

Analyst & Investor Call  
FY 2022/2023

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**KWS SAAT SE & Co. KGaA**  
September 27, 2023

SEEDING  
THE FUTURE  
SINCE 1856



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## **FY 2022/2023: Strong growth in sales and earnings**

- Leading position in the seed market:  
#1 in Germany, #2 in Europe,  
#4 worldwide
- Sales increase by 18% to € 1.82 billion,  
with significant growth in earnings  
figures
- Dividend increased to 90 cents/share
- Further growth expected in the new  
2023/2024 financial year



# Overview FY 2022/2023 results



in € million	12M 2022/2023	12M 2021/2022	+/-
Sales	1,819.8	1,539.5	18.2%
EBITDA	318.2	252.4	26.1%
EBIT	222.8	155.1	43.6%
Financial result	-47.1	-16.9	< -100%
Earnings before taxes	175.7	138.1	27.2%
Taxes	48.7	30.4	60.2%
<b>Net income</b>	<b>127.0</b>	<b>107.8</b>	<b>17.8%</b>
<b>Earnings per share</b>	<b>3.85</b>	<b>3.27</b>	<b>17.8%</b>

## EBIT margin

EBIT in % of total sales

**12.2%** (10.1%)

## R&D ratio

in %

**17.3%** (18.0)

## CAPEX

in € million

**109.1** (93.5)

## Free Cashflow

in € million

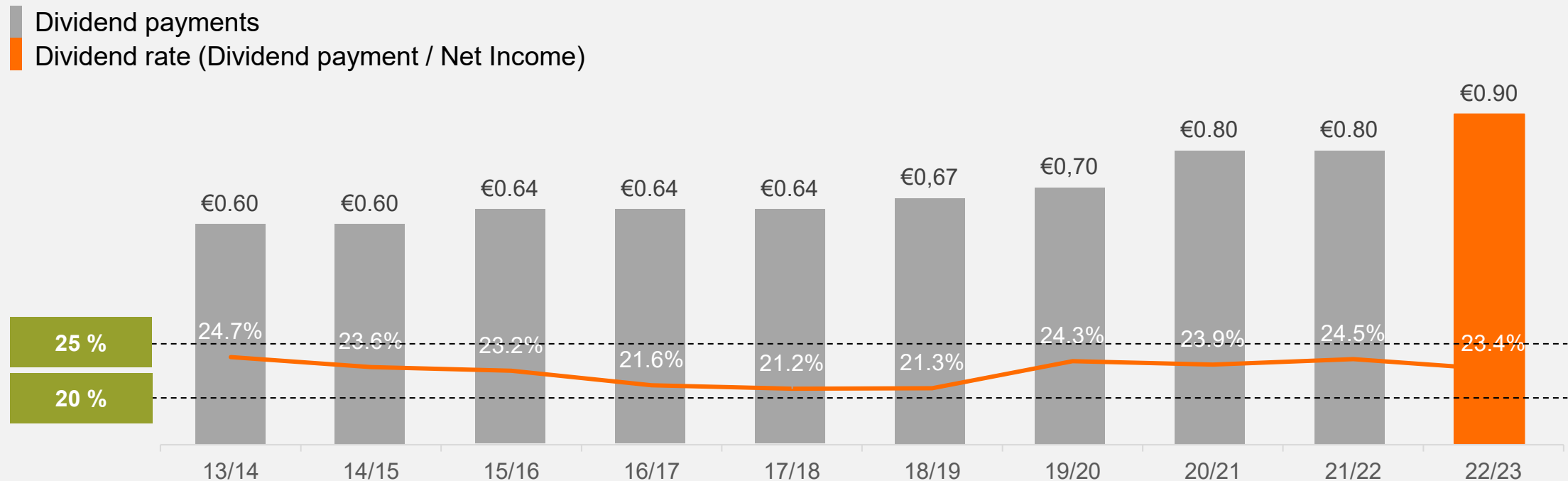
**44.5** (9.5)

Previous year's figures in brackets

# Dividend proposal: increase to €0.90 per share



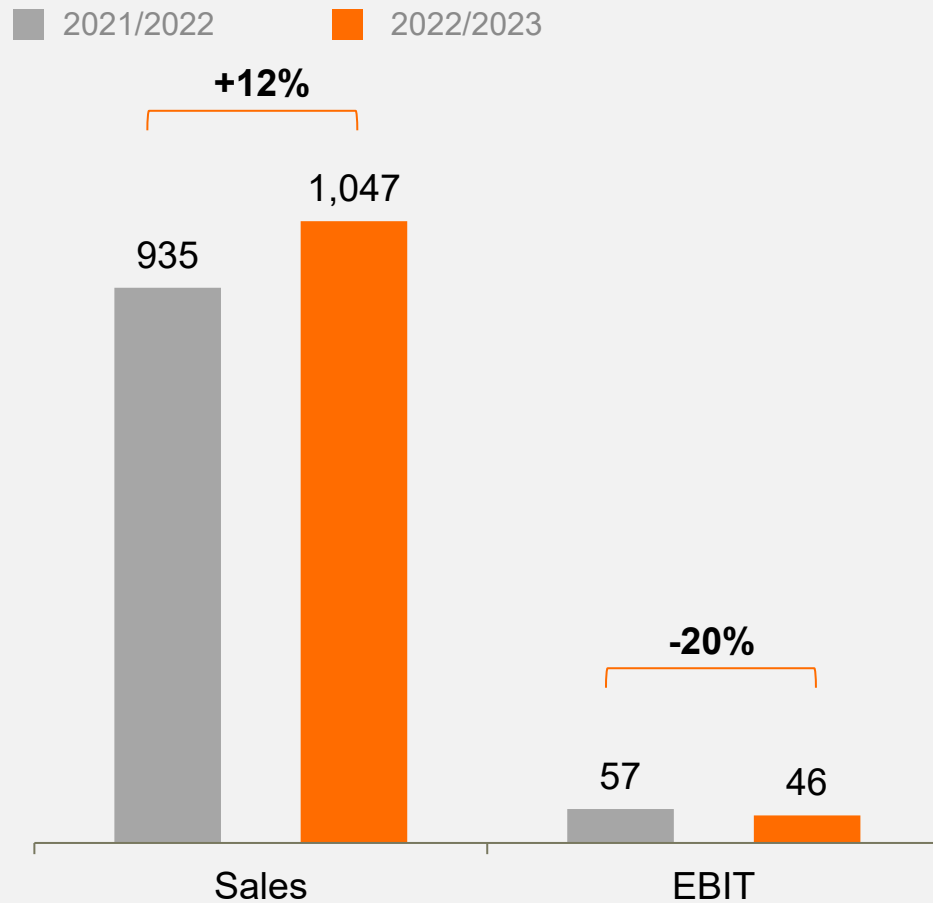
## Dividend payments and dividend ratio for the last 10 years



Dividend policy continued



# Corn Segment



in € million

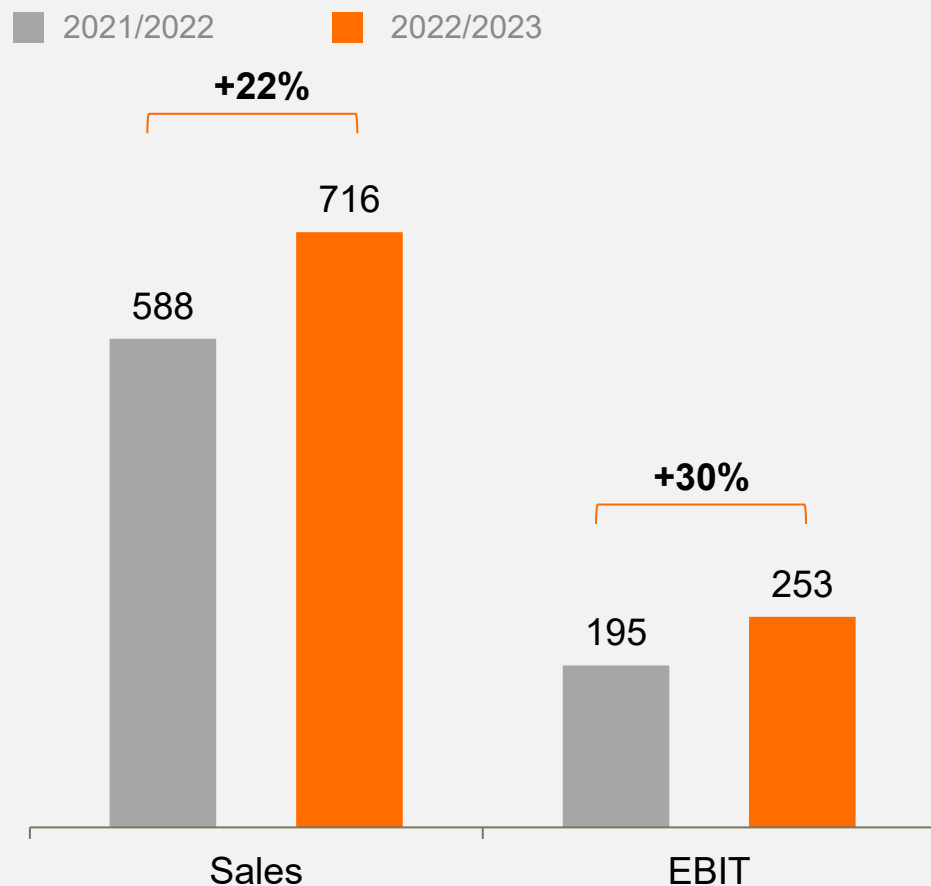


## FY 2022/2023

- Strong sales growth (+12%) especially in Europe and Brazil
- Growth mainly due to higher sales prices for innovative seeds
- Segment EBIT declines due to lower income from joint ventures in the U.S. and China
- EBIT margin at 4.4% (6.1%)

## Outlook FY 2023/2024

- Slight sales growth
- EBIT margin slightly above the level of the previous year



in € million

## FY 2022/2023

- Strong sales and EBIT growth in all regions; leading global position expanded
- Sustainable product innovations (CONVISO SMART and CR+) are in high demand. Share of sales increases to around 49 (33)%
- EBIT rose significantly by 30% to €253 (195) million
- EBIT margin improved to 35.4 (33.1)%

## Outlook FY 2023/2024

- Sales slightly above previous year
- EBIT margin at the level of the previous year



# Cereals Segment

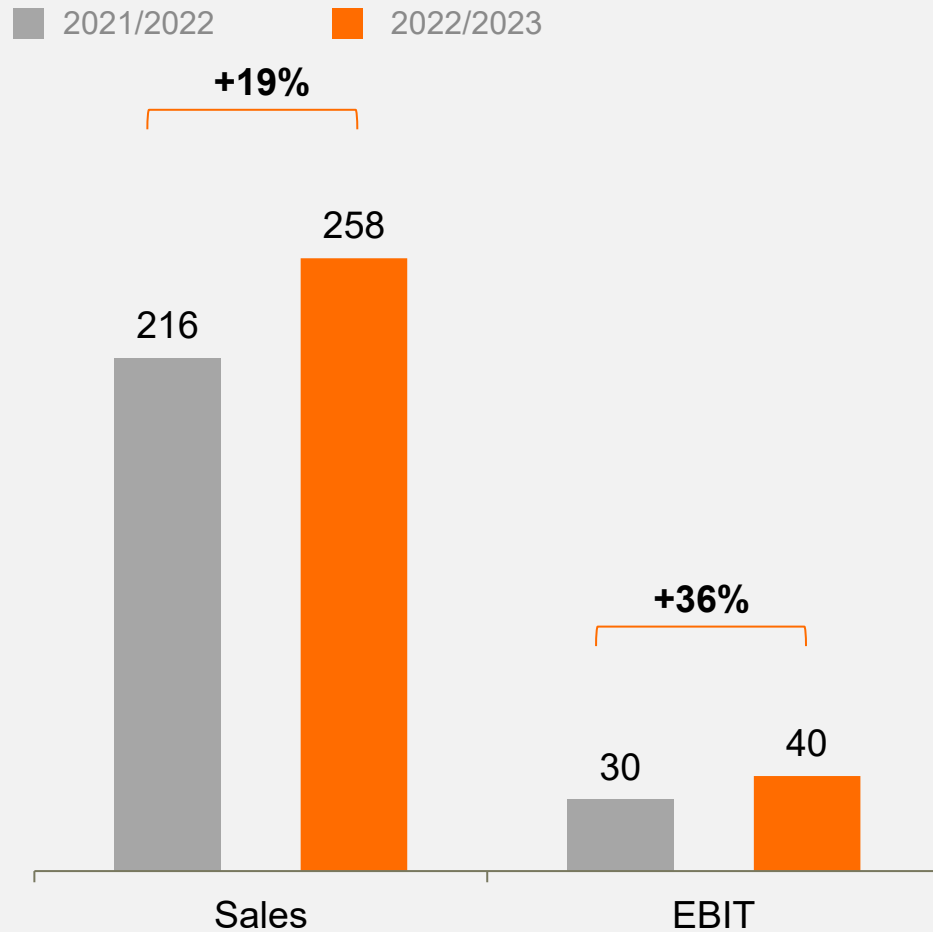


## FY 2022/2023

- Sales increase by 19%, mainly due to strong growth in rapeseed (+28%)
- Rye +10% due to higher quantities and prices in DE; Wheat +8%, mainly DE, FR, UK
- EBIT increased by 36% to €40 (30) million due to an improved product mix and higher prices.
- Increase in EBIT margin to 15.6 (13.6)%

## Outlook FY 2023/2024

- Sales slightly above previous year
- EBIT margin at the level of the previous year

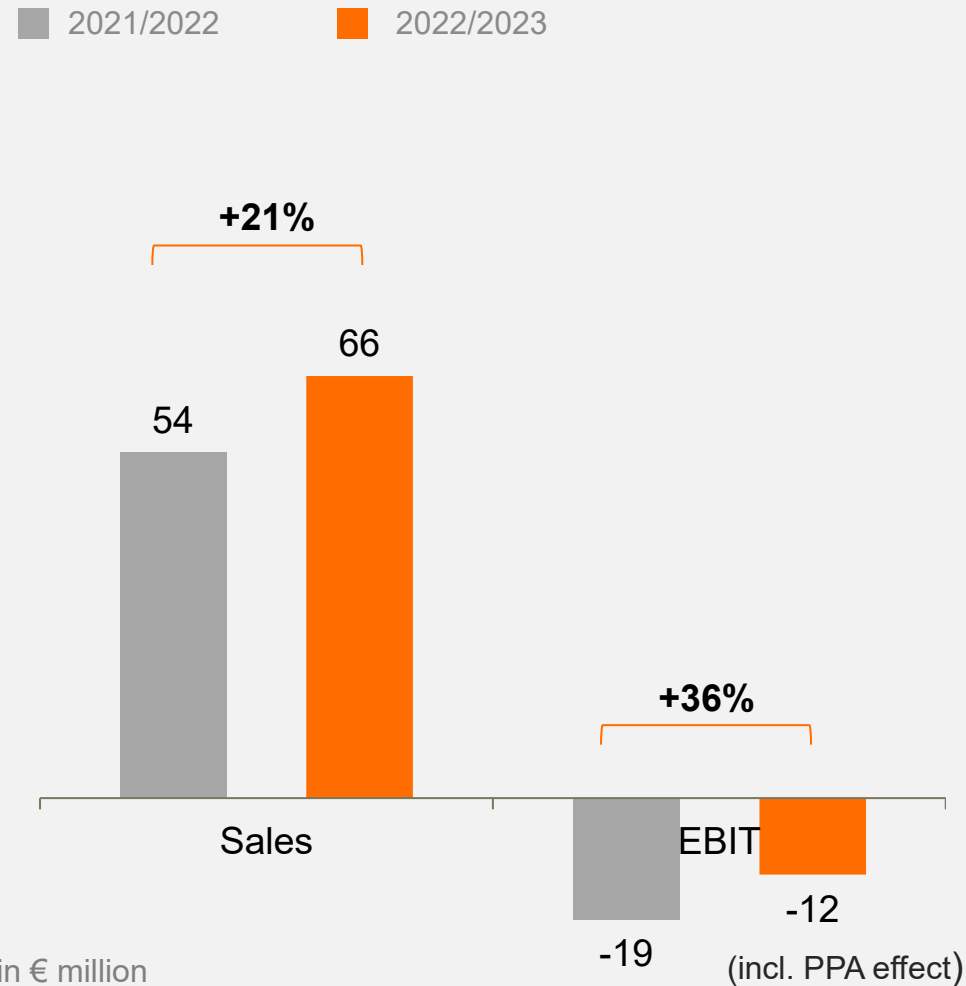


in € million





# Vegetables Segment



## FY 2022/2023

- Significant sales increase of 22% due to increases in spinach and bean seeds
- Expansion of breeding activities for the most important vegetable crops: tomatoes, peppers, cucumbers, watermelons and melons
- Breeding stations in ES, IT, NL, TUR, BRA and MEX established or under construction
- EBIT improved due to higher profitability of the existing business and lower PPA

**Outlook FY 2023/2024:** stable sales, EBIT margin negative

# Major investment projects



## Expansion of vegetable breeding in Spain



Green houses, labs, warehouses etc.



Breeding of new vegetable varieties



CapEx of around €17 million



Stepwise expansion until FY 2024/2025



## Expansion of production capacity in Ukraine



Drying/preparation of corn seeds



Doubling the capacity to 700k units



CapEx of around €14 million



Completion by the end of 2023

## Opportunities

- Broad KWS product portfolio enables market fluctuations to be balanced out
- Expansion of cultivated areas in anticipation of falling availability of agricultural products
- Broad KWS product portfolio enables market fluctuations to be balanced out

## Risks

- Persistent inflationary pressures
- Influence of weather extremes on quantity and quality in seed multiplication
- Geopolitical risks, esp. Ukraine war



## Forecast for FY 2023/2024

- Sales increase of 3 to 5% (on a comparable basis)
- Stable EBIT margin at 11 to 13%
- Continued high R&D investments (18 to 19% of sales)

# Our Sustainability Ambition 2030



## Product-Impact



**Safeguard food production**



**Minimize required inputs**



**Enhance crop diversity**



**Support sustainable diets**

## Corporate Responsibility



**Improve operational footprint**



**Foster social engagement**

# KWS Group emissions in accordance with the Greenhouse Gas Protocol



2022-2023 (change in % versus previous year)

Increase in diesel consumption (generators, agricultural machinery) and our use of fertilizer

**GHG EMISSIONS**  
in t CO<sub>2</sub> e

**65,278 (+2.0%)**

**SCOPE 1**  
in t CO<sub>2</sub> e

**45,294 (+3.2%)**

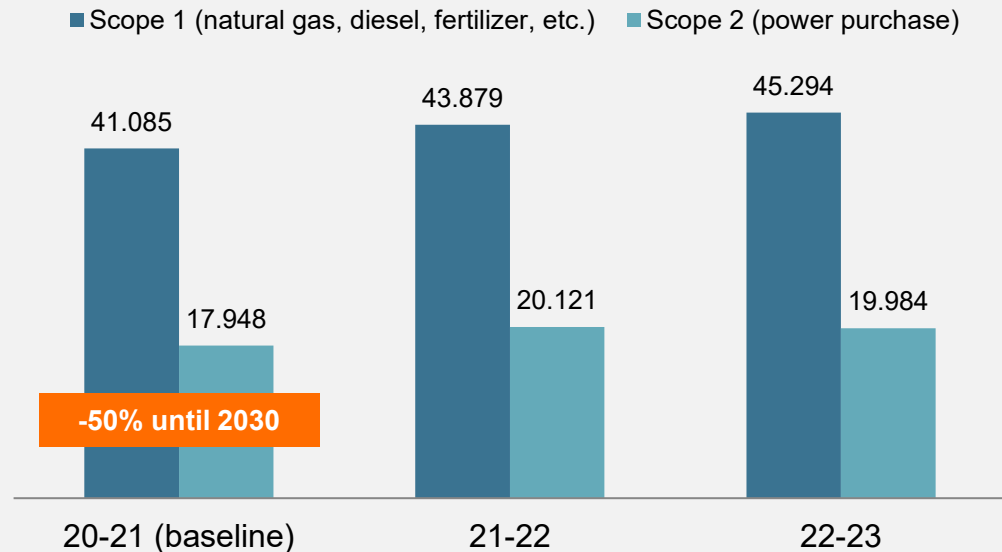
**SCOPE 2**  
in t CO<sub>2</sub> e

**19,984 (-0.7%)**

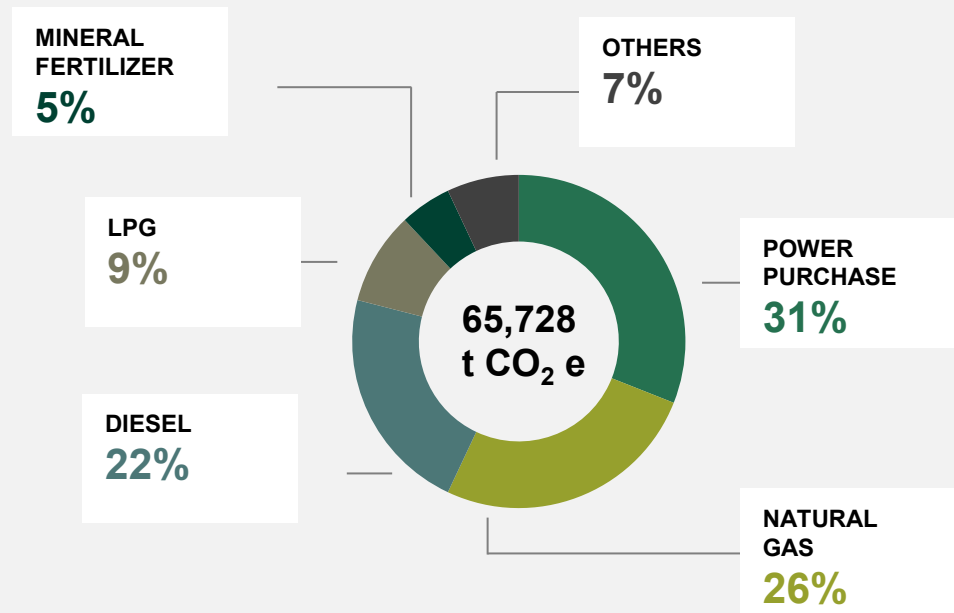
**EMISSIONS INTENSITY**  
in kg CO<sub>2</sub> e / €1.000 Revenues

**35.9 (-13.7%)**

## 3-Year-Development Scope 1+2



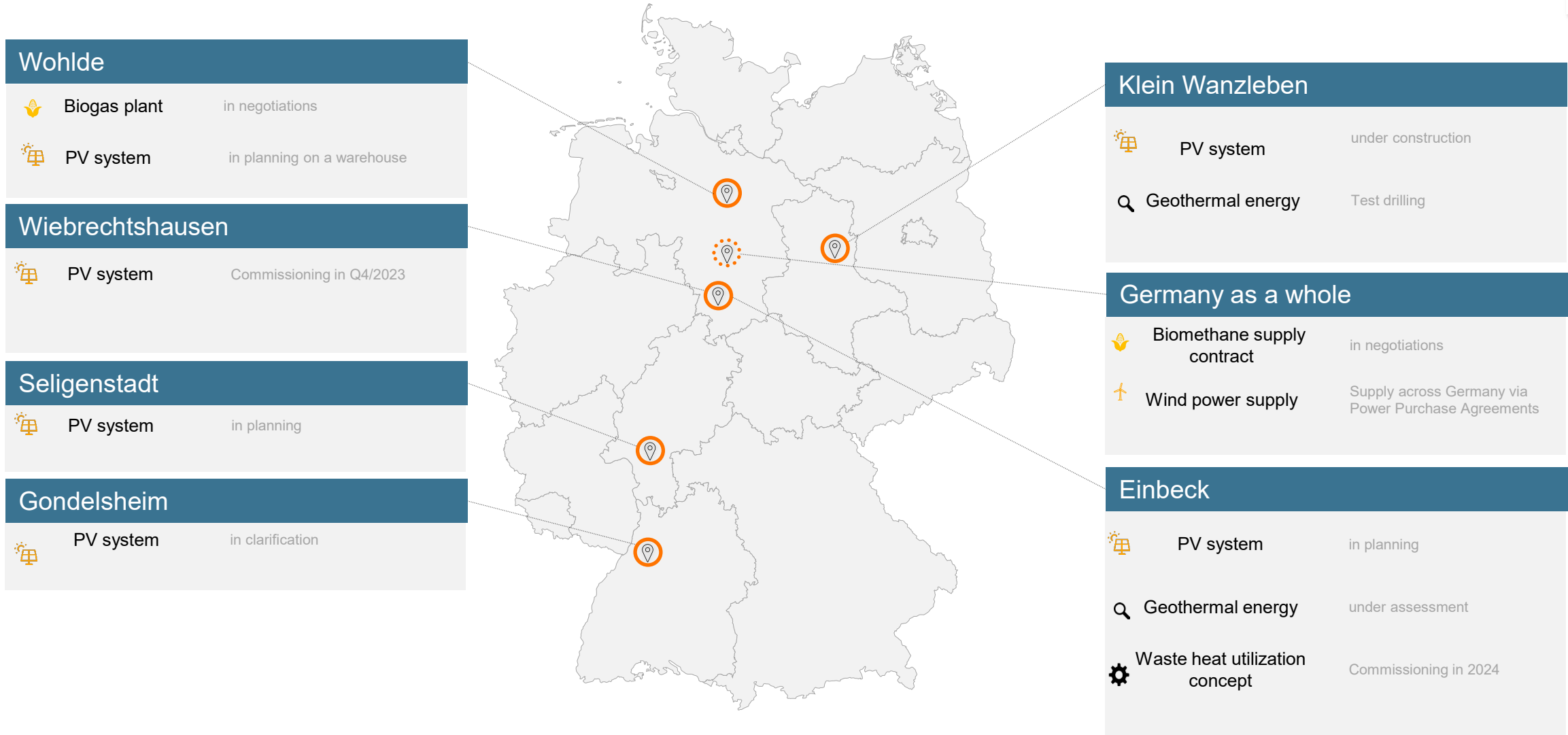
## GHG Emissions Breakdown by Source



1: In 22-23 we adapted our Carbon accounting to improve GHG protocol adherence, previous years data was corrected accordingly. See Annual Report 22-23 for more details.

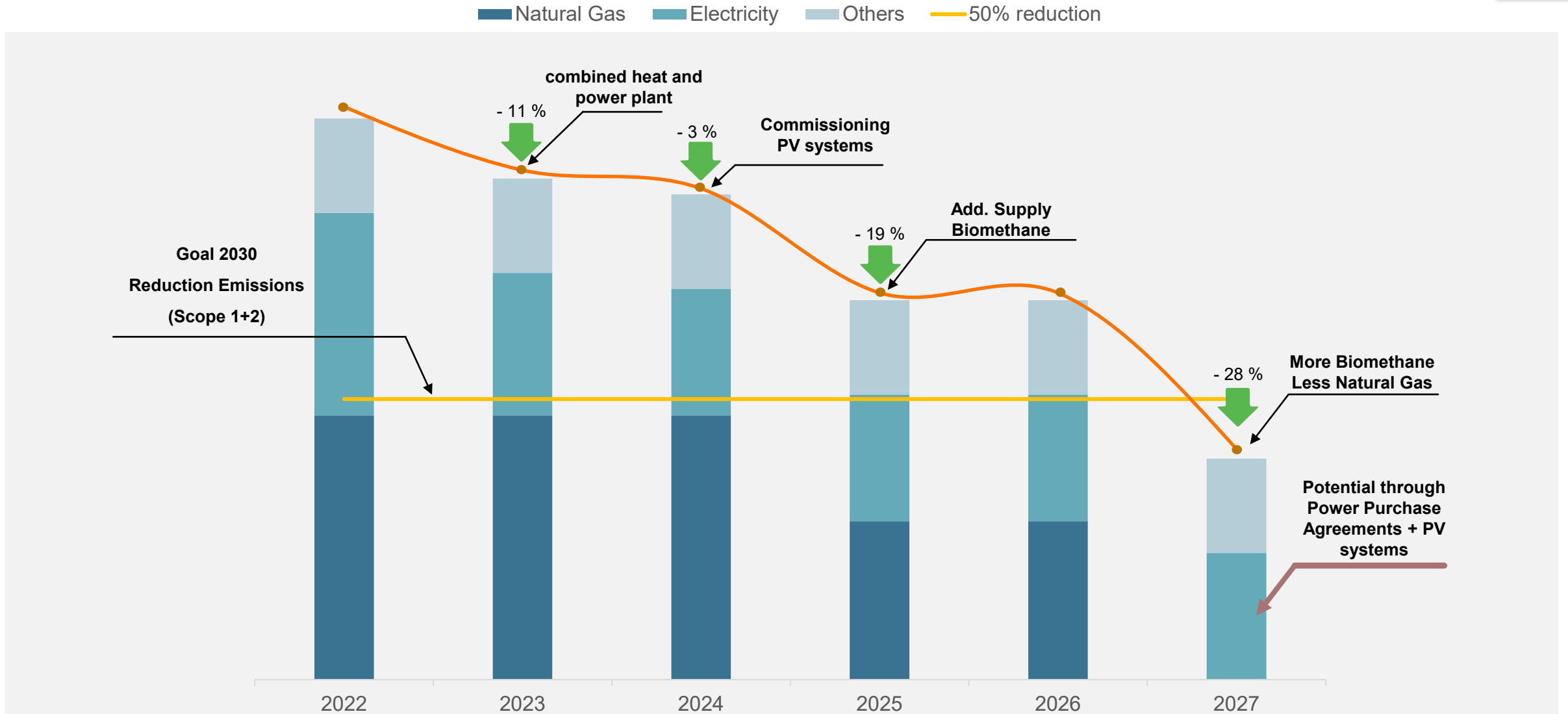
# Roadmap Germany

## Concepts and activities to reduce CO2 emissions



# Roadmap Germany

## Planned reductions for Scope 1 and 2 over time



# Continuously improving our ESG ratings



Rating Agency	2020	2023	Status	Target 2025
MSCI*	BBB	BBB	=	A
Sustainalytics*	41.3	38.8	↗	<30
S&P Global	14/100	26/100	↗	>50/100
ISS-ESG*	D	D+	↗	C

\* MSCI/ISS: AAA/A+ is best. Sustainalytics: lower than 10 is best.



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Q&A Session

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