



PHOTOCAT

CLEANING THE AIR WE BREATHE

BY DEGRADING NO_x AND VOC's
IN THE CITIES WE LIVE

INTERIM REPORT H2 2021

PHOTOCAT A/S PCAT CORP, ID NO, 32357903

H2 2021: SUMMARY

Highlights during the second half of 2021

- Revenue in the second half year of 2021 was 6.628 tDKK which compared to second half of 2020 was an increase of 16,1%
- For the full year revenue grew 6,8% compared to 2020 and reached 13,5 mDKK. – a positive development in a year highly influenced by Covid-19.
- NOxOFF was a solid performer with an increase in sales of 34,9% compared to 2020.
- New agreement for DIY market Photocat garden in Denmark and Switzerland.
- First Life Cycle Assessment (LCA) made on Photocat technology shows a 100 fold environmental benefit. Furthermore, every time we remove a kg of NOx with the technology we have saved 10 kg of CO₂.
- First Licensee on Bitumen technology signed.

Highlights after the second half year of 2021

- First Bitumen licensee in Denmark and first projects already signed.
- Agreement signed with Nanostone A/S (6 consecutive gazelle years) for the joint effort of using Photocat technology in BtB (Business to Business) and BtG (Business to Government) markets.

Amounts in DKK '000s	1 Jul – 31 Dec 2021	1 Jul– 31 Dec 2020	Year-to-date 2021	Full Year 2020**
Revenue from photocatalytic fluid	6,229.0	5,438.9	12,674.2	12,111.9
Revenue from Consultancy, Equipment & Other	399.1	274.6	809.3	509.2
Gross Profit	2,809.2	2,298.5	5,286.8	4,941.7
EBITDA	310.3	-160.7	-19.0	63.7
P/L before Tax	-937.7	-1,405.4	-2,629.4	-2,211.9
Net Profit	-747.0	-1,021.4	-2,281.9	-1,827.9
Total Assets	18,173.9	16,812.7	18,173.9	16,812.7
Equity	11,181.9	13,463.8	11,181.9	13,463.8
Debt	6,992.0	3,348.9	6,992.0	3,348,9
Cash at Hand	1,416.4	2,052.2	1,416.4	2,052.2

** Audited



Michael Humle
CEO

When I wrote the update it struck me that we have saved society for more than 118 mDKK in health cost using official numbers. This is far more than we accumulated have made in revenue and clearly highlights what it means to contribute positively to the environment and climate agenda. At Photocat we are utterly proud to make such strong contributions in real money to our society. At the same time we now include CO₂ reductions in our reporting. We do that as we have completed our Life Cycle Assessment (LCA) and published our contribution in peer reviewed scientific journal. We can therefore say that we have totally saved more than 1,4 mill kg CO₂ by the end of year 2021.

Sales performance ended with a 16,1 % growth in second half 2021 to a turnover of 6.628 tDKK from 5.713 tDKK second half of 2020. The growth should be seen as satisfactory as we only slowly was able to rebuild on sales activity that was lost due to Covid-19 restrictions and their wide impact on ability to meet and present our innovative solutions to customers. It is our perception that we have a strong pipeline for 2022 and hope that Covid-19 will not impact our sales activities. In 2021 we reached a revenue of 13.484 tDKK compared to 12.621 tDKK in 2020. This is a growth of 6,8%.

Overall the year developed well with NOxOFF showing growth 34,9% up to a revenue of 10,1 mDKK in 2021 over 7,5 mDKK in 2020. The trend is growth in Denmark, Norway and Spain where we focus. Germany suffered in 2021 as the impact of Covid-19 on our sales activities were strong here.

Photocat Garden had a very disappointing year and we had to evaluate our long term partnership in Denmark and came to the conclusion that it needed a full revision. We had a fall in turnover of -70% to 0,6 mDKK in 2021 from 1,9 mDKK in 2020. This at the same time where investments in a marketing campaign were launched driving up our marketing costs. We have announced new partners in 2022 for the markets in Denmark and Switzerland.

Actifloor grew in accordance with expectations and was up 35,5% to 2,25 mDKK in 2021.

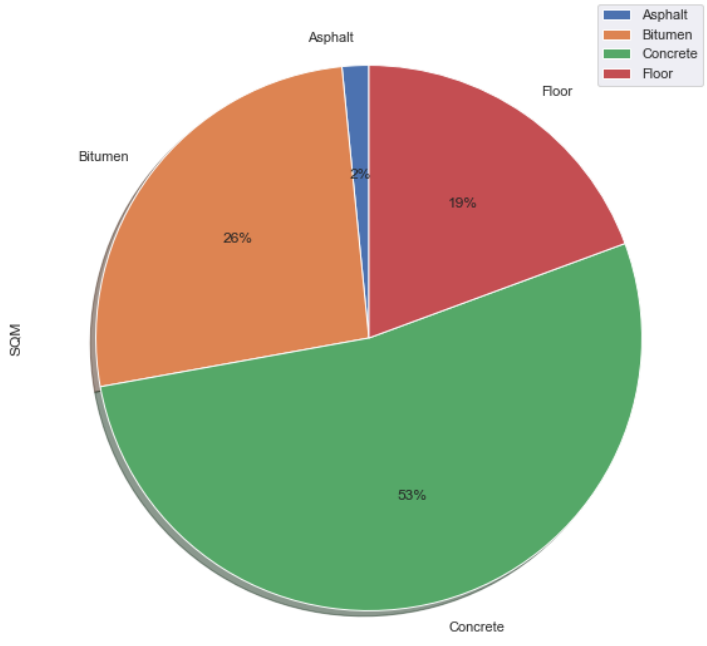
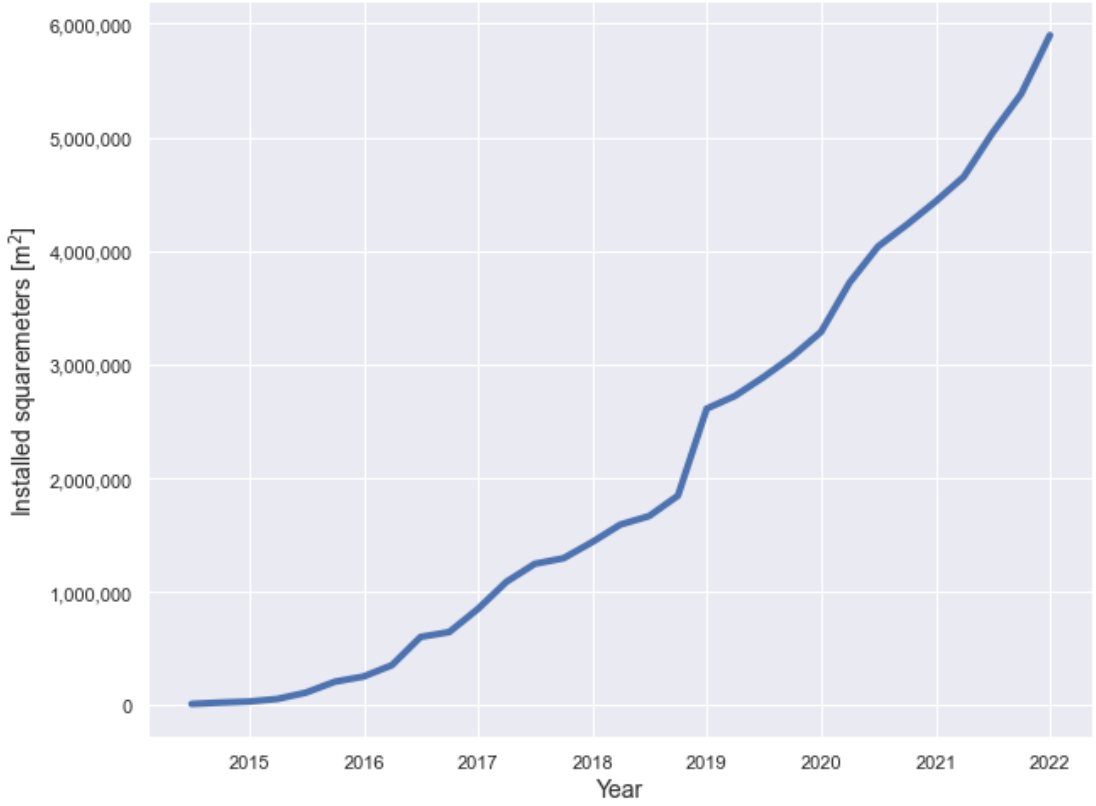
We were pleased to see that the NOxOFF test installation made in the spring 2021 near a Copenhagen school showed a positive impact when results were reported in the autumn. This has led to sales acceptance of our technology and the City of Copenhagen has decided to increase the use of photocatalysis to combat air pollution. Their focus is initially to lower air pollution around schools and institutions.

It was also very positive that our patents and IPR protection has proven to be solid as we entered into a license agreement with one of the top Bitumen manufacturers in Europe. We expect to sign 3 new licensees to the technology in 2022.

As I look into 2022 I have strong growth expectations and I hope we have left Covid-19 behind us.

ENVIRONMENTAL IMPACT

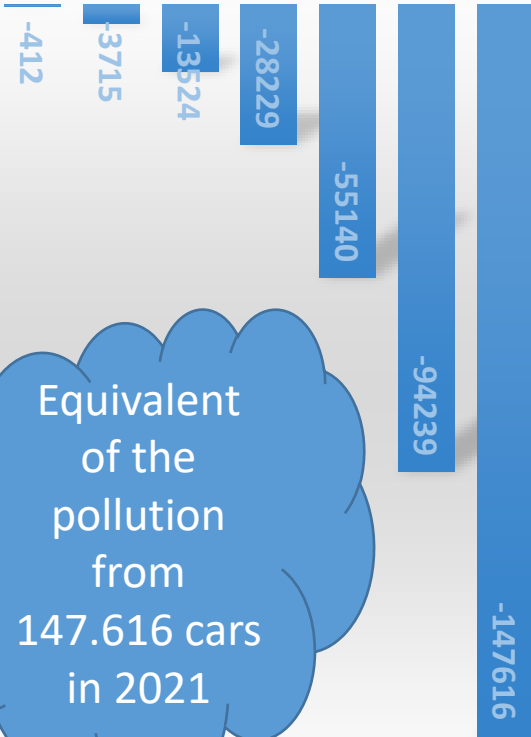
Number of Installed Squaremeters as of 2021-12



ENVIRONMENTAL IMPACT

Accumulated NOx removed in kg

2015 2016 2017 2018 2019 2020 2021



Equivalent of the pollution from 147.616 cars in 2021

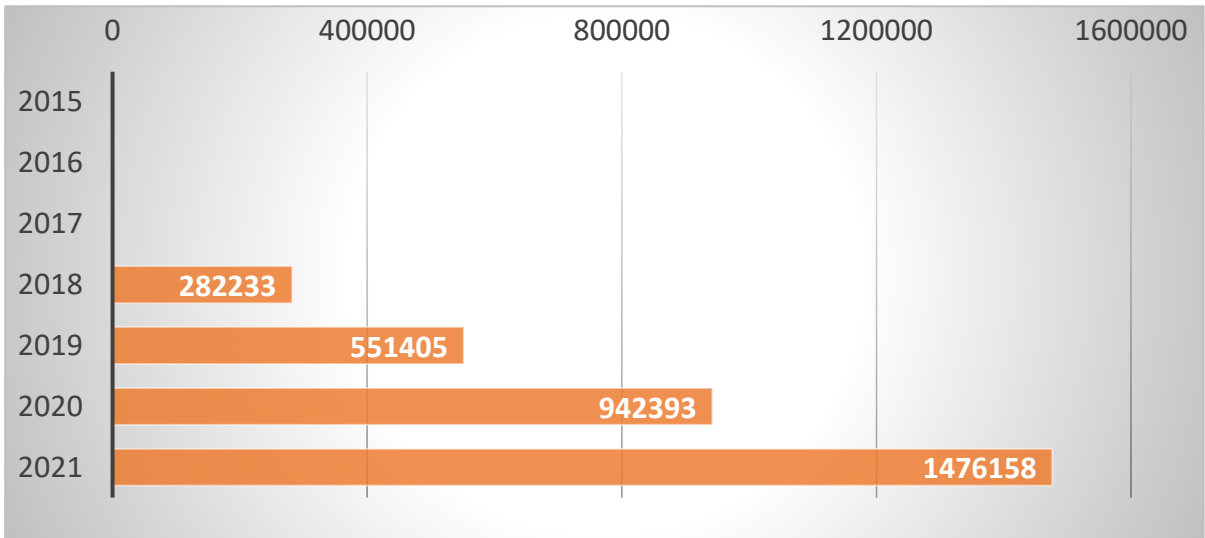
Saved Health Cost - Improved Life Quality



118,1 mDKK 2021

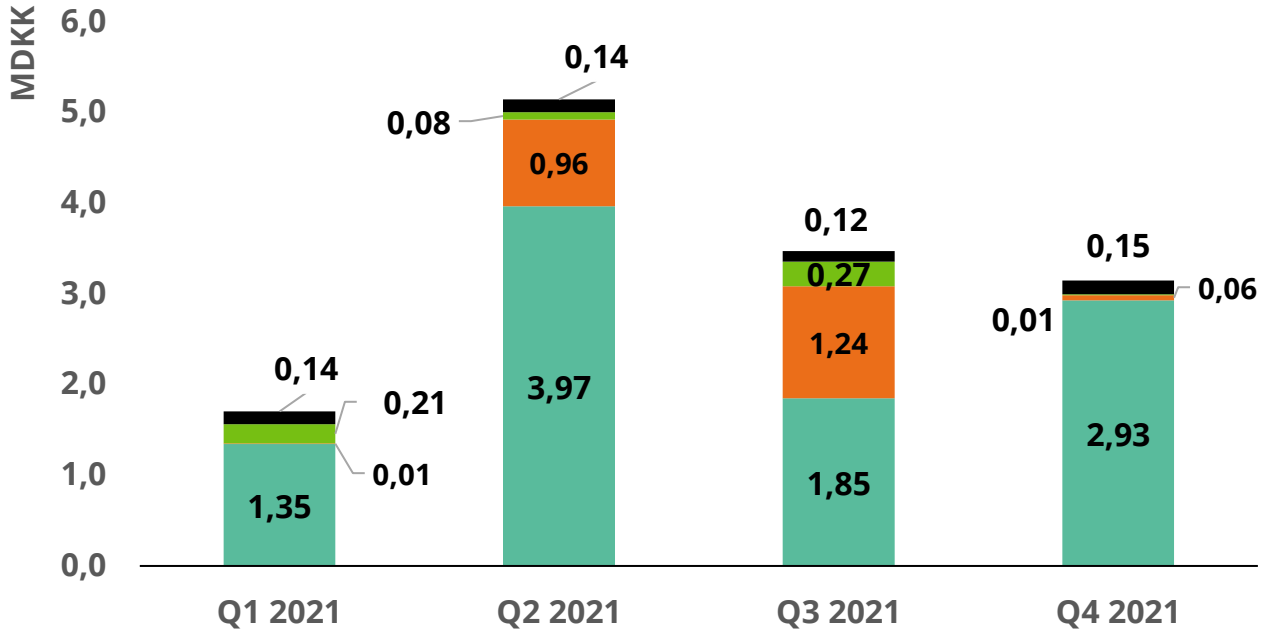
0,3 mDKK 2015

Saved CO₂ emission kg/year

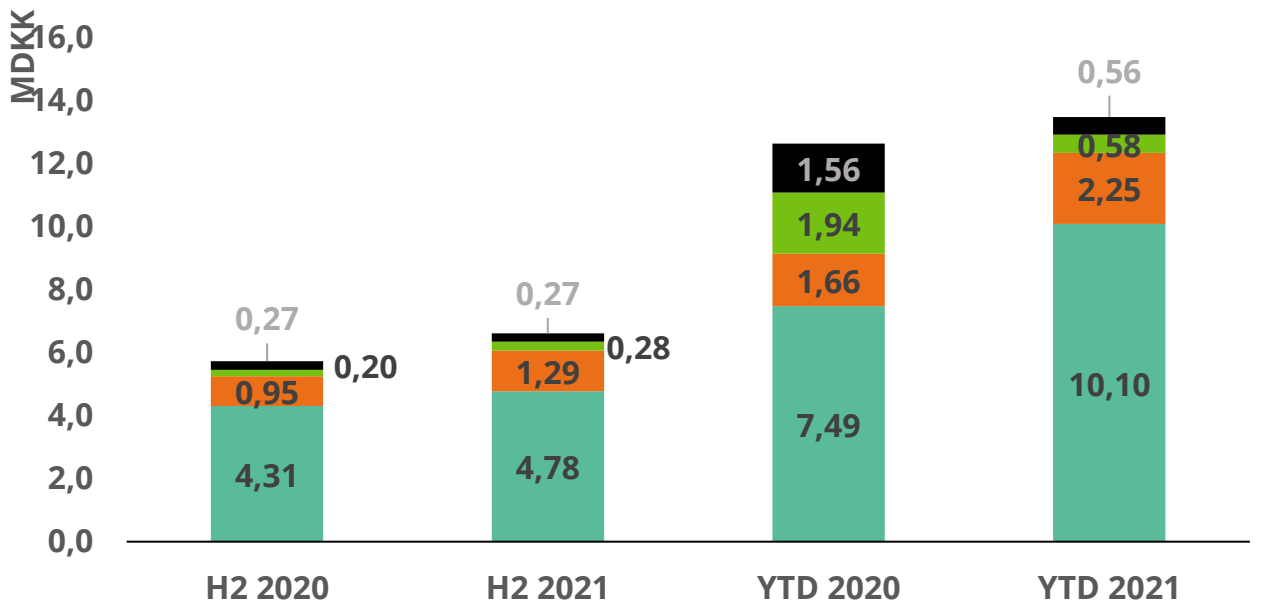


REVENUE DEVELOPMENT

LAST FOUR QUARTERS



YEAR ON YEAR DEVELOPMENT



INCOME STATEMENT

Amounts in DKK '000s	NOTES	H2 2021	H2 2020	YTD 2021	FY 2020	FY 2019
Revenue		6,431.7	5,463.9	13,003.1	12,166.7	6,735.1
Work on own account recognised in assets		1,530.8	897.7	2,243.3	1,745.2	1,459.1
Other operating income		196.4	249.6	480.5	454.4	460.0
Expenses for raw materials and consumables		-1,812.4	-1,733.9	-3,115.1	-3,007.6	-1,959.6
Other external expenses	2	-3,537.3	-2,578.8	-7,325.0	-6,417.1	-4,736.8
Gross profit		2,809.2	2,298.5	5,286.8	4,941.7	1,957.8
Staff expenses		-2,498.9	-2,459.1	-5,305.8	-4,878.0	-4,316.3
Depreciation, amortization and impairment of intangible assets and property, plant and equipment		-1,258.4	-1,162.0	-2,495.0	-2,190.6	-1,984.9
Profit/loss before financial income and expenses		-948.1	-1,322.7	-2,514.0	-2,126.9	-4,343.3
Financial expenses		10.4	-82.7	-115.4	-85,0	-91.8
Profit/loss before tax		-937.7	-1,405.4	-2,629.4	-2,211.9	-4,435.1
Tax		190.7	384.0	347.5	384.0	318.6
Net profit/loss		-747.0	-1,021.4	-2,281.9	-1,827.9	-4,116.5
Earnings per share		DKK -0,14	DKK -0,04	DKK -0,43	DKK- 0,35	DKK -0,83

BALANCE SHEET, assets

Amounts in DKK '000s	NOTES	H2 2021	H2 2020	FY 2020	FY 2019
Completed development projects		4,359.8	5,804.6	5,804.6	5,996.3
Acquired patents		753.9	464.6	464.6	271.5
Development projects in progress		4,803.5	3,009.5	3,009.5	2,807.5
Intangible Assets		9,917.2	9,278.8	9,278.8	9,075.4
Plant and machinery		614.9	888.8	888.8	1,191.9
Other fixtures and fittings, tools & equipment		221.9	169.8	169.8	5.3
Property, plant and equipment		836.8	1,058.6	1,058.6	1,197.2
Other investments		0.0	0.0	0.0	0.0
Deposits		300.9	300.9	300.9	290.9
Fixed asset investments		300.9	300.9	300.9	290.9
Fixed assets		11,054.9	10,638.3	10,638.3	10,563.5
Inventories		1,071.5	748.6	748.6	844.9
Trade receivables		3,867.1	2,531.2	2,531.2	1,255.9
Receivables from group enterprises		0.0	0.0	0.0	0.0
Other receivables		288.3	158.4	158.4	292.0
Deferred tax assets		0	0	0	0
Corporation tax		347.4	384.0	384.0	321.0
Prepayments		128.2	300.6	300.6	103.2
Receivables		4,631.1	3,374.1	3,374.1	1,972.2
Cash at bank and in hand		1,416.4	2,052.2	2,052.2	3,336.5
Current assets		7,119.0	6,174.4	6,174.4	6,153.6
Assets		18,173.9	16,812.7	16,812.7	16,717.1

BALANCE SHEET, liabilities & equity

Amounts in DKK '000s	NOTES	H2 2021	H2 2020	FY 2020	FY 2019
Share capital	3	5,250.0	5,250.0	5,250.0	5,000.0
Retained earnings		5,931.9	8,213.8	8,213.8	7,930.2
Equity		11,181.9	13,463.8	13,463.8	12,930.2
Other provisions		-	-	-	-
Provisions		-	-	-	-
Subordinate loan capital		-	-	-	-
Credit institutions		2,429.0	-	-	-
Trade payables		-	-	-	-
Payables to owners and managements		11.4	9.7	9.7	14.6
Other payables		349.4	349.4	349.4	124.8
Deferred income		514.9	969.3	969.3	1,423.8
Long-term debt		3,304.7	1,328.4	1,328.4	1,563.2
Credit institutions		0	0	0	0
Trade payables		2,467.2	973.5	973.5	1,468.4
Other payables		765.7	592.5	592.5	301.0
Deferred income		454.4	454.4	454.4	454.4
Short-term debt		3,687.3	2,020.5	2,020.5	2,223.8
Debt		6,992.0	3,348.9	3,348.9	3,786.9
Liabilities & Equity		18,173.9	16,812.7	16,812.7	16,717.1

CASH FLOW STATEMENT

Amounts in DKK '000s	NOTES	H2 2021	H2 2020	YTD 2021	FY 2020	FY 2019
Net profit/loss		-747.0	-1,021.4	-2,281.9	-1,827.9	-4,116.5
Adjustments		830.1	630.4	1,808.5	1,437.2	1,303.6
Change in working capital		887.8	549.1	49.9	-1,220.9	1,308.2
Cash flow from operating activities before financial income and expenses		970.9	158.2	-423.5	-1,611.6	-1,504.7
Financial expenses		10.3	-82.7	-115.4	-85.0	-91.8
Cash flow from ordinary activities		981.2	75.4	-539.0	-1,696.6	-1,596.5
Corporation tax paid		384.0	321.0	384.0	321.0	264.2
Cash flow from operating activities		1,365.2	396.4	-155.0	-1,375.6	-1,332.3
Purchase of intangible assets		-1,595.8	-1,116.7	-2,580.2	-1,964.3	-1,459.1
Purchase of property, plant and equipment		-103.5	-226.2	-331.3	-291.0	-80.0
Purchase of tangible fixed asset		0		0	-10.0	
Other adjustments		0		0		-0.6
Cash flow from investing activities		-1,699.3	-1,343.0	-2,911.6	-2,265.4	-1,539.7
Increase in loans from credit institutions		29.6		2,429.0		-1,145.3
Repayment of payable to group enterprises		0.8		1.7	-4.9	
Repayment of loans from credit institutions			-4.9			-2,160.9
Raising of loans from owners and Management						1.9
Capital increase					2,361.5	9,475.5
Cash flow from financing activities		30.4	-4.9	2,430.7	2,356.7	6,171.2
Change in cash and cash equivalents		-303.8	-951.4	-635.8	-1,284.3	3,299.2
Cash and cash equivalents as of beginning of period		1,720.2	3,003.6	2,052.2	3,336.5	37.4
Cash and cash equivalents as of end of period		1,416.4	2,052.2	1,416.4	2,052.2	3,336.5

FINANCIAL NOTES

Note 1 – Other operating income

Other operating income comprises of grants received in respect of capitalized development projects and is recognized over the expected useful life of the asset.

Note 2 – Other external expenses

Amounts in DKK '000s	H2 2021	H2 2020	YTD 2021	FY 2020	FY 2019
Marketing costs	-1,867.3	-1,451.1	-3,987.9	-3,765.7	-1,872.0
Premises	-505.1	-506.4	-945.3	-962.6	-834.6
Other costs	-1,164.9	-621.3	-2,391.8	-1,688.7	-2,030.3
Total other external expenses	-3,537.3	-2,578.8	-7,325.0	-6,417.1	-4,736.8

Note 3 – Share Capital

The Company's share capital is DKK 5,250,000 divided into shares of DKK 1.

Note 4 – Number of employees

Total number of employees is ten, including commercial agents operating in Mexico and Europe.

FINANCIAL CALENDAR

Release date	Item
26 th of January 2022	H2.2021 Interim Report (01/07/2021 – 31/12/2021)
24 th of May 2022	General Assembly and Annual report 2021
17 th of August 2022	H1.2022 Interim Report (1/1/2022 – 30/6/2022)

PHOTOCAT A/S

Photocat A/S manufactures patented coating materials for both outdoor and indoor applications with the effect to degrade NOx and VOC's when exposed to light. Both NOx and VOC's are severely damaging to human health. Photocat's patented technology is a very efficient and economically viable alternative to many of the traditional technologies targeting NOx and VOC's.

Photocat's shares was listed in Nasdaq First North in Stockholm November 20, 2015, with the ticker symbol PCAT.

Photocat Certified Advisor:
Mangold Fondkommission AB
Phone: +46 8 5277 5045
Address: Box 55691, 102 15 Stockholm
Org.nr: 556585-1267
Web: www.mangold.se