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ANNUAL REPORT

invivo^o

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OUR BUSINESSES

Union InVivo
Bioline Group
InVivo Retail
InVivo Wine



InVivo is fully determined to help agriculture and agricultural cooperation regain their rightful place in the global food value chain, with respect for the planet and people.



3 strategic directions

- Become a world reference in innovative and digital solutions which improve the competitiveness, safety and quality of plant and animal productions, while preserving the planet
- Invest in agricultural and food businesses of the future to create critically sized champions and global brands
- Contribute to the economic growth and influence of French agriculture and agrifood in

5 performance drivers

- Accelerate the digital transformation of the company and its businesses
- Invest in innovation
- Enlarge, diversify and internationalise the group's activities
- Foster our performance in human capital
- Implement a social and environmental responsibility policy

3 fields of expertise

- Agriculture: Union InVivo, Bioline by InVivo
- Consumer Retail: InVivo Retail
- Wine: InVivo Wine

2 innovation incubators

- InVivo Food & Tech
- InVivo Digital Factory

€5.2bn

in revenue

5,435

employees

201

member cooperatives

19

countries

The Board of Directors



Representative of all the member cooperatives, the Board of Directors determines the Group's strategic direction. It has 29 members: 28 member cooperatives and a non-cooperative associate. The Bureau has eight members and works in close collaboration with general management.

Three or four directors are members of the committees monitoring the activities of the divisions, namely: Bioline by InVivo, Grains, Retail and Wine. They examine the major factors affecting the divisions, their economic and financial performance.

The Board of Directors relies on the work of three cross-functional committees that it has set up within it. The Audit & Risk Committee actively oversees matters relating to the monitoring of the financial information production process, the effectiveness of the internal control and internal audit frameworks, and risk management. The Appointments and Remuneration Committee examines the remuneration policy proposed by senior management for executives and members of the Executive Committee, and the Ethics Committee monitors ethical compliance within the group and ensures that the internal rules and articles of association of Union InVivo are duly applied.

This year, all stakeholders in the group were asked to participate in the development of the 2030 by InVivo strategic plan. Seven committees were created within the Board of Directors – Governance, Digital, Innovation & CSR, Bioline & Agriculture, Cereals, Retail and Wine – to determine the directions to be taken at group level and within each of its business divisions. Meeting at a seminar on 5 and 6 June 2019, the Board of Directors approved the 2030 by InVivo plan, which is an extension of the 2025 project. The plan focuses on agricultural upstream issues as well as societal expectations. It places CSR (corporate social responsibility) and digital matters at the heart of the value-creation model of the group and its members.

Composition of the Board of Directors

Bureau

Chairman

Philippe MANGIN, EMC2 (55)

Deputy Chairman

Jérôme CALLEAU, CAVAC (85)

Members of the bureau

Patrick APS, NATUP (76)

Alex BERTRAND, AXEREAL (45)

Joël CASTANY, LES VIGNERONS DU VAL D'ORBIEU (11)

Bertrand HERNU, UNEAL (62)

Marc PATRIAT, DIJON CEREALES (21)

Michel PRUGUE, MAISADOUR (40)

Others members

The cooperatives

Éric BRAULT,
SCAEL (28)

Christoph BUREN,
VIVESCIA (51)

Cédric CARPENE,
VAL DE GASCOGNE (32)

Olivier CHAILLOU,
TERRENA (44)

Franck CLAVIER,
VIVADOUR (32)

Jean-Yves COLOMB,
LA DAUPHINOISE (38)

Arnaud DEGOULET,
AGRIAL (14)

Gérard DELAGNEAU,
110 BOURGOGNE (89)

Thierry DUPONT,
AGORA (60)

Dominique FARAIL,
EVOC (11)

Jean-François GAFFET,
NORIAP (80)

Patrick GRIZOU,
TERRES DU SUD (47)

Jean-Michel HABIG,
CAC (68)

Antoine HACARD,
CERESIA (51)

Jacques HILAIRE,
CAPL (84)

Thierry LAFAYE,
OCEALIA (16)

Jean-François NAUDI,
ARTERRIS (11)

Bertrand RELAVE,
EUREA (42)

Christian SONDAG,
LORCA (57)

Christian VEYRIER,
DROMOISE DE
CEREALES (26)

Non-cooperative associate

Sébastien GRAFF

Honorary Chairman

Michel FOSSEPREZ

The Executive Committee



The Executive Committee has six members.

It defines and implements the group's strategy. It monitors the performance and results of the different divisions and oversees strategic projects.



Executive Committee biographies

Thierry BLANDINIÈRES,
Chief Executive Officer

Maha FOURNIER,
Chief Financial Officer

Sébastien GRAFF,
Director of Human Resources and Communications

Laurent MARTEL,
Director of Bioline by InVivo

Guillaume DARRASSE,
CEO of InVivo Retail

Frédéric NOYÈRE,
CEO of InVivo Wine



Interview with

PHILIPPE MANGIN

Chairman

Leading the agricultural and food transition

“Our mission, as leaders, as well as InVivo in all its dimensions, is to lead the necessary agricultural and food transition.”

A

At the presentation of the 2020 budget, the French Minister of Agriculture Didier Guillaume stated that the government is set on ensuring agriculture will remain resilient. He also highlighted the major

challenges of agroecology, the prevention of health risks, training and research especially to deal with global warming and move towards a reduction in phytosanitary products. What do you think of this?

Philippe Mangin: These goals are undeniable, but they do raise the question of how to achieve them. Yet, on this matter, answers contained in the Egalim Act either do not work or heavily set back the performance and income of farmers.

“It is urgent to restore confidence in farmers and to reconsider agriculture as a flagship of our economy.”

To set a new path for agriculture, there are three major challenges to consider:

- The change in consumer expectations, which is such that it is leading us to a real food transition. Demographics add a new dimension to this challenge, since there are 9 billion people to feed, thus forcing France and Europe to actively participate in addressing it.
- The protection of natural resources, air, water, soil, forests... It will soon become clear that the development of organic agriculture cannot be the only response. That is why InVivo wants to build the ‘third-way’ of agriculture: a new agriculture that we invent every day, thanks to the arrival of new technologies. Progress will be dazzling.
- Lastly, we must make the Paris Agreements our own. Global warming is forcing us to intensify varietal research and integrate new crops. And, above all, let’s accelerate the development of the bioeconomy. Agricultural resources can be a great substitute for fossil fuels.

Many farmers end up discouraged because they lack ambition, in the manner France lacks ambition for its agriculture. But the stakes are such that we must mobilise all components of our agricultural system for more abundant, different, and better production!

As an organisation that brings together 200 cooperatives, does InVivo have a unifying role to play in rising to these challenges?

P. M.: The leaders before us managed to merge three national unions of cooperatives into a single one that is more solid, more ambitious and above all able to offer to member cooperatives, all the innovations that they could not contemplate on their own, while giving them while giving them the opportunity to gain international exposure. Our mission, as leaders, as well as InVivo in all its dimensions, is to lead the necessary agricultural and food transition. This is also what the [French] President of the Republic demands when he rightly points out the inadequacies in how farmers’ are organised to negotiate with distributors or conquer export markets. We need a national union to achieve this.

Farmers are at the forefront of meeting societal expectations for food and environmental protection. But, in this difficult time, they are often taken to task.

P. M.: Is there a profession that has experienced as much upheaval and reform over the last 50 years as farming has? Farmers are clearly able to adapt. They should not be presented as victims, trapped by the so-called ‘system’. It is urgent to restore confidence in farmers and to reconsider agriculture as a flagship of our economy.



Farmer
24/7

Agriculteur le jour et la nuit (Farmer 24/7)

In this time when agriculture is at the heart of many social debates, photographer Géraldine Aresteanu and the InVivo Group have come together to shed light on the reality of farmers. The project, entitled *Agriculteur le jour et la nuit*, revolves around a dozen photo reports showing 24 hours in a farmer’s life.



Interview with

THIERRY BLANDINIÈRES

CEO

InVivo transforming itself, implementing a new growth dynamic within its businesses: Agriculture, Retail and Wine

In July 2018 you announced the proposed sale of Neovia, InVivo's animal nutrition and health division. In August 2018, the French Competition Authority authorised the acquisition of Jardiland. These two major transactions have changed InVivo's profile. How would you describe this year?

Thierry Blandinières: 2018-2019 has been a year of transition for InVivo. We have undertaken a major programme to transform our business model. Selling Neovia, which did 80% of its business abroad, has given us the means to reinvest in our strategic businesses and modernise for a more positive and competitive agriculture. This has been a very special year which marks InVivo's entry into a new phase of growth and transformation.

By investing in new technologies and food intelligence at the service of cooperatives and farmers, we will demonstrate that we can produce more and better with less and respond to the aspirations of our fellow citizens looking to make meaningful food choices. Group revenue for 2018-2019 was €5.2 billion. The results are satisfactory and the various performance indicators back up our strategy.

What are the main achievements of this financial year?

T. B.: The main transactions that we carried out on the different business divisions have had a determining influence on the group. By acquiring Jardiland and Bio&Co, InVivo is investing to consolidate its leadership position in garden centres but also to develop a local food distribution centre that favours organic and local products. Concerning our agricultural business lines, we had stated in our plan *2025 by InVivo*, that we wanted to become a leader in the biological pest control and agrodigital markets. This year, we reached a new, important stage in biological pest control with the creation of Bioline Iberia in Spain and the takeover of Sweet Briar's biological pest control activity in the United States. We are now amongst the global players in this market. In the same line, the digitalisation of agriculture is happening faster than ever with the creation of InVivo Digital Factory and the launch of the aladin.farm platform. In the grain businesses, the creation of Grains Overseas in partnership with the Axérial and NatUp cooperative groups is a first step towards strengthening the French wheat export sector that is currently facing hard times due to lack of competitiveness. Lastly, we reorganised InVivo Wine and structured the export part by taking over the direct management of Vinadeis' US and Asian subsidiaries.

“Research & development, new technologies and innovations will bring solutions that will make it possible to achieve what today seems impossible.”

What are the main trends that are having an impact on InVivo's development?

T. B.: Our challenge is twofold: to provide enough quality food to 9 billion people in 2050 whilst preserving natural resources, and to accelerate the energy and climate transition as stipulated in the Paris Agreement on Climate Change. Research & development, new technologies and innovations will bring solutions that will make it possible to achieve what today seems impossible. And precision agriculture will be the cornerstone of these new production methods. It will bring more transparency to the food chain and guarantee the safety and quality of products.

You often talk about 'co-construction'. What does this concept represent?

T. B.: Cooperation, co-construction, collaboration, and collective efforts are all part of our DNA. Together, we can go further. This is why the Board of Directors, senior management and employees have joined forces to develop the *2030 by InVivo* strategic plan, which takes the group into our vision of the future.



Highlights
2018-2019

“The goal is to accelerate our development by relying on the group’s five performance levers: digital transformation, innovation, going global, social and environmental responsibility and human capital.”

inputs are offered, aladin.farm is also an agora that will carry the values of the new agriculture that InVivo wishes to develop. In the medium term, farmers will find information and solutions that will enable them to be involved in the food transformation that consumers desire. Aladin.farm is also a new opportunity for farmers to be connected to their ecosystem, to the world and to their territory by strengthening and modernising their relationship with their cooperative. Created with the cooperatives and their members, the aladin platform is a French response to the security of agricultural data, a digital shield for French farming that will protect and enhance such data. But it also aims to go international at the European level and in countries like Brazil where InVivo has a strong presence.

What are the main guidelines of 2030 by InVivo?

T. B.: *2030 by InVivo* picks up where *2025 by InVivo* left off. Now that each business line holding company is placed on a well-defined growth trajectory, the goal is to accelerate their development by relying on the group’s five performance levers: digital transformation, innovation, going global, social and environmental responsibility and human capital.

In connection with the digital transformation and the digitalisation of the business lines, InVivo announced in September 2019 the creation of the aladin.farm sales platform.

T. B.: Aladin.farm is the first big project from the InVivo Digital Factory. More than an e-commerce site on which agricultural

InVivo Food & Tech, the other innovation laboratory, appeared on the public scene in June 2019 when you expressed InVivo’s desire to participate in the therapeutic cannabis experiment project initiated by the French Ministry of Health.

T. B.: InVivo Food & Tech is working on the food of the future, on protein-rich crops and on new plant uses. On 25 October 2019, the National Assembly voted in favour of an experiment on the use of therapeutic cannabis from next year. It will involve 3,000 patients. But, according to the figures put forward by the patient associations, more than 300,000 people suffering from severe pain due to an illness await a therapeutic solution. The challenge is to ensure that these pharmaceutical products are produced by the French, for the French. InVivo wishes to participate in this project. On our Valbonne research site, we have the opportunity right now to produce therapeutic cannabis in a controlled environment and to work on the

development of a larger-scale production chain that would create value for French agriculture.

CSR is also one of the levers for innovation and performance. How does it fit into InVivo's strategy?

T. B.: CSR is a natural fit in our cooperative DNA. To add to our approach, in 2017 we joined Entreprises pour l'Environnement. We are participating in the Climate Change, Biodiversity, Circular Economy and Bioeconomy working groups. InVivo is also involved in the Act4nature initiative. Moreover, this year InVivo has published for the first time its extra-financial performance report. The work carried out on this occasion, particularly the materiality analysis, made it possible to determine the priority issues for InVivo, define progress indicators and formalise the CSR policy and redeploy it in a more structured way.

You indicated last year that you wish to transform your business-line holding companies into mission-oriented companies. How are you going to combine the for-profit nature of the company with the general interest?

T. B.: Last year we published a book entitled *Vers la société à mission responsable et agile. Un chemin de transformation pour InVivo* (Towards a company with a responsible, agile mission: A transformation path for InVivo). This careful consideration was conducted in collaboration with Errol Cohen, lawyer at the Paris Bar and author of the book *La société à mission. La loi Pacte : enjeux pratiques de l'entreprise réinventée* (The mission oriented company. The PACTE

Act: Practical challenges for the reinvented company). With Philippe Mangin, Chairman of InVivo, so far, we have pointed to InVivo's voluntary commitments through its CSR policy. Today, several new avenues are available to reconcile our profitability approach with the pursuit of impactful social and environmental goals, all while strengthening both. We are convinced that it goes beyond the fact that we are responsible for acting: our credibility, our competitiveness and our sustainability are also on the line.

“Today, several new avenues are available to reconcile our profitability approach with the pursuit of impactful social and environmental goals, all while strengthening both.”



Film 2030

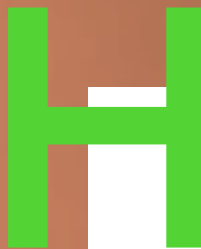


Financial results

Interview with

MAHA FOURNIER

Chief Administrative and Financial Officer



How did InVivo perform in 2018-2019?

Maha Fournier: As of 30 June 2019, group Ebitda stood at €104.9 million, compared to €163.2 million in the previous year. The fact that

we achieved this figure despite the sale of Neovia at the end of January is evidence of solid operational and financial performance, particularly in the Bioline and Retail segments. Bioline Group's Ebitda is driven by organic growth (contribution of €20 million). Within the InVivo Retail scope, the results of Jardiland, acquired at the end of September 2018, and the first synergies expected from the merger with Gamm vert are going according to plan. This is a pivotal year for InVivo Wine, resulting in our stepping-up the restructuring programme and the deployment of the new strategy around three areas: Services, Brands and Retail.

After the sale of Neovia, 2018-2019 will have been a pivotal year for InVivo. The group is confident in its ability to successfully navigate this transition, as it has already done before. The milestones are set for a new phase of both organic and external growth.

What can you tell us about your financial resources?

M. F.: Group equity, which reached €1.1 billion as of 30 June 2019, has more than doubled in five years. The net debt as of 30 June 2019 is -€174.9 million, meaning we actually have a positive net cash position, compared to a net debt of

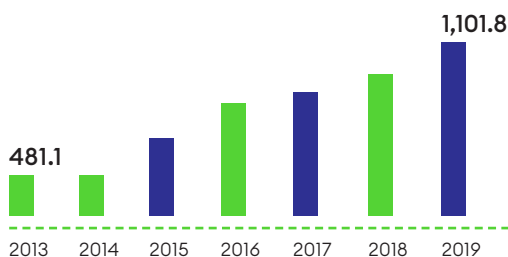
“The strategic priorities remain the same: accelerate growth, maximise operational efficiency and continue to be rigorous in allocating resources.”

+€511.5 million as of 30 June 2018. Our leverage ratio thus stands at -1.7, against 3.1 as of 30 June 2018. This bodes well for the future and provides a solid funding base for the development of the group and its business lines.

What are your expectations and strategic priorities for 2019-2020?

M. F.: The strategic priorities remain the same: accelerate growth, maximise operational efficiency and continue to be rigorous in allocating resources. The group’s financial resources ensure that our core activities and business lines have the means to grow and create value.

CHANGE IN EQUITY (€ million)



The internal M&A and Integration handbook

As mentioned before, InVivo will continue to accelerate and diversify its business lines through acquisitions. We prefer a build-up strategy: targets with high growth potential and high synergies. Targets need to be successfully integrated for synergies to materialise, because, as we like to say, “poor integration delivers poor results”.

In addition, integrating a target entails an average overall cost of 7% to 12% of the total amount of the transaction according to the most recent studies. Thus, in the context of the Group’s development and the proliferation of external growth projects, integration poses, in addition to skills specific to M&A, a significant challenge for InVivo.

To this end, a tool and a working method have been formalised by the group in an *M&A and Integration Handbook* in order to indicate, in a cross-functional manner, the coherent and objective rules that should guide the integration process. These can be summarised in three main principles:

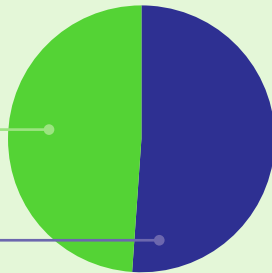
- Begin the integration phase well in advance of the closing, ideally at the due diligence stage, in order to define the desired integration effort and budget and negotiate any transition service agreements (TSAs) to be put in place with the seller;
- Establish a project management/governance structure that ensures optimal coordination and consistency of the progress achieved;
- Distinguish between the challenges of preparing for Day 1 (ensuring continuity of operations and minimising risks) and those posed by longer-term integration objectives.

Our results back up our strategy

Breakdown of revenue

France
49%

International
51%



€5.2bn
revenue

Breakdown of revenue by division

Union InVivo's statutory activities €1,321M

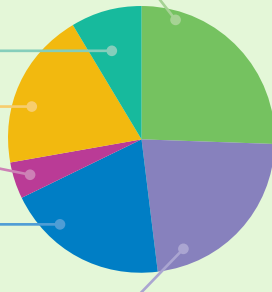
Bioline Group €449M

InVivo Retail €1,009M

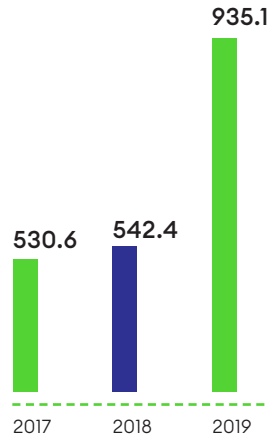
InVivo Wine €225M

Neovia €1,025M

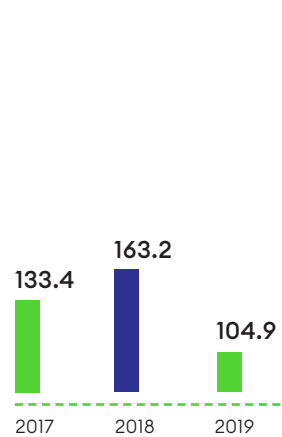
InVivo Grains €1,180M



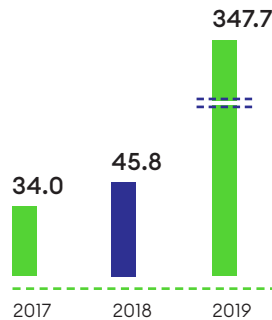
Equity attributable to the group (€M)



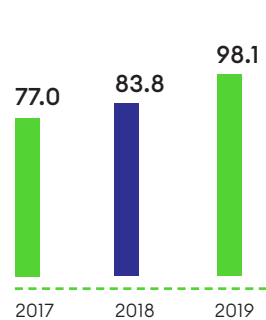
Ebitda (€M)



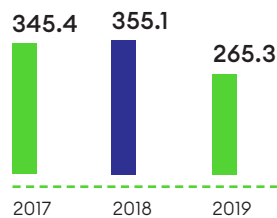
Total consolidated net income (€M)



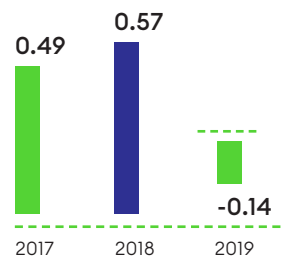
Intangible & tangible assets (€M)



Working capital requirements (€M)



Gearing



Assets

In millions of euros	30 june 2018	30 june 2019
Intangible assets	480.6	399.6
Tangible assets	400.3	236.8
Financial assets	177.4	152.8
Net fixed assets	1,058.2	789.2
Working capital requirement (WCR)	355.1	265.3
Capital employed	1,413.3	1,054.6

Liabilities and equity

In millions of euros	30 june 2018	30 june 2019
Equity attributable to the group	542.4	935.1
Non-controlling interests	235.8	126.3
Other equity capital	40.3	40.3
Provisions	83.3	127.7
Net debt*	511.5	(174.9)
Invested capital	1 413.3	1 054.5
(*) including medium- and long-term debt	575.5	222.9
Gearing (net debt/equity)	0.57	-0.14
Working capital	419.1	663.1

Consolidated financial statement indicators

In millions of euros	30 june 2018	30 june 2019
Revenue	5,185.7	5,238.9
Value added	565.9	513.7
% revenue	10.9%	9.8%
Ebitda	163.2	104.9
Net operating income	107.5	41.7
Net income from ordinary activities	78.4	1.5
Total consolidated net income	45.8	347.7
Cash flow from operating activities	77.8	(16.4)



The laboratories for sustainable innovation



SÉBASTIEN GRAFF

Director of Human Resources and Communications

W InVivo has undertaken a very dynamic approach to growth. The group is changing, looking towards new horizons and business lines. As we undergo this phase of rapid change, our values – Humanity, Commitment, Innovation, Team Spirit and Enthusiasm – inspired from the cooperative business model, are essential if we want to rally our employees around ambitious goals shared by all.

Our teams play a major role in achieving our ambitions. HR teams and managers are responsible for developing the skills of every employee, in a climate of trust.

We also rely heavily on collective intelligence, collaborative work and entrepreneurial spirit. We are convinced that InVivo's success depends on having all stakeholders, especially the employees, involved. This is why we asked them to participate in developing our 2030 by InVivo strategic plan.

Driven by our desire to create the future, innovate at all levels, be trailblazers in a 'third way' of agriculture and food intelligence, and speed up the pace at which our business lines are digitalising and at which we create new products and services, we will play our part in building a more sustainable world."

**“Our values:
Humanity,
Commitment,
Innovation,
Team Spirit and
Enthusiasm.”**



Co°LAB: employees play an active role in the 2030 by InVivo project

From 18 March to 7 April 2019, employees were invited to contribute to the 2030 by InVivo project via the Co°LAB crowdfunding platform. More than 350 proposals were submitted on seven different topics (Bioline, Cereals, Retail, Wine, Digital, CSR and Governance). From 8 to 12 April, employees voted by 'liking' their favourite ideas. Their suggestions were then sent to senior executives, who integrated them into their work on 2030 by InVivo.



Digitalisation

Interview with
STÉPHANE MARCEL

Chief Digital Officer

InVivo Digital Factory: accelerating role in the digital transformation

In May 2018, InVivo created the Digital Factory. A year later, what has come of it?

Stéphane Marcel: The Digital Factory's mission is to identify the emergence of new businesses and new uses by taking advantage of what digital technologies offer. It assists each business line with upstream brainstorming, then adapts it in the form of a number of digital projects developed internally or externally. During the year, the teams started developing the aladin.farm digital platform, co-constructed with member cooperatives of the PPA (Pôle Partenaires Agrofourniture), amongst others. This platform is an alternative French response to e-commerce offered to farmers. This project was eagerly awaited by Union InVivo and the cooperatives because it will help to change the economic model based on collection and supply. Strong signals are driving us to pick up our pace. It is not only young start-ups that would like to disrupt the model; the big players in the agricultural and e-commerce markets are also trying to reshuffle the deck. This is a very important challenge for all our B2B and B2C businesses.

What are the keys to success?

S. M.: Digital technology is primarily at the service of operational excellence and decision-making. The digital projects we have undertaken are aimed at shortening lead times, improving processes and the relevance of decisions in all areas through the collection and analysis of data, and overall enhancing the quality of service, both internally and externally. To carry out its projects, InVivo and its member cooperative members are co-constructing the platform. Their perfect knowledge of the expectations of the various operators in the value chain, whether they are farmers or consumers in B2C business lines, or even suppliers, gives us valuable assets. We are, therefore, in a good position to develop the interactions between these different operators. In addition, having a market place is not enough, we must also master the logistics which we already do in our various businesses.

The genius of agriculture

Aladin.farm was created with cooperatives and their farmer members to assist in and accelerate the transformation of the agricultural world and prepare the future of agriculture by driving the 'third way' of agriculture that Bioline offers. The project was developed in partnership with nine pilot cooperatives: Agora, EMC2, Dauphinoise group, Maïsadour, NatUp, Noriap, Océalia, Unéal and Val de Gascogne. At the end of June 2019, a full path-to-purchase is available for farmers who are members of a cooperative. Aladin.farm is for all member cooperatives of the Union InVivo. Its catalogue and its functionalities will continue to evolve to cover 100% of farmers' needs in terms of farm management (products and services, information, advice).



Film introducing aladin.farm

Aladin – the benefits

COOPERATIVES

- Omni-channel approach to the member relationship, with modernised image
- Member loyalty-building and gaining additional market shares
- Processes streamlined (logistics, sales, marketing, procurement)
- Improved competitiveness

TECHNICIANS

- New communication channel with its members
- Cooperative's catalogue is accessible at all times
- Ease of use for mobiles and PC
- Time savings on order management
- Enhanced technician functionalities

FARMERS

- Simple experience
- Comprehensive, wide-ranging offering
- Available at all times

Ouifield: new offerings

The Ouifield digital platform listing goods, services and technical expertise has offerings in 9 sectors:

- Light and industrial vehicles
- Goods: handling and equipment hire
- Gas, electricity and photovoltaic energy
- Short-duration vehicle hire
- Packaging: bags, films and pallets
- Industrial supplies and personal protective equipment (PPE)
- Business services: temporary work, courier services, regulatory control, defibrillators, maintenance and rental of linens and workwear
- Office supplies, computers and telephony
- QHSE: fire protection

Ouifield had a great year. Its procurement scope reached the €200 million mark. An important milestone was reached this year in the automotive sector. The temporary work



activity launched in 2018 is proving to be an important offering for cooperatives. In addition, the business services activity grew with the addition of new offerings: maintenance and rental of linens and workwear, defibrillators.

Food

Tech

Interview with
YVES CHRISTOL

CEO of InVivo Food & Tech

InVivo Food & Tech: launching pad for innovation to build the food of the future

Detecting trends, incubating innovative projects, supporting the transformation of agriculture and food... two years after its creation, how has InVivo Food & Tech fared?

Yves Christol: By creating InVivo Food & Tech, InVivo signalled its desire to open new avenues to meet new consumer trends and invest in new production methods in an ecosystem that places a lot of emphasis on digital tools. During the first two years, we created an innovation ecosystem around the InVivo Invest's seed capital fund and the innovative international project detection programme, InVivo Quest. This year, InVivo Food & Tech has been repositioned as a start-up studio that operates in four 'universes': agricultural production in a controlled environment; new food crops, particularly crops that are sources of vegetable proteins; new food processes; and plants for their cosmetic and medicinal applications.

Last year, you presented a first project: La Plucherie by InVivo. What is its state of progress? Do you have other initiatives in 'hatching' phase?

Y. C.: La Plucherie by InVivo offers microgreens, aromatic herbs and edible flowers for French gastronomy. Thanks to an innovative system of local urban agriculture, all plants are delivered alive or ultra-fresh. The prototype was validated in 2018. We will now move to the development phase. This year, we also developed a project for growing medicinal cannabis in a controlled environment. InVivo has applied to participate in the experiment that will be implemented by the French Ministry of Health. By working on these projects, we have acquired very strong skills in crop technology and different parameters for growing shoots in a controlled environment. Our know-how in the management of the different types of equipment, whether it is crops grown in containers, greenhouses and closed buildings, or in grow cabinets, added to our agronomic expertise, are all assets that will allow us to carry out our projects.

Four areas of innovation



La Plucherie: microgreens, edible flowers and herbs

Plucherie by InVivo produces microgreens, aromatic plants and edible flowers cultivated in a controlled environment. The crop prototype was validated in 2018 and successfully tested with several Parisian chefs looking for new flavours.

This project is entering its development phase with the creation of a production and distribution company and an urban farm which will be installed in central Paris with the aim of delivering produce to more than a hundred Parisian chefs, most of whom hold Michelin stars.

La Plucherie also plans to provide restaurant owners with equipment to produce their microgreens themselves. It is in this context that InVivo Invest has taken a stake in the French start-up Vegz, which manufactures aeroponic grow cabinets.

Microalgae, fermentation

Already used as a dietary supplement, microalgae, of which spirulina is the best known, could be consumed much more widely and grown around the world. InVivo Food & Tech wants to explore new production methods to develop complete sectors.

Medicinal plants and cosmetics

The new techniques of production in a controlled environment will allow to develop crops with cosmetic and medicinal applications by producing high-quality plants with great biochemical consistency.

InVivo is carrying out a project to produce therapeutic cannabis. The group has applied to participate in the experiment that will be conducted by the French Ministry of Health and was auditioned in June 2019 by the CSST (Temporary Specialised Scientific Committee).



New food crops

Innovation in food production also involves the reintroduction of ancient crops or the wider dissemination of traditional local crops. It is thus possible to grow aquatic plants that are rich in vegetable proteins in a controlled tank and to develop short supply circuits that are closer to the major urban areas.

Quest Tour 2019: 4 winners

For its third edition, InVivo Quest, an open agri-food innovation challenge, selected a total of 4 winners in the following cities: Sao Paulo on 30 April, San Francisco on 11 September, Paris on 7 October and Lisbon on 5 November.

The 4 winners are:

- TBIT Technologia (Brazil) which proposes a quality control solution for grains and seeds
- eHarvest hub (USA) for its market place that makes it possible

to trace and enhance the value of agricultural products directly with distributors

- Kapserra (France), a biotechnology company that produces biologically sourced and biodegradable microcapsules capable of improving the performance of fertilisers and biological pest control agents
- Aerobotics (South Africa) provides a solution for early pest and disease detection enabled by drone imagery and artificial intelligence

The winners will benefit from a business connection with InVivo

and its partners to facilitate their access to markets, be given priority access to apply to the Microsoft for Startups acceleration programme and an entrance pass for CES 2020 in Las Vegas alongside InVivo.



Website
Quest Tour 2019

CSR

Inside



Interview with
RACHEL KOLBE-SEMHOUN

CSR Officer

CSR: Cooperating for sustainable growth

At the end of 2018, InVivo announced its desire to transform its business holding companies into mission-oriented companies. This decision marked a turning point in the group's CSR policy. Can you tell us more about the place CSR occupies within InVivo?

Rachel Kolbe-Semhoun: The status of mission-oriented company enshrined in the PACTE Act immediately appeared to us as an opportunity to deepen our CSR commitments and to clarify the purpose of our strategic plan. Our ambition is to meet the challenges of transforming the world of agriculture and food through innovative and responsible solutions for the benefit of cooperatives, farmers and consumers. Since we implemented our first CSR policy, more and more initiatives are being conducted at group level and within the business lines. Our *raison d'être* indicates it is time to take the next step. The group CSR Committee conducted a materiality analysis on this financial year in order to determine the issues and actions that must be given priority. In parallel, as part of the thought process on the *2030 by InVivo* plan, the work carried out by the Executive Committee and

the Innovative CSR Committee of the Union InVivo Board of Directors has laid the groundwork for us. They focus on agricultural upstream issues as well as societal expectations. It thus places CSR and digital matters at the heart of the group's and its members' value creation model through the structuring of sustainable, equitable and traced approaches by sector, and the role of crop production in the bio-based economy.

At InVivo, you talk about CSR Inside. What does this expression mean?

R. K.-S.: At InVivo, we see CSR as a performance lever. CSR Inside means that CSR must be at the heart of all our activities, boost the transformation of the group, catalyse development and innovation and make them more robust. Our CSR commitments are thus reflected throughout the business lines and also, in a more forward-looking manner, by the InVivo Foundation. CSR was one of the strategic axes of the *2025 by InVivo* plan; the new *2030 by InVivo* project reaffirms this commitment even more strongly with the ambition of "Cooperating for sustainable growth".



InVivo Foundation
Annual Report 2018-2019

The materiality analysis structures the CSR approach

To give priority to the challenges of the CSR approach and to build on them, InVivo conducted a materiality analysis within each of its business divisions and at group level. To carry out this vast project, the CSR Committee, with the assistance of a consulting firm to guarantee a robust and objective methodology, relied on the ISO 26000 standard guidelines. All stakeholders were consulted: employees, farmers and consumers, suppliers and investors, institutions and NGOs.

More specifically, in view of the diversity of the group's activities, three materiality analyses were conducted: one for Bioline with an important place given to the agricultural sector, one for InVivo Retail with over 10,000 Gamm vert and Jardiland customers who answered the questionnaire, and one for the group.

The materiality analysis identified the 12 priority CSR challenges for InVivo and its business lines. These twelve challenges, combined with the Group's three-fold approach (economic, environmental and social) to performance and the 17 Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda for Sustainable Development, helped to define the scope and the group's new CSR policy: "Cooperating for sustainable growth,



Supporting the ecological and economic transition of our activities by mobilising our employees and all the group's stakeholders".

This policy results from group commitments and business-line CSR policies. Work on defining action plans and performance indicators is underway.

The group will support the ecological transition via its commitment to contribute positively to the environment and the preservation of nature's riches directly by our activities, to the development of innovative solutions bringing progress for local areas, farmers, winemakers and gardeners, or to joining a circular economy to sustainably manage the resources mobilised in our operations and through our offerings. This must create value for the various stakeholders in the value chains and be achieved collectively, so that our employees and our partners share with us this momentum for sustainable growth.

Our CSR policy

COOPERATING FOR SUSTAINABLE GROWTH

THE ENVIRONMENT

- Optimise the impact our activities have on the environment (*circular economy, energy efficiency, etc.*)
- Make sure our offerings contribute positively to the environment, including to biodiversity and soil capital (*'third way' of agriculture, responsible gardening, etc.*)

THE ECONOMY

- Contribute to local economies (*cooperative model, helping farmers make a better living*)
- Innovate for sustainable growth (*digital transformation, diversification of three-fold performance growth drivers*)
- Contribute to a responsible, healthy and sustainable diet (*traceability, anti-waste, responsible brands, short supply circuits, etc.*)

OUR PEOPLE

- Increase value to society via collective intelligence
- Build alongside our stakeholders and especially with cooperatives.
- Make our employees our best vehicle for progress (*health and safety, quality of work life, corporate culture*)
- Promote new skills (*leadership, managerial culture, talent management, etc.*)
- Deploy our code of ethics



Our businesses

24 > 31

Union InVivo

To meet the demands of farmers and of its member cooperatives in terms of the competitiveness of both farms and of wider industry.

32 > 41

Bioline Group

To offer comprehensive solutions intended to bring about 'third way' agriculture: sustainable and positive farming practices and systems.

42 > 49

InVivo Retail

To retain the position as leader in the garden center business and establish a solid food division focused on local and organic products.

50 > 55

InVivo Wine

To become a major player in the international marketing of wine by relying on secure sourcing, strong brands and a global distribution network.

Union inVivo

Union InVivo is ready to explore new avenues that meet the expectations of farmers and its member cooperatives regarding competitiveness. The transformation of business models in the agricultural supplies and grains businesses goes in this direction.



€2.5bn

in revenues
of Union InVivo

€1.32bn

in revenues
of Agricultural supplies

€1.18bn

in revenues
of InVivo Grains



ould you sum up for us Union InVivo's results on its two core business lines – procurement of agricultural supplies and grain trading?

Jérôme Calleau: Union InVivo's consolidated revenue amounted to €2.5 billion, including €1.32 billion from the agricultural supplies business and €1.18 billion from the grain activities.

The results are positive for the supplies business, negative for trading. Nevertheless we remain optimistic because history shows us that when cooperatives come together to bring about change, they always find the way. In the agricultural supplies business, three years ago we were able to rework the procurement centre model by creating the PPA (Pôle Partenaires Agrofournitures). Now, it's time, again, to take steps to be in tune with today's digital world. The newly created aladin.farm market platform will enable us to modernise the relationship between farmers and cooperatives and be more efficient in terms of procurement. The decisions taken in response to the Egalim Act, the decision to ban price reductions, discounts and rebates, and the decision to separate sales from the consulting business require us to rework the model of the negotiation centre for phytosanitary products and to find new ways to capture added value. The aladin.farm platform, which is destined to become a marketplace offering a very wide range of products, and which is open to all cooperatives, should allow us to achieve this.

And concerning the grain trade?

J. C.: We lost time because history and men don't move with the markets. Some things change more slowly than the circumstance require. We are looking for a new model that offers new prospects for the export grain sector. With the creation of Grains Overseas, announced at the beginning of July, we are sending a strong signal to member cooperatives and more broadly to other players in the French export sector. I say a strong signal because three important cooperative groups, InVivo, Axérial and NatUp, have shown their willingness to move forward together. We invite all cooperatives who are looking for export opportunities to join us. We also want to build closer relationships with port operators because optimising the supply chain is essential if we want to stand up to our competitors. We need to align trading, sourcing from cooperatives and export port silos to be in a position to deliver quality products to our customers in a timely fashion.

What message do you want to send to the collection-supply cooperatives to invite them to join you?

J. C.: We want to create a cooperative division where all cooperatives, both in the supplies and the grain export sectors, will meet. The Union's challenge is not to turn a profit but to recover strength by bringing in the cooperatives on big projects that offer prospects for farmers and the "Ferme France".

We want to create a cooperative division where all cooperatives will meet.

*Jérôme Calleau,
Deputy Chairman*



Agricultural supplies

PPA on the road to change

The consolidated revenue of the PPA (Pôle Partenaires Agrofourniture) amounted to €1.0516 billion, including €871.1 million in plant protection and €181 million in hybrid seeds, a slight increase compared to the previous campaign.

On the crop protection side, sales are up slightly due to a still strong grain herbicide market and a recovery in foliar insecticide sales following the ban on certain seed treatments.

Concerning hybrid seeds, increased sales of corn, sunflower and sorghum seed have offset the drop in rapeseed resulting from a 30% drop in cultivated areas.

Within the PPA, seven regional unions (Alliance Atlantique Appro, Area, Axérial, Centrale Convergence, Sicapa, Unions Terres de France, Unisud) representing more than 100 cooperatives negotiate together a portion of their purchasing terms and conditions for crop protection and hybrid seed products.

The PPA team and the strategic committee (comprised of representatives from all seven regional cooperative groups) all actively took part in creating the aladin.farm digital platform, the first stage of which concerns all products within the PPA scope.

An important work analysing the consequences on agricultural distribution

of the provisions of the Egalim Act relating to the ban on price reductions, discounts and rebates was also carried out. These new regulatory provisions have turned on its head the business model built on price negotiation that allows for bulk purchases made at the level of regional groups and the national union that is the PPA. The collective intelligence of member cooperatives has been capitalised on to rework the economic model with the main objective of optimising farmers' income, while retaining the benefits of pooled purchases and the network's agronomic expertise.

Lastly, again this year, more than a thousand trials of plant protection, biological pest control and hybrid seed products have been conducted with the aim of offering farmers solutions that enable them to produce responsibly and sustainably, all while meeting consumers' expectations. The biological solutions network, whose purpose is to develop a methodological framework for assessing biological pest control and biostimulant products, conducted 54 vine and field crop surveys and assessed these new solutions on four experimental co-operative platforms. As for the seed network, it tested 89 new varieties and several new biostimulant seed coating solutions.

Vert Cité contributes to making our cities greener

Vert Cité, the referencing and procurement centre dedicated to landscaping professionals, which brings together 17 member companies, had a great year. Business was good, boosted by good weather favourable to the beautification of parks and gardens and landscaping in municipalities. This trend also tends to be stronger in pre-election years. Its consolidated revenue grew by 5% to €36.3 million.

Its range continues to grow, especially in landscaping, biological solutions, and low-maintenance, stress-resistant turf for sports fields.

Fertiline: the integration of Koch Fertilizer produces results

Fertiline's activity perfectly reflects that of the fertiliser market, which just had a very unusual year. Sales were brisk in the first half of the season (from June 2018 to November) before collapsing from November to February due to the very high fertiliser prices that put the brakes on farmers' purchases. The spring resupplying campaign also remained very weak. In this context, volumes of fertiliser sold by Fertiline, particularly nitrogenous fertilisers, fell.

Nevertheless, Fertiline posted consolidated revenue of €219.5 million, up €75 million compared to the previous year. Two factors explain this increase: the rise in prices and the integration of Koch Fertilizer's French production of urea-impregnated fertiliser marketed under the Nexen brand, bought in April 2018, with close to €50 million in sales. This acquisition produced the expected results: InVivo has become a leader in the urea-impregnated fertiliser market in France.

In addition, following the opinion issued by the Anses on the request for assessment of the use of urease and nitrification inhibitors concerning the risks they pose for the environment, for applicators and for consumers, products such as Nexen and Novius have been included in the



recommendations of the *Guide des bonnes pratiques agricoles pour l'amélioration de la qualité de l'air* (Guide on good agricultural practices for improving air quality) published by Ademe in April 2019. All of this work is part of the national plan, known as Prepa, for reducing emissions and air pollutants.



Grain businesses

The Logistics and Storage activities and InGrains are mainly carried out by Union InVivo, while the international grain trading activities are mainly conducted by subsidiaries under the InVivo Grains holding company.

Logistics & Storage: a slight upturn in activity

InVivo's sea and river port sites handled 4.8 million tonnes of grain during the year, a slight increase in logistics and grain storage compared to last year, but still below the average of the last decade.

Several negative factors once again weighed on the campaign. The bad weather conditions of the spring of 2018 and the hot weather of the summer greatly decreased corn production in France and therefore the crop's exportable volume. In addition, difficulties in navigating the Rhine, the Moselle and the Saône rivers, between July and November, limited the trade done by water with European markets. Finally, exports to the international market via the seaports on the Atlantic seaboard have been faced with increasingly fierce competition from other major exporting countries. This competition has affected the positions of French grains and set back the logistical pace at which ships are loaded.

The volume of dried grain traded was 326,000 tonnes, 35% lower than last year.

On the other hand, grain grading services rose sharply to nearly 488,000 tonnes, enabling teams to consolidate their expertise in this area.

In addition, the silos have continued to innovate and offer alternative methods to insecticides to preserve the quality of stored grains. The site in Saint-Usage now offers cooling preservation services; the sites in Bassens, Huingue, Châlons-en-Champagne and Santes have carried out fumigation operations in cells.

InGrains: a very difficult year

The InGrains digital platform is a pooling tool created two years ago and open to cooperatives having a relationship with Union InVivo in cereals. Created to seek added value for French wheat exports, although it is yet to turn a profit.

InGrains continued throughout the year to propose cooperatives offers from FOB market buyers, but the prices did not allow platform operators to offer competitive back-to-back offers to cooperatives, which resulted in a sharp drop in volumes processed. In view of this, and taking advantage of the fact that Grains Overseas had just been created, the InGrains teams, in collaboration with the technical committee and after consultation



with the cooperatives, proposed a new offer for the 2019-2020 campaign, which was closer to the expectations of the latter, and in which Union InVivo guaranteed that the committed volumes would be executed. This new offer meets the cooperatives' demand on three points:

- returning to simpler offers;
- taking on the price risk, but not the quality risk for which the cooperatives must remain responsible;
- sharing information and market analyses.

The work undertaken in parallel for several years with other cooperative groups to overcome the structural difficulties of the French export sector was pursued both at the level of the InVivo Trading Commitments Committee and the Board of Directors of Union InVivo.

InVivo Trading: successes despite a loss

InVivo Trading posted consolidated revenue of €1.1495 billion, an increase compared to the previous year. This increase results from the roll-out of InVivo Trading Asia's activity.

InVivo Trading Asia continues to grow thanks to its strong expertise on the export of corn and soybeans to the Middle East, Saudi Arabia and Jordan in particular. The activity of the Singapore office increased from 730,000 tonnes to 1 million tonnes, or one-third of the grain volume handled by InVivo Trading.

Several activities continue to demonstrate the resilience of their business model, especially the export of French wheat to Cuba, which reached 250,000 tonnes this year. Rapeseed trading in France also confirms the strength of its model built on very close proximity to producing cooperatives. InVivo Trading remains amongst the cooperatives' preferred partners to bring liquidity to this market, with its presence on all French parities.

However, the strategy of expanding the portfolio of traded commodities, initiated four years ago to ensure that InVivo Trading's risks and incomes would diversify, did not achieve the expected results. That is why, after two years of activity, the group decided to close the InVivo Trading do Brasil subsidiary because it did not reach the critical mass allowing it to have a resilient business model.



highlights



Fermes LEADER: the first assessments are available

In 2018-2019, Fermes LEADER was able to conduct its first campaign on the field. It was not a simple roll-out: 22 digital technologies have been positioned with the pilot farmers of the network. These include vine probes tested at La Cave de La Bastide, connected traps to assist in corn biological pest control at EMC2, drinking water optimisation for cattle by NatUp, or control of connected irrigation in tree cultivation, to name but a few, since 21 cooperatives participate in the work of the network. For the most committed cooperatives, the first assessments are available this year. This diversity in technologies is facilitated by the implementation of value-creating partnerships with InVivo Quest, the Agri Sud Ouest Innovation competitiveness cluster, La Ferme Digitale and Les Digifermes.

InVivo Trading strengthens its positions in the rapeseed market.

45

participating
cooperatives

1.1 Mt

sold

22%

of French
production (4.9 Mt)



InVivo supports the Cuban agriculture development plan

InVivo Trading is positioning itself today as the leading exporter of French wheat to Cuba. InVivo has also been working with the Cuban authorities for two years to assist them in the creation and development of a sustainable and efficient corn sector that will rely on the cooperative model.

A memorandum of understanding was signed in March 2019 between InVivo and the Cuban Ministry of Agriculture. The goal of this collaboration is to help Cuba import 900,000 tonnes of corn a year to achieve self-sufficiency.



Fermes LEADER leads down the ‘third way’ of agriculture

Faced with a profound questioning of the agricultural system and the emergence of all kinds of opportunities, initiatives and start-ups, the Fermes LEADER living lab’s mission is to boost innovation by directly involving farmers and cooperatives. The network, now made up of 21 cooperatives, works on three priorities:

- Capturing value-creating innovation: sourcing innovations domestically and abroad, and labelling them through qualified assessments by farmers in the network.
- Supporting the renewal of relationships with members: new communication interfaces to share on the implementation of new practices and facilitate their adoption.
- Using data sensors as tools of understanding: objectifying the information, and then enhancing its value with all recipients up to the consumer.

In addition to the 22 technologies currently being assessed, a collaborative web platform provides concrete insights into new approaches to more educational exchanges between cooperatives and farmers. Finally, two national projects are testing the value of agricultural data for the general public and agricultural downstream actors.

Grains Overseas: an InVivo, Axérial and NatUp creation

On 10 July 2019, InVivo and the Axérial and NatUp cooperatives created Grains Overseas, a new group with international reach allowing them to combine certain marketing volumes of soft wheat and feed barley for third countries through a more competitive offer and efficiency gains.

Overseas Grains’ ambition is to export 4 million tonnes of soft wheat and feed barley a year to third countries. France produces around 37 million tonnes of soft wheat a year, of which 15 million are exported to third countries.

This group will notably optimise the supply chain by pooling the network of river and sea silos owned by its shareholders, thus maximising the economic performance of the French offering abroad.

The creation of Grains Overseas marks an important step in the organisation and pooling of cooperative forces to respond, in terms of quality and competitiveness, to the needs of international customers.



bioline group

Bioline Group is made up of four high-added-value business lines: seeds, plant health, biological solutions and the agrodigital market. In addition, it offers expert, consulting and risk management services. With a presence throughout the agricultural value chain, Bioline Group offers comprehensive solutions intended to bring about 'third way' agriculture: sustainable and positive farming practices and systems that benefit people and the planet.

€448.9M

in consolidated revenue

€48M

in Ebitda

13

countries

W

What was Bioline Group's performance for the year?

Laurent Martel: Bioline Group's consolidated revenue stands at €448.9 million – up €100 million compared to the previous year. We have followed a clear growth trajectory. Profits are also satisfactory with €48 million in Ebitda, up from €32 million

the previous year. These results give us reason to believe in our project to build the 'third way' of agriculture. We had a very good year on biocontrol, particularly in North America. We also saw very good performance, once again, in our Brazilian businesses, both in seeds with Agrosol and in crop protection with CCAB Agro.

What were the major initiatives of the year?

L. M.: First, 2018-2019 was a year of consolidation for support functions, HR, finance and communication, and of integration for our information systems with the deployment of SAP. It was also a year of growth. Having acquired Sweet Briar's biocontrol business in California and created the Bioline Iberia joint venture in Spain, we are now one of the major players in the biocontrol market. We expanded our expertise on macro-organisms and our positioning on the major European and American markets. We also acquired Aegilops, a French start-up specialised in the design of seed coating and film-coating products and opened the new LS Production seed production plant in Northern France. This means we now have a real seed-expertise hub at our disposal. Lastly, this year we launched Bioline Insurance and participated in the Protélis project. These are two offerings that aim to secure farmers' income.

What is so valuable about your project?

L. M.: We know where the 'third way' of agriculture will take us: to a chain-based agriculture that meets consumers quality requirements and is increasingly reflected in the specifications of the agri-food industry. It will favour the use of biological solutions. 2030 by Bioline is tomorrow morning. We are now developing our 2030 offering with regard to how long the research programmes will take. The offering mix of services and products will be recalibrated, with a strong development of services. To meet the challenges that lie ahead, my priority will be the growth and development of Bioline's employees, who are our company's main asset in the race for innovation.

The offering mix of services and products will be recalibrated, with a strong development of services.

Laurent Martel,
CEO of Bioline Group



Seeds

Semences de France: the year of fodder

Semences de France carried out an excellent campaign in fodder and intercropping. Fodder sales saw a dramatic recovery since much grassland need to be renewed after a very dry 2017. The increase in sales was also driven by Semences de France's growing expertise in professional and amateur turf, which has secured new contracts for the company. For its first participation in the Trophées JardinPlus (JardinPlus Awards), an annual challenge where the best suppliers are selected by procurement decision-makers in the gardening sector, Semences de France was awarded the bronze trophy in the Flower, Vegetables and Turf Seeds category. Seed sales for intercropping benefited as requirement to keep a plant cover on farmed areas during the winter is becoming more widespread.

In straw cereals, after a bad year in 2017 marked by a record rate in the use of farm seeds, sales of certified seeds have pick up again. However, this recovery has not offset the loss of activity related to the ban on neonicotinoids in seed treatment. In corn, Semences de France is maintaining its positions in a market that finally posted a slight increase after five years of decline. The opposite is true for rapeseed, where the decrease in cultivated areas recorded this year had a strong impact on the seed business. In sunflowers, despite a limited offering of varieties, sales are up slightly. Overall, Semences de France's consolidated sales are, at €99.5 million, virtually equivalent to those of last year.

It also comes out with a stronger network thanks to a new member, Sanaterra in Somme (80), and the increased size of Ceresia.

LS Production opens a new factory

Owned equally by Bioline Group and NPZ, LS Production, no.1 French producer of rapeseeds, invested significant funds this year to create a new seed production plant in La Chapelle-d'Armentières in Nord (59).

With a production capacity of 10,000 tonnes, the plant is equipped with cutting-edge technology for sorting, coating, film-coating and coarsening seeds, enabling it to optimise seed yield and limit waste. The industrial site has been laid out, so it integrates perfectly into the environment and contributes to the preservation of biodiversity.

European subsidiaries try to find their bearings

In Italy, despite an increase in sales of durum wheat and soybeans, Novasem's result fell short of expectations. Seed production for Italy is largely entrusted to the shareholding cooperatives of Semences de France.

In Hungary, Tradisco Seeds had a difficult year in seed production due to the winter and spring drought. Nevertheless, the company carried on with its development plan with the launch

of a commercial activity on corn, sunflower and straw cereals. Its results are in line with expectations.

In Brazil, AgroSol posts another year of growth

AgroSol, equally owned by Bioline Group and Cultivo, is performing well on all fronts. Active in Matto Grosso, its production and sales of Agrosol soybean seeds are up sharply. A new corn business launched with the creation of the Crivius brand is off to a good start. Consolidated revenue stands at €16.2 million against €11.6 million as at 30 June 2018.

Aegilops: a very promising start-up

The acquisition in November 2018 of Aegilops, a French start-up specialising in the design and development of seed coating and film-coating products, demonstrates Bioline Group's determination to develop new high-performance and innovative solutions to improve seed quality.

This is because seeds are the first essential step to the success of agriculture, particularly 'third-way' agriculture, which strives to meet the objectives of productivity, quality and respect for the environment. The research conducted by Aegilops focuses on the development of new seed coating and film-coating formulations based on biostimulants, enzymes, bacteria and micro-organisms for biological control. These are solutions that will improve seed quality and how crops are planted, stimulate natural plant defences and optimise precision seeding.

Aegilops' consolidated revenue stands at €4.1 million. Since most of its revenue is made in France, the company's integration into Bioline Group will allow it to grow its sales not only in Europe but also in Russia, Ukraine and South America.

Plant protection

Phyteurop: industrial investments

Phyteurop's activity moved at a slow pace in 2018-2019. Revenue was down but its contribution to consolidated revenue increased: €40 million against €33.5 million in 2017-2018 (contribution over 12 months). The very dry weather conditions during the summer and autumn of 2018 limited the use of non-selective herbicides and molluscicides, which are two important product lines of the company. In addition, like other phytosanitary companies, Phyteurop has been affected by restrictions on the use of certain products and the reduction of authorised active ingredients.

However, a rebound is already underway with the launch of a new range of micronised sulphur fungicides including Faeton-SC Xtraflow, which is used in field crops. Without known hazards, this product is unclassified and may be used in organic farming. There is also promise in the synergies that are resulting from cooperation with Bioline AgroSciences. For example, the pooling of Phyteurop's sales force and Bioline AgroSciences' technical knowledge on the positioning of biocontrol products has led to increased sales of trichogramma against the corn borer and grape berry moths. These successes back up Phyteurop's innovation strategy which focuses its research on the development of new crop protection solutions that combine phytosanitary products preferably formulated with 100% plant-derived adjuvants and biological pestcontrol products.



The responsible agriculture approach adopted in recent years also contributes to this process with the company's recognised expertise in beets and vine. This approach is two-fold: new resistant weed control programmes are tested in the field and distributors are given support to learn best practices for the use of the products.

Industrial investments in a new line for liquid product formulations – which is currently the most modern in Europe – and small-container packaging, have made it possible to develop third-party manufacturing.

The German subsidiary Plantan has achieved a satisfactory commercial performance in a difficult context. The decision was made to invest in a new storage warehouse in Schönebeck, Germany.

Life Scientific: a very positive year

Life Scientific is performing well in all areas. It realised consolidated revenue of €12.6 million, and profits are up. Its supplies of raw materials are secured thanks to its partnership with HVH in China. Its research laboratory in Dublin has expanded, with 1,500 square metres of additional space. Its product portfolio is also expanding. Its European base is strengthening. Life Scientific has achieved several successes in France, the UK and Germany with the successful launch of new products. In Spain, despite a still limited range, the results have also met expectations.



2018-2019 also saw the implementation of a new sales structure that has been operational since 1 July 2019 with the creation of two subsidiaries: Life Scientific France in the Lyon region and Life Scientific Germany. The R&D, product approval and supply chain teams based at the company's headquarters in Dublin have added new members.

CCAB Agro: a double-digit growth

Once again, CCAB Agro's sales increased by 50% this year. Consolidated revenue stands at €215.9 million even in the face of a complicated global context.

There are two factors driving this growth. On the one hand, CCAB Agro has gained strength in the area where it has traditionally maintained a presence, namely the Central-West region of Brazil, the Matto Grosso, where it engages directly with the farmers who are members of CCAB Participacao's cooperatives. On the other hand, it is expanding its scope of activity in the southern regions of the country, through distribution agreements with cooperatives and traders. This strategy of indirect access to the market has been structured around a new brand, Cropline, and a dedicated team on the field. Ten months after its launch, Cropline's revenue has already reached US\$20 million. CCAB Agro's product portfolio has expanded as more products have been approved for the company, primarily for soybean, corn and cotton.

A business intelligence and business development department was created this year to prepare the launch of innovations, such as biocontrol products or agrodigital service offerings.

InOu: all set for 2020-2021

InOu, the Chinese joint venture created with industrial partner HVH, is the first company in the Shanghai-Pudong area to obtain the new phytosanitary product distribution licence required by the Chinese Ministry of Agriculture. This licence is granted to companies that meet the new standards in management, warehouse management, product application instructions and health and environmental safety. The paperwork process is going well so sales will probably begin in China in 2020-2021 as expected.



Biocontrol

Bioline AgroSciences expands its scope of activity

A specialist in the production of macro-organisms for the protection of plants and Ephemera eggs, and the technical and scientific point of reference for the breeding of predatory and parasitic beneficial insects, Bioline AgroSciences has had a good year. Bioline Group's development strategy for the biological solutions market is underway. Consolidated revenue stands at €29.2 million.

Sales of *Phytoseiulus persimilis* have jumped in the United States, where they are used to protect red berry and cannabis crops (in states where this crop is allowed) against predatory insects. In France, the use of macro-organisms (predatory mites, auxiliary insects, trichogramma) on vegetable crops is on the rise, particularly in Brittany and in the South-East.

The increase in sales for corn crops, not only in France but also in Austria, Switzerland and Germany, and for soybeans in Uruguay, is a testament to Bioline AgroSciences' expertise on trichogramma. And the launch in France and Spain of a new solution against the tomato leafminer (*Tuta absoluta*) and the approval of *Trichotop Buxus* against the box tree moth in the Netherlands are proof of the company's know-how concerning specialised crops. In addition, infestations of pantry and clothes moths also favour the use of *Tricholine Mite* diffusers.

2018-2019 also marked a great leap in the company's objective to go global with

the creation in January 2019 of the Bioline Iberia joint venture with Biocolor in Spain and the acquisition in May 2019 of Driscoll's biocontrol business in the United States.

Based in Almeria, Andalusia, in the largest vegetable growing region in Europe, Bioline Iberia inaugurated a few months after its creation a biofactory that will allow it to supply the market in Spain as well as Portugal and Morocco.

By acquiring the biocontrol business of US company Driscoll's – the biggest seller of red berries (strawberries, raspberries and other) in North America – operated under the Sweet Briar brand, Bioline Inc USA is now positioned as one of the leaders in biocontrol in North America. Since the company specialises in the production of predatory mites (*Phytoseiulus persimilis*, *Amblyseius californicus*) that feed on the red spider mite, a pest of red berries and cannabis, this acquisition allows it to increase its range of auxiliary insects and to have a new production facility located in Northern California, in the heart of the market.



Agrodigital

Smag starts a new phase of development

Smag is launching a new phase in its strategic development that is taking shape with the launch of new online services and operational management solutions that are even more intuitive, more mobile and that concretely integrate the first benefits of agricultural big data.

The software offering has been restructured for simplicity. Today, it revolves around a new ecosystem, the AgrOptimization System, which includes three types of solutions that make it easier to acquire, share and analyse agricultural data:

- the operational solutions used on the field by farmers and agricultural consultants for the day-to-day management of their business;
- datalabs, agricultural data analysis solutions which make it possible to reconstruct, in a simplified manner, the information entered in the form of dashboards and to better identify the economic, agronomic and environmental performance of the farms;
- webservices and APIs to make partner solutions interoperable with Smag software, with complete security and without requiring a specific development.

This restructuring of the software range comes alongside other initiatives: the merging of Smag Farmer and Expert, the two traditional agreeo/atland software programmes dedicated to the management of operations into one, the set-up of a new user site (mysmag.tech)

to support the use of Smag solutions and the progressive hosting of solutions on Microsoft's Azure Cloud platform which is more secure and efficient.

Smag's entry into the French agtech ecosystem took place this year by becoming a partner member in La Ferme Digitale, an association recognised by all the operators of the agricultural world that promotes the use of new technologies in agriculture to produce more and better, all while taking into account societal expectations.

In Brazil, a management solution contract for seed production was signed with AgroSol. With its agreeo seeds solution, Smag has positioned itself as one of the leading French publishers in the production management ERP market dedicated to seed breeders and multipliers.

Be Api: 150,000 hectares of precision farming

The be Api concept of precision farming is gradually being introduced. Intra-plot diagnoses, the basis of the be Api concept, were carried out on 27,000 hectares during the 2018-2019 campaign, i.e., 150,000 be Api hectares in total.

The be Api digital platform developed by Smag is accessible to advisers of affiliated cooperatives since September 2018, enabling them to prepare intra-plot advice and recommendations. Since the beginning of 2019, farmers can view and download their maps and modulation files on the Mon be Api web platform.

The lessons learned in the two first years of the be Api concept, implemented since 2016, show the importance of involving the cooperatives' field teams in the sale of services. The results of the test mechanisms implemented in the thirty or so affiliated cooperatives have made it possible to better quantify what is to be gained from the modulation of inputs, bottom and nitrogen fertilisers in particular, at an intra-plot level, but also from seeding densities, fungicide application on wheat, and from helping farmers to go into this new type of agriculture.



Agricultural consulting

Agrosolutions supports progress initiatives

The consulting firm continues its development to offer consumers healthy products, grown sustainably, whilst respecting nature and people thereby ensuring economic stability for French farms.

By organising more than 1,200 tests a year implemented by the InVivo Union cooperatives, Agrosolutions capitalises on references generated over more than 40 years to determine the best production strategies from an economic, agronomic and environmental point of view. The teams conducted this year their 1,000th procedure monitoring resistance to fungicides, a number that makes Agrosolutions a key player in the improvement of agricultural practices. This agronomic knowledge allows the firm to lead progress initiatives with agribusiness and local stakeholders.

In the agri-food sector, Agrosolutions can now count two major sectors in France amongst its new customers. CRC, the EIG which brings together farmers, cooperatives and traders, millers, industrialists, distributors and bakers, promotes a specification for cereals that is amongst the most demanding in France. It came to Agrosolutions for help in implementing its CSR approach in the wheat sector. Agrosolutions has also been appointed by the European association Pink Lady, which brings together nurserymen, producers

and marketers passionate about this apple, to develop their commitment charter.

Actively engaged with those in charge of town and country planning, Agrosolutions assists the communities Val d'Amboise, Orléans Métropole and Touraine-Est Vallées in carrying out their local food and agriculture projects. The goal: to devise a local agricultural project that creates value for producers and implement concrete actions in favour of the environmental transition for a group of stakeholders living in the same area.

In line with their motto "Sortir Du Cadre" (Out of the Box), Agrosolutions' teams are also involved in innovative projects such as agrivoltaics with Total Solar or the structuring of the soybean sector in Burkina Faso. Finally, this year marks a milestone with the opening of a new head office in Reims and the appointment of Estelle Thibaut as CEO of Agrosolutions.

Bioline Insurance: first campaign

Created in June 2018, Bioline Insurance dedicated its first 2018-2019 campaign to the launch of its crop/weather comprehensive insurance offering. The solution was first tested with members of nine cooperatives. The results of this test enabled Bioline Insurance to strengthen its offering in terms of covered crops (cereals, oilseeds, protein crops, industrial crops including seed multiplication) in order to adjust it to the needs of the greatest number. The solution is being rolled out to members of 15 cooperatives.

Bioline Insurance is strengthening its research programme on the concept of parametric insurance to extend its coverage to other agricultural risks and to be able to tailor bespoke solutions to various players in the agricultural sector.

highlights



Bioline Iberia: InVivo AgroSciences's 5th biofactory

Inaugurated on 7 May 2019, Bioline Iberia has an area of more than 4,000 square metres. On one side there are dozens of climate-controlled rooms to produce auxiliary insects, especially predatory mites, and on the other side there is a space where orders are prepared using state-of-the-art equipment.

Located in Almeria, it has an ideal location in the heart of Andalusia, one of the biggest regions in Europe for greenhouse vegetable production. This biofactory is Bioline AgroSciences's fifth, in addition to those of Livron in France, Clacton in the UK, and Oxnard and Watsonville in California.

Bioline Insurance + Protélis: securing farmers' income

July 2018: Bioline Insurance launches a crop/weather comprehensive insurance offering.

July 2019: NatUp, Groupama and Bioline Group by InVivo create Protélis, which offers a policy that allows farmers to accumulate precautionary savings on an individual account opened within their cooperative. The principle is simple: put aside the good years to build up savings for difficult years.



Smag Farmer:

a 2-in-1 solution
with a mobile
application and
web software

25 April 2019: LS Production inaugurates its new seed production plant

5,000 ha

of seed production

20 species

(rapeseed, cereals, protein crops, flax, seeds for corn and sunflower trials)

10,000 tonnes

of annual production

10,000 tonnes

of storage capacity



The 'third way' of agriculture on display at the Futuroscope



Bioline by InVivo village attracted a lot of attention on 5 and 6 June 2019 during the Culturales events held at the Futuroscope. For the first time, Semences de France, Fertiline, Phyteurop, Bioline AgroSciences, Smag, be Api and Fermes LEADER, as well as Bioline Insurance, gathered under the same marquee, adjacent to a demonstration area in the field, demonstrating their commitment to the 'third way' of agriculture.

November 2018: Aegilops, developer of seed coating and film-coating solutions, joins Bioline Group

The new seed coating and film-coating formulations based on biostimulants, enzymes, bacteria and micro-organisms for biological control will improve seed quality and how crops are planted, stimulate plants' natural defences against disease and pests, and increase their ability to draw nitrogen from the soil.





invivo retail

As a multi-brand corporation with a presence in three B2C business lines – garden centres, pet supplies and food retail – InVivo Retail aims to retain its position as leader in its traditional businesses (plants and animals) and establish a solid food division focused on local, organic products sold via short distribution networks.

€1bn

in consolidated
revenue

€2bn

in branded sales
before tax

3,582

employees

B

y the end of 2018, InVivo Retail reached new heights with the acquisition of Jardiland. What is your take on the past year?

Guillaume Darrasse: First of all, I would like to point out that the Jardiland merger has gone well both from a human and a technical standpoint, which means the multidisciplinary preparatory work that was carried out paid off. The Jardiland

acquisition on 1 October 2018 dramatically increased InVivo Retail's size. Consolidated revenue grew to €1.009 billion, against €657.7 million at the end of June 2018. Branded sales in our three networks (Gamm vert, Jardiland and Delbard & Affiliés) reached €2 billion before tax. Our new position as the no. 1 player in the garden centre business makes new synergies possible between the Gamm vert, Jardiland and Delbard brands. This year, we set up an EIG to negotiate joint purchases for the three networks. Next, we intend to set up a single purchasing centre. Furthermore, at the financial year-end (June 2019), we signed a procurement partnership agreement with the Sevea group, which operates the Villaverde and Baobab brands.

What are the other highlights of the year?

G. D.: Concerning the garden centre business, we bought the Gamm vert network, consisting of 29 stores, from the Maïsadour cooperative group. Gamm vert Synergies, which operates the branches, is thus approaching critical mass, i.e., 150 stores, which should enable it to become profitable. We also acquired two large garden centres from the Végétalis group on the French Riviera. These will come under the Jardiland brand. Concerning our second business, food retail, we are gradually refining our growth model by bringing in our two brands, Frais d'ici and Bio & Co, which we acquired in November 2018. In addition, we have the food corners, set up in the garden centres, which are posting good results.

What are your strategic axes for the next few years?

G. D.: Financial year 2018-2019 was one of transition. Profound transformations will be required to develop our leadership and consolidate our franchisees' positions. While we are leaders in gardening centres, a large market share of the gardening and plant market remains in the hands of large food and home improvement retailers. Our 2030 strategy is built around three areas:

- Providing structure to the networks via retail garden centres and local shops, with the related logistics;
- Aligning our efforts to offer and create own brands to improve performance and customer satisfaction;
- Consolidating our position as leader in the garden centre and pet supply markets and establishing a product offering and food retail network focused on organic and local products.

This strategy will be reinforced by our CSR commitments.

Profound transformations will be required to develop our leadership and consolidate our franchisees' positions.

*Guillaume Darrasse,
CEO of InVivo Retail*



Garden centres

At the end of August 2018, the French Competition Authority authorised the acquisition of the Jardiland group by InVivo with the requirement that it sell off eleven stores. Six outlets under the Jardiland and Gamm vert brands were sold, and five franchise agreements were terminated. In the garden centre business, despite a season marked by atypical weather and the entry into force on 1 January 2019 of the ban on the marketing of synthetic phytosanitary products to individuals, Gamm vert, Jardiland and Delbard & Affiliés all posted satisfactory results.

Gamm vert's results confirm the resilience of its business model

With branded sales of €1.181 billion before tax, against €1.167 billion in 2017-2018, Gamm vert demonstrated once again just how resilient its model based on the expertise of franchised cooperatives and self-owned shops operated by Gamm vert Synergies really is.

With the acquisition in June 2019 of the 29 stores of the Maisadour cooperative, Gamm vert Synergies now operates 115 branch outlets, nearly 10% of the Gamm vert network which consists of 1,142 stores in total.

Gamm vert is holding on to its position in the plant and animal market segments. To increase its visibility from the start of

the season, Gamm vert sponsored the weather segment on France 3 for a month with spots advertising its chicken feed and plants for vegetable gardens – two of its areas of excellence.

The brand is performing well on regional food products, which backs up its desire to pursue further growth in this area. In line with consumers' desire to buy healthier food, the products developed for the Les Sens du Terroir brand are free of additives and preservatives.

Conversely, sales of clothing and footwear are down, and ranges are going to be rationalised.

Gammvert.fr confirmed its place as the no. 1 digital garden centre with a 30% increase in sales. Customers are no longer wary of buying plants online. Logistics are running like clockwork with a drop shipping system (producer delivers directly to the end customer) for plants and a platform that prepares small parcels for purchases by individuals.



Click & collect and in-store pick-up services are also working well. The challenge now is for InVivo Retail's brands to go omnichannel, which will require the networks to modernise their information systems.

Gamm vert accounted for €530.6 million of the group's consolidated revenue.

Jardiland: best retail chain in France in the garden centre and pet store categories

Despite being required to sell several stores, sales under the Jardiland brand increased slightly from €560 million before tax in 2017-2018 to €580 million before tax in FY2018-2019.

The increase in sales was driven by the new concept deployed two years ago. 31 stores have been renovated so far and 14 will be next year.

In the plants business, Jardiland had an excellent year in many areas, particularly in houseplants, where the brand was able to capitalise on new trends that favour the use of plants as decoration, and on greenhouse and nursery products. Sales of garden products also increased with summer coming early this year.

In pet supplies, sales remained stable. In this very competitive market, Jardiland launched a new local pet shop: Noa – La maison des animaux, which offers a range of products and services for the well-being of dogs, cats and small mammals. The first Noa opened in Avranches in Northern France in January 2019. This prototype store is just the beginning of a development plan that aims to open 60 points of sale.

These good results are also driven by the new TV campaign. With three new spots, Jardiland continued its advertising saga initiated in 2017 which relies on humour. The value of this campaign lies in that it has been able to position Jardiland as a true partner for its clients, capitalising on the expertise of its consultants.

For the 4th year in a row, Jardiland was elected Best retail chain in France in the garden centre and pet store categories. In Spain, Jardiland also posted good results for its 7 stores.

As at 30 June 2019, the Jardiland network consisted of 101 branches and 76 franchised stores. The two garden centres purchased from the Végétalis group in April 2019 came under the Jardiland brand, thus reinforcing the network's presence on the French Riviera. Jardiland's contribution to the Group's consolidated revenue stands at €350.6 million.



Delbard & Affiliés: Design végétal

Sales under the Delbard & Affiliés brand totalled €238 million before tax. The network consists of 191 stores that operate under two franchise brands, Delbard and Jardinerie du Terroir. It is clearly an attractive proposition for franchisees: ten new stores recently joined the network, including two in Belgium and four from the Altitude group in the Massif Central.

This year, Delbard unveiled its new generation of shops, Delbard 2020, with a new slogan "Design végétal" ("Plant design"), new signage, an enhanced customer experience and a foray into the digital world with "Mon jardin par Delbard", a new online and on-site service that offers everyone the opportunity to test garden ideas. Eight of the 49 garden centres under the Delbard brand have already deployed it.

Delbard accounted for €9.9 million of the group's consolidated revenue.



Food retail

Frais d'ici: 7 new stores

Seven new stores opened during the year:

- Éveux (Rhône) - Groupe Dauphinoise
- L'Isle-Jourdain (Gers) - Vivadour
- Tulle (Corrèze) - Natéa
- Beaune (Côte-d'Or) - Bourgogne du Sud
- Saint-Géréon (Loire-Atlantique), Saumur (Maine-et-Loire), Saint-Pierre-du-Mont (Landes), - Gamm vert Synergies.

There are now eleven stores under the Frais d'ici brand.

Frais d'ici stores sell fresh groceries and deli items, more than 80% of which are local and regional products. Armed with the experience gained in previous shops, the company seeks growth by optimising procurement and range optimisation methods, and by paying attention to employee training.

At cruising speed, this concept generates between 25 and 35% of additional revenue, with a performance per square metre that

far exceeds that of garden centres.

Combining garden centres and food retail boosts store traffic. For customers coming to the garden centre, it makes sense to do their daily shopping there. The concept also attracts consumers looking for local products with quality they can trust and origin they can trace.



Market introduction

Bio & Co: 7 organic stores

Acquired by InVivo in November 2018, Bio & Co, a network specialising in the distribution of organic products, strengthens InVivo Retail's development strategy for local and organic products. It is located in the Provence-Alpes-Côte d'Azur (PACA) region and saw its seventh store open in February 2019 in Salon-de-Provence (Bouches-du-Rhône).

This brand offers one an extremely comprehensive range of organic food products, including an extensive fruit and vegetable area, a traditional butcher's shop and a wide range of dairy products. The cosmetics & healthcare area, which accounts for 10% of sales, is run by naturopaths who provide advice to clients.

The concept will be developed in the PACA region first, then eventually in partnership with an urban garden centre aimed at customers with higher purchasing power to meet the needs of a younger clientèle already looking for organic products (10% of the French population).

Néodis-Billaud Grains: retail activity on the rise

Néodis-Billaud Grains posted consolidated revenues of €22.8 million. This performance is attributable to the excellent growth in the retail business.

In pet supplies, the success of the pet brands dedicated to the Gamm vert network made it possible to achieve €28.6 million in sales – a 14% increase. The trend should continue as the cat food range undergoes a makeover. In addition, Gamm vert's addition of the wild birds' range to its products has been a real success.

Néodis also consolidated its position as leader in the pest control segment with the Myriad brand. The launch of rat poison sold in small sizes and the anti-mole kit are a success.

In the professional market for the protection of stored foodstuffs, there are new growth prospects for Néodis after it received its marketing authorisation for spinosad, the first grain treatment molecule deemed a biological pest control.

InVivo Retail's CSR commitments

InVivo Retail's CSR commitments revolve around three areas:

- **Preserving nature's riches and allowing everyone to have access to them**
 - Managing natural resources, particularly water, in a sustainable way by offering more plants that consume less water and products that make it possible to have better control over watering
 - Preserving plant and animal biodiversity in gardens (small wild animals, birds and insects)
 - Promoting ecological products, including biological solutions for plant protection, in stores
 - Reducing the environmental footprint of our activities and products, starting by this first initiative: within 5 years, all own-brand pots will be eco-designed.
- **Promoting respect for nature and spreading a culture of "responsible gardening"**
 - Drafting a quality animal well-being policy for the pet supply business
 - Designing educational materials on these topics for sellers
 - Educating consumers on good gardening practices.
- **Mobilising our employees and our partners to achieve our commitment to social responsibility**
 - Developing the skills of employees so that they are the best ambassadors of our CSR commitments.

highlights



Noa: la maison des animaux

Jardiland's new pet shop concept offers a range of products and services, including a grooming salon, Noamatic, the Lav'dog self-service allowing customers to wash their dog in 20 minutes, the Paravet space for a pet well-being diagnosis by a qualified consultant, as well as Do-it-yourself creative workshops.

Noa is also a meeting place for passionate pet owners to share their love of animals with each other.



All 29 Maisadour stores join Gamm vert Synergies

On 6 June 2019, InVivo Retail and Maisadour signed the sale of Espace Vert, Maisadour's garden centre and motorised gardening equipment division. While InVivo Retail will be directly taking over the business of Soumo, the procurement office and innovative retailer of motorised gardening equipment, Gamm vert Synergies, Gamm vert's retail chain operator, will add 29 new garden centres to its network.



With Végétalis, Jardiland plants a foot in the French Riviera

In April 2019, InVivo Retail bought the Végétalis group, which owned two garden centres in the Var. Located in La Londe-les-Maures and Fréjus, with surface areas of 8,000 and 11,000 m² respectively, they are amongst the largest garden centres in the region. These two garden centres now come under the Jardiland brand.

Jardiland strengthens InVivo Retail's leadership position in the garden centre market

178

garden centres (France)

130

garden centres whose surface is greater than 4000m²

99

directly-owned outlets

€580M

(excl. tax) annual revenue under the Jardiland banner



Jardiland's new campaign has plants and fish talking



From 1 April to 26 May 2019, Jardiland was on TV with three new commercials. Humorous like the previous spots, these three commercials are the sequel of the advertising saga that began in 2017. The Jardiland family is back, but this time in-store. Still a little confused, but ready, willing and able, our three famous customers have their own special technique to try and understand their animals, decorate their home with flowers or lay out their garden: they talk directly to the main parties involved: a plant, a fish and a statue. And, luckily for them, at Jardiland there is always someone to assist them in bringing their projects to life.

InVivo Retail undertakes that 100% of the pots will be eco-designed within 5 years

For the European Sustainable Development Week, InVivo Retail unveiled one of the first tangible commitments of its corporate social responsibility policy: Within 5 years, 100% of the pots and labels used for our own-branded plants will be made from recycled plastics or materials that have been eco-designed to be fully reusable, recyclable or compostable. More broadly, for all our plant offering, we will systematically seek alternative solutions to the use of plastic from non-renewable resources.”



invivo wine

Organised around three divisions: Services, Brands and Retail, InVivo Wine has set its fundamentals and given itself the means to boost its growth in France and abroad to build an ecosystem representing all wine stakeholders. From producer to consumer, InVivo Wine cultivates a sustainable sector that inspires current and future generations.



€224.7M

in consolidated
revenue

11

countries

319

employees



ou were appointed CEO of InVivo Wine in September 2018 with the goal of changing things up. How is InVivo Wine positioned today?

Frédéric Noyère: InVivo Wine is on track. We have set our development milestones. 2019 was a year of transition for InVivo Wine. The company was reorganised around three areas: Services, Brands and

Retail. This approach should enable us to deploy our strategy from upstream to downstream and engage all teams and entities to adopt a shared approach. The management team has grown with the arrival of new managers. Today we have an organisation that is both decentralised and close to the concerns of our markets, but that has also grown in terms of support functions. We share out performance drivers with those of the group: innovation, globalisation, CSR, operational excellence. Our ambition remains unchanged: to become a major player in the international marketing of wine by relying on secure sourcing, strong brands and a global distribution network.

Where does the company stand after FY2018-2019?

F. N.: InVivo Wine's consolidated revenue stands at €224.7 million, slightly lower than in the previous financial year. FY2018-2019 was difficult as global consumption stagnated. We divested from some unprofitable activities to refocus on our major strategic areas. Structuring actions were carried out on each of the three divisions. The Services division focused its efforts on better controlling sourcing and defining precise specifications. The goal is to make sure that the wine profiles developed by our member cooperatives or partners perfectly match those that consumers want. Our offer is structured around global brands that create value, especially with the redesign of the Cordier brand and the development of organic offerings with Maris. Regarding Retail, a new sales framework has been implemented according to a retail set-up organised by distribution channel: selective, mass retail, business development and fine wines.

What is InVivo Wine's path for the coming years?

F. N.: We will continue our external growth strategy because we must quickly reach the critical mass of €500 million in revenue. When we have reached this level, we will be able to fully deploy our innovation and upscaling strategy. We must be able to offer long-term prospects to French wine cooperatives. Although many challenges await us, we are resolutely optimistic.



Our ambition:
to become
a major player
in the international
marketing of wine
by relying on
secure sourcing,
strong brands
and a global
distribution
network.



Frédéric Noyère,
CEO of InVivo Wine



Union InVivo – Wine Division

Giving priority to wines from our member cooperatives

Union InVivo's Wine Division has focused its efforts on giving priority to and enhancing the value of wines from member cooperatives to best meet the needs of InVivo Wine's markets as well as consumers' expectations. InVivo Wine is committed alongside cooperatives to prepare the wine industry and territories for environmental issues, particularly climate change. Aware that the typicity of wines will evolve in line with future changes, cooperatives have already acted to adapt to them. More and more are turning to organic products and HVE3 certifications (high environmental value), demonstrating that views are converging at all levels.

InVivo Wine is a partner of the Vignoble Innovant et éco-responsable (Innovative and eco-friendly vineyard, VIE) project, supported by Anivin, the French wine joint trade organisation. The first pilot vineyards located in the Aude are led by Vendéole, a grouping of the Malepère and Razès wineries (formerly EVOC), members of Union InVivo. InVivo Wine is also working alongside Vignerons de Buzet to set up "New Age" vineyards, in line with the Viti Rev TIGA project supported by the Nouvelle Aquitaine region.

Breakdown of InVivo Wine's consolidated revenue



Services

A three-fold skill: sourcing, oenotechny, bottling

The Services division brings together sourcing, oenotechny and bottling activities. Bulk sourcing relies mainly on the French wine growing base of member cooperatives but also on a procurement office located in South Africa. The work done this year preparing the specifications, defining brand profiles, greater accuracy in maturation and packaging has helped to rationalise the wines listed in the purchasing portfolio and to improve the qualities as part of an approach to enhance the value of the product proposal, particularly that of own brands. Industrial performance audits were conducted this year to optimise the profitability of the different bottling sites.

€36M

Services

€34M

Brands

€155M

Retail



Brands

The range is taking shape

A major project was initiated to build and structure a portfolio of strategic brands, implemented through controlled sourcing and strong partnerships. Special emphasis was placed on the Cordier and Maris brands, specifically in brand architecture, packaging redesign and marketing plan. The new Cordier range was presented at Vinexpo Bordeaux in May 2019. The Maris range came out a winner again, with five wines ranked in the Wine Advocate's Minervois Top 10 for 2017 and two medals awarded at the Organics Masters 2019 by The Drinks Business.

InVivo Wine's brand offering revolves around:

- Global brands that address global consumer trends, like Cordier, Maris, Canei, Lyngrove
- Multi-local and local brands to meet regional needs as is the case of Tulip, Cap Gris, Guillaume, Rutishauser.



Retail

Encouraging results

The Retail division, which includes the international sales network, was completely restructured. It is now organised by channel: selective, mass retail, fine wines and business development specific to areas where InVivo Wine is not established.

The selective distribution division has focused its efforts on rationalising the product portfolio, restructuring and boosting sales teams - with encouraging results. For example, Armit Wines in the UK posted excellent results with a 15% increase in sales in the last quarter of the year, despite a gloomy context linked to the uncertainty brought by Brexit.

The mass retail division recorded its first successes with the first listings of the Cordier and Maris brands, positioning itself as a key partner capable of managing the category.

As for fine wines, InVivo Wine adopted a new strategy centred on a more focused offering. The French subsidiary Mestrezat pared down its offering of grands crus classés, distributed via the Bordeaux market, to ensure its commercial strategies vis-à-vis the partner châteaux are executed perfectly. The campaign for the sales of the 2018 vintage *en primeur* was a real success.

highlights



A larger management team

From the left to the right:
Marcel Campen, Chief Operating Officer
Sophie Fromental, Chief Marketing Officer
Georges Moneger, Member Cooperative Relations Manager
Alexandre Schouler, Chief Financial Officer
Sabine Arandel, Head of Human Resources
Philippe Leveau, Retail Division Managing Director for Europe
Frédéric Noyère, Chief Executive Officer
Bruno Kessler, Chief Winemaker

Château Maris: 5 organic wines in the Minervois Top 10 for 2017

La Touge, Las Combes, Les Planels, Les Anciens and Les Amandiers 2017, five organic wines of Château Maris were ranked in the Minervois Top 10 for 2017 rated by the Wine Advocate, the publication created by famous American taster Robert Parker.





Cordier: the ultimate French brand

Representative of the full range of French wines, the Cordier brand is supported by three ranges: Les Essentiels, a premium range consisting of red, rosé and white wines celebrating the pleasure of good times shared;

Les Découvertes, super premium wines that reveal the excellence of the most beautiful terroirs in France of the member cooperatives and partners of InVivo Wine: AOC Languedoc, Beaujolais Villages without sulphites, Bordeaux, Côtes du Rhône Villages Laudun, Burgundy and Mâcon Villages;

Les Signatures, ultra premium wines from a unique selection: Saint-Julien, Saint-Emilion Grand Cru, Châteauneuf-du-Pape and Gigondas.

SAP4Wine: One 4 All

Led by the One 4 All project team, the implementation of a centralised SAP information system is one of the major management projects for InVivo Wine. The SAP4Wine project brings together the supply chain, procurement, sales and finance teams of all entities. It has been deployed in Europe as a first step.



The vineyard of the future: the ecological transition



InVivo Wine places a high value on CSR and innovation as important areas of development, and thus intends to assist the wine industry in the ecological transition and prepare it and the territories for climate change. This involves developing progress initiatives within each wine region. Numerous trials are under way within the Union InVivo cooperatives, where new techniques such as disease-resistant grape varieties, new technologies (automation, data sensors), self-pollinating vineyards, zero chemical input, the use of biological control agents and agroforestry are being tested. Very interesting initiatives are being carried out by Vignerons de Buzet around the “New Age” vineyards, the Vendéole cellars in Aude around the VIE (innovative eco-friendly vineyard) project and the cellars of Labastide and Saint Maurice within the framework of Fermes LEADER or Agriprogress.

Corporate communication department.

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