



Interview with Spinnova

Shortlisted company in the Star of Innovation category

What are the key qualities your company has?

- We take pride in our unique, cutting-edge fibre manufacturing technology - our process is the only one which uses zero harmful chemicals, and only a symbolic amount of water. This patented technology has allowed Spinnova to disrupt the global textile market, and has laid the groundwork for further growth and innovation.

What prompted your company to go public?

- Our firm saw the IPO as a great option for raising capital, in order to upscale and commercialise Spinnova's fibre technology, to build further credibility among our peers in the industry, and to grow into a world-class company.

What were the main challenges along the road to becoming public?

- It was an uphill battle getting our investors to fully grasp our business model, and the technology behind it. Additionally, it's quite challenging, as a start-up with minimal revenues and negative earnings before income tax, to build up credibility, even with all the evidence we were able to provide, attesting to the scalability of our undertaking.

What have been the key benefits (for your company) of going public?

- Going public has been a great boost to Spinnova's credibility within the industry. It has brought us an immense amount of media attention, which has been very conducive to building and refining a stronger brand, with a knock-on positive impact on our ability to attract top talent. It goes without saying that our cash position, post-IPO, is also much stronger.

After going public, what reactions have you had from investors, customers, employees, etc.?

- We were overwhelmed by all of the positive feedback we received from our stakeholders - our IPO attracted more than 30000 shareholders, about half of whom were private investors. Media coverage, not just of our firm but of the entire sustainable textiles industry, has grown exponentially, and we've been able to recruit only the best talent for our growing team, and we've received plenty of inquiries from brands and other partners.

What experience/advice would you want to share with companies that are thinking of going public?

- Firms should begin preparations as early as possible, and, most importantly, select a financial advisor who has demonstrably strong track record in putting together IPOs.

Where do you see yourselves in 5 years?

- In the medium term, Spinnova's primary business objectives are to produce at least 150 000 tonnes of Spinnova fibre, to forge up to 20 commercial textile partnerships, with brands offering Spinnova materials as part of their product lines, and of course, to achieve a positive Earning Before Income Tax (EBIT) figure.

Have you had any assistance from the European Union, e.g. funding projects, etc.

- Up until this point, we have not been the beneficiaries of any such funding, but we are hopeful that EU might be able to assist us in financing our production scaling.

In your view, what should the EU be doing to encourage more SMEs to go public? What should the EU be doing to provide ongoing support for listed companies? What three things do you think you might wish for?

- We hope to see a less-costly, less-bureaucratic process which SMEs could pursue in order to perform an IPO and become publicly listed. There needs to be more project funding available to SMEs, and a revision of tax laws, which in some instances might diminish companies' willingness to go public.