

PRESS RELEASE

FLORIDIENNE announces the acquisition of the Brazilian company Biotrop by its subsidiary Biobest Group SA

On 7 September 2023, the Floridienne Group ('Floridienne') announced that its subsidiary Biobest Group ('Biobest'), a world leader in pollination and integrated pest management, has concluded an agreement with the Aqua Capital and GIC investment funds further to which it is acquiring the Brazilian company Biotrop Participações s.a. ('Biotrop').

Biotrop is the leading Brazilian company in the field of biological solutions for agriculture and one of the biggest in the world. The company focuses on the development and marketing of biological products for the nutrition and protection of open-field crops.

Biotrop is expected to achieve a turnover of around R\$ 680 million (approximately EUR 125 million) in 2023, up over 75% compared with 2022, and an EBITDA margin of almost 35%.

This transaction gives Biobest a significant position in South America and allows it to expand its range of biological solutions, which will now include biocontrol (beneficial insects and biopesticides), inoculants, biostimulants and pollination for both greenhouse crops, Biobest's traditional activity, and open-field crops.

"This is a historic transaction for Biobest, which is continuing its development strategy based on targeted acquisitions and sustained organic growth. The Brazilian market of biological solutions for agriculture is currently estimated to be worth over one billion dollars and records annual growth of around 40%, fostered by a regulatory environment adapted to the specific features of biological products", said Biobest CEO Jean-Marc Vandoorne.

This acquisition made by the Floridienne group through its subsidiary Biobest is based on a current business value of R\$ 2.8 billion (approximately EUR 530 million), 85% of which will be paid immediately, while 15% will be deferred after a transition period of three years, with the price depending on how Biotrop performs.

The transaction is expected to be finalised before the end of the year, subject to compliance with the usual closing conditions.

This transaction is being funded largely by a capital increase in Biobest of around EUR 400 million, subscribed by Sofina, a current shareholder, along with Tikehau Capital, an alternative asset manager via its private equity fund dedicated to regenerative agriculture, M&G, the Unigrains and Sofiprotéol, sector investors, the company management and certain private shareholders close to Floridienne.

The transaction is based on a Biobest valuation of EUR 1.1 billion (pre-money equity value). Further to this capital increase, Floridienne's holding in BIOBEST will stand at 58% (compared with 79% at the moment). The balance of the acquisition price is being financed by long-term loans.



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“Floridienne is delighted with this large-scale transaction. It will strengthen Biobest’s position as a world leader in the field of integrated pest management and pollination, which has a bright future. It is in line with Floridienne’s strategy of creating an industrial player in Belgium that is part of the transition to a sustainable economy”, said Floridienne CEO Gaëtan Waucquez.

Contacts: Marc Blanpain, Chairman, and Gaëtan Waucquez, CEO

FLORIDIENNE is a Belgian industrial group listed on the Euronext Brussels stock market that ranks among the European or world leaders in market niches or niche markets. Its activities focus on three sectors: Life Sciences, Gourmet Food and Chemicals.

Attachment: Biobest Group SA press release