



Press Conference

2021 review and outlook

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Background

Continued global warming and the ongoing health crisis, as well as soaring raw material prices...the agricultural and agri-food sectors faced multiple challenges in 2021, and once again this year had to demonstrate their adaptability and innovative capabilities.

As an architect of responsible sectors, Sofiprotéol continues to support these sectors, as it has done for almost 40 years, as an investment and development business unit of Avril. Its objective remains to offer tailor-made financing solutions, while supporting the transition in agriculture, food, and the environment, in line with Avril's purpose: "Serving the Earth".

The year 2021 enabled Sofiprotéol to achieve a new level of growth, while at the same time consolidating its fundamentals.

Investments of nearly €70 million carried out in 2021 are in keeping with its strategic ambition. They confirmed its fundamentals and the relevance of its model in the three main areas of activity in which it invests: Upstream vegetable and animal products including their marketing, primary food processing industry, and ingredients - Downstream vegetable and animal products.

The strategic orientations were organized around three main areas. These included conducting structuring operations, supporting innovation and competitiveness, and contributing to the development of healthier and more sustainable food.

Structuring operations were carried out within the sectors.

- In the field of upstream vegetable production, **Limagrain Europe** was confirmed as the leading European seed company for rapeseed;
- Secondly, in the downstream animal sector, by contributing to the structuring of the meat sector of the cooperative group **Eureden** from Brittany, and by helping to secure its market opportunities;
- In addition, with the **Delin** family business, continued support of local food products while perpetuating label products and regional agriculture as well as keeping livestock farmers working on the land.

Supporting innovation to increase the competitiveness of value chains.

Supporting innovation particularly involves finding solutions to major transition concerns.

- To this end, Sofiprotéol invested in the organic farming sector by co-financing storage capacity for organically grown products.

- The company also worked with the **LSDH** Group to support food transition by innovating in the field of vegetable protein, using raw material originating in France and backing the construction of their industrial facilities.
- Furthermore, Sofiprotéol assisted the agricultural transition by supporting seed research and co-financing R&D programs to develop vegetable proteins that are more robust in light of climate change and bio-aggressors.

Contributing to developing healthier and more sustainable food

- With **Cosucra**, whose food processing industry of pea proteins for human consumption was reinforced, and on the ingredients market.
- With **Solina**, who markets ingredient mixes that support the processing of meat and develops ingredient mixes based on vegetable proteins.

In 2022: Increased focus on the impact of investments

2022 is already full of optimistic prospects

Sofiprotéol will be on hand to meet the short and medium-term development needs of its partners. Although financing may be the tool, the teams will continue to give priority to the project and to the concrete impact of the investments. They also know how to provide flexibility to support their partners over the long term and offer the shareholder base the necessary stability.

Accompanying transitions to support the competitiveness of the sectors

In view of the changes in meat consumption, the animal sectors must adapt. This is what Sofiprotéol proposes, thanks to the structuring of meat processing tools as well as to the transition towards feed derived from local raw material for farm animals.

In response to the rising demand for vegetable proteins, Sofiprotéol will support the move towards a local, vegetable-based food supply. It will achieve this by supporting varietal selection, production, storage and processing, in particular of legumes, crops at the heart of agricultural and food transitions.

Amplifying the strategic focus

The year's first investments are in line with these orientations. Sofiprotéol's role remains decisive both upstream and downstream of the value chain, all the while integrating itself into an ever-changing context, to enable each demand to meet an appropriate offer.

Influence the impact of investments, in line with Avril's purpose, "Serving the Earth".

This ambition also implies identifying new extra-financial criteria such as a common base focusing on the notions of safety, governance, and decarbonization, as well as specific criteria associated with the various sectors of intervention. It is also important to define future trajectories for each partner based on these criteria. Finally, to put in place financial incentives linked to its interventions.

For Sofiprotéol, 2022 also means capitalizing on its DNA and opening new perspectives for the company.

This consists of broadening the dialogue, encouraging a more virtuous dynamic, catalyzing and sharing best practices within its ecosystem to ensure that its partners' investments are made over the long term, and to provide them with meaning and a method to best promote their development.

Affirm its positioning and values

The food industry must be highlighted: its resilience, its attractiveness - in 2021, it was the subject of nearly 100 transactions - its commitment to the territories, but also its efforts for sustainable innovation that require relevant investments, taking into account their non-financial impact. Sofiprotéol's expertise as a long-term sectoral investor, focused on innovation, rooted in the agricultural world, and rich in industrial culture, lends it the legitimacy to develop its positions and provide this strategic support.

About Sofiprotéol

Founded in 1983 as an initiative by the agricultural industry, Sofiprotéol is a financing and development company and Avril Group subsidiary with a commitment to agro-industrial and food companies. As an enduring partner, Sofiprotéol assists companies in the sector and in France's agro-industry more broadly, over the long term. It focuses on consolidating their equity capital during development operations or investments aimed at increasing their competitiveness. From credit to equity capital, Sofiprotéol's financing solutions are based on an industrial and entrepreneurial approach. They support development and innovation at all stages of the food and agribusiness sectors: from upstream of agricultural production (seeds, genetics, crop inputs, etc.) to downstream (agro-industrial and food sectors), through the grain handling and food processing industries.

Learn more: www.sofiproteol.com

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