

Media Release

Syngenta Group Reports H1 2023 Results

- H1 Group sales at \$17.5 billion, -3% (+1% at CER) versus prior year
 - Q2 Group sales at \$8.3 billion
- H1 Group EBITDA at \$3.2 billion, -7% (-2% at CER) versus prior year
 - Q2 EBITDA at \$1.4 billion

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Syngenta Group today announced financial results for the first half and the second quarter of 2023. Sales for the first half of 2023 were \$17.5 billion, down \$0.6 billion or 3 percent year-on-year, compared to an exceptionally strong 2022. Sales were up 1 percent at constant exchange rates (CER). EBITDA for the first half of the year was \$3.2 billion, 7 percent lower (-2% at CER) year-on-year. Sales for the second quarter 2023 were \$8.3 billion, down \$0.8 billion or 9 percent (-5% at CER). In Q2 2023, EBITDA was 15 percent lower than prior year (-12% at CER) at \$1.4 billion.

Sales in the first half of 2023 reverted to customary seasonal phasing in Crop Protection and Crop Nutrition as distributors and retailers reduced stocks built up to withstand prior year's supply chain disruptions. Sales were also impacted by increasing customer working capital costs in a higher interest rate environment, causing many channel partners and farmers to set lower target inventory levels. This performance is in comparison to the same period last year, in which the Group achieved record sales and profit.

H1 2023

	H1 2023	H1 2022	Change	Change (CER)
	\$bn	\$bn	%	%
Sales	17.5	18.1	-3	1
EBITDA	3.2	3.5	-7	-2

Q2 2023

	Q2 2023	Q2 2022	Change	Change (CER)
	\$bn	\$bn	%	%
Sales	8.3	9.2	-9	-5
EBITDA	1.4	1.6	-15	-12

Syngenta Crop Protection and ADAMA experienced lower sales compared to exceptionally strong quarters in the prior year. The market for Crop Protection, especially in Latin America, had seen accelerated demand in H1 of 2022 due to farmer concern about supply bottlenecks, which also resulted in higher costs and selling prices.

The Seeds business grew 9 percent to \$2.5 billion in the first half of 2023. Earlier phasing of royalties in 2023, which were realized in Q3 last year, positively impacted Seeds' sales in Q2 2023 and will make Q3 year over year comparison more challenging.

Syngenta Group China continued its growth, achieving total sales of \$5.9 billion in the first half of 2023. MAP, Syngenta Group's Modern Agriculture Platform, was again a strong driver, helping farmers modernize their practices sustainably, while boosting crop quality and farm profitability. Sales for MAP grew 40 percent to \$2.5 billion as the number of MAP centers increased by 151 from a year earlier to a total of 691 centers. Average sales per center were up 9 percent year-on-year.

All business units were impacted by adverse currency effects as the U.S. dollar strengthened.

Syngenta Group continued to focus on productivity improvements and price adjustments where applicable to help mitigate the impact of higher costs. Syngenta Group's EBITDA margin in the first half of 2023 was 18.3 percent, slightly down compared to the prior year period.

At the end of H1, the Group's digital solutions have been adopted on over 230 million acres globally with high demand from farmers in key markets.

Highlights

Sales by Business Units

H1 2023

	H1 2023	H1 2022	Change	Change (CER)
	\$bn	\$bn	%	%
Syngenta Group	17.5	18.1	-3	1
Syngenta Crop Protection	8.1	8.6	-5	-2
ADAMA	3.0	3.6	-15	-12
Syngenta Seeds	2.5	2.3	9	11
Syngenta Group China	5.9	5.3	13	21
Eliminations	-2.0	-1.7	n/a	n/a

Q2 2023

	Q2 2023	Q2 2022	Change	Change (CER)
	\$bn	\$bn	%	%
Syngenta Group	8.3	9.2	-9	-5
Syngenta Crop Protection	3.8	4.3	-13	-11
ADAMA	1.4	1.8	-19	-16
Syngenta Seeds	1.0	0.9	5	7
Syngenta Group China	2.9	2.9	2	8
Eliminations	-0.8	-0.7	n/a	n/a

Syngenta Crop Protection

Syngenta Crop Protection sales were 5 percent lower at \$8.1 billion in the first half of 2023.

In the first six months, sales in **North America** grew 8 percent; sales were 3 percent lower in **Europe, Africa and the Middle East** and 4 percent lower in **Asia Pacific** (excluding China). Sales in **China** were up 20 percent. Sales in **Latin America** were 21 percent lower as distributors and retailers reduced stock built up over the previous year. At CER, the business grew in all regions except Latin America.

During this period, the business continued to focus on delivering innovations to farmers, introducing solutions featuring the breakthrough PLINAZOLIN® and TYMIRIUM® technologies to more markets around the world. It also announced a collaboration agreement to commercialize Tetflupyrolimet, a new herbicide with a novel mode of action for rice farmers in Asia.

ADAMA

ADAMA sales were 15 percent lower at \$3.0 billion in the first half of 2023.

In the first six months, sales in **Europe, Africa and the Middle East** were 4 percent lower (+2 percent at CER); **Latin America** were 8 percent lower. **North America** sales were 22 percent lower, primarily affected by the Consumer and the Professional segment; **Asia Pacific** (excluding China) were 16 percent lower. Sales in **China** were 28 percent lower largely due to lower prices of non-agricultural by-products.

ADAMA has successfully registered Mastercop ACT® in Poland. The natural copper-based fungicide uses ADAMA's proprietary technology to minimize environmental impact by reducing copper usage per hectare by 50 percent.

Syngenta Seeds

Seeds sales grew 9 percent to \$2.5 billion in the first half of 2023, mostly driven by price increases, which covered higher costs.

In this period, field crop sales in **Europe, Africa and the Middle East** grew 14 percent; **North America** grew 14 percent; **Asia Pacific** (excluding China) increased 16 percent; and **China** 20 percent. **Latin America** was 18 percent lower, constrained by product availability. Sales of **Vegetable Seeds** increased slightly.

Seeds inaugurated a new state-of-the-art R&D Innovation Center in Malta, Illinois, designed to bring North American farmers and researchers together to accelerate advancements in agricultural seed products and services for this strategic market.

Syngenta Group China

Syngenta Group China, consisting of the Group's Seeds, Crop Protection, Crop Nutrition, MAP and digital activities in China, achieved sales of \$5.9 billion, up 13 percent, in the first half of 2023.

Syngenta Group China's H1 **Crop Protection** sales increased 4 percent, with formulated, branded sales growth more than offsetting lower sales prices of non-agricultural by-products. Sales of **Seeds** grew 19 percent. **Crop Nutrition** sales were 7 percent lower, yet profit levels were maintained.

In the first half of the year, **MAP** sales grew 40 percent to \$2.5 billion. The number of MAP centers increased by 151 from a year earlier to a total of 691. MAP digital applications achieved over 2.4 million registered users, providing online tools that help modernize farms across China.

Syngenta Group Summary Financials

H1 2023

	H1 2023	H1 2022	H1 2023	H1 2022
	\$bn	\$bn	¥bn	¥bn
Sales	17.5	18.1	122.4	117.3
Syngenta Crop Protection	8.1	8.6	56.8	55.5
ADAMA	3.0	3.6	21.0	23.1
Syngenta Seeds	2.5	2.3	17.4	14.9
Syngenta Group China	5.9	5.3	41.1	33.9
Of which MAP	2.5	1.8	17.2	11.5
Eliminations	-2.0	-1.7	-13.9	-10.1
EBITDA	3.2	3.5	22.4	22.9

Q2 2023

	Q2 2023	Q2 2022	Q2 2023	Q2 2022
	\$bn	\$bn	¥bn	¥bn
Sales	8.3	9.2	59.3	60.6
Syngenta Crop Protection	3.8	4.3	27.0	28.6
ADAMA	1.4	1.8	10.2	11.7
Syngenta Seeds	1.0	0.9	6.9	6.1
Syngenta Group China	2.9	2.9	20.3	18.8
Of which MAP	1.4	1.1	9.9	7.4
Eliminations	-0.8	-0.7	-5.1	-4.6
EBITDA	1.4	1.6	9.7	11.0

Endnotes

For further information, see the reporting of financial results for ADAMA Ltd. (SHE: 000553), Sinofert Holdings (SEHK: 0297), Winall Hi-tech Seed (SHE: 300087), and Yangnong Chemical (SHA: 600486) and Syngenta AG.

Unless otherwise mentioned, comparisons are to the same period in 2022. Certain amounts, including components of change (%), may not add up due to rounding. The results presented in this release are unaudited and a consolidation of the business units in the Syngenta Group which includes Syngenta AG, Syngenta Group China, ADAMA Ltd., Sinofert Holdings, Winall Hi-tech Seed and Yangnong Chemical. Yangnong Chemical sales have been appended in the Group's Crop Protection units and domestically in Syngenta Group China.

Results in this report from one period to another period are, where appropriate, compared using constant exchange rates (CER). To present that information, current period results for entities reporting in currencies other than US dollars are converted into US dollars at the prior period's exchange rates, rather than at the exchange rates for the current year. The CER presentation indicates the business performance before taking into account currency exchange fluctuations.

EBITDA is a non-GAAP measure and EBITDA as defined by Syngenta Group may not be comparable to similarly described measures at other companies. Syngenta Group has defined EBITDA as earnings before interest, tax, non-controlling interests, depreciation, amortization, restructuring and impairment. Information concerning EBITDA has been included as it is used by management and by investors as a supplementary measure of operating performance. Syngenta Group excludes restructuring and impairment from EBITDA to focus on results excluding items affecting comparability from one period to the next.

EBITDA as used in this press release excludes one-time events; other documents may treat this as an underlying or adjusted EBITDA. EBITDA excludes other one-off or non-cash/non-operational items that do not impact the ongoing performance of the business, as well as the impact of a time-bound, Group launch long-term incentive scheme for leadership.

When referred to as such, "the Group" implies Syngenta Group.

About Syngenta Group

Syngenta Group is one of the world's biggest agricultural technology companies, with roots going back more than 250 years. With more than 59,000 employees, operating in more than 100 countries, the company strives to transform agriculture with science-driven, technological innovations to deliver high productivity and high-quality food while fighting climate change and restore nature. Syngenta Group is working with farmers to enable Regenerative Agriculture - an outcome-based food production system that nurtures and restores soil health, protects the climate and water resources and biodiversity, and enhances farms' productivity and profitability. Syngenta Group, which is registered in Shanghai, China, and has its management headquarters in Switzerland, draws strength from its four business units: Syngenta Crop Protection, headquartered in Switzerland; Syngenta Seeds, headquartered in the United States; ADAMA®, headquartered in Israel; and Syngenta Group China. Together, these businesses provide industry-leading ways to serve customers around the world.

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