



# Third Quarter 2022 Earnings Call

**November 15, 2022**

SUPPLEMENTAL INFORMATION

# Forward-Looking Statements

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**November 15, 2022**

This presentation contains a number of forward-looking statements. Words such as “accelerate,” “adapt,” “advance,” “allow,” “anticipate,” “believe,” “deliver,” “enable,” “execute,” “expand,” “expect,” “grow,” “improve,” “invest,” “maintain,” “manage,” “minimize,” “mitigate,” “navigate,” “offset,” “plan,” “position,” “prepare,” “preserve,” “protect,” “provide,” “reduce,” “utilize,” “will,” and variations of such words and similar future or conditional expressions are intended to identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements regarding the Company's plans, impacts of accounting standards and guidance, growth, legal matters, taxes, costs and cost savings, impairments, dividends, expectations, investments, innovations, opportunities, capabilities, execution, initiatives, and pipeline. These forward-looking statements reflect management's current expectations and are not guarantees of future performance and are subject to a number of risks and uncertainties, many of which are difficult to predict and beyond the Company's control. Important factors that may affect the Company's business and operations and that may cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, the impacts of COVID-19 and government and consumer responses; operating in a highly competitive industry; the Company's ability to correctly predict, identify, and interpret changes in consumer preferences and demand, to offer new products to meet those changes, and to respond to competitive innovation; changes in the retail landscape or the loss of key retail customers; changes in the Company's relationships with significant customers or suppliers, or in other business relationships; the Company's ability to maintain, extend, and expand its reputation and brand image; the Company's ability to leverage its brand value to compete against similar products; the Company's ability to drive revenue growth, increase its market share, or add products that are in faster-growing and more profitable categories; have potential product liability claims; climate change and legal or regulatory responses; the Company's ability to identify, complete, or realize the benefits from strategic acquisitions, alliances, divestitures, joint ventures, or other investments; the Company's ability to successfully execute its strategic initiatives; the impacts of the Company's international operations; the Company's ability to protect intellectual property rights; the Company's ownership structure; the Company's ability to realize the anticipated benefits from prior or future production facilities, streamlining actions to reduce fixed costs, simplify or improve processes, and improve its competitiveness; the Company's level of indebtedness, as well as our ability to comply with covenants under our debt instruments; additional impairments of the carrying amounts of goodwill or other indefinite-lived intangible assets; foreign exchange rate fluctuations; volatility in commodity, energy, and other input costs; volatility in the market value of all or a portion of the commodity derivatives we use; compliance with laws and regulations and related legal claims or regulatory enforcement actions; failure to maintain an effective system of internal controls; the impact of future sales of the Company's common stock in the public market; unanticipated business disruptions and natural events in the locations in which the Company or the Company's customers, suppliers, distributors, or regulators operate; economic and political conditions in the United States and in various other nations where the Company does business (including inflationary pressures, general economic slowdown, or recession and the Russia and Ukraine conflict and its regional and global ramifications); changes in the Company's management team or other key personnel and the Company's ability to hire or retain key personnel or a highly skilled and diverse global workforce; risks associated with information technology and systems, including service interruptions, misappropriation of data, or breaches of security; increased labor, and people-related expenses; changes in tax laws and interpretations; volatility of capital markets and other macroeconomic factors; and other factors. For additional information on these and other factors that could affect the Company's forward-looking statements, see the Company's risk factors, as they may be amended from time to time, set forth in its filings with the Securities and Exchange Commission. The Company disclaims and does not undertake any obligation to update, revise, or withdraw any forward-looking statement in this presentation, except as required by applicable law or regulation.

## Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures, including Organic Net Sales, Adjusted EBITDA, Constant Currency Adjusted EBITDA, Adjusted EPS, and Free Cash Flow. These non-GAAP financial measures may differ from similarly titled non-GAAP financial measures presented by other companies. These measures are not substitutes for their comparable financial measures prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and should be viewed in addition to, and not as an alternative for, the GAAP results in this presentation. These non-GAAP financial measures assist management in comparing the Company's performance on a consistent basis for purposes of business decision-making by removing the impact of certain items that management believes do not directly reflect the Company's underlying operations. Please see discussion of non-GAAP financial measures and the reconciliations at the end of this presentation for more information.



# Business & Strategy Update

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Jim Leighton  
President and CEO



## #1 Priority:

# Achieve Cash Flow Break-Even at U.S. Farms by End of FY23

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## Three Imperatives to Achieving Profitability

**#1:** Materially reduce OpEx, CapEx and G&A

**#2:** Complete necessary enhancements to U.S. farms

**#3:** Solve capital needs and liquidity challenges



# Financial Results

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Fernando Cornejo  
CFO



# Summary of Financial Results

(\$ in thousands)

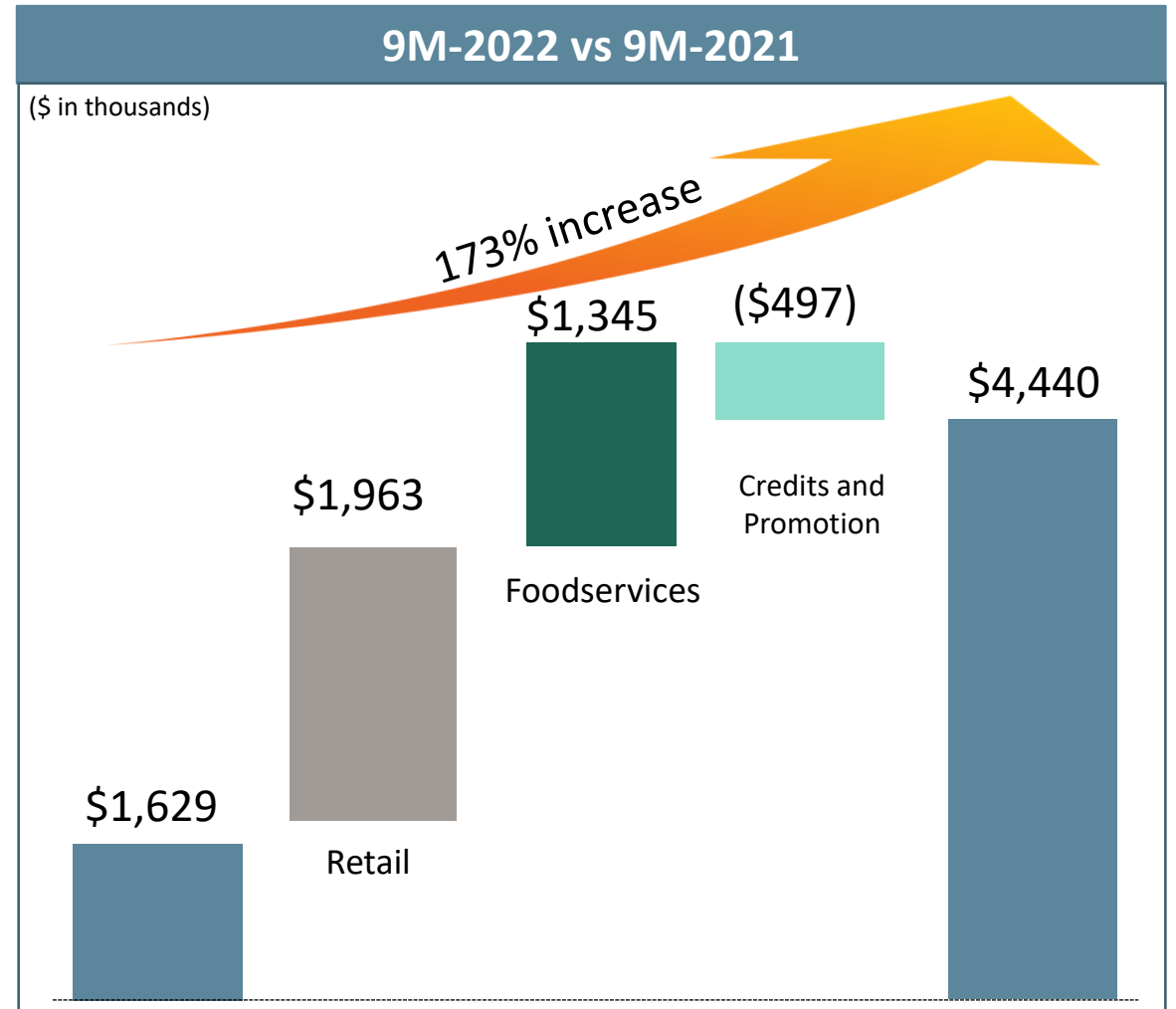
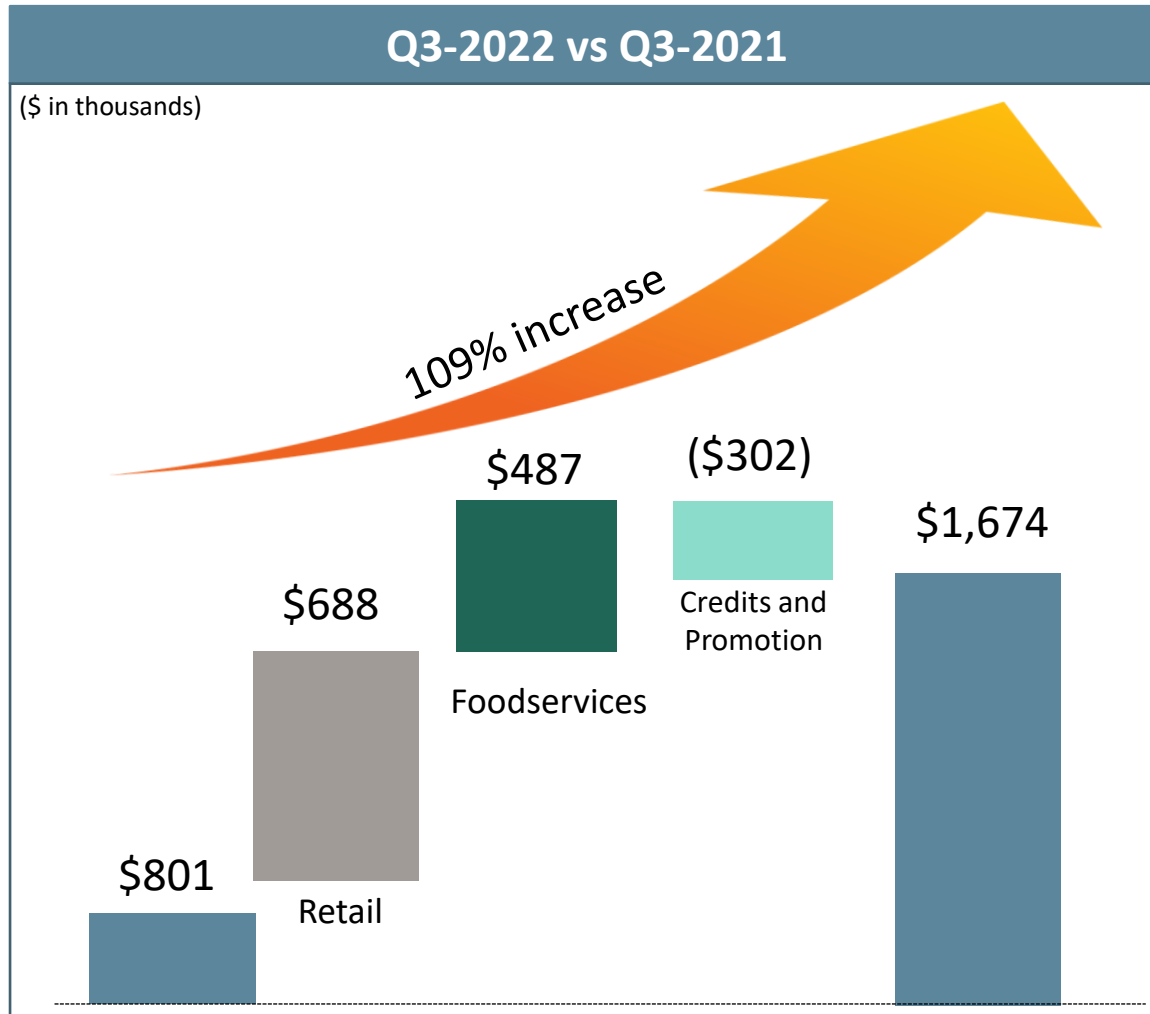
Q3-2022

<b>NET SALES</b>	<b>\$1,674</b>	Triple digit growth YoY at both retail and foodservice customers with more than 90% of revenue from whole head product only
<b>COGS</b>	<b>\$(5,873)</b>	Includes all fixed and variable costs for the Orlando, Atlanta, Houston, Denver, and Kuwait farms
<b>SG&amp;A</b>	<b>\$(10,766)</b>	Includes additional resources to manage farms that opened in 2022, plus resources and expenses for Vindara and International Operations
<b>OPERATING LOSS<sup>1</sup></b>	<b>\$(20,734)</b>	Includes one-time non-cash expense of \$2.3 million for assets impairment
<b>ADJUSTED EBITDA<sup>2</sup></b>	<b>\$(14,006)</b>	Adjusted for non-cash items and non-operating items

1) Includes one-time non-cash expense of \$2.3 million for assets impairment

2) Please refer to slide 15 for GAAP EBITDA and adjusted EBITDA reconciliations

# Net Sales – Strong Growth



# Non-Cash Items During Q3-2022

(\$ in thousands)

Q3-2022

NON-CASH ITEMS

Stock Options

(\$540)

Stock Options non-cash expense

Assets Impairment

(\$2,252)

One-time non-cash expense of \$2.3 million for assets impairment as a result of postponed construction in Hawaii and Ohio

CVRs and Warrants  
Change in Fair Value

\$19,777

Change in fair market value for Contingent Value Rights in connection to the earnout to Kalera S.A. shareholders and change in fair market value for Warrants in connection to private placement

Total Impact

\$16,985

Total of non-cash items during the third quarter



# Cash Flow and Balance Sheet

(\$ in thousands)

9 months-2022

Operating Activities

**\$(49,391)**

Total cash used in operating activities during the first nine months of 2022 including business combination expenses

Investment Activities

**\$(23,411)**

Includes investments in the Denver, Seattle, St. Paul, and Singapore facilities

Financing Activities

**\$57,393**

Includes secured debt financing of \$20 million, a secured convertible facility of \$14 million and net proceeds from private placement of 9.2 million

Cash and Cash Equivalents

**\$2,309**

Cash and cash equivalents as of September 30, 2022

# Cash & Liquidity

Kalera has tapped into several alternatives for additional liquidity while reassessing capital allocation in connection to priorities for Q4-2022 and 2023

## Q3-2022

### 1 Debt and Equity

- ✓ Added ~\$6 million in financing from Farm Credit
- ✓ Added \$4 million in financing from the convertible loan
- ✓ Added \$10 million before fees in a private placement (PIPE) during July

## Post Q3-2022

### 2 Completed Public Offering

- ✓ Raised \$8.8 million before fees in a public offering during October 2022

### 3 Short Term Liquidity

- ✓ Up to \$6 million convertible loan under the existing \$20 million convertible loan program
- ✓ Exploring strategic alternatives regarding Vindara and international assets



# Conclusion

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Jim Leighton  
President and CEO





# Q&A

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# Appendix

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# US GAAP EBITDA and Adjusted EBITDA Reconciliations<sup>1</sup>

(\$ in thousands)

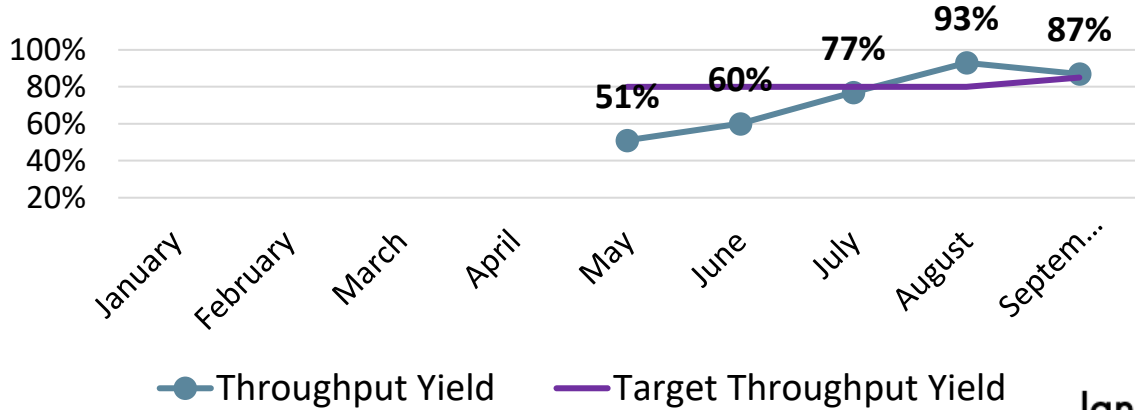
	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
<i>(Dollars in thousands)</i>	2022	2021	2022	2021
Net loss for the period	\$ (1,079)	\$ (11,578)	\$ (96,053)	\$ (24,158)
Interest expense	677	138	1,494	(28)
Income tax benefit	(485)	-	(1,773)	-
Depreciation and amortization	3,517	772	9,033	1,547
<b>EBITDA</b>	<b>\$ 2,630</b>	<b>\$ (10,668)</b>	<b>\$ (87,299)</b>	<b>\$ (22,639)</b>
Loss on equity method investment	25	-	73	-
Impairment loss	2,252	1,610	66,504	1,610
Change in fair value of earnout and warrant liabilities	(19,777)	-	(37,027)	-
Other income	(95)	364	(741)	284
Share-based compensation expense	540	597	9,337	1,599
One time accounting, consulting, and legal fees	419	79	7,952	232
<b>Adjusted EBITDA</b>	<b>\$ (14,006)</b>	<b>\$ (8,018)</b>	<b>\$ (41,201)</b>	<b>\$ (18,914)</b>

1) EBITDA and Adjusted EBITDA are non-GAAP financial measures. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures are also provided in our reports on file with the SEC.

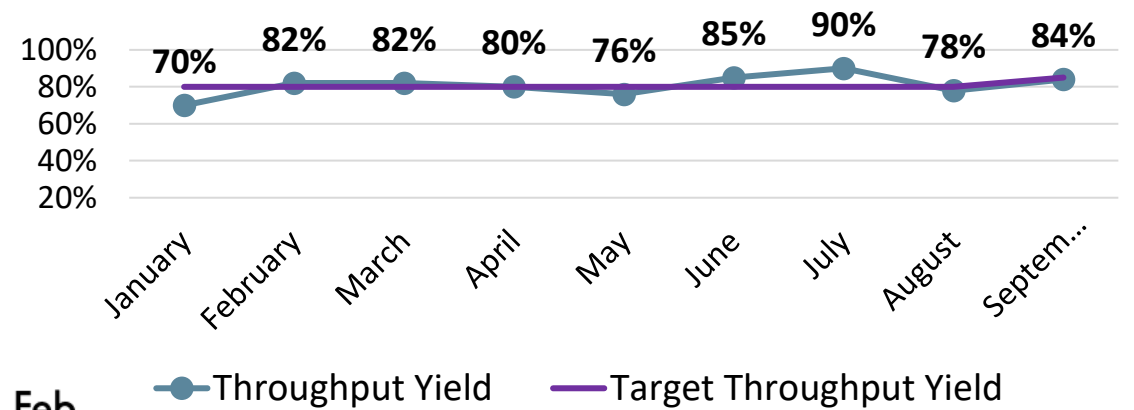
# Q3 2023 Throughput Yields At Target in All US Farms

Aggregate Capacity Utilization of operating US Farms ~24% Q3 2022 up from ~11% Q3 2021

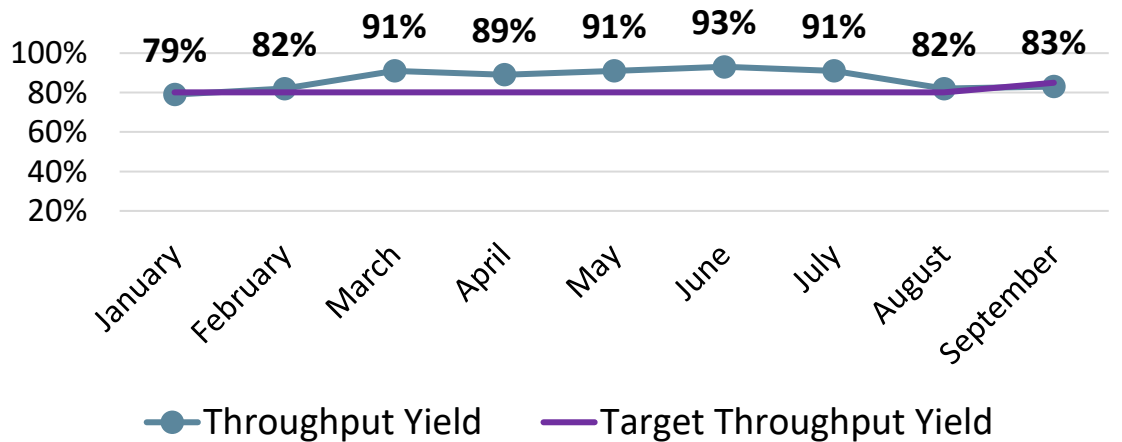
## Denver



## Houston



## Orlando



## Atlanta

