Avant Wood

Investor Information **Series A**

July 2021

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I. Company and Team

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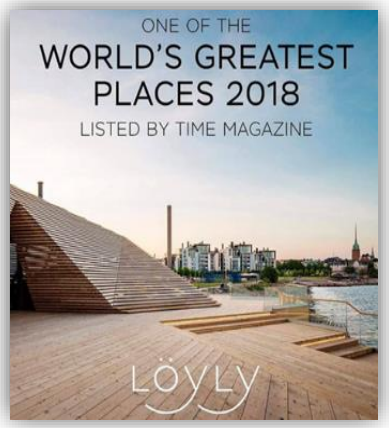
Introducing Avant Wood

Avant Wood is a **wood modification technology** company headquartered in Finland

Backed by a strong, innovative and dedicated management team and advisors with in-depth experience in business and timber industry

Avant Wood patented **Thermo-Mechanical Timber Modification (TMTM™)**, an integrated process of drying, densification and thermo modification to enhance timber properties



Löyly Sauna in Helsinki, Finland

Developed using TMTM™ technology

- Today's increased focus on **sustainability** and **energy efficiency** is an excellent fit for the company's offering, since Avant Wood's products help to minimize energy and hazardous chemical consumption, unnecessary use of wood and reduce CO2 emissions in many industrial processes.
- AW has implemented on 07.12.2020 a **successful seed round finance raising € 800.000** from selected investors to move forward with the company's expansion plan and roadmap.
- Business Finland and other domestic and European grants and loans are also being applied as a part of the company's financing package on top of the seed round.

Vision, Mission and Values

VALUES	MISSION	VISION 2025

We believe…

- That humanity can harness nature to benefit both the planet and all living things in it
- In working for our customers' best interest and our environment's well-being by developing technological solutions that will create sustainable economic success
- That our people are the driving force behind our technology and that they are the core focus of our company
- In our passion for high-quality technological solutions and its continuous improvement

- To revolutionize the sustainable use of wood regarded as waste or low-value end-product at much higher rate
- To use our current Thermal Mechanical Modification Technology (TMTM) Technology and continually evolve this technology and the limitless future opportunities for new technologies
- To provide the tools for Manufactures to produce Products that save costs and fossil fuels
- Inspire the Manufacturing community to use the Avant Wood TMTM technology and make more attractive and longer-lasting products

- Avant will be widely known as a company that inspires people to fully utilize all of nature's gifts to humanity.
- Avant will be the leading brand of TMTM Technology, this brand will revolutionize the Timber industry.
- Avant will be widely known as a company the promotes new technologies to utilize Timber species from all over the world to its greatest attributes.
- Avant will help build a circular economy and promote the health of small, medium and large businesses.

Avantwood's Team

The Management

Avantwood's management combines technological innovation with experience on business development and successful investment exits

Marko Savolainen

Chief Executive Officer (CEO)

Marko Savolainen has a vast experience in leading companies to growth and delivering challenging targets. He is an expert in business transformation, leading through organizational change and launching new businesses. Marko has also experience on Mergers & Acquisitions on both sides.

Pekka Ritvanen

Chief Technology Officer (CTO)

Pekka Ritvanen is an experienced entrepreneur, a founding partner of AvantWood and Nextimber Oy. Having thirty years of experience in various international management positions, Pekka is also highly technically skilled with a Masters of Science in Automation from Tampere University of Technology.

Mikael Franck

Chief Financial Officer (CFO)

Mikael is one of Avant Wood's founding members and has a long career in business construction, management and entrepreneurship. Experienced in several industrial and commercial fields, multinational and start-up companies. In addition to his financial background, he has served as Country Manager in both Finland and Sweden Nissan and was responsible for the import of Mercedes-Benz passenger cars.

Avantwood's Team

The Board

Avantwood's board brings a global vision to the picture as well as sustainability expertise and successful exit experience

Jari Vepsäläinen

Chairman of the Board

Jari E. Vepsäläinen, Founder and Chairman of Fintrade-Mercer Group, is a China trained attorney and has been actively involved as a strategic investment advisor and corporate lawyer in the People's Republic of China for more than 35 years. Mr Vepsäläinen acts as Chairman, Advisor and Investor to several companies. He has acted in high profile M&A deals and IPOs such as 2021Tikkurila Paints acquisition by PPG, the 2013 Yaskawa acquisition of The Switch and the 2018 Harvia IPO.

Matthias Gelber

Advisory Board and Brand Ambassador

Matthias Gelber is an environmentalist and entrepreneur. He was voted the 'Greenest Person on the Planet' in 2008. Matthias graduated with Masters in Environmental Science from Brunel University in the UK and went on to start a successful environmental consulting company in 1999, named 14000 & ONE Solutions that was later sold to a public listed engineering company. In 2007, he co-founded Maleki GmbH, a German company specializing in high performance, low carbon footprint construction materials. He also served as a Board Member of Solexel Malaysia Sdn Bhd in the solar industry for 4 years.

Health & Safety Standards

Avant Wood is operating its processes aligned with ISO standards based on the plan=> do=> check=> act- philosophy that is inherent in **ISO 9001, ISO 14001, and ISO 45001.**

Every machine has **EU CE Mark Certification**. CE marking indicates that a product has been assessed by the manufacturer and deemed to meet EU safety, health, and environmental protection requirements.

Additionally, we comply with specific Finnish legislation. All this will provide additional assurance for our international customers.

We have a detailed manual with quality and **HSE** operations procedures for our machines and each installation will be accompanied by comprehensive training as part of the handover procedure that covers quality and **HSE requirements**.

II. Market Outlook

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Market Outlook

Timber industry trends:

Climate Change, sustainability, resource scarcity in wood and water

Global environmental regulations

Mass Timber in Urban Construction

Development in Wood Modification and Client-Specific Products

Legal ban to export round logs creates demand for domestic processing

Technological breakthroughs in efficiency, process controls, sensor technology and Big Data / IoT applications

Current Revenues from Forests:

Energy
Max € 10/m3

Pulp
Max € 30/m3

Left in forest
€ 0/m3

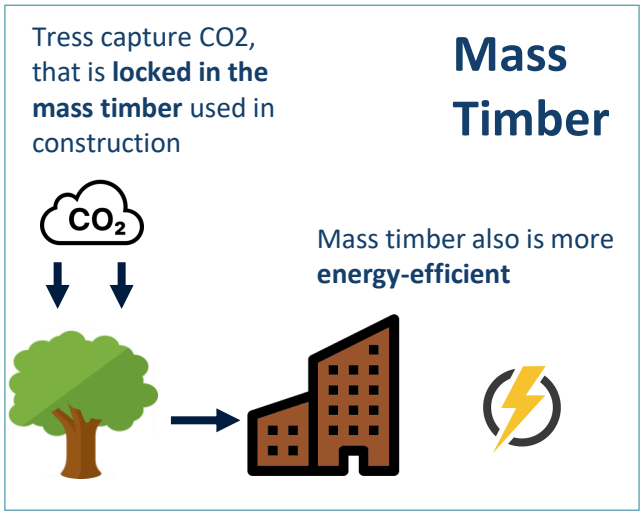
- 1 m^3 of wood binds 1000 kg of CO_2
- Less than 5 percent of tropical forests are being managed sustainably.
- Despite their great economic value, forests are one of developing countries' most mismanaged resources

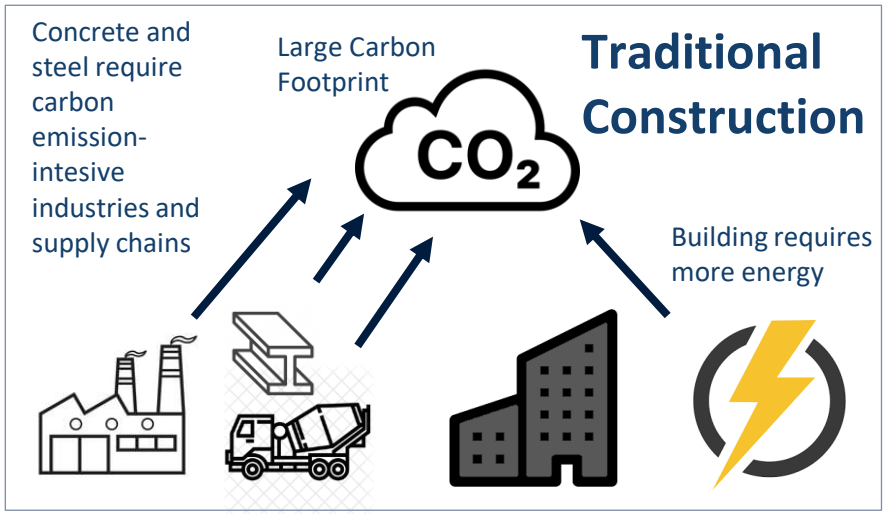
Hundreds of timber species are unutilized or underutilized, due to lack of global, yet locally scalable timber modification technology.

- Up to 80% of harvested wood in the developing world is going to waste or being burned, especially tropical wood.
- Many central European countries, a significant amount of hardwood is allocated to the energy sector, due to small timber diameter .
- The potential of value-added and innovative hardwood utilization is underestimated within and outside the forest-based sector.

Demand for Sustainable Timber

Mass timber presents itself as a more sustainable alternative to traditional construction materials and methods, being **more energy-efficient** and **providing a long-term carbon fixation alternative** that is **urban** and **economically viable**





This same principle of long-term carbon fixation also applies to Sustainable Furniture and Flooring

Therefore, Mass Timber has immense potential to serve the demand by both governments and companies to **become Carbon Neutral**

However, there is a serious issue regarding Mass Timber: If the timber comes from deforestation or poorly managed forests, ecosystem degradation become a problem.

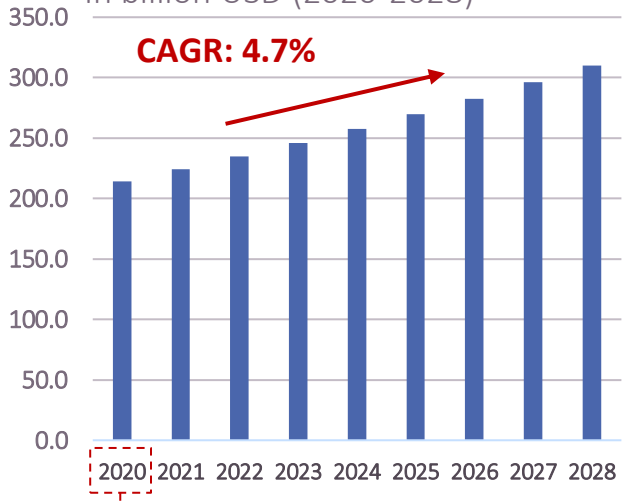
That's where Avant Wood comes in: as a provider of technology to produce sutainable, high-value mass timber using low-value wood

Market Potential for Sustainable Wood Furniture

Wooden Furniture's material and aesthetic caractheristics make it highly demanded for both residential and commercial use, **outlining a promising market for AvantWood**

Global Wooden Furniture Market

In billion USD (2020-2028)



Wooden Furniture Market Size:

USD 214.2 billion

Residential Segment:
USD 146.83 billion

Commercial Segment:
USD 65.37 billion

Market Opportunity for Avant Wood:

Design: Wide Range of Modification possibilities
Sustainability: as a substitute for endagered/sanctioned tropical wood species
Durability: compared to traditionally chemically impregnated wood furtuniture

Net Zero Carbon: Corporations are using their infrastructure and fixed assets as a way to target their net ero carbon goals, as seen with their adoption of mass timber
Circular Economy: TMTM allows the making of high quality furtniture with low quality wood that would be otherwise burned for energy

Source: FIOR Markets, "Wooden Furniture Market by Product Type (Softwood and Hardwood), Material (Laminates, Plywood, MDF and Others), Application, Distribution Channel, Region, Global Industry Analysis, Market Size, Share, Growth, Trends, and Forecast 2021 to 2028", February 2021

Market Potential for Mass Timber

Mass timber is the **use of solid wood panels for construction** apllications that would otherwise use traditional materials such as concrete and steel

Demand for mass timber solutions is growing rapidily accross the world, since its benefits are not only **economically more efficient** but also **converging towards several sustainability goals** set by various private and public entities

Mass Timber Highlights

Lower Material and Labor Costs

- Less complexity compared with concrete and steel means lower costs

Lower Construction Time

- Usage of pre-fabricated wood panels greatly reduce construction time

Greater Fire and Seismic Resistance

- Large, solid and compressed masses of woods are harder to ignite
- Mass Timber performs better in earthquakes than concrete buildings

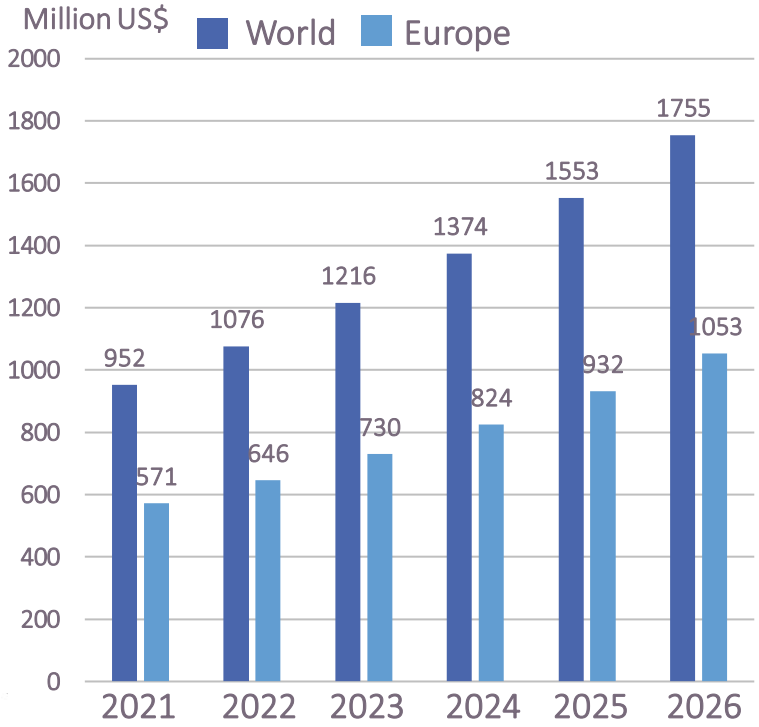
Aesthetically Appealing

- Exposed wood means greater connection to nature

World's tallest mass timber building in Norway

Google has begun construction of its first 'mass timber' building in Sunnyvale, CA

Estimated Market Size for Mass Timber (CLT)



Source: IMARC Group, "Cross-Laminated Timber Market: Global Industry Trends, Share, Size, Growth, Opportunity and Forecast 2019-2024," Research and Markets, April 2019

Mass Timber going mainstream

'With timber buildings, the embodied carbon is negative because trees store carbon until they decompose'

The tyranny of concrete and its costly carbon footprint

Financial Times, May 21st 2021

'Mass timber, which uses prefabricated solid wood panels for low- to mid-rise construction applications, is already becoming popular in Europe and shows increasing commercial potential worldwide'

Mass Timber: Wood is prominent in construction's future, value for carbon removal to be determined

The Economist, 2020 Intelligence Report

'The hottest new thing in sustainable building is, uh, wood'

The many, many benefits of using wood in place of concrete and steel

Vox Magazine, Jan 15th 2020

IV. Technology and Business Model

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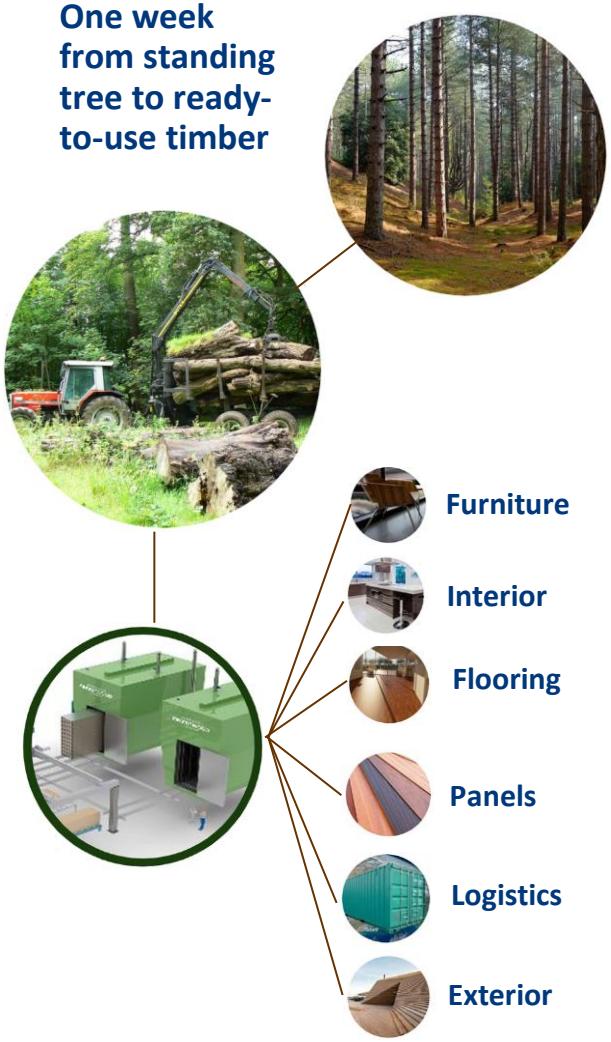
TMTM™ Technology

Thermo-Mechanical Timber Modification is an **integrated process of drying, densification and thermo modification to enhance timber properties**.

TMTM™ allows a very **high material yield and quality**, significantly **reducing lead time** compared to conventional multi-facility wood treatment processes.

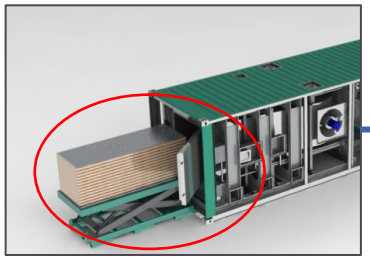
TMTM™ **minimizes energy consumption**, cuts labor and material costs, and **reduces environmental impact** and **improves overall business performance**.

Conventional Wood Modification Process	x	TMTM™
Separate units for wood drying, thermo treatment and chemical impregnation. No possibility for wood densification to enhance wood properties.		**Integrated Process: all-in-one-line**
Higher complexity, energy, investment, labour, material and depreciation costs		**High performance timber with a wide array of applications**
Chemical impregnation may cause undesirable environmental impacts as well as occupational emissions		**Flexible and energy-efficient process**
		Sustainability, no chemical impregnation

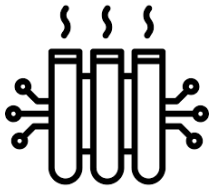


TMTM™ Process I

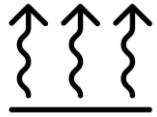
- **Batch loading**
  - Green timber is the best for TMTM-Modification, since Densification can be better performed
  - Planks and cell plates are set onto base plate on top of each other

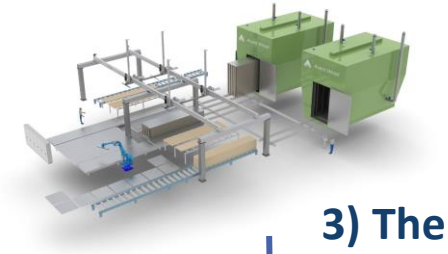


1) Heating



2) Drying & Densification





- **Batch unloading**
  - Sensors are removed
  - Batch is unloaded

3) Thermal Modification

4) Cooling & Moisture Content Stabilization

Batch after Drying and the other after Thermomodification

TMTM™ Process II

TMTM™ modification technology consists of following process phases

1. Heating to initiate drying and get temperature and relative humidity conditions favourable to TMTM™ modification

2. Removal of water to reach desired moisture content and gradient

3. Densification under suitable moisture and temperature conditions to enhance wood hardness, strength, and abrasion properties

4. Thermal modification to reduce equilibrium moisture content and permeability to decrease shrinking and swelling and improving the dimensional stability

5. Cooling to avoid post-drying defects

6. Moisture content stabilization to achieve desired final MC, even colour, according to the clients requirements.

Yielding the following positive results:

Improved characteristics such as resistance, strength and hardness as well as visual, mechanical and biological characteristics

- Extended colour gamut and full colour penetration
- Hardness + 20-100% and MOE/MOR + 15-30%
- Less or no swelling & shrinkage in exterior application

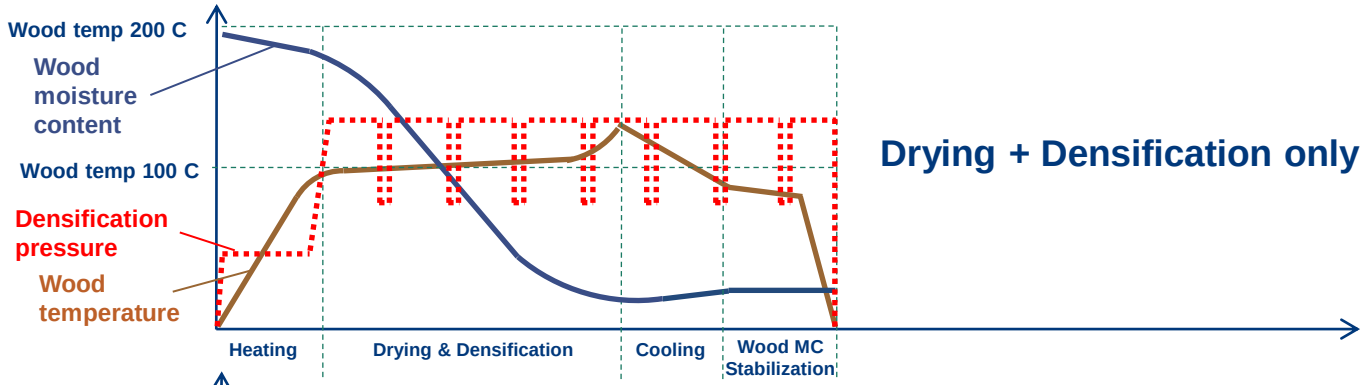
Eco-friendly

- No chemical substances are added in the modification process, residues may be utilized in energy or bio-polymer production
- Energy savings of 10-15%

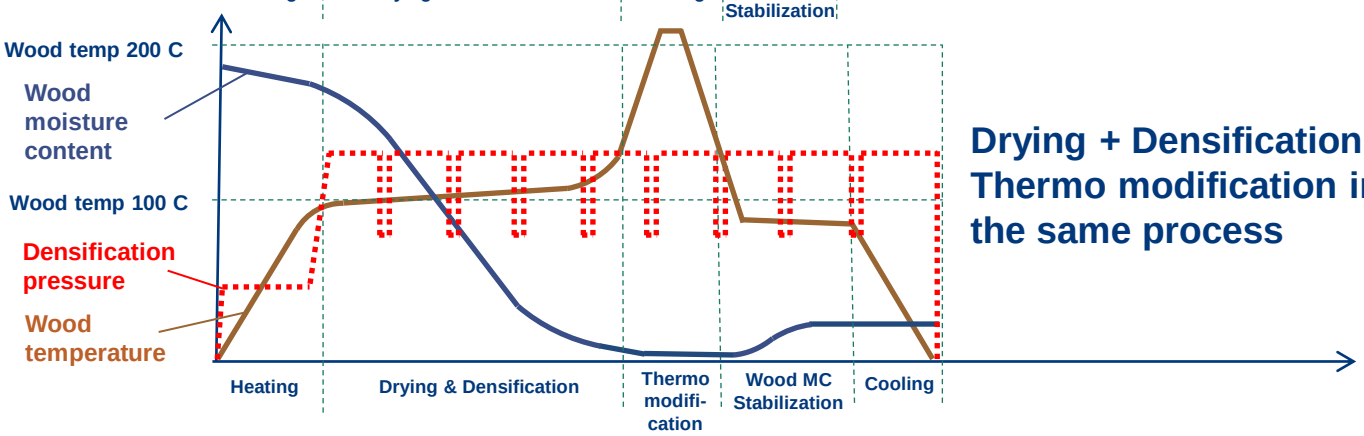
Cost-effective

- Using technology to add value to end products using residues and cheaper raw material
- Reduced modification time by 70-90%
- Increased wood utilization in 12-25%

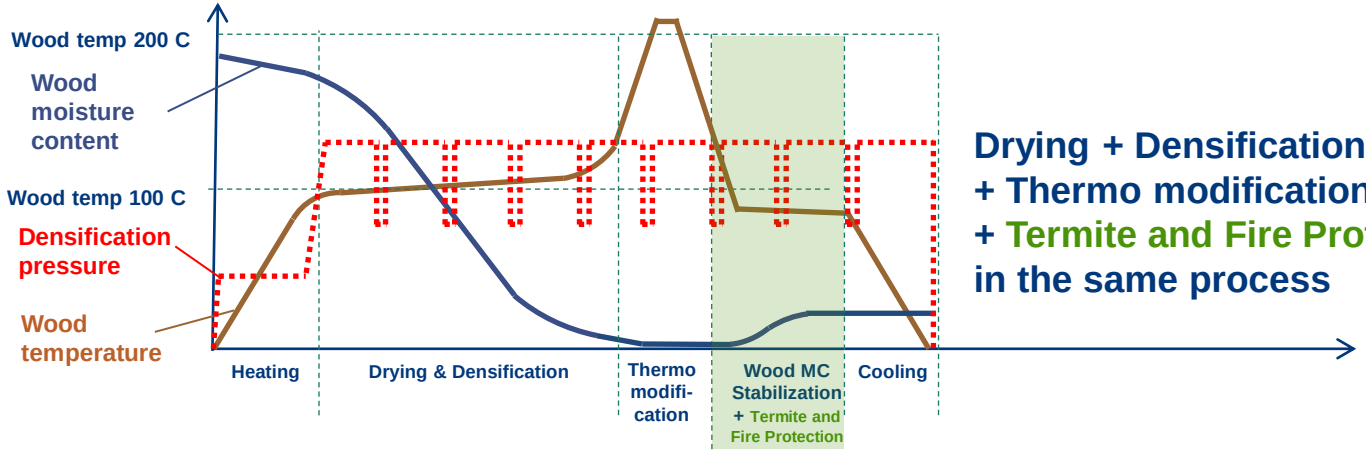
TMTM™ Modification Workflow



Drying + Densification only



Drying + Densification + Thermo modification in the same process



Drying + Densification + Thermo modification + Termite and Fire Protection in the same process

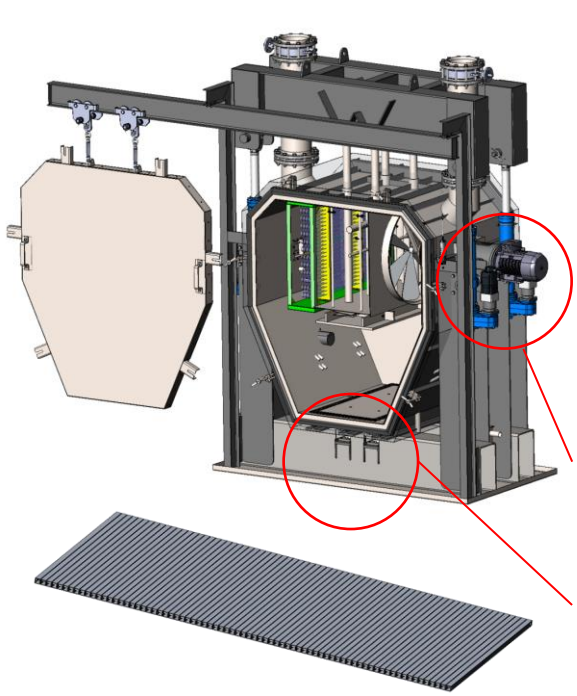
Under development

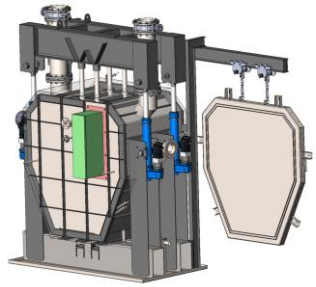
Patent pending

TMTM™ Units and Systems

1. TMTM-Modification Units and Systems

TMTM Modification Testing Unit 1200	NEW
Location	**Under construction**
Year of manufacture	2021
Capacity (32 mm wood thickness)	0,37 m3
Cell plate level dim (l x w x h)	1,2 x 0,6 x 0,8 m 0,72 m2
Cell plates inside / outside	40 (50) pcs levels outside
Unit dim. (l x w x h)	1,8 x 3,1 x 3,7 m
Unit weight	~ 4500 kg



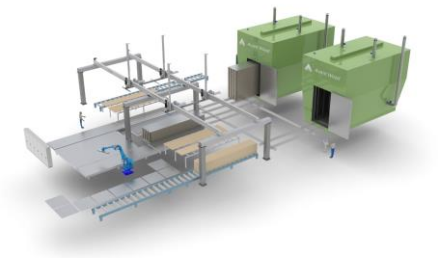


New Features:

- Electrical mechanical cylinders for densification (Surface pressure max 10 kg/cm2 in densification, =72000 kg)
- Real time batch/wood weight measuring by Load Cell Sensors
- High pressure water spraying system
- New steam generator model
- Automatic greasing of fan bearings
- New cell plate structure
- New control system

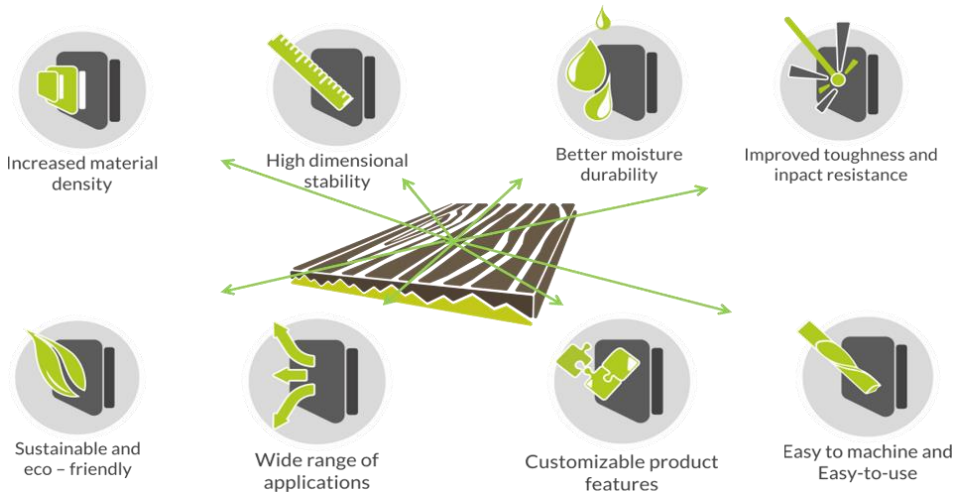
Scalable and automated TMTM-Modification System

- Several modifiaction units in the same system add capacity and flexibility
- Batch loading and unloading can be done by automatic handling system



End-Product Properties

TMTM™ end-products high performance is backed by both scientific research and real world application




Decay resistance of wood after thermo-mechanical modification

Better durability with environmentally-friendly methods?

Scientific Paper published by researchers at the Universiy of Eastern Finland covering the properties of modified wood

Wonder Wood Case Study

Wonder Wood uses TMTM™ heat modification to improve the natural properties of wood such as durability, dimensional stability and resistance against decay.

- Results in beautiful warm tone and color throughout the wood
- The process is environmentally friendly, free of any toxic additives and low on allergens

Products and Services Offering

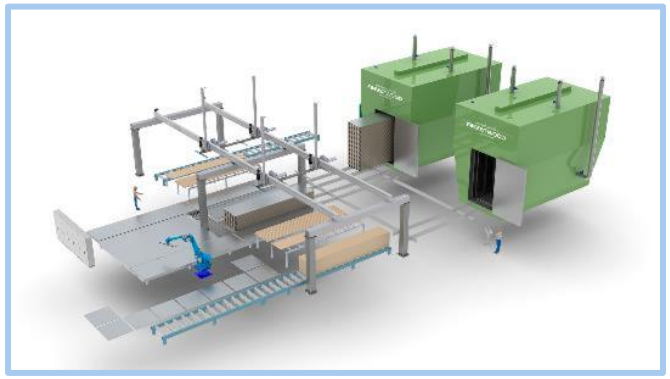
Avantwood Process Control System

- The Avantwood control system and patented software enable a real-time process follow-up
- It obtains flexible optimization of wood modification phases considering the end-product requirements.
- The offering includes the control software, hardware, control parameters for different timber species, and end-product characteristics and process sensors.

Customer Support and Sales (CSS), Consultancy, and Continuous R&D

- We serve customers with proactive maintenance and timber modification software updates.
- Continuous product and TMTM™ R&D secure the production of sustainable, economical, and innovative wood solutions to exploit new timber species and to obtain customers' new end-product applications.

Next Gen Unit



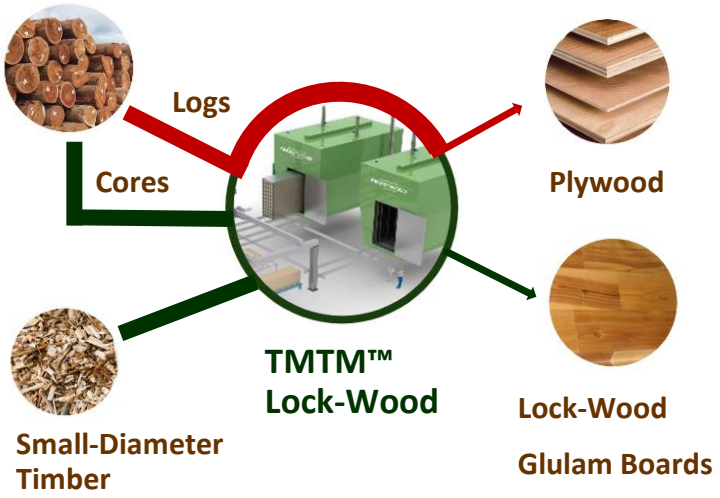
- Modular product architecture
- Based on standardized, easily scalable structures

Process Control technology

- New IPR's (SW&HW)

TMTM™ Lock-Wood

- Avant Wood's provides **Forest Optmization** solutions that allow an **sustainable way to enhance the utilization of timber**, with a more ecconomically efficent use of small-diameter wood
- Small-diameter wood usually has low-value uses in the timber industry, such as burning for biofuel and fertilizer, with **Avant Wood's solutions it can be used for higher-value Glulam Boards**
- Utilization of cores residue from plywood manufacturing, as well as other small diameter material from harvesting to produce glulam boards using TMTM™
- Small diameter timber usually has low yield and low added value applicability in the industry. TMTM™ Lockwood allows for the creation of costumer specific high value end products.



That is in line with the **Circular Economy** principles, in which the carbon captured is locked in a higher-value, longer lifetime product such as **mass timber** and **furniture**, instead of being released to atmosphere as fuel burning

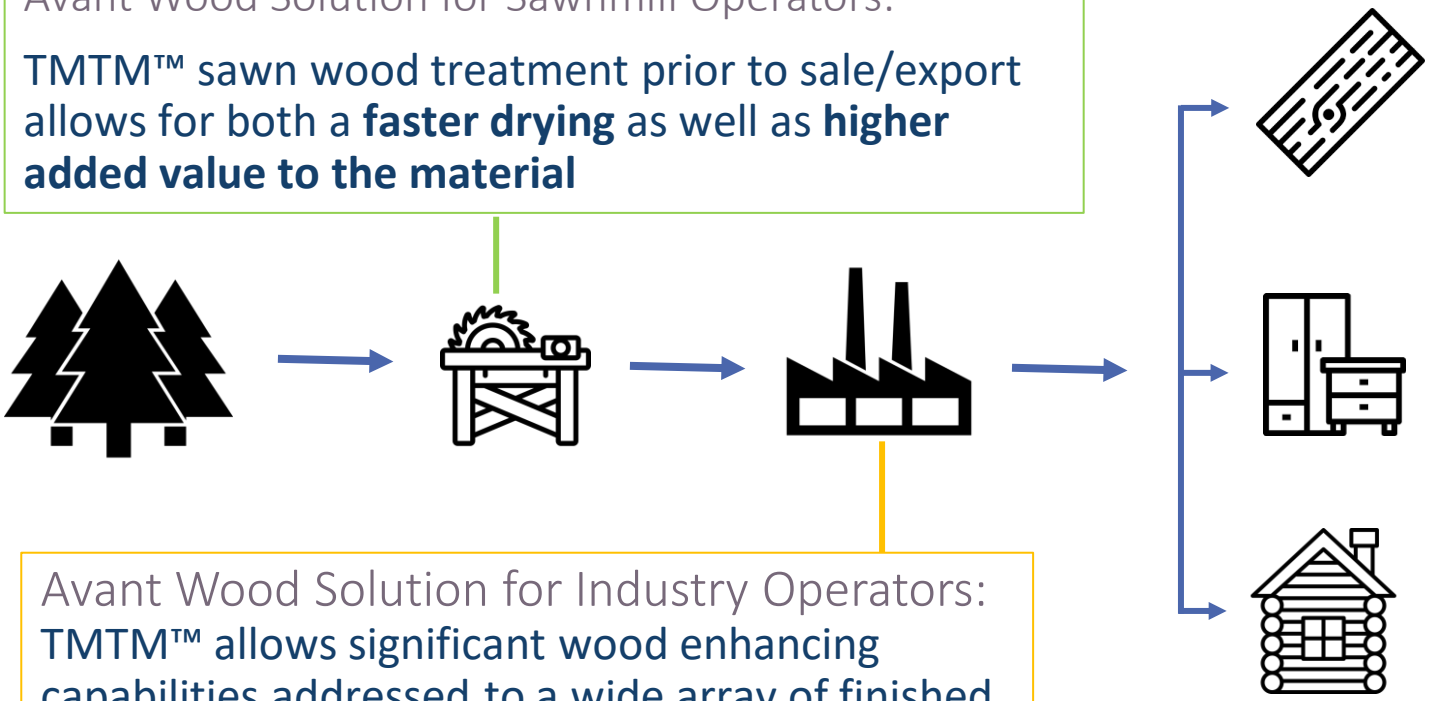
Lock Wood Glulam boards are a lower price competitive alternative to Cross Laminated Timber (CLT)

Client Strategy

Avant Wood's process is **all-encompassing solution for the entire timber value chain**, being capable of adding value to **both upstream and downstream timber operators.**

Avant Wood Solution for Sawnmill Operators:

TMTM™ sawn wood treatment prior to sale/export allows for both a **faster drying** as well as **higher added value to the material**

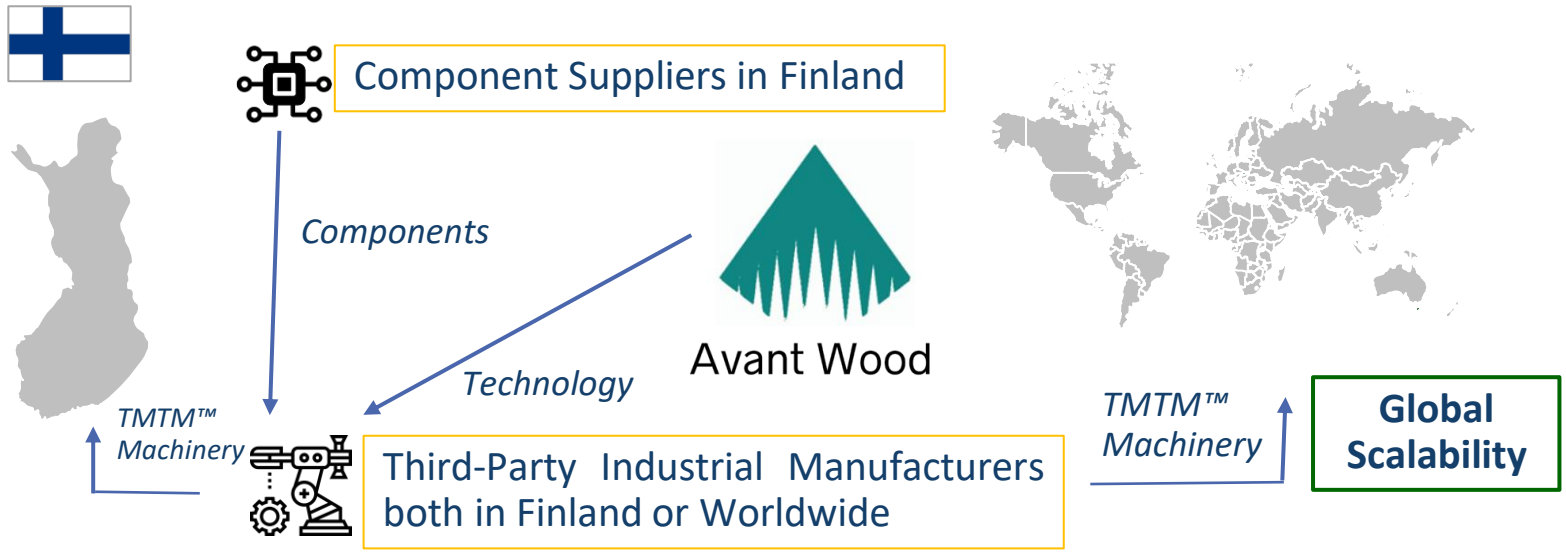


Avant Wood Solution for Industry Operators:
TMTM™ allows significant wood enhancing capabilities addressed to a wide array of finished products, with **faster drying**, **greater diversification of raw materials** and **higher sustainability standards**

Avant Wood's Scalability

Avant Wood is able to scale its technology to other countries

With its patented TMTM™ technology and manufacturing process, Avant Wood can easily leverage its network of component suppliers in order to assemble machinery in other countries with a local third-party industrial manufacturer



From a Corporate Finance perspective this scalability aspect in Avant Wood business make it very advantageous to Investors

- A scalable production process with a table supply chain means that Avant Wood will be capable of addressing global demand for its solutions in a relatively short time
- The use of third-party industrial manufacturers translate in less Capital Expenditure, less Fixed-Asset depreciation and a better overall capital structure.

Business Model

Avant Wood drive is to **optimize its clients' processes**, working to provide a global scalable solution for local timber industry challenges

One aspect of this involves a regional organizational structure to ensure short local decision-making paths and, thus, faster customer contacts.

This business model will direct customers' differing needs, challenges, and purchasing processes.

Potential clients in both upstream and downstream timber

Diversified streams of revenue with high growth potential

Applicable to several different types of timber in markets with high growth potential such as Asia

Manufacturing and selling of turn-key machinery projects based on its patented TMTM™ technology

Licensing of TMTM™ technology

Continuous client support with maintenance and timber modification software updates, add-on sales and consultancy

Continuous product and TMTM™ process R&D is secured by manufacturing of sustainable, economical and innovative wood and glulam solutions by applying TMTM™ technology

V. Current Traction and Global Opportunity

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Proof of Concept

7 units up and running around the world, with different industries, applications and timber species, showing that Avant Wood's solution is both versatile and scalable

Finland: 4 industry operators

Industry	Application	Species
Sawmilling & forestry	Interior plywood, LVL beams	Spruce, birch
Wooden products & flooring manufacturing	Solid wood flooring, LockWood Glulam boards for interior and exterior products	Pine, birch and oak
Sawmilling & forestry	Modified sawn timber	Pine, spruce
Sawmilling & forestry	Solid wood walls	Pine

Slovakia: 1 industry operator

Industry	Application	Species
Flooring manufacturing and subcontracting	Multi-layer parquet top lamellas for flooring industry	Various species

Australia: 1 industry operator

Industry	Application	Species
Plantation and sawmilling	Sawn timber	Eucalyptus

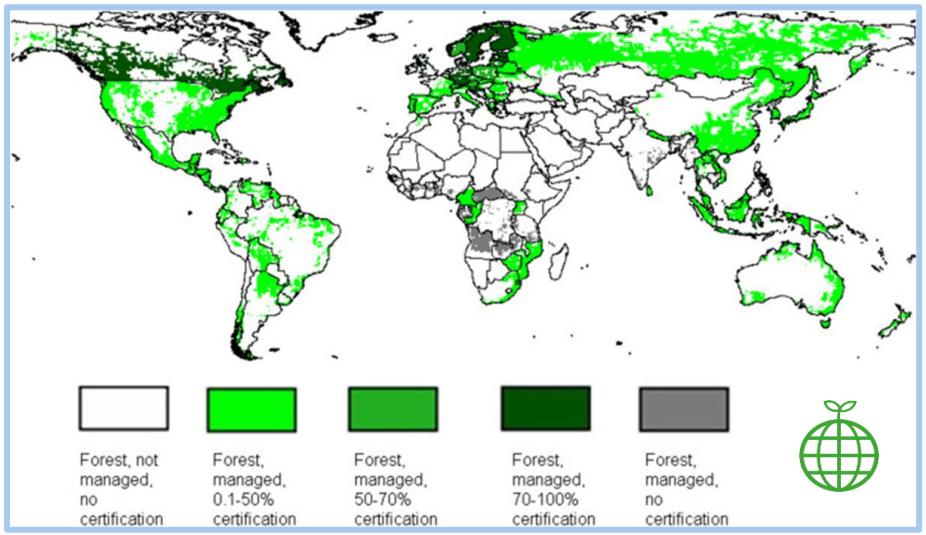
South Africa: 1 industry operator

Industry	Application	Species
Furniture	Indoor and outdoor furniture	Eucalyptus

Global Opportunity

- Avant Wood's solution is scalable for local challenges
- TMTM has been tested in several different timber species
- Showcasing Avant Wood's truly global market potential

Global Forest Management

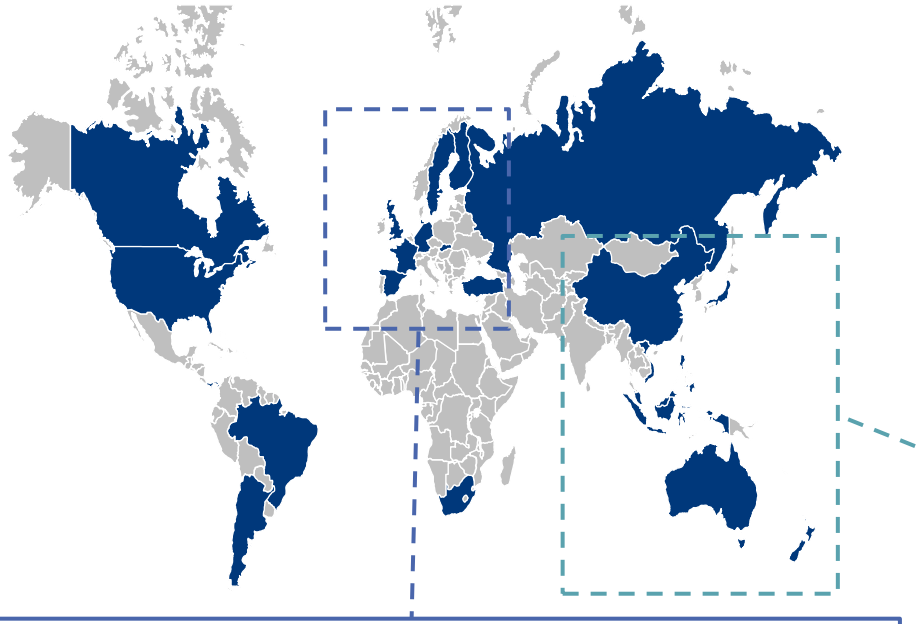


TMTM™- tested timber species

- Spruce - *Picea abies*
- Pine - *Pinus sylvestris*
- Siberian Larch - *Larix sibirica*
- Silver Birch - *Betula pendula*
- Aspen - *Populus tremula*
- Alder - *Alnus incana*
- Maple - *Acer platanoides*
- Beech - *Fagus sylvatica*
- Oak - *Quercus robur*
- Cherry - *Prunus*
- Teak - *Tectona grandis*
- Walnut tree - *Juglan*
- Mahogany - *Swietenia macrophylla*
- Jatoba - *Hymenaea courbaril*
- Afzelia - *Afzelia africana*
- Iroko - *Chlorophora exelsea*
- Eucalyptus - *Grandis Urophylla*, Brazil, *Saligna*, South-Africa & Australia, *Eucalyptus Nitens*, Australia
- Acacia- *Acacia mangium*, Vietnam
- Rubberwood- *Hevea brasiliensis*, Vietnam

Global Pipeline

Global Potential Representative and Partner Network



European Market Opportunity:

The European Market presents a great opportunity for Avant Wood, such as mass timber going mainstream, as well as sustainable furniture. Furthermore, Net Zero Carbon Commitments and Tropical Timber Import Restrictions by the EU are also significant drivers of growth for Avant Wood

R&D project negotiations with Europe's largest window/door manufacturer.

Several R&D projects under way with major Finnish forest company- LOI/ Partnership

Asian Market Opportunity and Current Traction:

The world's fastest growing, the Asia-Pacific market has a large space for growth and development, since it still is the largest importer of sawn-wood in the world and has a rising demand for value-added wood products

Joint government funded project with LUKE for R&D unit and several customer projects in **Vietnam** 600k€ + many customer contacts

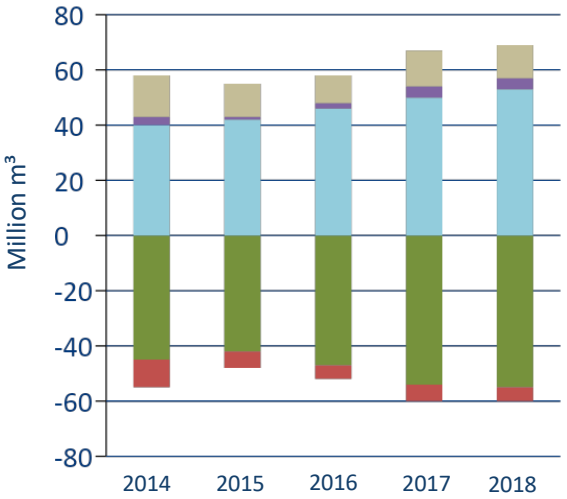
Two LOI signed with **Malaysian** clients (1,2M€), several new ongoing, will start testing samples of Oil Palm Trunks (OPTs) in 2H 2021

Discussion with Fairventures Worldwide gmbH, a German company with projects in **Indonesia**

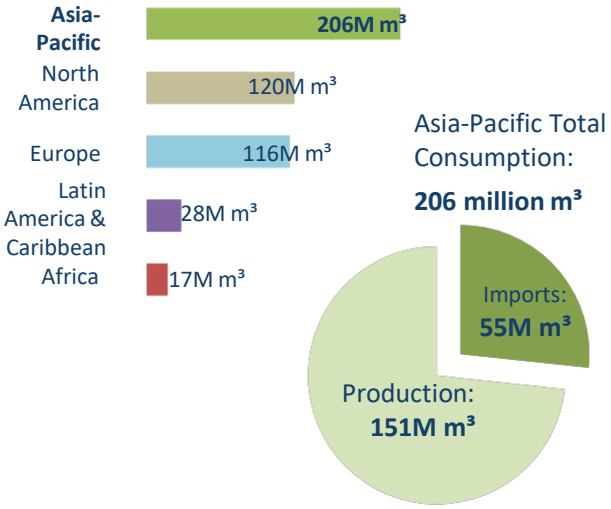
Tests completed with the customer in **NZ**, Radiata pine (opportunity 4M€), LOI to be signed

Market Potential in Asia

Sawn-wood net trade



Sawn-wood consumption (2018)



The world's fastest growing, the Asia-Pacific market has a large space for growth and development, since it still is the largest importer of sawn-wood in the world and has a rising demand for value-added wood products

Asia has the largest consumption of sawn-wood in the world, being the second largest producer and the largest importer.

ASIA-Pacific was a net importer of 55 million m³ of sawn wood, if 10% of that is converted into TMTM™, demand for new TMTM™ units is 1.000 with 5.000 m³ annual capacity per unit. The potential market estimate is € 1-1,5 billion by 2022

Avant Wood is well positioned to benefit from this great market potential

Appointed Asian-based representatives, Matthias Gelber and Frank Amptmeijer (ProperLy Asia Sdn Bhd) to establish exposure, PR, sales and marketing network in Asia.

Legislation changes in SEA region regarding round wood exports have created a potentially huge opportunity for alternatives to existing wood processing methods. TMTM™ by Avant Wood will meet all those significant issues.

VI. Series A: Valuation and Investment Proposal

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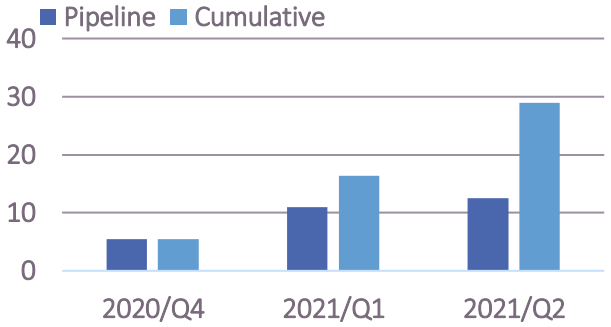
Financial Projections

- In 2020 Avant Wood presented a strong sales operation, although the Covid-19 global pandemic slowed down customer decision process.
- Lead times are quite long, but the company is expecting contracts later 2021

Current Sales Pipeline (total sales leads in million EUR)



Avant Wood Oy Projected P&L

(In 000s EUR)

	2021	2022	2023	2024	2025
Sales	**960**	**8.150**	**46.350**	**79.750**	**114.000**
(-) COGS (Cost of Goods Sold)	-660	-5.070	-26.928	-46.515	69.680
Gross Profit	300	3.080	19.422	33.235	44.320
(-) SG&A (Sales, General, Administrative Expenses)	-795	-2.705	-7.995	-12.183	-16.460
(-) R&D	-250	-605	-1.618	-2.763	-4.144
EBITDA	**-745**	**-230**	**9.809**	**18.289**	**23.716**
(-) Depreciation & Amortization	-50	-100	-100	-100	-100
EBIT	**-695**	**-130**	**9.909**	**18.389**	**23.816**

- Short-to-medium term sales growth drivers include sustainable furniture, flooring and plywood as well as the global economic recovery that is pushing higher timber prices
- Long term drivers include Lock-Wood Glulam Boards for several Mass Timber and flooring applications as well as the growing demand from Asia and for sustainability solutions globally.

Valuation

Avant Wood Oy Discounted Cash Flow Valuation

(In 000s EUR, for the next 5 years)

	2021	2022	2023	2024	2025
EBIT	**-695**	**-330**	**9709**	**18189**	**25000**
Operational tax	20%	20%	20%	20%	20%
Net Operational Profit After Taxes (NOPAT)	-556	-264	7767	14551	20000
(-) CAPEX	-1300	-2000	-500	-500	-500
(+) Depreciation	50	100	100	100	150
Changes in Working Capital	-102	-1403	-6905	-4140	-7385
Free Cash Flow	**-1.908**	**-3.407**	**622**	**10.171**	**11.318**

33.896

Pre-Money Valuation	**10.000**
Series A Funding	2.000
Post-Money Valuation	**12.000**

Discount Rate: 30.7%

The Discount Rate is the Weighted Average Cost of Capital (WACC).

WACC = Cost of Debt x %Debt + Cost of Equity x %Equity

- Avant Wood's Cost of Debt = 5%
- Avant Wood's Cost of Equity = 47%
  - Calculated using *Capital Asset Pricing Model (CAPM) = Risk Free Rate + Industry Beta x Equity Risk Premium*
  - Risk Free Rate: 10Y Finnish Bond Yield: -0.2%
  - Industry Beta: 1,32 (based on Global Timber ETF)
  - Equity Risk Premium: 36.0%

In this valuation, a 30.7% Discount Rate is applied, based on the company's Weighted Average Cost of Capital (WACC). This number is conservative, assuming a higher Equity Risk Premium and captures the risks of investing in the an early capital round such as this Series A.

To calculate the Terminal Value, a 0.5% growth rate for the cash flows was used

The higher risk of investing in an early capital round is implied in the model with a high Equity Risk Premium of 36%

In the following years, assuming a good environment for Avant Wood global sales, the Equity Risk Premium will go down, decreasing the Discount Rate and therefore increasing the valuation

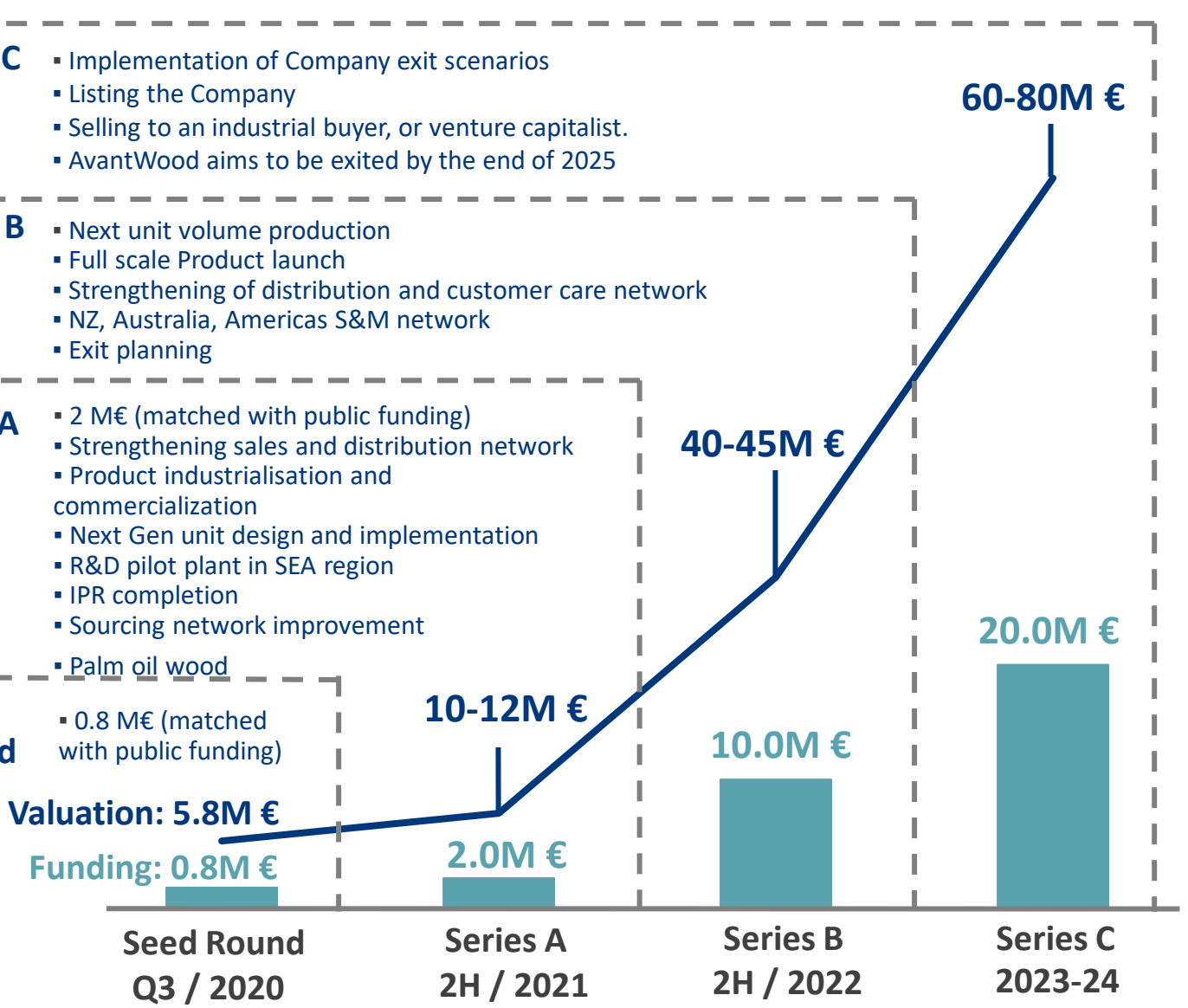
Future

Series C
- Implementation of Company exit scenarios
- Listing the Company
- Selling to an industrial buyer, or venture capitalist.
- AvantWood aims to be exited by the end of 2025

Series B
- Next unit volume production
- Full scale Product launch
- Strengthening of distribution and customer care network
- NZ, Australia, Americas S&M network
- Exit planning

Series A
- 2 M€ (matched with public funding)
- Strengthening sales and distribution network
- Product industrialisation and commercialization
- Next Gen unit design and implementation
- R&D pilot plant in SEA region
- IPR completion
- Sourcing network improvement
- Palm oil wood

Seed Round
- 0.8 M€ (matched with public funding)



Investment Proposal

Avant Wood aims to raise € 2 million in this Series A
The funds will used in both capital and operational expenditure

Series A

Valuation (pre-money)	€ 10.000.000
Series A Funding	**€ 2.000.000**
Use of Funds:	
CAPEX	€ 1.300.000
OPEX	€ 700.000
Valuation (post-money)	**€ 12.000.000**

Shareholder Structure before Series A:

Founders & Management	*53%*
Finlandia Finance Oy	*12%*
Fintrade-Mercer Group	*11%*
Nextimber Oy	*8%*
Karuna Capital Pte Ltd	*3%*
*Individual Investors**	*13%*
Total Equity	*100%*

**207 other individual investors whose equity share is less than 1%*

Shareholder Structure after Series A:

Founders & Management	*44%*
Investor	***17%***
Finlandia Finance Oy	*10%*
Fintrade-Mercer Group	*9%*
Nextimber Oy	*7%*
Karuna Capital Pte Ltd	*2%*
*Individual Investors**	*11%*
Total Equity	*100%*