

Pryme - Trading Update

Rotterdam, October 20th, 2025

Pryme (the “Company”) has not yet resumed operations at its pilot plant, Pryme One, since the August 25th, 2025, shutdown caused by a leak in a reactor seal. The necessary repairs have required significant lead times for both component deliveries and execution. The discovery and repairs of additional issues that ultimately led to the failure of the seals have further delayed the repair work. Currently, Pryme expects production at Pryme One to resume in the second half of October 2025.

Pryme provides the following trading update with information regarding the Pryme One production status, further perspective on the expected production capacities, status of renegotiating Pryme’s supply contract(s), Pryme’s liquidity status and need for funding, and updates on selected other items.

Pryme One Production Status

In Q4, 2024, Pryme issued multiple trading updates where the most significant information was the reduction in the expected annual capacity of Pryme One from around 30,000 to around 17,000 tons of pyrolysis oil. Such an estimation of the Pryme One production capacity was based on observations at that time based on the 2024 production runs. Expected plant availability, feeding time of the reactor, reaction rates, feedstock to oil yields and other variables were taken into consideration when estimating the overall Pryme One production capacity. Many of these assumptions were based on data acquired at low feed rates. Consequently, Pryme developed a testing plan to improve the accuracy of and verify the capacity estimates. Unfortunately, the execution of the testing plan to verify the assumptions for the expected annual production capacity of Pryme One of 17,000 tons of pyrolysis oil has been significantly delayed due to process and mechanical problems related to the reactor.

Despite the slow progress of the testing program, Pryme has collected valuable additional production data and has also improved some of the operating parameters of Pryme One. During the production runs in July 2025, the achieved feeding time of the reactor and feedstock to oil yield performance were all more favorable than assumed for the 17,000 annual capacity estimates.

Unfortunately, one of the most significant operating parameters, the reaction rate in the reactor, was significantly below the assumed performance level. This is due to a scaling buildup in the reactor that leads to a lower heat exchange rate which again reduces the conversion rate of the reactor. Pryme is working on solutions to resolve this problem through both mechanical- and process-oriented solutions. The scaling problem has a strong influence on the overall estimated capacity of Pryme One that unless resolved will lead to a capacity reduction of around 50% compared to the earlier estimates to around 7,500 tons of pyrolysis oil annually. The testing program is focusing on resolving the scaling issue and is expected to deliver results within the next three months.

For Pryme’s future plants, the scaling problem is not expected to have a strong impact as the overall reaction rate can be improved by adding additional reactors or using different reactors. For Pryme One, this is more difficult due to lead times and space constraints in the current installation.

In addition to the reactor process problems, mainly the scaling problem, Pryme has faced significant mechanical problems with the reactor which has led to the plant availability being below the assumed values. This is caused by problems with seal assemblies, bearings and bushings, the char dump valve and the failure of individual heating elements. In combination, these issues have caused the installation to be non-operational for 89% of the time over the last three months. Pryme is working on solutions to these mainly mechanical issues which are very time-consuming and further aggravated by a reactor design that does not facilitate serviceability.

The testing program of Pryme One is expected to continue until the end of Q1 2026, at which time the production is expected to become more stable at higher levels than achieved to date. The testing program focuses more on improving the processes and solving the mechanical problems rather than maximizing production output as Pryme’s main priority is to develop a technology which can successfully be applied to its future plants. Thus, the expected production levels for Q4 2025 and Q1 2026 are estimated to be 600-1,000 tons of pyrolysis oil for each of those quarters. As a reference, the Q3 2025 pyrolysis production amounted to 468 tons of pyrolysis oil.

Please note that the above production ambitions and further financial implications of the performance of the Company are not intended as a guidance to Pryme’s future performance but rather is intended to inform the market of Pryme’s operational ambitions and plans for Q4 2025 and Q1 2026.

Pryme Two Status

As noted in the Pryme One Production Status section, the expected production capacity of Pryme Two is not projected to be affected by the lower capacity observed to date in Pryme One due mainly to the low uptime and scaling problems with Pryme One's reactor. The reason for this is that if no other alternatives are found, additional reactor capacity may be added to compensate for this. If additional reactors need to be incorporated into Pryme Two, this would increase the overall capital expenditures.

The Company assumes that Pryme Two will have an overall annual production capacity in the range of 40,000-60,000 tons of pyrolysis oil. At that expected Pryme Two overall capacity, the Company does not expect the EBITDA estimates per ton of oil produced to change significantly compared to what was published in the Company's investor presentation on 30th January 2025.

Sales Contract Renegotiation

As mentioned in earlier trading updates, quarterly reports and investor presentations, Pryme has sought to renegotiate certain elements of its main sales contract. These negotiations have now been completed. The key elements that were renegotiated are pyrolysis oil pricing and specifications.

Liquidity Status & Need for Funding

At the end of Q3 2025, Pryme's cash balance amounted to around €4.7 million. The cash burn rate in Q3 was around €4.6 million. It is expected that the Q4 2025 and Q1 2026 cash burn rates will amount to €3.3 million and €4.3 million, respectively, before the cash flow is expected to improve somewhat in Q2 2026 due to higher levels of pyrolysis oil production as per the plan. Although the production volumes are expected to increase in Q4 2025 and Q1 2026, the Company does not expect this to have significant effects on cash flow.

For Pryme to be funded for the period until the end of Q1 2026, additional funding of around €5-6 million is required. Such funding would need to be completed before the end of November 2025.

The Company does not expect to be cash flow positive from Q2, 2026 onwards. However, Pryme does expect to have improved the performance of Pryme One and to have collected additional valuable production data by the end of Q1 2026. The Company believes this will make it feasible to seek additional funding for the period after Q1 2026 at that stage at terms expected to be favorable compared to those that can be obtained before November 2025.

These revised cash flow estimates represent a deterioration versus earlier estimates. This is mainly due to the slower increase in production volumes, primarily triggered by the delays due to the reactor problems described earlier. That leads to higher expected funding needs than previously estimated.

The Company is currently in the process of seeking additional funding as per the indicated amounts and timeline.

Other updates

As per the date of this trading update,

- The Company has a cash balance of €3.5 million.
- Q3, 2025 revenues amounted to €781 thousand through two separate invoices;
 - In early October 2025, 522 tons of pyrolysis oil were invoiced to an external customer for €754 thousand under the renegotiated sales contract conditions for a delivery made in September 2025.
 - In July 2025, 25 tons of pyrolysis oil at lower specification levels were delivered and invoiced for € 27 thousand to another customer.
- The combined net losses for July and August 2025 amounted to €2.2 million, and the Company expects the September 2025 losses to be around €1.3 resulting in an expected Q3, 2025 net loss of €3.5 million.
- The Q3, 2025 cash burn rate amounts to around € 4.6 million.

The Company is planning to publish its quarterly report for the third quarter of 2025 on November 6th, 2025.

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This announcement is considered by the Company to include inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to section 5-12 the Norwegian Securities Trading Act. This stock exchange announcement was published by René de Graaf, General Counsel of Pryme N.V., on October 20th, 2025, at 17:00 CET on behalf of the Company."