

**We deliver sustainability**  
for Carbon Black, Oil & Carbon fibre

**Taking a leading position in global industries with a game changing technology that...**

- solves global waste problems,
- slashes CO2 emissions,
- provides solution to global industries on recycling

**...and generates better profitability than old technologies**

# Shareholder presentation

March 2nd 2021





## Disclaimer

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In addition to historical information, this presentation includes forward-looking statements. Examples of forward-looking statements include statements made about strategy, expansion and market expectations, as well as illustrative plant financials. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

**These factors include but are not limited to:**

- Changes in general economic, political or market conditions;
- Currency exchange rate fluctuations;
- The successful execution of internal performance plans, including productivity efforts;
- Customer, supplier and subcontractor performance or contract negotiations, including financing issues;
- Legal, financial and governmental risks related to international transactions;
- The full impact of the COVID-19 pandemic and the resulting health and economic crisis.

As a result, Enviros' actual performance and results may differ materially from the plans, goals and expectations set forth in such forward-looking statements.



Enviro has developed a highly profitable technology that converts waste into valuable resources




- **The technology is based on Pyrolysis CFC\***
- **Patented Swedish technology valid until 2027-35 in various continents**
  - Inventor and founder Bengt-Sture Ershag still active as R&D manager
- **Our own commercial plant has been operational since 2012**
  - Company founded in 2001
  - Commercial deliveries since 2016 via AnVa to Volvo Cars
- **Building 1:st full scale plant with Michelin starting 2021**
- **Our rCB reduces CO2 emissions >80%**
- **Limited cost of waste as feedstock creates attractive return on plant investments**
  - Gross margin potentially >70%
  - EBITDA margins potentially >58%

\*Carbonization by Forced Convection



## Enviro's initial focus is End of Life Tires (ELT)

Technology	Waste stream	Products, Sellable volume			Validated	
<div>ENVIRO'S CORE: Pyrolysis Process &amp; Technology</div>	<div>• ELT</div> 		% / ton ELT	% / value Base case   High case	<ul style="list-style-type: none"><li>● 2020 - Michelin largest shareholder in Enviro with 20% - JDA - Building plant with Enviro</li><li>● 2019 - Trelleborg. Solid tire application</li><li>● 2018 - Elastometric (Hexpol). Solid tire application</li><li>● 2017 - Alvenius. Sealings</li><li>● 2016 - Anva. Chassi plugs (Volvo)</li></ul>	
		Value €/ton	481728			
		rCB*	31%	54%		42%
		TPO**	40%	42%		55%
		Steel	15%	4%		3%
		Gas	Used in process***			
	• Carbon fibre					
• Other rubber applications						
• Additional sector applications; Electronic, Wood, Plastics etc.						

\* rCB: recovered Carbon Black

\*\* TPO: tire Pyrolysis Oil

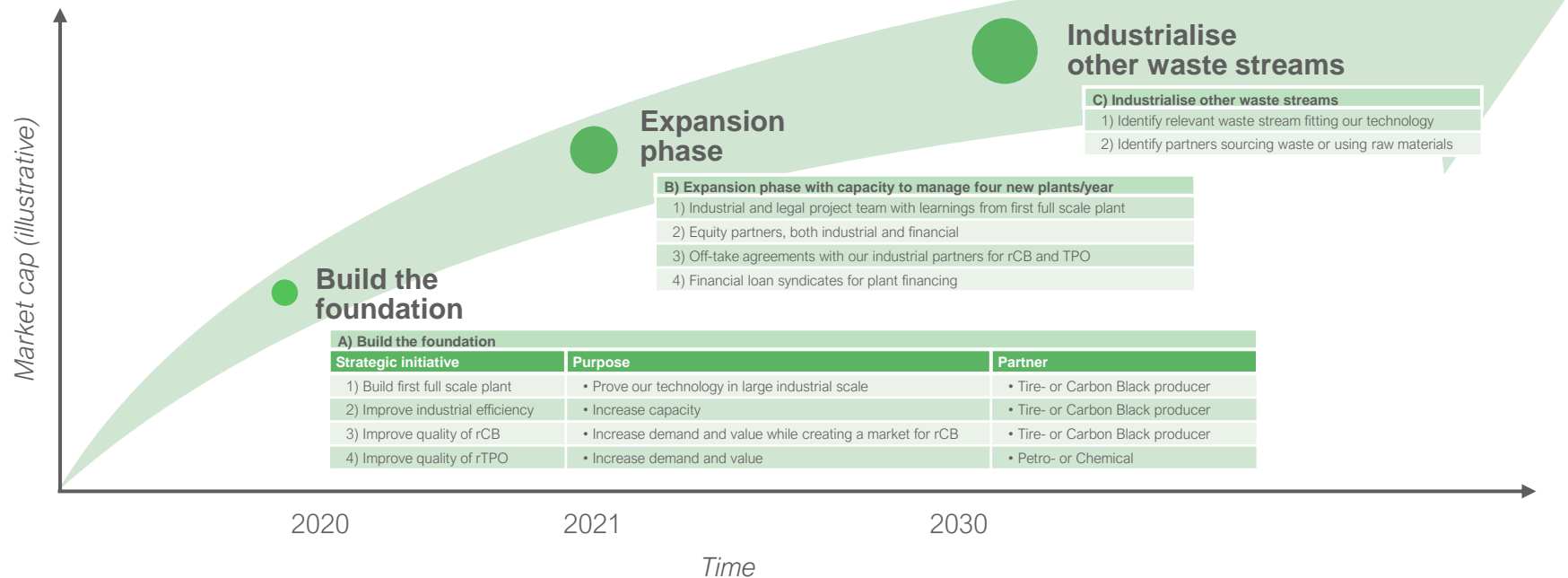
\*\*\*Energy transfer and energy source



## A phased approach in three steps with a long term strategic plan built on partnerships

### Enviro's strategic growth plan

Split by phase and initiative





## Meaningful misalignment between the largest CB consumers and their largest suppliers on Co2 strategy

### Focus on recycled materials



"Ambition 2050: Tires will be made using 100% sustainable materials and 100% of tires will be recycled"



"Will increase the recycled materials in vision 2025" [graph shows a goal of 25-50%]

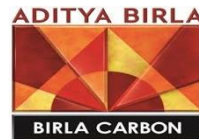


"Will increase recycled materials in new tire production to 10% before 2025"

### Focus on operational efficiency



"Improve operational efficiency"



Conversion of more carbon from oil into carbon black and optimization of energy cycle



Yield improvement, energy recovery, trading capability of emission rights and avoided Co2 through enabling products

Leaving a gap between what tire producers want and what legacy CB producers can provide



18 • August 27, 2018, **TIRE BUSINESS**

## 2018 Global Tire Company Ranking

Based on 2017 results. Includes subsidiaries.

(Figures in millions of dollars, translated at average annual currency exchange rates)

2017 Rank	2016 Rank	Company/Headquarters	2017		2016	
			Tire sales	% of total corp. sales	Tire sales	% of total corp. sales
1	1	<b>Bridgestone Corp.</b> <sup>1,1</sup> Tokyo, Japan	*24,350.0	*75.0%	22,121.0	*75.0%
2	2	<b>Group Michelin</b> <sup>2</sup> Clermont-Ferrand, France	*23,560.0	*95.0%	21,129.4	*95.0%
3	3	<b>Goodyear Tire &amp; Rubber Co.</b> <sup>3</sup> Akron, Ohio	*14,300.0	*93.0%	*13,645.0	*90.0%
4	4	<b>Continental A.G.</b> <sup>4</sup> Hanover, Germany	*11,325.0	*28.5%	*10,785.0	*25.0%
5	6	<b>Sumitomo Rubber Industries Ltd.</b> <sup>5</sup> Kobe, Japan	6,755.1	85.7%	6,029.9	85.6%
6	5	<b>Pirelli &amp; C. S.p.A.</b> <sup>3,3</sup> Milan, Italy	6,034.2	100.0%	6,380.0	100.0%
7	7	<b>Hankook Tire Co. Ltd.</b> Seoul, South Korea	*5,535.0	*92.0%	5,008.7	91.6%
8	8	<b>Yokohama Rubber Co. Ltd.</b> <sup>4</sup> Tokyo, Japan	4,862.4	81.6%	4,209.0	79.9%
9	9	<b>Maxxis International / Cheng Shin Rubber</b> Yuanlin, Taiwan	3,955.5	100.0%	3,887.0	100.0%
10	10	<b>Zhongce Rubber Group Co. Ltd.</b> Hangzhou, China	3,621.9	96.4%	3,229.2	96.0%
11	11	<b>Giti Tire Pte. Ltd.</b> <sup>5</sup> Singapore	3,403.0	100.0%	2,890.58	100.0%
12	13	<b>Toyo Tire &amp; Rubber Co. Ltd.</b> Hyogo, Japan	2,920.5	80.8%	2,685.9	79.6%
13	12	<b>Cooper Tire &amp; Rubber Co.</b> Findlay, Ohio	2,854.7	100.0%	2,924.9	100.0%
14	14	<b>Kumho Tire Co. Inc.</b> <sup>3</sup> Seoul, South Korea	2,523.5	99.0%	2,409.0	99.0%
15	15	<b>MRF Ltd.</b> <sup>4</sup> Chennai, India	2,407.5	99.0%	2,070.0	99.0%
16	17	<b>Apollo Tyres Ltd.</b> <sup>6</sup> Kerala, India	2,182.5	100.0%	1,943.9	100.0%
17	20	<b>Shandong Linglong Group Co. Ltd.</b> Shandong, China	2,175.3	100.0%	1,324.0	100.0%
18	21	<b>Shandong Hengfeng Tyre Co. Ltd.</b> Guangdong, China	1,997.0	100.0%	1,319.2	100.0%
19	27	<b>Sailun Jinzu Tyre Co. Ltd.</b> Dongying City, China	1,977.0	100.0%	930.7	100.0%
20	18	<b>Nexen Tire Corp.</b> <sup>7</sup> Seoul, South Korea	*1,654.0	*95.0%	1,703.6	93.1%
21	19	<b>Nokian Tyres P.L.C.</b> <sup>1,1</sup> Nokia, Finland	*1,645.0	*93.0%	*1,380.0	*93.0%
22	16	<b>Triangle Group Co. Ltd.</b> Shandong, China	1,508.9	97.5%	1,560.98	100.0%
23	26	<b>Xingyuan Tyre Co. Ltd.</b> Dongying City, China	1,293.9	100.0%	969.4	100.0%
24	22	<b>JK Tyre &amp; Industries Ltd.</b> New Delhi, India	1,291.8	100.0%	1,198.3	100.0%
25	25	<b>Titan International Inc.</b> Quincy, Illinois	*1,175.1	*80.0%	*1,012.5	*80.0%
26	24	<b>Kenda Rubber Industrial Co. Ltd.</b> Yuanlin, Taiwan	1,071.7	100.0%	1,034.9	100.0%
27	29	<b>Double Coin Holdings Ltd.</b> Shanghai, China	1,048.4	100.0%	863.0	100.0%
28	23	<b>Qingdao Doublestar Industrial Co. Ltd.</b> <sup>4</sup> Qingdao, China	1,037.1	100.0%	1,062.0	100.0%
29	30	<b>Aeolus Tyre Co. Ltd.</b> Jiaozuo, China	986.1	100.0%	844.0	100.0%
30	32	<b>Trelleborg Wheel Systems S.p.A.</b> Tivoli, Italy	*985.0	*26.6%	*685.0	*22.2%
31	28	<b>Ceat Ltd.</b> <sup>4</sup> Mumbai, India	957.0	100.0%	925.8	100.0%

## Increased interest from global Tire companies

2	2	<b>Group Michelin</b> <sup>2,2</sup> Clermont-Ferrand, France	*23,560.0	*95.0%	21,129.4	*95.0%
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- Tire companies account for 74% of carbon black consumption (tot value 23 bUSD)

- Discussions with 16 major tire producers

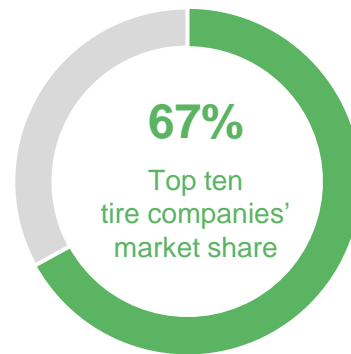
- thereof 3 of the 4 largest

- 7 visits to Åsensbruk

### Tire manufacturers

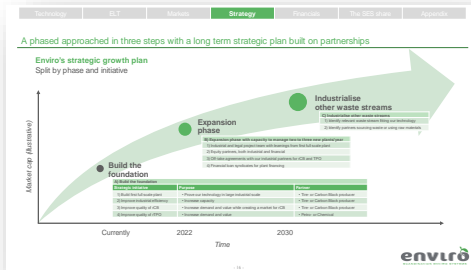
– a consolidated market

Market value of the Tire market: 170 bUSD





## The partnership with Michelin includes 3 of 4 core initiatives to build our strategic foundation



### Enviro has reached a strong strategic position for rCB

Activity	Purpose/Effect from partner	Strategic partner
✓ 1) Build full scale plant	<ul style="list-style-type: none"> <li>• Prove our technology in large industrial scale</li> <li>• Michelin validates our technology</li> </ul>	<ul style="list-style-type: none"> <li>• MICHELIN</li> </ul>
2) Increase value of our Technology/plants		
✓ Increase capacity <ul style="list-style-type: none"> <li>• Improve quality of oil</li> </ul>	<ul style="list-style-type: none"> <li>• Increase volume</li> <li>• Utilize Michelin's industrial knowledge</li> </ul>	<ul style="list-style-type: none"> <li>• MICHELIN</li> </ul>
✓ Improve quality of rCB <ul style="list-style-type: none"> <li>• Improve quality of oil</li> </ul>	<ul style="list-style-type: none"> <li>• Increase demand/price</li> <li>• Create a market for rCB (CB tot 22b\$)</li> </ul>	<ul style="list-style-type: none"> <li>• MICHELIN (Tire producers 74%)</li> </ul>
	<ul style="list-style-type: none"> <li>• Increase demand/price</li> </ul>	<ul style="list-style-type: none"> <li>• Petroleum/Chemical company</li> </ul>



## Michelin - our new strategic partner



*"IN THE MICHELIN  
OF TOMORROW,  
EVERYTHING WILL  
BE SUSTAINABLE"*



### PRESS INFORMATION PRESS RELEASE

The Group has pledged to reduce its Scope 1 and 2 greenhouse gas (GHG) emissions by 28% in absolute value by 2030 compared with the 2019 baseline. Note that in 2019, Scope 1 and 2 emissions accounted for 25% of the Group's total GHG emissions. The Group is committed to reducing its Scope 3 GHG emissions from fuel and energy-related activities, upstream and downstream transportation and distribution, and use of the materials and products by 15% in absolute value by 2030 compared with the 2019 baseline. Michelin is also committed to ensuring that 75% of its raw material suppliers are measured by their GHG emissions from defined science-based targets by 2025.

SEI approval represents the first step toward carbon neutrality, by paving the way to achieving net zero Scope 1 and 2 emissions as of the Group's plans by 2050. The SEI program also offers Michelin an opportunity to deepen its engagement with suppliers and ease their social responsibility commitment by taking targeted action to reduce carbon emissions from raw material production.

**Sustainable materials.** Michelin has embarked on a huge challenge to make every tire component sustainable. By 2050, 80% of the materials used to make its tires will be sustainable (versus 26% in 2019). The Group is working on an array of ambitious, extremely innovative programs, such as the recent partnership with Enviro to use pyrolysis technology to recycle end-of-life tires and recover new materials, such as carbon black, oil and gas.

### FIRST-HALF 2020 HIGHLIGHTS

• Michelin and H&M Global SI have formed a partnership to help prevent and reduce road salt for cars and trucks, thereby enhancing the Group's offering of connected solutions (January 2, 2020).

• Closure of the Michelin plant in La Rochelle on fire. The proposed support program for employees at the Michelin plant in La Rochelle was approved by the CSE (January 24, 2020).

• In June, the MICHELIN Guide France 2020 celebrates sustainable gastronomy with a new green Michelin star (January 27, 2020).

• Pioneer Precision Polymer acquiesces to a leader in the development and manufacturing of carbon-based solutions for aerospace applications (February 3, 2020).

• During the third MICHELIN Conference on Road Safety, Michelin reaffirmed its commitment to safer mobility through a wide range of global partnerships and a variety of initiatives to raise the awareness of public authorities and communities (February 19, 2020).

• Michelin and H&M Global SI 24 join forces to design and trial Fleet Day 24, a new connected diagnostic solution to inspect truck tires in service stations (February 24, 2020).

• Michelin was a leader at the Technology Expo in Hanoi, being voted "The Manufacturer of the Year" for the second consecutive year and winning the Innovation Award for R&D, its partnership with the French Republic (February 27, 2020).

• Pioneer launches the new Eagle-Help tire of Pioneer Rally for other corporate applications (March 2, 2020).

• Covid-19: Michelin and other companies in France's Aerospace-Defense-Aerospace group step up to manufacture reusable face masks (April 8, 2020).

• **The road and wear particle (TRWP).** The Michelin Group is fully committed to reducing TRWP: • individually, by affirming its absence of its own products by 100% through its supply and design strategy focused on optimizing the use of its materials and making its suppliers and suppliers aware of their environmental impact; • collectively, by collaborating with industry and public authority stakeholders to develop innovative materials, develop and support in-car scientific understanding of TRWP.

• **Microplastic.** The world's leading sustainable mobility ecosystem, Microplastic, a core pillar of Michelin's "All Sustainable" strategy is a joint venture between Michelin, Enviro, and H&M Global SI that all share the same vision of increasing together to 80% the use of sustainable materials by 2050. The 2020 Microplastic, which was scheduled to be held in Montreal in June to review the progress, was canceled due to the pandemic. However, Microplastic maintained its forward momentum by digitizing its initiatives. Online meetings organized on June 2 and 4 enabled more than 1,200 people to attend meetings in discussions, while 70 new consumers of interest were launched and 1,500 people were added to the program for a later date. Michelin will continue to develop its innovative mobility solutions.

• Michelin has partnered with Enviro to develop and mass produce an innovative pyrolysis technology to recycle end-of-life tires. The partnership fits seamlessly with Michelin's "All Sustainable" vision (April 15, 2020).

• The International Science Based Targets initiative (SBTi), a leading independent organization, has approved Michelin's science-based targets. This milestone combines the effectiveness of Michelin's environmental initiatives, underpinning its commitment to fight against global warming in line with the COP21 Paris Climate Agreement (May 20, 2020).

• Michelin and Envision have signed a joint agreement for safe mobility during the first summit (June 4, 2020).

• Roadcoaching with the future of sustainable mobility during "Digital meeting by Michelin" (June 14, 2020).

• All four MICHELIN motorcycle tire ranges entirely refueled (June 8, 2020).

• Michelin unveils its new MICHELIN Pilot Sport CUP2 CORRECT tire, delivering higher, longer-lasting performance and 100% correct wheel (June 10, 2020).

• Michelin and Symbol, creating the future of metropolitan as partners of Motosport24.

• Through Symbol, its joint venture with automotive equipment manufacturer Faenza, Michelin has become a preferred partner of the Motosport24 project, which aims to accelerate the development of zero-emission mobility by using hydrogen fuel cell technology (June 16, 2020).

• Michelin announces the publication of the first MICHELIN Guide France 2020 (June 16, 2020).

• The 2020 Annual Meeting of Michelin shareholders was held behind closed doors for the first time (June 23, 2020).

(\*) Excepted in 2019, several months before COP21, the Science Based Targets initiative (SBTi) is a collaboration between four organizations preparing a voluntary approach to helping business leaders in their climate action.

## Michelin, 2020 First-Half Financial report:

### Sustainable materials:

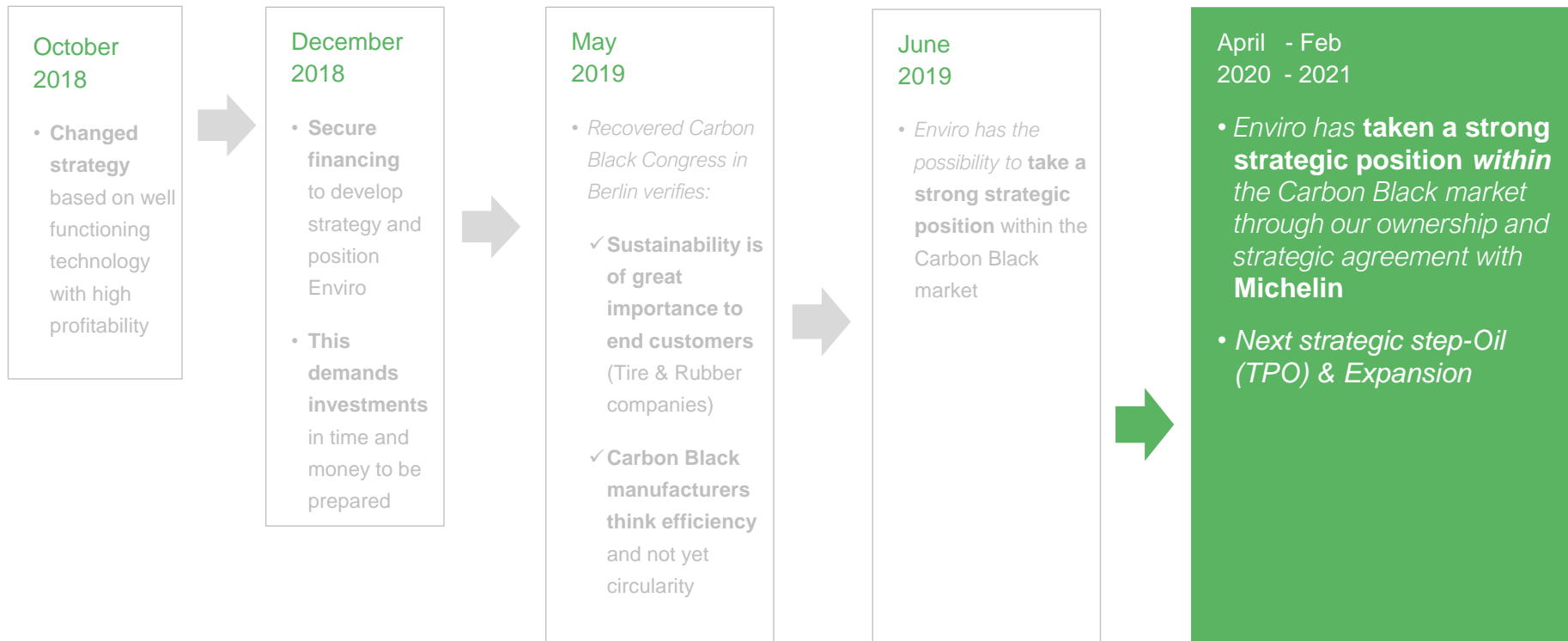
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## Sustainability will be the strategy for all companies over time – Next strategic step TPO & Expansion





## Strategic milestones 2020-2021

### Product Key milestones

**rCB**

#### Validated technology & partnership to develop products and markets

- ✓ **April 2020** Michelin investment in Enviro and LOI
- ✓ **Feb 2021** Michelin final agreements

**TPO**

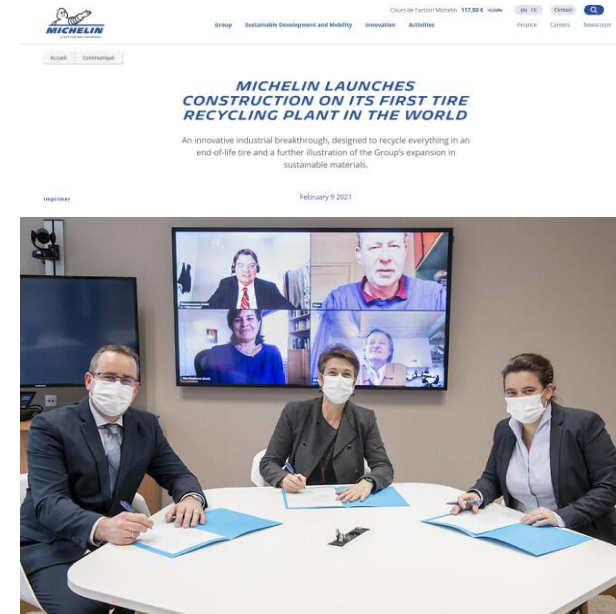
#### Improve understandings of relevant applications & ongoing discussions with leading actors in multiple verticals in oil and petrochemicals with the circularity potential of pyrolysis as key driver

- ✓ **Oct 2020** LCA TPO, first simplified LCA executed. LCA based on comparison regarding combustion of crude oil versus TPO. Full LCA study planned to be finalized mid 2021
- ✓ **Jan 2021** Rise TPO-pre study and content analysis to support REACH registration
- **Q3 2021** Reach registration TPO
- **2021** Strategic partner TPO



## Feb 8th, 2021 - Signed definitive agreements on Michelin's and Enviro's strategic partnership

- **Shareholder agreement** concerning a joint venture the purpose of which is to establish a jointly owned recycling plant in Chile based on Enviro's patented technology
  - The plant will be able to recycle 30,000 tons of construction equipment tires a year
  - The agreement entails that Enviro will own 10% a stake in the joint venture while Michelin will own the remaining 90%. Enviro will make a capital contribution of approx. MSEK 20 to the joint venture and will receive royalty payments in accordance with the license agreement
  - Michelin's lead on this plant enable Enviro to speed up our own first plant
  - Enviro have very limited guarantees for the project and has reduced its liabilities with more than MSEK 350 in comparison with other similar discussions for a first full scale plant
- **A license agreement** that extends through 2035 and which entitles Michelin to establish its own recycling plants based on Enviro's technology
  - When establishing such plants, Michelin will pay Enviro a fixed amount per plant and royalty based on a % of the plants' sales (at market terms)
- **An agreement that regulates the conditions and payment** to Enviro for design as well as engineering and project services in connection with the establishment of the plant in Chile
  - In total, Enviro will receive payment of approx. MSEK 15 during the build period





## Demand for rapid transformation to sustainability from leading investors forces global industries to act

*Larry Fink is the founder & CEO of Blackrock, the worlds largest investor with 8 700 Bn USD under management*

DI 2020-01-15

### The worlds largest investor

"Climate risk is investment risk"

We will be increasingly disposed to vote against management and board directors when companies are not making sufficient progress on sustainability

Putting sustainability at the center of how we invest

Sustainability-integrated portfolios can provide better risk-adjusted returns to investors.

Sustainability will drive the way we manage risk, construct portfolios, design products, and engage with companies.



## The Washington Post

Leadership

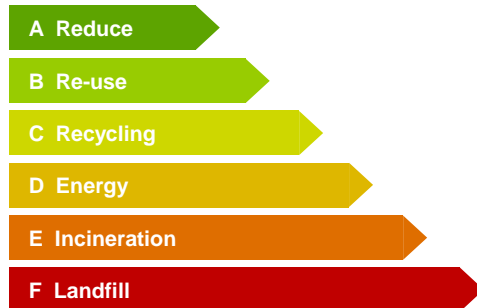
**Goldman Sachs CEO says it won't take a company public without diversity on its board**



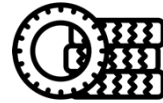
## Pyrolysis is a technology of the future that handles the increased demands for recovered material

- **The evolution of ELT** recovery started with energy recovery taking over from landfill and are gradually shifting towards material recovery
- **Environmental, economic and health issues** are arising to existing solutions for handling ELTs, such as dumping, incineration and granulation

### Lansink's ladder – the waste hierarchy



### Alternative recovery methods for end-of-life tires



Limited /  
no treatment



Landfills



Energy  
recovery



Granulation



Retreading

*Pyrolysis is  
a technology  
of the future*

Pyrolysis



Cryogenic



Devulcanization





## Sample of key industrial events during last 12 months shows a rapid industrial transformation



- BASF started its ChemCycling project in 2018 with the aim to process recycled raw materials obtained from plastic waste
- BASF invest €20m in Quantafuel to jointly drive chemical recycling of mixed plastic waste. BASF has right of first refusal for pyrolysis oil and hydrocarbons. Quantafuel has a market cap of BSEK 9,5



- Continental secure 5 year rCB supply agreement with Pyrolyx for 10,000 tonnes/year
- Bridgestone brings 1:st at scale use of rCB to tire market with Delta for 7,000/tonnes/year



- Enviro announces strategic partnership with Michelin for rCB.
- Michelin invest SEK32.5m, build joint plant, develop rCB market



- Michelin announce Enviro rCB in Michelin MotoE tires



- Phillips66 plans to transform San Francisco crude oil refinery into the worlds largest renewable fuel plant. The plant would reduce Co2 with 50%



- BASF signs uptake agreement with New Energy for 4,000 tonnes/year of TPO
- Michelin leads a major European project (Black Cycle) for recycling end-of-life tires into new tires with 7 industrial and 5 research & technological partners including Orion



- Bolder Industries and GigCapital2, a publicly traded "SPAC" has planned for a merger at an enterprise value of \$880m for Bolder



2019-10



2019-11



2020-04



2020-07



2020-08



2020-09











2020-10







Enviro and Delta-Energy are leading the development in the rCB industry through new and deepened partnerships with leading global tire manufacturers initiated over the past year

### Active strategic partnerships/business deals

		2018	2020	Equity stake
  	<ul style="list-style-type: none"><li>• Bridgestone has been equity partner since late 2014</li><li>• Partnership had a technological development focus</li></ul>	<ul style="list-style-type: none"><li>• Bridgestone had purchased 235 tons rCB, in Dec. 2019, and plans to increase the total amount purchased rCB to 6 800 tons by the end of 2020</li></ul>		
  	<ul style="list-style-type: none"><li>• Equity partner since 2020</li></ul>	<ul style="list-style-type: none"><li>• Partnership from 2020 includes:<ol style="list-style-type: none"><li>1) joint dev agreem,</li><li>2) 20% equity stakes in Enviro,</li><li>3) a new factory and</li><li>4) a supply agreement</li></ol></li></ul>		

### Production capacity rCB per year (tons)

	2018	2020
	4 000	10 000
	1 600	Planned new factory in 2023 with 9 000

- Having reached a leading strategic position, what is a reasonable market share in Europe, US and the World?
  - The virgin carbon black market is largely consolidated, with top 2 producers accounting for 25% and top 5 for 45% of the global market
  - The tire market is also consolidated with the top 2 producers accounting for 28% and top 5 for 47% of the global market



## Potential demand for rCB well beyond realistic capacity build out - Success will depend on execution

### Theoretical maximum rCB market potential by ELT supply

Market, tons	Demand CB	Supply ELT	Conversion potential supply				No of 30' tons/plants
	2021		rCB (% of demand)	TPO	Steel		
World	16 579 500	27 784 000	8 335 200	50%	13 892 000	4 167 600	926
Europe	2 665 000	3 868 000	1 160 400	44%	1 934 000	580 200	129
North America	2 645 000	4 200 000	1 260 000	48%	2 100 000	630 000	140

- Full theoretical production capacity of rCB requires close to 1 000 plants worldwide with 30'tons ELT capacity
  - Europe & North America would each need >100 plants
  - Yearly ELT increases of 2-3% requires >20 new plant/ year
  - rCB could theoretically only supply a maximum of 50% of the worlds demand for CB making it a scarce resource with a potential price premium

### Theoretical maximum rCB market potential by substitution 2025

CB application	volume, %	rCB subst.	rCB, %
Tire non tread	47%	50%	24%
Tire tread	27%	20%	5%
Non Tire	19%	50%	10%
Specialty	7%	?	?
Total, %	100%		38%
Total volyme	19 000		7 296
<b>No of 30`plants</b>	<b>2 111</b>		<b>811</b>

- Estimated substitution rate of 38% equals >800 full scale plants
- Michelin is estimated to buy 1.7m ton/year, equivalent to 190 full scale plants
- 160 full scale plants is needed to reach a 20% market share



## Our goals for establishing a 10 year expansion plan with a potential of 4 new plant/year

- **Build our 1:st full scale plant with Michelin** starting in 2021. Based on Michelin market share they consume approximately 2 m ton CB/year
- **Technical ability** We prepare and organise ourselves for a module & short lead time based plant expansion process with a potential of 4 new plant/year
- **Strategic financing plan** Establish a 10 year strategic financing plan with global finance advisor
- **Site & environmental permissions** Establish a site & permission function that secure sites and permits for our future plants. The west of Sweden as well as central Europe will be prioritized.
- **Sales pipeline of rCB & TPO** Increase our long term sales pipeline with demand from strategic as well as industrial customers of all our recovered products

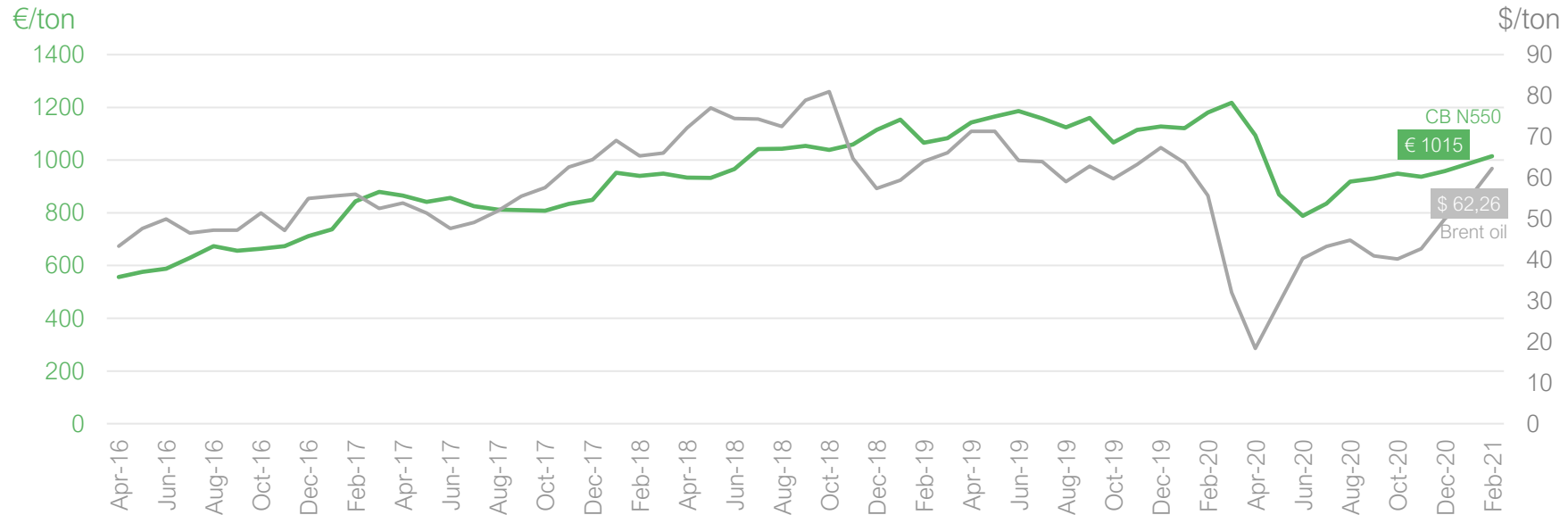




Pre Corona prices increased faster than the oil price due to increased demand and environmental compliance

### EU prices for carbon black N550

Jan 2016 - Feb 2021





# Financials

## Illustrative example of a 30 000 ton ELT plant in Europe

*Design of a modular Enviro plant*

### Assumptions: Base & Full Pot.

- Base case: Recovered carbon black selling at a 15% discount against virgin carbon black and 500 € for oil
- Full potential with no discount and 1000 € for oil
- The investment of a 30 000 ton ELT plant covers:

CAPEX*	MSEK
Land	0
Property	0
Local permissions	3
Local installation	40
Plant	364
<b>Total</b>	<b>407</b>

\*excluding working capital

	€/ton	Discount	Recovery rate from 1ton ELT	Excluding own usage	Sellable	Market values /ton ELT (€)	Share of market value
<b>Market prices</b>							
Virgin carbon black	1,143						
Brent oil USD/barrel	68						
Recovered carbon black	972-1,143	15-0%	31%	31%	97,0%	290-341	57-45%
Recovered oil €/ton	500-1,000	-%	51%	40%	100%	201-403	39-53%
Recovered steel €/ton	141	0%	15%	15%	99,5%	22 - 22	4 - 3%
Recovered gas	N/A	N/A	3%	N/A	N/A	N/A	N/A
<b>Total</b>			<b>100%</b>	<b>86%</b>		<b>514-766</b>	<b>100%</b>



The return on investment on a plant from Enviro has favourable economics. Base Case with estimated payback period of 3,8 years and EBITDA margin of 58% & Full Potential payback of 2,1 years and margin of 72%

- **Our aim is to capture** the market for commercial industrial rCB plants to be built and operated by Scandinavian Enviro Systems and/or licensees throughout the world
- **Our verified technology** is based on our own patents/IP and tested in our commercial plant in Åsensbruk, Sweden
- **The return of investments** for a factory is very favourable with payback period around four years and a EBITDA margin >58%

	Own installment MSEK
<b>Total investment</b>	<b>407</b>
<b>Projected annual Profit and Loss Statement Act. vs Full pot.</b>	
Turnover Carbon Black	105 - 124
Turnover Oil	70 - 140
Turnover Steel	8 - 8
<b>Total turnover</b>	<b>183 - 272</b>
<i>Variable costs</i>	
Direct material cost	-6
Direct wages expenses	-8
Other variable expenses	-40
<b>Gross profit</b>	<b>129 - 218</b>
<i>Gross profit margin %</i>	<i>70 - 80%</i>
<i>Fixed costs</i>	
Indirect salary expenses	-11
Other fixed expenses	-11
<b>EBITDA</b>	<b>107 - 196</b>
<i>EBITDA-margin %</i>	<i>58 - 72%</i>
<i>*excluding working capital</i>	
<b>Key ratios</b>	
<b>Payback time, years (Investment/EBITDA)</b>	<b>3,8 – 2,1</b>

**Example calculation** from a potential project in Europe for a 30.000 tonnes/year plant

**3,8-2,1**

Payback in years

**58-72%**

EBITDA on plant operations

*Rounding may differ figures slightly*

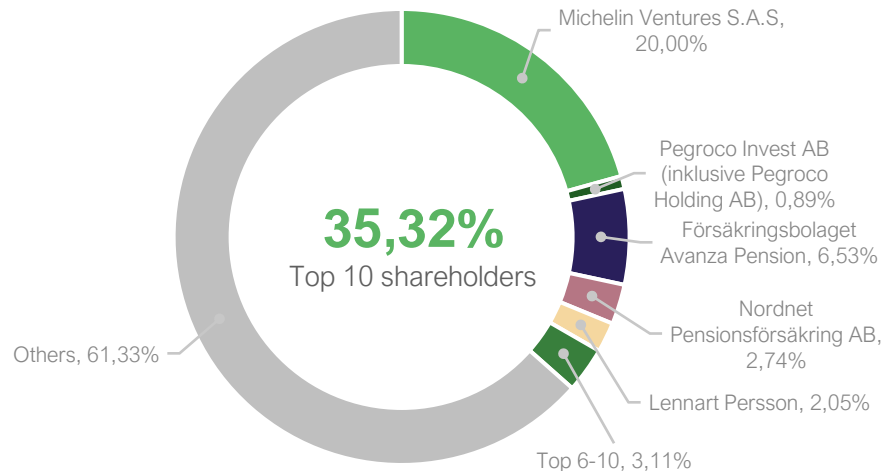


## The SES share

- **The SES share** is traded at Nasdaq First North Growth Market since 2014
- **Market Cap:** 1 300 MSEK
- **Number of shareholders:** 17 000
- **Average Share Volume/day** since April 15, 2020, day of Michelin announcement: 8.0 million shares per day or 1.4% of total number of shares

### Largest shareholders

Dec 30, 2020



### SES share price and trading volume 2020-04 – 2021-02



### Key events

Year	Event	Change number of shares	Total number of shares	Nominal share value, SEK	Changes in share capital, SEK	Share capital, SEK
Opening balance amount 2015						
2015			21 158 235	0,04		273 043
2015	Share rights issue	25 389 882	46 548 117	0,04	1 015 595	1 861 925
2016	Share rights issue	69 822 174	116 370 291	0,04	2 792 887	4 654 812
2018	Directed offset issues	15 648 849	132 019 140	0,04	625 954	5 280 766
2018-19	Share rights issue	211 230 624	343 249 764	0,04	8 449 225	13 729 991
2019	Exercise of warrant	121 411 128	464 660 892	0,04	4 856 445	18 586 436
2020	Michelin Issue	116 165 223	580 826 115	0,04	4 646 609	23 233 045



## Summary

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- **Enviro's journey is just beginning**
- **Reduces Co2 with >80%** based on a patented Swedish technology that recovers carbon black from end of life tires
- **The 22bUSD CB market presents a meaningful opportunity, one that Enviro wants to capture.** Legacy CB producers are not up to speed in regards to sustainable production leaving a gap between what tire producers want and what legacy CB producers can provide
- **The strategic agreement with Michelin represents a key milestone** towards achieving Enviro's long term business plan
- **The rCB market is vast.** Enviro's focus, therefore is on execution – the business is there. Enviro just needs to go out and take it!
- **Execution** We are well prepared to ramp up our execution and expansion capacity with a goal to deliver more than 30 plants capacity to the market by 2030





# Appendix



## Organisation - [1/2]

### Management Team



**Thomas Sörensson**  
CEO



**Urban Folcker**  
CFO



**Maria Tiger**  
Senior Project Manager



**Olov Ershag**  
COO



**Fredrik Olofsson**  
Sales Manager

#### *Previous experience include:*

- Managing Director, B&B Tools Shanghai
- Export sales director at Opus Equipment AB, part of Mekonomen Group
- Several management positions at Volvo
- Director of the Main Board, Swedish Chamber of Commerce in China
- CFO at Container Centralen A/S (Denmark)
- CFO at Svendborg Brakes A/S (Denmark)
- Director Finance and IT at Lexel OBG DIY (Denmark)
- CFO at Stago B.V. (Netherlands)
- IT Manager Bridon Scandinavian AB
- Project Manager at Segula Technologies
- Project Manager at Midroc
- Project Manager at Camfill Farr Power Systems
- Previously responsible or process plant design at Enviro
- IT positions at Avitale and Riksbyggen
- Programmer at Aros electronics AB
- Very strong background in the rubber industry
- Sales Manager at Ulinco AB
- Quality and IT Manager at Ulinco AB



## Organisation - [2/2]

### Board Members



**Alf Blomqvist**

**Chairman**

Independent advisor in corporate finance and active ownership. Chairman B3 Consulting Group. Background from investment banking and venture capital. CEO Ledstjernen, Board member of Cision



**Jan Bruzelius**

**Board member**

Extensive experience from the recycling industry. Background as CEO of IL Recycling AB. Board member of Greentec A / S, Norway and NORD A/S



**Nina Macpherson**

**Board member**

Background as Chief Legal Officer and secretary to the board of directors of Ericsson, board member of Traton SE and Scania AB, member of the Swedish Securities Council and the Advisory Board of Pactumize AB



**Peter Möller**

**Board member**

Extensive experience from industrial operations. Background as CEO Atlas Copco Tools, Cardo Industrial Doors and SAS Technical Services. COO at Saab Automotive and SAS



**Björn Olausson**

**Board member**

Extensive experience from larger financial projects. CEO of Elof Hansson International. Background as VP Sales Asia at Metso, and President Asia/Pacific Kværner Pulp



**Sander Vermeulen**

**Board member**

Vice President, Marketing & and Business Development for High-Tech Materials Business Line at Michelin. Employed by Michelin since 1998



**Stefan Tilk**

**Board member**

CEO NEVS with International Automotive and Commerce. Background in senior positions within the Volvo Group, Elof Hansson and as a director of Geveko