

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Pyrolyx AG

ARBN

618 212 267

Quarter ended ("current quarter")

31.12.2019

| Consolidated statement of cash flows | Current quarter €'000 | Year to date (12 months) €'000 |
|---|----------------------------------|---|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 884 | 1,604 |
| 1.2 Payments for | | |
| (a) research and development | 0 | -69 |
| (b) product manufacturing and operating costs | -707 | -1,667 |
| (c) advertising and marketing | -12 | -24 |
| (d) leased assets | -191 | -265 |
| (e) staff costs | -1,887 | -4,094 |
| (f) administration and corporate costs | -863 | -3,436 |
| 1.3 Dividends received (see note 3) | 0 | 0 |
| 1.4 Interest received | 17 | 104 |
| 1.5 Interest and other costs of finance paid | -44 | -1,348 |
| 1.6 Income taxes paid | 0 | 0 |
| 1.7 Government grants and tax incentives | 0 | 0 |
| 1.8 Other (provide details if material) | 133 | 505 |
| 1.9 Net cash from / (used in) operating activities | -2,671 | -8,690 |

Note to 1.8: 1.8 comprises VAT refunding only as VAT payments are included in operating cash outflows.

| Consolidated statement of cash flows | | Current quarter €'000 | Year to date (12 months) €'000 |
|---|---|----------------------------------|---|
| 2. | Cash flows from investing activities | | |
| 2.1 | Payments to acquire: | | |
| | (a) property, plant and equipment | -2,212 | -13,509 |
| | (b) businesses (see item 10) | 0 | 0 |
| | (c) investments | 0 | 0 |
| | (d) intellectual property | 0 | 0 |
| | (e) other non-current assets | 0 | 0 |
| 2.2 | Proceeds from disposal of: | | |
| | (a) property, plant and equipment | 0 | 0 |
| | (b) businesses (see item 10) | 0 | 0 |
| | (c) investments | 0 | 0 |
| | (d) intellectual property | 0 | 0 |
| | (e) other non-current assets | 0 | 0 |
| 2.3 | Cash flows from loans to other entities | 0 | -221 |
| 2.4 | Dividends received (see note 3) | 0 | 0 |
| 2.5 | Other (provide details if material) | 7 | 7 |
| 2.6 | Net cash from / (used in) investing AQtivities | -2,204 | -13,723 |
| 3. | Cash flows from financing AQtivities | | |
| 3.1 | Proceeds from issues of shares | 3,441 | 5,441 |
| 3.2 | Proceeds from issue of convertible notes | 0 | 0 |
| 3.3 | Proceeds from exercise of share options | 0 | 0 |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | 0 | 0 |
| 3.5 | Proceeds from borrowings | 3,225 | 13,272 |
| 3.6 | Repayment of borrowings | -1,409 | -2,072 |
| 3.7 | Transaction costs related to loans and borrowings | 0 | 0 |
| 3.8 | Dividends paid | 0 | 0 |
| 3.9 | Other (provide details if material) | 0 | 0 |
| 3.10 | Net cash from / (used in) financing activities | 5,258 | 16,641 |

| Consolidated statement of cash flows | | Current quarter €'000 | Year to date (12 months) €'000 |
|---|--|----------------------------------|---|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of quarter/year to date | € 6,115 | 12,064 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | -2,671 | -8,691 |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | -2,204 | -13,723 |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 5,258 | 16,641 |
| 4.5 | Effect of movement in exchange rates on cash held | 36 | 242 |
| 4.6 | Cash and cash equivalents at end of quarter | € 6,533 | 6,533 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter €'000 | Previous quarter €'000 |
|------------|--|----------------------------------|-----------------------------------|
| 5.1 | Bank balances | 6,533 | 6,115 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) * | 0 | 0 |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | € 6,533 | € 6,115 |

Quarterly report for entities subject to Listing Rule 4.7B

€ (0)

6. Payments to directors of the entity and their associates

| | | Current quarter €'000 |
|-----|--|-----------------------|
| 6.1 | Aggregate amount of payments to these parties included in item 1.2 | € - |
| 6.2 | Aggregate amount of cash flow from loans to these parties included in item 2.3 | € - |
| 6.3 | Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 | |

Note to 6.1: includes regular management salary and supervisory board fees.

7. Payments to related entities of the entity and their associates

| | | Current quarter €'000 |
|-----|--|-----------------------|
| 7.1 | Aggregate amount of payments to these parties included in item 1.2 | € - |
| 7.2 | Aggregate amount of cash flow from loans to these parties included in item 2.3 | € - |
| 7.3 | Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 | |

Partial repayment of shareholder loan

8. Financing facilities available

Add notes as necessary for an understanding of the position

| | | Total facility amount at quarter end €'000 | Amount drawn at quarter end €'000 |
|-----|--|--|-----------------------------------|
| 8.1 | Loan facilities | 52,722 | 52,722 |
| 8.2 | Credit standby arrangements | - | - |
| 8.3 | Other (please specify) | 8,915 | 8,915 |
| 8.4 | Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |

Quarterly report for entities subject to Listing Rule 4.7B

| Section 8.1 | | | | | |
|------------------|---|------|---------------|---|----------------|
| Lendor | Debtor | Note | Interest p.a. | Total amount outstanding incl. accrued interest at end of quarter (€'000) | Securitisation |
| UniCredit | cct GmbH | | 2.07% | 210 | secured |
| IBSA | cct GmbH | | 7.95% | 250 | secured |
| IBSA | cct GmbH | | 5.50% | 259 | secured |
| MBG | cct GmbH | | 9.00% | 762 | secured |
| IBKG | cct GmbH | | 7.75% | 1028 | secured |
| Municipal Bond | Pyrolyx Indiana LLC | 1 | 7.25% | 27477 | secured |
| Arena Holdings | Pyrolyx International | | 14.00% | 1242 | secured |
| Convertible Bond | Pyrolyx AG | | 0.00% | 245 | unsecured |
| Johalius | Pyrolyx AG | | 10.00% | 1900 | unsecured |
| Gracemere | Pyrolyx AG | | 10.00% | 300 | unsecured |
| Meder | Pyrolyx AG | | 10.00% | 300 | unsecured |
| TSAL | Pyrolyx AG | | 10.00% | 500 | unsecured |
| RPSCO | Pyrolyx USA, Inc. | 2 | 15% | 4761 | secured |
| RPSCO | Pyrolyx USA, Inc. | 3 | 11% | 4000 | secured |
| RPSCO | Pyrolyx USA, Inc. | 4 | 9% | 1800 | secured |
| TSAL | Pyrolyx USA, Inc. | 5 | 15% | 2599 | secured |
| LEROMA | Pyrolyx USA, Inc. | 6 | 9% | 502 | secured |
| JOHALIUS | Pyrolyx USA, Inc. | 7 | 9% | 500 | secured |
| SCAWTON | Pyrolyx USA, Inc. | 8 | 9% | 511 | secured |
| THSB | Pyrolyx Tire Recycling, LLC | 9 | 5.5% | 865 | secured |
| Gibson | Pyrolyx Tire Recycling, LLC | 10 | 20.00% | 1583 | secured |
| J&R Used Tire | Pyrolyx Tire Recycling, LLC | 11 | 0.00% | 900 | unsecured |
| Iroquis Federal | Pyrolyx Transportation, LLC | 12 | 4.75% | 226 | secured |
| TOTAL | | | | 52722 | |
| Note 1 | kUSD 30,367 at USD/ EUR= 1.1052 per 31 Dec, 2019. | | | | |
| Note 2 | Loan RPSCO PTY Ltd kUSD 4,551 in December 2018 fully funded | | | | |
| Note 3 | Loan RPSCO PTY Ltd kEUR 4,000 in April/June 2019 fully funded | | | | |
| Note 4 | Loan RPSCO PTY Ltd kEUR 3,300 in September 2019 fully funded | | | | |
| Note 5 | Loan TSAL 1,200 kEUR in December 2018 fully funded | | | | |
| Note 6 | Loan Leroma 500 kEUR in September 2019 fully funded | | | | |
| Note 7 | Loan Johalius 500 kEUR in September 2019 fully funded | | | | |
| Note 8 | Loan Scawton 500 kEUR in September 2019 fully funded | | | | |
| Note 9 | Loan Terre Haute Savings Bank kUSD 1,000 in September 2019 fully funded | | | | |
| Note 10 | Loan Gregory Gibson kUSD 1,750 at USD/EUR=1.1052 in September 2019 fully funded | | | | |
| Note 11 | Loan J&R Used Tire kUSD 1,040 at USD/EUR=1.1052 in September 2019 fully funded | | | | |
| Note 12 | Loan Iroquis Federal Savings & Loan Assoc kUSD 250 at USD/EUR=1.1052 in September 2019 fully funded | | | | |

+ See chapter 19 for defined terms

Section 8.3

| Lendor | Debtor | Note | Interest p.a. | Total amount outstanding incl. arrued interest at end of quarter (€'000) | Securitisation |
|----------------|-----------------------|------|---------------|--|----------------|
| Zeppelin | Pyrolyx AG | | 7,5% | 1063 | secured |
| Galcap | Pyrolyx AG | | 15.00% | 150 | secured |
| TSAL | Pyrolyx AG | | 10.00% | 2073 | secured |
| Alexis Gurdjan | Pyrolyx AG | | 10.00% | 171 | secured |
| M-Invest | Pyrolyx AG | | 10.00% | 45 | secured |
| R. Machinist | Pyrolyx AG | | 10.00% | 44 | secured |
| cct AG | Pyrolyx International | | 0.00% | 750 | secured |
| cct AG | Pyrolyx International | | 1.00% | 4619 | secured |
| TOTAL | | | | 8915 | |

| 9. | Estimated cash outflows for next quarter | €'000 |
|------------|---|--------------|
| 9.1 | Research and development | 100 |
| 9.2 | Product manufacturing and operating costs | 3250 |
| 9.3 | Advertising and marketing | 25 |
| 9.4 | Leased assets | 250 |
| 9.5 | Staff costs | 2,150 |
| 9.6 | Administration and corporate costs | 725 |
| 9.7 | Other (provide details if material) | 0 |
| 9.8 | Total estimated cash outflows | 6,500 |

Note to 9.2: including investor relations and capital market costs

| 10. | Acquisitions and disposals of | Acquisitions | Disposals |
|------|---|-------------------------------------|-----------|
| 10.1 | Name of entity | J&R Tire Recycling, Inc. | n/a |
| 10.2 | Place of incorporation or registration | Newport IN, USA | n/a |
| 10.3 | Consideration for acquisition or disposal | \$4.04 Million | n/a |
| 10.4 | Total net assets | \$2.2 Million | n/a |
| 10.5 | Nature of business | Waste Tire Collection and Recycling | n/a |

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: _____

(Director/Company secretary)

Date: 27. January 2020

Print name: Michael Triguboff (CEO)

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have
 2. If this quarterly report has been prepared in accordance with Australian Accounting Standards,
 3. Dividends received may be classified either as cash flows from operating activities or cash flows
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