

WPU - Waste Plastic Upcycling A/S

Højgårdsvej 13A, Lammefjorden, 4540 Fårevejle

Company reg. no. 41 87 32 64

Annual report

1 January - 31 December 2024

The annual report was submitted and approved by the general meeting on the 30 June 2025.

Jeffrey van Geloof
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Executive Board have approved the annual report of WPU - Waste Plastic Upcycling A/S for the financial year 1 January - 31 December 2024.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 January – 31 December 2024.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Fårevejle, 30 June 2025

Executive board

Jeffrey van Geloof

Thomas Leif Åberg

Board of directors

Tom Henry Baker
Chairman

Eduard Ruijs

Jeffrey van Geloof

Independent auditor's report

To the Shareholders of WPU - Waste Plastic Upcycling A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of WPU - Waste Plastic Upcycling A/S for the financial year 1 January to 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group the Parent Company, as well as consolidated statement of cash flows. The consolidated financial statements and the parent company financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024, and of the results of the Group and the Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent company financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent company financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent company financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

Independent auditor's report

- Evaluate the overall presentation, structure and contents of the consolidated financial statements and the parent company financial statements, including the disclosures, and whether the consolidated financial statements and the parent company financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements and the parent company financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the consolidated financial statements and the parent company financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent company financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the consolidated financial statements and the parent company financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 30 June 2025

Deloitte

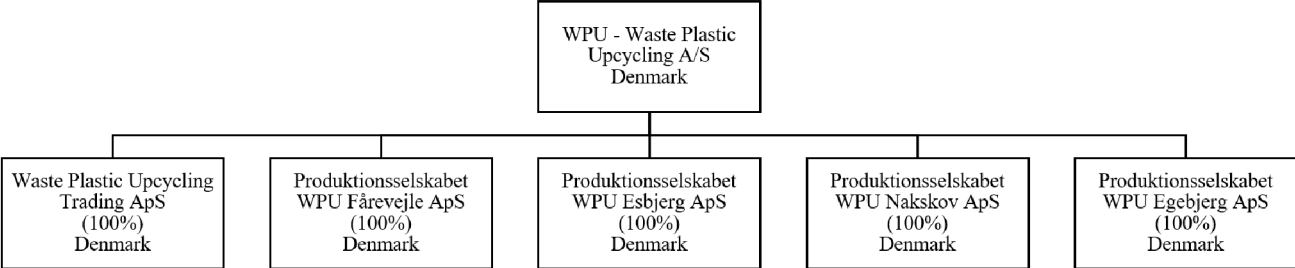
Statsautoriseret Revisionspartnerselskab
Company reg. no. 33 96 35 56

Henrik Wolff Mikkelsen
State Authorised Public Accountant
mne33747

Company information

The company	WPU - Waste Plastic Upcycling A/S Højgårdsvej 13A Lammefjorden 4540 Fårevejle
	Company reg. no. 41 87 32 64 Established: 19 November 2020 Domicile: Odsherred Financial year: 1 January - 31 December
Board of directors	Tom Henry Baker, Chairman Eduard Ruijs Jeffrey van Geloof
Executive board	Jeffrey van Geloof Thomas Leif Åberg
Auditors	Deloitte

Group overview



Management's review

Description of key activities of the company

The objective and the tasks of the corporate group is optimization of resources, waste collection and related services.

Uncertainties connected with recognition or measurement

There are no uncertainties as to recognition or measurement.

Development in activities and financial matters

The result from ordinary activities for 2024 totals DKK -71.314.348 against DKK -31.547.018 last year. The management consider the result to be according to expectations.

The financial year has in the beginning first half of the year been with the main purpose of finalizing the construction of the factory in Fårevejle and in the last half to optimize the production.

The group organization has increased from 19 to 33 employees.

In the December 2024 Vitol S.A. became a majority shareholder after having entered into a share purchase agreement with the founders of the company. With this purchase the company has secured its financial position and the financial strength to expand the business further.

Last year it was expected that the construction of the company's second plant would begin. This has however been postponed, and the placement of the next plant is presently uncertain.

The trend in the equity has not been turned in 2024 as expected and has negatively increased. The management are aware of this and are working on a plan to turn this around in 2025.

The management expect 2025 to end with a positive result for the group in the range of 4-5 m DKK.

Events occurring after the end of the financial year

After the end of the financial year Vitol S.A. has become the sole shareholder and the company has as a result of this been de-listed from EuroNext.

Income statement 1 January - 31 December

All amounts in DKK.

Note	Group		Parent	
	2024	2023	2024	2023
	-13.263.498	-9.320.316	-3.775.427	-3.051.120
Gross profit				
1 Staff costs	-22.392.767	-13.799.502	-7.498.626	-7.078.882
Depreciation, amortisation, and impairment	-11.325.761	-3.368.498	-436.502	-150.750
Other operating expenses	-2.995.224	0	0	0
Operating profit	-49.977.250	-26.488.316	-11.710.555	-10.280.752
Income from investments in group enterprises	0	0	-60.196.086	-27.010.363
Other financial income from group enterprises	0	0	6.345.312	6.685.127
2 Other financial income	118.920	265.989	1.955	18.192
3 Other financial expenses	-15.053.829	-9.345.549	-2.801.483	-2.214.544
Pre-tax net profit or loss	-64.912.159	-35.567.876	-68.360.857	-32.802.340
4 Tax on net profit or loss for the period	-6.402.189	4.020.858	-2.953.491	1.255.322
Net profit or loss for the period	-71.314.348	-31.547.018	-71.314.348	-31.547.018
Proposed distribution of net profit:				
Transferred to other reserves			-221.461	2.214.615
Allocated from retained earnings			-71.092.887	-33.761.633
Total allocations and transfers			-71.314.348	-31.547.018

Balance sheet at 31 December

All amounts in DKK.

Note	Group		Parent		
	2024	2023	2024	2023	
Assets					
Non-current assets					
5	Completed development projects, including patents and similar rights arising from development projects	2.555.325	0	2.555.325	0
6	Development projects in progress for intangible assets	0	2.839.250	0	2.839.250
	Total intangible assets	2.555.325	2.839.250	2.555.325	2.839.250
7	Land and buildings	38.073.582	40.426.586	0	0
8	Plant and machinery	89.220.274	87.079.475	0	0
9	Other fixtures, fittings, tools and equipment	86.343	238.920	86.343	238.920
10	Property, plant and equipment in progress and prepayments for property, plant and equipment	0	2.995.224	0	0
	Total property, plant, and equipment	127.380.199	130.740.205	86.343	238.920
11	Investments in group enterprises	0	0	357.661	1.382.588
12	Deposits	110.000	470.000	26.000	26.000
	Total investments	110.000	470.000	383.661	1.408.588
	Total non-current assets	130.045.524	134.049.455	3.025.329	4.486.758
Current assets					
	Trade receivables	299.086	820.540	0	0
	Receivables from group enterprises	1.679.819	0	0	43.914.229
13	Deferred tax assets	3.656.000	10.058.189	0	2.960.461
	Tax receivables from group enterprises	0	0	6.970	0
	Other receivables	1.850.207	4.226.775	218.958	20.000
	Prepayments	270.665	175.855	99.807	66.789
	Total receivables	7.755.777	15.281.359	325.735	46.961.479

Balance sheet at 31 December

All amounts in DKK.

<u>Note</u>	Group		Parent	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	<u>473.371</u>	<u>11.888.823</u>	<u>10.058</u>	<u>20.538</u>
Total current assets	<u>8.229.148</u>	<u>27.170.182</u>	<u>335.793</u>	<u>46.982.017</u>
Total assets	<u>138.274.672</u>	<u>161.219.637</u>	<u>3.361.122</u>	<u>51.468.775</u>

Balance sheet at 31 December

All amounts in DKK.

		Group		Parent	
		2024	2023	2024	2023
Equity and liabilities					
<u>Note</u>					
Equity					
14	Contributed capital	527.076	510.408	527.076	510.408
	Share premium	97.791.823	83.808.538	97.791.823	83.808.538
	Reserve for development costs	1.993.154	2.214.615	1.993.154	2.214.615
	Retained earnings	-132.751.583	-61.658.697	-132.751.584	-61.658.697
	Total equity	-32.439.530	24.874.864	-32.439.531	24.874.864
Provisions					
	Provisions for investments in group enterprises	0	0	15.604.993	3.205.189
	Total provisions	0	0	15.604.993	3.205.189
Liabilities other than provisions					
	Mortgage debt	10.111.732	11.434.118	0	0
	Bank loans	4.980.772	7.586.527	0	0
	Payables to group enterprises	131.840.511	0	0	0
	Other payables	1.176.908	0	1.176.908	0
	Payables to shareholders and management	0	50.250.000	0	250.000
15	Total long term liabilities other than provisions	148.109.923	69.270.645	1.176.908	250.000

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities

Note	Group		Parent	
	2024	2023	2024	2023
15				
Current portion of long term liabilities	3.964.442	8.103.020	0	0
Bank loans	8.438.491	19.561.536	8.438.491	19.561.536
Trade payables	7.147.480	6.124.162	1.325.973	1.352.991
Payables to group enterprises	0	0	7.560.569	913.160
Payables to shareholders and management	0	30.338.986	0	0
Other payables	3.053.866	2.946.424	1.693.719	1.311.035
Total short term liabilities other than provisions	<u>22.604.279</u>	<u>67.074.128</u>	<u>19.018.752</u>	<u>23.138.722</u>
Total liabilities other than provisions	<u>170.714.202</u>	<u>136.344.773</u>	<u>20.195.660</u>	<u>23.388.722</u>
Total equity and liabilities	<u>138.274.672</u>	<u>161.219.637</u>	<u>3.361.122</u>	<u>51.468.775</u>
16				
Charges and security				
17				
Contingencies				
18				
Related parties				

Consolidated statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January					
2023	492.412	75.781.135	0	-27.897.064	48.376.483
Cash capital					
increase	17.996	8.027.403	0	0	8.045.399
Net result for the					
year	0	0	0	-33.761.633	-33.761.633
Transferred from					
retained earnings	0	0	2.214.615	0	2.214.615
Equity 1 2024	510.408	83.808.538	2.214.615	-61.658.697	24.874.864
Cash capital					
increase	16.668	13.983.285	0	0	13.999.953
Net result for the					
year	0	0	0	-71.092.886	-71.092.886
Transferred from					
retained earnings	0	0	-221.461	0	-221.461
	527.076	97.791.823	1.993.154	-132.751.583	-32.439.530

Statement of changes in equity of the parent

All amounts in DKK.

	<u>Contributed capital</u>	<u>Share premium</u>	<u>Reserve for development costs</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January					
2023	492.412	75.781.135	0	-27.897.064	48.376.483
Cash capital					
increase	17.996	8.027.403	0	0	8.045.399
Net result for the					
year	0	0	0	-33.761.633	-33.761.633
Transferred from					
retained earnings	<u>0</u>	<u>0</u>	<u>2.214.615</u>	<u>0</u>	<u>2.214.615</u>
Equity 1 January					
2024	510.408	83.808.538	2.214.615	-61.658.697	24.874.864
Cash capital					
increase	16.668	13.983.285	0	0	13.999.953
Net result for the					
year	0	0	0	-71.092.887	-71.092.887
Transferred from					
retained earnings	<u>0</u>	<u>0</u>	<u>-221.461</u>	<u>0</u>	<u>-221.461</u>
	<u>527.076</u>	<u>97.791.823</u>	<u>1.993.154</u>	<u>-132.751.584</u>	<u>-32.439.531</u>

Statement of cash flows 1 January - 31 December

All amounts in DKK.

Note	Group	
	2024	2023
Net profit or loss for the year	-71.314.348	-31.547.018
19 Adjustments	35.658.083	8.427.198
20 Change in working capital	-27.915.334	20.214.956
Cash flows from operating activities before net financials	-63.571.599	-2.904.864
Interest received and similar amounts	117.003	248.183
Interest paid, etc.	-11.420.925	-9.238.622
Cash flows from ordinary activities	-74.875.521	-11.895.303
Cash flows from operating activities	-74.875.521	-11.895.303
Purchase of intangible assets	0	-2.839.250
Purchase of property, plant, and equipment	-11.724.254	-41.337.038
Sale of property, plant, and equipment	1.047.200	217.469
Changes in deposits	190.500	-50.000
Cash flow from investment activities	-10.486.554	-44.008.819
Long-term payables incurred	128.217.035	49.998.250
Repayments of long-term debt	-57.139.810	-1.955.744
Cash capital increase	13.999.953	8.045.399
Cash flow from financing	85.077.178	56.087.905
Change in cash and cash equivalents	-284.897	183.783
Cash and cash equivalents at 1 January 2024	-7.672.713	-7.767.375
Foreign currency translation adjustments (cash and cash equivalents)	-7.510	-89.121
Cash and cash equivalents at 31 December 2024	-7.965.120	-7.672.713
Cash and cash equivalents		
Cash and cash equivalents	473.371	11.888.823
Short-term bank loans	-8.438.491	-19.561.536
Cash and cash equivalents at 31 December 2024	-7.965.120	-7.672.713

Notes

All amounts in DKK.

	Group		Parent	
	2024	2023	2024	2023
1. Staff costs				
Salaries and wages	22.029.191	13.646.371	7.439.848	7.019.964
Pension costs	40.000	0	0	0
Other costs for social security	323.576	153.131	58.778	58.918
	<u>22.392.767</u>	<u>13.799.502</u>	<u>7.498.626</u>	<u>7.078.882</u>
Average number of employees	<u>34</u>	<u>19</u>	<u>7</u>	<u>7</u>
2. Other financial income				
Interest, banks	111.210	248.183	37	386
Interest, trade receivables	5.792	0	0	0
Exchange differences	1.918	17.806	1.918	17.806
	<u>118.920</u>	<u>265.989</u>	<u>1.955</u>	<u>18.192</u>
3. Other financial expenses				
Financial costs, group enterprises	3.623.475	0	374.712	55.497
Financial costs, bank and loan	11.430.354	9.345.549	2.426.771	2.159.047
	<u>15.053.829</u>	<u>9.345.549</u>	<u>2.801.483</u>	<u>2.214.544</u>
4. Tax on net profit or loss for the period				
Tax on net profit or loss for the year	0	0	-6.970	0
Adjustment of deferred tax for the year	6.402.189	-4.020.858	2.960.461	-1.255.322
	<u>6.402.189</u>	<u>-4.020.858</u>	<u>2.953.491</u>	<u>-1.255.322</u>

Notes

All amounts in DKK.

	Group		Parent	
	31/12 2024	31/12 2023	31/12 2024	31/12 2023
5. Completed development projects, including patents and similar rights arising from development projects				
Additions during the year	2.839.250	0	2.839.250	0
Cost 31 December 2024	2.839.250	0	2.839.250	0
Amortisation and depreciation for the year	-283.925	0	-283.925	0
Amortisation and write-down 31 December 2024	-283.925	0	-283.925	0
Carrying amount, 31 December 2024	2.555.325	0	2.555.325	0

Completed development project

Development projects comprise of the development and test of new technical solutions to the Fårevejle upcycling facility. Costs are comprised of internal costs in the form of wages and salaries.

The new technical solutions are expected to generate considerable competitive advantages and lead to the upcycling facility experiencing a significant increase in activity levels and generate profit for the Group.

6. Development projects in progress for intangible assets

Cost 1 January 2024	2.839.250	0	2.839.250	0
Additions during the year	0	2.839.250	0	2.839.250
Transfers	-2.839.250	0	-2.839.250	0
Cost 31 December 2024	0	2.839.250	0	2.839.250
Carrying amount, 31 December 2024	0	2.839.250	0	2.839.250

Notes

All amounts in DKK.

	Group		Parent	
	<u>31/12 2024</u>	<u>31/12 2023</u>	<u>31/12 2024</u>	<u>31/12 2023</u>
7. Land and buildings				
Cost 1 January 2024	41.166.541	40.133.820	0	0
Additions during the year	0	1.148.695	0	0
Disposals during the year	<u>-1.047.200</u>	<u>-115.974</u>	<u>0</u>	<u>0</u>
Cost 31 December 2024	<u>40.119.341</u>	<u>41.166.541</u>	<u>0</u>	<u>0</u>
Depreciation and write-down 1 January 2024	-739.955	0	0	0
Amortisation and depreciation for the year	<u>-1.305.804</u>	<u>-739.955</u>	<u>0</u>	<u>0</u>
Depreciation and write-down 31 December 2024	<u>-2.045.759</u>	<u>-739.955</u>	<u>0</u>	<u>0</u>
Carrying amount, 31 December 2024	<u>38.073.582</u>	<u>40.426.586</u>	<u>0</u>	<u>0</u>

Notes

All amounts in DKK.

	Group		Parent	
	<u>31/12 2024</u>	<u>31/12 2023</u>	<u>31/12 2024</u>	<u>31/12 2023</u>
8. Plant and machinery				
Cost 1 January 2024	89.057.268	9.546.474	0	0
Additions during the year	11.724.254	40.144.498	0	0
Disposals during the year	0	-9.647.969	0	0
Transfers	0	49.014.265	0	0
Cost 31 December 2024	<u>100.781.522</u>	<u>89.057.268</u>	<u>0</u>	<u>0</u>
Depreciation and write-down 1 January 2024	-1.977.793	-9.046.474	0	0
Amortisation and depreciation for the year	-9.583.455	-2.477.793	0	0
Reversal of depreciation, amortisation and impairment loss, assets disposed of	0	9.546.474	0	0
Depreciation and write-down 31 December 2024	<u>-11.561.248</u>	<u>-1.977.793</u>	<u>0</u>	<u>0</u>
Carrying amount, 31 December 2024	<u>89.220.274</u>	<u>87.079.475</u>	<u>0</u>	<u>0</u>

Notes

All amounts in DKK.

	Group		Parent	
	31/12 2024	31/12 2023	31/12 2024	31/12 2023
9. Other fixtures, fittings, tools and equipment				
Cost 1 January 2024	488.465	444.620	488.465	444.620
Additions during the year	0	43.845	0	43.845
Cost 31 December 2024	488.465	488.465	488.465	488.465
Depreciation and write-down 1 January 2024	-249.545	-98.795	-249.545	-98.795
Amortisation and depreciation for the year	-152.577	-150.750	-152.577	-150.750
Depreciation and write-down 31 December 2024	-402.122	-249.545	-402.122	-249.545
Carrying amount, 31 December 2024	86.343	238.920	86.343	238.920
10. Property, plant and equipment in progress and prepayments for property, plant and equipment				
Cost 1 January 2024	2.995.224	52.009.489	0	0
Disposal during the year	-2.995.224	0	0	0
Transfers	0	-49.014.265	0	0
Cost 31 December 2024	0	2.995.224	0	0
Carrying amount, 31 December 2024	0	2.995.224	0	0

Notes

All amounts in DKK.

	Parent	
	31/12 2024	31/12 2023
11. Investments in group enterprises		
Cost 1 January 2024	6.005.021	160.021
Additions during the year	0	5.845.000
Cost 31 December 2024	6.005.021	6.005.021
Writedown, opening balance 1 January 2024	-43.317.758	-16.307.395
Net profit or loss for the year	-60.196.086	-27.010.363
Writedown 31 December 2024	-103.513.844	-43.317.758
Offset against receivables	82.261.491	35.490.136
Transferred to provisions	15.604.993	3.205.189
Set off against debtors and provisions for liabilities	97.866.484	38.695.325
Carrying amount, 31 December 2024	357.661	1.382.588

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, WPU - Waste Plastic Upcycling A/S
Produktionsselskabet Egebjerg ApS,	100 %	-19.633.398	-1.536.284	-19.633.398
Produktionsselskabet WPU Fårevejle ApS,	100 %	-75.190.819	-54.592.608	-75.190.819
Produktionsselskabet WPU Nakskov ApS,	100 %	-2.489.329	-2.916.231	-2.489.329
Waste Plastic Upcycling Trading ApS,	100 %	357.661	304.688	357.661
Produktionsselskabet WPU Esbjerg ApS,	100 %	-552.938	-1.455.651	-552.938
		-97.508.823	-60.196.086	-97.508.823

Notes

All amounts in DKK.

	Group		Parent	
	31/12 2024	31/12 2023	31/12 2024	31/12 2023
12. Deposits				
Cost 1 January 2024	470.000	420.000	26.000	26.000
Additions during the period, acquisitions	0	50.000	0	0
Disposals during the year	<u>-360.000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cost 31 December 2024	<u>110.000</u>	<u>470.000</u>	<u>26.000</u>	<u>26.000</u>
Carrying amount, 31 December 2024	<u>110.000</u>	<u>470.000</u>	<u>26.000</u>	<u>26.000</u>
13. Deferred tax assets				
Deferred tax assets 1 January 2024	10.058.189	6.037.331	2.960.461	1.705.139
Deferred tax of the net profit or loss for the year	<u>-6.402.189</u>	<u>4.020.858</u>	<u>-2.960.461</u>	<u>1.255.322</u>
	<u>3.656.000</u>	<u>10.058.189</u>	<u>0</u>	<u>2.960.461</u>
The following items are subject to deferred tax:				
Property, plant, and equipment	0	-2.869.959	0	9.694
Losses carried forward to next years	<u>3.656.000</u>	<u>12.928.148</u>	<u>0</u>	<u>2.950.767</u>
	<u>3.656.000</u>	<u>10.058.189</u>	<u>0</u>	<u>2.960.461</u>

At 31. December 2024 the Group holds deferred tax assets totalling TDKK 28.638. The tax assets is a combination of tax loss carryforward TDKK 34.261 and timingdifferences in utilised tax deductions of TDKK 5.623.

The recognised tax asset primarily consists of deferred tax relating to tax loss carryforward.

Due to new ownership in late 2024 management the full plan for the Danish market has not yet been completed. Based on the current budget and under a new tolling agreement the management expect a tax asset T.DKK 3.656 to be utilised within the next 3 years.

Notes

All amounts in DKK.

14. Contributed capital

Incentive programmes

1 September 2021, warrants were subscribed/granted free of charge to members of the Board of Directors as part of an incentive programme.

A total of 2.083.500 warrants, which each give a pre-emption right to a share of nominal DKK 0.01, vested with 1/3 annually from the day before the annual general assembly. The exercise price was set at 8.40 DKK per warrant.

As per 31.12.2024 all warrants have been exercised.

15. Long term liabilities other than provisions

	Total payables 31 Dec 2024	Current portion of long term payables	Long term payables 31 Dec 2024
Group			
Mortgage debt	11.434.118	1.322.386	10.111.732
Bank loans	7.622.828	2.642.056	4.980.772
Payables to group enterprises	131.840.511	0	131.840.511
Other payables	<u>1.176.908</u>	<u>0</u>	<u>1.176.908</u>
	<u>152.074.365</u>	<u>3.964.442</u>	<u>148.109.923</u>
Parent			
Other payables	<u>1.176.908</u>	<u>0</u>	<u>1.176.908</u>
	<u>1.176.908</u>	<u>0</u>	<u>1.176.908</u>

Notes

All amounts in DKK.

16. Charges and security

The Group

As collateral for mortgage loans, TDKK 14.310, security has been granted on land and buildings representing a carrying amount of TDKK 38.074 at 31 December 2024.

As collateral for bank facilities of the Group enterprises a mortgage deeds TDKK 5.690 has been granted on land and buildings representing a carrying amount of TDKK 38.074 at 31 December 2024.

An amount of TDKK 20.000 of the Group enterprises remaining property, plant, and equipment and total receivables is estimated to be comprised by the security. At 31 December 2024 the carrying amount of this remaining property, plant, and equipment totals TDKK 89.220 and total receivables totals TDKK 4.100.

For the loans provided by Ultimate owner TDKK 131.841 the Group has provided guarantee.

Parent

An amount of TDKK 5.000 of the Parent company remaining property, plant, and equipment and total receivables is estimated to be comprised by the security. At 31 December 2024 the carrying amount of this remaining property, plant, and equipment totals TDKK 86 and total receivables totals TDKK 325.

For the loans provided by Ultimate owner TDKK 131.841 the Parent company has provided guarantee.

The company has provided guarantee for the group's arrangement with the bank.

17. Contingencies

Contingent liabilities

The Group

Lease liabilities

The Group enterprises, has entered into operational leases with an average annual lease payment of TDKK 354. The leases have 3 to 50 months to maturity and total outstanding lease payments total TDKK 1.407.

Recourse guarantee commitments:

The company has guaranteed the bank facilities of the Group enterprises.

Notes

All amounts in DKK.

17. Contingencies (continued)

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The liability relating to obligations in connection with withholding tax on dividends, interest, and royalties represents an estimated maximum of DKK 0.

Any subsequent adjustments of corporate taxes or withholding taxes, etc., may result in changes in the company's liabilities.

18. Related parties

Controlling interest

Vitol Holding II S.A., 5 Rue Goethe, L-1637 Luxembourg

Beneficial owner

Transactions

In accordance with the Danish Financial Statements Act section 98C, transactions with related parties are not disclosed since all transactions are conducted on normal market.

Consolidated financial statements

None of the company's parent companies present consolidated financial statements.

Notes

All amounts in DKK.

	Group	
	2024	2023
19. Adjustments		
Depreciation, amortisation, and impairment	11.325.761	3.368.498
Other financial income	-118.920	-265.989
Other financial expenses	15.053.829	9.345.549
Tax on net profit or loss for the period	6.402.189	-4.020.858
Feasibility study expenses written off	2.995.224	-2
	35.658.083	8.427.198
20. Change in working capital		
Change in inventories	0	114.930
Change in receivables	1.292.893	1.106.903
Change in trade payables and other payables	-29.208.227	18.993.123
	-27.915.334	20.214.956

Accounting policies

The annual report for WPU - Waste Plastic Upcycling A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the group and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the group and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

The consolidated financial statements

The consolidated income statements comprise the parent company WPU - Waste Plastic Upcycling A/S and those group enterprises of which WPU - Waste Plastic Upcycling A/S directly or indirectly owns more than 50 % of the voting rights or in other ways exercise control.

Consolidation policies

The consolidated financial statements have been prepared as a summary of the parent company's and the group enterprises' financial statements by adding together uniform accounting records calculated in accordance with the group's accounting policies.

Investments in group enterprises are eliminated by the proportionate share of the group enterprises' fair value of net assets and liabilities at the acquisition date.

Accounting policies

In the consolidated financial statements, the accounting records of the group enterprises are recognised by 100%. The minority interests' share of the profit for the year and of the equity in the group enterprises, which are not 100% owned, is included in the group's profit and equity, but presented separately.

Purchases and sales of minority interests under continuing control are recognised directly in equity as a transaction between shareholders.

Investments in associates are measured in the statement of financial position at the proportionate share of the enterprises' equity value i calculated in accordance with the parent company's accounting policies and with proportionate elimination of unrealised intercompany gains and losses. In the income statement, the proportional share of the associates' results is recognised after elimination of the proportional share of intercompany gains and losses.

The group activities in joint operations are recognised in the consolidated financial statements record by record.

Income statement

Gross loss

Gross loss comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Own work capitalised

Own work capitalised includes staff cost and other internal costs incurred during the financial year and recognised in the cost of proprietary intangible and tangible fixed assets.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets as well as operating loss and conflict compensation. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Accounting policies

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Results from investments in group enterprises

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the equity investment in the individual entities are recognised in the income statement of the parent as a proportional share of the entities' post-tax profit or loss.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial period. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The parent and the Danish group enterprises are subject to Danish rules on compulsory joint taxation of Danish group enterprises. The parent acts as an administration company in relation to the joint taxation. This means that the total Danish income tax payable by the Danish group companies is paid to the tax authorities by the company.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

Accounting policies

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Buildings	30 years
Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Property, plant, and equipment in progress

Property, plant, and equipment in progress are measured and recognised as the total costs incurred. When the work has been completed, the total value is transferred to the relevant item under property, plant, and equipment and is amortised from the date of entry into service.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

Accounting policies

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The group's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Investments

Investments in group enterprises

Investments in group enterprises are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in group enterprises are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

In relation to material assets and liabilities recognised in group enterprises but are not represented in the parent, the following accounting policies have been applied.

Investments in group enterprises with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover a negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in group enterprises transferred to the reserve under equity for net revaluation according to the equity method. Dividends from group enterprises expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in group enterprises.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Accounting policies

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets as well as equity investments in group enterprises are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Accounting policies

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

Reserve for development costs

The reserve for development costs comprises recognised development costs less related deferred tax liabilities.

The reserve cannot be used as dividends or for covering losses.

The reserve is reduced or dissolved if the recognised development costs are amortised or abandoned. This is done by direct transfer to the distributable reserves of the equity.

Income tax and deferred tax

As administration company, WPU - Waste Plastic Upcycling A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Accounting policies

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are calculated as the group's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under "Interest income and dividend received".

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the group's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand with deduction of short-term bank debts and short-term securities with a maturity less than 3 months that are readily convertible into cash and which are subject to an insignificant risk of changes in value.