



**S P G X**



Investor Update Call January 2019

# FORWARD LOOKING STATEMENTS

You are about to review presentations, reports and/or filings of Sustainable Projects Group, Inc. that contain time-sensitive information. The Company will not be reviewing or updating the material that is contained in these items after the date thereof. The information contained there may be updated, amended, supplemented or otherwise altered by subsequent presentations, reports and/or filings by the Company.

Statements included or incorporated by reference in these presentations, reports and or filings, other than statements of historical fact, may contain "forward-looking statements." There can be no assurance that any forward-looking statements will be achieved, and actual results could differ materially from forecasts and estimates. Important factors that could affect the Company include the risks described in section entitled Risk Factors and elsewhere in the Company's business plan. The Company undertakes no commitment to update or revise forward-looking statements except as required by law.

# KEY TAKE-AWAYS

- ✓ **SPGX is a project development company focused on value-based investment opportunities.**
- ✓ **Currently well underway to catch up with regulatory filings & re-entry of OTCQB exchange.**
- ✓ **Strong operational team with sector expertise to develop near term revenue and profit potential as well as significant long-term NAV expansion.**
- ✓ **Operational roll-out well underway with initial incubator projects in early stages of development and focus on attracting additional “low hanging fruit” JV or portfolio projects for accelerated growth.**



## **X = CROSS ATLANTIC**

With its multi-national, multi-lingual and multi-cultural setup, SPGX bridges the gap between Europe and North America. Even in today's world with high-speed-internet and non-stop flights, efficient cross-Atlantic business relations are still not seamless without the right partner.

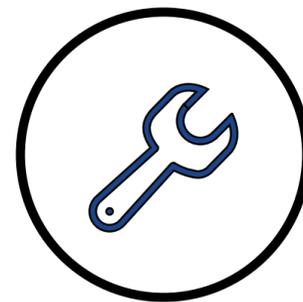
# BUSINESS DEVELOPMENT PROFITABILITY

Based on the Company's business development expertise, SPGX is able to create revenues from business development services from day 1 of the investment life-cycle with backend loaded investment returns.



## FEE – FOR - SERVICE

SPGX provides consulting & staffing services for client & investment project companies. Revenue generation from project initiation, leading to negative working capital requirements on external projects.



## COMMISSIONS

Sales commissions gained through sales and logistics support provided to client and investment companies add significant revenue growth to the Company providing cashflow for expansion.



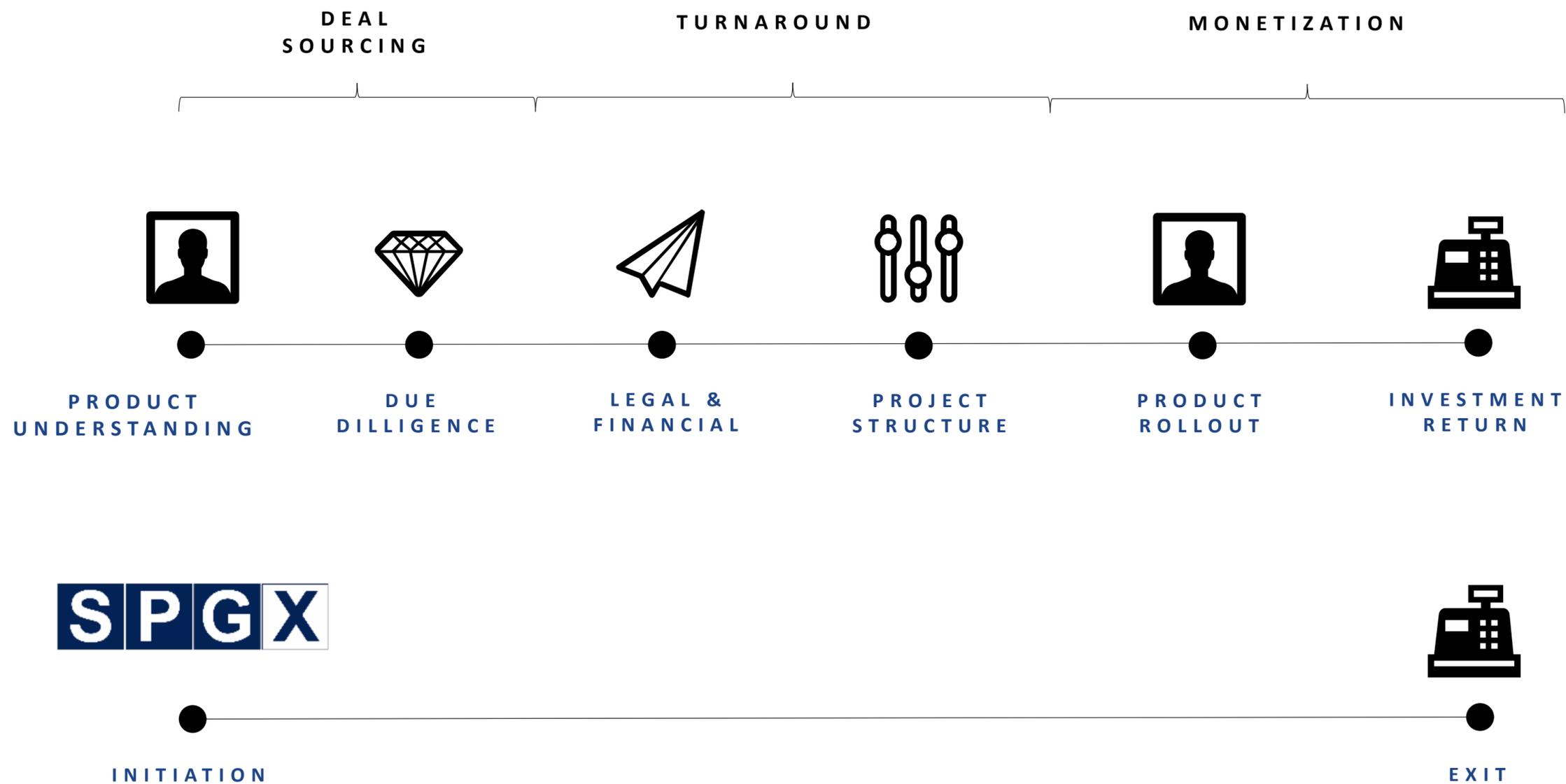
## INVESTMENT GAINS

It is the aim of SPGX to develop client and investment companies for a 24-month period with the potential for a significant profit upon exit. In the interim, NAV adjustments create balance sheet expansion

**Short Term Revenues & Long Term Gains for Profitability from Day 1**

# THE SPGX USP

Through in-house capabilities and external know-how, the Company is a competent, value creating partner for clients and internal investments throughout the investment life-cycle.



# FOCUS ON ROIC



## **IDENTIFICATION**

Project identification, analysis and due diligence form the basis of finding attractive development projects with significant upside potential.

## **OPM STRUCTURE**

If specific development projects require significant funding, external funding sources through equity or debt financing are utilized.

## **ADDED - VALUE**

The Company seeks projects where it can add significant value through in-house expertise, network or partners.

## **MULTIPLICATION**

The standardized project development processes of the team increase development speed and profitability.

# EFFICIENT & AGILE TEAM

## **MULTI NATIONAL**

The Company's core team consists of individuals from multiple nationalities, with 80% of the team fluent in both German and English.

## **EXPERIENCE**

The core team has 100 years of combined experience and has worked for star players in their respective fields.

## **KNOW-HOW**

Each core team member has a specific skill-set, ranging from economic markets to project management, with strong team spirit.

## **EFFICIENT**

Close coordination among core team members and external partners makes for an efficient project management environment.



# MEET OUR CORE TEAM

Small core team with significant know-how in investment and project development.



**S. MUEHLBAUER**  
CEO & DIRECTOR

Over twenty years of investment banking and business development experience.



**A. STUGK PH.D.**  
HEAD OF RESEARCH

More than twelve years of experience in economics and investment research.



**R. HOWARD**  
HEAD OF BUSINESS DEV.

Bringing more than twenty years of business development and startup development experience.



**T. MUEHLBAUER**  
COO & MARKETING

Nearly two decades of marketing & business operations know-how in key corporate positions.

The background is a dark blue color. A large, white, stylized 'X' shape is overlaid on the right side of the image. In the background, there is a faint, low-angle photograph of a modern building's interior, showing a series of parallel lines and structural elements that create a sense of depth and perspective.

# CORE COMPETENCE



## INVESTMENT RESEARCH

The SPGX Research Department completes in-depth management and business analysis in order to identify project development opportunities and in-house investment projects. Additionally, the team is active in preparation of investment banking relationships and preparation of fundraising tools.



## PROJECT DEVELOPMENT

The SPGX Project Development team is responsible for developing partnerships and in-house investments into well functioning companies based in the US market. Through value based investment and direct add-value creation, the company anticipates to realize significant revenues and investment gains.

# INVESTMENT RESEARCH

The in-house research and due-diligence team can help with all aspects of business planning, preparations for fundraising, and other investor relations activities.



## DUE DILLIGENCE

In-depth company analysis to determine value, risk factors and potential pitfalls.



## BUSINESS PLANNING

Business plan development to fuel the expansion of in-house or external development projects.



## MARKET RESEARCH

Market analysis in a variety of sectors to establish opportunities for product introductions and branding.



## DEAL STRUCTURING

Creation of deal structures for capital increases, M&A opportunities and debt funding.



## FINANCIAL MODELLING

Financial models to forecast growth of potential investment opportunities and development projects.



## FUNDRAISING TOOLS

Investor pitch presentations, roadshow planning and investment case development.

# BUSINESS DEVELOPMENT

The Business Development team is the “management in a box” representing all executive and operations requirements in the United States.



## REGULATORY

Facilitate product registration, insurance and other regulatory issues.



## LEGAL

Complete legal and tax planning through our network of experts.



## FINANCING

Company fundraising assistance is available through debt and equity financing via the network of investment brokers.



## SALES

Online and offline sales into retail and wholesale channels through the in-house product distribution team.



## MARKETING

Expert marketing and PR solutions through SPGX’s network of partner companies with complete end-to-end marketing support throughout.



## LOGISTICS

Complete logistic solutions from the manufacturer abroad to the doors of retail outlets and end customers through a network of logistics partners.

# COHESIVE INFRASTRATURE

Based in Naples, Florida, Sustainable Projects Group has access to an extensive local and international infrastructure to facilitate expansion of your business.



## TEAM

The SPGX core team consists of industry experts with a background in investment banking, management, business development, and operations.

## NETWORK

Extensive local and national network with business decision makers, regulatory agencies and financial community.

## FACILITIES

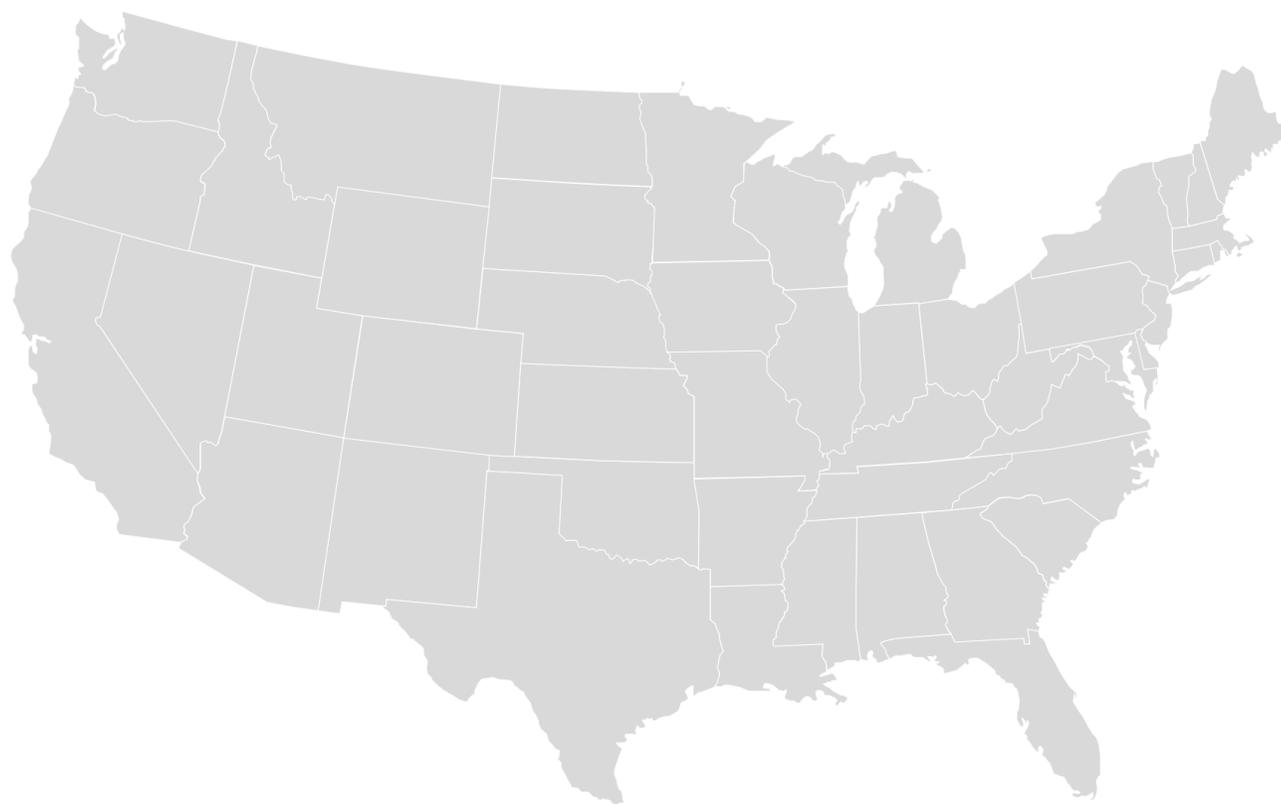
Located in Naples, FL, within easy reach of the largest markets in the United States and easy access to European counterparts.

## PARTNERS

The extensive network of partners in the fields of immigration, legal, taxation and logistics assure a smooth transition in the US market.

# THE US MARKET OPPORTUNITY

With a population of 326m, a soaring economic environment, and increasing disposable income, the US economy represents a well-established, market environment for international companies.



## **HOMOGENEOUS MARKET**

326 million predominantly English-speaking residents. Large national retail chains make it easier to access this enormous market.



## **PREMIUM INVESTMENT VALUATION**

Investment appetite by US investors allows for a regional valuation arbitrage, i.e. investors in the US historically have been willing to pay higher investment multiples than European counterparts.



## **FAVORABLE TAX & BUSINESS CLIMATE**

Recent tax and business reforms initiated by President Trump's administration have led to record employment and salary growth. Tax cuts further fuel disposable income for most relevant consumer groups.

# 84% OF MARKET ENTRANTS FAIL

While the US market offers an excellent upside for international companies, its complexities require a strong local know-how. More than 84% of market entrants from Europe fail within three years without the help of a competent local partner.



## NO NETWORK

Without local reputation or connections into government and business environment, market entry is difficult.



## LACK KNOW-HOW

While the US market is very comparable other countries, there are local know-how requirements for a successful business start.



## UNDERFUNDED

Lack of funding can be problematic. Banks in the US do not like to deal with foreign business owners due to risk management restrictions



## IMMIGRATION ISSUES

The United States has stringent immigration laws pertaining to who can work in the country.



## LEGAL & TAX TROUBLES

The US legal and taxation systems are very different than the European systems most companies are accustomed to.



## REGULATORY PROBLEMS

The US market has a multitude of regulations pertaining to business and imports.



**From first concept to successful US market expansion, the SPGX team is there every step of the way.**

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# 2018 – A YEAR OF RESTRUCTURING

# RESTRUCTURING TIMELINE



# CURRENT LISTING & FILING STATUS

- ✓ **Currently delayed in SEC required regulatory filings caused by integration of myfactor.io. Liechtenstein GAAP not compatible with US GAAP**
- ✓ **Stock has been moved to “Pink Sheets” for time being. Will re-enter OTCQB once filings are made.**
- ✓ **Delay in filings has been caused exclusively by integration of myfactor acquisition and required team of specialized accountants and auditors.**
- ✓ **Anticipating completion of audit and financial reporting by mid-February 2019 at the latest.**

# Vitalizer Americas

## **BUSINESS**

Vitalizer Americas Inc has been founded and 55% is owned by SPGX. The company distributes luxury massage chairs in the US market.

## **BEST IN CLASS**

With most competitors coming from China, the Swiss-engineered Luxury Vitalizer massage chair is a best in class product in terms of technology, design and reliability.

## **NEXT STEPS**

The company is currently completing FDA registration and UL certification with pre-sales activities in full effect. First revenues are expected early 2019.

## **VALUATION**

Based on 2021 sales and profit projections, we see an NAV of approximately USD30m using conservative valuation multiples, appropriately reflecting the growth prospects of the company.





## STATUS

App is currently functioning and a v2.0 will be launched in February 2019. The app is currently stand-alone and will require a comprehensive launch strategy.

## BEST IN-CLASS

Based on direct comparison to competitor apps, Gator Lotto is best-in-class in terms of optical recognition of tickets, entry speed and accuracy of reporting. Version 1.0 has over 20k downloads.

## FUNDRAISING

Significant funding needs are anticipated to properly launch the new app, which will be prepared by the SPGX Research Department.

## VALUATION

The app was acquired for USD400k. We anticipate a valuation of more than USD10m by 2021e.





# CORMO

sustainable products from corn straw

## STATUS

Cormo USA Inc has been incorporated as a Florida C-corporation. And funding for seed stage has been committed.

## NEXT STEPS

Launch of Cormo USA with a first production line for the harvest cycle 2019 is expected for 2019.

## POTENTIAL

Cormo USA Inc is to be developed into a production stage company in 2019, with the potential for IPO in 2021.

## VALUATION

We currently do not include Cormo USA in our NAV calculation, but expect a valuation of USD50m+ by 2019.

# GOLD PROPERTIES

## STATUS

SPGX owns undeveloped gold mines. Initial planning for a test drill project are underway.

## NEXT STEPS

Analyze the project to develop a project team and business plan structure. This is to be used to secure funding required to complete the test drill program.

## FUNDRAISING

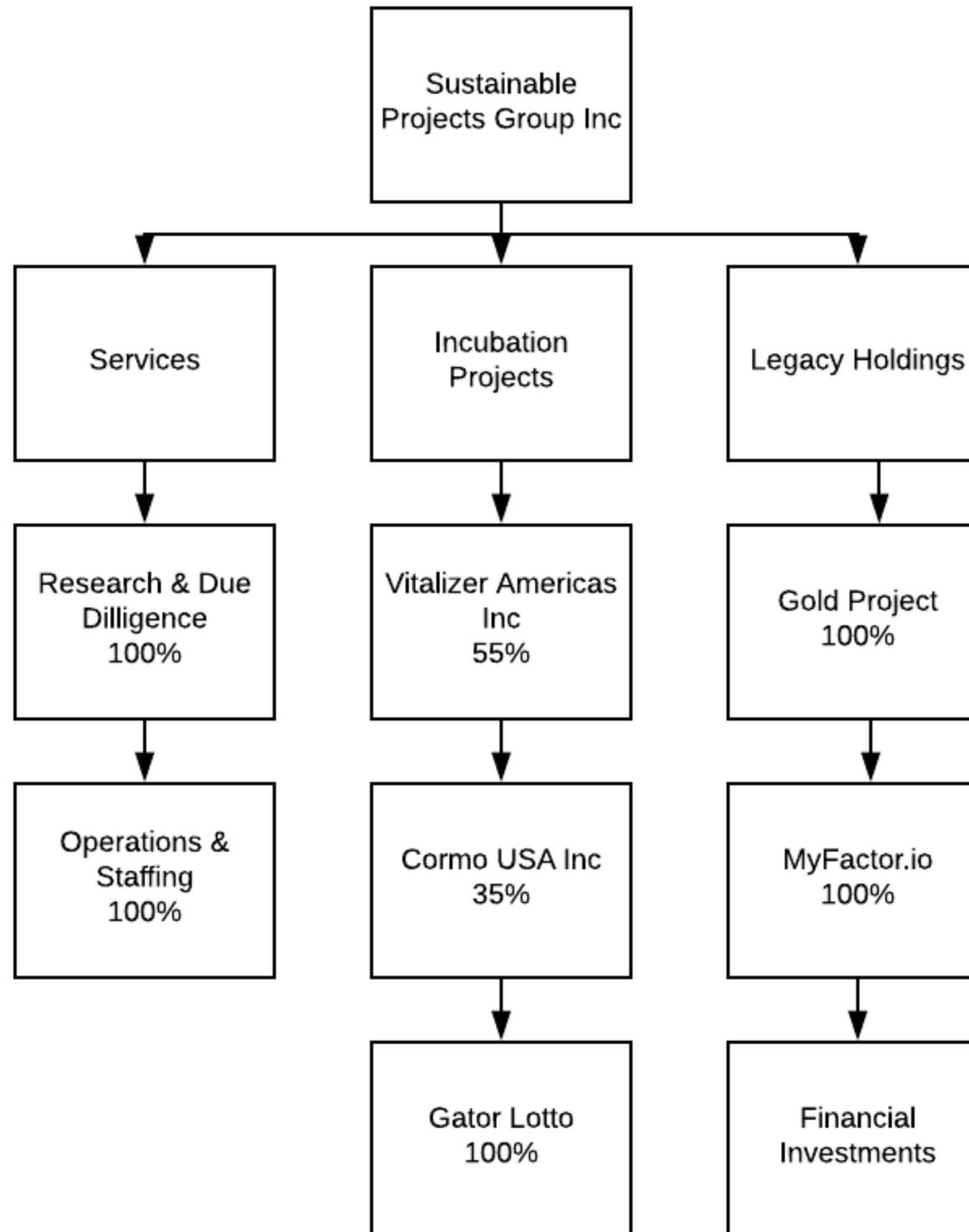
Additional fundraising will be required to complete the proposed test drill program at the site (USD1.2m)

## VALUATION

We anticipate a value increase from the current book value of USD3.5m to USD5m post test-drill (risk adjusted).



# SPGX Holding & Asset Structure

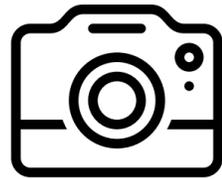




**Strong focus on  
manageable cost base,  
operational profit,  
and...**

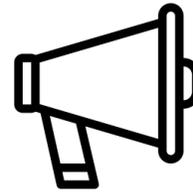
# SHARE PRICE & VOLUME

SPGX as a publicly-listed company is currently experiencing low trading volumes and low free float. Management is aware of this issue and is actively working to create additional free float as well as trading volume for increased attractiveness of the shares.



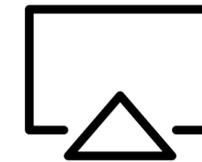
## UPLISTING

The Company is currently preparing to seek an “uplisting” from the OTC QB exchange. This higher exchange has more stringent reporting and operational requirements for increased corporate transparency and structure.



## INVESTOR RELATIONS

As operational setup was completed by end of July 2018, management will perform increased investor relations activities to clearly communicate the vision and progress of the Company, as well as to increase the trading volume.



## FREE FLOAT

As management gains more visibility on development projects and capital requirements, the Company will selectively seek to increase capital with the aim to stay as non-dilutive to existing shareholders as possible.

# NEXT SIGNIFICANT MILESTONES

During the formation phase of the company, significant upside to the company's expansion through portfolio projects, as well as partnerships currently in the formation stage is anticipated.

## OPERATIONS EXPANSION

SPGX will execute the market introduction of the first retail product and initiate team expansion for the sales team.

Management will continue expanding relationships with public and private partners to ensure market growth opportunities for incubator businesses.

Jan.  
2019

H1  
2019

March  
2019

H2  
2019

## MORE PRECISE GROWTH GUIDANCE

While operational planning anticipates near term profitability, the early stage of incubator projects allows only a very conservative estimate on growth prospects at this time. A more precise guidance will be issued in March 2019.

## INVESTOR RELATIONS & VOLUME

Management recognizes the need to increase trading volume and free float to make SPGX a more attractive investment. Current projects to increase these factors include a security exchange uplisting, increased investor relations activities, as well as selectively increasing capital while keeping a savvy eye on being as non-dilutive as possible to existing shareholders.

## ECONOMIES OF SCALE

With the roll out of additional "low hanging fruit" incubator projects in the brand & retail market, management anticipates increased economies of scale (i.e. profitability) by placing additional products into retail channels through existing infrastructure.

# REVIEW OF 2018 TARGETS

- ✓ **Short business year (from June 1 to December 31) to align reporting year with key holdings.**
- ✓ **Cost base of USD50,000 per month starting in July 2018.**
- ✓ **Initiation of three (3) new incubator projects & development of legacy projects.**
- ✓ **Breakeven during short business year 2018. Revenues above USD750,000 with an operating profit margin above 20% in 2019.**

**ALL TARGETS ACHIEVED!**

# **BUSINESS OUTLOOK FY2019e**

- ✓ **Roll out of US market introduction for Cormo USA Inc and Vitalizer Americas Inc.**
- ✓ **First dividend payout received from Vitalizer Americas Inc by Q3 2019e.**
- ✓ **Restructuring, expansion or disposal of Legacy Projects (Gold Mine, myFactor, financial holdings)**
- ✓ **Revenues above USD1.2m with an operating profit margin above 20% in 2019e.**

# CONTACT US

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