



Capital Market Presentation – H1'21

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August 2021

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Agenda

- Executive summary
- Agricultural and food industry value chain improvement
- Business model expansion and focus
- IP development agreements in return for royalties
- Financial results highlights– H1, 2021
- Summary

Executive Summary

- 2010** Company **Founded**
- 2015** Products **Launched**
- 2021** **\$30 million** (gross) were raised through an IPO on the Tel Aviv Stock Exchange
- +100** **Customers**, among them leading companies in the seed, food & beverage, paper & pulp, rubber, textile and cannabis industries
- ~300** **Projects** completed on the most important crops worldwide

Since the IPO, the company has significantly expanded its activities:

- IP development in return for royalties
- Development and commercialization of DNA tests (Genotyping solutions)

Accelerating Seed and Plant Breeding Worldwide through Artificial Intelligence



The Company is active globally, focusing on the North American market

Executive Summary - Continued

1. IP development in return for royalties

- Identifying business opportunities to develop new elite varieties
- Turnaround time from development to commercialization: 2 to 5 years
- Potential revenues of millions of dollars per project

Example - Resistance to the ToBRFV in Tomatoes:

Development in 2020-2021

5 signed commercial agreements (4 in 2021)

The revenues from royalties are expected in **2023**

The revenues from royalties are significant and estimated at **millions of dollars** per agreement

The overall revenue potential from this project can reach **\$100 million** (for more details see slide 12).

Philippe Degré, Rotom Tomatoes, Belgium:

"ToBRFV bringing winter prices in the summer"

In Belgium and the Netherlands, there is a reduced supply of tomatoes, resulting in higher prices. That is thanks to a combination of the tomato virus and bad weather. So, Rotom Tomatoes is supplying fewer export tomatoes than in previous years. "Countries like Spain are opting for more home production and Portuguese tomatoes. This is because of the high prices," says the company's Philippe Degré.



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Executive Summary - Continued

2. Development and commercialization of **DNA tests** (genotyping solutions) in plants and animals:

- Development of targeted **DNA panels for tests**
- Establishment of **genotyping lab in Canada**
- **Amassed revenues** from the lab are estimated at **\$20 million** between 2021-2025.

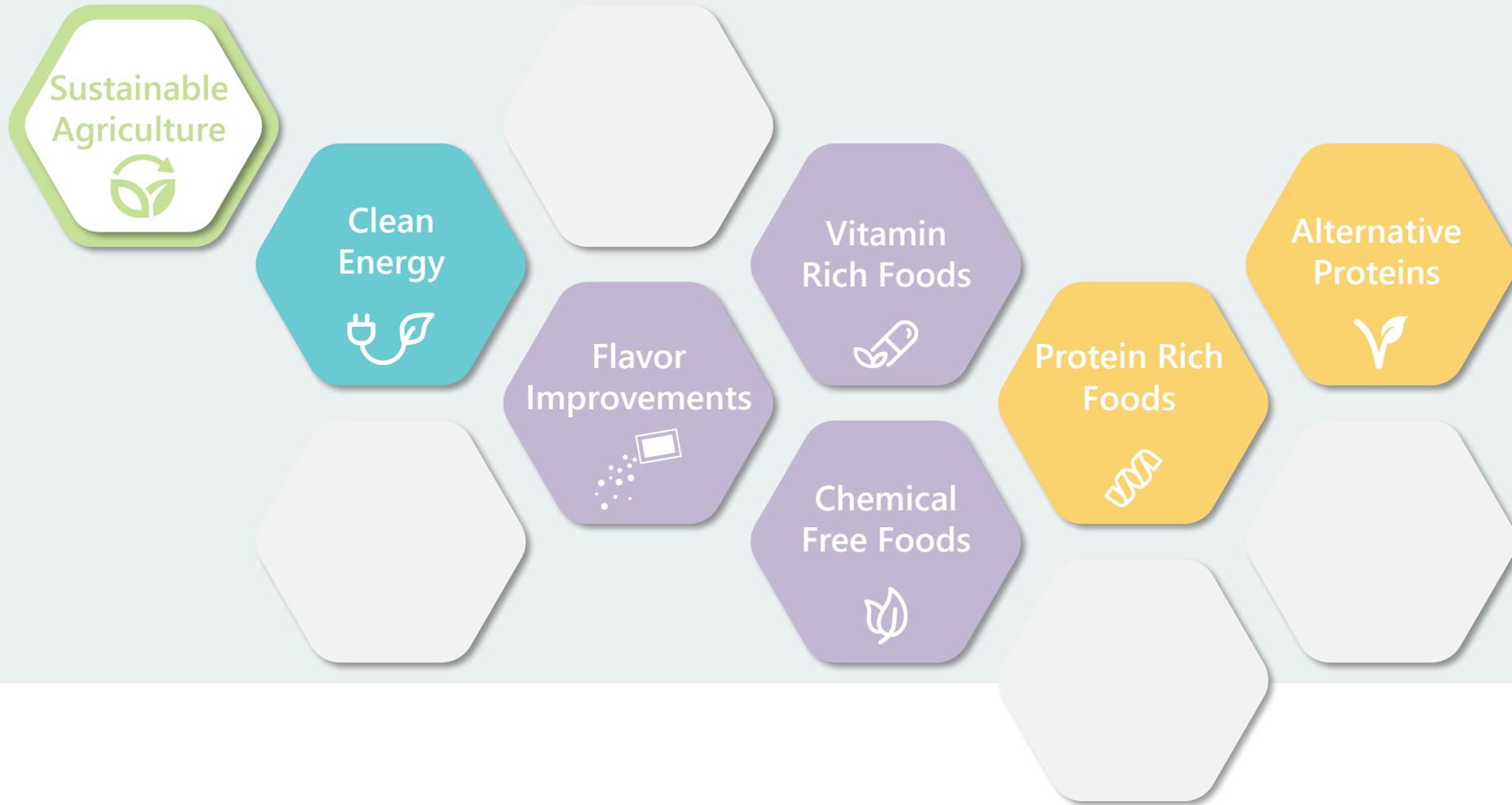
Example - **tailored panel development in maize**

The first multi-year agreement was signed with a customer for the total amount of **\$700 thousand**



Social and Environmental Value Creation

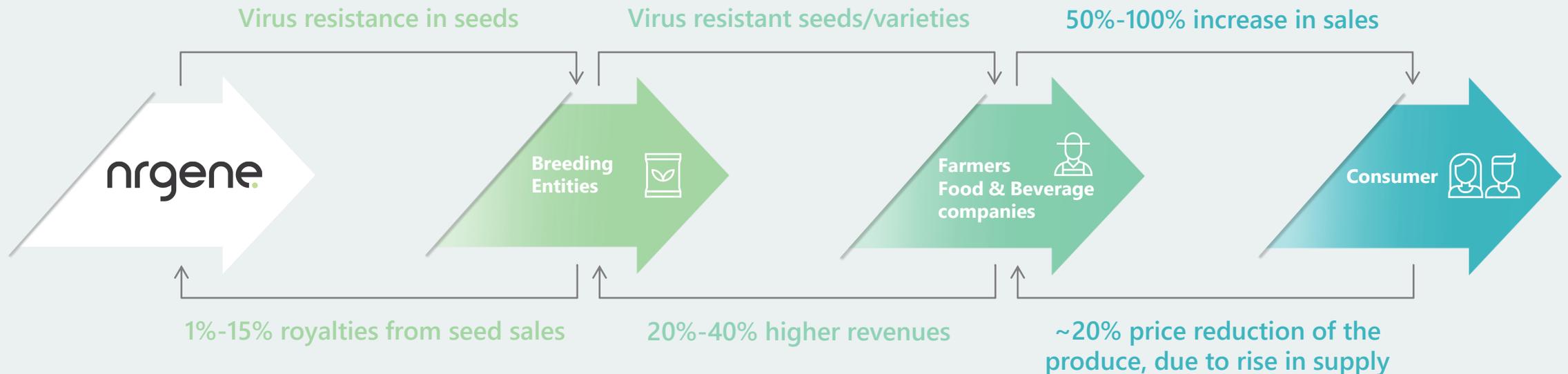
NRGene contributes to each step in the agricultural value chain, while focusing on sustainable food production and reduction of the environmental footprint



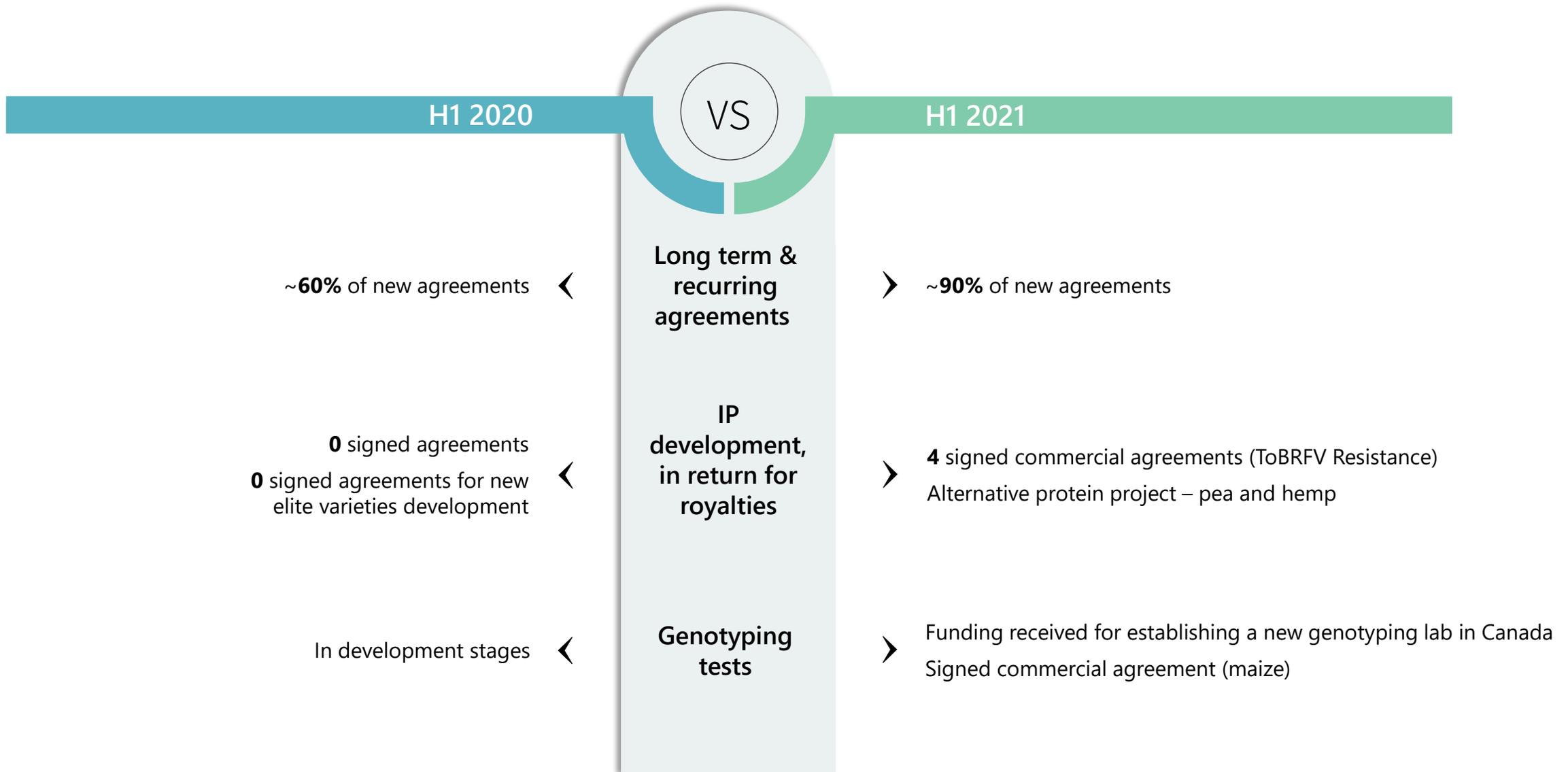
Agricultural and Food Industry Value Chain Improvement

- **Shorter and faster processes of elite varieties' development** using NRGene's technology
- **Higher revenues** throughout the entire value chain
- NRGene **shares the risks** with its business partners

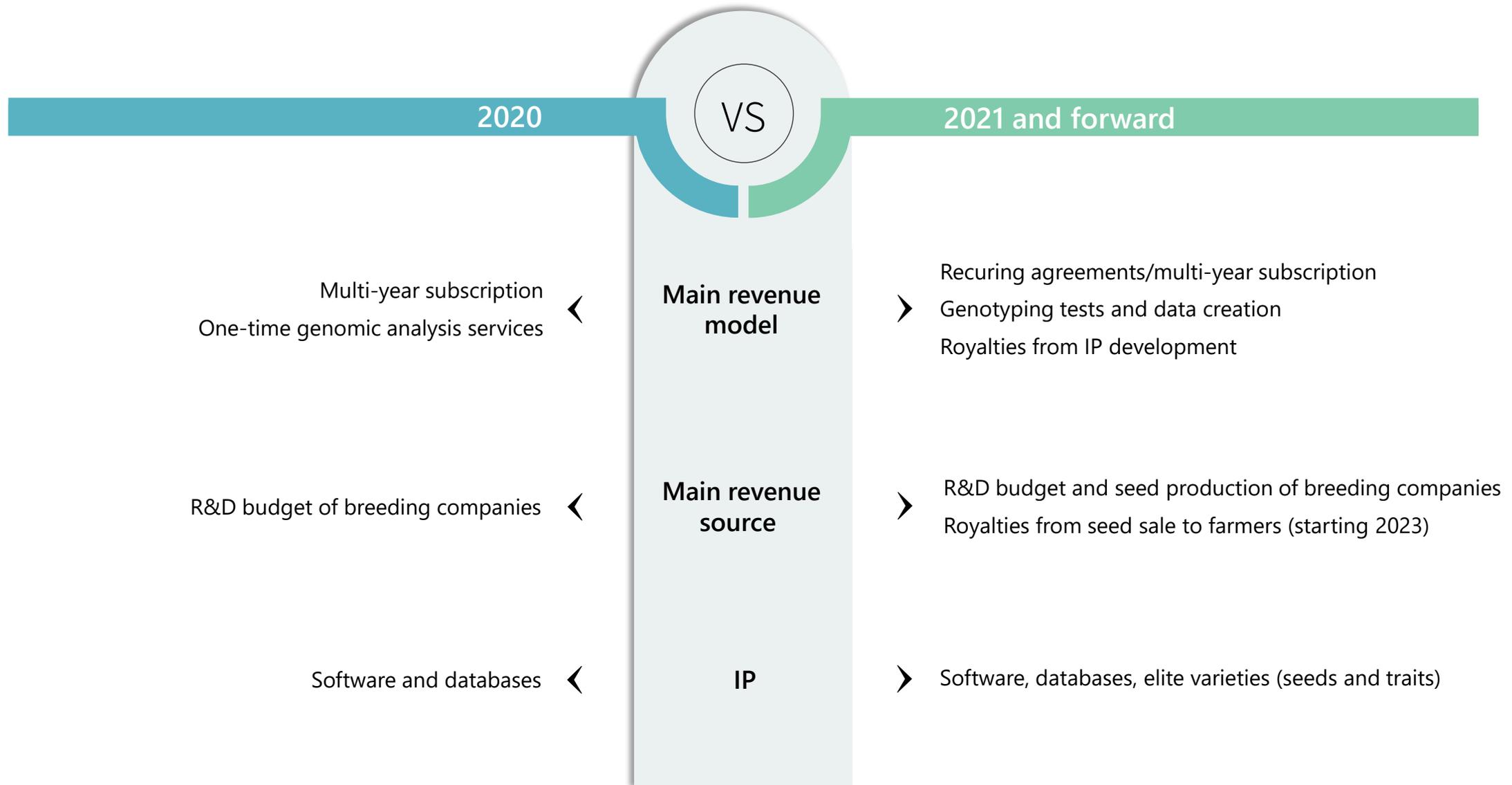
Example: ToBRFV resistant tomato varieties impact on the value chain



Business Model Expansion and Focus

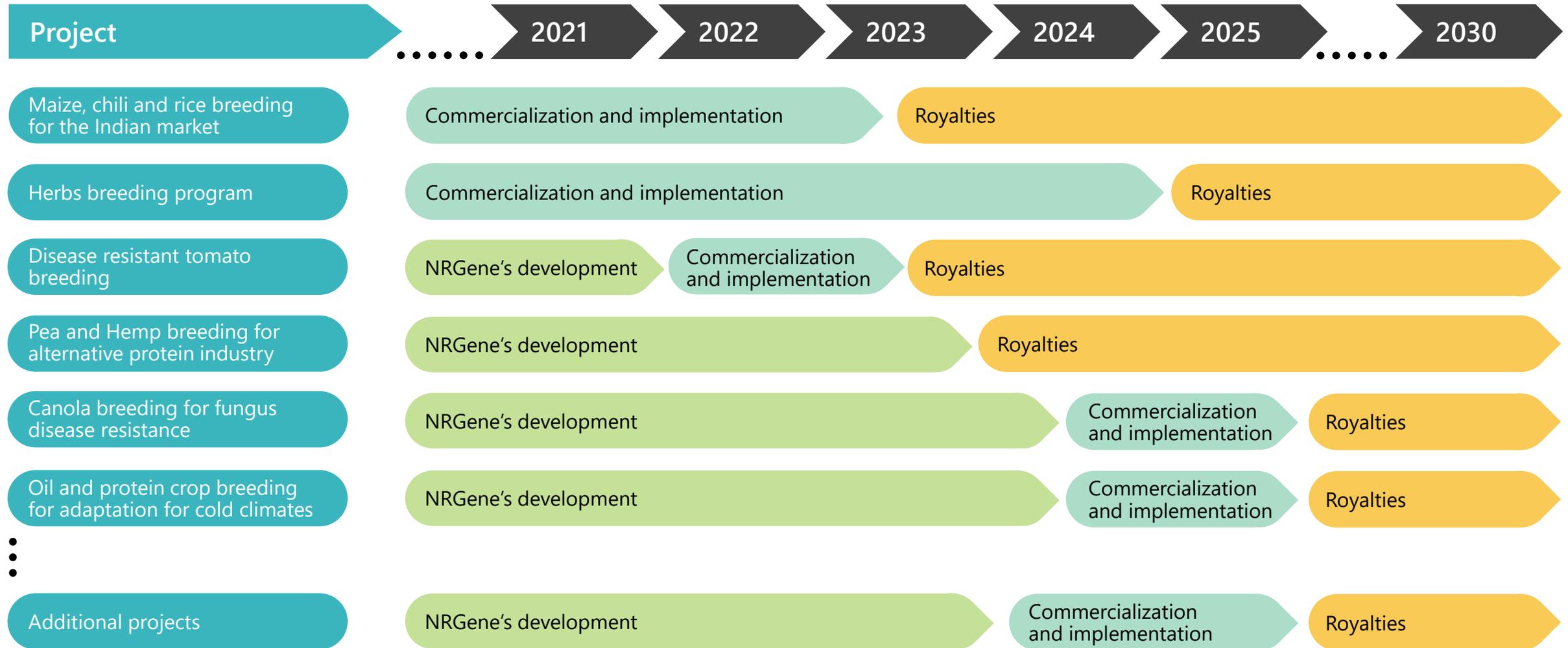


Business Model Expansion and Focus



IP Development Agreements in Return for Royalties

Expected development and implementation by customers



* Revenue from royalties depends on the completion of a project's development and its implementation by the customers, market conditions, and market demands

IP Development Agreements in Return for Royalties

Business Potential

Project	Expected Development Time	Commercialization Status*	Expected Revenue From Royalties	Potential Target Market Size (Seeds/Year)	Expected Revenue From Royalties Throughout Project's Lifetime
Disease resistant tomato breeding	2020-2021	In commercialization stages (5 signed agreements)	2023	>\$500m	\$100m
Pea and hemp breeding for alternative protein industry	2021-2023	Commercialization agreement in Canada as part of a consortium	2024	>\$100m	\$50m
Canola breeding for fungus disease resistance	2021-2024	Not started	2025	>\$300m	\$75m

* Based on company's estimation of market share, market size, market penetration and average royalties' rate.

** Assuming a project's lifetime from commercialization is at least 10 years.

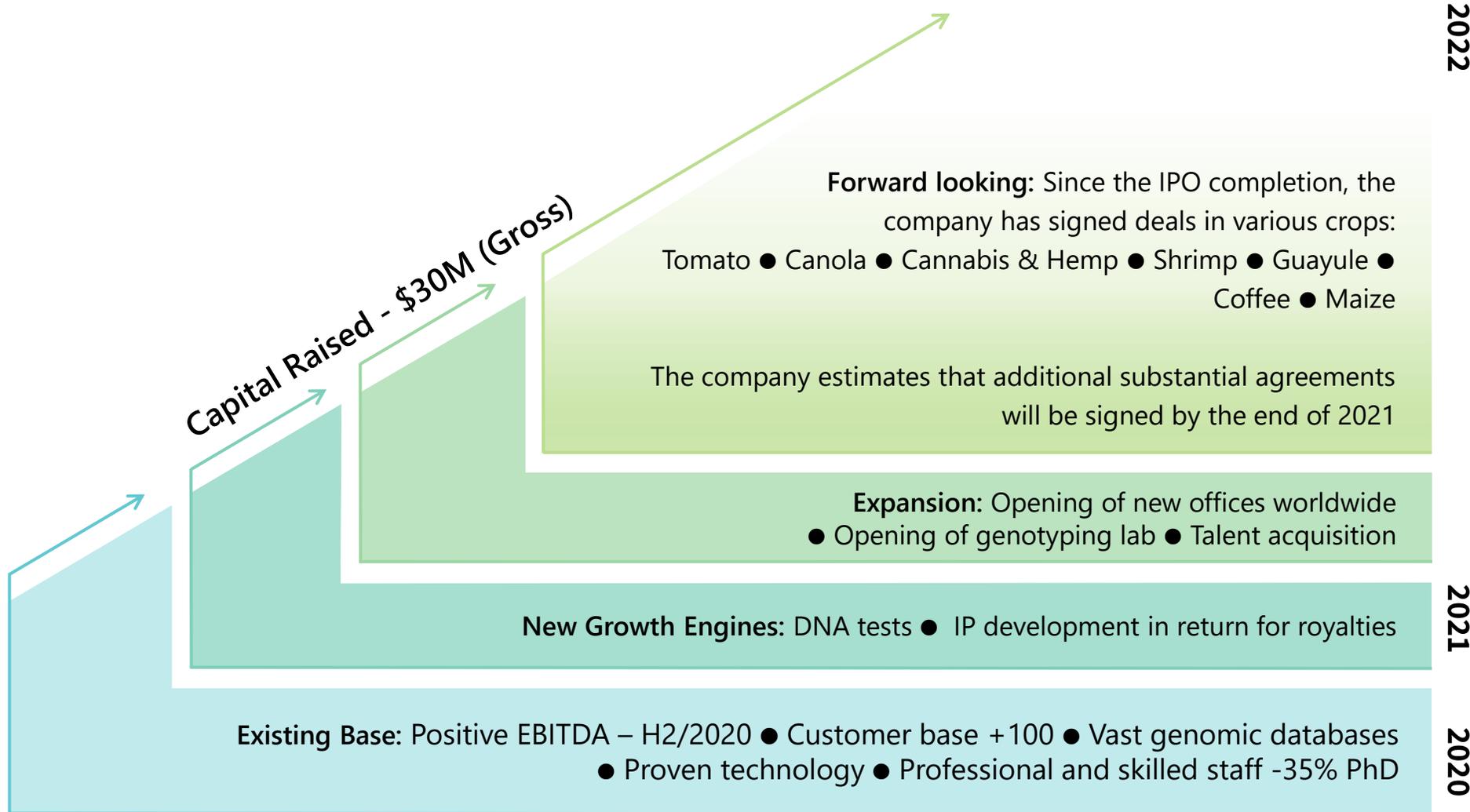
Financial Results Highlights* (Thousands US Dollars)

In thousands dollars	H1-2020	H2-2021	FY- 2020	Comments
Revenues	2,809	2,148	7,035	Focus on long-term and recurring projects (DNA tests and IP development), gradually replacing one-time genomic analysis services and the impact of COVID-19
Adjusted Gross Profit	65%	63%	70%	Decrease in the company's revenues from genomic analysis services.
Adjusted EBITDA	(727)	(3,809)	(433)	Investment in infrastructure for medium/long-term growth mainly for IP development in return for royalties and market penetration in the field of DNA tests (genotyping solutions)
Cash and Deposits	2,849	26,857	1,482	Increase in cash balance, mainly due to IPO proceeds favorable terms of credit-line and long-term debt.
Total Backlog	9,393	6,063	6,626	Backlog of \$0.4M from royalty agreements (down payments)

* The complete financial results (reviewed) are included in the consolidated financial statements as of June 30, 2021.

For additional information, also see the report of the Board of Directors

Summary





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THANK YOU