

Media Release

Syngenta Group reports strong first quarter results

- Q1 Group sales of \$7.1 billion (+\$1.2 billion), +20 percent year on year, +18 percent at CER, with all businesses delivering double digit sales growth
- Q1 EBITDA at \$1.5 billion, +19 percent year on year, +29 percent at CER
- Performance showed broad-based strength geographically and by product
- The Group's growth accelerated with seed and crop protection innovations that enable regenerative agriculture practices which help protect against drought and flooding and enhance soil health
- Modern Agriculture Platform (MAP), which provides farmers access to market-leading technologies, tripled in revenue from Q1 2020. Biologicals more than doubled in size, supported by the recent acquisition of Valagro

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Syngenta Group Co., Ltd. (Syngenta Group or the Group), today reported strong results for the first quarter of 2021. First quarter sales were \$7.1 billion, up 20 percent compared to Q1 2020. This corresponds to a growth of 18 percent at constant exchange rates (CER). First-quarter EBITDA increased 19 percent (29 percent at CER) to \$1.5 billion.

Summary Figures

	Q1 2021	Q1 2020	Growth	Growth (CER)
	\$bn	\$bn	%	%
Sales	7.1	5.9	20	18
EBITDA	1.5	1.2	19	29

Following a robust full year 2020 performance, Syngenta Group continued its strong growth trajectory in Q1. All businesses delivered broad-based, double-digit growth. EBITDA increased significantly and EBITDA margin was maintained with a focus on operational efficiency.

Syngenta Group's cutting-edge technology and industry-leading R&D pipeline continues to fuel growth. The Group's Biologicals sales have grown by more than 40 percent compared to the same period last year, and with recently acquired Valagro, sales more than doubled.

Syngenta Group China has grown strongly across all segments. MAP has tripled revenues to more than \$280 million in Q1, facilitating farmer access to the latest, innovative technologies and practices, and enhancing their profitability. The farmer-centric ecosystem continued to rapidly expand in China, now present in 365 locations and partnering with over 200 organizations, connecting growers, markets and consumers. Recent acquisitions of Winall Hi-tech Seed's stake (Winall) and Jiangsu Huifeng Bio Agriculture's domestic activity (Huifeng) further helped strengthen business in China.

Q1 synergy-driven sales grew 45 percent year on year. Group-wide synergies continued to advance from last year's more than \$400 million sales and over \$200 million profit contribution.

The world entered 2021 with lower stock-to-use ratios for key agricultural commodities compared to recent years. Higher consumption, in particular in China, supports higher grain prices which benefits farm income, and in turn underpins demand for Syngenta Group's advanced products and solutions.

Syngenta Group CEO Erik Fyrwald said, "Syngenta Group's focus on bringing innovative sustainable products and services to farmers all over the world has enabled us to continue to accelerate our growth. With our cutting-edge technology and digital tools, we are helping transform agriculture to fight climate change."

Syngenta Group CFO Chen Lichtenstein said, "We delivered strong sales and profit growth across all business units. Our success in China is fueled by our strong offering and farmer-centric ecosystem. We aim to continue driving growth, focusing on operating margins and further accelerating our innovation pipeline."

For further information, see the public reporting of financial results for ADAMA Ltd. (SHE: 000553), Sinofert Holdings (SEHK: 0297), and Yangnong Chemical (SHA: 600486).

Highlights

Sales by Business Unit

	Q1 2021	Q1 2020	Growth	Growth (CER)
	\$bn	\$bn	%	%
Syngenta Group	7.1	5.9	20	18
Syngenta Crop Protection	3.2	2.7	17	17
ADAMA	1.1	1.0	14	14
Syngenta Seeds	1.2	1.0	16	16
Syngenta Group China	2.2	1.5	41	31
Eliminations	-0.6	-0.3	n/a	n/a

Syngenta Crop Protection

In the first quarter of 2021, Syngenta Crop Protection sales grew 17 percent to \$3.2 billion. EBITDA grew 20 percent (33 percent CER) to \$1.0 billion.

Sales in **Europe, Africa and the Middle East** were 12 percent higher because of high agricultural commodity prices and a mild winter.

In **North America**, sales were up 6 percent due to improved farm economics and market supply constraints that helped drive early stocking. Continued strong new product growth also positively impacted sales, with MIRAVIS™ brand performing well across the region.

Sales in **Latin America** grew 20 percent due to expansion of market strategy in the region and positive farm economics. Brazil saw strong growth and a diverse order portfolio.

In **Asia Pacific** (excluding China), sales were up 22 percent driven by favourable weather conditions and exchange rates as well as growth momentum in India and Pakistan.

In **China** sales were up 53 percent, fuelled by product expansions and increased demand for newly launched fungicide ADEPIDYN™.

ADAMA

ADAMA grew sales by 14 percent, reaching an all-time Q1 record high of more than \$1.1 billion. EBITDA grew 2 percent (11 percent CER) to \$0.2 billion.

Sales in **Europe** were 3 percent lower due to channel destocking and low pest pressure affecting some of ADAMA's products. Northern Europe experienced a slow start to the season compared to Q1 2020. Southern Europe saw favourable conditions that drove solid demand.

India, Middle East and Africa have seen 20 percent growth, driven by strong business momentum alongside positive weather conditions. The new R&D facility in India further enabled scaling of formulations, and ADAMA-products were registered in the UAE.

Sales in **North America** increased 12 percent largely due to the loosening of COVID-19 restrictions positively affecting Consumer & Professional Solutions. Crop Protection saw a softer performance in the U.S.

In **Latin America** sales grew 11 percent benefitting from strong performances of recent product launches. Brazil saw lower end-of-season sales following a strong Q4.

Sales in **Asia Pacific** (excluding China) grew 31 percent due to favourable seasonal conditions and despite a slower recovery from COVID-19 challenges in this area.

China sales were up 82 percent, fuelled by its diverse portfolio. Growth was driven by an early start to the Q2 season and higher cereal demand. The sales were also bolstered by the inclusion of ADAMA's recent acquisition of Jiangsu Huifeng's domestic commercial crop protection business. Strong growth in intermediates supported ADAMA's non-agricultural business.

Syngenta Seeds

Syngenta Seeds, now including China National Seeds, sales grew 16 percent to \$1.2 billion. EBITDA grew 17 percent (30 percent CER) to \$0.2 billion.

Sales in **Europe, Africa and the Middle East** grew 8 percent aided by robust pricing. Strong seasonal growth across sunflower and corn was limited by corn supply constraints.

In **North America**, sales were up 10 percent, fueled by growth in soy as well as a strong portfolio. Sales also reflected robust shipment in Q1.

Sales in **Latin America** increased 7 percent despite currency headwind in Brazil. The region saw strong corn performance in Brazil and overall strong business and pricing across the region.

In **Asia Pacific** (excluding China), sales grew by 6 percent across key geographies, including strong growth momentum in Indonesia and Thailand.

In **China**, sales grew 200 percent, driven mainly by the consolidation of Winall, a leading hybrid rice seeds company. Syngenta Group completed the acquisition of an increased stake in Winall in 2021, which enabled consolidation of their results. Growth was also attributed to increased royalty income, paid by other seed providers for the right to implement the Group's technology, as well as early buying for the season.

Vegetable Seeds grew across all regions, resulting in 15 percent higher sales. In addition to favorable currencies, vegetable seed sales were supported by acquisitions and were particularly strong in Asia Pacific and Europe, Africa and Middle East.

Flowers grew 11 percent in sales following a challenging 2020 business environment. Favorable currencies also helped sales growth.

Syngenta Group China

Syngenta Group China which consists of the Group's seeds, crop protection, crop nutrition, the Modern Agriculture Platform (MAP) and digital activities in China, achieved sales of \$2.2 billion with a growth of 41 percent compared to the previous year. EBITDA grew 62 percent (51 percent CER) to \$0.3 billion.

MAP and digital revenues continued to expand and more than tripled sales. 40 new MAP centers were added in Q1, totaling 365 centers in all major agricultural areas in China. With the expansion, more than 1.5 million acres of land are incorporating MAP's digital solutions. In addition, "MAP beside" farm produce, with whole-process quality control and traceability certification, continued to expand.

Syngenta Group China's **Crop Protection** business grew sales by 36 percent driven by continued market share gains, strong performance ADEPIDYN™ and digital campaigns that helped fuel growth. ADAMA's growth in China was also driven by COVID-19 recovery and an expansion of its new Jingzhou site. In addition, the recent acquisition of Huifeng's domestic commercial crop protection business in China helped support the business. Yangnong saw strong business growth, productivity and substantial cost-savings, despite softer prices for some of its Active Ingredients.

Seeds sales including vegetables were 182 percent up, mainly driven by the Winall consolidation. New rice varieties and licensing income for corn as well as the launch of the Seed Technology Solutions Platform (STS) also helped fuel growth.

Crop Nutrition sales increased 16 percent due to an increase in demand related to the increase in agricultural commodity prices.

Endnotes

Unless otherwise mentioned, comparisons are to the same period in 2020.

The results presented in this release are an unaudited, pro-forma consolidation of the business units in the Syngenta Group including Yangnong Chemical, in which Syngenta Group is in the process of acquiring a controlling stake. Syngenta Group was formed in 2020 as a business combination under common control under PRC GAAP; on this basis, consolidation starts from the period either ChemChina or Sinochem acquired control of the relevant entity and reported figures for 2020 include the above companies in the consolidation scope for the year.

EBITDA excludes restructuring and impairment and 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 senior management.

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 in order to focus on results excluding items affecting comparability from one period to the next.

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 underlying business performance before taking into account currency exchange fluctuations.

About Syngenta Group

Syngenta Group is one of the world's leading agriculture innovation companies, with roots going back more than 250 years. In more than 100 countries, the company strives to transform agriculture through breakthrough products and technologies that play a vital role in enabling the food chain to feed the world safely, sustainably and with respect for our planet. Swiss-based and Chinese-owned, the group 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 – that provide industry-leading ways to serve customers everywhere.

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