

Ekosem-Agrar AG: First government seed certification for winter wheat

Walldorf, 31 January 2020 – Ekosem-Agrar AG, the German holding company of Russian milk producer EkoNiva Group, has achieved its first major success in cultivating its own seeds. The company's 'Cepheus' winter wheat variety has been entered in the state register of varieties approved for use in Russia and can be reproduced and sold exclusively by the Group in the future.

The new variety is characterized, above all, by high frost resistance, showing a much better resistance than other winter wheat varieties, even at temperatures as low as -26° C. This unique combination of extreme robustness and high potential yields offers significant added value. Moreover, 'Cepheus' is highly adaptable and offers good grain quality as well as stable yields of up to 11 tons/ha.

Stefan Dürr, majority shareholder and CEO of Ekosem-Agrar AG: "Our many years of work in the development of new varieties are now beginning to bear fruit. We are very confident that our new winter wheat variety will meet with strong demand from Russian farmers and see significant sales potential for our Seeds segment over the next five to ten years. At present, more winter wheat varieties and two soy varieties are still in the approval process. This will help to diversify our business model even further."

In seed breeding, Ekosem-Agrar also cooperates with Saatzucht Bauer GmbH & Co. KG. This cooperation is to be further intensified in the future in order to be able to rapidly expand the range of attractive varieties.

Besides breeding its own seeds, the Group mainly acquires variety licenses for grains, grain legumes, grasses, clover and lucerne for exclusive reproduction and distribution in Russia. Some 30,000 tons from the 2018 harvest sold to external buyers make Ekosem-Agrar AG one of the largest seed producers in Russia (2019 harvest: approx. about 40,000 tons). Revenues from this business segment exceeded EUR 10 million in the 2018 financial year.

About Ekosem-Agrar

Ekosem-Agrar AG, Walldorf, is the German holding company of the EkoNiva Group, one of the largest Russian agricultural companies. A herd of approx. 190,000 cattle in milk production (thereof about 97,300 dairy cows) and a daily output of approx. 2,400 tons of raw milk make the company the largest milk producer in the country. The Group controls an agricultural land area of about 600,000 hectares and is also one of the leading Russian seed producers. The founder and CEO of the company is Stefan Dürr, who has been active in the Russian agricultural sector since the end of the 1980s and has been instrumental in modernizing the industry in the past three decades. In 2009, he was awarded the Order of Merit of the Federal Republic of Germany in recognition of his contributions to the German-Russian Dialogue on Agriculture. The Group employs more than 14,000 people and has a presence in nine regions in Russia. Ekosem-Agrar generated a total output of EUR 377 million and adjusted EBITDA of EUR 116 million in 2018. Further information is available at: www.ekosem-agrar.de

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