

With the acquisition of Balnova, a leader in aquaculture feed, Neovia strengthens its presence in Ecuador

- *Neovia announced today the acquisition of the Ecuadorian company Balnova, a feed manufacturer for the shrimp market. Through this acquisition, Neovia will consolidate its strong international expertise in aquaculture and its presence in one of the largest shrimp producing markets (ranked 4th worldwide). Indeed, last year Neovia acquired the U.S. larval feed and probiotics manufacturer Epicore, who also operates a major branch in Ecuador.*
- *This operation is part of the divestment plan in non-strategic assets planned by the Nueva Pescanova Group until 2020, with the aim of obtaining maximum profitability for the vertical integration of the Group, increasing the level of occupation of its factories and optimizing the planning of raw material supply.*

Balnova, leader on the shrimp feed market in Ecuador

Founded in 1991, Balnova (Nueva Pescanova Group) is a company specialised in pressed and extruded feed for shrimp. Producing 40,000 tonnes per year, the factory is located in Ecuador's largest city, Guayaquil, which is also the most important port on the western coast of Latin America. With more than 30 years of expertise and about 100 employees, Balnova is one of the leading players on the Ecuadorian market. The company has two recognised product lines with high nutritive value, one related to dietary solutions for shrimp and the other related to vegetable-based fertilisers for nourishing micro-organisms living in the water.

Ecuador, the number one market for shrimp feed production in Latin America

With a population of 16.5 million inhabitants, Ecuador is the 8th most populated country in Latin America. Between 2004 and 2014, the Ecuadorian economy stabilised and witnessed remarkable annual growth of 4.5%. In 2016, shrimp represented 20% of the country's exports. Ecuador ranks as the 1st shrimp feed producer in Latin America and 4th worldwide. Extensive shrimp farming started in the country in 1969 before moving to a semi-intensive system in the early 1980s. Thanks to natural conditions favourable to farming and a stable climate throughout the year, the country devotes more than 216,000 hectares to aquacultural farming, 95% of which is dedicated to shrimp.

A holistic approach to aquaculture

In aquaculture, the interaction between animal (fish, shrimp, etc.) and environment (water) is fundamental and continuous. For this reason, Neovia has developed a holistic approach to aquaculture including everything from feed to the management of fish ponds (quality, water system management) to ensure profitable quality production that respects the environment. Furthermore, Neovia recently acquired the company Acui-T, a French company specialised in water treatment for aquacultural fish ponds. Thanks to the synergies between Epicore, Balnova and Acui-T, Neovia will address not only the challenge of ensuring quality aquacultural feed, but also sustainable growth of fish ponds worldwide.

Hector Marriot, CEO of Balnova, said: *"We are thrilled to share our know-how with a major international group like Neovia. The collaboration between our R&D teams will allow us to expand research and develop new innovative products. This opens wonderful opportunities for our teams to develop new innovative solutions for Ecuadorian farmers."*

Ignacio Gonzalez, CEO of Nueva Pescanova Group, added: *"This operation is part of the divestment plan in non-strategic assets as planned by the Nueva Pescanova Group until 2020. We believe Balnova is set to continue growing as part of a specialized international group. Moreover, it will continue to be one of Nueva Pescanova Group's main suppliers of prawn feed for a minimum of five years. Neovia has shared its intention to keep the entire workforce, as well as the current management team".*

Eric de Seguins Pazzis, Marketing and Business Development Director at Neovia, confided: *"In keeping with its resilient strategy, Neovia is balancing its business lines, having made aquaculture one of its 7 activities in its own right in 2016. Neovia wishes to thus develop and reinforce its product offer and aquacultural solutions in a sector witnessing strong growth (+450% by 2040) at the global level. We are thrilled to welcome Balnova and to be able to count on the know-how of teams on the Ecuadorian market in order to reinforce future innovations. Ecuador will be a key country for Neovia, where we plan to increase our exports, especially to Peru."*

*FAO

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About Neovia: *The company has a turnover of €1.7 billion euros in seven business lines: complete feed, aquaculture, petcare, premix/firm services, additives & ingredients, animal health and analysis laboratories. It has 75 production sites and 8,300 employees in 28 countries.*
www.neovia-group.com

About the Nueva Pescanova Group: *The Nueva Pescanova Group is a leading Spanish company in the sector, specialized in the capturing, farming, manufacturing, and marketing of sea products, both fresh, refrigerated, and frozen. Founded in 1960, it employs more than 11,000 people and is present in 24 countries on 4 continents. The Nueva Pescanova Group sells its products in over 80 countries around the world.* www.nuevapescanova.com