Chief Executive Officer's statement

HUI's business was founded on 1st October 2020 during the second wave of the Covid-19 pandemic. The timing was important, as the world seemed to have woken up to the realisation that a utopian aspiration of eradicating the usage of plastic was unachievable. The Covid-19 pandemic has actually led to an increased demand for single-use plastics that has intensified pressure on an already out-of-control global plastic waste problem. The studies say that it is impossible, impractical or uneconomic to recycle about 90% of plastics, which subsequently leads to landfilling or incineration. Neither are perfect solutions. We believe that HUI's solution is far closer to perfection: tackling both of the burning environmental issues - providing the world with a solution to waste plastic and helping the transition from the use of fossil fuels by creating alternative valuable fuels such as synthetic gas and hydrogen.

On 1st January 2021 the EU banned the shipment of non-recyclable plastic waste to countries outside the OECD and tightened controls on exports to OECD countries and within Europe. Some poorer countries, which are growing in affluence, are also slowly restricting the import of unwanted plastic, increasing pressure on every country to deal with its own plastic waste.

During the unprecedented crisis caused by the Covid Pandemic, the EU unleashed the largest funding package in its history; EUR 1.7 trillion which would be targeted at the poorest regions within the European Union. EU Leaders made it very clear that the Covid Pandemic should increase our efforts to speed up the transition from fossil fuel use and move swiftly to alternative sources of energy. Pressure to increase hydrogen production increased, along with an understanding that the demand for hydrogen will not be fully met for a very long time. This means that all possible sustainable methods of producing hydrogen must be implemented. Currently the price of hydrogen is averaging around EUR12 per kg. The EU has decided to allocate funds to the most impacted areas across the Continent in regions where the transition is needed most.

All of the above factors led to HUI's foundation and the rapid development of its business. We believe in addressing the needs of the most impacted regions in the EU with the help of EU funds, as well as local, national and private sector funding. HUI's ambition is to create a substantial project pipeline of systems across the Continent, particularly where coal mining has to be phased out, where unemployment is very high and where there is an urgent need to create new employment opportunities to preserve the local communities. Each of our systems can provide about 2.75 tonnes of hydrogen per day, which can fuel approximately 84 public buses or waste trucks or other heavy vehicles.

HUI is based on two fundamental pillars: building a state of the art, 4.0. technology for converting waste plastic to hydrogen or alternative fuels and creating a substantial project pipeline. Once the first plant has been built, this should ensure that we can capitalise rapidly on the knowledge and interest in the system in our target markets.

In building a state of the art system, we are most proud of the partners we have secured in developing the first plant. We engaged Electron, a Netherlands based high-tech thermal engineering company, which has worked with General Electric, Boeing, Tata Steel and Shell to provide state of the art and highly specialised engineering solutions. HUI. Electron and its consulting engineers are developing a cutting edge pyrolysis and gasification reactor, the chemical conversion chamber, which will run on green electricity, making our system carbon neutral. Electron is in the final phases of completing the design and material choices. We believe that Electron has the capacity to build up to 20 pyrolysis and gasification reactors annually, which provides us with confidence in our ability to meet market demand. Electron also took a shareholding in HUI in our pre-IPO funding round, which is a strong measure of their support and confidence in our business. Electron is currently constructing a test rig that will test the first pyrolyzing stage of the system.

We have also partnered with Linde, the leading global industrial gases and engineering company. Linde Engineering initially performed a four month technical feasibility evaluation in mid 2021 in relation to the deployment of syngas cleanup and hydrogen extraction in an HUI waste plastic to hydrogen plant. Subsequently, at COP26, Linde and HUI signed a framework agreement under which Linde would provide hydrogen extraction and gas clean-up equipment, design and engineering services to HUI with a right of first refusal on every HUI project. Under that agreement, HUI recently tasked Linde Engineering with providing engineering guidance and advice by assessing the interfacing of the chemical conversion chamber and synthesis gas designs. Where necessary or desirable, Linde Engineering will suggest improvements to enhance the potential performance, longevity and/or integration of a complete HUI waste plastic to hydrogen facility. They will also help facilitate the fabrication and commissioning of a fully integrated HUI waste plastic to hydrogen plant.

The second pillar of HUI's business is based on creating a substantial project pipeline. Our first project on the European Continent is anticipated to be based in Konin, Poland, where the city has expressed interest in deploying 10 systems

and an agreement was signed with the City of Konin in February 2021. A suitable plot for the proposed HUI plant, close to the city's existing waste remediation facilities was identified and we were initially given the land by Konin to commence our FEED study. Later we entered into a 3 year lease agreement, which is expected to be followed by a long term lease or purchase of the land. We engaged SWECO, a pan- European engineering consultancy, to review the necessary planning consents required for a plant in Konin and they submitted an application for an Environmental Impact Assessment in December 2021. Earlier this month we received a number of follow up queries to our application, to which we are in the process of responding.

Subsequent to the Konin agreement, in January 2022 we signed a Letter of Intent with the regional waste management company operating in Ostrów Wielkopolski, Greater Poland, which has built a number of modern waste management facilities in the region. It has agreed, subject to final contract, that it will provide a plot of land at one of its facilities with the necessary utilities to operate an HUI waste plastic to hydrogen plant, it will provide assistance with the permitting of the site, it will source and provide the waste plastic feedstock necessary to operate the system and it will assist in procuring funding for the plant from EU, national or local grants and/or private funding. It has also offered its full assistance in finding off-take partners for the hydrogen and energy produced by the plant. It is intended that the heat energy produced by a plant would be fed into a district heating system.

Interest in the system is growing significantly – we are currently in discussions with cities in the regions of Pleszew, Wałbrzych, Jarocin and Kalisz. The Greater Poland region and its neighbouring Voivodships are extremely interested in hydrogen and are focused on being the leaders in hydrogen production. Konin is running its first hydrogen bus, whilst Poznań has ordered 84 buses to be delivered in the next 5 years. The first hydrogen summit in Poland was hosted in Poznań, where HUI is making many connections: we are currently in discussions with the largest waste management companies as well as tyre and plastic manufacturers.

We have also been very active in exploring markets across the Continent. We have established wholly owned subsidiaries in Greece and Ireland. In Greece we were allocated a free of charge plot of land in the region of Florina (West Macedonia), where the largest EU grant is being allocated. We are in discussions with local feedstock and off take providers.

The most advanced project as of today is located in Tipperary, Ireland, where we intend to co-locate our plant alongside other plastic waste recycling technology companies with a view to creating a hub. In Ireland we are also in discussions with a Tier 1 feedstock and off- take supplier.

HUI believes that speed to market is everything, so we are relentlessly exploring opportunities in Bulgaria, Italy, Germany and the Netherlands. We believe in engaging local, well-connected people to open doors and spread the word about HUI's technology.

We believe that our plastic to hydrogen facilities represent perfect ESG projects. Following the Russian invasion of Ukraine, a political imperative has been added to the impetus to develop our plants. The united response of the Western World to the Ukraine invasion has been to change the approach to energy policies forever. Now projects such as ours have also become much more political in their potential contribution to energy self-reliance and energy independence. Businesses and consumers across Europe are facing incredible challenges from soaring gas and oil prices. Our plants can help in this context – by producing hydrogen as an alternative fuel and by producing syngas and heat. The price of natural gas is a benchmark for syngas prices. The clean syngas from an HUI system can be blended with natural gas, thereby reducing dependence upon primary fossil fuel sources and more particularly those sourced from Russia. We believe that this transition represents the future and we are extremely proud to be a part of it.

A Binkowska
Chief Executive Officer

30 June 2022