

INVESTMENT
OPPORTUNITY

AUGUST 21 /
2023

TRANS
AKTIONS
HUSET

tebrito[™]

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1. Introduction and opportunity

■ ■ ■ Opportunity to invest at an attractive inflection point. Investment increasing productivity to accelerate expansion and near-term profitable growth.



■ ■ ■ Huge challenge to feed a growing global population through sustainable solutions. Growing need to improve agriculture practices, underpinned by several global mega trends.



■ ■ ■ Supplier of sustainable natural nutrition solutions. Circular, sustainable and cost-efficient upcycling of industrial side streams into valuable and natural nutrition solutions, enabling sustainable agriculture.

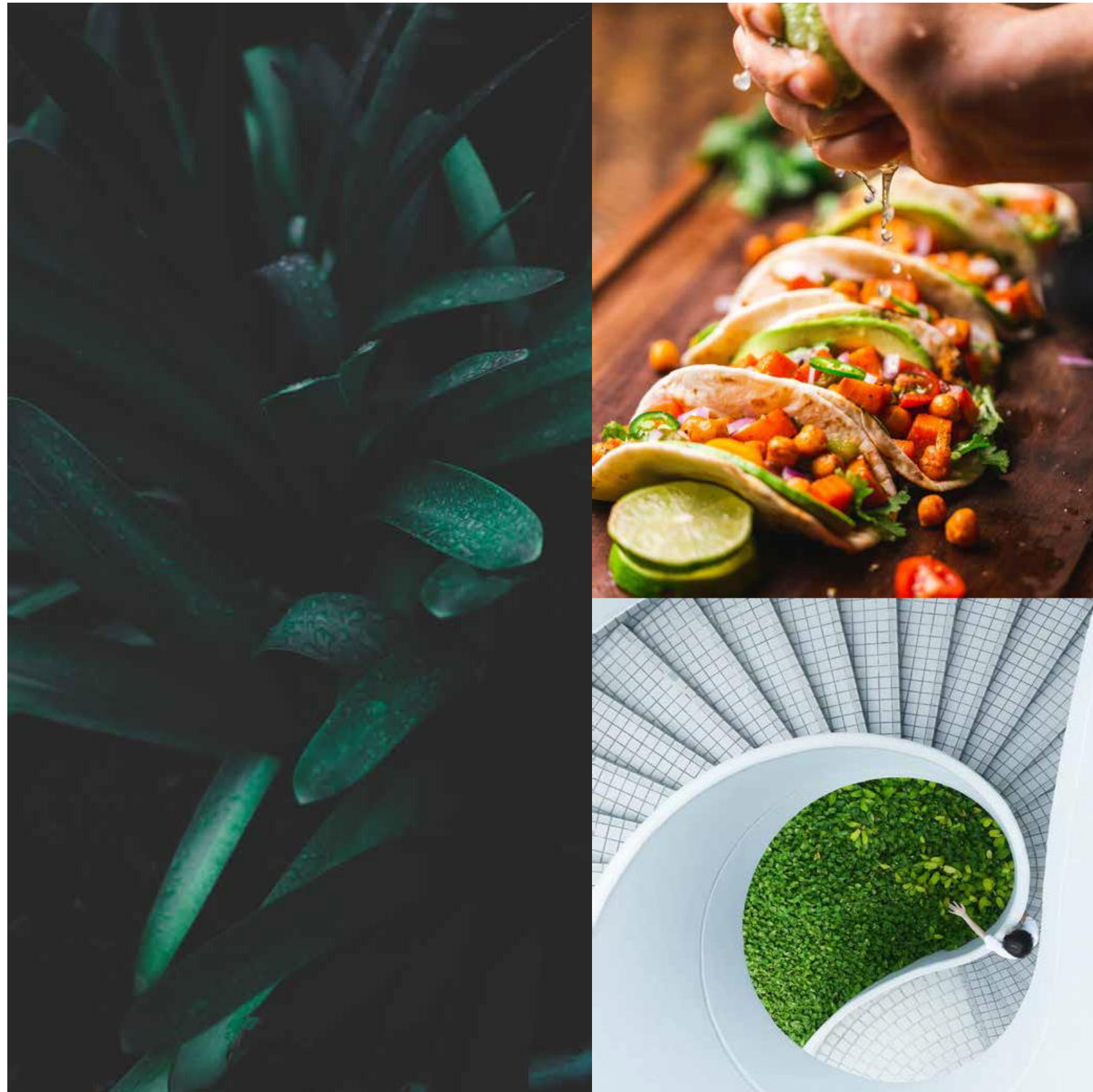


1. Introduction and opportunity

At Tebrito, we are in the business of commercializing insect protein and we are an industry leader in the global green transformation of the Foodtech industry.

Target for investment	Tebrito AB (unlisted)	Roadshow	September 2023
The offering	<ul style="list-style-type: none"> ▪ Targeting SEK 65 million ▪ Private placement (new 1,870,503 shares) 	Payment	In cash according to instructions on Contract Note
Use of proceeds	<ul style="list-style-type: none"> ▪ 68% – Capex Building, Machinery & Automation ▪ 17% – Other opex ▪ 9% – Sales & Marketing ▪ 6% – R&D Biology & Tech 	Delivery of shares	The company is not a record company and thus not affiliated with Euroclear Sweden. The company's share register is kept by the board of directors of the company in accordance with the Swedish Companies Act (2005:551). Upon allotment, the new shares will be entered in the company's share register by the board of directors.
Indicative pre-money valuation	SEK 97 million		
Subscription price	SEK 34,75 per share.		
Distribution of shares	Total number of shares outstanding pre-transaction 2,790,000 (two classes of shares): 297,000 PREF (1 vote); 2,493,000 STAM (1 vote)	Shareholders' agreement (SHA)	Adherence to Tebritos's SHA a prerequisite for allotment. The agreement regulates, e.g., so-called Drag Along and Tag Along rights and obligations.

2. Summary – Operational



1. Tebrito has a unique and leading position in Green and sustainable food for the World's population
2. Good market position for product portfolio including protein production and distribution
3. Considerable and spontaneous demand pipeline
4. Exceptional Green impact
5. Strong management and BoD
6. Bioconversion solution: Mealworms

2. Summary – Financial



1. Projected IRR (internal rate of return) for investor on 4 year basis in excess of +15% (annually)
2. Green impact investing
3. Equity capital participation and critical point of expansion
4. Very strong Macro-case, as well as Micro-case
5. Minimum investment sought per investor 5 million SEK, up to 65 million SEK total by 30 November 2023

3. Background

The desire to make an impact is the driving force behind Tebrito.

It all started when I read an article about insects' unmatched ability to transform biomass into valuable compounds.

Following a successful R&D partnership with Swedish University of Agricultural Sciences (SLU) exploring the potential of insect protein, Tebrito was founded in 2016 by Nils, Åsa and Peter. While working hard on the industrial blueprint, Nils played an active role in overcoming legislative barriers con-

cerning plant nutrition and insect products that once hindered progress in this field.

That paid off, and with initial investment secured late 2019, a test-plant was set up in Dalarna, the very heart of Sweden.

As the operations gained momentum, we quickly outgrew the plant and transitioned to our current, more spacious facility. A diverse and passionate team came together and focused on automating operations and securing all necessary permissions.

With an ever-increasing demand, expansion is on the horizon. Our journey continues, driven by a shared passion to create a better, more sustainable future within the food industry.



NILS ÖSTERSTRÖM

CEO and Co-founder of Tebrito

4. The Market and Climate Impact

Urgent global challenges driving demand for Tebrito's products

Global population growth – expected to reach 9.7 billion by 2050¹, food demand expected to grow by 60% between 2010 and 2050²

Global food crisis with an expected 346 million people projected to be food insecure in 2023 – reasons include war, increasing fertilizer prices and climate shocks³

Livestock takes up nearly 80% of global agricultural land, yet produces less than 20% of world's supply of calories⁴

Use of pesticides in agriculture contributes to destructions of soil, water and air⁵

Excess of nutrients in the environment negatively impacts biodiversity and climate⁶

Two-thirds of the world's seafood is over-fished⁷

So... How can we produce more with less?

Relying on the principles of a circular economy, Tebrito, through the industrial rearing of insects on bi-products, contributes to solving important climate, food and sustainability challenges

1) <https://www.un.org/en/global-issues/population>;

2) <https://ifif.org/global-feed/statistics/>;

3) <https://www.wfp.org/global-hunger-crisis>;

4) <https://ourworldindata.org/agricultural-land-by-global-diets>;

5) <https://link.springer.com/article/10.1007/s42452-019-1485-1>;

6) <https://oceanservice.noaa.gov/facts/nutpollution.html>;

7) <https://www.forbes.com/sites/michaelpellmanrowland/2017/07/24/seafood-sustainability-facts/?sh=683eae4d4bbf>





4. The Market and Climate Impact

Up to 97.5% reduction in Greenhouse Gas (GHG) Protocol emissions), in comparison with proteins of similar quality.

A recent Life-cycle assessment (LCA) from RISE on Tebrito's current production systems, showed that using products and wheat bran for mealworms reduces GHG emissions 4 to 40 times. When scaling up, we expect the impact to increase even further, all due to a proprietary energy efficient climate control system and that we avoid feeding the mealworms with anything that can be used as food for humans or animals.

Animal	% protein	kg CO ₂ eq/kg	kg CO ₂ eq/kg protein
Mealworm, dried (SE)	51	1.5	2.9
Chicken (SE)	23.1	2.6	11.3
Beef (SE)	22	28	127.3
Pork (SE)	20.7	4.1	19.8
Salmon (NO)	20	6.1	30.5

Compared beef-mealworm resource dema to produce 1 kg edible protein¹

	BEEF	MEALWORM
Water 		-99%
Energy 		-61%
CO ₂ 		-97,5%
Land use 		-95%

Using the example above, substitution of 1kg of beef with mealworms have a positive climate impact of 27.5 kg CO₂. By converting low grade biomass into proteins comparable with beef (EAAI=1,6) the plant in full production has a positive climate potential.

¹ Environmental Impact of the Production of Mealworms as a Protein Source for Humans - A Life Cycle Assessment, de Boer & Oonincx, Wageningen University & Research, 2012

4. The Market and Climate Impact

Rapidly growing market for Frass

STATE OF EMERGENCY

Peak Soil, the point at which humanity will have reached a critical point where we no longer have enough fertile soil to sustain the world's populations.

- ▶ Too little arable land per capita is an acute world problem
- ▶ 1/3 of the soil on earth is degraded¹
- ▶ 828 million people in the world go hungry²

BIOSTIMULANT MARKET ON

A substance or microorganism applied to plants – enhancing nutrition efficiency, abiotic stress tolerance and/or crop quality traits, regardless of its nutrients content contains³.

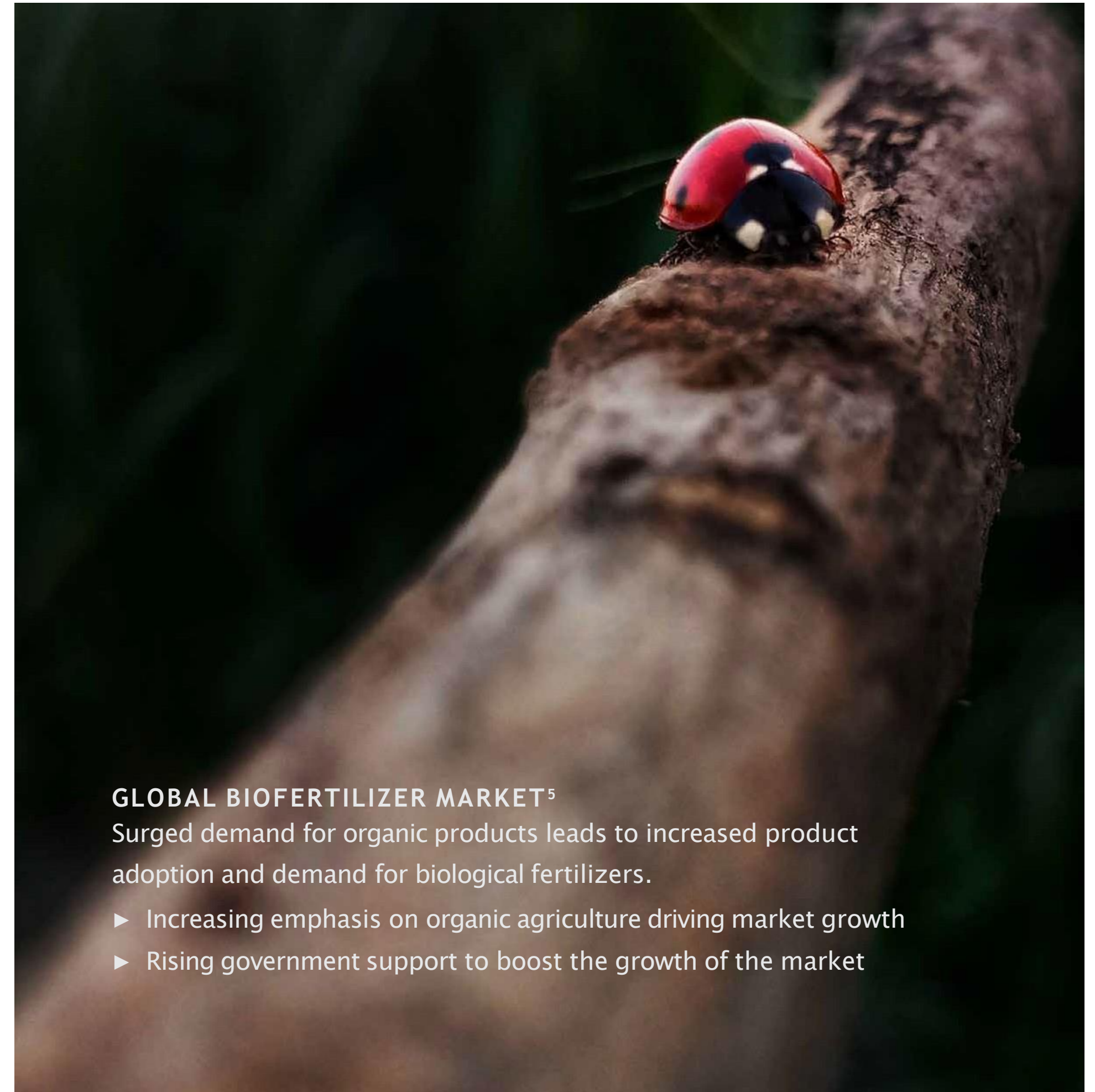
- ▶ Huge global interest in plant biostimulants (Sales of >740 million euros in Europe during 2020⁴)
- ▶ Europe is the leading and main market with 45% global share of the biostimulant market⁴

1) <https://www.forbes.com/sites/daphneewingchow/2020/06/24/earths-rapidly-degrading-soil-is-bad-news-for-human-health/?sh=78772507865c>;

2) <https://www.wfp.org/global-hunger-crisis>;

3) <https://www.sciencedirect.com/science/article/pii/S0304423815301850>;

4) Bio Solution Market Review; 5) Fortune Business Insight. <https://www.fortunebusinessinsights.com/industry-reports/biofertilizers-market-100413>



GLOBAL BIOFERTILIZER MARKET⁵

Surged demand for organic products leads to increased product adoption and demand for biological fertilizers.

- ▶ Increasing emphasis on organic agriculture driving market growth
- ▶ Rising government support to boost the growth of the market

4. The Market and Climate Impact

Insect-rearing is becoming big business.

The worldwide market for edible insects was worth \$112m in 2019 and is projected to reach more than \$1.5bn by 2026, according to Global Market Insights. As consumers become aware of the damage that intensive meat production and fiendishly complex supply chains are doing to the environment, researchers and producers hope that entomophagy – the technical term for eating insects – can provide some answers.

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5. Competition and market participants

Regulatory change and huge market potential driving the industry ecosystem, product development and marketing - further increasing market acceptance and potential

Company	Year founded (Country)	Business	Latest financing round ^{1,2} (Type)	Capital raised 2020-2023 ^{1,2} SEKm (Year)	Revenue ^{1,2} SEKm (Year)	Latest pre-money valuation ^{1,2} SEKm (Year)
Aspire	2014 (US)	Cricket farms in Texas and Canada. Exo protein (consumer brand), Insect Frass and Chitin (bio-pesticide)	2022 (Private placement)	74 (2022)	200 (2021)	n/a (2022)
Cinics	2018 (SE)	Green tech company aiming to produce the world's most environmentally friendly mineral fertilizer by recycling industrial waste products	2022 (IPO)	39/460 (2021/2022)	- (2021)	1,6433 (2022)
Mycorena	2017 (SE)	Operator of sustainable food technology and waste management company intended to offer an alternative to both meat and traditional plant-based proteins	2022 (Private placement)	12/79/240 (2020/2021/2022)	0.4 (2021)	1,492 (2022)
Protix	2009 (NL)	First factory opened in 2019, using black soldier fly. Products: ProteinX, LipidX, PureX, OERei, FLYtilizer and friendly fish	2022 (Private placement)	162/506 (2021/2022)	n/a (n/a)	n/a (2022)

¹) Pitchbook ²) Bolagsverket ³) nyemissioner.se

6. Products



Frass

Biofrass™ and Frodas™

The climate friendly biostimulant.
Odor free and organic certified.



Refined products (prototype)

A protein ingredient with high value-add concentration. A 88% pure, neutral protein powder.



Mealworms

Swedish feed of quality. Reared to be food for humans or pets with a amino acid profile similar to beef.

6. Products

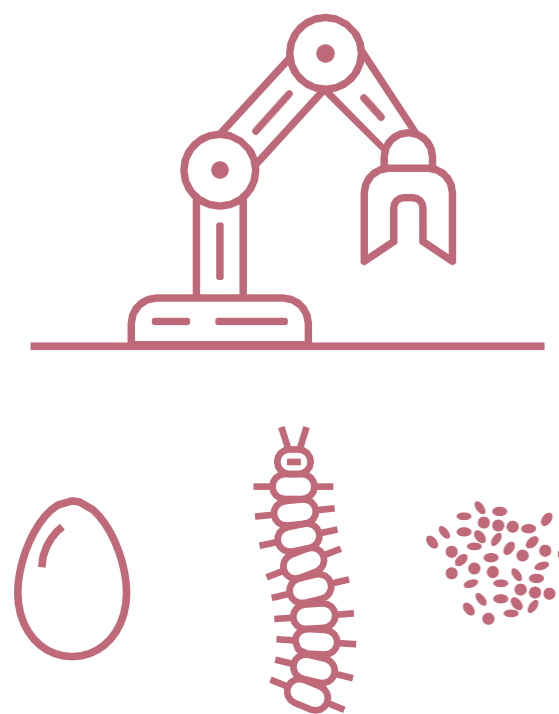
Tebritó's smart bioconversion solution: Mealworms - the true alchemists of the food industry. Upcycling waste into natural nutritious solutions is profitable and fosters a circular, sustainable, food production value chain.

SOURCING



SOURCING of virtually free residual streams as feed source

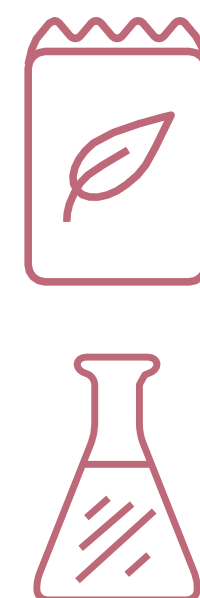
BREEDING



AUTOMATION of the production from eggs to larvae and frass

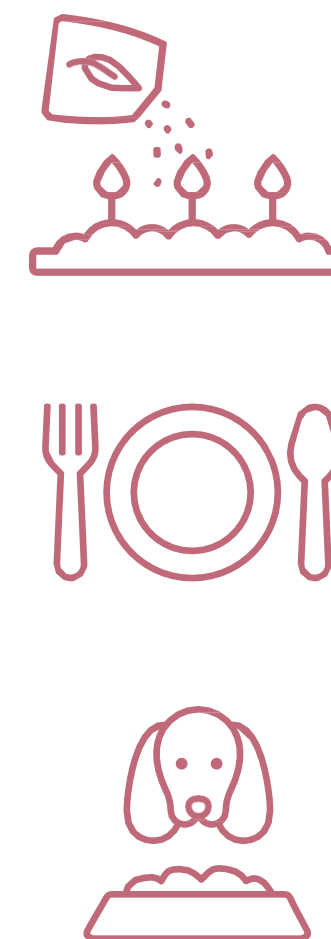
PRODUCTION

FRASS, spilling of larvae



LARVAE post-processing

DISTRIBUTION



BIOSTIMULANT - natural nutrition solution for crops increases yield.

FOOD applications are limitless for Tebrito.

FEED products for aquaculture. PET FOOD based on insect protein.

7. Recent developments mitigating risks

Commercial

A large number of customers are 'demanding' the Frass product, for example: Impecta, Econova and Ekonatur. In addition, we have implemented an extensive marketing plan for frodas. Sold products in all segments

Legal

The Swedish Board of Agriculture has certified the Frass product for organic farming. We also have a food and feed approved facility.

Operational

We have reached a production volume of 30 tons on an annual basis. Invested in automation – We have developed a feeding robot with extremely high performance capable of handling a fully built out factory by itself.



8. Recent Developments

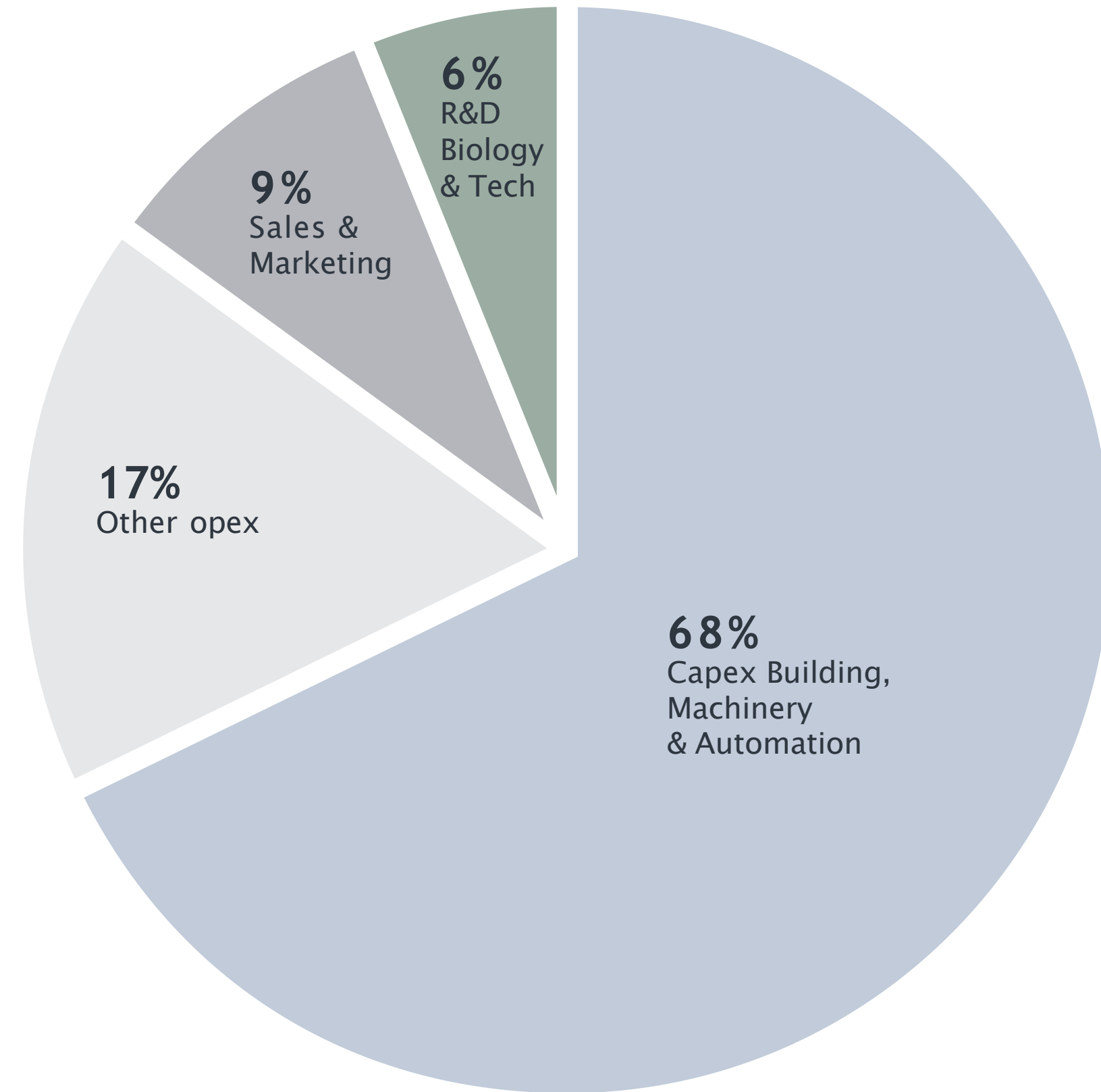


- Reached the milestone of 30 ton larvae production.
- Two ongoing patent applications.
- Three major frass customers + LOI for up to 3000-6000 ton frass.
- Part in several key collaborations and projects, for example together with the Axfoundation.
- More evidence of the great performance in frass.



9. Use of Proceeds

Detailed use of proceeds set out in the Appendix



11. Management and Board of Directors

Management



NILS ÖSTERSTRÖM

CEO and Co-founder of Tebrito



LINDA SJÖSTRÖM

CFO



ÅSA KLUCK

COO



ÅSA MARTÉN

Production Manager

Board of Directors



ANNA GRÅNÄS JAKOBSSON

Chairman
(Svenskt Näringsliv)



JÖRGEN FORSBERG

Board
(Spendrups)



OMID GHANBARI

Board
(Matspar)



DANIEL EVESTEDT

Board
(Surgical Science)



OLLE WAHLQVIST

Board
AB ILITY AB

12. Cap Table

Shareholders	# of shares	Of capital
ALMI Invest Norra Mellansverige AB	342,000	12%
Nils Österstrom	340,000	12%
Diamond Head AB	323,000	12%
Bror & Syster Holding AB	307,000	11%
Bertrand Giorgi	300,000	11%
AQIL AB	210,000	8%
AB Ility AB	209,000	7%
Åsa Martén	150,000	5%
Crosslight Food A AB	141,000	5%
Klara10 Holding AB	70,000	3%
Top-10	2,392,000	86%
Other (27 shareholders)	398,000	14%
TOTAL (37 SHAREHOLDERS)	2,790,000	100%

13. Convertible offering*

* More details on the convertible, and potential dilution, to be provided in follow-on meeting

2023 funding round status, share price. Closed July 7.

Who	Convertibles	Signed date	Amount paid	Paid	Signed by
Henninger Fastighet och Konsult AB	100,000	2023-06-08	100,000	2023-06-09	Jonas Henniger
Counting Stars AB	100,000	2023-06-07	100,000	2023-06-27	Nicklas Berglin
AB Ility AB	5,000,000	2023-06-09	5 000,000	2023-06-22	Olle Wahlqvist
Preben Hansen	100,000	2023-06-16	100,000	2023-06-19	Preben Hansen
Almi Invest Norra Mellansverige AB	500,000	2023-06-26	500,000	2023-06-27	Henrik Larsson
Jeneval LTD (B. Lundberg)	500,000	2023-06-26	500,000	2023-06-28	Orestis Livadas/Sofoklis Marklid
Diamond Head AB	500,000	2023-06-29	500,000	2023-06-30	Daniel Evestedt/Tommy Forse

14. Largest participants in last equity financing round

Name	Type of stock	Stocks	Share	New capital	Number of new stocks	Number of stocks after new issue	Share 2
ALMI Invest Norra Mellansverige AB repr. Henrik Larsson	Pref. & Common SHR	216	12.38%	3 616 200	126	342	12.26%
Nils Österström	Common SHR	340	19.48%	-		340	12.19%
Diamond Head AB repr. Daniel Evestedt	Common SHR	71	4.07%	7 232 400	252	323	11.58%
Syster och Bror Holding AB	Common SHR		0.00%	8 810 900	307	307	11.00%
Bertrand Giorgi	Common SHR	300	17.19%	-		300	10.75%
AQIL AB repr. Peter Wiker	Common SHR	210	12.03%	-		210	7.53%
AB ility AB	Common SHR		0.00%	5 998 300	209	209	7.49%
Åsa Martén	Common SHR	150	8.60%	-		150	5.38%
Crosslight Food A AB repr. Anders Jacobson	Common SHR	141	8.08%	-		141	5.05%

15. Partners

INDUSTRIAL PARTNERS



ecoloop



SCIENCE PARTNERS



DANISH
TECHNOLOGICAL
INSTITUTE

NETWORK & ACCELERATORS



KRINOVA



16. Contacts



ROBERT JHAVERI

Project leader and primary contact

Ansvarar för hela processen och bearbetning av köparkontakter. Arbetat 20 plus år i branschen bland annat som investment-banker i London.

076-608 81 20
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@transaktionshuset.se



DANIEL MÅNSSON

Transaction support

Daniel ansvarar för hela transaktionsprocessen i nära samråd med övriga transaktionsrådgivare.

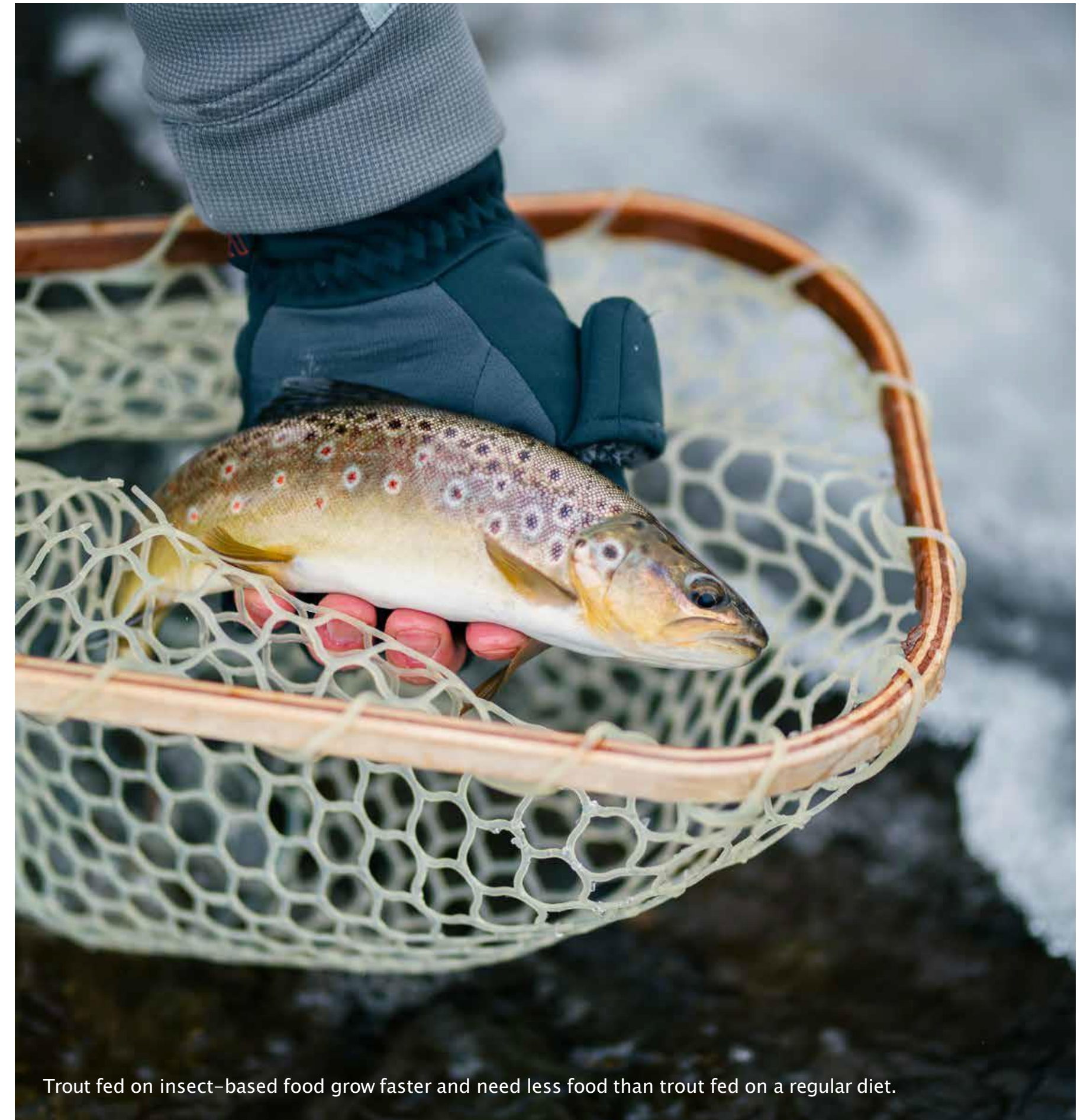
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NILS ÖSTERSTRÖM

CEO and Co-founder of Tebrito

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Trout fed on insect-based food grow faster and need less food than trout fed on a regular diet.

Appendix

INCOME STATEMENT (kSEK)

Tebrito AB, 5590546999

	23.06.30 (prel.)	22.06.30	21.06.30	20.06.30
Net income	2,245	3,050	2,543	1,026
Operating profit (EBIT)	-13,398	-6,909	-3,349	-1,163
Profit after financial items (EBT)	-13,531	-7,001	-3,358	-1,163
Net profit	-13,531	-5,611	-2,689	- 879

The seemingly drastic change in profitability in the last year is a result of execution of the company's expansion plans. This is in line with budget and forecasts.

BREAKDOWN OF INVESTMENT REQUIREMENT - 250 TONNES OF PRODUCTION

250 ton		Total	2023	2024
THE PREMISES	FLOOR	3 000	3 000	
	Construction incl. loading dock, roof, etc	4 500	4 500	
Culture cells		10 000	6 500	3 500
Machines	Feed handling	3 000		3 000
	- Trucks			
	- Silo			
	- Silo handler			
	- Feed preparation - tanks etc			
	Larva management			
	- preparing of boxes/breeding*	1 500		1 500
	- defrass	1 000		1 000
	- defrass (blow)	400		400
	- harvest	0		
	- feeding robot	0		
	- boxes and pallets	1 600	800	800
	- Agv 3-5 pcs	5 000		5 000
Washer	Automated washer	1 500		1 500
Frass	Heat treat frass	1 000	1 000	
Frass	Pack frass	500	500	

* Belt system with dispensing including a robot

250 ton		Total	2023	2024
White	White factory	4 500	2 500	2 000
	- micro dryer			
	- tunnel freezer			
	- pack msk			
	- centrifuge			
	- freezer storage 1B	800		800
	- production	2 000	1 000	1 000
	- stock			
The office	Office spaces	2 500		2 500
TOTAL		39 800	16 800	23 000

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