

A close-up photograph of a green fabric, likely a textile, showing a fine, woven texture. The lighting is dramatic, with a strong highlight on the left side and deep shadows on the right, creating a sense of depth and highlighting the fabric's grain.

**SPINNOVA®**

# Half-Year Report

JANUARY–JUNE 2023

31 August 2023

# Spinnova Plc's Half-Year Report January–June 2023 (unaudited)

The technology handover to Woodspin was conducted successfully – Revenues increased and operating result decreased, as expected

## JANUARY TO JUNE 2023 HIGHLIGHTS (IFRS)

(comparison figures in parentheses are for January–June 2022 if nothing else is communicated)

- Revenue grew to EUR 8 820 thousand (EUR 7 635 thousand).
- Operating result for the period was EUR -10 994 thousand (EUR -5 766 thousand).
- Total investments were EUR 6 047 thousand (EUR 8 115 thousand).
- Net cash was EUR 58 789 thousand (end of 2022: EUR 74 454 thousand).
- The number of permanent employees at the end of the period was 78 (69).
- Successful technology handover of the first factory producing wood-based SPINNOVA® fibre to the joint venture Woodspin.
- Feasibility planning for the next Woodspin factory continued.
- Spinnova entered into a yarn development co-operation agreement with Tearfil.
- CEO Kim Poulsen stepped down as CEO, and CFO Ben Selby was appointed as interim CEO.
- Santeri Heinonen was appointed Chief Human Resources Officer and management team member.

## SIGNIFICANT EVENTS AFTER THE PERIOD

- In July, Spinnova received a R&D grant of a maximum EUR 1.9 million from Business Finland for developing SPINNOVA® fibre from new raw materials.
- In August, Spinnova Plc's transition to IFRS reporting was published.
- 31 August, Tuomas Oijala appointed as Spinnova's new CEO and Ben Selby deputy CEO.
- 31 August, Spinnova announced, that a strategic review will be conducted and that the results of the review will be communicated in the coming months.

## IFRS KEY FIGURES<sup>1)</sup>

EUR (thousand)	1-6/2023	1-6/2022	1-12/2022
Revenue (net sales)	8 820	7 635	24 279
Operating result (EBIT)	-10 994	-5 766	-13 149
Profit for the period	-10 563	-7 676	-15 123
Earnings per share (EUR, diluted and undiluted) <sup>1)</sup>	-0.20	-0.15	-0.29
Net cash	58 789	94 119	74 454
Equity ratio, %	89%	87%	86%
Number of permanent employees, end of period	78	69	75
Number of permanent employees, average	78	65	67

<sup>1)</sup> The company's potential dilutive instruments consist of stock options. As the company's business has been unprofitable, stock options would have an anti-dilutive effect and therefore they are not taken into account in measuring the dilutive loss per share. Thus, there is no difference between the undiluted and diluted loss per share.

The number of shares used in the key performance indicators table are found in the Appendix on page 21.

This Half Year Financial Report has been prepared in accordance with the requirements in IAS 34 (Interim Financial Reporting) standard.

Information concerning the full year 2022 is based on the audited IFRS financial statements for 2022 that were published on 17 August 2023.

## OUTLOOK

### Commercial outlook

The long-term demand for sustainable textile fibres and materials remains strong. Spinnova expects to see increased interest when Woodspin ramps up production and more wood-based fibre volumes become available.

### Financial Guidance for 2023 (unchanged)

A strategic review will be conducted and communicated in the coming months. If there are any changes to Spinnova's medium and long-term targets, these will be communicated at that time. Spinnova's 2023 financial guidance is unchanged.

The timing of the final investment decisions of the joint ventures' Woodspin and Respin next plants will be key factors in the timing of Spinnova's technology revenues.

In 2023, revenues are estimated to be lower than in 2022, impacted by expected phasing of technology sales fees.

The loss will increase during 2023 as the company is ramping up operations.



## COMMENTS BY INTERIM CEO BEN SELBY

"In May, our joint venture Woodspin officially opened the first factory producing wood-based SPINNOVA® fibre, with almost 100 guests visiting the facility in Finland. Spinnova finalised the technology installations during spring and the technology handover was completed successfully. The factory has since May been fully operated by Woodspin. The ramp-up is ongoing, gradually increasing the production run-rate of the machinery. The planned capacity of the plant is to produce one thousand tonnes per year of sustainable textile fibre.

Suzano Finland as raw material supplier to Woodspin continues to develop its production process to improve the quality of the wood-based micro fibrillated cellulose (MFC) produced and efficiency of its process. While Suzano develops its MFC process it is expected that the first Woodspin facility will mainly be used for R&D to test new MFC batches and that commercial production volumes will be limited in the short term. To meet customer commitments Woodspin used alternative wood-based MFC from Scandinavia during the first half of 2023. The first commercial deliveries of fibre based on this alternative raw material have now been sent from the factory. Spinnova's textile development work continues, and we are planning to launch our first products using Suzano MFC once the raw material has reached the needed quality level.



Together with Suzano, we have been gathering the learnings from the first Woodspin plant to support the decision making for the next Woodspin factory investment. Spinnova is actively working with Suzano to improve the efficiency of the wood-based raw material (MFC) process and the quality of the MFC produced. At the same time Spinnova continues to further develop the technology concept to reduce capital expenditure per tonne of fibre produced compared to the first Woodspin plant. The market opportunity and ambition level with Suzano to scale Woodspin's production capacity remains unchanged.

Following the agreement with ECCO to proceed towards commercialising leather-based fibre at Respin, we have started a feasibility study of the first commercial factory for Respin, which is planned to be located in the Netherlands.

Spinnova sees great potential in fibre produced from other raw materials such as textile waste and agricultural waste, and we continued to invest into research and development during the first half of 2023. We were pleased to receive a grant of approximately EUR 1.9 million from Business Finland in July to focus on research into these raw materials as well as research into recycling SPINNOVA® fibre and developing more energy-efficient raw material refining. We expect this to open new opportunities for Spinnova to expand its business by adding new raw material refining and fibre recycling components to its technology offering.

Another great brand cooperation effort came to fruition at the beginning of April, when the Halti Cyclus unisex parka hit the stores. The parka is made from environmentally friendly SPINNOVA® fibre and cotton and dyed using Imogo's sustainable technology from Sweden.

In June, we entered into a yarn development co-operation agreement with Tearfil, the visionary spinning mill based in Portugal, whereby Tearfil will operate our R&D yarn-spinning line. The yarn-spinning line is intended for product development, and it will be located at Tearfil's facilities, in Europe's most significant textile industry hub in Portugal. This will improve our access to global textile markets.

I'm pleased that our revenues grew during the period. Our revenues increased to EUR 8.8 million from EUR 7.6 million, driven mainly by technology sales. Our operating result was approximately EUR -11 million compared to EUR -5.8 million. The decline in operating result was expected as we were ramping up our and our joint venture operations and had increased personnel costs. During the period our investments of EUR 6 million continued to be primarily into the Woodspin joint venture.

Today Spinnova announced a strategic review. The review will focus on prioritising areas in the strategy that in the short- to medium-term deliver the fastest time to positive cashflow generation and that create the most value for the company's stakeholders.

I would like to thank our dedicated team and partners for all their hard work in the first half, thanks to which we were able to achieve significant milestones in our development, most notably the handover of the technology installation to Woodspin."

**Ben Selby**  
CEO (interim) and CFO

## MARKET

The market outlook for Spinnova remains favourable. The demand for sustainable fibre and materials is growing and growth is expected to continue. This in turn is expected to drive the demand for Spinnova's technology.

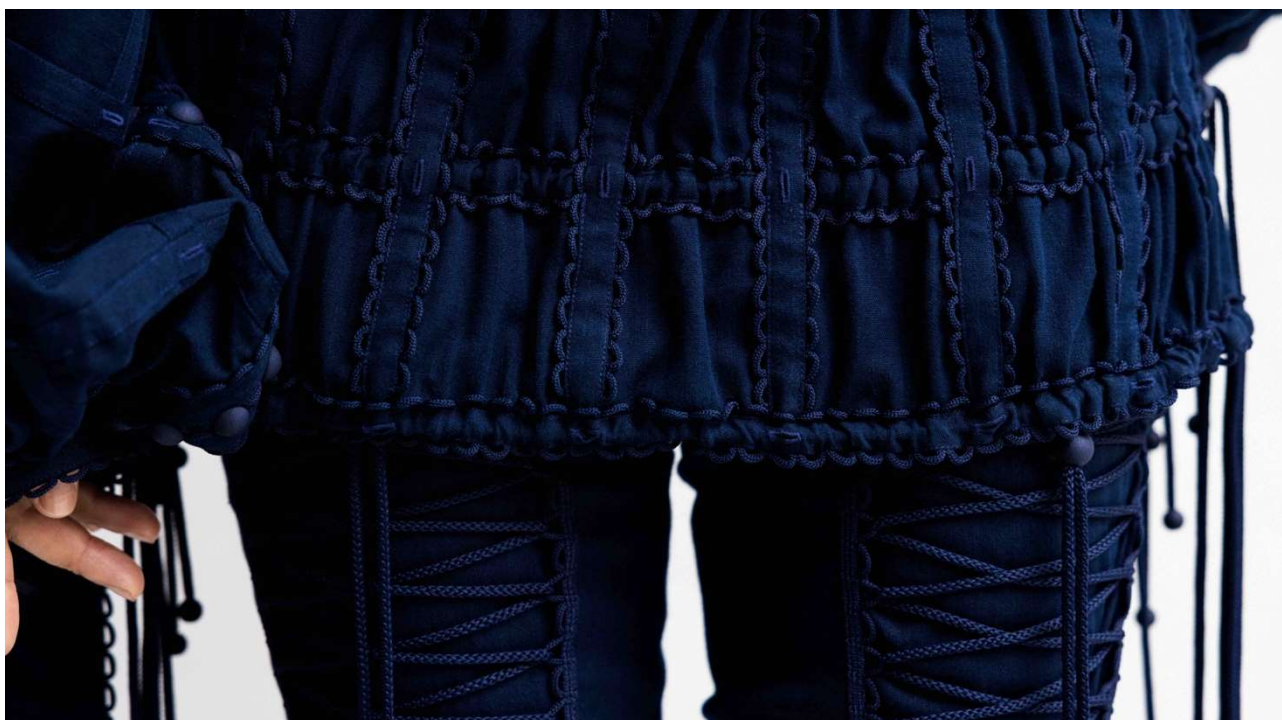
The value of the global textile fibre market is estimated to about EUR 200 billion and is expected to grow to approximately EUR 245 billion by 2030. Global fibre consumption is expected to grow to 150-155 million tonnes by 2030.<sup>1</sup>

A large share of major fashion and apparel brands have made commitments to significantly improve their environmental footprint, by for example committing to Science Based Targets and introducing sustainable materials into their collections. To achieve these goals, brands need to work with new material innovators like Spinnova.

Various other industries are also on the lookout to replace their existing textile materials with sustainable, renewable alternatives, to minimise CO<sub>2</sub> emissions as well as chemical and water use.

Recent developments in the regulatory environment in the EU are favourable to Spinnova. The EU is calling for a change in the textile industry as demonstrated by its Strategy for Sustainable and Circular Textiles that aims by 2030 for textile products in EU to be long-lived and recyclable, to a great extent made of recycled fibres, free of hazardous substances and produced respecting social rights and the environment<sup>2</sup>. The EU 2023 Strategic Foresight Report<sup>3</sup> focuses on sustainability and peoples' well-being. Spinnova's mission, values and strategic sustainability approach are well-aligned with the report.

Critical climate action called for by, amongst others, the IPCC (Intergovernmental Panel on Climate Change) limiting human-induced global warming requires limiting cumulative CO<sub>2</sub> emissions, reaching at least net zero CO<sub>2</sub> emissions, along with strong reductions in other greenhouse gas emissions, which supports the demand for Spinnova's innovation.



<sup>1</sup>Company management and third-party sources mentioned in Spinnova IPO Offering Circular 10 June 2021.

<sup>2</sup>EU Strategy for Sustainable and Circular Textiles, 30 March 2022.

<sup>3</sup>EU 2023 Strategic Foresight Report

## Impact of war in Ukraine

Spinnova has seen no material direct impacts on its business relating to the war in Ukraine during the reporting period. The company is closely monitoring the situation and will adjust its operations and plans if needed.

## FINANCIAL REVIEW FOR SPINNOVA GROUP 1 JANUARY – 30 JUNE 2023 (IFRS)

### REVENUE

Spinnova's revenue was EUR 8 820 thousand (EUR 7 635 thousand) for the six months ended 30 June 2023. During the period, most of the revenue was derived from the technology delivery projects to Woodspin's 1 thousand tonne production facility and to Respin. The remainder of the revenue during the period consisted primarily of R&D services and development projects provided to Spinnova's partners.

### PROFITABILITY

Spinnova's operating result was EUR -10 994 thousand (EUR -5 766 thousand) for January–June 2023. The increase of the operating loss was primarily driven by the overall ramp-up of the business, larger number of employees and higher cost impact of stock option programmes compared to January–June 2022. In addition, Woodspin's production start-up and ramp-up increased the share of loss from joint ventures compared to 2022.

Spinnova's materials and services expenses were EUR 8 730 thousand (EUR 7 022 thousand) for the six months ended 30 June 2023. Most of the increase from the comparison period in 2022 was due to the technology delivery to Woodspin.

Spinnova's personnel expenses were EUR 6 189 thousand (EUR 3 881 thousand) for the six months ended 30 June 2023. The increase in personnel expenses was primarily due to the higher amount of personnel, salary inflation and higher cost impact of Spinnova's stock option programmes compared to the same period in 2022.

Depreciation and amortisation were EUR 1 258 thousand (EUR 780 thousand) for the six months ended 30 June 2023. The increase was driven by a higher level of fixed assets, mainly capitalised development expenses during the period, compared to the same period in 2022.

Other operating expenses were EUR 2 302 thousand (EUR 1 818 thousand) for the six months ended 30 June 2023. Overall other operating expenses increased as the company ramped up its business and, for example expanded the number of premises rented.

The share of profit (results) in joint ventures was EUR -1 557 thousand (EUR 52 thousand) for the six months ended 2023. The loss was mainly related to Woodspin and its operations establishing a new organisation and ramping-up production at the new production facility. In addition, the loss at Woodspin increased during the period due to purchasing alternative MFC raw material from Scandinavia.

Financial income was EUR 718 thousand (EUR 1 thousand) for the six months ended 30 June 2023 due to positive development of the company's current investments. Financial expenses were EUR -173 thousand (EUR -1 750 thousand) for the six months ended 30 June 2023. Financial expenses in January–June 2023 consisted mainly of paid interest related to the company's interest-bearing borrowings. In January–June 2022 financial expenses consisted mainly of write-downs of company's investments in money market funds driven by the financial market environment.

### FINANCIAL POSITION AND CASH FLOW

Spinnova's total assets at the end of the review period were EUR 107 293 thousand (EUR 126 412 thousand). Equity was EUR 95 256 thousand (EUR 109 408 thousand). Cash and cash equivalents and current investments amounted to EUR 66 733 thousand (end of 2022: EUR 82 716 thousand). The cash position at the end of the reporting period was negatively impacted by trade receivables from Woodspin.

Spinnova's net cash flow from operating activities in January–June 2023 was EUR -11 385 thousand (EUR 4 730 thousand). The net cash flow used in operating activities was driven by the loss of the period and change in working capital due to a decrease in current non-interest-bearing-liabilities and increase in trade receivables from Woodspin. The change in net working capital for the period was EUR -4 362 thousand (EUR 9 212 thousand).

Cash flow from investing activities was EUR -6 351 thousand (EUR 15 953 thousand). The majority of negative cash flow from investing activities in the first half related to investments into Woodspin.

Cash flow from financing activities was EUR 1 085 thousand (EUR -616 thousand) during the six months ended 30 June 2023 mainly affected by higher share issues related to option programmes and proceeds from borrowings, compared to the same period in 2022.

## INVESTMENTS

Spinnova's investments in tangible and intangible assets total EUR 547 thousand (EUR 3 365 thousand), of which development of new technology was EUR 483 thousand (EUR 1 999 thousand) and investments in machinery and equipment were EUR 65 thousand (EUR 1 366 thousand) for the six months ended 30 June 2023. The decline in investments compared to the same period in 2022 was due to a EUR 1 366 thousand investment into the in-house R&D yarn-spinning machinery made in 2022 and technology development projects in 2022. During the first half of 2023 Spinnova's R&D teams focused on the commissioning and ramp-up of the first Woodspin factory and therefore technology development investments were lower.

In the six months ended 30 June 2023 the company invested a total of EUR 5 500 thousand (EUR 4 750 thousand) to its joint ventures. During the reporting period Woodspin's technology project cost increased to EUR 36 million, up from EUR 31 million projected in 2022. The co-investors Spinnova and Suzano each pay half of the investments to Woodspin.

## EMPLOYEES

Spinnova's number of permanent employees was 78 (69) at the end of the period January–June 2023, and on average 78 (65) for the period. The total number of Spinnova's employees was 87 (84) on 30 June 2023, including 9 (15) fixed term employees.

## CHANGES IN GROUP MANAGEMENT

1 March 2023, Santeri Heinonen was appointed Chief Human Resources Officer and management team member. He started in his position at on 2 May 2023.

21 April 2023, CEO Kim Poulsen stepped down as CEO, and the company's Board of Directors appointed CFO Ben Selby as interim CEO. The search for a new permanent CEO commenced immediately. Mr. Selby started as interim CEO as of 21 April 2023. He simultaneously continues in his position as CFO.

## SHARES AND SHAREHOLDERS

Spinnova's share is listed on the Nasdaq First North Growth Market Finland. Spinnova's share capital is EUR 80 thousand. Spinnova has one series of shares. All the shares have one vote in a general meeting of shareholders, and all have equal rights to dividends. The ISIN code of the shares is FI4000507595, and the trading code is SPINN.

As of 30 June 2023, Spinnova had 37 299 (33 981) shareholders. Of the shares, 26.6 (28.6) percent were held by nominee registered shareholders. The company does not currently hold any of its own shares.

The following table presents Spinnova's ten largest registered shareholders by number of shares based on the shareholders' register maintained by Modular Finance Ab and Euroclear Finland Ltd as of 30 June 2023.

Shareholder	Number of shares	Of all shares and votes, %
Suzano S.A	9 808 530	18.99 <sup>1</sup>
Besodos Investors Oy	4 048 680	7.84
Maki.vc Fund I Ky	3 540 300	6.85
Beata Domus Ab	3 348 238	6.48
Janne Poranen	2 663 030	5.16
Holdix Oy Ab	2 187 510	4.24
Lenzing AG	2 174 070	4.22
Juha Salmela	1 960 322	3.80
Aktia Asset Management	1 626 571	3.15
Ella Salmela	1 302 770	2.52
<b>Ten largest registered shareholders, total</b>	<b>32 660 021</b>	<b>63.23<sup>1</sup></b>
<b>Other shareholders, total</b>	<b>18 988 314</b>	<b>36.77<sup>1</sup></b>
<b>In total</b>	<b>51 648 335</b>	<b>100.00</b>

<sup>1</sup> The % share of shares and votes is calculated by Spinnova based on received information.

## Spinnova shares on Nasdaq First North Growth Market

January–June 2023	No. of shares traded	Average daily turnover EUR	High EUR	Low EUR	Average <sup>1</sup> EUR	Last EUR
SPINN	4 639 749	221 089	7.38	4.24	5.54	4.91

<sup>1</sup>Volume weighted average.

Market capitalisation at the end of June 2023 totalled approximately EUR 255 million.

## THE ANNUAL GENERAL MEETING AND THE BOARD OF DIRECTORS

Spinnova Plc's Annual General Meeting was held on 4 May 2023 at 2.00 p.m. EET at Sanomatalo, Töölönlahdenkatu 2, FI-00100 Helsinki, Finland.

The Annual General Meeting approved the financial statements for 2022, discharged the members of the Board of Directors and the CEO from liability for the financial year 2022 and approved the Company's Remuneration Report for governing bodies.

The Annual General Meeting resolved that no dividend be distributed on the basis of the balance sheet to be adopted for the financial year 1 January 2022– 31 December 2022, and that the loss from the financial year be recorded in the Company's retained earnings.

The Annual General Meeting resolved that the remuneration of the Board of Directors would be a fixed monthly fee of EUR 2 000 for each Board Member. No separate meeting fees or committee member fees is to be paid.

### Members of the Board of Directors

The Annual General Meeting resolved that the number of members of the Board of Directors for the term ending at the close of the Annual General Meeting 2024 is seven (7).

Janne Poranen, Hanna Liiri, Juha Salmela and Harri Sundvik were re-elected as members of the Board of Directors, and Petri Kalliokoski, Julio Ramundo and Kirsi Sormunen were elected as new members of the Board of Directors.

The Board members are independent of the company, except for Janne Poranen and Juha Salmela, due to their employment or service relationship with the company as well as Julio Ramundo, due to him belonging to the operative management of Suzano S.A., which has a close cooperation relationship with Spinnova. All the Board members who are independent of the company are also independent of the company's significant shareholders. Spinnova's definition of Board members' independence complies with the Finnish Corporate Governance Code (2020).

In addition to the election of Chair, the Board elected members of the Board of Directors' Audit Committee and the Remuneration Committee. The members and duties of the Board Committees are further described at <https://spinnovagroup.com/board-of-directors/board-committees/>.

## STOCK OPTIONS

Spinnova has established stock option programmes covering, among others, employees, and the members of the Board of Directors and the Management Team of the company. Based on the option programmes, a total of 7 131 590 shares can be subscribed. Of this amount there are 4 096 628 shares outstanding on 30 June 2023, which corresponds to a maximum approximately 11 percent of the diluted share amount.

During 1 January – 20 June 2023, holders of the options subscribed to 689 550 shares, which were registered in the Trade Register. For subscriptions made with the stock options the entire subscription price of EUR 1 641.2 thousand has been entered in the reserve for invested unrestricted equity.

Instrument	Number of options	Number of subscribed shares	Subscription price	Subscription price, total
Option Plan 2018	5 137	154 110	1.13	174 144.30
Option Plan 2020A	3 655	109 650	2.74	300 441.00
Options Plan 2020B	14 193	425 790	2.74	1 166 664.60
<b>Total</b>	<b>22 985</b>	<b>689 550</b>		<b>1 641 249.90</b>

The Annual General Meeting in 2023 authorised to resolve on the issuance of shares and special rights entitling to shares. The total number of shares that may be issued under the authorisation for purposes other than incentive schemes may not exceed 5 150 000 shares, which corresponds to approximately 10 percent of all shares in the Company. In addition, a maximum of 800 000 shares, corresponding to approximately 1.6 percent of the total number of shares in the Company, may be issued for the purposes of incentive schemes. Shares may be issued directly or via special rights. The authorisation cancels the authorisation granted by the Annual General Meeting 2021 to resolve on the issuance of shares and special rights entitling to shares. The authorisation is valid until 30 June 2024.

### Expense recognised for employee services received

EUR (thousand)	1-6/2023	1-6/2022	1-12/2022
Option Plan 2020	-235	-644	-993
Option Plan 2022	-1 034	-31	-488
Option Plan 2022 for Board Members	-27	-6	-35
<b>Total expense arising from share-based payment transactions</b>	<b>-1 296</b>	<b>-681</b>	<b>-1 516</b>

### Cancellation of non-vested stock options

The Board granted options and established a share-based long-term commitment programme for the company's former CEO Kim Poulsen which were cancelled during the reporting period. The issued stock options issued to Sari Pohjonen, a former member of Spinnova's Board of Directors, were cancelled after the reporting period.

Detailed information on incentive programmes can be found at:  
<https://spinnovagroup.com/corporate-governance/remuneration/>

### AUDITORS

The Annual General Meeting 2023 re-elected PricewaterhouseCoopers Ltd, Authorised Public Accountants, as the auditor of the Company for a term of office ending at the end of the next Annual General Meeting. PricewaterhouseCoopers Ltd notified that Mr. Markku Launis, APA, acts as the principally responsible auditor. The remuneration for the auditor will be paid against the auditor's reasonable invoice.

### SHORT-TERM RISKS AND UNCERTAINTY FACTORS

*Spinnova's risk management provides a framework to consistently assess the company's risks in a changing environment. Spinnova is exposed to strategic, operational, financial or compliance risks that might negatively impact business activities, the group's financial situation, or its assets.*

Detailed information on risks can be found at:  
[https://spinnovagroup.com/wp-content/uploads/2023/04/Spinnova\\_Governance\\_Remuneration\\_Financial-Statements\\_2022.pdf](https://spinnovagroup.com/wp-content/uploads/2023/04/Spinnova_Governance_Remuneration_Financial-Statements_2022.pdf)

The risk categories are described below and remain valid in the current reporting period.

The ability of Spinnova to earn revenues and profits from technology sales, and for Spinnova's joint ventures to earn revenues and profits from SPINNOVA® fibre sales is dependent on Spinnova's ability to scale its fibre production technology and increase the joint ventures' SPINNOVA® fibre production capacity. There is a risk that Spinnova may not be able to scale its fibre technology and increase production capacity in the estimated timetable. There is also a risk that Spinnova is not able to scale its technology and increase production at the joint ventures whilst lowering production costs per tonne. If Spinnova is not able to do this, it may not be possible that SPINNOVA® fibre can be produced and sold to customers at the needed volumes and prices to meet Spinnova's business targets.

In the short to medium term, the majority of Spinnova's revenues are expected to be derived from technology sales to Woodspin and Respin. The timing of these technology sales is directly linked to the timing of the planned production capacity increases at Woodspin and Respin. As production capacity increases are not planned in every calendar year, this may affect year-to-year comparisons of Spinnova's revenues and profitability. If there are any delays to planned production capacity increases at Woodspin and Respin, this would negatively impact Spinnova's revenues and profitability. Decision-making in joint venture companies may be slower than anticipated and Spinnova's ability to affect decision-making is limited to the 50 percent ownership it currently holds in Woodspin and Respin.

The current general macroeconomic environment and geopolitical situation remains challenging and uncertain. This may negatively affect the availability, timing and terms of financing required for increasing production capacity of SPINNOVA® fibre. If consumer confidence remains low or decreases this may have a negative impact on consumer demand for products containing SPINNOVA® fibre and fabric. This could negatively impact Spinnova's and its joint ventures' business and may negatively impact the size and timing of investments into increased production capacity at the joint ventures.

Delivery of the Group's technology projects may be delayed and may not be completed according to budget, which could negatively impact the Group's results. Delays and additional costs could be caused by amongst other factors: insufficient or inadequate definitions of the production and technology concept, contracting risk with partners and suppliers, delays in construction, supply chain delays and cost inflation, inadequate resources to deliver large projects or insufficient financing of the joint ventures.

The results of the Group's joint ventures will affect the results of the Group. If raw materials, including micro-fibrillated cellulose, are not available to the Group's joint ventures at the required quality and cost level, this may affect their operations and results negatively. If electricity prices rise significantly, this may have a negative effect on the results of the joint ventures.

The Group and its joint ventures may not be able to attract customers at the needed volumes and prices to meet its business targets. The company may not be able to meet the fibre property and quality requirements of customers, which in turn could negatively impact the sales of SPINNOVA® fibre from the Group's joint ventures and sales of fabrics from Spinnova. If competitors are able to produce high quality fibres with the same or better sustainability properties at competitive prices, this could negatively affect sales of SPINNOVA® fibres. If apparel brands and other buyers adopt sustainable materials more slowly than anticipated, this could negatively affect sales of SPINNOVA® fibre.

Spinnova has an ingredient brand strategy for the Spinnova brand to become a recognised consumer-facing brand alongside apparel brands. Its brand ambition is to be known by consumers worldwide for its high-quality materials and as a guarantee of sustainability. Any negative media reports about Spinnova, in particular related to the company's sustainability practices and the performance of its materials, whether real or otherwise, could harm the company's reputation and impact the Group's results. Such reputational risks could stem from the Group and/or its joint ventures and/or its suppliers and customers.

Spinnova's fabric sales strategy is dependent on its ability to successfully implement its ingredient brand strategy as well as to establish a sustainable fabric production supply chain and to procure raw materials including SPINNOVA® fibre at the required quality and cost level. If Spinnova is not able to implement these and access raw materials needed to produce SPINNOVA® fabrics at the required quality and cost level, this could negatively impact the Group's results.

The Group is at risk of IT security breaches. Cyber security requires comprehensive information and assessment of physical and digital security threats. Therefore, Spinnova invested in additional corporate IT resources in 2022.

If the company does not protect its intellectual property, it may face limitations in its freedom to operate or potential demands for royalties.

If the Group and its joint ventures are unable to attract and retain skilled and talented employees, this may impact the ability to meet the strategy targets. If the Covid pandemic continues, or another pandemic emerges, this may impact demand from the Group's and its joint ventures' customers and may negatively impact the Group's and its joint ventures' supply chains and employees and hence ability to operate according to the strategy.

The Spinnova Group has been operating at a loss, with no proof so far of being able to sustainably cover its costs with revenues without additional external funding. If the Group and its joint ventures are unable to access sufficient financing sources, they may be unable to continue to execute the expansion plans and strategy. Other risks associated with the Group's financial position mainly comprise of credit and counterparty risks.

In Jyväskylä, 31 August 2023

**Spinnova Plc**  
Board of Directors

# CONDENSED FINANCIAL INFORMATION JANUARY TO JUNE 2023 (IFRS)

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

EUR (thousand)	Note	1-6/2023	1-6/2022	1-12/2022
<b>Revenue (net sales)</b>	1.	8 820	7 635	24 279
Other operating income		220	46	92
Materials and services		-8 730	-7 022	-23 116
Personnel expenses		-6 189	-3 881	-8 714
Depreciation, amortisation, and impairment losses		-1 258	-780	-1 628
Other operating expenses		-2 302	-1 818	-3 414
Share of result in joint ventures		-1 557	52	-649
<b>Operating Result (EBIT)</b>		<b>-10 994</b>	<b>-5 766</b>	<b>-13 149</b>
Financial income		718	1	0
Financial expenses		-173	-1 750	-1 867
<b>Result before taxes</b>		<b>-10 450</b>	<b>-7 515</b>	<b>-15 016</b>
Income tax		-113	-36	-107
<b>Result for the period</b>		<b>-10 563</b>	<b>-7 551</b>	<b>-15 123</b>
Attributable to Equity holders of the parent		-10 563	-7 551	-15 123
<b>Total comprehensive income for the period</b>		<b>-10 563</b>	<b>-7 551</b>	<b>-15 123</b>
Attributable to Equity holders of the parent		-10 563	-7 551	-15 123
<b>Earnings per share, EUR</b>				
Earnings per share, diluted & undiluted		-0.20	-0.15	-0.29

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR (thousand)	Note	30 Jun. 2023	30 Jun. 2022	31 Dec. 2022
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets	2.	12 775	12 131	13 080
Property, plant and equipment	2.	1 557	1 664	1 517
Right-of-use assets		1 597	924	1 838
Investments in joint ventures	5. & 6.	17 968	7 337	14 137
Other non-current receivables		135	91	135
Deferred tax assets		6	139	52
<b>Total non-current assets</b>		<b>34 039</b>	<b>22 287</b>	<b>30 758</b>
<b>Current assets</b>				
Trade Receivables		5 914	1 940	5 558
Other current receivables		165	294	267
Prepayments & accruals		441	389	618
Investments	4.	50 162	74 117	49 495
Cash and cash equivalents	4.	16 571	27 384	33 222
<b>Total current assets</b>		<b>73 253</b>	<b>104 125</b>	<b>89 160</b>
<b>Total assets</b>		<b>107 293</b>	<b>126 412</b>	<b>119 918</b>

EUR (thousand)	Note	30 Jun. 2023	30 Jun. 2022	31 Dec. 2022
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		80	80	80
Reserve for invested unrestricted equity		135 013	133 160	133 372
Retained earnings / accumulated deficit		-39 836	-23 832	-30 570
<b>Equity attributable to shareholders of the parent</b>		<b>95 256</b>	<b>109 408</b>	<b>102 883</b>
<b>Total equity</b>		<b>95 256</b>	<b>109 408</b>	<b>102 883</b>
<b>Non-current liabilities</b>				
Borrowings	3.	5 316	5 443	5 403
Lease liabilities	3.	831	718	1 032
Deferred tax liabilities		489	437	421
<b>Total non-current liabilities</b>		<b>6 636</b>	<b>6 597</b>	<b>6 856</b>
<b>Current liabilities</b>				
Borrowings	3.	1 000	1 000	1 000
Lease liabilities	3.	797	222	827
Contract liabilities		0	20	34
Trade payables		1 312	7 782	6 501
Accrued expenses		1 797	1 237	1 634
Other current liabilities		494	146	184
<b>Total current liabilities</b>		<b>5 401</b>	<b>10 407</b>	<b>10 179</b>
<b>Total liabilities</b>		<b>12 036</b>	<b>17 004</b>	<b>17 035</b>
<b>Total equity and liabilities</b>		<b>107 293</b>	<b>126 412</b>	<b>119 918</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

EUR (thousand)	Note	1-6/2023	1-6/2022	1-12/2022
<b>Operating activities</b>				
Result for the period		-10 563	-7 551	-15 123
Adjustments to reconcile result to net cash flows for the period:				
Income tax expense		113	36	107
Depreciation and impairment		1 258	780	1 628
Finance income and expenses		-87	1 723	1 841
Net result on financial instruments at fair value through profit or loss		-458	26	26
Share-based payment expense		1 296	681	1 516
Share profit from associates and joint ventures		1 557	-52	649
Change in working capital:				
Increase (-) / decrease (+) in current non-interest-bearing receivables		-78	2 667	-1 200
Increase (+) / decrease (-) in current non-interest-bearing liabilities		-4 283	6 545	5 592
<b>Net change in working capital</b>		<b>-4 362</b>	<b>9 212</b>	<b>4 393</b>
Interest received and paid		-139	-124	-262
Income tax paid		-	-	-
<b>Net cash flow from operating activities (A)</b>		<b>-11 385</b>	<b>4 730</b>	<b>-5 228</b>
<b>Net cash from investing activities</b>				
Purchase of tangible and intangible assets	2.	-901	-3 312	-4 551
Purchase of financial instruments		-11	-25 005	-30 005
Proceeds from the sale of investments		61	49 021	78 686
Investments to associates and joint ventures	5.	-5 500	-4 750	-12 250
<b>Net cash from investing activities (B)</b>		<b>-6 351</b>	<b>15 953</b>	<b>31 879</b>
<b>Net cash from financing activities</b>				
Share issue		1 641	118	334
Repayment of principal portion of lease liabilities	3.	-470	-235	-540
Proceeds from borrowings	3.	413	0	460
Repayments of borrowings	3.	-500	-500	-1 000
<b>Net cash from financing activities (C)</b>		<b>1 085</b>	<b>-616</b>	<b>-746</b>
<b>Net change in cash and cash equivalents (A+B+C) increase (+) / decrease (-)</b>		<b>-16 651</b>	<b>20 067</b>	<b>25 906</b>
Cash and cash equivalents in the beginning of the period		33 222	7 317	7 317
<b>Cash and cash equivalents at the end of the period</b>		<b>16 571</b>	<b>27 384</b>	<b>33 222</b>

EUR (thousand)	Note	30 Jun. 2023	30 Jun. 2022	31. Dec. 2022
Cash and cash equivalents		16 571	27 384	33 222
Current investments	4.	50 162	74 117	49 495
<b>Total net liquid funds</b>		<b>66 733</b>	<b>101 501</b>	<b>82 716</b>

The funds included in the current investments are an integral part of Spinnova's cash management. They are highly liquid instruments and can be sold at current market prices quickly when needed.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<b>30 Jun. 2023</b>		<b>Attributable to the equity holders of the parent</b>		
<b>EUR (thousand)</b>	<b>Share capital</b>	<b>Fund for unrestricted equity</b>	<b>Retained earnings</b>	<b>Total</b>
<b>Equity on 1 Jan. 2023</b>	<b>80</b>	<b>133 372</b>	<b>-30 570</b>	<b>102 883</b>
Profit for the period			-10 563	-10 563
Other comprehensive income				0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-10 563</b>	<b>-10 563</b>
<b>Transactions with owners</b>				
Share-based payments			1 296	1 296
Share issue		1 640		1 640
<b>Equity on 30 Jun. 2023</b>	<b>80</b>	<b>135 013</b>	<b>-39 836</b>	<b>95 256</b>

<b>30 Jun. 2022</b>		<b>Attributable to the equity holders of the parent</b>		
<b>EUR (thousand)</b>	<b>Share capital</b>	<b>Fund for unrestricted equity</b>	<b>Retained earnings</b>	<b>Total</b>
<b>Equity on 1 Jan. 2022</b>	<b>80</b>	<b>133 106</b>	<b>-16 962</b>	<b>116 223</b>
Profit for the period			-7 551	-7 551
Other comprehensive income				0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-7 551</b>	<b>-7 551</b>
<b>Transactions with owners</b>				
Share-based payments			681	681
Share issue		54		54
<b>Equity on 30 Jun. 2022</b>	<b>80</b>	<b>133 160</b>	<b>-23 832</b>	<b>109 408</b>

<b>31 Dec. 2022</b>		<b>Attributable to the equity holders of the parent</b>		
<b>EUR (thousand)</b>	<b>Share capital</b>	<b>Fund for unrestricted equity</b>	<b>Retained earnings</b>	<b>Total</b>
<b>Equity on 1 Jan. 2022</b>	<b>80</b>	<b>133 106</b>	<b>-16 962</b>	<b>116 223</b>
Profit for the period			-15 123	-15 123
Other comprehensive income				0
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-15 123</b>	<b>-15 123</b>
<b>Transactions with owners</b>				
Share-based payments			1 516	1 516
Share issue		267	0	267
<b>Equity on 31 Dec. 2022</b>	<b>80</b>	<b>133 372</b>	<b>-30 570</b>	<b>102 883</b>

# NOTES TO THE INTERIM REPORT

## GENERAL INFORMATION

The business ID of Spinnova Plc (Oyj) is (2653299-6) and the company headquarters are located at Palokärjentie 2-4, 40320 Jyväskylä. The interim financial information consists of the parent company Spinnova Plc and its joint venture companies Woodspin Oy and Respin Oy and subsidiary Spinnova Holdings Oy.

Spinnova Oy is a publicly listed company on Nasdaq First North Growth Market Finland. Spinnova is incorporated and domiciled in Finland. The registered office is in Jyväskylä, Finland.

## BASIS OF PREPARATION

This Half-Year Financial Report has been prepared in accordance with the requirements in IAS 34 (Interim Financial Reporting) standard. Annual Financial Statements. Information concerning the full year 2022 is based on the audited IFRS financial statements for 2022 that were published 17 August 2023.

The figures are presented in euros and all values are rounded to the nearest thousand, except when otherwise indicated. Consequently, the sum of individual numbers may deviate from the presented sum figure due to rounding differences. The comparative year information is presented in brackets after the information for the current financial year.

The interim report is unaudited.

## ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS APPLIED IN THE PREPARATION OF THE FINANCIAL STATEMENTS AND HALF-YEAR REPORTS

The preparation of Spinnova's consolidated financial statements and half-year reports requires the management to use judgement, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The financial information presented here does not include all the notes presented in the annual financial statements and the financial information must be read in conjunction with the financial statements for the financial year ended 31 December 2022.

## STRUCTURAL AND FINANCIAL ARRANGEMENTS

Between 1 January and 20 June 2023, a total of 689 550 Spinnova Plc's new shares were subscribed for with the company's stock options.

The AGM held on 4 May 2023 authorised to resolve on the issuance of shares and special rights entitling to shares. The total number of shares that may be issued under the authorisation for purposes other than incentive schemes may not exceed 5 150 000 shares, which corresponds to approximately 10 percent of all shares in the Company. In addition, a maximum of 800 000 shares, corresponding to approximately 1.6 percent of the total number of shares in the Company, may be issued for the purposes of incentive schemes. Shares may be issued directly or via special rights. The authorisation cancels the authorisation granted by the Annual General Meeting 2021 to resolve on the issuance of shares and special rights entitling to shares. The authorisation is valid until 30 June 2024.

### 1. REVENUES FROM CONTRACTS WITH CUSTOMERS

#### 1.1. Geographical markets

EUR (thousand)	30 Jun. 2023	30 Jun. 2022	31 Dec. 2022
Finland	8 755	7 601	24 226
Others	65	34	53
<b>Total</b>	<b>8 820</b>	<b>7 635</b>	<b>24 279</b>

#### 1.2. Timing of revenue recognition

EUR (thousand)	30 Jun. 2023	30 Jun. 2022	31 Dec. 2022
Services transferred over time	8 820	7 635	24 279
<b>Total</b>	<b>8 820</b>	<b>7 635</b>	<b>24 279</b>

## 2. CHANGES IN INTANGIBLE AND TANGIBLE ASSETS

### 2.1. Intangible assets

EUR (thousand)	Patents and Trademarks	Development costs	Assets under development	Total
<b>Acquisition cost</b>				
<b>1 Jan. 2022</b>	<b>922</b>	<b>10 076</b>	<b>1 600</b>	<b>12 599</b>
Additions	0	680	1 319	1 999
<b>30 Jun. 2022</b>	<b>922</b>	<b>10 756</b>	<b>2 919</b>	<b>14 598</b>
Additions	0	0	1 489	1 489
Reclassifications	260	4 073	-4 333	0
<b>31 Dec. 2022</b>	<b>1 183</b>	<b>14 830</b>	<b>75</b>	<b>16 087</b>
Additions	0	0	483	483
<b>30 Jun. 2023</b>	<b>1 183</b>	<b>14 830</b>	<b>557</b>	<b>16 570</b>
<b>Amortisation and impairment</b>				
<b>1 Jan. 2022</b>	<b>-329</b>	<b>-1 597</b>		<b>-1 926</b>
Amortisation	-45	-495	-	-540
<b>30 Jun. 2022</b>	<b>-375</b>	<b>-2 092</b>	<b>-</b>	<b>-2 466</b>
Amortisation	-45	-495	-	-540
<b>31 Dec. 2022</b>	<b>-420</b>	<b>-2 586</b>	<b>-</b>	<b>-3 006</b>
Amortisation	-47	-742	-	-789
<b>30 Jun. 2023</b>	<b>-467</b>	<b>-3 328</b>	<b>-</b>	<b>-3 795</b>
<b>Book value, EUR (thousand)</b>				
<b>30 Jun. 2023</b>	<b>716</b>	<b>11 501</b>	<b>557</b>	<b>12 774</b>
31 Dec. 2022	763	12 243	75	13 080
30 Jun. 2022	548	8 665	2 919	12 131

### 2.2. Property, plant and equipment

EUR (thousand)	Machinery & equipment	Assets under construction	Total
<b>Acquisition cost</b>			
<b>1 Jan. 2022</b>	<b>418</b>	<b>200</b>	<b>618</b>
Additions	0	1 366	1 366
<b>30 Jun. 2022</b>	<b>418</b>	<b>1 566</b>	<b>1 984</b>
Additions	78	-208	-130
<b>31 Dec. 2022</b>	<b>496</b>	<b>1 358</b>	<b>1 853</b>
Additions	65	0	65
<b>30 Jun. 2023</b>	<b>561</b>	<b>1 358</b>	<b>1 918</b>

<b>Depreciation and impairment</b>			
<b>1 Jan. 2022</b>	<b>-305</b>	<b>-</b>	<b>-305</b>
Depreciation	-14	-	-14
<b>30 Jun. 2022</b>	<b>-319</b>	<b>-</b>	<b>-319</b>
Depreciation	-17	-	-17
<b>31 Dec. 2022</b>	<b>-337</b>	<b>-</b>	<b>-337</b>
Depreciation	-24	-	-24
<b>30 Jun. 2023</b>	<b>-361</b>	<b>-</b>	<b>-361</b>

<b>Book value, EUR (thousand)</b>			
<b>30 Jun. 2023</b>	<b>200</b>	<b>1 358</b>	<b>1 557</b>
31 Dec. 2022	159	1 358	1 517
30 Jun. 2022	99	1 566	1 664

## 2.3. Leases

<b>Right-of-use assets</b>			
<b>EUR (thousand)</b>	<b>Right-of-use assets, buildings</b>	<b>Right-of-use assets, vehicles</b>	<b>Total</b>
<b>1 Jan. 2022</b>	<b>996</b>	<b>49</b>	<b>1 046</b>
Additions	104		104
Depreciations	-211	-14	-226
<b>30 Jun. 2022</b>	<b>889</b>	<b>35</b>	<b>924</b>
<b>1 Jan. 2022</b>	<b>996</b>	<b>49</b>	<b>1 046</b>
Additions	1 309	0	1 309
Depreciations	-489	-27	-517
<b>31 Dec. 2022</b>	<b>1 816</b>	<b>22</b>	<b>1 838</b>
<b>1 Jan. 2023</b>	<b>1 816</b>	<b>22</b>	<b>1 838</b>
Additions	69	134	203
Depreciations	-422	-23	-445
<b>30 Jun. 2023</b>	<b>1 463</b>	<b>134</b>	<b>1 597</b>

## 3. CHANGES IN THE INTEREST-BEARING LIABILITIES

<b>30 Jun. 2022</b>					
<b>EUR (thousand)</b>	<b>Opening balance 1 Jan.</b>	<b>Repayment</b>	<b>Proceeds from borrowings</b>	<b>Other changes</b>	<b>Reporting date balance 30 Jun.</b>
Non-current borrowings	5 943	0	0	-500	5 443
Current borrowings	1 000	-500	0	500	1 000
Lease liabilities	1 058	-235	0	116	940
<b>Total</b>	<b>8 001</b>	<b>-735</b>	<b>0</b>	<b>116</b>	<b>7 382</b>

**31 Dec. 2022**

	Opening balance 1 Jan.	Repayment	Proceeds from borrowings	Other changes	Reporting date balance 31 Dec.
<b>EUR (thousand)</b>					
Non-current borrowings	5 943	0	460	-1 000	5 403
Current borrowings	1 000	-1 000	0	1 000	1 000
Lease liabilities	1 058	-540	0	1,341	1 859
<b>Total</b>	<b>8 001</b>	<b>-1 540</b>	<b>460</b>	<b>1 341</b>	<b>8 262</b>

**30 Jun. 2023**

	Opening balance 1 Jan.	Repayment	Proceeds from borrowings	Other changes	Reporting date balance 31 Dec
<b>EUR (thousand)</b>					
Non-current borrowings	5 403	0	413	-500	5 316
Current borrowings	1 000	-500	0	500	1 000
Lease liabilities	1 859	-470	0	238	1 628
<b>Total</b>	<b>8 262</b>	<b>-970</b>	<b>413</b>	<b>238</b>	<b>7 944</b>

**3.1. Maturity distribution of financial liabilities****30 Jun. 2023**

	Book value	2023	2024	2025	2026	2027	Over 5 years	Total Cash Outflows
<b>EUR (thousand)</b>								
Interest-bearing loans and borrowings	6 316	582	1 419	1 333	1 320	1 308	606	6 568
Lease liabilities	1 628	442	624	510	0	0	0	1 576
Trade and other payables	1 312	1 312	0	0	0	0	0	1 312
<b>Total</b>	<b>9 256</b>	<b>2 336</b>	<b>2 044</b>	<b>1 843</b>	<b>1 320</b>	<b>1 308</b>	<b>606</b>	<b>9 457</b>

**4. NET CASH**

<b>EUR (thousand)</b>	<b>30 Jun. 2023</b>	<b>30 Jun. 2022</b>	<b>31 Dec. 2022</b>
Cash and cash equivalents	16 571	27 384	33 222
Current investments	50 162	74 117	49 495
<b>Net cash excluding borrowings and leasing liabilities</b>	<b>66 733</b>	<b>101 501</b>	<b>82 716</b>
Non-current borrowings	-5 316	-5 443	-5 403
Current borrowings	-1 000	-1 000	-1 000
Lease liabilities	-1 628	-940	-1 859
<b>Net Cash total</b>	<b>58 789</b>	<b>94 119</b>	<b>74 454</b>

Current investments include investments for equity bond and fixed-income funds. These investments are financial instruments measured at fair value at inception and are classified to be subsequently measured at fair value through profit or loss. Spinnova recognises the fair value gains and losses in the statement of profit or loss. Other investments that not recognised through profit or loss are recognised at amortised cost when the investment is used for collection of principal and interest only. This includes investments to capital protected structured notes.

The funds included in the current investments are highly liquid and can be sold at the current market prices quickly when needed.

## 5. RELATED PARTY TRANSACTIONS

Parties are considered to be related parties if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operational decisions. During January–June 2023 the company's related parties consist of the company's subsidiary Spinnova Holdings Oy the company's exclusive joint ventures with Suzano and Ecco Woodspin Oy and Respin Oy respectively shareholders Suzano Lenzing AG and Besodos Investors Oy that have significant influence over the company the Members of the Board of Directors and the company's Management Team and their closely related family members and the entities over which they have control or joint control.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year. Sales to related parties and receivables consists of sales to Spinnova's related party company, Suzano Finland Oy. Purchases from related parties and liabilities in 2023 consist of consultancy fees paid to a company controlled by member of the board of directors Harri Sundvik. In 2022 purchases and liabilities consist of consultancy fees paid to companies controlled by two members of the board of directors Harri Sundvik and Timo Soininen. Transactions with related parties are carried out on usual commercial terms.

### 5.1. Transaction with related parties

EUR (thousand)	30 Jun. 2023	30 Jun. 2022	31 Dec. 2022
Sales to related parties	84	178	330
Purchases from related parties	21	41	73
Receivables	194	31	59
Liabilities	2	-	-

### 5.2. Transaction with joint ventures

EUR (thousand)	30 Jun. 2023	30 Jun. 2022	31 Dec. 2022
Sales to related parties	8 432	6 937	23 850
Purchases from related parties	315	0	99
Receivables	5 655	1 778	5 496
Liabilities	147	0	114
<b>Investments made to subsidiaries</b>	<b>5 500</b>	<b>4 750</b>	<b>12 250</b>

### 5.3. Shares owned by the Board and Management Team

The Board of Directors and Management Team have shareholdings in the company, and the company has granted stock option rights to them. On 30 June 2023, the Board and Management Team holdings in the company were 17 percent of shares and votes. In addition, the company's Board and Management Team had stock options issued by the company entitling the holders, if vested, to subscribe to a total of 2 069 960 shares.

## 6. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

EUR (thousand)	30 Jun. 2023	30 Jun. 2022	31 Dec. 2022
<b>Guarantees and pledges given</b>			
Loan secured by a corporate mortgage	1 250	2 250	1 750
Corporate mortgage	10 000	10 000	10 000
Absolute guarantee for Woodspin's premises lease agreement	418	0	0
<b>Off-balance sheet financial commitments</b>			
Lease commitments <sup>1</sup>			
Maturing in less than 1 year	119	80	119
Maturing later	72	63	97
<b>Total other commitments</b>	<b>191</b>	<b>143</b>	<b>216</b>

<sup>1</sup>Lease commitments presented in the table consists of leases for which the lease term ends within 12 months or for which the underlying asset is of low value. Lease commitments are presented with VAT included.

## 6.1. Other financial commitments

### 6.1.1. Woodspin joint venture

In 2021, under the terms of the Woodspin joint venture agreement the Woodspin co-investors Spinnova and Suzano agreed to each subscribe for 1 750 000 newly issued shares in Woodspin and pay a consideration of EUR 1.75 million for such shares. The company made the investment of EUR 1.75 million to Woodspin in April 2021.

In 2022, it was decided that the capital investment would be increased to a total of EUR 31 million. Spinnova and Suzano invested both EUR 15.5 million.

In January–June 2023, Spinnova and Suzano agreed to invest an additional EUR 4 million each into Woodspin.

Spinnova has invested a total of 19.5 million euros into the Woodspin joint venture as of 30 June 2023.

### 6.1.2. Respin joint venture

If the proof-of-concept phase of Respin is completed and the commercialisation phase commences Spinnova has agreed to invest up to EUR 1.25 million to the Respin joint venture. This amount shall be paid into the reserve for invested unrestricted equity of Respin.

If further equity financing is needed to complete the commercialisation of Respin, the co-investors Spinnova and ECCO shall each provide further capital to the joint venture as may be separately agreed. Further investments made will be of equal amounts by the co-investors and those will be recognised to the reserve for invested unrestricted equity of Respin.

Spinnova has not invested any funds into the Respin joint venture as of the end of the reporting period.



## APPENDIX

### THE NUMBER OF SHARES USED IN KEY PERFORMANCE INDICATORS

Period	Average number of shares during the period	Number of shares at the end of the period
1-6 / 2023	51 576 774	51 648 335
1-6 / 2022	51 296 473	51 348 455
1-12 / 2022	51 331 672	51 538 235

### CALCULATION OF KEY FIGURES

Key figure	Definition	Reason for the use
Earnings per share undiluted	Profit (loss) for the period / weighted average number of shares outstanding during the period	The indicator shows the allocation of the result to individual shares.
Earnings per share diluted	Profit (loss) for the period / weighted average number of shares outstanding during the period + potential dilutive shares	The indicator shows the distribution of earnings to individual shares on a diluted basis.
Equity ratio (per cent)	Total equity / (Balance sheet total – advances received)	Measure for management to monitor the level of the company's capital and compliance with the company's loan covenants.
Net debt	Short-term interest-bearing liabilities + long-term interest-bearing liabilities – cash and cash equivalents – current investments	Net debt is an indicator to measure the external debt financing of the company.
Net cash	Cash and cash equivalents + current investments – Short-term interest-bearing liabilities – long-term interest-bearing liabilities	Net cash is an indicator of the company's cash position and its ability to pay off interest-bearing liabilities

## INVESTOR RELATIONS CONTACTS



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This half-year report and all earlier financial reports and presentations are available on Spinnova's website: <http://www.spinnovagroup.com/reports>



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*The SPINNOVA® fibre creates zero waste and side streams or microplastics and its CO<sub>2</sub> emissions and water use are minimal. SPINNOVA® materials are quickly biodegradable and circular. Spinnova is committed to using only sustainable raw materials such as FSC certified wood and waste. SPINNOVA® fibre is produced without harmful or complex chemical processes and has the touch and feel of natural fibres such as cotton and linen.*

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