T. Bailey Weekly Update

23rd November 2026

Converting agronomic capability into profitable growth

In this week's Weekly Update, **T. Bailey Head of Equities, Ben Ridley** reflects on Origin Enterprises' Capital Markets Day and the company's strategy for the five years to FY31.
The update considers management's financial targets, plans to build Living Landscapes into a larger part of the group and the role that research, specialist advice and digital tools can play within the Agriculture division.
The article also explores the potential role of AI in making Origin's accumulated agronomic research more accessible, and the importance of translating these capabilities into commercial returns.

Next time I go with my three boys to Loftus Road to watch Queens Park Rangers, I will try and closely inspect the quality of the pitch whilst sitting in the stands. This sudden obsession with the quality of the turf is as a result of having spent a morning at Fulham FC's ground at Craven Cottage for Origin Enterprises' Capital Markets Day, in which they walked through their 5-year plan in the comfy confines of the home of the Premiership club, who happen to be one of Origin's clients in their Living Landscapes division. Whilst sitting there, I had to put London club rivalry to one side and focus on hearing about how the business will evolve over the next 5 years.

Origin Enterprises is a Dublin-headquartered agricultural services and land-management group and is a position that we currently have in our UK equity fund (the T. Bailey UK Responsibly Invested Equity Fund). It operates through two divisions: Agriculture, which provides farmers with agronomy advice, seeds, fertilisers, crop-protection products and digital farming tools; and Living Landscapes, which supplies specialist advice, services and products for sports turf, landscaping and environmental management. Its agricultural operations span Ireland, the UK, Poland, Romania and Brazil, while Living Landscapes is principally focused on the UK and Ireland.

The Capital Markets Day targets covered their financial years 2027-2031. The headline ambitions management gave are at least €600m cumulative operating profit and €370m cumulative free cash flow (not annual profit and cash-flow) targets for FY31. The business will continue to be cash generative as the free cash flow conversion rate will remain above 85% of profit after tax. It was also pleasing to see that forecast Return on Capital Employed will be in the 12-15% range. In terms of business mix, Origin's strategy is to build Living Landscapes into a larger, higher-margin specialist land-management platform, combining advice, services and products across Sports, Landscapes and Environmental. This part of the business will be around 35% of group operating profit by 2031, versus around 20% today. A lot of this growth will come from bolt-on acquisitions. It is encouraging to hear this as it is both the higher margin and less cyclical division within Origin Enterprises.

In the larger Agriculture division, the investment proposition rests on the group's ability to combine agricultural inputs with research, data and specialist advice to improve farm profitability. Outside of the UK, management highlighted how they are the third largest operator in Poland and Romania and the fifth largest agricultural specialist in Brazil.

Management presented one technology-led agronomy example in which a 7% increase in input costs was more than offset by a 0.2-tonne-per-hectare yield improvement, delivering a 26% uplift in gross margin. The example also showed lower nitrogen expenditure and a reported 23% reduction in carbon. Although a single case does not establish the likely outcome across the customer base,

it illustrates the potential to align farm profitability with environmental objectives.

In today's world, one cannot have a Capital Markets Day without talking about AI! At Origin, AI should be viewed as an enabler of the existing strategy. The clearest AI application is improving agronomists' access to Origin's accumulated research and technical knowledge. Management acknowledged that the breadth of the information available can make it difficult to retrieve relevant evidence quickly.

Agronomy Assist is intended to address that problem, helping advisers translate research into practical recommendations and clearer explanations of customer returns. The proposition is to strengthen the trusted farmer–agronomist relationship, rather than replace it. Commercially, this could support broader product adoption and more effective advice-led selling.

During the Q&A part of the day, management reinforced a strategy centred on increasing its share of farmers' spending through integrated agronomic advice, differentiated products and digital services. Management believes the core capabilities are largely in place; the next phase is about accelerating adoption and translating that investment into commercial returns.

At the end of the day, having seen firsthand the quality of the turf on Fulham's ground, I realised that it would take more than Origin's expertise to catapult QPR into the Premiership with the likes of Fulham!

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