

Contact Details

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Stage & Financials

Company Stage: **'Seed Plus' Round**

Desired Fundraising date/amount: **400K**

Team

Matt McLaren – CEO

Fotis Fotiadis – CTO

Miha Pipan – CSO

Patricia Veiga Crespo - Head of

Formulations

Iain Argyle - Head of Process Technology

Aurelie Cenier – Research Assistant

Summary / Value Proposition

Entomics transforms organic waste into high value animal feed... using insects as the bioconversion engine.

Problem

Humanity is currently facing two massive interconnected problems:

Problem 1: Food Waste: Each year 1/3 of all food produced is wasted. This results in £500 billion of lost value and extremely damaging environmental impact

Problem 2: Food Production: Simultaneously, we must increase food production by 70% to feed the world's growing population by 2050.

Solution

Nature already has the perfect circular economy solution to both of these problems – the Black Soldier Fly (BSF). BSF larvae are very efficient at transforming low nutrient organic waste into fats and proteins that are high value animal feed ingredients.

Building on this bioconversion concept, Entomics has developed innovative technologies in two key areas:

Poultry Industry: We have developed a modular insect mini-factory to enable on-site animal feed production while removing complex and cost-limiting logistics.

Salmon Industry: We have developed an advanced insect bioprocessing technology that transforms raw insect biomass into functional feed.

Validation/Traction

Entomics have raised over **£2.2million** in grant funding and **£370k** in private investment to date. We have been awarded 2 *InnovateUK* grants, as well as multiple R&D projects through the European Union.

1. Poultry feed focus Innovate UK grant

- 750k InnovateUK funding
- 2.5 years of development and progress
- **Waitrose** and poultry supply chain project partners (Stonegate)
- Strong engagement with UK food waste producers and stakeholders
- FSA & DEFRA active project supporters
- Defensible IP
- University of Cambridge, University of Bristol project partners

2. Salmon feed focus Innovate UK grant

- >1 million InnovateUK and EU funding
- 2.5 years of development and progress
- **BioMar** commercial partnership
- Defensible IP
- University of Stirling (world-leading salmon aquaculture institute), University of Reading project partners
- Already kicked off InnovateUK project in February 2018, scaling up technology to 100L capacity in Q3 2018
- Letter of intent from two large insect producers already

Market Size

The poultry market is valued at \$134 billion globally, the UK laying hen market is valued at \$1bn. Entomics is looking to capture 2.5% of the UK poultry market by 2024, achieving £24million in revenues at a 30% profit margin. The rapidly growing market of processed insect feed is predicted to top \$1bn by 2022, with CAGR of 101%. The processed insect feed market is currently focused on salmon and Entomics has already started working with two potential customers and is in the right place to follow the exponential growth of the market.

Competitive Advantage / Secret Sauce / USP

Entomics is a technology leader in the insect industry

Poultry Focus: We are the first company to enable on-site live insect production with our patented technology, reducing the cost of production through automation

Salmon Focus: Our patented technology transforms raw insect meal to a functional feed, achieving better food conversion ratios and enabling us to target health & welfare benefits beyond basic nutritional requirements

Revenue Model

Poultry Industry: We own and operate a network of decentralized mini-factories that are located on poultry farms selling the output directly to poultry farmers for an annual service fee plus per-tonne royalty fee. This model achieves a 30% profit margin.

Salmon Industry: License our technology to other big insect producing companies in this rapidly growing global industry.

End Note

This is a genuinely unique opportunity as Entomics is disrupting the animal feed sector by introducing positive change to all stakeholders as well as the animals through a more nutritious, natural and organic fed diet. Exit will likely be through trade sale to large animal feed or insect producer such as AgriProtein, Protix, Cargill or ForFarmers.

