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Further AgTech and FoodTech investment growth forecast – BayWa publishes Venture Report 2023

Since 2021, BayWa Venture has invested in ten AgriFoodTech start-ups to promote promising cultivation and processing technologies, as well as new sales channels for farmers.

Munich, 23 February 2023 – More and more people are consciously thinking about what lands on their plates. From veggie burgers to oat milk, customer demand for alternative proteins is high, and the market potential is immense, according to [the latest AgriFoodTech Venture Report by BayWa](#).

“Looking at the market, we believe that the rising demand for alternative proteins is more than just a hype,” says Prof. Klaus Josef Lutz, Chief Executive Officer of BayWa AG. “The sharp growth in the world’s population is leading to an increased need for food. To meet demand for alternative protein sources and respond to shifting consumer preferences, we need plant-based protein production that is sustainable, healthy and secure in addition to animal-based proteins.”

“Investing in solutions dedicated to developing high-protein, plant-based foods represents a strategic milestone both for us at BayWa and for the food chain as a whole,” says Marcus Pöllinger, member of the Board of Management of BayWa AG. “We are aiming to strengthen our role in the field of product trading and develop business relationships with processors. At the same time, we are tapping into promising and profitable new markets and business opportunities for our customers: farmers.”

BayWa Venture – the investment arm of BayWa AG

Over the past two years, BayWa Venture GmbH, which pools the start-up and venture activities of BayWa AG, has invested in eight promising AgriFoodTech start-ups that are helping to make the value chain in the food industry more sustainable. Two additional investments in the field of sustainable agriculture round out the portfolio’s further development. Aside from gaining access to financing, the up-and-coming companies also benefit from the global network and expertise amassed by BayWa AG over 100 years of successful business operation.

BayWa Venture's investments focus on promising businesses in the fields of alternative proteins, sustainable agriculture and the recovery, reuse or recycling of food waste to produce valuable ingredients. "Innovations are needed along the entire value chain, from field to table, to promote and enhance the future-readiness and sustainability of the food supply – something we plan to actively support and help shape at BayWa Venture," says Marion Meyer, Chief Strategy & Innovation Officer at BayWa and Managing Director of BayWa Venture.

New Protein Solutions – BayWa's in-house start-up

Through its New Protein Solutions business entity, BayWa is making an active contribution to sustainably securing the protein of the future by connecting agricultural producers, food processors and food retailers. In addition to making investments with and through BayWa Venture, protein trading with plant-based raw materials and partnerships for integration into new processing chains is also being developed. "Alternative proteins have the potential to be part of a sustainable food chain because producing them requires fewer resources," says Kristal Golan, Head of New Protein Solutions at BayWa AG and Senior Venture Manager. "Developing new protein solutions allows us to bring more CO₂-saving, regional and nutritious products to the table – all while tapping into new markets and business opportunities for BayWa and our farmers."

The most recent investments by BayWa Venture include Equinom and InnovoPro, both headquartered in Israel, as well as Munich-based Greenforce. Equinom was founded in 2012 and is the owner of a process technology that breeds higher-yielding pea varieties. Its goal is to establish a healthier and more sustainable alternative to soya on the market. Along with BayWa, Equinom has attracted further investors to get on board, including respected ingredient manufacturers such as Bunge and Roquette. InnovoPro was founded in Israel in 2013 by Dr Ascher Shmulewitz with the aim of marketing a unique plant-based chickpea protein offering high nutritional value and a safe, healthy and sustainable source of protein. As a strategic investor, BayWa intends to facilitate InnovoPro's expansion on the European market and pave the way for partnerships and trade agreements. Established in 2020, Greenforce produces and sells sustainable meat, fish, egg and dairy alternatives. With BayWa as a partner, Greenforce benefits from intensive knowledge sharing, as well as access to innovative seed and regional farms. High-profile German investors such as

Thomas Müller, Joko Winterscheidt and Feinkost Käfer have also taken a stake in the company.

Analysts see AgTech and FoodTech as a growing sector for climate investments

A look at recent statistics and figures shows that AgriFoodTech is a resilient, sustainable and promising area for investors. According to an analysis by the non-profit-making Good Food Institute (GFI) based on data from Pitchbook, USD2.7 billion was invested in alternative protein companies around the world in 2022. Despite a 44% decline in overall investment year on year, European start-ups in this field actually managed to raise more money than in the previous year. In Europe, investments increased by 24% to stand at €579 million. Medium- to long-term investor interest remains strong and will continue to increase.

A report by the global investment firm AgFunder also says that the ten top AgriFoodTech start-ups raised USD3 billion in venture capital funding in 2022, proving that they are an important part of the ClimateTech ecosystem. Despite the global market downturn, climate venture capital funds set a new record in the first three quarters of 2022 by taking up the largest capital volume ever (USD151 billion) in a single year. Meanwhile, venture capitalists invested just under USD30 billion in AgTech and FoodTech in 2022, according to a preliminary analysis by the database provider PitchBook. These two sectors remained one of the most popular investment categories and saw a slew of new deals at the same time. Analysts agree that 2023 could be the best year so far for AgTech and FoodTech investment.

More information is available at www.baywa.com/press.
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About BayWa AG

BayWa is a globally active group with the business units energy, agriculture and building materials. As a global player with revenues of €19.8 billion, it develops leading projects and solutions for the basic human needs of food, energy and building. In the agriculture business unit, BayWa covers the entire value chain from the field to the marketing of produce. Each year, it sells between 30 and 35 million tonnes of grain, oilseed and feedstuff, making it the largest agricultural trader in Germany and one of the top ten in the world.

BayWa AG has around 21,500 employees in over 50 countries. The headquarters of the parent company, which was founded in 1923 and is celebrating its 100th anniversary in 2023, are in Munich. Its roots lie in agricultural cooperative trading, and its mission is to provide rural regions with everything they require for agriculture. More information is available at www.baywa.com/press.