



Papyrus Australia Limited (ASX: PPY)

ASX Announcement

PAPYRUS SIGNS TWO SIGNIFICANT CONTRACTS WITH THE EGYPTIAN GOVERNMENT

28 May 2024

Papyrus Australia Limited (ASX: PPY), developer of sustainable technology that converts banana plantation waste into fibre and biodegradable food packaging products, is pleased to announce the signing of two substantial contracts with the Egyptian Government's National Authority for Military Production (MP) through its subsidiary, Papyrus Egypt Banana Fibre Manufacturing Company LLC. This is on the back of the successful commissioning of the first banana fibre moulded packaging production line recently installed for the MP, that is receiving its raw material from the Papyrus Sohag Factory.

Banana fibre moulded packaging production line

The first additional contract involved the supply, supervision of installation and commissioning of a second banana fibre moulded packaging production line for the MP.

Organic liquid fertilizer and cellulosic fibre production line

The second contract involves the supply, installation, and commissioning of equipment for a processing line, to produce cellulosic fibre (for packaging) and organic liquid fertilizer from banana plantation waste.

Importantly this processing line will enable the MP facility (Factory 200) to process their local plantation waste and operate the full value chain of the Papyrus production process.

The two contracts are collectively valued at **\$1.7m USD** and equipment is due to be supplied and installed early calendar year 2025.

Papyrus will continue to sell products on behalf of the MP. Once the second moulding line is operating, the site has a total production capacity of up to 100 million pieces of moulded banana fibre packaging per year. This represents potential revenue of up to **\$2.7m USD** per year from moulded product sales by Papyrus.

Strategic Impact

These contracts represent a significant milestone for Papyrus Australia, reflecting our commitment to sustainable development and the advancement of our proprietary banana fibre technology. The collaboration with MP underscores the increasing global recognition and demand for our innovative solutions in both packaging and agricultural sectors.

The Egyptian government, through the National Military Production Authority (MP), aims to utilize technology and modern science to develop a competitive national industry and leverage surplus production capacities in its factories to support the state's comprehensive development plan. The National Military Production Authority possesses extensive

capabilities, resources, and a rich history of manufacturing essential strategic civilian products for the Egyptian economy, including waste collection and recycling projects of all kinds. The Authority is dedicated to attracting the latest technologies to develop green infrastructure industries and sustainable development, reduce imports, encourage local production and export, and enhance the skills of Egyptian workers.

Commenting on the partnership, Engineer Mr. Majid Mohamed Gamal El Din, Chairman of the Board of Directors for Factory 200, stated, "*Our collaboration with Papyrus Egypt Banana Fibre Manufacturing Company is a significant step towards realizing Egypt's vision for sustainable industrial development. By integrating advanced, eco-friendly technologies, we are committed to reducing our environmental impact and enhancing local production capabilities.*"

Mr. Ramy Azer, Founder of Papyrus Australia, was responsible for the initial development of Papyrus' technology, added, "*This partnership marks a pivotal moment for Papyrus Australia. Our innovative banana fibre technology is set to revolutionize sustainable manufacturing in Egypt. We are excited to work with the National Military Production Authority to bring these green solutions to life, benefiting both the environment and the economy.*"

Mr. Edward Byrt, Chairman of Papyrus Australia, said, "*Securing these contracts is a testament to the strength and potential of our technology. We are thrilled to be expanding our presence in the Egyptian market, reinforcing our position as a leader in sustainable and eco-friendly technologies. We look forward to the successful execution of these projects and the positive impact they will have on both our company and the broader community.*"

By securing these contracts, Papyrus Australia strengthens its foothold in the Egyptian market and continues to pave the way for future growth and international expansion. These contracts not only generate substantial revenue but also enhance our strategic partnerships in the region and realisation of rolling out our technology.

We look forward to successfully executing these projects and updating the market on further developments.

This announcement has been authorized for release by the Board of Papyrus Australia Limited.

About Papyrus Australia Limited

Papyrus Australia Limited is an innovative company focused on the sustainable development of packaging and agricultural products made from banana fibre. Through our proprietary technology, we transform agricultural waste into valuable, eco-friendly products, contributing to a greener and more sustainable future.