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SK geo centric and PureCycle Announce Location of Asia's First Polypropylene Recycling Plant

- SKGC and PureCycle announced that Ulsan, South Korea, will be the location of the first polypropylene recycling plant in Asia.**
- SKGC conducted extensive research and technical due diligence into PureCycle's technology, which is designed to produce ultra-pure recycled plastic from polypropylene waste. PureCycle's technology combined with SKGC's expertise in polypropylene production and marketing will further both companies' missions to tackle plastic waste.**
- SKGC will accelerate its commitment to creating a circular economy for plastics by maximizing synergy effects between its top three advanced recycling technologies- pyrolysis, PET de-polymerization, and recycled polypropylene.**

ORLANDO, Fla., Jan. 10, 2022 /PRNewswire/ -- SK geo centric (SKGC) and [PureCycle Technologies, Inc.](#) (Nasdaq: PCT), a U.S. advanced recycling company revolutionizing plastic waste, signed a non-binding head of agreement ("HOA" or "term sheet") to open Asia's first recycled polypropylene (PP) plant in Ulsan, South Korea. The facility is expected to have an annual capacity of 60,000 tons and an expected completion at the end of 2024. The HOA progresses the business relationship between the two companies, which initiated in August 2021 with the signing of a memorandum of understanding (MOU).



Na Kyung-soo, President and CEO of SK geo centric, visited PureCycle's Feedstock Evaluation Unit, an R&D facility and demonstration plant in Ohio, in November 2021 to evaluate its solvent extraction technology and discuss collaboration plans to deepen the relationship. On January 6 at CES 2022 in Las Vegas, SKGC and PureCycle agreed to key terms that will be included in the joint venture agreement to be negotiated between the two companies.

Kim Jun, Vice Chairman and CEO of SK innovation, said, "SK Geo centric will play a major role in SK Innovation's 'Carbon to Green strategy,' along with the battery business." He added, "We will continue to innovate existing business models and further expand cooperation with global companies with eco-friendly technologies to build a pure plastic environment."

Mike Otworth, PureCycle, CEO, said, "I'm thrilled PureCycle and SKGC are progressing toward opening a recycling facility in Ulsan over the next three years. Combining SK geo centric's expertise and knowledge of the industry in South Korea with PureCycle's patented technology that transforms plastic waste into a renewable resource, we can work toward tackling the plastic waste crisis that has impacted every corner of the world."

PureCycle is the world's only company that has proprietary technology to separate contaminants, odors, and colors from PP plastic waste to transform it into ultra-pure recycled (UPR) plastic. This technology can be used for commercial production and to recycle contaminated food storage containers, colored detergent bottles, and automotive interior plastic—which are mostly incinerated because they are difficult to recycle—into UPR.

PP is a plastic used widely in everything from consumer products and food packaging to automotive interior materials. Because of the common practice of combining PP with other materials and additives, there have been limitations in traditional mechanical recycling to separate contaminants and produce a like-new recycled plastic. The cooperation between the two companies is designed to create a joint venture that will not only recycle plastic waste and provide South Korea with UPR, but also be able to develop diverse consumer products.

SK geo centric is a global leader in PP production and has deep technological capabilities, and wide marketing reach in Asia. The partnership between the two companies will combine SKGC's strengths with PureCycle's purification technology to supply a premium recycled plastic resin to the growing market. PureCycle will leverage its plant module construction processes and partnerships to accelerate the building of the plant in South Korea.

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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 recycled (UPR) resin. The proprietary process removes color, odor and other contaminants from recycled feedstock resulting in UPR plastic suitable for any PP market. To learn more, visit purecycle.com

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 such statement. 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 Quarterly Report on Form 10-Q entitled "*Risk Factors*," those discussed and identified in public filings made with the 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 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 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, Ohio plant in a timely and cost-effective manner;
- PCT's ability to build its first U.S. cluster facility, located in Augusta, Georgia (the "Augusta Facility"), in a timely and cost-effective manner;
- PCT's ability to sort and process polypropylene plastic 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 and the ongoing SEC investigation;
- the ability to recognize the anticipated benefits of the business combination;
- 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;
- operational risk; and
- the risk that the COVID-19 pandemic, including any 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.

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