

United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 11, 2022

PureCycle Technologies, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware (State or other jurisdiction of incorporation)	001-40234 (Commission File Number)	86-2293091 (I.R.S. Employer Identification No.)
5950 Hazeltine National Drive, Florida (Address of Principal Executive Offices)	Suite 650, Orlando	32822 (Zip Code)

Registrant's telephone number, including area code: (877) 648-3565

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	PCT	The Nasdaq Stock Market LLC
Warrants, each exercisable for one share of common stock, \$0.001 par value per share, at an exercise price of \$11.50 per share	PCTTW	The Nasdaq Stock Market LLC
Units, each consisting of one share of common stock, \$0.001 par value per share, and three quarters of one warrant	PCTTU	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (Sec.230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (Sec.240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On May 12, 2022, PureCycle Technologies, Inc. (the “Company”) issued a press release, attached hereto as Exhibit 99.1 and incorporated herein by reference, announcing the Company’s financial results for the first quarter of 2022 and certain other information.

The information contained in Item 7.01 concerning the presentation to Company’s investors is hereby incorporated into this Item 2.02 by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 11, 2022, the Company and David W. Brenner (“Mr. Brenner”) entered into a separation agreement (the “Separation Agreement”), effective May 13, 2022, setting forth the terms of Mr. Brenner’s separation from the Company. Pursuant to the Separation Agreement, Mr. Brenner will no longer serve as the Chief Commercial Officer of the Company effective May 13, 2022 and Mr. Brenner’s last day of employment with the Company will be September 30, 2022, or earlier date as determined by the Company solely in its option.

Item 7.01. Regulation FD Disclosure.

The slide presentation attached hereto as Exhibit 99.2, and incorporated herein by reference, will be presented to certain investors of the Company on May 12, 2022 and may be used by the Company in various other presentations to investors.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description of Exhibit
99.1	Press release by PureCycle Technologies, Inc. dated May 12, 2022
99.2	PureCycle Technologies, Inc. presentation to investors
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PURECYCLE TECHNOLOGIES, INC.

By: /s/ Lawrence Somma

Name: Lawrence Somma

Title: Chief Financial Officer

Date: May 12, 2022



PureCycle Technologies Provides First Quarter 2022 Update

- PureCycle's flagship purification facility in Ironton, Ohio, remains on schedule targeting mechanical completion in early fourth quarter 2022 and expected pellet production by year-end 2022.
- Construction is underway for PureCycle's second purification facility, the first multi-line purification facility in Augusta, Georgia, with Phase 1 (260 million pounds capacity) on track for startup in fourth quarter of 2023.
- Commercial pipeline progressing with the Augusta purification facility (lines 1 & 2) currently 70% allocated through multi-year commitments. Feedstock discussions remain on track with 75% of lines 1 & 2 under letters of intent (LOIs).
- PureCycle added top industry leaders to its Board of Directors with the appointments of Steven Bouck and Allen Jacoby as independent directors, effective March 15, 2022.

(ORLANDO, Florida – May 12, 2022) – PureCycle Technologies, Inc. ("PureCycle" or "the Company") (NASDAQ: PCT), a U.S.-based company revolutionizing plastic recycling, today announced a corporate update and financial results for the first quarter ending March 31, 2022.

Management Commentary

Mike Otworth, PureCycle's Chairman and Chief Executive Officer, said, "PureCycle made considerable operational progress during the first quarter of 2022 and continues to execute against its strategic growth plan. Our Augusta purification facility build-out is underway and remains on track for startup in the fourth quarter of 2023. We continue to expand our feedstock supply network highlighted by significant progress on our first two lines in Augusta, while the successful commercial market progress of our team is visible through the full allocation of Ironton and 70% allocation of the first two lines in Augusta through multi-year commitments.

"PureCycle remains steadfast in our mission to advance the sustainable plastic revolution through our unique purification process. We are excited about our recent progress and look forward to updating you as we continue to advance our objectives throughout the remainder of 2022 and beyond."

Larry Somma, PureCycle's Chief Financial Officer, added, "Following our successful private placement equity raise in March, we remain intently focused on securing project debt financing for Augusta lines 1 and 2, along with three PreP facilities. We have engaged Jefferies LLC to lead the project debt financing, which is progressing, and we look forward to providing updates to the market as soon as it is completed."

Operational Update

PureCycle's flagship purification facility in Ironton, Ohio remains on track with mechanical completion expected in early fourth quarter 2022 followed by initial pellet production by year-end. The construction site is now energized and 4 out of the 26 modules have been delivered and lifted into place. In addition, 98% of the PreP equipment is now on site and the Company plans a preprocessing soft start in the third quarter of 2022. The Ironton flagship purification facility has a capacity of 107 million pounds per year of Ultra-Pure Recycled (UPR) resin and will mark the Company's first step in tackling the ongoing plastic waste crisis around the globe.

During the first quarter, PureCycle broke ground on its first multi-line purification facility in Augusta, Georgia, in-line with the Company's previously stated timeline. Since starting construction, engineering activities remain on track and key construction contracts are in place. PureCycle has placed key long lead orders including vessels, precision machinery and instrumentation. PureCycle anticipates an acceleration of Phase 1 construction activities by leveraging the existing key strategic partnerships utilized in Ironton's buildout; the first two purification lines are currently on track for start-up in the fourth quarter of 2023.

The Company recently announced the appointment of two new members to its existing Board of Directors, Steven F. Bouck and Allen Jacoby, effective March 15, 2022. With 50 years of combined experience, these additions to the PureCycle's leadership team will be instrumental in advancing the Company's mission and business objectives. PureCycle's also announced its recent elevation of Dustin Olson to chief operating officer in addition to his chief manufacturing officer responsibilities and the expansion of two key roles to the Company's current finance team. The supplemental positions include the vice president of finance and senior director of revenue.

Feedstock and Commercial Update

PureCycle has continued to advance the feedstock procurement pipeline, with approximately 215 million pounds of polypropylene under LOI, to supply the first two lines of the Company's Augusta's purification facility. The Company continues to focus on securing feed for the remaining feedstock capacity and is actively targeting feed streams that are currently being landfilled or incinerated. PureCycle's current feedstock supply pipeline comprises three diverse types of waste streams: post-consumer non-curb-side, post-consumer curb-side, and post-industrial. By combining alternative waste streams and utilizing the Company's Born Digital strategy, PureCycle aims to develop resins with targeted specifications, broadening the end case use for PureCycle's UPR resin. PureCycle's PureZero program is continuing with an expanded list of targeted organizations that includes both professional and collegiate leagues.

Augusta's lines 1 and 2 are currently 70% allocated through multi-year offtake contractual agreements and commitments, with notable volume derived from packaging converters. As Ironton and Augusta projects progress, the Company's current sales cycle continues to shorten. PureCycle continues to progress negotiations on the remaining 30% of available volume. The market's continuing interest in PureCycle's UPR resin is demonstrated through the full off-take allocation of the Ironton, Ohio facility and the demonstrated acceptance of its Feedstock+ pricing model being implemented at Augusta.

Liquidity and Capital Resources

The Company had total liquidity of \$609.9 million including \$418.0 million of cash, cash equivalents and debt securities available for sale and \$191.9 million in restricted cash. PureCycle had \$255.7 million in debt and accrued interest, less \$16.8 million of discount and issuance costs as of March 31, 2022. PureCycle's Ironton flagship purification facility's original budget was \$242.1 million, which was funded through bond financing. The Company currently expects to exceed the original budget by \$55 - \$65 million due to increased investments as well as growing inflationary pressures.

Conference Call

The Company will hold a conference call today at 11:00 a.m. ET to provide an update on recent corporate developments, including activity from the first quarter and updated future strategic plans.

First Quarter 2022 Conference Call Details

Date: Thursday, May 12, 2022

Time: 11:00 a.m. ET

Toll-free dial-in number: (855) 940-5314

International dial-in number: (929) 517-0418

Conference ID: 1494706

Please call the conference telephone number 5-10 minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Gateway Investor Relations at (949) 574-3860.

The conference call will have a live Q&A session and be available for replay [here](#) and on the Company's website at www.purecycle.com.

A replay of the conference call will be available after 2 p.m. Eastern time on the same day through May 19, 2022, via the information below:

Toll-free replay number: (855) 859-2056

International replay number: (404) 537-3406

Replay ID: 1494706

Forward-Looking Statements

This press release contains forward-looking statements, including statements about the financial condition, results of operations, earnings outlook and prospects of PCT. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Forward-looking statements are typically identified by words such as "plan," "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "continue," "could," "may," "might," "possible," "potential," "predict," "should," "would" and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements are based on the current expectations of the management of PCT and are inherently subject to uncertainties and changes in circumstances and their potential effects and speak only as of the date of the Quarterly Report to be filed on Form 10-Q. There can be no assurance that future developments will be those that have been anticipated. These forward-looking statements involve a number of risks, uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in the section of PCT's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 entitled "Risk Factors," those discussed and identified in public filings made with the U.S. Securities and Exchange Commission (the "SEC") by PCT and the following:

- PCT's ability to meet, and to continue to meet, applicable regulatory requirements for the use of PCT's UPR resin in food grade applications (both in the United States and abroad);
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- PCT's ability to comply on an ongoing basis with the numerous regulatory requirements applicable to the UPR resin and PCT's facilities (both in the United States and abroad);
 - expectations and changes regarding PCT's strategies and future financial performance, including its future business plans, expansion plans or objectives, prospective performance and opportunities and competitors, revenues, products and services, pricing, operating expenses, market trends, liquidity, cash flows and uses of cash, capital expenditures, and PCT's ability to invest in growth initiatives;
 - PCT's ability to scale and build the Ironton facility in a timely and cost-effective manner;
 - PCT's ability to complete the necessary funding with respect to, and complete the construction of the Augusta facility, its first U.S. cluster facility located in Augusta, Georgia, in a timely and cost-effective manner;
 - PCT's ability to sort and process polypropylene plastic waste at its plastic waste prep ("Feed PreP") facilities;
 - PCT's ability to maintain exclusivity under the Procter & Gamble Company license;
 - the implementation, market acceptance and success of PCT's business model and growth strategy;
 - the success or profitability of PCT's offtake arrangements;
 - the ability to source feedstock with a high polypropylene content;
 - PCT's future capital requirements and sources and uses of cash;
 - PCT's ability to obtain funding for its operations and future growth;
 - developments and projections relating to PCT's competitors and industry;
 - the outcome of any legal or regulatory proceedings to which PCT is, or may become a party, including the recently filed securities class action case;
 - the ability to recognize the anticipated benefits of the previously announced business combination consummated on March 17, 2021;
 - unexpected costs related to the business combination;
 - geopolitical risk and changes in applicable laws or regulations;
 - the possibility that PCT may be adversely affected by other economic, business, and/or competitive factors;
 - changes in the prices and availability of labor (including labor shortages), transportation and materials, including significant inflation, and PCT's ability to obtain them in a timely and cost-effective manner;
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- the potential impact of climate change on PCT, including physical and transition risks, higher regulatory and compliance costs, reputational risks, and availability of capital on attractive terms;
- operational risk; and
- the risk that the COVID-19 pandemic, including any new and emerging variants and the efficacy and distribution of vaccines, and local, state, federal and international responses to addressing the pandemic may have an adverse effect on PCT's business operations, as well as PCT's financial condition and results of operations.

Should one or more of these risks or uncertainties materialize or should any of the assumptions made by the management of PCT prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements.

All subsequent written and oral forward-looking statements or other matters attributable to PCT or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this press release. Except to the extent required by applicable law or regulation, PCT undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

About PureCycle Technologies

PureCycle Technologies LLC, a subsidiary of PureCycle Technologies, Inc., holds a global license to commercialize the only patented solvent-based purification recycling technology, developed by The Procter & Gamble Company, for restoring waste polypropylene (PP) into ultra-pure resin. The proprietary process removes color, odor and other contaminants from recycled feedstock resulting in ultra-pure polypropylene suitable for any PP market. To learn more, visit purecycle.com.

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 Gateway Investor Relations
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First Quarter 2022 Corporate Update

May 12, 2022



Forward-Looking Statements

Certain statements in this Presentation contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including statements about the financial condition, results of operations, earnings outlook and prospects of PureCycle Technologies, Inc. ("PCT"). Forward-looking statements generally relate to future events or our future financial or operating performance and may refer to projections and forecasts. Forward-looking statements are typically identified by words such as "plan," "believe," "expect," "anticipate," "intend," "outlook," "estimate," "forecast," "project," "continue," "could," "may," "might," "possible," "potential," "predict," "should," "would" and other similar words and expressions (or the negative versions of such words or expressions), but the absence of these words does not mean that a statement is not forward-looking. The forward-looking statements are based on the current expectations of the management of PCT and are inherently subject to uncertainties and changes in circumstances and their potential effects and speak only as of the date of the Quarterly Report to be filed on Form 10-Q. There can be no assurance that future developments will be those that have been anticipated. These forward-looking statements involve a number of risks, uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in the section of PCT's Annual Report on Form 10-K for the fiscal year ended December 31, 2021 entitled "Risk Factors," those discussed and identified in public filings made with the U.S. Securities and Exchange Commission (the "SEC") by PCT and the following: PCT's ability to meet, and to continue to meet, applicable regulatory requirements for the use of PCT's UPR resin in food grade applications (both in the United States and abroad); PCT's ability to comply on an ongoing basis with the numerous regulatory requirements applicable to the UPR resin and PCT's facilities (both in the United States and abroad); expectations and changes regarding PCT's strategies and future financial performance, including its future business plans, expansion plans or objectives, prospective performance and opportunities and competitors, revenues, products and services, pricing, operating expenses, market trends, liquidity, cash flows and uses of cash, capital expenditures, and PCT's ability to invest in growth initiatives; PCT's ability to scale and build the Ironton facility in a timely and cost-effective manner; PCT's ability to complete the necessary funding with respect to, and complete the construction of the Augusta facility, its first U.S. cluster facility located in Augusta, Georgia, in a timely and cost-effective manner; PCT's ability to sort and process polypropylene plastic waste at its plastic waste prep ("Feed PreP") facilities; PCT's ability to maintain exclusivity under the Procter & Gamble Company license; the implementation, market acceptance and success of PCT's business model and growth strategy; the success or profitability of PCT's offtake arrangements; the ability to source feedstock with a high polypropylene content; PCT's future capital requirements and sources and uses of cash; PCT's ability to obtain funding for its operations and future growth; developments and projections relating to PCT's competitors and industry; the outcome of any legal or regulatory proceedings to which PCT is, or may become a party, including the recently filed securities class action case; the ability to recognize the anticipated benefits of the previously announced business combination consummated on March 17, 2021; unexpected costs related to the business combination; geopolitical risk and changes in applicable laws or regulations; the possibility that PCT may be adversely affected by other economic, business, and/or competitive factors; changes in the prices and availability of labor (including labor shortages), transportation and materials, including significant inflation, and PCT's ability to obtain them in a timely and cost-effective manner; the potential impact of climate change on PCT, including physical and transition risks, higher regulatory and compliance costs, reputational risks, and availability of capital on attractive terms; operational risk; and the risk that the COVID-19 pandemic, including any new and emerging variants and the efficacy and distribution of vaccines, and local, state, federal and international responses to addressing the pandemic may have an adverse effect on PCT's business operations, as well as PCT's financial condition and results of operations.

Should one or more of these risks or uncertainties materialize or should any of the assumptions made by the management of PCT prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. All subsequent written and oral forward-looking statements or other matters attributable to PCT or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this Presentation. Except to the extent required by applicable law or regulation, PCT undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this Presentation or to reflect the occurrence of unanticipated events.

Q1 Update: Making Strong Operational Progress

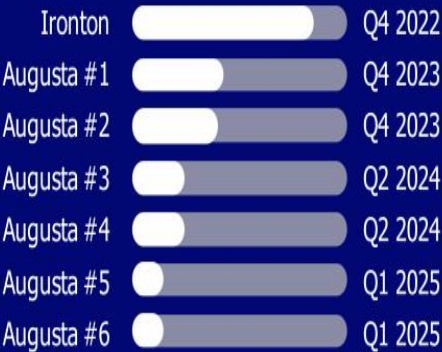


OPERATIONS 1	FEEDSTOCK 2	COMMERCIAL 3	FINANCE 4
<ul style="list-style-type: none"> • Ironton flagship facility remains on Schedule; expect pellets in Q4 2022 • Augusta Phase 1 (260M lbs capacity) is planned for startup Q4 2023 • U.S. Feed PreP strategy is on track; full project details and plan expected in Q3 2022 • Joint venture agreements and feasibility discussions are progressing with SK geo centric & Mitsui 	<ul style="list-style-type: none"> • Ironton operational details are in place and awaiting start-up • Feedstock LOIs for Augusta purification facility ~215M lbs per year • Active PureZero discussions expanded to include professional and collegiate leagues; anticipate new announcements end of Q2 2022 	<ul style="list-style-type: none"> • Continue to expand commercial agreement footprint across converters and compounders • Two new sales agreements signed in non-CPG channels • Testing milestone achieved with Aptar for hinged closures with performances on par with non-recycled resin 	<ul style="list-style-type: none"> • Executed Q1 private placement of \$250M • Allocated \$75M to Augusta long-lead purchases supporting Q4 2023 start-up • Continued progress on debt financing process for Augusta complex and Feed PreP facilities • Strong balance sheet: Ended Q1 2022 with \$610M in total cash and investments

Continuing Our Global Path to a Billion Pounds per year



North America*



Europe*



Asia*



PureCycle Leadership

New Independent Board Members



Steven Bouck

20+ years as President & CFO of publicly-held Waste Connections, Inc., a multi-national provider of waste and recycling collection



Allen Jacoby

Chief Strategy Officer & Senior Vice President of Corporate Development at Milliken & Company, a leading global industrial manufacturer

PureCycle Leadership Updates



Recently announced **Dustin Olson** appointed to the chief operating officer position in addition to his chief manufacturing officer responsibilities

Expanded our finance team to bolster financial operations by adding two key roles:

Vice President of Finance

Senior Director for Revenue

Ironton Continues to be on Track for Q4 Startup

- Site is now energized
- 4 out of 26 modules delivered and lifted in place
- 98% of PreP equipment on site; startup in Q3
- **Targeting mechanical completion in early Q4 with pellet production by year end**



** Expected timeline given current project estimates*

Augusta Build Underway



Engineering activities are on track, key construction contracts are in place, and site work has commenced.

Key long lead orders have been placed; includes vessels, precision machinery, and instrumentation.

Significant progress developing Feed PreP operations; expecting a full plan roll-out in Q3.

Augusta project is accelerating with the same key strategic partners from Ironton; KMPS, Denham-Blythe, Gulfspan, Emerson, and Krauss Maffei

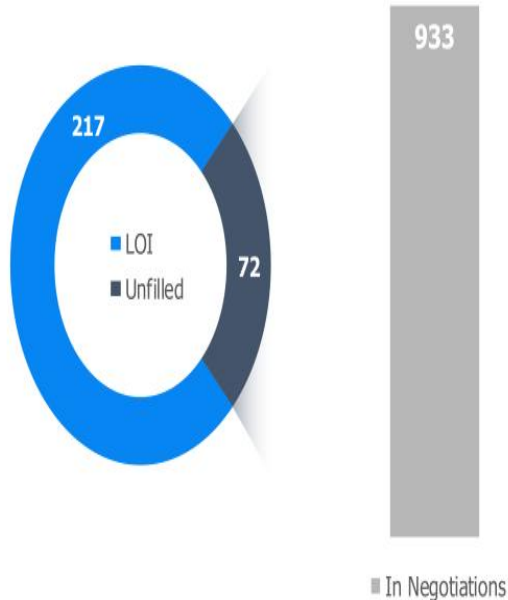


** Expected timeline given current project estimates*

75% of Feedstock for Augusta Lines 1&2 Under LOIs

Feedstock Pipeline Augusta Lines 1&2

(Millions Pounds)



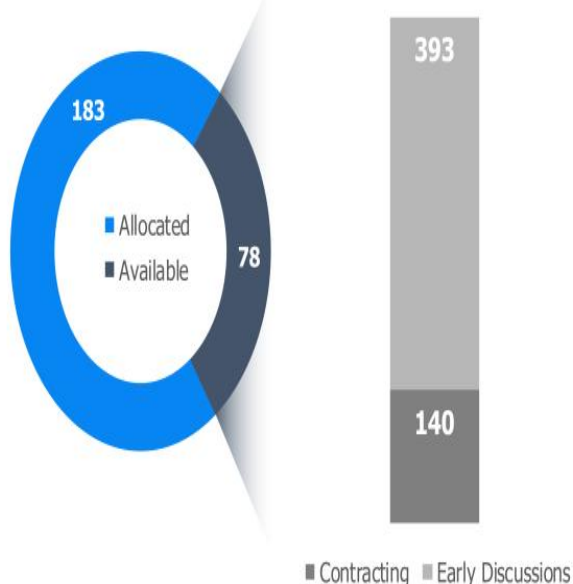
- Team is focused on securing feeds for Augusta Lines 1&2
- R&D focus to target new feed streams that are being landfilled or incinerated
- Born digital strategy being designed to optimize feed management; goal to provide transparent lifecycle tracking of feedstock to final product
- Combining different feed streams that creates resins with targeted specifications

1. Internal Company Estimates
2. LOI deal volume is based on expected PP% yield for each feedstock stream
3. In Negotiations are deals where volumes are defined and testing is being done on feedstock samples to determine viability

Augusta Lines 1&2 Off-take is 70% Allocated

Sales Pipeline Augusta 1&2

(Million Pounds)



- Ironton sold out; Augusta Lines 1&2 is 70% allocated. Strong contracting momentum to fully allocate Augusta Lines 1&2
- Accelerating interest from compounders that create specialized materials for consumer goods and automotive
- Deal volume from packaging converters continue to be the largest segment
- Sales cycle shortening as Ironton and Augusta projects progress
- FDA LNO is submitted and still under review; currently waiting on FDA response

1. Pipeline is comprised of allocated (contracted and partners where PCT has volume obligations), contracting (deal terms under discussion), and early discussions (deal volume has been stated)

Q1 Liquidity and Changes from Prior Quarter

(IN MILLIONS)	Dec. 31, 2021	Mar. 31, 2022	change
Cash and Cash Equivalents	\$33.4	\$198.2	\$164.8
Debt Securities Available for Sale	167.4	219.8	52.4
Total Unrestricted	\$200.8	\$418.0	\$217.2
Restricted Cash			
Plant 1 project fund (Ironton, OH)	\$121.3	\$79.7	\$(41.6)
Letter of Credit for Ironton, OH utilities	2.1	2.1	-
Other corporate requirements	1.4	1.5	.1
Reserve Requirements per Revenue Bonds			\$(41.5)
General Liquidity Reserve	50.0	50.0	-
Capitalized Interest and Debt Reserves	55.6	55.6	-
Other Required Reserves	-	3.0	\$3.0
Total Restricted	\$230.4	\$191.9	\$(38.5)
Total Available	\$431.2	\$609.9	\$178.7
Gross Bonds and Notes Payable	\$249.6	\$255.7	\$6.1

Gross Bonds and Notes Payable minus \$17.1M at Dec 31, 2021, and \$16.8M at Mar 31, 2022, of discount and issue costs

Summary of Liquidity Changes

- **\$609.9M Available**
- **Raised \$250M new equity**
 - \$.8M paid for advisory fees
- **Ironton**
 - \$41.6M draw for construction progress payments
 - \$4.3M contingency funding, includes \$3.0M shift to other reserves
- **Augusta/Feed Prep \$11.6M**
- **Operating and SGA Expenses**
 - \$11.0M in payroll, bonus, taxes
 - \$5.1M general purposes

Financial Commentary

Capital Structure

- Bolstered from the \$250 million private placement
- Capital provides equity for Augusta Lines 1-4 as well as other strategic corporate purposes

Debt Raise

- Engaged Jefferies LLC to lead the project debt financing for Augusta Lines 1&2 and 3 Feed PreP facilities
- Debt raise process progressing and will announce details as soon as complete

Ironton

- Ironton cost in excess of debt funds (~50% for process improvements and ~50% for inflation coverage) will be \$55-65 million versus previous guidance of \$30-40 million
- Most inflation related costs are driven by increases in transportation (2x's, \$7-9MM) & electrical (2-3x's, \$8-11MM) segments, and holding schedule (\$3-5MM)

Augusta

- Relative to Ironton, CAPEX efficiency is expected to improve on each subsequent build
- Despite the current inflationary concerns, the learnings from Ironton and multi-line scale efficiencies are expected to yield double-digit capital efficiency improvements

Outlook

- Augusta Project ROIC expected to meet or exceed pre-SPAC estimates; revenue increases due to inflation and Feedstock+ pricing strategy more than offset CAPEX and OPEX increases
- These economics are currently expected to provide a simple payback of ~3-4yrs

PureCycle Continues to Build Operational Momentum

1

Ironton on-track for **Q4 2022 pellet production**; Augusta construction underway

5

Broadened our **converter network** and **expanded applications** for PureCycle resin

2

Ironton offtake **fully allocated** and Augusta first two lines **70% allocated**

6

Ironton and Augusta continue to show **strong economics** relative to original Pre-SPAC estimates

3

75% of Augusta's feedstock for the first two lines are under LOIs; overall feedstock discussions are on track

7

Ended Q1 2022 with **\$610M in total cash & investments**

4

Feed **PreP strategy is on track** with planned rollout in early Q3

8

Added **experience & independence** to our Board and continue to **recruit top talent**

