

**Evogene**  
**Conference Call**  
**March 7, 2024**

Operator: Thank you. Ladies and gentlemen, at this time, we will begin the question-and-answer session. If you have a question, please press star-one. If you wish to cancel your request, please press star-two. If you are using speaker equipment, kindly lift the handset before pressing the numbers. Your questions will be polled in the order they are received. Please stand by while we poll for your questions. *[pause]* The first question is from Ben Klieve of Lake Street Capital. Please go ahead.

Ben Klieve: All right, thank you for taking my questions. A few questions, the first couple regarding Casterra. You talked about the, kind of, increased access to farmers supplying you with castor seed. I'm wondering, if you can characterize, if you feel confident, that you have enough inventory to fill the entirety of the initial 11.3 million dollar order in 2024? Do you guys feel comfortable with the inventory that you're going to have to do that? Or you think there's going to be variability there?

Ofer Haviv: Hi, Ben. This is Ofer, and Yoash is also online. Yoash, the CEO of Casterra. We believe that we would be able to supply the orders we receive in 2023 during 2024. A fraction will come from – seed production that was initiated during 2023, and now, it's on its way. The rest will come from production that we are going to conduct during this year, which – which this is part from what we announce during the last quarter. So, the answer to your question is yes.

Ben Klieve: Great, that's great. Thank you. And so, then – that – so a follow-up question to this, then, is, you know, regarding a follow-on order from

this unnamed energy partner. Can you characterize what is needed in order for a follow-on order to be received? So, do you guys need to, you know, deliver fully before you think they will commit to a follow-on order, is their ongoing discussions about a follow-on order currently? What – what can you help us understand about expectations and timing around that?

Ofer Haviv: So, we are already start to talk with our partners with respect to orders for year 2025. I believe that the main challenge is still to be able to produce the needed quantity for the year 2025. So, in a way, our plans for the year 2024 is to produce – to produce castor seed not just in order to supply the – the existing purchase order we received in 2023. Our target is also to end the year with inventory and seed production in the field that will support the demand for 2025. So, bottom line, as part from our then progressing in supplying seed for this year, we are expecting also to receive order for next year, and we will start to – the production during 2024 as preparation for 2025.

Ben Klieve: Great, great. That's very helpful. Thank you, Ofer. The – tipping over to Canonic. In your prepared remarks, Ofer, you talked about, kind of, a strategic review that's going on there, and, you know, looking at your options – is your hope for Canonic that this is something that Evogene will still, you know, retain ownership of, but maybe in a different structure than it is today? Or is this an operation that you think is one that is, you know, potentially going to be noncore and something that would be outside of Evogene here in coming quarters?

Ofer Haviv: Mm-hmm. So, I think that our final target is that starting from this year, Canonic won't – activity won't be material in our P&L. And the way that we are planning to achieve this is by integrate Canonic activity to other

third party that we are talking with. We still – it's under discussion. But, that is that we will stay – a minority shareholder in a company, but we won't continue to invest in this activity the way that we did in the previous years. So, bottom line, we might stay with some, you know, right, through equity or through other mechanism in this field, but we will start to invest in the Canonic – the cannabis industry.

Ben Klieve: Great, great. Thank you. And then, one last one for me and then I'll get back in queue, that pertains to Lavie Bio. And I had to hop in and off of the call here when you were talking about this. So, if I'm making you repeat yourself, I apologize. But, can you talk about the supply chain at Lavie Bio and – you know, that I know had some – some challenges last year. I believe you have that supply chain, you know, really secure to really enable a more material, commercial launch of Yalos here in 2024. But can you – can you just confirm that – that, really, the inventory build, in support of a commercial launch, is in place? Or are there any supply chain challenges that you're still working through?

Ofer Haviv: So, I think that in this case I have a good news. So, I'm – it's really nice to see that you remember that we had some challenges in producing Yalos in 2023 – in 2022. But I'm very happy to – to report that we successfully produced the quantity that we were targeting and even a little bit more than what we were targeting, for the sale season of 2024. So, we are in a good shape. We changed the – the tool manufacturer, and we are very happy with his performance and the quality of crop – of the product.

Ben Klieve: Great. Great, very good. Well, I appreciate you taking my questions, plenty more to talk about, but that's a good place to leave it. I'll get back in queue.

Ofer Haviv: Thank you.

Operator: *[pause]* The next question is from Ben Haynor of Alliance Global Partners. Please go ahead.

Ben Haynor: Good news, gentlemen. Thanks for – thank you taking the questions. Wanted to focus on AgPlenus and the – the – agreements that you have there – there, and Corteva on the APCO12 and APTH1. What – what do we expect, kind of, from a development time line there? And when, and how large do they – something you can discuss. Might some of these, you know, upfront milestone payments, royalties, et cetera, be as part of the – these agreements here.

Ofer Haviv: Mm-hmm. Thank you, Ben, for this question. First, I would like to – to use this question, and to share with people participate in this call, how proud – how proud we are that, you know, we are in a position that Lavie Bio, our subsidiary in the indus– in the world of ag-biological, is collaborating and working with third – monsters in the ag industry, ICL, Corteva and Syngenta. And, we also have AgPlenus working with, you know, Corteva, and also with Bayer. It's really incredible that, you know, today, we – in the Evogene group, we are working with almost all the first-tier type of companies. I think that only BSF is the only company that we are not working yet, and probably this is the only question of time. So, so – I'm –I think that it is something that's worth to note. Well, respect to the – your question, I think that both ongoing collaboration with Corteva and with – and with Bayer, they are important part from funding of AgPlenus activity for the next few years. There is a reason why we report on the Bayer collaboration agreement in a 6K format. I can't disclose, of course, the numbers. But, as we mention, this agreement include upfront payment, R&D fee, and then, of course,

milestone payment and royalty. I think what is important in these two announcements is that the first – that another first-tier company choosing AgPlenus to work with to develop one of the most important product in the ag-chemical industry, herbicide. And the second announcement, if you think about it, this is the first time that we have confirmation from a third party that our tech engine, ChemPass, and the AgPlenus succeed to achieve a milestone. So, I think this is very important news. Now, as I said, we expect that the significant portion from AgPlenus expenses budget will be covered by these two collaborations. And I hope and believe that there will be more in the – in the future. And we – and I think that what we should expect in the near future is achieving additional milestones that will present the progress of this collaborations. With respect to royalty, it still will take some time. But, you know, like in the ag-biological arena, what is important is – advancing in the pipeline, because the value creation scheme is rapidly increase when you are moving from hit to lead, to optimize lead, et cetera, et cetera, et cetera. So, this is a great news for AgPlenus, that we achieved first milestone in – in the collaboration with Corteva, and we are looking ahead for – to the next challenges and milestones, which we believe we'll achieve them.

Ben Haynor: *[pause]* Okay, great. And maybe just a follow-up on – the near-term milestones. Do you – are P&Ls expected to hit this year?

Ofer Haviv: *[pause]* Can you repeat what you said just now?

Ben Haynor: Sure. On – I think you said that near-term milestones, milestone payments, is that – or upcoming milestone payments. Are any of those expected to be recognized this year?

Ofer Haviv: So, there are some milestones that we are trying to reach during this year,

not necessarily in AgPlenus.

Ben Haynor: Mm-hmm.

Ofer Haviv: There is other agreements in the group that we are targeting for. But, you know, milestones, it also depends on research activity. So, yes, we are looking forward to see the progress. In some cases, we hope and believe that we will be able to achieve them. Some – it's, you know, there is always a challenge with respect to R&D estimate, might take a little bit longer. But – we are excited to see the current progress in all fronts with respect to our activities in our subsidiaries.

Ben Haynor: Okay. That's fair enough. And then, I apologize if I missed this earlier, on the – on the 400 tons– of castor seed. Is that sufficient? I thought I caught the end of the response to one of the earlier questions. Is that enough to meet the – the current order and the beginning of supply for 2025? Or can you clarify on what that 400 tons of production capab– of capacity gives you?

Ofer Haviv: Okay. So, our target is – in order to support the demands from the purchase order received in 2023, it's coming from three avenue. The first one is from production took place last year, and now we are harvesting the field, packaging the seed, and shipping them to our partners.

Ben Haynor: Mm-hmm.

Ofer Haviv: Additional avenue is from the – seed production agreement that we announced this quarter. And there is additional ongoing discussion that we are now planning to close the agreement, not just to supply the existing demand, but also to start to build an inventory for 2025. So, as – as I responded earlier, according to our plan, we believe and expected to be able to deliver not just the quantity we obligate last year, but we are also planning to build an inventory for expected for the future purchase

order for 2025.

Ben Haynor: Okay, that's helpful. Thank you for readdressing that. I'll leave it there, thanks for taking the questions, gentlemen. And congrats on all the validation you've seen from third parties here recently.

Ofer Haviv: Thank you.

Operator: *[pause]* The next question is from Brett Reiss of Janney Montgomery Scott. Please go ahead.

Brett Reiss: Hi, Ofer.

Ofer Haviv: Hi.

Brett Reiss: First question, you know, based on the crop rotation cycle. When – when will we definitively know that the new group of Brazilian and Kenyan farmers have been able to, you know, successfully grow and deliver the seed so we can consummate sales?

Ofer Haviv: *[pause]* So – first, one of the reasons that we are growing in different regions is to be able to capture more than one, you know, season to grow castor. In addition, in all the area that we are now engage, there is irrigation system in order to address the – the issue of water for the castor. I think that – we are planning to, probably we'll have better understanding during the second quarter, or, you know, or close to the end of the second quarter with respect to this question. And in any event, we – you know, our plan, we are going to engage with much more than what we need for this year to supply. So, as I said, part from it, it will be – for the inventory for next year. But I think that during the second half – the second – the second quarter this year, we'll have a better clarity. But, at least from what we are doing now, I think that we'll be able to achieve this target.

Brett Reiss: Okay, thank you for that. *[pause]* You know, somebody, you know, one

of the prior callers, asked about the 400 tons of production. I'm – I'm going to ask it a different way. If you're able to generate 400 tons of production, what capacity of dollar revenues would – can result, if you're able to, you know, successfully come in with 400 tons of production?

Ofer Haviv: I can't disclose this information, because then, you know, our competitors will know what is the price that we are –

Brett Reiss: Okay.

Ofer Haviv: ...ying our products. So, I prefer to keep this commercial information confidential. And this is – you know, we were hesitting [hesitating?] what information we can disclose. I think it was important for us to send the message that we are taking care on this – the production issue. So, this is why we came with this press release. We prefer not to share more information because it's not for the benefit of the Company.

Brett Reiss: Okay. And – and last one. You know, since so much depends on your selecting, you know, the right farmers in Brazil and Kenya and monitor them – monitoring them. Have you, you know, marinated yourself and your team – you know, have they marinated themselves in Brazilian and Kenyan business, you know, culture, so that, you know, we're sure we're selecting the right farmers, and, you know, they, you know, deliver what they're con– contracted to do?

Ofer Haviv: This is a very good question, and we are trying to tackle this challenge in different ways. The first one is that we are – if in the past, we worked only with two seed producer, currently, we are working with more than five. And the numbers will continue to grow. And it's in different regions. In addition, we expand significantly the number of Casterra employee, all of them are agronomies that have experience in growing castor, and a significant portion from the time they are – escort our seed



grower in Africa and in the – Brazil. As an example, Yoash is currently in the call, but he is located now in Kenya, where he is conducting set of meetings with our existing seed producer, and additional producers that we are planning to engage with them, for growing for us additional castor seed. And we have one Brazilian employee, that is located in Brazil, and we are planning to open a subsidiary in Kenya that there will be local people that will work for Casterra and they will be on the ground, you know, through the years, all the time. So, in addition, I think that today, when we are choosing a seed producer, we are visiting his farm, we are checking the facility he have, and we are doing a lot of work before we engage with them. But – but maybe the most important thing is that we are not choosing one seed producers and give him, you know, all the – and build all of our expectation on him, like maybe we did in the past. Today, we are prepared to work with many seed producers in order to make sure that even if one of them won't achieve his target, still we will get – the overall performance will cover our expectations.

Brett Reiss: Great. Thank you for taking my questions.

Operator: *[pause]* There are no further questions at this time. Before I ask Mr. Ofer Haviv to go ahead with his closing statement, I would like to remind participants that a replay of this call is scheduled to begin two hours after the conference. In the US, please call 1-888-326-9310. In Israel, please call 03-9255-901. Internationally, please call 9723-9255-901. Mr. Haviv, would you like to make your concluding statement?

Ofer Haviv: Yes. Thank you once again for your ongoing support. Together, we will continue to drive our company forward and create long-term value for all stakeholders. Thank you, and goodbye.

Operator: Thank you. This concludes Evogene's fourth quarter and full year 2023 results conference call. Thank you for your participation. You may go ahead and disconnect.

*[End of conference call]*