



PRESS RELEASE

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AGRANA acquires US-based organic distribution company Marroquin Organic International

The fruit, starch and sugar group AGRANA is expanding its distribution activities in its starch segment and has acquired 100% of shares in the US distribution company Marroquin Organic International Inc. based in Santa Cruz (California). Marroquin Organic has 29 years of experience supplying organic and non-GMO ingredients and has grown to over \$20 Million in annual revenue. Marroquin Organic International is a long-standing distribution partner of AGRANA Stärke-GmbH.

AGRANA CEO Johann Marihart: "Marroquin Organic International is a pioneer in the organic and non-GMO food ingredient sector in the USA and enjoys a correspondingly high reputation in the market. This acquisition is a perfect fit in terms of implementing our specialities strategy in the starch segment. AGRANA possesses many years of experience in the production of specialty starches and is increasingly focusing on baby food and clean label starches which have not been chemically modified. The organic origins and non-GMO status of our products are increasingly appreciated by customers and users alike, particularly in the USA where, with starch largely being based on genetically-modified corn, demand for non-GMO starches is rising." With a volume of USD 17 billion (2017), the US market for packaged organic foods, the world's largest according to Euromonitor, is forecast to grow 8.2% per year in the period to 2023.

Grace Marroquin, founder of Marroquin Organic International: "Teaming up with AGRANA is a natural choice for us. We've been working with their outstanding product line for over 20 years, helping the industry to grow and innovate. AGRANA is well-positioned to support the organic and non-GMO market as it continues to grow in North America". Marroquin Organic International was founded by Grace Marroquin in 1991, when she recognized the need for certified organic, specialty ingredients in the US market.

Specialities strategy

In its starch segment, AGRANA processes potatoes, corn and wheat to make numerous different starch products for the food, cosmetic and pharmaceutical industries as well as for numerous technical applications. With three starch mills in Austria and a production site in both Hungary and Romania respectively, AGRANA has established itself as a key producer of customer-oriented speciality products. As part of its specialities strategy, AGRANA offers the food industry a wide range of non-GMO and organic products.

About starch

Starch is a carbohydrate (polysaccharide) which is formed from numerous glucose molecules. It is made by plants and starch-rich examples include cereals and potatoes. Starch is used in nearly all areas of the food industry, for example in the baking and confectionery sectors, in dairy products and in the production of sausage products. Various forms of this organic product are found both in long-life potato products (such as potato flakes and potato dough mixtures) as well as in baby food. The main customers in the non-food sector are the paper and paper processing industries (e.g. corrugated board), the textiles industry (finishes and adhesives for fabrics), and the construction chemicals industry (pigment pastes and building materials). Starch is also used in many pharmaceutical products, particularly tablets, as well as skincare products and cosmetics such as baby powder, rouges and creams.

About AGRANA

AGRANA converts agricultural raw materials into high-quality foods and numerous industrial intermediate products. About 9,500 employees at 57 production sites worldwide generate annual Group revenue of approximately € 2.4 billion. Established in 1988, the company is the world market leader in fruit preparations and the leading producer of fruit juice concentrates in Europe. As well, its Starch segment is a major manufacturer of custom starch products and of bioethanol. AGRANA today is also the leading sugar producer in Central and Eastern Europe.

This announcement is available in German and English at www.agrana.com