

Vittia secures R\$153 Million as Brazil's biologicals market enters new phase

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Brazilian biologicals company Vittia will use the financing to develop new microbiological technologies, biofertilisers, lower-impact crop protection products and animal-health solutions



Brazilian biologicals company Vittia has secured up to R\$153 million (\$26.8 million) in financing from Finep, Brazil's innovation funding agency, to expand its research and development pipeline over the next four years.

The funding will support dozens of projects spanning biological technologies, biofertilisers, lower-impact crop protection products and animal-health solutions. Vittia said the programme will focus primarily on microbiological technologies, while also supporting industrial improvements designed to reduce manufacturing costs.

The investment comes at a critical point for Brazil's biologicals industry, which is moving into a more competitive phase as supply expands and adoption broadens. Vittia sees the market entering a period of "massification", with significantly more products and market participants than five years ago, even as biologicals remain differentiated technologies rather than commodities.

Building the next generation of biologicals

Vittia's R&D programme is focused on some of Brazil's major agricultural crops and emerging gaps in biological crop protection and nutrition.

One development area is metabolite-based bioinsecticides derived from fungi or bacteria for controlling the brown stink bug in soybeans. The company is also developing biological herbicides, new plant-nutrition technologies based on speciality fertilisers and inoculants, and biological solutions for controlling ectoparasites and endoparasites in the animal-health market.

The company currently launches an average of two to three new technologies a year and plans to maintain that pace. Rather than accelerating launches purely to expand its product count, Vittia is prioritising technologies that can achieve commercial viability and fit its existing market strategy.

The Finep financing will also support the development of manufacturing processes aimed at lowering production costs, an increasingly important consideration as competition intensifies and agricultural margins remain under pressure.

Vittia manufactures its biological products at its facility in São Joaquim da Barra, São Paulo, which has annual production capacity of 15 million litres/kilograms. The site spans 110,000 square metres, including 35,000 square metres of built area and 17,000 square metres dedicated to production.

Competition intensifies

The investment comes as Brazil's biologicals market enters a more mature phase. Greater product availability and the arrival of new companies have increased competition, putting pressure on pricing even as demand for biological solutions continues to expand.

The competitive environment is unfolding against a difficult backdrop for Brazilian agriculture, with constrained farmer margins limiting investment capacity.

Vittia's financial performance reflects those conditions. In the first quarter of 2026, consolidated net revenue declined 11.5 per cent to R\$121.9 million (\$21.4 million), while the company reported a net loss of R\$5.9 million (\$1 million), compared with a loss of R\$1.9 million (\$0.3 million) a year earlier.

Revenue from biological and natural solutions fell from R\$49.9 million (\$8.8 million) to R\$46 million (\$8.1 million). Gross profit in the segment declined 22.9 per cent to R\$24.1 million (US\$4.2 million), while gross margin fell 10.2 percentage points to 52.5 per cent.

Against that backdrop, Vittia is using its R&D pipeline as a longer-term growth lever rather than responding to short-term market weakness by sharply increasing product launches. The strategy is aimed at ensuring that the company has a pipeline of technologies ready for commercialisation as agricultural conditions improve.

Mexico becomes international growth platform

Alongside its R&D investment, Vittia is expanding outside Brazil. The company has recently begun commercial operations in Mexico, where part of its portfolio has already received regulatory registration.

Mexico is Vittia's first structured international operation. Paraguay continues to be served largely through the company's Brazilian structure.

The Mexican market offers an opportunity to transfer technologies developed in Brazil into a market with significant fruit and vegetable production, where biological products already have relatively strong adoption. Vittia plans to expand gradually, using Mexico as a platform for international commercial development rather than pursuing rapid geographic expansion.

Financial discipline amid the downturn

Vittia is also maintaining a cautious approach to capital and balance-sheet management as it navigates the current agricultural downturn. The company's net debt stood at R\$174 million (\$30.5 million), nearly 20 per cent lower than a year earlier, while net debt-to-EBITDA leverage was 1.62 times.

The combination of lower leverage, external R&D financing and continued investment in new technologies gives Vittia room to build its pipeline while managing near-term market pressure.

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