

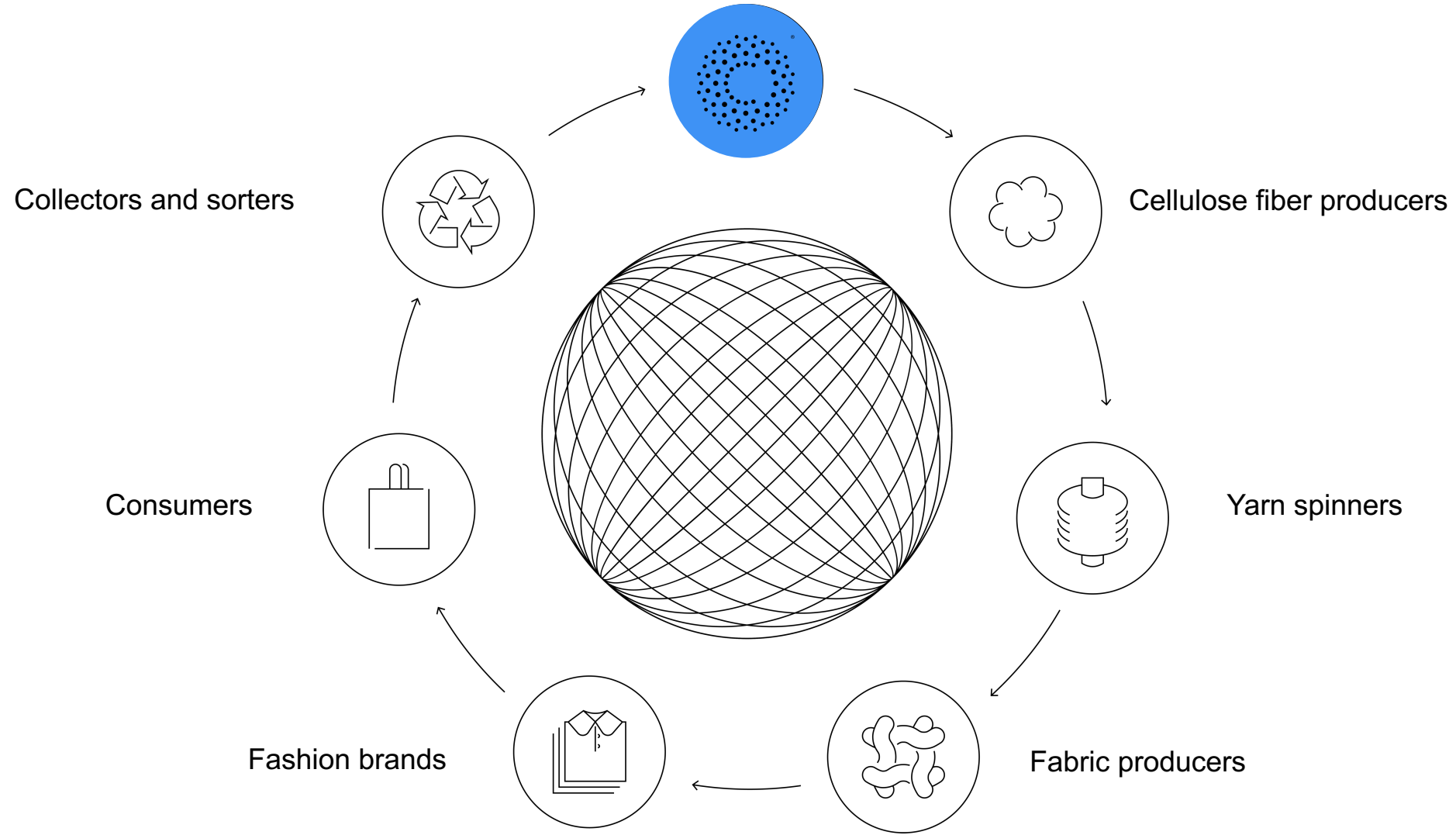
RENEUCELL

Q3 2022

Interim Report Presentation



We make fashion circular



Q3 2022 IN BRIEF

Highlights

Financial Summary for Q3

- Net sales SEK 3,031k (636)
- EBITDA SEK -58,228k (-23,354)
- Cash flow from operating activities SEK -97,050k (-31,567)
- Cash flow from investing activities SEK -199,232k (-131,039)
- Earnings per share SEK -3.0 (-0.8)
- Net debt SEK 446,837k (-420,424)
- Cash 30 Sep SEK 263,384k (425,841)

Key developments

- Renewcell 1 is running from start to finish
- “Commercial Operations Date” (COD) expected shortly
- Profitability outlook once fully ramped-up remains unchanged
- Total CAPEX for Renewcell 1 (with capacity up to 120,000 metric tons) approximately SEK 1.45 billion (previous forecast approximately SEK 1.40 billion)
- New equity of SEK 150m raised to secure ramp up

Financing of ramp-up secured

- Share issue of SEK 150 MSEK net, completed on 27 October
- Subscription price 60 SEK, 7% of new shares
- Credit facility signed for working capital of SEK 150 mSEK (available after Commercial Operations Date*, which is expected shortly)
- Company fully funded to 120kT
- Reason for share issue
 - Delay and slower ramp up (100 MSEK)
 - Increased CAPEX (50 MSEK)

*The date in the loan agreements that represents the day the production line achieves the expected functionality



Kristinehamn is the base for Renewcell 1

Demo Plant, Kristinehamn



Performance Kristinehamn

- Consistently producing above 90% within specification
- Repeated quarterly sales records from production at Demo Plant
- Over 500 metric tonnes of Circulose® pulp sold YTD — an increase in output of more than 500% compared to the same period 2021

Renewcell 1, Sundsvall

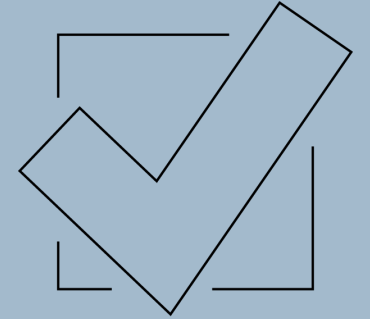


Renewcell 1 vs Kristinehamn

- 3.5 bleaching steps / 1.5 bleaching steps
- 400 m drying line / 20 m drying line
- Equipment purchased from leading firms with guarantees / build of our own engineers

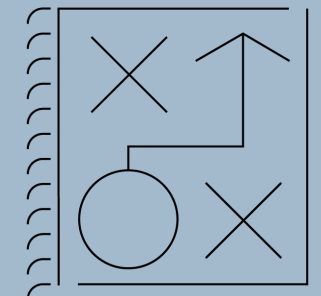
What we have done

-
- ✓ Supplier negotiations and contracts close
 - ✓ Refurbishment, maintenance and upgrades
 - ✓ Disassembly and removal
 - ✓ Environmental permit received
 - ✓ Financing secured
 - ✓ Adaptation of machine hall
 - ✓ Piling and foundation for dryer set
 - ✓ Installation of all unit operations
 - ✓ Staffing requirement filled
 - ✓ Piping, electrification and automation
 - ✓ Start-up of individual unit operations
 - ✓ Start-up of full production line
 - ✓ Production line test runs from start to finish

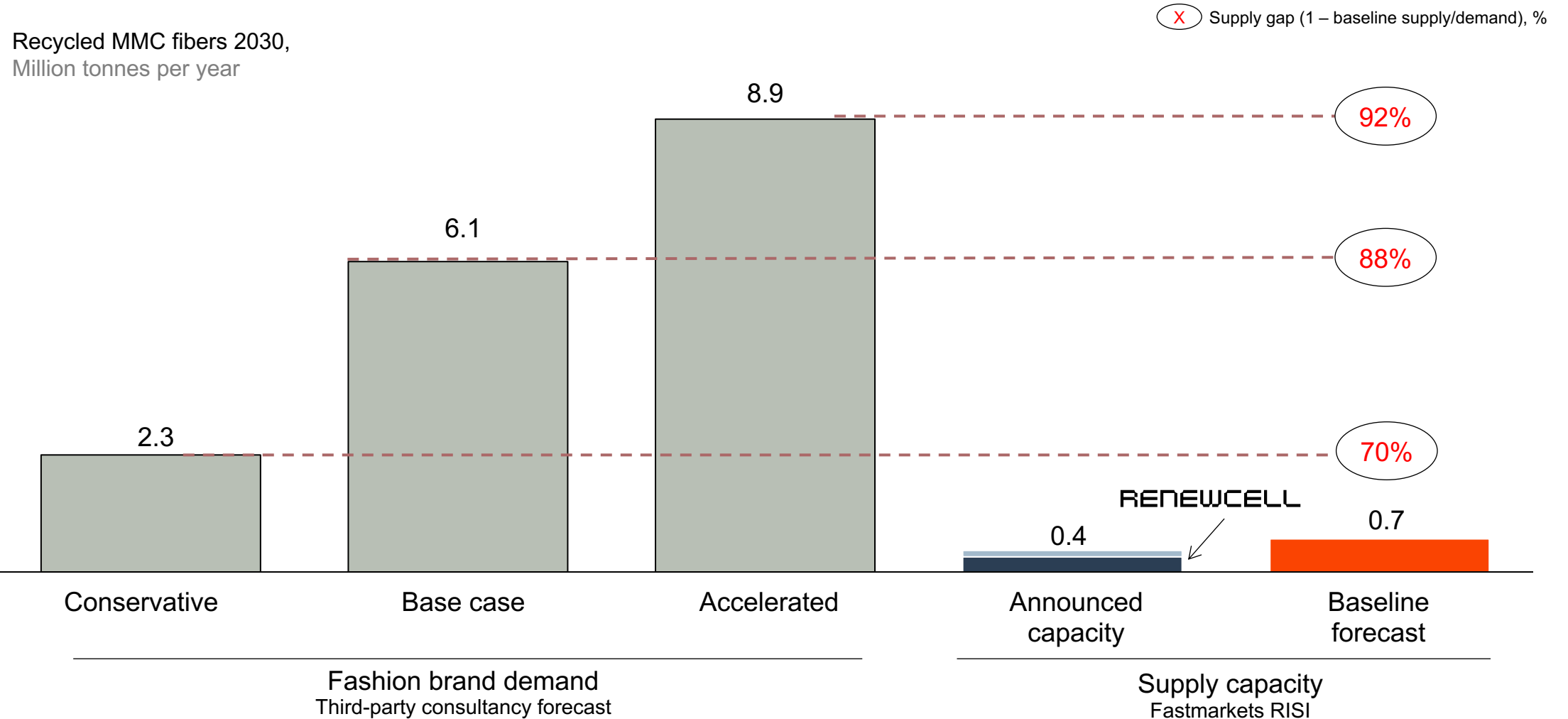


The road ahead

-
- "Commercial Operations Date"
 - Product quality optimization
 - Commercial production
 - First sales
 - Ramp-up to 60,000 tonnes
 - Expansion to 120,000 tonnes



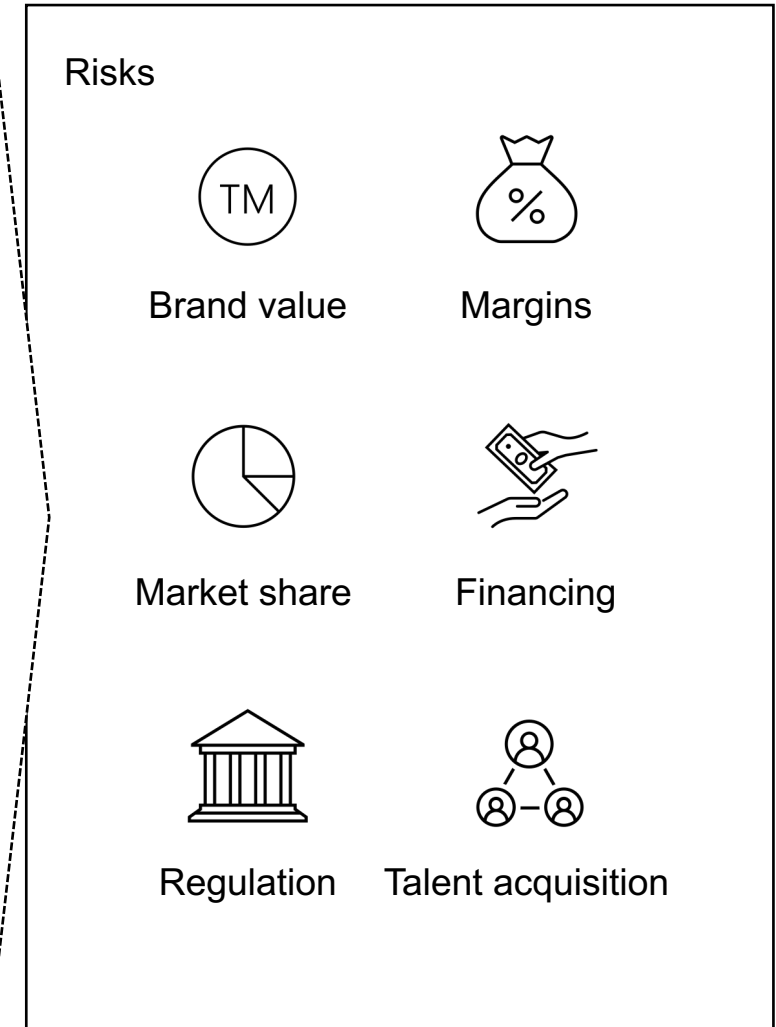
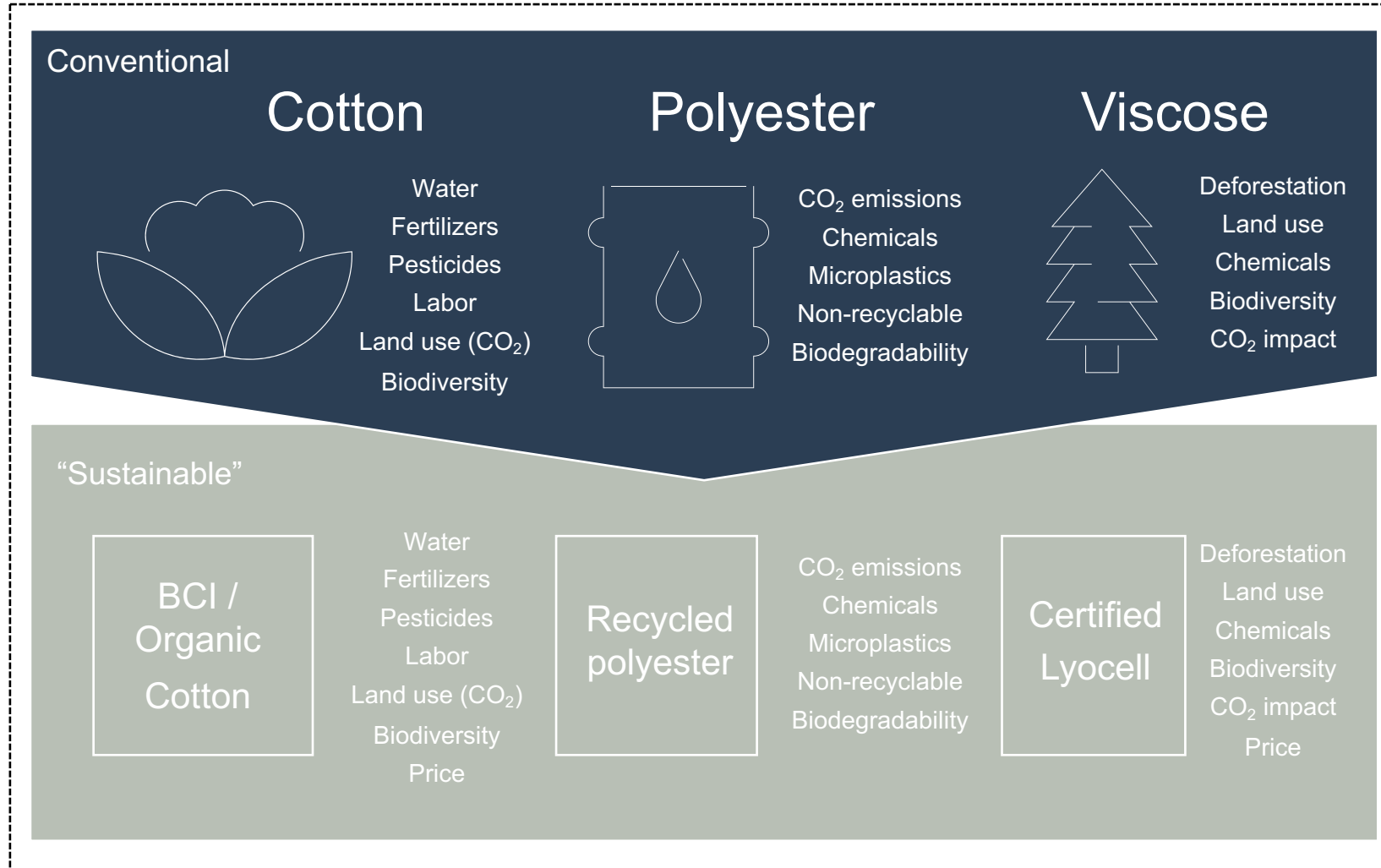
Renewcell is racing to close the gap between supply and demand



The industry is committed, but it's not enough

Brands have committed to a transition in raw materials...

...but counting on existing options creates risk

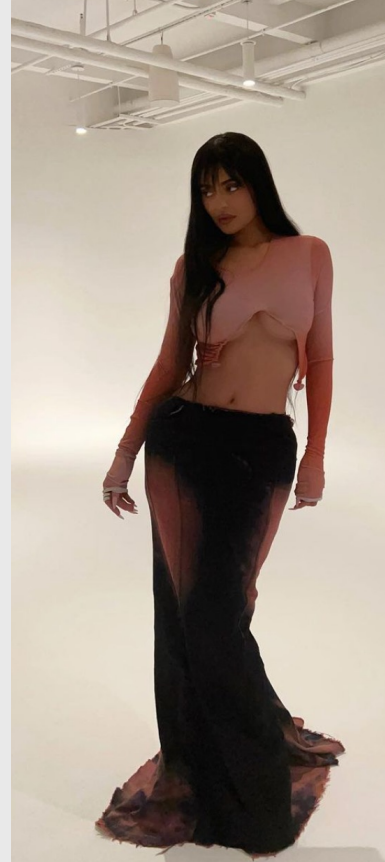


New retail launches demonstrate Circulose®'s value as a material and ingredient brand

ZARA

TOMMY HILFIGER

JADE CROPPER



Kylie Jenner, Rita Ora and Gigi Hadid wearing Jade Cropper made with Circulose® garments

Financial overview

	July - Sep		Jan - Sep		Jan - Dec
SEK m	2022	2021	2022	2021	2021
Operation's net sales	3	1	8	1	3
EBITDA	-58	-23	-159	-61	-121
Net Profit	-101	-25	-224	-67	-133
Cash flow from operating activities	-97	-32	-276	-65	-118
Cash flow from investing activities	-199	-131	-718	-219	-312
Total assets (end of period)	1,629	911	1,629	911	1,115
Equity (end of period)	764	733	764	733	674
Net debt / Net cash* (end of period)	447	-420	447	-420	-255
Equity ratio (%) (end of period)	46.7	94.0	46.7	94.0	60.5
Average number of employees	136	55	127	40	47

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

Financing

SEK M	30 Sep 2022	30 Jun 2022	31 Dec 2021
Cash and Bank	263*	447	551
Long Term Financial Liabilities	701	562	292
Short Term Financial Liabilities	9	5	5
Total Financial Liabilities	710	567	297

* 250 MSEK of cash blocked as reserves (30 Sep 2022) for

- (i) completion of 60,000 metric tonnes, released with operational milestones (75 MSEK released since 30 Sep)
- (ii) for payment of interest and amortisation

- Revolving credit facility -150 MSEK, available from COD
- Unutilized credit from ECA facility – 54 MSEK
- Equity raise – 150 MSEK

Capex status

Capex	SEK M
Capex 2020	30
Capex 2021	312
Capex YTD Sep 2022	718
Total	1060

- The total investment Renewcell 1 plant in Ortviken – approx. SEK 1.45 billion (for 120,000 metric tonnes of capacity)



Q&A

We make fashion circular here