



November 11, 2020

To,
General Manager,
DCS - Corporate Relationship Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

SECURITY ID : **BAYERCROP**
SECURITY CODE : **506285**

Dear Sir,

**Sub: Bayer CropScience Limited - Presentation at Investor Meet
being held on November 11, 2020**

In furtherance of our letter dated November 10, 2020, please find enclosed herewith the presentation that will be made at the Investor Meet of Bayer CropScience Limited being held on Wednesday, November 11, 2020.

Request you to kindly take the said presentation on record.

Thanking you,

Yours faithfully,
for **Bayer CropScience Limited**

Nikunj Kumar Savaliya
Company Secretary and Compliance Officer

Encl.: As above

Bayer CropScience Ltd.
CIN: L24210MH1958PLC011173

Registered and Corporate Office:
Bayer House
Central Avenue
Hiranandani Estate
Thane (West) – 400 607
Maharashtra, India

Tel : +91 22 2531 1234
Fax : +91 22 2545 5063
www.bayer.in
www.cropscience.bayer.com



Bayer CropScience Limited

***Investor Meet
Presentation***



November 11, 2020





Caution regarding forward-looking statements and Company Disclaimer

This presentation may contain forward-looking statements based on current assumptions and forecasts made by Bayer management.

Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at <http://www.bayer.com/>.

The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.



Agenda

- // Bayer Global Update
- // BCSL: Financial perspective
- // BCSL: Business update
- // Key Takeaways





Key Data: First Nine Months of 2020

in € Million

Key Financials

SALES

31,405
(-0.1%*)

EBITDA

before Special items

9,069
(+0.8%)

*Adjusted for currency and portfolio effects

Highlights

// Crop Science:

// Solid operational performance in HY1, mainly offset by reduced demands due to COVID-19 and currency effects in Q3

// Pharmaceuticals:

// New Tender procedure in China and reduced elective treatment due to COVID-19 impacted performance; Q3 improved with still slightly negative sales growth but margin expansion

// Consumer Health:

// Good demand in all regions; continues strong growth momentum and margin expansion



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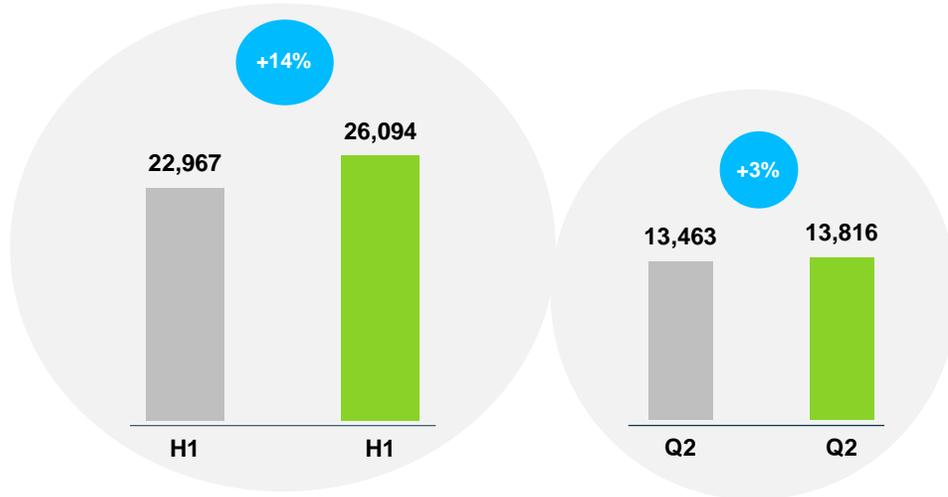




Financial Performance

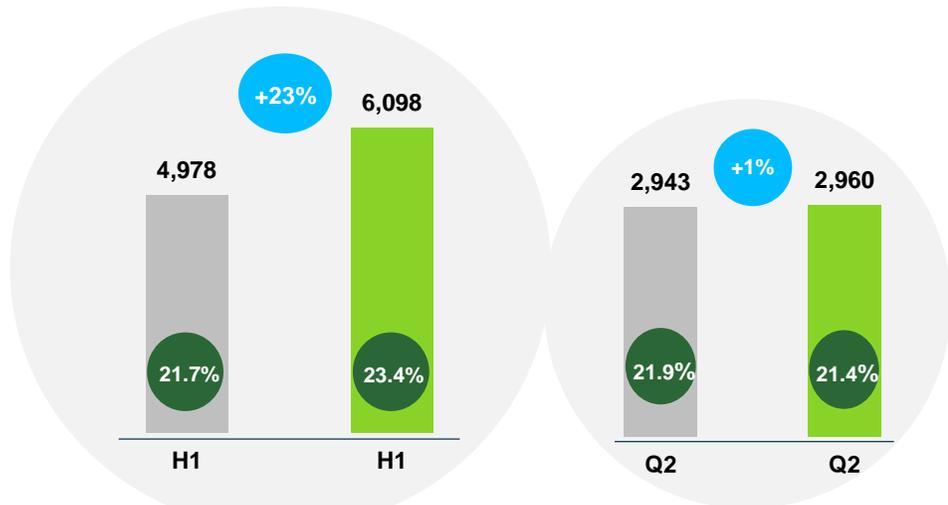
■ 2019-20 ■ 2020-21
₹ millions

Revenue from Operations



- // Growth driven by early sowing, based on good monsoon and continued leveraging of combined distribution strength
- // Higher acreages and positive commodity price
- // Good liquidation growth across HY1

Profit Before Exceptional Items and Tax



- // Revenue growth, synergies support increase in Profit
- // Profitability ratio slightly above PY with savings compensating for higher input costs
- // Strong focus on cash and collection in current Covid-19 environment

CY - Current Year, PY - Previous Year

RESTRICTED



Balance Sheet

₹ millions

As At	30-Sep-20	30-Sep-19
Assets		
Fixed Assets	5,060	5,266
Inventories	9,288	8,839
Trade Receivable	12,216	14,523
Bank Balances	9,311	3,242
Other Assets	6,635	5,816
	42,510	37,686
Equity and Liabilities		
Shareholders' Fund	25,319	24,167
Trade Payables	6,642	3,468
Provisions	1,619	1,688
Other Liabilities	8,930	8,363
	42,510	37,686

- // Focus on collection with positive impact on Receivables with DSO of 74 days (PY 98)
- // Strong cash position despite interim dividend payout

- // Payables impacted by phasing of purchases

CY - Current Year, PY - Previous Year



Cash Flow

	₹ millions	
For the half year ended	30-Sep-20	30-Sep-19
Operating profit before working capital changes	6,436	5,244
Net change in Working Capital	(1,916)	(5,937)
Taxes paid	(516)	(696)
Net cash from/ (used in) operating activities	4,004	(1,389)
Net cash from/ (used in) investing activities	(41)	149
Net cash used in financing activities	(5,369)	(1,341)
Decrease in Cash and Cash Equivalent	(1,406)	(2,581)

// Higher cashflow from Business Operations as well as strong focus on collections

// Interim Dividend payment reflected as part of financing activities in CY

CY - Current Year, PY - Previous Year



BCSL Synergies on track

Commercial Integration

- Successfully completed; First synergies realized from combined distribution strength and market coverage

Organizational optimization

- Measures on track to deliver gross savings, as targeted. Benefitted from timing of legal entity merger

Current status

- Topline synergies well on track
- Gross savings generation in line with the target. Significant contribution from Personnel measures followed by optimization of field promotion activities and other cost efficiency measures for a fit to purpose organization

Outlook

- Accelerate synergies by leveraging strengths of combined portfolio offering, digitalization



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Strong focus on business continuity and engaging employees



Business Continuity

- // Commercial activities return to normalcy, fulfilling the market demand
- // Customer and channel partner meetings being conducted, both virtually as well as in-person based on strong risk-based approach

Employee Engagement

- // Favorable survey results from employees on the company's efforts towards COVID-19 initiatives
- // Created Safety Net for field employees in all states
- // Launched telemedicine services, enhanced insurance coverage for all employees as well as protection covers for elderly parents, organized plethora of wellness programs
- // Offered Employee Assistance Program (EAP), home office set-up assistance as well as resilience training sessions



Sites

- // All R&D and manufacturing sites continued near normal operations
- // Shared best practices with entire value chain - tolling units, suppliers and warehouses to ensure overall business continuity

Strict COVID-19 protocols followed across all organizational units and activities



Good Monsoon & Proactive Tactical Measures Driving Growth



Weather

Normal to excess rains across the country barring some areas of deficit. Reservoirs across the country hold adequate water for Rabi crop.



Sales

Growth in CP on account of early placement, out manoeuvring competition with better supplies & collections. Growth in Seeds powered by Rice, Corn & Millets; increase in these mitigated lower Cotton sales

Acraeges

Early onset of sowing across crops with higher sowing recorded across major kharif crops. Continuous and excess rains led to damage & re-sowing and loss of sprays in some areas/crops.



Liquidation

Agility shown by Grower Engagement & Marketing teams in shifting all farmer connect to online/digital platforms ensured continued farmer outreach.

26% growth in Q2 Bayer Liquidation led by superior Bayer CP demand, good monsoon & early sowing.



Commodity Price

Commodity price of key kharif crops held good; early announcement of MSPs may have helped as well.



Rabi Outlook

Good water availability led by good monsoon augurs well for key Rabi crops. Only watch-out is delayed monsoon withdrawal has led to continuous rains in some parts, this will impact some acres/sprays or lead to delayed rabi sowings.



Team Bayer for an Inclusive & Digital Future

Smallholder Initiatives & Business Strategy fuelling future growth

Business Transformation



+ Digital Solutions

+ Value-chain Partnerships

+ Portfolio Differentiation

Business Forecast



Digitalizing the core



Must-Win Battles



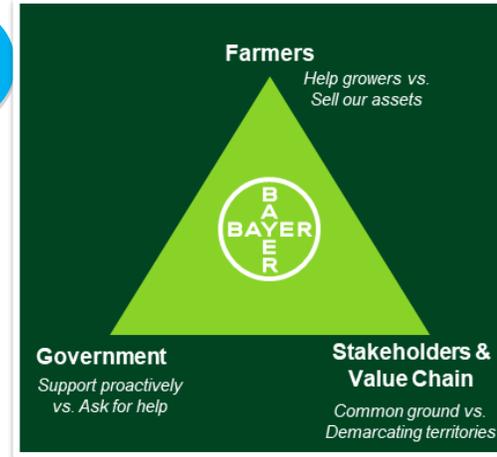
Base-line Business

CP

// Low-cost products portfolio for different segments to target incremental opportunity

Seeds

// Expand portfolio into different segments for rice & corn
// Globally connected pipelines benefit growers



// Smallholder Digital incubator
// Digital Innovation Hub + External partnerships



Inclusive Growth part of Bayer Crop Science Strategy

Initiatives driving deeper market presence and improving rural community

Better Life Farming (BLF)



-  Identifying Agri Entrepreneurs (AE) and onboarding farmers
-  160 BLF Centers opened this year, 210 Centers functional across UP, Jharkhand, Bihar, WB, MP
-  Additional 195 BLF centers planned for this year, taking coverage to Maharashtra & Odisha
-  Gender smart agriculture - Supporting women smallholder through women AEs and agri-consultants
-  Digital tools like liteERP supporting scale up

BLF Value Chain Partnerships

IFC, Yara Fertilisers, DeHaat, AgriBazaar & Big Basket, Tata Trusts, Netafim, Axis Bank



Covid-19 relief support to >200 Hospitals and communities across 28 sites

Support to Hospitals/ Government

- // 15,000 PPE Kits
- // 560,000 3ply masks
- // 176 Overall body cover
- // 3,700 N95 masks
- // Sanitizers 50Litres
- // Digital tool for helping Baramati Municipality frontline workers for tracking COVID-19 cases

Support to communities near Bayer sites

- // 300,000 Reusable Masks & 5000 Gloves
- // 70 Sanitizer dispenser & 4100Ltrs of sanitizer
- // 5500 Ration Kits
- // 45,000 cooked meal to frontline workers

Better Farms, Better Lives

Small-holder Outreach during Covid-19

98,000 corn seeds in 6 states & 100,000 crop protection products in 20 states distributed in Kharif



Starter kit distributed to marginal farmers containing seeds & crop protection inputs as well as face masks and personal protective equipment (PPE)

Special focus given to women smallholder farmers and migrant laborers who have returned to their villages and plan to take up farming in their small family farms



Support to locust control drive

- // Independently partnered with multiple drone technology providers to support drone-based spraying for locust control in Rajasthan.
- // Provided 5,500 liters of Deltamethrin ULV to the Government of India for spraying in affected states.



Digital Connect: 100,000 growers daily !!

Agile response for both Internal & External Out-reach



Audio Bridge Conferencing

Connecting farmers groups in internet dark areas.
1.3Mio connected growers



Internet based VC , Expert Talks

Virtual joint meetings - Yara Fertilizers, seed /veg seed /nutrient mgt. **Holistic info**



Call Center Connect Call/SMS/OBD

Synergy in call campaigns leveraging Seeds & CP reaching **>2 Mio** growers



FO Virtual Number Project

FO Lead generation and continuous **new data acquisition**

Learning programs



500+

Crops covered



>25

Training Hours



750+

Stakeholders covered



>40K



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Key Takeaways



● HY 1 performance driven by strong liquidation supported by a good monsoon and early sowing activities

● Significant cash generation from strong focus on collections

● Continued focus to expand partnerships that strive to improve smallholder incomes and competitiveness

● Underlying market conditions remain intact besides COVID-19 impact

● Integration continues to be well on track



Thank You!

