

Joure, Friday 8 May 2020

Price reduction for HZPC certificates offers positive signal to active seed potato growers

Potato breeder HZPC publishes certificate price after half-yearly trading day

The supply of certificates has increased. This was clear during HZPC Holding B.V.'s half-yearly trading day on 8 May 2020. The price of the share certificate was set at €131.25 (done, left*) on the day. This signifies a reduction in the value of the HZPC certificate of 10%. The next trading day will take place on Friday 13 November 2020.

The reduction of the price of the HZPC certificate is a positive signal to the active growers. Because the supply has increased, they can purchase certificates more easily. These certificates are now partly in the hands of growers who are no longer actively growing. The Connecting Growers program announced in March was created to stimulate the transfer of certificates from inactive growers to active growers.

No HZPC without growers

The Connecting Growers programme has been created to ensure that HZPC remains in the hands of active growers. Mr Gerard Backx, CEO of HZPC: 'A strong HZPC benefits from belonging to HZPC's active growers. The fact that the supply of certificates has grown is seen as a positive sign to this group. It seems that growers who are no longer active want to sell their certificates and make them available for active growers.'

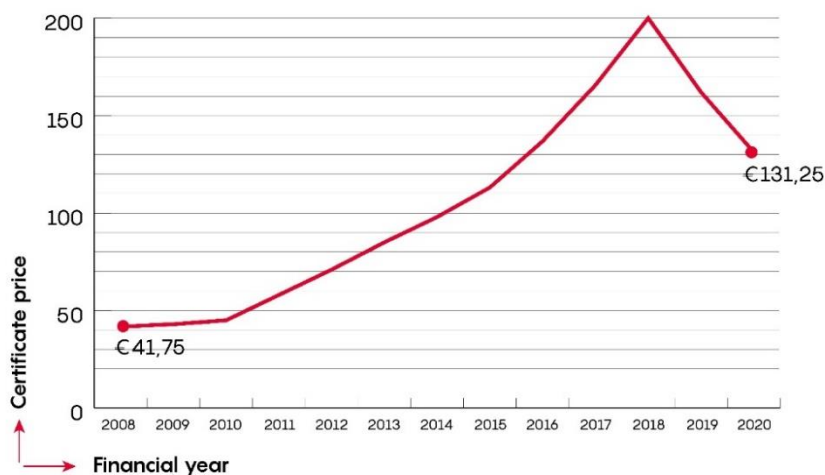
The Connecting Growers programme equates to HZPC buying shares to the value of 1.5 million euros every year in order to redistribute them among its active seed potato growers in the European Union. This will allow all of the interested growers to become co-owners of HZPC.

Price and market value

HZPC financial year	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Share certificate	€113.15	€136.90	€165.65	€200.00	€162.00	€131.25
Market value (x millions)	€89	€107	€130	€157	€127	€103
Dividend / certificate	€3.75	€5.75	€7.00	€4.00	€7.75	tbd Oct 2020

HZPC price and market value at 783,725 certificates.

Certificate price HZPC Holding B.V.



How is the value of the certificate set?

Supply and demand always sets the value. This is also the case for the 'Share Certificate HZPC'. Twice a year, in May and November, HZPC organises a certificate trading day for associated (former) seed potato growers, breeders and employees of HZPC Holding B.V. The sales and purchase of certificates runs via an online platform and the trading day is supervised by a bank. The price can increase or decrease by a maximum of 10% each trading day. The first certificates were traded in the 1999/2000 financial year at a price of €24.00. The next trading day will take place on Friday 13 November 2020.

HZPC wants to offer returns

HZPC believes in collaboration as a significant component of its strategy. Mr Gerard Backx: 'Collaboration comes from two sides. We can clearly demonstrate that HZPC aims to realise a combination between a good return on certificates and a decent payment to our seed potato growers. In most countries across Europe, we have already communicated our price to the growers. As such, we are one of the first. We expect to achieve a very competitive payout price.' Since the creation of HZPC in 1999, a dividend has been paid out every year. The dividend for 2019/2020 will be set at the shareholders' meeting on 1 October 2020.

*Done, left: trade took place at this rate but not all sales orders could be fulfilled as a result of the imbalance between supply and demand at that rate. The term 'done, leave' means that the supply is higher than the demand at that rate.

*Done, offer: trade took place at this rate but not all purchase orders could be fulfilled as a result of the imbalance between supply and demand at that rate. The term 'done, offer' means that the demand is higher than the supply at that rate.

About HZPC

Founded in 1898 and rooted in The Netherlands, HZPC has grown to become global market leader in innovative breeding, seed potato trading and concept development. We aim for durable growth. We offer innovative potato varieties that are optimised for local growing conditions. We share knowledge and provide solutions that dynamically anticipate the climatological, cultural and commercial challenges faced by the entire food sector. With 400 employees across 15 countries, and exports to over 90 countries, we contribute to the availability of responsible food for the well-being of millions of people worldwide.

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