



**PRESS RELEASE
UNDER EMBARGO**

Idealist Capital, Sanimax and Fondation invest \$58 million to accelerate Entosystem's growth and support the development of a second commercial plant

Montreal, October 2, 2024 — Idealist Capital, Sanimax and Fondation are proud to announce their \$58 million strategic investment in Entosystem, a world leader in the production of insect proteins and organic fertilizers for agriculture and animal nutrition. This decisive investment aims to accelerate Entosystem's growth by increasing existing production capacity and constructing a second commercial plant.

Using its cutting-edge technology, Entosystem diverts tonnes of organic materials from landfills and transforms them into high-quality ingredients, reducing the environmental footprint of food production.

The Drummondville carbon-negative plant can process 90,000 tonnes of organic matter each year into 5,000 tonnes of high-quality protein meal, as well as 15,000 tonnes of fertilizer approved for organic farming. According to an independent study, this innovative project reduces GHG emissions by 85% compared to the current scenario and generates carbon credits. According to the hierarchy of solutions to prevent food loss and waste, Entosystem's solution is preferred as it enables the reintroduction of organic matter into the food chain through an ecological process.

The second plant under development represents a key step in the company's growth strategy to meet increasing demand for sustainable proteins and organic fertilizers.

"This agreement is the result of a rich collaboration with strategic business partners and, above all, the dedication of an outstanding team without whom Entosystem would not have been able to position itself so quickly as a world leader in its sector. We have all the keys in hand to achieve our ambitions and grow," said Cédric Provost, President and Co-Founder, Entosystem.

"We are delighted to be able to support such an innovative company as Entosystem. Their sustainable approach aligns perfectly with our strategic plan, our values and our mission of a greener environment", said Martial Hamel, Chief Executive Officer of Sanimax.

"With the Drummondville plant, Entosystem has demonstrated at scale its process for the economic reclamation of organic matter through the production of proteins for animal feed and organic fertilizers," shares Steeve Robitaille, Co-Managing Partner at Idealist Capital. "We are excited to support the Entosystem team in the next phase of its scale-up in a booming industry."

As mentioned by Claire Bisson, Vice-President and Head of Investment at Fondaction: “As a society, we need innovation and circular strategies that divert residual materials that still have potential from landfills. When it comes to reducing the carbon footprint of the livestock sector through the production of insect proteins dedicated to animal feed, we are doing a double whammy. In such a case, supporting the increase in production means increasing the impact.”

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About Entosystem Entosystem is a pioneering company in the production of insect protein and fertilizer, providing innovative solutions for sustainable agriculture and animal nutrition. Using its cutting-edge technology, Entosystem diverts tons of organic matter from landfills to transform insects into high-quality ingredients, reducing the ecological footprint of food production.

About Sanimax A pioneer in the circular economy since its founding in 1939, Sanimax is a Quebec-based family business specializing in rendering. Every day, the company recovers the remains of the food industry from 25,000 partners across the Americas. These materials are processed in Sanimax’s factories to create high-quality ingredients. These ingredients will then be returned to companies that use them to make everyday items.

Today, Sanimax’s presence extends to Canada, the United States, Colombia and Brazil through more than 17 facilities. Each year, the company recovers and recycles more than two million tons of raw materials, actively contributing to building a greener future for future generations.

About Idealist Capital Idealist Capital is an investment firm focused on accelerating the energy transition by providing growth capital to entrepreneurs with a primary focus on the Canadian market. Idealist Capital supports businesses whose activities enable positive climate impact across one of three themes – (i) the decarbonization of power supply, (ii) the electrification of transportation, and (iii) the decarbonization of industrials and circular economy. The Firm has a mandate to achieve excellent risk-adjusted returns while scaling solutions which are beneficial to the climate. Idealist Capital underwrites its carbon impact and integrates critical non-financial KPIs in its asset management process to build sustainable platforms. To learn more about Idealist Capital, visit [Idealist Capital](#).

About Fondaction A pioneer for more than 25 years, Fondaction is the investment fund for those who are mobilizing for the positive transformation of the Quebec economy. To make our economy fairer, more inclusive, greener and more efficient. As a labour-sponsored fund, created at the initiative of the CSN, Fondaction represents tens of thousands of savers and hundreds of companies committed to moving Quebec forward. It manages more than \$3.77 billion in net assets as of May 31, 2024 invested in hundreds of companies and in the financial markets, with a focus on investments that generate positive economic, social and environmental impacts in addition to financial returns. Fondaction participates in

maintaining and creating jobs, reducing inequalities and fighting climate change. For more information, visit fondaction.com or [LinkedIn](#).

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