

VIB AND ILVO LAUNCH NEW START-UP PROTEALIS TO SUPPORT SUSTAINABLE PLANT PROTEIN PRODUCTION

Ghent, BE. April 8, 2021 – **Ghent-based company Protealis, a new spin-off from VIB and ILVO, is making its debut today in the plant breeding industry. Inspired by the mission to grow more sustainable plant-based proteins locally, Protealis aims to harvest the full potential of legume crops. With innovative breeding technologies and proprietary seed coatings, Protealis will create new opportunities for European farmers to help overcome Europe’s protein deficit. The initial focus is to develop high yielding, high-protein soybean varieties. Protealis has successfully concluded a EUR 6 million seed financing round led by V-Bio Ventures, and joined by Agri Investment Fund (AIF), Participatiemaatschappij Vlaanderen (PMV), Estari Group, Globachem Group, Gemma Frisius Fund and VIB. The capital will support the company’s plans to further develop its proprietary technology, expand its crop portfolio and bring the first soy varieties adapted to local needs to the market by 2022.**

Sustainably grown soy in Europe to drive the protein shift

Europe is over 70% dependent on import for its supply of protein-rich crops. However, the millions of tons of soy we annually import from South America to cover for our deficits comes at the expense of rain forests and their unique ecosystems. Moreover, there is a growing consumer demand for sustainable, local and more high-quality plant-based protein for direct use in food applications. To future-proof protein supply and consumption in Europe, a shift towards local plant protein production is urgently needed and endorsed by EU and Flanders’ policies. However, soybean varieties bred up until now do not typically thrive in our local soil and climate.

A new opportunity for farmers

Protealis’ goal is to develop high-protein and high-yielding protein crops that are well adapted to our climate and the needs of local agriculture. Legume crops are an excellent source of protein and can be grown sustainably as they do not require nitrogen fertilization. With their soil improving characteristics, legumes are an excellent addition for farmers in crop rotation. Soy, with up to 46 grams protein per 100 grams, is a logical first crop of choice for Protealis. The new company will breed varieties that are very well adapted to northern latitude regions in Europe, ensuring local supply for the fast-growing markets of meat and dairy replacements as well as for sustainable animal nutrition.

A perfect pairing

Protealis is based on the strategic alliance of research institutes VIB and ILVO and draws on the unique know-how of each of the partners. This includes a market-ready breeding program based on innovative, non-GM breeding technologies from ILVO and seed coating with proprietary yield enhancing soil bacteria from VIB. These innovations have been developed and refined over the years at the top VIB labs of Professors Sofie Goormachtig (VIB-UGent) and Jan Michiels (VIB-KU Leuven), and the ILVO teams of Joke Pannecouque and Isabel Roldán-Ruiz.

Meet the team behind the scenes

Protealis is led by Benjamin Laga, former Global Head for Plant Biotech Research at BASF, who brings more than 20 years of international seed business and innovation experience. As CEO he will also join Protealis’ Board of Directors. Benjamin Laga is joined by Jonas Aper, who has been in charge of the

soy breeding program at ILVO since its inception in 2013. This entrepreneurial team is passionate about making a positive impact on the planet and environment created by the opportunity to valorize the combined ILVO-VIB work in a company setting.

Backed by broad investor syndicate

Protealis is backed by a solid investor consortium who invested EUR 6 million in a series A round led by V-Bio Ventures, and with participation of Agri Investment Fund (AIF), Participatiemaatschappij Vlaanderen (PMV), Estari Group, Globachem Group, Gemma Frisius Fund and VIB. The ambition of the investor consortium is to support the market introduction and geographic and product portfolio expansion of the new company. In this way Protealis can maximally live up to its mission statement and bring its high protein crops to European farmers.

Commenting on the announcement, CEO Benjamin Laga says: "My personal aspiration has always been to combine science and technology with entrepreneurship in order to address societal and environmental challenges. And all of that just comes together beautifully in Protealis."

Jérôme Van Biervliet Managing Director of VIB, says: "Protealis is a perfect example of entrepreneurship in the accelerating biotech ecosystem fostered by VIB. Through our collaborative journey with ILVO, we were able to couple breeding expertise with high-tech research and create an economic opportunity. The intense dedication of many colleagues in the team was vital to make this happen."

Joris Relaes, administrator-general ILVO: "ILVO has been working towards local soy in our agri-food chain for 10 years. We are delighted that our highly specialized soy breeding program is now being given the opportunity to accelerate towards the market via our new spin-off. ILVO participates in Protealis. As a public research center, we have made constructive, clear and fair agreements with the spin-off."

Willem Broekaert from V-Bio Ventures: "We are proud to bring together a group of experienced investors supporting Protealis to become a leading player in the plant breeding sector, which historically has not seen much backing from venture capital. We are highly confident that the quality of the team and technology of Protealis will lead to significant value creation for all stakeholders."

Find out more on www.protealis.com

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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 29 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 Ghent University

Ghent University is a top 100 university and one of the major universities in Belgium. Our 11 faculties offer more than 200 courses and conduct in-depth research within a wide range of scientific domains. Ghent University Global Campus is also the first European university in Songdo, South Korea.

About KU Leuven

KU Leuven is an institution for research and education with international appeal. All programmes at this University are based on the innovative research of its scientists and professors. KU Leuven tops the Reuters ranking of Europe's most innovative universities.

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.

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 \(estarigroup.com\)](http://estarigroup.com)