

A person wearing a red and blue plaid shirt is holding a smartphone in a pigpen. The pigpen is filled with several pigs of various colors, including white, brown, and black. The person's hand is visible, holding the phone. The background is slightly blurred, focusing on the person and the pigs.

Investing in Argentina Pork Production

August 2020



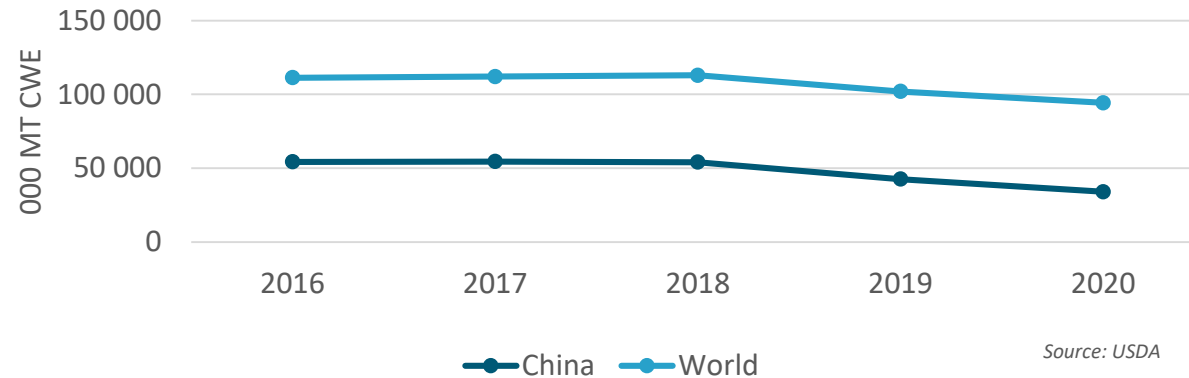
Agencia Argentina
de Inversiones
y Comercio Internacional



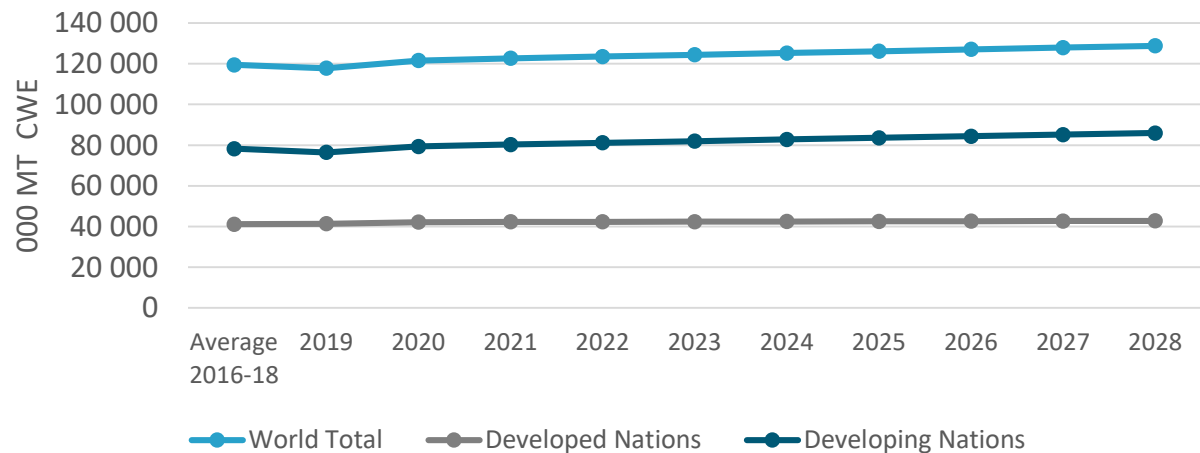
Ministerio de Relaciones Exteriores,
Comercio Internacional y Culto
Argentina

World production: past, present & future

Swine meat production



Swine meat consumption



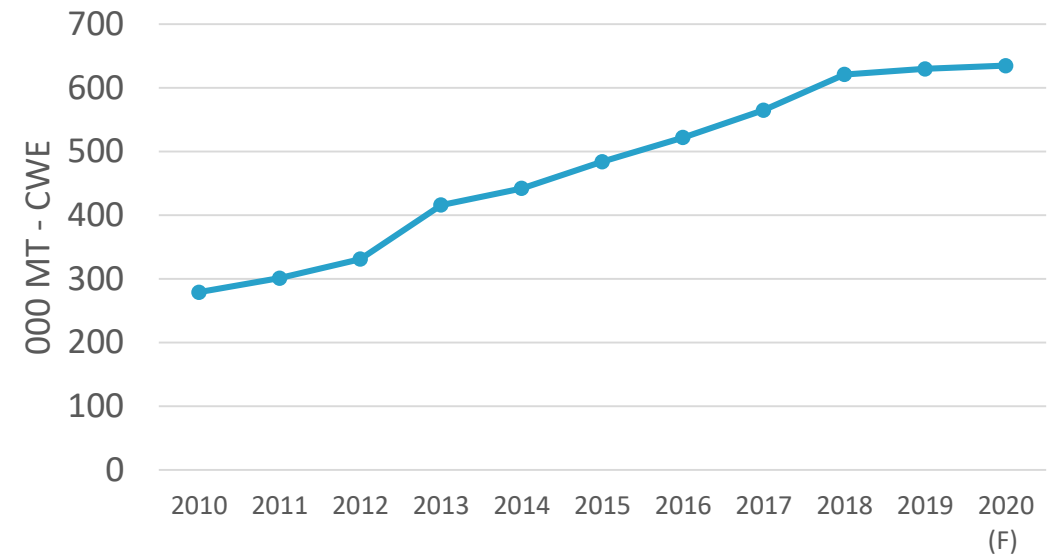
- World production is estimated to drop for the second consecutive year, mostly due to the impact of African swine fever.
- China will remain the single largest producer in the world.
- China's estimate production for 2020 represents 80% of what they produced in 2019 and 63% of what was produced in 2018. This deficit will be substituted by an increase in animal protein imports, as we have seen in the last two years.
- Worldwide projections foresee an increase in consumption, which will foster long term production investment.

Argentina's production

- Argentina ranked 14th in the world production in 2019, with an undeniable potential.
- Argentina's production has been growing since 2010.
- At a productive level, the activity has numerous intrinsic advantages to be considered:

- Availability of corn and soybeans.
- Top-level feed industry.
- Favorable climate.
- No threats to health.
- Access to demanding markets.
- Reduced VAT

Swine meat production - Argentina

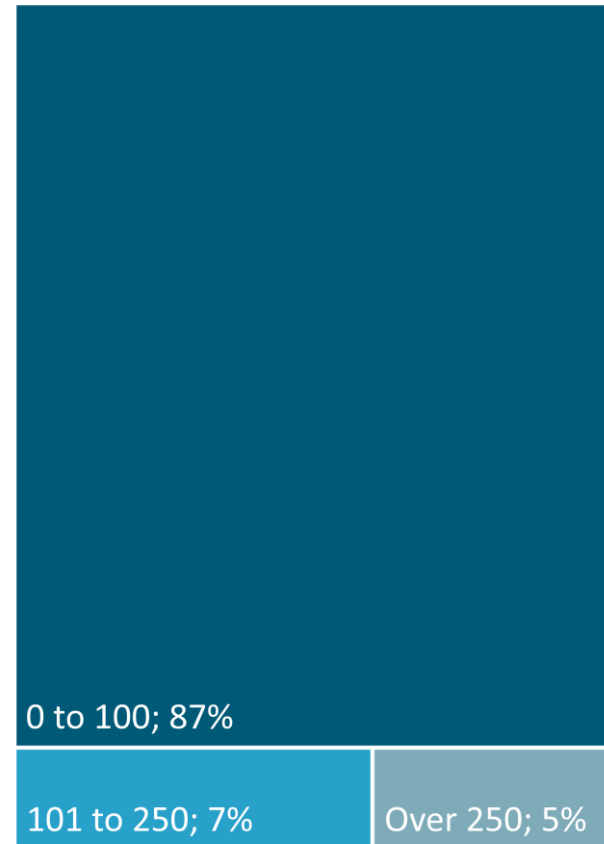


Source: MAGyP & USDA

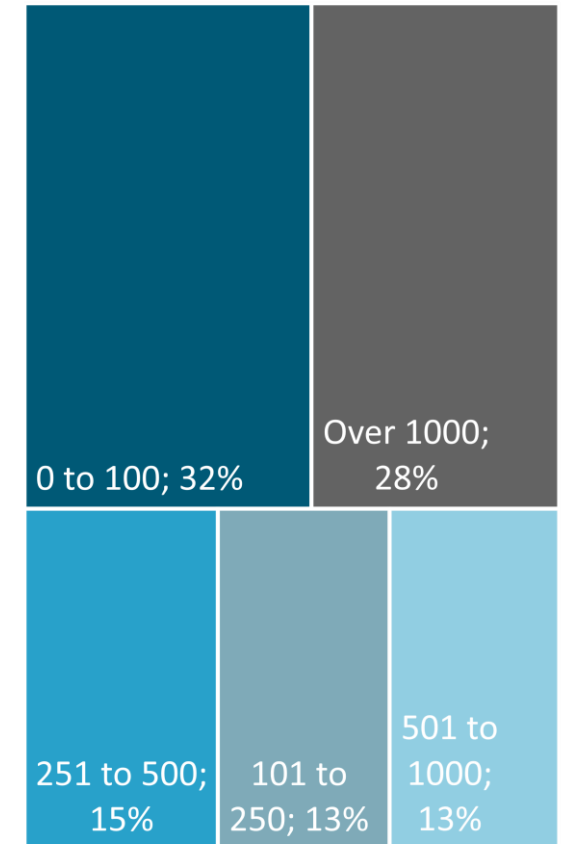
Argentina's production

- Almost all of our farms are built with the “farrow- to-finish” model.
- Our total stock at the end of 2019 was made up of 346,000 sows.
- Farms are categorized according to the amount of sows per farm.
- Larger farms not only entail a bigger production, but also a more professional management and business model.
- Argentina has a highly concentrated production:
 - 6% of the farms hold 55% of the sows.
 - 87% of the farms have less than 101 sows.

Farms per category*



Sow stock per farm category*

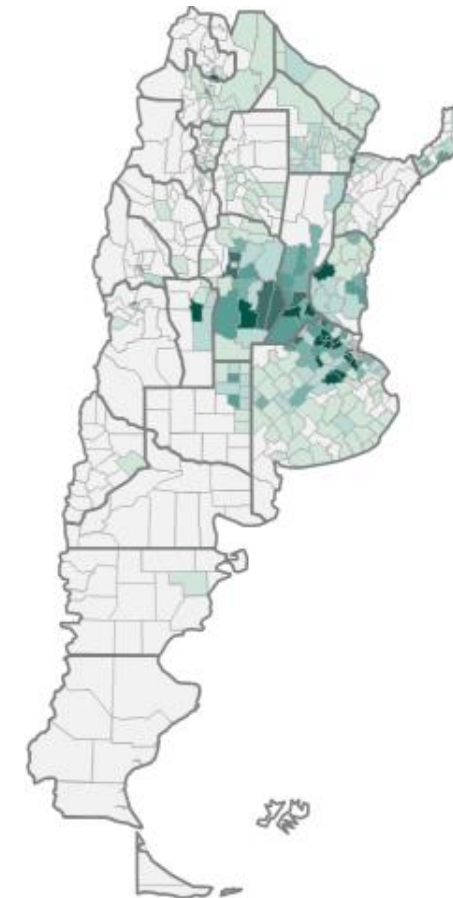


*Categories are made up by “amount of sows per farm”

Argentina's production potential

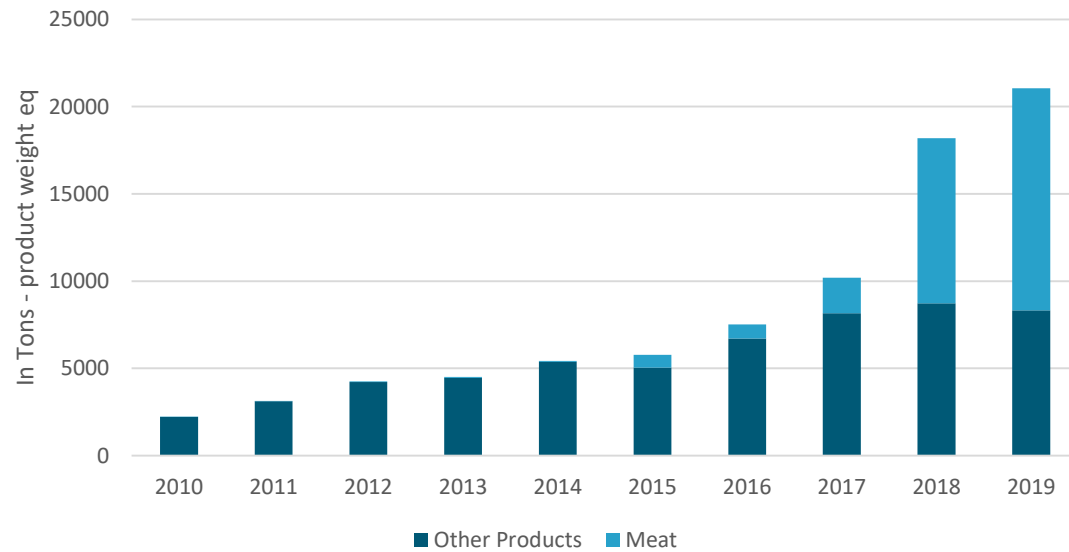
- Argentina has an established pork production industry, with both experienced producers and technologically advanced slaughter plants.
- Pork production provides one of the easiest animal proteins- with the potential to scale up if one can cater for the demand.
- The operational cost of each farm will vary considerably according to location and size.
- Argentina has an internationally renowned animal nutrition industry for both initiators and feed; moreover, it is one of the largest soybean and corn producers in the world.
- Argentina is recognized as a country free of classical swine fever by the World Organization for Animal Health (OIE)
- Almost 70% of the production is concentrated in 4 provinces, with a high potential in the rest of the country.

Pig farm distribution

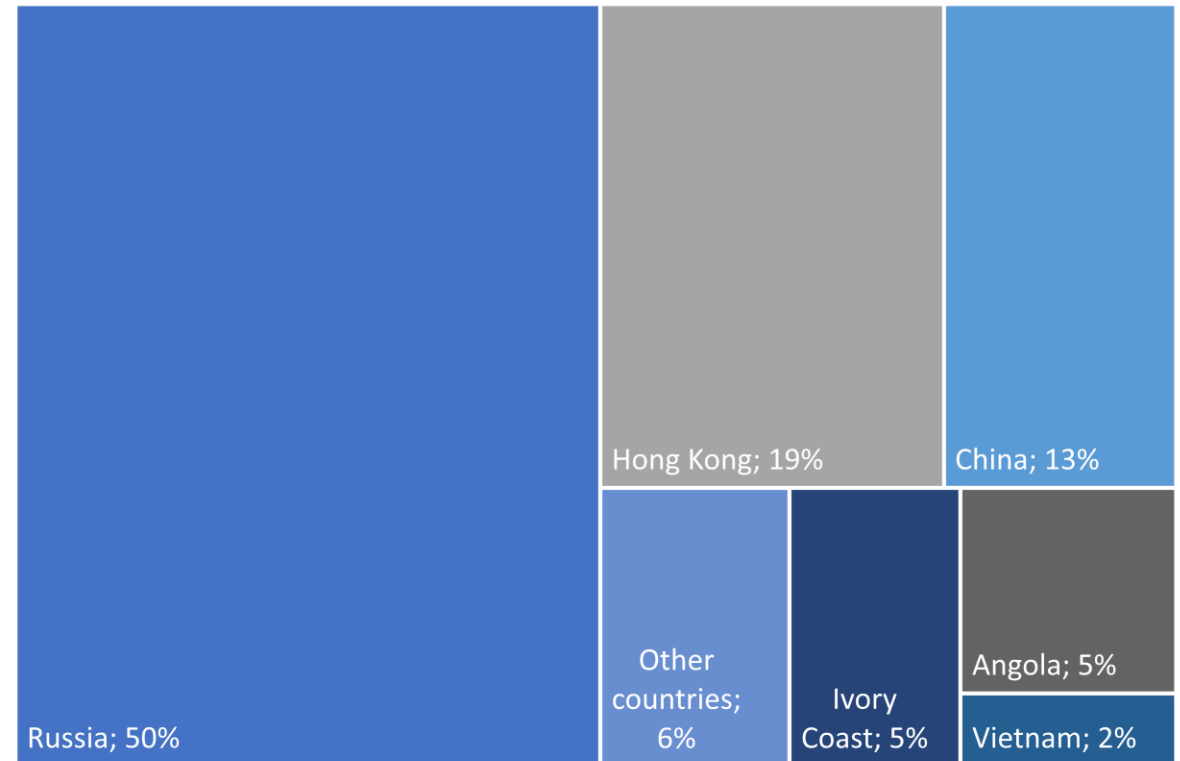


Argentina's exports

Argentina's Pork Exports



2019 Export Destinations



 **50%** H1 2019 vs H1 2020

*These numbers reflect the exports of the entire complex, including meat, offal, body fat and cold cuts.

Argentina: open for business

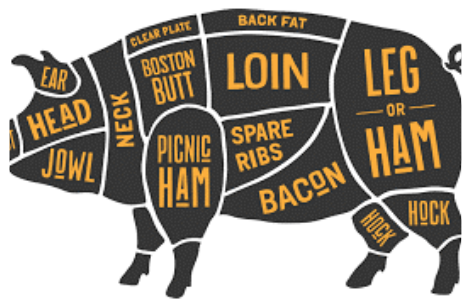
PRIMARY PRODUCTION



SLAUGHTERING PLANT



INTEGRATED PRODUCTION



- Investment opportunities in Argentina are present in all the steps of the value chain, **for both greenfield and brownfield projects.**
- Foreign companies can become a part of this industry either directly or through joint ventures.
- Since this is a growing dynamic market, there is room for new players, especially for new industrial investment.
- The current international market is facing an increase in demand and a sharp drop in production- which creates an optimal context for investment.

How we can help

We promote the internationalization of Argentine companies and facilitate private investment in Argentina

OUR SERVICES:



IDENTIFICATION OF
OPPORTUNITIES AND
LOCATIONS



NETWORKING



DUE DILIGENCE
SUPPORT



FACILITATION



IMPROVEMENT OF
BUSINESS
ENVIRONMENT



FOLLOW-UP OF
OPERATIONS

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