

SUSTAINABLE PROTEIN SEED START-UP PROTEALIS DOUBLES CAPITAL UPON CLOSING ITS EXTENDED A-ROUND

Ghent, BE. September 2nd, 2021 – The Ghent-based company Protealis, a spin-off from VIB and ILVO, was incorporated earlier this year backed by 6 Mio EUR VC funds. Now, Protealis raised an additional 5.7 Mio EUR in its extended A-round. The near doubling of the capital allows the company to pursue a more aggressive market introduction while strengthening its existing R&D platforms. The successful extension of the A-round brings new and international investors to Protealis by adding Innovation Industries (NL), Korys Investments (BE), HFT Holding (NL) and Thia Ventures (SG/BE) as well as an extension of the prior investment of Estari Group (UK).

Driven by market interest for sustainable and locally grown protein crops

The incorporation announcement earlier this year sparked a lot of interest in the young start-up, both from VCs as well as from farmers and downstream processing industry. Not surprisingly, protein transition and sustainability of food - which define the very operating space in which Protealis will act- are more on the agenda than ever since the corona pandemic. As a result of the growing customer demand in these fields, both food and feed companies are struggling to keep up with that demand due to the relative unavailability of non-GM, local, sustainably grown protein crops. *“It became increasingly clear that we would not have to convince the market of the opportunity, but rather fill an existing need as soon as possible”* says CEO Benjamin Laga. The interest in the start-up did not only come from Belgium, but also from other Central and Eastern European countries where the very early soybeans from Protealis’ portfolio could find an agronomic and climatic fit. That interest now translated into financial tailwinds with the closing of an additional 5.7 Mio € A-round investment in the start-up.

Flemish minister of Agriculture and Innovation Hilde Crevits: *“It is very encouraging to see that in such short period of time Protealis succeeded in convincing an international group of investors to join their journey. It demonstrates the Flanders’ strength in biotech development, not only for healthcare but also for agriculture and the food sector. This spin-off that sprouted from VIB and ILVO, 2 of our Flemish top institutes, can create substantial leverage to realize the Flemish protein strategy I launched earlier this year.”*

Seizing the opportunity

Remaining true to its mission to provide “sustainable protein seeds for Europe”, Protealis will use the extra capital to widen its geographic scope and accelerate production scale-up for broader market introduction as well as to accelerate the release of new varieties. Next to the existing early soybean pipeline, Protealis also intends to use the capital to establish a pipeline for other protein crop offerings.

Faster implementation of R&D platforms

“In our first months, the team did an incredible job to demonstrate proof-of-concept and devise some very innovative breeding strategies. Deploying these into our crops at full scale now becomes a feasible option and will drive the performance of our future varieties by breeding even better and faster” Benjamin Laga continues. These breeding innovations are first to be implemented in soybean breeding but can also serve other protein crops. Also the company’s seed inoculum R&D efforts will benefit from the financial injection.

International expansion of the investor syndicate

The increased international and downstream business interest is also reflected in the composition of the new investor syndicate. With additional investments from the Netherlands (Innovation Industries and HFT), Singapore/EU (Thia Ventures) and UK (Estari), Protealis moves beyond Flanders. Also, the new investors bring additional experience in the seed industry, through Innovation Industries who is an investor in the Dutch potato seed company Solynta and HFT that was founded by the former executive management team of De Ruiter seeds. Moreover, it also brings knowledge of downstream processing industry via Korys, the investment company of the Colruyt family that holds several participations in food processing companies.

The new investors join the existing investor syndicate comprising V-Bio Ventures, Agri Investment Fund (AIF), Participatiemaatschappij Vlaanderen (PMV), Estari Group, Globachem Group, Gemma Frisius Fund and VIB.

About Innovation Industries

Innovation Industries is a DeepTech venture capital investor that invests up to € 30 million in Hightech, Agri&Foodtech and Medtech businesses. Innovation Industries invests from seed to late stage and has partnerships with all Dutch technical universities and research institute TNO. More information: www.innovationindustries.com

About Korys

Korys is the investment company of the Colruyt family. Today, it has more than EUR 4.5 billion of assets under management. Besides holding a significant participation in the Colruyt Group, a leading retail company in Belgium and France, it actively manages participations in privately held companies and in private equity funds. Korys has also set up proprietary funds to manage its portfolio of listed investments. Across its activities, Korys' investment decisions are taken with a long-term perspective and on basis of strict economic (Profit), social (People) and ecological (Planet) criteria. Korys aims to create sustainable value in 3 major ecosystems: Life Sciences, Energy Transition and Conscious Consumer. To do this, Korys can count on a motivated team of 30 professionals based in Belgium and Luxembourg.

About Thia Ventures

Thia Ventures is the venture capital firm established by the founders of Ambrosia Investments and Droia. Thia invests at the intersection of biotechnology, nutrition and health. From their diverse background, the partners bring robust investor muscle to early-stage ventures with unique industry substance, networks and experience, yet with the adaptability and speed of a lean team with a clear focus. Thia is based in Europe but invests worldwide.

About Estari Group

Estari is a sustainability growth capital firm that invests in European companies that have developed proven solutions to issues affecting the Future of Cities, Future of Food and Future of Work. Estari provides growth capital and operating support to companies that generate economic value by leveraging technology to make efficient use of natural and human capital. Estari sees a major opportunity to accelerate the economic shift to sustainability by investing in business models enabled by the maturity of technologies. Estari Capital is a purpose-built team, supported by a broad set of operating and strategic partners, with a tailored investment process to identify the most scalable, impactful and financially efficient companies building on these technologies. More information: [Estari \(estargroup.com\)](http://estarigroup.com)

About VIB

VIB is an entrepreneurial research institute in life sciences located in Flanders, Belgium. VIB's basic research leads to new and innovative insights into normal and pathological life processes. It unites the expertise of all its collaborators and research groups in a single institute, firmly based on its close partnership with 5 Flemish universities (Ghent University, KU Leuven, University of Antwerp, Vrije Universiteit Brussel and Hasselt University) and supported by a solid funding program from the Flemish government. VIB has an excellent track record on translating basic scientific results into pharmaceutical, agricultural and industrial applications. Since its foundation in 1996, VIB has created 30 start-up companies, now employing over 900 people. More information: www.vib.be.

About ILVO

Flanders Research Institute for Agriculture, Fisheries and Food (ILVO) is an independent scientific research institute of Flanders Government. Its assignment from the government is to work on the sustainability of agriculture, fisheries and agri-food sector. ILVO's work is strongly anchored in Flanders and extends from there to Belgium, Europe and the rest of the world.

The mission of ILVO is clear and remarkably contemporary: to build knowledge that will make it possible to produce enough healthy and varied food for the 10 billion people that the world will need to feed while staying within our planetary limits.

More information: <https://ilvo.vlaanderen.be/en>

About V-Bio Ventures

V-Bio Ventures (www.v-bio.ventures) is an independent venture capital firm specialized in building and financing young, innovative life science companies. V-Bio Ventures was established in 2015 and works closely with Belgium-based VIB, one of the world's premier life science institutes. The fund invests throughout Europe in start-up and early-stage companies with high growth potential focusing on technologies that provide transformational improvements in the biopharmaceutical, pharmaceutical, diagnostics and agricultural sectors.

About Agri Investment Fund

Agri Investment Fund (AIF) is an investment company, part of MRBB, the financial holding of Boerenbond (Farmer's Union). AIF invests in innovative companies that contribute to strengthen the sustainability and competitiveness of the agricultural production in the regions where Boerenbond is active. AIF is located in Leuven, Belgium. www.aifund.be

About PMV

PMV is a Flemish investment company that shapes the economic future of Flanders. PMV finances promising companies from the very start to growth and internationalization. PMV offers tailor-made financial solutions for every entrepreneur with a solid business plan and a strong management team, by providing venture capital, loans and guarantees. An experienced and highly motivated team of 149 professionals endeavors every day to achieve the goal of creating prosperity and well-being in Flanders. PMV has a portfolio of about € 1.3 billion in assets under management. More info about PMV can be found on www.pmv.eu.

About Gemma Frisius Fund

Gemma Frisius Fund (GFF) is a seed capital fund, established in 1997 as a joint venture between KU Leuven, KBC Group and BNP Paribas Group. The objective of the fund is to stimulate the creation and growth of KU Leuven spin-off companies by providing them with seed capital in the very early phases of their development and combining the research and technology transfer expertise of the university with the financial and investment expertise of the two banks.