

**NextFerm Technologies has signed a Definitive Agreement with Kothari (India) to establish a joint venture (JV) for marketing and distributing of Yeast Extract and other products, which marks a significant entry into a large and growing market.**

**The purpose of the collaboration is to develop and sell Yeast Extract products, which will be purchased by the JV from Kothari and from NextFerm (as by-products) at cost.**

**(Yokneam Illit, April 15, 2024) – Nextferm Technologies Ltd. (TASE:NXFR), a food-tech company developing ProteVin™, a vegan, fermentation-based, non-GMO protein alternative and other innovative yeast-based nutrients, announced today that it has signed a binding definitive agreement with [Kothari Fermentation and Biochem LTD.](#), an Indian company engaged in the production and marketing of yeast and yeast-based products for various applications.**

Under the agreement, it was agreed to establish a joint venture (JV), equally owned by both parties, that will serve as a 'Low Risk Distributor' purchasing Yeast Extract and Cell-Walls at production cost from Kothari's production plant, as well as Yeast Extract and Cell Walls derived from the production of ProteVin™ at Kothari's plant. The partnership will exclusively market these products in India and globally

ProteVin™ will not be part of the products marketed and sold by the JV, and the Company will continue to enjoy exclusivity on revenues from this product. Kothari will serve as a distributor of ProteVin™ in India and the Company will benefit from Kothari's sales and distribution infrastructure in India.

The key terms of the agreement are as follows:

1. The parties will establish a joint venture company incorporated in India, with each party holding 50% of the issued capital and voting rights.
2. The collaboration purpose is to develop, optimize production processes, and sell the JV products purchased from Kothari at production cost, and to sell ProteVin™ by-products also purchased at cost.
3. The joint venture's profits will be equally shared between the parties.
4. To acquire the rights in the JV and cover part of the R&D expenses and other incurred costs invested by Kothari, the company paid Kothari an advance of \$200,000 upon

signing the MOU, while upon signing the definitive agreement, the company will pay Kothari an additional \$200,000.

5. NextFerm committed to invest up to an additional \$300,000 in production infrastructure improvements over the coming years, at times to be agreed upon between the parties and in accordance with a business plan to be agreed upon by the parties.
6. All intellectual property rights developed within the cooperation will be fully owned by the developing party, which will grant a license to the JV to use the IP.

**Boaz Noy, Chief Executive Officer of NextFerm, said:** “I’m pleased and proud of this important step, enabling us to enter another large and growing market, significantly expanding our growth potential. This move is expected to open up a global market for Yeast Extract products estimated to be worth over \$2 billion in 2023.”

### **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 with animal-like nutritional value (Amino acid profile BCAA=21%, Leucine=9%, EAA=53% and high digestibility PDCAAS=1) and a neutral flavor. ProteVin™ is designed for a variety of categories in the alternative protein market, which is estimated at USD 20 billion in terms of final products and at USD 3.5 billion in terms of raw materials with an annual growth rate of above 20%, including milk and dairy substitutes, meat substitutes and additional categories such as infant nutrition, adult nutrition, and sports nutrition. The Company launched ProteVin™ and initiated marketing and supplying the product in second quarter of 2022.

For more information, visit the NextFerm website at: [www.nextferm.com](http://www.nextferm.com)

### **Legal Notice Regarding Forward-Looking Statements**

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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