

RNS Net Asset Value(s)



Net Asset Value calculation to 31 December 2020

AGRONOMICS LIMITED

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("Agronomics" or the "Company")

Net Asset Value calculation to 31 December 2020

Agronomics Limited (AIM:ANIC), a leading London listed investor in alternative proteins with a focus on cellular agriculture and cultivated meat, announces that its unaudited Net Asset Valuation ("NAV") calculation as at closing on 31 December 2020 was **5.56 pence per share**, including un-invested cash of £2.5 million. Net Assets stand at £27.7 million, including investments of £26.9 million. This quarter's NAV per share represents a decrease of 0.8% from the previous quarter's NAV of 5.6 pence per share, which included un-invested cash of £0.3 million. No management fee is due to Shellbay Investments Limited.

The share price of 12 pence at the 31 December 2020 close represents a premium of 115.8% to the NAV per share. Under IFRS, the Company's unquoted investments are carried at cost or the most recent priced funding round valuation of the relevant company, and there have been no such revaluation events in the reported quarter.

Richard Reed, Chairman of Agronomics, commented: -

"Under our valuation policy, it is not possible to reflect significant uplifts between valuation events such as a new third party funding, and therefore the Board believes that the stated NAV per share may not fully represent the current intrinsic value of the portfolio companies given their continuing progress and the comparable valuations we see for these types of companies in this rapidly growing sector. "

Following a successful, oversubscribed, funding round of £10.0 million in October 2020, the Company completed three investments during the quarter. The Company purchased a US\$5 million Convertible Promissory Note ("CPN") from BlueNalu, an existing portfolio company focused on cell-based seafood products. Agronomics currently holds 192,005 shares of BlueNalu with a book value, excluding the CPN investment, of £2,602,456. Assuming the CPN is subscribed in full and a Qualified Financing occurs at a price equal to the agreed valuation cap of the CPN, Agronomics would have an approximate equity interest of 5.85% of issued shares following conversion and would value Agronomics' position at approximately £13.4 million.

In December 2020, Agronomics completed a subscription of US\$ 50,000 in the form of a Simple Agreement for Future Equity ("SAFE") in CellIX Limited ("CellIX"). CellIX is a China-based cellular agriculture company, focussing on cell-based pork and seafood products initially. CellIX was founded in 2020, with the intention of showcasing its first prototypes in 2021. The SAFE will convert at the valuation cap divided by the company capitalisation at the next equity financing, which should give Agronomics an approximate equity ownership of 1.43%.

Agronomics also made a US\$ 2.0 million investment in the form of a Simple Agreement for Future Equity ("SAFE") in SuperMeat the Essence of Meat ("SuperMeat"). SuperMeat's initial focus is on cultivated chicken products, and unveiled its sustainable restaurant experience, The Chicken, in Tel Aviv, Israel, earlier this year, where individuals are invited to taste SuperMeat's cultivated chicken. The SAFE will convert at a price per share reflecting the lower of the valuation cap or at a 25 percent discount to the share price of SuperMeat's next equity round. We expect that upon conversion of the SAFE at the completion of SuperMeat's next equity fundraise and, assuming a pre-money valuation of US\$ 150 million, Agronomics will hold approximately 2.22% of SuperMeat's fully diluted share capital.

A pivotal moment for the field of cellular agriculture occurred in Q4 2020 when Eat JUST's cultivated chicken was approved for sale in Singapore, by the Singapore Food Agency. This is the first cultivated meat product to be approved for sale globally, and signifies that cultivated meat is safe for consumption, and governments are willing to support the sector, especially in order to meet their sustainability targets in the years to come.

	Unaudited to 31 December 2020 £
Fixed Assets	
Investments	26,930,310
Current Assets	
Uninvested Cash	2,506,516
Sundry Debtors	22,269

Current Liabilities

Trade and Other Creditors	(112,338)
Future investment commitment	(1,592,178)
	27,754,579

Capital and Reserves

Share Capital	499
Share Premium	28,864,977
Retained Deficit	(1,110,897)
	27,754,579

Shares in Issue

499,352,475

Net Asset Value per share**5.56 pence**

The quoted investments within the portfolio are valued under IFRS at bid price.

Portfolio Details

Investments as at 31 December 2020	Value (£)	% of Total Portfolio
Quoted holdings	758,256	2.82%
Unquoted holdings	24,579,876	91.27%
Committed future investment	1,592,178	5.91%
Total	26,930,310	100%

About Agronomics

Agronomics is a leading listed investor in alternative proteins with a focus on cellular agriculture and cultivated meat. The Company has established a portfolio of 16 companies at the Seed to Series B stage in this rapidly advancing sector. It seeks to secure a 5-10% initial ownership in technologies with defensible intellectual property that offer new ways of producing food and materials with a focus on products historically derived from animals. These technologies are driving a major disruption in agriculture, offering solutions to improve sustainability, as well as addressing human health, animal welfare and environmental damage. This disruption will decouple supply chains from the environment and animals, as well as being fundamental to feeding the world's expanding population. A full list of Agronomics' portfolio companies is available at <https://agronomics.im/>

About the Cultivated Meat Sector

Funding in the cultivated meat sector is growing rapidly with c US\$ 170 million invested globally between 2016-2019 and over US\$ 270 million already raised in 2020 alone. Additional financings are anticipated as the capital requirements of these companies grows to build out and scale up manufacturing facilities. Currently it is estimated that there are 60 companies globally within the sector. AT Kearney, a global consultancy, has predicted that Cultivated Meat's market share of meat consumption will be 35% by 2040.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR'). Upon the publication of this announcement via a Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

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