



November 11, 2021

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, 2021**

In furtherance of our letter dated November 08, 2021, please find enclosed herewith the presentation that will be made at the Investor Meet of Bayer CropScience Limited being held on Thursday, November 11, 2021.

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

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Bayer CropScience Limited

Investors' Meet



November 11, 2021



125
Years of
Bayer in India



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 <https://www.bayer.com/en/>.

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



Agenda

- // Sustainability at Bayer
- // Adapting from pandemic
- // BCSL: Business update
- // Financial perspective
- // Key Takeaways



India is pivotal to Bayer reaching its 2030 sustainability commitment



Committed to being an **innovation, growth** driven company focused on a vision of **'Health for all, Hunger for none'**

Sustainable Rice Initiative[^]

Targeting to decrease water consumption by switching to resource efficient practices like Direct Seeded Rice (DSR) and Alternate Wetting & Drying working with 3 million farmers*

**Covering 1 million hectares by 2025*

Bayer Carbon Farming[^]

Piloting projects that measurably decrease the methane and carbon emissions of agriculture, identifying opportunities to help farmers benefit from carbon markets

Better Life Farming[^]

Building an ecosystem of rural entrepreneurs that leverages partnerships to create value chains that will truly benefit smallholder farmers



[^]Initiatives pertain to various Bayer legal entities in India

Sustainable Development Goals (SDGs)

Covid-19: Evolving perspectives



////// AGAINST
COVID-19
Stronger Together



Covid-19: Evolving perspectives

Fast forward to digital access

Online farmer connect through WhatsApp / MS Teams

Digital Marketing Efforts: Large number of farmer impressions through YouTube and Facebook

Virtual Crop Tours, Trainings and Workshops

Good opportunity to innovate

Government of India approval for trials of spray by drones

Advisory to farmers be observing date of sowing & weather patterns through remote sensing via Geo Potato & RIMpro (apples)

Opportunity to upskill

Bayer Learning Centers for training & ROI demonstration

Model Farms associated with BLF Centers for farmer training & product demonstrations

Adoption of Digital Tools for demand generation planning & tracking, Sahbhaagi, finance tool for distributors, etc.

Stronger sense of community

Local community support groups set up for COVID help to team

Support to local communities: distribution of masks, PPE kits, conversion of plant to supply Oxygen to local hospital

Facilitating working from anywhere for employees

Challenges

Supply Chain disruptions

Logistic constraints, rising fuel cost

Increasing input costs



125
Years of
Bayer in India

BCSL Business update





Apr-Sep sales growth driven by Crop Protection (CP); challenging Kharif for Seeds portfolio

CP driving growth in-spite of Covid-19 restrictions in many parts of the country. Lower returns, timely placements & team's agility to capitalize on opportunities contributed to sales growth.

Seed faced head-winds in kharif due to a mix of external (acres & demand) and internal (supply constraints) challenges in Cotton, Corn, Rice & Millets.

Sales



CP Liquidation higher than last year; registered growth across all businesses in Apr-Sep.

Dry Spells during initial period of monsoon across the country and continued rains in Sep. led to loss of herbicides in Corn and plant protection activities in many crops, with major impact on Cotton liquidation.

Liquidation



Overall South-west monsoon was normal but dry spells in early part and continuous rains towards the season end caused major loss of sprays in kharif. Slight delay in North-east monsoons led to delay in Tamil Nadu.

Weather



Commodity price of oilseeds stayed strong; stable in Cotton & Rice and recovery in Corn.

Volatility in commodity price of Vegetable with drop in some crops followed by recovery in the recent past.

Commodity Price



Kharif acres of Corn lower with reductions in coarse grains, hybrid Rice and Cotton; increase in Soy linked to higher commodity prices.

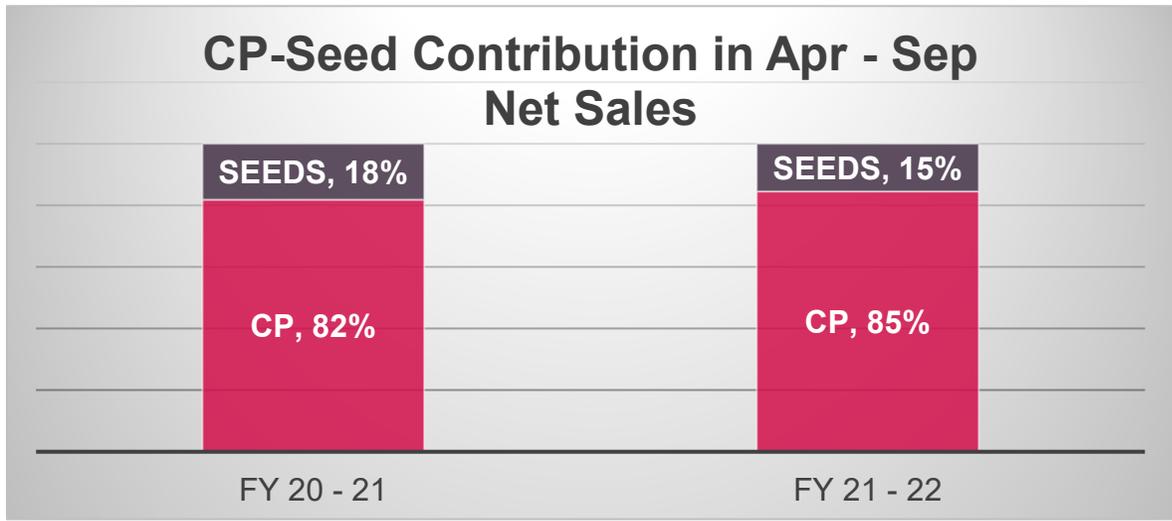
Good water availability expected to drive good Rabi acres of Veg & commodity price led increase in Mustard & Corn.

Acreages





Crop Protection (CP) Sales not only covered Seed shortfall but also powered CS Growth in Apr-Sep



CP Portfolio

- // CP Portfolio continued the growth momentum of Jan-Mar Qtr. & covered for shortfall in Seeds
- // Growth across portfolio in Insecticides, Fungicides, Herbicides and Seed Growth

Seed Business had a challenging Kharif

- Acres challenge across crops:**
- // Reduction in Cotton acres due to lower ROI in South & West and delayed canal water in North
 - // Weather related shift out of hybrid Rice
 - // Coarse grains lost acres with impact in Corn & Millets; shift to more profitable oilseeds
- Internal Challenges impacted timely supply**
- // High dependence on fresh production led to just-in-time supply of rice resulting in a delay in some markets
 - // Production shortfall in Cotton and some hybrids in Corn
 - // Dormancy in Millets reduced saleable inventory

CP Portfolio: Strategic actions driving growth



Nativo



Council Activ



EverGol Xtend



Movento OD



Movento Energy



Oberon



Luna Experience



Velum Prime



Infinito





Portfolio Differentiation to target small-holders



Solomon



Fenos Quick



Buonos





Small-holder Farming: Creating an eco-system to serve Ag-input needs of small-holder farmers

Digitally Connected eco-system enables accurate data collection and analytics to improve effectiveness



SAHBHAAGI

Online Campaign planning and real-time tracking
Leads generated by Sales Team in demand generation activities

~2250 Registered Partners (rural entrepreneurs) across 230 Territories
Connected to Liquidation Platform, earning incentive on lead conversion



700+ Better Life Farming Centres
Touch-point for ~500,000 farmers

Good offtake through Sahbhaagi & BLF centres in Apr-Sep

~45,000 Bayer Retailers



125
Years of
Bayer in India

Financial Perspective





Global Bayer Key Data : First Nine Months of 2021

in € Million

Key Financials

SALES

32,963

(+9%*)

EBITDA

before Special items

8,784

(-3%)

*Adjusted for currency and portfolio effects

Highlights

// Crop Science:

// Solid performance in all regions with double digit growth in Latin America, North America and APAC; Strong contribution across entire portfolio with Fungicides, Herbicides and Seeds & Traits (Corn & Soy) being key drivers

// Pharmaceuticals:

// Positive sales development, mainly driven by key product in ophthalmology, cardio-vascular and women's healthcare segment; Good progress with new products as well

// Consumer Health:

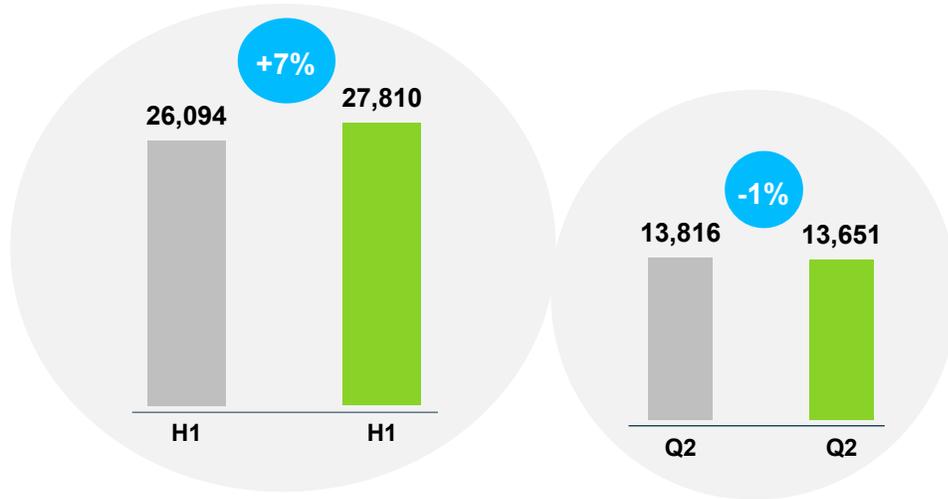
// Continued growth momentum across all regions and categories with nutritional supplements being the key driver and recovery seen in allergy and cold segment



BCSL Financial Performance

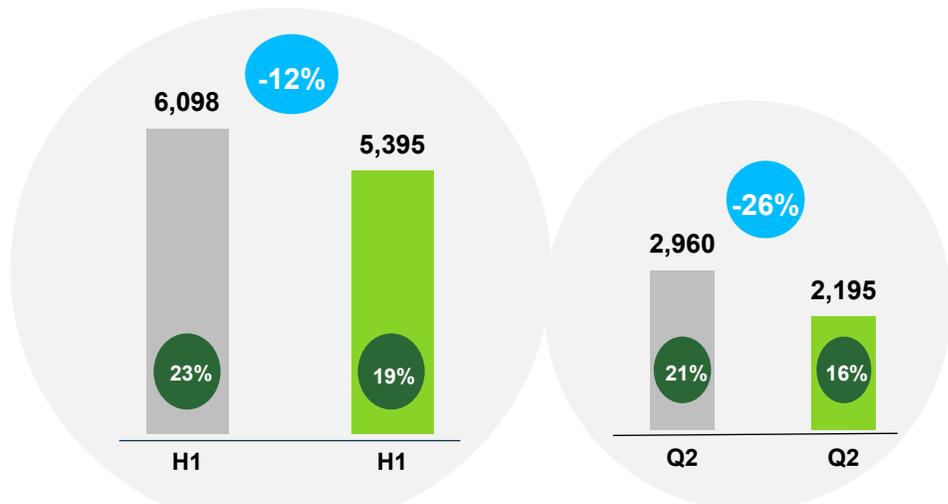
Revenue from Operations

■ 2020-21 ■ 2021-22
₹ millions



- // Growth driven by Crop Protection products and new product launches
- // Kharif Corn witnessed a drop in acreages
- // Unseasonal monsoon led to lower liquidation in Q2

Profit Before Exceptional Items and Tax



- // Higher material and logistics costs partially offset by product price increases
- // Unfavorable portfolio mix due to lower corn seeds sales
- // Operating costs returning to normal levels as compared to previous year (Covid-19 impact)



BCSL Balance Sheet

PY - Previous Year, CY - Current Year

	₹ millions	
As At	30-Sep-21	30-Sep-20
Assets		
Fixed Assets	5,099	5,060
Inventories	12,122	9,288
Trade Receivable	13,551	12,216
Cash and Cash Equivalents	8,791	9,263
Other Assets	6,428	6,683
	45,991	42,510
Equity and Liabilities		
Shareholders' Fund	28,462	25,319
Trade Payables	6,436	6,642
Provisions	1,665	1,619
Other Liabilities	9,428	8,930
	45,991	42,510

- // Inventory:
 - // Built-up for upcoming season
 - // Lower sales of corn portfolio products
- // Trade Receivables:
 - // Increase in Kharif sales and reduced collection vs. previous year (DSO: CY 81 / PY 74)



BCSL Cash Flow

PY - Previous Year, CY - Current Year

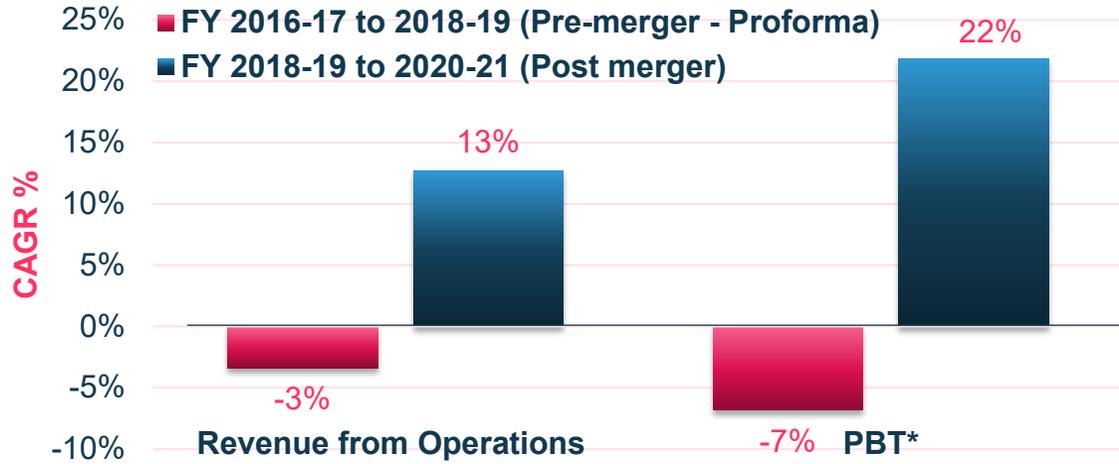
	₹ millions	
Half year ended	30-Sep-21	30-Sep-20
Operating profit before working capital changes	5,769	6,436
Net change in Working Capital	(6,474)	(1,916)
Taxes paid	(1,460)	(516)
Net cash from/ (used in) operating activities	(2,165)	4,004
Net cash from/ (used in) investing activities	131	(41)
Net cash used in financing activities	(1,220)	(5,369)
Decrease in Cash and Cash Equivalent	(3,254)	(1,406)

- // Inventory built-up and Lower sales of corn portfolio products
- // Increase in Kharif sales and reduced collection vs. previous year
- // Tax payment under Vivad Se Vishwas (VSV) Act

- // Interim Dividend payment of ₹ 4,045 millions in PY



FINANCIAL METRICS



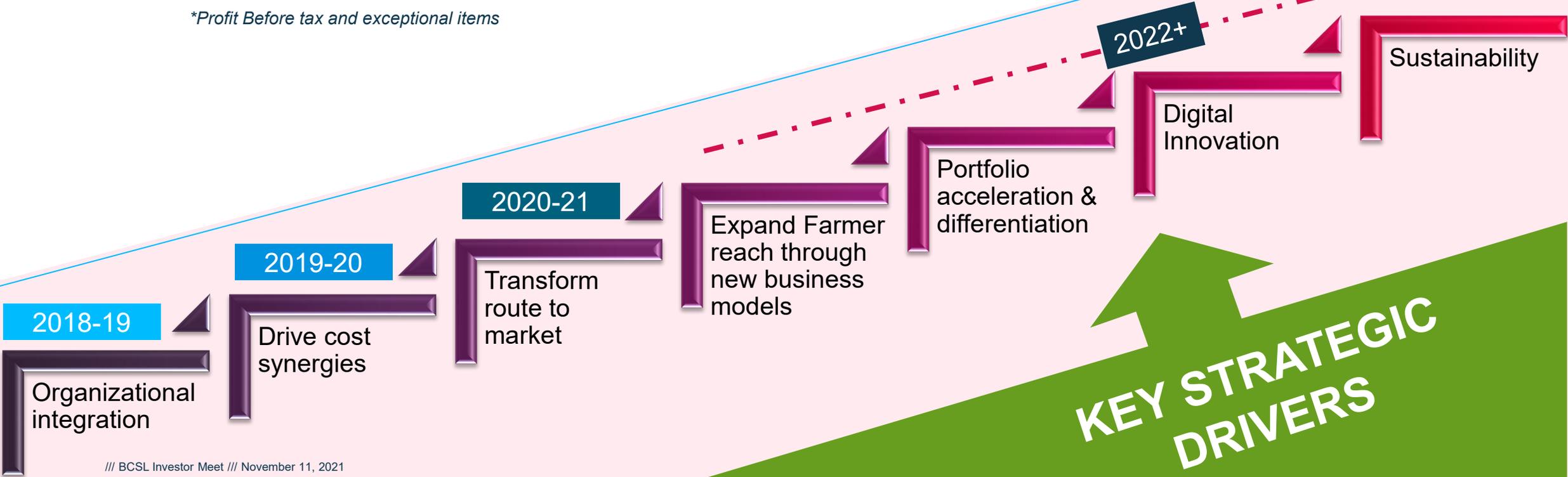
*Profit Before tax and exceptional items

Growth comparison between Pre-merger Proforma FY 2018-19 to FY 2020-21

PBT*:
2.5% points improvement from ~16% to ~18.5%

Earnings Per Share:
Grew from ₹86 to ₹110 (CAGR 13%)

Dividend Per Share:
Increased from ₹28 to ₹115



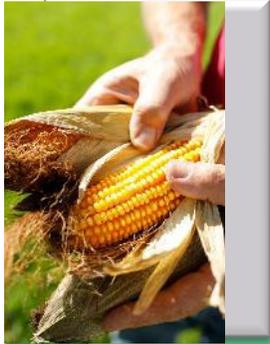


Key Takeaways





Key Takeaways



Managing tough **Corn season** and **unfavorable cost development** due to Covid-19 and local drivers in 2021



Achieved **strong top line growth** since integration in 2018 and **delivered synergies**



Strong long term market fundamentals for Agriculture led by our focus on **improving smallholder incomes and sustainability**



BCSL strategy continues to focus on **product** as well as **business model innovation** further strengthened by **impactful partnerships**



Financial discipline remains cornerstone for sustainable value creation



Thank You!

