

Reach Non Regulatory Reach Announcement



Portfolio Company Formo Update

AGRONOMICS LIMITED

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Agronomics Limited ("Agronomics" or the "Company")

Portfolio Company Formo conducts the first ever acceptance study on fermentation-made animal-free dairy

Agronomics, a leading listed company in alternative proteins with a focus on cellular agriculture and cultivated meat, is pleased to announce portfolio company LegenDairy Foods GmbH, trading as Formo, has conducted the first ever consumer acceptance study on precision fermentation-made animal free dairy.

Agronomics co-led Formo's EUR 4 million seed round in December 2019, alongside M Ventures, the corporate venture capital arm of science and technology company Merck. Agronomics currently holds 6.4% equity interest in Formo on a fully diluted basis.

The full announcement is set out below, with no material changes or adjustments:

Real cheese, no animals - More than 70% of consumers want breakthrough cheese in their shopping baskets

- First-ever consumer acceptance study of precision-fermentation-made animal-free dairy
- 71% of respondents willing to buy animal-free dairy cheese, 79% willing to try
- Enthusiasm from the outset will see animal-free dairy go toe-to-toe with conventional dairy in \$240bn cheese market

Berlin and Bath, 24th June 2021 - Precision-fermentation company Formo and the University of Bath co-published the first large-scale study of consumer acceptance for animal-free dairy products. Researchers surveyed 5,054 individuals from Brazil, Germany, India, the UK, and the USA to understand what consumers think of animal-free dairy products.

Precision fermentation is a process that allows specific proteins to be produced via microorganisms. By inserting a copied stretch of cow DNA, microorganisms produce milk proteins. The process is more efficient than using animals to make proteins and avoids the negative side effects of industrial animal agriculture, which is responsible for 18% of all greenhouse gas emissions.

The findings of the study, published in the journal *Frontiers in Sustainable Food Systems*, show that consumers around the world are ready for cheese made from real milk proteins produced by microorganisms. Across countries and age groups, 79% of consumers are willing to try precision-fermentation-derived dairy cheese, with 71% willing to pay for such products. Across dietary preferences, flexitarians showed the highest levels of enthusiasm for these products. "Just as we have seen plant-based milk taking an increasing share of the milk market in recent years, we now see that consumers are ready for a new kind of animal-free dairy cheese product." **Christopher Bryant, PhD, of the University of Bath, said** "Seeing the growing consumer groups of flexitarians and young people driving adoption of animal-free cheese is a big indicator that these products will appeal to consumers far beyond the niche markets of current vegan cheese".

Findings highlighted that consumers understood the big taste improvements over current vegan cheese products, while also showing that consumers across countries recognised the environmental and ethical advantages of animal-free dairy, which causes 85-97% less greenhouse gas emissions than conventional dairy.

"Most cheese lovers think current vegan cheeses are nowhere near the flavour or functionality level that meets their cheese needs." **said Oscar Zollman Thomas, Formo's lead researcher on the project.** "Precision fermentation is allowing us to fundamentally change that and make real cheese without animals involved".

This was reflected in another major finding of the research, that those who currently eat the most cheese were the most likely to want to buy animal-free dairy cheese.

"That finding was explosive because that's always how we've understood the mission: Initiating change not through consumer sacrifice, but rather through delicious, satisfying products" **said Oscar Zollman Thomas.**

"We're hearing loud and clear that consumers are ready to embrace animal-free dairy products", **said Raffael Wohlgensinger, Co-Founder & CEO at Formo**. "There's never been a better time to ask ourselves what we want from our food system and it's now that politicians should support sustainable innovation like precision fermentation. Where the future of food is concerned, fast-moving environments like the US and Singapore are starting to become hubs of innovation, so it's high time politicians here got on board with the potential of alternative proteins through proactive initiatives".

About Agronomics

Agronomics is a leading listed alternative proteins company 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/portfolio/>.

About the Cultivated Meat Sector

Funding in the cultivated meat sector is growing rapidly with approximately US\$ 170 million invested worldwide between 2016-2019 and over US\$ 270 million 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 80 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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