

# Turkey - Past , Present and Future

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*Nicholas*<sup>®</sup>

Idea

Develop

Technology



Research

Exper

Invention

Creativity

Improvement

Concept



# Hungary

Geographic map

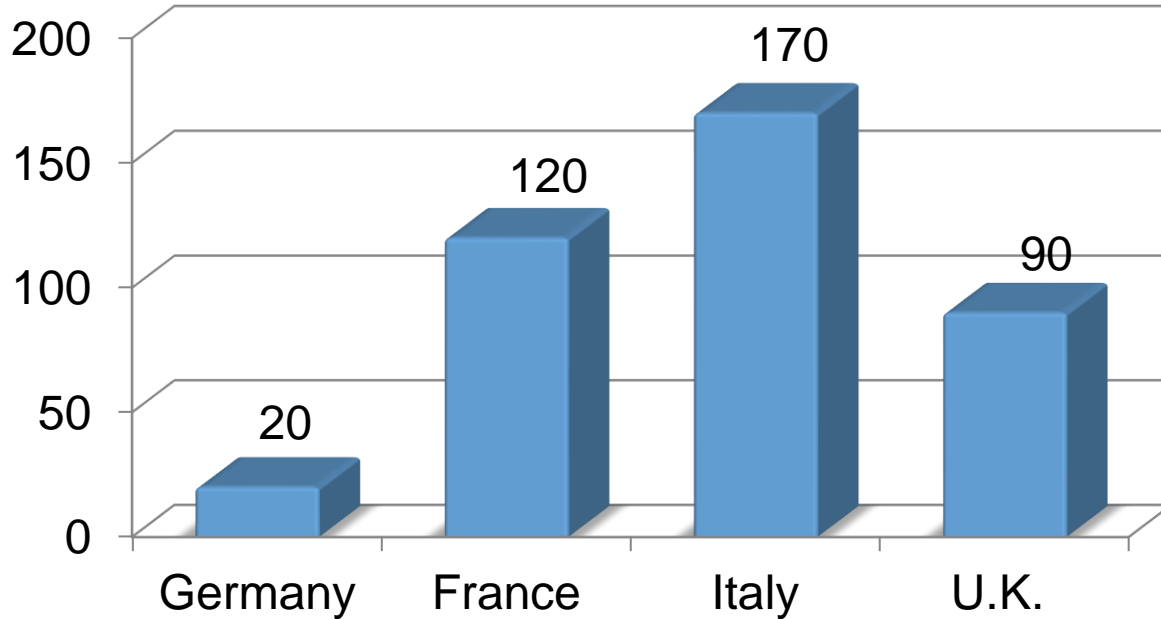
- ☆ Capital
- ⊙ City
- Town
- Urban zone
- Motorway
- Primary road
- Railway

Projection UTM



# European Market 1976

(000's tonnes carcass weight)

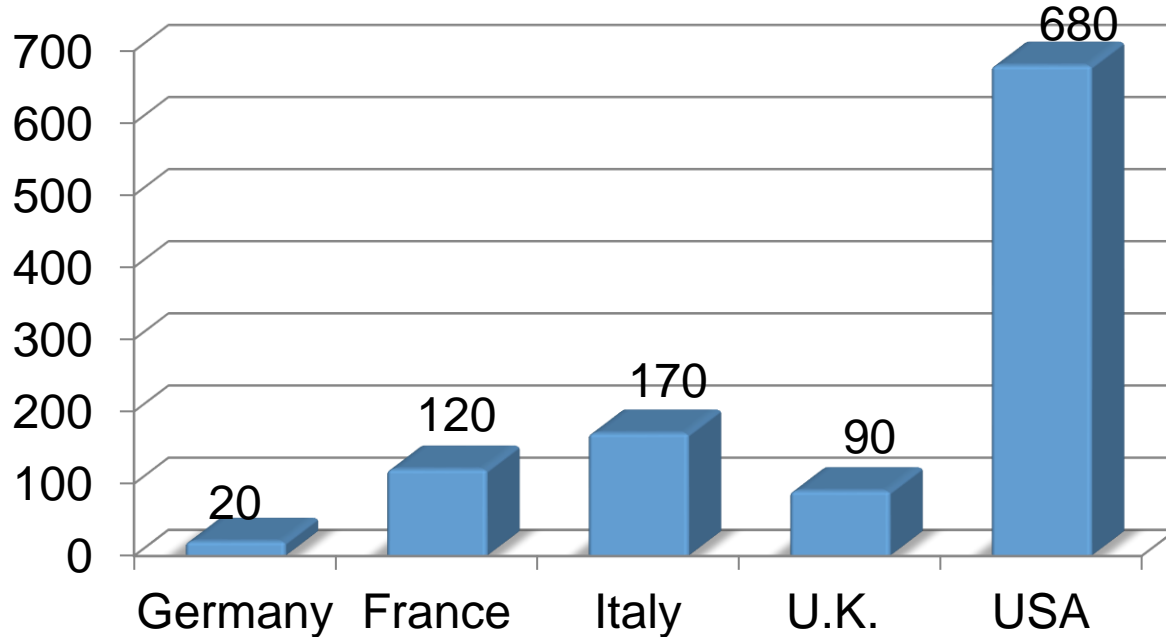


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# World Market 1976

(000's tonnes carcass weight)

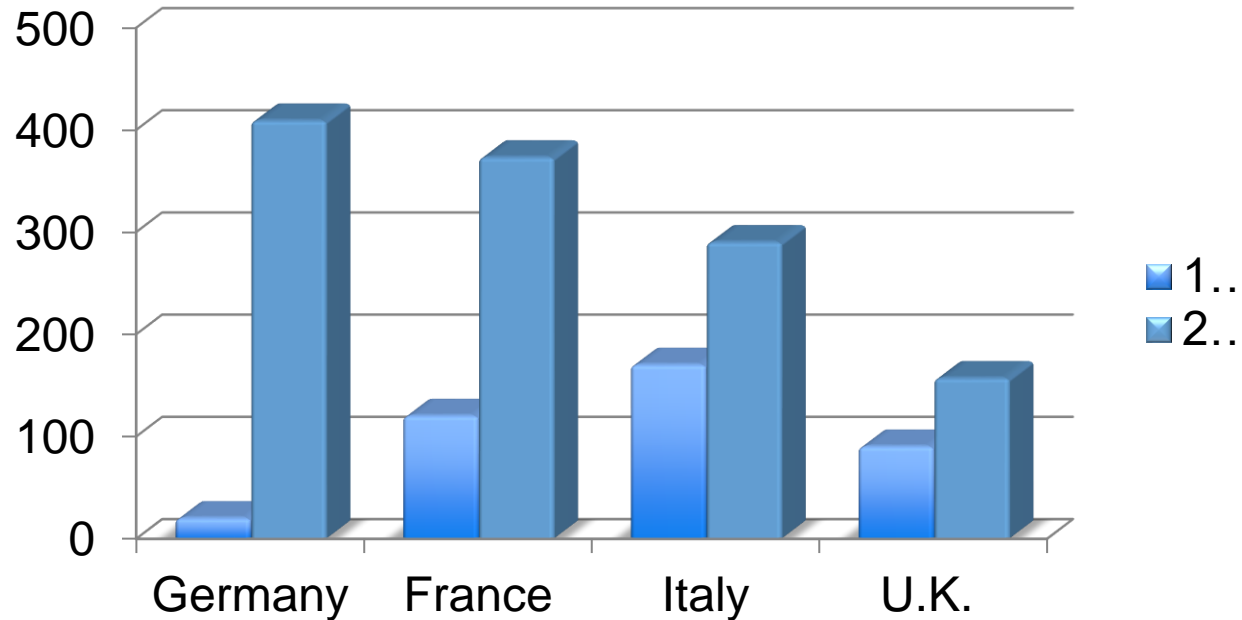


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# European Market 1976 vs 2017

(000's tonnes)



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turkeys



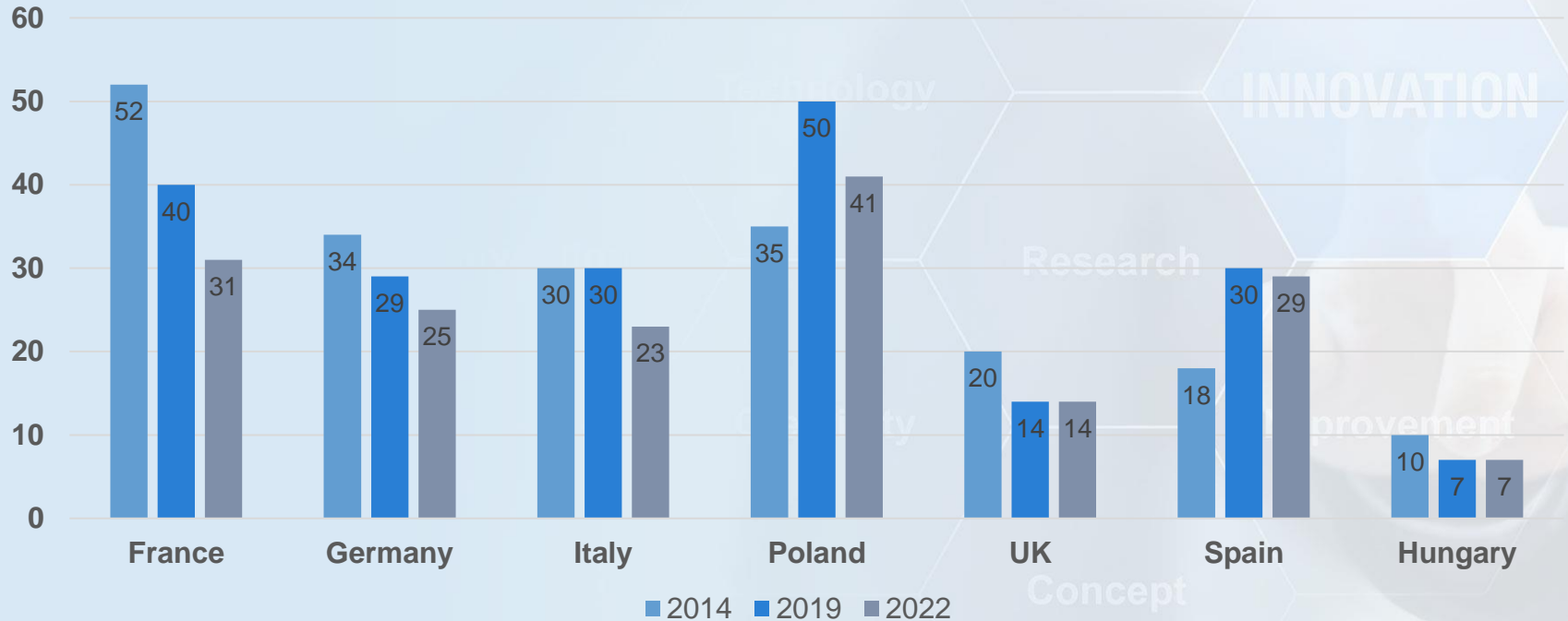
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# World Turkey PS Market Share



# European Day old placements 2014, 2019 and 2022 ('million)



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# Key Factors

- Covid Pandemic – Service sector badly affected
- Avian Influenza – Disruption of the supply chain
- Feed and Energy cost Inflation – Higher prices altering demand
- Brexit – UK



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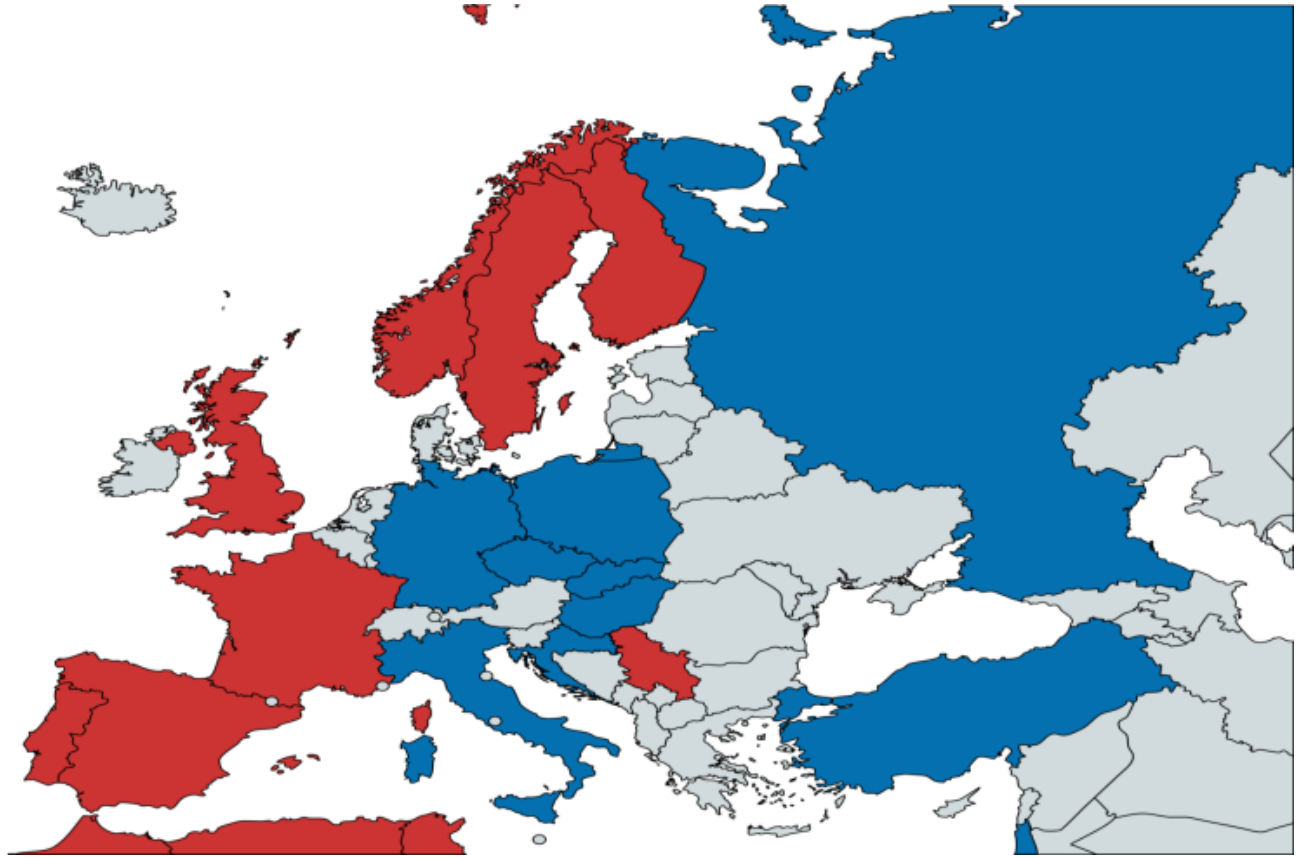


Major Markets Commercial Poultry Placements, Millions (2017 – 2022)										
	2017	2018	2019	2020	2021	2022	2023 First 6 Months	2023 Estimate	21vs22%	22vs23%
UK	14.54	15.37	15.19	14.95	15.05	13.80	6.72	13.43	-8.30	-2.70
France	44.98	42.2	40.94	40.35	35.80	31.20	15.35	30.70	-12.85	-1.60
Italy	30.00	30.00	30.00	29.00	27.14	23.00	12.49	24.97	-15.25	8.60
Germany	28.98	28.04	28.36	27.21	26.18	24.80	13.35	26.70	-5.27	7.70
Poland	46.22	47.58	51.15	46.01	42.43	41.00	22.55	43.10	-3.37	5.00
Hungary	8.00	7.50	7.50	7.00	7.50	7.50	3.38	6.75	0.00	-10.00
Spain	24.00	28.00	30.00	29.00	29.00	29.00	14.50	29.00	0.00	0.00
Austria	1.90	1.80	1.60	1.80	2.0	2.10	1.05	2.10	5.00	0.00
Slovenia	0.60	0.60	0.60	0.60	0.50	0.50	0.25	0.50	0.00	0.00
Slovakia	0.20	0.20	0.20	0.30	0.30	0.30	0.15	0.30	0.00	0.00
Czech Republic				0.60	0.60	0.60	0.30	0.60	0.00	0.00

	2017	2018	2019	2020	2021	2022	2023 First 6 Months	2023 Estimate	21vs22%	22vs23%
Ukraine	2.29	2.59	2.68	2.79	3.00	2.90	1.45	2.90	0.00	0.00
Romania	4.80	4.40	4.00	3.50	3.50	3.50	1.75	3.50	0.00	0.00
Croatia			1.50	1.50	1.50	1.50	0.75	1.50	0.00	0.00
Finland	1.00	1.00	1.00	1.00	1.00	1.00	0.50	1.00	0.00	0.00
Sweden	0.50	0.50	0.50	0.50	0.50	0.50	0.25	0.50	0.00	0.00
Norway	1.00	1.00	1.00	1.00	1.00	1.00	0.50	1.00	0.00	0.00
Others	10.00	10.00	3.00	3.00	3.00	3.00	1.50	3.00	0.00	0.00
North Africa	31.65	32.48	29.72	29.77	30.00	30.00	15.00	30.00	0.00	0.00
Russia	23.00	24.00	24.00	29.00	35.00	38.00	19.00	38.00	0.00	0.00
<b>EMEA Total</b>	<b>273.66</b>	<b>277.26</b>	<b>272.94</b>	<b>268.78</b>	<b>264.90</b>	<b>255.20</b>	<b>132.30</b>	<b>264.55</b>	<b>-3.64</b>	<b>3.66</b>
US	269.74	266.11	261.19	251.05	246.43	253.92			<b>+3.04</b>	

# Heavy & Medium Markets

Heavy breeds 69%  
of total breeder  
market



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# Product Portfolio

A Range of  
Products for the  
Global Turkey  
Industry



## B.U.T. 6

Best performing breed. Robustness, welfare, commercial and processing performance balanced with good reproductive efficiency.

*21wks = 22.72kg, FCR 2.48  
24wk egg production = 116*

## Nicholas Select

Our largest and highest yielding breed, ideally suited for cut-up and further processing.

*21wk weight = 23.96kg, FCR 2.53  
24wk egg production = 102.5*

## B.U.T. Premium

Easy-to-manage medium strain with the highest commercial performance at the lowest production cost.

*18wk weight = 17.9kg, FCR 2.32  
24wk egg production = 120*

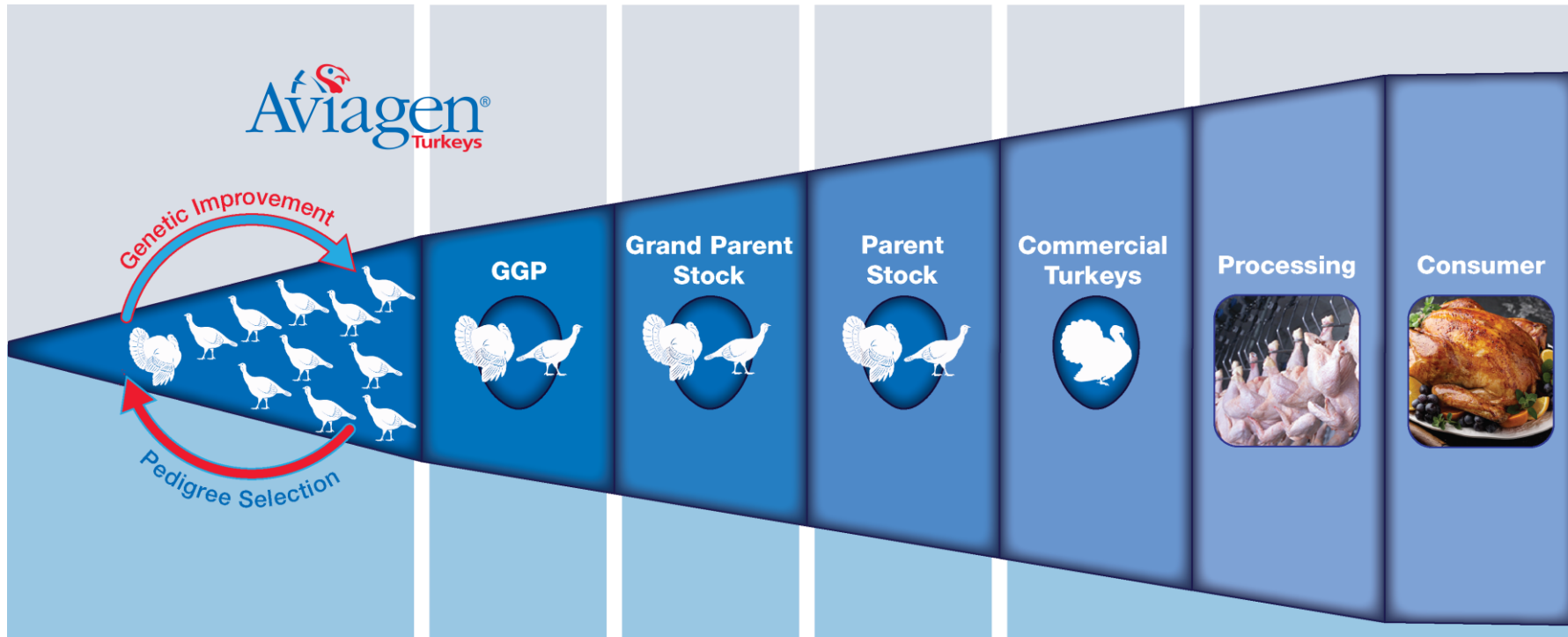


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# Our Commitments



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# Balanced Selection

Reproduction

Growth

Feed Efficiency

Welfare & Health

Yield



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# Scorecard

Trait	BUT6	Premium	Select
Weight	+141g	+129g	+310g
Adj FCR	-3.1pts	-2.9pts	-3.4pts
Breast%	0.20%	0.20%	0.20%
Livability%	0.20%	0.10%	0.10%
Eggs	0	0	0
HOS	0.30%	0.30%	0.40%
<b>#Records</b>	<b>1.0mil.</b>	<b>0.90mil.</b>	<b>0.96mil.</b>

Weight adjustments

BWT: Premium adjusted for lower kill age using std 18wk/20wk.



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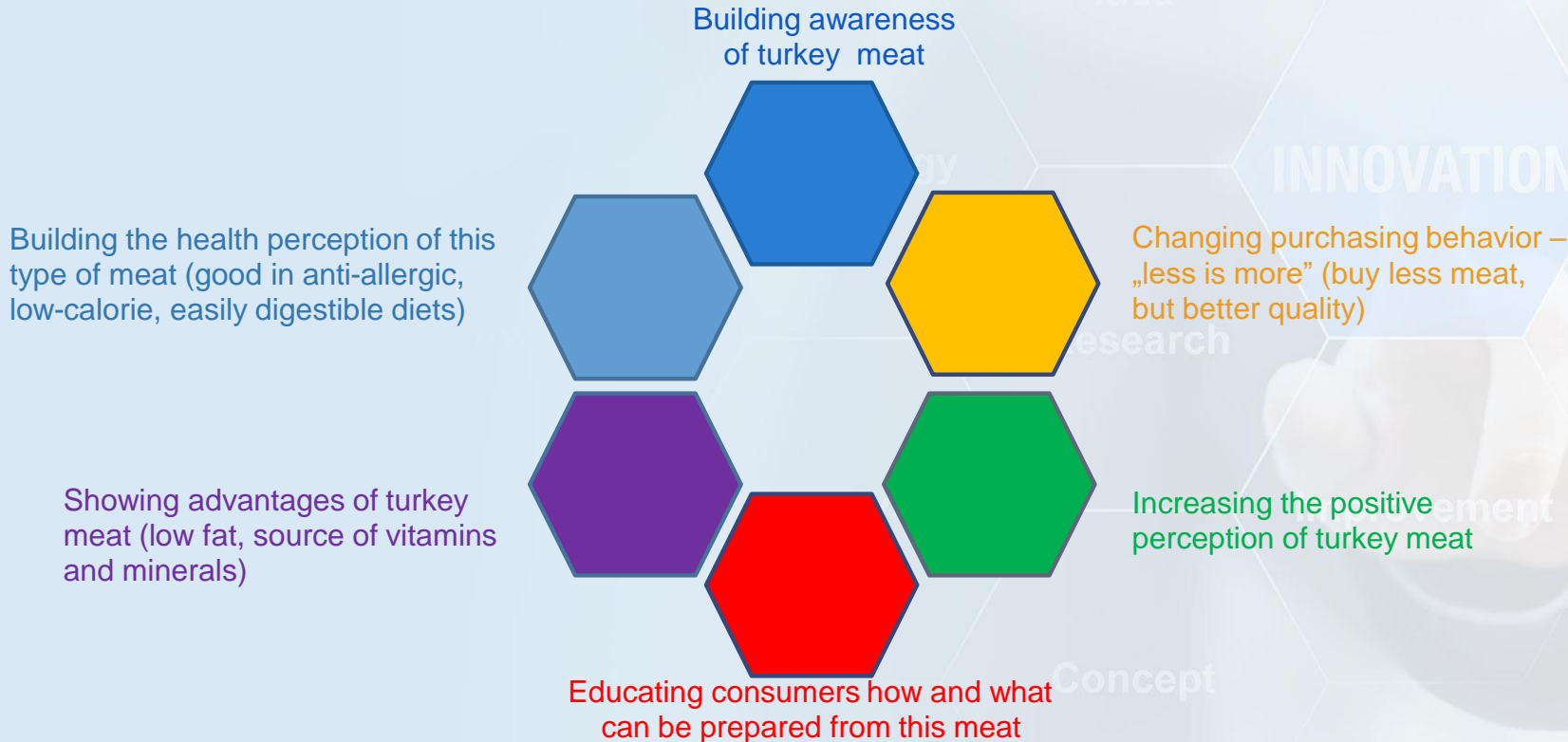
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food

for

Thought

# How to Improve Turkey Consumption...



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# Risks that may cause a reduction in the growth or decrease in meat consumption, including turkey meat



- Decline in wealth as a result of a pandemic or other catastrophes
- Avian flu - supply constraints
- Increase in production cost
  - pressure on demand
- Increase in the share of vegetarian / vegan consumers
- Limiting the total consumption of meat



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# Demand Changes during COVID-19

COVID-19

000 tonnes		year						
Meat	Country	2018	2019	19 vs 18	2020	20 vs 19	2021	21 vs 20
Chicken	France	1 252	1 277	102%	1 293	101%	1 347	104%
	Germany	1 222	1 224	100%	1 281	105%	1 294	101%
	Spain	1 277	1 322	103%	1 327	100%	1 239	93%
	Italy	934	1 003	107%	1 019	102%	1 017	100%
	Poland	1 053	971	92%	1 010	104%	914	90%
Total		5 738	5 797	101%	5 929	102%	5 810	98%
Turkey	Germany	484	479	99%	482	100%	429	89%
	France	282	275	98%	286	104%	269	94%
	Italy	247	249	101%	265	106%	247	93%
	Spain	195	206	106%	218	106%	203	93%
	Poland	199	194	98%	210	108%	194	92%
Total		1 407	1 404	100%	1 460	104%	1 341	92%

In 2021 higher decline in turkey meat sale (-8%) vs chicken meat (-2%).



Due to COVID-19 HORECA channel was closed or limited to delivery or take-away services



Turkey meat is mainly used in HORECA channel  
Chicken meat is more often sold through the retail channel to end user (eg. chicken wings, nuggets)

Strategy options:

1. HORECA – Hotels, Restaurants, Catering, etc.
2. End user strategy – Supermarkets, Fast Food, etc.



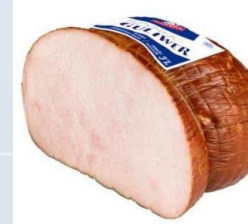
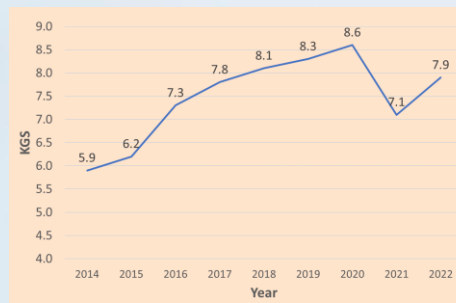
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# Poland



- Strong market growth from early 90's through to present day
- 8kg/Capita/Turkey
- Large share of fresh market sold over the counter (e.g. Breast fillets, trimmed thigh, tenderloin, wings, giblets)
- Packed fresh meat sold mainly to supermarkets and discounters (e.g. minced meat, breast, schnitzels, trimmed thigh, tenderloin)
- Some parts sold as frankfurters, pate and further processed products: ready to cook and ready to eat, slow cooked meat ready to eat in 15-30 mins (Suvie prepared)



Source: KR-D-IG National Poultry Council - Chamber of Commerce



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# Spain



- Originally frozen turkey market. Complete switch to fresh
- Consumption increased from 1kg to 4.5 kg/capita
- Production is all fresh based on pork cutting model and delicatessen
- “Barbecue and plancha type” are 2 main product Chuleta (thigh cutlet) and vertical breast slice marinated mainly sold to supermarkets
- Individually packed fresh portions sold to out-of-home catering
- Exportation of meat expected to be higher very soon



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# Israel



11kg per capita  
turkey



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# Turkey Shawarma, Pastrami.



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# North African Market

- Tunisia established in the 1980's, Algeria and Morocco in the early 1990's
- Increased production year on year currently at 30million/annum due to import restrictions (AI)
- Mainly branded products, portions, further processing
- Demand for white and dark meat is in balance
- 93% of the population Muslim faith.
- Beef and Lamb meat very expensive
- Marketed in recent years to affluent middle classes



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# United States

- US production of turkeys since the 1940s
- US industry had steadily increased year on year and peaked in 2008
- Heavy turkeys grown all for deboning
- Deli type products number one seller
- Deli meat, Packed lunch, Ground Turkey, Turkey Burgers, Turkey Bacon, Turkey Sausage, Turkey cuts, Turkey Roast, Whole Turkey & School lunches
- Hens mainly grown for thanks giving and Christmas day



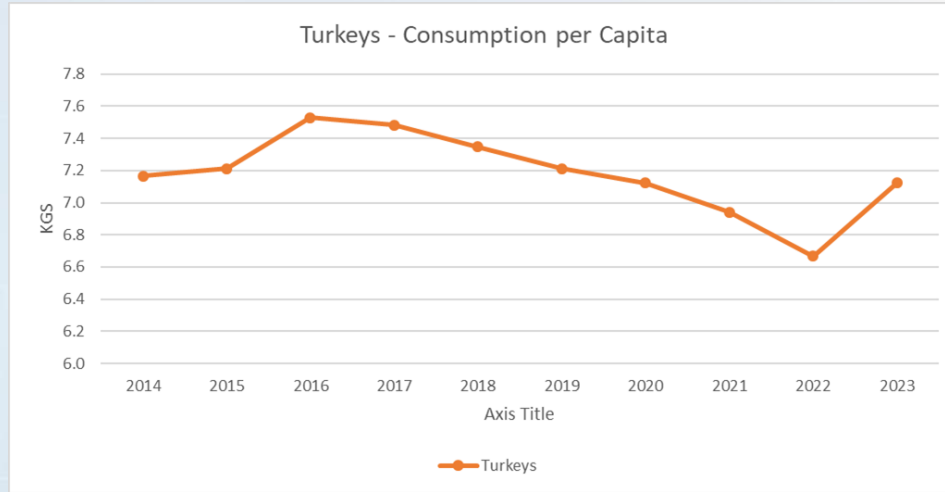
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# United States



- 33 x Turkey Processing plants
- Approx. 250m poults placed (65% male ratio)
- Average Female liveweight:-7.62kg
- Average Male liveweight:-20.20kg
- Integrated:- 47.5% and 52.5% non integration/free market
- Main export markets:- Mexico 75,500 Tons. Other export countries include Canada, China, Dominion Republic



7kg/Capita/Turkey



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# Summary

- Potential to increase turkey-meat production:
  - Poland, Hungary , Spain, Central Europe and North Africa expanding markets
  - Turkey meat exports to the Gulf states and China
- Consumer demand increasing but further investment needed in product development and marketing to emphasize the benefit of turkey meat.
- Industry to continue improving efficiency to compete with other meats:
  - Genetics
  - Management
  - Research and Development
  - Innovation
  - Marketing
- Develop strong partnership with retail sector.



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**Thankyou .**

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