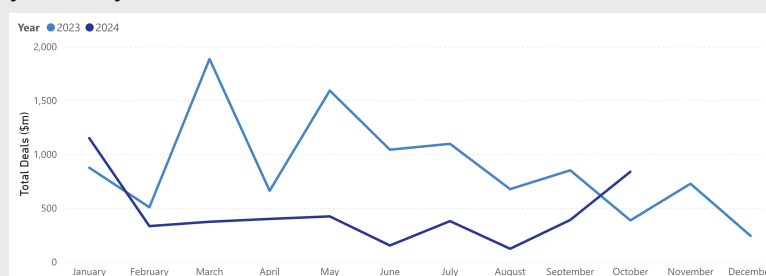


# MONTHLY MARKET REPORT: OCTOBER 2024

## WELCOME!

Welcome to our inaugural market report! At New Food Finance, we focus on the companies, investors and technologies that are driving a green transition in food production. Our monthly report aims to increase transparency around market prices and underlying drivers. This month, we highlight a fund-raising jump in October: could this be the green shoot our start-ups have been waiting for (see Fig. 1)?

Fig 1. Green shoots? October 2024 fund-raisings up year on year and month on month



Source: New Food Finance

## REGULATORY NEWS ROUND-UP

On October 2, the European Commission’s proposed a 12-month delay to roll out the EU Deforestation Regulation (EUDR).

The EU Deforestation Regulation aims to ensure EU products and imports don’t contribute to deforestation and forest degradation. The European Commission said it would propose delaying by a year implementation of the law. The Commission said:

- If approved by the European Parliament and the Council, the Commission would make the law applicable on 30 December 2025 for large companies and 30 June 2026 for micro- and small enterprises.
- The 12-month extension proposal did not question the objectives or the substance of the law.

The Commission published additional guidance documents to support stakeholders, EU Member States and third countries, to provide additional clarity to companies, to facilitate the application of the rules.

- The Commission also published the methodology it would use to classify countries as low, standard, or high risk. A large majority of countries worldwide will be classified as “low risk”.

### Reaction:

- Industry groups, including European farming associations and commodity-exporting countries such as Indonesia and Malaysia, welcomed the postponement.
- Environmental NGOs expressed frustration, criticizing the decision as a setback to global sustainability efforts.

In other news, on October 7, the UK Government created a regulatory sandbox for cultivated meat. A “regulatory sandbox” is a tool allowing businesses to explore and experiment with new and innovative products, services or businesses under a regulator’s supervision. The UK government said it would use the sandbox to gather scientific evidence about cell-cultivated products, to make well-informed decisions about product safety.

### Company-level regulatory news in October:

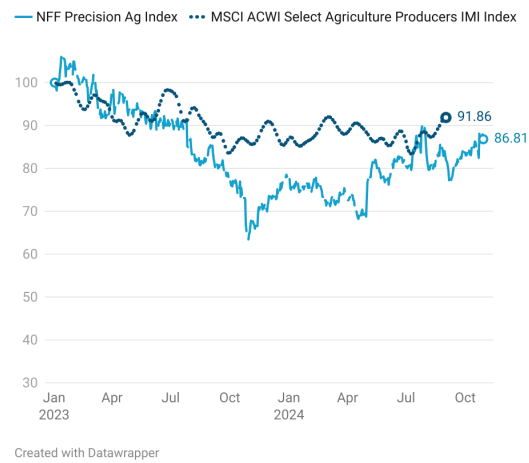
- Amai Proteins achieved regulatory approvals for its sweet protein, sweelin®, a zero-calorie sugar substitute.
- Moolec Science SA announced that its genetically engineered (GE) peas received regulatory clearance from the U.S. Department of Agriculture’s (USDA) Animal and Plant Health Inspection Service (APHIS).
- The Better Meat Co. achieved Singapore approval for its rhiza mycoprotein.
- Rumin8 achieved its first regulatory approval in Brazil.

## ALTERNATIVE PROTEIN INDEX

The New Food Finance Alternative Protein Index follows the market capitalization of 10 publicly listed companies, including Oatly, Beyond Meat and Planet Based Foods. We compare this with a conventional benchmark: the MSCI World Food, Beverage, and Tobacco Index, which comprises large and mid-cap stocks in Food, Beverage and Tobacco industry. Constituents include Coca-Cola, Nestlé and Danone.

- The Alternative Protein Index has performed very poorly, with a collapse in August 2023 partly owing to the poor performance of Beyond Meat, a major constituent.
- 2024 has been more stable, including last month, but the index continues to underperform, and all eyes must be on when these stocks turn around.

Figure 2. New Food Alternative Protein Index



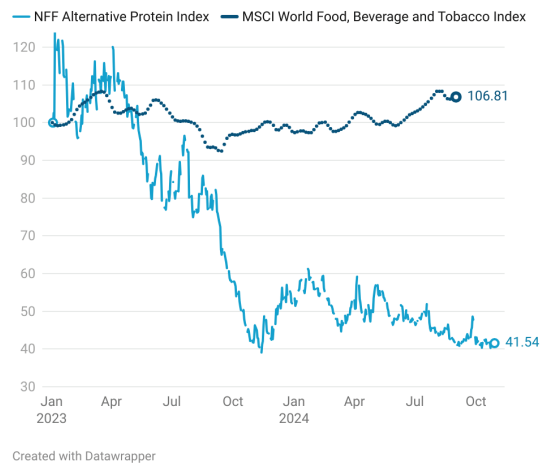
Source: New Food Finance, Yahoo Finance, MSCI

## PRECISION AG INDEX

The New Food Finance Precision Ag Index follows the market cap of some of the biggest listed companies in this space, such as: Satellogic, Ekotechnika, Topcon, AgEagle Aerial Systems, Spire, Valmont Industries, Planet Labs and Jain Irrigation Systems. Our benchmark is MSCI's ACWI Select Agriculture Producers IMI Index, which focuses on companies that are sensitive to underlying prices of agricultural commodities, comprising 133 companies, including Deere & Co, Corteva, Archer Daniels Midland and Nutrien.

- In October, the Precision Ag Index continued strong outperformance which started in November 2023, seeing realignment with the benchmark after a disconnect starting in summer 2023.

Figure 3. New Food Finance Precision Ag Index

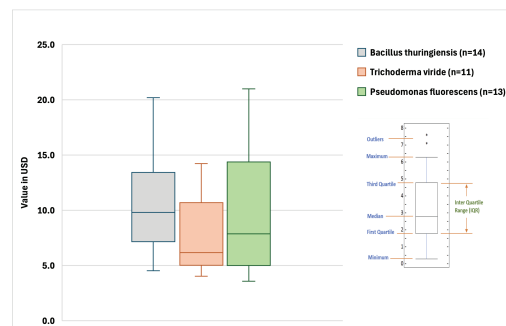


Source: New Food Finance, Yahoo Finance, MSCI

## BIOLOGICALS PRICE INDEX

The New Food Finance Biologicals Price Index is at present focused exclusively on biological pesticide prices in India. We take privately sourced re-seller prices for three active ingredients, Bacillus thuringiensis, Trichoderma viride and Pseudomonas fluorescens. For each related product, we take a sample of prices from 11-14 retailers, and provide price ranges and a calculated median.

Figure 4. Biological pesticide price distribution (\$/ acre)



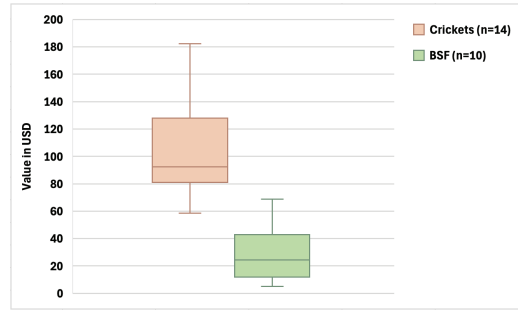
1 USD = 84.12 INR (As on 5th November 2024)

Source: New Food Finance

## NOVEL FOOD PRICE INDEX

The New Food Finance Novel Food Price Index provides an overview of retail market prices for cricket powder (*Acheta domesticus*) and black soldier flies (*Hermetia illucens*). We source publicly available prices from manufacturers and resellers of pure protein powder. Crickets are available for human consumption. Black soldier flies at present are only available as animal feed, and for fertiliser applications. A sample size of 10-14 retail prices is used to calculate medians and price ranges.

Figure 5. Insect-based protein price distribution (\$/kg)

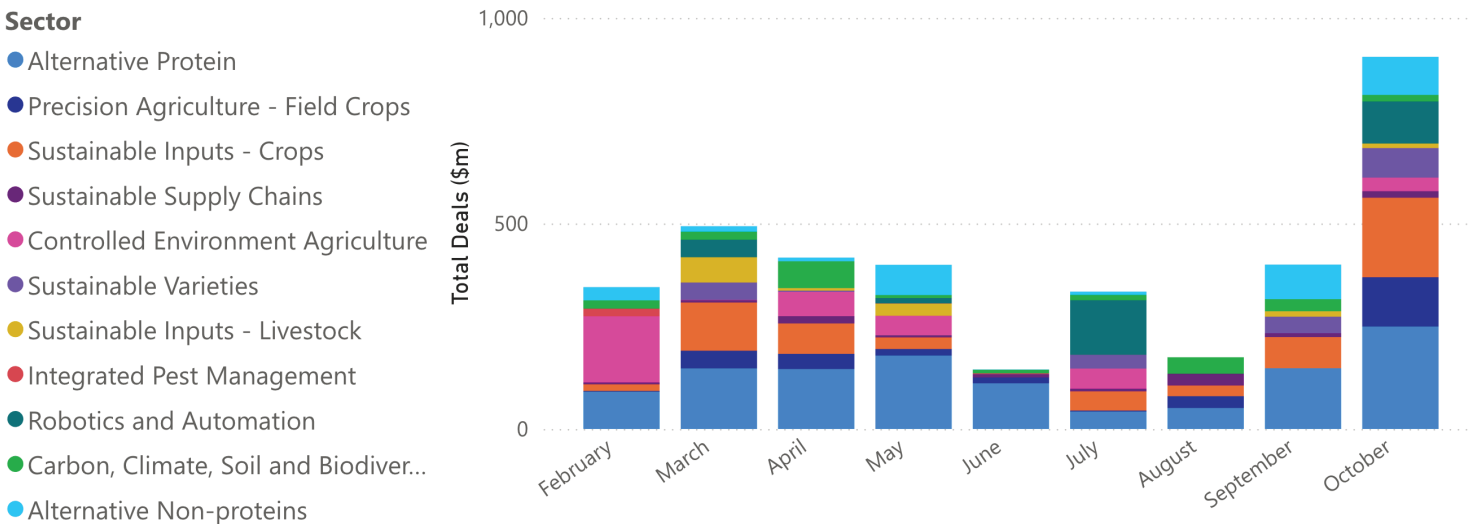


Source: New Food Finance

## FUND-RAISING ROUND-UP

It is very early - but in October, we may have seen the first green shoot, after a fund-raising meltdown through the second half of 2023 and 2024 to date (see Fig. 1 above). Total fund-raising in October 2024 reached \$834 million, up both month on month and year on year. If we drill into sectors, Fig. 6 shows that alternative proteins and sustainable crop inputs led last month.

Figure 6. Fund-raisings by sector and month, 2024 (\$m)



Source: New Food Finance

## MARKET PRICES SUMMARY

COMMODITY	DATE	UNIT	LOW	HIGH	MEDIAN	COUNT	SOURCE
Carbon credit: Soil carbon	Oct-24	USD/ tCO2	20	38.53	29.68	8	Website - developers
Protein powder: Cricket-based	Oct-24	USD/ kg	58.64	160.18	92.47	14	Website - reseller
Protein powder: BSF-based	Oct-24	USD/ kg	5.14	68.87	24.42	10	Website - reseller
Biological pesticide: <i>B. thuringiensis</i>	Oct-24	USD/ acre	4.5	20.2	9.81	14	Private - reseller
Biological pesticide: <i>T. viride</i>	Oct-24	USD/ acre	4	14.2	6.16	11	Private - reseller
Biological pesticide: <i>P. fluorescens</i>	Oct-24	USD/ acre	3.6	21	7.86	13	Private - reseller