

## IMPORTANT TAX NOTICE

March 31, 2023

Attention: U.S. Shareholders of ESM ACQUISITION CORPORATION

Re: 2022 PFIC Status

This statement is provided for shareholders of ESM ACQUISITION CORPORATION (the "Company") who are United States persons for purposes of the U.S. Internal Revenue Code. It is not relevant to other shareholders.

The Company has met the Internal Revenue Code definition of a passive foreign investment company (a "PFIC") for the taxable year ending on December 31, 2022. Accordingly, the Company is hereby making available for its taxable year beginning on January 1, 2022 and ending on December 31, 2022 a PFIC Annual Information Statement within the meaning of Treasury Regulation Section 1.1295-1(g)(1).

The PFIC Annual Information Statement contains information to enable you, should you choose, to elect to treat the Company as a qualified electing fund (a "QEF").

In general, a U.S. shareholder who makes an election to treat the Company as a QEF (a "QEF Election") is required annually to include in his or her income his or her pro rata share of the annual earnings and profits of the Company. The QEF Election is made by completing Form 8621 in the manner required to make a QEF Election and attaching the Form 8621 to your federal income tax return filed by the due date of the return, including extensions.

U.S. shareholders are advised to consult with their tax advisors with respect to the 2022 PFIC Annual Information Statement and the process of making a QEF Election.

Further information on PFIC rules is available on the internet at the Internal Revenue Service website, including the following pages:

- General information about PFICs and the QEF election: <https://www.irs.gov/instructions/i8621>
- Instructions to complete Form 8621: <https://www.irs.gov/pub/irs-pdf/i8621.pdf>
- Form 8621: <https://www.irs.gov/pub/irs-pdf/f8621.pdf>

THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST SHAREHOLDERS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF THEIR OWNERSHIP OF COMPANY SHARES THAT ARISE IN THEIR OWN PARTICULAR SITUATIONS UNDER UNITED STATES FEDERAL, STATE, LOCAL OR FOREIGN LAW.

**ESM ACQUISITION CORPORATION**  
**PFIC Annual Information Statement**

**Entity Name: ESM Acquisition Corporation**

ESM Acquisition Corporation (the "Company") will be considered a "passive foreign investment company" ("PFIC") for U.S. federal income tax purposes. The following information is provided to allow a shareholder of the Company (a "Shareholder") to make an election under Section 1295 of the Internal Revenue Code to treat the Company as a Qualified Electing Fund ("QEF Election") for U.S. federal income tax purposes. A QEF Election is optional and can only be made by a Shareholder. The Company is unable to make this election on behalf of a Shareholder. Please note that a QEF election may not be recognized for state income tax purposes. The PFIC rules are complex. Please consult with your personal tax advisor to determine whether or not it is advisable for you to make a QEF Election with respect to your investment in the Company.

- (1) This PFIC Annual Information Statement applies to the tax period of the Company beginning on January 1, 2022 and ending on December 31, 2022.
- (2) The Shareholder's per-unit, per-day information for the Company's taxable period specified in paragraph (1), calculated in respect of each calendar day in the period beginning on January 1, 2022 and ending on December 31, 2022 (inclusive), is provided in the below chart. **We recommend that all U.S. taxpayers consult a tax advisor concerning the overall tax consequences of their ownership in the Company and their U.S. tax reporting requirements.**

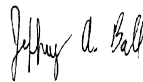
<b>Fund Name (and name of any underlying funds if applicable)</b>	<b>Ticker</b>	<b>Ordinary Earnings (US\$)</b>	<b>Net Capital Gains (US\$)</b>
ESM Acquisition Corporation	ESM	\$0.00021432207925069	None

- (3) The amount of cash and fair market value of other property distributed or deemed distributed by the Company to the Shareholder during the Company's taxable period specified in paragraph (1) is as follows:

Cash: None  
Fair Market Value of Property: None

- (4) The Company will permit the Shareholder to inspect and copy the Company's permanent books of account, records, and such other documents as may be maintained by the Company to establish that the Company's ordinary earnings and net capital gain are computed in accordance with U.S. income tax principles, and to verify these amounts and the Shareholder's pro rata share thereof.

ESM Acquisition Corporation



By: Jeffrey A. Ball  
Title: Chief Financial Officer

Date: March 31, 2023

**Additional Information**

The following additional information is supplied to enable the Shareholder to complete IRS Form 8621: (Please note: a Shareholder may have additional filing disclosures including, but not limited to, Forms 926, 5472, and/or 8938 as a result of the Shareholder's investment in the Company. Please consult your tax advisor.)

Address of the PFIC: 2229 San Felipe Street, Suite 1300  
Houston, TX 77019  
Taxpayer Identification Number: 98-1576763  
Country of Incorporation: Cayman Islands  
Date of incorporation: 1/13/2021