



**kalera®**

# **kalera company presentation**

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June 2022





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# **1 Company overview**

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# The global food system is facing severe challenges

## Decreasing farmland & yields

Droughts, floods, monocultures, heavy machinery



[Farms.com Home](#) > [News](#)

### Severe Droughts Require Action to Avoid a Food Crisis

Jun 18, 2021

## Food quality and safety risks

Over-optimization for supply chain, bacteria



### *A Decline in the Nutritional Value of Crops*

## Environmental damage

Deforestation, pesticides and fertilizer runoff



### Farm Runoff in U.S. Waters Has Hit Crisis Levels. Are Farmers Ready to Change?

Some farmers and lawmakers across rural America are getting serious about preventing nitrogen and phosphorous pollution. Will it be enough to avert a catastrophe in our rivers and oceans?

BY VIRGINIA GEWIN • MAY 8, 2018

## Fragile food security

High dependence, volatile global environment



### FAO official sounds warning against Arab region's overreliance on imported food

## High CO2 emissions

Heating/cooling in production, global shipping



[Publications](#) / [Food Facts](#)

### The Food Miles Report - the dangers of long-distance food transport

## Growing demand for food

Insufficient productivity, labor shortages



[Sustainable Development](#) | [Climate Change](#) | [Humanitarian Action](#)

### There'll be 9.7 billion on Earth by 2050

# Challenges especially pressing in the Middle East

## Droughts in the Middle East are here to stay. So how do we manage them?

Living in a water-scarce world requires three strategies

ARAB NEWS

### FAO official sounds warning against Arab region’s overreliance on imported food

AL-MONITOR  Politics & Security Culture Technology Economy & Business

EGYPT GULF IRAN IRAQ ISRAEL JORDAN LEBANON NORTH AFRICA PALESTINE SYRIA TURKEY RUSSIA USA

## Qatar's agriculture push risks further groundwater depletion



Menu Weekly edition Search

Middle East & Africa

Jul 24th 2021 edition >

Dry and disorderly

The countries of the Middle East and north Africa are parched




Regional Agenda Middle East and North Africa Economic Progress Cities and Urbanization

## The world’s fastest-growing populations are in the Middle East and Africa. Here's why

OPINION | SEPTEMBER 25, 2021

### MENA Has a Food Security Problem, But There Are Ways to Address It





# Kalera Indoor Vertical farming: the future of growing greens



Kalera **develops, builds, and operates** indoor vertical farms around the globe



Plants grow in **controlled environment** with high use of **automation technology**



**Perfect climate per variety** year-round, everywhere



**Vertical stacking** in layers **up to 20m high** for a **daily output** of **0.5 to 4+ tons** of leafy greens





# Kalera sustainably grows high-quality greens at affordable prices



## Healthy beyond organic

Nutrient-dense

Zero pesticides

Non-GMO

Pure & clean  
(grown in clean rooms)



## Sustainable

~95%  
less water

~99%  
less land

No fertilizer  
run-off

Less food miles



## Affordable

300x  
more yield

Local  
distribution

Stable prices  
year-round

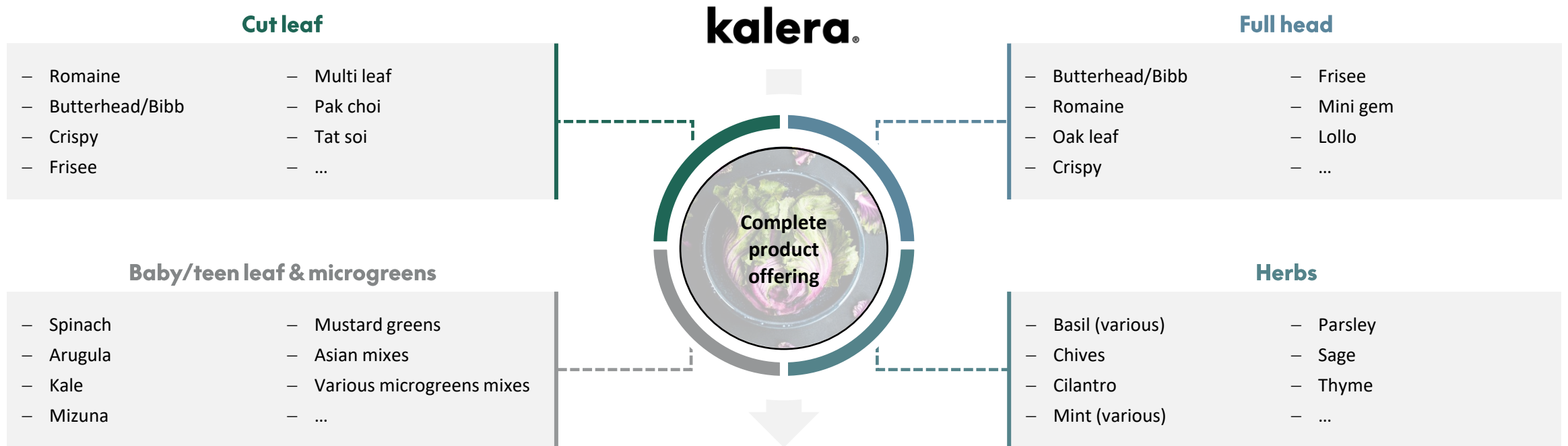
Long freshness



# Focus on large-scale farms with extension down to POS displays



# Complete product offering within leafy greens category







Various types of lettuce, microgreen and other leafy green and herb varieties sold under the Kalera brand

The only vertical farm that covers the full spectrum of products within the leafy greens category



# Kalera's ESG commitment

SDGs	<h2>WATER STEWARDSHIP</h2> <p>Protecting resources by lowering consumption and avoiding discharges</p> 	<h2>CO<sub>2</sub> AND LAND USE</h2> <p>Reducing CO<sub>2</sub> footprint from supply chains &amp; operations, and slashing land use</p> 	<h2>NUTRITION &amp; HEALTH</h2> <p>Enhancing health benefits from ultra-fresh greens with high nutritional value</p> 	<h2>21<sup>st</sup> CENTURY FARMER</h2> <p>Developing 21<sup>st</sup> century farming workforce through educational and R&amp;D partnerships</p> 
Impact	<ul style="list-style-type: none"> <li>– Reduced water use and fertilizer discharge through closed irrigation/fertilization system with advanced controls</li> </ul>	<ul style="list-style-type: none"> <li>– Reduced CO<sub>2</sub> footprint</li> <li>– Reduced land use</li> </ul>	<ul style="list-style-type: none"> <li>– Safe food supply</li> <li>– Improved nutritional value through optimized non-GMO genetics and growing recipes/methods</li> </ul>	<ul style="list-style-type: none"> <li>– Workforce development through continuing education (CE), internships and work-study programs</li> </ul>
KPIs	<ul style="list-style-type: none"> <li>– Water consumption</li> <li>– Wastewater generated</li> <li>– Water recycled</li> <li>– Impact to water-stressed areas</li> </ul>	<ul style="list-style-type: none"> <li>– CO<sub>2</sub> footprint per GhG protocol, end-to-end from suppliers to customers</li> <li>– % energy &amp; material inputs from sustainable sources</li> <li>– Yield per acre/ha</li> </ul>	<ul style="list-style-type: none"> <li>– Food safety audit performance</li> <li>– Phyto-nutrient levels</li> </ul>	<ul style="list-style-type: none"> <li>– Number of CE Credits</li> <li>– Internship hours</li> <li>– Work-study hours</li> </ul>

Foundation of Must-Have Factors: Governance, Social Policies, and KPIs



# Blue chip customers and high customer satisfaction



George Yiu

*"At Canvas, we only serve our customers the highest quality ingredients like the Kalera lettuce. I love that Kalera's produce isn't touched by human hands until chefs get ahold of it"*



George You



Executive Chef



Nora Galdiano

*"Kalera Lettuce is consistent in quality and head size. They have a high yield and it's zero to minimal waste... I love the fact that it's locally grown so I know they will be fresh"*



Nora Galdiano



Executive Chef/Culinary Consultant



Ashley Swanson

*"I feel really good about serving our community Kalera lettuce. It takes our salad game up a notch, and our customers love it"*



Ashley Swanson



Chef/Owner



# New Strategic Partnership with US Foods

On 18 May 2022, Kalera announced a strategic partnership with US Foods that will bring a minimum of \$100m in revenue to Kalera in the US. The Joint Venture includes the following conditions:

## Distribution Network

- ✓ 69 Distribution centers
- ✓ 80 Cash & Carry stores
- ✓ One of the largest food service distributor in the US, seen as the most innovative

## Marketing

- ✓ Leverage 3,000+ sales force associates
- ✓ Strong e-commerce platform and analytics
- ✓ Leverage “Pull” strategy from end-consumer awareness through various market programs

## Product Portfolio Optimization

- ✓ Global launch of new products
  - Initial phase: Target Kalera whole head cases
  - Phase two: Expansion into loose-leaf category
  - Phase three: Herbs and microgreens
  - Phase four: Exotic mixes and new microgreens varieties





# RECENTLY ANNOUNCED SPAC TRANSACTION WITH AGRICO

## Overview

- \$147mm cash in trust from Agrico Acquisition Corp. (Nasdaq: RICO)
- \$100mm minimum cash condition to closing
- Use of proceeds: growth capital and general corporate purposes

## Valuation

- \$375mm pro forma equity value
- Exchange ratio of 0.091 for existing Kalera shareholders
- Based on Kalera 30-day VWAP of 9.99 NOK <sup>(1)</sup>

## Ownership <sup>(2)(3)</sup>

- 52% existing Kalera shareholder equity rollover
- 48% Agrico Acquisition Corp. investors including founder shares
- Kalera Contingent Value Rights equal to 10% of pro forma shares based on agreed strike prices

<sup>(3)</sup> Existing Kalera Shareholders to receive additional 5% of pro forma shares



Source: Company information.

<sup>1)</sup> As of 1/28/22, also reflecting the impact of transaction expenses and the sponsor promote – see Footnote (2).

<sup>2)</sup> Based on \$10 share price of RICO, 14.4mm SPAC shares outstanding, 3.6mm sponsor promote shares and calculated using Kalera 30-day VWAP of 9.99 NOK assuming 209.4mm Kalera basic shares outstanding, issuance of 2.1mm shares related to Vindara, and 4.0mm in-the-money options, which implies a 0.091 exchange ratio of Kalera existing diluted shares to pro forma shares in combined company.

<sup>3)</sup> Existing Kalera Shareholders to receive additional 5% of pro forma shares when stock trades above \$12.50 and again at \$15.00 for 20 trading days within a 30 trading-day period based on VWAP.





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## **2 Investment Highlights**

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# Leading Vertical Farming Platform

## Kalera Investment Highlights

#1

Portfolio of great-tasting, healthy and sustainable products *supported by a leading technology stack*

#2

Scalable business model *accessing local markets with a global footprint*

#3

Large and actionable pipeline of new facilities *including 6 in construction*

#4

Compelling economic profile *with more efficient capex per lb. of annual output and output per facility sq. ft. vs. peers*

#5

World class leadership team *fully committed to the highest ESG standards*



# Portfolio of Fresh, Great Tasting, Healthy and Sustainable Products Sold Under the Kalera Brand

## Living Lettuce and Greens



### Whole Head

- Butterhead/Bibb
- Romaine
- Oak leaf
- Crispy
- Multi leaf
- Frisee
- Mini gem
- Lollo



### Harvest-on-Demand

- Lettuce
- Mustard
- Pak choi
- Arugula
- Oak leaf
- Basil
- Cilantro



### Cut Leaf

- Romaine
- Butterhead/Bibb
- Crispy
- Frisee
- Multi leaf





### Baby Leaf & Microgreens

- Spinach
- Arugula
- Kale
- Mizuna
- Basil
- Cilantro
- Mustard greens
- Asian mixes
- Microgreen mixes



# Kalera's Romaine Is Nutrient Dense

- Preliminary tests indicate superior nutritional content in Kalera romaine vs. conventional romaine<sup>(1)</sup>
- Freshness is a key driver in romaine nutritional content
- Kalera's "Local Living Lettuce" is still alive with the root ball attached when sold
- We believe our "Local Living Lettuce" is differentiated not only in terms of nutrient content but also in taste, texture and shelf life


	 Conventional Romaine	 Kalera Romaine	% NUTRIENT INCREASE
Vitamin A/Beta Carotene	6 mcg RAE	152 mcg RAE	25x ↑
Vitamin K	79 mcg	230 mcg	190%
Lutein & Zeaxanthin	806 mcg	3361 mcg	320%
Folate	21 mcg	32 mcg	52%
Potassium	226 mg	391 mg	73%
Magnesium	13 mg	22 mg	69%
Calcium	27 mg	54 mg	100%

Nutrient Dense 

Non-GMO 

Pesticide Free 

Improved Food Safety 

No Fertilizer Run-Off 

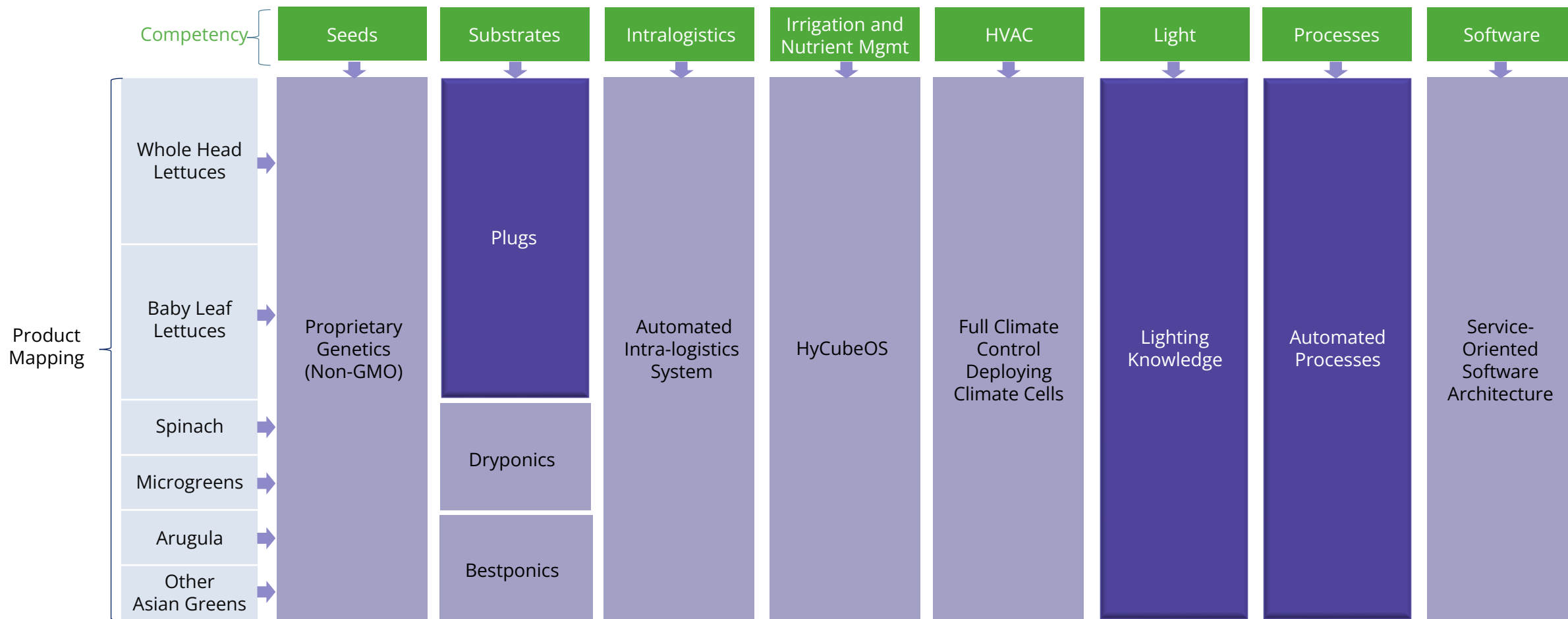
Source: Mérieux NutriSciences and Company information.

1) Preliminary tests only as future tests may have varying results.



# Leading Technology

*Intellectual property from Seeds to Software*





# Vindara Drives Transformational Seed Innovation

## Big Data and AI-Driven Seed Development

- Database tracks physical measurements (e.g. diameter, nutritional density, etc.) and sensory properties (e.g. flavor, texture, color, etc.) of produce varieties
- Data used to train proprietary Machine Learning models that predict the genetic underpinnings of new varieties, dialed in with a precise set of desired properties

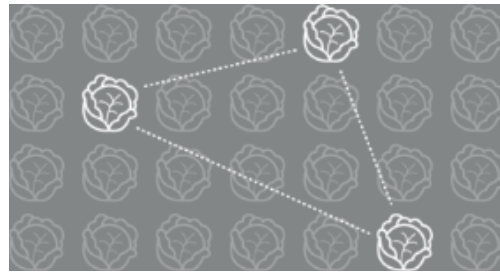
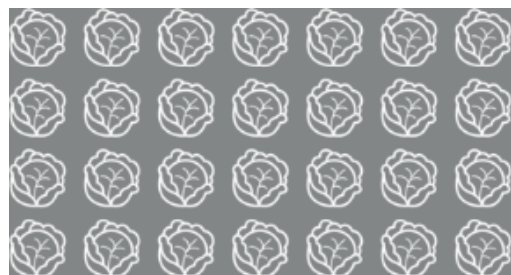


Big Data



Machine Learning Models

## Cross-Breeding 5x Faster



5-7 years

1-1.5 years <sup>(1)</sup>

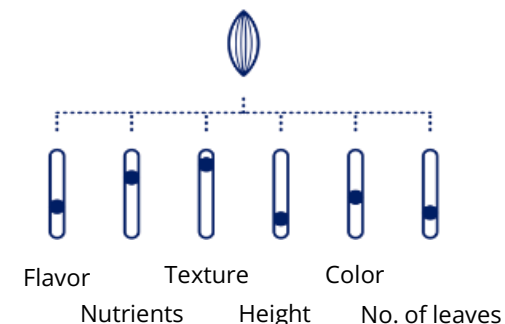
Source: Company information.

1) For leafy greens.

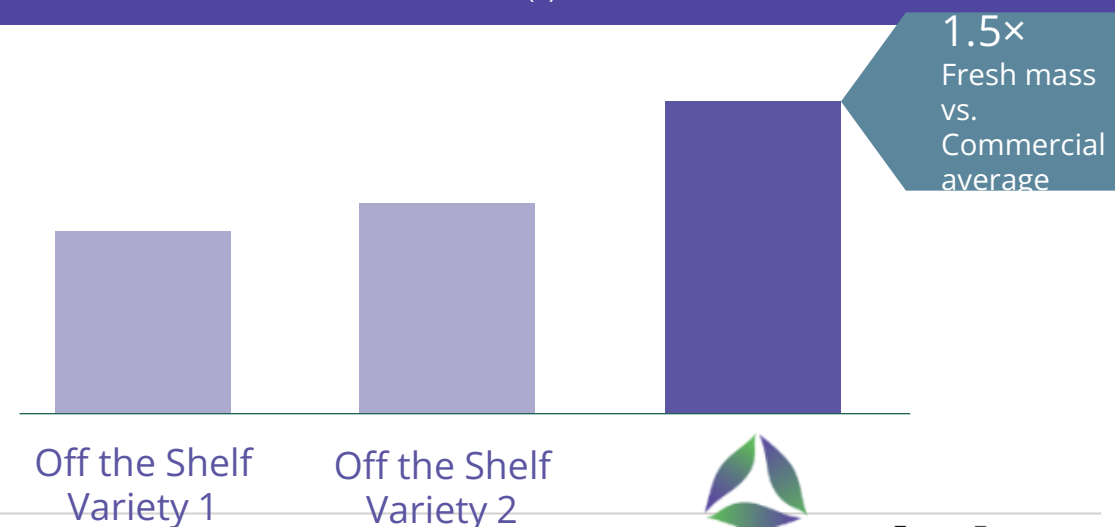
2) Testing performed in-house at Vindara.

## Control Panel for Genetic Varieties

- Color, texture, flavor, and nutrient profile are subjective, and influenced by a range of cultural and generational traditions
- Vindara provides flexibility to growers to respond to these pressures with agility and precision
- Facilitates a control panel for designing the produce of tomorrow—built to spec and brought to life with unprecedented speed

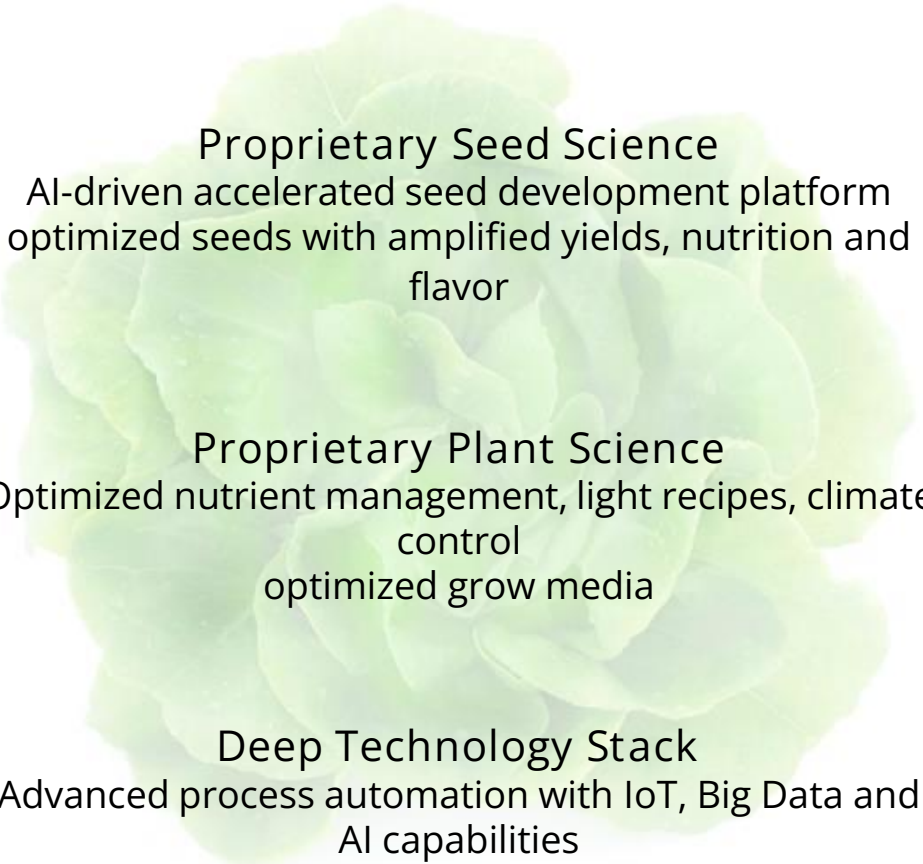


## Romaine Lettuce Case Study: Vindara Seeds Boosted Mass by 50% <sup>(2)</sup>



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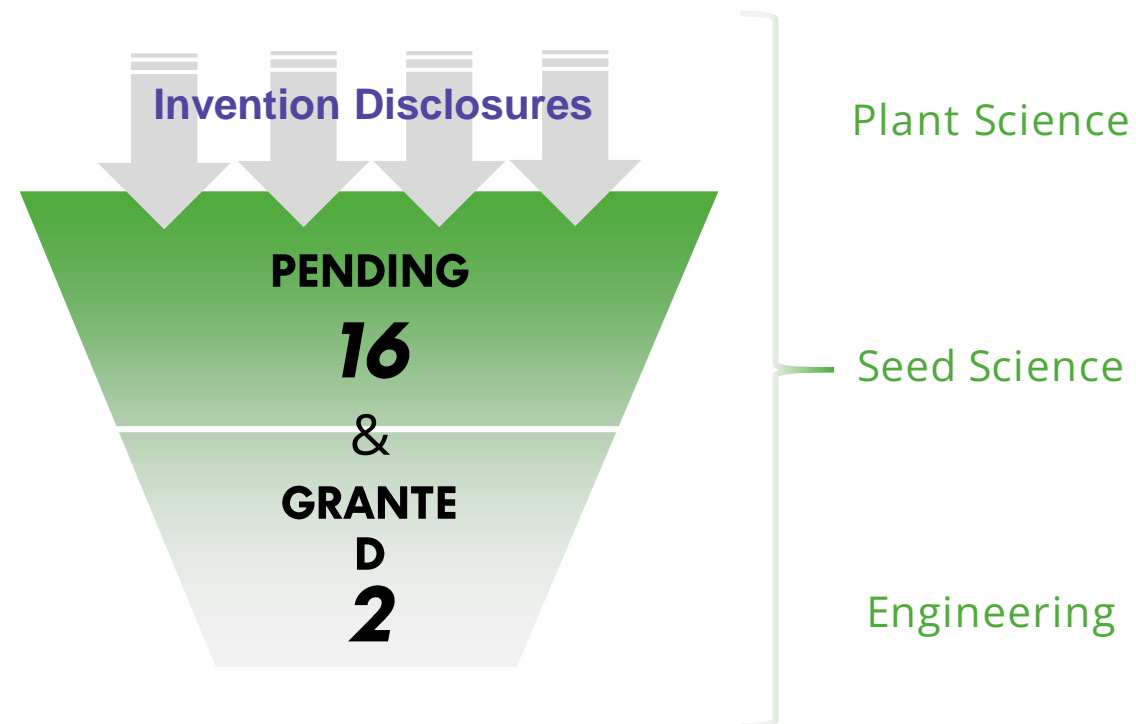
# Technological Differentiation Protected through Growing Intellectual Property



**Proprietary Seed Science**  
AI-driven accelerated seed development platform  
optimized seeds with amplified yields, nutrition and  
flavor

**Proprietary Plant Science**  
Optimized nutrient management, light recipes, climate  
control  
optimized grow media

**Deep Technology Stack**  
Advanced process automation with IoT, Big Data and  
AI capabilities





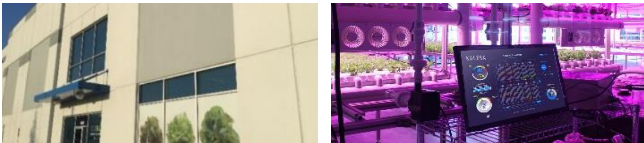
# Only vertical farmer in the industry with global reach

## Worldwide operations in key hubs



### ORLANDO, FLORIDA

- Expected plant heads per year: ~5.1 million
- Project start date: June 2019
- Operations start date: February 2020
- Size: 33,120 sqft total



### ATLANTA, GEORGIA

- Expected plant heads per year: ~10.2 million
- Project start date: April 2020
- Operations start date: March 2021
- Size: 76,995 sqft total



### KUWAIT CITY, KUWAIT

- Output capacity: 500kg/day
- Project start date: July 2019
- Operations start date: March 2020
- Size: 34,445 sqft total



US operational farms



US under construction farms



International operational farms



Grow Tower site



International under construction farm

Leading the pack in terms of number of farms and operations in three continents

# Modular Design Enables Rapid Deployment

## Modular Design, Buildout and Installation

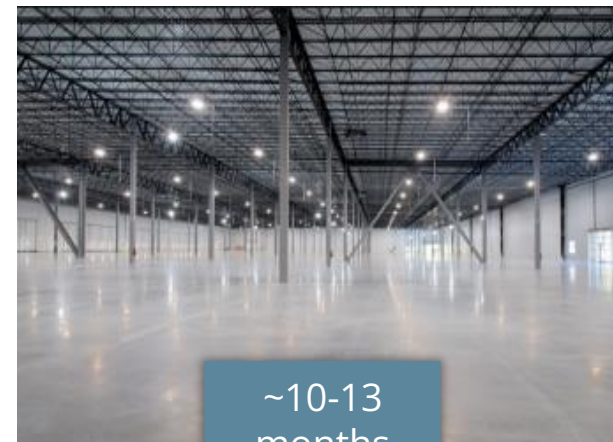
### Rapid Roll-Out Capabili- ties

- **Site selection** – strategically located near urban populations
- **Buildings** - existing warehouses that are retrofitted and leased or purchased, or are built-to-suit
- **Established supply chains** – defined CapEx, availability of equipment on-time, on-budget without bottleneck issues
- **Replicable scaling** – existing design, installation, lease agreements and work relationships with architects and design companies
- **Construction time for a large facility is typically 10 – 13 months (currently experiencing some supply chain delays)**

### Efficient Design

- **Modular designs** – based on components that can be reused in various configurations
- **Energy efficient design** – optimized temperatures, humidity and reduced heat loads
- **Quick installation and set-ups**
- **Standardized equipment** – shorten lead times and internal review
- **Design teams** – architectural space management, internal infrastructure, value engineering and design/planning, sustainability, government relations

## Site Transformation



~10-13  
months





# Compelling Economic Profile

## Facility Unit Economics (\$/lbs.)

End of 2023 Houston <sup>(1)</sup>	
(\$USD)	
Sell Price/lb. <sup>(2)</sup>	\$5.51
Cost <sup>(3)</sup>	\$3.58
Margin	\$1.93
Packaging	\$0.74
EBITDA	\$1.18
<i>EBITDA Margin</i>	21.5%

Full head and cut leaf production

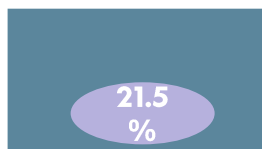
End of 2025 <sup>(1)</sup> Farm of Future	
(\$USD)	
Sell Price/lb. <sup>(2)</sup>	\$6.68
Cost <sup>(3)</sup>	\$3.21
Margin	\$3.47
Packaging	\$1.39
EBITDA	\$2.07
<i>EBITDA Margin</i>	31.0%

Full head, cut leaf, baby leaf, microgreens production

## Facility EBITDA<sup>(4)</sup> (\$ in millions / % EBITDA margin)

End of 2023 Houston

\$3,32 /facility



End of 2025 Farm of the Future

\$6,65 /facility



Source: Company information.

1) Stabilized farm.

2) Blended price.

3) Excludes packaging costs.

4) See final slide for EBITDA reconciliation.

EBITDA  
Margin

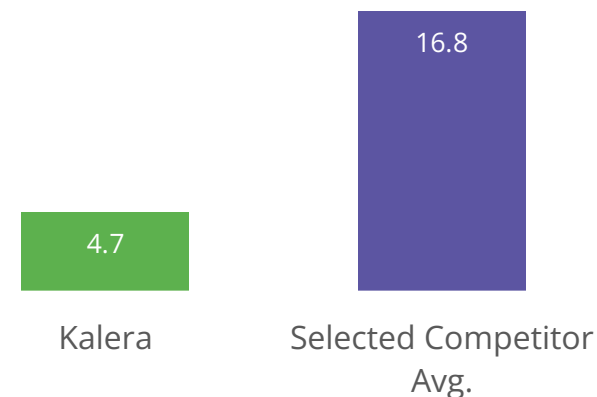
# A Leader in Capital Efficiency

## Lower CapEx

- Kalera is one of the leaders in CapEx per Lb of Annual Output<sup>(1)(2)</sup>
- ROI-driven automation adoption – most labor intensive operations automated first, after careful analysis of benefits vs. costs
- Careful standardization of key equipment to avoid over-engineering but still maintaining technology advantages
- In-House only hardware/software related to Kalera competitive IP: nutrient management, process automation, AI, etc.
- Established key supply chain relationships



## CapEx per Lb of Annual Output (\$)



## Higher Yields

- Kalera is one of the leaders in the vertical farming industry in production output per facility size<sup>(1)(2)</sup> – Lbs/sqft.
- One of the leaders in yields per growing area (Lbs/sqft. of growing area/Year)
- Cost-effective solution for maximizing growing area in the facility



## Output (Lbs/Yr) per Facility sqft.



Source: Company information.

1) Based on publicly available information, industry average weighted by total production facility size.

2) Output per facility size KPI normalized to a standard 32-feet high warehouse and includes total facility sqft. (grow room + operations & logistics space) averages weighted by facility.



# Performance Expected to Improve Over Time

1

Number of Farms Expected to Increase

- Number of farms increase with build out of the US, Middle East, Southeast Asia and new markets

2

Sales Per Farm Expected to Increase

- Distribution grows with new customers and more stores per customer
- Sales per store rise with marketing to consumers
- Effective capacity per farm increases with improving growth rates and yields
- Average selling price rises after introductory offers and brand building

3

Operating Cost Expected to Decrease

- Each new farm incorporates learnings from prior farms
- Buying power grows as scale increases; fixed costs as a % of sales decline
- Growth rates, yields and seed costs improve with leveraging of Vindara's seed technology
- Labor costs decline with leveraging of &ever's automation technology

4

Cost of Capital Expected to Decrease

- Cost of equity improves with Nasdaq listing and steadily improving results
- More efficient capital structure as business matures and generates predictable, growing cash flows

# World Class Leadership Team



Curtis McWilliams  
Interim Chief Executive  
Officer



Austin Martin  
Chief Operating Officer



Fernando Cornejo  
Chief Financial Officer



Dr. Henner Schwarz  
Chief Commercial  
Officer



Dr. Cristian Toma, PhD  
Chief Science Officer  
and Co-Founder



Keri Gasiorowski  
Chief Human  
Resources Officer



Dr. Heiko Hosse  
Chief Technology Officer



Dr. Jade Stinson, PhD  
President & Co-Founder  
of Vindara



Dr. Jan-Gerd Frerichs  
EVP Software



Aric Nissen  
Chief Marketing Officer





# Experienced Directors for Combined Company Board



Kim Lopdrup

Board Director (Chairman Elect)<sup>(1)</sup>

- Retired CEO of Red Lobster
- Former COO of Burger King N.A. and CEO of Dunkin' Brands Intl. Business
- Began career in brand management at P&G; has 30+ years of experience in restaurant business



Curtis McWilliams

Board Director Elect

- Chairman of Ardmore Shipping
- 25+ years experience in public and private company governance



Maria Sastre

Board Director

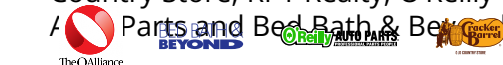
- On boards of General Mills, O'Reilly Auto Parts, Guidewell Holdings, Miramar Services and Helios Education Foundation
- 20+ years experience in mergers/integrations



Andrea Weiss

Board Director Elect

- Founder and CEO of The O Alliance, a consulting firm focused on digital transformation
- Board member of Cracker Barrel Old Country Store, RPT Realty, O'Reilly Auto Parts and Bed Bath & Beyond



Umur Hursever

Board Director

- Partner and member of investment committee at Lightrock
- Over 20+ years of direct private equity and growth equity experience
- Previously with Capital Group, CCMP Capital (fka J.P. Morgan Partners)



Faisal Al-Meshal

Board Director Elect

- Director of Strategy and Business Development at NOX Management
- Previously Deputy General Manager of Ghaliyah



Sonny Perdue

Board Director

- Former US Secretary of Agriculture
- Former Governor of Georgia and Georgia State Senator



Brent De Jong

Board Director Elect

- Managing Partner at De Jong Capital; Chairman at Emergent Technology
- Previously Partner and Head of Special Situations at Castlelake (Chairman of Itafos)
- Director & Advisor at RA Holdco; Head of Special Situations & Investment Committee Member at Ashmore







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**Thank you.**

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**Danke. شكرًا. 謝謝.**

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