

Edgar Filing: Ceres, Inc. - Form FWP

Ceres, Inc.
Form FWP
February 26, 2014

[Click to edit Master title style](#) [Click to edit Master subtitle style](#) Investor Presentation Ceres, Inc. Nasdaq : CERE
Issuer Free Writing Prospectus Filed Pursuant to Rule 433 Registration No. 333 - 193556 February 26, 2014

This presentation contains forward - looking statements. All statements, other than statements of historical facts contained in this presentation, including statements regarding our efforts to develop and commercialize our products, anticipated yields and product performance, status of crop plantings, our short - term and long - term business strategies, market and industry expectations and future results of operations and financial position, including anticipated cost savings from our plan to align expenditures, are forward - looking statements. In many cases, you can identify forward - looking statements by terms such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “could”, “intend”, “project”, “contemplate”, “believe”, “estimate”, “potential”, “continue” or other similar words. We based these forward - looking statements largely on our current expectations and projections about future events or trends that we believe may affect our business and financial performance. These forward - looking statements involve known and unknown risks and uncertainties that may cause our actual results, performance or achievements to materially differ from any future results, performance or achievements expressed or implied by these forward - looking statements. We have described in the “Risk Factors” section of the prospectus for this offering and elsewhere in our filings with the U.S. Securities and Exchange Commission, the material risks and uncertainties that we believe could cause actual results to differ from these forward - looking statements. Because forward - looking statements are inherently subject to risks and uncertainties, some of which we cannot predict or quantify, you should not rely on these forward - looking statements as guarantees of future results, performance or achievements. The forward looking statements in this presentation represent our views as of the date of this presentation. We undertake no obligation to update publicly, except to the extent required by law, any forward - looking statements for any reason after the date of this presentation to conform these statements to actual results or to changes in our expectations . The Company has filed a registration statement (including a prospectus) with the SEC for the offering to which this presentation relates. Before you invest, you should read the prospectus in that registration statement and other documents the Company has filed with the SEC for more complete information about the Company and this offering . You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the Company, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it. A copy of the prospectus may be obtained from Aegis Capital Corp., Prospectus Department, 810 Seventh Avenue, 18th Floor, New York, NY 10019, via telephone (212) 813 - 1010 or by emailing prospectus@aegiscap.com. Safe Harbor Statement 2

Edgar Filing: Ceres, Inc. - Form FWP

The Offering ISSUER NAME Ceres, Inc. LISTING CERE / NASDAQ OFFERING SIZE \$20MM Gross Proceeds
OVER - ALLOTMENT 15% USE OF PROCEEDS General Corporate Purposes, including Working Capital
UNDERWRITER Aegis Capital Corp FINANCIAL ADVISOR Trout Capital LLC 3

Click to edit Master title style Click to edit Master subtitle style Richard Hamilton President and CEO

Attractive Business Model with Multiple Revenue Streams Market Opportunities Product Development Pipeline
Technology Licensing Milestones and Financial Summary 5

6 An Ag Biotech & Seed Company Core Technology Platforms – Traits and Marker - Assisted Breeding –
Significant Historical Investments Forward Integration – Complete Seed Company Capabilities Initial Focus on
Brazil & Sorghum – Products on Market – Industrial Performance Confirmed – Early Stage of Commercialization
Licensing of Our Technology – Large Addressable Markets – Biotech Traits Transfer to Row Crops (e.g. corn) –
Persephone™ Genomics Software: Plant & Biomedical Opportunities

Global Seed Market 1 Billions USD 0 5 10 15 20 25 30 35 40 7 Why Seeds? Food, Feed, Fiber and Fuel “Capital Light” Industry Technology Driven IP Intensive & High Barriers to Entry High Margins Upstream in Value Chain Priced to Value 1 Public reports and Ceres analysis CAGR 8%

8 We Are Pursuing Large & Growing Global Agriculture Markets Ethanol Biomass Sucrose Biomass - to - Biofuels
Large Strategic Players Pushing Forward ~19 Million Hectares 4 Sucrose Sucrose - Producing Sweet Sorghum 5 Has
Global Potential ~25 Million Hectares 6 Brazil Ethanol Extender Sweet Sorghum ~ 1 Million Hectares 2 Brazil
Biopower High Biomass Sorghum ~ 1 Million Hectares 3 \$2.5+ Billion Illustrative Market Opportunity at \$100/Ha 1
+ Technology Licensing Immediate \$200+ Million Market Opportunity 1 Assumes 10%, or 2.5 million ha, of global
sugarcane area. 2 Conab and Ceres analysis. 3 Kleffmann Brasil and Ceres analysis . 4 U.S . DOE Billion Ton Update
r eport. 5 Under development 6 Global sugarcane area; FAOSTAT. Additional Growth Opportunities

Attractive Business Model with Multiple Revenue Streams Market Opportunities Product Development Pipeline
Technology Licensing Milestones and Financial Summary 9

Gasoline is the Alternative Fuel in Brazil ~ \$18 Billion Ethanol Market 1,2 10 Brazil - Light Duty Vehicle Fleet (2012 – 2022E) 1 At the Pump: E25 or E100 The National Fleet of Light Vehicles is Growing at a Rate of 5.9% per Year 1 Flex Fuel Vehicles Dominate New Car Sales Domestic Demand for Ethanol Expected to Double within 10 Years 1 1 EPE - Plano Decenal de Expansao de Energia 2022 2 Assumes 27 billion liters at \$0.65 per liter FOB 0 5 10 15 20 25 30 35 40 45 50 2012 2014 2016 2018 2020 2022 Flex Fuel Vehicles (in Millions) 53% of Fleet 76% of Fleet Ceres' Sweet Sorghum is a Drop - In Ethanol Feedstock in Brazil

Ethanol is Made from Sugarcane in Brazil Sugarcane is Not Harvested Year - Round 11 1 Conab , Cana - De - Açúcar
– Safra 2013/2014, August 2013 2 USDA Global Agricultural Information Network Report, Sept 2013 Nov Dec Jan
Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Sugarcane Harvest Renewal Area Cane Nursery Typical Sugarcane
Plantation Land Use Sugarcane ~15% 8.8 Million Hectares 1 of Sugarcane – Yields Vary by Time of Year – Stands
Replanted ~5 Years Mature Industry in Brazil – ~400 Mills (~350 in key Center - South region) 2 – ~600 million
Metric Tons per Year 2 – Ethanol & Sugar Mills – Ethanol - Only Mills

Edgar Filing: Ceres, Inc. - Form FWP

Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Sorghum Harvest Sweet Sorghum C omplements
Sugarcane Extends Season + More Cane Available at Peak Quality 12 Sorghum Planting Sugarcane Harvest 0 1,000
2,000 3,000 4,000 5,000 6,000 Sweet Sorghum Sugarcane Production Costs – São Paulo 2 R \$ Per Hectare (Annualized
) (Marginal Cost) Looks Similar to Sugarcane with the Benefits of a Seeded Crop – Rapid Growth & Low Cost –
Mix of Sugars Fermented into Ethanol – Differs from Grain & Other Sorghum Types Ceres Sorghum 1 Sugarcane 1 1
Photos not to scale 2 Source: Agrosecurity & Ceres analysis

Sweet Sorghum Proven in Existing Industrial Processes and Infrastructure 13

Attractive Ethanol Extension Opportunity Grower Opportunity Illustrative Mill Opportunity Illustrative Ceres
Opportunity ~ 1,000 Hectares of Sweet Sorghum Needed per Week of Supply 2 ~ US\$100 per Hectare Seed Price 14
High Value Crop to Grow on Rotational Acres Low Cost, Rapid Growth 1 Assumes 160 million liters of ethanol
from sugarcane, 10,000 hectares of sweet sorghum yielding 3,000 liters/ha, \$0.65/liter FOB and 45% margins . 2
Assumes mill daily crush capacity of 10,000 metric tons and sorghum yields of 50 mt /ha Utilization of Idle Capacity
~20 % Increase in Annual EBITDA on Marginal Cost Basis 1

Focused Distribution Strategy 15 Customer Base Comparison ~40% of U.S Corn Production = ~44,000 Top Farmers
1 ~40% of Brazilian C rush Capacity = ~ Top 20 Mill Groups 1 1 Source: USDA , Anuario Da Cana 2013 - Brazil
Sugar and Ethanol Guide. Product Pricing Established Attractive Yields at Pilot Scale 2013 - 14 Evaluations: 50
Customers Current Customers Represent ~30% of Sugarcane Crush Capacity in Brazil Number of Customers 0 10 20
30 40 50 2010 2011 2012 2013

0 1000 2000 3000 4000 5000 6000 2011 2012 2013 Current Mill Evaluations Key Objectives for the 2014 Harvest
Year 16 Yields Have Consistently Improved – Mills Doubled Yields in 2013 Compared to 2012 Historical Sweet
Sorghum Yield Range Calculated Liters of Ethanol Per Hectare 1 Yield results based on mill and Ceres calculations.
Commercial field evaluations are subject to significant variability from year to year, including differing locations, soil
types, products planted, agronomic practices and growing conditions, and therefore, results are not directly
comparable. Customer results comprised 2 mills in 2011, 14 in 2012 and 19 in 2013. Not all customers planting our
products chose to report results. Brazil Mills 1 Mill Yield Expectations

0 1000 2000 3000 4000 5000 6000 2011 2012 2013 Current Mill Evaluations Key Objectives for the 2014 Harvest Year 17 Yields Have Consistently Improved – Mills Doubled Yields in 2013 Compared to 2012 Demonstrate Performance of New Products & Pipeline – Greater Consistency in Mill Execution and Performance – Reduce the Difference Between Internal R&D and Commercial Yields Clearly Demonstrate Attractive Economics for the Mills Historical Sweet Sorghum Yield Range Calculated Liters of Ethanol Per Hectare 1 Yield results based on mill and Ceres calculations. Commercial field evaluations are subject to significant variability from year to year, including differing locations, soil types, products planted, agronomic practices and growing conditions, and therefore, results are not directly comparable. Customer results comprised 2 mills in 2011, 14 in 2012 and 19 in 2013. Not all customers planting our products chose to report results. 2 Small plot evaluations in Florida. Research - stage results demonstrate the genetic potential of hybrids; Ceres does not expect to achieve these yield levels at commercial scale at the present time. Internal R&D 2 (USA) Brazil Mills 1 Mill Yield Expectations

Addressing Our Commercialization Challenges 18 Broader Field Evaluations Better Products Better Execution by
Mill Drought Hybrid Adaptation Crop Management Issue Solution CERES BRAZIL ADVISORY COUNCIL
Roberto Rodrigues, Chairman Former Minister of Agriculture of Brazil Industry Executives in Ethanol, Agriculture &
Bioenergy

Biomass in Brazil Offseason Source of Power Biomass is a Common Source of Thermal Power in Brazil – High
Natural Gas Prices & Limited Coal Reserves Market Opportunity for Sorghum Biomass – Ethanol Mills that Sell
Power to Grid – Agribusiness Companies (e.g., Juice Extractors, Meat Processors) Our High - Biomass Hybrids –
Yields Have Met Customer Expectations – Cost Competitive & More Flexible – Available During Off - Season 19 ~1
Million Hectares Biomass - to - Power Market 1 1 Kleffmann Brasil and Ceres analysis

Sucrose from Sorghum – Crystalized at Pilot Scale – Blended at Industrial Scale – High Sucrose Hybrids in Advanced Hybrid Testing 2 Advantages Over Sugarcane – Lower Costs – Fast Scale - Up – Broad Adaptation – Shorter Breeding Cycles Global Sucrose Market 25 Million Hectares of Sugarcane 1 20 1 FAOSTAT 2 Today, is not possible to produce crystalized table sugar from sweet sorghum on a standalone basis due to the mix of sugars in the plant and the relatively lower sucrose levels compared to sugarcane Sugarcane Production Regions Adaptation of Sorghum Crystalized Sugar from Ceres Sweet Sorghum

21 Global Biomass to Biofuels: First Commercial Biorefineries Coming Online Ceres Energy Crop Products Provide Greater Scale and Superior Economics Large - Scale Deployment Will Require Billions of Tons of Biomass 1 1 U.S. DOE Billion Ton Update Report (August 2011)

Attractive Business Model with Multiple Revenue Streams Market Opportunities Product Development Pipeline
Technology Licensing Milestones and Financial Summary 22

23 Plant Breeding Increases Yield Open - Pollinated Double Cross Biotech Single - Cross Hybrids Bushels/Acre Crop
Productivity Average U.S. Corn Yields 1 Energy Sorghums Today Headroom for Innovation Yield Potential Has
Been Demonstrated Sorghum Hybrid Under Development Commercial Sorghum Hybrid 1 Source: USDA

24 Continuous Improvement from Ceres Product Pipeline First Commercial Products 2011 Commercial Hybrids 2012
First Generation Hybrids 2010 Advanced Hybrid Trials 2013

25 Ceres Product Development Process Provides Continuous Improvement Breeding, Germplasm Development & Trait Introgression Advanced Hybrid Testing Elite Hybrid Testing Pre - Commercial Hybrid Testing Commercial Launch Hybrids in Our Pipeline Have Demonstrated Economically Compelling Yields ~3 – 4 Years ~1 Year ~1 Year ~1 Year ~1 Year 1,000s of Entries 5 0s 10s 10s 1 - 10 Multiple Product Generations Moving Forward

Combination of Germplasm and Traits Creates Competitive Advantage and IP 26 Top Performing Proprietary Seed Products Patents, Plant Variety Protection and Breeder Rights Germplasm Elite Parents Hybrid Lines Breeding Traits Broad Portfolio Field Validated Biotechnology

Best event Average event Average controls Traits Discovery Phase 1 Phase 2 Phase 3 Phase 4 Two Species
Greenhouse Field Deregulation Commercial Sorghum High Sugar Pest Resistance 27 Sorghum Trait Pipeline High
Sugar Trait in Sorghum 1 Total Fermentable Sugars Relative to Controls 300% Positive Field Results Field
Evaluations in Brazil Pending Best Average Controls 1 Field evaluations in non - commercial types . Results from a
research setting are not a guarantee of future performance; further evaluations will be necessary to confirm
performance. Control Ceres Trait

Attractive Business Model with Multiple Revenue Streams Market Opportunities Product Development Pipeline
Technology Licensing Milestones and Financial Summary 28

Licensing Opportunities Biotech Traits Well Established 1 Source : isaac.org 29 Global Area of Biotech Crops 1
Million Hectares (1996 - 2012) Number of Hectares has Increased Every Year Ceres Innovative Biotech Trait
Development System Well Validated – \$137m Licensing Agreement with Monsanto in 2002; Early Stage Trait Leads – Multiple Competitive Grants, including ARPA - E and USAID Advancing in Multiple Crops

30 Salt Tolerance Increased Grain Yield Ceres Field Validated Traits in Hand Large, Clear Increases Across Multiple Species Higher Biomass Drought Tolerance

Edgar Filing: Ceres, Inc. - Form FWP

Crop Discovery Phase 1 Phase 2 Phase 3 Phase 4 Two Species Greenhouse Field Deregulation Commercial
Corn/Maize Ceres Gen - 1 Ceres Gen - 2 Rice Sugar Beet Sugarcane Wheat and Soybean 31 Biotech Trait
Commercialization Pipeline 1 AgServe Economic Forecast, International Agriculture Outlook 2 Public filings and
Ceres analysis Trait Premiums by Major Seed Companies Range from Approx. \$10 to \$50 per Acre in the U.S. 2
Wheat 558 M Rice 397M Corn 412M Soybean 261M ~1.6 Billion Acres 1 Global Row Crops – Acres Harvested =
Confidential Partner Confidential Partner Ceres Licensed to Commercialization Partner Partnering Opportunities
Under Evaluation High Sugar High Sugar Grain Yield Yield, Drought, Nitrogen Efficiency Various

32 Proprietary Tools Like “ Google Earth Mapping Program” for DNA Developed to Visualize Large Volumes of Genetic Data Provides Extra Speed and Efficiency to Our Pipeline Non - Exclusively Licensed : Google Earth is a trademark of Google Inc.

Genomic Medicine Trends – \$1,000 Human Genome – Need for DNA Display Tools – Growing Use of Bioinformatics in Drug Discovery Potential Biomedical Customers – Academic Researchers – Pharma and Biotech – Clinical Geneticists
33 Potential Persephone™ Applications Beyond Plant Science New Era of Personalized Medicine

34 Completed and Upcoming Milestones Completed Potential Business Development Milestones Dec. 2011, Rice Traits – Out - License Collaboration July 2012 , Sugar Beet Traits – Out - License Collaboration April 2012, Persephone™ – Syngenta Extends License Persephone Software – Additional Out - licensing Rice Traits – Achieve Collaboration Milestone Corn, Wheat, Sugarcane Traits – Additional Out - Licensing July 2014 Mill Yield Results Jan 2015 Seed Sales July 2015 Mill Yield Results Jan 2016 Seed Sales Biotech Corn R&D Field Trial Results Jan. 2014 Increase to ~50 Customers Confirmed Industrial Processing Jan. 2014 Biotech Traits ARPA - E Grant Completed July 2013 50% Increase in Yields Results from Planting and Harvest Cycles Other Milestones FY 2011 FY 2012 FY 2013 FY 2014 FY 2015 FY2016 1H 2H 1H 2H 1H 2H Sep - Nov Dec - Feb Mar - May Jun - Aug Sep - Nov Dec - Feb Mar - May Jun - Aug 1H Internal Yield Results Internal Yield Results

Edgar Filing: Ceres, Inc. - Form FWP

Richard Hamilton, CEO Ceres chief executive and board member since 2002; CFO (1998 - 2002) Paul Kuc, CFO 17 years in seed industry in finance leadership; 12 years with Monsanto Wilfriede van Assche, General Counsel >25 years legal experience in plant biotechnology and seed industries Roger Pennell, VP Trait Development Published 40+ scientific papers; Royal Society University Research Fellowship Experienced Management Team Extensive Biotechnology and Seed Expertise 35 Andre Franco, GM Ceres Brasil >20 years in Brazilian seed industry with Monsanto Walter Nelson, VP Product Development >15 years in biotech & product development Timothy Swaller, VP Genomic Technologies >15 years in genomics & mgmt. systems Walter De Logi , Chairman Ceres co - founder; former CEO of a plant biotech firm sold in 1996 Richard Flavell, CSA, Board Member Ceres CSO ('98 - '12); former director of John Innes Centre. Fellow of the Royal Society.

Edgar Filing: Ceres, Inc. - Form FWP

Walter De Logi , Chairman Ceres co - founder; former CEO of a plant biotech firm sold in 1996 Raymond Debbane Director since 1998, The Invus Group; Chairman of Weight Watchers International Richard Flavell Ceres CSO ('98 - '12); former director of John Innes Centre. Director since 2009 Daniel Glat Director since 2013; 25 years with DuPont's seed business Pioneer Hi - Bred. Robert Goldberg Director since 1996; member of National Academy of Sciences; co - founder of Ceres Board of Directors 36 Richard Hamilton, CEO Ceres chief executive and board member since 2002; CFO (1998 - 2002) Thomas Kiley Director since 2003; First general counsel of Genentech; extensive IP experience Steven Koonin Director since 2012, former undersecretary of U.S. Dept. of Energy; former Chief Scientist of BP, p.l.c . David Krieger Director since 2011; Warburg Pincus ; McKinsey & Company Cheryl Morley Director since 2011; Corporate Strategy at Monsanto Company; CPA

Attractive Business Model with Multiple Revenue Streams Market Opportunities Product Development Pipeline
Technology Licensing Milestones and Financial Summary 37

[Click to edit Master title style](#) [Click to edit Master subtitle style](#) Paul Kuc Chief Financial Officer

39 Cash Position Ceres Historic Overview & Future Outlook Strong Balance Sheet – No Long - Term Debt 1 “Capital Light” Business – Flexibility – Cost Reduction Targets 2 o FY14 \$5m o FY15 \$8 - 10m Select Balance Sheet Items November 30, 2013 3 Cash 4 \$24.4m Total Assets \$30.9m Working Capital \$21.3m Select Income Statement Items Fiscal Year 2013 Revenue \$5.2m OPEX \$37.8m Net Loss (\$32.5m) CAPEX \$0.9m 1 Excluding capital leases for company vehicles and laptop computers 2 Previously announced restructuring actions & cost reduction measures, which commenced 10/11/2013. 3 Unaudited 4 Cash and cash equivalents and marketable securities

Use of Proceeds 40 General Corporate Purposes – Including Working Capital Offering Proceeds Will Allow Us –
Two Planting Cycles – New Product Introductions – Potential Out - Licensing Opportunities of Traits and Persephone
™ Long - Term Operating Metrics (Percent of Revenue) Revenue 100% Blended Gross Margin ~75% - 85% SG&A
~15% - 18% R&D ~10% - 13%

Capitalization Table As of November 30, 2013

	41	Expiration Date	Weighted Average Exercise Price	Shares Common
Shares	25,224,269	Offering Shares	1	15,862,069
Basic Shares Outstanding	41,086,338	Outstanding Options	2	Variable \$6.18
3,378,818	Outstanding Warrants	Variable	\$20.34	2,082,045
Fully Diluted Shares Outstanding	46,547,201	1	Gross offering to raise \$20,000,000 , plus 15 % over - allotment of \$3 million , at an assumed offering prices of \$1.45 per share.	2
2000 Stock Option/Stock Issuance Plan, 2010 Stock Option/Stock Issuance Plan and Amended & Restated 2011 Equity Incentive Plan.				

Seed Business Dynamics Industrial - Validated Product Sustainable High Gross Margins Multiple Opportunities
for Long - Term Growth 42 Investment Summary Ceres Sorghum Hybrids

[Click to edit Master title style](#) [Click to edit Master subtitle style](#) Thank You investor.ceres.net