

RENEWCELL

A person wearing light blue denim jeans is climbing a large, curved, reddish-brown structure. The background is a solid blue color. The person's legs are visible, and they are in a dynamic, climbing pose.

Q1 2022

Interim Report Presentation

Re:NewCell AB (publ)
Listed on Nasdaq First North Premier Growth
Market Short name RENEW — ISIN Code
SE0014960431 Certified Adviser FNCA

Photo credit: Levi Strauss & Co

Selected recognitions

Time: 100 Best Inventions 2020
Fast Company: World's Most Innovative Companies 2021
Fast Company: World Changing Idea 2021
Drapers Sustainable Fashion Awards: Sustainable Textile Innovation 2022

Renewcell: The investment case in brief

1

Massive global demand for circular fashion

2

Commercially proven 100% circular material

3

Investing in rapid scale-up of capacity

LOI and current agreements corresponding to 86,000 ton/year

Financial Summary

- Net sales for the period amounted to SEK 2,033 thousand (601).
- The loss after financial items amounted to SEK -54,014 thousand (-19,250).
- Cash flow from operating activities amounted to SEK -101,504 thousand (-23,147).
- Cash flow from investing activities was SEK -183,488 thousand (-46,974).
- Earnings per share, before and after dilution, amounted to SEK -1,8 (-0,8).
- The net cash position* equalled SEK 22,632 thousand (-641,607).

* A negative number means that the total cash exceeds the total interest bearing debt.

High-lights

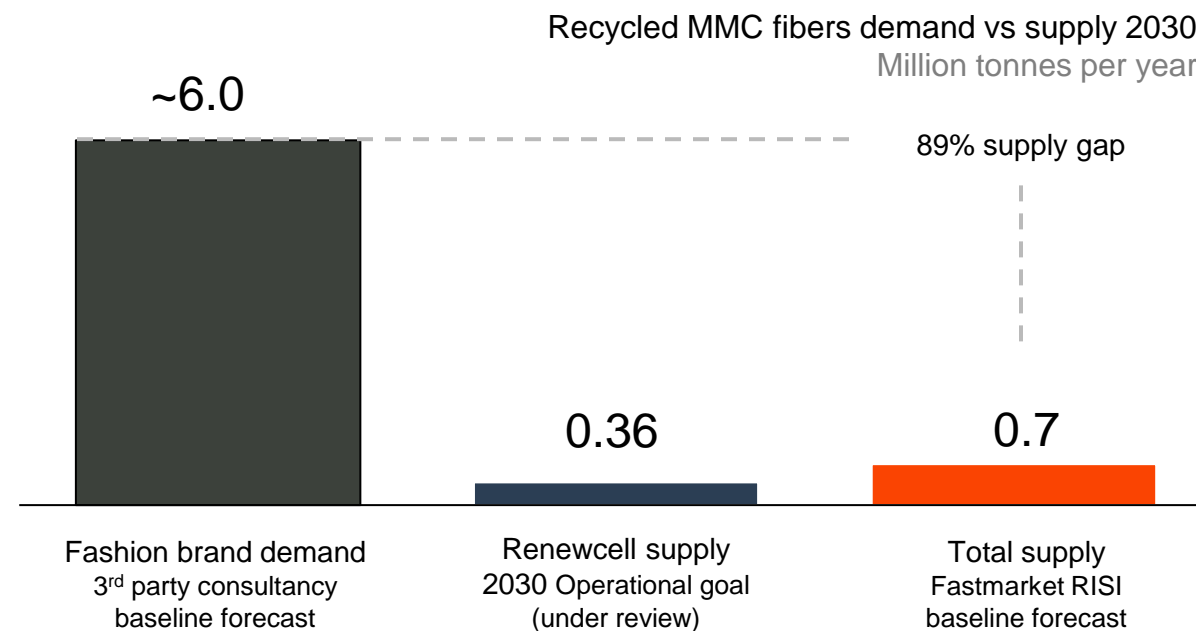
- Strong customer interest – decision to expand of production capacity in Renewcell 1 (Ortviken) from 60,000 to 120,000 metric tons, two years ahead of plan.
- Continued evaluation of operational and financial goals.
- On January 12, 2022, Levi's new version of Levi's was released the classic 501 with the name "Levi's 501® Original Designed for Circularity" using a blend of Circulose® and organic cotton.
- Cooperation with the leading Chinese manufacturer of viscose filament yarn Yibin Hiest regarding 100 percent Circulose® pulp for the production of viscose filament yarn in industrial scale, opening up further product segments in sportswear.
- Signing of LOI with Birla Cellulose, India, the world's largest fibre producer, around 30,000 tonnes Circulose®/year
- LOI with leading Japanese fiber producer Daiwabo around a long-term commercial collaboration.
- In total, LOI's and current agreements correspond to 86,000 ton/year

Strong demand and capacity expansion

- Decision to expand Renewcell 1 (Ortviken) from 60,000 tonnes to 120,000 tonnes
- Production start according to plan
- Ongoing evaluation of operational and financial goals



- Strong customer interest with LOI's and current agreement corresponding to 86,000 ton/year
- Estimated fashion brand demand of 6 million ton/year



Strong demand from the world's leading fiber producers

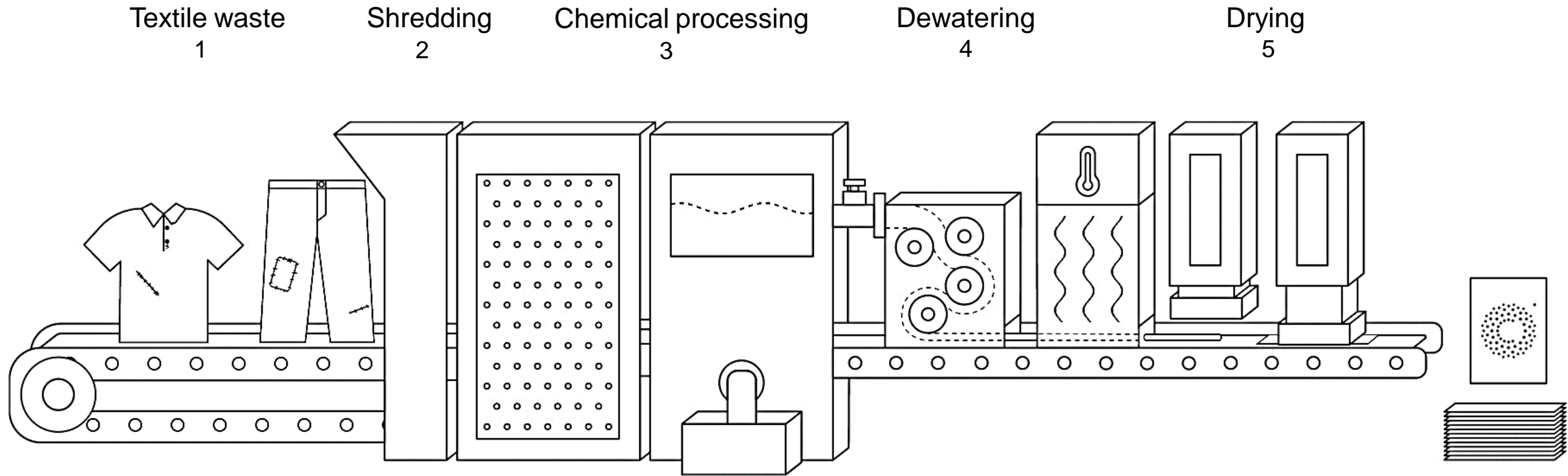
- Signing of LOI (March 2022) with Birla Cellulose, India, the world's largest fibre producer, around 30,000 tonnes Circulose®/year.
- Signing LOI (March 2022) with leading Japanese fiber producer Daiwabo around a long-term commercial collaboration.
- In total, LOI's and current agreements correspond to 86,000 ton Circulose®/year

Renewcell closes the loop on fashion



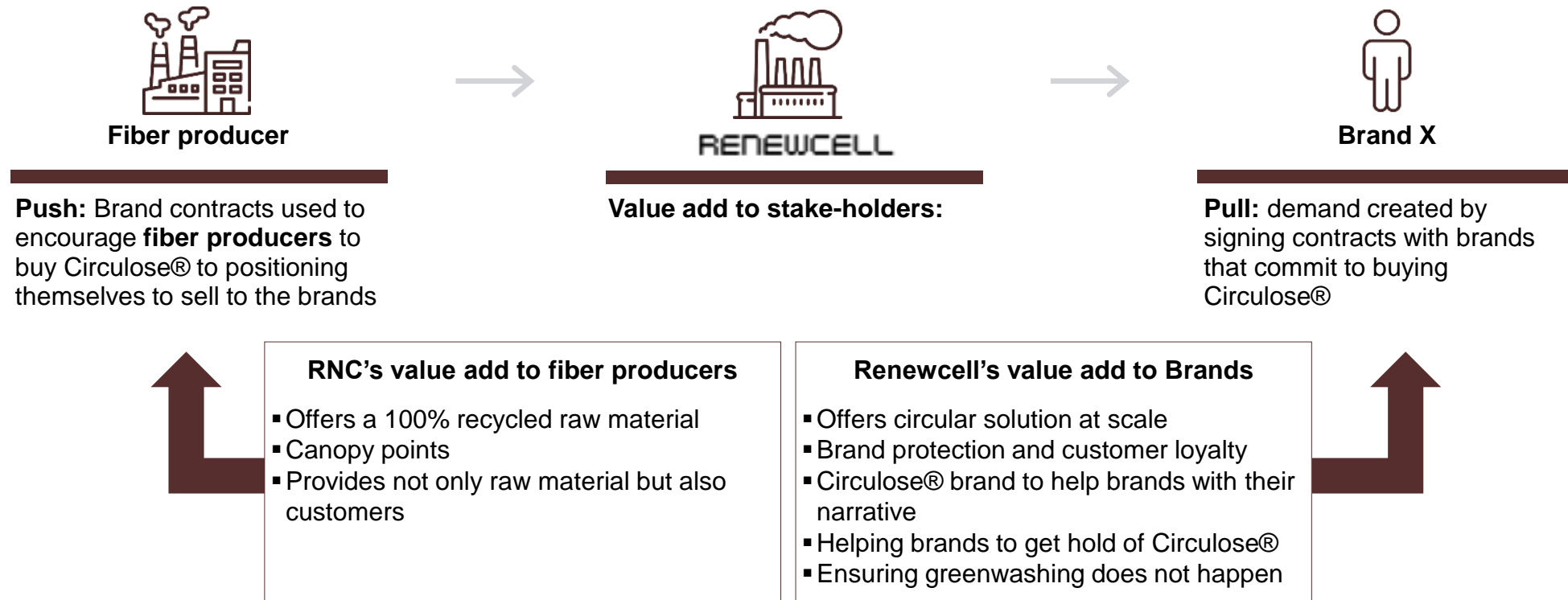
Our technology is built on the legacy of Swedish process industry

- Developed over the course of a decade by researchers at KTH Royal Institute of Technology, Stockholm
- Multiple global patents held
- Key know-how kept as trade secrets



Push/pull strategy, creating demand and value through the value chain

Renewcell creates pull from brands to push its product to fiber producers



Major brands have made commitments to circularity

H&M Group

“The fashion industry needs to move from a linear business model to a circular one”

100% recycled or other sustainably sourced materials **by 2030**

INDITEX

“We conceive our sustainability project as a work in progress. A never ending task”

100% sustainable cotton, **100%** recycled polyester, and **100%** sustainable linen **by 2025**

patagonia®

“We're In Business To Save Our Home Planet”

100% renewable or recycled materials **by 2025**

PRIMARK®

“We know we need to do better. We need to do things differently, and we need to do more.”

All of our clothes will be made from recycled or more sustainably sourced materials **by 2030**

Selected retail launches to date



Arket x Circulose®
58% Wool, 42% Viscose (made with 30% Circulose®)



H&M Conscious Exclusive x Circulose®
Viscose 100% (50% Circulose®)



Levi's 501® x Circulose®
60% cotton, 40% Viscose (made with 40% Circulose®)



Object x Circulose®
100% viscose (made with 30% Circulose®)



Vero Moda x Circulose®
100% viscose (made with 30% Circulose®)



KappAhl x Circulose®
100% Viscose (made with 50% Circulose®)
Source: Company information



Gina Tricot designed by: Hanna MW x Circulose®
100% Viscose (made with 50% Circulose®)



Levi's 502 x Circulose®
60% cotton, 40% Viscose (made with 50% Circulose®)



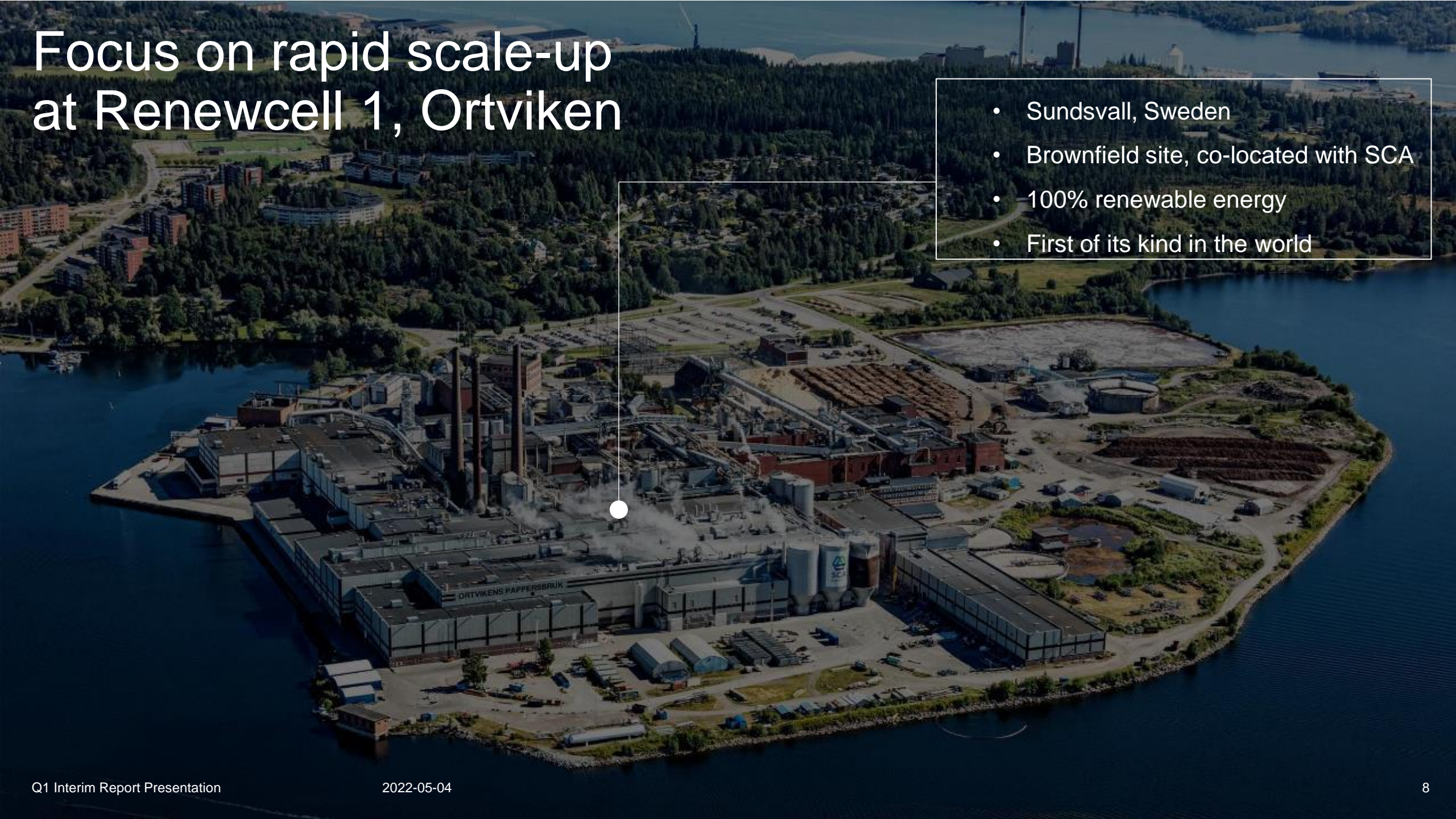
Levi's Wellthread x Circulose®
60% cotton, 40% Viscose (made with 50% Circulose®)



H&M x Circulose®
100% Viscose (made with 30% Circulose®)

Focus on rapid scale-up at Renewcell 1, Ortviken

- Sundsvall, Sweden
- Brownfield site, co-located with SCA
- 100% renewable energy
- First of its kind in the world



Milestones for Renewcell 1

Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
<ul style="list-style-type: none"> ✓ 75 procent av huvudsakliga leverantörsavtal signerade ✓ Underhåll och uppgradering av existerande utrustning påbörjad ✓ Rekrytering av 50 heltidsanställda slutförd 	<ul style="list-style-type: none"> ✓ 90 procent av huvudsakliga leverantörsavtal signerade ✓ Demontering och bortforsling slutförd ✓ Formell överlåtelse av området till Renewcell ✓ Miljötillstånd beviljat ✓ Projektfinansiering slutförd 	<ul style="list-style-type: none"> ✓ Förberedelse av maskinhall för ny layout och nya installationer genomförd ✓ Pålning och anpassning av källare i maskinhallen slutförd 	<ul style="list-style-type: none"> ✓ Montering av torklinje genomförd ✓ Introduktion av nya heltidsanställda 	<ul style="list-style-type: none"> ✓ Montering av betalningslinje genomförd ✓ Maskininstallationer genomförda 	<ul style="list-style-type: none"> ▪ Driftsättning av vissa enskilda processteg genomförs ▪ Driftsättning av samtliga enskilda processteg genomförs ▪ Driftsättning av fullständig produktionslinje genomförs (under sommaren)

Plan to achieve 60k MT is on track and near completion

Key aspects making Ortviken the ideal site

Brownfield

Ideal location

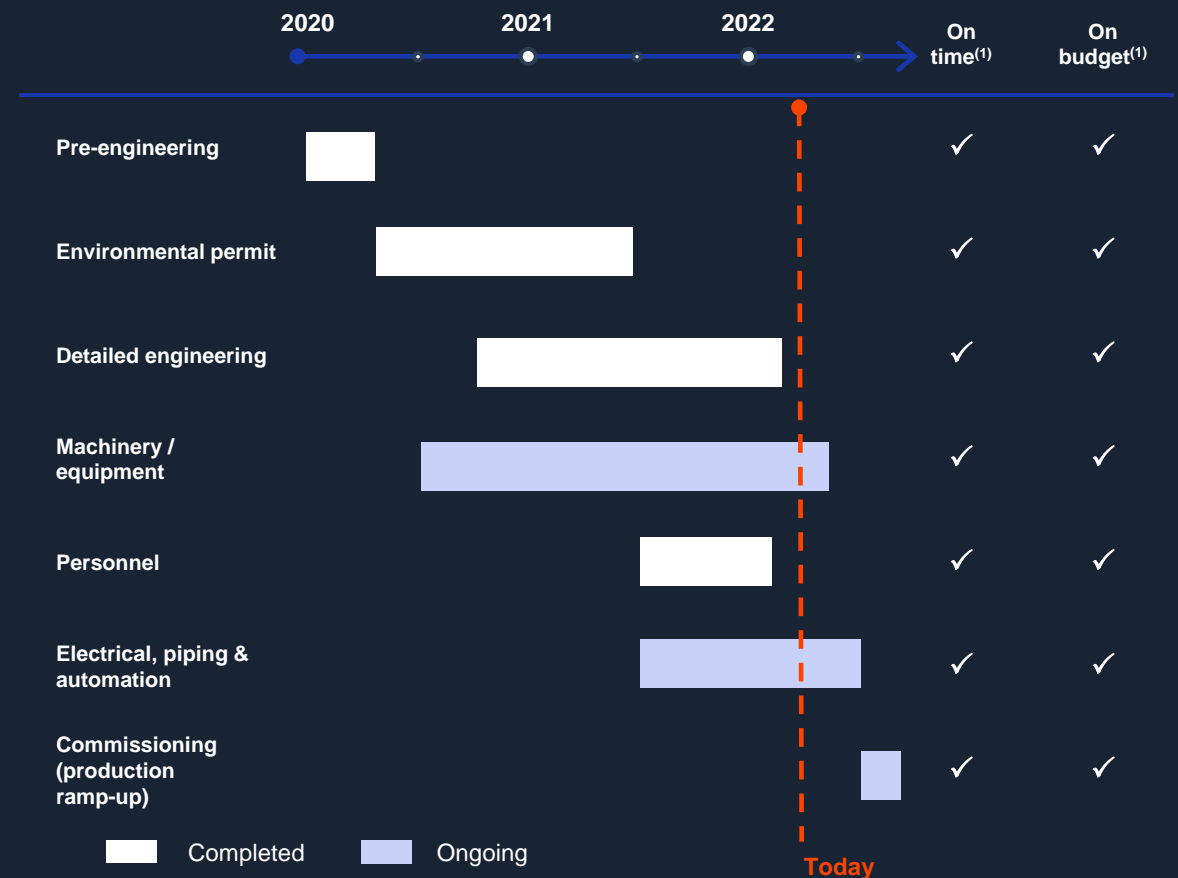
Infrastructure / labour pool

All set to scale-up from 60 to 120 and beyond

100% renewable energy

Source: Company information

Ramp-up on budget and on time

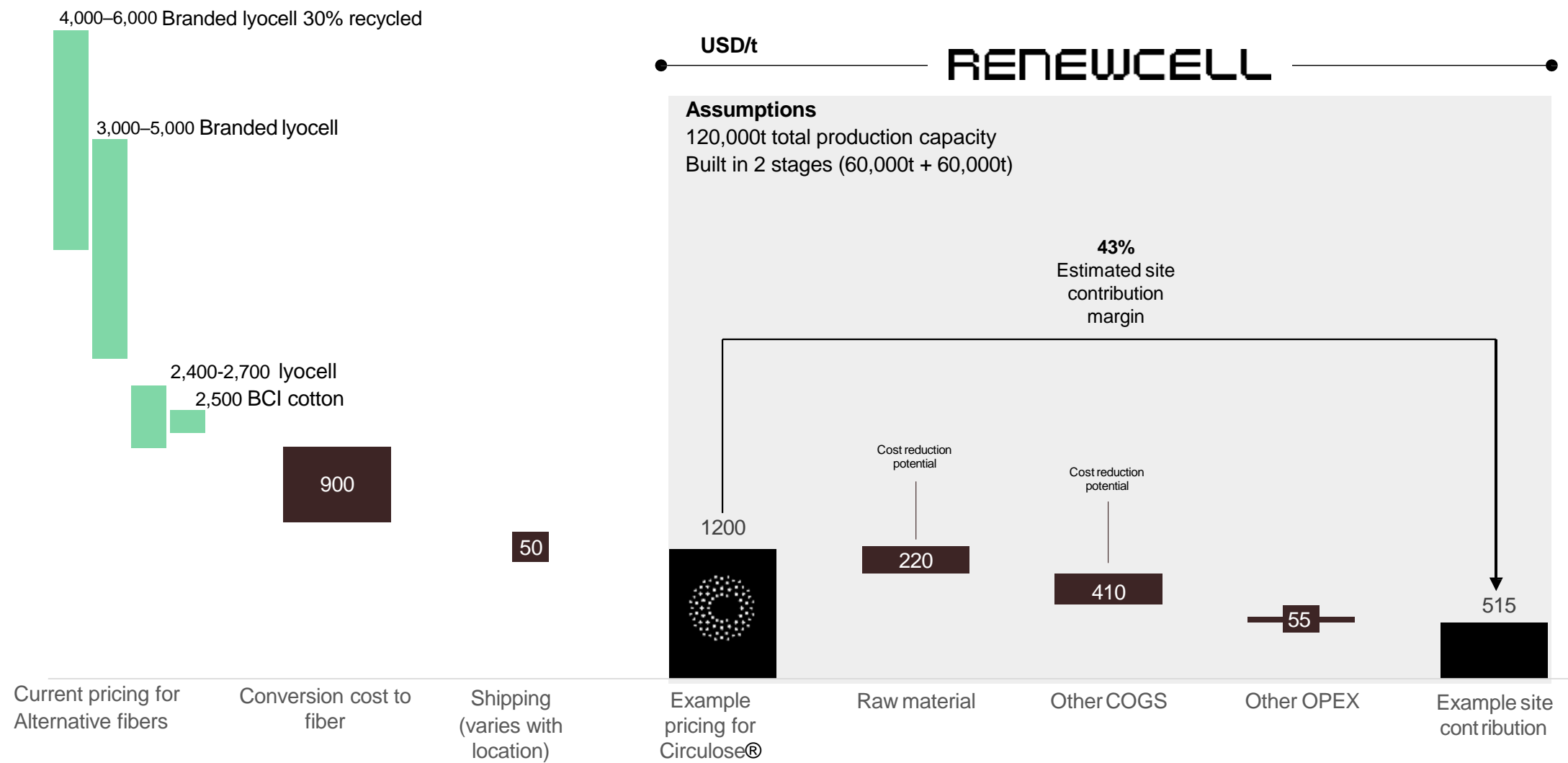


Notes: (1) On time i.e. without any delay above 2 months compared to the timeline provided at announcement of the project; on budget i.e. within +/-7% of budget;

Snapshots from Renewcell 1 main machine hall



Unit economics for a standard 120,000 tonne plant

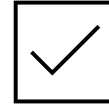


Financial overview

	January - March		January - December	
SEK thousand	2022	2021	2021	2020
Operation's net sales	2,033	601	2,778	1,453
Profit/loss after financial items (EBT)	-54,014	-19,250	-133,430	-68,722
Result and total comprehensive income for the period	-54,014	-19,250	-133,430	-68,722
Cash flow from operating activities	-101,504	-23,147	-117,695	-54,897
Cash flow from investing activities	-183,488	-46,974	-312,174	-30,195
Total assets	1,237,507	810,316	1,115,133	827,287
Equity	620,925	781,145	674,235	800,369
Net cash / Net debt*	22,632	-641,607	-254,867	-711,996
Equity ratio (%)	50.2	96.4	60.5	96.7
Average number of employees	123	24	47	19

* A negative number means that the total cash exceeds the total interest bearing debt.

Summary and outlook



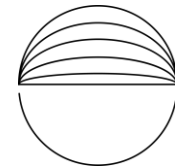
Operations proceeding according to plan – in the final stages



High interest from customers – LOI and orders of 86 kton/year



New strategic partnerships with brands and textile sorters



Well-positioned to lead the way to a sustainable world

