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Joining us today is John Shaw the CEO of Itaconix that trades on our OTCQB Venture Market under the ticker "ITXXF." Itaconix designs and manufactures high performance cost-effective and sustainable ingredients. Are key components of products in the personal care home care and industrial sectors. The company focuses on producing bio-based polymers from itaconic acid John thanks so much for joining us today as one of the founders of Itaconix.

John Shaw

Thank you, Cecilia, great to be here.

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Talk about your professional background and why you launched the company.

John Shaw

I've been working bringing New Industrial Technologies new materials to market for the last thirty years in many different areas and what really, I love about this is the ability of new materials to change the world. Ah, to change the products that we have to improve the products that we have every day into improve how we use resources. Um, how we affect the environment around us when I found the opportunity and co-founded it with Dr Avonne Durant in 2008 we really saw the potential of making materials from itaconic acid which is a bio based organic acid that has broad range of applications to it of what great value. We could bring to the world by bringing these chemistries out. So. It's really been part of my full professional career. But for the last twelve years a tremendous opportunity to bring that to bear here with Itaconix

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Great. So John give us a little background about polymers and what industries they affect and you know how your key components are kind of you know, revolutionizing this and why is this important to consumers.

John Shaw

Well interest in itaconic acid has been around for well over sixty years back in the early sixties Pfizer as a company tried to develop these types of polymers Roman Haas which is now tried to commercialize these and we came up. Dr.

Duron came up with a process to make these commercially viable when you look at the applications for us and just to take a quick look as a polymer think of a string of pearls that the monomer is itaconix acid and then we create a string of pearls. So it's kind of stringing together those pearls. Um, for different purposes and functionality. So what we were able to do is open up a whole range of opportunities for these types of polymers. The best example to map it against is how acrylic acid is used and you see people see acrylic acid used in everyday products. Um, all about you. There's acrylic. Ah acrylic paints. There's super absorbance they're used in personal care products home care products. That's a \$20000000000 market for acrylic acid. We can make ah similar polymers to anything that that's used in the acrylic acid market. A question of when and where you try to use it. So overall we think there's about a 3 to \$40000000000 addressable market for the range of chemistries that we have and that's what's really yeah, really exciting in the long term ah of it what we've really done ah in the. Early stages of the company is focused on household applications which is more about a seven hundred and fifty million dollars market potential in in start there and then build out our portfolio from there with proprietary products. Um, within that we are in 3 areas main application here were in detergents where we replace phosphates so non-phosphate detergents that you see in automatic disc detergents laundry detergents cleaners used throughout the house wearing in hairs styling. Ah, bringing unique functionality and value in certain types of hairs styling products and we're also an excellent ingredient for odor control. So we're used in both household and personal care products for odor control and in each one of these situations. Our product is a key ingredient that allows a brand to bring a claim forward. That's highly important to the consumer in that particular area. Um always around better performance. Better cost and then because itaconix acid is.

John Shaw

Based on as a bio based material. We also are increasing the sustainability of these products at the same time they we're delivering performance and cost advantages. So we really bring all these packages all these benefits together right now. In certain household applications. But we have great potential and horizons for many years ahead

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And so John how does your brand differentiate from your competitors and what is your marketing strategy.

John Shaw

So in in we start by seeing that there's an unmet need in a certain market segment say for in dishwashing detergent tablets where there's a certain need that brand or certain. People in the market may need for it and then we see that our chemistry can bring advantage ears and we create a product so we did that with our lead products and detergent polymers and what we've been able to do is ah bring ah excellent performance. Excellent cost. And biobased content to dishwashing detergent tablets particularly here in North America so we're in ah, an expanding range of products ah dishwashing detergent products that you find pretty every retailer out. There has some dishwashing detergent that is based on our chemistries on it. Um. In ah in odor control. We're very effective at neutralizing odors and that's being used in a broad range of products and then in hairs styling. Um, we ah we have are able to get weightless hairs styling. So if you remember about how your my mom at least had the kind of crusty. Film a heavy film to hold her hair in place. We're able to do it very lightly with what's called weightless styling. So we first start with a where we have an extraordinary value that we bring to a certain application. We start out by getting. Initial use to prove out the value of it and then depending on the market. We either go find a partner to take it to for global scaling or we keep it ourselves what we've done here for global scaling is in hair in hair styling. We've partnered with neurion which is the number 1 hair styling ingredient company in the world and they actually take our product worldwide for so we established the initial use and now they're expanding globally with us in our control for home care. We established the initial use and then Krota. A UK specially Chemical company an outstanding leader in their area. They're taking it globally for us and we still continue to produce it but they distribute it worldwide force and that's been very successful and then in detergents we have direct. Access to the major players direct relationships and very active applications work. There. So our marketing strategy is to go directly to the brands and directly to the formulators to see the value of our product. So we really kind of fit our product into a particular need.

John Shaw

And then establish that need and then find the best channel to market all along the way maintaining production in our New Hampshire facility a proprietary production process where we continue to produce the product and supply it to others.

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And so what exciting developments do you have in store for 2021 or 2022

John Shaw

Well first we had a tremendous 2020 in terms of high revenue growth. We went from but one point two million dollars in revenues in 2019 to three point three million in 2020 and that actually broke into one point one million in sales in the first half two point two million dollars in the second half. So we really have had explosive growth through the advancement of a broad range of customer projects that have been working towards the market for. Um, several years on it so we expect first of all is that to get much wider use and adoption in the in our core markets right now and that will continue to drive growth drive very attractive growth in the coming years. And then we're also going back to our extensive inventory of proprietary chemistries and looking at new emerging needs in particular what we're excited about is that some products that we've had available for quite some time. Including a ah 100% biobased super absorbent. Yeah biobased ah paints that the that the world is developing around concerns about climate change net zero carbon, low carbon economy that products that we already have. We think there's be an emerging needs that we can fit our existing products into so we're that's going to be a new area of emphasis of us as the low carbon economy develops and we'll find some new horizons for additional growth.

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Itaconix began trading on the OTCQB Venture Market in 2019 and is also traded on the London Stock Exchange. How does cross trading on the OTCQB market enhance your investor strategy in the US and what can you tell potential investors on what they should you know.

John Shaw

We started with a restructuring in 2018 that is really advanced now into a whole new phase of commercial growth and opportunity we did that initially on the London Stock Exchange Market but all along the way we've had a sizable ah base of Us investors currently about a third of the shares of the company are held in with Us investors and we believe that the type of opportunity that we offer is a sustainable materials company. Ah, is attractive to us investors. So we've did start trading in 2019 with the growth that we have now at being three point three million and the major advances we've done financially I think we've really established ourselves the in the opportunity for ourselves. Is an attractive investment in the OTC Market even in the if you just look over the last ah of a last year we were trading yeah around the equivalent about 1 you know 1 1 pence or we're trading up around six pence now so even in the last year ah there's been. You know, almost a 6 x return on the investments and we think those types of with the certainty that we have in our growth and how well established we are as a key ingredient I think the return that we can offer to the OTC Market investor is outstanding.

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And thank you so much for your time today. It's been great talking with you. John.

John Shaw

Thank you very much.

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Itaconix trades under the simple ITXXF on our OTCQB Venture Market

**This is an autogenerated transcript and may contain typos.*