

Q2 2021 presentation

26 August 2021



Delivering on the promise of biochemicals at scale

Agenda

1. Highlights Q2 2021

2. Business update

- The opportunity
- ReSolute build
- New product development update

3. Financials

4. Outlook

Highlights Q2 2021 (and updates)

- 1st complete quarter on Euronext Oslo
 - Formalities, compliance and admin complete for organisation and key people
- Rapid price increases in the price of chemicals has slowed discussions with Merck on finalising offtake agreement
- Ongoing progress with the ReSolute project in France
 - Basic engineering moving to detailed engineering phase
 - Supply chain lead-times and pricing pressure recognised on capex and utilities
- Appointment of new Oslo based CFO
- Move to exploit Circa's low carbon advantage to support brand owners circular economy / zero emission targets
 - Sportswear, Print, Paints & Coatings Tier 1 engagement
- Internal new product development project complete, prioritised and moving to next phase
- Implementation of "Cirrus" project management software to support ReSolute and new product development

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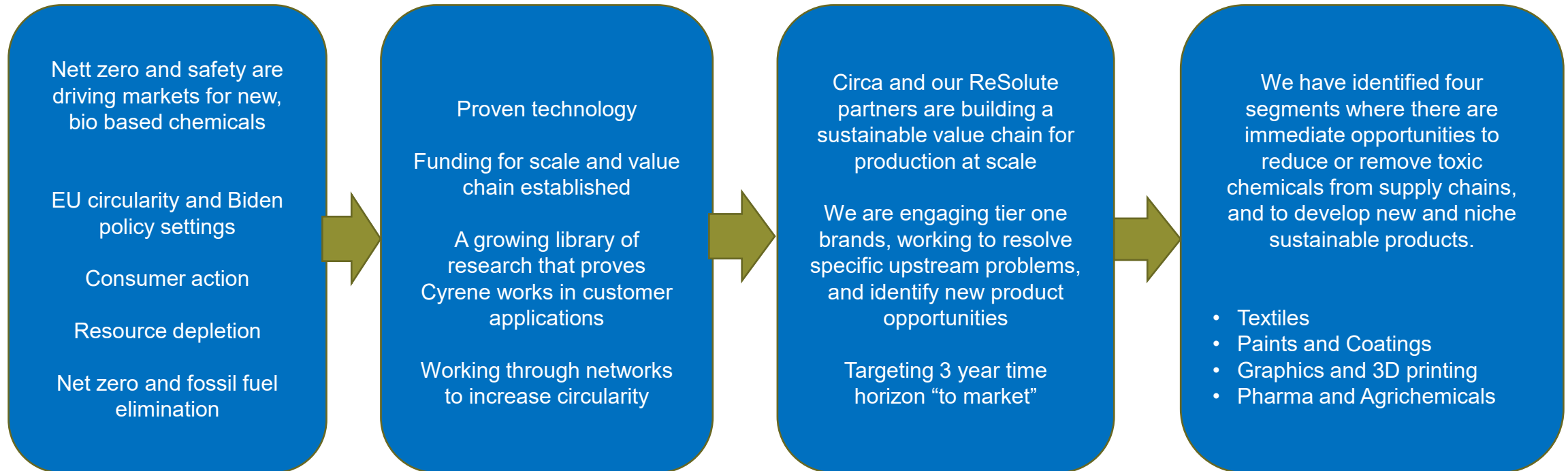
3. Financials

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The opportunity

- Policy and market drivers are playing out in patterns of sustainable consumption and production that favour Circa
- Consumer demand for sustainable products has mobilised tier one brand organisations ahead of regulation
- In some segments, the response to the market opportunity is amplified by increasing resource constraints and activist scrutiny of social and environmental risks
- Progressive brand organisations see that changing product chemistry can both mitigate risk and grow markets
- Major organisations have ESG targets cascaded from the board into senior management, which have opened strategic conversations with Circa regarding how our products can provide a bridge to more sustainable outcomes
- The progress of these commercial opportunities validates the demand for Circa products and a highly responsive customer base for Cyrene

Nett zero by 2050 equates to only 1-2 technology cycles for industry



Circa is in a key position, able to deliver new, lower carbon chemistry to industry within 2-5 years



- Gazel Energie site in Eastern France
- Strategically located close to main transport links to Europe
- Re-purposing buildings from a closed power station
- Supporting site owner vision for clean power site – biomass power and Green Hydrogen plans
- Grand Est region focus for French Government manufacturing support
- Region home to key Circa University researchers



Impact of current supply chain disruptions

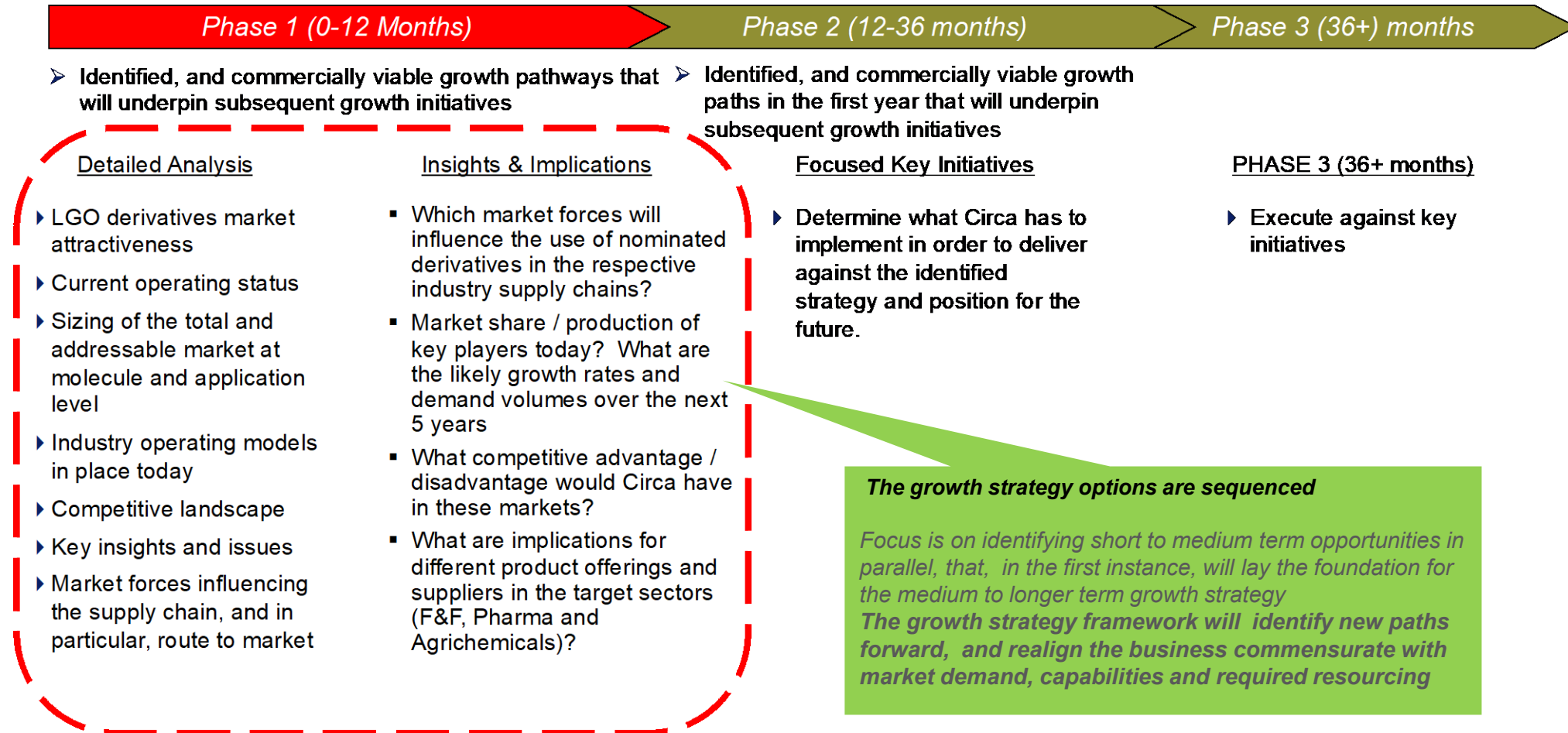
Covid has driven cost increases and delays across many raw material and logistics supply chains.

Circa recognises possible impacts and is taking steps to limit impacts:

- Employment of a purchasing expert (ex oil & gas construction industry) to work through options with vendors - alternative manufacturing locations etc
- Re-viewing current specs and offers - and unbundling where there is a cost down opportunity - ideally where there is limited impact on the supplier
- Changing some negotiations to “open book”.
- Utilising our financial position to offer early payments to guarantee our place in the manufacturing “queue”
- Bringing forward long lead time items. E.g. rather than waiting to Q1 2022, we will place orders earlier.
 - This also gives an option to be flexible on shipping timetables where advantageous.
- Discussing with local Governments available support packages (underway and initial feedback is positive)

Circa is reasonably confident it will be able to mitigate many cost increases without a large impact to timetable.

New product development remains a high priority workstream and is being undertaken within a disciplined framework



Circa has identified specific products as opportunities.
These are now passing into phase 1a:- optimizing synthesis pathways.



- Identified, and commercially viable growth pathways that will underpin subsequent growth initiatives

New products identified:

- Flavours
- Pharma intermediates
- Pheromones
- Solvent



Phase 1a – commercial
synthesis optimisation

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Q221 Income Statement

| (EUR) | Q2 2021 | Q1 2021 | Q2 2020 | YTD 2021 | YTD 2020 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Product sales | 11 835 | 1 334 | 16 423 | 13 169 | 17 461 |
| Other revenue | 31 049 | 4 066 | 78 113 | 35 115 | 492 013 |
| Total revenue | 42 884 | 5 400 | 94 537 | 48 284 | 509 474 |
| Cost of sales | 75 014 | 63 355 | 95 830 | 138 369 | 180 063 |
| Employee benefit expenses | 601 844 | 1 643 870 | 172 510 | 2 245 714 | 277 769 |
| Other operating expenses | 802 622 | 1 535 643 | 2 788 910 | 2 338 266 | 3 299 285 |
| Total operating expenses | 1 479 480 | 3 242 869 | 3 057 251 | 4 722 349 | 3 757 118 |
| Operating result | -1 436 596 | -3 237 469 | -2 962 714 | -4 674 065 | -3 247 644 |
| Net financial income/ expenses | -114 954 | -206 817 | -1 522 | -321 771 | -4 706 |
| Net profit/ loss before tax | -1 551 550 | -3 444 286 | -2 964 237 | -4 995 836 | -3 252 350 |
| Tax expenses | 0 | 0 | 0 | 0 | 0 |
| Net profit/ loss | -1 551 550 | -3 444 286 | -2 964 237 | -4 995 836 | -3 252 350 |
| Other comprehensive income: | | | | | |
| Foreign exchange gains/(losses) | 22 707 | -21 511 | 0 | 1 196 | 0 |
| Total comprehensive profit/ loss for the period | -1 528 843 | -3 465 797 | -2 964 237 | -4 994 640 | -3 252 350 |

- Revenue continues to be derived from minor FC5 Cyrene/ LGO derivatives sales
- FC5 represent cost of sales
- Q121 employee and other operating expenses included restructuring costs and LTI/STI costs
- Q221 employee and other operation expenses is more indicative of the quarterly run rate
- Other income of €31,000 is related to grant in CSC UK
- Financial expenses is mainly related to unrealized FX (EUR account in Circa Group AS) and negative interests related to same account

Q221 Assets

| (EUR) | 30.06.2021 | 31.03.2021 | 31.12.2020 | 30.06.2020 |
|---------------------------------|-------------------|-------------------|------------------|----------------|
| ASSETS | | | | |
| Tangible assets | 571 281 | 264 029 | 55 219 | 2 439 |
| Total non-current assets | 571 281 | 264 028 | 55 219 | 2 439 |
| Inventory | 33 748 | 24 230 | 50 217 | 25 008 |
| Short term receivables | 408 500 | 91 313 | 1 689 749 | 146 513 |
| Cash and cash equivalent | 49 717 972 | 49 265 086 | 4 779 478 | 183 161 |
| Total current assets | 50 160 220 | 49 380 628 | 6 519 444 | 354 682 |
| Total assets | 50 731 501 | 49 644 656 | 6 574 664 | 357 121 |

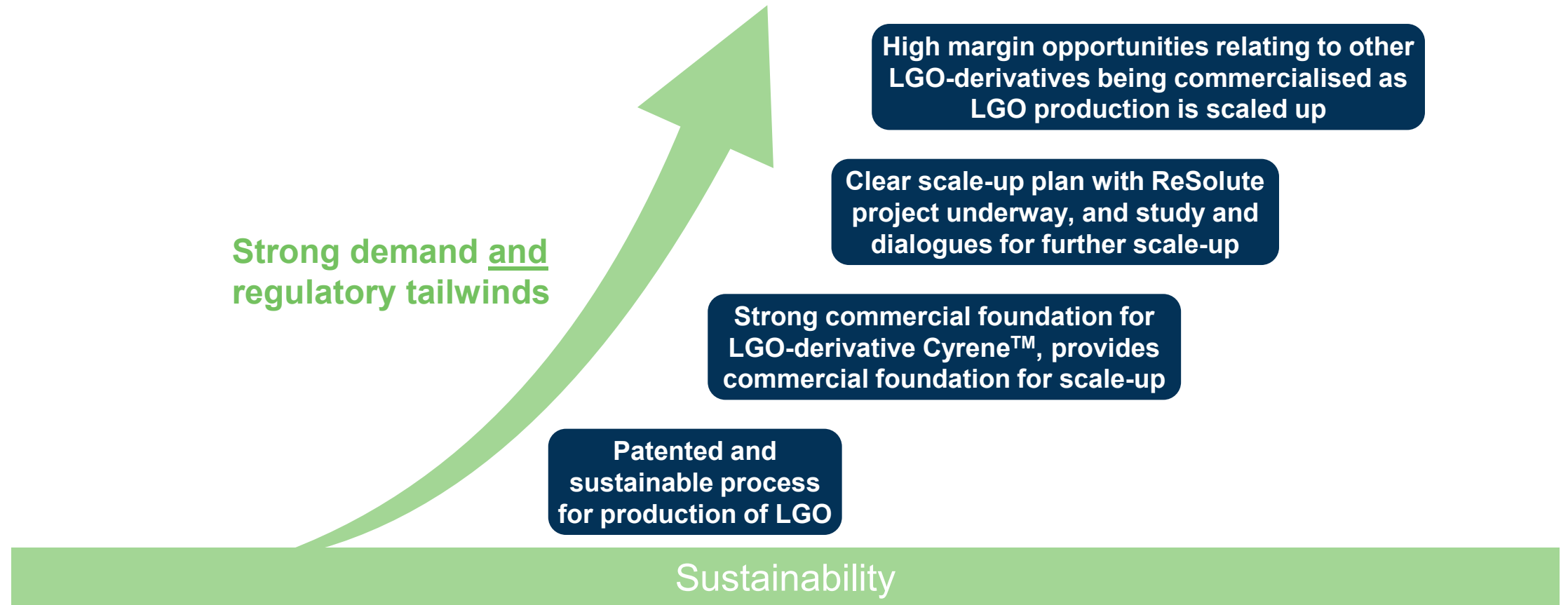
- Resolute capex is EUR 573k (gross) in Q221. Total capex is offset by the BBI contribution of EUR 264k.
- Increase in short term receivables are mainly due to VAT. Circa Group AS has been registered for VAT and retroactive VAT treatment is granted.
- Cash has increased EUR 0.4 mill:
 - Proceeds from issuance of shares EUR 2.5 million which includes stabilization period and exercise of warrants
 - Less ReSolute capex payments of EUR 0.6 mill
 - Less operational expenses EUR 1.4 mill

Q221 Equity and Liability

| | 30.06.2021 | 31.03.2021 | 31.12.2020 | 30.06.2020 |
|--------------------------------------|-------------------|-------------------|------------------|-------------------|
| <i>EQUITY</i> | | | | |
| Issued and paid in equity | 56 808 253 | 54 247 412 | 7 142 044 | 15 126 705 |
| Other equity | -12 882 966 | -11 571 836 | -7 489 767 | -15 581 245 |
| Non-controlling interests | 0 | 0 | 0 | -1 035 603 |
| Total equity | 43 925 288 | 42 675 576 | -347 723 | -1 490 143 |
| <i>LIABILITIES</i> | | | | |
| Employee benefits | 550 482 | 419 044 | 0 | 0 |
| Other non-current liabilities | 0 | 0 | 1 945 224 | 1 682 917 |
| Total non-current liabilities | 550 482 | 419 044 | 1 945 224 | 1 682 917 |
| Employees and related | 989 966 | 1 030 899 | 32 615 | 0 |
| Trade and other payables | 803 112 | 652 344 | 247 891 | 35 792 |
| Public duties and related | 47 754 | 32 579 | -29 670 | 0 |
| Other current liabilities | 4 414 900 | 4 834 214 | 4 726 326 | 128 555 |
| Total current liabilities | 6 255 732 | 6 550 036 | 4 977 162 | 164 347 |
| Total liabilities | 6 806 213 | 6 969 080 | 6 922 386 | 1 847 264 |
| Total equity and liabilities | 50 731 501 | 49 644 656 | 6 574 664 | 357 121 |

- Reduction in shares and other equity in 4Q2020 is a result of the restructuring process
- Employees and related expenses are reduced as some of the STI was paid
- Other current liabilities reflects the BBI obligation which reduces as capex is spent

Circa is delivering on a clear growth strategy



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Outlook / focus for Q3 and forward

- Manage ReSolute project on time and budget
 - Major items orders placed
 - End September market update on capex pricing position
- Finalise chemical distributors sales agreements
- Continue dialogue and exploration of site opportunities for future plants
- Appoint Head of Manufacturing executive position
- Engage with 5-10 tier 1 brands on projects to support their sustainability targets
 - Two projects currently being finalised (1x sportswear, 1x paints and coatings)
- Release new Levoglucosenone derivative

Circa is scaling sustainable chemistry

Environment

- Valorising cellulose, a sustainable resource, and displacing dependence on fossil fuel-based alternatives
- Commitment to near carbon neutral production process, already 80% less carbon intense than the alternative NMP
- Finding opportunities for circularity in our by-products and enabling circularity of our customer's end-product

Social

- Cyrene™ is a non-toxic product replacing and out-performing recognised (ECHA) harmful solvents
- ReSolute repurposes existing brownfield infrastructure, expediting the build phase with a lighter footprint
- Potential to regenerate regional communities through direct and indirect employment

Economic

- At full scale ReSolute and follow-on plants will attract €1B external investment and >200 jobs over 10 years
- Growing advanced manufacturing capability and retaining manufacturing jobs in regional areas
- Establishing a sustainable value chain for the production of sustainable chemicals with net positive impact



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This presentation contains statements regarding the future in connection with Circa Group's growth initiatives, profit figures, outlook, strategies and objectives. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements.

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Let's GO

Reachable market sectors are large, growing and diverse.

| | Flavors & Fragrances | Agrichemicals | Pharmaceuticals (API's) |
|---|--|--|--|
| Market Growth Rates | \$61B (41B, 4.3% Flavors/ 20B, 4.5% Fragrances), | \$60B, 3.8% | \$140B, 5.1% |
| Key Industry Trends | <ul style="list-style-type: none"> Significant move towards natural ingredients Must be on the approved ingredient list(s) Highly “reactionary” development process Consumer demand for more natural ingredients Consumer concerns over chemical hazards | <ul style="list-style-type: none"> Growing concern in the residual activity and effects of herbicides on environment Bioherbicides are environmentally friendly and non-toxic Organic farming increasing due to lack of herbicide residue | <ul style="list-style-type: none"> Continued growth in heart disease, diabetes, cancer, etc. continue to drive demand for new APIs Financial pressure on major firms forcing changes in drug development and commercialization processes |
| Applicable Technology | <ul style="list-style-type: none"> Precursors and Some Targeted Final Products (YYY, ZZZZZ) Primarily Cyrene | <ul style="list-style-type: none"> Precursors to Active Ingredients Pheromones | Precursors to Active Ingredients |
| Addressable Areas by Circa (Application Area, Application Size, Application Growth Rate) | <ul style="list-style-type: none"> \$8.9 B for Dairy (CAGR 3.9%) and Convenience Foods (CAGR 5.5%) Lactones are a small portion of this space. Most are readily available at relatively low price points, \$5-\$20/kg \$9.4B (Cosmetics / Fragrances) are approximately 48% of the market Hair Care, Skin Care, Makeup, Shower & Bath, Fragrance and Shaving | <ul style="list-style-type: none"> Herbicides account for 42% of total crop protection market U.S (Maize -33%), Canola (Canada– 28%), Wheat (China 17%) Pheromones are approximately \$2.6B, 16% CAGR | <p>\$140B (CAGR of 5.1%)</p> <p>Drug discovery continuously searching for new API materials.</p> <p>(S)-XXX well aligned with a variety of anti-viral and cancer drugs.</p> |
| Recommendations | <ul style="list-style-type: none"> Sample specific precursors as requested. Focus on specific niche flavors that are supply constrained and Circa has unique pathway (i.e. NNNN lactone) Cyrene™ opportunities | <ul style="list-style-type: none"> Focus on DDDDD based pheromones which are well suited and prevalent in the application. Investigate partnership or acquisitions that could facilitate route to market and commercialization Sample precursors as requested to traditional AgChem active development projects | <ul style="list-style-type: none"> Develop 2-3 precursor offerings with known routes to targeted areas, starting with (S)-XXX |