



ECOSYNTHETIX INC

Jeff MacDonald | CEO

Rob Haire | CFO

Investor Presentation Spring 2023

FORWARD LOOKING STATEMENTS

Certain statements contained in presentation constitute forward-looking statements. All statements other than statements of historical fact may be forward-looking statements. These statements relate to, but are not limited to, future events or future performance, our expectations regarding the Company's growth, results of operations, estimated future revenues, and requirements for additional capital, production costs, future demand for latex-based products, business prospects and opportunities, our ability to successfully commercialize our products, the composition of the Company's board of directors (the "Board of Directors"), expectations as to the amount of reduction that the Company's products may have on a manufacturer's carbon footprint, the Company's "Carbon Commitment" and commitments to research and development. Forward-looking statements are often, but not always, identified by use of words such as "may", "will", "should", "could", "seek", "anticipate", "contemplate", "continue", "expect", "intend", "plan", "potential", "budget", "target", "believe", "estimate" and similar expressions. Such statements reflect our current views and beliefs with respect to future events, are subject to risks and uncertainties, and are based upon a number of estimates and assumptions that, while considered reasonable by us, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements.

We have made material assumptions regarding, among other things: that our intellectual property rights are adequately protected and we will continue to possess unique intellectual property rights; our ability to obtain the materials or services necessary for the production of our products; our ability to convert prospects from the industrial trial phase into full commercial customers; our ability to market products successfully to our customers; that carbon footprint from products and solutions derived from natural-based feedstocks and industrial solutions utilizing renewable materials will continue to be significantly less than products and solutions derived from petroleum-based chemicals; there will be no changes in demand for and prices of our products or the materials required to produce those products; labour and material costs remaining consistent with our current expectations; the price and availability of substitute or competitive products; and that we do not and will not infringe third party intellectual property rights. Some of our assumptions are based upon internal estimates and analysis of current market conditions and trends, management plans and strategies, economic conditions and other factors and are necessarily subject to risks and uncertainties inherent in projecting future conditions and results.

Some of the risks that could affect our future results and could cause those results to differ materially from those expressed in the forward-looking statements include, among other things: the impact of the novel coronavirus (COVID-19 and its variants) pandemic on our business, an inability to protect, defend, enforce or use our intellectual property and/or infringement of third-party intellectual property; dependence on certain customers and changes in customer demand; the availability and price of natural feedstocks used in the production of our products; the inability to maintain or effectively expand our production facilities; variations in our financial results; increase in industry competition; decrease in the price of substitute products; the risk of volatility in global financial conditions, as well as significant decline in general economic conditions; our ability to effectively commercially market and sell our products; our ability to protect our know-how and trade secrets; Company growth and the impact of significant

operating and capital cost increases; changes in the current political and regulatory environment in which we operate; the inability to retain key personnel; changes to regulatory requirements, both regionally and internationally, governing development, production, exports, taxes, labour standards, waste disposal, and use, environmental protection, project safety and other matters; enforcement of intellectual property rights; a significant decrease in the market price of petroleum; a shortage of supplies, equipment and parts or disruption to the global supply chain; the inability to secure additional government grants; a deterioration in our cash balances or liquidity; the inability to obtain equity or debt financing; the ability to acquire intellectual property; the risk of litigation; changes in government regulations and policies relating to our business; losses from hedging activities and changes in hedging strategy; insufficient insurance coverage; the impact of issuance of additional equity securities on the trading price of the Common Shares (as defined herein); the impact of ethical, legal and social concerns relating to genetically modified organisms and the food versus fuel debate; the risk of business interruptions; the impact of changes in interest rates; the impact of changes in foreign currency exchange; and credit risk, as well as the factors identified in the "Risk Factors" section of the Company's Annual Information Form dated February 28, 2023. Such factors are not intended to represent a complete list of the factors that could affect us. These factors should be considered carefully, and prospective investors should not place undue reliance on forward-looking information.

IFRS and Non-IFRS Measures

This MD&A makes reference to certain non-IFRS measures. These non-IFRS measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing a further understanding of results of operations of the Company from management's perspective. Accordingly, they should not be considered in isolation or as a substitute for analysis of the financial information of the Company reported under IFRS. We use non-IFRS measures such as Adjusted EBITDA to provide investors with a supplemental measure of operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Our management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, prepare annual operating budgets and assess its ability to meet its capital expenditure and working capital requirements. Adjusted EBITDA as presented herein is not a recognized measure under IFRS and should not be considered as an alternative to operating income or net income as measures of operating results or an alternative to cash flows as measures of liquidity. Adjusted EBITDA is defined as consolidated net income (loss) before interest, income taxes, depreciation, amortization, impairment loss on property, plant and equipment (PP&E), accretion, and other non-cash expenses deducted in determining consolidated net income (loss).

what we do: POLYMERS FROM GREEN CHEMISTRY

Patented Formula:
Sustainable feedstocks + chemicals



Patented process:
Proprietary continuous
manufacturing process



Patented product:
Engineered biopolymer



Proprietary engineering:
Engineered solutions

OUR MULTIPLE SHOTS ON GOAL COMMERCIAL STRATEGY

- 1) WOOD COMPOSITES
- 2) PERSONAL CARE
- 3) PAPER, TISSUE / PAPERBOARD



PERSONAL CARE
hair care

PAPER & PACKAGING
label adhesives

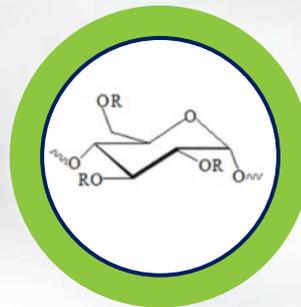
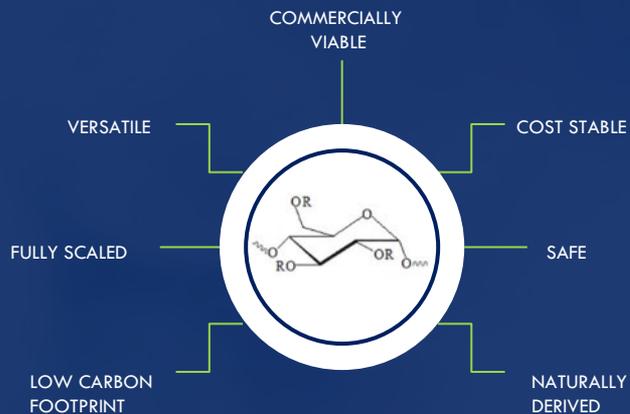
PAPER & PACKAGING
reading and advertising paper

WOOD MATERIALS
for furniture, floors
& construction

PAPER & PACKAGING
solutions

PRODUCTS resonating:

Essential Building Block for Progress



LEADING GLOBAL
MANUFACTURER/
RETAILER

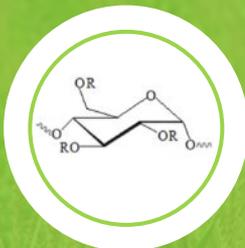
LEADING
GLOBAL TISSUE /
PAPERBOARD
MANUFACTURERS



TOTAL ADDRESSABLE MARKETS today's potential:



ONE PLATFORM –
THREE PRODUCTS



Urea formaldehyde

\$15B

wood resin market



SB/SA Latex
& Strength Aids

\$1B+

pulp, paper, tissue and
paperboard markets



Polyvinylpyrrolidone

\$460M

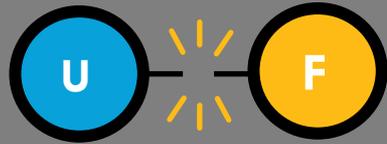
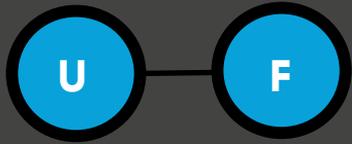
hair fixative binder market

PROGRESS ROADMAP



Accelerating
the adoption of
our biopolymer
platform, across
multiple markets
to make the
biggest impact.

UREA FORMALDEHYDE:
A HAZARDOUS INGREDIENT IN
WOOD COMPOSITE BINDERS



**THE SEARCH FOR A VIABLE
ALTERNATIVE WITHOUT
FORMALDEHYDE
(PERFORMANCE + PRICE)**

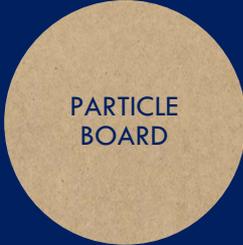


DURABIND™:

bio-based, sustainable adhesives
for formaldehyde reduction



ORIENTATED
STRAND BOARD
(OSB)



PARTICLE
BOARD



MEDIUM-DENSITY
FIBERBOARD (MDF)

Reducing or
eliminating
formaldehyde
from wood glues
with sustainable
solutions that deliver
performance and
cost reductions

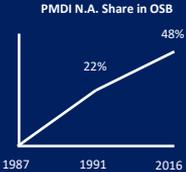


Going forward, we have set clear directions for the materials used within the IKEA business. These **enable us to identify the critical movements in material choice** for our existing range and new product development, as well as the material innovation and development needed. **Some main movements include bio-based glues for our wood-based products...**

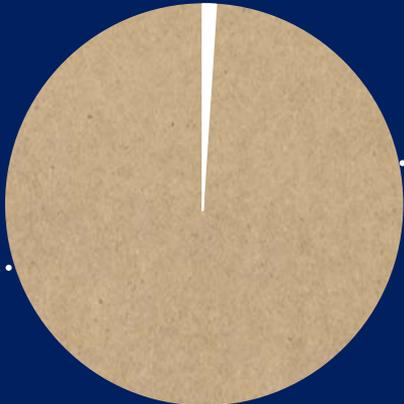
We use a significant amount of glue for many wood-based materials to hold wood components or fibres together. **The glue used represents ~5% of the total IKEA climate footprint. Moving towards glues from renewable sources is a key enabler to achieving our overall climate goal.** So far, we've mapped the existing and future alternatives in terms of performance, cost and climate footprint. **One bio-based system for particleboard is being prepared for implementation in the spring of FY23...**



MASSIVE MARKET POTENTIAL FOR A NO ADDED FORMALDEHYDE LEADER



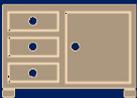
Oriented Strand Board



Medium Density Fiberboard



Particle Board



\$15B

Global Wood Resin Market

● No Added Formaldehyde Market Share by Application

BE.YOND

Using only nature ingredients

Japanese standard

Historical considered highest achievable

New emission legislation

in Germany from 01.01.2020

Californian / USA

emission standard

European industry standard

since 1920's

0,01 ppm*



0.005 ppm
Independent third party
testing of wood composite
manufactured with DuraBind

0,03 ppm*

F****

0,05 ppm*

E0.5 (E1 D²⁰²⁰)

0,065 ppm*

CARB II / EPA TSCA Title VI

0,1 ppm*

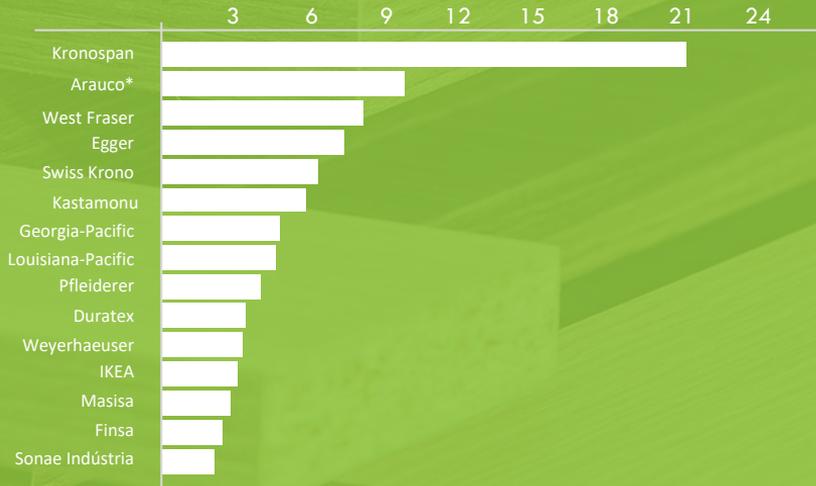
E1

*Limits related to EN 717-1

DURABIND: PERFORMANCE FOR MASS ADOPTION

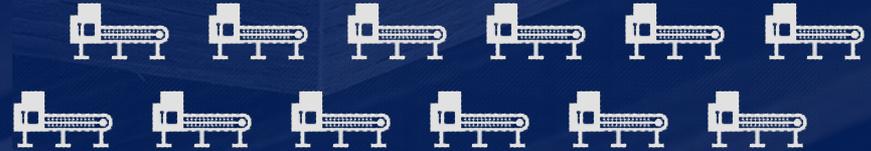
TOP 15 GLOBAL WOOD-BASED PANEL MANUFACTURERS

(Based on production capacity¹ (million m³))



1,000+

serviceable addressable
wood-panel lines globally



\$0.5M to \$3.0M+

annual revenue opportunity per line

¹) Source: Arauco, including Hawkins Wright, public company filings and management estimates

* Arauco capacity includes 50% of Montes del Plato, Sonae Arauco and MAPA

SURFLOCK: OUR DRY STRENGTH RESIN for tissue/paperboard & pulp markets



**RECYCLING
RATES**

**FIBRE
LENGTH &
STRENGTH**



WHY OUR BIO-POLYMER

- 1) Improved strength
- 2) Increased low-cost filler content
- 3) No negative effects on existing processing
- 4) Minimum sheet breaks
- 5) Increased production speed
- 6) Lower fibre and energy costs
- 7) Proven case studies on tissue, paperboard and pulp applications

EXPANDING ADDRESSABLE MARKETS IN PAPER

opportunities beyond graphic paper:

 Paper and Board Consumption (tonnes)

Graphic Paper



5.7M

Specialty Packaging



6.1M

Packaging



31.6M

Tissue

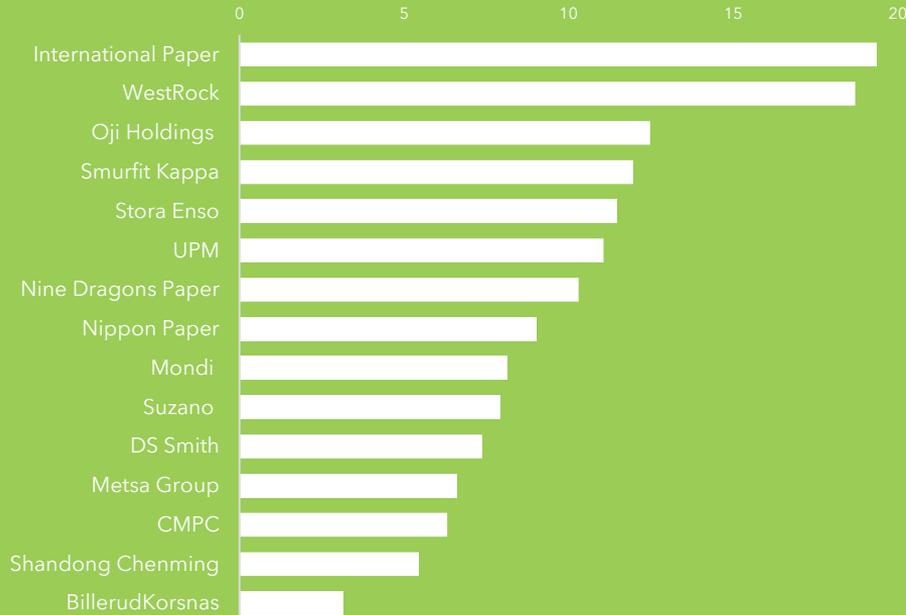


7.4M

Pulp: an input across all four applications

TOP 15 GLOBAL FORESTRY & PAPER COMPANIES

(Based on revenue (USD billions))



6

Commercial
accounts within leading
forestry & paper
companies

\$1B+

SB/SA Latex & Strength Aids
market for pulp, paper,
tissue and paperboard verticals

MAZECARE – 100% NATURAL ORIGIN



DERIVED FROM NATURE, BACKED BY SCIENCE.

“MaizeCare Clarity Polymer offers hair care formulators the opportunity to design hair styling formulations that can meet growing consumer expectations for natural hair care products”

Dow Personal Care, Personal Care Magazine, June 2022

PROGRESS ON PERSONAL CARE

“...committed to bring highly performing and sustainable ingredients to the market.”

Dow press release, Sept. 6, '22



Dow announced partnership with EcoSynthetix in June 2022

Dow continues to invest resources in go-to-market, new product launches and product development

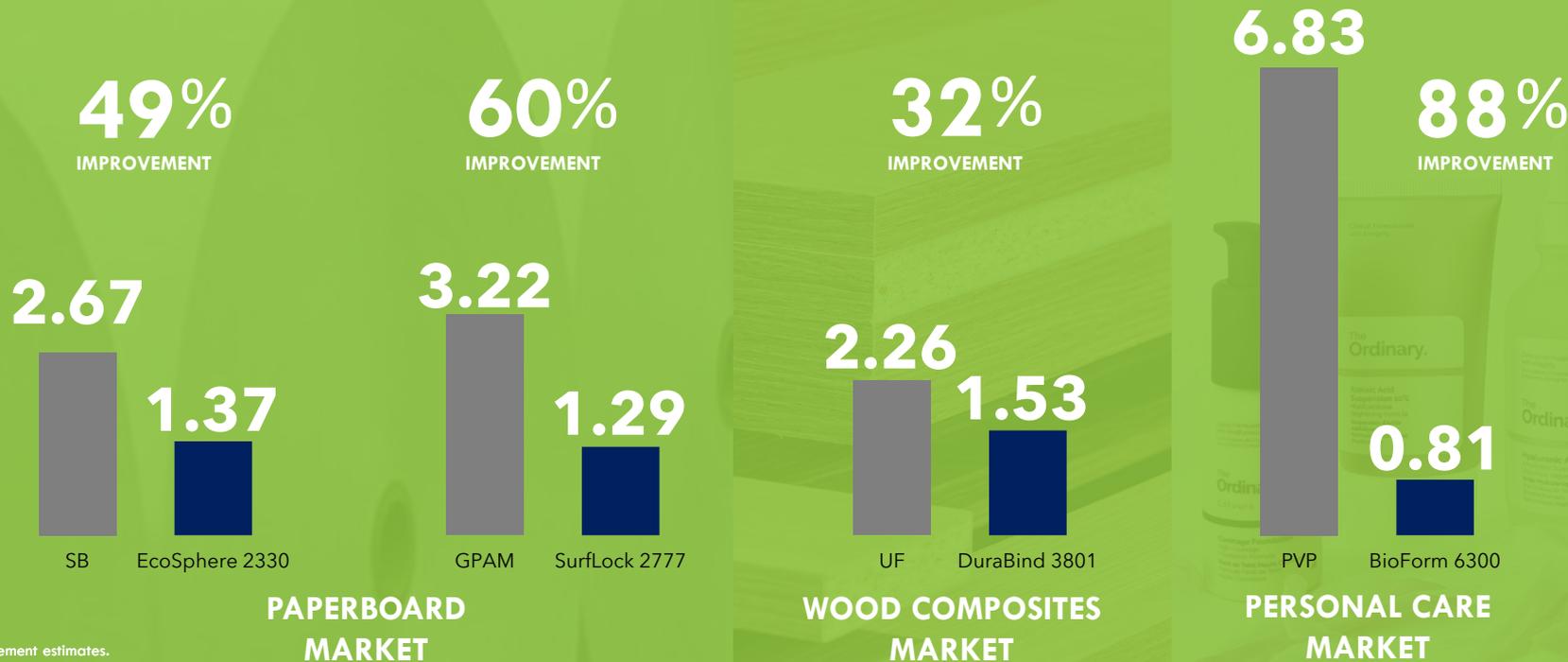
Attributes of our all-natural film former technology highly attractive in personal care space

Two prestigious innovation awards: 2022 R&D 100 Award; BIG™ Sustainability Product of the Year in the 2022 Sustainability Awards program

Small wins, optimism for larger opportunities

USE OF OUR BIOPOLYMERS WILL AVOID 1.5X OF OUR CARBON EMISSIONS BY 2027

CO2 REDUCTION BENEFITS FROM ECOSYNTHETIX BIOPOLYMERS VERSUS INCUMBANTS¹ (KILOGRAMS CO2 EQUIVALENT PER KILOGRAM OF DRY PRODUCT)



1) Management estimates.

Best 50 Corporate Citizens in Canada

EcoSynthetix ranked #20 overall
by Corporate Knights in 2022



Platinum

sustainability rating awarded to
EcoSynthetix by EcoVadis

Only Top 1%

of 90,000 companies rated
receive Platinum

ENGAGED WITH THE RIGHT PARTNERS

 SWISS KRONO



LEADING GLOBAL MANUFACTURER / RETAILER

LEADING GLOBAL TISSUE / PAPERBOARD MANUFACTURERS

\$100M SALES

A TODAY: COMMERCIAL WITH MARKET LEADERS IN EACH VERTICAL

B NEW WOOD COMPOSITES & TISSUE / PAPERBOARD LINES

C MULTIPLE NEW LINES IN WOOD COMPOSITES AND TISSUE / PAPERBOARD AND EARLY PERSONAL CARE WINS

D PERSONAL CARE MOMENTUM

E NEW WOOD COMPOSITES MANUFACTURERS WITHIN RETAILER'S SUPPLY CHAIN

A MULTIPLE SHOTS ON GOAL STRATEGY

- 1) EXPANDING VOLUMES WITH EXISTING ACCOUNTS
- 2) WINNING NEW ACCOUNTS
- 3) EXPANDING MARGINS WITH DIVERSIFICATION

Q1 FINANCIAL SUMMARY

<i>USD millions</i> <i>(except gross margin)</i>	Q1 2023	Q1 2022	FY 2022	FY 2021
Net Sales	\$3.1	\$4.2	\$19.0	\$18.2
Gross Profit	\$0.6	\$1.1	\$4.2	\$4.0
Gross Margin	20.1%	25.5%	21.8%	21.9%
Gross Margin adjusted for manufacturing depreciation	32.6%	28.9%	25.5%	26.2%
Adjusted EBITDA ¹ (loss)	\$(0.6)	\$(0.2)	\$(0.9)	\$(0.9)

US\$35.6 MILLION IN CASH AND SHORT-TERM INVESTMENTS (3/31/23)

1) Adjusted EBITDA is defined as consolidated net income (loss) before interest, income taxes, depreciation, amortization and other non-cash charges deducted in determining consolidated net income (loss).



QUESTIONS & ANSWERS

CORPORATE OVERVIEW

TSX Symbol

ECO

Shares Outstanding

59.2M

Market Capitalization (as at May 8, 2023)

C\$173M

Net Debt

Nil

Cash Balance & Short-Term Investments (as at Mar. 31, 2023)

US\$35.6M / C\$47.7M