



NextFerm Technologies Announces Commercial Production agreement for its ProteVin™ vegan protein with GFR Ingredients

ProteVin™ commercial launch in the U.S. is expected during the first half of 2022

(Yokneam Illit, December 29, 2021) – NextFerm Technologies (TASE:NXFR), a food-tech company developing ProteVin™, a vegan, yeast-based, non-GMO protein alternative and other innovative yeast-based nutrients, today announced a commercial production agreement for ProteVin™ with GFR Ingredients Inc., a Canadian based subcontractor. GFR is a trusted manufacturer of nutritionally superior plant-based ingredients and the leader in Canadian contract spray drying services. The agreement only provides GFR with production rights for its protein and does not grant GFR with any IP rights for ProteVin™.

The agreement will enable the production of tens of Metric tons of ProteVin™ during 2022, enabling NextFerm to launch ProteVin™ in the USA in the first half of 2022, supply current Purchase orders, and provide samples to leading global food companies. Regulatory wise, ProteVin™ can be marketed in the USA, Europe, and other countries.

The agreement with GFR marks the achievement of the third milestone set by NextFerm for 2021. Following the recent USD 8 Million Private Placement closed in November 2021, the Company prepares to increase current production capacity to hundreds of metric tons per year.

Boaz Noy, Chief Executive Officer of NextFerm, said, “The Commercial Production Agreement with GFR marks the third milestone set by NextFerm for 2021, following a completion of a successful industrial production pilot and receipt of first purchase orders from customers. GFR is a long-standing subcontractor of nutritionally superior plant-based ingredients in North America and worldwide. We are currently preparing for the commercial production of Protevin™, our ground-breaking vegan protein, in order to launch it in the USA and to supply first purchase orders from customers in the dietary supplement industry in the first half of 2022, along with accelerating business development and integration of the protein as a vegan raw material in products manufactured by global nutrition companies.

Opting for commercial production through a subcontractor, based on company management’s accrued years of experience in the food industry, carries the clear advantage of risk reduction vis-à-vis massive capital investment during market penetration phases. Our recent capital raise will allow us to expand production

capacity later in 2022, accelerate revenue growth, and to cement our presence as a dominant player in the global alternative protein market, estimated at USD 3 Billion in terms of raw materials with a 10% CAGR.”

About GFR Ingredients

GFR Ingredients is a trusted manufacturer of nutritionally superior plant-based ingredients for nutrition companies in North America and worldwide. GFR owns a production facility in Alberta, Canada. As a subcontractor of alternative proteins and other plant-based ingredients, GFR Ingredients complies with all food quality and safety standards. GFR’s professional engineering and operations team is experienced in ongoing processes of implementation, assimilation and innovation.

For more information, visit the GFR website at: www.gfringredients.com

About NextFerm Technologies

NextFerm Technologies, traded on the Tel Aviv Stock Exchange (TASE:NXFR) is a food-tech company engaged in the research, development, manufacturing and marketing of innovative, functional and vegan yeast-derived, non-GMO protein alternatives for various applications in the food and food supplement markets and the growing market for animal-derived protein alternatives.

NextFerm's flagship product is ProteVin™, a vegan, yeast-derived protein alternative with nutritional value that is similar to animal-derived protein and a neutral flavor, with no aftertastes that are typical of plant-based protein. ProteVin™ is designed for a variety of categories in the alternative protein market, which is estimated at USD 17 billion in terms of final products and at USD 3 billion in terms of raw materials with a 10% CAGR, with an annual growth rate of 10%, including milk and dairy substitutes, meat substitutes and additional categories such as infant nutrition, adult nutrition, and sports nutrition. NextFerm is gearing up for commercialization of the product in the US in 2022.

Another product currently being sold is Astaferm®, an innovative astaxanthin-based antioxidant derived from yeast that has been sold in the US since the end of 2020 through well-established and leading brands in the food supplement market in the US. In July 2021, the Company received Regulatory Marketing Approval for Astaferm® in Canada.

The company has additional products which have been licensed to Lallemand, a global giant focused on yeast.

For more information, visit the NextFerm website at: www.nextferm.com

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This announcement also includes forecasts, projections, assessments, estimates and other information which refer to future events and matters, the realization of which is uncertain and not exclusively under the Company’s control (forward-looking information). The main facts and data used to support this information

are facts and data regarding the current position of the Company and its businesses (including the scope of sales and levels of profitability, manpower, commercial engagements and more), facts and data regarding the current global position of the Company's operating segments (including industry-specific financial developments, environmental regulatory developments, the competitive environment, technological developments, the reinsurance market and more), and macro-economic facts and data (including the economic situation both in Israel and around the world, yields in the capital markets, social and state developments and more), all as known by the Company when publishing this announcement. The forward-looking information included above in this announcement is significantly based upon, in addition to the existing information held by the Company, on the Company's current assessments and expectations of future developments vis-a-vis each one of the aforementioned parameters, and the interconnectedness of each one of these developments. The Company has no certainty that its forecasts and assessments will indeed eventuate, and the Company's operating results may be materially different than the results assessed or implicit based on that set forth above, inter alia, as a result of a change in any of the aforementioned factors.

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