

Origin Enterprises plc

Q1 Trading Update

Solid first quarter performance in Agriculture despite delayed planting; Strong growth in Living Landscapes

Dublin, London, 21 November 2024: Origin Enterprises plc ('Origin' or 'the Group'), the international group championing sustainable land use solutions, today issues its first quarter Trading Update for the three months ended 31 October 2024 ('Q1 FY25').

The Group is also hosting its Annual General Meeting ('AGM') later today, with further details available at <https://originenterprises.com/investors/agm>.

Financial and Operational Summary

- Group Revenues for the quarter of €469.4 million (Q1 FY24: €532.5 million), representing a decrease of 11.8%. A 14.2% decrease in revenue in the Agriculture segment was partially offset by an increase of 24.8% in our Living Landscapes businesses.
- Agriculture
 - Q1 volumes were 8.1% lower overall in our Agriculture business due to planting delays caused by persistent rainfall in the UK and Ireland and dry conditions delaying planting progress in Romania and Brazil.
 - Recovery of volumes in Q2 is expected following a recent acceleration of drilling across all geographies. The total planted area for winter cropping is forecast to normalise, including a UK winter wheat area of circa 1.75 million hectares, compared to 1.3 million hectares planted last year.
 - While on-farm sentiment is reasonably good across our geographies, following the recent improvement in weather conditions and stability in input prices, output prices remain a concern for growers.
 - On-farm inventory levels remain low, creating potential for increased demand as the season progresses.
- Living Landscapes
 - Strong start to the year within Living Landscapes with overall revenue up 24.8% (21.9% on a constant currency basis), driven by strong organic growth and the benefit of recent acquisitions.
 - Further enhancement of our Environmental capabilities with the acquisitions of Brooks Ecological, GE Consulting Services, Avian Ecology and Bowland Ecology in the quarter.
- Appointment of Mr. Dick Hordijk and Ms. Jenny Davis-Peccoud as independent Non-Executive Directors.
- Completion of €20 million share buyback programme.

Commenting on Origin's Q1 Trading Update, Sean Coyle, CEO said:

"The Group achieved a solid first quarter performance, despite delayed plantings in the Northern Hemisphere and Brazil. Encouragingly, following recent improvements in conditions, we expect to see recovery in volumes in Q2 and overall planting levels across our geographies to return to a more normative cropping area relative to last year. In line with our strategic ambitions, we are pleased to see strong organic growth in Living Landscapes and welcome four new businesses which strengthen our environmental expertise and further complement our services."

Group Revenue

	Q1 FY25 €'m	Q1 FY24 €'m	Variance %	Underlying ¹ %	Constant Currency ² %
Ireland / UK	237.9	290.1	(18.0%)	(19.8%)	(19.8%)
Continental Europe	142.6	155.5	(8.3%)	(11.0%)	(11.0%)
Latin America	49.1	55.1	(10.8%)	2.6%	2.6%
Total Agriculture	429.6	500.7	(14.2%)	(14.6%)	(14.6%)
Living Landscapes	39.8	31.8	24.8%	12.9%	21.9%
Total Group	469.4	532.5	(11.8%)	(12.9%)	(12.4%)
Total Group (ex Crop Marketing)	422.5	476.6	(11.4%)	(12.1%)	(11.5%)

¹ Excluding currency movements and the contribution of acquisitions

² –

^a Excluding currency movements

Agriculture:

Ireland and the UK recorded a decrease in revenues of 19.8% on a constant currency basis in Q1 with volumes down 12.3% and pricing reduced by 7.5%.

Sustainable Agronomy

A later 2024 harvest and challenging in-field conditions early in the quarter resulted in a delayed autumn/winter planting season in parts of the UK. Recent weather conditions have improved planting progress and based on current on-farm activity we expect 1.75 million hectares of winter wheat to get drilled, compared to 1.3 million hectares planted last year. Combined autumn/winter and spring plantings for the 2025 crop production year are expected to exceed last year and reach 3.9 million hectares.

Soil Nutrition

Our business-to-business fertiliser volumes were impacted by delayed winter crop plantings, however our order book remains strong. Year-on-year pricing was lower, influenced by declining raw material prices. Based on the current outlook, we anticipate prices will firm as we approach the key spring application period.

Animal Nutrition

Origin's Feed Ingredients revenue was marginally down on Q1 FY24 due to lower market prices for feed raw materials. Overall volumes remained strong benefiting from demand due to fodder shortages on the island of Ireland.

Continental Europe recorded an underlying volume increase in agronomy services and crop inputs of 2.8% in the period, excluding crop marketing and Ukraine which was discontinued in FY24. Overall, there was a satisfactory start to the year, with good crop establishment recorded in Poland and improved plantings in recent weeks in Romania. Sentiment is cautious in Romania as capital availability is challenged following two consecutive years of drought impacting certain regions. The outlook in Poland is more positive following a good start to the year.

Latin America delivered a solid start to the year, despite a challenging macro environment recording an underlying increase in business volumes of 8.1%. While weather conditions resulted in some delayed soya planting regionally compared to the first quarter last year, overall planting levels have improved in recent weeks and are running ahead of the prior year.

Living Landscapes:

Living Landscapes had a good start to the year with overall revenue growth of 21.9% on a constant currency basis driven by strong organic growth of 12.9% and acquisition benefit of 9%. In addition, the Group completed the acquisitions of specialist Environmental businesses, Brooks Ecological, GE Consulting Services, Avian Ecology and Bowland Ecology.

ESG

Sustainability

Origin is committed to harnessing the full potential of land through sustainable, future-focused solutions that optimise crop yields, enhance ecological landscapes, and improve green spaces. Aligned with our strategy to expand our presence in Living Landscapes and broaden the scope of our sustainable land use solutions, we support our agriculture customers to produce safe, high-quality food in an environmentally responsible way.

Within our Group operations, we are actively progressing our carbon transition plan, working toward our approved Science-Based Targets through tangible actions. The Group has commenced the rollout of a data aggregation tool in advance of the introduction of CSRD reporting.

Board Changes

During the period, the Group announced the appointment of two new independent Non-Executive Directors. Mr. Dick Hordijk joined the Board on 16 October, and Ms. Jenny Davis-Peccoud will join as an independent Non-Executive Director, effective 22 November 2024. Mr. Hordijk brings significant business leadership and agriculture industry experience, while Ms. Davis-Peccoud brings extensive ESG and sustainability expertise to Origin.

Outlook

Origin will provide a further update on cropping status and farming activity ahead of the Group's main trading season, at the time of our Interim Results announcement in March 2025.

AGM

Origin is holding its Annual General Meeting ('AGM') today at 11:00am (UK/Ireland time), in the Merrion Hotel, Upper Merrion Street, Dublin 2. Further details regarding the Annual General Meeting are available at <https://originenterprises.com/investors/agm>

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About Origin Enterprises plc

Origin Enterprises plc champions sustainable land use through technically-led solutions, empowering our customers to enrich their land so it can achieve its true potential. The Group has leading market positions in Ireland, the United Kingdom, Brazil, Poland and Romania, and is listed on the Euronext Growth Dublin market and the AIM market of the London Stock Exchange.

Euronext Growth (Dublin) ticker symbol:
AIM ticker symbol
Website:

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OGN
www.originenterprises.com

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