

Rubber Innovation AS

Investment introduction, NHH Alumni

November 2023

PRIVATE & CONFIDENTIAL



Solving a global problem



Replacing products from fossil oil with recovered Carbon Black and Tire Pyrolysis Oil cuts CO2-emissions with 85%

The circular economy for tires



Rubber Innovation - company overview



- Clean-tech company recycling car tires
 - Providing a solution to the burning of End-of-Life Tires (ELT), closing the loop on circularity
 - Proprietary technology combined with proven industry leading equipment
 - Cutting emissions by 85% ~ Annual CO2-savings per plant: 25 000 ton
- First industrial scale plant planned for Linköping (Sweden)
 - Close cooperation with industry partners, securing optimal logistics, low environmental footprint and attractive plant economics
 - Partnership with feedstock/logistics Svensk Däckåtervinning
 - Partnership with property owner Tekniska Verken
- Nordic focus & international roll-out plan
 - 2-3 plants planned in the Nordic region
 - Additional growth of one plant per year for international roll-out strategy
- Attractive economics
 - Significant valuation uplift from near-term commercial and technical milestones
 - Annual EBITDA 10 million per plant (payback 3-4 years)
 - Well suited for project financing, joint ventures and licensing
 - Grants and development financing increasing equity return



Technology

- Extensive lab and pilot testing since 2019, including projects with Innovation Norway and ENOVA
- During 2023, further strengthening of partnership on technology, chemistry and engineering towards commercialisation and patenting
- Detailed analysis (internal/external)
- Technology development in close cooperation with partners and prospective customers
- *Increased focus on industry standards as customers push for increased use of recycled products into existing products and processes*



Why joint-environmental initiative?

As Industry Leaders, sustainability and circularity is our responsibility



Plant process design



→
Carbon black



→
Pyrolysis gas



Liquid products
Chemical industry products

First Nordic plants in planning



Senior team with deep industry experience



Jon-Erik Ludvigsen
CEO / Co-founder

- Previous experience:*
- MD, Norsk Dekkretur
 - Nordic tire logistic/ cooperation
 - MD, AutoMateriell
 - MD, Ljosland Bil AS
 - MD, Hasco Motor AS



Kristian Flaten
CFO / Co-founder

- Previous experience:*
- CFO, Quantafuel
 - Head of Oil & Gas, Eksportkreditt
 - VP, BW Offshore
 - Analyst, Handelsbanken
 - Journalist, Finansavisen



Henrik Brixen
CTO / Co-founder

- Previous experience:*
- Partner, Teco Tech
 - Founder, Scandinavian Boiler Service
 - Founder, Scandinavian Technologies
 - Engineering manager, Alfa Laval
 - Marine engineer, D/S Norden



Christian Hulteberg, PhD
Senior Chemical Engineer

- Senior consultant:*
- Professor Chemical Engineering, Lund University
 - CEO/Owner, Hulteberg Chemistry & Engineering
 - Chairman, Swedish catalysis association
 - Director Sweden, European federation of catalysis association

Building on 30 years of experience



- TECO Group has 30 years experience with chemicals, engineering and logistic
- Co-founded Scanship (now: VOW), converting waste into clean energy through pyrolysis
- Successfully build hydrogen fuel cell company with plant in operation from 2024
- Rubber Innovation incorporated in 2019, benefitting from strong group support
- Total of 150 employees in 14 countries, and ~250 external service consultants



|  BLOM Maritime <small>Naval Architects & Marine Engineers</small> |  TECO Solutions |  TECO Chemicals |  TECO Electronics |  Crosscomar <small>Ship Repair Marine Services</small> |
|---|---|---|---|--|
| <ul style="list-style-type: none"> Compliance Advisory 3D Laser Scanning Basic Engineering Detailed Engineering Integration Reversed Engineering Strength & Structural Project Management | <ul style="list-style-type: none"> Full & Hybrid Electrification Shore Power Alternative fuel upgrades Exhaust Treatment Fuel Cells & Hydrogen Energy Optimization Ballast water treatment Water Blasting & Coating Carbon Capture | <ul style="list-style-type: none"> SOx & NOx chemicals Remote Cleaning Cargo Holds Cleaning Tank Cleaning Coagulant Defoaming Raw materials Lab. Chemicals Supercargo services | <ul style="list-style-type: none"> Propulsion Control IAMCS Systems Power Management Engine Control Safety Systems Integrated Bridge Systems Turnkey fuel monitoring General PCB repair Calibration and test eq. | <ul style="list-style-type: none"> Engine optimization Engine Repair Turbo Repair Electrical Repair Diving Services Steel Repair Fabricating facility |



TECO 2030 plant in Narvik, Norway

Term Sheet – outline



- **Issuer**
 - Rubber Innovation AS, established 2019
 - Norwegian company number 924594667 with its registered address Lysaker Torg 45, N-1366 Lysaker, Norway
 - Current number of shares 300,000 (+ 30,000 share option program)
 - Co-founders/management ownership ~85%
 - The company develops technology and plants for recycling of End-of-Life Tires (ELT), directly or indirectly through project SPVs (to be established)
- **Offer and valuation**
 - Pre-money valuation NOK 40-50 million, planning private placement of up to NOK 20 million in 2-3 tranches
 - Issue price NOK 133 – NOK 167 per share
 - Application period TBC (contact: kf@ri-as.no)
- **Use of proceeds**
 - Engineering and analysis for environmental permits, construction permit and regulation of Swedish plant
 - Test and verification program for Swedish and Finish feedstock
 - Technical documentation work packages
 - Feedstock Qualification System («FQS») planned for Q1 2024 after completed third party verifications
 - SG&A related to business development, technology development, commercial and contractual work, administration and finance/grant applications
- **Other**
 - Final Investment Decision (FID) of full plant will be based on among others approved permits, verified technology solutions, firm feedstock contracts, and commercial offtake agreements
 - Public grants and development financing expected to part finance and derisk capex
 - Important disclaimer and risk descriptions should be read ahead of investments

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