

## Presentation of 2022 results

WPU - Waste Plastic Upcycling A/S ("Waste Plastic Upcycling" or "WPU" or the "Group" or the "Company") is pleased to provide a general update for the year ending December 31, 2022.

### ❖ Construction overview - Faarevejle Facility

- All required permits for production start has been granted,
- The first test of the production has been successfully completed as described in the press release from April 13, 2023,
- The Facility is based on six reactor line with the initial capacity to upcycle a total of approx. 42,000 tons (92,000,000 US pounds) of plastic waste per year,
- CAPEX for the construction of the facility is still expected to end on approx. EURm 14 (EUR 333 pr. metric ton capacity)
- The upcycling process is materially energy self-sufficient as reactor gas (syngas) from production is utilized to heat the reactors,
- Once fully operational the Faarevejle facility will generate a yearly EBITDA of EURm 15,
- The facility is expected to be cash positive from Q3 and fully operational by Q4-2023.

### ❖ Operations overview

- WPU has entered into an adjusted and improved offtake agreement with Vitol, The adjusted agreement secures the sale of the full production of pyrolysis oil for two additional facilities (5 facilities in total) for an initial period of 3 years from commencement of each the facilities.

### ❖ Financial Overview

- Loss after taxes for 2022 equaled TDKK 21,042 and is in-line with expectations,
- The loss is significantly influenced by a noncash impairment of equipment in the Egebjerg facility with - 9,145 TDKK, and financial costs in connection with capital raises,
- Investments and cashflow are in line with the budget,
- The Company successfully secured additional loan financing of TDKKm 47,000 after the balance date,
- Company equity has since the 2021 annual accounts improved by TDKK 50,487 by means of conversion of debt and cash contribution,
- WPU still experience high interest from potential investors interested in subscribing for new shares,
- Structured process for securing financing for the next facilities (Nakskov and Esbjerg) is still undergoing as is expected to be closed soon.

- ❖ Organizational overview
  - The group organization has been strengthened since last announcement with a Global Safety Manager who is responsible for all safety and safety compliance throughout all facilities, and a co-CEO who is responsible for preparing the international roll-out,
  - The Faarevejle organization is preparing for full production by hiring the necessary new process operators.
  
- ❖ Health, Safety & Environment Overview
  - Aiming for no recordable incidents. WPU has a goal of not harming people, the environment, as well as assets. HSE is a priority throughout all WPU operations. During 2022, no Lost Time Injuries (LTI) were reported, neither any accidental releases to the environment,
  - The company continues to be dedicated to ensuring a safe diversified working environment and high HSE performance.
  
- ❖ Market Overview
  - WPU continues to receive enquires for sourcing, licensing or participating in joint ventures based on the WPU process technology. WPU is still carefully considering each of these contacts with a view to facilitate a fast track global rollout of the technology,

The accounting policies used in preparation of the Statements are consistent with those used for preparation of the Group's annual financial statements for 2021.

CONSOLIDATED FINANCIAL STATEMENTS as per 31 December 2022

<b>Profit &amp; Loss (TDKK)</b>	<b>2022</b>	<b>2021</b>
Operating revenue	0	0
Other operating expenses	-6,744	-3,637
<b>Gross profit</b>	<b>-6,744</b>	<b>-3,637</b>
Staff costs	-1,684	-3,919
Depreciation and impairment of equipment	-9,145	0
<b>Profit before interest</b>	<b>-17,573</b>	<b>-7,556</b>
Other financial income	22	0
Other financial expenses	-7,839	-929
<b>Pre-tax net profit or loss</b>	<b>-25,392</b>	<b>-8,543</b>
Tax on net profit or loss for the period	4,350	1,688
<b>Net profit or loss for the period</b>	<b>-21,042</b>	<b>6,855</b>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

Non-current assets

Land and buildings	40,134	3,931
Plant and machinery	500	9,546
Other fixtures, tools and Equipment	346	0
Assets under construction: Property, plant and machinery	52,009	0
Deposits	420	108
<b>Total Non-current assets</b>	<b>93,409</b>	<b>13,585</b>

Current assets

Raw materials	115	0
<b>Total inventories</b>	<b>115</b>	<b>0</b>

Trade receivables	5	275
Deferred tax assets	6,037	1,697
Other receivables	5,677	2,120
Prepayments	648	56
<b>Total receivables</b>	<b>12,367</b>	<b>4,148</b>
Cash and cash equivalents	990	47

<b>Total current assets</b>	<b>13,472</b>	<b>4,195</b>
<b>TOTAL ASSETS</b>	<b>106,881</b>	<b>17,780</b>

EQUITY AND LIABILITIES

Equity

Contributed capital	492	417
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Share premium	76,904	4,983
Retained earnings	-29,020	-7,510
<b>Total equity</b>	<b>48,376</b>	<b>-2,110</b>
<b>Long term liabilities other than provisions</b>		
Mortgage debt	13,094	0
Bank loans	9,384	0
<b>Total long term liabilities other than provisions</b>	<b>22,478</b>	<b>0</b>
<b>Short term liabilities other than provisions</b>		
Current portion of long term liabilities	6,601	0
Bank loans	8,757	3,308
Trade payables	17,507	7,783
Other payables	3,162	5,799
<b>Total Short term liabilities other than provisions</b>	<b>36,027</b>	<b>19,890</b>
<b>Total liabilities other than provisions</b>	<b>58,505</b>	<b>19,890</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>106,881</b>	<b>17,780</b>

#### CONSOLIDATED STATEMENT OF CASH FLOWS

<b>Profit (loss) for the period, before tax</b>	<b>-21,042</b>
Adjustments	12,613
Change in working capital	2,634
<b>Cash flow from operating activities before net financials</b>	<b>-5,795</b>
Financial income	22
Financial expenses	-7,823
<b>Cash flow from ordinary activities</b>	<b>-13,596</b>
Purchase of property, plant and equipment	-88,657
Changes in deposits	-312
<b>Cash flow from investment activities</b>	<b>-88,969</b>
Repayment of long term payables	26,080
Cash from capital increase	71,996
<b>Cash flow from financing activities</b>	<b>98,076</b>
<b>Net change in cash and cash equivalents</b>	<b>-4,489</b>
Cash equivalents 1 January 2022	-3,262
Foreign currency translation adj.	-16
<b>Cash equivalents 31 December 2022</b>	<b>-7,767</b>
<b>Cash and cash equivalents</b>	
Cash and cash equivalents	990
Short term bank loans	-8,757
<b>Cash and cash equivalents 31 December 2022</b>	<b>-7,767</b>

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