

Delacon and Cargill announce strategic equity investment

Partnership will advance the natural phytogetic feed additive category

(STEYREGG, AUSTRIA and MINNEAPOLIS) July 6, 2017 — Delacon, the pioneer and global leader in phytogetic feed additives, and Cargill have agreed to a strategic partnership that will advance the market presence of natural, plant-based feed additives on a global scale, and meet changing consumer preferences of what animals are fed and how food is produced. The deal includes a minority equity investment from Cargill. Terms were not disclosed.

The partnership will connect Cargill's deep expertise in applied nutrition and global presence with Delacon's knowhow and market experience in phytogetic feed additives, a category that uses natural ingredients, including herbs, spices, other plants and their extracts, such as essential oils, to improve animal performance and secure animal health for sustainable, wholesome food production.

The agreement also will allow the companies to expand their technical and go-to-market capabilities to meet customers' needs around the world as they pursue the joint mission of growing the phytogetic feed additives category.

For Delacon, the partnership will give access to countries worldwide, where it does not have a market presence today. For Cargill, the investment expands its presence and capability in the additives space, with a focus on select markets outside the United States. Delacon's successful distribution and partnership network will be retained, and developed further to make plant-based feed additives more available around the globe.

"Our agreement with Cargill represents an opportunity to accelerate growth and invest in Delacon's future and the future of phytogetic feed additives, as our customers are looking for solutions delivered in a natural, efficient and sustainable way - from feed to food," said Markus Dedl, chief executive officer, Delacon. "Phytogetics are one of the most promising groups of feed additives, and are turning from a niche market into a mainstream need. We are entering a new era of phytogetic feed additives, and the next five years are decisive for the developments in this growing market."

This strategic partnership builds on the successful collaboration that Delacon and Cargill have built over the last several years. By centralizing these efforts with a strategic partnership, the companies are expanding their focus, presence and reach in the micro nutrition space.

"Delacon has a strong reputation, recognizable brand and a deep commitment to scientifically driven customer solutions that focus on healthy animals, feed efficiency and performance in a sustainable manner," said Chuck Warta, president, Cargill Premix and Nutrition. "Cargill and Delacon share common values – a commitment to our customers, science-driven innovation and high product quality. We also value a positive and safe work environment for our employees, sustainable and responsible business practices and deep ties to our communities."

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Advancing phytogetic feed additives

The term 'phytogetic feed additives' was coined 30 years ago by Delacon's founder, Helmut Dedl. Started as niche product in the 1980s, micro nutrition with phytogetics now provides the next frontier for animal productivity and sustainable, wholesome food production. Given the vast variety of powerful natural ingredients, phytogetic feed

additives are known for broad-spectrum efficacy, with proven impact on unlocking the nutritional potential in feed, control and improve the digestive process, enhance the gut's microflora and boost the immune systems of farm animals to promote feed efficiency, keep animals healthy and provide wholesome food while reducing the environmental impact.

About Delacon

Founded and grown as an Austrian family business, Delacon has been the pioneer and global leader in phytogenic feed additives for 30 years. The company researches, develops and produces natural feed additives composed of herbs, spices and essential oils for poultry, swine and ruminants, and coined the term 'phytogenics'. With 130 employees at 17 locations Delacon is consistently working on further expansion of its global leadership. In total Delacon's products are currently exported to about 80 countries. For years, the company realizes double-digit growth of revenues; ten percent of the annual revenues are invested in research and development.

www.delacon.com

About Cargill

Cargill provides food, agriculture, financial and industrial products and services to the world. Together with farmers, customers, governments and communities, we help people thrive by applying our insights and 150 years of experience. We have 150,000 employees in 70 countries who are committed to feeding the world in a responsible way, reducing environmental impact and improving the communities where we live and work. For more information, visit Cargill.com and our [News Center](#).

About Cargill Animal Nutrition

Cargill's animal nutrition business has more than 20,000 employees at more than 275 facilities in 40 countries. Fueled by our innovation and research, we offer a range of products and services to feed manufacturers, animal producers, and feed retailers around the world, helping put food on the plates of nearly one billion people around the world every day. Cargill's animal nutrition business offers a range of compound feed, premixes, feed additives, supply chain and risk management solutions, software tools and animal nutrition expertise that is unmatched in the industry. For more information about Cargill Animal Nutrition, visit: www.cargill.com/animal-nutrition.

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