

CORPORATIONS INVOLVED IN AGTECH.

CONSIDER A NEW OPTION FOR COMMERCIALIZING NON-CORE IP

ORPORATIONS OR ENGINEERING FIRMS

involved in research and development often have IP in their portfolio that lack internal support.

The IP may have solid commercial potential, but it's stranded, non-core to the business, lacks a champion, or is behind other technologies on the commercialization priority list.

THE QUESTION IS, WHAT TO DO WITH IT?

Do you sit on it, sell it, license it or assign it to someone else to commercialize?

If you're holding novel agricultural technology with an unclear path to market, Carrot Ventures has a compelling option to consider. Let Carrot Ventures build a company specifically to commercialize your intellectual property. Carrot Ventures is a venture capital fund created specifically to form and fund new AgTech companies with significant market potential

HOW DO YOU BENEFIT?

The goal is significant value creation from a company formed specifically to commercialize a particular technology. As a significant shareholder, you benefit from that value creation. Ask yourself if your IP is creating value where it is now.

WHO IS CARROT VENTURES?

AVAC Group created Carrot Ventures specifically to form and fund new AgTech companies. With the additional support of Farm Credit Canada (FCC), Carrot is backing technologies that hold commercial promise.

WHAT IS CARROT VENTURES?

Carrot Ventures does not fit easily into financial industry norms. It is easiest to characterize us by explaining what we're **not**.

For starters, we don't fund existing companies. We only fund the companies we create.

We're not a bank, an incubator or an accelerator. The closest industry category you might be familiar with is Venture Studio, but that's not a perfect fit either.

Carrot Ventures is a venture capital fund created specifically to form and fund new AgTech companies with significant market potential.

THE CARROT APPROACH

Carrot sets the stage for financing, rapid commercialization, and equity growth.

To accomplish this, we developed the Carrot Company Formation Model, which starts with a rigorous process to validate promising agricultural technologies to assess both technical merit and market potential. Next, Carrot recruits an experienced CEO to lead a new company formed specifically to commercialize a technology. The CEO's first task is to develop and defend a robust business and financing plan. With those tasks completed, Carrot issues a financing term sheet as the lead investor. The CEO then raises additional capital to complete the seed financing round to support productization and commercialization efforts.

In addition, AVAC Group has a tremendous investor network with a strong history of co-investing, which increases the likelihood of Carrot companies getting financed.

At the end of this process, we have a properly financed company with compelling technology in the hands of professional leadership.

WHAT AGTECH DO WE SEEK?

Carrot Ventures seeks novel technologies that solve a significant market problem connected to the production, processing, logistics and distribution of food and agricultural products.

We consider technologies focused on animal health, crop production, digital agriculture, food safety and logistics, food tech, and value-added products across the agricultural value chain.

The primary constraints are that technology must be <u>venture</u> <u>scale</u>, where proof of concept is established, and revenue can be generated within about two years. The technology must be field-tested with broad market potential and be relevant to the Canadian market.

By ensuring that companies are properly financed and professionally managed during the critical early stages, Carrot de-risks the path to commercial success and fast tracks time to market

THE OPPORTUNITY FOR CORPORATIONS AND AGTECH IP OWNERS

Carrot is a means to create significant value from stranded or non-core intellectual property.

By ensuring that companies are properly financed and professionally managed during the critical early stages, Carrot de-risks the path to commercial success and fast tracks time to market.

Carrot seeks to become a reliable commercialization partner for those willing to assign their IP in exchange for equity in a company dedicated to commercializing it.

NEXT STEPS

To learn more, watch our intro video, download our PDF eBook or Express Interest in participating. We're happy to discuss your AgTech Innovation and explore potential fit.

WHO IS CARROT?

Carrot finances and directly assists in the formation, commercialization, and growth of new Ag Tech companies.

AVAC Group is an internationally syndicated, multi-stage venture capital investment company.

Where To Start? If you think Carrot is the right option to bring your technology to market, contact us.

carrotventures.com or call 403.274.2774



CARROT — THE THIRD OPTION FOR COMMERCIALIZING AG TECH INNOVATIONS | 4