

Pryme N.V. - Q4 2022 trading update, update to the 2023 financial calendar, and new sales contracts

Rotterdam, 16 March 2023

Trading update

As the Pryme full year (“FY”) 2022 audit process is expected to be completed at a later stage, Pryme N.V. has decided to provide the following preliminary estimates and unaudited figures for Q4 and FY 2022:

- Q4 2022 and FY 2022 revenues of EUR 0 million as expected as the commercial production from the Company’s first plant is only expected to commence in Q3 2023 as previously communicated.
- Q4 2022 EBITDA loss of approximately EUR 1.4 million and FY 2022 EBITDA loss of approximately EUR 4.5 million. The EBITDA figures are almost identical to the EBIT figures as no material depreciation or amortization has started as production startup has not yet taken place.
- Positive Q4 2022 cash flow of approximately EUR 0.7 million and positive FY 2022 cash flow of approximately EUR 3.3 million. The breakdown of the Q4 and FY 2022 cash flows is as follows:
 - Q4 2022 cash outflow from investments of approximately EUR 8.4 million and FY 2022 cash outflow from investments of approximately EUR 21.6 million.
 - Q4 2022 cash outflow from operations¹ of approximately EUR 1.4 million and FY 2022 cash outflow from operations¹ of approximately EUR 4.5 million.
 - Q4 2022 positive cash flow from financing activities of approximately EUR 8.2 million and FY positive 2022 cash flow from financing activities of approximately EUR 25.6 million. The main items for the FY 2022 figure are the net cash flow from the equity increase through the 2022 private placement and subsequent offering of approximately Euro 17 million and gross proceeds from the sales and leaseback for plant equipment of around 8 million.
 - Q4 2022 positive cash flow from changes in working capital¹ of approximately EUR 2.3 million and positive FY 2022 cash flow from changes in working capital¹ of approximately EUR 3.7 million.
- The outstanding spending on the Company’s first plant as of the end of 2022 is estimated to amount to around EUR 9.7 which will largely be spent before the end of Q2, 2023.
- Ending Q4 2022 cash balance of approximately EUR 11.5 million.
- Ending Q4 2022 equity balance of approximately EUR 39.7 million.
- The quarterly operational run-rate for cash spending amounted to approximately EUR 1.4 million in Q4 of 2022. This is expected to increase to a quarterly run-rate level of approximately EUR 2.8 million by the end of Q2 2023 before the commercial production commences and the run rate is expected to improve.
- The Company has not yet received the EUR 2.3 million advance payment in conjunction with the EU Horizon project. It is expected that this payment will be received shortly.

¹ Note that accrued expenses have not been deducted from the cash flow from operations. This is neutralized by correcting for this through the effects of the accrued expenses on the changes in working capital.

The construction of the Company's first plant, Pryme One, is on schedule and is expected to be completed around the end of Q1 2023. This will be followed by a period of commissioning until approximately the end of Q2 2023 with limited production of salable pyrolysis oil during Q2 2023. It is estimated that commercial production will start in Q3 of 2023. This timeline is unchanged from previous communications.

The Company has entered into two additional sales contracts with customers in Q1 2023. For details see the appropriate section below.

Update to the 2023 financial calendar

Given this trading update, the Company has decided to update its financial calendar. Instead of a separate Q4 earnings announcement, the Company will provide further information on the Q4 and FY 2022 in conjunction with the publishing of the annual report. This will also include a bridge from the Dutch GAAP based figures to IFRS as the company is planning to convert from Dutch GAAP to IFRS.

Supply contracts with two additional customers with deliveries starting in 2026

Pryme N.V. has entered into two separate agreements to supply pyrolysis oil from its second plant for deliveries starting 2026. These agreements are with leading companies in different parts of the circular plastics value chain. The deliveries under these agreements will be predominantly from Pryme's contemplated second plant and cover around 1/6 of its capacity. These supply contracts have a market-based pricing formula and are conditional upon the timely construction of and production from this second plant.

These agreements are complementary to the existing supply agreement with the company's current main customer for pyrolysis oil from the company's first plant and lead to a more balanced customer portfolio for Pryme.

Pryme is excited about the strong customer demand for its products from various parts of the value chain. At this stage, even before activities for the company's second plant have commenced, Pryme has entered into agreements to sell a significant portion of the output from its first two plants. This is a solid indication of the market demand for Pryme's leading advanced recycling technology that enables circular polymers from residual plastic waste streams that cannot be mechanically recycled.

This information is considered to be 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 at Pryme N.V. on 16 March 2023 at 08:00 hours CET on behalf of the Company.

About Pryme | www.pryme-cleantech.com

Pryme N.V. is an innovative cleantech company focused on converting plastic waste into valuable products through chemical recycling on an industrial scale. Its efficient and scalable technology is based on a proven pyrolysis process that has been further developed and enhanced with proprietary characteristics.

The company is currently building its first plant in the port of Rotterdam, with an initial annual intake capacity of about 40,000 metric tons, which will start production in 2023.

Pryme's ambition is to contribute to a circular plastic economy and to realize the significant rollout potential of its technology through the development of a broad portfolio of owned-operated plants with strategic partners.

The company is listed on the Euronext Growth Oslo.

For investor inquiries, please email to: ir@pryme-cleantech.com

Pryme can be followed on LinkedIn.