

NEXTFERM TECHNOLOGIES

Leading The
Alternative Protein Revolution

May 2022



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ABOUT NEXTFERM:

LEADING THE ALTERNATIVE PROTEIN REVOLUTION



Experienced Team in the Food and Food-tech Industry



Breakthrough Technology for Innovative Yeast-based Proteins and Nutrients



ProteVin™ Revolutionary Protein

- Yeast Derived Vegan Protein
- Animal-like Nutritional Value
- Neutral Flavor (unlike typical plants-based proteins)



Commercial Stage Products



Significant Revenue and Profit Potential



ABOUT NEXTFERM – THE TEAM



Experienced Team in the Food and Food-tech Industries

Company management is comprised of former Senior Management of **Enzymotec**, which developed innovative ingredients within the world of nutrition. Enzymotec reached revenues of over **\$80M** and went public (NASDAQ) during 2013, with a market cap of **\$300M**



WORKING TOGETHER FOR OVER 15 YEARS



Yossi Ohana, CFO

Former VP Finance of Enzymotec



Boaz Noy, CEO and Director

Former Sr. VP and Head of the BioActive
Ingredients Division at Enzymotec



Yossi Peled, Chairman

Former Chairman and board member of
Enzymotec and Former CEO of Galam



**Yoni Twito,
COO**

Former COO of Enzymotec



**Arkadiy Haikin,
VP of Engineering**

Former Chief of Engineering
of Enzymotec



**Gai Ben Dror,
VP R&D & Process
Development**

Former VP of Process
Development of Enzymotec



**Elzaphan Hotam
CEO of NextFerm USA**

Former CEO of Enzymotec USA

ABOUT NEXTFERM - TECHNOLOGY



Breakthrough Technology

For producing yeast-derived, innovative, functional vegan food ingredients, based on:

- **Non-GMO** Strain Improvement
- Fermentation Expertise
- Separation and Purification Techniques
- Proven Scale-up Capabilities



BREAKTHROUGH TECHNOLOGY



Yeast Improvement (Patented, Non-GMO)

Improvement of yeast characteristics for either elevated expression of specific metabolites, stress resistance, and yield

Fermentation (Cost-effective)

Process optimization for economical production of the improved strain biomass

Separation & Purification

Development of efficient purification process for obtaining the desired ingredients applicable to food or dietary supplement

Scale-up (from Lab to Industry)

Implementation of the fermentation and purification processes to full production scale

ABOUT NEXTFERM – COMMERCIALIZED PRODUCTS

Commercial Stage Products

ProteVin™: Vegan protein with an animal-like nutritional value and neutral flavor

- **Commercial launch expected H1-2022**
- Successful Industrial Pilot completed
- First POs from US customers

AstaFerm®: Novel & Powerful Astaxanthin Antioxidant
Launched in US & Canada

NextFreeze™ and Biofuel: 2 yeast strains Licensed to **Lallemand Inc.**, a global corporate specializing in yeast and bacteria. Included \$2.75M down payment

protevin™

astaferm®

NextFreeze™

Biofuel

 nextferm

ABOUT NEXTFERM – SIGNIFICANT REVENUE AND PROFIT POTENTIAL



Significant Revenue and Profit Potential

Based on its innovative technology and products developed and commercialized, the company expects significant revenue and profit.



protevin™

The only fermented
vegan protein with
animal like nutritional
value and neutral taste



WHY VEGAN PROTEIN

THE WORLD GOES VEGAN DUE TO THREE REASONS:



Health

Plant based diet
is healthier



Compassion

Decrease animal
suffering



Sustainability

Securing world
natural resources

The growing shift towards vegan nutrition creates an increase in the need for vegan protein sources with better nutritional value that will enable consumers to enjoy vegan nutrition without compromising the joy of food

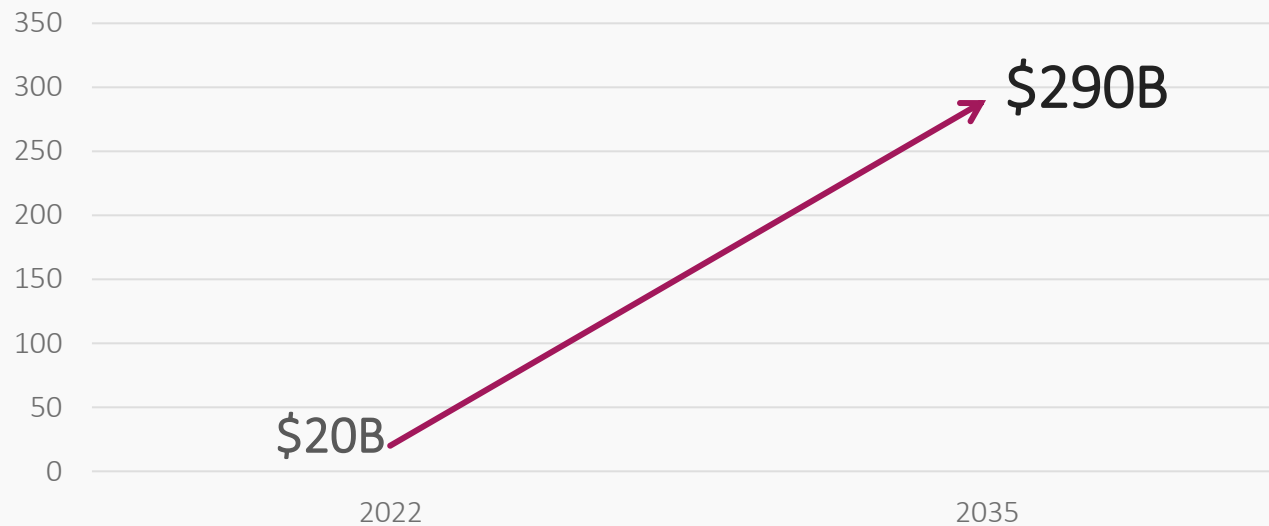
<https://www.un.org/development/desa/en/news/population/world-population-prospects-2019.html>

ALTERNATIVE FINISHED PRODUCTS MARKET IS EXPECTED TO GROW TO \$290B TILL 2035 (*)

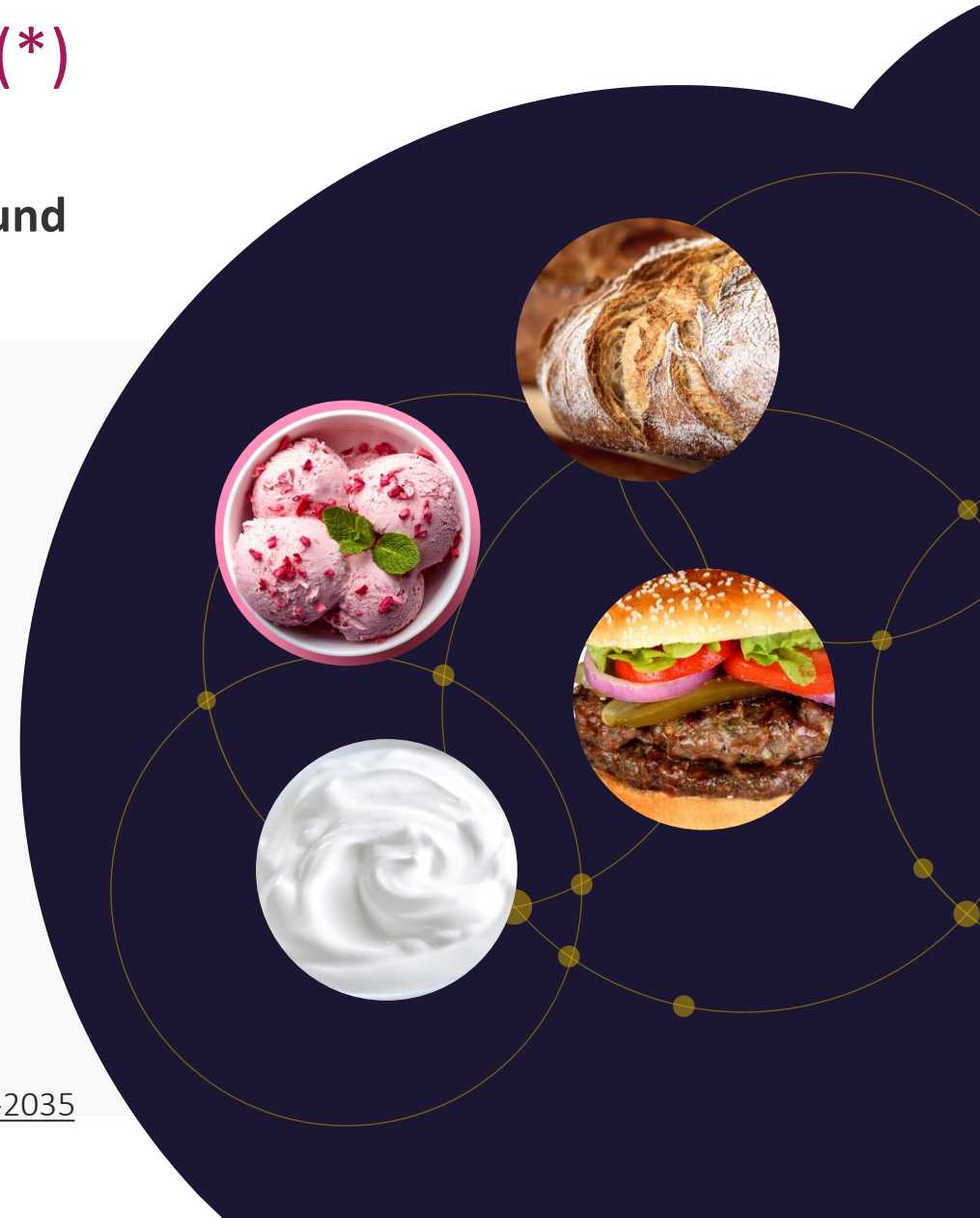
An Analysis by BCG and Blue Horizon :

“Every Tenth Portion of Meat, Eggs, Dairy, and Seafood Eaten Around the Globe Will Be Made from Alternative Proteins by 2035”

Expected alternative market growth



(*) <https://www.bcg.com/press/23march2021-alternative-protein-market-reach-290-billion-by-2035>



ALTERNATIVE PROTEIN B2B MARKET IS EXPECTED TO GROW TO \$50B TILL 2035

17.5% CAGR



(*) Based on Mckinsey report:
<https://www.mckinsey.com/industries/agriculture/our-insights/alternative-proteins-the-race-for-market-share-is-on>

protevin™

Will Lead The
BOOMING

Vegan Protein Market



PROTEVIN™- DISRUPTIVE VALUE PROPOSITION

YEAST DERIVED NON-GMO VEGAN PROTEIN PRODUCED THROUGH INNOVATIVE FERMENTATION PROCESSES

Animal-like nutritional value:

- High level of Essential Amino Acids (53% EAA), Branched Amino Acids (21% BCAA) and 9% Leucine
- Highly digestible protein (PDCAST=1)

Neutral flavor and taste: unlike other typical plant-based proteins or other yeast-based proteins

- Optimal integration in food

Highly sustainable

No allergens or impurities

Regulatory approval



Open for marketing in US, EU and other

Competitive pricing

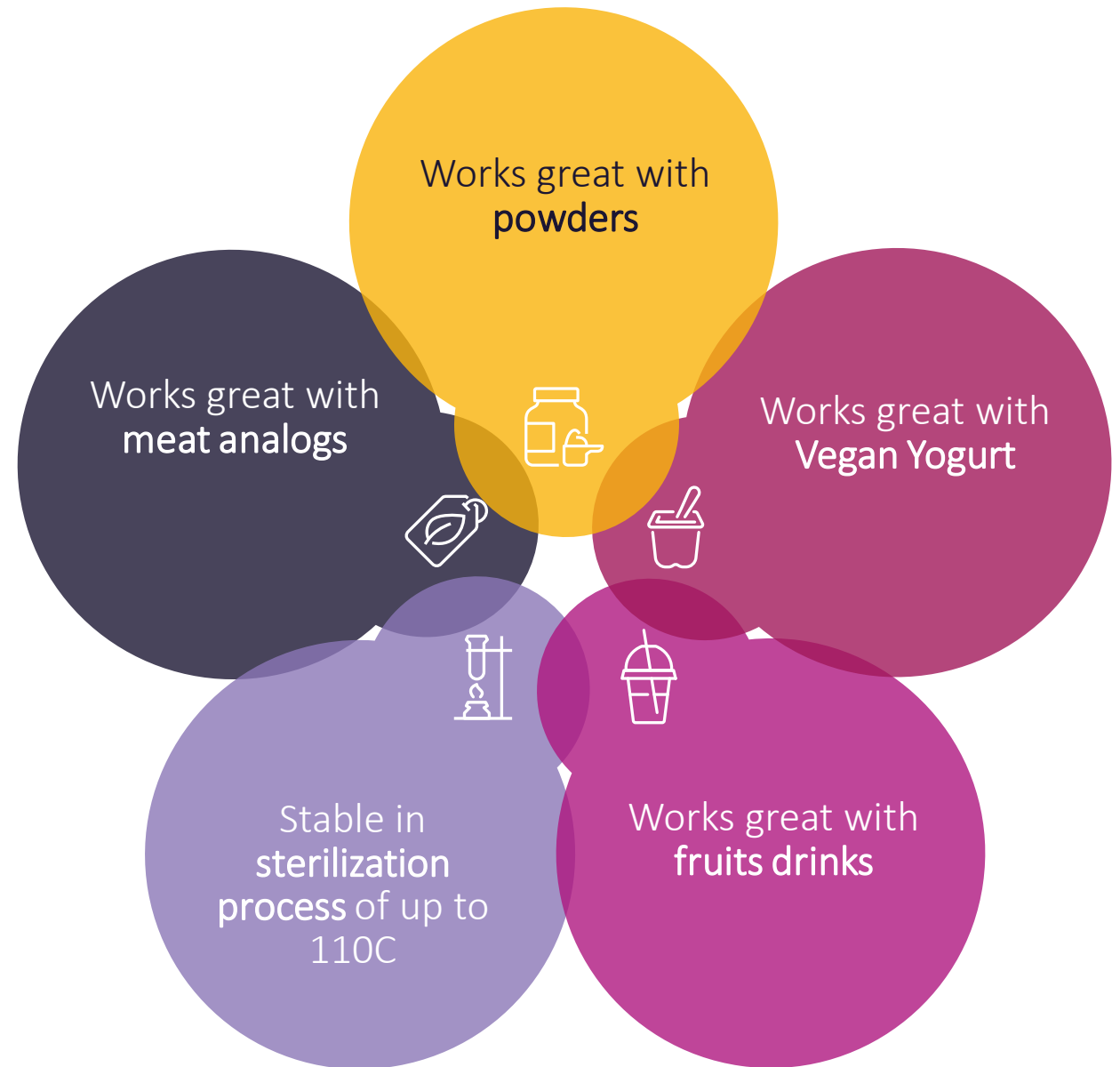


protevin™

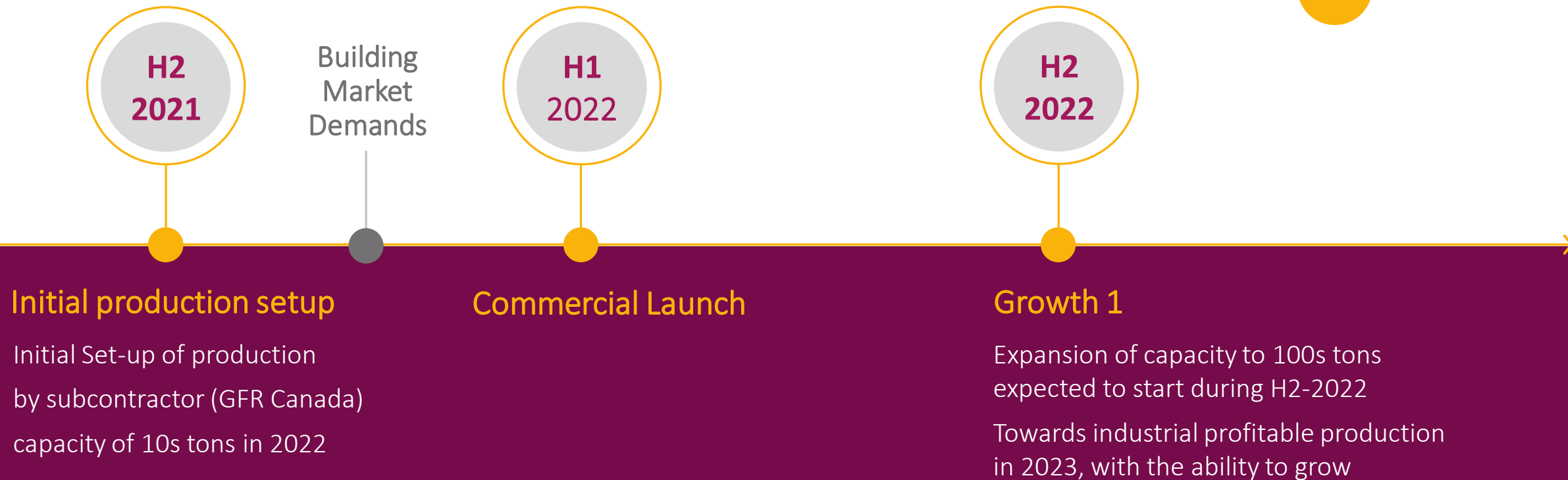
The leading
alternative protein

| Protein Source | | ProteVin™ | Whey | Soy | Pea & Rice Blend |
|---|-------------------------------|-----------|------|-----|------------------|
|  | Vegan Source | + | - | + | + |
|  | Allergen Free / No impurities | + | - | - | - |
|  | Sustainability | + | - | + | + |
|  | Taste & Flavor | + | + | - | - |
|  | Amino Acid Composition (AA) | + | + | - | - |
|  | High Digestibility | + | + | + | - |

PROTEVIN™ MAIN EVALUATION RESPONDS FROM CUSTOMERS AND EXPERTS



PROTEVIN™: OPERATIONAL PLAN



NEXTFERM – ACHIEVEMENTS IN 2021



protevin™

- Successful Industrial Pilot completed
- First POs from US customers
- Engagement with subcontractor



astaferm®

Novel & Powerful Astaxanthin antioxidant

- Launched in US & Canada

Completed Development of:

- Astaferm® Gummy product supporting the immune system
- Cold water dispersible (CWD) powder application
- Sugar reduced (80%) AstaFerm® gummies



PROTEVIN™ KEY GOALS FOR 2022

Operation of first manufacturing facility: With a capacity of tens of tons for 2022, GFR Canada (H1-2022).

Launch in USA: Starting supplying first orders (H1-2022).

Growing market demands: Additional orders, accelerating growth into sports nutrition and food markets by dominant players.

Expansion of production capacity: Reaching industrial and profitable scale of hundreds of tons per year **will start during H2-2022. Industrial production planned for 2023, with the ability to grow.**

Regulatory approval in Israel: Israel is the world's leading country in the transition to vegan nutrition and alternative nutrition and is an important market for the company.

MILESTONES & MARKETING GOALS

2021 Achievements

- ✓ Industrial Scale Pilot Completed
- ✓ First Pos from US Customers
- ✓ Production agreement with subcontractor

Key goals 2022

- Commissioning of GFR initial production line
- Commercial Launch
- Creating Demands
- Growth 1 project
- ProteVin™ regulation IL

ProteVin™ market expansion to new segments and territories



Well-being



Dairy substitutes



Infant Nutrition



Sports' Nutrition



Seniors' Nutrition



Meat substitutes

2021

2022

2022 - 2025

astaferm™

THE STRONGEST ANTIOXIDANT IN
NATURE

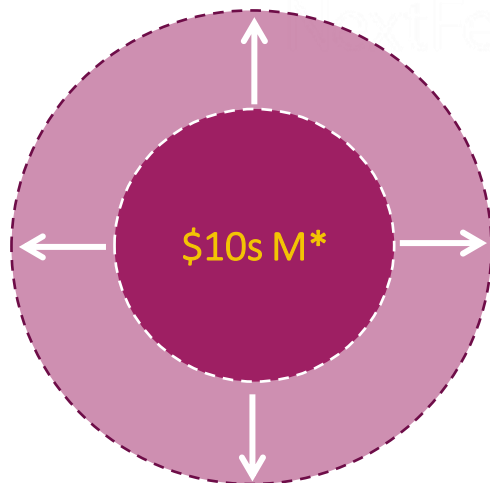
THE ONLY FERMENTED YEAST
BASED ASTAXANTHIN, IS A
GAME CHANGER IN THE DIETARY
SUPPLEMENTS MARKET





YEAST-BASED ASTAXANTHIN THE STRONGEST ANTIOXIDANT IN NATURE

- For the first time, a flavorless & odorless astaxanthin product, with a competitive price
- Enables market growth through expansion of Commercial sales in the USA & Canada
- Profitable and efficient supply chain



- Market potential with user expansion
- Current market (mainly soft-gels)





STATUS & POTENTIAL

Launched in the USA (2020)

By several dietary supplement companies including leading market brands

Business progress (2021)

- Launched in Canada
- Distribution agreement with STUABER, a leading US distributor in the dietary supplement market
- Completed Development of:
 - Astaferm® Gummy product supporting the immune system
 - Cold water dispersible (CWD) powder application
 - Sugar reduced (80%) AstaFerm® gummies

Goals for 2022

- Expansion of marketing activities
- New and recurring POs
- Launch of new developed products



PATENTS AND REGULATION



Patents

- EU: Granted for strain
- Russia: Granted for strain
- Under evaluation in additional territories

PCT filed for Strain
and for process composition

In Process

Regulation

Open for global marketing

Open for marketing in the US
(Self GRAS) and in Canada

Open for marketing in US, EU and
other based on existing baker's
yeast derivatives regulation

FINANCIAL INFORMATION

\$31M Raised (2014-2021)

- Private Placement (December 2021): Raised \$8M
TASE IPO (January 2021): Raised \$11M, Market cap of \$33M
Former Equity Rounds (Private investments): Raised \$12M
- **Cash & Cash equivalents as of March 31, 2022: ~ \$11M**
The Cash will serve the company ongoing activities and production increase from tens to hundreds of tons per year

● Main Investors

Cider Holdings, Orgad, Arancia, Yitong
Merage VC
Phoenix-Excellence



FINANCIAL INFORMATION

| USD in thousands | Q1/2022 | Q1/2021 | 2021 | 2020 |
|--|---------|---------|---------|---------|
| STATEMENT OF OPERATION | | | | |
| Net Revenues | 84 | 82 | 242 | 95 |
| Gross Profit | 13 | 7 | 23 | 19 |
| Operating Loss | (1,467) | (1,090) | (4,467) | (3,056) |
| Adjusted EBITDA (*) | (1,341) | (937) | (4,113) | (2,635) |
| BALANCE SHEET | | | | |
| Cash, cash equivalents and Short term deposits | 10,988 | 9,366 | 13,164 | 716 |
| Working Capital | 8,445 | 6,883 | 10,151 | (4,195) |
| Total Assets | 14,669 | 10,840 | 16,468 | 2,163 |
| Share Capital | 10,174 | 7,140 | 11,674 | (3,927) |
| CASH FLOW | | | | |
| Cash used in operating activities | (1,813) | (956) | (3,823) | (2,976) |
| Cash used in investing activities | (244) | (5,822) | (1,259) | (77) |
| Cash used in financing activities | (56) | 9,742 | 17,504 | 1,761 |

(*) Net profit excluding Interest, taxes, depreciation, amortization and share based compensation

NextFerm - Summary



Winning
technology
platform



Game changing
A vegan protein with
neutral taste & animal like
nutritional value



Alternative protein-
booming market



Leading value proposition
in the global alternative
protein market



Experienced
team



THANK YOU!



For more information:
Yossio@nextferm.com
www.nextferm.com