



Waste Plastic Upcycling A/S

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Presentation of H1 – 2022 results

Waste Plastic Upcycling A/S ("Waste Plastic Upcycling" or "WPU" or the "Group" or the "Company")

Waste Plastic Upcycling (Euronext Growth Oslo: WPU) a Danish company focused on upcycling plastic waste using pyrolysis technology to upcycled plastic oil that may be used as full range naphtha or may be distilled to kerosene/jet fuel is pleased to provide an general update for the half year ending June 30, 2022.

- ❖ Construction overview - Fårevejle facility
 - All required construction permits granted,
 - The construction of the facility started during Q1 - 2022 and is on schedule with the facility expected being fully operational from Q1 2023,
 - Annual plastic intake capacity of the facility equals ~ 32,000 tons,
 - Process completely powered by pyrolysis gas captured during process as standard.
- ❖ Operations overview
 - WPU has entered offtake agreement with Vitol,
 - The agreement secures the sale of the full production of pyrolysis oil for all facilities for a initial period of 3 years from commencement of the facilities and is expected to generate an annual EBIT between TDKK 70,000 to TDKK 110,000 for the Fårevejle facility of as a standalone facility and around TDKK400,000 – TDKK 600,000 for all three facilities once fully operational (Q4 2024),
 - As previously announced WPU received in July 2022 confirmation that the Company still complies with the requirements of the certification system ISCC PLUS (International Sustainability and Carbon Certification),
- ❖ Financial Overview
 - Loss for 1H 2022 was TDKK 5,341 and is essentially in line with the budget,
 - Investments and cashflow are in line with the budget,
 - The Company successfully secured equity financing of TDKK 51,000,
 - The Company successfully secured loan financing of TDKK 47,000, whereof TDKK 9,750 subsequently has been converted to share equity,
 - Company Shares admitted for Trading at Euronext Growth Oslo on April 22, 2022
 - Cash liquidity available June 30: TDKK 43,000,
 - Company equity is improved with more TDKK 17,700 after the balance date by means of conversion of debt and cash contribution,

- WPU has been contacted by several potential investors interested in subscribing for new shares,
 - Structured process for securing financing for the next facilities (Nakskov and Esbjerg) has been initiated.
- ❖ Organizational overview
- Recruitment of Lars Rasmussen as Chief Technical Manager of WPU.
- ❖ 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 H1 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 has received several enquires for sourcing, licensing or participating in joint ventures based on the WPU process technology. WPU is carefully considering each of these contacts with a view to facilitate a fast track global rollout of the technology,
 - On June 22, 2022 European Parliament (EP) has approved to include municipal incinerators in the scope of the EU Emissions Trading Scheme (ETS) as of 2026. This decision entails pricing fossil CO2 emissions from municipal waste incinerators. The inclusion will ensure that recyclables are pulled out of the waste stream intended for incineration and recycled in line with the EU waste hierarchy thus expanding the available amount of feedstock for WPU.

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

Profit & Loss	TDKK
Operating revenue	0
Other operating expenses	-2.992
Gross profit	-2.992
Staff costs	-1.198
Profit before interest	-4.190
Other financial expenses	-1.152
Pre-tax net profit or loss	-5.341
Net profit or loss for the period	-5.341

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS

Non-current assets

Assets under construction:

Property, plant and machinery	47.892
<u>Total Non-current assets</u>	<u>47.892</u>

Current assets

Receivables

Deferred tax assets	1.689
Other receivables	6.764
Prepayments	7
Total receivables	8.460
Cash and cash equivalents	6.844
	6.844

Total current assets	15.304
TOTAL ASSETS	63.196

EQUITY AND LIABILITIES

Equity

Contributed capital	474
Share premium	59.172
Retained earnings	-17.853
Total equity	41.793

Short term liabilities

Other loans	13.000
Bank loan	1.006
Trade payables	6.737
Other payables	660
	21.403
Total liabilities other than provisions	21.403

TOTAL EQUITY AND LIABILITIES	63.196
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CONSOLIDATED STATEMENT OF CASH FLOWS

Profit (loss) for the period, before tax	-5.341
Increase/(decrease) in accounts receivable	-4.212
Increase/(decrease) in accounts payables	-1.047
Increase/(decrease) in other payable	-5.130
Cashflow from operating activities	-15.730
Purchase of property, plant and equipment	-34.415
Cashflow from investment activities	-34.415
Proceeds from issue of shares	54.246
Transaction costs equity	-5.001
Proceeds from loans	10.000
Cashflow from financing activities	59.245
Net change in cash and cash equivalents	9.100
Cash equivalents at beginning of period	-3.262
Cash equivalents at end of period Group	5.838

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