



# PRONOFA | Q2 2022 Presentation

August 23 2022





# Agenda

## Highlights

Company and Strategy update

Financials

# Main Developments

## Operational development on track

Pronofa's operational development continues on track for insect and tunicate businesses.

## Completion of acquisition of Marine Feed in Sweden (mentioned in Q1 presentation)

Marine Feed is a Swedish agricultural biotech company focusing on the Ciona tunicate. The company has a pilot facility in Stenungsund, Sweden, producing products for the consumer market.

## Acquisition of the remaining shares in Ecoprot AS

During 2021, Pronofa became a majority owner in Ecoprot AS (76%). The positive development of the company and decision to build an industrial pilot plant, lead to Pronofa acquiring the remaining shares in the company. Total consideration for outstanding shares was NOKm 7, which will be converted to Pronofa shares @ NOK 9.0 per share.

## Acquisition of Tunicat AS

Pronofa has acquired 100% in Tunicat AS, a Kristiansund based company with longstanding tunicate knowledge. The company has acreage and will be a testing facility for cultivation, harvesting and pre-processing technologies.

## Strengthening of Pronofa's organization

Pronofa has strengthened its organization by hiring a Sales and Marketing Director and Head of Communication. This in addition to the CFO and CTO/COO mentioned in the Q2 report.





# Operational development (1/2)

## Insect operations update

- Construction started in Q1 for Pronofa's first industrial pilot for BSF (Black Soldier Fly). The facility will test and develop (i) the optimal biological environment and (ii) industrial automation and processing equipment
- The plant will start operations during Q3 2022 and will at first produce larvae and fertilizer; first expected sales in Q1 2023. When completed (H1 2023) the plant will produce all "BSF products"
- The facility will ensure testing of optimal production, and therefore reduce operational risk and capex when building large scale facilities
- Product development and testing with R&D partners and potential customers are ongoing
- Scale-up on track for H2 2023 (as planned)
- Pronofa is in dialog with other alternative nutrient companies, such as Ynsect, for further growth opportunities

## Tunicate operations update

- Pronofa has started test production at 4 sites in Norway (3) and Sweden (1)
- The sites will test different equipment and technologies for optimizing maintenance, harvesting and processing solutions geared towards industrial scale operations



# Operational development (2/2)

## Tunicate operations update (cont.)

- Experience from testing during the 2022 season will build a foundation for scaling up in 2023 and beyond (as planned)
- Pronofa has made strategic acquisitions of Marine Feed AB and Tunicat AS (see page 6) which will provide added expertise within biology/cultivation, as well as harvesting, processing and product development

## Financial status

- Solid cash balance - NOKm 160 at end of Q2 2022
- Conservative cost base and capex positions Pronofa ahead of initial budget
- No interest bearing debt

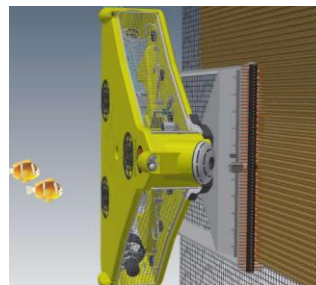




# Acquisition of Tunicat AS

## Acquisition of Kristiansund based Tunicat AS– strengthening Pronofa’s tunicate operations – Total consideration NOKm 2.5

- Tunicat AS (2017) is a small company lead by retired fisher Terje Kirkeland who started working with tunicates 18 years ago. The company is situated in Hustadvika outside Kristiansund. The company has a stated ambition of becoming a leading tunicate company towards the fishmeal market
- The Company has a licence for farming of tunicates in the Kristiansund region and will during 2022 complete cultivation, harvesting and pre-processing testing. The Company also has a stated goal of increasing acreage going forward. They are knowledgeable and situated around a competent cluster in the Kristiansund region
- The transaction has a total consideration of NOKm 2.5 (enterprise value). The transaction is comprised of a payment at closing of NOKm 1.0 in cash and NOKm 1.0 in Pronofa shares (@ NOK 9.0 per share). The remaining portion will be linked to an earn-out model for the 2022 season





# Agenda

Highlights

**Company and Strategy update**

Financials

# Building a leader in sustainable insect and marine nutrients

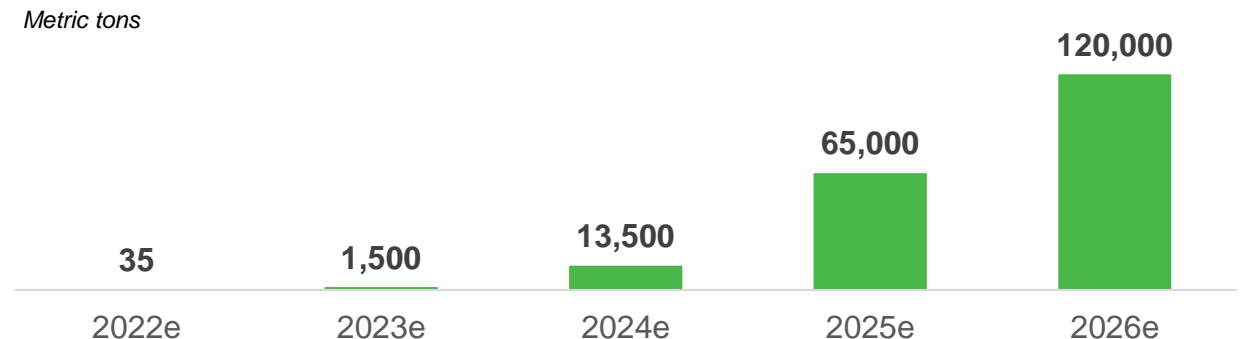
## Introduction to Pronofa

- 🔄 Agtech company which aims to produce human, animal and plant health and nutrition products from insects and tunicates
- 🔄 Spin-off from Denofa (30% ownership) that holds over 100 years of industrial food & feed production experience, strong position in the value chain and deep knowledge of sustainable nutrients
- 🔄 Active approach to growth through partnerships and M&A with recent acquisitions of Ecoprot and Marine Feed
- 🔄 Clear strategic plan with solid financial backing from blue chip industrial partners
- 🔄 First-movers in an industry that is projected to be a vital part in solving the global agriculture challenge

## Key milestones and goals

2021-2022	Pilot plants, feed & food development and testing
2023	Final design/spec for large scale facility, contracts for sourcing of equipment
2023-2025	Ramp up phase

## 5 year production goal (est.)

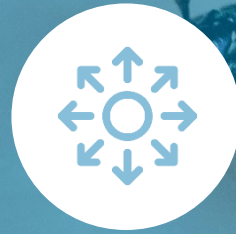




# PRONOF A



**Sustainable insect and marine nutrients** for high-value applications



**Human Nutrition & Health**  
**Animal Nutrition & Health**  
**Plant Nutrition and health**



**Immediate access to protein production** value chains, industrial infrastructure and industrial competence

# Sustainable alternative nutrients solves multiple global goals

A waste-to-value business model reducing food production's adverse impact on the environment



- **Minimizing food losses** created during production, storage and transport
- Tunicate production **increase food security in a sustainable way**, with vital proteins and essential fatty acids



- Production with a **low carbon footprint, water use and emission of toxic gasses**
- **Rich in proteins, lipids and minerals** is positive for animals and consumers



- Waste streams from food production used as feed for larvae will **reduce the climate footprint**
- Tunicate production requires **no water, no feed and no land**



- Tunicates **cleans the oceans** and provide positive ecosystem effects
- 1,000 tons insect feed represents 250 tons of pelagic fish preserved



- Insects are **5,000 - 10,000 times** more efficient than beef in terms of protein produced per acre
- **Ecological fertilizer** from insect production to improve plant health



# Strong foundation in Denofa complemented by active consolidation strategy

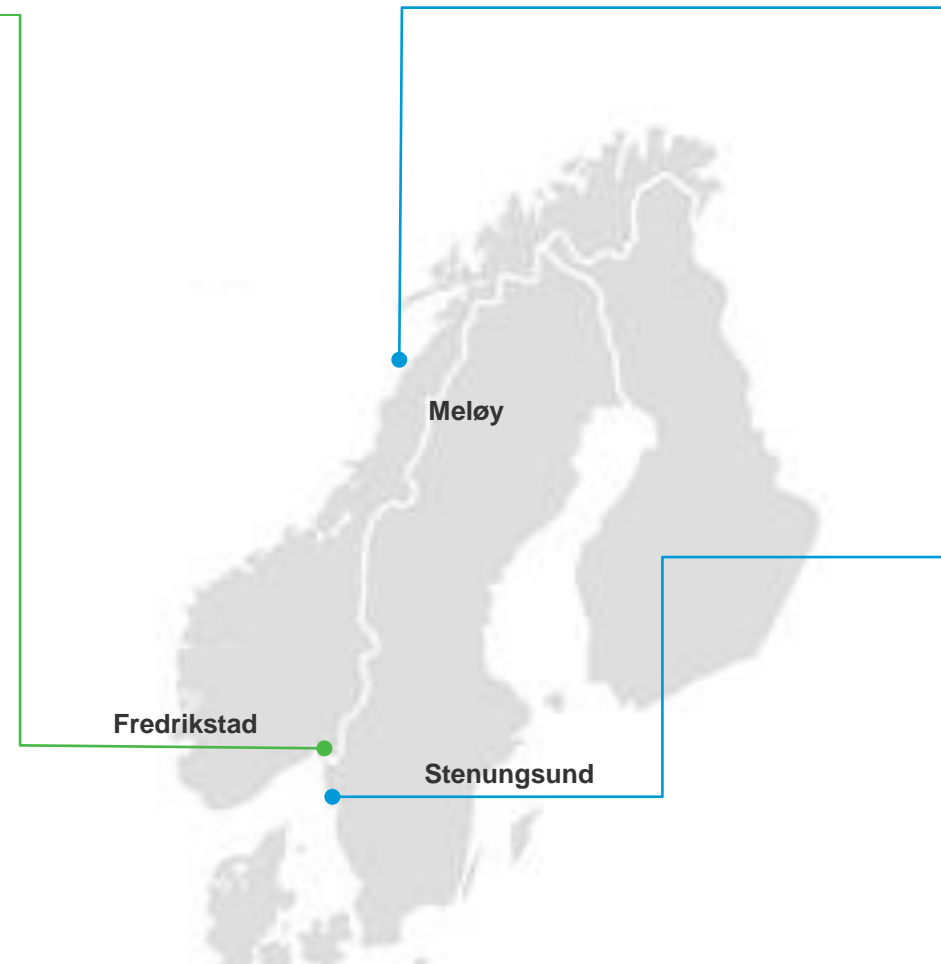
Recent acquisitions adds existing production, in addition to know-how and competence

**Pronofa**




**Partnership providing**

- Food safety programs and quality systems
- Access to value chain and competence/labs
- Market access and partnerships
- Smart capex with rapid scale-up



**Ecoprot - Insects**



**First industrial plant**

- Unique position to fish farming industry
- Highly competent staff
- Plant in production

**Marine Feed - Marine**



**MARINE FEED**

- Competent Management
- Several years of production experience
- Pilot plant in operations



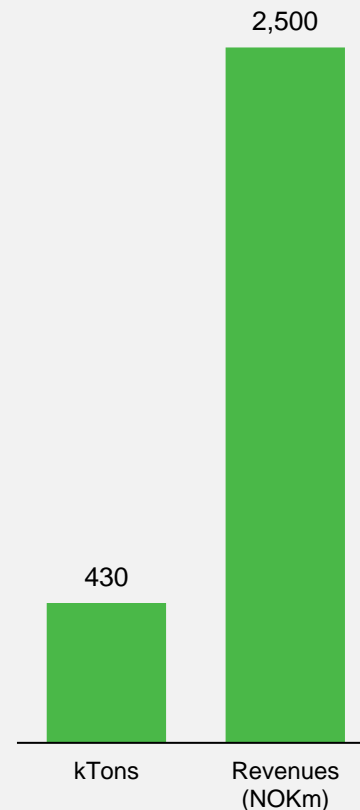
# Partnership with Denofa brings a strong industrial foundation

Established feed processor backed by a global leading protein producer

## Location



## Tons and revenue (2021)



## Platform of relevant resources to draw upon



- 100+ years of industrial development within food and feed processing
- Strong market access built since inception



- Industrial infrastructure and logistics chain in place
- Established global network of partners and customers



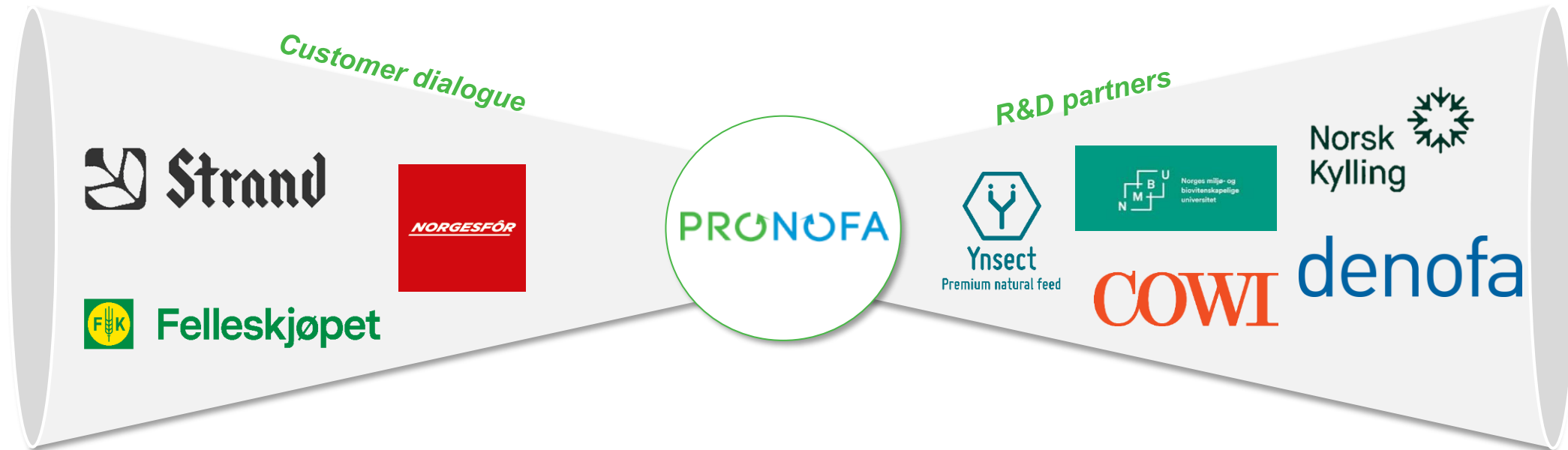
- 75+ highly skilled and competent employees
- 24/7 operations system will be used to monitor and operate Pronofa



- Sustainability strategically embedded
- Vast experience in quality management and food safety

# R&D partners and customers

Strong indications from customers that they want to buy all output from Pronofa's production depending on successful feed trials

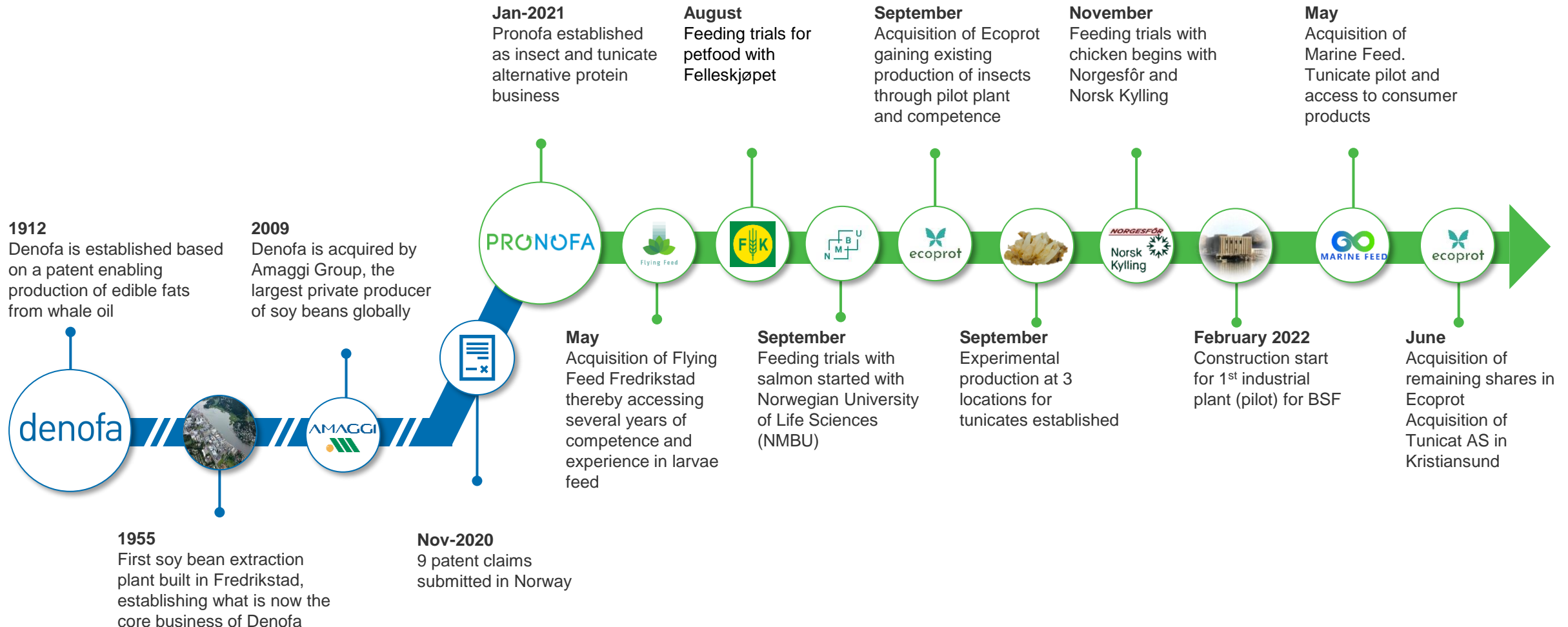


- LOI signed with Norgesfôr/Strand Unikorn, Norsk Kylling and NMBU for feed development and feed trials based on larvae ingredients. The same partners are also in discussions for tunicate nutrients
- We are contemplating details around a potential collaboration with Ynsect related to production facilities based on mealworms for products towards the food market.
- Testing and dialog with potential fertilizer customers

*Strong interest from industrial partners for Pronofa's insect and tunicate products*

# Highly active business development and R&D pipeline executed

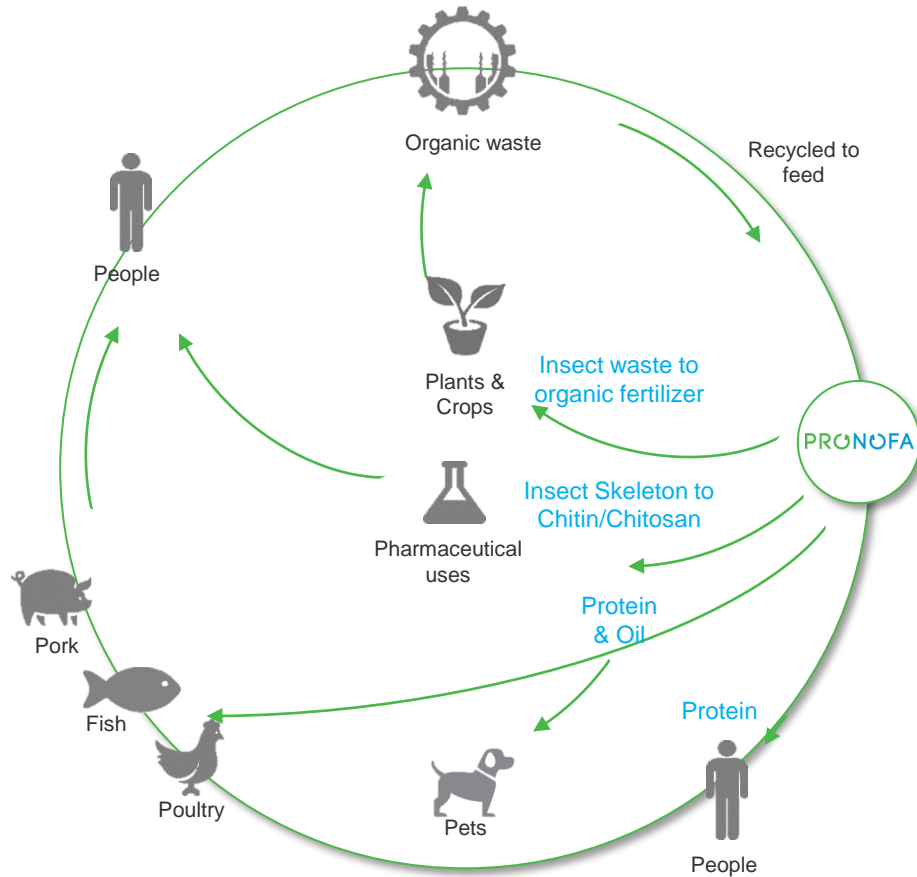
Pronofa is actively pursuing business development through R&D-partnerships and M&A with an additional pipeline of ongoing processes





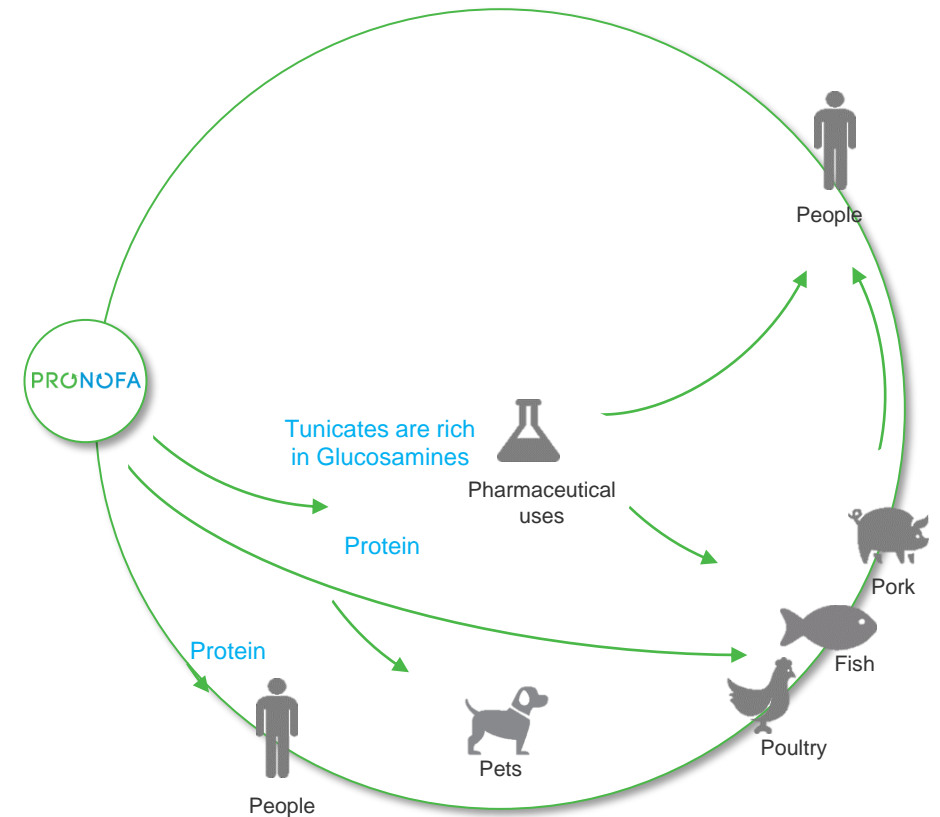
# Pronofa - sustainable insect and marine nutrients

## The Insect Circular Model



## The Marine Tunicate Circular Model

*Tunicates grow naturally on abundant ocean minerals and clean the ocean in the process*



*Health and Nutrition for Humans, Animals and Plants*

# Pronofa is on-track with operational development

## Insects - industrial pilot driving development

- Pronofa's first industrial pilot for BSF (Black Soldier Fly) is being constructed to test and develop (i) the optimal biological environment and (ii) industrial automation and processing equipment
- The facility will start operations during Q3 2022 and produce larvae and fertilizer. When completed (H1 2023) the plant will produce all "BSF products"
- The plant will allow for testing and adjustments to ensure optimal production and reduce operational risk and capex when Pronofa scales up
- Scale up of BSF on track and expected during H2 2023 with first full scale plant operational from ~H2 2024
- Testing of BSF products going as planned with R&D partners as well as potential customers
- Pronofa is in dialog with other alternative nutrient companies, such as Ynsect, for further growth opportunities

*Industrial pilot will yield reduced operational and financial risk*

## Marine tunicates – developing industrial solutions

- Pronofa is working with various partners on cultivation and has production at 4 sites in Norway (3) and Sweden (1)
  - Cultivation solutions and techniques being tested to understand and optimize growth
- The sites will test different equipment and technology for optimizing maintenance, harvesting and processing solutions
- Acquisition of Marine Feed adds expertise within biology/cultivation, as well as experience within developing tunicate nutrients towards both the feed and consumer market
- Cultivation and equipment testing during 2022 will yield development direction for upscaling in 2023
- Tunicate products ready for consumer market. R&D partners as well as potential customers ready to test tunicate meal
- Pronofa is in dialog with additional partners

*In process for creating industrial scale solutions*

# Insect farming creates valuable products from organic waste

## Efficient and sustainable production...

### Substrate access

- Substrate availability in Norway mapped via COWI Consulting. Dialog established with potential substrate suppliers
- Nutrient properties for various substrates monitored and analysed to optimize growth

### Egg/genetics

- 5% of larvae are kept for reproduction through selection
- Each fly lays up to 900 eggs
- 1 g egg turns into 2.4 kg protein in 18 days

### Production & processing

- Eggs hatch to larvae in 4-5 days
- Extract fatty acids, amino acids and make organic fertilizer of the rest
- No waste production

### Sales and distribution

PRONØFA  
denofa

## ...yielding high value products

### Protein Meal



~12.5% of output

**Feed ingredient for pet food, fish and poultry feed**

- ✓ 50% protein content
- ✓ High content of amino acids
- ✓ Anti inflammatory effect

### Oils



~12.5% of output

**Potentially a good source to EPA, DHA**

- ✓ Flexible composition depending on substrate
- ✓ Anti-microbiological activities against enveloped viruses and bacteria

### Organic Fertilizer



~70% of output

**Organic fertilizer with anti-inflammatory effect**

- ✓ Improves soil health and resilience
- ✓ Anti micro biotic effect with protection against fungus and other diseases
- ✓ Applicable to organic agriculture

### Chitin / Chitosan

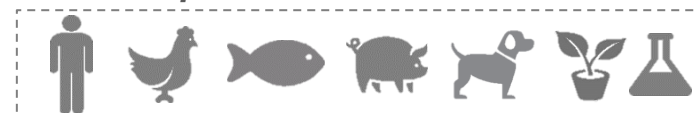


~1.7% of output

**Multiple applications in pharma industry**

- ✓ Sustainable alternative to chemical pesticides

### Improved Health and Nutrition





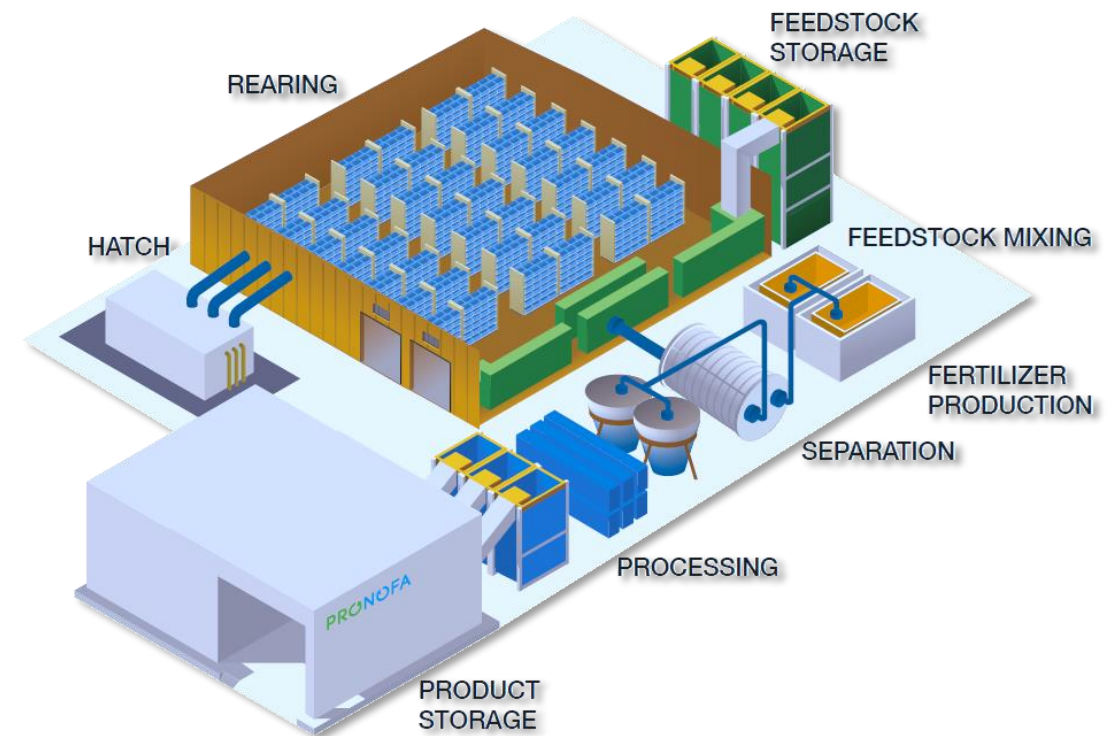
# Industrial pilot paving way for future scaling

## Construction of first industrial BSF pilot at Meløy – expected completion H1 2023

### Denofa and Pronofa expertise driving testing and development of technology and equipment - (new industry = no turn-key solutions)

- Environmental control of hatch & rearing zones in order to maximize yield and quality parameters (biology).
  - Testing three solutions (two internal developed and one external)
- Substrate: high focus on testing; mapping and sourcing on-going
  - Discussions with many potential providers; discussions with government agencies for regulation of new substrate types
- The plant will have a high degree of automation and robotization
  - Automation and rearing solutions being developed and purposed built with local partner utilizing Denofa/Pronofa expertise
- Discussions with several renowned manufacturers for processing and separation machinery:
  - “Standard” equipment that needs correct specifications for input/output. Denofa’s technical competence driving solutions
- The plant will allow for testing of biology and larvae production from Q3 2022 and full production and testing of all products from H1 2023

Plant illustration – 1000 MT capacity when completed



*Optimizing and testing plant setup to enable efficient production and reduce future risk & capex when upscaling*

# Tunicates - a sustainable source of marine nutrients

## Tunicates can provide valuable consumer products...

Global drive for sustainable alternative nutrients amongst corporates and consumers.

Tunicates have a high protein and omega-3 fatty acid content making it a sustainable and healthy protein alternative. Tunicates are also rich in glucosamines which have pharmaceutical applications.

Pronofa's acquisition of Marine Feed has positioned the company towards the food/consumer market. Initial products include marine meat and taste enhancers.



**High Protein  
content**

**High in Omega-  
3 fatty acids**

## ...and be a potential gamechanger in the feed industry

Global drive for sustainable alternative nutrients in the feed industry.

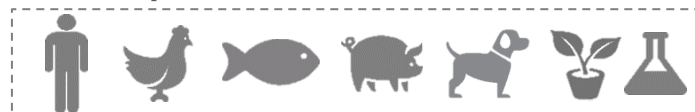
More than 90% of fish stock are fully exploited/overfished. Demand for replacing overfished raw material sources with highly sustainable marine tunicates in feed

Test with Marine Feed have shown that tunicate meal is directly applicable to replace 50% of the 6m ton fishmeal market.

Animal feed made from tunicates is approved for pork, poultry and pets.



## Improved Health and Nutrition

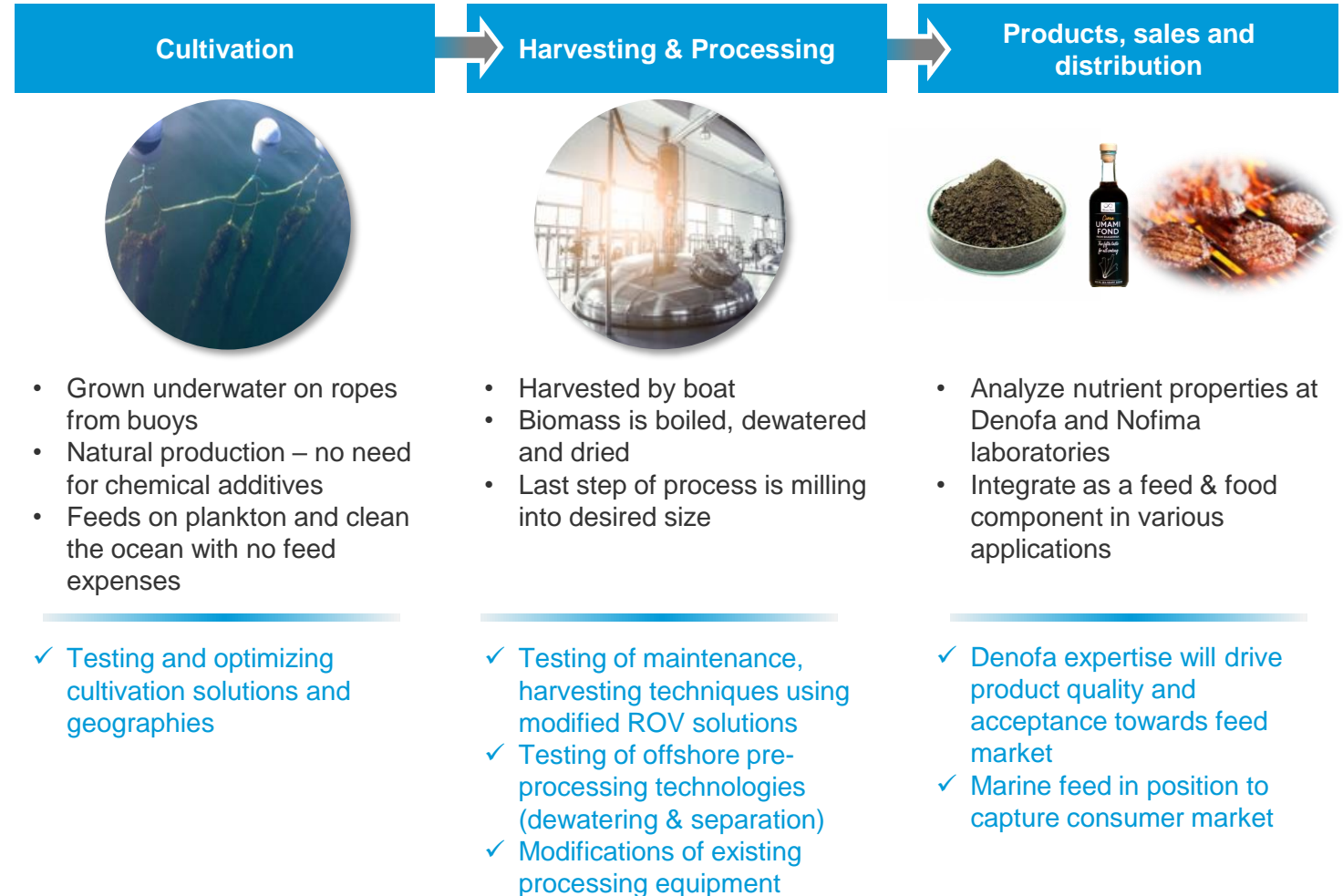


# Pronofa has a clear strategy to industrialize the tunicate industry

## Pronofa on track to industrialize tunicate marine nutrients

### Denofa and Pronofa expertise driving development. Marine Feed to add to existing capabilities

- 4 sites in Norway and Sweden with partners to develop cultivation solutions and improve biology understanding:
  - Various cultivation solutions being tested - nets, distance, depth, temperatures and geographies
  - Plan for increased volumes through farming and licenses ongoing
- Testing several equipment and technology solutions for maintenance, harvesting and processing
  - Modification of existing equipment for aquaculture and other industries in process
- Cultivation and equipment testing during 2022 will yield development direction for industrial upscaling in 2023 and beyond
- Pronofa is reviewing Marine Feed's business plan to accelerate scale-up





# A global drive towards sustainable food and nutrients

## Global trends are driving change...

1 Agriculture and food industry integration

2 Dietary shifts

3 Reduce GHG emissions

4 Zero waste and circular economy

5 Water scarcity

6 Improved soil health

Digital and  
technology  
revolution in  
farming, food  
production  
and food  
supply chain



### EU Green Deal 2030 ambitions

- Reduce nutrient losses
- Organic farming and sustainable farming models
- Food waste reduction and sustainable diets
- Reduction of chemical pesticides

### USDA Ag Innovation Agenda

- Cutting environmental footprint of US farmers in half by 2050
- Increase agricultural production by 40 percent

## ...with governments and corporates committed to transformation

### Working towards “Net Zero” by 2050



*A rapidly growing global population will put further pressure on agriculture – 60% more food needed by 2050 with limited resources*

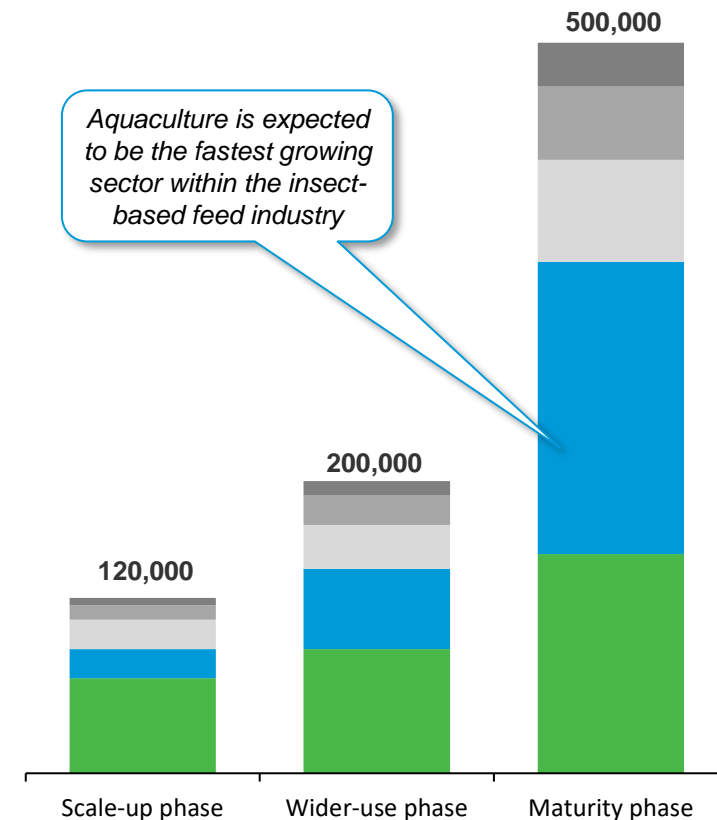
*20% of GHG emission from agriculture, forestry and land use changes*

# Products capture growth across multiple industrial segments...

## Insect protein market is growing in all sectors...

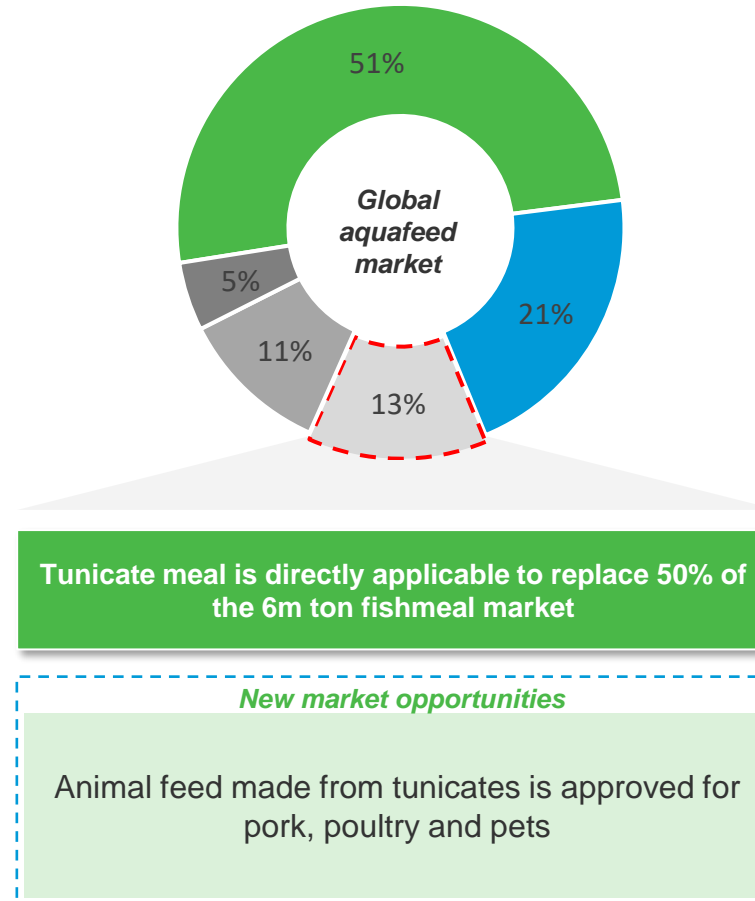
■ Pet food ■ Aquaculture ■ Poultry - Layers ■ Poultry - Broilers ■ Piglets

million tons



## ...and tunicate fishmeal target a large market...

■ Veg meal ■ Veg oil ■ Fish meal ■ Fish oil ■ Avian meal



## ...with sought after properties



### Profitable

Cheaper compared to traditional fishmeal and plant-based feeds



### Amino acids

Outperform the amino acid profile of plant-based soy



### Omega 3

Insect feed has a natural high level of the highly desirable omega 3 acid



### Protein

Natural high level of digestible insect protein in insect larvae



### Efficient

Insect farming is among the highest sources of protein output per land used

# ...with additional potential through consumer products

## Pronofa is actively looking into food grade production

### Food products strategy

- Through the acquisition of Marine Feed, Pronofa will enter the consumer market. Several regions in the world utilize tunicates as food
- BSF is currently not approved for food, but is expected to be so in the future
- Plan to maintain a population of mealworms in addition to BSF in pilot production. Mealworms are approved for human consumption
- Pragmatic look at insect production by utilizing the organisms which best serves the market, substrate availability and generate the most attractive returns

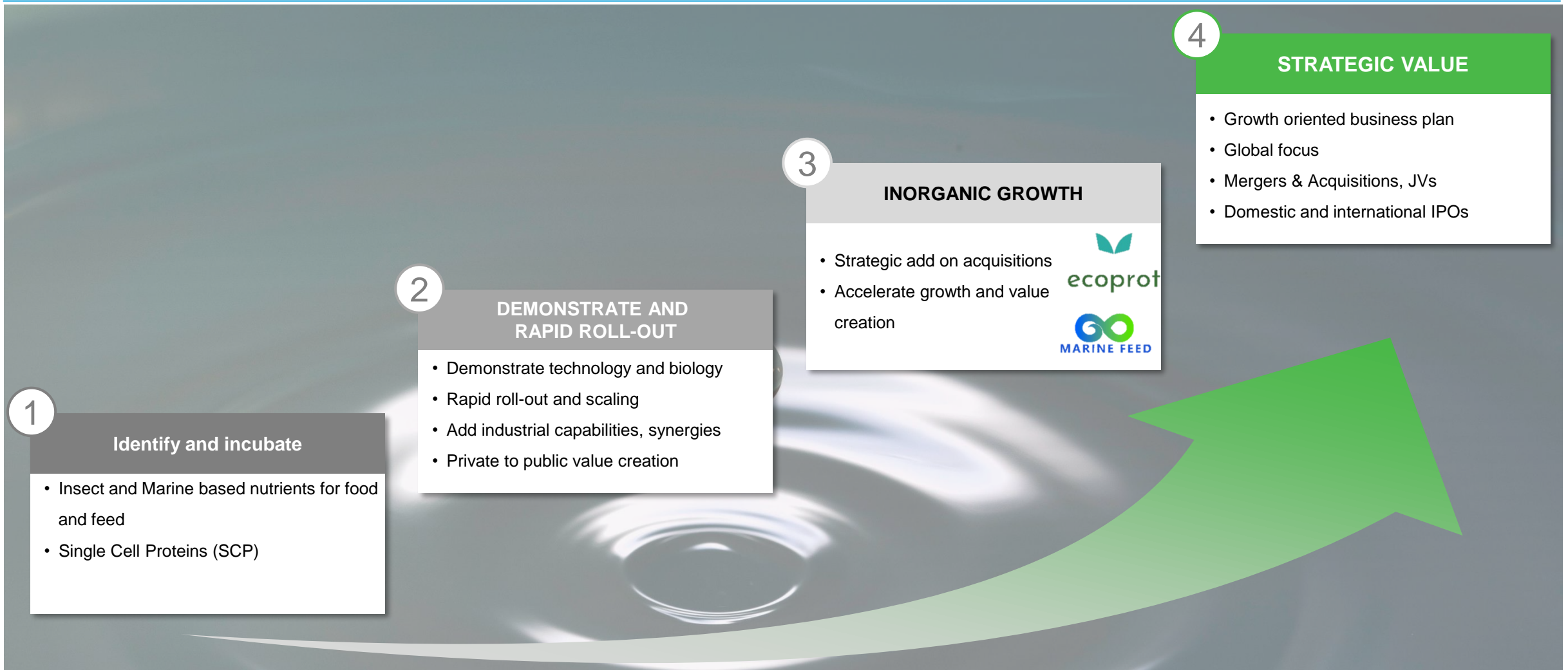
## Example food grade products





# Rapid value creation and smart scaling

Incubate, rapid build out and smart add on acquisitions for accelerated growth



# Clear investment strategy to full commercialization

On track for ramp-up and commercialization

2021-2022

2022-2023

2024-2025



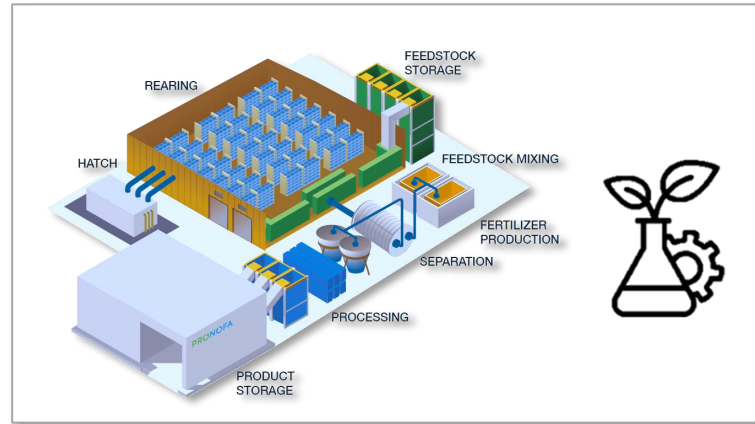
## Pilot production



- R&D center established in Fredrikstad
- Continued insect pilot plant production for substrate and feed trials
- First tunicate pilot site established
- Large expanded pilot in Meløy at Ecoprot



## Ramp-up



- Construction and ramp-up of industrial scale insect and tunicate facilities
- First delivery of insect nutrients (animals & plants) and tunicate nutrients (human)



## Commercialization



- Full scale production with 80,000 ton larvae produced
- 50,000 ton tunicate meal annually
- Production of various nutrients for humans, animals and plants

# Highlights

- 1 Leader in sustainable alternative nutrients for humans, animals and plants
- 2 Sustainably produced nutrient-dense proteins solving several global challenges
- 3 Strong industrial foundation through partnership with Denofa
- 4 Rapid value creation scaled with low capex and efficient production methods
- 5 Large demand from several industries supported by feed trials with key partners
- 6 Platform of industry leading competence established through M&A and strong partnerships

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# Sustainable alternative nutrients for humans, animals and plants

## *Mission*

*Building a leader in sustainable insects  
and marine nutrients*

High  
Demand

Smart  
Capex

Industrial  
backing



# Agenda

Highlights

Company and Strategy update

**Financials**

# Pronofa – financial summary

## Strong financial position with conservative cash burn

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### Solid financial position

- Q2 2022 ended with a cash balance of NOKm 160
  - Solid cash position through private placements raising ~NOKm 200 in net proceeds (NOKm 210 in gross proceeds)
  - Pronofa seeks to maintain a solid liquidity reserve, by proactively planning and diversifying sources of funding going forward (i.e. soft funding/grants etc)
  - No interest-bearing debt
- 

### Conservative approach to use of capital

- Pronofa has had a lower cost base than initially budgeted
  - Moderate cost base from utilizing Denofa expert resources at an on-demand basis - very cost efficient
  - Capital has primarily gone towards company development and R&D
  - M&A transactions have been done primarily through issuing stock plus growth capital injection after completion of acquisition
- 

### Limited committed CAPEX

- For the insect business, committed capital is geared towards the development of the industrial pilot
- The tunicate business currently has committed capital towards Marine Feed

# Pronofa – Profit & Loss

## Consolidated Group figures 30.06.2022

NOK	2021	Q1 2022	Q2 2022	H1 2022
Revenue	21,681	16,467	17,632	34,099
Other operating income	61,539	22,096	28,253	50,349
<b>Total revenue</b>	<b>83,220</b>	<b>38,563</b>	<b>45,885</b>	<b>84,448</b>
Raw materials and consumables used	57,327	10,397	49,681	60,077
Salaries and personnel expense	1,088,616	887,408	1,969,293	2,856,701
Depreciation and amortization expense	260,392	171,550	173,530	345,080
Other operating expense	8,366,162	5,459,607	5,177,553	10,637,159
<b>Total operating expenses</b>	<b>9,772,496</b>	<b>6,528,961</b>	<b>7,370,057</b>	<b>13,899,018</b>
<b>Operating profit</b>	<b>-9,689,275</b>	<b>-6,490,398</b>	<b>-7,324,172</b>	<b>-13,814,570</b>
Interest income	85	14,526	-	14,526
Other financial income	4,030	5,575	4,243	9,818
<b>Total financial income</b>	<b>4,116</b>	<b>20,101</b>	<b>4,243</b>	<b>24,344</b>
Interest expense	-22,223	-6,292	-5,986	-12,278
Other financial expense	-	-10,783	-163,365	-174,148
<b>Total financial expense</b>	<b>-22,223</b>	<b>-17,075</b>	<b>-169,351</b>	<b>-186,426</b>
<b>Profit before income tax</b>	<b>-9,707,383</b>	<b>-6,487,372</b>	<b>-7,489,280</b>	<b>-13,976,652</b>
Income tax expense	-	-	-	-
<b>Net profit /(loss) for the year</b>	<b>-9,707,383</b>	<b>-6,487,372</b>	<b>-7,489,280</b>	<b>-13,976,652</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive (loss) for the year</b>	<b>-9,707,383</b>	<b>-6,487,372</b>	<b>-7,489,280</b>	<b>-13,976,652</b>

## Comments

- Conservative cost base consisting mainly of administration and R&D costs



# Pronofa – Balance Sheet

## Consolidated Group figures 30.06.2022

Amounts in NOK	31/12/21	31/03/22	30/06/22
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3,824,343	5,017,598	8,353,751
Research and development	1,866,667	1,766,667	18,127,131
Right-of-use assets	699,240	651,238	603,236
Goodwill	1,968,218	1,968,218	26,064,772
<b>Total non-current assets</b>	<b>8,358,467</b>	<b>9,403,720</b>	<b>53,148,890</b>
<b>Current assets</b>			
Inventories	236,416	236,416	236,416
Accounts receivable	-	-	208,413
Other receivables	5,722,768	5,604,848	6,347,470
Cash and bank deposits	47,019,299	181,692,308	160,068,390
<b>Total current assets</b>	<b>52,978,483</b>	<b>187,533,572</b>	<b>166,860,689</b>
<b>Total assets</b>	<b>61,336,950</b>	<b>196,937,292</b>	<b>220,009,579</b>

- Change in cash primarily from acquisition of Marine Feed AB, Tunicat AS and operations

Amounts in NOK	31/12/21	31/03/22	30/06/22
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	1,000,000	1,553,846	1,612,912
Other paid in capital	55,827,164	197,494,331	219,471,832
Retained earnings	-9,444,426	-16,245,448	-25,854,712
Minority Interests	4,859,573	4,579,755	-
<b>Total Equity</b>	<b>52,242,311</b>	<b>187,382,484</b>	<b>195,230,032</b>
<b>Non-current liabilities</b>			
Borrowings	-	-	1,118,527
Lease liabilities	522,091	474,846	427,738
Deferred tax	-	-	3,553,000
Provisions	-	-	5,100,000
<b>Total non-current liabilities</b>	<b>522,091</b>	<b>474,846</b>	<b>10,199,264</b>
<b>Current liabilities</b>			
Trade and other payables	8,234,216	8,737,738	13,610,935
Lease liabilities	184,749	186,435	187,567
Public duties payables	153,583	155,790	781,780
<b>Total current liabilities</b>	<b>8,572,548</b>	<b>9,079,963</b>	<b>14,580,283</b>
<b>Total equity and liabilities</b>	<b>61,336,950</b>	<b>196,937,292</b>	<b>220,009,579</b>

# Pronofa – Cash flow statement

## Consolidated Group figures 30.06.2022

Amounts in NOK	2021	Q1 2022	Q2 2022	H1 2022
<b>CASH FLOW FROM OPERATIONS</b>				
Profit before income taxes	-9,707,383	-6,407,364	-7,569,288	-13,976,652
Depreciation, intangible and fixed assets	260,392	171,550	173,530	345,080
Net interest expense	22,137	6,292	5,986	12,278
Change in accounts receivable	-525	-	-	-
Change in inventory	-28,560	-	-	-
Change in accounts payable	10,956	-	-	-
Change in other accruals	2,064,417	-79,085	4,836,819	4,757,734
<b>Net cash flow from operations</b>	<b>-7,378,566</b>	<b>-6,308,607</b>	<b>-2,552,953</b>	<b>-8,861,559</b>
<b>CASH FLOW FROM INVESTMENTS</b>				
Purchase of fixed assets	-602,435	-1,187,544	-2,589,375	-3,776,919
Investments in subsidiaries net of cash acquired	-1,702,674	-	-16,316,571	-16,316,571
<b>Net cash flow from investments</b>	<b>-2,305,109</b>	<b>-1,187,544</b>	<b>-18,905,946</b>	<b>-20,093,490</b>
<b>CASH FLOW FROM FINANCING</b>				
Proceeds from capital contributions	56,827,165	142,221,012	-113,058	142,107,954
Lease payments for the principal portion of lease liability	-102,054	-45,560	-45,976	-91,536
Interest payments	-22,137	-6,292	-5,986	-12,278
<b>Net cash flow from financing</b>	<b>56,702,973</b>	<b>142,169,160</b>	<b>-165,019</b>	<b>142,004,141</b>
<b>Net changes in cash for the period</b>	<b>47,019,298</b>	<b>134,673,009</b>	<b>-21,623,918</b>	<b>113,049,092</b>
Cash and cash equivalents IB	-	47,019,299	181,692,308	47,019,299
<b>Cash and cash equivalents OB</b>	<b>47,019,299</b>	<b>181,692,308</b>	<b>160,068,390</b>	<b>160,068,390</b>

## Comments

- Conservative cash use
- Solid financial position post private placements in 2021 and Q1 2022



# Agenda



## Appendix

# Shareholder overview as of August

## Shareholders as of August 2022

Number	Shareholder	Shares	%
1	DENOFA AS	20,070,511	29.86%
2	KREANO AS	6,570,511	9.78%
3	REITAN KAPITAL AS	6,474,360	9.63%
4	CANICA AS	6,474,357	9.63%
5	SIX-SEVEN AS	6,250,000	9.30%
6	MACAMA AS	3,423,081	5.09%
7	FARVATN PRIVATE EQUITY AS	2,447,408	3.64%
8	LANI INVEST AS	1,250,000	1.86%
9	GODTHÅB HOLDING AS	1,164,746	1.73%
10	HORN, HANS HERMAN	917,325	1.36%
11	N-RESEARCH AB	903,070	1.34%
12	ANDERSEN HOLDING AS	843,335	1.25%
13	SINKABERGHANSEN AS	769,230	1.14%
14	ROMAR INVEST AS	765,625	1.14%
15	ARILD STEN LARSEN AS	753,095	1.12%
16	DOMAREN I GÖTEBORG AKTIEBOLAG	734,615	1.09%
17	SALTHAVN AS	615,384	0.92%
18	The Bank of New York Mellon	536,000	0.80%
19	NORUS HOLDING DATTER AS	530,000	0.79%
20	HAAS AS	517,965	0.77%
<b>TOP 20 SHAREHOLDERS</b>		<b>62,010,618</b>	<b>92.27%</b>
<b>TOTAL SHARES</b>		<b>67,204,662</b>	<b>100.00%</b>

## Comments

- The largest shareholder is industrial partner Denofa with 30% of the shares
- Chairman Bjørge Gretland holds ~10% of the shares through Kreano AS
- Board member Haakon Sæter holds ~9% of the shares through Six-Seven AS
- CEO of Marine Feed Fredrik Norèn holds ~1.3% of the shares through N-Research AB
- Founders of Ecoprot AS hold ~1% of the shares though Romar Invest AS



# Core team backed by a complementary Denofa team

Denofa provides services from its technical, financial, quality and food safety teams to support rapid development



Hans Petter Olsen

## CEO

- CEO Denofa AS & Pronofa ASA
- Former CEO at Jackon Scandinavia
- Army officer for 16 years
- Graduate of the Norwegian Army Military Academy and education in IT and economics



Hans Jørgen Torgersen

## CTO / COO

- Former technical manager at Sykehuset Østfold HF and Forlagssentralen
- Former engineer at Goodtech AS, ABB and Prediktor AS
- Engineer, Automation from Østfold University (HiØ)



Magnus Petersen

## Project Manager Tunicates

- MSc in Aquaculture biology
- Master thesis on Tunicates: *"Feeding response to fish feed diets in Ciona Intestinalis; Implications for IMTA (Integrated multi-trophic aquaculture)"*



Gato Halsaa

## CFO

- Former Investment Director at Kistefos AS
- Former partner at Attivo, Pareto Securities and Medici Corporate
- B.S. in Finance from San Diego State University



Per Christian Olsen

## Head of Sales & Marketing

- Former Country Manager for Hansgrohe
- Former CEO for Ecoconsult AS, Division Manager for Ventistål AS and Marketing and Development Manager for Blåklåder
- MBA from BI Norwegian Business School



Fredrik Norèn

## CEO Marine Feed

- Founder of Marine Feed (2017). Former consultant for IVL – Swedish Environmental Research Institute
- PhD in Marine Biology and Marine Ecology from the University of Gothenburg



Hege R. Ødegaard

## R&D director Denofa AS & Pronofa ASA

- Director Quality & Sustainability Denofa
- Biochemical laboratory Scientist
- MSc Food Scientist



Asbjørn Torrissen

## EcoProt

- Co-founder of EcoProt
- 3 years of R&D and production of insect larvae for application in salmon feed
- More than 40 years experience from the aquaculture industry



Ole Torrissen

## EcoProt

- PhD in Nutritional biology
- Co-founder of EcoProt
- 40 years experience from Institute of Marine Research
- 3 years of R&D and production of insect larvae for application in salmon feed
- Professor bioscience at University Tromsø

# Strong board with extensive and broad competence

## Board of Directors



### Chairman

- Venture capital, M&A and capital markets - food and sustainable tech
- Master Economics and PhD strategy and finance



### Board member

- Broad experience from investments and capital markets
- Sustainable tech investments
- Education from Oslo Business School (HA)



### Board member

- CFO Denofa AS
- MSc Business Administration
- Extensive experience from audit, transactions and advisory in public interest companies



### Board member

- Director Quality & Sustainability Denofa
- Biochemical laboratory Scientist
- Msc. Food Scientist



### Board member

- CEO Jackon
- MSc Business Administration
- Extensive experience from top level financial positions in industrial and shipping companies



### Board member

- Director Sustainable Innovation at Norsk Kylling
- MBA in Strategy and Management from NHH



### Board member

- Board Member of Borregaard and Senior Advisor for Orkla Industrial Investments
- Previous CFO of Orkla and CEO of Orkla Investments





# Industrial pilot - construction start

## Construction of Pronofa's first industrial pilot for insects is underway

- During 2021, Pronofa became a majority owner in Ecoprot AS (76%) through an investment in the company. Ecoprot focuses on sustainable nutrients from the BSF. The company is situated on Meløy, Bodø, providing a unique position towards the fish farming industry
- Ecoprot's unique scientific and industrial approach lead to Pronofa's decision to build an industrial pilot at Meløy. Building is now underway and the facility will have an annual capacity of 1.000 metric tonnes. The facility will start operations during Q3 2022 and produce larvae and fertilizer. When completed, the plant will produce all - protein meal, oil and chitin/chitosan as well as ecological fertilizer
- The plant is an important milestone for Pronofa and will provide an industrial scale testing facility. The learning from the plant will help ensure optimal production and reduce operational risk and capex when Pronofa scales up its BSF efforts during H2 2023



# Acquisition of Marine Feed

## Acquisition of Swedish company Marine Feed – strengthening Pronofa’s tunicate operations – Total consideration SEKm 40

- Marine Feed is a leading agricultural biotech company which has focused on Ciona tunicates (sea squirts) since 2012. The company is founded and lead by a dedicated team with long experience within marine biology. The company cultivates tunicates in the fjords by Stenungsund, which have a longstanding tradition within mussel farming
- Animal Nutrition & Health: Marine Feed has through two projects verified the potential of tunicate meal as a feed ingredient in fish, pork and poultry. The company has two ongoing EU projects for developing tunicate meal as fish feed ingredient, which have shown that tunicate meal can replace 50% of traditional fish meal
- Human Nutrition & Health: Through its subsidiary, Marine Taste, the company is also engaged in the consumer food market. Marine Taste will be able to utilize 100% of the tunicate to produce high quality marine meat and umami taste enhancers
- The transaction has a total consideration of SEKm 40 (enterprise value). The transaction is comprised of a payment at closing of SEKm 17.5 in cash and SEKm 15 in Pronofa shares (@ NOK 9.0 per share). The remaining portion will be linked to an earn-out model over 3 years

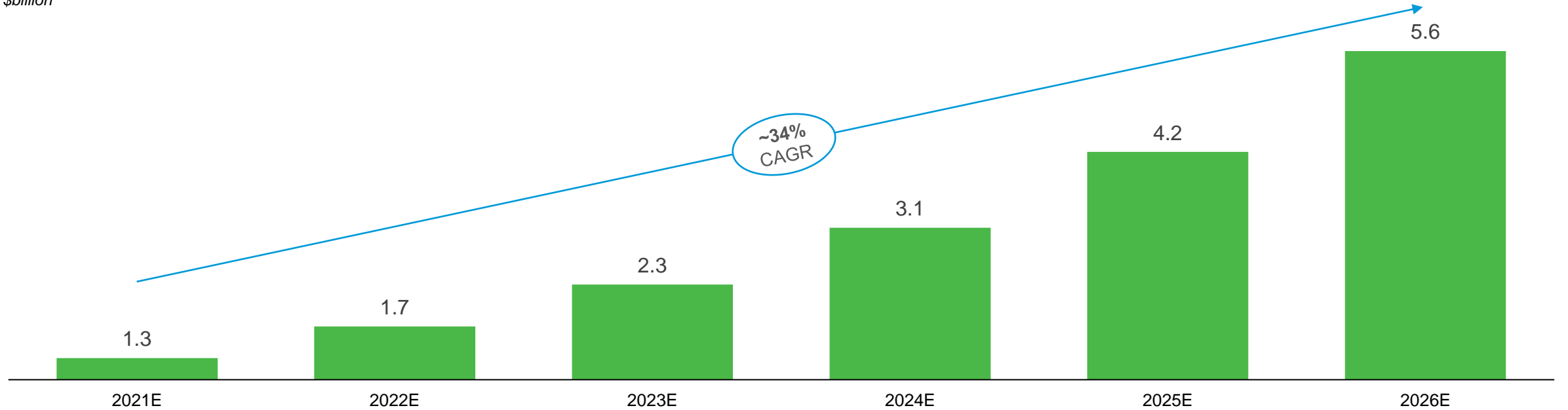




# Creating high-value products from low-value agri-food

Insect market is approaching a \$6bn and rapidly increasing

\$billion



## Supporting trends



### Legislation

Approval of new feedstock & end markets



### Sustainability

Low water consumption, land efficient production and low CO2 emissions



### Capital inflow

Number of investments coming into the sector



### Marketing

Consumer acceptance & new uses of existing products



### R&D

Development of new products & functionalities



PRONOFIA