

4 June 2024

<b>Price (NOK)</b>	<b>29</b>
Shares in issue (m)	96
Mkt Cap (NOKm)	2,756
Net debt (NOKm)	-84
EV (NOKm)	2,669
BVPS (NOK)	8.8

**Share price performance**

1m	-2.4%
3m	-4.0%
12m	-4.0%
12 m high/low	32/19.2
Ave daily vol (30D)	62,471

**Shareholders**

Saffron Hill Venture	41.6%
Morgan Stanley	4.3%
Nordea Bank Abp	1.9%
Mp Pensjon Pk	1.4%
Ufi Capital As	0.6%
Ufi As	0.6%
Cmu Seb	0.5%
L-Vevabi Holding Aps	0.4%
Steen Jakobsen	0.4%
Faulkner Chris	0.4%
Total for top 10	52.1%
Free float	54.2%
Source: Bloomberg	03 Jun 24

**Next news** Ints Q4

**Business description**

Plastic waste recycling technology and feedstock management



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**TOYO STYRENE ON SPEC**

The 10 ton per day polystyrene recycling project being developed by Agilyx for Toyo Styrene in Tokyo has reached a significant milestone, producing on spec styrene from post use polystyrene. The facility is on track for commercial operations in the next few months and helps to prove the Agilyx model with a commercial reference point.

**Key Commissioning Milestone**

Agilyx has announced that the Toyo Styrene project has reached a key commissioning milestone with the first successful depolymerisation of post use polystyrene, bringing it back to a styrene monomer that can be recycled back into high value polystyrene products. The styrene was fully on specification demonstrating the efficacy of the Agilyx technology. The project will work to optimise production over the next few months before entering full commercial operations.

\$,000 Dec	2022a	2023a	2024e	2025e	2026e	2027e
Sales	7,362	5,895	10,739	43,354	70,353	83,611
EBITDA	-17,132	-16,073	-11,094	-282	14,276	31,559
PBT	-17,881	-17,157	-11,959	-1,353	13,005	30,075
EPS	-0.2	-0.2	-0.1	0.0	0.1	0.2
CFPS	-0.2	-0.3	-0.1	0.1	-0.1	-0.3
DPS	0.0	0.0	0.0	0.0	0.0	0.0
Net Debt (Cash)	-12,939	-8,235	-638	-8,317	-5,921	-3,149
Debt/EBITDA	0.8	0.5	0.1	29.5	-0.4	-0.1
P/E	-13.3	-15.1	-21.9	-193.8	26.9	11.6
EV/EBITDA	-14.5	-15.8	-23.6	-899.6	18.0	8.2
EV/sales	33.9	43.1	23.6	5.9	3.6	3.0
FCF yield	-8.5%	-10.6%	-2.7%	2.5%	-5.1%	-10.5%
Div yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

## FINANCIAL MODEL

### Profit and Loss Account

US\$,000, Dec	2022a	2023a	2024e	2025e	2026e	2027e
<b>Turnover</b>						
Agilyx	7,362	5,895	10,739	43,354	70,353	83,611
Cyclyx	9,096	10,298	16,392	35,526	155,614	352,275
Cyclx adjustments	-9,096	-10,298	-16,392	-35,526	-155,614	-352,275
Other	0	0	0	0	0	0
<b>Total</b>	<b>7,362</b>	<b>5,895</b>	<b>10,739</b>	<b>43,354</b>	<b>70,353</b>	<b>83,611</b>
<b>Operating profit</b>						
Agilyx	-17,191	-15,760	-9,456	-434	4,143	7,502
Cyclyx	-4,692	-9,273	-5,016	-1,838	22,018	56,186
Cyclx adjustments	5,477	9,273	5,016	1,838	-22,018	-56,186
Other	-1,272	987	0	0	0	0
<b>Operating profit</b>	<b>-17,678</b>	<b>-14,774</b>	<b>-9,456</b>	<b>-434</b>	<b>4,143</b>	<b>7,502</b>
<b>P&amp;L Account</b>						
Turnover	7,362	5,895	10,739	43,354	70,353	83,611
Operating Profit	-17,678	-14,774	-9,456	-434	4,143	7,502
Investment income	0	-1,973	-2,508	-919	8,857	22,570
Net Interest	-204	-410	5	0	5	4
Pre Tax Profit (UKSIP)	-17,881	-17,157	-11,959	-1,353	13,005	30,075
Goodwill amortisation	0	0	0	0	0	0
Exceptional Items	0	0	0	0	0	0
Pre Tax Profit (IFRS)	-17,881	-17,157	-11,959	-1,353	13,005	30,075
Tax	0	0	0	0	-3,251	-7,519
Post tax exceptionals	-5,503	113,279	0	0	0	0
Minorities	1,376	1,351	0	0	0	0
Net Profit	-22,009	97,474	-11,959	-1,353	9,753	22,557
Dividend	0	0	0	0	0	0
Retained	-22,009	97,474	-11,959	-1,353	9,753	22,557
EBITDA	-17,132	-16,073	-11,094	-282	14,276	31,559
EPS (p) (UKSIP)	-0.21	-0.18	-0.12	-0.01	0.10	0.24
EPS (p) (IFRS)	-0.28	1.12	-0.12	-0.01	0.10	0.24
FCFPS (p)	-0.23	-0.29	-0.08	0.07	-0.14	-0.29
Dividend (p)	0.00	0.00	0.00	0.00	0.00	0.00

Source: Company data, Longspur Research estimates

### KEY POINTS

- FY 24 sees Agilyx early development fees
- FY 25 and beyond see strong development fees
- Cyclyx grows from a low start driving investment income from FY 25
- Company moves into profit in FY 26

## Balance Sheet

US\$,000, Dec	2022a	2023a	2024e	2025e	2026e	2027e
Fixed Asset Cost	2,939	2,372	3,061	3,768	4,492	5,235
Fixed Asset Depreciation	-610	-752	-1,622	-2,692	-3,969	-5,456
Net Fixed Assets	2,329	1,620	1,440	1,076	523	-222
Goodwill	0	0	0	0	0	0
Other intangibles	4,002	3,587	3,587	3,587	3,587	3,587
Investments	0	113,003	114,494	116,023	137,590	169,195
Stock	1,687	0	0	0	0	0
Trade Debtors	2,443	589	883	3,563	5,782	6,872
Other Debtors	457	2,975	809	809	809	809
Trade Creditors	-2,641	-1,831	-3,531	-14,254	-23,130	-27,488
Other Creditors <1yr	-7,855	-925	-925	-925	-925	-925
Creditors >1yr	-6,303	-3,293	-3,293	-3,293	-3,293	-3,293
Provisions	0	0	0	0	0	0
Pension	0	0	0	0	0	0
Capital Employed	-5,880	115,725	113,463	106,586	120,943	148,535
Cash etc	13,671	8,528	638	8,317	5,921	3,149
Borrowing <1yr	267	233	0	0	0	0
Borrowing >1yr	465	60	0	0	0	0
Net Borrowing	-12,939	-8,235	-638	-8,317	-5,921	-3,149
Share Capital	8,735	9,595	10,391	11,207	12,044	12,901
Share Premium	53,854	73,240	74,544	75,882	77,253	78,658
Retained Earnings	-56,125	41,349	29,390	28,038	37,791	60,348
Other	-101	-224	-224	-224	-224	-224
Minority interest	697	0	0	0	0	0
Capital Employed	-5,880	115,725	113,463	106,586	120,943	148,535
Net Assets	7,060	123,959	114,102	114,903	126,864	151,683
Total Equity	7,060	123,959	114,102	114,903	126,864	151,683

Source: Company data, Longspur Research estimates

## KEY POINTS

- Cash in FY 23 benefits from equity raise
- Working capital expands with sales growth although payment cycle relatively efficient

## Cashflow

US\$,000, Dec	2022a	2023a	2024e	2025e	2026e	2027e
Operating profit	-17,678	-14,774	-9,456	-434	4,143	7,502
Depreciation	545	674	870	1,071	1,277	1,488
Provisions	0	0	0	0	0	0
Other	-2,585	-4,996	0	0	0	0
Working capital	4,460	5,453	3,572	8,042	3,406	-999
Operating cash flow	-15,258	-13,643	-5,014	8,679	8,825	7,991
Tax paid	0	0	0	0	0	-3,251
Capex (less disposals)	-934	-8,005	-689	-707	-724	-742
Investments	-2,539	-3,670	-1,491	-1,529	-21,567	-31,606
Net interest	-1,323	-225	5	0	5	4
Net dividends	0	0	-2,508	-919	8,857	22,570
Residual cash flow	-20,054	-25,544	-9,698	5,525	-4,604	-5,035
Equity issued	13,418	19,404	2,101	2,154	2,208	2,263
Change in net borrowing	4,365	4,705	7,596	-7,679	2,396	2,772
Adjustments	1,432	1,435	0	0	0	0
Total financing	19,215	25,544	9,697	-5,525	4,604	5,035

Source: Company data, Longspur Research estimates

## KEY POINTS

- Operating cashflow becomes positive from FY 25
- Working capital positive but dependent on project timings
- Low capex reflects licencing business model
- Investments to support roll out of Cyclyx Circularity Centres
- Cyclyx as investment income from FY 24

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