

2 January 2024

Hydrogen Utopia International PLC
(the "Company" or "HUI")

HUI to acquire 49% of Ohrid Organics to provide an income stream in 2024 and project update

Hydrogen Utopia International PLC, a company specialising in converting non-recyclable mixed waste plastic into hydrogen and other carbon-free fuels, new materials or distributed renewable heat, is pleased to announce that HUI has exercised its option to acquire 49% of Ohrid Organics Ltd ("*Ohrid Organics*"). HUI is also pleased to provide shareholders with an update on its pipeline projects for 2024.

North Macedonia - Funding Vehicle and potential off taker arrangements - Ohrid Organics Ltd/King Fild DOO

On 29 December 2023, HUI exercised its call option to acquire 49% of Ohrid Organics. The transfer of shares in Ohrid Organics is anticipated in the first quarter of 2024 and will be subject to completion conditions and documentation. The Board expects the dividends which will follow this acquisition to provide HUI with the necessary cashflow in 2024 and beyond for working capital purposes and to fund the development of HUI's first waste plastic to hydrogen facility.

King Fild DOO ("*King Fild*") currently has 4 fully operational greenhouses. King Fild's first commercial medicinal cannabis harvests are anticipated early February 2024. Finished goods available for sale at a rate of €240,000 to €400,000 every three weeks are expected to commence in March 2024. The business is anticipated to gain momentum and the growth period to reduce to 10 days as soon as a further 2 greenhouses - currently under construction - become fully operational. This is anticipated by end of May 2024. At that point, a production quantity of a minimum of 200kg per harvest is expected. The target for 2024 is a production quantity of 4.5 tonnes of dry flower per annum with a target sales price of €2 per gram (€2 million per tonne). The process for obtaining German GMP (good manufacturing practices) is underway and is anticipated in Q4 2024. When German GMP is achieved, the sales price will rise to between €3-4 per gram (€3-5 million per tonne). Pre-sales efforts are ongoing in Israel, Australia and EU countries that have legalised medical cannabis. Costs are low as corporation tax is fixed at 10% and labour costs in North Macedonia are substantially lower than in EU countries.

The current market for medical cannabis is growing at approximately 14.7% per annum. The market is expected to increase more rapidly as more countries such as Poland for example, legalise the use of medical cannabis. The impact of 2 wars on citizens' mental health could also accelerate growth of the medical cannabis market. The Ukrainian Government has recently passed a bill approving medical cannabis, on the basis that it could help alleviate post-traumatic stress disorder (PTSD), a condition that affects many citizens since the Russian invasion. Medical cannabis consumption could also be expected to increase in Israel given the situation in Gaza.

King Fild holds the largest licence in North Macedonia. The licence provides for up to 37 greenhouses. Production quantity is expected to increase as production processes become more efficient. The Board believes that should 37 greenhouses be reached, there could be a production quantity of between 37 and 50 tonnes per annum.

HUI is already actively engaging with the North Macedonian Government in respect of a waste plastic to hydrogen facility in the proximity of King Fild's greenhouses.

King Fild could become one of HUI's off takers as the electricity requirements of medical cannabis cultivation businesses is substantial.

For the reasons mentioned above, HUI believes that King Fild's medical cannabis business could be a very profitable business with a healthy operating margin in the order of 85%. Thus, HUI expects the acquisition of a substantial minority shareholding to provide a suitable and significant method of funding its existing pipeline waste plastic to hydrogen projects to be progressed to the next stage in 2024 without having to resort to a dilutive share issue.

Ireland - Waste Plastic to Hydrogen Project in Longford ("*Longford Project*")

On 13 March 2023, HUI entered into an option to lease a 2.5-acre greenfield site in the 78-acre Fisherstown Energy Park at Fisherstown in County Longford, Ireland. On 25 April 2023, WS Atkins Ireland Limited was appointed as planning and environmental consultants.

On 4 July 2023, HUI announced its successful application for an EU grant expected to reimburse 75% of expenditure of up to €450,000 to be incurred in Ireland in identifying a solution for creating value from plastic waste through processing it into syngas and hydrogen.

HUI has decided not to pursue any of its projects in Greater Poland due the persisting unexplainable resistance of the deputy Marshall Jacek Bogusławski and his advisors to novel technologies. This only affects one region out of 16 in Poland and the Company does not consider it to materially impact its opportunities in other regions of Poland.

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HUI's key EU project is the Longford Project. However, other existing opportunities in the EU such as in Walbrzych and other locations in Poland, Estonia and Greece, remain in the pipeline. EU grants and loans will be sought where possible but given the length of time grant applications and permissions can take to obtain, HUI has, in parallel, started and will continue to consider opportunities outside the EU such as in North Macedonia, Albania and Kosovo. Recently, the Company has also started to look at opportunities in Kazakhstan, Ukraine, UAE, Turkey, Saudi Arabia and South Africa with the help of its Chairman, Simon Mann, who has significant contacts in those jurisdictions. In addition, our Chairman has been focusing on obtaining partial or full funding for a waste plastic to hydrogen facility in the above-mentioned jurisdictions and several others. HUI is following a dual strategy of either funding a waste plastic to hydrogen facility from its investment in Ohrid Organics and/or through third party investors.

Aleksandra Binkowska, CEO of HUI, commented "I am grateful that HUI is still standing strong amid difficult markets and that it was given a chance, which it has taken, to fund itself. It can be frustrating to experience delays caused by authorities, even the ones which are in desperate need of a technology such as HUI's. Whilst authorities delay, we have noticed an increasing problem with fires caused by hazardous waste dumps. This has brought attention to the hundreds of illegal waste dumps across Poland and Europe generally. We have a solution and believe that governments should be proactive and adopt it, quickly."

Howard White, Executive Director of HUI, commented "Since July 2023 the White family has invested over €2 million to take a 5/10 facility to an 8/10 facility - but one that is located in the lowest cost region of Europe for land and labour with nearly 300 days of sunshine in a country that anticipates entry into the EU in the future. I have engaged one of the leading consultants in the medical cannabis sector to not only oversee the upgrade of the facility but to bring in one of the top agronomists in Europe. The facility has existing GMP (Good Manufacturing Practice) equipment. Upon achieving German GMP the sales price rises from €2 per gram to €3-4 per gram and the margins move towards 1500% (who says money doesn't grow on trees?). The White family have made the transaction at a very low value because our sole intent with this transaction is to ensure that HUI survives without decimating existing shareholder value as other companies have done in this market and to enable HUI to break free from the yoke of proving to the skeptical, risk averse supposed "green lenders/investors" who just can't see that what HUI offers is not just what the world wants but what the world desperately needs."

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About Hydrogen Utopia International PLC

HUI aims to become one of the leading new European companies specialising in converting non-recyclable mixed waste plastic into hydrogen and other carbon-free fuels, new materials or distributed renewable heat.

A HUI facility uses non-recyclable mixed waste plastic as feedstock and turns it into syngas from which new products and energy can be produced. HUI anticipates that its revenues will be derived from a variety of sources, dependent upon location and configuration of the HUI facilities, including the sale of syngas, hydrogen and other gases, electricity and heat sales, and the payment to it of fees for a given quantity of non-recyclable mixed waste plastic received at a HUI facility.

HUI will target areas where there is significant private sector interest or potential, financial backing is accessible and or where substantial EU and/or government funded sources of grants and loans are or may be available. The global increase in fossil fuel-based energy prices reinforces the need for alternative, price competitive energy sources, which HUI's business model can provide.

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