

Investor presentation

KWS SAAT SE & Co. KGaA | November 2023

SEEDING
THE FUTURE
SINCE 1856



**WHY INVEST IN
KWS?**

We are an
innovation-driven
company turning
sustainability in
agriculture into
growth



Sustainability
is anchored in our
company values



We are **independent**
and **family-backed**
company with a track
record of growth by
providing **innovative**
solutions for farmers



As one of **the**
leading plant
breeding companies
worldwide we strive
for **further**
profitable growth



KWS at a glance

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



NET SALES*

in million €

1,820

COUNTRIES

>70

EMPLOYEES*

5,319

INNOVATION*

in % of net sales

17.3

YIELD PROGRESS

crops Ø p.a. in %

1-2

*Financial year 2022/2023

Ranking

by sales with agricultural crops

Global

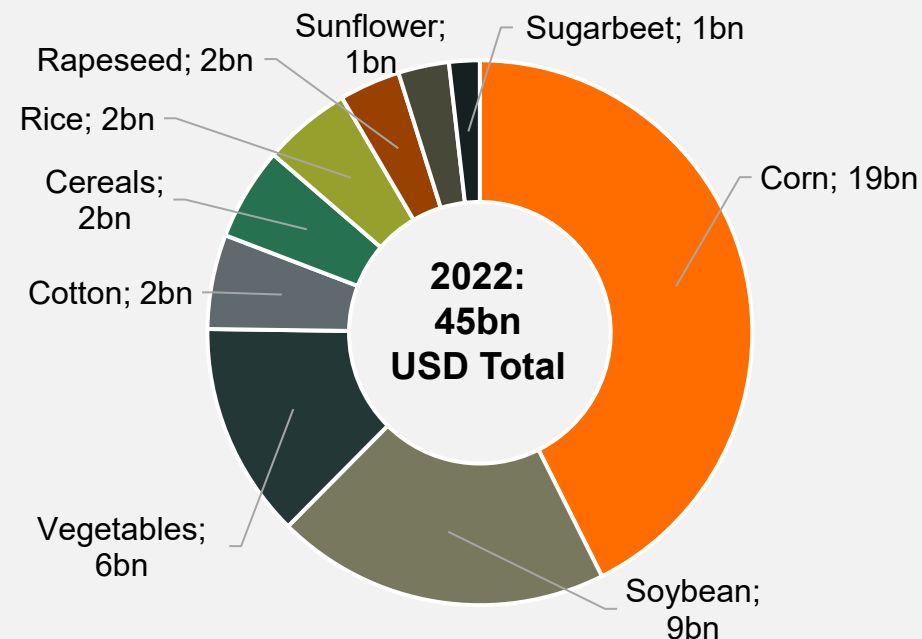
1. Bayer
2. Corteva
3. Syngenta Group
- 4** KWS
5. Vilmorin

Europe

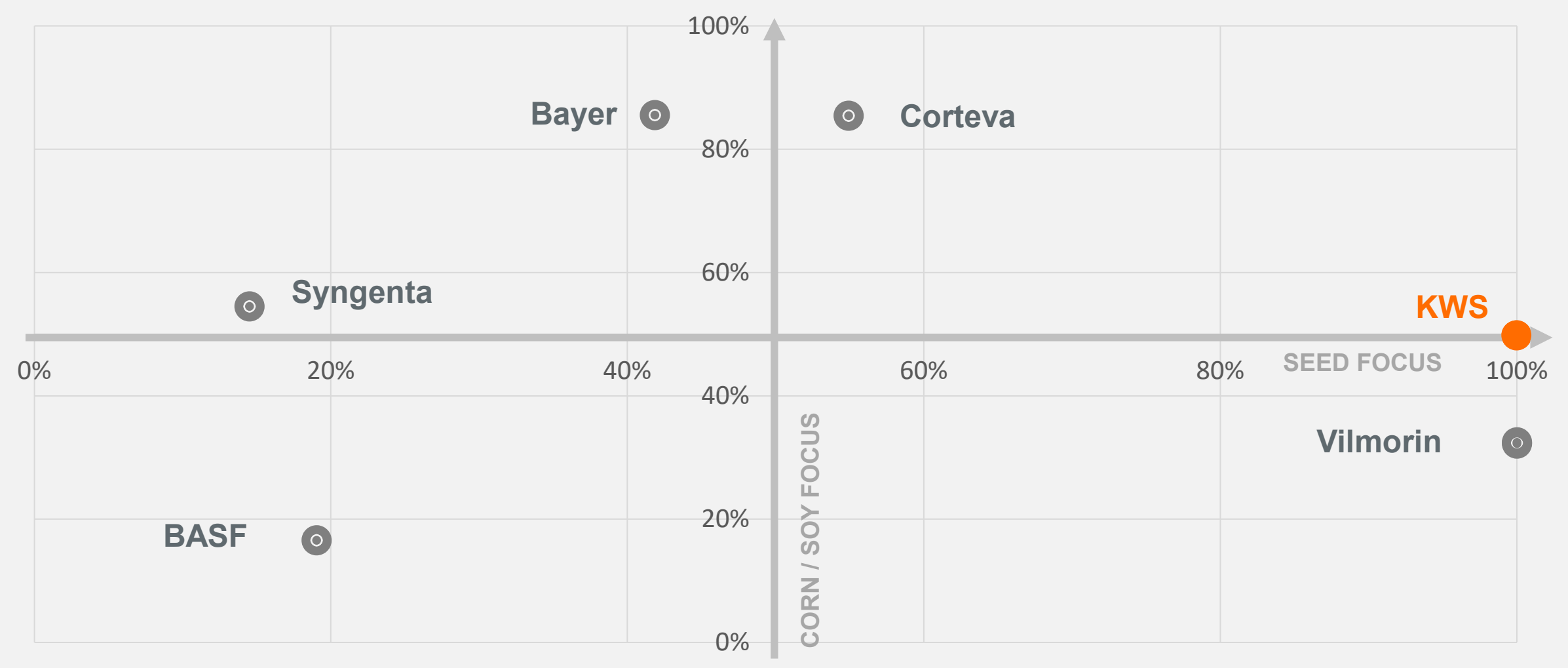
1. Corteva
- 2** KWS
3. Bayer
4. Syngenta Group
5. Vilmorin

Sources: AgbioInvestor 2023 and KWS estimates. Ranking KWS and Vilmorin includes 50% of AgReliant sales each

Global Commercial Seed Market (in USD)

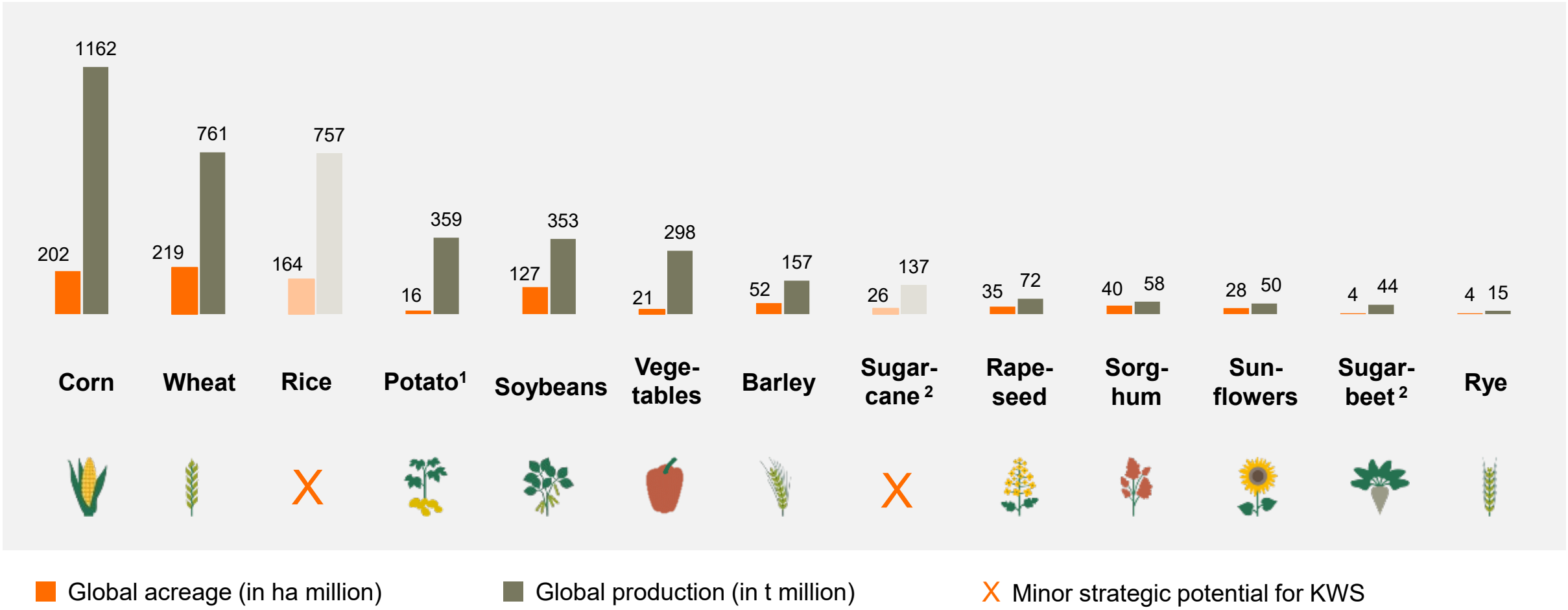


Strategic market position



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 2020), 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.

Corn segment



NET SALES*
in € million

1.047

EBITDA*
in € million

90

EBIT*
in € million

46



Corn



Soybeans

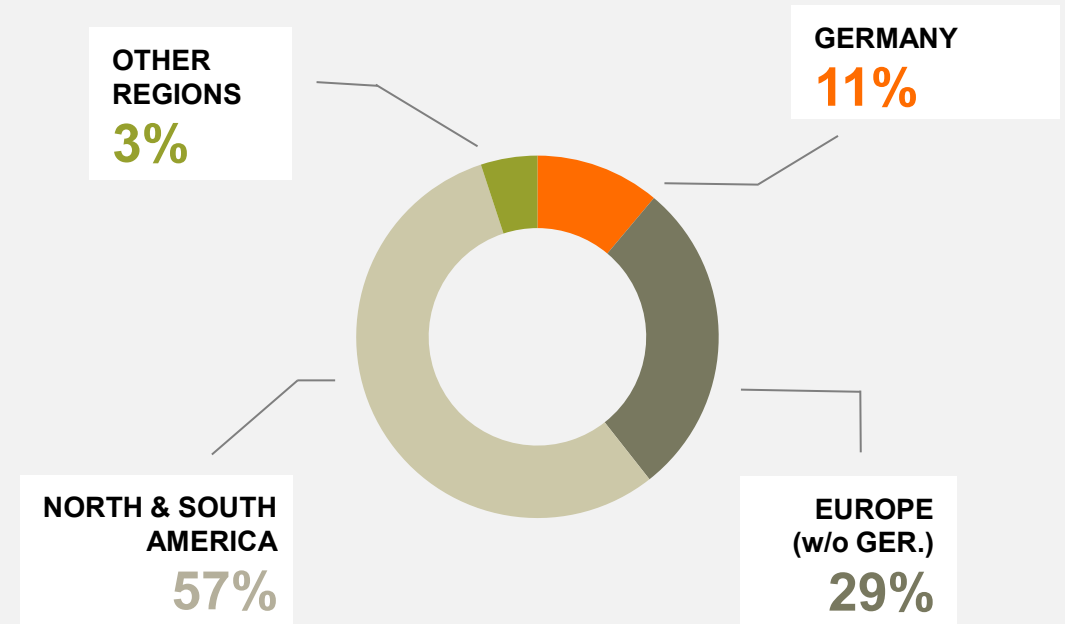


Sunflower

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
- Seasonality: mainly Q3

Sales by region*



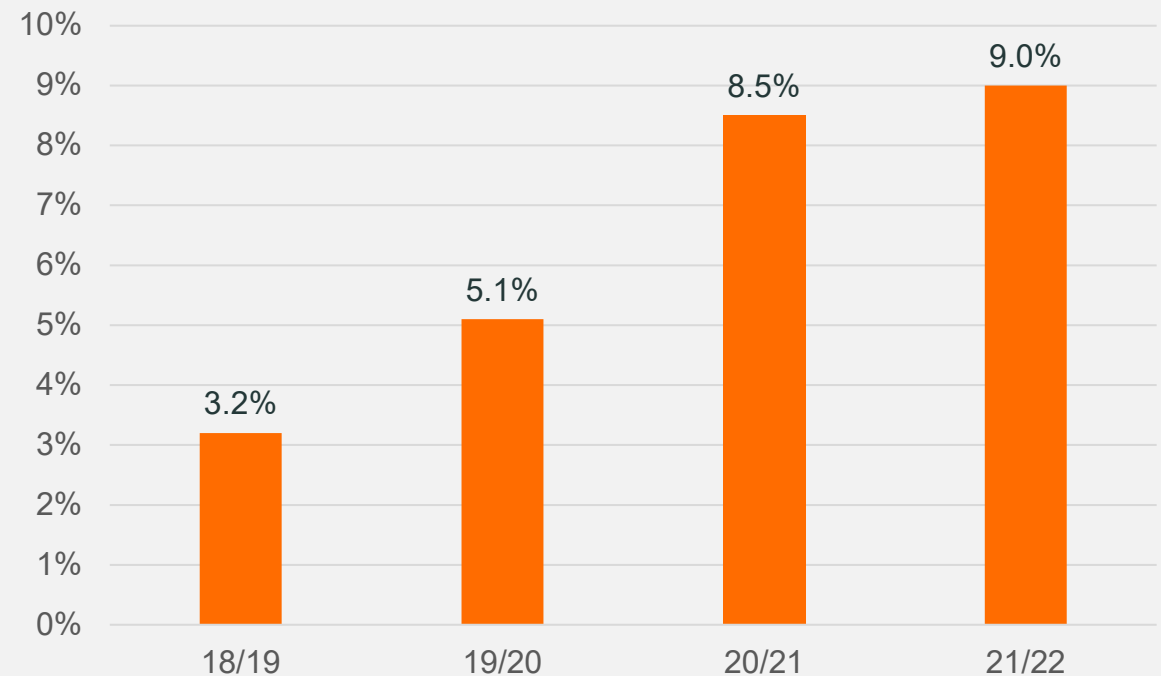
*Financial year 2022/2023

KWS has reached
top level in Brazil
based on its **strong
product portfolio**

KWS won 2 years in a row
the **best Corn Seed Company**



KWS' market share (Corn Brazil)



Sugarbeet Segment



NET SALES*
in € million

716

EBITDA*
in € million

276

EBIT*
in € million

253



Sugarbeet



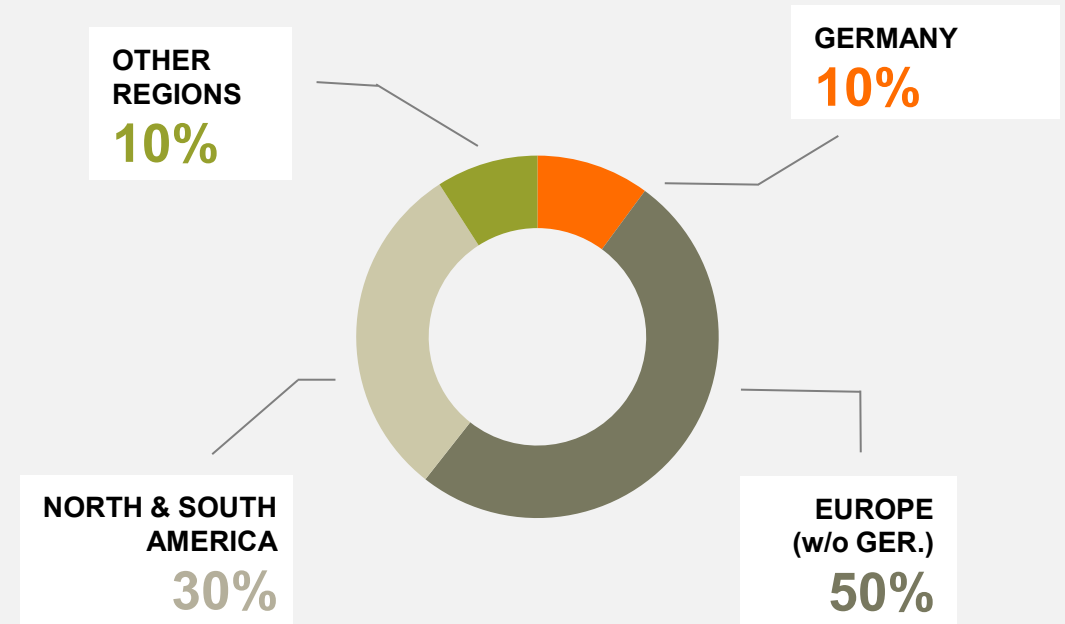
Feedbeet



Overview

- Leading position globally with >60% market share
- Growth driver: innovative product portfolio & pipeline, addressing needs of sugarbeet growers
- Example: New CR+ varieties offer a high level of tolerance against leaf disease cercospora, thus reducing fungicide use
- Seasonality: mainly Q3

Sales by region*



*Financial year 2022/2023

The new and powerful
**Cercospora variety
generation (CR+)**
offers a novel **disease
suppression** and
yield performance

Classic variety



CR+ variety



Cereals Segment



NET SALES*
in € million

257

EBITDA*
in € million

48

EBIT*
in € million

40



Rye



Rapeseed



Wheat



Barley



Sorghum

...

Overview

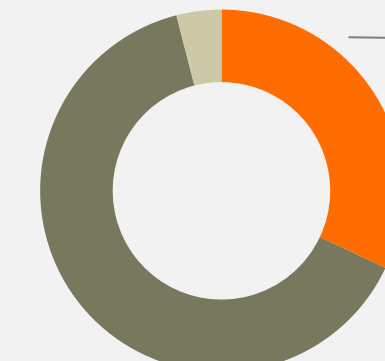
- Broad portfolio of cereal crops
- #1 in hybrid rye, leading position in rapeseed
- Strong R&D pipeline including hybrid wheat
- Growth driver: hybrid rye, regional expansion
- Seasonality: mainly H1

Sales by region*

NORTH & SOUTH
AMERICA
8%

EUROPE
(w/o GER.)
60%

GERMANY
32%



*Financial year 2022/2023

Hybrid rye has the
lowest CO₂ footprint
of all cereals.

It requires far **less**
water, agrochemicals
and fertilizers.



#RYEVOLUTION

Vegetables Segment



NET SALES*
in € million

66

EBITDA
in € million

2

EBIT¹
in € million

-12



Spinach



Beans



Swiss
Chard



Tomato

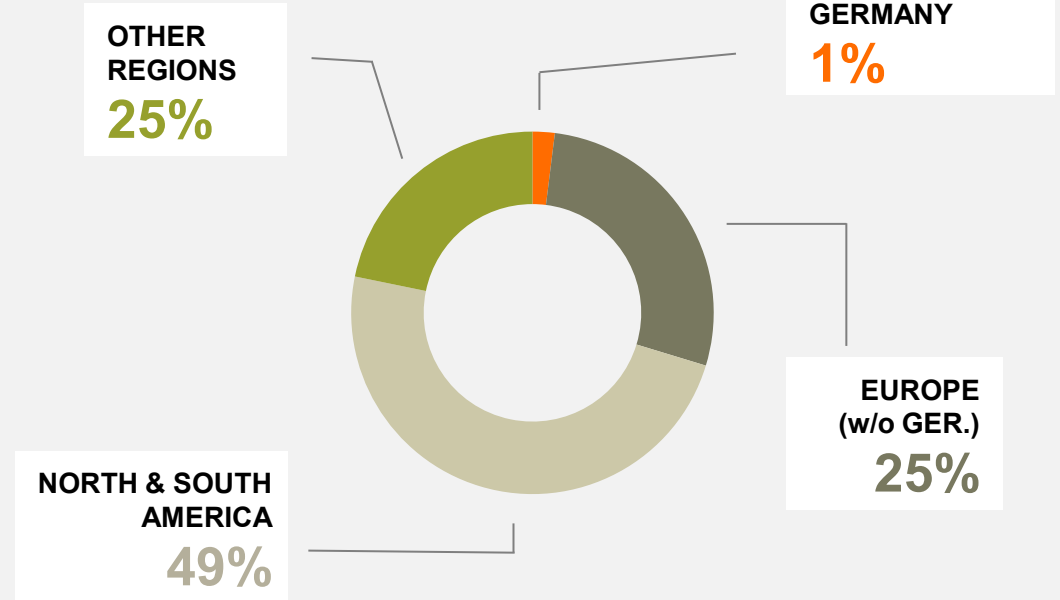
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Overview

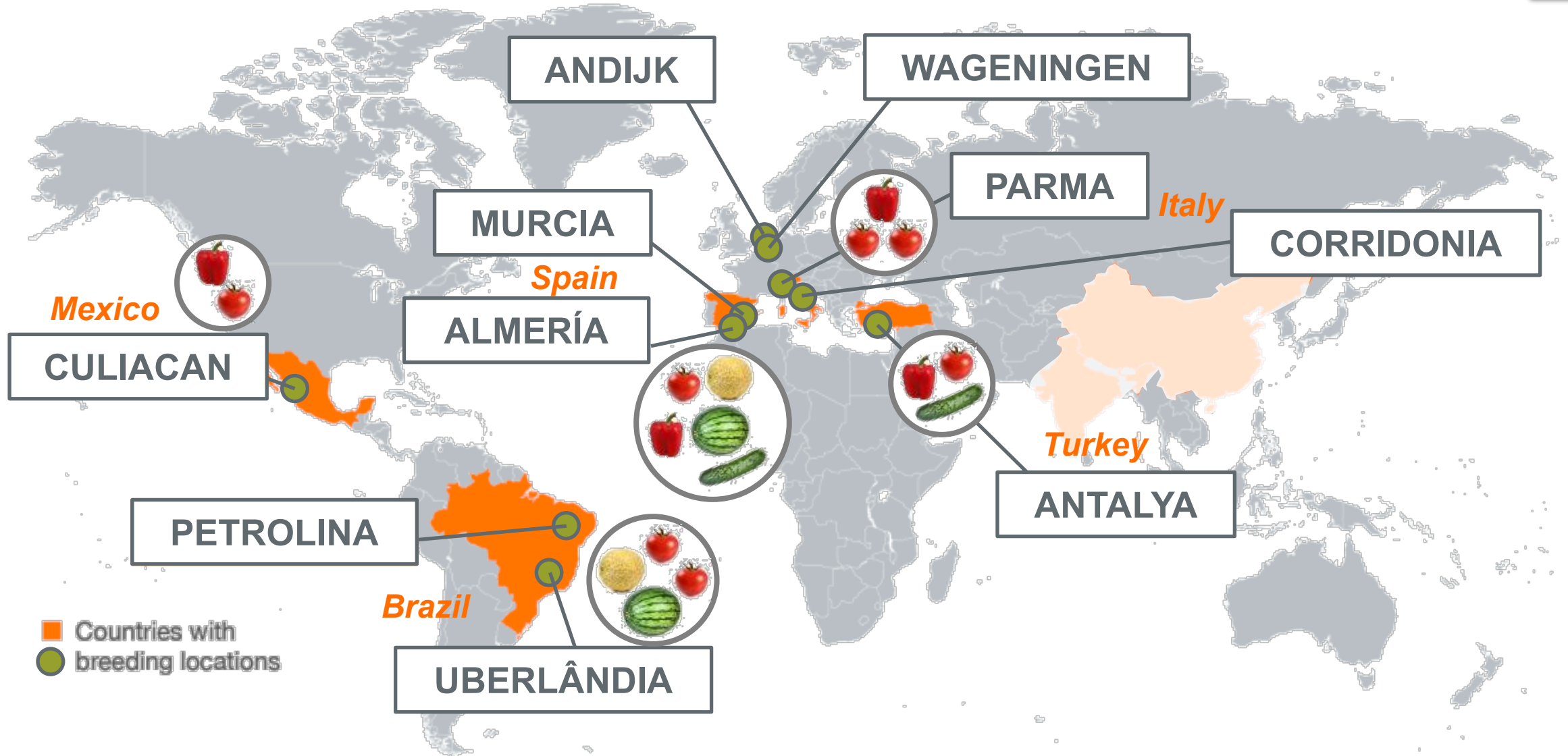
- Leading in spinach seeds
- Long-term aspiration: 5% market share of global vegetable seed market
- Breeding programs with focus on main vegetable crops: tomato, melon, watermelon, cucumber, pepper
- Seasonality: none

Sales by region*



*Financial year 2022/2023

Vegetable breeding activities



Q1 2023/2024

Financials Q1 2023/2024



| in € million | 3M 2023/2024 | 3M 2022/2023 | +/- |
|---------------------------|--------------|--------------|---------------|
| Sales | 267.7 | 266.3 | 0.5% |
| EBITDA | -21.3 | -7.1 | >-100% |
| EBIT | -48.3 | -33.1 | -45.9% |
| Financial result | -28.4 | -29.8 | 4.5% |
| Earnings before taxes | -76.8 | -62.9 | -22.0% |
| Taxes | -21.5 | -16.7 | -28.9% |
| Net income | -55.3 | -46.2 | -19.6% |
| Earnings per share | -1.67 | -1.40 | -19.6% |

Equity Ratio
in % of total assets

42.0% (43.2%)

Total Assets
in € million

2,963.0 (2,820.3)

CAPEX
in € million

22.4 (20.9)

Net Debt
in € million

702.0 (613.7)

Previous year's figures in brackets

Opportunities

- Price development for agricultural commodities
- 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

- Further growth expected in a challenging environment
- Sales increase of 3 – 5% (on a comparable basis)
- Stable EBIT margin at 11 – 13%
- Continued high investments in R&D (18 – 19% of sales)



**TURNING
SUSTAINABILITY
INTO GROWTH**

EU **Farm-to-Fork** strategy sets challenging **targets** by 2030

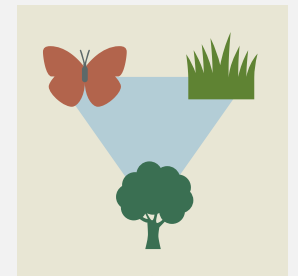
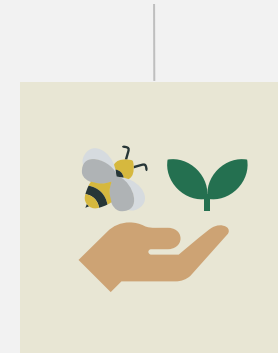
50%

reduction in the
overall use and risk
of plant protection
chemicals



25%

or more of
agricultural land
under organic
farming



20%

reduction in the
use of inorganic
fertilizers



10%

of agricultural
area under high-
diversity landscape
features

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

In alignment with global megatrends...



Climate change



Call for sustainable agriculture and supply chains



Climate change impacts cultivation conditions



Cost pressure in agricultural raw material production

Consumer demands



Growing demand for plant-based alternatives to animal protein

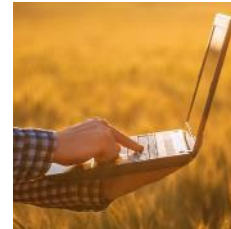


Desire for healthy lifestyle and diets

Digitalization



Automation and digitalization in the field of agriculture

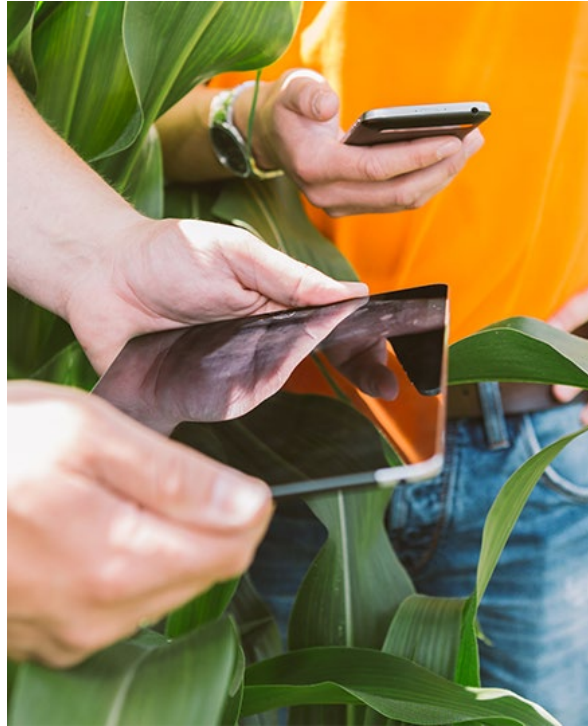


Evolution of direct and digital sales channels

... we identified our Fields of Growth



**Sustainable
Agricultural
Practices**



**Connected
Seeds**



**Nutritional
Food
Ingredients**



**Future
Sales
Models**

Sustainable Agricultural Practices – Our approach



**Low input
varieties**

A photograph of a dense field of green plants, likely a cover crop or a low-input variety, with the text 'Low input varieties' overlaid in white.

**Stress
resistant
varieties**

A photograph of a small green plant growing in a clear plastic container filled with water, with the text 'Stress resistant varieties' overlaid in white.

**Organic
seeds**

A photograph of a field of white flowers, likely rapeseed, with the text 'Organic seeds' overlaid in white.

**Animal
feeding**

A close-up photograph of a cow's head, showing its eye and ear, with the text 'Animal feeding' overlaid in white.

**Weed
control
methods**

A photograph of a tractor plowing a field, with the text 'Weed control methods' overlaid in white.

**Mixed
cropping
systems**

A photograph of a field with different colored crops, including yellow and green, with the text 'Mixed cropping systems' overlaid in white.

Examples for our contribution to a more sustainable agriculture



Low Input Varieties

- **Stable yields** with low fertilizer input, limited water availability or reduced use of chemical plant protection products
- KWS develops cross-crop varieties for global markets
- Goal by 2030: More than 30 percent of the annual R&D budget in low input varieties



First sunflower varieties

- **Expansion of the portfolio** and start of breeding programs for sunflowers in 2010
- Against the background of climatic challenges, it is playing an increasingly important role in **crop rotation**, especially in Southeast and Eastern Europe
- In 2023, the first varieties from our own breeding program were submitted for approval in several countries



“Beat the heat“ Beans

- **Heat periods** cause regional problems when growing bush beans
- Within around 15 years we have bred heat-tolerant bean varieties
- These are successfully sold in the USA under the brand “**Magma Collection – beat the heat**”. Further potential for Italy and northwest Europe.

Nutritional Food Ingredients – sustainable, valuable sources of protein



A



Strengthening the portfolio of crops, varieties and traits in the field of alternative protein products

KWS will follow two promising approaches



B

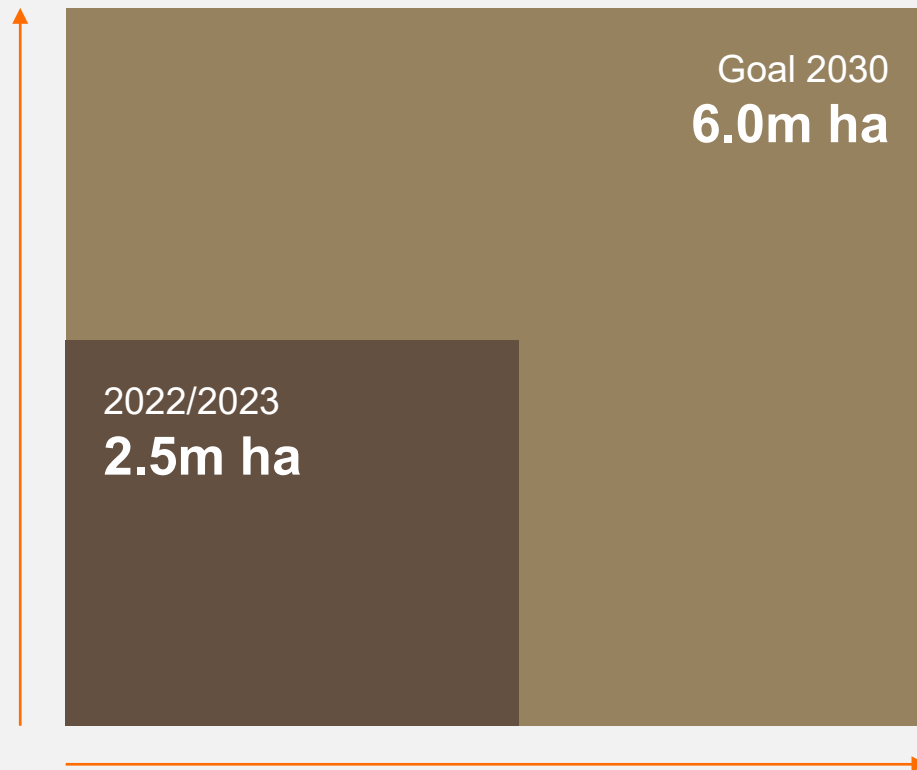


Partnering with companies in the food industry; improvement of characteristics such as flavor, texture or emulsification

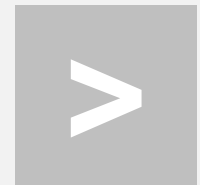
Connected Seeds - Expanding our growing digital platform „myKWS“



Continuous expansion of the **service area**



Expansion of **services and functions**



Today (among other things)

- Crop rotation planning
- Sowing optimization
- Inventory management tools
- Satellite-based damage analysis

Future Sales Models – Customer centricity



Digital Farming



CRM Systems



Seed Wholesaler



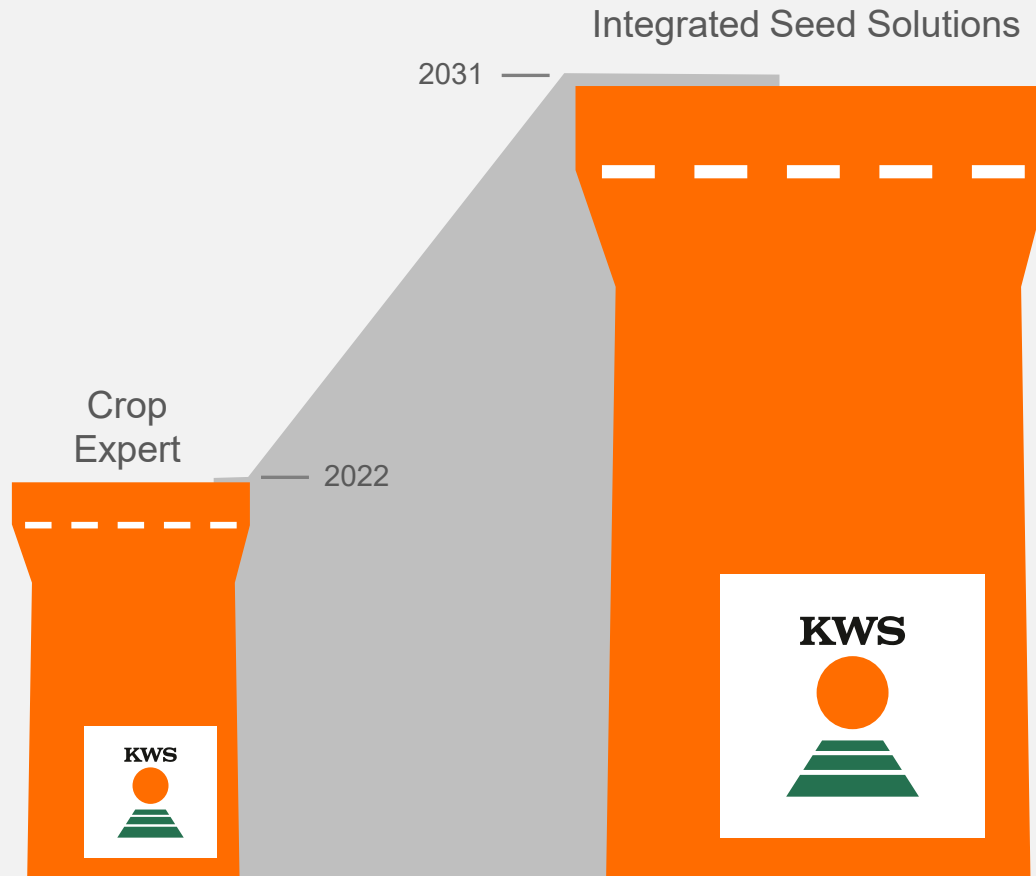
Consulting



Webshops



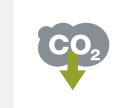
Future value creation through innovative seeds



Digital Services



Less Inputs



Income opportunity GHG reduction



Higher yield



New Crops with high value creation



Leveraging crop synergies



Access to state of the art, tailored expertise

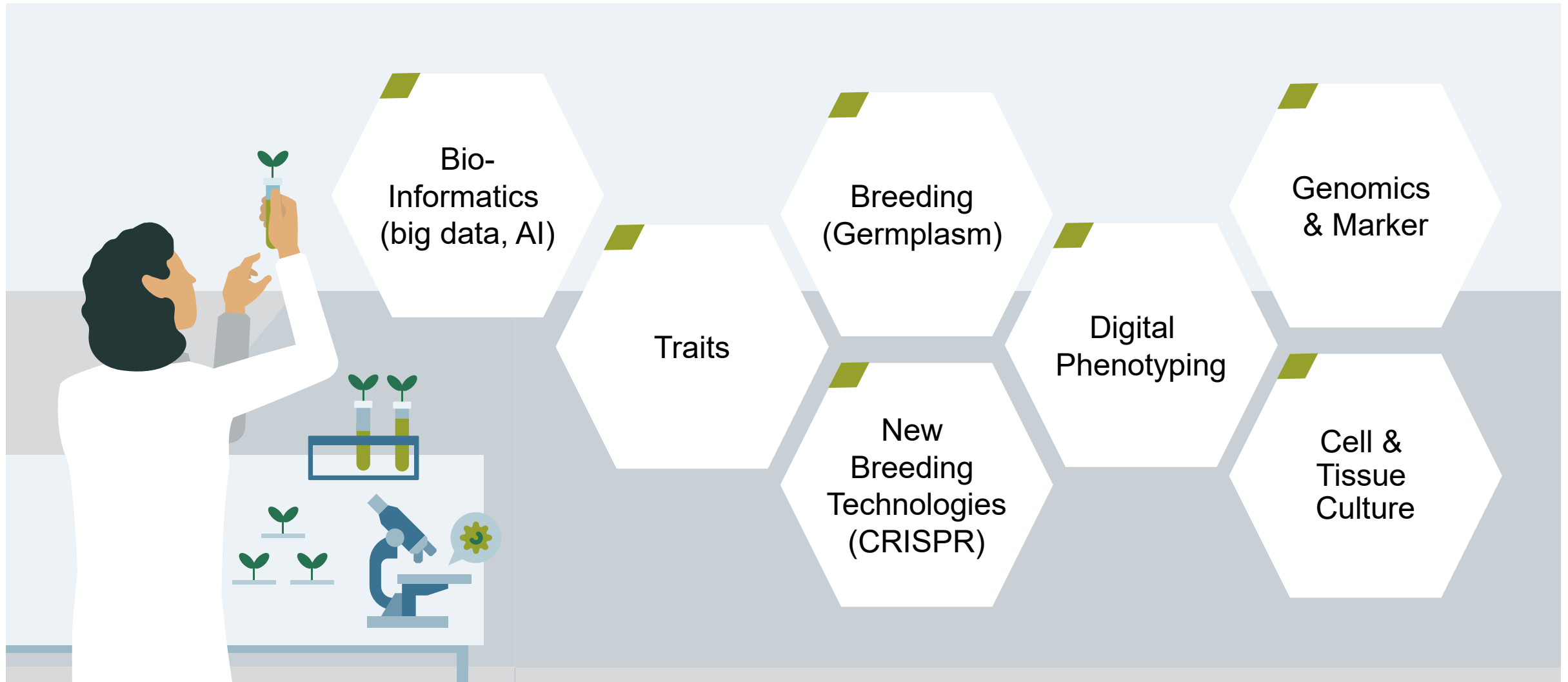
**INNOVATION IS
KEY TO SUCCESS**

We develop plants
that **support a**
sustainable
agriculture.

Technologies will
make this **faster and**
more targeted.

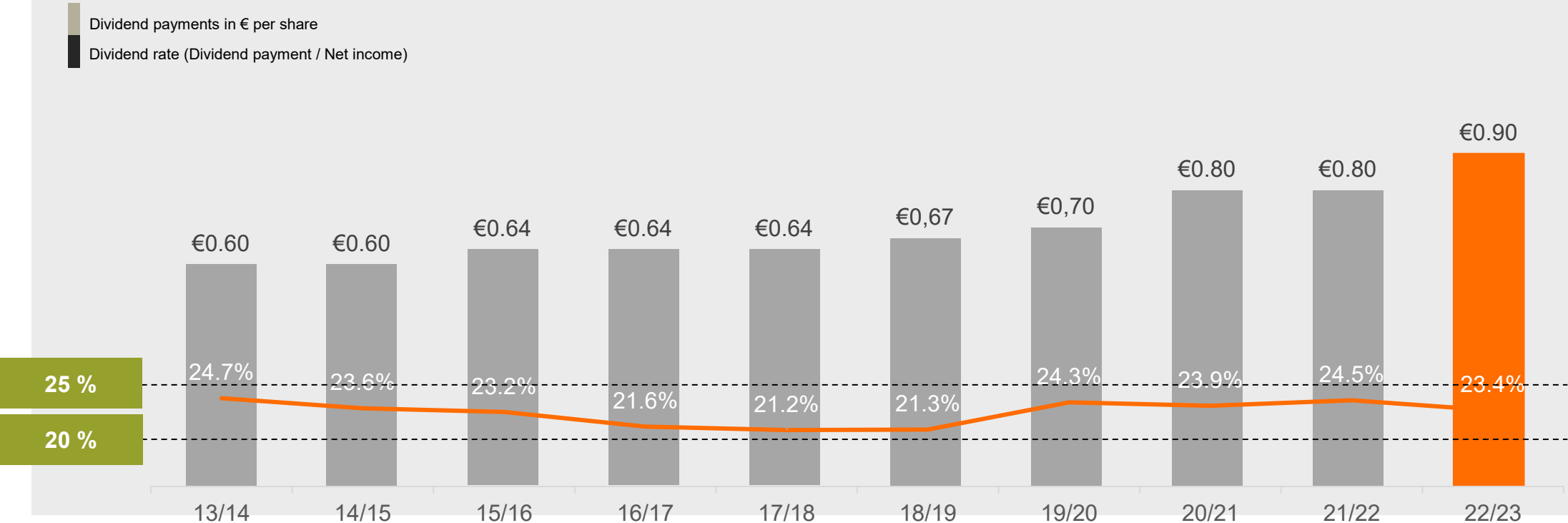


Technology is the backbone of our success



FURTHER INFORMATION

Dividend payments and dividend rate for the last 10 years



Dividend policy continued

Key figures for the KWS share, shareholdings and coverage



1 General Data

- ISIN
- Number of shares
- Type

DE0007074007
33.000.000
No-par value shares

2 Closing price (Xetra)*

- June 30, 2023
- June 30, 2022

in €
56.30
56.50

3 Daily trading volume (avg.)

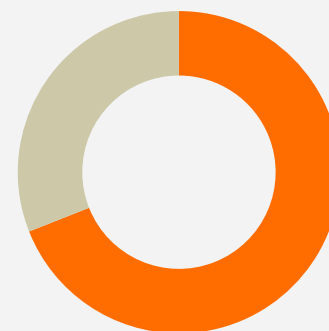
- 2022/2023
- 2021/2022

in shares/day
8,681
7,687

4 Market capitalization

- June 30, 2023
- June 30, 2022

in € million
1,858
1,865



FAMILIES
BÜCHTING, AREND
OETKER, TESSNER

69.1%

(t/o TESSNER
BETEILIGUNGS
GMBH)

(15.4%)

FREE FLOAT

30.9%

 **DZ BANK**
Die Initiativbank

STIFEL


M.M. WARBURG & CO
BANK

Jefferies 

 **Kepler
Cheuvreux**


ODDO BHF

Financial calendar and IR contact



December 13, 2023 Annual Shareholders' Meeting

February 8, 2024 H1 Report 2023/2024

May 14, 2024 9M Report 2023/2024



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