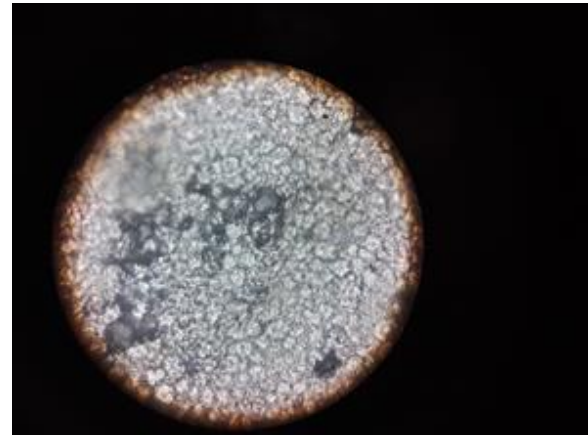


Greenfoods Network



CARNE CULTIVADA. UNA NUEVA OPCIÓN PARA EL CONSUMIDOR

Spanish Clean Meat Company



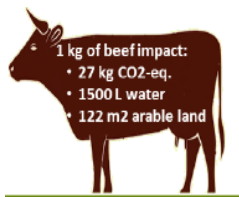
28 September, 2018

I. Global overview of the opportunity

Global overview

- » The Company is a **technology-based company** founded by a group of professionals with a wide background in **organizational and technological innovation in the agro-food industry**..
- » The Firm is developing an innovative and cost-effective production process to culture and industrially produce first-quality and environmentally-friendly beef burgers.
- » The Company’s mission is to **support agri-food industries**, especially SMEs and cooperatives, in the **continuous improvement of their value generation processes** for consumers and for society..
- » **Its main project aims** to produce **real beef meat**, which means that its organoleptic properties are as good as those of conventional meat. Its **nutritional value** is even **higher** due to the replacement of animal fat by the **SVO ingredient**.
- » There are globally just a few companies researching on the development of cultured meat, but **the company will be positioned as alternative to conventionally produced meat**.
- » The Firm has a small pilot plan close to Madrid (ES), with an area dedicated to the **development of the SVO products** and another area to develop **the Project concept trials**.
- » As the project could created the **new “food-unicorn”**, it will **benefit from the first-mover advantage** and the competitive advantages against the competitors such as **technology and costs**.

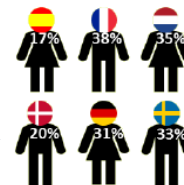
Meat production concerns



- **Environmental:** Land use, water and CO₂ footprint.
- **Ethical:** Animal slaughtering
- **Health:** High content in saturated fats.

Target consumers

Flexitarian: People that seek to reduce but not to fully eliminate meat intake. Their main reasons are based on **Animal welfare, environmental concerns** and **health issues**.



The company at a glance

Innovative firm in the agro-food industry for clean meat

Access to 2 highly equipped facilities close to Madrid

Similar market price cultured meat versus traditional meat

Growing market
+12%
 Sales (CAGR) 2015-2020

Launch of cultured beef burgers in 2021

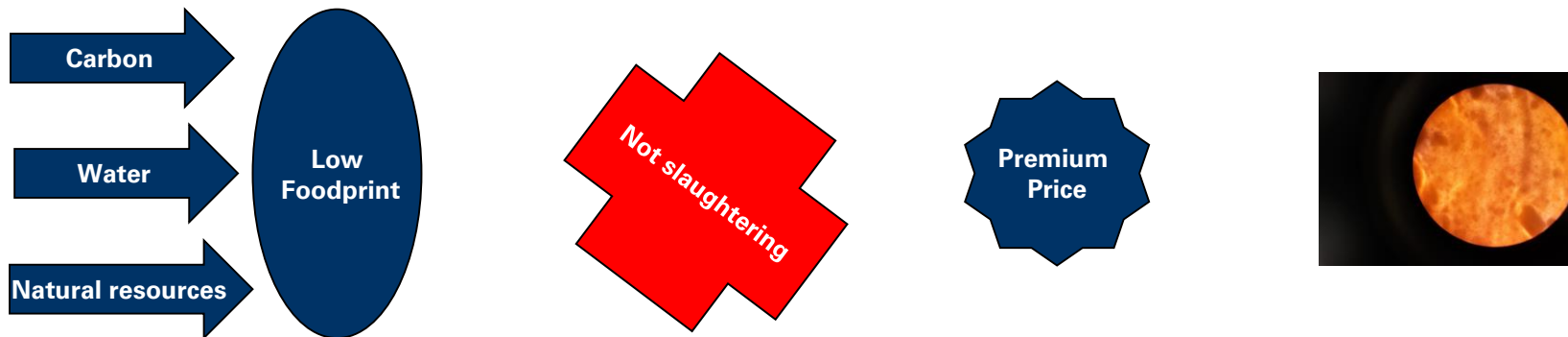
Extensive plan of commercialization

Innovative production process

I. TARGET CONSUMERS

Major drivers for cultured meat

- »Cultured meat could be perceived by consumers as much more sustainable than conventional meat (much lower carbon, water and ecological footprints).
- »Cultured meat could be perceived by consumers more ethical than conventional meat because it does not require animal slaughtering and does not affect negatively to animal welfare.
- »Cultured meat could not be perceived by consumers as a Genetically Modified Organism (GMO).
- »Cultured meat supply chains could be perceived by consumers as socially responsible.
- »Organoleptic properties of cultured meat (taste, texture, color, etc.) could be perceived good enough by consumers in comparison with conventional meat.
- »Cultured meat could be perceived by consumers as healthier than conventional meat.
- »Cultured meat could be perceived by consumers as safer than conventional meat.
- »The price premium with respect to the price of conventional meat is lower than the added value perceived by consumers.
- »The new products are available when consumers want to buy it, there are not too many stockouts.



I. TARGET CONSUMERS

Major Barriers for cultured meat

»Technological barriers:

The development of the technological solutions requires so high investments that the selling prices of the new product must be too high in order to compensate the total production costs.

The source of cells finally used for meat culturing are selected cell lines that could be modified by genetic engineering.

Some of the inputs in the cultured meat production system have animal origin.

»Market barriers:

the market size and / or the compound annual growth rate are much smaller than expected, affecting to the financial feasibility of the business projects.

The conversion of flexitarian and semi-vegetarians in strict vegans take place at faster rate than expected. We assume that strict vegans could reject cultured meat consumption in a relatively high proportion.

Plant-based meat substitutes are perceived as healthier, safer, more sustainable, tastier or more affordable by consumers.

»Regulatory barriers:

Food safety regulations as the Novel Food regulation tends to apply the precautionary principle in the case of cells lines genetically modified for optimizing cell culture growth.

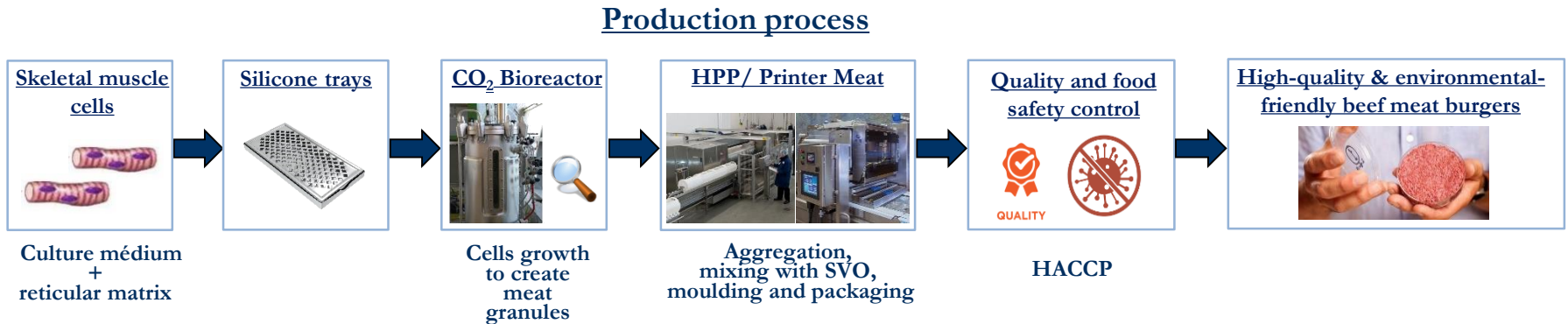
Food agencies (FDA, EFSA) do not allow or recommend not allowing the name “meat” or “beef” for the new cellular agriculture products.

»Innovation support barriers:

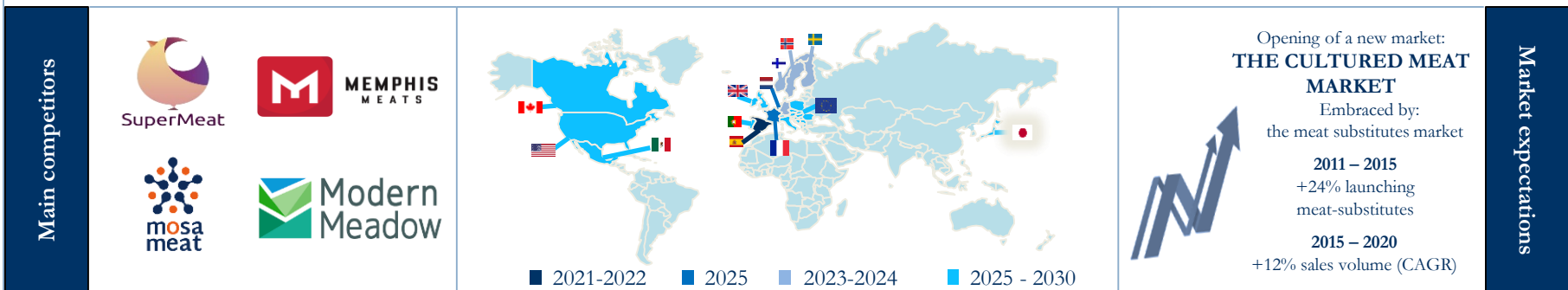
Not enough R & D public funding is available in the EU for the startups and the public and private R & D institutions collaborating in the development of the cultured meat production technology, in comparison with USA and China. In USA, capital venture funds linked to NASA or to the US military-industry complex could be used or have been used for financing technological developments in this field because of the geostrategic implications of cultured meat.

II. Global overview of the opportunity

Production process & key characteristics



- » The **production process** will have different UTILITY MODEL in ES, FR, NL, DE, DK and FI. Therefore, it will have to be filled individually in each country since there is not any harmonized procedure, prior to the commercialization in each of them.
- » The firm has industrial collaboration with Biotech company specialized in developing commercial cells lines
- » The Project is disruptive because creates a new **product that will open a new niche market**, the cultured meat market, which has been in the spotlight since the early 2000s due to its **incredibly high market potential**.

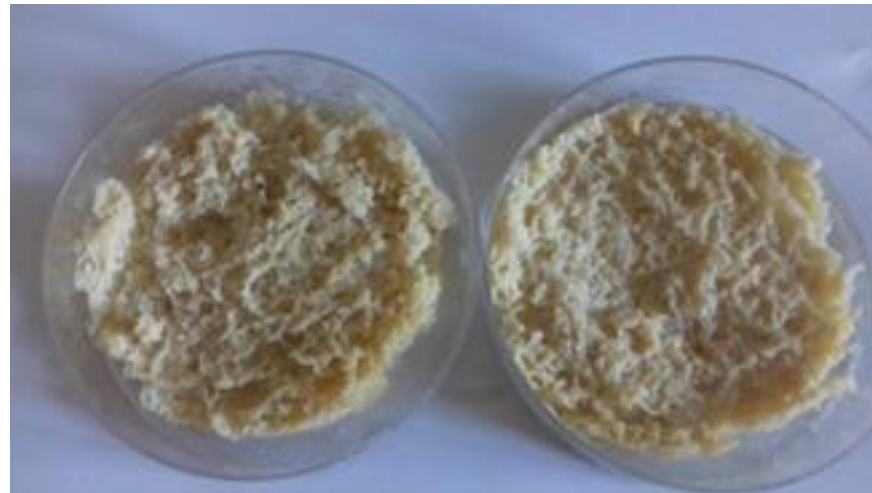


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