



SPINNOVA®

HANDELSBANKEN NORDIC MID/SMALL CAP SEMINAR 2022
CFO Ben Selby, Spinnova Plc

9 June 2022

WWW.SPINNOVAGROUP.COM

Our Mission

We produce the most sustainable textile materials in the world for the benefit of the environment and humanity.

By doing so we will transform the raw material base of the entire global textile industry for the better.



The Textile Challenge



The fashion & apparel industry alone accounts for 4% of global GHG emissions.



Majority of current textile materials based on fossil fuels (polyester) or water & chemical intensive fibres, for example cotton & viscose.



Cotton represents ~20% of the world's insecticide use and 10% of all pesticide use.



Heavy irrigation deteriorates table waters and soil.



100 fashion brands committed to cut greenhouse gas (GHG) emissions by 30% by 2030.

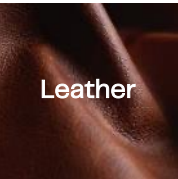
Spinnova as an Investment

- Addressing the very large and growing, **200 bn euro** textile fibre market
- Scalable technology and strong partners on-board for ramp-up with Suzano to more than **1mt p/a in the next 10-12 yrs**
- The same clean technology can process **multiple feedstocks**



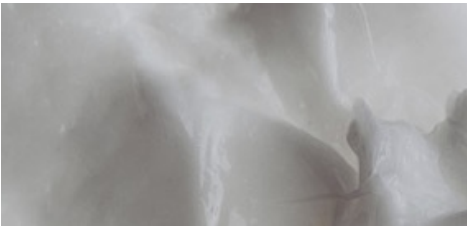
Disruptive Technology Innovation

Renewable raw material streams

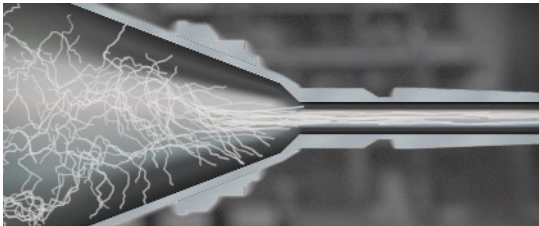


SPINNOVA® Process

Natural micro fibre suspension



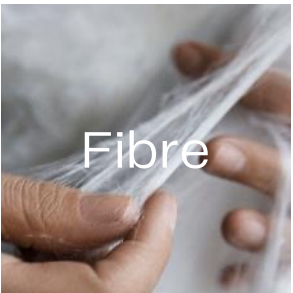
Spinning (patented technology)



Drying



Production output



Closed process for water use

0% harmful chemicals

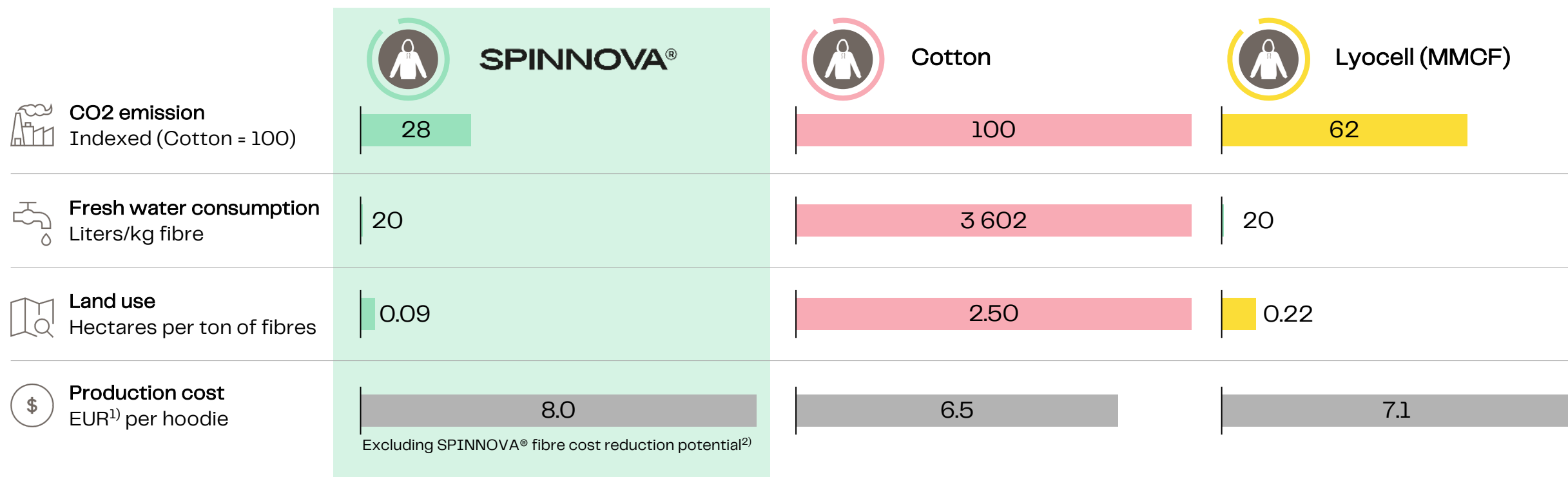
0% waste

fibre 100% recyclable



Value Proposition

SPINNOVA® Environmental Benefits

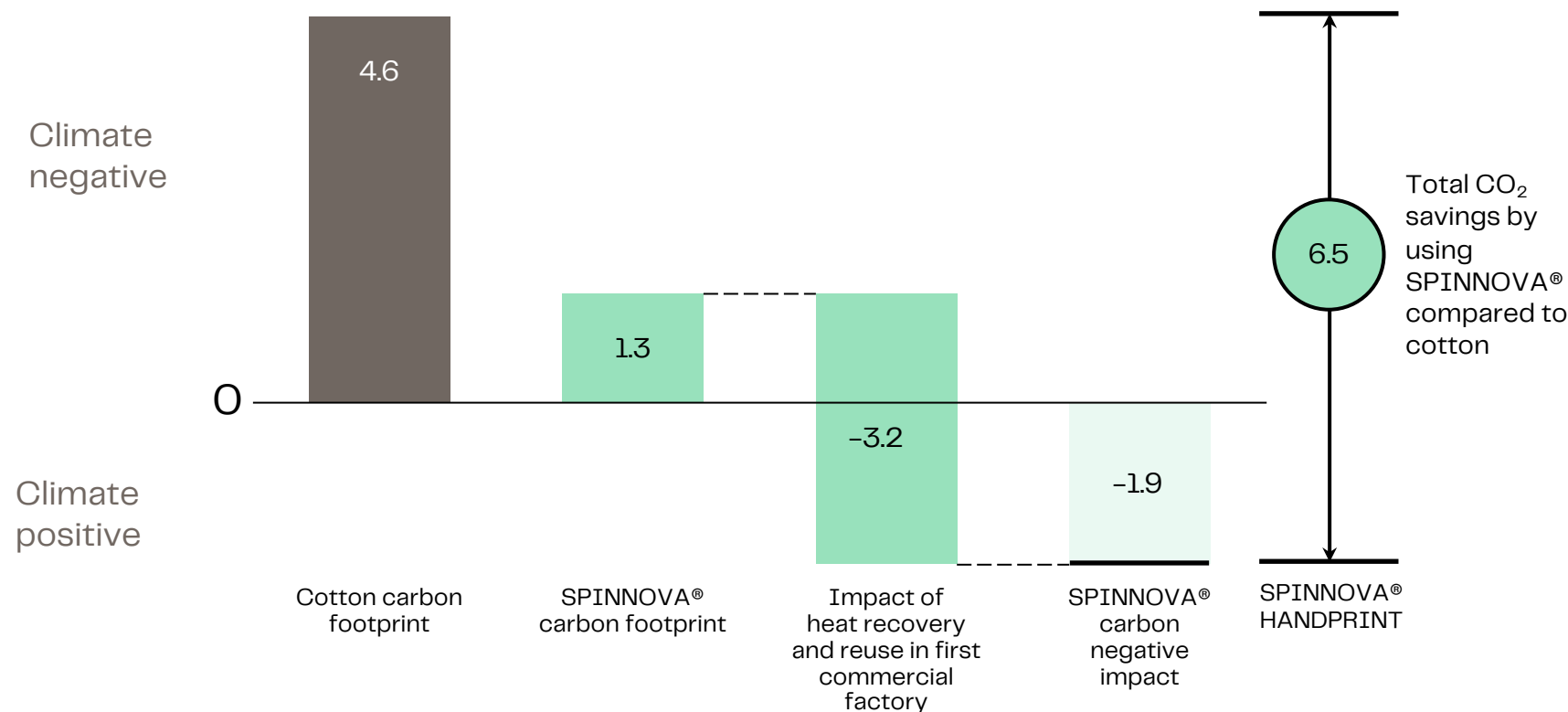


1) Estimated based on the t-shirt production cost calculation logic from Hasan et al. 2020, assuming that production of a cotton t-shirt costs 2.15 EUR and requires ~200g undyed fabric, a hoodie requires ~600g undyed fabric (excluding zippers etc.). Cost of yarn production and all other costs assumed to remain constant for the same weight of fabric used (~86% of cost of cotton hoodie). FX: USD to EUR, 2019 = 0.893.

2) Future cost reduction potential likely driven by decrease in price of raw material, optimized energy efficiency and price, optimized process, and economies of scale; 3) Calculated based on index value of water usage where cotton = 100 and Spinnova = 0.5. 99.5% smaller footprint is based on calculation where artificial irrigation of cotton is included to the water usage and eucalyptus uses no artificial irrigation. Source: ICAC, Hasan et al. 2020 "Addressing Social Issues in Commodity Markets", Environmental impact comparison by 3rd party Simreka 2020 (ordered by Spinnova), Shen and Patel "Life Cycle Assessment of man-made cellulose fibres" (2010), Emerging textiles

SPINNOVA® fibre production in 1st commercial factory saves more CO₂ emissions than it emits

SPINNOVA® CARBON HANDPRINT ELEMENTS, kg CO₂e/kg fibre



SPINNOVA® CO₂ handprint

- Carbon handprint compares the climate impact of two products intended for the same use.
- SPINNOVA® fibre produced at the first commercial factory in Jyväskylä is compared to the average climate impact of conventional cotton production from cradle-to-gate.
- This positive climate impact is thanks to low carbon footprint and energy reuse in Spinnova's 1st commercial factory in Jyväskylä, Finland.
- Recovered heat which is produced using wind power is fed into local district heating network, replacing e.g. burning of peat for energy.

Source: Clonet's carbon footprint and handprint calculation on Spinnova fiber, 2021, Value on cotton: Ecoinvent 3.8 dataset
Carbon handprint is a methodology developed by the Finnish Technical Research Centre VTT and University of Lappeenranta, and is based on the ISO 14067:2018 standard.

SPINNOVA® Fibre Differentiators

Man-made
cellulosic fibres

REGENERATING CHEMICAL
PROCESS



Synthetic, oil-
based fibres¹⁾



Spinnova is the **only** scalable
player using natural-based
feedstock with a mechanical
process.

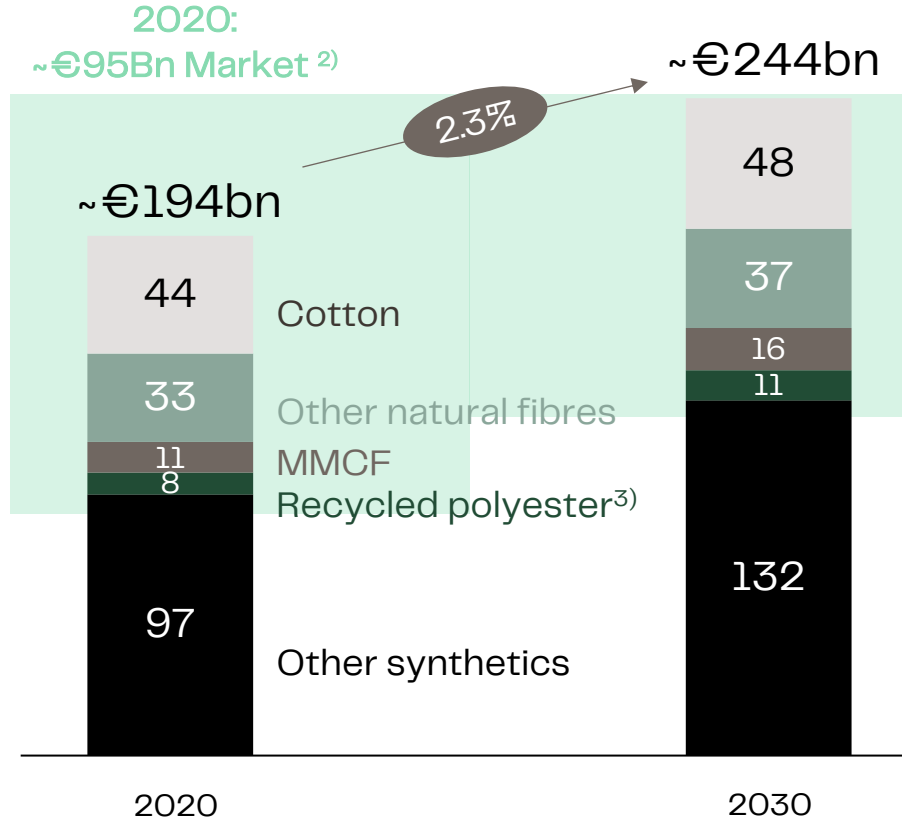
The fibre & materials industry's
most influential non-profit, The
Textile Exchange, classifies
SPINNOVA® as an
“Other plant-based fibre”

Note: 1) Includes also bio-based polyesters.

Market

Large Target Market

SPINNOVA'S TARGET MARKET – SUPPLY SIDE ¹⁾



Note: 1) Calculated based on 2019 fibre prices and includes the following fibre categories: Cotton: preferred cotton, regular cotton; MMCF: Viscose, Lyocell, and other MMCF; Other natural fibres: wool, other animal-based fibres, other plant-based fibres; Synthetics: virgin polyester, recycled polyester, polyamid, other synthetics; **2)** The addressable market includes minor share from subcategories that are not addressable such as silk. Spinnova's addressable market assumed to include cotton, MMCF, plant-based natural-fibres, and recycled polyester; **3)** Estimated based on synthetics to recycled polyester ratio in 2019.

Source: Textile Exchange, The fibre Year report 2020, United Nations; World Population Prospect, The cellulose gap (The future of cellulose fibres), Environmental Science, by F.M: Haemmerle et al. 2011; Textile Exchange; Preferred Fiber & Materials Market Report 2020, ITC statistics, EmergingTextiles

KEY MARKET TRENDS AND DRIVERS

- 1 Apparel demand grows faster than global GDP
- 2 Clothing lifecycle shortening – “fast fashion” increasing
- 3 Increasing regulation towards sustainable materials
- 4 Cotton has environmental and production capacity issues
- 5 Global brands need a solution for apparel materials

Brands Taking Sustainability Action

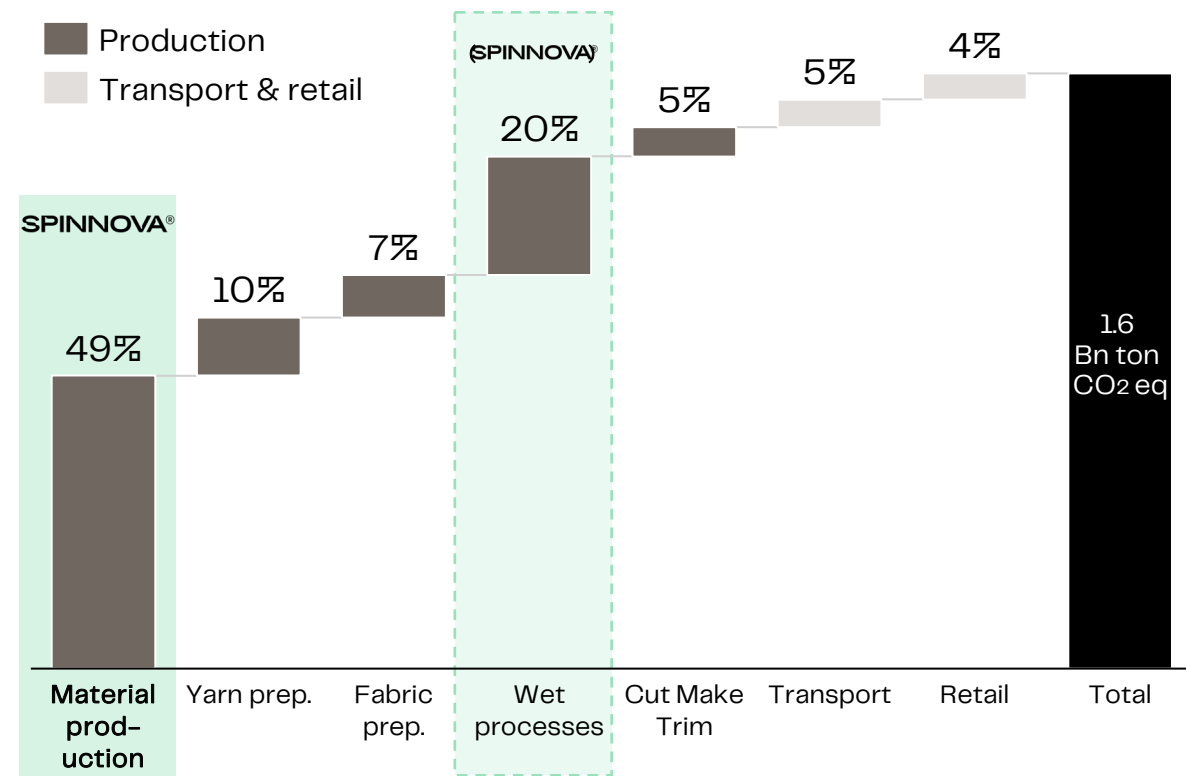
100 FASHION BRANDS COMMITTED TO CUT GREENHOUSE GAS (GHG) EMISSIONS BY 30% BY 2030¹⁾

EXAMPLES



Already a Spinnova brand partner

GREEN HOUSE GAS (GHG) EMISSIONS OF APPAREL AND FOOTWEAR INDUSTRY BY VALUE CHAIN IN 2018 (%)³⁾



Note: 1) UN's Fashion Industry Charter for climate action in 2018 Commitment to cut green house gases by 30% compared 2015; 2) Spinnova has a partnership with VF corporation's Icebreaker brand; 3) This is an annualized emissions analysis – not a Life Cycle Analysis of a garment; as a result the usage phase emissions differ vs. LCA analysis results
Source: Fashion on Climate, McKinsey & Global Fashion Agenda, August 2020

2022 Product Launches:

ARKET (H&M) signature overshirt and adidas TERREX HS¹ hoody

ORGANIC COTTON

Boxy-Fit Overshirt

€ 99

SIZE | [SIZE GUIDE](#)

46

48

50

52

54

ADD TO BAG

FREE SHIPPING ON ORDERS OVER 100 EUR

ID 1059601-001

MADE IN Turkey

SUPPLIER INFORMATION ⓘ

CARE INSTRUCTIONS ⓘ

Woven from a blend of cotton and an innovative cellulose-based fibre, Spinnova®, this overshirt has been made using less water, energy and chemical substances. It has a boxy fit with a nod to utilitarian aesthetics and is detailed with two chest pockets.

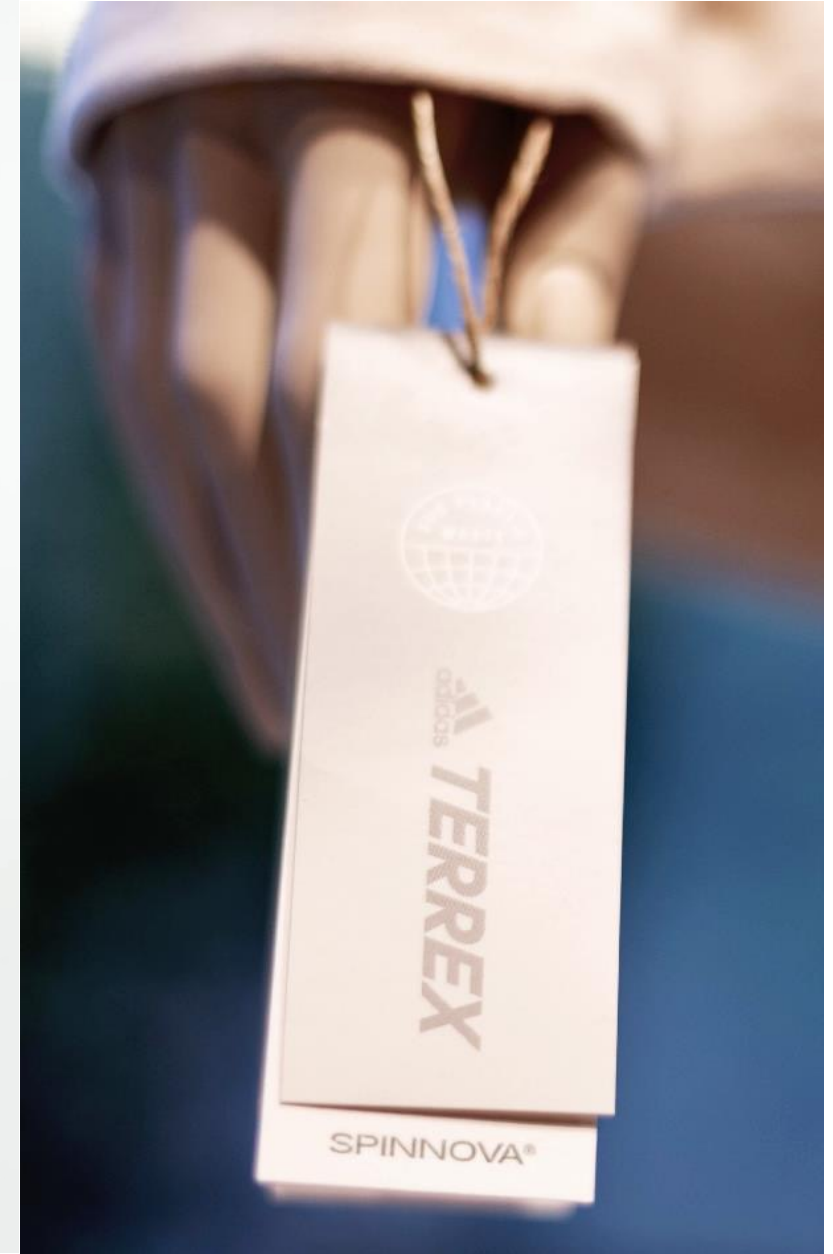
- Corozo buttons, made from tagua nuts – a renewable vegetable material known for its exceptional durability and scratch resistance
- This garment is made with an innovative natural fibre produced in Finland from certified wood. Creating the fibre involves minimal water use and emissions and results in zero waste. Used as a more sustainable alternative to cotton, Spinnova® fibres can be recycled over and over again without losing

2/5



Ingredient Brand Vision

- Spinnova brand strongly associated with sustainability.
- Brand vision is to be a leading ingredient brand in sustainable textiles and other applicable materials; “The GoreTex of sustainability”.
- Being cobranded and seen alongside big, global brands is key in making the brand vision a reality.
- SPINNOVA® brand is trademark protected.



A close-up photograph of a spinning machine. Several red bobbins are visible, each with a silver-colored metal ring at the top. White yarn is being spun onto the bobbins, creating a blurred effect due to motion. The background is dark and out of focus.

Strategy & Focus

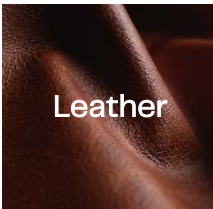
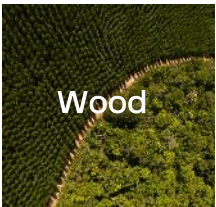
Business Strategy

Raw Materials

Raw materials via existing JVs:

WOODSPIN

Respin



Multiple raw material and business model options:



Business Models

SPINNOVA®

Fibre technology platform

- Own and develop the technology
- Technology concept provider
- Technology fee

Fibre production and sales

- Joint venture (JV) partner
- Multiple other options

Fabric sales

- Spinnova's own sales and marketing organization

Partners & Industries

Apparel & Footwear



adidas



H&M Group



marimekko



BESTSELLER

Interior textiles

Healthcare

Composites

Multiple earnings streams

1) TECHNOLOGY SALES

Turn-key solution, exclusive technology supplier



Payments from JV
for technology
project delivery

Recurring
technology fee
based on the
JV's cash flow*

2) FIBRE SALES

Joint ventures responsible for wood and leather
fibre sales



50% of the JV's profit

3) FABRIC SALES

Fabric sales to brands, fabric co-branded



Profits based on sold fabric volumes

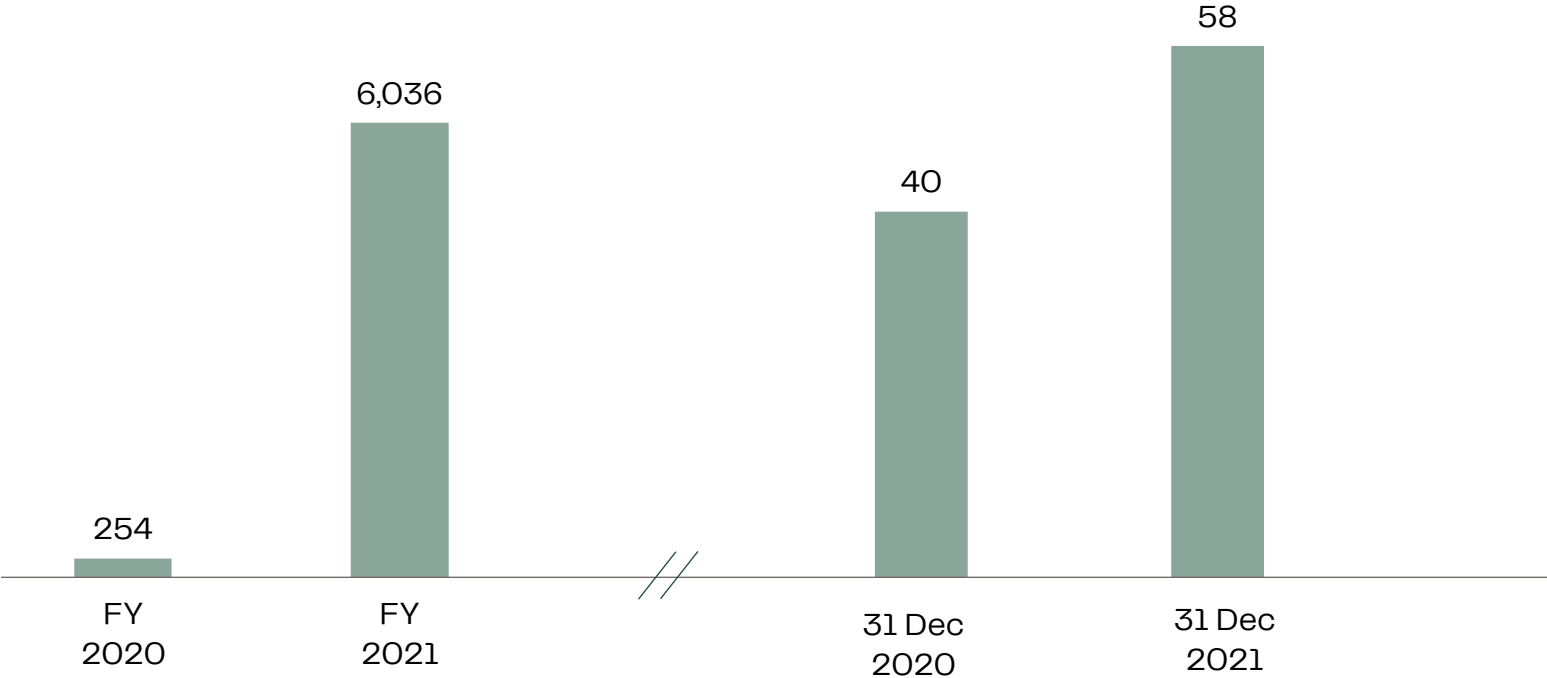
* Only applies to Woodspin.

Business targets set in 2021

	PRODUCTION TARGETS	BUSINESS TARGETS	COMMERCIAL TARGETS
Medium term (2025-2027)	150 thousand tonnes of SPINNOVA® fibre production capacity	EBIT positive	Up to 20 commercial textile brand partnerships, which have SPINNOVA® materials in their product lines
Long term (2031-2033)	1 million tonnes of SPINNOVA® fibre production capacity	<p>More than €200 million EBIT p.a. from share of profits from JVs, recurring technology fees and service maintenance fees</p> <p>Cumulative more than €1 billion cash margin from technology sales</p>	Up to 80 commercial textile brand partnerships, which have SPINNOVA® materials in their product lines
Dividend policy (Spinnova Group)	Short to medium term: no dividends		

Growth since the IPO

Revenue
EUR thousand



Permanent employees
at the end of the period

Key executive hires

Allan Andersen appointed as Chief Sales Officer

- 20 years of experience from sporting goods industry.
- Several commercial lead and executive positions at Under Armour, Adidas Latin America and Adidas Nordic.

Teemu Lindberg joins Spinnova to lead Production Scaling (as of 15 August 2022)

- Solid industrial experience in scaling new technologies to industrial scale.
- Several production and technology management and executive positions most recently from forest and biofuels industries.

A glass beaker is shown with a yellow liquid being poured from a pipette. The liquid is forming a mound at the bottom of the beaker. The background is a blurred laboratory setting. The text "Joint Ventures Update" is overlaid in white, sans-serif font.

Joint Ventures Update

Woodspin – 1st Factory

- Construction project and Spinnova's technology delivery proceeding in Finland on the original schedule.
 - Production space estimated to be ready for technology installations at the end of summer of 2022.
 - Factory to be completed by year-end 2022.
- One of Spinnova's long-term business targets within 10–12 years is to reach one million tonnes of SPINNOVA® fibre production capacity.



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Woodspin site in Jyväskylä, Finland as of May, 2022

50kt Woodspin Factory

- Planning for the 50k Woodspin factory has already started.
- Location and financing planning with JV partner Suzano ongoing.
- Technology concept detailed planning ongoing with key technology partners.
 - On track for capex per tonne and energy efficiency improvements outlined in IPO prospectus.
- Commercial negotiations ongoing.

WOODSPIN



Welcome to visit us on Spinnova Investor Day 2022 14th June, Jyväskylä

- Institutional investors and analysts are invited to participate live at the investor day with a site visit to the Spinnova pilot factory and the Woodspin factory site in Jyväskylä, Finland.
- Main event will be webcasted from 2:30 p.m. (1:30 p.m. CEST) onwards.
- For more information, visit www.spinnovagroup.com/investorday2022
- Register at ir@spinnova.com

First commercial Woodspin factory site in Jyväskylä, Finland as of May, 2022

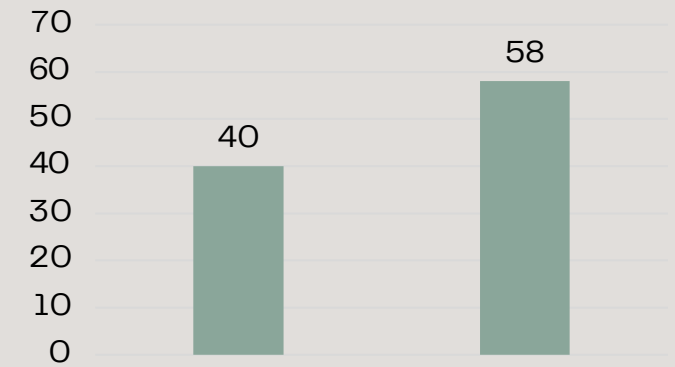


Appendix

Financial Highlights Jan-Dec 2021

EUR (thousand)	7-12/2021	7-12/2020	1-12/2021	1-12/2020
Revenue	5 661	168	6 063	254
Operating profit (loss)	-4 079	-3 480	-7 172	-5 473
Earnings per share (EUR, diluted and undiluted)	-0.10	-0.11	-0.36	-0.17
Net debt	-100 093	-1 372	-100 093	-1 372
Equity ratio	92 %	54 %	92 %	54 %
Number of personnel (average)	53	34	49	34

Permanent Employees
at end of the period



Group Income Statement Jan-Dec 2021

EUR (thousand)	7-12/2021	7-12/2020	1-12/2021	1-12/2020
REVENUE	5 661	168	6 063	254
Other operating income	0	77	0	77
Materials and services	-4 750	-58	-5 020	-128
Personnel expenses	-2 685	-1 342	-4 500	-2 318
Depreciation and amortisation	-405	-360	-809	-714
Other operating expenses	-1 717	-1 965	-2 691	-2 644
Share of profit (loss) in associated companies	-183	0	-215	0
OPERATING PROFIT (LOSS)	-4 079	-3 480	-7 172	-5 473
Total financial income and expenses	-957	-102	-8 251	-171
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-5 036	-3 582	-15 423	-5 644
PROFIT (LOSS) FOR THE PERIOD	-5 036	-3 582	-15 423	-5 644

- Vast majority of revenue from technology sales to joint ventures.
- Other revenues from R&D services and development projects for brand partners.
- Increase in materials and services mainly due to delivery of the technology projects.
- Operating loss increased primarily due to increase in personnel expenses and depreciation and amortization, partly offset by increased revenue.

Key balance sheet and cashflow items Jan–Dec 2021

Balance Sheet	EUR Thousand	31.12.2021	31.12.2020
	Total assets	123 654	16 961
	Cash and cash equivalents and investments	107 036	8 122
	Net debt	-100 093	-1 372

Investments	EUR Thousand	1-12/2021	1-12/2020
	Investments in tangible and intangible assets	2 614	3 673
	Investments into associated companies	1 752	0
	Total investments	4 366	3 673

Cash Flow	EUR Thousand	1-12/2021	1-12/2020
	Net cash from operating activities	-9 460	- 3 519
	Net cash from investing activities	-4 610	-1 955
	Net cash from financing activities	112 984	850
	Net change in cash and cash equivalents	98 914	-4 623

- Cash and cash equivalents increased significantly in 2021 primarily due to net proceeds from IPO
- Additional EUR 15 million of gross proceeds from the IPO over-allotment option was received in July
- Investments in tangible and intangible assets mainly into technology development
- Investments to associated companies mainly related to investment into Woodspin for construction of first commercial factory

Outlook for 2022

- Spinnova will continue to work towards its targets and execute its strategy according to plan.
- Target market is growing, and the demand for sustainable textile materials is very strong.
- Spinnova expects to complete the building of the first Woodspin factory on time and for it to be operational at the end of 2022.
- Spinnova expects to continue to launch commercial editions of products with its brand partners.
- During 2022, Spinnova's revenues are expected to grow in comparison to 2021, driven primarily by higher technology sales of the project deliveries to Woodspin and Respin.
- During 2022, whilst Spinnova focuses on investing in growth and production scaling, the company is not expected to be profitable.





Thank you.

Stay in touch at ir@spinnova.com

IR Website: www.spinnovagroup.com