



Strategic Insights in Agrochemicals:
Long-Term Trends for Informed Investment
Decisions

农化行业战略洞察
- 顺势而为，理性（明智）投资

CAC CHINA
Shanghai 上海
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2024

Current global market size & trends

当前全球的市场规模及趋势

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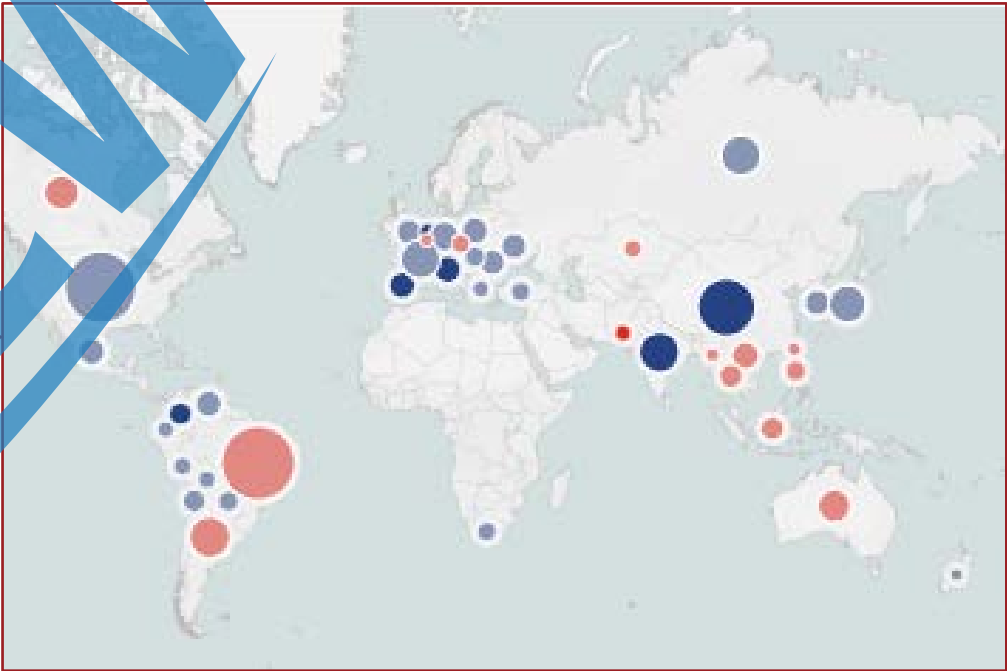
Market dynamics over time 市场动态

Facts & figures 事实与数据

Pesticides - Market use trends over time 农药市场的使用趋势

Calendar year (converted from crop year)- using average year exchange rates

Year	Global Crop Protection Sales (US\$ m)	CP growth p.a. (%)
2013	71.410	16.3%
2014	74.205	3.9%
2015	81.569	9.9%
2016	71.294	-12.6%
2017	70.365	-1.3%
2018	75.702	7.6%
2019	75.039	-0.9%
2020	74.814	-0.3%
2021	76.900	2.8%
2022	82.500	7.3%
2023	80.261	-2.7%





Market dynamics over time 市场动态

Facts & figures 事实与数据

Key observations 主要发现

- **Historically** the global market shows a 10-year CAGR of **1%** which indicates a rather stable market. This moderate growth rate is the result of market typical fluctuations and corrections.
- Especially outstanding are a double-digit positive growth rate in 2013 (**16,3%**) and a double-digit negative growth rate in 2016 (**-12,6%**).
- Even most recently in 2023 estimates are showing a **negative growth of -2,7%** at on ground use level, which is largely due to the fact that there was an overall inflation wave after the Russian war against Ukraine and other significant factors included the destocking of retail inventories for generics and key proprietary crop protection products, putting pressure on prices in crucial markets. Despite this, the area under cultivation for key row crops remained stable, and while commodity prices were on a lower trajectory, they were still relatively high, leading to a less severe contraction from an on-ground use perspective. 2021 and 2022 had seen a market rebound on the global level on the back of firming prices following two years of a slight decrease of the market value
- **North America** had a strong start to the year, benefiting from continued high price levels for some key pre-planting product segments, which helped balance losses seen later. **LATAM, Europe, and APAC** experienced contractions, but there was a promising growth trajectory in almost all Biologicals segments and PGRs, indicating a readiness among growers to substitute synthetic chemicals with biologicals, despite the price premiums.
- Additionally, specialty crop segments showed resilience and signs of continued market growth.

Market dynamics over time 市场动态

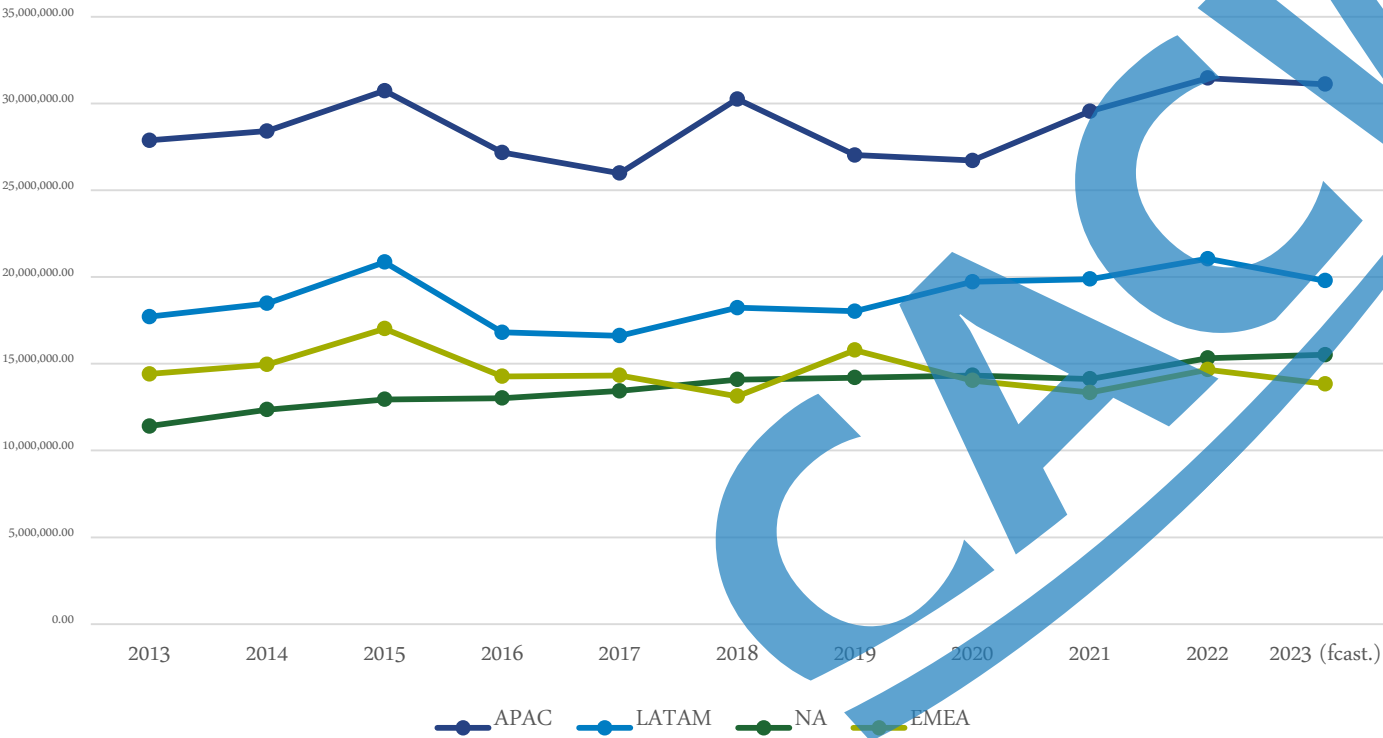
Facts & figures - regional growth 事实与数据 - 区域增长



Regional crop protection market over time

(calendar year - ex-factory estimates)

Global CP sales by region (in US\$ m)



Annual growth early estimates* 2023/2022

10-year CAGR 2023/2013

APAC slight -

APAC +1.1%

LATAM significant -

LATAM +1.2 %

NA flattish

NA +3.2 %

EMEA significant -

Europe 0.4 %

GLOBAL moderate -

GLOBAL +1.2%

Key observations

- Significant shifts are seen in the relative value of different region as markets mature but for 2023 crop year:-
- The America's after a stellar 22 calendar year, were hit hardest by readjustments in 23. Price corrections and channel loading being key factors.
- The Asian market hampered by sustained high temperatures and an erratic monsoon.- impacts of El Nino felt in Oceania.
- Europe impacted by currency, early dry spells, inflation, and a significant slow-down in the key market of Russia and the collapse of the Ukraine market.

Note: Boxes reflect the the 10-year CAGR from 2013-2023. * For detailed breakdowns and % reach out to Kynetec.

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Global
全球市场

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Policy takes central stage, focus on food security and sustainability 政策影响占主导，重点关注粮食安全和可持续性发展

Economy: Emerging APAC & LATAM will experience growth, albeit slower in LATAM due to external factors, but could experience a resurgence in the next decade. NA anticipates to face challenges, whilst EMEA demonstrates mixed growth rates across the region.

Agricultural policy: Remains important in all regions.

In NA, the USA is negotiating the 2024 Farm Bill, while Canada enforces reporting requirements for pesticide registrants.

APAC countries are expected to face policy challenges (balance of payment issues) but benefits from free-trade policies and focuses on food security.

LATAM focuses on sustainable practices and maintaining export orientation.

EMEA will implement policies such as the EU's Common Agricultural Policy (CAP), Green Deal, and various laws targeting intensive agriculture. Some short-term relief from the Sustainable Use Regulation not being passed.

Crop area: Both NA & EMEA crop area remains stable in short term, with possible shift towards organic (EMEA). APAC projects a 20% growth in agricultural output by 2032. LATAM expects a 12% expansion in agricultural production- Product Area Treated gains expected to drive growth in CP.

Commodity prices: Apart from NA, all regions should expect commodity prices to return to pre-COVID level. By 2028, all regions anticipate stable commodity prices.

A mixed bag of bioproduct innovation, off-patent era 生物制剂产品创新喜忧参半，进入非专利时代

Pest development: In all regions, pest pressure will remain serious due to erratic weather patterns. Outbreaks of pests & diseases expected in LATAM, and resistance concern in EMEA.

Crop protection product prices: In the short term (2024) in NA, APAC, EMEA, prices is expected to undergo downward adjustment with potentially of rebounding later in the year particularly for APAC and LATAM (price stability).

In the medium term, prices in NA will be likely higher than 2024 with higher adoption of green technology / solutions.

New product introduction: Innovation and technological advancements continue globally.



The Trend of China Agrochemical
Industry M&A

中国农化市场投资并购趋势

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The purpose of China Agrochemical Industry M&A 中国农化企业投资并购的目的

Deepen the commercial moat of their own enterprises time

加深企业的商业护城河

Expand product categories horizontally

横向扩展产品品类

Expand sales channels and increase commercial reach overseas

扩展销售渠道以及增加商业触角

The purpose of China Agrochemical Industry M&A 中国农化企业投资并购的目的

Deepen the commercial moat of their own enterprises time

加深自身企业的商业护城河

- **产能整合：**2017年利民控股并购双吉化工，实现了中国代森锰锌和二硫代氨基甲酸酯类杀菌剂产能与市场的整合与覆盖，成为此类产品全球第二大供应商，在单一品类市场形成产能和市场覆盖双重的优势。
- **全产业链价值链的整合：**2021年扬农化工围绕优嘉四期项目进行了高起点设计、高标准建设、高效率推进、高质量运营，第一阶段项目（产品涉及苯醚甲环唑、硝磺草酮、联苯菊酯、氟啶胺四个品种）已建成并已于2022年初调试生产。
- **海外产能与中国产能联动：**2023年8月，和邦生物与印尼泗水爪哇综合工业和港口区（简称“JIPE”）的运营商和管理者PT BERKAH KAWASAN MANYAR SEJAHTERA（简称“BKMS”）签订《有条件土地买卖协议》，为公司在JIPE投资建设年产60万吨碳酸钠、60万吨氯化铵以及20万吨草甘膦项目（简称“印尼项目”）提供项目用地，该印尼项目投资总额约8亿美元。

The purpose of China Agrochemical Industry M&A 中国农化企业投资并购的目的

Expand product categories horizontally

横向扩展产品品类（原材料资源+资本运作相结合）

- 2021年，新安集团出资1.78亿元人民币并购合肥星宇，新安从草甘膦单一原药进入到噁草酮、丙炔噁草酮以及灭草松等原药品类领域。
- 2023年新安通过全资子公司浙江启源新材料有限公司（简称“浙江启源”）收购中钢热能金灿新能源科技。该并购的目的是新安准备深入到新能源领域的锂离子电池石墨负极材料的供应链之中。
- 2021年11月，公司与华友钴业达成战略合作框架协议，拟在湖北宜昌合作投资磷矿采选、磷化工、湿法磷酸、磷酸铁及磷酸铁锂材料的一体化产业，计划建设50万吨/年磷酸铁、50万吨/年磷酸铁锂及相关配套项目。当年12月，双方签署合资协议，拟合资设立兴友新能源，其中兴发集团以51%的持股比例控股，项目公司实施30万吨/年磷酸铁项目，其中一期规划产能为10万吨/年。
- 2023年9月，兴发集团发布公告，控股子公司湖北兴友新能源科技有限公司（简称“兴友新能源”）“新建20万吨/年磷酸铁项目（一期10万吨/年磷酸铁）”完成机电仪安装调试及试生产准备工作，生产线已正式全面投产。



The purpose of China Agrochemical Industry M&A 中国农化企业投资并购的目的

Expand sales channels and increase commercial reach overseas

扩展销售渠道以及增加商业触角

- 2022年底，润丰收购西班牙 Sarabia 公司。润丰通过并购可以拥有海外工厂的产能，提升全球供应的灵活性。同时，它也可以获取海外团队的经验，进行海外市场拓展。润丰的行动并未就此止步，目前正在布局北美。
- 2023年，兴发集团并购印度尼西亚艾莫克公司70%的股权。这也是中国企业在拓展海外制剂生产能力，同时希望扩展销售渠道的典型案例。



The Driven Factors of M&A market in China

中国农化企业投资并购的推动因素

Overcapacity leads to more intense competition
产能过剩导致更加激烈的竞争

Diversification of profit sources
盈利来源的多元化

Matching Strategic Strengths
战略优势的匹配

Make up for the shortcomings of the channel
补足渠道短板



Future Key Point of M&A for Chinese Agrochemical Companies

未来中国农化企业投资并购的重点

Matching the sustainable development strategies of multinational companies

匹配跨国公司可持续发展战略

先正达：到2030年二氧化碳排放强度减少50%

将2016年的数据作为测算基础，并涵盖先正达生产基地碳排放的参考数据，聚焦与自身业务以及合作供应商相关的制造流程、能源采购和消耗以及物流等一系列活动以实现这一目标！

欧盟《欧洲绿色协议》

到2030年，欧盟温室气体净排放量与1990年的水平相比至少减少55%；到2050年，实现碳中和。



Future Key Point of M&A for Chinese Agrochemical Companies

未来中国农化企业投资并购的重点

Globalization

全球化

全球供应+全球市场

中国企业需要直接触及全球农业发展并将供应链优势传递给种植者

品牌建设与渠道布局共生

产品价值需要品牌来体现，而价值传递需要渠道执行



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Investment Trends in the Global Crop
Protection Industry
全球作物保护行业投资趋势

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The Status of Venture Capitals of MNCs

跨国公司主要投资机构的状况

Company 公司	Venture Capital 风险投资	Status 状况
Bayer		从2015年到2023年，Leaps已经在投资组合上投资超过19亿美元。
Syngenta		主要专注在强化现有创新和市场上；把握促进农民盈利提升的新机会上；改变未来农业生产力和生产方式。自2009年开始，先正达集团已经在新技术和投资超过2亿美元。
BASF		自 2001 年，BASF主要投资于与巴斯夫当前和未来业务相关的年轻、快速发展的公司和基金。投资主要集中在碳中和、循环经济、农业科技、新材料、数字化以及新的颠覆性商业模式等领域。资金规模达到2.5亿欧元。
FMC	 An Agricultural Sciences Company	于2020年建立，FMC Ventures主要投资于与农业行业中开发和应用新技术的创业公司和早期公司。



The Status of Venture Capitals of MNCs

跨国公司主要投资机构的状况

Evogene Built Partnerships with Syngenta and Bayer Crop Science

Evogene 及其子公司宣布与先正达和拜耳作物科学建立合作伙伴关系



Evogene 是一家利用计算生物学技术开发生命科学产品的研发型企业。目前拥有五家子公司和三个人工智能引擎，“计算预测生物学”平台（CPB Platform）是该公司的核心竞争力。

CPB 平台用于产品探索 and 开发，利用计算生物学提高寻找目标化合物的效率，同时减少产品开发的时间和成本。



The Status of Venture Capitals of MNCs

跨国公司主要投资机构的状况

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作物保护产品开发正在加速进入生物和人工智能时代

- Lavie Bio: 致力于开发下一代农业生物制品产品，使用 Evogene 的 MicroBoost AI 技术引擎进行开发。
- AgPlenus 公司: 该子公司致力于发现创新的作物保护产品，如除草剂、杀虫剂和杀菌剂。AgPlenus 利用 ChemPass AI 技术引擎识别小分子和新型靶蛋白，以开发新型农药产品。

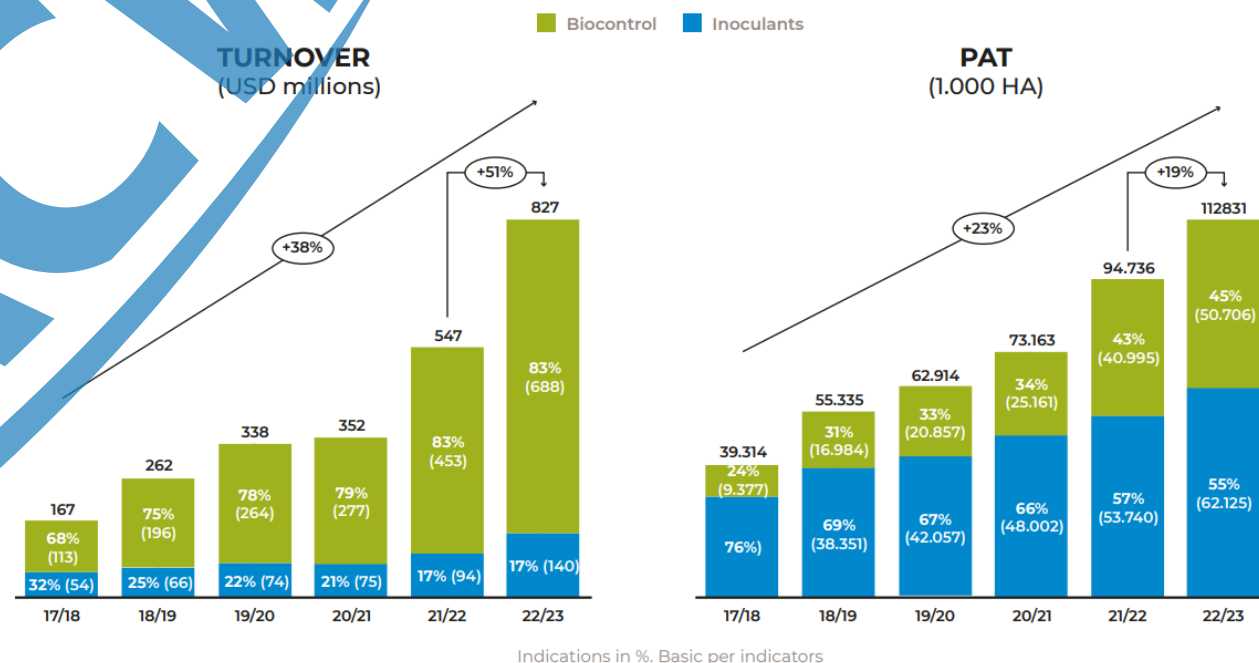
Biological crop protection - Market Value Boom coming into sharp focus - example from Kynetec's Survey in Brazil

生物制剂产品 - 市场价格热潮凸显 - 凯特巴西调研数据

- Cost effectiveness takes a back seat to efficacy when it comes to integrated pest management programs for resistance prevention.
- More than 50% of Brazilian growers use biologicals to help control pests and diseases, as well as improve the quality of their crops, alongside conventional products in a toolbox approach focusing on yield, quality, and time savings over cost.
- The adoption of bionematicides even recently surpassed their chemical counterparts as caterpillar pressure grows.
- Kynetec's bioinputs survey highlighted a leap of 51% in value during harvest year 2022-3, moving the Brazilian biologicals market to US\$827 million, from \$547 million in the previous harvest year.

Market Importance - Biologicals

Total Market - Biologicals





The Status of Venture Capitals of MNCs

跨国公司主要投资机构的状况

作物保护产品开发正在加速进入生物和人工智能时代

- 发现新的作用模式、新化合物（合成或生物）、解决抗药性问题、缩短产品上市时间以及减少对环境的影响，这些对 Corteva、拜耳和先正达（以及其他公司）等跨国公司来说都非常重要。



Investment on Channel

渠道投资

M&A of Brazil Distribution Channel
巴西市场的渠道投资与并购



Source: ZMP Consultoria

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Kynetec Data Solution
凯特数据产品/解决方案

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Powering progress in agriculture

Uniting local expertise with global reach & analytics

Measure - Predict - Grow

*sigma*TM

Global annual quantification of the crop protection and seed market

*FarmTrak*TM

In-depth country insights on farmer behaviors for crop protection and seed
50+ countries
200,000+ farmers/agronomists

*RetailTrak*TM

Point of sales data from retail to farm for crop protection products - China, Indonesia, Philippines, Thailand & Vietnam

*CropTrak*TM

Annual quantification of the crop protection market at farm level - China, Indonesia, Philippines, Thailand & Vietnam

*RegenTrak*TM

Insights on grower regenerative ag practices & trends, including cover crops, tillage, fertilizers and carbon program adoption

BioLogika

Farmer driven insights on use of biopesticides - market size, market potential, grower adoption and product adoption

Interlytics

Access forward-looking, predictive insights for informed decision-making ahead of the crop season, as well as medium and long-term forecasting

*MachineryTrak*TM

The only single-source insight into farmer agronomic practice, ag machinery registration data and dealer coverage

Any questions, feel free to contact us



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Interlytics

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