



Current market trends and a look ahead

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EW Nutrition



A STORY OF CONTINUOUS GROWTH

1928

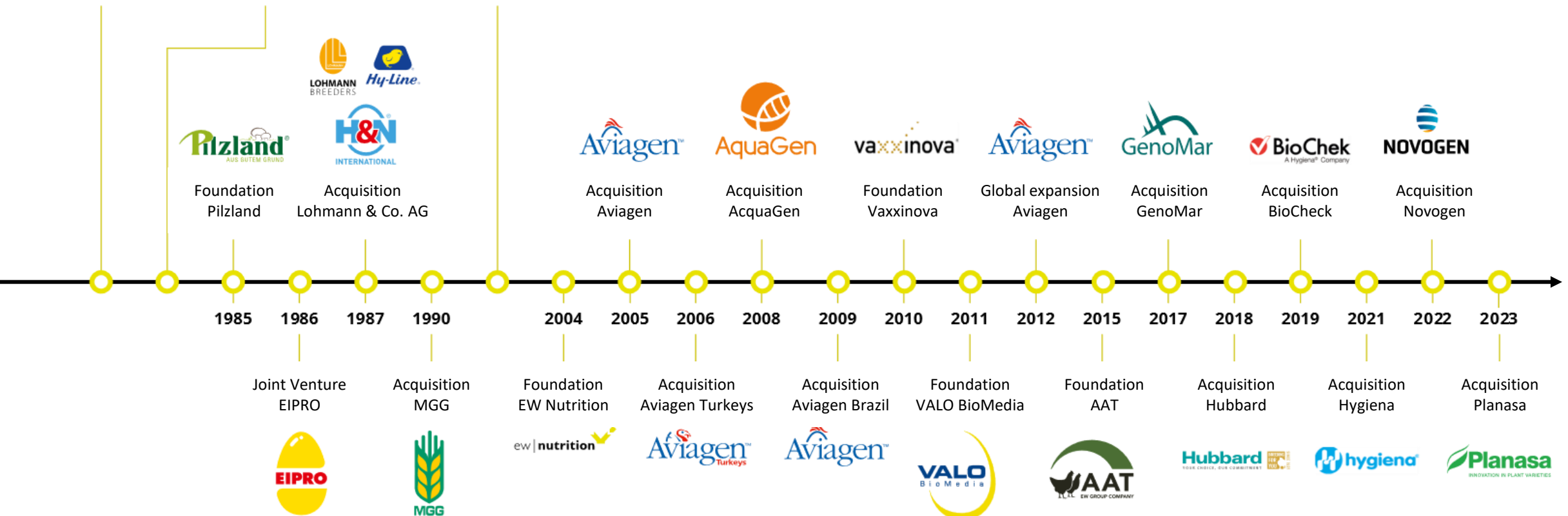
Founded by
Paul Wesjohann

1962

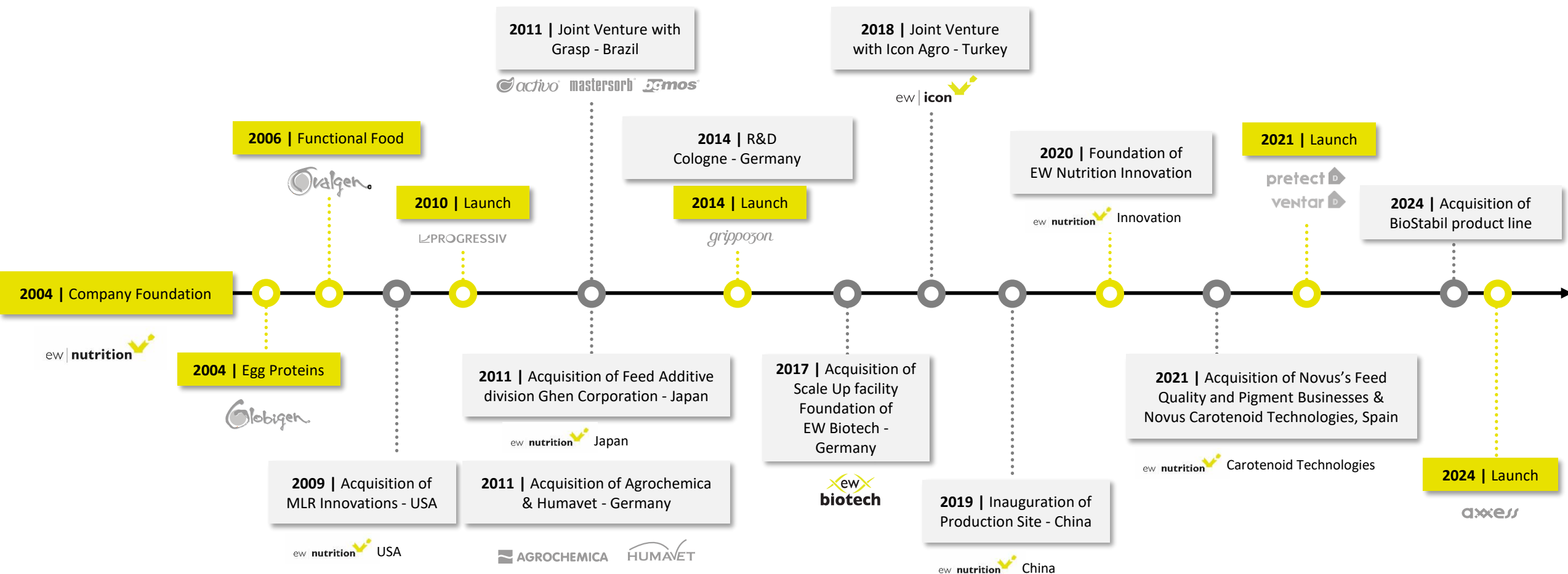
Erich Wesjohann
Joins the company

1998

Foundation of the EW Group
Dirk and Jan Wesjohann join the company



CONTINUOUS GROWTH



CORE PRODUCT PORTFOLIO

reflecting EW Nutrition's mission

Feed Quality

SOLIS⁺

mastersorb[®]

Surf-Ace[™]

Acidomix

- Toxin risk management
- Manage bacterial load in feed
- Increase manufacturing output while maintaining / decreasing cost
- Shelf-life management

Gut Health Management

ventar⁺

protect⁺

lactivo

- Resilience of the gastro-intestinal tract
- Microbiological and oxidative stress management
- Mitigation of specific enteric challenges
- Reduced use of antimicrobials

Digestibility

axxess

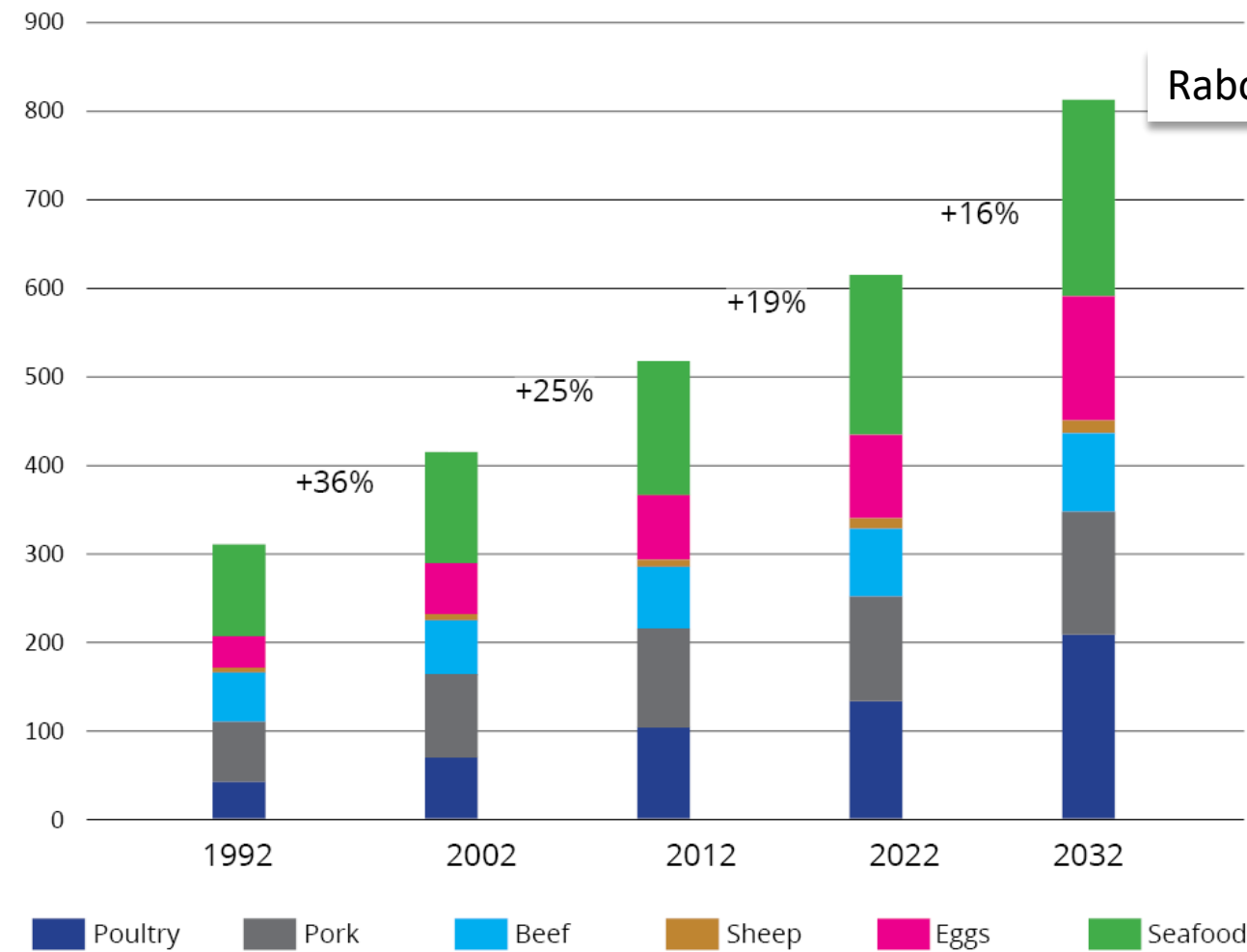
- Increase ability to use local ingredients, reduce soy
- Flexibility in feed formulation
- Decrease environmental footprint
- Decrease antibiotic use through better feed digestion

The demand is out there



Global animal protein demand: +16% by 2032

Rabobank:
Poultry and eggs are the winning proteins, with **90%** of the growth in emerging markets



Seafood +12%

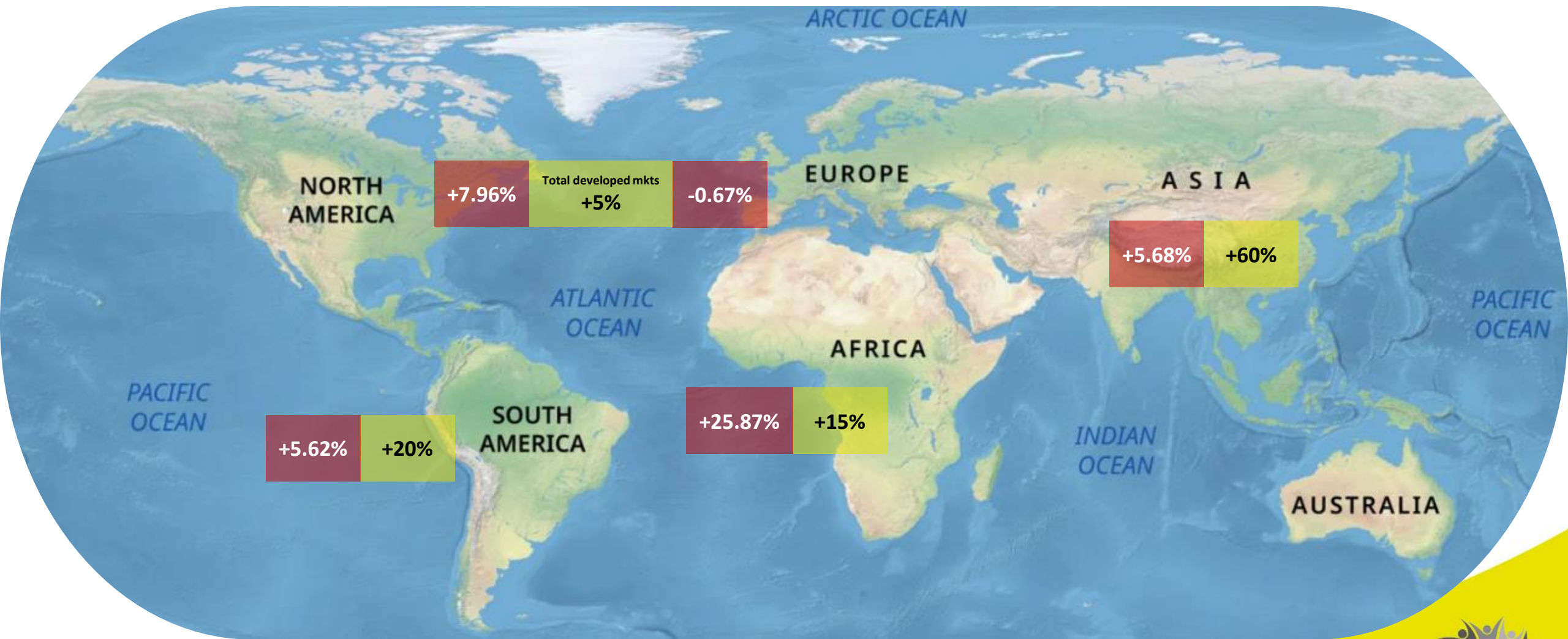
Eggs +22%


Beef +8%


Pork +9%

Poultry +26%

Growth in population & animal protein consumption, 2022-32

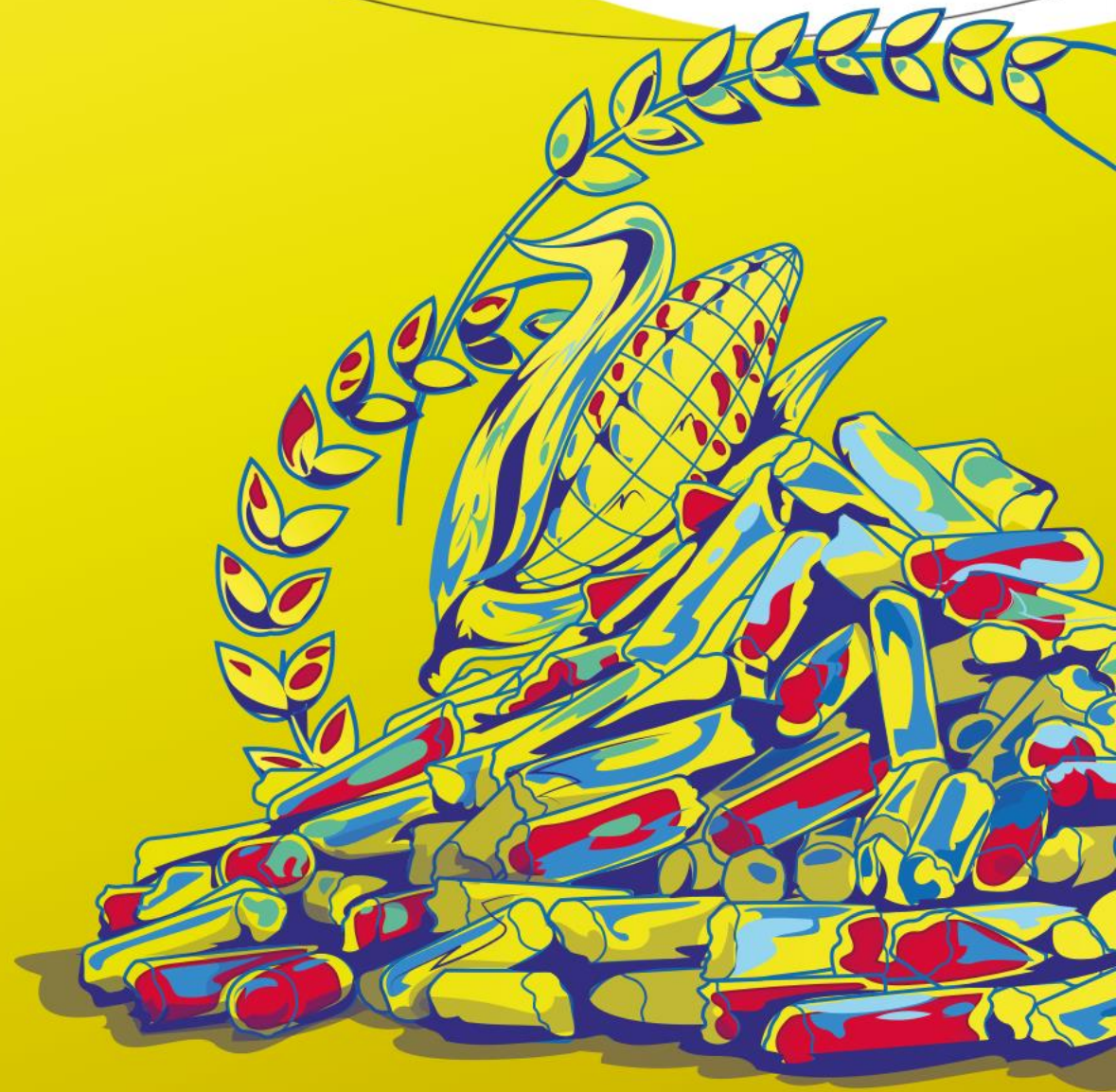


 Population change

 Percentage of total change in protein consumption
(100% = 16% change between 2022-2032)

Based on Rabobank data

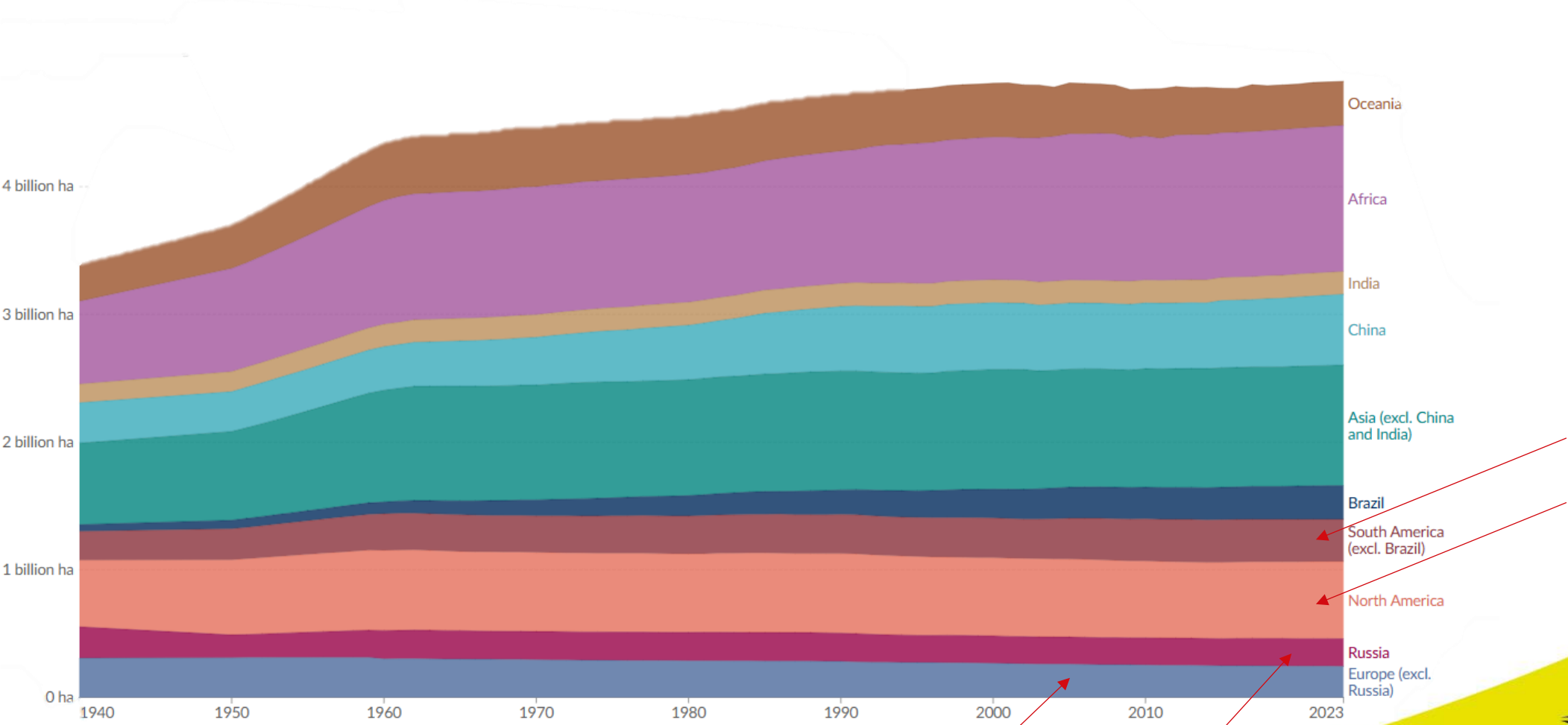
**...but so are
the challenges**



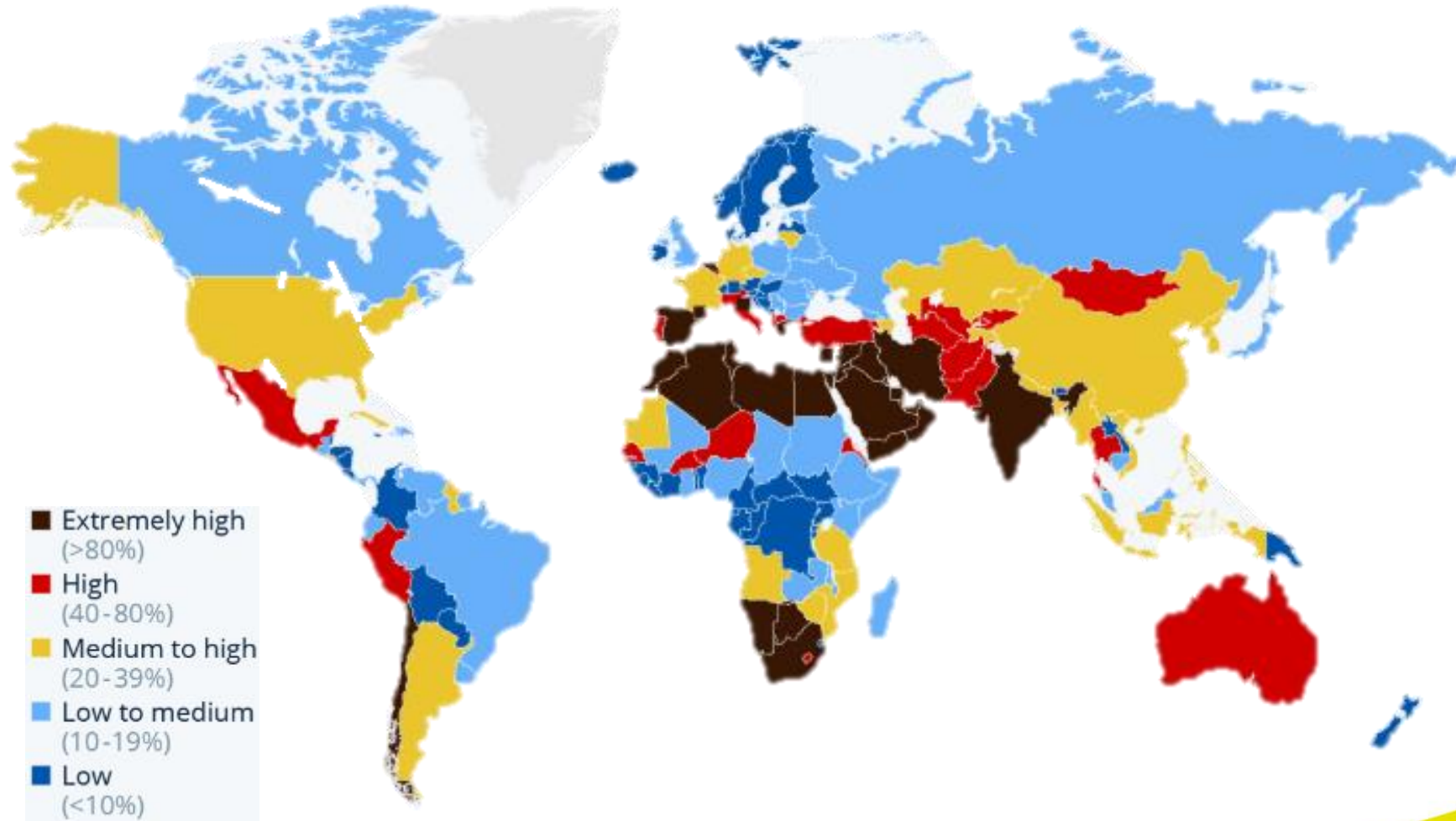
Global agricultural land base declining in some areas

Agricultural area over the long-term, 1940 to 2023

Total areal land use for agriculture, measured as the combination of land for arable farming (cropland) and grazing in hectares.



Water stress will compound challenges



Overasking and underdelivering on the EU Green Deal?

Impact on the industry – 2030 ambitions

- Food waste: -50%
- Healthier, more sustainable diet
- Reduce footprint: -55%
- Nutrition and eco-labeling
- More sustainable packaging
- Zero pollution action plan
- Deforestation

Impact on farming – 2030 ambitions

- Organic land: 25%
- Antibiotics: -50%
- Pesticides: -50%
- Fertilizers: -20%
- Less imported protein crops
- CSRD

EFSA animal welfare recommendations are a challenge

Broilers:

- Stock density: 11 kg/m²
- Slow growing: 50 g/day
- On-farm hatching

Layers:

- Cage-free
- Phasing out beak trimming
- Covered verandas

Swine:

- Farrowing pens instead of cages
- Prevention of tail docking
- Enrichment materials such as straw or wood
- Improved environment
- Gradual weaning
- Lower stocking density

What are the real challenges in 2025?

- **Trade disruptions**

- **Geopolitical** – election results impacting regulations and market dynamics
- **Military** – e.g. Red Sea, Ukraine
- **Environmental** – low water in navigable rivers; floods etc impacting availability & trade; La Niña
- **Strikes** in ports and other essential locations
- **Mercosur** agreement impact on EU: beef and poultry (pork to a lesser degree) fear higher imports & especially EU cost competitiveness

- **Inflection points for production**

- Demand fluctuations in certain areas
- Adjustments in species preferences (e.g. beef demand slight increase in the US, seafood global increase, poultry confirming dominant growth)

- **Economic & political uncertainty**

- Inflation; consumers hold back in volatile economies
- Sustainability regulations may be paused or rolled back in some areas, but not others

- **Biosecurity**

- New diseases or flares (HPAI, ASF, astroviruses, ILV, avian hepatitis E etc.)
- Zoonoses, e.g. risk of avian flu crossing the barrier to human-to-human transmission

The challenges are manageable



What can we do? | Watch trends

- In-ovo sexing
- AI in genetics
- AI in disease monitoring and prevention
- Diseases associated with cage-free production
- 2024 revision of the EU Industrial Emissions Directive regulating the environmental impact of pig farms poultry farms
- Trade war with China over increased import duties for electric vehicles
- Trade war with the US over US protectionist tariffs

What can we do? | Strategy adjustments

- **Secure production**
 - People
 - Biosecurity
 - Quality of genetics, feed, additives
- **Secure upstream/downstream chains**
- **Expand & diversify exports**
 - Less reliance on exports to China/US, more PH, South Korea, UK, VN etc
- **Grow margins**
 - Monitoring of backoffice and farm costs
 - Improve productivity of existing flocks
 - Healthy animals with pre-emptive health management
 - Improved FCR

Takeaways

General market outlook 2025: Recovering growth, focus on operational excellence

- Recovering growth, mainly driven by poultry and eggs
- Lower-priced feed is flowing through the global poultry industry value chain and makes chicken more affordable
- Gradual recovering demand in food service and premium product categories
- Focus on feed and energy efficiency, strength in procurement, flexibility, biosecurity, and market positioning
- Chicken industry will perform under better conditions than the pork industry but with regional differences
- Geopolitical tensions to impact global meat and feed ingredient trade, energy prices, and global economy

Takeaways

Next decade: 16% growth in animal protein demand, poultry and eggs are the winning products

- 95% of global growth will be in emerging markets; 60% in Asia, rest in LATAM (20%) and Africa (15%)
- Limited global resources will push focus more on efficiency, yields, sustainability, and innovation
- Geopolitical changes will lead to more focus on food security
- New views of future food supply will develop (e.g. green deal vs more industrial views)
- The poultry industry to become more global, vertically integrated, and value/market driven
- Key role for input sectors: animal health, genetics, animal nutrition, equipment, and farm management

