

Agtech & future indoor investment trends

Hamilton – Apr 23

Dean Tilyard



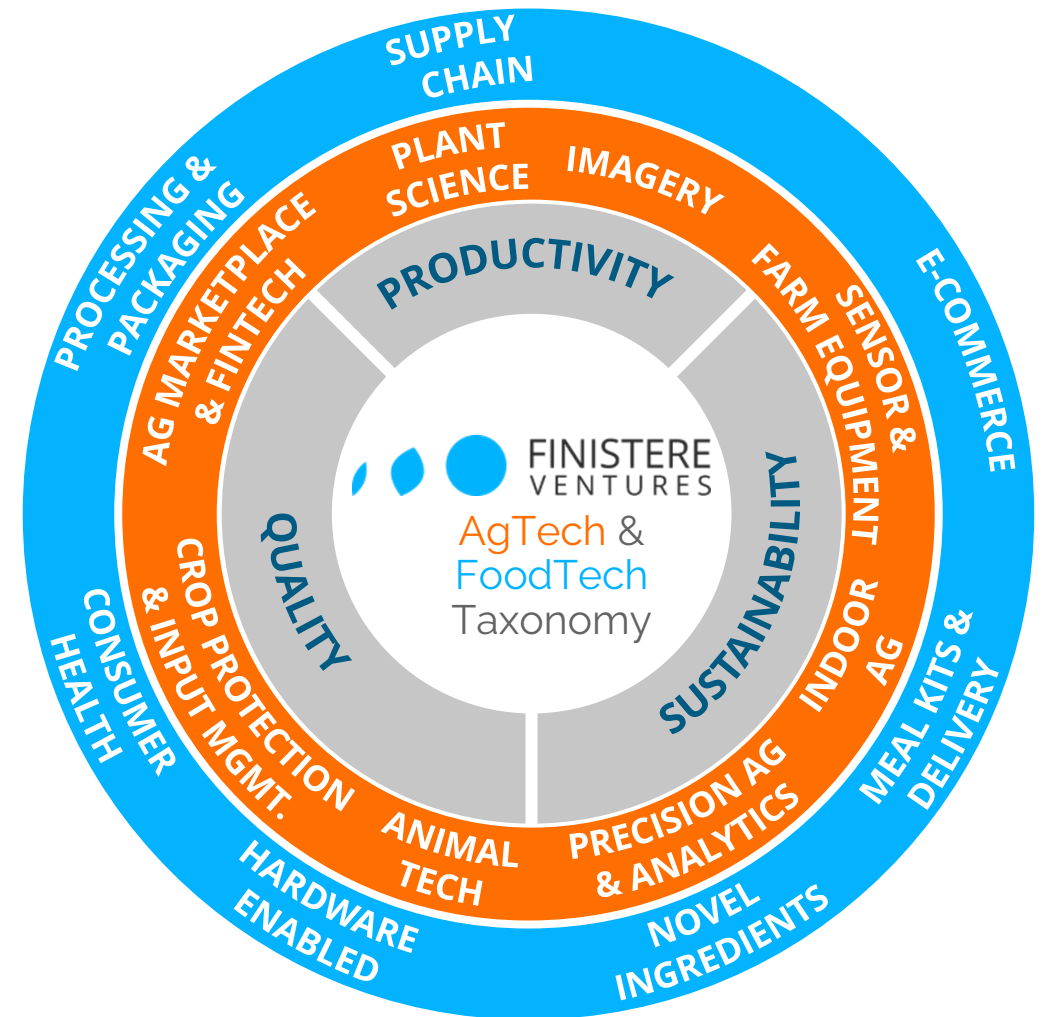
Finistere is a long standing Agtech and Foodtech venture capital investor

Investments across Ag/Food value chain

Portfolio of 40+ companies

Active in NZ, USA, Israel

FV Market View



Rapid rise in agtech & foodtech investing – last 10 yrs, all segments & stages

\$226B

invested in Ag & Food Tech in the last decade

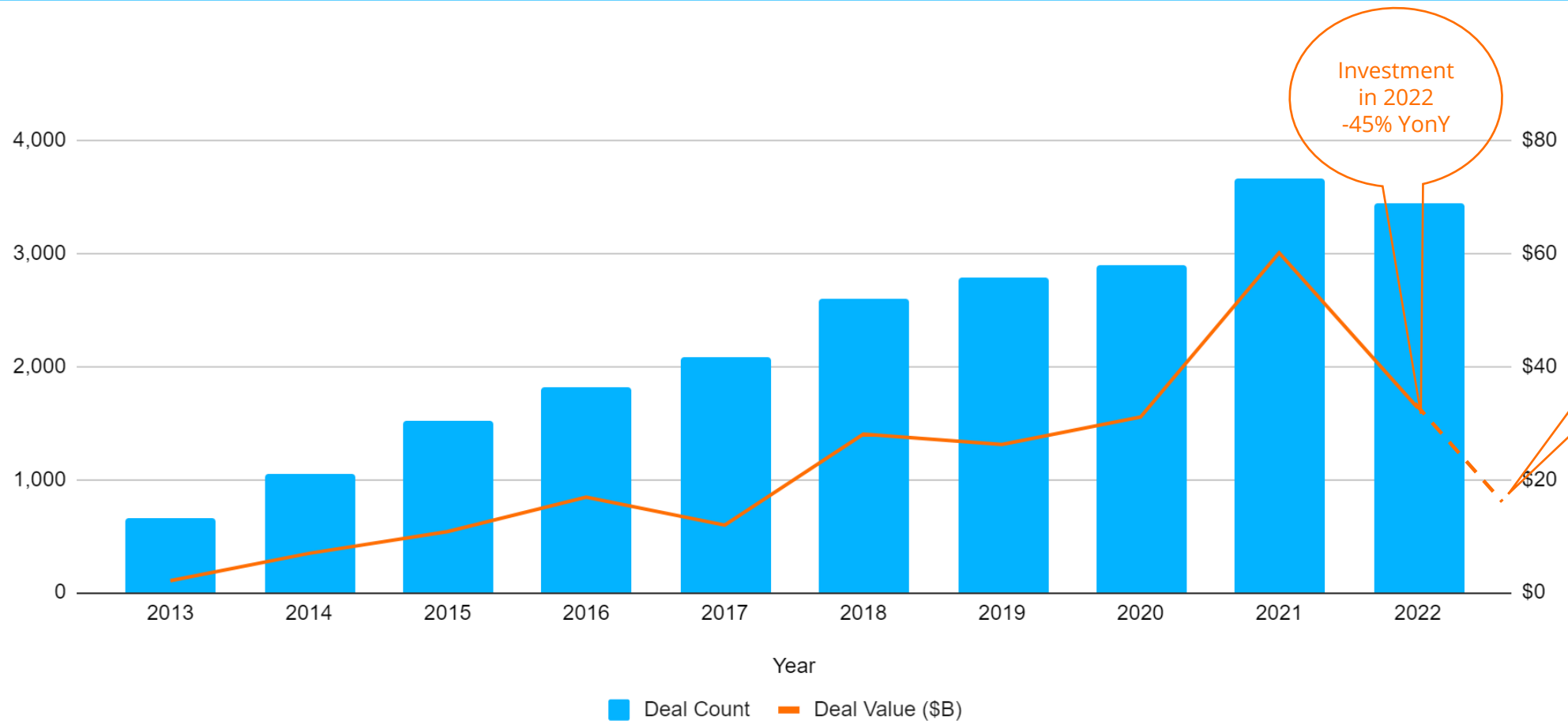
\$176B

in Food

\$50B

In Agtech

\$USD



Key drivers

Digital Sustainability Efficiency Consumer Exits

Data by



Next Generation Farming – 3 focus segments

Combined investment of USD29B / NZD47B last 10 yrs


Cell Protein



Controlled Growing



Alt Protein

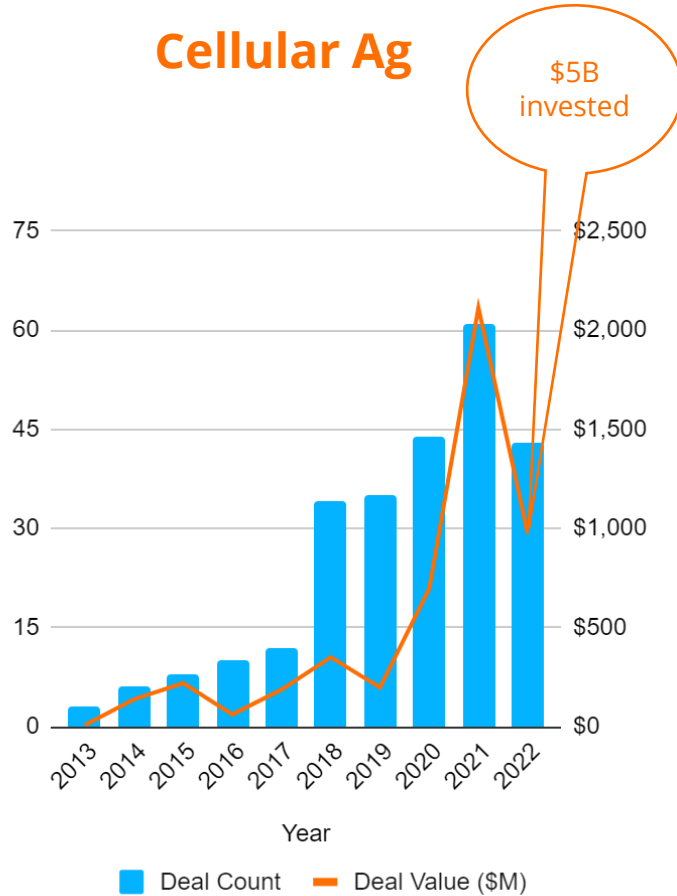


FV
Investment

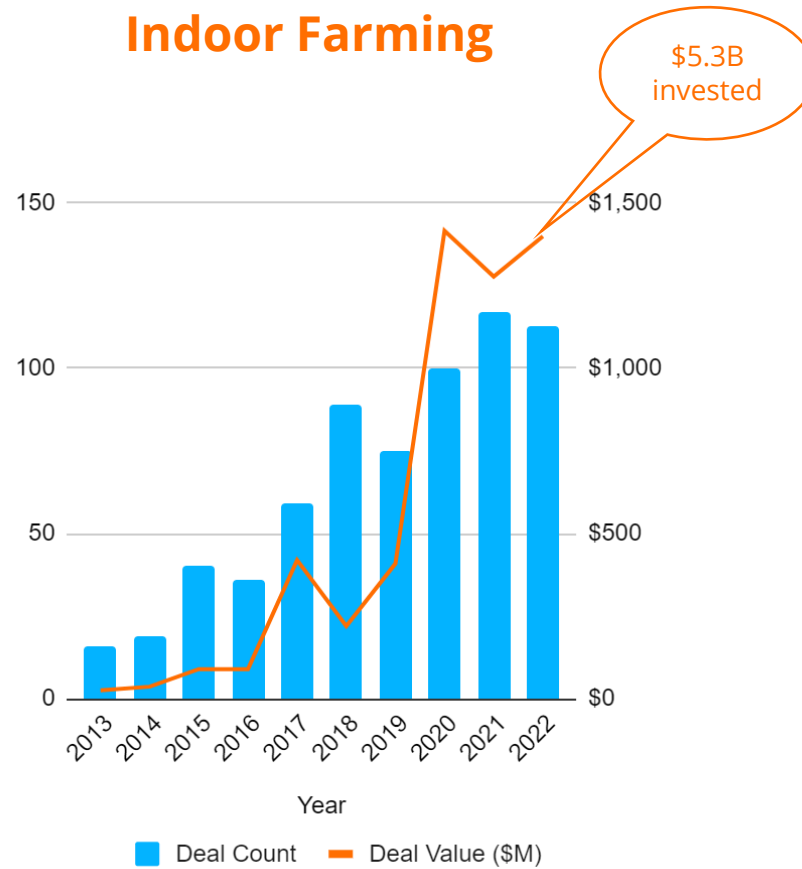


Next generation farming – total investment, 2013-22

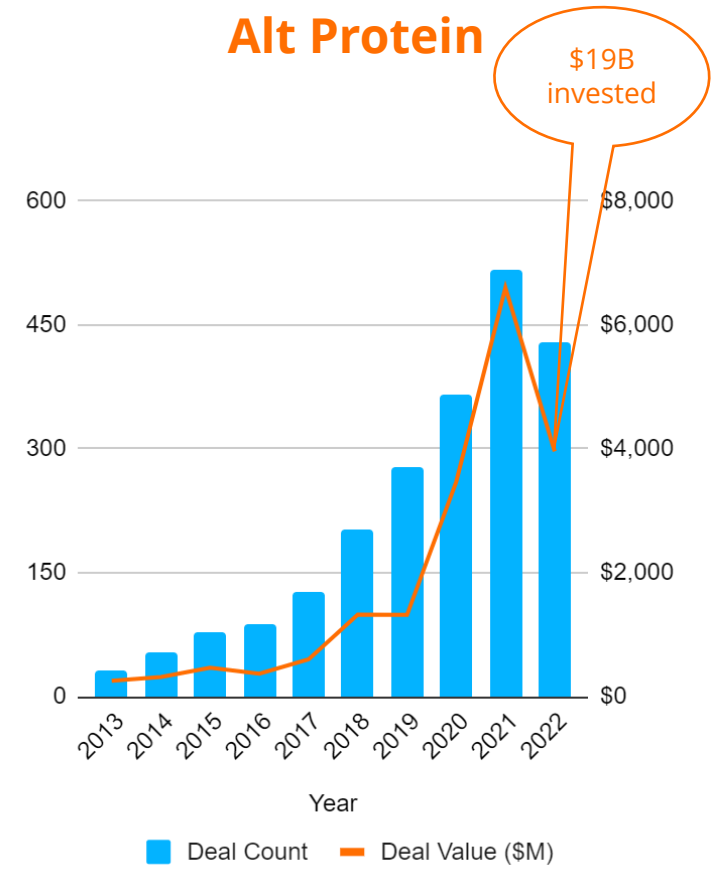
Cellular Ag



Indoor Farming

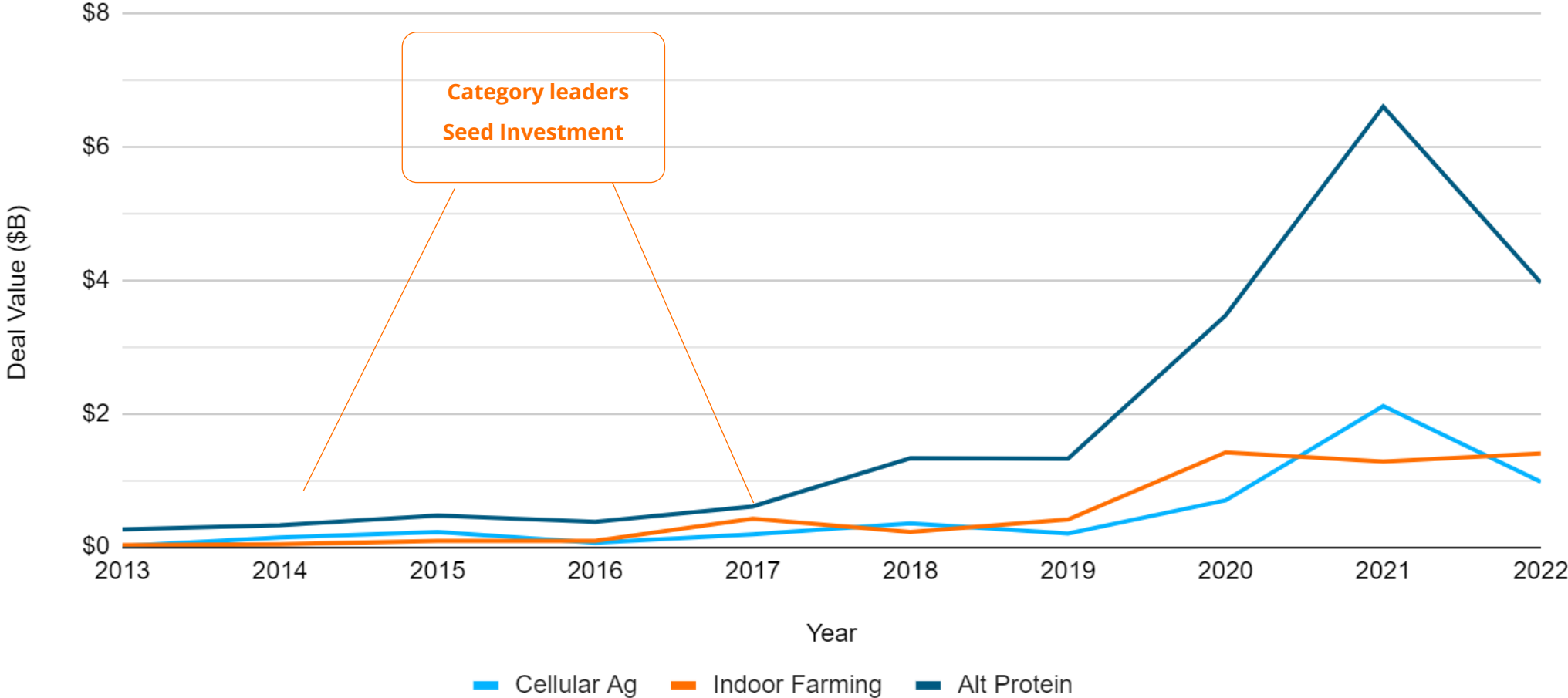


Alt Protein

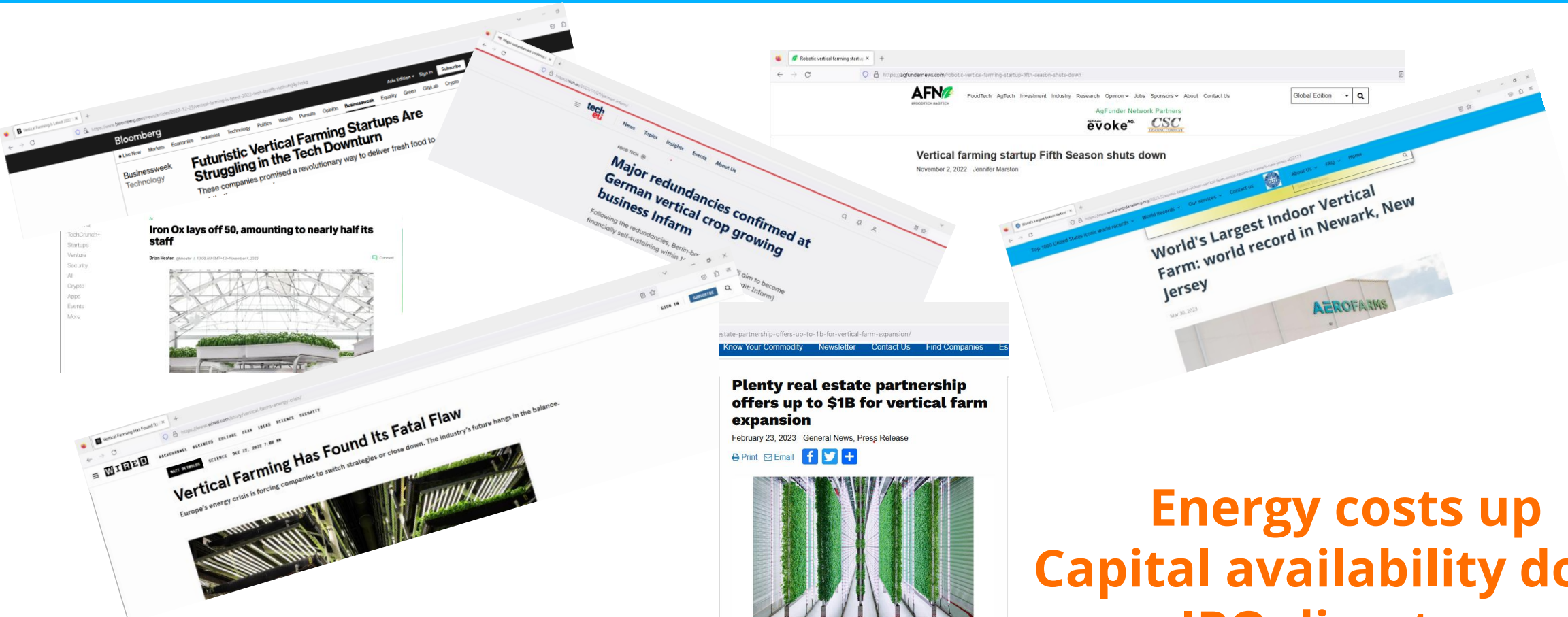


“Mega Rounds” a key feature of capital inflow 2018 onwards

Next generation farming – total investment



Mixed news for leading indoor start-ups – 2022/3 hard stop



Energy costs up
Capital availability down
IPO disasters
But deals still being done

United States / Food / NasdaqGS:APPH
AppHarvest (NASDAQ:APPH shareholders incur further losses as stock declines 53% this week, taking one-year losses to 71%

Indoor farming investment opportunities today

New farm investing:

- Venture Capital – but....tech or a farmer
- Impact investors
- Private equity

Technology Opportunities

Breeding

Automation

Inputs

Environment

Management systems

Indoor Growing has 'new' requirements

- **Energy – more with less**
- **Efficiency – return on investment**

= leverage traditional farming & supply chain know how and tech

Investment in a tightening market

- Like NZ housing market investment levels down off historical highs
- Investors are
 - Leaning back – wait and watch
 - Prioritising existing portfolio
 - Sitting on funds – invest now or later
- Impact is uneven
 - Contraction still playing out
 - Growth stage V seed stage
 - US V NZ

Hype cycle over (mostly) **return to fundamentals**

- **Underlying tech advantage**
 - **Size of markets**
- **Customers, sales, margins, profit**
 - **Capital efficiency**
 - **Can the 'team' deliver**

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