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SUNERGY



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SEPTEMBER 2023

2023 FIRST HALF RESULTS

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Important Information and Where to Find It: In connection with the Business Combination, ESGEN filed the Registration Statement initially on September 18, 2023 that includes a preliminary proxy statement/prospectus of ESGEN, and after the Registration Statement is declared effective, ESGEN will mail a definitive proxy statement/prospectus relating to the Business Combination to ESGEN's shareholders. The Registration Statement, including the proxy statement/prospectus contained therein, when declared effective by the SEC, will contain important information about the Business Combination and the other matters to be voted upon at a meeting of ESGEN's shareholders to be held to approve the Business Combination. This Current Report does not contain all the information that should be considered concerning the Business Combination and other matters and is not intended to provide the basis for any investment decision or any other decision in respect of such matters. ESGEN may also file other documents with the SEC regarding the Business Combination. ESGEN shareholders and other interested persons are advised to read the preliminary proxy statement/prospectus and the amendments thereto and the definitive proxy statement/prospectus, when available, and other documents filed in connection with the Business Combination, as these materials will contain important information about ESGEN, Sunergy and the Business Combination. When available, the definitive proxy statement/prospectus and other relevant materials for the Business Combination will be mailed to ESGEN shareholders as of a record date to be established for voting on the Business Combination. Shareholders will also be able to obtain copies of the preliminary proxy statement/prospectus, the definitive proxy statement/prospectus and other documents filed or that will be filed with the SEC, free of charge, by ESGEN through the website maintained by the SEC at www.sec.gov, or by directing a request to: ESGEN Acquisition Corporation, 5956 Sherry Lane, Suite 1400, Dallas, TX 75225.

Participants in the Solicitation: ESGEN and Sunergy and their respective directors and officers may be deemed to be participants in the solicitation of proxies from ESGEN's shareholders in connection with the Business Combination. Information about ESGEN's directors and executive officers and their ownership of ESGEN's securities is set forth in ESGEN's filings with the SEC. To the extent that holdings of ESGEN's securities by ESGEN's directors and executive officers have changed since the amounts printed in ESGEN's Annual Report, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC. Additional information regarding the interests of those persons and other persons who may be deemed participants in the proposed transaction may be obtained by reading the Registration Statement, including the preliminary proxy statement/prospectus and the definitive proxy statement/prospectus when it becomes available. You may obtain free copies of these documents as described in the preceding paragraph.

Strong Operational Growth Driving Record Revenue

Commentary

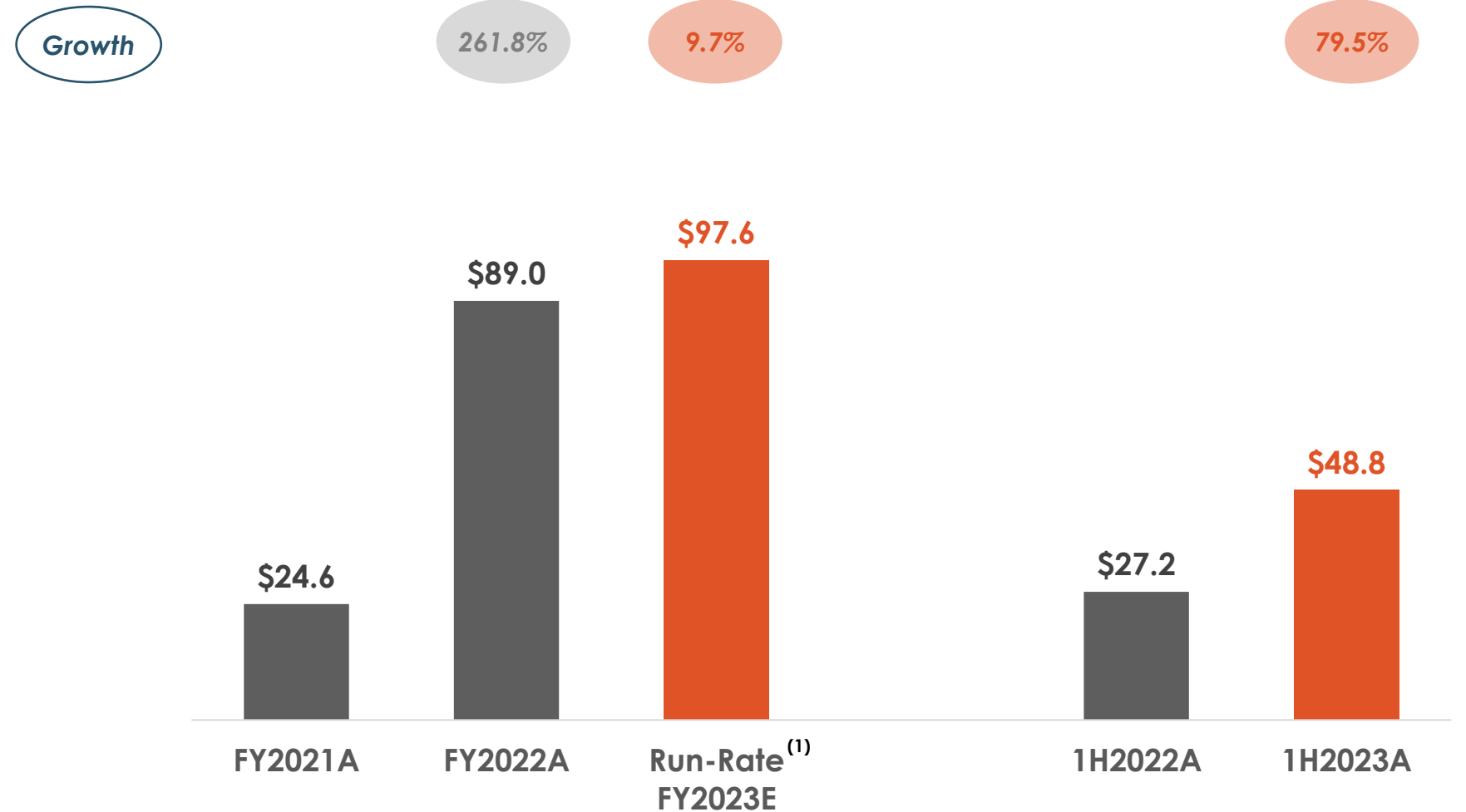
- Net revenue totaled \$48.8 million, an 80% increase from \$27.2 million in the comparable year-ago period
- This increase was primarily due to growth in sales dealers and partners leading to higher volume of solar system installations in the period

“Our rapid sales-to-install cycle and commitment to profitability have helped our sales team continue outpacing the industry in installs and revenue per sales pitch, insulating Sunergy from broader U.S. residential solar industry headwinds”

- Tim Bridgewater (Sunergy CEO)

Net Revenue

(\$ in millions)



Source: Public company filings.

1) Run-Rate FY'2023E for all financials are annualized numbers using 1H'2023A results.

Robust Margin Expansion Propelling Gross Profit

Commentary

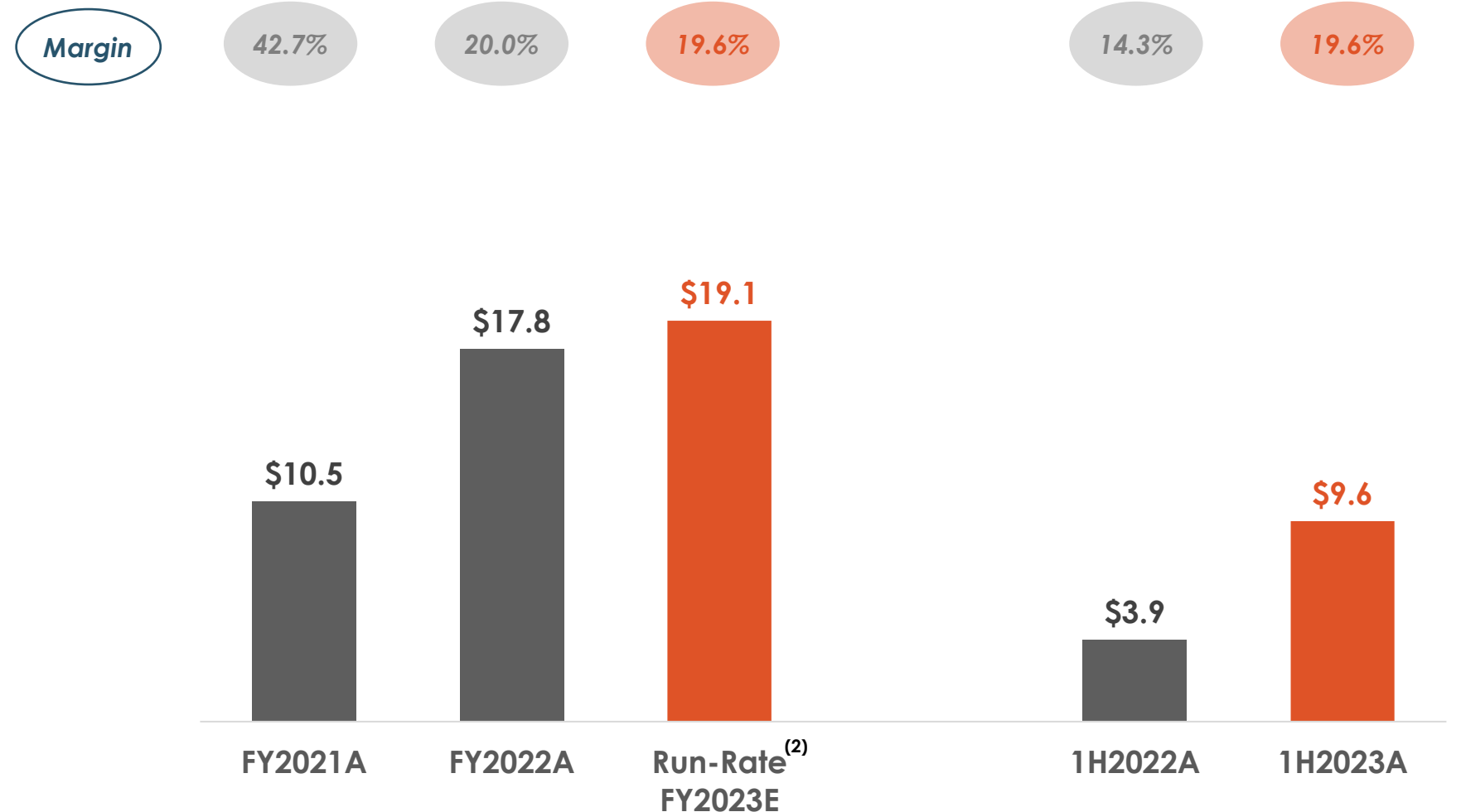
- Gross profit increased to \$9.6 million in the fiscal first half of 2023⁽¹⁾
- The increase in gross profit was driven by revenue growth, while the increase in gross margin was a result of improved integration of the combined business a year after the Company's merger with Sun First Energy, LLC.

"Driven by strength in emerging markets for Sunergy, solar system installations grew 65% in the first half, resulting in record revenue and gross profit"

- Tim Bridgewater (Sunergy CEO)

Gross Profit ⁽¹⁾

(\$ in millions)



Source: Public company filings.

1) Gross profit is defined as revenue, net less cost of goods sold (exclusive of depreciation and amortization expense).

2) Run-Rate FY'2023E for all financials are annualized numbers using 1H'2023A results.

Adjusted EBITDA Growth Reflects Operational Efficiency

Commentary

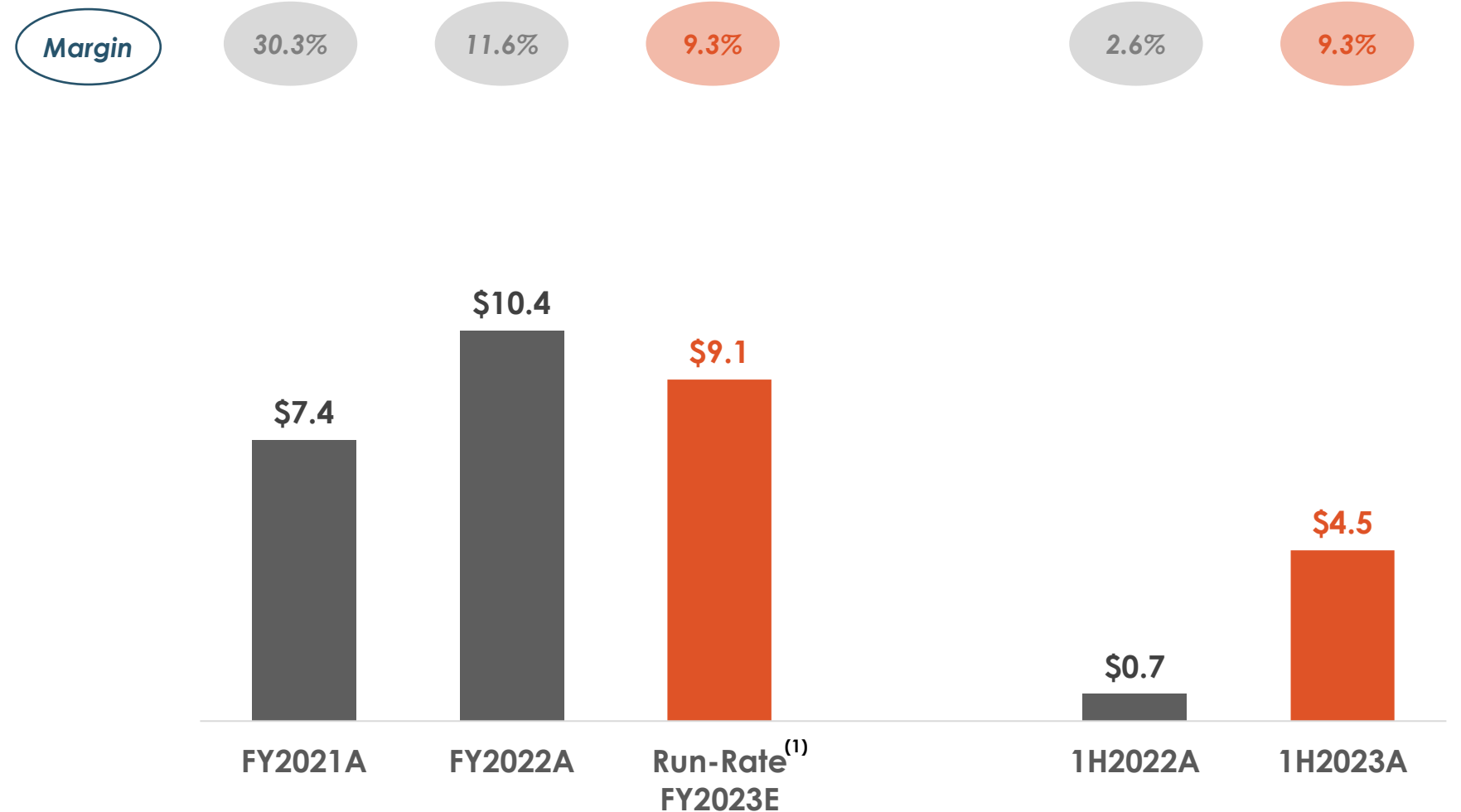
- Adj. EBITDA increased to \$4.5 million in the fiscal first half of 2023
- This increase in Adj. EBITDA was primarily due to the increase in revenue and gross profit, while the increase in EBITDA margin was a reflection of the improvements post integration of the combined business a year after the Company's merger with Sun First Energy, LLC.

"We believe that we're poised to enter the public markets at a time when Sunergy's commitment to straightforward growth and sustainable profitability will be well-received and look forward to displaying our progress over the coming quarters."

- Tim Bridgewater (Sunergy CEO)

Adjusted EBITDA

(\$ in millions)



Source: Public company filings.

1) Run-Rate FY'2023E for all financials are annualized numbers using 1H'2023A results.

Reconciliation of Non-GAAP Metrics

Reconciliation of Net Income (Loss) to Adjusted EBITDA

(\$)

	<u>FY2021A</u>	<u>FY2022A</u>	<u>Run-Rate FY2023E</u>	<u>1H2022A</u>	<u>1H2023A</u>
Net income (loss)	7,091,049	8,665,770	4,800,374	(42,947)	2,400,187
Adjustment:					
Other income, net	(28,399)	(20,004)	83,424	(52,501)	41,712
Depreciation and amortization	379,823	1,706,243	1,844,330	812,109	922,165
Income tax expenses	-	-	-	-	-
M&A expense	-	-	2,323,528	-	1,161,764
Adjusted EBITDA	\$7,442,473	\$10,352,009	\$9,051,656	\$716,661	\$4,525,828



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