

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): August 21, 2023

**PureCycle Technologies, Inc.**

(Exact Name of Registrant as Specified in its Charter)

<b>Delaware</b> (State or other jurisdiction of incorporation)	<b>001-40234</b> (Commission File Number)	<b>86-2293091</b> (I.R.S. Employer Identification No.)
<b>5950 Hazeltine National Drive,</b> <b>Florida</b> (Address of Principal Executive Offices)	<b>Suite 300,</b> <b>Orlando</b>	<b>32822</b> (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 1.01. Entry into a Material Definitive Agreement.**Amendment to the Pure Plastic Term Loan Facility

On August 21, 2023, PureCycle Technologies, Inc. (the “Company”) entered into that certain First Amendment to Credit Agreement (the “Pure Plastic Amendment”), which amended that certain Credit Agreement, dated as of May 8, 2023, by and among the Company, PureCycle Technologies Holdings Corp. and PureCycle Technologies, LLC, as guarantors and Pure Plastic LLC, as lender, administrative agent and security agent. The Pure Plastic Amendment (i) increases the amount available to the Company under the indebtedness covenant basket for offerings of unsecured convertible notes from \$200,000,000 to \$250,000,000 and (ii) makes certain changes to the restricted payments covenant and the events of default section in order to permit certain offerings of unsecured convertible notes and related transactions.

Amendment to Sylebra Credit Agreement

On August 21, 2023, the Company entered into that certain Third Amendment to Credit Agreement (the “Sylebra Amendment”), which amended that certain Credit Agreement, dated as of March 15, 2023 (as previously amended by that certain First Amendment, dated as of May 8, 2023, and that certain Second Amendment, dated as of August 4, 2023), by and among the Company, PureCycle Technologies Holdings Corp. and PureCycle Technologies, LLC, as guarantors, Sylebra Capital Partners Master Fund, LTD, Sylebra Capital PARC Master Fund and Sylebra Capital Menlo Master Fund, as lenders, and Madison Pacific Trust Limited, as administrative agent and security agent. The Sylebra Amendment (i) increases the amount available to the Company under the indebtedness covenant basket for offerings of unsecured convertible notes from \$200,000,000 to \$250,000,000 and (ii) makes certain changes to the restricted payments covenant and the events of default section in order to permit certain offerings of unsecured convertible notes and related transactions.

The foregoing descriptions of the Pure Plastic Amendment and Sylebra Amendment are not complete and are qualified in their entirety by reference to the full text of the agreements, which are attached hereto as Exhibits 10.1 and 10.2.

**Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information contained under Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

**Item 8.01. Other Events.**

On August 21, 2023, the Company issued a press release announcing the Company’s intention to offer, subject to market conditions and other factors, \$200.0 million aggregate principal amount of its Green Convertible Senior Notes due 2030 in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. A copy of the press release is filed as Exhibit 99.1 hereto and is incorporated herein by reference.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit Number</b>	<b>Description of Exhibit</b>
10.1	<a href="#">First Amendment to Credit Agreement, dated as of August 21, 2023, among PureCycle Technologies, Inc., as the Borrower, PureCycle Technologies Holdings Corp. and PureCycle Technologies, LLC, as Guarantors, Pure Plastic LLC, as the Lender and Pure Plastic LLC, as the Administrative Agent and Security Agent.</a>
10.2	<a href="#">Third Amendment to Credit Agreement, dated as of August 21, 2023, among PureCycle Technologies, Inc. as the Borrower, PureCycle Technologies, LLC and PureCycle Technologies Holdings Corp., as Guarantors, the Lenders party thereto, and Madison Pacific Trust Limited, as Administrative Agent and as Security Agent.</a>
99.1	<a href="#">Press Release of PureCycle Technologies, Inc. dated August 21, 2023.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**SIGNATURE**

Pursuant to the requirements of the Securities 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: August 21, 2023**

## FIRST AMENDMENT TO CREDIT AGREEMENT

This **FIRST AMENDMENT TO CREDIT AGREEMENT**, dated as of August 21, 2023 (this "**Amendment**"), is entered into by and among (a) **PURECYCLE TECHNOLOGIES, INC.**, a Delaware corporation (the "**Borrower**"), (b) the Guarantors (as defined herein), (c) the Lenders (as defined herein), (d) **PURE PLASTIC LLC**, as Administrative Agent (in such capacity, the "**Administrative Agent**"), and (e) **PURE PLASTIC LLC**, as Security Agent (in such capacity, the "**Security Agent**").

## PRELIMINARY STATEMENTS:

**WHEREAS**, the Borrower, the Guarantors, the Lenders, the Administrative Agent and the Security Agent are party to that certain Credit Agreement, dated as of May 8, 2023 (the "**Credit Agreement**" and, the Credit Agreement as amended and modified by this Amendment, the "**Amended Credit Agreement**"). Capitalized terms used herein and not otherwise defined in this Amendment shall have the same meanings as specified in the Amended Credit Agreement.

**WHEREAS**, the Borrower has requested that the Lenders amend the Credit Agreement to increase the amount available under the Indebtedness basket for unsecured convertible notes from \$200,000,000 to \$250,000,000; and

**WHEREAS**, the Lenders are willing to so amend the Credit Agreement solely on the terms and subject to conditions set forth in this Amendment and the Lenders authorize and instruct the Administrative Agent and the Security Agent to enter into this Amendment.

**NOW, THEREFORE**, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto hereby agree as follows:

**SECTION 1. Amendments to Credit Agreement.**

(a) Section 7.02 (*Indebtedness*) of the Credit Agreement is hereby amended by amending and restating clause (m) thereof in its entirety to provide as follows:

(m) unsecured Indebtedness under convertible notes issued by the Borrower after the date hereof in an aggregate amount not to exceed \$250,000,000.

(b) Section 7.06 (*Restricted Payments*) of the Credit Agreement is hereby amended by (i) deleting the "and" at the end of clause (b), (ii) deleting the period at the end of clause (c) and replacing it with "; and", and (iii) adding a new clause (d) to provide as follows:

(d) the Borrower may (i) issue unsecured convertible notes permitted by Section 7.02(m) ("**Convertible Notes**"), and such Convertible Notes may be converted into shares of common stock of the Borrower, cash or a combination of shares of common stock of the Borrower and cash, (ii) redeem, repurchase or exchange such Convertible Notes for cash, shares of common stock or any combination thereof, (iii) make interest payments to the holders of such Convertible Notes (the "**Noteholders**"), (iv) transfer or exchange such Convertible Notes; and (v) make cash payments to any Noteholder in lieu of any fractional share of common stock upon an exercise of its conversion option.

(c) Section 8.01 (*Events of Default*) of the Credit Agreement is hereby amended by amending and restating clause (e) thereof in its entirety to provide as follows:

(e) Cross-Default. Any Loan Party or any Subsidiary thereof fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand,

or otherwise) in respect of any Indebtedness or Guarantee (other than Indebtedness hereunder and Indebtedness under Swap Contracts) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, or fails to observe or perform any other agreement or condition relating to any such Indebtedness or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is (i) to cause, or (ii) to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or cash collateral in respect thereof to be demanded; provided that this clause (ii) shall not be applicable to any such Indebtedness or Guarantee evidenced by or made in connection with the Ironton Bonds; provided further, for the avoidance of any doubt, that this clause (e) shall not apply to the satisfaction of a condition to conversion of any Convertible Notes, any election by a Noteholder to convert Convertible Notes and any settlement of any conversion of Convertible Notes, or any other action in respect of such Convertible Notes permitted by Section 7.06(d); or

**SECTION 2. Conditions of Effectiveness.** The amendments to the Credit Agreement contained in Section 1 hereof shall become effective as of the date (the "**Effective Date**") on which the following conditions shall have been satisfied (or waived):

- (a) The Administrative Agent shall have received counterparts of this Amendment executed by the Borrower, the Guarantors, the Lenders, the Administrative Agent and the Security Agent.
- (b) The Borrower shall have paid in full all expenses described in Section 8 of this Amendment that have been invoiced on or prior to the date hereof.
- (c) Each of the representations and warranties set forth in Section 3 of this Amendment shall be true and correct in all respects.

**SECTION 3. Representations and Warranties.** The Borrower and each Guarantor hereby represents and warrants to the Administrative Agent:

- (a) The representations and warranties of the Borrower and each Guarantor contained in the Credit Agreement or any other Loan Document are true and correct on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date and except that for purposes of this Section 3, the representations and warranties contained in Sections 5.05(a) and (b) of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and (b) of the Credit Agreement, respectively.
- (b) The execution, delivery and performance by the Borrower and each Guarantor of this Amendment are within the Borrower's and such Guarantor's corporate or other organizational powers and have been duly authorized by all necessary corporate or other organizational action and, if required, action by any holders of its Equity Interests.
- (c) This Amendment constitutes the legal, valid and binding obligations of the Borrower and each Guarantor, enforceable against the Borrower and each Guarantor in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.
- (d) After giving effect to this Amendment, no Default or Event of Default has occurred and is continuing.

**SECTION 4. Ratification and Reaffirmation; Effect of this Amendment.**

(a) Each Loan Party hereby consents to the amendments effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Amendment, each Loan Document to which such Loan Party is a party is, and the obligations of such Loan Party contained in the Credit Agreement and in any other Loan Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Amendment. For greater certainty and without limiting the foregoing, each Loan Party hereby (I) confirms that (i) the existing security interests granted by such Loan Party in favor of the Administrative Agent for the benefit of the Secured Parties pursuant to the Loan Documents (as defined in the Credit Agreement) in the Collateral described therein shall continue to secure the obligations of the Loan Parties under the Credit Agreement and the other Loan Documents as and to the extent provided therein and (ii) neither the modifications effected pursuant to this Amendment nor the execution, delivery, performance or effectiveness of this Amendment (A) impairs the validity, effectiveness or priority of the Liens granted pursuant to any Loan Document, and such Liens continue unimpaired with the same priority to secure repayment of all Obligations, whether heretofore or hereafter incurred or (B) requires that any new filings be made or other action taken to perfect or to maintain the perfection of such Liens and (II) ratifies its guarantee of the Obligations as provided in any Guaranty that is effective immediately prior to the date hereof.

(b) Except as expressly set forth or referenced herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver or novation of, or otherwise affect the rights and remedies of the Lenders, the Administrative Agent or the Security Agent under, the Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document or any other provision of the Credit Agreement or of any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle any party hereto to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances.

(c) Unless the context otherwise requires, from and after the date hereof, each reference in the Credit Agreement to “this Agreement”, “hereunder”, “hereof”, “herein”, or words of like import, and each reference to the “Credit Agreement” or words of like import in any other Loan Document shall be deemed a reference to the Amended Credit Agreement. This Amendment shall constitute a “Loan Document” for all purposes of the Credit Agreement and the other Loan Documents.

**SECTION 5. GOVERNING LAW.** THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. Section 11.14 and Section 11.15 of the Credit Agreement shall apply to this Amendment, *mutatis mutandis*.

**SECTION 6. Headings.** Section headings herein are included for convenience of reference only and shall not affect the interpretation of this Amendment.

**SECTION 7. Execution in Counterparts; Effectiveness.** This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or other electronic imaging (including in .pdf format) means shall be effective as delivery of a manually executed counterpart of this Amendment. The words “execution,” “signed,” “signature,” and words of like import in this Amendment shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Except as provided in Section 4, this Amendment shall become effective by and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto.

**SECTION 8. Payment of Expenses.** The Borrower agrees to pay or reimburse the Administrative Agent, the Security Agent and each of the Lenders, in each case, for its out-of-pocket costs and expenses incurred in connection with this Amendment, any other documents prepared in connection herewith and the transactions contemplated hereby, in each case, in accordance with Section 11.04 of the Credit Agreement.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their respective authorized officers as of the date first above written.

**BORROWER:**

**PURECYCLE TECHNOLOGIES, INC.**

By: /s/ Larry Somma  
Name: Larry Somma  
Title: Chief Financial Officer

**GUARANTORS:**

**PURECYCLE TECHNOLOGIES HOLDINGS CORP.**

By: /s/ Larry Somma  
Name: Larry Somma  
Title: Chief Financial Officer

**PURECYCLE TECHNOLOGIES, LLC**

By: /s/ Larry Somma  
Name: Larry Somma  
Title: Chief Financial Officer

[Signature Page to First Amendment to Credit Agreement]

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**AGENTS:**

**PURE PLASTIC LLC**, as Administrative Agent

By: /s/ Daniel Gibson  
Name: Daniel Gibson  
Title: Member

**PURE PLASTIC LLC**, as Security Agent

By: /s/ Daniel Gibson  
Name: Daniel Gibson  
Title: Member

[Signature Page to First Amendment to Credit Agreement]

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**LENDERS:**

**PURE PLASTIC LLC**, as a Lender

By: /s/ Daniel Gibson  
Name: Daniel Gibson  
Title: Member

[Signature Page to First Amendment to Credit Agreement]

**THIRD AMENDMENT TO CREDIT AGREEMENT**

This **THIRD AMENDMENT TO CREDIT AGREEMENT**, dated as of August 21, 2023 (this “**Amendment**”), is entered into by and among (a) **PURECYCLE TECHNOLOGIES, INC.**, a Delaware corporation (the “**Borrower**”), (b) the Guarantors (as defined herein), (c) the Lenders (as defined herein), (d) **MADISON PACIFIC TRUST LIMITED**, as Administrative Agent (in such capacity, the “**Administrative Agent**”), and (e) **MADISON PACIFIC TRUST LIMITED**, as Security Agent (in such capacity, the “**Security Agent**”).

**PRELIMINARY STATEMENTS:**

**WHEREAS**, the Borrower, the Guarantors, the Lenders, the Administrative Agent and the Security Agent are party to that certain Credit Agreement, dated as of March 15, 2023, as amended by that certain First Amendment to Credit Agreement dated as of May 8, 2023 and that certain Second Amendment to Credit Agreement dated as of August 4, 2023 (the “**Credit Agreement**” and, the Credit Agreement as amended and modified by this Amendment, the “**Amended Credit Agreement**”). Capitalized terms used herein and not otherwise defined in this Amendment shall have the same meanings as specified in the Amended Credit Agreement.

**WHEREAS**, the Borrower has requested that the Lenders amend the Credit Agreement to increase the amount available under the Indebtedness basket for unsecured convertible notes from \$200,000,000 to \$250,000,000; and

**WHEREAS**, the Lenders are willing to so amend the Credit Agreement solely on the terms and subject to conditions set forth in this Amendment and the Lenders authorize and instruct the Administrative Agent and the Security Agent to enter into this Amendment.

**NOW, THEREFORE**, in consideration of the premises and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto hereby agree as follows:

**SECTION 1. Amendments to Credit Agreement.**

(a) Section 7.02 (*Indebtedness*) of the Credit Agreement is hereby amended by amending and restating clause (m) thereof in its entirety to provide as follows:

(m) unsecured Indebtedness under convertible notes issued by the Borrower after the date hereof in an aggregate amount not to exceed \$250,000,000.

(b) Section 7.06 (*Restricted Payments*) of the Credit Agreement is hereby amended by (i) deleting the “and” at the end of clause (b), (ii) deleting the period at the end of clause (c) and replacing it with “; and”, and (iii) adding a new clause (d) to provide as follows:

(d) the Borrower may (i) issue unsecured convertible notes permitted by Section 7.02(m) (“Convertible Notes”), and such Convertible Notes may be converted into shares of common stock of the Borrower, cash or a combination of shares of common stock of the Borrower and cash, (ii) redeem, repurchase or exchange such Convertible Notes for cash, shares of common stock or any combination thereof, (iii) make interest payments to the holders of such Convertible Notes (the “Noteholders”), (iv) transfer or exchange such Convertible Notes; and (v) make cash payments to any Noteholder in lieu of any fractional share of common stock upon an exercise of its conversion option.

(c) Section 8.01 (*Events of Default*) of the Credit Agreement is hereby amended by amending and restating clause (e) thereof in its entirety to provide as follows:

(e) Cross-Default. Any Loan Party or any Subsidiary thereof fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or Guarantee (other than Indebtedness hereunder and Indebtedness under Swap Contracts) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, or fails to observe or perform any other agreement or condition relating to any such Indebtedness or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs, the effect of which default or other event is (i) to cause, or (ii) to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or cash collateral in respect thereof to be demanded; provided that this clause (ii) shall not be applicable to any such Indebtedness or Guarantee evidenced by or made in connection with the Ironton Bonds; provided further, for the avoidance of any doubt, that this clause (e) shall not apply to the satisfaction of a condition to conversion of any Convertible Notes, any election by a Noteholder to convert Convertible Notes and any settlement of any conversion of Convertible Notes, or any other action in respect of such Convertible Notes permitted by Section 7.06(d); or

**SECTION 2. Conditions of Effectiveness**. The amendments to the Credit Agreement contained in Section 1 hereof shall become effective as of the date (the "**Effective Date**") on which the Administrative Agent has notified the Borrower, the Guarantors and the Lenders upon being satisfied that it has received or waived receipt of all the documents and evidence referred to in this Section (*Conditions of Effectiveness*) of this Amendment in form and substance satisfactory to the Administrative Agent (acting on the instructions of all Lenders):

(a) The Administrative Agent shall have received counterparts of this Amendment executed by the Borrower, the Guarantors, the Lenders, the Administrative Agent and the Security Agent.

(b) The Administrative Agent and the Security Agent shall have received from the Borrower any fees as shall have been separately agreed upon in writing in the amounts and at the times so specified in a fee letter, which such fees are fully earned upon the date hereof and non-refundable under any circumstances.

(c) The Borrower shall have paid in full all expenses described in Section 9 of this Amendment that have been invoiced on or prior to the date hereof.

(d) Each of the representations and warranties set forth in Section 3 of this Amendment shall be true and correct in all respects.

**SECTION 3. Representations and Warranties**. The Borrower and each Guarantor hereby represents and warrants to the Administrative Agent:

(a) The representations and warranties of the Borrower and each Guarantor contained in the Credit Agreement or any other Loan Document are true and correct on and as of the date hereof, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct as of such earlier date and except that for purposes of this Section 3, the representations and warranties contained in Sections 5.05(a) and (b) of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and (b) of the Credit Agreement, respectively.

(b) The execution, delivery and performance by the Borrower and each Guarantor of this Amendment are within the Borrower's and such Guarantor's corporate or other organizational powers and have been duly authorized by all necessary corporate or other organizational action and, if required, action by any holders of its Equity Interests.

(c) This Amendment constitutes the legal, valid and binding obligations of the Borrower and each Guarantor, enforceable against the Borrower and each Guarantor in accordance with its terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

(d) After giving effect to this Amendment, no Default or Event of Default has occurred and is continuing.

**SECTION 4. Amendment Fee.** Immediately upon the earlier of: (i) the Borrower's receipt of at least \$75,000,000 of gross proceeds from an offering by the Borrower of unsecured Indebtedness under Convertible Notes and (ii) the date that is one (1) year following the Effective Date, the Borrower agrees to pay to each Lender an amendment fee equal to 0.625% times the aggregate Commitment of such Lender as of the Effective Date, which such fee is fully earned on such date and non-refundable under any circumstances.

**SECTION 5. Ratification and Reaffirmation; Effect of this Amendment.**

(a) Each Loan Party hereby consents to the amendments effected hereby and confirms and agrees that, notwithstanding the effectiveness of this Amendment, each Loan Document to which such Loan Party is a party is, and the obligations of such Loan Party contained in the Credit Agreement and in any other Loan Document to which it is a party are, and shall continue to be, in full force and effect and are hereby ratified and confirmed in all respects, in each case as amended by this Amendment. For greater certainty and without limiting the foregoing, each Loan Party hereby (I) confirms that (i) the existing security interests granted by such Loan Party in favor of the Administrative Agent for the benefit of the Secured Parties pursuant to the Loan Documents (as defined in the Credit Agreement) in the Collateral described therein shall continue to secure the obligations of the Loan Parties under the Credit Agreement and the other Loan Documents as and to the extent provided therein and (ii) neither the modifications effected pursuant to this Amendment nor the execution, delivery, performance or effectiveness of this Amendment (A) impairs the validity, effectiveness or priority of the Liens granted pursuant to any Loan Document, and such Liens continue unimpaired with the same priority to secure repayment of all Obligations, whether heretofore or hereafter incurred or (B) requires that any new filings be made or other action taken to perfect or to maintain the perfection of such Liens and (II) ratifies its guarantee of the Obligations as provided in any Guaranty that is effective immediately prior to the date hereof.

(b) Except as expressly set forth or referenced herein, this Amendment shall not by implication or otherwise limit, impair, constitute a waiver or novation of, or otherwise affect the rights and remedies of the Lenders, the Administrative Agent or the Security Agent under, the Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document or any other provision of the Credit Agreement or of any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. Nothing herein shall be deemed to entitle any party hereto to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other Loan Document in similar or different circumstances.

(c) Unless the context otherwise requires, from and after the date hereof, each reference in the Credit Agreement to "this Agreement", "hereunder", "hereof", "herein", or words of like import, and each reference to the "Credit Agreement" or words of like import in any other Loan Document shall be deemed a reference to the Amended Credit Agreement. This Amendment shall constitute a "Loan Document" for all purposes of the Credit Agreement and the other Loan Documents.

**SECTION 6. GOVERNING LAW.** THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. Section 11.14 and Section 11.15 of the Credit Agreement shall apply to this Amendment, *mutatis mutandis*.

**SECTION 7. Headings.** Section headings herein are included for convenience of reference only and shall not affect the interpretation of this Amendment.

**SECTION 8. Execution in Counterparts; Effectiveness.** This Amendment may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or other electronic imaging (including in .pdf format) means shall be effective as delivery of a manually executed counterpart of this Amendment. The words “execution,” “signed,” “signature,” and words of like import in this Amendment shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Except as provided in Section 4, this Amendment shall become effective by and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto.

**SECTION 9. Payment of Expenses.** The Borrower agrees to pay or reimburse the Administrative Agent, the Security Agent and each of the Lenders, in each case, for its out-of-pocket costs and expenses incurred in connection with this Amendment, any other documents prepared in connection herewith and the transactions contemplated hereby, in each case, in accordance with Section 11.04 of the Credit Agreement.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their respective authorized officers as of the date first above written.

**BORROWER:**

**PURECYCLE TECHNOLOGIES, INC.**

By: /s/ Larry Somma  
Name: Larry Somma  
Title: Chief Financial Officer

**GUARANTORS:**

**PURECYCLE TECHNOLOGIES HOLDINGS CORP.**

By: /s/ Larry Somma  
Name: Larry Somma  
Title: Chief Financial Officer

**PURECYCLE TECHNOLOGIES, LLC**

By: /s/ Larry Somma  
Name: Larry Somma  
Title: Chief Financial Officer

[Signature Page to Third Amendment to Credit Agreement]

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**AGENTS:**

**MADISON PACIFIC TRUST LIMITED**, as Administrative Agent

By: /s/ Holly Hamilton  
Name: Holly Hamilton  
Title: Director

**MADISON PACIFIC TRUST LIMITED**, as Security Agent

By: /s/ Holly Hamilton  
Name: Holly Hamilton  
Title: Director

[Signature Page to Third Amendment to Credit Agreement]

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**LENDERS:**

**SYLEBRA CAPITAL PARTNERS MASTER FUND, LTD**, as a Lender

By: /s/ Matthew Whitehead  
Name: Matthew Whitehead  
Title: Authorized Signatory

**SYLEBRA CAPITAL PARC MASTER FUND**, as a Lender

By: /s/ Matthew Whitehead  
Name: Matthew Whitehead  
Title: Authorized Signatory

**SYLEBRA CAPITAL MENLO MASTER FUND**, as a Lender

By: /s/ Matthew Whitehead  
Name: Matthew Whitehead  
Title: Authorized Signatory

[Signature Page to Third Amendment to Credit Agreement]



## PURECYCLE ANNOUNCES PRIVATE OFFERING OF \$200.0 MILLION OF GREEN CONVERTIBLE SENIOR NOTES

ORLANDO, Fla. – August 21, 2023 – [PureCycle Technologies, Inc.](#) (Nasdaq: PCT), today, announced its intention to offer, subject to market conditions and other factors, \$200.0 million aggregate principal amount at maturity of its Green Convertible Senior Notes due 2030 (the “notes”) in a private offering (the “offering”) to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”). PureCycle also expects to grant the initial purchaser of the notes an option to purchase, for settlement during a period of 13 days from, and including, the date the notes are first issued, up to an additional \$30.0 million aggregate principal amount of the notes. Each \$1,000 principal amount at maturity of notes will be issued at a discount to the principal amount at maturity. An amount equal to the difference between the issue price and the principal amount at maturity will accrete from the original issue date through August 15, 2027.

Entities affiliated with Sylebra Capital Management have indicated an interest in purchasing up to \$75.0 million aggregate principal amount at maturity of notes.

PureCycle intends to allocate an amount equal to the net proceeds from this offering to the financing and refinancing of recently completed and future Eligible Green Projects (as defined below) in the United States. In particular, PureCycle intends to allocate the net proceeds from this offering to make payments on certain long-lead items and fund initial outside battery limits engineering design work, both associated with a multi-line purification facility to be built in Augusta, Georgia. Pending such allocation, PureCycle intends to use the remaining net proceeds for general corporate purposes.

“Eligible Green Projects” means: (i) investments in acquisitions of buildings; (ii) building developments or redevelopments; (iii) renovations in existing buildings; and (iv) tenant improvement projects, in each case, that have received, or are expected to receive, in the three years prior to the issuance of the Notes or during the term of the Notes, a Leadership in Energy and Environmental Design (LEED) Silver, Gold or Platinum certification (or environmentally equivalent successor standards).

Holders of the notes may convert all or any portion of their notes at their option at any time prior to the close of business on the second scheduled trading day immediately preceding the maturity date. Upon conversion, PureCycle will pay or deliver, as the case may be, cash, shares of its common stock or a combination of cash and shares of its common stock, at PureCycle’s election.

Holders of the notes have the right to require PureCycle to repurchase for cash all or any portion of their notes on August 15, 2027 at a repurchase price equal to 100% of the principal amount at maturity of the notes to be repurchased, plus accrued and unpaid interest to, but excluding, August 15, 2027. In addition, if PureCycle undergoes a “fundamental change,” then

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holders of the notes may require PureCycle to repurchase for cash all or any portion of their notes at repurchase price equal to 100% of the accreted principal amount of the notes to be repurchased, plus accrued and unpaid interest to, but excluding, the applicable fundamental change repurchase date.

Prior to August 20, 2025, the notes will not be redeemable at PureCycle's option. On a redemption date occurring on or after August 20, 2025 and on or before the 40th scheduled trading day before the maturity date, PureCycle may redeem for cash all or any portion of the notes (subject to certain exceptions and restrictions), at PureCycle's option, if the last reported sale price per share of PureCycle's common stock has been at least 130% of the conversion price then in effect for a specified period of time. The redemption price will be equal to 100% of the accreted principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. The interest rate, conversion rate and other terms of the notes are to be determined upon pricing of the offering.

There can be no assurance that the offering will be completed. The notes will be offered to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act. Neither the notes nor the shares of common stock issuable upon conversion of the notes, if any, have been, nor will be, registered under the Securities Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful.

### **About PureCycle**

PureCycle Technologies LLC., a subsidiary of PureCycle Technologies, Inc., holds a global license for the only patented solvent-driven purification recycling technology, developed by The Procter & Gamble Company (P&G), that is designed to transform polypropylene plastic waste (designated as No. 5 plastic) into a continuously renewable resource. The unique purification process is designed to remove color, odor, and other impurities from No. 5 plastic waste resulting in an ultra-pure recycled (UPR) plastic that can be recycled and reused multiple times, changing our relationship with plastic.

### **Cautionary Statement Regarding Forward-Looking Statements**

This press release contains forward-looking statements, including statements about the outcome of any legal proceedings to which PureCycle is, or may become a party, and the financial condition, results of operations, earnings outlook and prospects of PureCycle. Forward-looking statements generally relate to future events or PureCycle's future financial or operating performance and may refer to projections and forecasts. Forward-looking statements are often identified by future or conditional 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 PureCycle and are inherently subject to uncertainties and changes in circumstances and their potential effects and speak only as of the date of this press release. 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 entitled "Risk Factors" in each of PureCycle's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and PureCycle's Quarterly Reports on

Form 10-Q for the periods ended March 31, 2023 and June 30, 2023, those discussed and identified in other public filings made with the Securities and Exchange Commission by PureCycle and the following:

- PureCycle's ability to obtain funding for its operations and future growth and to continue as a going concern;
- PureCycle's ability to meet, and to continue to meet, applicable regulatory requirements for the use of PureCycle's UPR in food grade applications (including in the United States, Europe, Asia and other future international locations);
- PureCycle's ability to comply on an ongoing basis with the numerous regulatory requirements applicable to the UPR resin and PureCycle's facilities (including in the United States, Europe, Asia and other future international locations);
- Expectations and changes regarding PureCycle'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 PureCycle's ability to invest in growth initiatives;
- The ability of PCT's first commercial-scale recycling facility in Lawrence County, Ohio to be appropriately certified by Leidos Engineering, LLC, following certain performance and other tests, and commence full-scale commercial operations in a timely and cost-effective manner;
- PureCycle's ability to complete the necessary funding with respect to, and complete the construction of, (i) its first U.S. multi-line facility, located in Augusta, Georgia, (ii) its first commercial-scale European plant located in Antwerp, Belgium, and (iii) its first commercial-scale Asian plant located in Ulsan, South Korea, in a timely and cost-effective manner;
- PureCycle's ability to sort and process polypropylene plastic waste at, its plastic waste prep facilities;
- PureCycle's ability to maintain exclusivity under the Procter & Gamble Company license;
- the implementation, market acceptance and success of PureCycle's business model and growth strategy;
- the success or profitability of PureCycle's offtake arrangements;
- the ability to source feedstock with a high polypropylene content at a reasonable cost;
- PureCycle's future capital requirements and sources and uses of cash;
- developments and projections relating to PureCycle's competitors and industry;
- the outcome of any legal or regulatory proceedings to which PureCycle is, or may become, a party including the securities class action case;
- geopolitical risk and changes in applicable laws or regulations;
- the possibility that PureCycle may be adversely affected by other economic, business, and/or competitive factors, including rising interest rates, availability of capital, economic cycles, and other macro-economic impacts;
- turnover or increases in employees and employee-related costs;

- changes in the prices and availability of labor (including labor shortages), transportation and materials, including significant inflation, supply chain conditions and its related impact on energy and raw materials, and PureCycle's ability to obtain them in a timely and cost-effective manner;
- any business disruptions due to political or economic instability, pandemics, armed hostilities (including the ongoing conflict between Russia and Ukraine);
- the potential impact of climate change on PureCycle, including physical and transition risks, higher regulatory and compliance costs, reputational risks, and availability of capital on attractive terms;
- operational risk;
- the proposed terms of the notes;
- the size of the notes offering, including the option to purchase additional notes to be granted to the initial purchaser; and
- the anticipated use of proceeds from the sale of the notes.

The forward-looking statements in this press release represent our views as of the date of press release. We anticipate that subsequent events and developments may cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. Therefore, these forward looking statements do not represent our views as of any date other than the date of this press release.

All subsequent written and oral forward-looking statements or other matters attributable to PureCycle 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, PureCycle 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.

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