

25 September 2024

Ecofibre signs yarn supply agreement with Under Armour

Ecofibre Limited (Ecofibre, Company) (ASX:EOF) today announced it has completed an agreement with Under Armour, Inc. (Under Armour) for the supply of NEOLAST™ yarns to Under Armour's nominated knitting mills, including the purchase of associated manufacturing equipment.

NEOLAST™ fibre is an alternative to elastane (or spandex) used to create power-stretch, elite performance fabrics. NEOLAST™ fibres are made using Celanese NEOLAST™ elastoester polymers and are designed to help address the sustainability challenges of elastane, including recycling blended fabrics. They are produced via a solvent-free process.

Ecofibre CEO and Ecofibre Advanced Technologies (EAT) President Uli Tombuelt said: "I'm incredibly pleased that our partnership with Under Armour and Celanese continues to develop and has seen us deliver this important milestone with supply agreements for NEOLAST™ yarn.

"The performance and sustainability of this product is set to revolutionise the market for elastomeric yarn, and developing further growth opportunities for this product is a key priority for EAT."

"I would like to express my appreciation to Celanese and Under Armour for their support through the commissioning and trial phase. We look forward to continuing to build on our relationship in the years to come."

Ecofibre previously announced that EAT had completed a Memorandum of Understanding with Under Armour to supply NEOLAST™ for performance apparel. Manufacturing equipment sourced by Under Armour was installed and commissioned in late 2023 and EAT has since been completing knitting trials with Under Armour knitting mills. Initial commercial sales of NEOLAST™ yarn commenced in 4Q24, and production volumes have been increasing during 1Q25.

Summary of Indirect Supply and Equipment Purchase Agreement

EAT and Under Armour have finalized binding agreements for the supply of NEOLAST™ yarns to Under Armour's knitting mills and to purchase the associated manufacturing equipment. The key terms of the agreements are:

- Parties: Ecofibre Advanced Technology Inc and Under Armour Inc
- NEOLAST™ customers: knitting mills that supply Under Armour Inc and its garment manufacturers
- The initial term of supply agreement is 3 years
- Expected annual revenue at full production: US\$6.0m
- Manufacturing equipment: purchased by EAT for US\$4.3m and financed by Under Armour over 36 months at 12% p.a interest. The timing and quantum of loan repayments are dependent on production volumes and the collection of sales revenue.

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About Ecofibre

Ecofibre owns a portfolio of high-quality advanced manufacturing and technology businesses in the United States and Australia. We operate three vertically integrated businesses focused on sustainable polymers and natural materials, natural health care, and hemp seed genetics. In addition, we own a majority interest in a life sciences business that is developing treatments for malignant and non-malignant gynaecological conditions.

Ecofibre Advanced Technologies (formerly known as Hemp Black) is an advanced manufacturing business with specialist capabilities in performance yarn extrusion, polymer compounding, and sustainable materials.

Ananda Health is a leading US manufacturer of cannabinoid-based health products for human and pet consumption. Our focus is on providing high-quality, research-backed products in Australia and the USA, targeting conditions including sleep, anxiety, aches and discomfort, and gynaecological conditions. See anadaprofessional.com and anandahemp.com.au.

Ecofibre Genetics owns one of the world's largest collections of hemp seed genetics and is a leading supplier of seed genetics to the hemp fibre and grain industry in the US and Australia.

EOF Bio Inc. is a majority-owned, US-based clinical-stage biotechnology company focused on a new generation of patient-centred cannabinoid-based drugs that improve health outcomes and enhance quality of life, starting with women's health and endometriosis. Spun out of Ecofibre. In July 2023 it is focused on commercialising an expanding estate of issued patents.

About Under Armour

Under Armour, Inc., headquartered in Baltimore, Maryland, is a leading inventor, marketer, and distributor of branded athletic performance apparel, footwear, and accessories. Designed to empower human performance, Under Armour's innovative products and experiences are engineered to make athletes better. For further information, visit <http://about.underarmour.com>.

About Celanese

Celanese (NYSE: CE) is a global technology leader in the production of specialty materials and chemical products that are used in most major industries and consumer applications. The company's products, essential to everyday living, are manufactured in North America, Europe and Asia. It is one of the world's largest producers of acetyl products, which are intermediate chemicals for nearly all major industries and is also a leading global producer of high-performance engineered polymers that are used in a variety of high-value applications.

Authorisation

This document is authorised to be given to the Australian Securities Exchange (ASX) by the Board of the Company.