

Impact of COVID-19 on the Global Seed Market

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Agenda

- **Impact of COVID on agriculture compared to other sectors**
- **Global Seed Market**
- **Impact on the seed sector**
- **Impact on leading seed companies**

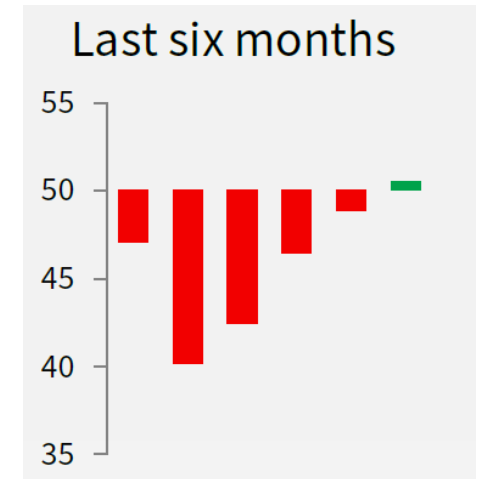
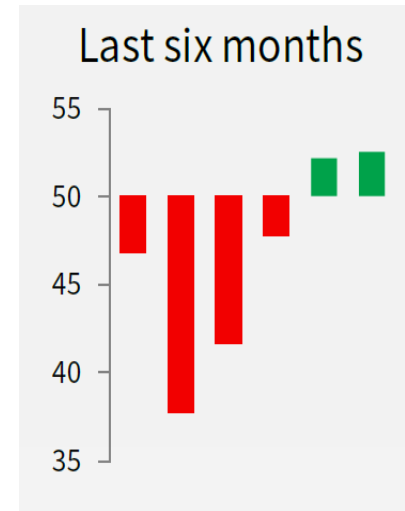
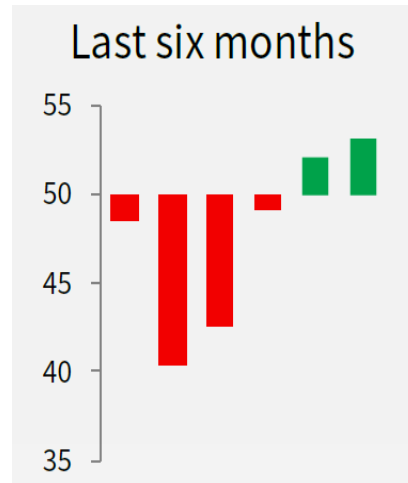
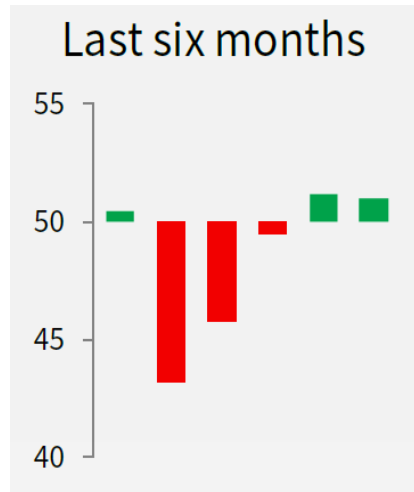
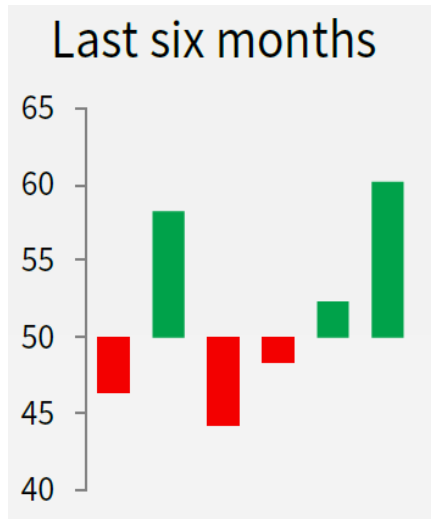
Impacts of COVID on agriculture

- Commodity prices
 - Less demand for biofuels due to low oil price
 - Reduced demand for corn
 - Lower crop prices may encourage farmers to use cheaper seed
- Shortages of migrant labour for harvesting
- Meat packing plants

Overall no significant direct impact on the input sector

Agriculture and food has proved fairly resilient during the pandemic

Purchasing Manager's Index (PMI) January-June 2020*



HEALTHCARE SERVICES

FOOD & BEVERAGES

CHEMICALS

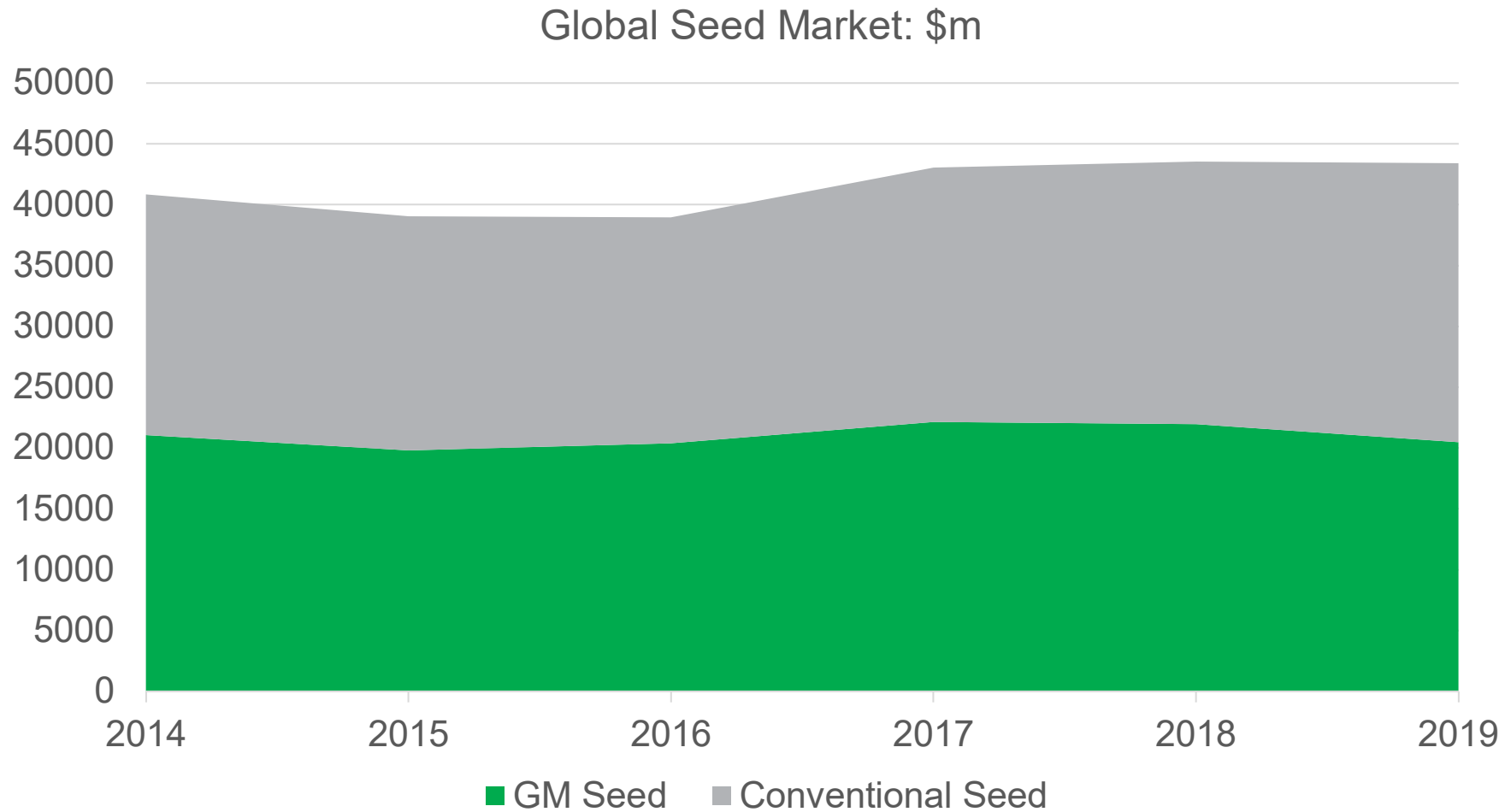
HOUSEHOLD & PERSONAL PRODUCTS

INDUSTRIAL GOODS

* >50 = growth; <50 = decline

Source: IHS Markit

Commercial Seed Market: GM accounts for over 50%

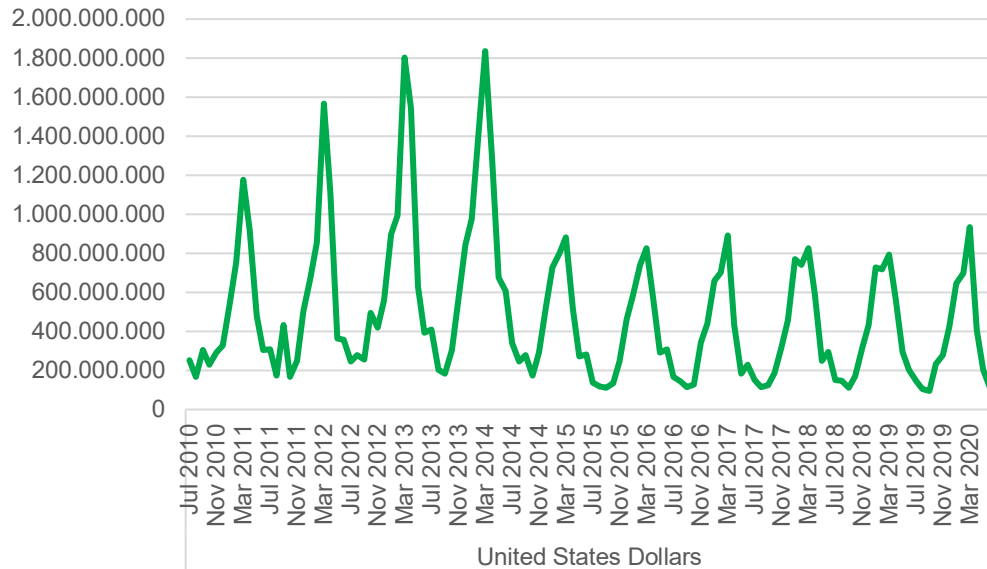


Source: Phillips McDougall. IHS Markit

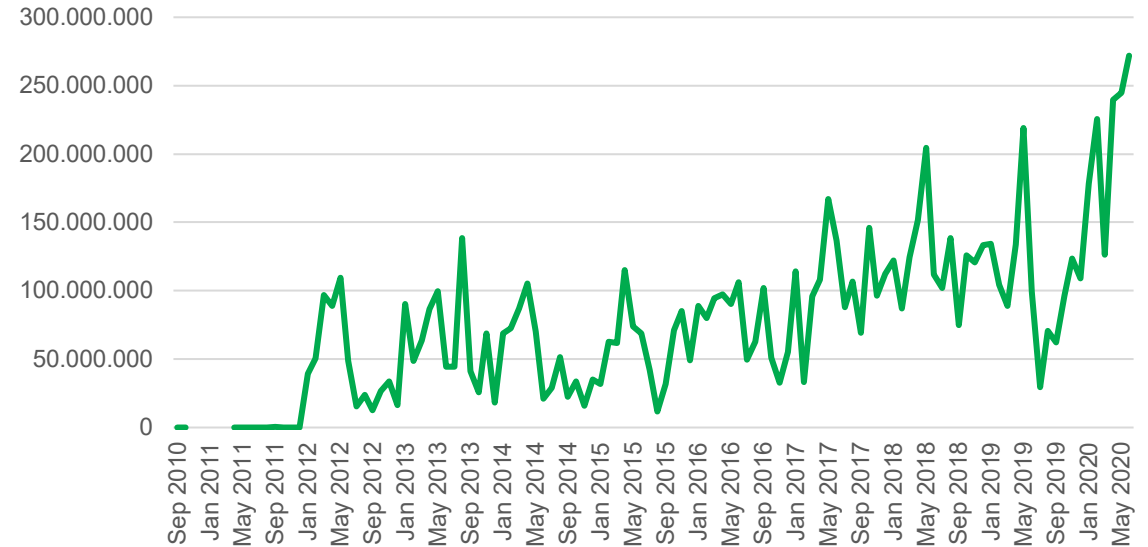
Seed trade has not been greatly affected

Monthly Global Seeds Imports January 2011- June 2020: \$bn

Corn (Maize) Seed, Certified, Excluding Sweet Corn



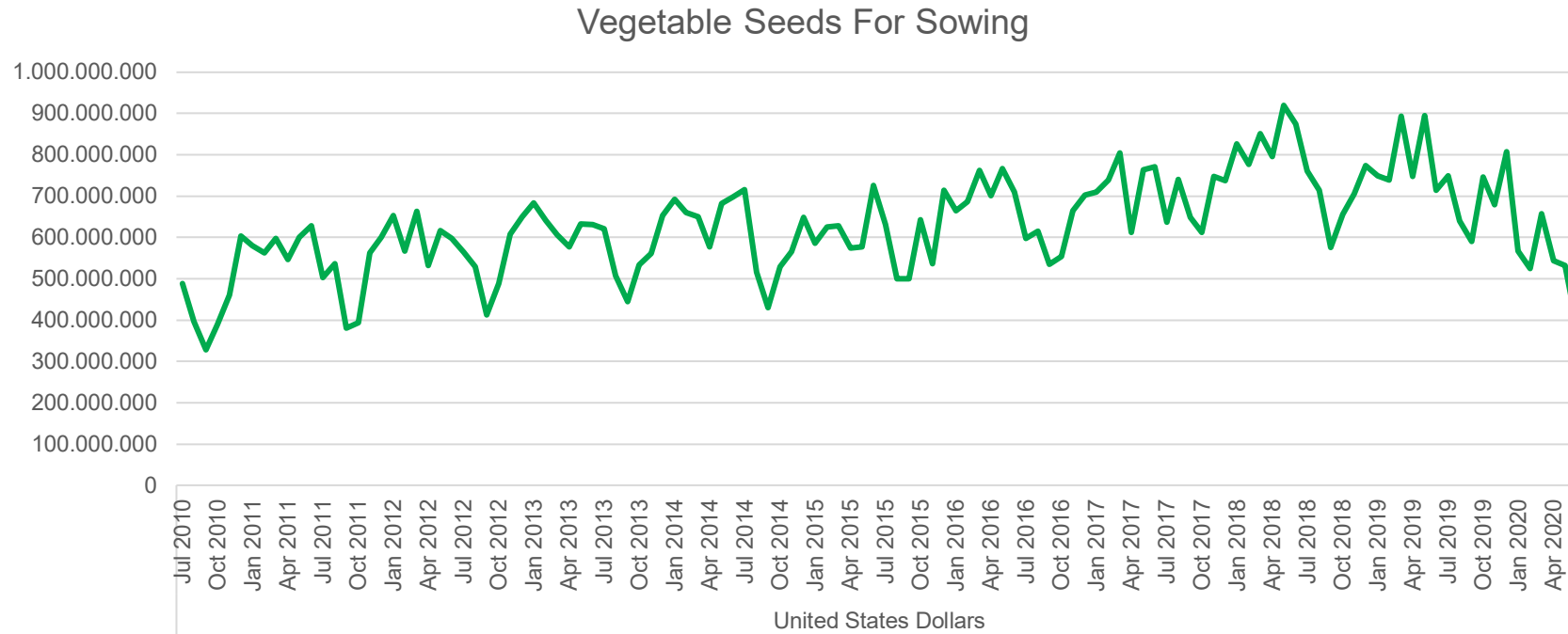
Soybean Seed



Source:GTA Phillips McDougall. IHS Markit

Seed trade has not been greatly affected

Monthly Global Seeds Imports January 2011- June 2020: \$bn



Source: GTA, Phillips McDougall. IHS Markit

Leading Seed Companies

SEED COMPANY SALES 2019 VS 2018*

Rank	Company	Sales (\$m.)		Change 2019/2018 (%)
		2019	2018	
1	Bayer	9,989	10,433	-4.3
2	Corteva	7,590	7,842	-3.2
3	Syngenta	3,083	3,204	-3.8
4	BASF	1,628	1,800	-9.6
5	Vilmorin	1,517	1,568	-3.2
6	KWS	1,292	1,339	-3.5

Source: Phillips McDougall. IHS Markit

First Half Seed Company Results, 2020

Leading company sales have grown in the first half (H1) of 2020

Bayer			
Crop	H1 2019: €m	H1 2020: €m	Change
Corn Seed & Traits	3315	3598	8.5%
Soybean Seed & Traits	1085	1100	1.4%
Veg seeds	346	313	-9.5%
Others (est.)	578	551	-4.8%
Total seeds (est.)	5324	5562	4.5%

Corteva			
Crop	H1 2019: \$m	H1 2020: \$m	Change
Corn	3777	3921	3.8%
Soybeans	1129	1266	12.1%
Other oilseeds	425	467	9.9%
Other	335	339	1.2%
Total	5666	5993	5.8%

Syngenta			
Crop	H1 2019: \$m	H1 2020: \$m	Change
Corn and soybean	752	804	7%
Diverse field crops	397	369	-7%
Vegetables	319	333	4%
Flowers	123	112	-9%
Total seeds	1594	1620	2%

Vilmorin			
Crop	H1 2019: €m	H1 2020: €m	Change
Vegetable seed	449	457	1.8%
Field seed total	441	448	1.6%
Garden products	41	39	-4.9%
Total	931	944	1.4%

Conclusions on impact of COVID-19 on the commercial seed market

- Agriculture has been less negatively impacted than most other sectors
- Sales of the leading seed companies increased in the first half of 2020
- Seed trade has been unaffected
- The other input sectors of fertilizers and crop protection have not been directly adversely affected
- The overall impact on the commercial seed market has been minimal

Questions:

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