

Bilag 2.3.5.4 vilkår for warrants program

## **Warrant Program**

Waste Plastic Upcycling A/S

CVR no. **41873264**

### **1 The resolution and grant of Warrants**

- 1.1 The following warrant Program ("Warrant Program") was issued in May 2021 by the board of directors in Waste Plastic Upcycling A/S, CVR no. 41873264, ("Company") the Company's on the basis of the extraordinary general meeting held in May 2021 which authorize the board of directors to issue warrants ("Warrant"/"Warrants").
- 1.2 Each Warrant gives the participant a right – but not an obligation – to subscribe for one share with a nominal value of DKK 0,01 each in the Company against payment of the exercise price set out in clause 2.11 below on the terms and subject to the conditions set forth in this Warrant Program.
- 1.3 The purpose of this Warrant Program is to grant the participants warrants in the Company in order to ensure that the Company and the participant have aligned interests and that both parties are working to ensure that the value of the Company, and thereby ensure that the Company develops in the best possible way.
- 1.4 The Warrants are granted to managers ("Participant"/"Participants"), who are employed in the Company or the Company's subsidiaries (together the "WPU Group") in accordance with the individual grant letters issued by the Company to each Participant ("Grant Letter").
- 1.5 In connection with the resolution to issue Warrants, the general meeting also adopted the resolution regarding the cash capital increase attached to the issue of Warrants, equal to an increase of the Company's nominal share capital by a amount which amount may be increased or reduced if the clauses on adjustment set out in clause 4 in this Warrant Program so stipulate.
- 1.6 The issuance of the Warrants is authorized in the Company's articles of association in effect on the date of this Warrant Program.

## 2 Consideration, vesting and exercise

- 2.1 The Warrants are granted to the Participant free of charge, i.e. no consideration shall be paid by the Participants in connection with the granting of Warrants.
- 2.2 The Warrants are subject to vesting on the earliest occurrence of the events stipulated below ("Vesting Date") and vesting will be subject to the following tranches:
- a) 833.400 of the Warrants are subject to Vesting on the earliest occurrence of either 1) the Company has commissioned at least 1 operation facility with a combined capacity of at least feed in capacity of 90 metric ton plastic a day or 2 ) December 31, 2022. ("Vesting 1").
  - b) Another 416.700 of the Warrants are subject to Vesting on the earliest occurrence of either 1) the Company has commissioned at least 2 operation facilities with a combined capacity of at least feed in capacity of 160 metric ton plastic a day or 2) March 31, 2023. ("Vesting 2").
  - c) Another 416.700 of the Warrants are subject to Vesting on the earliest occurrence of either 1) the Company has commissioned operation facilities with a combined capacity of at least feed in capacity of 450 metric ton plastic a day or June 30, 2023 ("Vesting 3").
- 2.3 Any Warrants, which are not subject to Vesting 1-3, shall automatically and without further notice and without any compensation to the Participant be annulled.
- 2.4 Deleted.
- 2.5 Vesting of Warrants is subject to (i) the Participant's continued employment with the WPU Group (defined as the Company and any subsidiary of the Company) at the Vesting Date, cf. clause 5.
- 2.6 The Participants shall be entitled to exercise, wholly or partly, all vested Warrants (i) during a period of 2 years starting from the Vesting Date or (ii) in case of a liquidation of the Company as further described in clause 5.1 (each, an "Exercise Event").

- 2.7 The Company shall inform the Participants about a possible Exercise Event if the reason for the Exercise Event is a liquidation of the Company no later than 10 business days prior to such Exercise Event.
- 2.8 In the event that a Participant wishes to exercise any or all of its Warrants, written notification to this effect must be received by the board of directors of the Company no later than either
- (i) 10 business days after the date of the Company's notification of a possible Exercise Event if the reason for the Exercise Event is a liquidation of the Company, or (ii) if the Exercise Event is due to the 2 year window described in clause 3.6, the end of the last day of said period ("Exercise Deadline"). At the same time as giving notice of the exercise of Warrants, the Participant shall (i) pay in cash to a bank account designated by the Company, the exercise price determined in accordance with clause 2.11.
- 2.9 If the Participant is in possession of inside information related to the Company as defined in the relevant market abuse regulation, the Participant may not exercise the vested Warrants and shall wait until the Participant is no longer in possession of inside information before exercising the Warrants. If the Participant is in possession of inside information relating to the Company on the last possible day for the Participant to exercise the vested Warrants, i.e. on the Exercise Deadline, and the Participant – due to such possession of inside information
- is not able to exercise the vested Warrants, the vested Warrants will not lapse until 5 business days after the date, where the Participant is no longer in possession of inside information ("Additional Exercise Window").
- 2.10 The Participant is solely responsible for being at all times informed of the terms and conditions of this Warrant Program. No claims can be raised against the Company or any other company within the WPU Group as a result of the Participant not having been informed of the vesting of Warrants, the deadline for the exercise of vested Warrants or the need for any Additional Exercise Window.
- 2.11 The exercise price for each share issued upon exercise of the Warrants shall be DKK 2.994 (Danish two .point nine nine four) per share of nominally DKK 0.01 ("Exercise Price"). The Exercise Price may be adjusted as set forth in this Warrant Program.

2.12 Upon a Participant's exercise of Warrants, the Company's board of directors must ensure that the Company's shareholders' register is amended to reflect each Participant's holding of shares in the Company. Also, the Company's board of directors must ensure that information regarding the Company's legal and beneficial owners is registered (if a registration obligation is triggered) with the Danish Business Authority no later than 5 business days after the Participant's exercise of Warrants.

2.13 Warrants that are not exercised in connection with a liquidation or upon expiration of the 2 years' exercise window, in each case as set out in clause 2.6, shall lapse automatically and become null and void without further notice than the notice set out in clause 2.6 and without any compensation being payable to the Participant.

2.14 Until the Warrants are exercised, they do not entitle the Participant to any voting rights, right to dividends or other shareholder rights of any kind in relation to the Company or its shareholders.

### **3 Terms of new shares issued following exercise of Warrants and capital increase**

3.1 The following terms and conditions shall apply to the new shares issued by the exercise of Warrants covered by this Warrant Program ("Shares"):

- a) the existing shareholders shall not have any pre-emptive right to the new Shares;
- b) the new Shares issued on the basis of exercised Warrants shall be paid up in cash at the same date as the notice of the exercise of Warrants is forwarded by the Participant's payment of the Exercise Price per share of nominally DKK 0.01 for each exercised Warrant;
- c) the new Shares shall be registered in the name of the Participant in the Company's register of shareholders;
- d) the new Shares shall be negotiable;

- e) the new Shares are not subject to restriction of transferability, as the Company's articles of association do not contain any restrictions on transferability;
  - f) the new Shares shall confer the same pre-emption rights on the holder as the existing shares in connection with future capital increases;
  - g) the new Shares shall carry a right to dividend and other rights in the Company from the time when the relevant capital increase has been registered with the Danish Business Authority;
  - h) the shares of the Company are not divided into share classes; and the Company shall pay the legal costs in connection with the issue of Warrants pursuant to this Warrant Program and the costs in connection with the subsequent exercise of the Warrants and the implementation of the capital increase.
- 3.2 In the event that the Participant provides due and timely notification of the exercise of the Warrants, the Company shall implement the relating capital increase pursuant to the terms set out in clause 3.1 no later than 10 business days after having received the exercise notification issued by the Participant in accordance with clause 2.8.
- 3.3 The maximum increase of capital that may be implemented on the basis of this Warrant Program is nominally DKK 16.668 which amount may be increased or reduced if the clauses on adjustment set out in clause 4 in this Warrant Program so stipulate.

#### **4 Legal position in the event of liquidation, demerger, spin-off, merger or capital changes**

- 4.1 In the event that the Company's general meeting passes a resolution to liquidate the Company (or another form of dissolution of the Company), the Company shall notify the Participant in writing to this effect. Following this notification, the Participant shall notify the Company in writing within 10 business days as from the date of the notification from the Company whether the Participant wishes to exercise the Warrants, wholly or partly, which have vested in accordance with clause 2. In so far as the Participant does not wish to exercise the Warrants, the Warrants shall automatically become void without

compensation, following the expiry of the 10 business days' notification period, provided that the Company is finally liquidated as a result of the notified resolution. Exercise of the Warrants must be in accordance with clauses 25 – 2.14.

- 4.2 In the event that the general meeting passes a resolution to demerge the Company, the Participant shall – after the demerger – have the number of Warrants which shall entitle him to subscribe for shares in the surviving company(-ies) where the Participant is employed following such demerger. The number of Warrants shall entitle the Participant to the same potential ownership interest which an exercise of Warrants prior to the demerger would have resulted in, adjusted by the ratio between the values of the different surviving companies. Moreover, the terms applying to the surviving Warrants shall be the same as the terms and conditions as stipulated in this Warrant Program.
- 4.3 In the event that the general meeting passes a resolution to merge the Company, the Warrants granted to each Participant shall continue on unchanged terms if the Company is the surviving company. If such merger results in the Company being the discontinuing company, the Warrants granted to each Participant shall be transferred to the surviving company at an equivalent value based on the terms of trade regarding the shares in the merger. The same terms shall apply in the event of an exchange of all shares in the Company to shares in another company. Should the proportions between the payment for the shares in the discontinuing company and the value of the shares in the continuing company give rise thereto, the Exercise Price and/or the number of Shares that shall be issued for by Participants' exercising the Warrants shall be adjusted upwards or downwards, as the case may be. Any paid cash amounts relating to a merger shall be deemed a capital reduction and result in adjustments as set out in clause 3.1e) below.
- 4.4 In case changes are made in the Company's capital structure – before the Participant has exercised Warrants – which entail a reduction or increase of the value of the Warrants granted, the Exercise Price and/or number of Warrants shall be adjusted, so that the value of the Warrants remains the same, in each case on the terms set forth in this clause 4.4, however, with the exceptions set forth in this Warrant Program, including clauses 4.5 - 4.7. Changes made in the Company's capital structure shall for the purpose of this clause only comprise:

- a) change of the nominal value of the shares in the Company;
- b) increase of the Company's share capital by subscription of new shares at a price below market price;
- c) issue of bonus shares in the Company (e.g. stock dividend);
- d) decrease of the share capital of the Company by means of payment to the shareholders; and
- e) issue of warrants, debt instruments or other instruments convertible into shares in the Company below market value.

4.5 The Exercise Price shall not be reduced to a price lower than the nominal value of the shares (par value). If an adjustment of the Warrants to preserve their value would result in the Exercise Price being reduced to below par (a price below 100), the number of Warrants (and thus the number of Shares issued upon exercise) shall be amended to preserve the same value of the Warrants at an exercise price at par value.

4.6 If the share capital is reduced in order to cover losses, the number of Shares which shall be issued to the Participant by exercising the Warrants shall be reduced (rounded down in case of fractions) proportionately to the nominal reduction of the capital compared to the total nominal share capital of the Company before the reduction.

4.7 Notwithstanding the foregoing, the following changes in the capital structure of the Company shall not result in any adjustment of the Exercise Price or the number of Warrants:

- a) An increase or reduction of the Company's capital at market price. To the extent an increase of the Company's capital occurs to a bona fide third party unaffiliated with the shareholders, there is an assumption about the increase occurring at market price.
- b) Issue of warrants, convertible debt instruments or the like to third parties on usual market terms as part of ordinary financing.

c) Any issue of shares, warrants, convertible debt instruments or the like to the Share group's employees, managers, consultants or members of the board of directors in accordance with an employee incentive Program

d) Payment of dividende.

4.8 If the number of new Shares that may be issued by exercise of Warrants is adjusted upwards in accordance with this clause 4, the maximum amount which the Company's share capital can be increased with pursuant to 4.3 and the articles of association shall be increased, accordingly.

4.9 Subject to the provisions of this Warrant Program, the Company's board of directors shall determine whether and to what extent a merger, demerger or an implemented change in the capital structure of the Company gives rise to an adjustment of the Exercise Price and/or number of Warrants.

4.10 Any adjustment of the Exercise Price and/or number of Warrants shall be determined by the Company's board of directors and notified in writing to the Participant no later than thirty business days after implementation of the relevant change in the capital structure of the Company.

## **5 Termination of employment**

5.1 Pursuant to clause 2.5, it is a condition for the vesting of Warrants that the Participant is employed with the Company or a company within the WPU Group at the time of Vesting.

5.2 If the Participant's employment with the Company terminates due to; (i) the Participant's death; (ii) the Participant's retirement in accordance with the Participant's employment contract or requirement of law; (iii) the Participant's long-term illness, meaning illness for a period of 6 months or more in which the Participant's is unable to fulfil its duties according to the Participant's employment contract; (iv) the Participant's termination of employment due to the Company's material breach of the Participant's employment contract; (v) the Company's termination of the Participant's employment contract without the Participant giving probably course hereto (in Danish: "opsigelse uden misligholdelse"); (vi) the Participant being declared bankrupt

(or similar insolvency status under locally applicable law), or (vii) the Participant applying for insolvency proceedings, including but not limited to insolvency procedures under locally applicable law, the Participant shall be considered a good leaver ("Good Leaver").

- 5.3 If the Participant is considered as a Good Leaver, all Warrants that are not previously vested shall automatically vest and The Participants shall be entitled to exercise, wholly or partly, all vested Warrants during a period as set out in clause 2.6. Clause 2.8 shall apply mutatis mutandis.
- 5.4 If the Participant's employment with the Company is terminated due to (i) the Participant's termination of the Participant's employment contract and such termination is not a result of the Company's or the WPU Group's material breach of the Participant's employment contract, (ii) the Participant's material breach of the employment contracts, (iii) the Company's or the WPU Group's termination of the Participant's employment due to probable cause (in Danish; "*saglig opsigelse*") or (iv) the Company's or the WPU Group's justified summary dismissal (in Danish; "*bortvisning*"), the Participant shall be considered a bad leaver ("Bad Leaver").
- 5.5 If the Participant is considered a Bad Leaver, the Warrants (whether being vested Warrants or unvested Warrants) shall automatically and without further notice and without any compensation to the Participant be annulled.

## **6 Cash settlement**

- 6.1 If the Participant has the right to receive Shares based on vested Warrants, the Company's board of directors may at its sole discretion decide to make the settlement in cash instead of the Shares.
- 6.2 If the board of directors decides to settle in cash, the value of each share shall be determined based on the (i) average closing price for the Company's shares as traded on a MTF platform such as Euronext Growth the last 5 trading days prior to the board of directors notice, cf. clause 6.3, (ii) less the Exercise Price (provided that the Exercise Price has not been paid).
- 6.3 If the board of directors decides to make the settlement in cash instead of Shares, the Company must inform the Participant hereof no later than on the

date when the Company was to implement the capital increase pursuant to clause 3.2.

## **7 Inside trading**

- 7.1 Sale of shares subscribed for by any exercise of Warrants is subject to the provisions on insider trading applicable at any time, including any internal rules governing trade in shares and securities issued by the Company and/or any company within the WPU Group.

## **8 Other terms and conditions**

- 8.1 The Warrants are a personal right that cannot be assigned, pledged or used as payment to the Participant's creditors. Consequently, the Warrants may not be assigned to neither a Participant's holding company nor to the Participant's spouse. In case of a Participant's death, the Participant will be considered a Good Leaver, cf. clause 5.2 and thus the estate after the Participant will be subject to the rights and terms set out in this Warrant Program, cf. clause 5.3.
- 8.2 The Warrants and Shares or the value of such Shares are not to be included in calculations based on the Participant's salary, including any pension contributions, severance payment, any other agreed or compulsory compensation or damages etc., just as holiday pay or holiday allowance is not to be calculated on the basis of the value of any Warrants or Shares.
- 8.3 The board of directors may suspend or change the issue of Shares if the board of directors deems it necessary in order for the Company or its subsidiaries to comply with relevant Danish and foreign legislation and administrative rules and regulations. If due to a suspension or change caused by relevant Danish and foreign legislation and administrative rules and regulations, the Shares cannot be issued, the issue of Shares will take place as soon as possible.
- 8.4 Should any provision of this Warrant Program be or become invalid in whole or in part, this shall not affect the validity of the remaining provisions of this

Warrant Program. The invalid provision shall be replaced by a provision permitted by statute which most closely approximates the intended economic result of the invalid provision. The Participants will not be able to claim any compensation from the Company due to such circumstances.

## **9 Tax**

- 9.1 Any tax and social security contribution implications for the Participants resulting from any grant of Warrants or issue of Shares are of no concern to the Company.
- 9.2 In the event that, as a consequence of the granting of Warrants or issue of Shares, the Company becomes obliged to pay any taxes, social security contributions or any other taxes or contributions, the Company reserves the right to postpone or prohibit issue of the Shares until such time as such Participant shall have paid to the Company, the relevant amount of such taxes, social security contributions or any other taxes or contributions. The Company reserves the right to (i) deduct the amount of such taxes, social security contributions or other taxes or contributions from the salary payable to the Participant, or (ii) to dispose of all or part of the Shares in order to satisfy the Participant's obligations.
- 9.3 This Warrant Program is subject to ligningslovens § 7P.

## **10 Data protection**

- 10.1 In accordance with the General Data Protection Regulation, the Participant is hereby informed that the personal data relating to his/her name, contact details, holding of Warrants and Shares and salary will be processed to administer the Warrants, to ensure fulfillment of the Company's contractual obligations toward the Participant, and to comply with applicable laws, regulations and court orders. The personal data will further be transferred from the Company to public authorities to the extent required in connection with the allocation or administration of the Warrants and the issue of Shares. More comprehensive information about the processing of the Participant's personal data, including the Participant's rights with respect to such processing, can be obtained from the Company upon request.

## 11 Governing law and venue

- 11.1 The construction, validity and performance of this Warrant Program shall be governed by and construed in accordance with the laws of Denmark without regard to conflicts of laws principles.
- 11.2 Any dispute, controversy or claim arising out of or relating to this Warrant Program, or its breach, termination or validity shall be settled by arbitration in accordance with the Rules of Procedure of the Danish Institute of Arbitration. The place of the arbitration shall be Copenhagen, Denmark and the language of the proceedings shall be English, unless otherwise agreed. If more than one Participant becomes subject to arbitration proceedings, fully or partly due to the same set of factual circumstances, such parties agree that the cases can be dealt with jointly by one arbitration tribunal. The arbitration tribunal shall decide the distribution of costs connected with the arbitration case. The existence of an arbitration case as well as any ruling made by the arbitration tribunal shall be kept in strict confidence.
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