



Company Overview:

December 2022



What is vertical farming **the basics**

Growing vertically

- Vertical farms grow fresh produce indoors in a completely controlled environment.
- Growing exclusively uses LED lighting
- Plants are inserted into growing media where they are fed precisely to their needs (e.g nutrients, water pH, temperature, humidity)
- Growing is stacked on vertical layers from floor to ceiling

A nascent industry

- Around the world, vertical farming companies are trying to solve global agriculture issues
- **Jones Food Company is a market leader in terms of our technology and commercial progress**



The inspiration **why it is so important for the UK**

The UK's Fresh produce supply is not working

- >50% UK fresh produce is imported
- Quality and shelf life lacking
- Extensive pesticide use on outdoor crops
- 30% of food is wasted in the supply chain
- Imports account for 84% fruit and 43% vegetables despite agriculture using 72% of the UK's landmass

Vertical farming creates reliable supply

- Up to 100x yield by stacking vertically
- Grown locally 365 days a year
- Up to 90% less water through recycling
- Zero need for chemical pesticides
- Can be grown using 100% renewable energy
- **Ultimately growing fresher, healthier, better quality food**



The inspiration why it is so important for global agriculture

Current issues we face globally

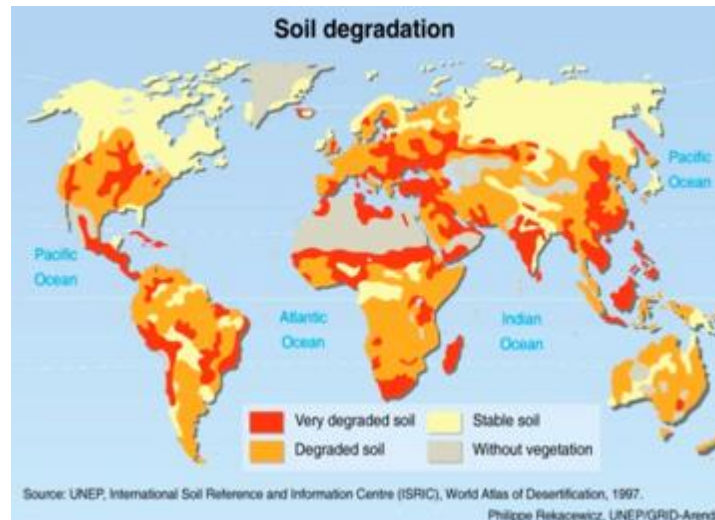
- **Growing food demand:** Global population growth is requires a 70% increase in total food production
- **Seasonality:** Growing fruit and vegetables is limited by weather conditions in traditional, outdoor agriculture
- **Supply chain fragility:** International supply chains are fragile and subject to external shocks
- **Decreasing land availability:** Soil erosion and overuse of fertilizers have contributed to the reduction of global arable land by a 1/3 in the last 40 years
- **Climate implications:** Agricultural irrigation accounts for 40% of global water usage
- **Misaligned values:** Current agricultural practices do not always align with
 - Customer values: local, affordable, sustainable
 - Demands: variety, quality, year-round



"Farmers in Australia Struggle With Its Hottest Drought Ever"
Time (Feb 2019)



"UK weather: Flooded farmer says it could be 12 months before they can plant crops"
The Telegraph (Nov 2019)



"Earth's Rapidly Degrading Soil Is Bad News For Human Health"
Forbes (June 2020)



Jones Food Company a leading vertical farming company

Largest vertical farm in Europe

- 51,000sqft growing space at JFC1
- Annual growing capacity of 200T/yr
- Currently supplying upto 30% of UK's cut basil

New farms and facilities

- Recently opened JFC R&D in Bristol
- Currently building JFC2, the world's largest vertical farm 150,000sqft

World class partners

- Part of The Ocado Group
- Supplying all 80% of UK supermarkets
- Strategic partnership with meal kit provider
- Recently signed branded listing with a big three grocer



Our journey so far **high barriers to entry in vertical farming**

Highs startup costs

- Vertical farms can cost £5M-£25M to build depending on their size and complexity
- Few startups have access to this level of capital

Lack of vertical farming expertise

- Agricultural and engineering expertise is vast in the UK and around the world.
- However combining the two is new.
- JFC has therefore built our expertise in-house.

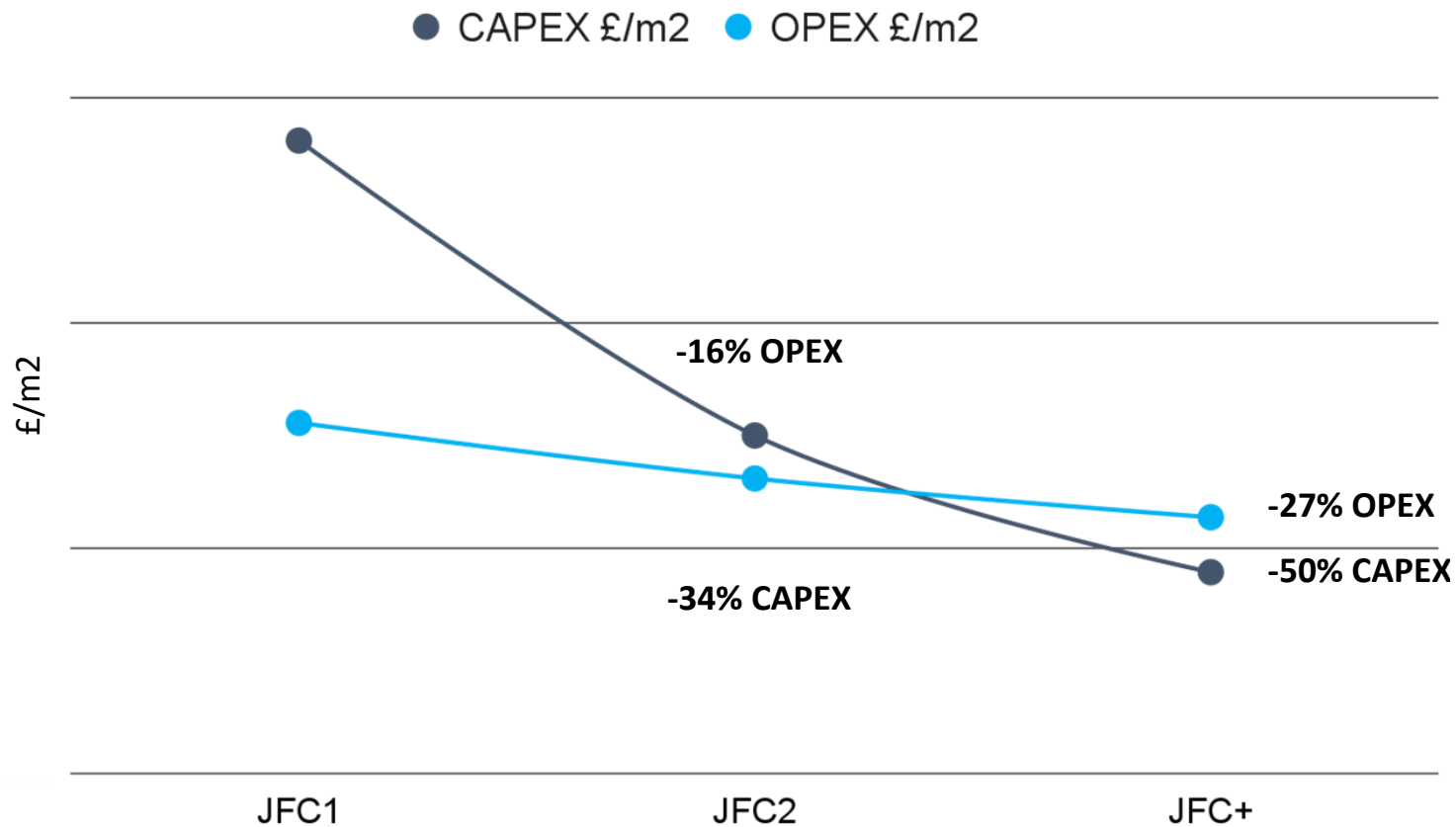
Farming industry

- An understandable resistance to change
- Communicating that vertical farming complements traditional agriculture



Best-in-class economics improve through learnings and experience

CAPEX reductions of 34% and 16% respectively between JFC1 and JFC2



Environmental concerns **how vertical farming enhance sustainability**

Energy demand is high, on an absolute scale

- Vertical farming can be supplied by renewable energy
- Currently JFC sources 15% of our energy needs at JFC1 from rooftop solar
- Soon we will be connected directly to a local solar farm for 100% renewable supply and JFC2 will be renewable energy supplied on commissioning

Clean, sustainable growing

- Besides raw energy usage, vertical farming is very attractive from a sustainability perspective
- Reducing water usage by 95%
- Reducing food miles by 95%
- Zero need for chemical pesticides

B Corp accredited

- As of November 2022, JFC is B Corp accredited



JFC Farms scaling our growing capacity in the UK

JFC1: N. Lincolnshire



Proof of concept site

- 51,000sqft, 200T+ annual growing capacity
- Supplying 30% of UK's cut basil
- JFC's flagship facility

JFC R&D: Bristol



Testing new products/varieties

- Six distinct growing rooms
- Trialling leafy greens, soft fruits, cut flowers
- Allows for rapid integration of successful varieties into commercial facilities

JFC2: Gloucestershire

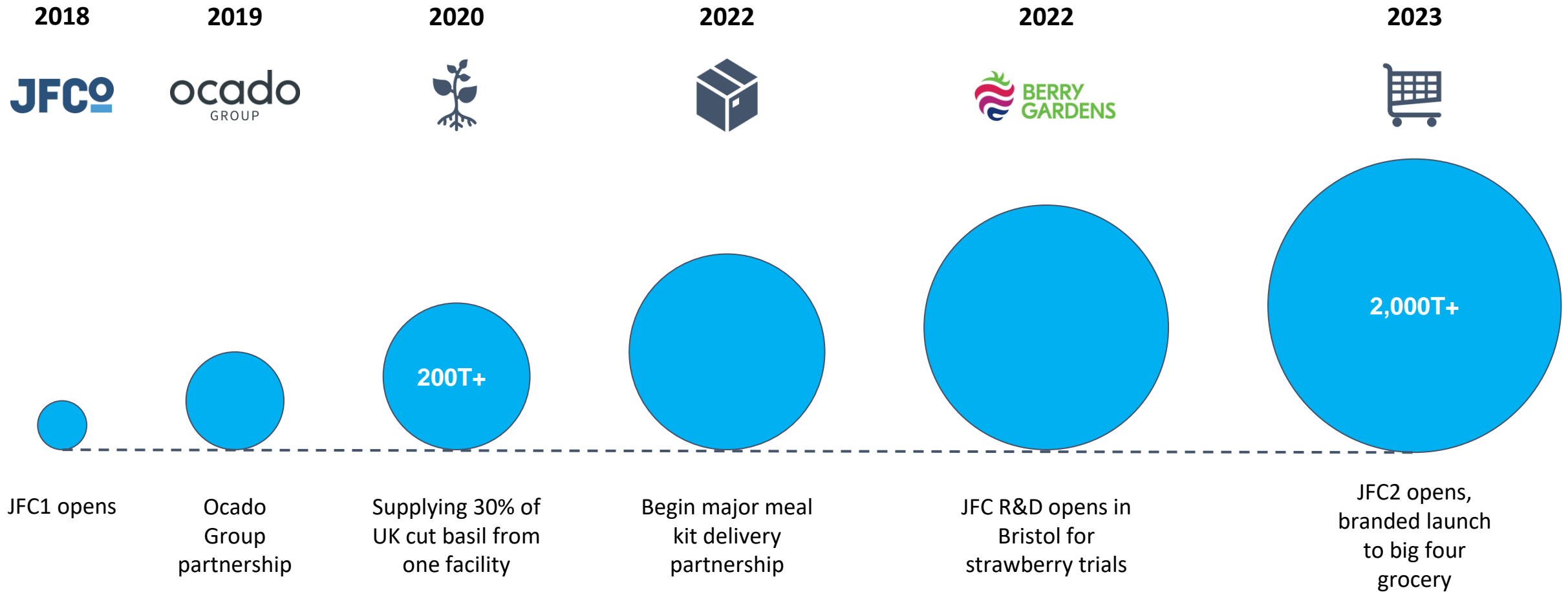


World's largest and best VF

- 150,000sqft, 2,000T+ growing capacity
- 100% renewable energy on launching
- Major grocery contract pre-agreed
- Integrate all learnings and improvements from JFC1



Customer feedback **our rapid journey to scale**



Year-on-year, Jones Food Company has expanded into new markets, supplying new customers. In 2023, we will launch into supermarkets

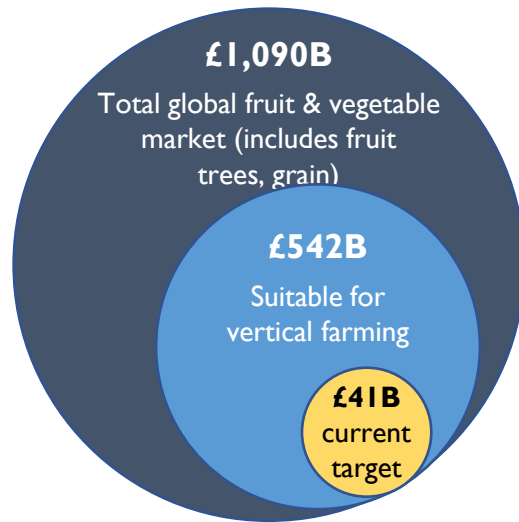


Market size Vertical farming can address 50% of the global F&V market

“Vertical Farms are poised to capitalise on a \$50bn (£36bn) global market opportunity, with multiple paths to monetisation – from selling branded produce to licensing tech”

Vertical Farming: Aiming High (2020), Barclays Research

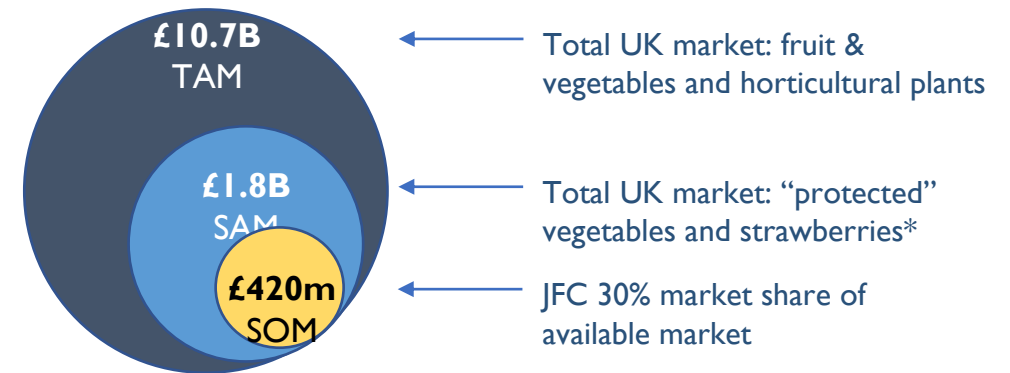
Global market size: TAM/SAM/SOM



The size of the prize, globally is huge:

- As of 2022, total fruit and vegetable market of £1,090bn
- Not all products not immediately accessible to vertical farming
- E.g. fruit trees such as bananas
- VF positioned in near term to challenge global organic sales at £41bn

UK market size: TAM/SAM/SOM



The size of the prize, globally is huge:

- TAM: UK market value for vegetables (£4.1bn), fruit (£4.6bn) and Horticulture, flowers and plants (£2.0bn)
- SAM: value of crops JFC is capable of growing in short/medium term i.e. “protected” vegetables (£1.4bn) and strawberries (£0.4bn).
- SOM: estimated market share UK cut herbs, 30%.



Enhanced ingredients **herbs as an input in other products**

Dried herbs

- Drying vertically farmed herbs providing a superior product and flavour.

Ambient products

- Processed herbs to modernise cooking sauces and dressings.

Cosmetics

- Leveraging the natural properties of herbs
- E.g. basil is antibacterial and antifungal

Pharmaceuticals

- Boosting health and wellbeing
- E.g. basil as an antioxidant



Thank you!

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