

Media Release

Syngenta Group Reports 9M 2023 Results

- 9M Group sales at \$24.3 billion
 - Q3 Group sales at \$6.8 billion
- 9M EBITDA at \$3.5 billion
 - Q3 EBITDA at \$0.3 billion

09 November 2023 / Basel, Switzerland / Shanghai, China

Syngenta Group today announced financial results for the first nine months and third quarter of 2023. Group sales for the first nine months of 2023 were \$24.3 billion, down 6 percent year-on-year (-3% CER) and EBITDA was 22% lower (-20% CER) when compared to an exceptionally strong 2022.

In the first nine months of 2023, the industry-wide channel destocking continued as distributors and retailers further reduced inventories they built up in response to the supply chain disruptions of 2022. Overall farmer income and use of agricultural products, solutions and services remain robust. However, high working capital costs for customers due to sustained higher interest rates prompted many channel partners and farmers to order closer to application. These factors weighed on the comparison with the same period last year, when the Group achieved record sales and profits.

Sales of the Group for the third quarter were \$6.8 billion, down 13 percent (-13% CER) and EBITDA was \$0.3 billion, down 68 percent from prior year. The EBITDA was significantly impacted by a softer market in Brazil versus a record high in 2022 and a one-time seed inventory correction in Brazil, in addition to the timing of a royalty receipt, which was advanced to Q2 as noted in the H1 earnings release.

9M 2023

	9M 2023	9M 2022	Change	Change (CER)
	\$bn	\$bn	%	%
Sales	24.3	25.9	-6	-3
EBITDA	3.5	4.6	-22	-20

Q3 2023

	Q3 2023	Q3 2022	Change	Change (CER)
	\$bn	\$bn	%	%
Sales	6.8	7.9	-13	-13
EBITDA	0.3	1.0	-68	-76

Sales of Syngenta Crop Protection and ADAMA were lower compared to the exceptionally strong first three quarters of the prior year. Crop Protection in China continued to see strong growth in the first nine months of 2023, with sales up 16 percent year-on-year, benefiting from launch of new technologies. Syngenta Group's biological solutions grew 14 percent in sales compared to the first nine months of the previous year.

The Seeds business grew 3 percent to \$3.3 billion sales in the first nine of months of 2023. Year-on-year comparison of Q3 was distorted by an earlier phasing of royalty income, realized in Q2 this year, while being recorded in Q3 last year. The Seeds business in Latin America saw lower sales and profit due to a one-time inventory adjustment.

Syngenta Group China grew by 9 percent in the first nine months of 2023, with total sales of \$7.7 billion. MAP, Syngenta Group's Modern Agriculture Platform grew in the same period by 25 percent to \$3.3 billion, while the number of MAP centers further increased by 162 to a total of 727.

Syngenta Group continued its productivity improvements, cost containment and, where applicable, price adjustments to help mitigate the impact of higher cost incurred in 2022. Syngenta Group's EBITDA margin for the first nine months of 2023 was 14.6 percent, which is lower than the record high EBITDA during the same period last year.

Highlights

Sales by Business Units

9M 2023

	9M 2023	9M 2022	Change	Change (CER)
	\$bn	\$bn	%	%
Syngenta Group	24.3	25.9	-6	-3
Syngenta Crop Protection	11.5	12.6	-9	-7
ADAMA	4.2	5.2	-18	-16
Syngenta Seeds	3.3	3.2	3	5
Syngenta Group China	7.7	7.1	9	17
Eliminations	-2.4	-2.2	n/a	n/a

Q3 2023

	Q3 2023	Q3 2022	Change	Change (CER)
	\$bn	\$bn	%	%
Syngenta Group	6.8	7.9	-13	-13
Syngenta Crop Protection	3.4	4.1	-16	-17
ADAMA	1.2	1.6	-24	-24
Syngenta Seeds	0.8	0.9	-11	-11
Syngenta Group China	1.8	1.8	-1	5
Eliminations	-0.4	-0.5	n/a	n/a

Syngenta Crop Protection

Syngenta Crop Protection sales were 9 percent lower at \$11.5 billion in the first nine months of 2023, amid ongoing channel destocking in Brazil, a region that had seen exceptional growth during the same period last year.

In the first nine months, sales in **North America** grew 2 percent; sales were 3 percent lower in **Europe, Africa and the Middle East** and 5 percent lower in **Asia Pacific** (excluding China). Sales in **China** were up 16 percent. Sales in **Latin America** were 20 percent lower as distributors reduced stocks and prices for some products decreased. At CER, the business grew in all regions except for Latin America.

Syngenta Crop Protection continued to launch its innovative technologies across markets globally, with insect-control products containing PLINAZOLIN® technology achieving particularly strong sales across Asia Pacific and Brazil.

ADAMA

ADAMA sales were 18 percent lower at \$4.2 billion in the first nine months of 2023, significantly impacted by channel destocking.

In the first nine months, sales in **Europe, Africa and the Middle East** were 5 percent lower; sales in **Latin America** were 21 percent lower impacted by the overall contraction of the crop protection market in Brazil following channel destocking and softening pricing. **North America** sales were 23 percent lower; **Asia Pacific** sales (excluding China) were 16 percent lower. Sales in **China** were 25 percent lower, largely due to soft demand of non-agricultural products.

ADAMA launched Almada®, a triple-mode fungicide based on ADAMA's proprietary formulation technology against major soybean diseases. Almada® is the first ADAMA product containing Fluxapyroxad for use in soybean.

Syngenta Seeds

Syngenta Seeds sales grew 3 percent to \$3.3 billion in the first nine months of 2023, driven by robust pricing to cover higher costs.

Field crop sales in **Europe, Africa and the Middle East** grew 12 percent; **North America** 5 percent; **Asia Pacific** (excluding China) 19 percent; and **China** 8 percent. **Latin America** was 15 percent lower predominantly due to a one-time inventory adjustment in Brazil. Sales of **Vegetable Seeds** grew 3 percent.

Syngenta Vegetable Seeds launched 15 commercial tomato varieties with Tomato Brown Rugose Fruit Virus resistance, a devastating virus impacting greenhouse tomato producers across the world, and the business is preparing to introduce 30 similarly resistant varieties in 2024 to bring significant value to growers.

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 \$7.7 billion, up 9 percent, in the first nine months of 2023.

Syngenta Group China's **Crop Protection** sales increased 3 percent in the first three quarters of the year, with robust agriculture sales compensating for lower non-

agricultural by-product sales. Sales of **Seeds** grew 7 percent. **Crop Nutrition** sales were 3 percent lower, while maintaining robust profits.

In the first nine months of the year, **MAP** sales grew 25 percent to \$3.3 billion. The number of MAP centers increased by 162 from a year earlier to a total of 727. MAP digital applications achieved 2.5 million registered users, providing online tools that help modernize farms across China.

Syngenta Group Summary Financials

9M 2023

	9M 2023	9M 2022	9M 2023	9M 2022
	\$bn	\$bn	¥bn	¥bn
Sales	24.3	25.9	170.8	171.6
Syngenta Crop Protection	11.5	12.6	81.0	83.6
ADAMA	4.2	5.2	29.8	34.3
Syngenta Seeds	3.3	3.2	23.2	21.1
Syngenta Group China	7.7	7.1	54.4	46.3
Of which MAP	3.3	2.6	23.1	17.4
Eliminations	-2.4	-2.2	-17.6	-13.7
EBITDA	3.5	4.6	24.9	30.1

Q3 2023

	Q3 2023	Q3 2022	Q3 2023	Q3 2022
	\$bn	\$bn	¥bn	¥bn
Sales	6.8	7.9	48.4	54.3
Syngenta Crop Protection	3.4	4.1	24.2	28.2
ADAMA	1.2	1.6	8.8	11.2
Syngenta Seeds	0.8	0.9	5.8	6.2
Syngenta Group China	1.8	1.8	13.1	12.3
Of which MAP	0.8	0.9	5.8	5.8
Eliminations	-0.4	-0.5	-3.5	-3.6
EBITDA	0.3	1.0	2.5	7.1

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), 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.

For Syngenta Group photos and videos, please visit the [Syngenta Group Media Library](#).

Contact Information

Media Relations

media@syngentagroup.com

Data protection is important to us. You are receiving this publication on the legal basis of Article 6 para 1 lit. f GDPR ("legitimate interest"). However, if you do not wish to receive further information about Syngenta Group, just send us a brief informal message and we will no longer process your details for this purpose. You can also find further details in our [privacy statement](#).

Cautionary Statement Regarding Forward-Looking Statements

This document may contain forward-looking statements, which can be identified by terminology such as "expect," "would," "will," "potential," "plans," "prospects," "estimated," "aiming," "on track" and similar expressions. Such statements may be subject to risks and uncertainties that could cause the actual results to differ materially from these statements. For Syngenta Group, such risks and uncertainties include risks relating to legal proceedings, regulatory approvals, new product development, increasing competition, customer credit risk, general economic and market conditions, compliance and remediation, intellectual property rights, implementation of organizational changes, impairment of intangible assets, consumer perceptions of genetically modified crops and organisms or crop protection chemicals, climatic variations, fluctuations in exchange rates and/or grain prices, single source supply arrangements, political uncertainty, natural disasters, and breaches of data security or other disruptions of information technology. Syngenta Group assumes no obligation to update forward-looking statements to reflect actual results, changed assumptions or other factors.