

The background of the slide is a dense, close-up photograph of green vegetable seeds, likely fava beans, showing their characteristic longitudinal ridges and vibrant green color. A semi-transparent dark red rectangular box is positioned in the upper left quadrant, containing the title and date. A horizontal dotted line is located just below the red box, extending across the width of the slide.

THE VEGETABLE SEEDS ACTIVITY OF VILMORIN & CIE IN ITALY

May 2022



SUMMARY

- ❖ THE VEGETABLE SEEDS MARKET
- ❖ THE ITALIAN VEGETABLE SEEDS MARKET
- ❖ THE ITALIAN VEGETABLE SEEDS DIVISION OF VILMORIN & CIE

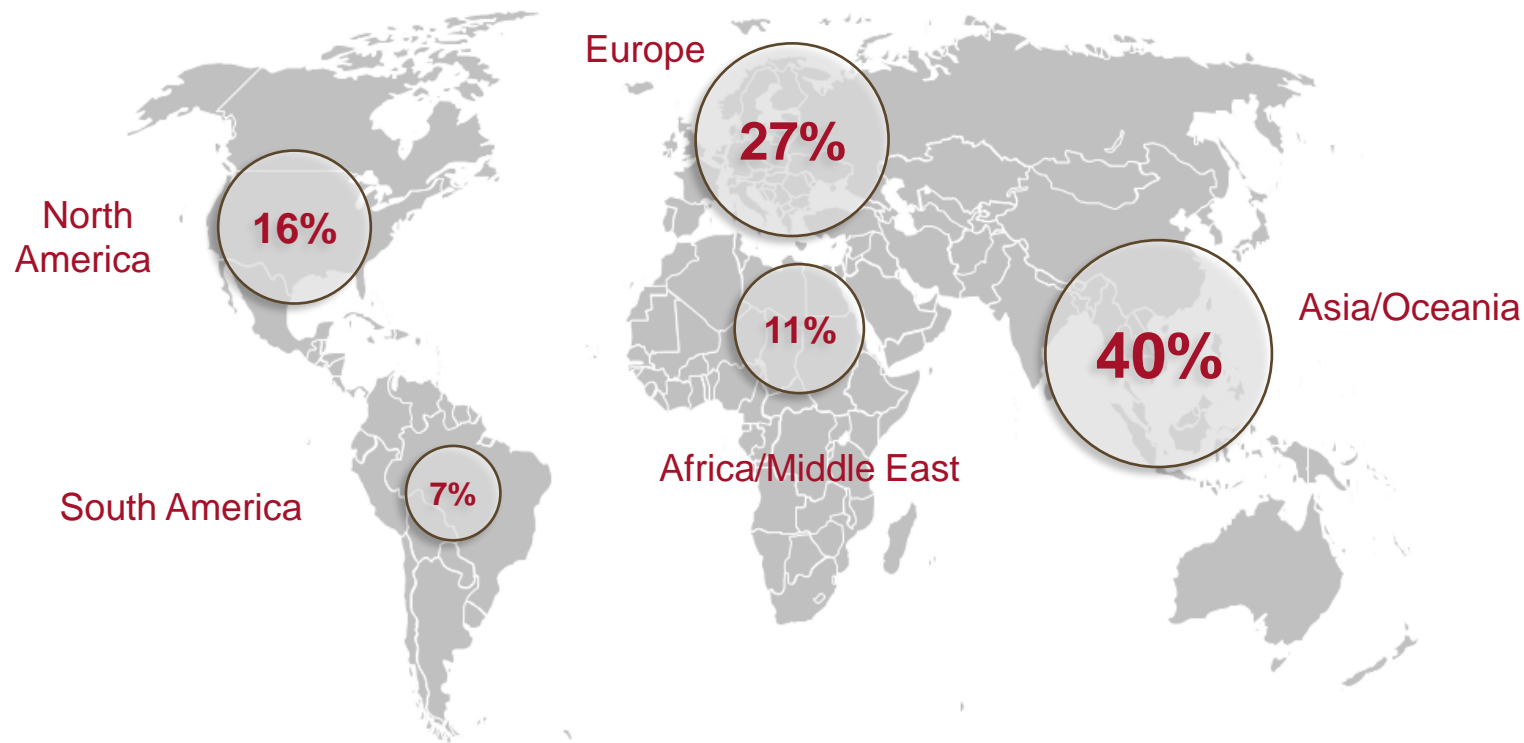
THE VEGETABLE SEEDS MARKET

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KEY FIGURES

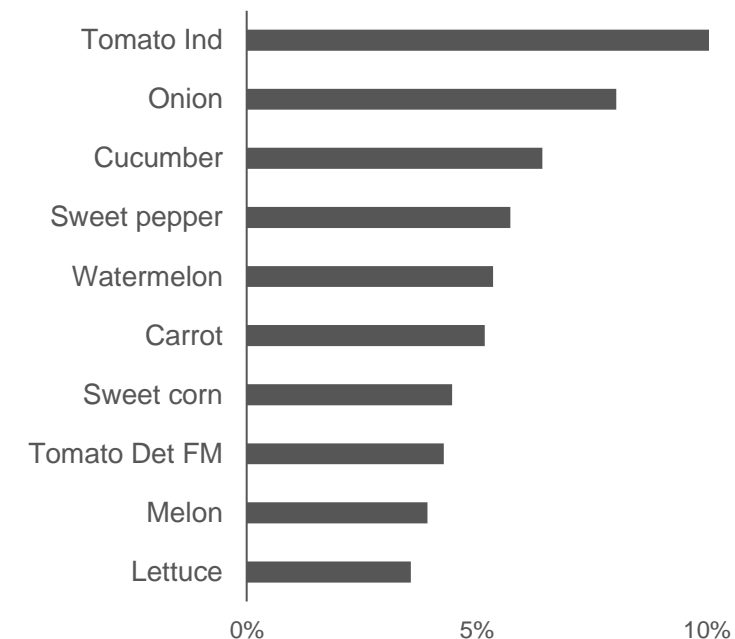
WORLD MARKET VALUE⁽¹⁾

❖ **5.6** billion US dollars in 2020



TOP 10 SPECIES

(% OF TOTAL)

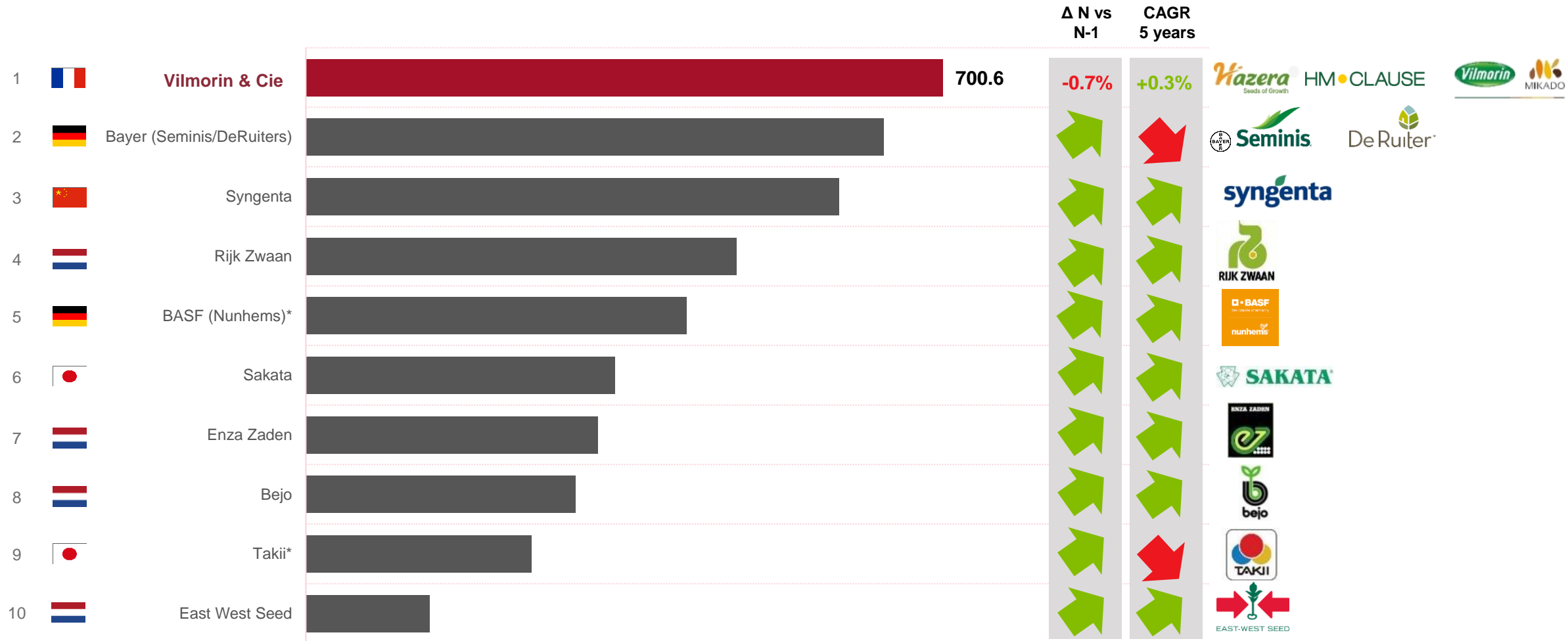


(1) Source: AgbioInvestor 2020.

Analysis per geographical area: internal estimates.

2020-2021 TOP 10 COMPANIES (IN M€)

Stagnation of the vegetable seeds market over the last 3 years, with a recovery in 2020-2021



Sources: company release and *internal est. sales for 2021. Enza Zaden sales for 2020, East West Seed sales for 2019.
Exchange rate: EUR 1 = USD 1.19.

VEGETABLE SEEDS: A GREAT DIVERSITY OF PRODUCTS

- A segmented market with different typologies, cycles and growing methods.
- To address the market, necessity to be aligned with the reality of the current and future needs of producers and consumers.
- Several types of products for global crops (e.g. tomato), some being purely regional (e.g. daikon radish).
- Some diversified agricultural techniques: open field, cold or heated shelters – tunnels, plastic greenhouses, glass greenhouses, etc.

➔ Many high value-added niches.



THE VEGETABLE SEEDS DIVISION OF VILMORIN & CIE AT A GLANCE

3 BUSINESS UNITS:



HM●CLAUSE



KEY FIGURES. 2020-2021

#1
WORLDWIDE

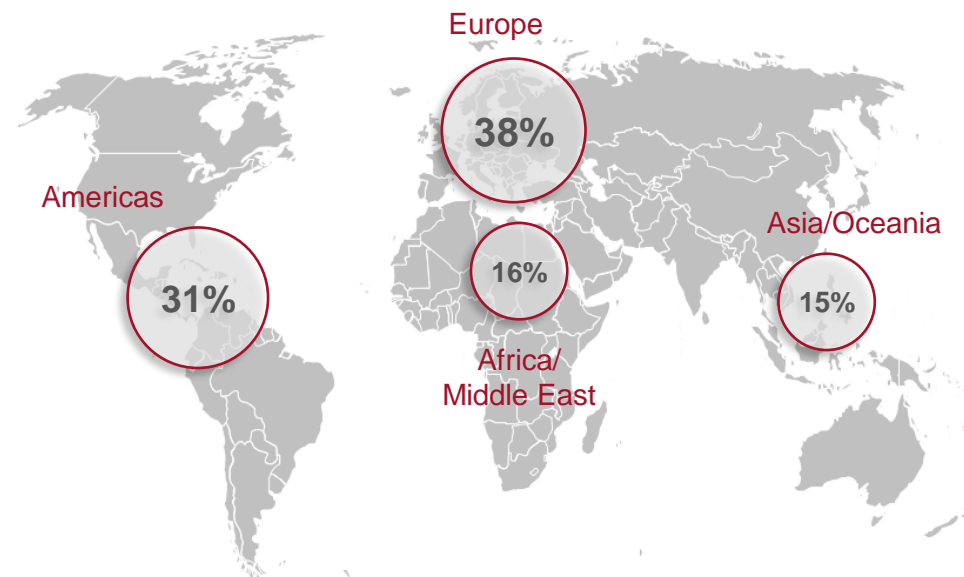
700.6 M€
SALES

ALMOST 130 M€
R&D COSTS

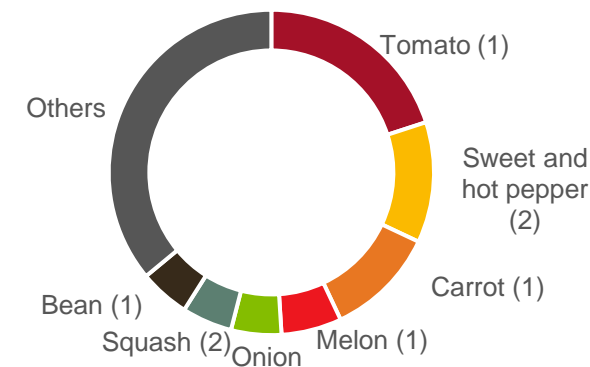
3,849
PERMANENT STAFF

35
COUNTRIES WITH LOCATIONS

SALES PER GEOGRAPHICAL AREA. 2020-2021



SALES PER CROP. 2020-2021



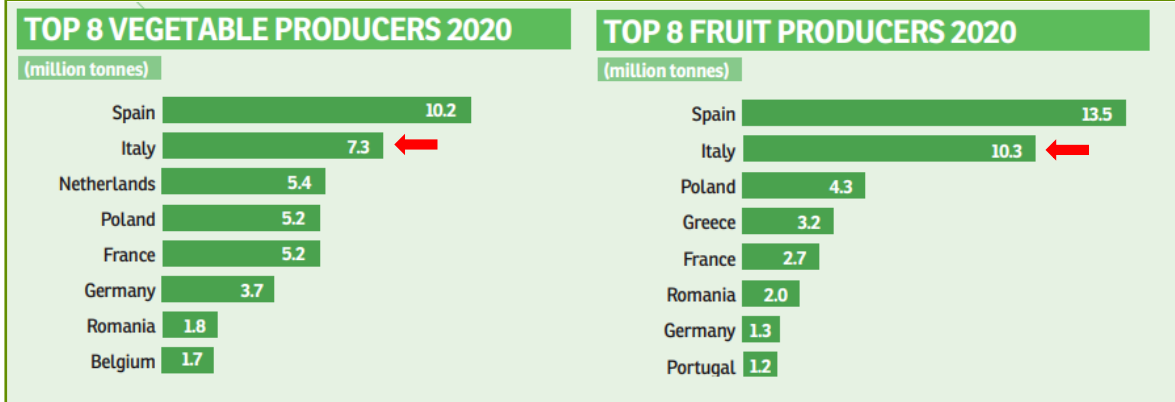
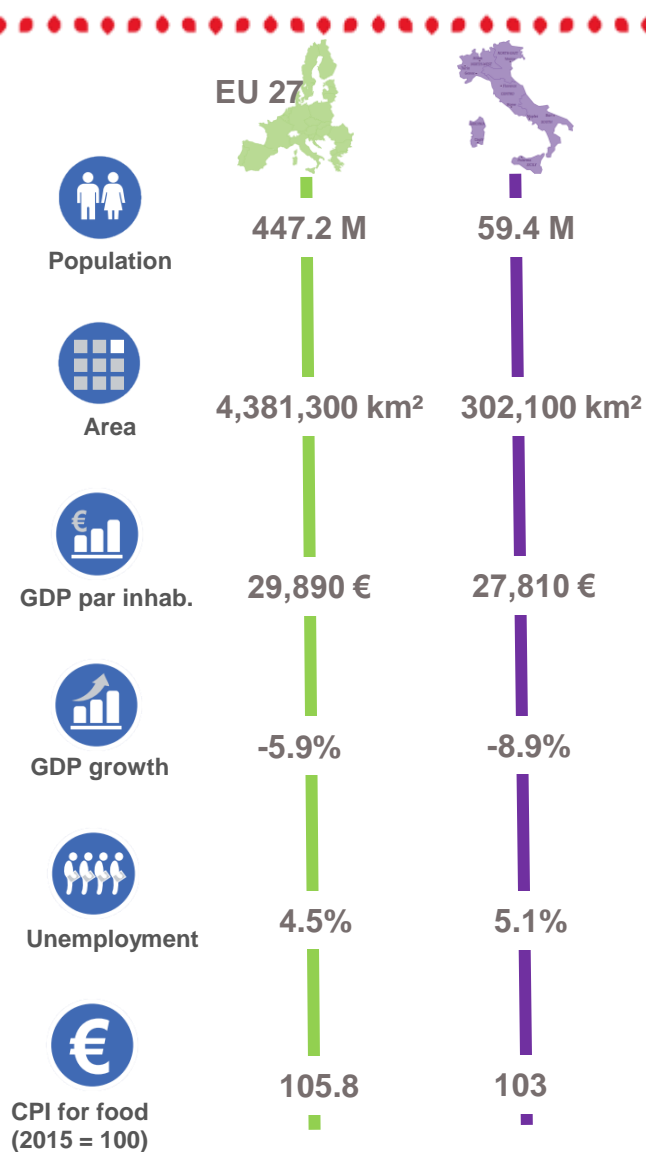
(1),(2): worldwide competitive positions

THE ITALIAN VEGETABLE SEEDS MARKET

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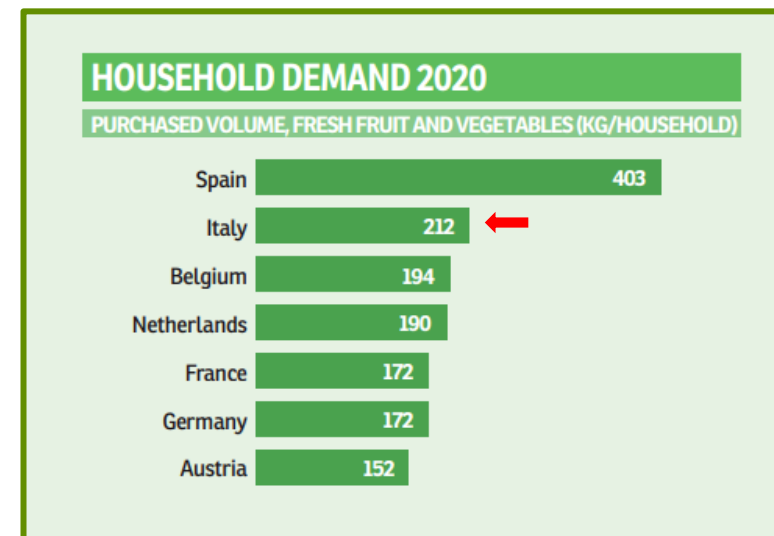
ITALIAN PRODUCTION OF FRUITS AND VEGETABLES WITHIN THE EU MARKET



Italy is the 2nd fruit and vegetable producer in Europe (in volume)

EXPORTS – INTRA + EXTRA-EU				
VOLUME ('000 tonnes)				
FRESH VEGETABLES	2018	2019	2020	2021p
Spain	5,102	5,388	5,415	5,365
Netherlands	4,926	5,027	5,043	4,966
France	997	1,023	1,002	973
Belgium	832	950	973	908
Italy	866	844	862	873
Poland	766	699	689	716
Germany	464	458	417	403
Portugal	251	262	231	280
Austria	162	148	168	185
Greece	140	135	133	157
Hungary	82	77	84	88
Other	567	497	488	506
TOTAL	15,154	15,507	15,505	15,419

Italy is the 5th vegetable exporter in Europe
(however the only country displaying an export growth trend in 2021 within the Top 5)...



... as the Italian domestic consumption is the second strongest (in volume) in Europe.

ITALIAN PRODUCTION OF FRUITS AND VEGETABLES IN DETAILS

TRADE BALANCE

VALUE (million euros)

FRESH FRUIT	2018	2019	2020	2021p
Import	1,746	1,764	1,879	1,745
Export	2,806	2,743	2,943	3,175
TRADE BALANCE	+1,060	+979	+1,064	+1,430

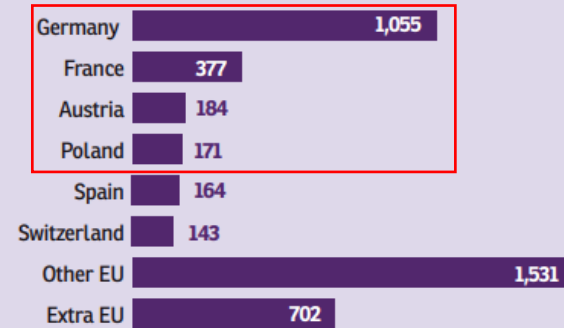
FRESH VEGETABLES	2018	2019	2020	2021p
Import	675	824	728	723
Export	1,318	1,361	1,396	1,492
TRADE BALANCE	+643	+537	+668	+769

A positive trade balance maintaining a consistent growth dynamic since the pandemic crisis.

Source: Fruit Logistics European Statistics Handbook 2022.

FRESH FRUIT AND VEGETABLE EXPORTS

BY DESTINATION ('000 tonnes, 2020)



Stability of export destinations. If United Kingdom dropped after Brexit, Switzerland substituted it, while France and Germany increased their imports from Italy.

Source: Fruit Logistics European Statistics Handbook 2022.

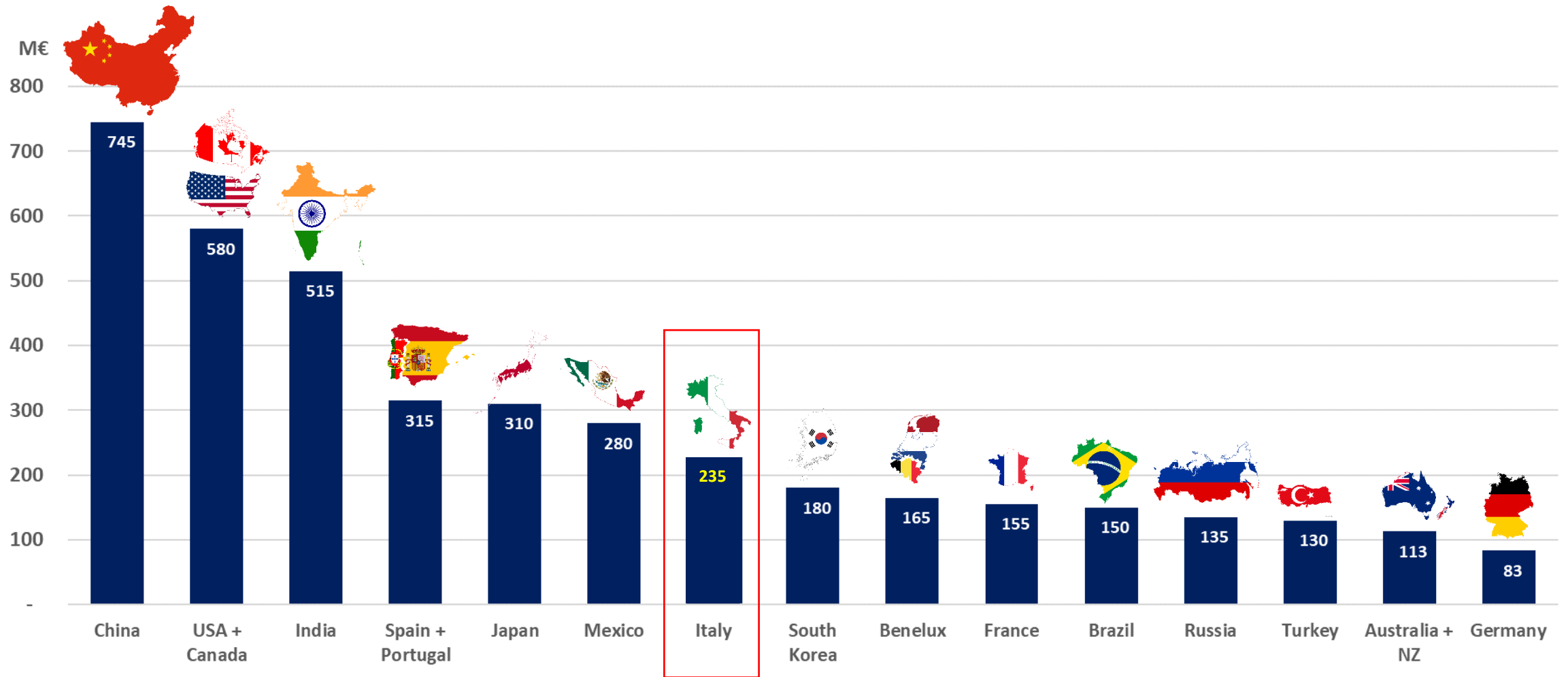
Main market opportunities:

- Consumers' purchasing behaviours keep switching to **sustainable, healthier and qualitative products**;
- A **stable, territoriality spread & diversified and sustainable** production area;
- Cross economical benefits of the **strongest recovery plan in UE**;
- **Constant demand growth** since the last 2 years.

Main market threats:

- **Isolation and undercapitalization** of Italian farms;
- General **under-investment and cash shortage** within market players fragilizing the market structure sustainability;
- **Lack of collaboration and multiplicity of intermediaries** weakening the market structure;
- **Structural labour fragility** (availability, cost and legality);
- **Logistic issues impacting Italian production competitiveness** (distance to markets / organizations).

THE 7th WORLDWIDE VEGETABLE SEEDS MARKET



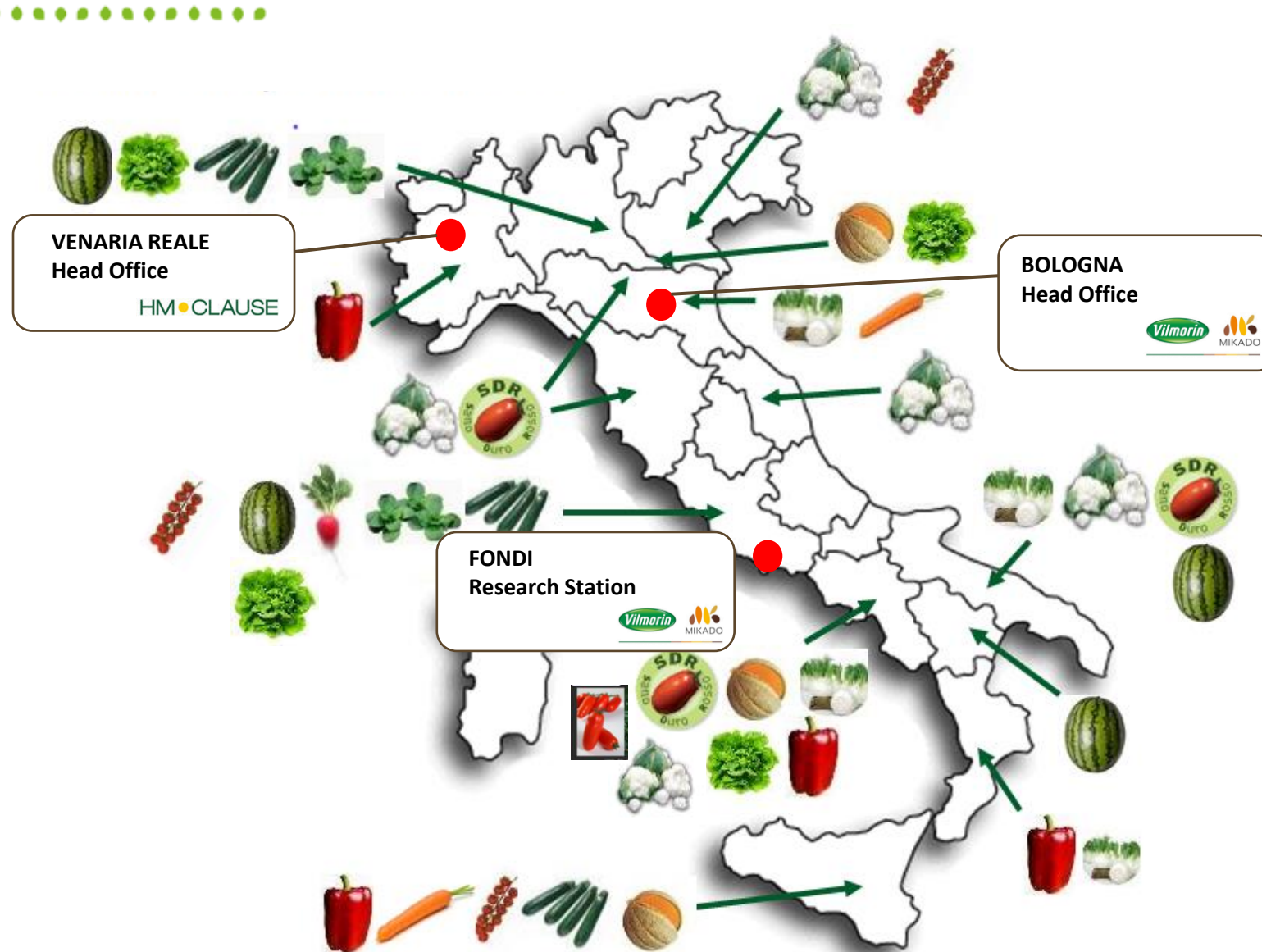
Source: Internal.

THE ITALIAN VEGETABLE SEEDS DIVISION OF VILMORIN & CIE

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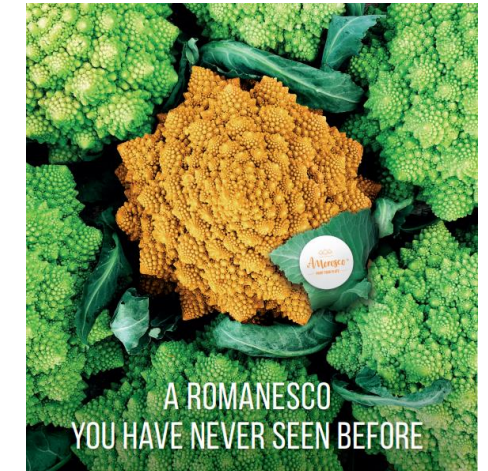


THE ITALIAN MARKET AND VILMORIN-MIKADO / HM.CLAUSE SITES



INNOVATIONS AS A KEY SUCCESS FACTOR

Thrill for Tomato: innovative branding that will cover the future tomato communication campaigns especially on innovation (like innovative resistances ToBRFV...)



Campanella/Meridiana, first *Cima di Rapa* hybrid varieties. (2021)



DOSSIMO F1
IL CUORE ITALIANO

Dossimo: the first heartshape TSW Virus resistant tomato with an uncomparable taste (2022)

Terapur: a “soil cleanup” carrot to fight nematodes. This innovation acts as a trap crop and enables replacing chemical products with a more eco-friendly, plant-based solution



Amoresco: the first and only orange romanesco type cauliflower (2021)

Shyva and Balhi: the first varieties resistant to New Delhi Virus commercially launched on the Italian market (2021)



THANK YOU

VILMORIN & CIE

Head Office: 4 Quai de la Mégisserie - F-75001 PARIS

Postal address: CS 20001 Saint-Beauzire - F-63360 GERZAT

Phone: + 33 (0)4 73 63 40 08

www.vilmorincie.com



Vilmorin & Cie
The **Limagrain** seed business