



# Pareto Securities' 25th annual Power & Renewable Energy Conference

**New Life to  
Plastic Waste**

February 28th. 2023

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## **Risk factors related to the Group's business and the industry in which the Group operates**

- Risks related to the construction of the plants. While the Group has secured fixed engineering, procurement and construction contracts for the plants, there are numerous risks related to the construction of the plants
- Risks related to the technology and the products. There is a risk that the Group's technology will not perform optimally at scale once the plants are constructed
- Risks related to the lease agreement for the plant in Esbjerg
- Risks related to the implementation of the plants, which may not be successfully executed
- Risks related to future profits. The Group is in an early commercialization phase, and there can be no assurance that the Group will make profit in the future.
- Risks related to general economic and political conditions
- Risks related to third-party suppliers of key production components
- Risks related to the future supply contracts
- Risks related to the offtake contract with the Vitol group
- Risks related to the supply of feedstock which is currently based on letters of intent and/or small scale/short term orders
- Risks related to intellectual property rights, including the risk of the Group's infringing upon third party intellectual property rights and the risk of the Group's intellectual property rights being infringed upon by others
- Risks related to dependency on key personnel
- The Company is a newly formed entity and has limited operating history
- The production of the products is subject to inherent operational hazards and risks
- The Group may not be able to successfully anticipate, manage or adopt technological changes
- The market in which the Group operates is competitive, and the Group might not be able to compete effectively
- Risks related to Covid-19 and to the outbreak of other epidemics

# SUMMARY OF RISK FACTORS (2/2)



## ***Risks related to law, regulation and potential litigation***

- Risks related to environmental laws and regulations
- Risks related to changes to governmental subsidy regimes
- Risks related to legal disputes and legal proceedings

## ***Risks related to the Group's financial situation***

- Risks related to financing as the Group is dependent on current financing arrangements
- The insurance policies may not cover all potential losses and liabilities

## ***Risks factors relating the Shares and the Admission***

- An active trading market for the Shares may not develop
- Risk of dilution for the shareholders
- Shareholders may risk not receiving dividends in the near future
- The Company will incur increased costs as a result of being listed on Euronext Growth Oslo
- The price of the Shares may fluctuate significantly
- Risks related to the VPS registration of the Shares
- The transfer of the Shares is subject to restrictions under the securities laws of the United States and other jurisdictions
- Shareholders may not be able to exercise their voting rights for Shares registered on a nominee account

# New Life to Plastic Waste



Every year almost  
**26 m tonnes**  
of plastic waste are  
generated in  
Europe



In Europe  
**87 %**  
of the population is  
worried about the effect  
of plastic pollution on  
the environment

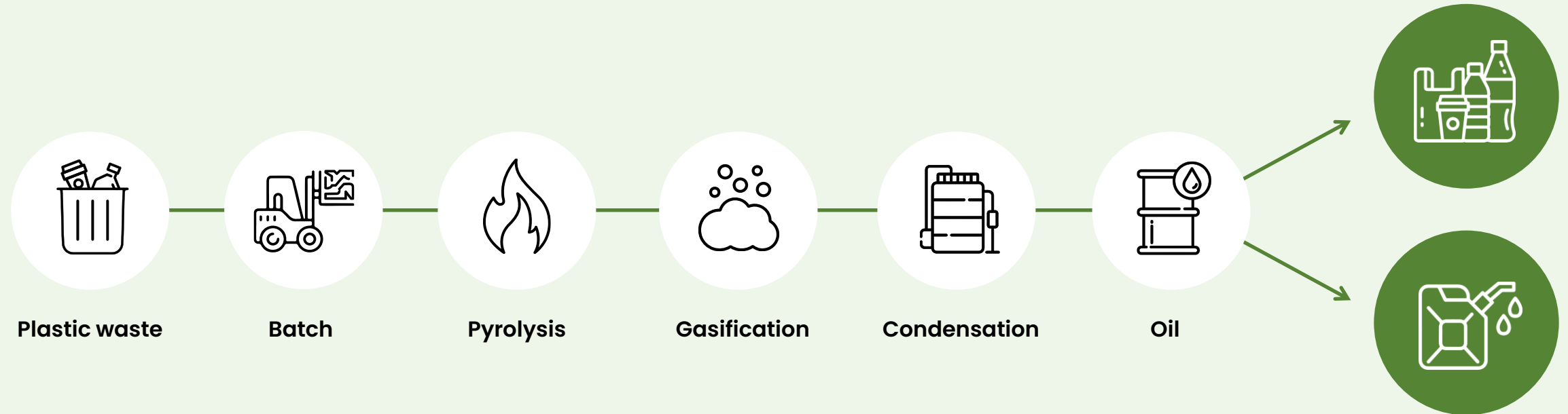


The EU wants to  
**accelerate**  
the transition to a circular  
and resource-efficient  
plastics economy

WPU can play  
a vital part in  
**solving the  
challenge**  
– while being a sound  
investment

# Our Batch Technology

...is what separates us from our competitors.





# Why Batch Technology ?



**Because plastic waste is not homogeneous..**



# WPU Batch Technology



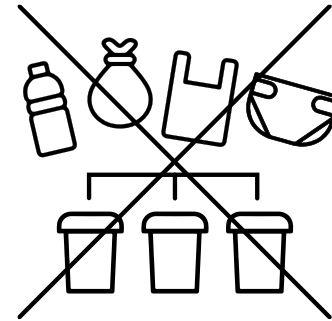
# The Advantages



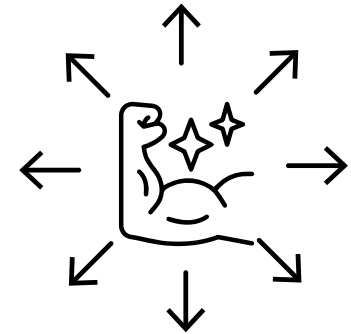
**Extremely tolerant to various types and grades of plastic waste**



**Indiscriminate intake of polluted plastic waste**



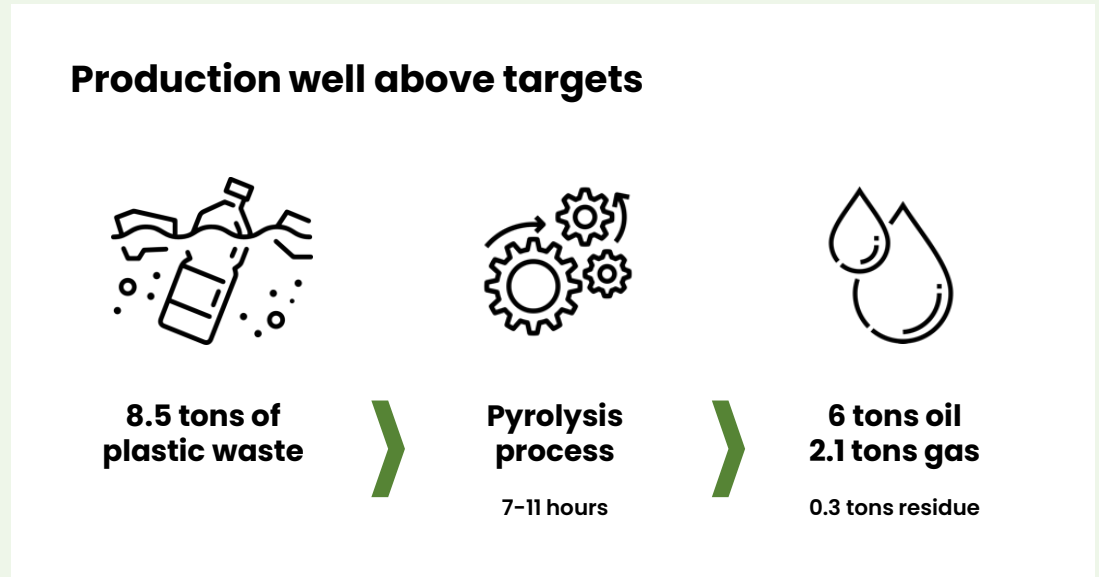
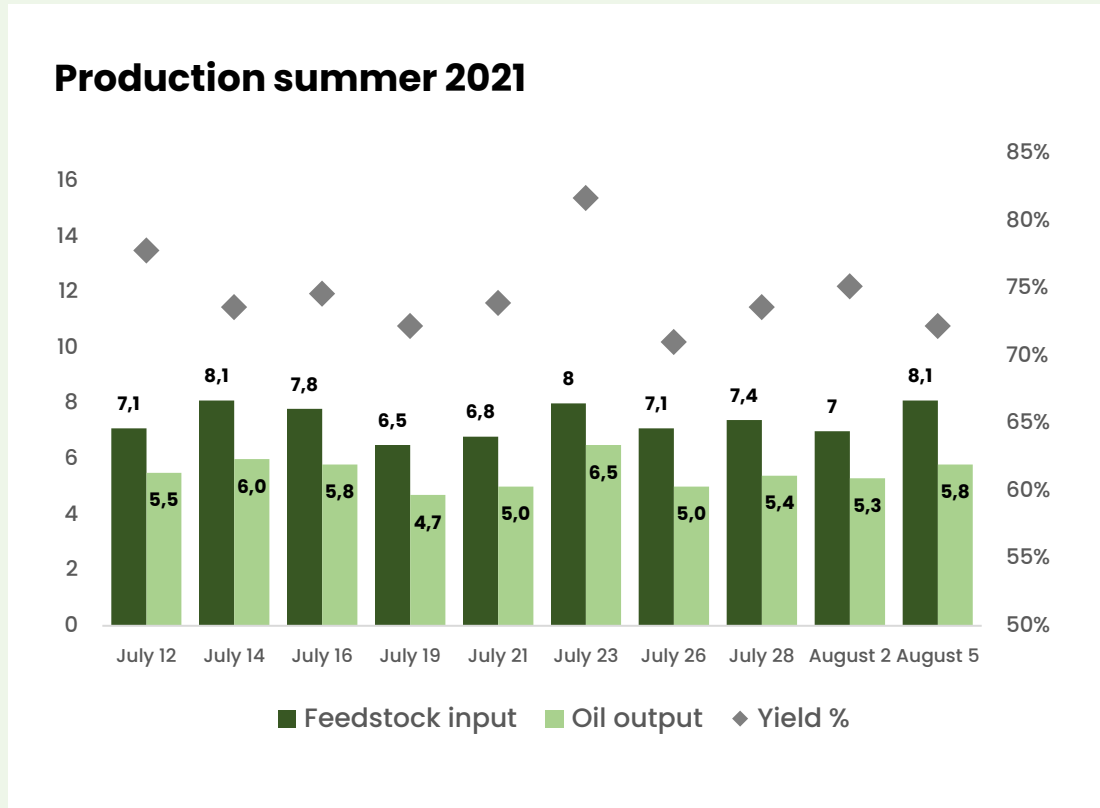
**No sorting of plastic waste before processing needed**




**Robust and flexible w/o risk of total breakdown of production**

# Proof of Concept

Test facility in Egebjerg produced high-quality oil over a prolonged period of time



**ISCC+ Certified**



Note! The production ran on a mix of heterogenous types of plastics from different suppliers.



# Output



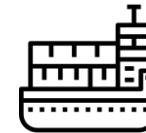
**70%**



**Full range Naphtha**



**Lighter fraction for  
plastics production**



**Heavier fraction for  
transport sector**



**30%**



**Can be distilled to kerosene/ jet fuel**



# Partners

**RePlastic Project:**



**Innovation Fund Denmark**

**Technology**



**Industrial / commercial**

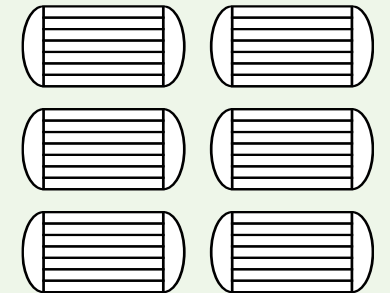
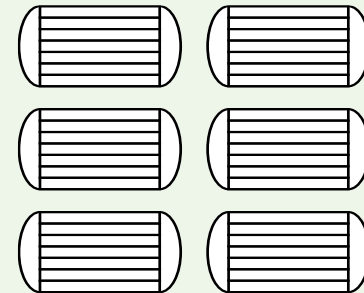
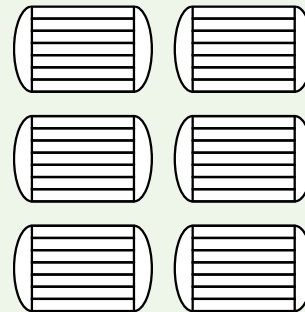
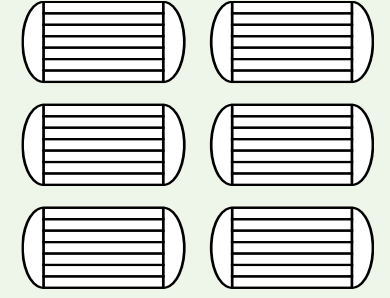
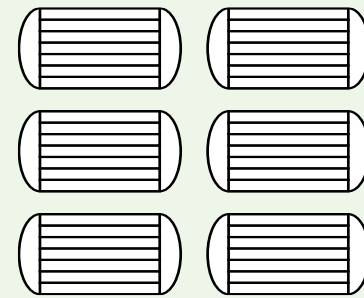
**Nykredit**



**Financial**

# Modular Approach - 3 facilities in Denmark

Each reactor will be an improved copy of the original running production in Egebjerg.



**Fårevejle**  
(6 reactors)

**Nakskov**  
(12 reactors)

**Esbjerg**  
(12 reactors)



# Faarevejle facility







**6 production lines  
in first facility  
in Denmark**





# Less than 12 months from groundbreaking to installed reactors

Q2 2022



## Groundbreaking

WPU is successfully admitted to trading on Euronext Growth Oslo

Q3 2022



## Construction

Construction is progressing at full speed, with construction of exteriors near complete

Q4 2022



## Reactor lines

First pyrolysis reactors are delivered to the facility

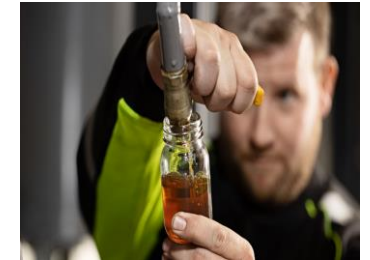
Q1 2023



## Completion

WPU aims to complete the construction and begin ramp-up of production by end Q1

Q2 2023



## Production

The facility will be upcycling plastic waste from Q2-2023



# Circular Process

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Production is energy self-sufficient

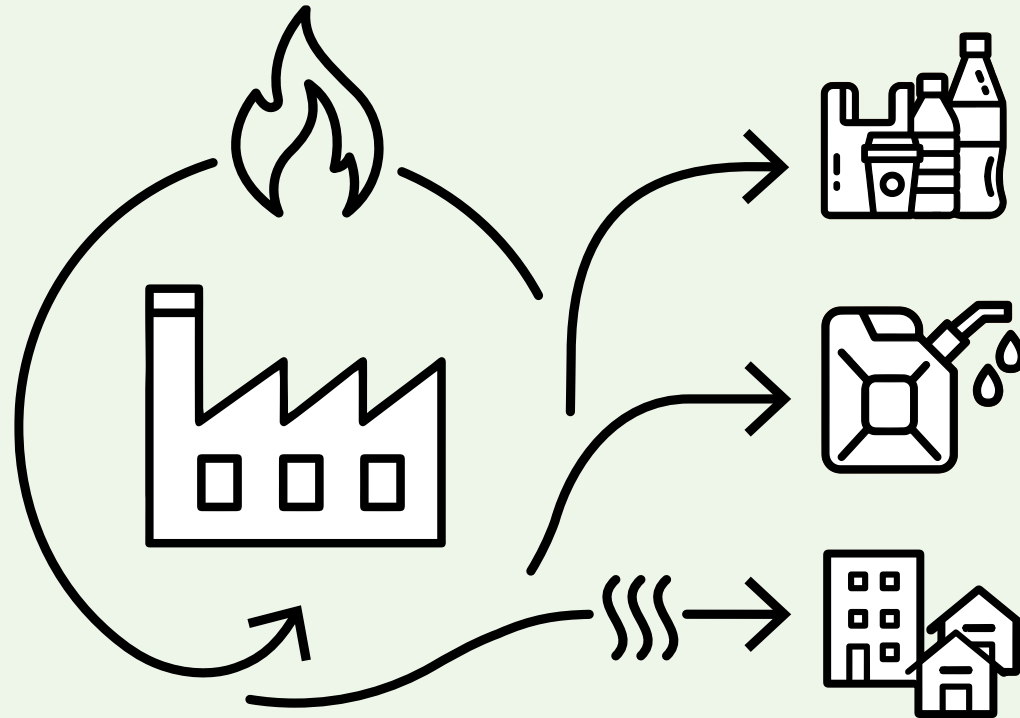
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Protection from volatile prices on energy market

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Security of supply

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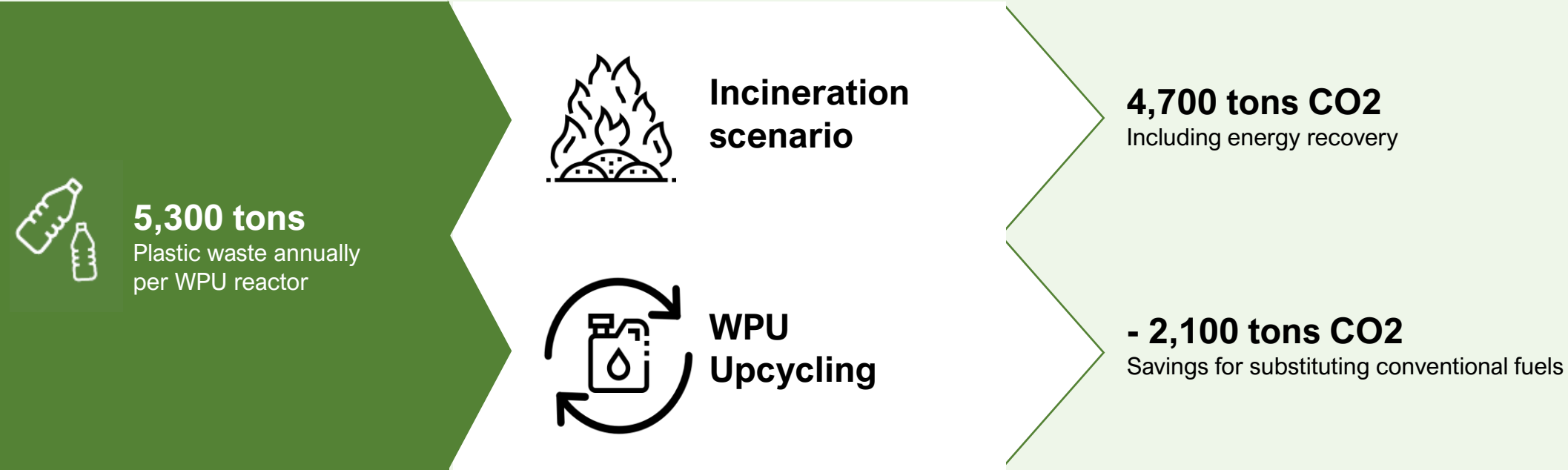
**Renewed Plastic**

**Oil**

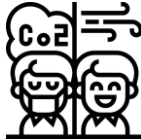
**District Heating**

Excess heating can be fed into existing district heating systems - possible revenue stream in the future


# Each WPU reactor can save ~6,800 tons CO2 annually



A WPU 12-reactor factory will annually displace 81,600 tons CO2 compared to incinerating the same amount of plastic waste. This corresponds to:

 CO2 emissions of 6,000 Danish citizens

or

 24,000 trips around the world in a car

# Esbjerg and Nakskov to commence construction in 2023/24

## Esbjerg

### Key facts

- **12 reactors** – with a plastic intake capacity of appx. 84,000 tons per year
- **Q3 2024** – estimated start of construction
- **25mEUR** – expected construction capex
  - The current plan is that Nykredit will finance appx 45% of this amount as debt financing, rest will be raised as equity.



## Nakskov

### Key facts

- **12 reactors** – with a plastic intake capacity of appx. 84,000 tons per year
- **Q4 2023** – estimated start of construction
- **25mEUR** – expected construction capex
  - The current plan is that Nykredit will finance appx 45% of this amount as debt financing, rest will be raised as equity.

# Highly attractive economic model...

## Feedstock suppliers

WPU calculates only a minor gate fee for a small part of the secured "end-of-life" feedstock



## Offtake

Vitol will buy all products from WPU's first five facilities for 3 - 5 years



# Stipulated Economics

| Item                                      | Unit   | Holding          | Faarevejle  | Nakskov     |             | Esbjerg | Total       |
|---|--------|------------------|-------------|-------------|-------------|---------|-------------|
|   |        | Full volume year |             |             |             |         |             |
| Revenue                                   | (mEUR) |                  | 17,8        | 35,5        | 35,5        |         | 88,8        |
| Operating & maintenance cost              | -      | -0,9             | -3,0        | -5,5        | -5,6        |         | -14,0       |
| <b>EBITDA</b>                             | -      | <b>-0,9</b>      | <b>14,8</b> | <b>30,1</b> | <b>29,9</b> |         | <b>74,8</b> |
| Depreciations                             | -      |                  | -1,1        | -1,4        | -1,4        |         | -3,9        |
| <b>EBIT</b>                               |        | <b>-0,9</b>      | <b>13,7</b> | <b>28,7</b> | <b>28,5</b> |         | <b>70,9</b> |
| CAPEX                                     | mEUR   |                  | 14          | 25          | 25          |         | 64          |
| CAPACITY, ton of plastic / year - approx. |        |                  | 42.000      | 84.000      | 84.000      |         | 210.000     |

All revenue numbers are in the range +/- 1 mEUR



# The Next Steps

**Q2 – 2023**

The facility will be  
upcycling plastic waste

Indication that  
interested party is ready  
with approx.

**EUR 20m**

Talks ongoing in  
**several countries**  
– in Europe and around  
the World

Target  
**EUR 50m**  
fundraise by  
Q2 / Q3 2023

Raised capital will  
fund construction of  
**two more facilities**  
in Denmark

# Competitor Advantages

- **Batch Technology**
- **Robust**
- **Flexible system with 6/12 lines per facility**
- **Not sensitive to special sorting of plastic**
- **Ultra low CAPEX**
- **VERY high Capacity**



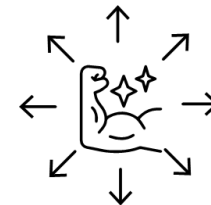
Extremely tolerant to various types and grades of plastic waste



Indiscriminate intake of polluted plastic waste



No sorting of plastic waste before processing needed



Robust and flexible w/o risk of total breakdown of production

# “Most Innovative Plastic Waste Conversion Firm 2022-2023”



# Questions or Inquiries?



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**WPU**

**New Life  
to Plastic Waste**