

Investor presentation

KWS SAAT SE & Co. KGaA | November 2021

SEEDING
THE FUTURE
SINCE 1856

KWS



Our long-term goals



Profitable growth

Long-term strategy based on organic growth combined with acquisitions



Innovation

Significant investment in research and breeding



Independence

Since generations supported by family shareholders



Sustainability

Long-term economic success and sustainable development

Seed specialist



KWS ranks among the world's leading companies for plant breeding



NET SALES*
in million €

1,310

COUNTRIES

>70

EMPLOYEES*

6,000

INNOVATION*
in % of net sales

19.3

YIELD PROGRESS
crops Ø p.a. in %

1-2

*Financial year 2020/2021

Ranking

by sales with agricultural crops

Global

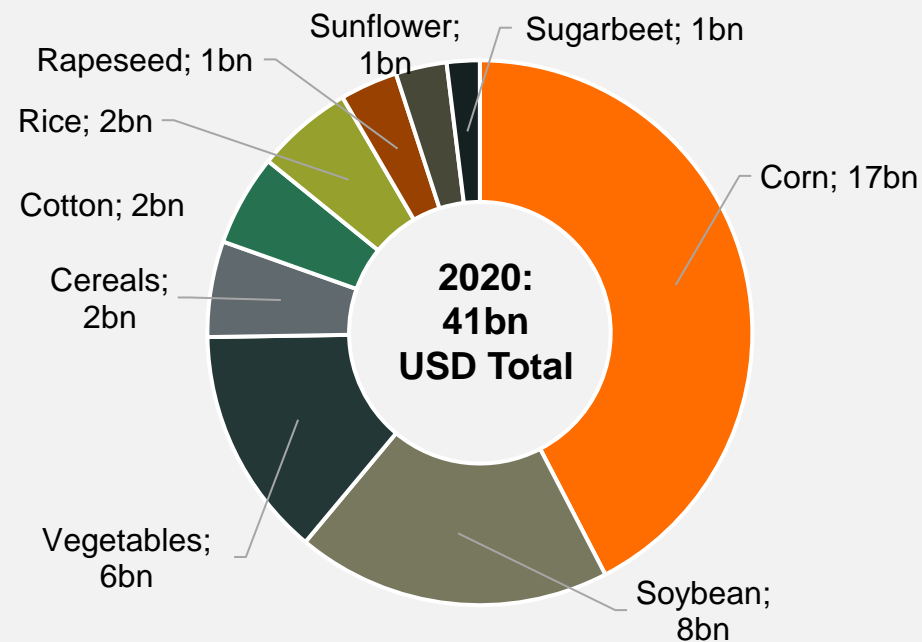
Europe

1. Bayer
2. Corteva
3. Syngenta Group
4. Vilmorin
- 5** KWS

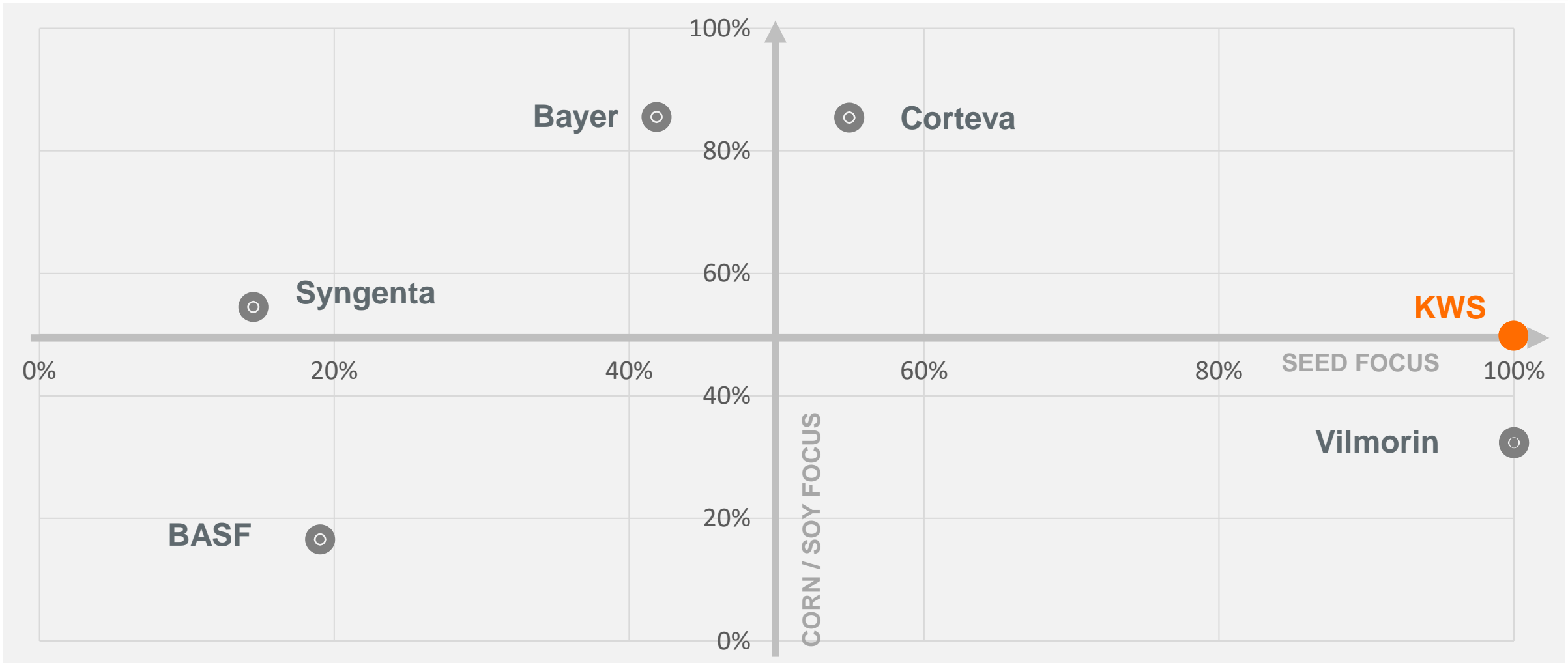
1. Corteva
2. Bayer
- 3** KWS
4. Syngenta Group
5. Vilmorin

Sources: AgbioInvestor 2021 and KWS estimates. Ranking KWS and Vilmorin includes 50% of AgReliant sales each

Global Commercial Seed Market (in USD)

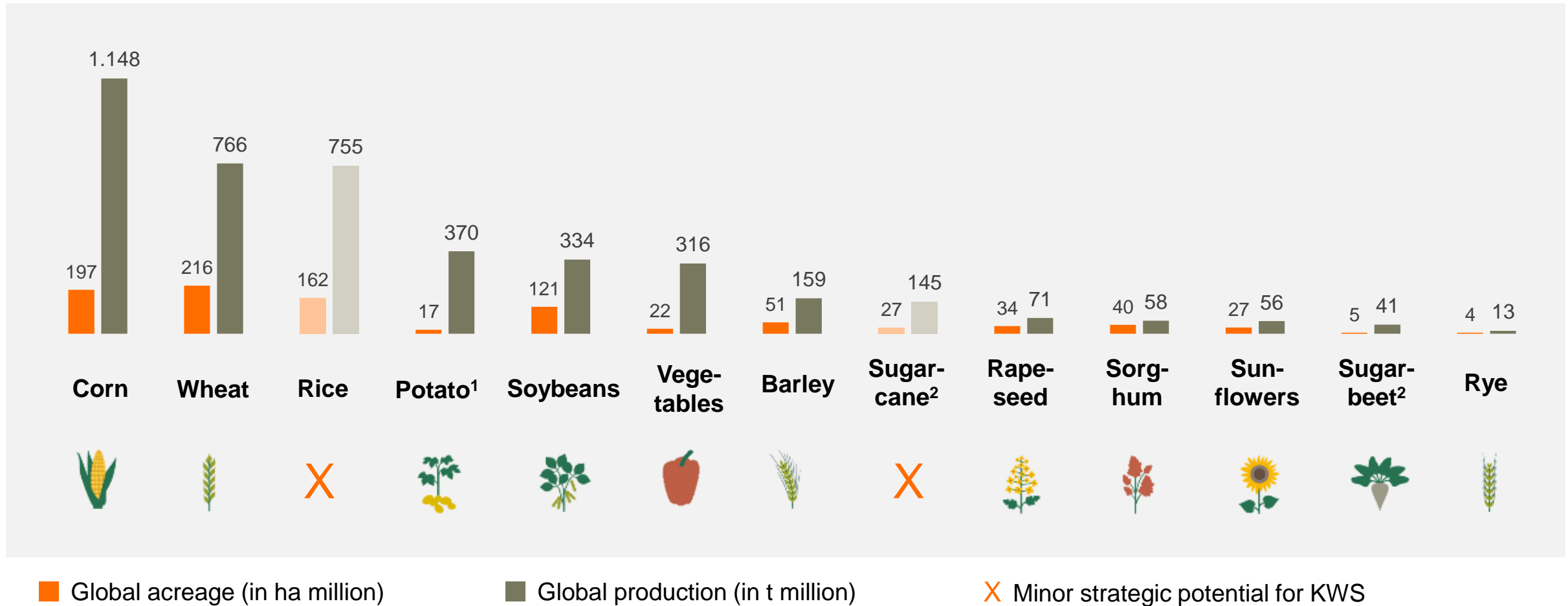


Strategic market position



Source: AgbiolInvestor 2021 and KWS estimates (% corn/soy sales of field and vegetables seed sales; % seed sales of total ag sales)

Our portfolio includes seeds for 11 of the 13 most important crops/crop groups



Source: faostat.fao.org (Data for 2019), zuckerverbaende.de; ¹ No commercial business for KWS, but target of strategic research and development.

² Sugarcane and Sugarbeet production numbers represent sugar extracted from these crops and not the crop produced.

NET SALES*
in € million

774

EBITDA*
in € million

106

EBIT*
in € million

71



Corn



Soybeans



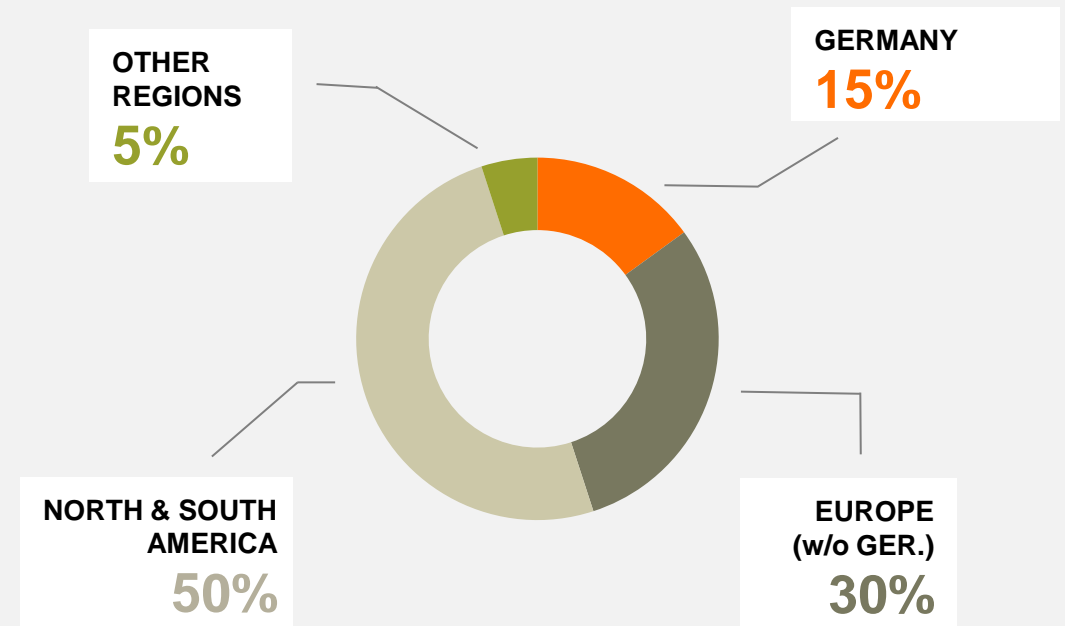
Sunflower



Overview

- Presence in main markets: United States, China, Brazil and EU-27; market leader in silage corn
- Aim to become global player, increase market shares in all main markets
- Growth driver: commercialization of new competitive varieties in Europe and Brazil, growth in China
- Seasonality: mainly Q3

Sales by region*



*Financial year 2020/2021

Sugarbeet Segment



NET SALES*
in € million

524

EBITDA*
in € million

193

EBIT*
in € million

175



Sugarbeet



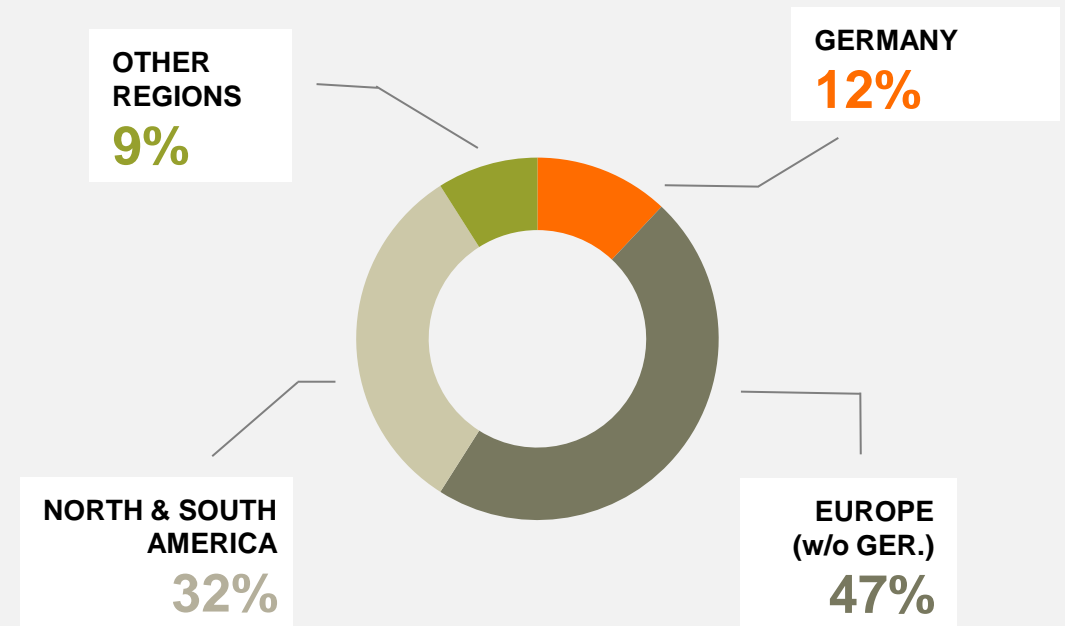
Feedbeet



Overview

- Leading position globally with >60% market share
- Growth driver: innovative product portfolio & pipeline, addressing needs of sugarbeet growers
- Example: CONVISO® SMART, a conventionally bred sugarbeet for highly effective weed management
- Seasonality: mainly Q3

Sales by region*



*Financial year 2020/2021

NET SALES*
in € million

191

EBITDA*
in € million

31

EBIT*
in € million

21



Rye



Rapeseed



Wheat



Barley



Sorghum

...

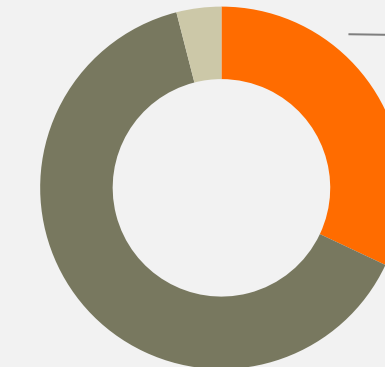


Overview

- Broad portfolio of cereal crops
- #1 in hybrid rye, leading position in rapeseed
- Strong R&D pipeline including hybrid wheat
- Growth driver: hybrid rye, regional expansion
- Seasonality: mainly H1

Sales by region*

NORTH & SOUTH
AMERICA
4%



GERMANY
32%

EUROPE
(w/o GER.)
64%

*Financial year 2020/2021

Vegetables Segment



NET SALES*
in € million

58

EBITDA¹
in € million

10

EBIT¹
in € million

8



Spinach



Beans



Swiss
Chard



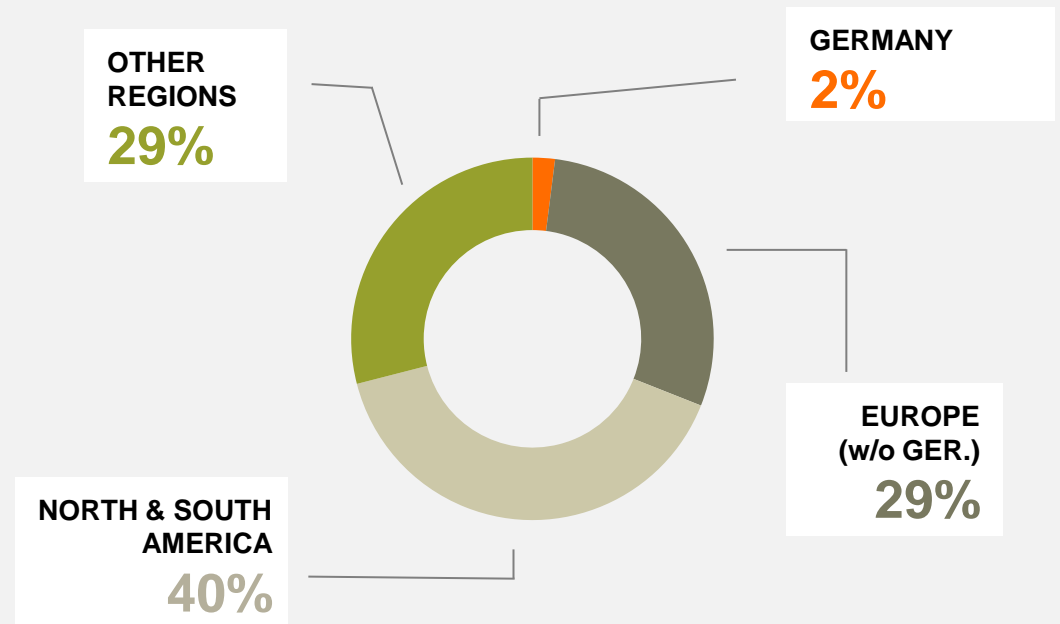
Tomato



Overview

- #1 in spinach seeds
- Long-term aspiration: 5% market share of global vegetable seed market
- Initiation of international breeding programs
- Focus on main vegetable crops: tomato, melon, watermelon, cucumber, pepper
- Seasonality: none

Sales by region*



*Financial year 2020/2021

Update Q1 2021/2022

KWS grows at a fast pace in the first quarter



in € million	Q1 2020/2021	Q1 2019/2020	+/-
Net sales	220.8	184.1	19.9%
EBITDA	-19.7	-27.3	27.8%
EBIT	-42.1	-50.5	16.6%
Net financial income/expenses	-17.2	-15.2	-13.2%
Result of ordinary activities	-59.2	-65.6	9.8%
Income taxes	-15.9	-17.7	10.2%
Net income for the period	-43.3	-47.9	9.6%
Earnings per share (in €)	-1.31	-1.45	9.7%

EQUITY RATIO

in % of total assets

40.5% (39.0%)

TOTAL ASSETS

in € million

2,501 (2,325)

CAPEX (w/o Acquisitions)

in € million

19.1 (19.9)

NET DEBT

in € million

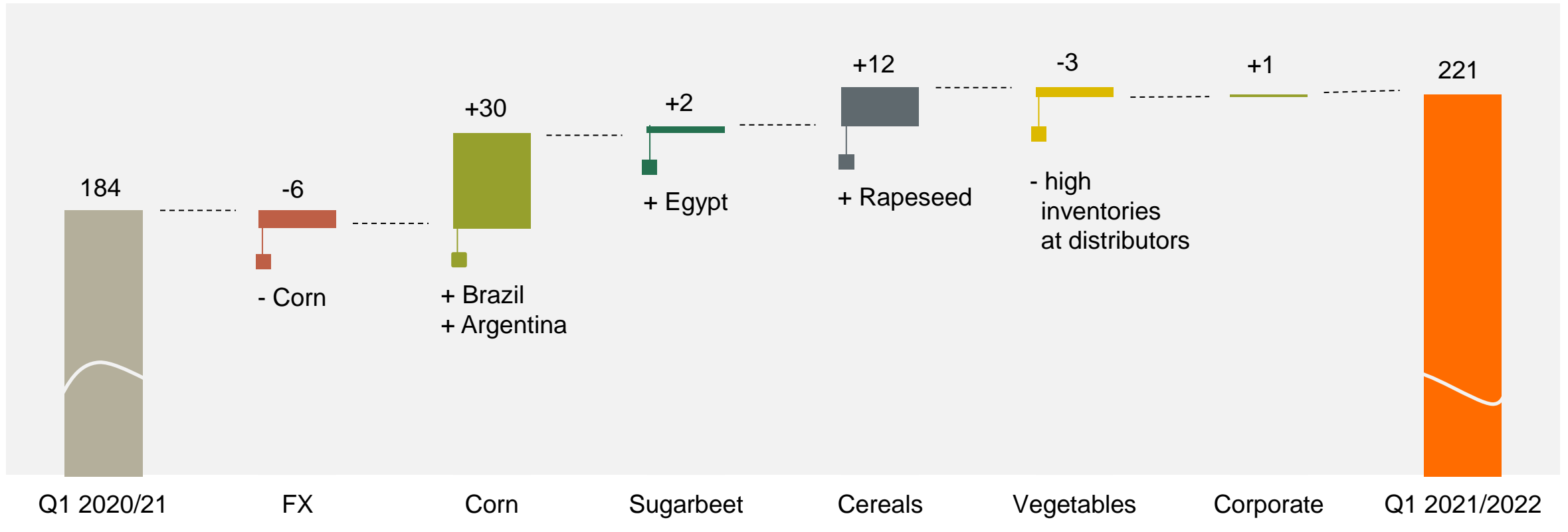
586.5 (620.6)

Previous year's figures in brackets

Strong sales growth in Latin America



Sales development Q1 by segments
in € million (rounded*)



Sales Q1 (prev yr), incl. FX | 68.8 (43.9) | 18.3 (16.1) | 121.2 (109.1) | 10.2 (13.3) | 2.3 (1.7)

* Rounding deviations possible.

Forecast for the KWS Group for fiscal 2021/2022



	Forecast 2021/2022 as at November 18, 2021	Actual 2020/2021
Net sales growth	5 – 7%	€1,310 million
EBIT margin*	11 – 12%	12.5%
R&D ratio	18 – 20%	19.3%

*w/o ppa effects from company acquisitions





Financials

FY 2020/2021

Significant increase in Net income / Earnings per share



In € million	2020/2021	2019/2020	+/-
Net sales	1,310.2	1,282.6	2,2%
EBITDA	230.9	225.5	2,4%
EBIT	137.0	137.4	-0,3%
Financial result	5.5	-7.8	-
Result of ordinary activities	142.2	129.5	9,8%
Taxes	31.6	34.3	-7,9%
Net income	110.6	95.2	16,2%
Earnings per share (in €)	3.35	2.89	15,9%

EBIT MARGIN (excl. ppa-effects)
EBIT as a % of net sales

12.5% (13.3%)

COST OF SALES
as a % of net sales

43.6% (42.9%)

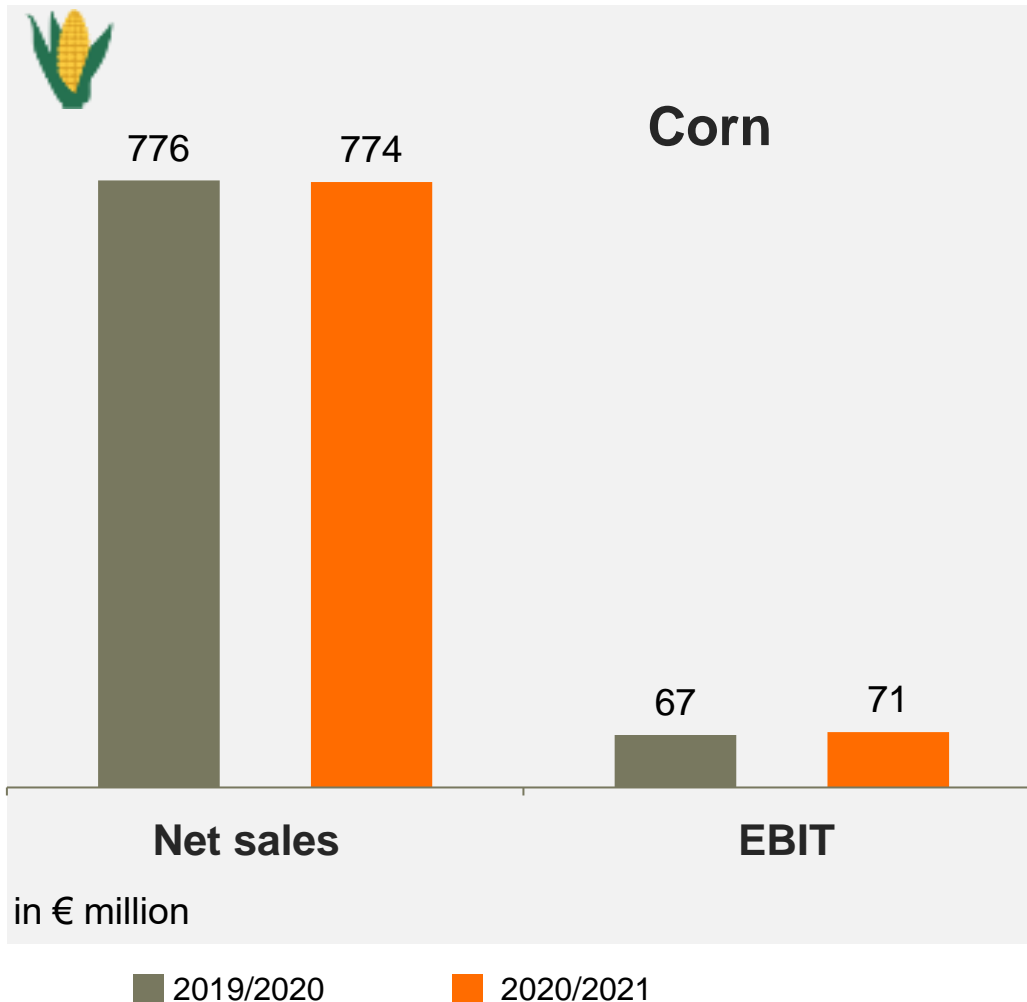
R&D INTENSITY
as a % of net sales

19.3% (18.4%)

Tax rate
in %

22.2% (26.5%)

Previous year's figures in brackets

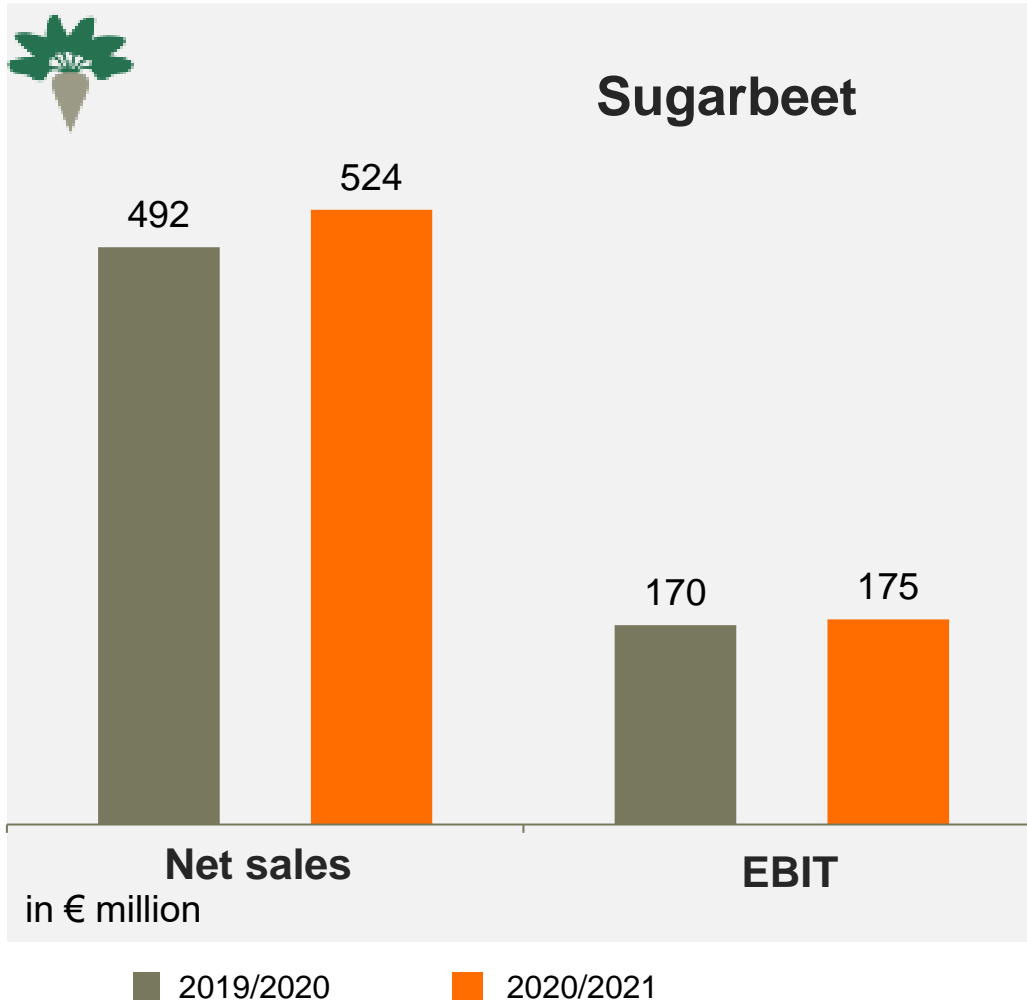


FY 2020/2021

- FX adj. sales growth (+8.3%) driven by European markets and South America
- Excellent performance of new grain corn varieties in Southern & Eastern Europe
- Strong volume increase in Brazil due to higher acreage and market share
- U.S. Joint Venture sales (AgReliant) slightly below previous year's level
- Segment EBIT increased by 6% to € 71m (67m)
- EBIT margin improved to 9.2% (8.6%)

Outlook 2021/2022

- Significant sales increase / EBIT margin at previous year's level

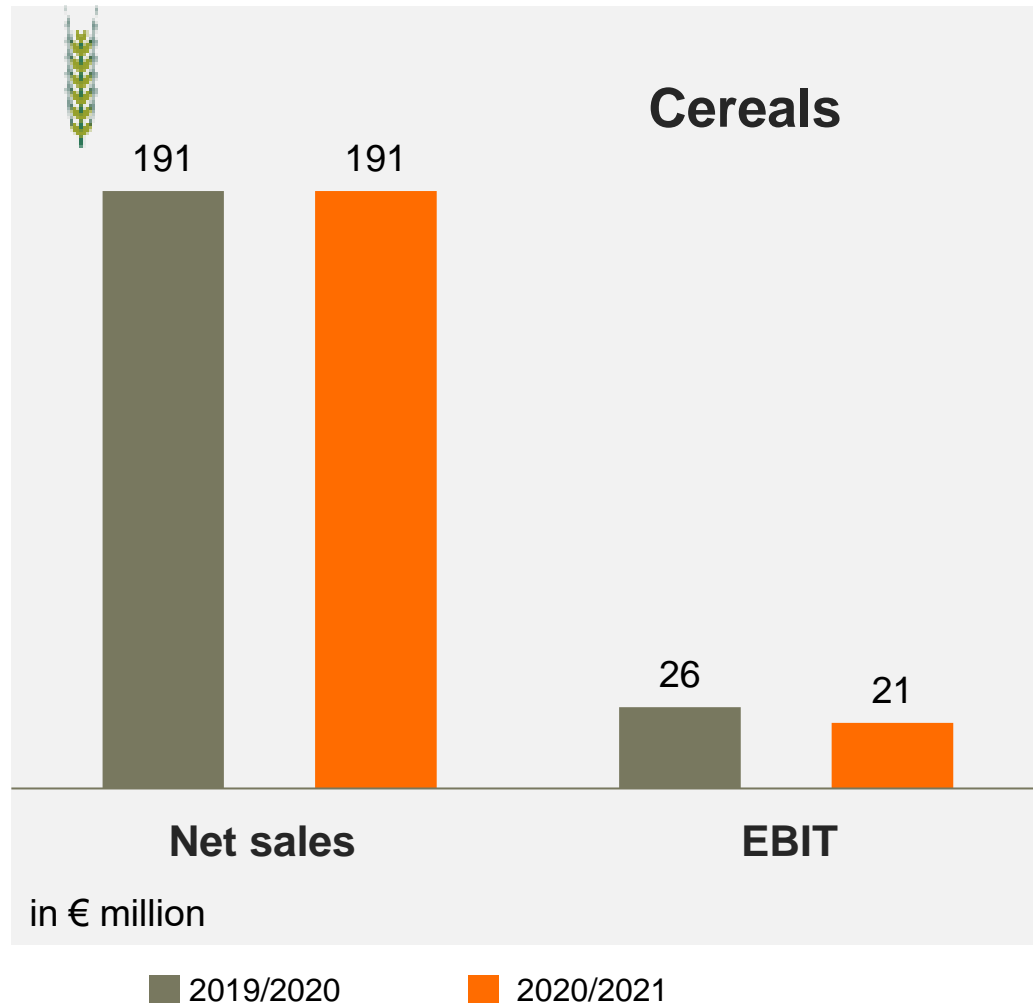


FY 2020/2021

- Segment sales increased by 6.6% (FX adj.: +13.0%)
- High demand for CONVISO[®] SMART and initial sales for newly launched varieties with Cercospora tolerance (CR+)
- Segment EBIT increased to € 175m (170m) – despite negative FX impact and higher prime costs in seed multiplication due to weather conditions
- Strong profitability of >30% EBIT margin maintained

Outlook 2021/2022

- Sales and EBIT margin at previous year's level

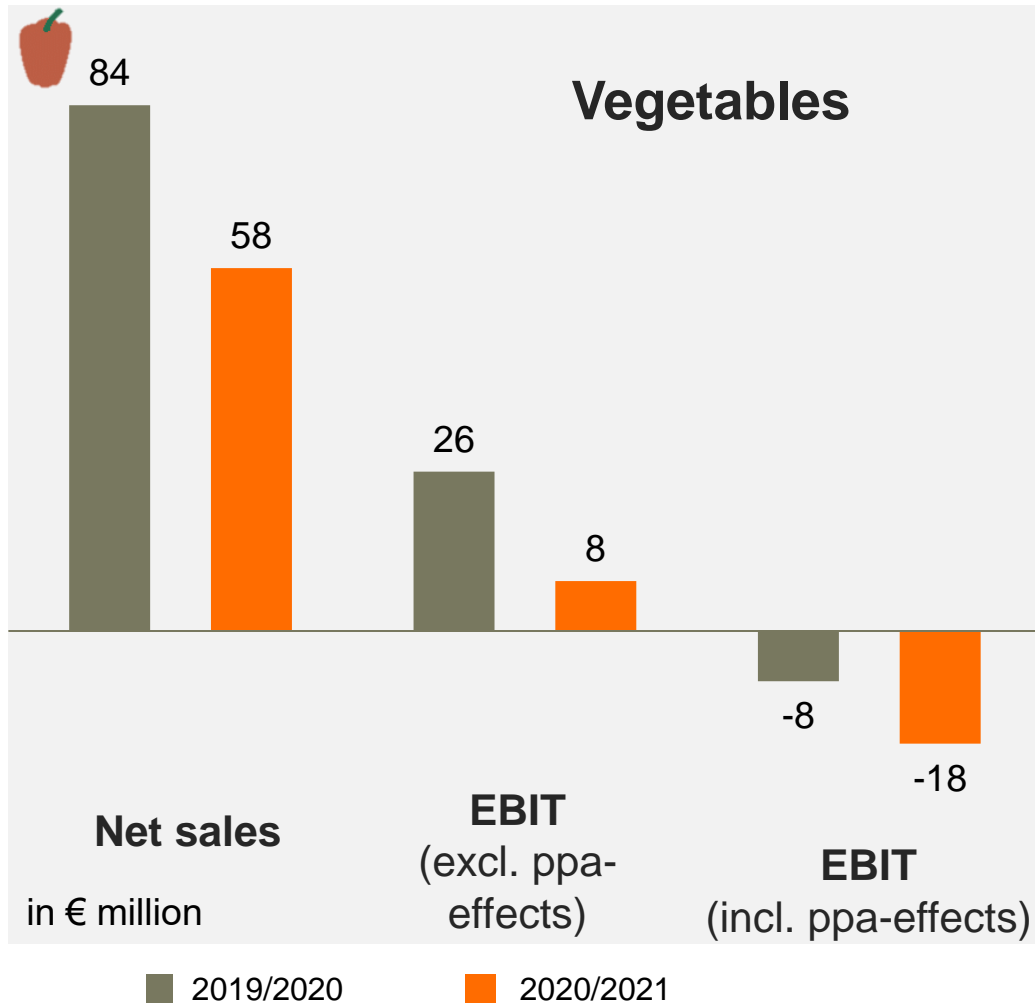


FY 2020/2021

- FX adjusted growth (+3.3%) driven by rapeseed and wheat
- Sales for main crop hybrid rye stable (FX adj.)
- Segment EBIT below previous year due to higher expenses in R&D and marketing & selling for growth initiatives

Outlook 2021/2022

- Slight increase in sales and EBIT margin



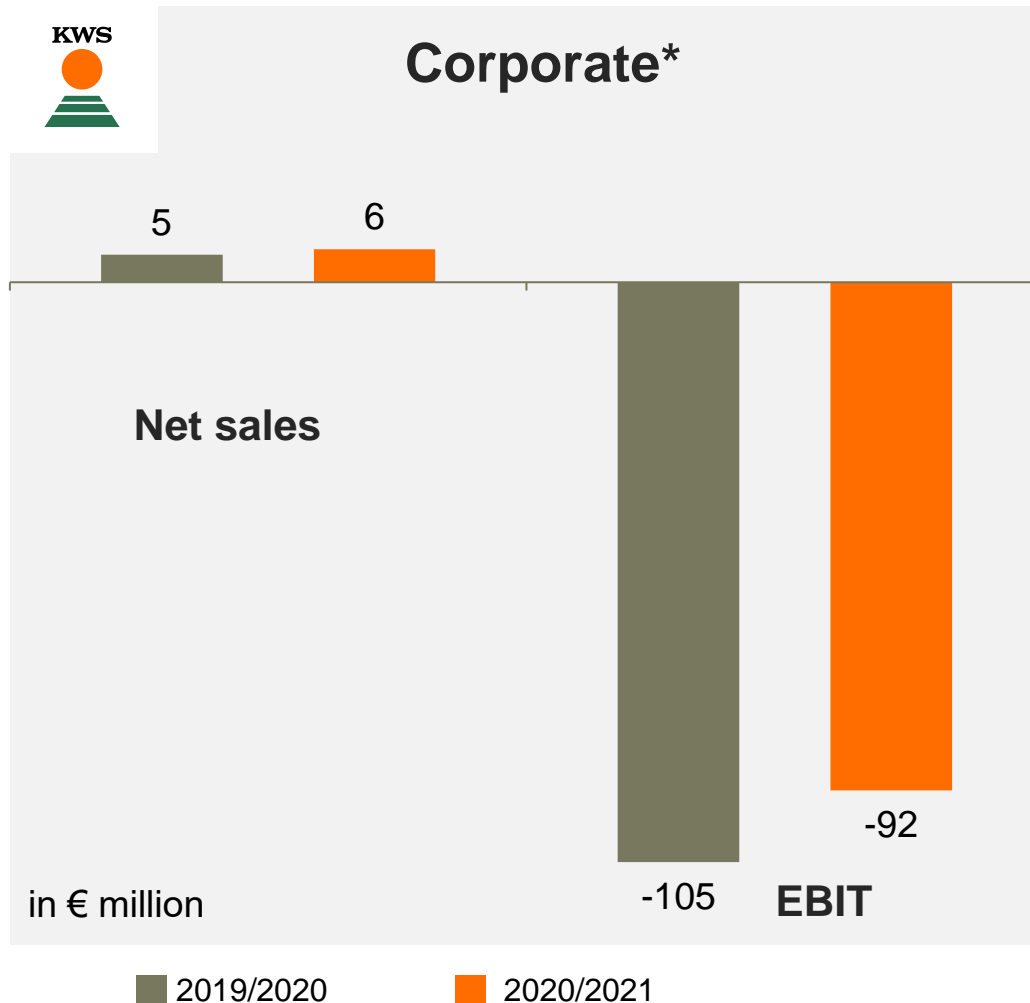
FY 2020/2021

- Strong decline in sales due to Covid-19-pandemic (reduced demand for fresh spinach in main food service market U.S.)
- Sales in bean seeds up by 13%
- EBIT significantly reduced due to sales decline and
- ppa-effects include non-cash items of:
 - € –4.1m from sale of inventories (at fair value)
 - € –21.9m amortization of intangible assets

Outlook 2021/2022

- Significant business recovery; significant increase in sales and profitability

Segment development – Corporate*



FY 2020/2021

- Improvement due to positive FX effects from financial instruments and pandemic-related cost savings

Outlook 2021/2022

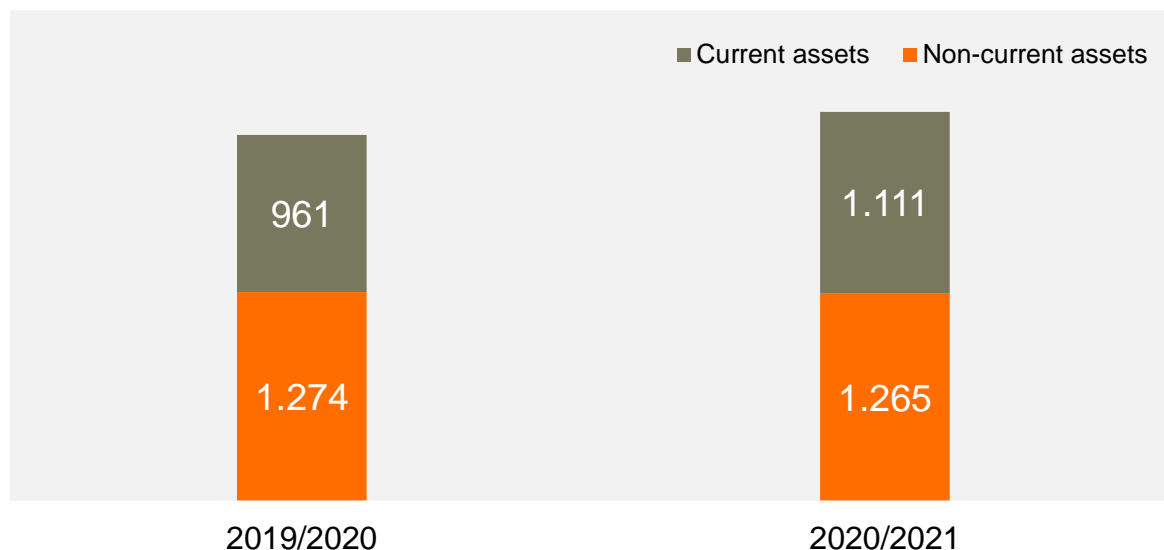
- About € –100m

*Segment includes cross-segment costs for the KWS Group's central functions and basic research expenditure; EBIT typically negative

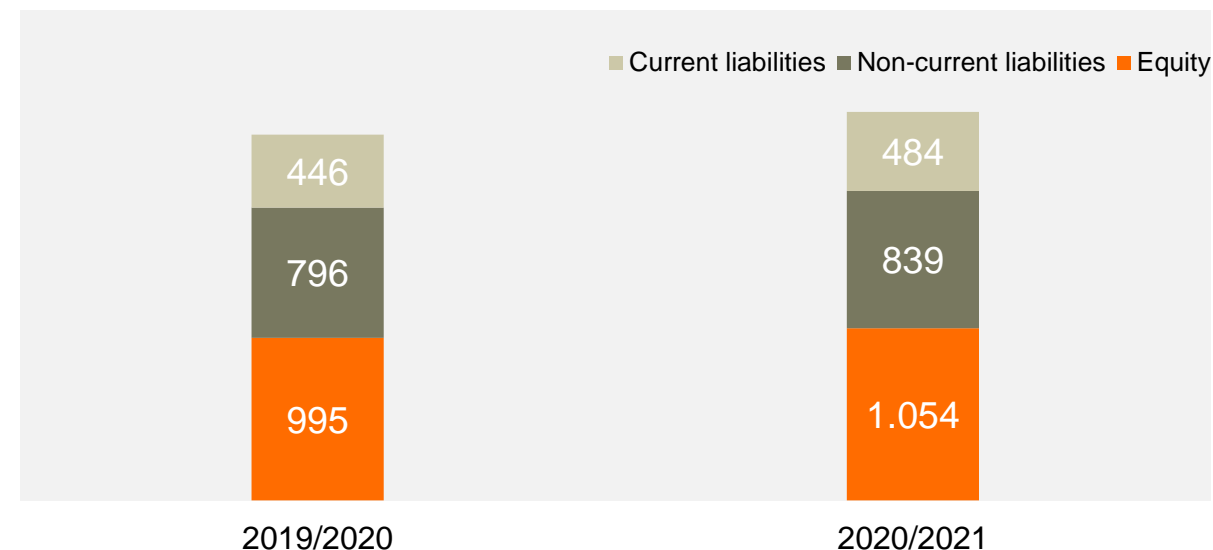
Balance sheet as of June 30, 2021



Balance sheet structure – Assets in € million



Balance sheet structure – Equity and liabilities in € million



TOTAL ASSETS

in € million

2,377 (2,235)

EQUITY RATIO

as a % of total assets

44.3% (44.5%)

NET DEBT

in € million

475.6 (495.5)

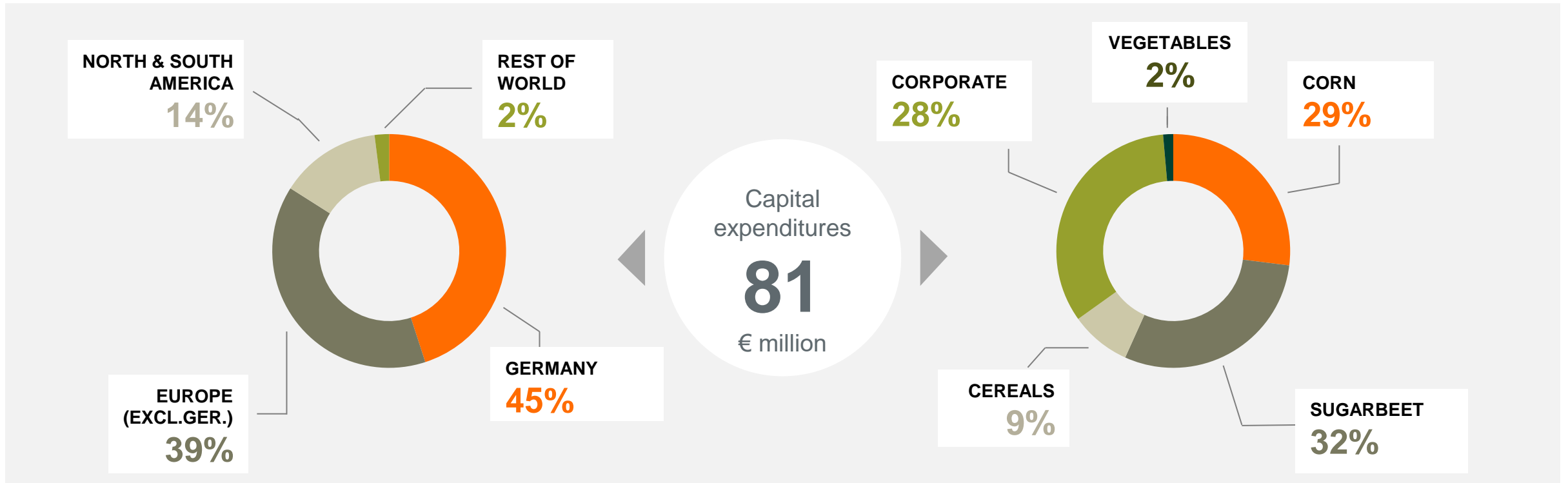
Average ROCE

in %

8.5% (8.4%)

Previous year's figures in brackets

Overview capital expenditures



Investment focus: Germany



Seeding the future

Challenges and solutions for
modern agriculture

(Future) challenges for agriculture



Population growth: demand for food is expected to rise by 60% by 2050



Shrinking of per-capita acreage: growing population in conjunction with stagnating acreage



Climate change: changes in abiotic stress require new variety properties



Yield loss: 50% due to insects, herbicides, fungal diseases and storage damage



Limited resources: water, fertilizer and plant protection

We develop high yielding and resource-efficient varieties for a sustainable agriculture



Safe yields

Securing yield stability and developing higher yields for a sustainable supply



Resource efficiency

Reducing consumption of water, fertilizer, chemical plant protection



Increased nutrient content

Optimization of energy and nutrient content for more efficient use of acreage



Diversification

Securing sustainability through broadly diversified breeding material



EU GREEN DEAL TARGETS



Reduce by 50% the overall use and risk of **chemical pesticides** and reduce use by 50% of more hazardous **pesticides** by 2030



Achieve at least 25% of the EU's agricultural land under **organic farming** and a significant increase in **organic aquaculture** by 2030



Reduce sales of **antimicrobials** for farmed animals and in aquaculture by 50% by 2030



Reduce **nutrient losses** by at least 50% while ensuring no deterioration in soil fertility; this will reduce use of **fertilisers** by at least 20 % by 2030



Bring back at least 10% of agricultural area **under high-diversity landscape features** by 2030

Contribution of plant breeding: Product Impact



Safeguard food production

- 1.5 % annual yield gain for farmers through progress in plant breeding and
- Digital farming solutions on >6 million hectares



Minimize input required

- Invest >30 % p.a. of R&D budget into reduction of inputs
- >25% of KWS varieties are suitable for low input



Enhance crop diversity

- Increase number of crops with dedicated breeding programs from 24 to 27



Support sustainable diets

- >40 % of KWS varieties are suitable for predominantly direct use in human nutrition

Corporate Responsibility



Improve operational footprint

- Reduce scope 1 & 2 emissions by 50 % until 2030 and to net-zero by 2050
- Establish score cards



Foster social engagement

- Min. 1 % EBIT p.a. into social projects
- Improve employee engagement
- Declining trend of accidents/illnesses index



Organic seeds

- **Variety and performance testing** for the early selection of efficient organic varieties and plant material from conventional breeding programs
- Seeds of high performance and quality **optimized for organic farming**



Biologicals

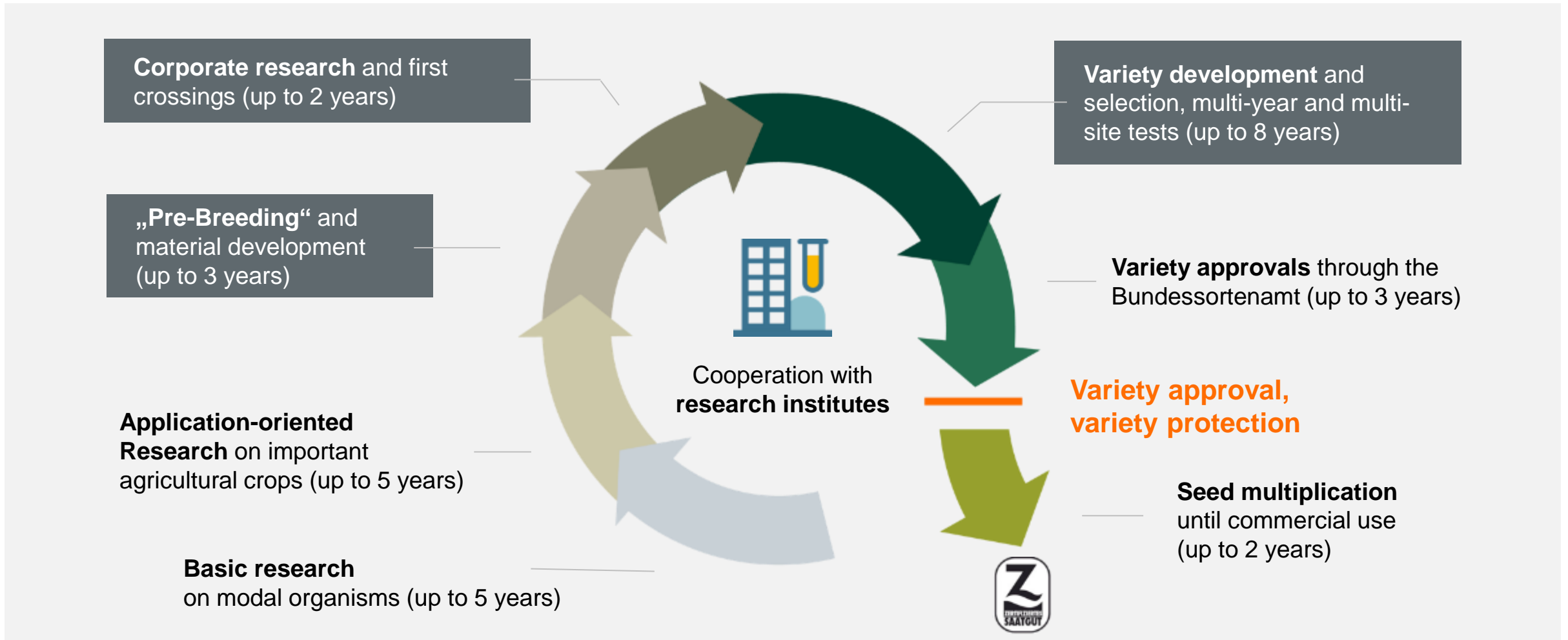
- Biologicals can help to **reduce chemical** crop protection
- **Useful microorganisms** protect yield against pests, abiotic stress (cold, drought, etc.)
- Biologicals can be applied as treatment **directly to the seed**. Very efficient in protecting the seedling right at the beginning of the development



Hybridrye

- Used as feed **increases animal health** as a feed
- Good **resistance to dryness**
- **Less nitrogen, water and crop protection** compared to wheat
- **Smallest carbon footprint** of cereals in Germany (greenhouse gas emissions for cultivation)

Developing a new variety is a complex process and takes 8 to 12 years



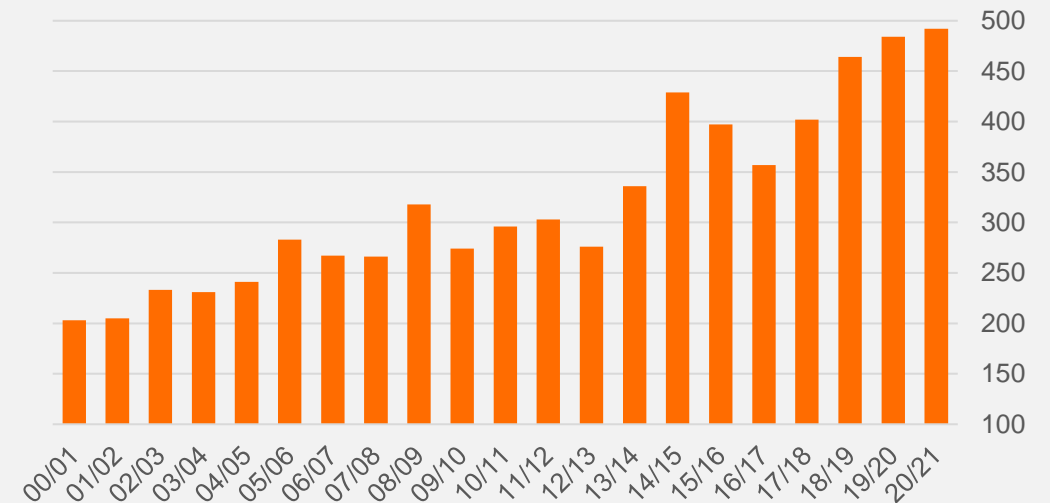
Source: BDP, changed

Diverse portfolio of strong varieties



■ 492 variety approvals
in FY 2020/2021

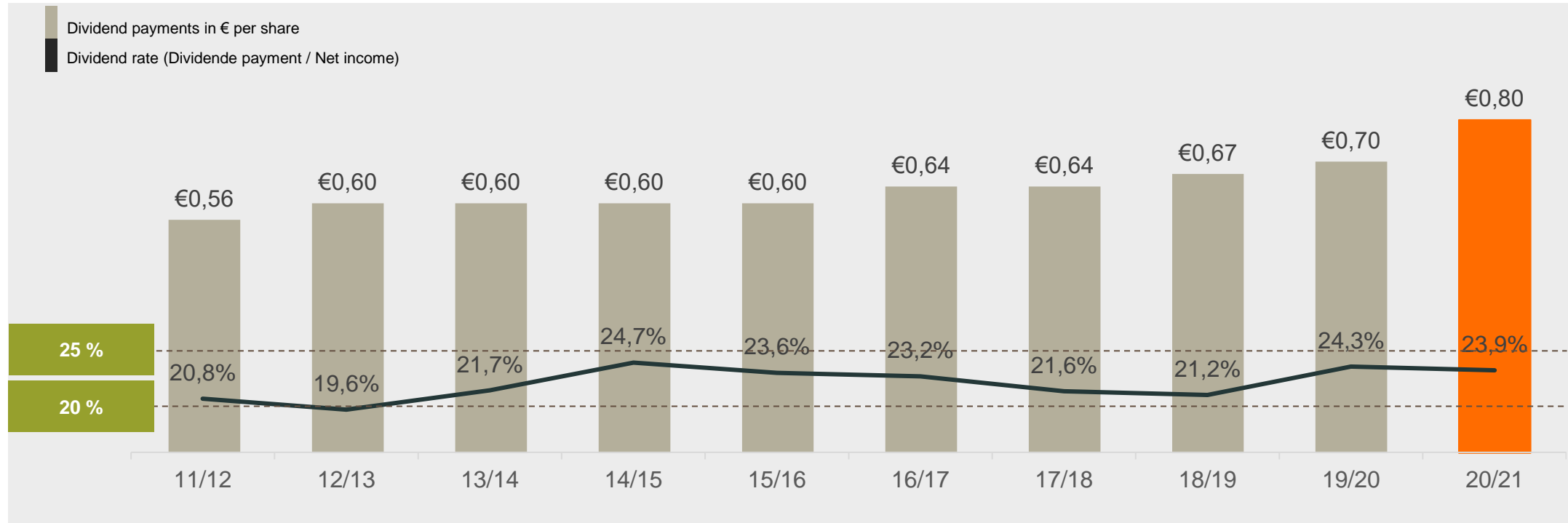
Development of variety approvals over last 20 years



Dividend proposal: Increase to 0.80 Euro per share



Dividend payments and dividend rate of the last 10 years



Dividend policy continued

Key figures for the KWS share, shareholdings and coverage



1	General Data	
	<ul style="list-style-type: none"> ▪ ISIN ▪ Number of shares ▪ Type 	<p>DE0007074007 33.000.000 No-par value shares</p>
2	Closing price (Xetra)*	in €
	<ul style="list-style-type: none"> ▪ June 30, 2021 ▪ June 30, 2020 	<p>69.40 66.70</p>
3	Daily trading volume (avg.)	in shares/day
	<ul style="list-style-type: none"> ▪ 2020/2021 ▪ 2019/2020 	<p>9,203 14,354</p>
4	Market capitalization	in € million
	<ul style="list-style-type: none"> ▪ June 30, 2021 ▪ June 30, 2020 	<p>2,290 2,201</p>



Financial calendar and IR contact



December 2, 2021 Annual General Meeting

February 14, 2022 H1 Report 2021/2022

May 12, 2022 9M Report 2021/2022



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