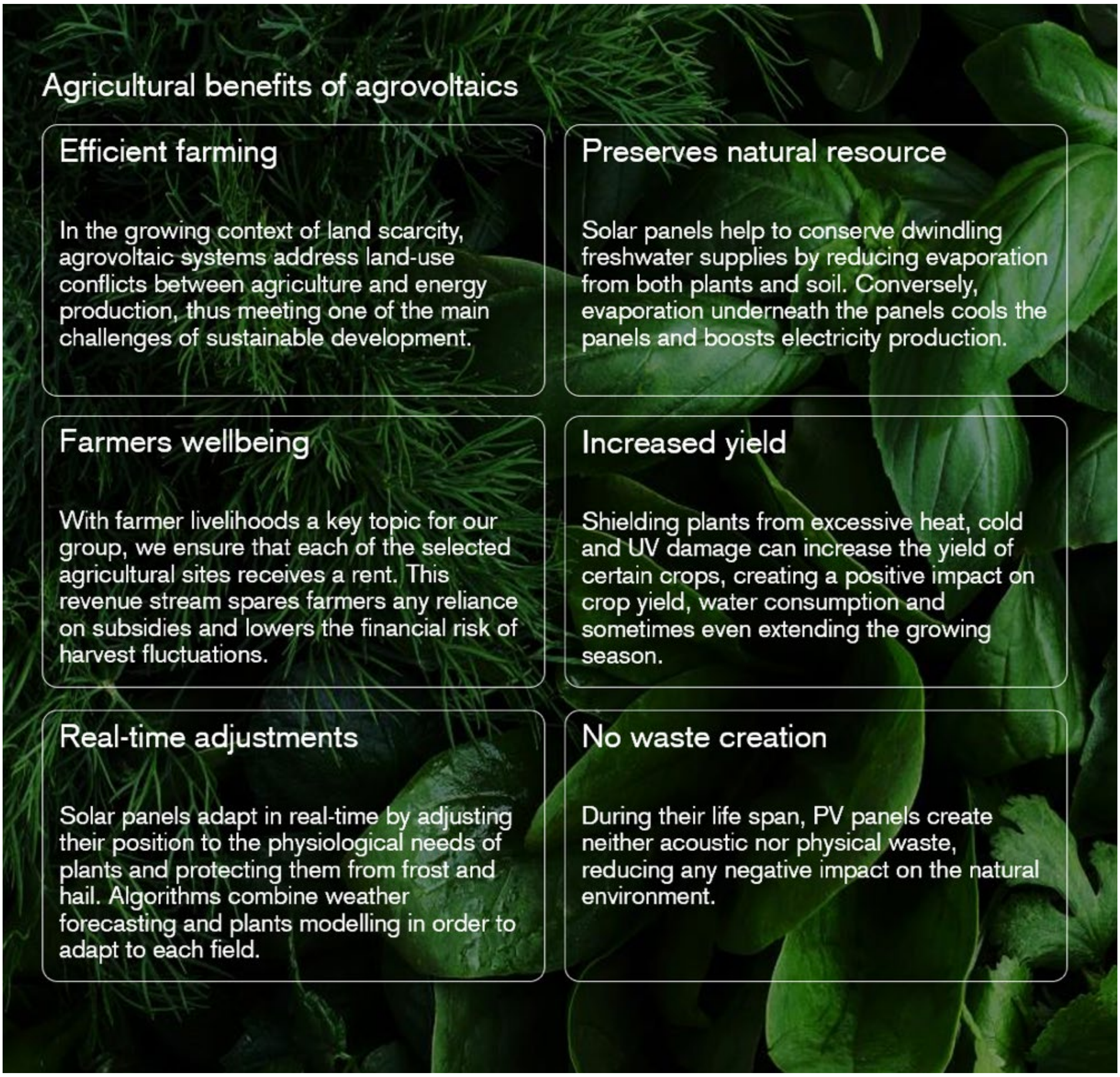


Enter agrivoltaics, consisting of integrated photovoltaic modules above crops, and thus a bit like winning two golden tickets at once. Such technology allows for enhanced climate-resilient food systems and renewable energy production on one single piece of land, giving the farming sector an opportunity to benchmark itself as a potential solution to both the energy and climate conundrums.

Currently pegged as one of the cheapest renewable energies on the market, solar power is one of the most accessible renewables for Europe. EU renewable energy policies have helped bring solar photovoltaic costs down by 82% over the last decade (albeit via subsidies-based support), making them one of the most competitive electricity generation technologies in the region. With the viability of agrivoltaics now thoroughly researched, land-use constraints which have historically stunted solar growth now find a solution to scalability.

Established mutual benefits of co-existing solar panels with crops now set the agrivoltaics sector for steep growth, backed by Europe's need to shift more PV production and installations within the region's soil. Within this, our focus sits with one of the largest agricultural producers and food processors in Europe – Italy. With ambitious energy and climate goals at the centre of its political agenda, and an agricultural sector accounting for approximately 2% of its GDP, the market is ripe for discussions of agrivoltaics.

Incentivised by the Italian government as of 2022, and incorporated into the National Recovery and Resilience Plan, agricultural operators with available land now have a fast track to facilitating agrivoltaic solutions under specified conditions. The Eko Agro Group, with its goal to produce healthy food in verifiably healthy ways, can now fulfil the role of an existing agricultural player, ensuring the production of electricity without endangering the continuity of agricultural and pastoral activities.



By their side, a proficient energy expert is needed to complete the complex set of competencies. From infrastructure to operational prowess, grid integration to maintenance, the expertise is high and the governance tacit. At the beginning of 2023 EEAG signed a memorandum of understanding with the major European energy provider, RWE to develop an extensive agrivoltaic program in Italy, starting with a planned generation of 700MW of solar energy over 35 different sites. Secured with the financial backing of this collaboration, the quantifiable nature of energy production allows EEAG to de-risk financing via quantifiable energy production and allocated land assets. As discussions with RWE began to slow towards the end of 2023, this led EEAG to strategically pivot and engage with Romelectro, a recognized leader in the APV sector, a valuable alternative to its initial engagement with RWE. The successful negotiations with Romelectro resulted in the signing of an investment agreement in February 2024 and continue EEAGs efforts for the realization of its synergistic project of sustainable agriculture and renewable energy in Italy (see "Fair Value" above for detail) .

This marks a major step for the group in their goal to strengthen the sustainability of farming and leverage the growing symbiosis of green energy and sustainable agriculture. The farmers, as first beneficiaries and "prosumers" of the energy produced will be buoyed by a diversification of their revenue stream. The regions can weigh community protection and growth with federal-level climate and energy goals; indeed, as with any symbiosis, public support and a multi-stakeholder approach is key to success.

Still in discussion phase, the Eko Agro Group is expected to finalise the set up and initiate planning during 2024 – with operational capacity expected within five years. In parallel, EEAG continues to explore further options such as floating PV solutions offshore or on the surface of lakes. As integrated in the EU Offshore Renewable Energy Strategy, such installations represent significant potential, but come with significant due diligence, such as durability of PV panels in a marine environment, or a comprehensive assessment of the impact on the aquatic ecosystem. The governance here is stringent and clear – now it is a case of finding the opportunities.

Wind turbines at AltEnergis

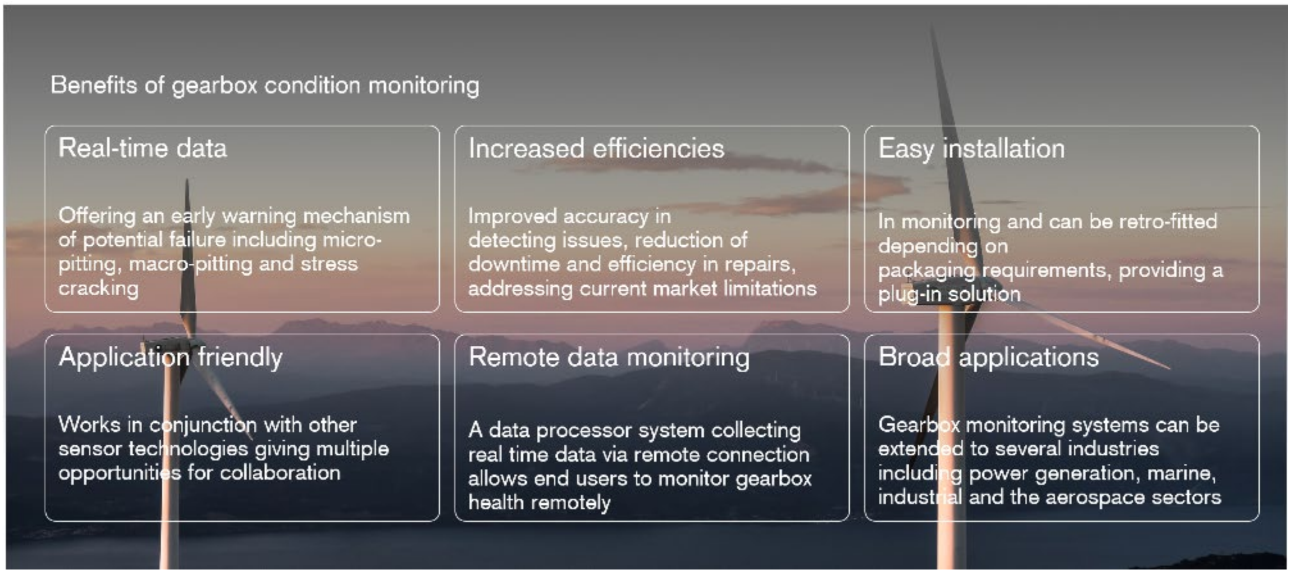
Power generation figures estimate that 2021 was the first year where wind and solar exceeded 10% of the global energy mix. Indeed, growth of wind has been amongst the highest of renewable power technologies, but capacity challenges continue to lie at the core of this sector. The International Energy Agency predicts that to align with the "Net Zero Emissions by 2050" trajectory, global capacity would need to reach approximately 3,100 GW of generation by 2030 – up from an estimated 830 GW in 2021 and translating into an ambitious average expansion of 18% per year for the foreseeable future.

Predicting how many wind turbines will be operational by 2030 is a hard conjecture, with dependent variables ranging from sector investment, regulation, technological advances and economic development. However, based on current trends and ambitious renewable energy transition goals, some industry experts suggest the number of wind turbines could reach over 1 million by the end of this decade.

The sector comes with its own complications. Expansion is often reliant on lengthy and complicated permits, cost reductions are still key for offshore growth and project development timelines remain long. Heavy dependency on climatic conditions can also take its toll – in 2021 the European Union actually saw wind power generation fall by 3% due to unusually long periods of low wind conditions, despite near-record capacity growth the previous year.

Once the turbines are installed and running, efficiencies of the turbines themselves becomes a key component of generation. Much of today's innovation focuses on increasing the onshore technology's productivity by developing turbines with longer blades, higher towers and more efficient production. As the victim of various problems such as gearbox blistering, sub-surface cracking and bearing failures, every year an average 1 out of 145 turbines will experience gearbox failure. Gearbox maintenance and replacement services, including the intervention team - complete with cranes capable of reaching the needed ~95 meters above ground - can run into billions of costs for the industry.

AltEnergis is developing a gearbox monitoring system where eddy current sensors allow for real-time, accurate detection of gear teeth health. This means that wind turbine maintenance systems will be able to detect problems early enough to intervene before significant damage is done. This plug-in solution has now been demonstrated in a simulated environment and is currently going through validation in a commercially sourced gearbox. The benefits are multiple, addressing the flaws of current market technologies and offering real-time and remote monitoring.



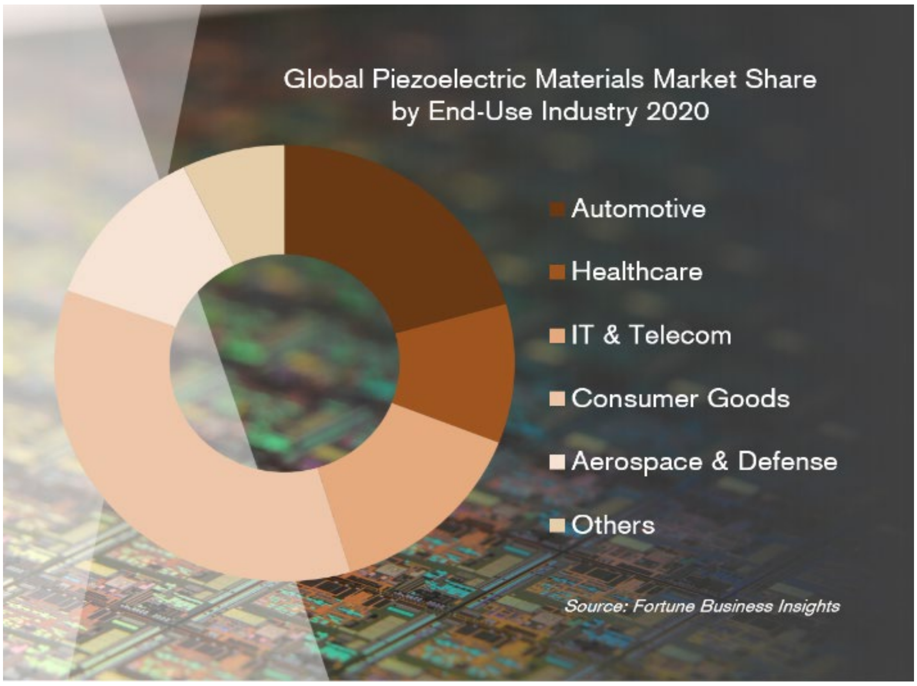
With data collection and associated SaaS products being a core part of this technology, algorithms created to identify and classify faults have now been established by AltEnergis, continuing to evolve the technology with a view to increased predictive monitoring. By partnering with key universities in the UK and stakeholders across the energy sector, prototype pilot studies have been completed with experts in the field.

During 2023, the team will focus on integration within Condition Monitoring System (CMS) - either those currently available or via further down-the-line development with a strategic partner.

Piezoelectricity at AltEnergis

As the energy transition debate intensifies, we speak of clean energy capacity, including a growing emphasis on the democratisation of sourcing energy. Extensive research has been conducted on energy harvesting technologies to scavenge energy from readily available sources like vibration, human motion, natural resources such as wind and solar, and chemical reactions.

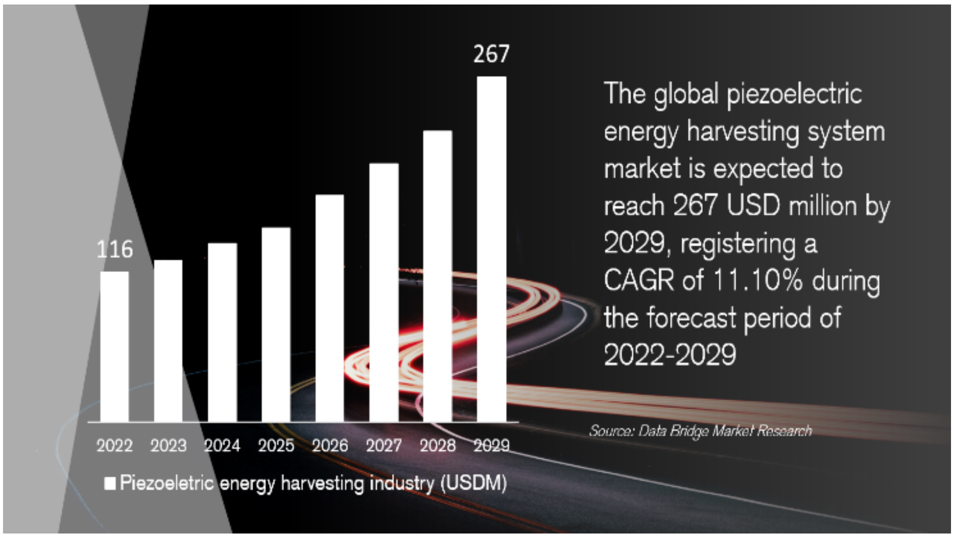
In this context, many companies are looking at kinetic energy harvesting, usually involving one of the three main transduction mechanisms: electromagnetic, piezoelectric and triboelectric. The advantages and disadvantages of these energy harvesting methods have been widely discussed, with most studies focusing on piezoelectric transduction due to its superior power densities, high energy conversion efficiency and scalability.



Market applications of piezoelectric materials are extremely broad – fuelled by the variety of piezoelectric materials, the multiple industry applications and the different types of harvesting technology in development. The rising adoption of high-performance piezoelectric products in industries such as aerospace, healthcare, automotive and consumer electronics, contribute to market growth and opportunities, particularly within the piezoelectric sensor segment due to its applications in handheld devices, manufacturing lines and precision control.

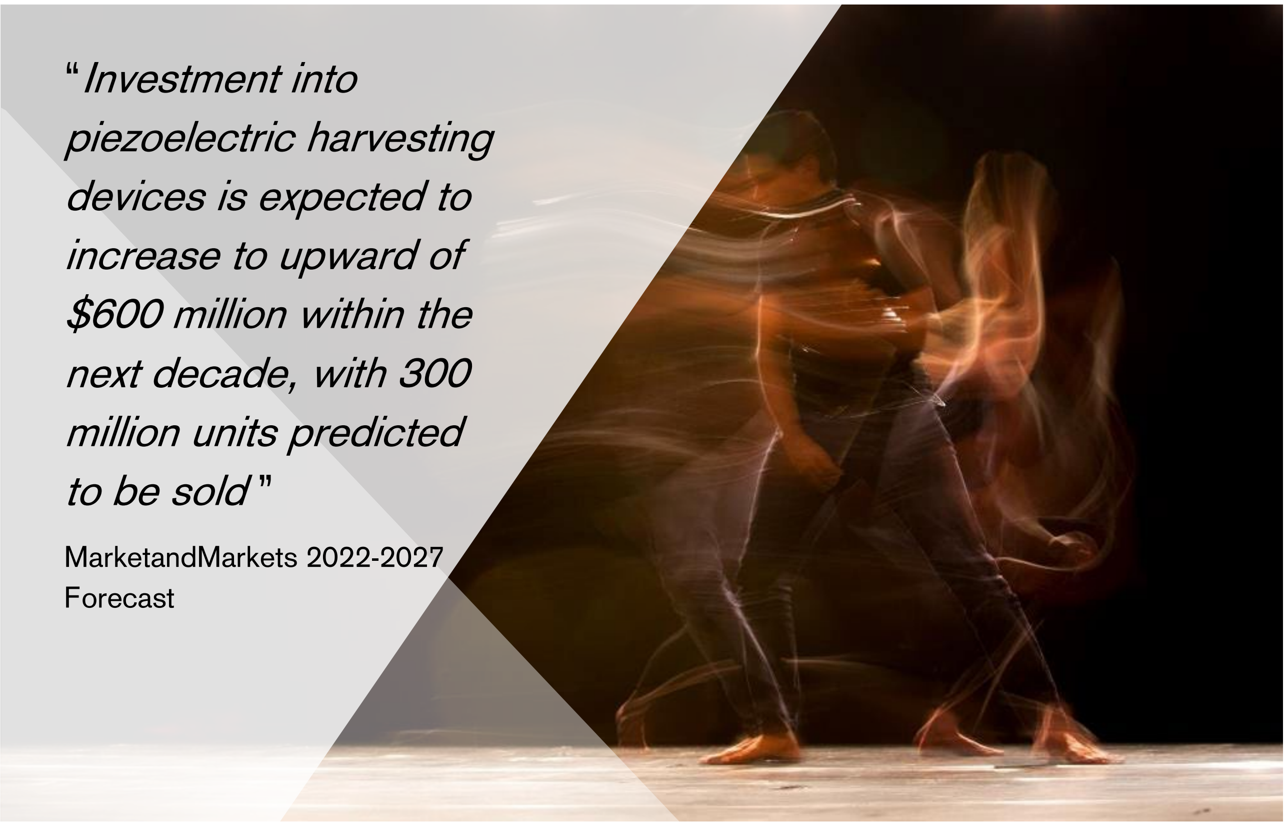
Expected to receive substantial backing from governmental policies aimed at carbon emission reduction, the piezoelectric harvesting industry is predicted to grow at a substantial rate in the next few years, surpassing a value of 250M USD within the decade.

Within the specific field of energy harvesting, common market limitations on the amount of power and frequency range of these devices hinder scalability and capacity of this energy source. At AltEnergis, the team are aiming to revolutionize the market with their novel piezoelectric energy harvesting device, challenging status quo via a device able to generate up to 200x more power and harvest energy across



a wider frequency range compared to other competing technologies.

During 2022, the team completed initial manufacturing process with partner Johnson Matthey Piezo Products in Germany - a listed, sustainable technologies company. With completion of this process, AltEnergis now has a tested prototype and the blueprint for scalable manufacturing. The focus for 2023 is the final integration phase of development, with the technology is set to hit the market in 2024 via licensing agreements or in-house commercial development.



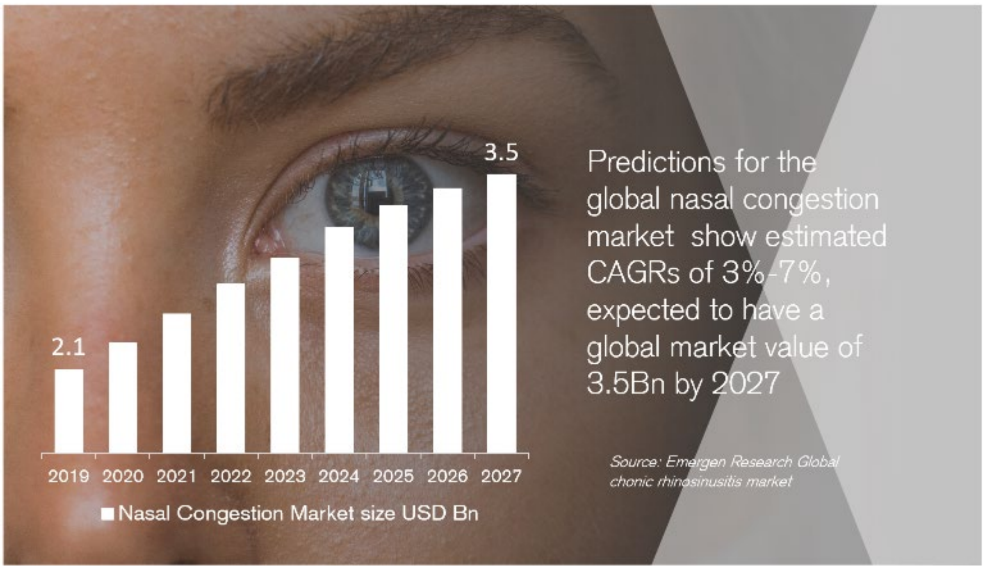
Vibrational energy at BioEleSonic

Modulated Acoustic Energy (MAE), also referred to as Vibrational Energy, refers to the precise control and manipulation of sound waves or acoustic energy to achieve a desired outcome or effect. Its applications are far reaching – from industrial applications including cleaning and fissure detection, military applications encompassing underwater sonar and target identification, and environmental uses extending to monitoring and mapping the ocean floor.

From this brief spattering of examples, we turn to medical uses – where MAE or vibration therapy can be applied to patients, predominantly via the use of a vibration or frequency modulation devices. Whole-body vibration has demonstrated positive effects in managing musculoskeletal and neurodegenerative disorders, injury rehabilitation and the strengthening of muscle and bone tissues. On a more localised vibrational level, promising results have been shown in the treatment of respiratory disorders, chronic wounds and pain alleviation.

The development platform of BioEleSonic is based on digital acoustic modulation — precisely controlled vibrational energy from sound, which can trigger biological responses on a cellular level in targeted tissues. One of its main targeted indications is chronic rhinosinusitis (CRS): an inflammatory condition of the sinonasal passages whose symptoms can dramatically affect patient life-quality.

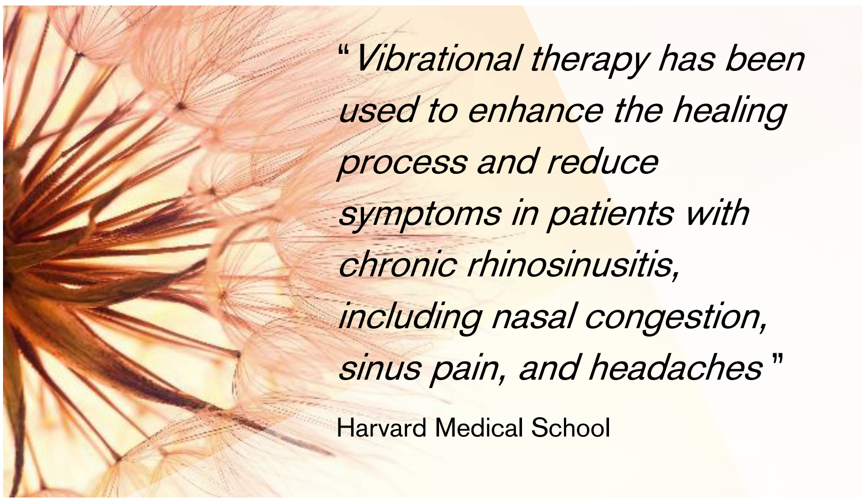
Amongst others, patients with chronic nasal congestion can experience sleep disruption, headaches, eye disease and cardiovascular complications. And with an estimated 1 in 5 people affected, it presents a major economic burden to current healthcare systems.



Current pharmacological treatments used for the treatment of nasal congestion demonstrate limited safety and efficacy. Invasive surgical procedures, even those deemed to be minimally invasive, carry similar limitations and associated patient aversion.

BioEleSonic's current prototype, going by the name of BES-1001, aims to roll out a handheld, smart device whose technology, precision and usability are custom-engineered to address the clinical specificities of targeted sinus and pain conditions, including Chronic Rhinosinusitis (CRS). Characterised by a liberatingly non-invasive, and drug-free application of a patented acoustic energy frequency, the device is capable of targeting internal disrupted tissues with accuracy, efficacy and safety. In parallel, the unique connectivity of the device with smartphone apps will enable patients to keep track of their treatment regimens and monitor the frequency of the exacerbations of their conditions with minimum effort.

BES-1001 has finished prototyping with promising results (including functional capabilities, 2X better sinus ventilation and 76% faster mucociliary transport time) and is entering the clinical phase to gather significant clinical evidence for BES-1001's efficacy and safety - aiming for market launch as of early 2025.

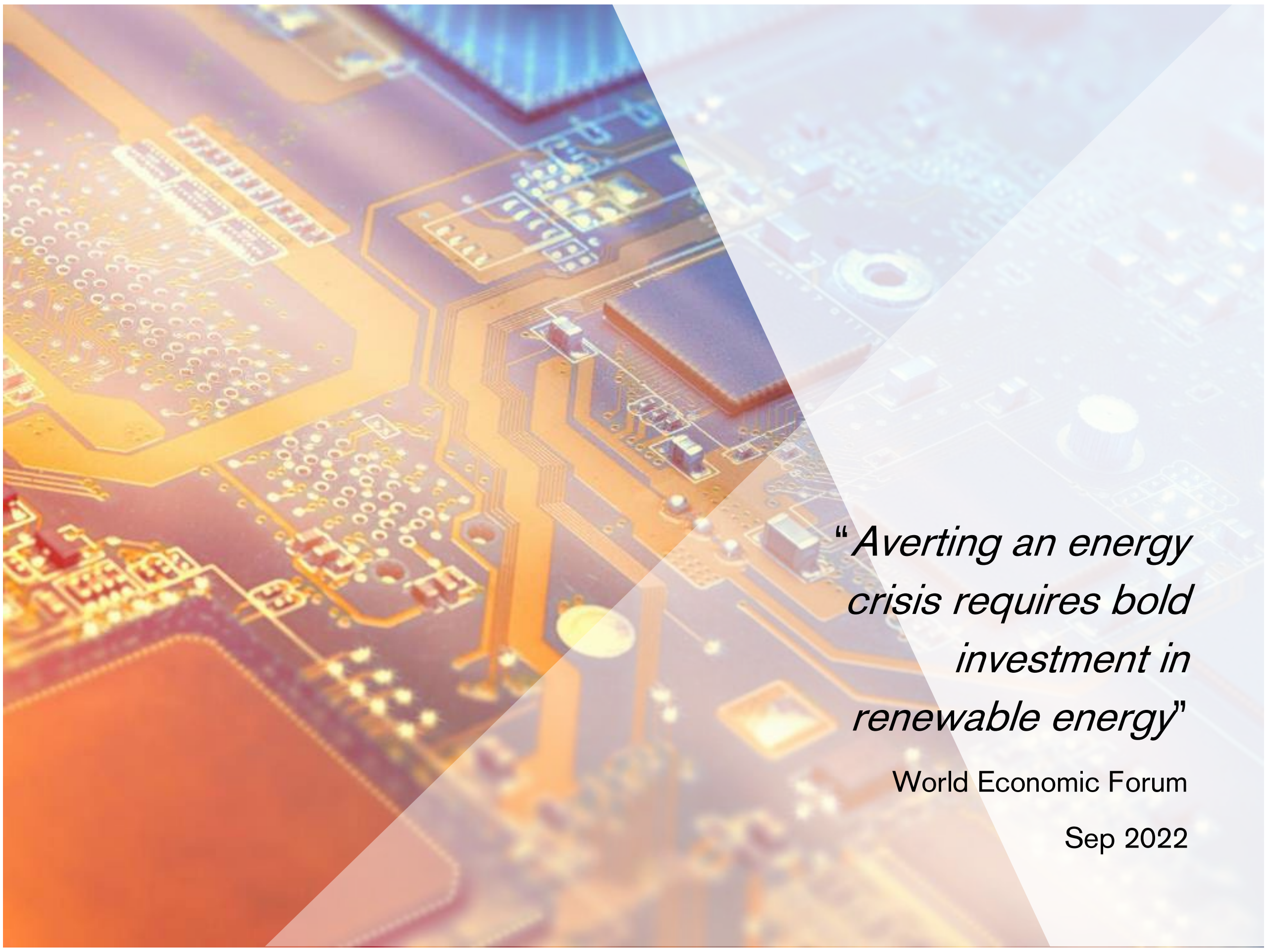


Given the breadth of applications, BioEleSonic also looks to leverage this acoustic wave therapy platform - complete with associated IP - for further indications. One highly prevalent segment that we have all faced at some point is the headache - one of the most common medical complaints in the world and affecting over 400 million people in EU5, US and Japan alone. Despite the enormous impact of the problem and the extensive arsenal of therapeutic options, the unmet medical needs of migraineurs remain significant. With a much rarer appearance, Primary ciliary dyskinesia (PCD) - an inherited disease characterized by congenital impairment of mucociliary clearance – is a rare disease from which upwards of 80% of PCD patients have year-round, daily nasal congestion.

Further indications of this technology under exploration by the BioEleSonic team are often rooted in closely adjacent segments to CRS. Collectively, they present an associated patient eligibility of ~95M in key countries, giving the platform a huge opportunity to expand to further indications and extend its social impact.

Energy as the backbone

An investment company upholding shareholder interests, our portfolio lies at the heart of ESGTI's success, with many of our assets aptly timed to address the critical needs of today. But for future investments we are also learning to evolve with this context, acting more stringently towards business models and due diligence, anticipating changes in regulation brought on by ambitious in this pivotal moment.



Report of the statutory auditor

to the General Meeting of ESGTI AG

Hünenberg

Report on the audit of the financial statements

Adverse opinion

We have audited the financial statements of ESGTI AG (the Company), which comprise the statement of comprehensive income for the period from 1 January 2022 to 30 April 2023, the balance sheet as at 30 April 2023, and the statement of cash flows and statement of changes in equity for the period from 1 January 2022 to 30 April 2023, and notes to the financial statements, including material accounting policy information.

In our opinion, because of the significance of the matter discussed in the *Basis for adverse opinion* section of our report, the accompanying financial statements (pages 25 to 53) do not give a true and fair view of the financial position of the Company as at 30 April 2023 and its financial performance and its cash flows for the period from 1 January 2022 to 30 April 2023 in accordance with IFRS Accounting Standards and do not comply with Swiss law.

Basis for adverse opinion

The Company is experiencing liquidity issues due to an inability to generate sufficient cash inflows during the financial period from 1 January 2022 to 30 April 2023, including an inability to draw on the convertible loan facility which it entered into in April 2022. The Company has not sufficiently demonstrated that it is able to recover cash on its loan receivables, realise a sale of assets, or refinance liabilities, and as a result is unable to reliably finance its operating expenses or to provide further financing to its underlying investment portfolio. Further, since the balance sheet date, the Company has defaulted on interest payments to bondholders. Hence the Company is not operating according to its business purpose. The Board of Directors was unable to provide sufficient corroborating evidence of any effective measures to resolve the liquidity situation within an appropriate timeframe. However, the ability to meet its financial obligations is a prerequisite for the Company's ability to continue as a going concern under its intended business purpose. As a result, we conclude that we have not been provided with sufficient evidence that the Company can continue as a going concern under its intended business purpose, and therefore, the financial statements should not have been prepared under the going concern assumption. Due to the matter described above, the financial statements need to be prepared on the basis of liquidation values. Under this basis of preparation, it is highly likely that the fair values of investments and loan receivables shown in the financial statements would have been materially lower than the fair values shown under the going concern assumption, which would have had a significant effect on the Company's financial position and financial performance.

We conducted our audit in accordance with Swiss law, International Standards on Auditing (ISAs) and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit work we have performed is sufficient and appropriate to provide a basis for our adverse opinion.

Our audit approach – Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or

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error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 1.66 million
Benchmark applied	Shareholders' equity
Rationale for the materiality benchmark applied	We chose shareholders' equity as the benchmark because, in our view, it is the most relevant benchmark for investors, and is a generally accepted benchmark for investment companies.

Our audit approach – Scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

Except for the matter described in the *Basis for adverse opinion* section, we have determined that there are no other key audit matters to communicate in our report.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the tables marked 'audited' in the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for adverse opinion* section of our report, the financial statements need to be prepared on the basis of liquidation values. Under this basis of preparation, it is highly likely that the fair values of investments and loan receivables shown in the financial statements would have been materially lower than the values shown under the going concern assumption, which would have had a significant effect on the Company's financial position and financial performance. The other information is materially misstated for the same reason with respect to the amounts or other matters as described in the *Basis for adverse opinion* section above.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law, ISAs and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law, ISAs and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Due to the matter described in the *Basis for adverse opinion* section, we recommend that the financial statements be rejected and returned to the Board of Directors.

PricewaterhouseCoopers AG

Thomas Ebinger	Jack Armstrong
Licensed audit expert Auditor in charge	Licensed audit expert

Zurich, 14 March 2024

Statement of comprehensive income

For the period ended 30 April 2023 (all amounts in CHF unless otherwise stated)

	Note	01.01.2022-30.04.2023	01.01.2021-31.12.2021
Net change in value of investments through profit or loss	3	61,196,061	43,235,126
Unrealised gain on loan receivable at fair value through profit or loss	6	4,822,469	5,443,322
Loss allowance on loan receivables	5	-31,453,766	-
Result from investments		**34,564,764**	**48,678,449**
Investment advisory fees	12	-3,349,415	-2,091,781
Directors Fees	12	-429,879	-192,920
Administration fees	12	-178,581	-134,660
Legal fees		-329,258	-260,874
Audit fees		-200,800	-200,281
Equity and debt issuance related costs	13	42,611	-193,967
Financial income	7	227,374	126,285
Other adminsitrative and operational expenses		-281,210	-294,492
Operating result before financial result and taxes		**30,065,608**	**45,435,758**
FX gain / loss		-95,620	-34,828
Financial expenses	10	-4,534,474	-4,767,713
Proportionate result of Associate	4	421,126	242,597
Earnings before tax		**25,856,640**	**40,875,814**
Income taxes	14	-	-
Net result for the period		**25,856,640**	**40,875,814**
Total comprehensive income attributable to:			
Shareholders		25,856,640	40,875,814
Earnings per share attributable to Shareholders			
Weighted average number of shares outstanding during the period		25,985,369	25,400,418
Basic earnings per share (CHF)		1.00	1.61
Dilluted earnings per share attributable to Shareholders	2.16		
Weighted average number of outstanding and potential shares outstanding during the period		34,530,702	33,945,752
Diluted earnings per share (CHF)		0.86	1.34

The accompanying notes form an integral part of these financial statements.

Balance sheet

As of 30 April 2023 (all amounts in CHF unless otherwise stated)

	Notes	30.04.2023	31.12.2021
Assets			
Current assets:			
Cash and cash equivalents		1,425	8,205
Receivables and other assets	8	81,269	1,986,778
Total current assets		**82,694**	**1,994,982**
Non-current assets:			
Loan accounts with investments	5	787,927	32,712,735
Investment in Associate	4	987,906	566,780
Investments at fair value through profit or loss	3	171,579,556	109,035,479
Loan receivable	6	65,209,684	60,387,215
Total non-current assets		**238,565,073**	**202,702,209**
Total assets		**238,647,767**	**204,697,191**
Liabilities			
Current liabilities:			
Accrued expenses and other payables	9	8,651,723	4,541,010
Short-term financial liabilities	10	13,048,084	8,956,651
Provisions direct taxes	14	-	108,209
Total current liabilities		**21,699,807**	**13,605,871**
Non-current liabilities:			
Long term finanical liabilities	10	51,272,000	51,272,000
Total non-current liabilities		**51,272,000**	**51,272,000**
Equity			
Shareholders' equity:	11		
Share capital		40,537,176	40,537,176
Capital reserves		41,828,493	50,289,300
Retained earnings		57,453,652	8,117,030
Result of the period		25,856,640	40,875,814
Total shareholders' equity		**165,675,960**	**139,819,320**
Total liabilities and shareholders' equity		**238,647,767**	**204,697,191**

Number of outstanding shares		25,985,369	25,985,369
Net asset value (NAV) per share (CHF)		6.38	5.38

The accompanying notes form an integral part of these financial statements.

Statement of cash flows

For the period ended 30 April 2023 (all amounts in CHF unless otherwise stated)

	Note	01.01.2022-30.04.2023	01.01.2021-31.12.2021
Proceeds from sale of investment		801,619	456,681
Expenses paid (administrative and other operating expenses)		-542,917	-740,423
Loans repaid / financing provided		-977,120	-1,375,295
Net cash flows from operating activities		**-718,418**	**-1,659,037**
Interest paid		-	-2,387,511
Loans received		728,182	4,007,433
Net cash flows from financing activities	10	**728,182**	**1,619,922**
Currency translation differences on cash and cash equivalents		-19,044	-2,503
Net change in cash and cash equivalents		**-9,280**	**-41,618**
Cash at beginning of period (net)		8,205	49,823
Cash at end of period (net)		-1,076	8,205

Net cash reconciliation - beginning of the period		
Cash and cash equivalents	15,227	49,823
Bank overdrafts	-7,022	-
Total	**8,205**	**49,823**
Net cash reconciliation - end of the period		
Cash and cash equivalents	1,425	15,227
Bank overdrafts	-2,500	-7,022
Total	**-1,076**	**8,205**

The accompanying notes form an integral part of these financial statements.

For non-cash transactions refer to notes 10.

The sale of investment took place in reporting period ending 31.12.2020, proceeds disclosed in the statement of cash flows are related to this transaction.

Statement of changes in equity

For the period ended 30 April 2023 (all amounts in CHF unless otherwise stated)

	Note	Share capital	Capital reserve	Retained earnings	Total shareholders' equity
Balance as per 1 January 2021		**33,875,757**	**39,870,159**	**8,117,031**	**81,862,947**
Total comprehensive income				40,875,814	40,875,814
Capital increase	11.1	6,661,419	10,419,141		17,080,560
Balance as per 31 December 2021		**40,537,176**	**50,289,300**	**48,992,844**	**139,819,320**
Balance as per 1 January 2022		**40,537,176**	**50,289,300**	**48,992,844**	**139,819,320**
Total comprehensive income				25,856,640	25,856,640
Reallocation of capital reserves	11.1		-8,460,808	8,460,808	-
Balance as per 30 April 2023		**40,537,176**	**41,828,493**	**83,310,292**	**165,675,960**

Notes to the financial statements

1. Organisation and business activity

ESGTI Ltd. ("ESGTI" or the "Company") is domiciled at Rothusstrasse 21, Hünenberg, Switzerland.

ESGTI's investment objective is to provide shareholders with long term capital growth by investing in or financing, directly or through investment companies, early-stage companies or projects with transformative impact objectives. Investments may include investments in private equity and private equity-related instruments and opportunistically in certain categories of credit products. Net profits generated upon realizations will typically be re–invested.

2. Summary of accounting policies for the financial statements

The significant accounting policies adopted in the preparation of these financial statements ("Group Financial Statements") are set out below. The Group Financial Statements comprise ESGTI, and the non-consolidated investments in (i) ESG LifeSciences Ltd., Hünenberg, Switzerland ("ESG-LS"), (ii) ESG EKO AGRO GROUP s.r.l., Bologna, Italy ("ESG EAG IT"), (iii) Sky Energy Ltd, Hünenberg, Switzerland ("Sky"), (iv) AltEnergis plc, London, United Kingdom ("AltEnergis"). The non-consolidated investee companies are referred to as Investment or Investments respectively if not addressed by name.

ESGTI further holds a minority equity stake in in ESG Engineering & Consulting Ltd., Zürich, Switzerland ("ESG E&C"). ESG E&C acts as the investment advisor of ESGTI and is accounted for at equity, see note 2.7. ESG E&C is referred to as Associate or Investment Advisor if not addressed by name.

2.1. Basis of preparation

The Group Financial Statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board ("IASB").

They are considered Group Financial Statements according to the Swiss Code of Obligations ("SCO"). These financial statements have been prepared as the only IFRS financial statements of ESGTI. Unless indicated otherwise, the values are in Swiss Francs ("CHF"), the reporting and functional currency of the Company.

2.2. Change in the end of the reporting period

The Company made the decision to adjust the end of its business period from 31 December to 30 April, the first period covering this adjustment is 1 January 2022 to 30 April 2023. This change was driven by the fact that the subsidiaries and investments of the Company follow a financial reporting period ending on 31 December and the Company aims to have access to the financial statements of its subsidiaries and investments before releasing its own financial reporting. This allows the Company to enhance its decision-making process and maintain a comprehensive understanding of the financial performance of its entire corporate ecosystem.

As a result of the change in the Company's business period, it is important to note that the amounts presented in the financial statements may not be entirely comparable. The financial data contained within the statements may reflect different timeframes and accounting periods compared to the comparative period. It is crucial for stakeholders to consider this factor when analyzing and interpreting the financial information, as it may impact the period-on-period comparisons and the overall assessment of the Company's financial performance and position.

2.3. New or amended standards and interpretations applied for the first time during the period under review

These IFRS statements are financial statements covering the period from 1 January 2022 to 30 April 2023.

ESGTI complies with the standards and amendments to published standards that are mandatory for the financial period beginning on or after 1 January 2022. There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on 1 January 2022 that have a material effect on the financial statements of the Company.

A number of new standards, amendments to standards and interpretations are effective for annual periods starting on or after 1 May 2023, and have not been early adopted in preparing these financial statements. None of these are expected to have a material effect on the financial statements of the Company.

2.4. Significant accounting judgements, estimates and assumptions

The preparation of the Group Financial Statements requires the Board of Directors to make estimates which affect reported earnings, expenditure, assets, liabilities and investment commitments as at the balance sheet date. If the estimates made by the Board of Directors to the best of their knowledge at the balance sheet date are subsequently shown to differ from actual circumstances, the original estimates will be adjusted accordingly during the reporting period in which circumstances have changed.

A high degree of uncertainty is attached specifically to estimating the fair value of the Investments as those Investments are in private companies and funds which are not actively traded. The fair value of investments that are not traded in an active market are determined by using appropriate methods in accordance with the valuation policies (note 2.10 "Investments"). The use of valuation techniques requires estimates to be made by the Board of Directors. Changes in assumptions could affect the disclosed fair value of these investments (note 2.10 “Investments” and 16.6 “Fair values of investments and valuation risks").

2.5. Status of ESGTI Ltd as an investment entity as defined in IFRS 10

ESGTI identifies itself as an investment company with independent shareholders and provides these shareholders with investment management services. Since 1 October 2021, ESGTI is listed on the BX Swiss.

ESGTI’s investment objective is to provide shareholders with long term capital growth by investing in or financing, directly or through investment companies, early-stage companies or projects with transformative impact objectives. For this, the Company acquires, holds and sells equity positions in other companies and finances these investments for the main purpose of return from capital appreciation and income from these Investments. Net profits generated upon realizations are planned to be re–invested, the shareholders’ main benefit for the short- and mid-term period is the increase in value of the shares of the Company.

ESGTI values and reports all of its Investments at fair value through profit or loss (“FVTPL”). Wherever feasible, the valuation of the Investments is based upon a third-party valuation which is regularly updated to reflect the development within the Investment with a current fair value. Details of the valuation policies are outlined in note 2.10, Investments.

IFRS 10 provides that an investment entity has the following typical characteristics: (i) it has more than one investment, (ii) it has more than one investor, (iii) it has investors that are not related parties of the investment entity, and (iv) it has ownership interest in the form of equity or similar interest.

ESGTI has more than one investment where the investments are in the form of equity. ESGTI also has more than one investor, and has investors that are not related parties of ESGTI. Consequently, ESGTI fulfils the typical criteria qualifying it as an investment entity and reports its financial positions under the investment entity regulations of IFRS 10.27 and does not consolidate these investments.

2.6. Associated company

According to IFRS, an Investment company shall measure any investment in a subsidiary at FVTPL. The only exception are subsidiaries that are not themselves investment entities and whose main purposes and activities are providing services that relate to the investment entity's investment activities. These subsidiaries are to be consolidated instead of valued at FVTPL.

The partially owned ESG E&C does not qualify as investment entity. While ESG E&C also holds investments, those investments are held indefinitely. In addition, the main business purpose of ESG E&C is not to invest funds solely for return from capital appreciation or investment income but to provide investment advisory services as operating company. ESGTI holds ESG E&C not as investment for the purpose of making gains. ESGTI considers ESG E&C as an extension of itself to receive the required investment advisory services.

In line with IFRS 10.32, ESG E&C is not carried at FVTPL. As ESGTI controls less than 50% of the voting rights it is also not consolidated but valued at equity according to IAS 28. ESG E&C was initially recognised at cost and the carrying amount increases or decreased in accordance with the applicable percentage share of the profit for the respective period.

2.7. Foreign currencies

The functional currency for the Company is the Swiss Franc (“CHF”). Transactions in foreign currencies are accounted for at the exchange rate on the date of the transaction. Monetary assets and liabilities in foreign currencies are converted into Swiss francs at the exchange rates prevailing on the balance sheet date. The resulting foreign currency gains or losses are accounted for through profit and loss.

The following exchange rates were used in the preparation of these Group Financial Statements:

	30.04.2023	**31.12.2021**
Exchange rates to CHF		
EUR	0.98488	1.0367
USD	0.89371	0.9122
GBP	1.12351	1.2338

2.8. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments which can be converted to a known amount of cash within 90 days and are subject to insignificant change in value. Cash and cash equivalents are valued at nominal value. Cash overdrafts are presented within “accrued expenses and other liabilities” and disclosed separately with if material.

2.9. Receivables and other assets

Receivables and other assets are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less impairment allowance for such losses at each reporting date.

2.10. Investments

Investments in private companies and their valuation

The Company's investments in private companies are presented as non-current financial assets. ESGTI currently only holds investments not traded on an active market. Such investments are either held directly or indirectly through fully owned investment companies. Investments held directly are governed by the Board of Directors where ESGTI has engaged ESG E&C as its investment advisor. Investments held indirectly are governed by the Board of Directors of the corresponding investment company as advised by their investment advisors.

The investments are initially recognised at fair value and subsequently carried at fair value through profit or loss. If an investment is in a very early stage, this transaction is carried at the transaction price which is considered the closest approximation to fair value.

The responsibility for determining the fair values lies with the Board of Directors. While the investment advisors of either ESGTI or the investment companies provide valuations of these investments, the Board of Directors reviews and discusses these valuations initially as at the purchase date and subsequently at least annually. Adjustments to the reported values are performed by the Board of Directors when considered necessary, especially when the Board of Directors is aware of any significant fact that is not or not fully reflected in the valuations.

The basis of the Investment Advisor's valuation is usually a third-party valuation of the investment. If no third-party valuation was performed, the valuation is performed by the Investment Advisor using suitable valuation techniques. Valuations by a third party and by the Investment Advisor are usually based upon a discounted cash flow ("DCF") with the usage of observable inputs wherever possible.

The Investment Advisor adjusts this basis of valuation using the International Private Equity and Venture Capital Valuation (IPEV) guidelines. The most important valuation factors are, technology validation, last prices paid, market potential and the position within the market, industry-specific probabilities of milestone success, discount factors, WACC, projected future cashflows and assumed growth rates. The original costs or the subsequent capital increase price is considered an approximation of the fair value at the time of the transaction.

Loan accounts with Investments (loans receivable)

ESGTI may finance its Investments and recognize a receivable from such loans, on the balance sheet. The Investments consequently have a liability towards ESGTI. Any liability of such Investments is fully taken into account when the fair value of the Investment is determined. The objective of these loans is to collect the contractual cash flows which are solely payments of principal and interest, scheduled collection date is at the latest the exit date of the Investment. The loan accounts with Investments are valued at amortised cost. ESGTI applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance.

Recognition of additions and disposals

All purchases and sales of investments in companies, investment companies and funds are recognised on the settlement date, i.e. on the date on which the assets are delivered to ESGTI and ESGTI is the future beneficiary of the Investment and has an obligation to settle the purchase price.

Realised and unrealised gains / losses

The impact from the fair valuation is presented in the statement of comprehensive income as the net change in value of investments through profit and loss. When an Investment is sold the "Realised gains or losses on investments" is disclosed separately. It is calculated as the difference between the sale proceeds of an investment and the capital invested. Unrealised gains and losses recorded in previous periodss on investments sold are eliminated and, together with the value adjustments on investment holdings for the current reporting period, are reported under "Changes in unrealised gains and losses".

2.11. Loan receivable

ESGTI agreed on a long-term financing, due in the financial period starting 1 January 2030. ESGTI's purpose, as an investment company, in entering into the loan is to maximise fair value gains and to generate value. Under IFRS 9, the loan receivable is therefore valued at fair value through profit or loss.

For private debt valuation models, the Company considers the original transaction price, recent transactions in the same or similar instruments, and completed third-party transactions for comparable instruments, and it adjusts the model as deemed necessary.

2.12. Accrued expenses and other payables

Accrued expenses and other payables are recognised initially at fair value and subsequently stated at amortised cost which is substantially their fair value.

2.13. Financial liabilities

Short-term financial liabilities are initially measured at their fair value net of transaction costs. They are subsequently carried at amortised cost using the effective interest method which is substantially their fair value. Long-term financial liabilities from bonds issued are measured at amortised cost using the effective interest rate method. Any discount, corresponding to the difference between the net proceeds received and the nominal value repayable upon maturity, is amortised over the term of the financial liability and charged to financial expenses.

Financial liabilities are presented as current liabilities when their settlement date is planned to be within the next 12 months, other financial liabilities are presented as non-current liabilities.

2.14. Taxes

Taxes are provided based on reported capital and income. Capital and income taxes paid or accrued are presented separately from deferred taxes. Tax liabilities are valued at cost. Income tax, if any, is presented separately, capital tax is presented within other administrative and operational expenses.

Deferred taxes derive from valuation differences between statutory financial statements and IFRS within the statement of comprehensive income, taking into account applicable tax reliefs.

2.15. Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle this obligation. A provision is accounted for if a reliable estimate can be made of the amount of the obligation. Provisions are recognised at the best estimate of the expected expenditures.

2.16. Earnings per share and net asset value per share

Earnings per share are calculated by dividing the net result for the period that is due to shareholders by the time-weighted average number of shares in circulation during the same period.

Diluted earnings per share are calculated by dividing the net result for the period adjusted for income related to potential outstanding shares that is due to shareholders, by the sum of the time-weighted average number of shares in circulation during the same period, adjusted for costs and for the potential issue of new shares in connection with outstanding convertible bonds, share options and similar instruments if those costs are material.

Diluted earnings per share	**Note**	**30.04.2023**	**31.12.2021**
Net result for the period		25,856,640	40,875,814
Adjusted for interest savings on convertible bonds	10	3,914,509	4,483,516
Adjusted net result for the period		29,771,149	45,359,330
Weighed average number of ordinary shares outstanding		25,985,369	25,400,418
Adjustments for potential shares outstanding for convertible bonds	10	8,545,333	8,545,333
Total of ordinary and potential shares outstanding		34,530,702	33,945,752
Diluted earnings per share		**0.86**	**1.34**

The net asset value ("NAV") per share is calculated from the shareholders' equity reported as at the balance sheet date, divided by the number of shares outstanding on that date.

2.17. Segment reporting

ESGTI's business purpose is the long-term capital growth for shareholders under the consideration of Impact / ESG principles. The portfolio is managed as a whole on a fair value basis and therefore is only one operating segment.

3. Investments

Name, Domicile	Note	Purchase	total cost (kCHF)	Fair Value (kCHF) (31.12.21)	Fair Value (kCHF) (30.04.2023)	gain/ loss(-) (since purchase)	latest valuation	Valuation method
ESG LifeSciences Ltd, CH	3.1	2020	29,300	13,963	16,000	-13,300	2022	NAV
Investments held								
SynDermix Ltd, CH		2018		42,342	32,417		2021	DCF
Énielle Ltd, CH		2019		752	-		2021	Revenue multiple
Rheon Medical SA, CH		2020		617	617		2020	latest capital increase
ESG Eko Agro Group s.r.l., IT	3.2	2020	1,415	3,506	20,788	19,373	2022	DCF
AltEnergis plc, UK	3.3	2020	23,701	91,267	134,607	110,906	2022	DCF
SkyEnergy Ltd, CH	3.4	2020	400	300	185	-215	2020	latest transaction price
Total			**54,816**	**109,035**	**171,580**	**116,763**		

Details on the fair value determination of each investment are outlined in note 16.6.

3.1. ESG LifeSciences Ltd., Hünenberg, Switzerland

ESG LifeSciences Ltd. is a Swiss investment company with registered office in Hünenberg, Switzerland focusing on investments in the life sciences and advised by Dragon Finance Ltd, Zurich, Switzerland.

100% of the shares of ESG-LS were purchased on 1 January 2020. ESG-LS is invested in three companies:

- SynDermix Ltd., Stans, Switzerland ("SynDermix"), a Swiss developer of innovative health technologies funded by private investors. The Company focuses on the development of effective and safe treatments that meaningfully respect patient convenience and address important unmet medical needs. As of 30 April 2023, ESG-LS holds 63.9% of SynDermix, unchanged to prior period end.
- Énielle Ltd., Zürich, Switzerland ("Énielle"), a Swiss developer of nature-based cosmeceuticals which entered the market with its skin care product in Q4/2021. As of 30 April 2023, ESG-LS holds 80% of Énielle, unchanged to prior period end.
- Rhéon Medical SA, Préverenges, Switzerland ("Rhéon"), a privately held Swiss medical device company, a spin-off from the Swiss Federal Institute of Technology Lausanne. Rhéon Medical specializes in the field of glaucoma surgery and, in specific, in glaucoma drainage devices. As of 30 April 2023, ESG-LS holds 3.2% of Rhéon, unchanged to the prior period end.

3.2. ESG Eko Agro Group Italia s.r.l., Bologna, Italy

ESG Eko Agro Group Italia s.r.l ("ESG EAG IT") is an Italian investment company focusing on agricultural projects. As at 30 April 2023 and 31 December 2021, the company was 66.6% owned by ESGTI.

3.3. AltEnergis p.l.c., London, UK

AltEnergis p.l.c. ("AltEnergis") is a UK-based, privately funded development and commercialisation company. The company focuses on developing innovative technologies. As at 30 April 2023 and 31 December 2021, ESGTI holds 100% of AltEnergis.

3.4. Sky Energy Ltd, Hünenberg, Switzerland

Sky Energy Ltd ("Sky") is a Swiss-based energy company with the purpose to acquire and operate renewable energy parks and to supply the generated wind- and solar energy to commercial and residential customers. As at 30 April 2023 and 31 December 2021, ESGTI holds 100% of Sky.

4. Investment in Associate

ESG Engineering & Consulting Ltd. ("ESG E&C") is a Swiss company with registered office in Zurich, Switzerland. ESG E&C is the Investment Advisor for ESGTI. As at 31 December 2022, ESGTI holds 40% of ESG E&C, unchanged to prior period end.

	30.04.2023	**31.12.2021**
Associated company at equity:		
ESG Engineering + Consulting Ltd., Zurich, Switzerland, voting/capital rights: 40%		
Purchase price	200,000	200,000
Accumulated proportionate result until beginning of the current period	366,780	124,183
Proportionate result of the current period	421,126	242,597
Total associated company	**987,906**	**566,780**

5. Loan accounts with Investments and Associate

ESGTI has loan accounts with its Investments and its Associate. Details and movements of these accounts are outlined below.

All loan accounts are unsecured. All loan accounts with Investments are subject to interest of 7.1% in the reporing period except the loan account with ESG LifeSciences which is subject to 0.25% interest, unchanged to the comparison period. The loan accounts are repayable on demand. Unless the Company expects a repayment of these loans in the following reporting period they are presented within non-current assets.

	2022/2023	2021
Loan accounts with Investments		
ESG Life Sciences Ltd		
As per 1.1.	31,502,568	13,243,210
Increase / (-)decrease	-48,802	18,259,357
Loss allowance	-31,453,766	-
As per 30.04 / 31.12.	**-**	**31,502,568**
ESG Eko Agro Group Italia srl		
As per 1.1.	744,724	281,619
Increase / (-)decrease	-724,009	463,105
As per 30.04 / 31.12.	**20,715**	**744,724**
AltEnergis plc		
As per 1.1.	453,497	245,052
Increase / (-)decrease	300,923	208,445
As per 30.04 / 31.12.	**754,420**	**453,497**
Sky Energy Ltd		
As per 1.1.	11,947	350
Increase / (-)decrease	846	11,597
As per 30.04 / 31.12.	**12,793**	**11,947**
Total current accounts with Investments	**787,927**	**32,712,735**

The majority of the receivable from ESG Eko Agro Group Italia srl was converted into surplus capital in the reporting period.

6. Loan receivable

	30.04.2023	31.12.2021
Loan receivable		
Loan receivable at cost	49,632,386	49,632,386
Unrealised gain on loan receivable	15,577,298	10,754,829
Total loan receivable	**65,209,684**	**60,387,215**

Disclosure about relationship:
as per 30.04.2023: loan receviable from shareholder
as per 31.12.2021: loan receivable from third party

The loan receivable matures as per 31 October 2030 and is held at fair value through profit or loss. The loan is subject to 6.75% interest, the first interest payment is due as per 3 January 2025 with subsequent annual interest payments.

Unrealised gain on loan receivable of CHF 15,577,298 comprise of an unrealised gain amounting to CHF 4,822,469 as disclosed in the current period statement of comprehensive income and unrealised gain amounting to CHF 10,754,829 related to prior periods.

The debtor of the loan receivable changed during the reporting period due to restructuring of the group of the debtor. The debtor as per 30 April 2023 is a shareholder of ESGTI. The credit risk remains unchanged as the creditworthiness of the counterparty remains the same.

(Prior period disclosure: The debtor of the loan receivable changed during the financial year 2021 due to restructuring of the group of the debtor. The credit risk remained unchanged. In 2021, the loan receivable was partially repaid through transfer of bonds issued by the debtor. Note 10 discloses details on the bonds and details on the reduction of the related liabilities.)

7. Financial income

		30.04.2023	31.12.2021
Financial income			
Related to Investments	details see note 5	171,983	126,285
Financial income		**171,983**	**126,285**

8. Receivables and other assets

	30.04.2023	31.12.2021
Receivables and other assets		
Other receiables	81,269	1,986,778
Total receivables and other assets	**81,269**	**1,986,778**

9. Accrued expenses and other payables

	30.04.2023	31.12.2021
Accrued expenses and other payables		
Payables to and accruals for service providers	-2,542,662	-2,679,408
Payables/accruals to governmental institutions	-159,636	-133,932
Payables and accruals for Investment Advisor	-4,963,234	-1,329,244
Accruals for directors' fees	-819,638	-389,760
Other accruals and payables	-166,553	-8,665
Total payables	**-8,651,723**	**-4,541,010**

10. Financial liabilities

Financial liabilities	30.04.2023	31.12.2021
Short-term loan from shareholders	-3,442,709	-2,418,712
Short-term loan from others	-4,084,536	-3,628,606
Interest payable from bonds issued	-5,520,839	-2,909,333
Financial liabilities payable within 12 months	**-13,048,084**	**-8,956,651**
Long-term loan from bonds issued	-51,272,000	-51,272,000
Other long-term liabilities	-	-
Financial liabilities payable after 12 months	**-51,272,000**	**-51,272,000**

All financial liabilities are measured at amortised cost.

Short-term loan from shareholder and short-term loan from others are current accounts for financing purposes with shareholders and third parties.

The long-term loan from bonds issued is a tradeable bond, identified with ISIN XS2158598354. The semi-annually payable interest is 5.75%, payment dates are end of April / end of October each year until maturity on 30 April 2025. Interest due and payable within 12 months is presented within financial liabilities payable within 12 months.

The bonds were initially issued without any conversion right. In July 2020 the Company offered a conversion right throughout the duration of the bond as requested by bond holders. The conversion price is at minimum CHF 6.00 or

- Market price of the shares less 12.5% for a conversion until 29. April 2022;
- Market price of the shares less 10% for a conversion until 29. April 2023;
- Market price of the shares less 7.5% for a conversion until 29. April 2024;
- Market price of the shares less 5% for a conversion until 29. April 2025.

As per issuance date of these financial statements, the Company did not receive any notice regarding exercise of the conversion right. The value of the conversion right was calculated using the Black-Scholes model and considered to be immaterial. The remaining value of the bonds issued are measured at amortised cost.

In 2021, ESGTI purchased 16,000 bonds at their nominal value. This transaction was a non-cash transaction, this purchase reduced the outstanding loan receivable and the long-term loan from bonds issued by CHF 32m each. The 16,000 own bonds held are not recognised on the balance sheet.

As per June 2021, ESGTI announced a repurchase of the bonds issued. This transaction is pending as per end of the reporting period.

Interest expenses to financial liabilities are allocated as follows:

Financial expenses	30.04.2023	31.12.2021
related to loan from shareholder	-27,850	-16,937
related to other short-term loans	-592,115	-267,260
related to long-term liabilities	-3,914,509	-4,483,516
Financial expenses	**-4,534,474**	**-4,767,713**

A reconciliation from financial liabilities to the financing cash flow in the statements as follows:

	31.12.2021	Cash Flows	Non-Cash changes	30.04.2023
Short-term financal liabilities	8,956,651	264,811	3,826,621	13,048,084
Long-term financial liabilities	51,272,000	-	-	51,272,000

The non-cash changes in the above table for short-term financial liabilities of about mCHF 3.83 comprise of:

- unpaid bond interest amounting to about CHF 3.92 million (increase),
- unpaid other interest to about CHF 0.46 million (increase),
- assignment of a receivables from a debtor of about CHF 0.55 million (decrease).

A reconciliation from financial liabilities to the financing cash flow of the prior period as follows:

	31.12.2020	Cash Flows	Non-Cash changes	31.12.2021
Short-term financal liabilities	2,496,562	1,619,922	4,840,168	8,956,651
Long-term financial liabilities	83,272,000	-	-32,000,000	51,272,000

- for short-term financial liabilities: unpaid interest
- for long-term financial liabilities: impact of an agreement where ESGTI received 16,000 own bonds as downpayment of the outstanding loan receivable, amounting to CHF 32m, see note 6.

11. Shareholders' equity

11.1. Share capital and capital reserves

As at 30 April 2023, the Company's share capital amounts to CHF 40.5 million, divided into 25,985,369 registered shares at a par value of CHF 1.56 each. All shares are authorised, issued and fully paid-up (previous year: CHF 40.5 million share capital, 25,985,369 registered shares, par value CHF 1.56, authorised, issued and fully paid-up).

Capital reserves of the Company amount to CHF 41.8 million (previous year: CHF 50.2 million) as the Swiss tax authorities did not recognise CHF 8.4 million as withholding tax exempt capital reserves previously presented. Those were regrouped to retained earnings.

The Company increased its share capital since the period starting 1 January 2020. All capital increases until reporting date were paid in kind and the Company did not receive any cash flows from these increases.

		Share capital (CHF)	Capital reserves (CHF)
opening 1 January 2020		8,385,000	-
6 April 2020	Ordinary capital increase	21,453,803	33,555,949
10 August 2020	Capital increase through authorised capital	2,387,580	3,734,420
24 November 2020	Ordinary capital increase	1,649,374	2,579,790
as per 31 December 2020 / 1 January 2021		**33,875,757**	**39,870,159**
19 February 2021	Ordinary capital increase	6,661,418	10,419,142
as per 31 December 2021		**40,537,176**	**50,289,300**
16 December 2022	Regroup to retained earnings, related to capital increases in 2020 and 2022		-8,460,808
as per 30 April 2023		**40,537,176**	**41,828,493**

The total of the prior period capital increase comprised of the settlement for the following transactions:

19 February 2021	
Settlement of purchase price for SynDermix	17,080,560
	17,080,560

11.2. Significant shareholders

The following major shareholders were known by the Company at balance sheet date:

	30.04.2023	31.12.2021
More than 20%	Ceylan Global Equity Fund, George Town, Cayman Islands	Fund Advisers (Cayman) SPC obo Aspeqt Capital SP, George Town, Cayman Islands
Between 10% and 20%	---	---
Between 5% and 10%	WP Multi Strategy Fund, George Town, Cayman Islands	WP Multi Strategy Fund, George Town, Cayman Islands
Below 5% (free float)	58.08%	57.60%

12. Significant fee agreements

In relation to its management, investment, administration and fund-raising activities the Company entered into the following agreements:

Investment advisory fees

ESG E&C as the Investment Advisor is entitled to receive a pro rata fixed advisory fee from the Company equal to the greater of CHF 50,000 p.a. or 0.5% p.a. of the Company's gross asset value calculated monthly by the Administrator and payable quarterly in arrears on such terms as are set out in the Investment Advisory Agreement.

The Investment Advisor is also entitled to receive an incentive fee every year from the Company equal to 5% of the appreciation of the Net Asset Value (before deduction of such incentive fee), if any, subject to the Net Asset Value per share being above the high watermark, defined as the highest Net Asset Value after deduction of the incentive fee achieved as of the end of any previous incentive fee period.

Fees for external parties in relation to specific research tasks are to be borne by the Investment Advisor.

Administration fees

ARIA Fund Services Dubai ("Administrator") is entitled to receive a pro rata fixed administration fee from the Company equal to the greater of minimum CHF 100,000 p.a. or 0.05% p.a. of the Company's Gross Asset Value calculated as at each valuation date payable semi-annually in arrears on such terms as are set out in the Administrative Services Agreement.

In addition, the Administrator is entitled to receive CHF 25,000 for the preparation of the annual and semi-annual financial statements plus CHF 4,000 for the Anti-Money-Laundering services.

Directors' fees

During the reporing period the members of the Board of Directors are entitled to receive a pro rata fixed fee as set out below:

Chairman:	CHF 60,000 p.a.
Member:	CHF 40,000 p.a.

The fees are unchanged compared to the prior period. Fees are payable on terms as set out the in the Director's Services Agreements.

Referring agents' fees

ESGTI entered into several agreements with referring agents for the purpose of fund-raising activities for the Company itself and/or its investment companies. Such referring agent fees are set at a maximum of 5% of funds received.

13. Equity and debt issuance related costs

Equity and debt issuance related costs	**30.04.2023**	**31.12.2021**
Expenses related to fund raising	-18,713	-
Expenses related to listing	-69,645	-92,776
Swiss stamp duty for capital increases	130,969	-91,641
other expenses related to equity / debt issuance	-	-9,550
Total equity and debt issuance related costs	**42,611**	**-193,967**

The Company released an accrual for Swiss stamp duty for capital increases in the current period based on the decision of the relevant tax authorities.

14. Taxes

Income taxes for the period ended 30 April 2023 and the comparative period are zero as the company shows a loss in its statutory accounts. Presented tax provisions for direct taxes are accruals for capital taxes.

Unused tax losses for which no deferred tax asset has been recognised: CHF 25,295,581 (2021: CHF 12,016,871). The potential tax benefit at an applicable income tax rate of 12%: CHF 3,035,470 (2021: CHF 1,442,024). The unused tax losses were incurred by the Company as under local accounting principles no fair value adjustments can be accounted for.

The Company has material tax losses for which no deferred tax asset has been regognised as it is unlikely that the Company will generate profit that will result in income tax expenses; all future profit is expected to be mainly profit not subject to income taxes.

15. Related party transactions

	01.01.2022-30.04.2023	01.01.2021-31.12.2021
Related party transactions		
Remuneration of the Board of Directors		
Chairman	80,000	60,000
Members	266,666	160,000
Related social security expenses	31,546	15,360
Investment Advisor ESG Engineering & Consulting Ltd		
Investment advisory fees	3,247,015	2,091,781
downpayments on open invoices	-178,689	-727,470
Transactions with Investments		
Financing provided to Investments	-977,120	1,085,862
Sale of SynDermix shares to ESG-LS	-	17,080,560
Transactions with Shareholders		
Financing received from shareholders	-	1,956,365

Related parties are individuals and companies where the individual or company has the ability, directly or indirectly, to control the other party or to exercise significant influence over the other party in making financial or operational decisions. All related party transactions have been carried out within the normal course of business.

Remuneration of the Board of Directors comprise the agreed fees to the members of the Board of Directors without social security contributions.

16. Disclosures regarding risk assessment and management

ESGTI is exposed to a variety of financial risks including market risk, credit and liquidity risk. The Board of Directors attributes great importance to professional risk management and active monitoring including ongoing interviews with the Board of Directors of the investment companies and management of the investee companies, thorough analysis of reports and financial statements and review of Investments which were made. It is also key to structure the proper investment vehicles for the portfolio taking into account issues such as liquidity or tax related issues. ESGTI has an investment policy that sets out its overall business strategies, its tolerance for risk and its general risk management philosophy and has established processes to monitor and control the economic impact of these risks. The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below.

16.1. Risk of limited market liquidity

ESGTI invests in privately held companies in a currently early stage. Such investments are mostly illiquid by nature, which prevents ESGTI from selling such investments without the support of the portfolio company and the consent of major co-investors.

All of these restrictions on liquidity may prevent the successful sale of holdings in these portfolio companies and/or reduce the proceeds that might be realised from a sale. ESGTI endeavours to reduce market liquidity risk by means of thorough investment analyses and by dialogue and cooperation with the portfolio companies concerned.

16.2. Market risks

General economic and political market factors, as well as the situation on the relevant public equity markets, are factors that impact directly on the prospects of ESGTI's investments.

While the exit strategy for each Investment is ultimately the IPO or private sale for the investments within a mid- to long-term schedule, public equity markets have a direct impact. A receptive public equity environment is helpful for a company in successfully executing a trade sale or public offering, and the pricing of a company correlates positively with the valuation of its publicly traded peers. By contrast, a negative public equity market makes a sale or an IPO more difficult.

The value-creation potential of the portfolio positions of ESGTI may depend in part on demand from strategic buyers for companies within promising drugs and medical technology products, promising existing agricultural investments, deep tech investment companies or other strategic investors within the ESG-market.

For ESGTI's portfolio of private companies that are still at a relatively early stage of development, the availability of funding is crucial to the continuation of their business activities and to reaching their development objectives. The liquidity provided by the private equity market thus impacts positively on these companies' financing costs.

ESG as a whole depends on society's ability and willingness to adapt to a new market and a new way of positioning themselves as individuals within a global market, if the demand of this market is not met by ESGTI the underlying portfolio may not reach its estimated fair value and may ultimately fail.

ESGTI endeavours to reduce market risks by means of thorough investment analyses and by close cooperation with the portfolio companies concerned.

16.3. Liquidity risks

ESGTI's investment policy suggests maintaining an appropriate level of short-term funds in order to participate in follow-on financing for portfolio companies and to ensure that the Company is able to meet all of its liabilities and investment commitments. When determining the necessary level of liquidity, the most important factors are (1) the expected due dates of the investment commitments, (2) due dates for the repayment of borrowed capital under compliance with bond terms and/or the possibility of refinancing, (3) expected payment dates of other contractual obligations, (4) expected follow-on financing rounds at private portfolio companies, including their anticipated timing, (5) the trading liquidity of public portfolio companies, and (6) expected cash flows from the sale of private portfolio companies.

As per 30 April 2023 and as per 31 December 2021, no formal commitments are in place. While not contractually committed, ESGTI holds Investments and ESGTI also provides financing to these Investments. Financing is provided through loans.

As per 30 April 2023, the Company holds only minor cash positions and approximately 80 kCHF receivables and other assets while approximately 22mCHF current liabilities and current accrued expenses are outstanding that are due within the next reporting period. It is expected to settle these liabilities through a mix of financing, operating cash flow from one of its Investments and, if necessary, negotiate longer payment terms. Management's intention is to continue as a going concern and settle all outstanding creditors. See note 16.11 regarding the risk to continue as a going concern.

Liabilities as per 30 April 2023 are due as follows:

Maturity of liabilities as per 30 April 2023	due within 3 month	due within 3 to 12 months	due within 1 to 3 years	Total
Accrued expenses and other payables	-808,039	-7,843,684	-	-8,651,723
Short-term financial liabilities	-5,520,839	-7,527,245	-	-13,048,084
Long term finanical liabilities	-	-	-51,272,000	-51,272,000
Interest on long-term financial liabilites	-	-969,252	-3,909,314	-4,878,566
Total	**-6,328,878**	**-16,340,180**	**-55,181,314**	**-77,850,373**

Liabilities as per 31 December 2021 were due as follows:

Maturity of liabilities as per 31 December 2021	due within 3 month	due within 3 to 12 months	due within 1 to 3 years	Total
Accrued expenses and other payables	-689,703	-3,851,306	-	-4,541,010
Short-term financial liabilities	-2,909,333	-6,047,318	-	-8,956,651
Long term finanical liabilities	-	-	-51,272,000	-51,272,000
Interest on long-term financial liabilites	-	-2,948,140	-6,857,454	-9,805,594
Total	**-3,599,037**	**-12,846,765**	**-58,129,454**	**-74,575,256**

16.4. Interest rate risks

ESGTI's exposure to changes in the interest rate is low as the Company only holds short-term positions in cash and cash equivalents and debt financing instruments are determined in advance for the entire term of the instrument. The current debt instruments have a fixed interest until 12 May 2025 and 30 April 2025 respectively.

16.5. Foreign currency risks

16.5.1. Impact on fair value determination

At balance sheet date, the fair values of the Investments in AltEnergis and ESG Eko Agro Group are determined and reported in a foreign currency and translated with the rates outlined in note 2.7. Consequently, the fair values of these investments are subject to risks emanating from exchange rate fluctuations. This risk is not hedged by ESGTI. A sensitivity analysis of the fair values reported of these Investments to a possible change in the foreign exchange currency (+/- 3%, the expected volatility in foreign exchange rates in the next reporting period, for the comparative period a fluctuation of +/- 10% was calculated) compared the current foreign exchange currency as follows:

		30.04.2023	31.12.2021
AltEnergis plc			
Fair value per share	GBP	1.03	0.63
shares held (100%)		116,760,220	116,760,220
fair value of investment	GBP	119,809,075	73,972,035
Exchange rate		1.1235	1.2338
Fair value in reporting currency	CHF	134,606,694	91,266,697
10%) will result in a change of fair value amounting to	**CHF**	**4,038,201**	**9,126,670**

		30.04.2023	31.12.2021
ESG Eko Agro Group			
Fair value of Investment	EUR	31,692,192	5,077,547.72
percentage held		66.6%	67%
fair value of investment	EUR	21,107,000	3,381,647
Exchange rate		0.9849	1.0367
Fair value in reporting currency	CHF	20,787,862	3,505,753
10%) will result in a change of fair value amounting to	**CHF**	**623,636**	**350,575**

16.5.2. Impact on other assets and liabilities denominated in foreign currencies

The Company holds only an immaterial amount of assets in foreign currencies. It furthermore only has immaterial payables denominated in foreign currencies. A sensitivity analysis on these positions was not performed.

16.6. Fair values of investments and valuation risks

Given the uncertainties inherent in valuing private companies, the NAV reported by ESGTI may differ temporarily from the actual fair value of individual investments. As a result of valuation differences owing to the unavailability of information, the estimated values of individual investments may diverge significantly from values that would have been calculated had an active market for such securities existed. Furthermore, the estimated values of individual investments as at a certain balance sheet date may differ significantly from the values which could potentially be realised by means of an exit, an IPO or another event with a participating third-party (i.e. financing round) at any later point in time. Such differences might have a material effect on the valuation of individual investments in the Group Financial Statements.

Valuations of difficult-to-assess investments are made by the Investment Advisor in accordance with its accounting policies, as described in note 2.11 "Investments" and approved or adjusted by the Board of Directors.

16.6.1. Valuation of ESG LifeSciences Ltd

The value of ESG LifeSciences is based on the NAV of ESG LifeSciences as per reporting date. The NAV is calculated by the difference between assets and liabilities, both valued at fair value. The total of assets of ESG Life Sciences as per 30 April 2023 amount to approximately 37.1mCHF, 32.4mCHF is contributed by the Investment into SynDermix Ltd, 617kCHF by the investment into Rhéon Medical SA and -1.6mCHF by the investment into Énielle Ltd. 5.7mCHF are loans provided to its investments. The valuation of SynDermix Ltd is based upon the latest external valuations adjusted for loss of patent time in the reporing period. The valuation of Rhéon Medical SA is based upon the latest financing round. The valuation of Énielle Ltd is based on the business result of Énielle Ltd.

A sensitivity analysis of the determined fair value as follows:

Sensitivity analysis (30.04.2023)	fair value	impact of 10% variation of determined fair value
valued at NAV		
ESG LifeSciences Ltd	16,000,000	
SynDermix AG, material unobservable input: WACC 24-30%, determined fair value: CHF 32,321,446		
10% variation of determined value of SynDermix would result in a change in the NAV of ESG-LS of		3,232,145

As per 31 December 2021, the total of assets amount to approximately 49mCHF, 42mCHF was contributed by the Investment into SynDermix AG, 617kCHF by the investment into Rheon Medical SA and 752kCHF by the investment into Énielle AG. 4.9mCHF are loans provided to its investments. A sensitivity analysis of the determined fair value as follows:

Sensitivity analysis (31.12.2021)	fair value	impact of 10% variation of determined fair value
valued at NAV		
ESG LifeSciences Ltd	13,963,029	
SynDermix AG, material unobservable input: WACC 20%, determined fair value: CHF 42,341,951		
10% variation of determined value of SynDemrix would result in a change in the NAV of ESG-LS of		4,234,195
Énielle AG, material unobservable input: Revenue multiple: 2x, determined fair value: CHF 752,000		
10% variation of determined value of Énielle would result in a change in the NAV of ESG-LS of		75,200

16.6.2. Valuation of AltEnergis plc

The valuation of AltEnergis is based upon the latest external valuation adjusted for business development in the reporting period. Based on this valuation the fair value of AltEnergis was determined to be 134mCHF. A sensitivity analysis of the discount rate used is as follows:

Sensitivity analysis (30.04.2023)	fair value	impact of 10% variation of determined fair value
valued by DCF		
AltEnergis plc	134,606,694	
AltEnergis, material unobservable input: WACC: 30%		
10% variation of determined fair value of AltEnergis would result in an increase/decrease of		13,460,669

As per 31 December 2021, the value of AltEnergis was determined to be 91mCHF. A sensitivity analysis of the discount rate used is as follows:

Sensitivity analysis (31.12.2021)	fair value	impact of 10% variation of determined fair value
valued by DCF		
AltEnergis plc	91,266,697	
AltEnergis, material unobservable input: WACC: 30%		
10% variation of determined fair value of AltEnergis would result in an increase/decrease of		9,126,670

16.6.3. Valuation of ESG Eko Agro Group srl

As per 30 April 2023, ESG EAG IT valuation is based on a risk adjusted discounted cash flow model. Based on this valuation the fair value of ESG EAG IT was determined to be 21mCHF. A sensitivity analysis of the discount rate used is as follows:

Sensitivity analysis (30.04.2023)	fair value	impact of 10% variation of determined fair value
valued by DCF		
ESG EKO AGRO Group s.r.l.	20,787,862	
ESG EAG IT, material unobservable input: WACC: 30%		
10% variation of determined fair value of AltEnergis would result in an increase/decrease of		2,078,786

As per 31 December 2021, ESG EAG IT material assets are options on agricultural land. The valuation of these options is based upon the adjusted tax value of this agricultural land less costs for execution of the options. To reflect the significant level of uncertainty due to the financing needs of ESG EAG IT for execution, and the need of development and improvement of the land, a 80% discount of the calculated fair value of the land was applied.

Sensitivity analysis (31.12.2021)	fair value	impact of 10% variation of determined fair value
valued at adjusted tax values		
ESG Eko Agro Group srl.	3,505,753	
ESG EAG IT, material unobservable input: 80% applied discount on tax valuation		
10% variation of determined fair value of ESG EAG IT would result in an increase/decrease of		350,575

16.6.4. Valuation of Sky Energy Ltd

Sky Energy was purchased in 2020 as its then determined fair value. As no material development in 2021 was reported, a fair value adjustment was considered to be necessary, ESGTI determined the fair value of Sky Energy to be 300kCHF as per 31 December 2021.

As no material development in 2022/2023 was reported, a fair value adjustment was considered to be necessary, ESGTI determined the fair value of Sky Energy to be 185kCHF as per 30 April 2023.

As per 31 December 2021 and 31 December 2022 there are no material unobservable inputs. No sensitivity analysis was performed.

16.7. Fair value hierarchy

IFRS established a fair value hierarchy to determine any fair value based upon the inputs to determine the fair value. Level 1 inputs are quoted prices in active markets for identical assets or liabilities that can be accessed at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are either directly or indirectly observable. Level 3 inputs are unobservable inputs.

All Investments held by ESGTI at fair value through profit and loss are investments where the fair value is based upon Level 3 inputs. Note 3 discloses how the fair values of the Investments are determined. There were no assets or liabilities measured at fair values based on Level 1 and Level 2 inputs in the reporting or the comparison period. There has not been a change in valuation techniques used for Level 3 investments. The table below presents Investments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

Leveling of financial assets (30.04.2023)	Level 1	Level 2	Level 3	Total
AltEnergis plc (Investment)	-	-	134,606,694	134,606,694
ESG Eko Agro Group srl (Investment)	-	-	20,787,862	20,787,862
ESG LifeSciences Ltd (Investment)	-	-	16,000,000	16,000,000
Loan receivable (Loan)	-	-	65,209,684	65,209,684
Sky Energy Ltd (Investment)	-	-	185,000	185,000
Total	**-**	**-**	**236,789,240**	**236,789,240**

Leveling of financial assets (31.12.2021)	Level 1	Level 2	Level 3	Total
AltEnergis plc (Investment)	-	-	91,266,697	91,266,697
ESG Eko Agro Group srl (Investment)	-	-	3,505,753	3,505,753
ESG LifeSciences Ltd (Investment)	-	-	13,963,029	13,963,029
Loan receivable (Loan)	-	-	60,387,215	60,387,215
Sky Energy Ltd (Investment)	-	-	300,000	300,000
Total	**-**	**-**	**169,422,694**	**169,422,694**

Movements of the Investments were summarised as follows:

Movements of investments at fair value through profit and loss:	01.01.2022-30.04.2023	01.01.2021-31.12.2021
Total investments at beginning of period	109,035,479	65,800,352
Divestments	-	-
Realised gain from disinvestment	**-**	**-**
Acquisitions	-	-
Change in fair value (unrealised gain / (-)loss)	62,544,078	43,235,126
Closing balance	**171,579,556**	**109,035,479**

16.8. Credit risk

Credit risks with regard to all of ESGTI's assets relate to the risk that a debtor may become unable to meet its liabilities. The Company measures credit risk and expected credit losses using probability of default, exposure at default and loss given default. The Board of Directors considers both historical analysis and forward-looking information in determining any expected credit loss.

With regard to the loan accounts with its Investments (refer to note 5) and before any investment and any subsequent financing takes place, the Board of Directors addresses the credit risk with a thorough due diligence process of the business purpose and business plan beforehand.

Based on the considerations above and as the outlook of the Investments of ESG Eko Agro Group srl and AltEnergis plc are positive, the Board of Directors consider the probability of default of the loan accounts with these investments to be close to zero as these instruments are considered to have a low risk of default. The counterparties have a strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-months expected credit losses, since any such impairment would be wholly insignificant to the Company.

ESGTI incurred a notable write-off of a receivable tied to its investment in ESG LifeSciences, prompted by the underperformance of the underlying investments. This led to the recognition of impairment losses in the accounts of ESG LifeSciences, resulting in a decrease in the recoverable loan amount from said investment.

The loan receivable (refer to note 6) is measured at fair value through profit or loss. Any change of the credit quality is therefore reflected in the fair value of the instrument. For the end of the reporting period there were no unrealised gains or losses attributable to changes in credit risk of the loan receivable (31 December 2021: no unrealised gains or losses attributable to changes in credit risk of the loan receivable).

16.9. Capital management

The Company manages its shareholders' equity within the limits of the law and in accordance with its investment strategy and its liquidity planning.

16.10. Unfulfilled financing agreement during the reporting period

In April 2022, ESGTI reached an agreement for a CHF 22.5M loan facility with conversion rights from its major shareholder. Despite the shareholder securing an investment deal in March 2022, regulatory hurdles impeded the finalization of this agreement, and the major shareholder could not fulfil this agreement in the reporting period.

16.11. Critical uncertainty regarding going concern status

The financial statements are prepared on a going concern principle, pre-supporting the Company's continuation of operations into the foreseeable future, enabling it to monetize its assets and settle its liabilities under ordinary business circumstances. Yet, the Company finds itself amidst significant uncertainties that have created doubts regarding its capacity to maintain a going concern status. These uncertainties are largely due to restricted cashflow, unresolved investor agreements and the pressing need to extend payment deadlines with creditors. As of April 2023, the scarcity of cash reserves starkly highlights the Company's struggle to cover immediate liabilities and sustain operations without securing further funds, as detailed in the balance sheet.

To navigate these critical challenges, management is actively pursuing numerous strategies, such as securing new investor agreements and renegotiating creditor payment terms. Although there is a hopeful anticipation of these efforts bearing fruit, the guarantee of achieving favourable outcomes remains uncertain.

The outcome of these uncertainties is dependent on various factors, including market conditions, financing acquisition, and the successful implementation of strategic business plans. In the event that the Company is unable to extend its financial runway or execute its strategies as anticipated, a drastic downscaling or cessation of operations might become inevitable, precipitating a profound detrimental impact on the Company's financial health, operational results, and liquidity.

The financial statements presently do not reflect any potential repercussions of these uncertainties. Management is committed to continue closely monitoring the Company's financial position and implementing requisite measures to alleviate risks and uncertainties as they emerge.

17. Subsequent events

On 3rd November 2023, the Admission Board BX Swiss denied exemption from the regular reporting obligations in accordance with Section 20.1 of the Listing Rules. ESGTI indeed missed the 6-month deadline to publish its annual financial statements as of April 30th, 2023. This was due to liquidity-related concerns about the company's treatment as a going concern. Due to various financing commitments and the imminent conclusion of significant contracts, the Board of Directors was always of the opinion that accounting at going concern values was and is justified and therefore no further measures pursuant to Article 725 of the Swiss Code of Obligations are necessary.

As a result of the exceptional approval not being granted, the stock exchange suspended trading in ESGTI shares.

On the occasion of the October interest payments on the bonds, the Aldburg certificates were classified as defaulted.

In view of the Board of Directors' decision to propose a spin-off of ESG LifeSciences to the Annual General Meeting, a debt waiver on the entire loan receivable of CHF 31.4M was agreed with effect from October 31, 2023. In return, the value adjustment on the investment was corrected accordingly so that the transaction did not affect profit or loss. Although the decision was only made in October, the effect has already been taken into account as an adjusting event in these financial statements.

On 14th November 2023, ESGTI announced the evolution into a holding company structure to sharpen the strategic focus of the Company on Clean Technology. The Company ceases to be an investment company under IFRS from 1 November 2023 onwards (the "Transition Date"). At the Transition Date, the fair value of the former Investments (see note 2) will represent the transferred deemed consideration when measuring any goodwill. From Transition Date onwards, all subsidiaries will be consolidated in accordance with IFRS.

On February 13, 2024, the meeting of bond holders resolved that the Aldburg Certificates should be cancelled and the bond holders should establish individual bilateral agreements with ESGTI.

On February 20th, 2024, the ESG EKO AGRO Group announced the conclusion of an important cooperation and investment agreement with RomeElectro Investments, now making Eko Agro the Group's main investment and the ESG EKO AGRO Group a predominant player in the field of agrivoltaics in Italy.

In parallel, ESG Engineering Italia (the management company of ESG Eko Agro Group and a group company of ESGTI) signed a Joint-Venture Agreement with the Institute for Energy Studies and Engineering SA, a further RomElectro group company. The purpose of the JV Agreement is the joint development of Agri PV projects.

At the time of the release of this report, trading in ESGTI shares is still suspended.

According to the listing rules of the BX Swiss, the company is at risk of delisting. The Board of Directors has applied for an exemption, not least due to the changing business situation.

Since the balance sheet date of 30 April 2023 there have been no other material events that could impair the integrity of the information presented in these financial statements.

Report of the statutory auditor

to the General Meeting of ESGTI AG

Hünenberg

Report on the audit of the financial statements

Adverse opinion

We have audited the financial statements of ESGTI AG (the Company), which comprise the balance sheet as at 30 April 2023, and the income statement for the period from 1 January 2022 to 30 April 2023, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, because of the significance of the matter discussed in the *Basis for adverse opinion* section of our report, the accompanying financial statements (pages 58 to 65) do not comply with Swiss law and the Company's articles of incorporation.

Basis for adverse opinion

The Company is experiencing liquidity issues due to an inability to generate sufficient cash inflows during the financial period from 1 January 2022 to 30 April 2023, including an inability to draw on the convertible loan facility which it entered into in April 2022. The Company has not sufficiently demonstrated that it is able to recover cash on its loan receivables, realise a sale of assets, or refinance liabilities, and as a result is unable to reliably finance its operating expenses or to provide further financing to its underlying investment portfolio. Further, since the balance sheet date, the Company has defaulted on interest payments to bondholders. Hence the Company is not operating according to its business purpose. The Board of Directors was unable to provide sufficient corroborating evidence of any effective measures to resolve the liquidity situation within an appropriate timeframe. However, the ability to meet its financial obligations is a prerequisite for the Company's ability to continue as a going concern under its intended business purpose. As a result, we conclude that we have not been provided with sufficient evidence that the Company can continue as a going concern under its intended business purpose, and therefore, the financial statements should not have been prepared under the going concern assumption. Due to the matter described above, the financial statements need to be prepared on the basis of liquidation values. Under this basis of preparation, it is highly likely that the values of investments and loan receivables shown in the financial statements would have been materially lower than the values shown under the going concern assumption, which would have had a significant effect on the Company's financial position and financial performance. In addition, this may lead to a substantiated concern that the Company's liabilities exceed its assets within the meaning of article 725b CO, requiring compliance with the corresponding legal provisions.

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit work we have performed is sufficient and appropriate to provide a basis for our adverse opinion.

Our audit approach – Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or

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error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 0.33 million
Benchmark applied	Shareholders' equity
Rationale for the materiality benchmark applied	We chose shareholders' equity as the benchmark because, in our view, it is the most relevant benchmark for investors, and is a generally accepted benchmark for investment companies.

Our audit approach – Scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

Except for the matter described in the *Basis for adverse opinion* section, we have determined that there are no other key audit matters to communicate in our report.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the tables marked 'audited' in the remuneration report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for adverse opinion* section of our report, the financial statements need to be prepared on the basis of liquidation values. Under this basis of preparation, it is highly likely that the values of investments and loan receivables shown in the financial statements would have been materially lower than the values shown under the going concern assumption, which would have had a significant effect on the Company's financial position and financial performance. The other information is materially misstated for the same reason with respect to the amounts or other matters as described in the *Basis for adverse opinion* section above.

Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Due to the matter described in the *Basis for adverse opinion* section, we recommend that the financial statements be rejected and returned to the Board of Directors.

We would also like to point out that the Board of Directors have not prepared interim financial statements in accordance with article 725b para. 1 CO, despite our repeated requests. If these were to show that there is over-indebtedness at both going concern and liquidation values, the provisions of article 725b CO would need to be respected.

Additionally, we point out that contrary to the requirements of article 958 para. 3 CO, a business report was not prepared within six months of the end of the financial year and submitted to the general meeting of shareholders for approval. Furthermore, the annual general meeting that is supposed to approve the business report did not convene within six months of the end of the financial year, which is contrary to the requirements of article 699 para. 2 CO.

PricewaterhouseCoopers AG

Thomas Ebinger	Jack Armstrong
Licensed audit expert Auditor in charge	Licensed audit expert

Zurich, 14 March 2024

Balance sheet

As of 30 April 2023 (all amounts in CHF unless otherwise stated)

ASSETS	Note	30.04.2023	31.12.2021
Current Assets		**82,694**	**26,962**
Cash		1,425	8,205
Other receivables		30,909	18,096
Prepaid expenses and accrued income		50,360	662
Non-current Assets		**106,150,924**	**133,299,312**
Loan receivables	2.1	65,997,611	95,067,970
Investments	2.2	40,153,313	38,231,342
TOTAL ASSETS		**106,233,618**	**133,326,274**

LIABILITIES and SHAREHOLDERS' EQUITY	Note	30.04.2023	31.12.2021
Liabilities		**72,971,807**	**64,877,871**
Short-term liabilities			
Accounts payable	2.3	4,315,373	2,790,875
Short-term interest-bearing borrowings	2.4	4,223,244	3,757,125
Other liabilities	2.5	3,306,501	2,290,194
Accrued expenses and short-term provisions	2.6	9,854,689	4,767,677
Long-term liabilities			
Long-term interest-bearing borrowings	2.7	51,272,000	51,272,000
Shareholders' Equity		**33,261,811**	**68,448,403**
Share capital		40,537,176	40,537,176
Legal reserves from capital contributions		41,828,493	50,289,300
Legal reserves from retained earnings		100,100	100,100
Loss(-) carried forward		-14,017,365	-4,439,198
Loss(-) for the period		-35,186,592	-18,038,975
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**106,233,618**	**133,326,274**

Income Statement

For the period ended 30 April 2023 (all amounts in CHF unless otherwise stated)

	Note	01.01.2022-30.04.2023	01.01.2021-31.12.2021
Impairment on financial assets	2.2	-32,801,782	0
Impairment on Investments	2.1	1,921,971	-15,437,065
Total income		**-30,879,811**	**-15,437,065**
Operating Expenses			
Directors' fees		-429,879	-235,360
Expenses for investment advisory and other professional services		-4,036,853	-2,627,315
Other operating and administrative expenses		-298,096	-338,668
FX gain / loss		-95,620	-34,828
EBIT		**-35,740,258**	**-18,673,237**
Financial result			
Financial expenses		-4,534,474	-4,767,713
Financial income		4,994,452	5,569,607
Extraordinary, non-recurring and prior period positions	2.8		
Extraordinary expenses related to equity and debt issuance		0	-101,191
Extraordinary and prior period income		186,360	42,440
Extraordinary and prior period expenses		-33,062	-60,281
EBT		**-35,126,983**	**-17,990,375**
Tax expenses		-59,610	-48,600
NET PROFIT / (-)LOSS FOR THE PERIOD		**-35,186,592**	**-18,038,975**

Notes to the financial statements

1. General information and general accounting principles

ESGTI (the "Company") is a company limited by shares, domiciled in Rothusstrasse 21, 6331 Hünenberg, Switzerland, registered with the Zug Register of Commerce under the company number CHE-114.775.734. The Company exists pursuant to art 620 et seq. of the Swiss Code of Obligations ("Swiss CO"). The shares of the Company are publicly traded on BX Swiss since 1 October 2021; up until 30 September 2021 the shares were publicly traded on Börse Berlin.

These financial statements have been prepared in accordance with the accounting rules and principles of Swiss CO. The general valuation principles are defined by law. The valuation principles below have been applied in these financial statements:

All current and non-current assets are valued at cost less necessary value adjustments.

All current and non-current liabilities are valued at nominal value.

Assets and liabilities denominated in foreign currencies were translated to CHF using the following rates:

Exchange rates	30.04.2023	31.12.2021
EUR CHF	0.9849	1.0367
USD CHF	0.8937	0.9122
GBP CHF	1.1235	1.2338

The Company made the decision to adjust the end of its business year from 31 December to 30 April, the first period covering this adjustment is the business year 1 January 2022 to 30 April 2023. It is crucial for stakeholders to consider this factor when analyzing and interpreting the financial information, as it may impact the year-on-year comparisons and the overall assessment of the Company's financial performance and position.

2. Details to the financial statements

2.1. Loan receivables

Loan receivables	30.04.2023	31.12.2021
Loan accounts with Investments	32,241,693	32,712,735
Value adjustments on loan accounts with Investments	-31,453,766	0
Other loan receivables	0	60,387,215
Other loan receivables from shareholder	65,209,684	0
Loan account with shareholder	0	1,968,020
Total	**65,997,611**	**95,067,970**

The loan accounts with investments are not expected to be settled within the next 12 months and presented within non-current assets.

With reference to other loan receivable from shareholder please refer to note 3.6.

2.2. Investments

Investments	30.04.2023	31.12.2021
ESG Engineering & Consulting AG, Zurich, Switzerland		
cost	200,000	200,000
value adjustment	0	0
total	200,000	200,000
Capital and voting rights	40%	40%
ESG EKO AGRO Group srl, Bologna, Italy		
cost	67,270	67,270
surplus capital	1,348,017	0
value adjustment	-1,348,017	0
total	67,270	67,270
Capital and voting rights	67%	67%
ESG LifeSciences AG, Hünenberg, Switzerland		
cost	29,300,094	29,300,094
value adjustment	-13,300,094	-15,337,065
total	16,000,000	13,963,029
Capital and voting rights	100%	100%
AltEnergis plc, London, United Kingdom		
cost	23,701,043	23,701,043
value adjustment	0	0
total	23,701,043	23,701,043
Capital and voting rights	100%	100%
Sky Energy AG, Hünenberg, Switzerland		
cost	400,000	400,000
value adjustment	-215,000	-100,000
total	185,000	300,000
Capital and voting rights	100%	100%
Total	**40,153,313**	**38,231,342**

2.3. Accounts payable

Accounts payable	30.04.2023	31.12.2021
Due to affiliated party	-1,897,471	-1,329,244
Due to third parties	-2,244,289	-1,461,631
Due to statutory auditor	-173,612	0
Total	**-4,315,373**	**-2,790,875**

2.4. Short-term interest-bearing liabilities

Short-term interest-bearing liabilities	30.04.2023	31.12.2021
Due to third parties	-4,087,036	-3,628,606
Due to shareholder	-136,208	-128,518
Total	**-4,223,244**	**-3,757,125**

2.5. Other liabilities

Other liabilities	30.04.2023	31.12.2021
Due to shareholder	-3,306,501	-2,290,194
Total	**-3,306,501**	**-2,290,194**

2.6. Accrued expenses and short-term provisions

Accrued expenses and short-term provisions	30.04.2023	31.12.2021
Related to Board of Directors	-819,638	-389,760
Related to Investment	-3,065,763	-1,105,937
Related to third parties	-5,969,288	-3,271,980
Total	**-9,854,689**	**-4,767,677**

2.7. Long-term interest-bearing liabilities

Long-term interest-bearing liabilities	30.04.2023	31.12.2021
Borrowings from bonds issued	-51,272,000	-51,272,000
Total	**-51,272,000**	**-51,272,000**

ESGTI issued bonds through Aldburg SA as fiduciary. The product type is a fixed rate fiduciary certificate, denominated in CHF with a tenor of 5 years and maturity on 30 April 2025. A total of 41,636 Bonds with an issue price of CHF 2,000 and an annual interest of 5.75% were issued. Interest payment is semi-annual on each 30th of April and October until maturity date. The Bonds are traded under ISIN XS2158598354 at the Frankfurt Stock Exchange.

The bonds were initially issued without any conversion right. In July 2020 the Company offered a conversion right throughout the duration of the bond.

In financial year 2021, the Company repurchased 16,000 bonds issued.

2.8. Extraordinary, non-recurring and prior period positions

As per 30 April 2023, extraordinary and prior period income comprise mainly of the release of an accrual for stamp duty that was considered not longer necessary due to final decision of the relevant tax authorities. Extraordinary and prior period expenses relate to prior period invoices not fully accrued.

As per 31 December 2021, the Company presented expenses related to the increase of equity within extraordinary, non-recurring and prior period positions.

3. Further disclosure and information

3.1. Major shareholders

The following major shareholders are known to the Company:

	30.04.2023	**31.12.2021**
More than 20%	Ceylan Global Equity Fund, George Town, Cayman Islands	Fund Advisers (Cayman) SPC obo Aspeqt Capital SP, George Town, Cayman Islands
Between 10% and 20%	---	---
Between 5% and 10%	WP Multi Strategy Fund, George Town, Cayman Islands	WP Multi Strategy Fund, George Town, Cayman Islands
Below 5% (free float)	58.08%	57.60%

3.2. Number of employees

In the reporting and the comparative period the number of employees was zero.

3.3. Simplifications due to preparation of accounts under IFRS

The Company prepares consolidated financial statements in accordance with IFRS. Additional information in the notes to the financial statements, a cash flow statement and a management report are waived.

3.4. Fiduciary assets

As of 30 April 2023, the Company holds 54,520 own shares (31 December 2021: 134,813 own shares) on behalf of shareholders who have not provided delivery instructions yet. Fiduciary assets are not recognised on the balance sheet.

3.5. Legal reserves from capital contributions

As per 30 April 2023, the Company states “Legal reserves from capital contributions” of CHF 40,537,176. Of this amount, CHF 39,248,703 were confirmed by the federal tax authorities being capital contributions according to Art 5 (1 bis) VStG and CHF 2,579,790 were not yet confirmed or denied by the federal tax authorities being capital contributions according to Art 5 (1 bis) VStG.

Compared to the year ending 31 December 2021, the Company transferred CHF 8,460,808 from “Legal reserves from capital contributions” to “Loss(-) carried forward” in the reporting period as this amount was not recognised by the federal tax authorities being capital contributions according to Art 5 (1 bis) VStG.

(Prior year disclosure: The Company states "Legal reserves from capital contributions" of CHF 50,289,300 as per 31 December 2021. The full amount are capital contributions according to Art 5 (1 bis) VStG, as understood by management (prior year: CHF 39,870,159, full amount are capital contributions according to Art 5 (1 bis) VStG). Until 31 December 2021, the federal tax authorities of Switzerland confirmed capital contributions according to Art 5 (1 bis) VStG of CHF 39,870,159. The tax authorities did neither confirm nor deny the difference between the stated amount and the confirmed amount as per 31 December 2021 as the filing of these reserves are pending.)

3.6. Other loan receivable from shareholder

The majority shareholder of the Company received through assignment the total of the loan receivable, amounting to mCHF 64.9 as per 30 April 2023 (prior year: mCHF 60.38). As the terms and conditions of the underlying loan agreement remain unchanged and this loan agreement was agreed with a third party, Management considers the loan receivable from shareholder as a loan fulfilling the requirements of an at arm's length position.

3.7. Going concern

The financial statements are prepared on a going concern principle, pre-supporting the Company's continuation of operations into the foreseeable future, enabling it to monetize its assets and settle its liabilities under ordinary business circumstances. Yet, the Company finds itself amidst significant uncertainties that have created doubts regarding its capacity to maintain a going concern status. These uncertainties are largely due to restricted cashflow, unresolved investor agreements and the pressing need to extend payment deadlines with creditors. As of April 2023, the scarcity of cash reserves starkly highlights the Company's struggle to cover immediate liabilities and sustain operations without securing further funds, as detailed in the balance sheet.

To navigate these critical challenges, management is actively pursuing numerous strategies, such as securing new investor agreements and renegotiating creditor payment terms. Although there is a hopeful anticipation of these efforts bearing fruit, the guarantee of achieving favourable outcomes remains uncertain.

The outcome of these uncertainties is dependent on various factors, including market conditions, financing acquisition, and the successful implementation of strategic business plans. In the event that the Company is unable to extend its financial runway or execute its strategies as anticipated, a drastic downscaling or cessation of operations might become inevitable, precipitating a profound detrimental impact on the Company's financial health, operational results, and liquidity.

The financial statements presently do not reflect any potential repercussions of these uncertainties. Management is committed to continue closely monitoring the Company's financial position and implementing requisite measures to alleviate risks and uncertainties as they emerge.

3.8. Subsequent events

On 3rd November 2023, the Admission Board BX Swiss denied exemption from the regular reporting obligations in accordance with Section 20.1 of the Listing Rules. ESGTI indeed missed the 6-month deadline to publish its annual financial statements as of April 30th, 2023. This was due to liquidity-related concerns about the company's treatment as a going concern. Due to various financing commitments and the imminent conclusion of significant contracts, the Board of Directors was always of the opinion that accounting at going concern values was and is justified and therefore no further measures pursuant to Article 725 of the Swiss Code of Obligations are necessary. The company has never been overindebted.

As a result of the exceptional approval not being granted, the stock exchange suspended trading in ESGTI shares.

On the occasion of the October interest payments on the bonds, the Aldburg certificates were classified as defaulted.

In view of the Board of Directors' decision to propose a spin-off of ESG LifeSciences to the Annual General Meeting, a debt waiver on the entire loan receivable of CHF 31.4M was agreed with effect from October 31, 2023. In return, the value adjustment on the investment was corrected accordingly so that the transaction did not affect profit or loss. Although the decision was only made in October, the effect has already been taken into account as an adjusting event in these financial statements.

On 14th November 2023, ESGTI announced the evolution into a holding company structure to sharpen the strategic focus of the Company on Clean Technology. The Company ceases to be an investment company under IFRS from 1 November 2023 onwards (the "Transition Date"). At the Transition Date, the fair value of the former Investments (see note 2) will represent the transferred deemed consideration when measuring any goodwill. From Transition Date onwards, all subsidiaries will be consolidated in accordance with IFRS.

On February 13, 2024, the meeting of bond holders resolved that the Aldburg Certificates should be cancelled and the bond holders should establish individual bilateral agreements with ESGTI.

On February 20th, 2024, the ESG EKO AGRO Group announced the conclusion of an important cooperation and investment agreement with RomeElectro Investments, now making Eko Agro the Group's main investment and the ESG EKO AGRO Group a predominant player in the field of agrivoltaics in Italy.

In parallel, ESG Engineering Italia (the management company of ESG Eko Agro Group and a group company of ESGTI) signed a Joint-Venture Agreement with the Institute for Energy Studies and Engineering SA, a further RomElectro group company. The purpose of the JV Agreement is the joint development of Agri PV projects.

At the time of the release of this report, trading in ESGTI shares is still suspended.

According to the listing rules of the BX Swiss, the company is at risk of delisting. The Board of Directors has applied for an exemption, not least due to the changing business situation.

Since the balance sheet date of 30 April 2023 there have been no other material events that could impair the integrity of the information presented in these financial statements.

Report of the statutory auditor

to the General Meeting of ESGTI AG

Hünenberg

Report on the audit of the remuneration report

Opinion

We have audited the remuneration report of ESGTI AG (the Company) for the period from 1 January 2022 to 30 April 2023. The audit was limited to the information on remuneration, loans and advances pursuant to Art. 14 to 16 of the Ordinance against Excessive Remuneration in Listed Companies Limited by Shares (Ordinance) in the tables marked 'audited' on pages 68 to 69 of the remuneration report.

In our opinion, the information on remuneration, loans and advances in the accompanying remuneration report (pages 68-69) complies with Swiss law and article 14 to 16 of the Ordinance.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the remuneration report' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables marked 'audited' in the remuneration report, the financial statements and our auditor's reports thereon.

Our opinion on the remuneration report does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the remuneration report, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the remuneration report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Board of Directors' responsibilities for the remuneration report

The Board of Directors is responsible for the preparation of a remuneration report in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a remuneration report that is free from material misstatement, whether due to fraud or error. The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibilities for the audit of the remuneration report

Our objectives are to obtain reasonable assurance about whether the information on remuneration, loans and advances pursuant to article 14 to 16 of the Ordinance is free from material misstatement, whether due to fraud or error, and to

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issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this remuneration report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the remuneration report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers AG

Thomas Ebinger	Jack Armstrong
Licensed audit expert Auditor in charge	Licensed audit expert

Zürich, 14 March 2024

Remuneration Report

The objective of the remuneration report is to be clear and transparent on the pay and benefits of the Board of Directors and to comply with the legal requirements (Art 336b bis SCO), exchange regulations, the Swiss Code of Best Practice for Corporate Governance and the Ordinance against Excessive Compensation (OaEC).

This report therefore states the remunerations agreed to be paid to the Board of Directors of the Company in financial year 2022/2023, covering the period from 1 January 2022 to 30 April 2023.

Governance

The shareholders of ESGTI appointed for financial year 2022/2023 a remuneration committee comprising of the following board members of ESGTI:

- Mr. Andreas R. Bihrer (Chairman)
- Mr. Wolfgang Werlé (Member)
- Mr. Hermann Wirz (Member)

The compensation committee develops and periodically reviews the compensation policy of the Company and its subsidiaries (if any) and submits proposals and recommendations to the Board of Directors on any such issue.

Basic fee structure

The Chairman receives an annual compensation (12 months) of kCHF 60, members of the Board of Directors receive an annual compensation (12 months) of kCHF 40. The compensation is subject to social security and tax at source (if applicable). Remuneration is calculated pro rata from the time a member enters / exits the board.

Board remuneration (1 January 2022 to 30 April 2023) (audited)

(all amounts in kCHF)

Board of Directors	Base compensation	Other benefits	Total
Mr. Andreas Bihrer - Chariman	80	6	86
Mr. Dimitri Dimitriou	53	4	57
Ms. Brunella Pavesi	53	4	57
Mr. Wolfgang Werlé	53	4	57
Mr. Hermann Wirz	53	4	57
Ms. Kimberly Marty	53	4	57
Ms. Jessica Kourniaktis	33	4	37
Mr. Jörg Zulauf	18	3	21
Total	**396**	**33**	**429**

Base compensation comprise exclusively on the agreed board member fees.
Other benefits comprise exclusively on contributions to social security.

The Board of Directors did not receive any variable compensation in financial year 2022/2023.

No part of the remuneration for financial year 2022/2023 was paid until 30 April 2023 and issuance date of this remuneration report.

Board compensation in the prior period (audited)

Board of Directors	Base compensation	Other benefits	Total
Mr. Andreas Bihrer - Chariman	60	4	64
Mr. Dimitri Dimitriou	40	3	43
Ms. Brunella Pavesi	20	2	22
Mr. Wolfgang Werlé	40	2	42
Mr. Hermann Wirz	40	2	42
Ms. Kimberly Marty	20	2	22
Total	**220**	**15**	**235**

Base compensation comprise exclusively on the agreed board member fees.
Other benefits comprise exclusively on contributions to social security.

The Board of Directors did not receive any variable compensation in financial year 2021.

No part of the remuneration for financial year 2021 was paid until 31 December 2021 and issuance date of prior years remuneration report.

Management compensation (audited)

The company did not pay any compensation for the management of the Company in financial year 2022/2023 or 2021.

Loans and credits to board members and the management (audited)

No loans or credits by the company or its subsidiaries for their activities have been granted to members of the Board of Directors or the management in the financial year 2022/2023 or 2021.

Compensations, loans and credits to related parties

No compensation, loans or credits by the company or its subsidiaries for their activities have been granted to any related party in the financial year 2022/2023 or 2021.

Andreas R. Bihrer Wolfgang Werlé Hermann Wirz

Hünenberg, 30 June 2023

Investors information

Shares

ISIN	CH0298294981
Valor	29829498
WKN	A1409X
Ticker	ESGTI

Listing

BX Swiss

Publication of net asset value

www.esgti.com

Registered office

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Board of Directors

Andreas R. Bihrer, Attorney at Law, Zurich, Switzerland (Chairman)

Brunella Pavesi, PhD, Rome, Italy

Dimitri Dimitriou, MSc, FRSC, FRSB, FIBMS, Freienbach, Switzerland

Jessica Kourniaktis, DPhil, BA, MA, Zurich, Switzerland

Wolfgang Werlé, BA, Zumikon, Switzerland

Hermann Wirz, BA, Pully, Switzerland

Investment Advisor

ESG Engineering & Consulting AG; Spyristrasse 11, 8044 Zurich, Switzerland

Administrator

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