



Millennium Food-Tech Targets the Egg Substitutes Market

The company will lead the investment round in SavorEat subsidiary Egg'n'up at a company valuation of \$8 million

Millennium Food-Tech will be the main investor in the \$2 million Series A financing round

The Israel Innovation Authority will finance 40% of the investment, against which Millennium Food-Tech will receive an option to buy back the shares over the next three years

The global egg substitutes market is expected to grow at an average annual rate of 5% until 2026, when it will be worth \$2.1 billion

SavorEat and the Millennium Food-Tech R&D Partnership announced last May that they were entering the global egg substitutes market, through a subsidiary that SavorEat had founded. Egg'n'up, which will have separate activities from SavorEat, plans to develop plant based egg substitutes, without detracting from the original taste of the egg and its nutritional values. These products (for which an application to file for a patent has been completed) are based on plant sources, using SavorEat's unique cellulose fibers, adapted for the purposes of cooking, baking, frying for eggs needed as an additional ingredient, or the main part of the dish. The target international markets for the company's products are institutional kitchens such as catering chains and food product manufacturers like sauces, pastry products and more.

SavorEat and Millennium Food-Tech announced today that as part of a \$2.5 million financing round led by the R&D Partnership, Millennium Food-Tech has committed to invest \$2 million in Egg'n'up (together with financing from the Israel Innovation Authority) against an allocation of Type A shares at a company valuation of \$8 million (before money).

In addition, subject to the completion of the financing round, Egg'n'up has received initial approval to be included in the grants program of the Israel Innovation Authority, for financing 40% of the investment, against which Millennium and the other investors participating in this investment round will receive options to buy back the shares over the next three years, as part of the





Israel Innovation Authority's incentives program for investors, in which the company has received aforementioned initial approval to participate.

The global egg market is worth \$200 billion annually and the forecast is that by 2023 it will be worth about \$244 billion - average annual significant single digit growth that may represent a base for growth in the egg substitutes market. Mexico is currently the leading consumer per capita of regular eggs followed by Japan, China, the US, and Europe.

In the emerging egg substitutes market, which has large growth potential (as part of a global trend which believes in consuming plant based products), there are several companies operating including US company Just Egg (which recently raised \$200 million and has raised \$650 million to date, at a company valuation of \$1.2 billion); Israeli company Zero Egg (which has so far raised \$6.5 million) and German company Terra Vegane. There are good reasons why companies in the market are able to raise millions of dollars. According to research that was recently published by Israel's Good Food Institute (GFI), the alternative proteins market in Israel rose eight-fold between 2018 and 2020 – and as of 2020 was worth \$114 million, an annual increase of 154% in 2020 alone.

Millennium Food-Tech CEO Chanan Schneider: "The global alternative proteins market is continually growing. The figures tell us that there is a need and large demand for egg substitutes in the pastries and other markets. The new company that has been founded brings a different and more preferable solution than its rivals, which has the ability to make it a significant global player in this field."

SavorEat CEO and founding partner Racheli Vizman: "The successful cooperation with Millennium Food-Tech continues to bear fruit and move the two companies forward towards the aim of providing alternative consumers communities, which need products from nature without compromising on the quality of products and their tastiness and healthiness. We are taking out the huge potential in cellulose fibers that was developed by the parent company SavorEat and we are planning the development of other products and solutions based on the properties of cellulose fibers. We are working tirelessly to strengthen the position of SavorEat and Egg'n'up in the protein alternatives sector, a market with huge growth potential, which will open a new business opportunities for us and allow us to continue to do what we believe in – to provide the global food market with a broad and better choice of options."

Millennium Food-Tech, managed by CEO Chanan Schneider and Chairman Guy Rosen, focuses on companies operating in the following areas: personally tailored nutrition, protein alternatives, reduced food waste and leftovers, smart packaging, artificial intelligence in the food and new food ingredients sector. The company has raised NIS 94 million for its coffers to date. The Partnership's portfolio current includes seven companies: SavorEat, which has developed technology for producing





meat alternatives from plant based ingredients and is traded on the Tel Aviv Stock Exchange (TASE); Phytolon, which is engaged in natural food coloring R&D for the food industry; Tipa, which develops, manufactures and markets compostable packaging designed for the flexible packaging market; TripleW, which has developed an industrial process to produce lactic acid from food waste; Aleph Farms, which produces cultured meat and several months ago raised \$105 million, Yofix Probiotics, which manufactures and sells clean label plant based dairy alternatives, and the investment in Egg'n'up is the seventh investment.

SavorEat was founded in 2018 by Racheli Vizman, Chief Scientist Prof. Oded Shosayev, and Prof. Ido Braslevsky. In November 2020, SavorEat held its initial public offering (IPO) on the Tel Aviv Stock Exchange (TASE) and raised NIS 40 million from anchor institutional investors. The unique technology for producing meat alternatives developed by SavorEat, together with innovative ingredients and formulas from plant sources, a robot combining digital production including advanced cooking methods for several cuts simultaneously - will be made accessible to the Israeli public for the first time through a pilot with the BBB chain. For this pilot, the company has completed the development stage of its unique "robot chef," which has the ability to produce and to grill products that are personally tailored for consumers who monitor the unique taste and texture of the meat. These capabilities have manufacturing potential for other foods. The unique raw ingredients are sourced from plants and are patent protected. The first product for which the company has completed its development is a plant-based hamburger. SavorEat recently signed its first global agreement, in which the company will conduct a pilot project on the US market with international company Sodexo in the academic institutions operated by Sodexo.

