



QUARTERLY COMPANY UPDATE

May 2021

Course of business

Hugo Noordhoek Hegt

OHI updated

Ellen Lakeman

Financial results

Arjan Kaaks

Footprint projects Africa and Central America

Carl Kroon, Armin Bissdorf & Benjamin Goepferich

Opportunities Rose

Marcelo Echeverria & Koen Stigter



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COURSE OF BUSINESS

Hugo Noordhoek Hegt



HobaHo | **100**
BY DÜMMEN ORANGE | JAAR

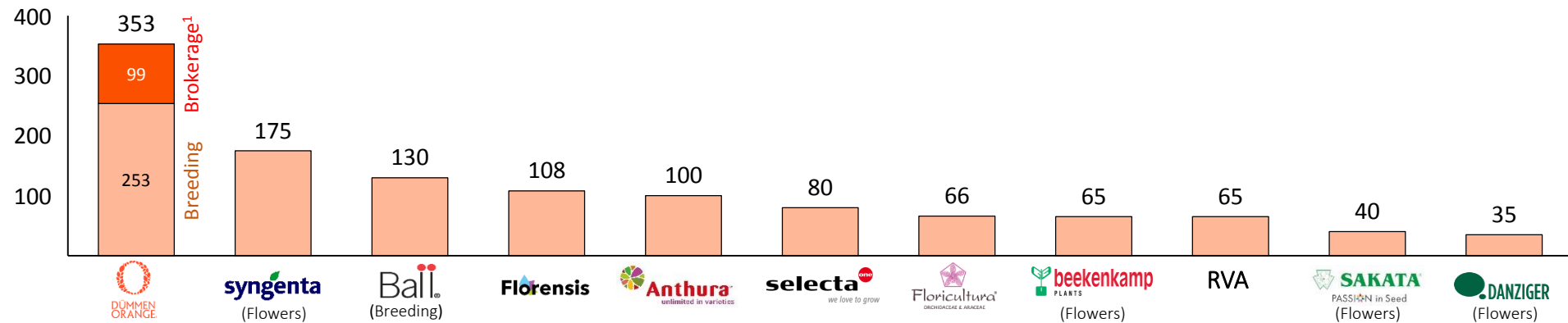


2021: EXCO HAS 5 CLEAR PRIORITIES

1. To exceed Sales and EBITDA budget for 2021
2. Lay the foundations to deliver (outperform?) 2022+ Business Plan
3. Build professional and capable teams that are results driven
4. Develop 5-year strategy plan
5. Focus on commercializing the opportunities coming out of our excellent Technology and Breeding

A CLEAR MARKET LEADER IN FLORICULTURE BREEDING MARKET

Competitive landscape in floriculture breeding market (2019 revenue estimates in €m)





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OHI UPDATED

Ellen Lakeman

THE OHI SURVEY IDENTIFIED THREE COMPANY-WIDE PRIORITY PRACTICES

Company-wide Outcomes profile



Company-wide priority practices identified

1. Direction

Re-calibration of the vision, mission & values

2. Effort-orientation to Result Orientation

A2E Essentials equips employees at all levels with practical, applicable tools necessary to deliver and sustain the Transformation

3. Targeted health improvements for operational organization (e.g. commercial)

Employee Journey Workshops

AND SEVERAL OHI REGIONAL/ FUNCTIONAL/ BU ACTION PLANS

Global priorities & specific action plans

Every Business Unit, Region and most Departments have created their own action plan specific to their own results.

These action plans are in addition to the Group priorities.

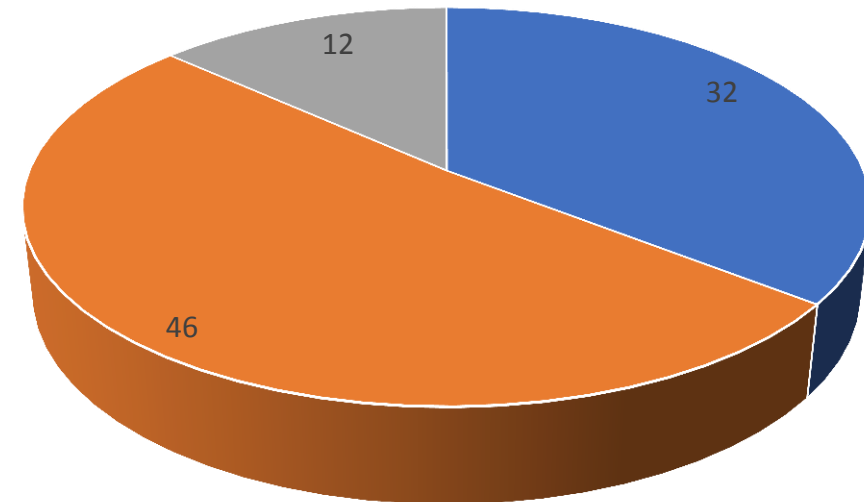
Facts

23 Projects

90 Milestones

Quarterly formal check-in

Milestones



■ Completed ■ Started ■ Not-started

SHARED VISION

Accomplishments

- ★ Top 75 managers trained in February
- ★ Dutch Works Councils trained in March
- ★ Materials available in 10 languages
- ★ Intranet page available
- ★ Video available



Responsible



Focused



Committed



Passionate

Next Steps – Q2 '21

How to embed the values and measure success:

- Continue cascading to all employees
- Role-model our values
- Connect A2E modules to values
- Create a screen saver
- Replace visuals at each location
- Integrate in Employee Performance Review process



- Re-run of OHI survey
- Expand subset of OHI survey to include all employees





A2E WORKSHOPS

Accomplishments

- ★ 24 facilitators are trained
- ★ 150 employees are trained
- ★ 50% participants on digital platform
- ★ Setup facilitator community
- ★ Certification is provided
- ★ Handbook is customized to DO and available in 3 languages

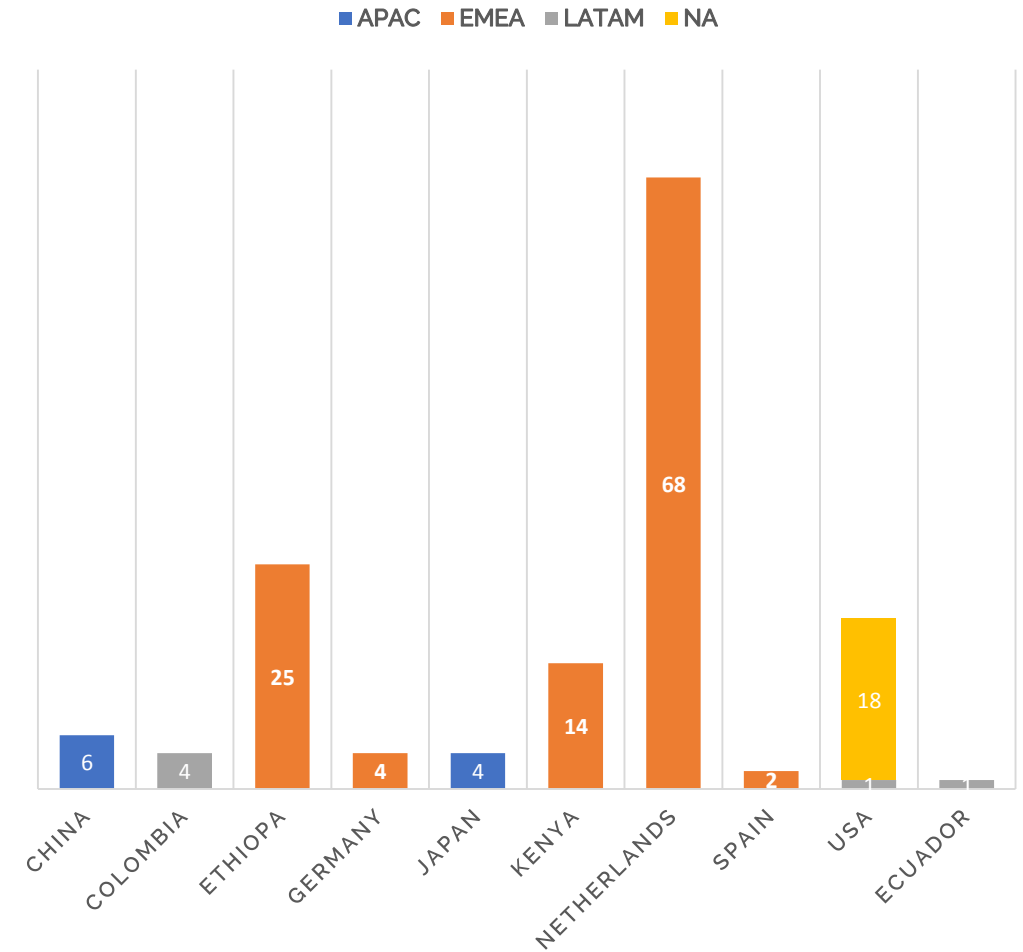
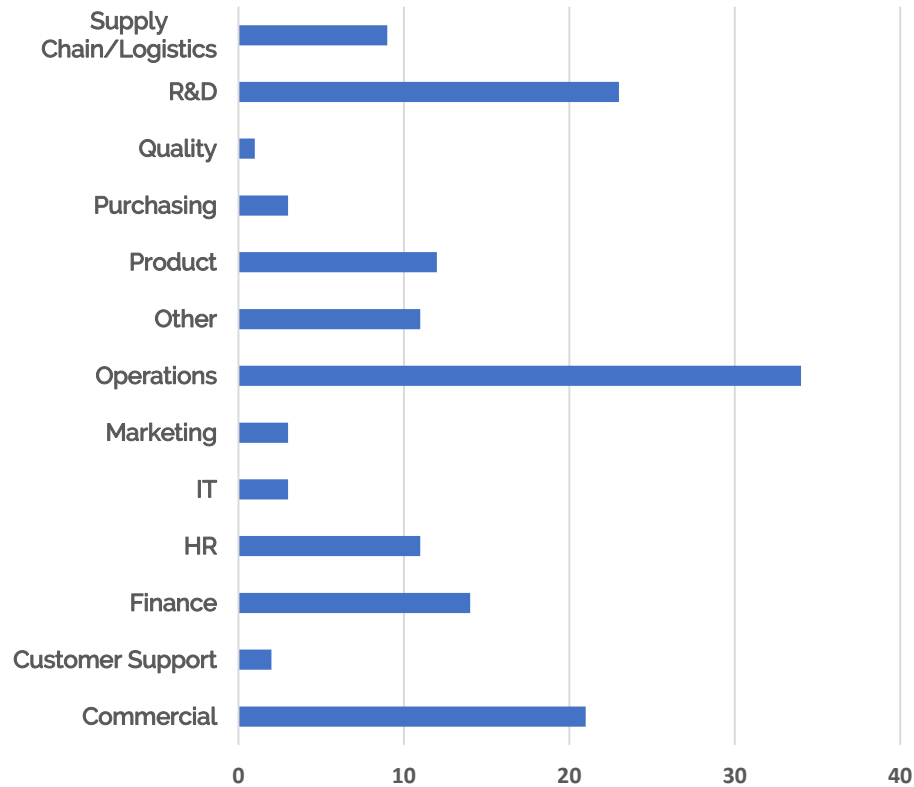
Next Steps – Q2 '21

How to embed in our organisation?

- Role-model the A2E behaviours.
- Roll-out through internal facilitators and global workshops
- Align with our values
- Professionalize the Intranet page
- Continue to send monthly refreshers
- Include 2-3 modules in on-boarding
- Create meeting templates



A2E WORKSHOPS





OPERATIONAL MANAGEMENT

Accomplishments

- ★ Focus groups provided input across the globe
- ★ 9 Employee Journey workshop conducted (80%)
- ★ Feedback from employees is very positive

Actions were supported by local HR Managers and management

Next Steps – Q2 '21

How to address operational management:

- Complete all Employee Journey workshops for each country
 - Consolidate results with support of Aberkyn
 - Evaluate pro's/con's current Employee Performance Evaluation process
 - Align with our values
 - Design upgrade Performance process
 - Obtain Management and Works Councils approval
- 
- Aligned Employee Performance review process that drives the company's strategic themes and objectives; and company culture.
 - Implementation Sept/Oct 2021

NOT PUBLISHED

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FINANCIAL RESULTS

Arjan Kaaks



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FOOTPRINT PROJECTS AFRICA AND CENTRAL AMERICA

Carl Kroon, Armin Bissdorf & Benjamin Goepferich

FOOTPRINT PROJECTS AFRICA AND CENTRAL AMERICA

- Freeing up space through increased efficiency
- Filling (or eliminating) available production space
 - New products – W2J, Mums/Kenya
 - Insourcing
- More regional supply chain strategy: South to North product flow

Benefits of this strategy:

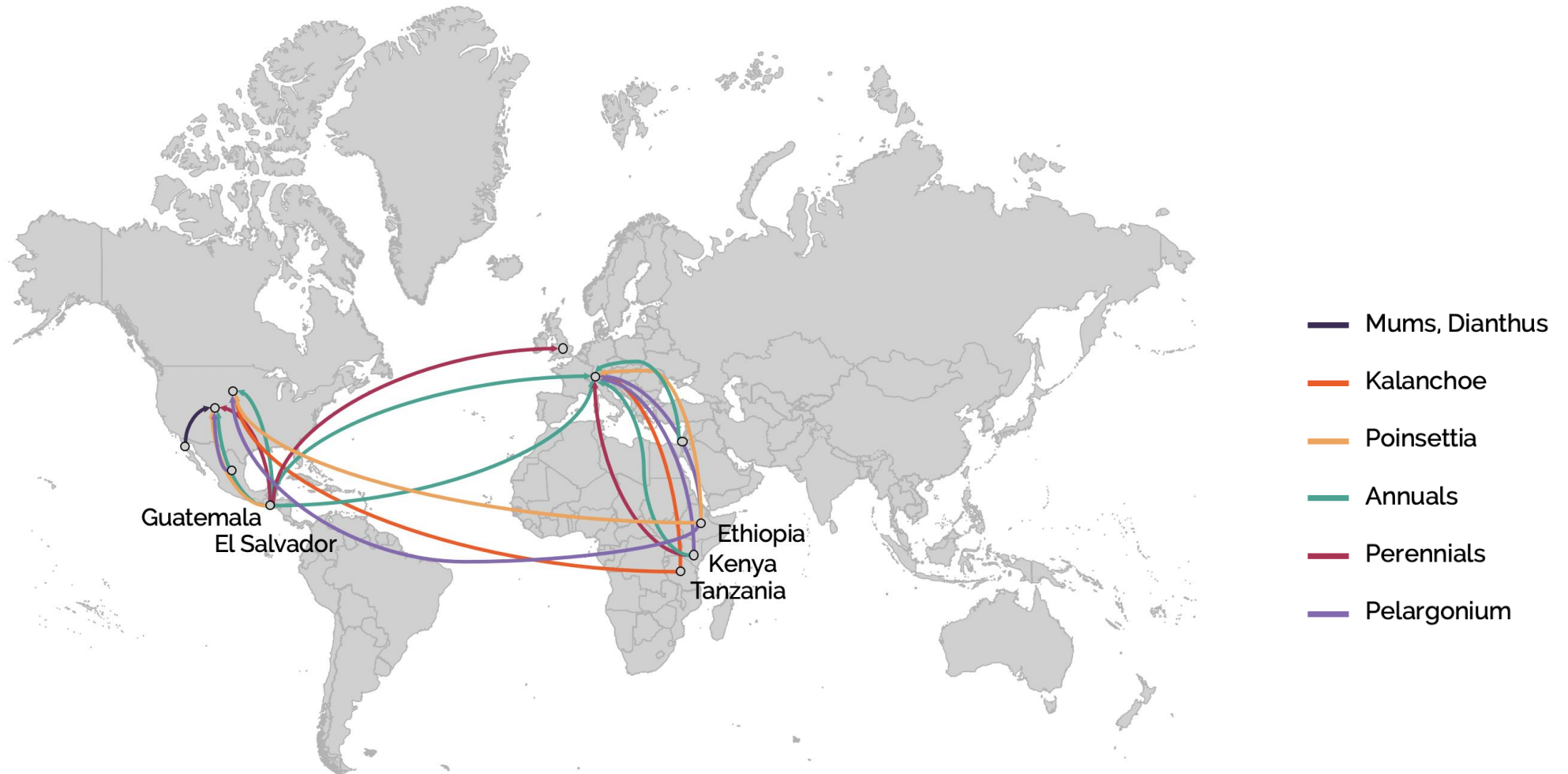
- More reliable supply to customers – improved cold-chain
- Net savings in Labor and Transportation Costs
- Less complex Sales and Operations Planning Processes
 - Assortment, Demand and Supply Planning
- Improved alignment between Regional BU's and Supply Chain

OVERVIEW OF THE REALLOCATION PROJECTS

Success relies on solving project constraints (e.g. USDA approval (!) and available space)

Crop	From	To	Date	Status R/A/G
Kalanchoe	Tanzania	Guatemala	Mar 2022	
! Mums	California	Guatemala	Oct 2024	
! Dianthus	California	Guatemala	Apr 2022	
Pelargoniums	Mexico	Ethiopia & Kenya	Oct 2023	
Annual Crops	Guatemala/El Salvador	Kenya	Oct 2023	
<u>Pelar.</u> Ville & Decora	Ethiopia	Tanzania	Oct 2022	
Cut Carnation	Spain	Ethiopia or Kenya	<u>tbd</u>	

CURRENT PRODUCT STREAMS



FUTURE PRODUCT STREAMS





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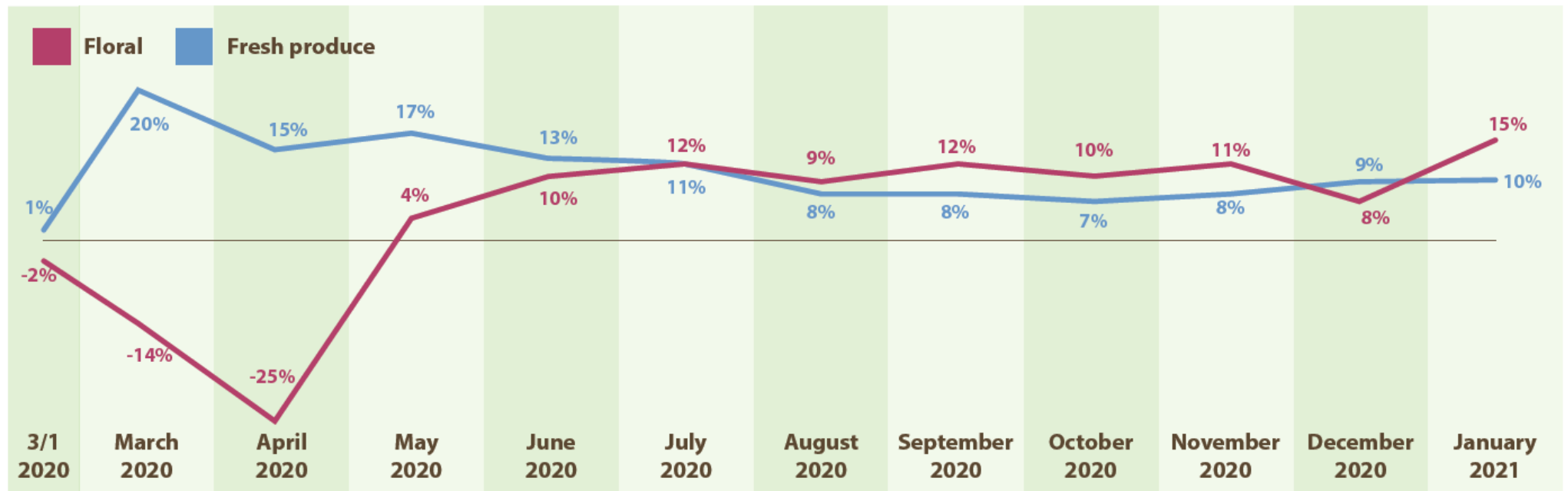
OPPORTUNITIES ROSE

Marcelo Echeverria & Koen Stigter

COVID INCREASED CUT-FLOWER DEMAND

Supermarket floral demand up 10%+ and expected to stabilize

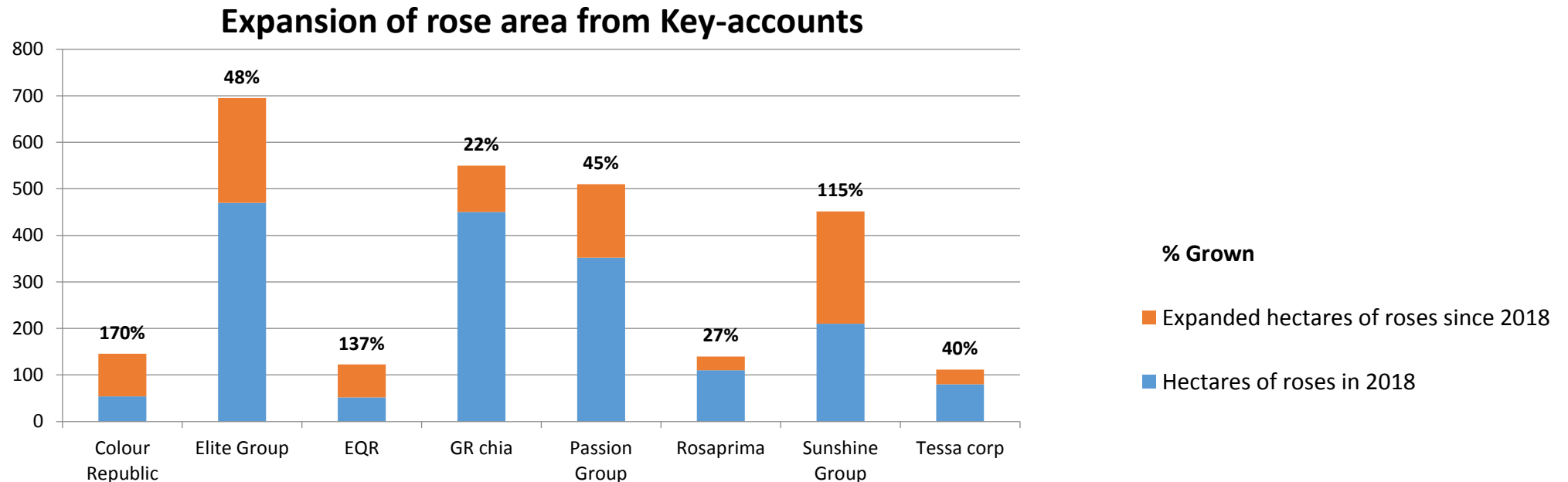
Dollar growth fresh produce and floral versus the comparable period in 2019



KEY ACCOUNTS - DEVELOPMENT

1000 hectare expansion of roses at key-accounts in the past 3 years

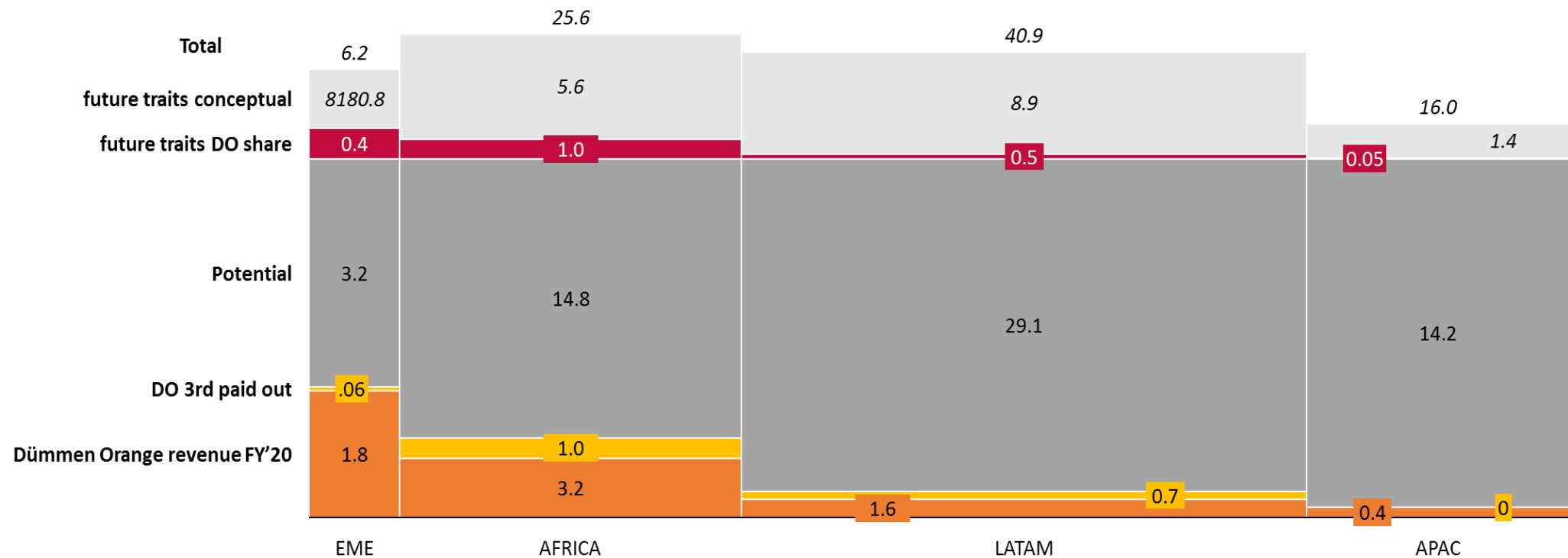
- Ability to sell higher volumes
- Healthy companies with money (no problems with money collection)
- Possibilities to start strategic partnerships
- Expectation that this trend of consolidation will continue



MARKET POTENTIAL

LATAM is the biggest market with a replacement value of over €30M per year

Market size and revenue DO in mn € | Nett commission included in DO revenue Future traits is additional value tentative



- Powdery Mildew resistance introduction 2024, NPV €3.639.406
- A. tum resistance introduction 2024, NPV €1.591.209

MOMENTUM+

- Going from \$0 in FY'20 to \$3M in FY'25 (cumulative)
- Target: Key-accounts
- First campaign of this size in LATAM
- Excellent synergy between different departments
 - Teams of LATAM, NA and EMEA working together
 - Marketing (Chris and Debbie) & sales
- Good example of what we need in terms of genetics
- To get to the potential available market for roses

4 times '+' in Momentum+

1. Healthy and strong plant
2. Perfect retail variety
3. Great Vaselife (10-14 days)
4. Flower with an elegant shape and intense color



OPEN DAYS 2021

- Opportune moment because of few COVID restrictions at the planned week
- Attention for precautions, customers were happy to visit
- Tremendous amount of visitors and demand for our products
- Ecuador > Great attendance without a formal invitation



GLOBAL PRODUCT MANAGEMENT ROSE

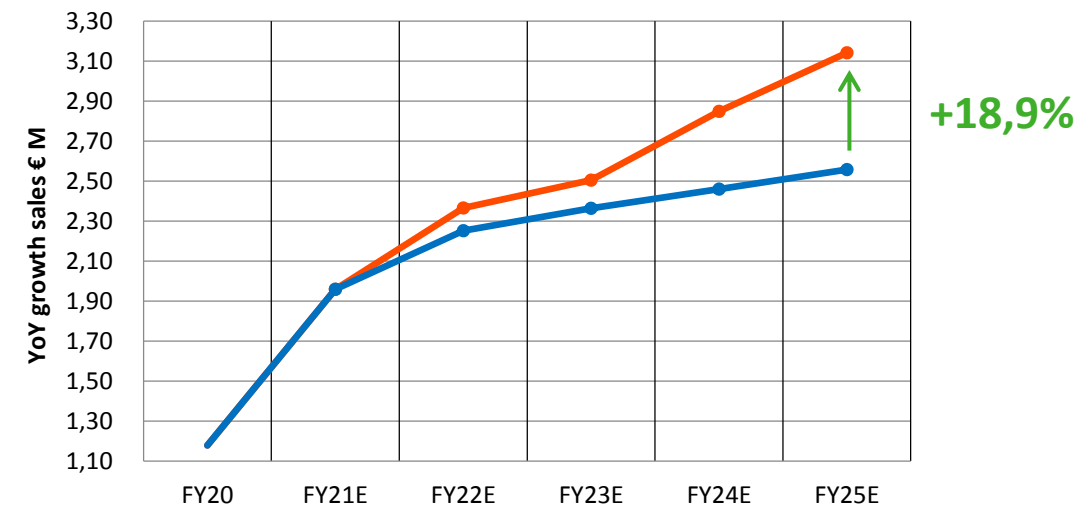
Global Product Management

- Trait introduction from FY24 (Agro & Powdery Mildew resistance)
- GPM located the biggest growing region with great potential
- Quick follow up on trials & pipeline promotion
- Faster Speed-to-market for South American varieties

Product Management

- Achieve growth of 3% MS at key-customers in 2024
- Key-account management added profit of € 190K at 3% growth from 2024
- Increase efficiency and autonomy by training of employees

Rose royalty growth ambition plan LATAM



THANK YOU