

Semiannual Report 2022 | 2023

July 1, 2022, to December 31, 2022

**SEEDING
THE FUTURE**
SINCE 1856



KWS in Figures

KWS Group

€ millions	1st half of 2022/2023	1st half of 2021/2022	1st half of 2020/2021	1st half of 2019/2020	1st half of 2018/2019
Net sales and income					
Net sales	563.7	431.6	326.0	329.6	289.1
EBITDA	-24.5	-45.2	-48.2	-50.8	-51.8
EBIT	-71.9	-89.5	-93.2	-92.0	-76.6
Net financial income/expenses	-36.3	-27.3	-24.9	-27.4	-21.1
Net income for the period	-79.5	-85.3	-86.2	-86.5	-61.2
Financial position and assets					
Capital expenditure	46.4	39.1	38.0	49.1	41.8
Depreciation and amortization	47.4	44.3	45.0	41.2	24.8
Equity	1,101.8	949.2	824.4	858.7	798.2
Equity ratio in %	39.8	37.2	35.8	36.5	50.0
Net debt ¹	749.7	636.7	589.3	642.5	174.6
Total assets	2,771.6	2,550.5	2,305.2	2,350.1	1,596.9
Cash flow from operating activities	-131.2	-91.5	-22.1	-80.0	-70.3
Free cash flow	-173.6	-128.5	-56.9	-521.1	-116.1
Employees					
Number of full-time employees ²	5,012	4,753	4,640	4,448	4,008
Key figures for the share					
Earnings per share in € ³	-2.41	-2.58	-2.61	-2.62	-1.85

¹ Short-term + long-term borrowings – cash and cash equivalents – securities

² FTE: Full-time equivalents

³ Earnings per share of previous periods adjusted due to share split

Contents

4	Group Interim Management Report
4	Importance of the First Half for the Fiscal Year
4	Economic Report
4	Performance of the KWS Group in the first six months of 2022/2023
4	Earnings, financial position and assets
7	Employees
7	Segment reports
9	Opportunity and Risk Report
9	Forecast Report
10	Condensed Interim Consolidated Financial Statements
10	Consolidated Statement of Comprehensive Income
11	Consolidated Balance Sheet
12	Consolidated Statement of Changes in Equity
12	Consolidated Cash Flow Statement
13	Condensed Notes to the Interim Financial Statements
19	Additional Disclosures

Interim Group Management Report

Importance of the First Half for the Fiscal Year

Our core markets are in the northern hemisphere, where our main sales drivers corn and sugarbeet seed are sown in the spring. Due to the strongly seasonal nature of the company's business, the first half of the year (July 1 to December 31) contributes only about 25–35% of total net sales for the fiscal year.

Economic Report

Performance of the KWS Group in the first six months of 2022/2023

The KWS Group's business continued to grow dynamically in the first half of 2022/2023. Net sales rose by 30.6% in the period under review, with exchange rate effects having only a slight impact on them all in all (–0.6%). Our business benefited from continuing positive conditions in the agricultural sector in the first six months. In particular, favorable market prices for agricultural raw materials spurred demand for high-performance seed. In addition, we recorded higher early seed purchases in some markets compared with the same period of the previous year.

All the product segments contributed to the sharp growth in the period under review. The Corn Segment achieved high growth in Brazil especially. The Cereals Segment, which generates the lion's share of its annual net sales in the first half of the year, benefited in particular from strong oilseed rape, rye and wheat seed business. In the Vegetables Segment, we saw a pickup in demand for spinach seed. In the Sugarbeet Segment, an increase in early purchases in several European markets resulted in a sharp increase in net sales.

Earnings, financial position and assets

Earnings

Condensed income statement

in € millions	1st half of 2022/2023	1st half of 2021/2022	+/-
Net sales	563.7	431.6	30.6%
EBITDA	–24.5	–45.2	45.8%
EBIT	–71.9	–89.5	19.7%
Net financial income/expenses	–36.3	–27.3	–33.0%
Result of ordinary activities	–108.2	–116.8	7.4%
Income taxes	–28.7	–31.5	–8.9%
Net income for the period	–79.5	–85.3	6.7%
Earnings per share in €	–2.41	–2.58	6.7%

Net sales rise sharply by around 31%

The KWS Group's net sales in the first six months of fiscal 2022/2023 rose by 30.6% to €563.7 (431.6) million. After adjustment for exchange rate effects, net sales increased year over year by 31.2%.

Net sales by segment

Total net sales €563.7 million ¹



¹ Without net sales of our equity consolidated companies

The Cereals and Corn Segments accounted for a major share of total net sales, namely around 37% (41%) and 41% (39%) respectively. The region where we generated most of our business was Europe, which accounted for 51% (52%) of net sales (Germany: 19% (20%)), while the share of net sales contributed by North and South America rose to 41% (40%) on the back of the strong growth in Brazil. Revenues from our North American and Chinese equity-accounted companies are only included at the segment level (see the section Segment reports on pages 7 to 9).

Net sales by region

Total net sales €563.7 million ¹



¹ Without net sales of our equity consolidated companies

Key indicators for operating income improve significantly, financial result lower due to higher interest rates

Operating income and income after taxes, which are key indicators at the KWS Group, are typically negative in the first half of the year. The key indicators EBITDA and EBIT improved significantly to €-24.5 (-45.2) million and €-71.9 (-89.5) million, respectively, due to the strong growth in net sales. Although we posted a much higher gross profit, there were, as planned, higher costs for research & development, sales and administration.

Net financial income/expenses fell sharply to €-36.3 (-27.3) million, mainly due to a decline in the interest result to €-16.7 (-3.9) million. This was mainly attributable to higher interest expenses for our Brazilian business, which has higher working capital financing requirements as a result of the strong growth.

Since the earnings contributed by the equity-accounted joint ventures do not materialize until the third quarter, net income from equity investments in the first half of the year is typically negative. Net income from equity investments in the period under review improved slightly to €-19.5 (-23.0) million.

Income taxes totaled €-28.7 (-31.5) million. That gave earnings after taxes of €-79.5 (-85.3) million or €-2.41 (-2.58) per share.

Financial situation

Selected key figures for the financial situation

in € millions	1st half of 2022/2023	1st half of 2021/2022	+/-
Cash and cash equivalents	207.3	270.8	-23.4%
Net cash from operating activities	-131.2	-91.5	-43.4%
Net cash from investing activities	-42.4	-37.0	14.6%
Free cash flow	-173.6	-128.5	-35.1%
Net cash from financing activities	188.0	182.4	3.1%

The KWS Group's seasonal course of business impacts its cash flow statement, which changes significantly in the course of the year. The net cash from operating activities in the first six months was €-131.2, well below the figure for the same period of the previous year (€-91.5 million), mainly due to higher inventories for the upcoming sales season and an increase in trade receivables.

The net cash from investing activities increased to €-42.4 (-37.0) million. The KWS Group invested a total of €46.4 (39.1) million in property, plant and equipment and intangible assets (excluding leases) in the first six months of fiscal 2022/2023. The main focus of KWS' capital spending is on erecting and expanding production and research & development capacities. The free cash flow fell to €-173.6 (-128.5) million.

The KWS Group partly uses a revolving line of credit and issues short-term commercial papers in order to finance its general business operations during the year. The net cash from financing activities increased to €188.0 (182.4) million. Cash and cash equivalents declined to €207.3 (€270.8) million.

Capital expenditure by region

Total capital expenditure €46.4 million¹



Capital expenditure by segment

Total capital expenditure €46.4 million¹



¹ Without capital expenditure of our equity accounted companies

Assets

Condensed balance sheet

in € millions	December 31, 2022	June 30, 2022	December 31, 2021
Assets			
Noncurrent assets	1,321.9	1,318.8	1,289.6
Current assets	1,447.1	1,329.0	1,260.0
Assets held for sale	2.6	4.0	0.9
Equity and liabilities			
Equity	1,101.8	1,245.9	949.2
Noncurrent liabilities	753.4	814.2	868.1
Current liabilities	916.3	591.7	733.2
Total assets	2,771.6	2,651.8	2,550.5

The KWS Group's balance sheet during the year is impacted strongly by the seasonal nature of its business. There are thus usually significant changes in balance sheet items, in particular for working capital, in the course of the year. The year-on-year increase in current assets was mainly attributable to higher trade receivables and inventories due to the expansion of the KWS Group's business.

Current liabilities likewise increased, mainly due to a rise in short-term borrowings and payments on account in Eastern Europe and South America in connection with seed deliveries for the upcoming sowing season. Noncurrent liabilities fell, mainly due to the repayment of long-term loans. The equity ratio was 39.8% (37.2%), while total assets at December 31, 2022, were €2,771.6 (December 31, 2021: 2,550.5) million. Net debt rose to €749.7 (€636.7) million, in particular due to the increase in working capital.

Employees

Number of employees by region¹

	December 31, 2022	June 30, 2022	+/-
Germany	2,182	2,117	3.1%
Europe (excluding Germany)	1,618	1,634	-1.0%
North and South America	1,031	962	7.2%
Rest of world	181	195	-7.2%
Total	5,012	4,908	2.1%

¹ Full-time employees (FTE) at the balance sheet date

At December 31, 2022, we had 5,012 full-time employees worldwide (June 30, 2022: 4,908).

Segment reports

Reconciliation with the KWS Group

The KWS Group's interim consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS). The segments are presented in the economic report in line with our internal corporate controlling structure in accordance with GAS 20. The main difference is that we do not carry the pro-rata revenues and costs of our equity-accounted joint ventures and associated companies in the statement of comprehensive income.

The earnings contributed by the equity-accounted companies are instead included at the Group level under net financial income/expenses. In addition, their assets and liabilities are included separately in the KWS Group's balance sheet under the financial assets. Our equity-accounted companies are included proportionately in the segment reports in line with our internal corporate controlling structure.

The difference from the KWS Group's statement of comprehensive income is summarized for a number of key indicators in the reconciliation table:

Reconciliation table

in € millions	Segments	Reconciliation	KWS Group
Net sales	625.4	-61.7	563.7
EBIT	-91.7	19.8	-71.9
Number of employees as of December 31, 2022	5,435	-422	5,012
Capital expenditure	49.6	-3.2	46.4
Total assets	3,015.0	-243.5	2,771.6

Corn Segment

The Corn Segment grew its net sales sharply to €290.9 (200.7) million in the first half of the year. In Brazil, in particular, the increase in sales prices and the high performance of KWS' variety portfolio led to a significant expansion in corn seed business. Since the segment does not generate the major part of its annual net sales until the third quarter (January to March) in the Europe and North America regions, the segment's earnings were negative, as customary for the period under review, and totaled €-70.1 (-66.4) million. The decline in the segment's earnings was mainly due to cost increases and negative exchange rate effects (Argentina).

Sugarbeet Segment

Net sales at the Sugarbeet Segment rose sharply in the first half of the year to €93.8 (60.9) million. The increase is mainly attributable to earlier seed deliveries in several European markets. Due to seasonal reasons, revenue from sugarbeet seed is low in the first half of the year; the main net sales for the segment are not generated until the spring sowing season in the third quarter (January to March). The segment's income is negative as customary in the first half of the year, but improved sharply to €-36.1 (-45.2) million year over year. The segment's income takes into account negative effects in the mid-single-digit million range from the destruction of inventories as a result of changes in the regulatory framework (see the explanations on this subject in the section "Report on Events after the Balance Sheet Date" on page 18).

Cereals Segment

Net sales in the Cereals Segment, which generates the predominant share of its annual net sales in the first half of the year, rose sharply by 19% to €207.8 (€174.9) million, mainly due to strong growth in oilseed rape, rye and wheat seed. The Cereals Segment also achieved high growth rates with its catch crops and organic seed, areas with a highly promising future. Given the strong growth in net sales and an improved product mix, the segment posted an above-proportionate increase in income to €77.5 (62.3) million.

Vegetables Segment

The Vegetables Segment grew its net sales sharply to €28.7 (21.9) million in the first half of the year, mainly on the back of stronger demand for spinach seed in the U.S. and China. The segment's income improved to €-3.8 (-10.6) million as a result of the course of business and lower effects from the purchase price allocation as part of company acquisitions. The segment's income takes into account the planned increase in R&D expenditure of €6.8 (4.3) million, which is mainly earmarked for the establishment of breeding programs for new types of vegetables.

Corporate Segment

Net sales in the Corporate Segment fell to €4.3 (5.1) million. They are mainly generated from KWS' farms. Since all cross-segment costs for the KWS Group's central functions and research expenditure are charged to the Corporate Segment, its income is usually negative. The decline in the segment's income to €-59.3 (-52.9) million is mainly attributable to the expansion of central R&D activities and general cost increases.

Overview of the segments

in € millions	2nd quarter of 2022/2023	2nd quarter of 2021/2022	1st half of 2022/2023	1st half of 2021/2022
Net sales				
Corn	208.8	129.4	290.9	200.7
Sugarbeet	73.7	42.6	93.8	60.9
Cereals	52.1	53.7	207.8	174.9
Vegetables	17.8	11.7	28.7	21.9
Corporate	2.1	2.7	4.3	5.1
Total	354.5	240.2	625.4	463.4
EBIT				
Corn	-23.5	-26.2	-70.1	-66.4
Sugarbeet	-1.7	-12.9	-36.1	-45.2
Cereals	15.2	19.3	77.5	62.3
Vegetables	-1.2	-6.1	-3.8	-10.6
Corporate	-28.5	-27.7	-59.3	-52.9
Total	-39.8	-53.7	-91.7	-112.8

Opportunity and Risk Report

There has been no significant change in the situation as to opportunities and risks compared with at June 30, 2022. Risks that jeopardize the company's existence are not currently discernible. You can find detailed information on the risk management system and the risk situation at the KWS Group in the Combined Management Report starting on page 63 of the 2021/2022 Annual Report.

Forecast Report

The Executive Board now assumes that the KWS Group will grow its net sales for fiscal 2022/2023 (on a comparable basis, excluding exchange rate and portfolio effects) by 13% to 15% (previously: 10% to 12%). An EBIT margin of between 10% and 11% is still anticipated. Our R&D intensity is expected to be in the range of 18% to 20%.

The previous forecasts for our product segments remain unchanged, and we still expect strong growth in net sales (on a comparable basis) and EBIT margins at the levels of the previous year.

You can find detailed information on the forecasts for the current fiscal year in the Combined Management Report starting on page 77 of the 2021/2022 Annual Report. All the forecasts are based on the assumption that there will be no change in the situation as to opportunities and risks at the KWS Group. An expansion or escalation of Russia's war of aggression on Ukraine could have a negative impact on our commercial activities in Russia and Ukraine.

Condensed Interim Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

in € millions	2nd quarter of 2022/2023	2nd quarter of 2021/2022	1st half of 2022/2023	1st half of 2021/2022
I. Income statement				
Net sales	297.4	210.8	563.7	431.6
Operating income	-38.7	-47.4	-71.9	-89.5
Net financial income/expenses	-6.5	-10.2	-36.3	-27.3
Result of ordinary activities	-45.3	-57.6	-108.2	-116.8
Income taxes	-12.0	-15.6	-28.7	-31.5
Net income for the period	-33.3	-42.0	-79.5	-85.3
II. Other comprehensive income				
Items that may have to be subsequently reclassified as profit or loss	-33.7	5.6	-50.3	0.9
Items not reclassified as profit or loss	0.2	1.0	0.3	1.0
Other comprehensive income after tax	-33.4	6.7	-50.0	1.9
III. Comprehensive income (total of I. and II.)	-66.7	-35.3	-129.5	-83.4
Earnings per share in €	-1.01	-1.27	-2.41	-2.58

Consolidated Balance Sheet

Assets

in € millions	December 31, 2022	30. Juni 2022	December 31, 2021
Goodwill	122.6	123.0	121.8
Intangible assets	327.5	333.0	339.8
Right-of-use assets	40.1	44.4	41.2
Property, plant and equipment	566.6	565.9	522.5
Equity-accounted financial assets	162.0	186.8	151.1
Financial assets	10.4	10.1	10.6
Other non-current receivables	5.8	14.9	7.4
Deferred tax assets	86.8	40.7	95.1
Noncurrent assets	1,321.9	1,318.8	1,289.6
Inventories	621.5	354.6	489.8
Biological assets	3.3	9.0	2.5
Trade receivables	355.1	518.5	274.8
Cash and cash equivalents	207.3	203.7	270.8
Current tax assets	144.0	124.5	110.3
Other current financial assets	35.8	55.3	38.9
Other current assets	80.0	63.5	73.0
Current assets	1,447.1	1,329.0	1,260.0
Assets held for sale	2.6	4.0	0.9
Total assets	2,771.6	2,651.8	2,550.5

Equity and liabilities

Subscribed capital	99.0	99.0	99.0
Capital reserve	5.5	5.5	5.5
Retained earnings	997.3	1,141.4	844.7
Equity	1,101.8	1,245.9	949.2
Long-term provisions	95.2	95.2	132.9
Long-term borrowings	562.0	613.6	631.5
Noncurrent lease liabilities	34.0	37.2	35.3
Deferred tax liabilities	58.5	64.0	63.5
Other noncurrent financial/non-financial liabilities	3.7	4.1	4.8
Noncurrent liabilities	753.4	814.2	868.1
Short-term provisions	47.6	41.9	27.9
Short-term borrowings	395.0	112.0	276.0
Current lease liabilities	10.7	11.9	10.6
Trade payables	177.0	201.7	199.8
Current tax liabilities	40.8	25.3	41.6
Other current financial liabilities	29.1	41.9	23.3
Contract liabilities	111.9	50.4	49.4
Other current liabilities	104.3	106.7	104.7
Current liabilities	916.3	591.7	733.2
Liabilities	1,669.7	1,405.9	1,601.3
Total assets	2,771.6	2,651.8	2,550.5

Consolidated Statement of Changes in Equity

in € millions	Konzerneigenkapital
07/01/2021	
Dividends paid	-26.4
Net income for the period	-85.3
Other income after taxes	1.9
Total comprehensive income	-83.4
Other changes	5.2
12/31/2021	949.2
07/01/2022	1,245.9
Dividends paid	-26.4
Net income for the period	-79.5
Other income after taxes	-50.0
Total comprehensive income	-129.5
Other changes	11.8
12/31/2022	1,101.8

Consolidated Cash Flow Statement

July,1 to June, 31

Cash proceeds and payments	1st half of 2022/2023	1st half of 2021/2022
Net income for the period	-79.5	-85.3
Net cash from operating activities	-131.2	-91.5
Net cash from investing activities	-42.4	-37.0
Net cash from financing activities	188.0	182.4
Change in cash and cash equivalents	14.4	53.8
Changes in cash and cash equivalents due to exchange rate, consolidated group and measurement changes	-10.8	-5.8
Cash and cash equivalents at beginning of period (July 1)	203.7	222.7
Cash and cash equivalents at end of period	207.3	270.8

Condensed Notes to the Interim Financial Statements

Basis of Accounting and Reporting

The KWS Group is a consolidated group as defined in the valid International Financial Reporting Standards (IFRSs) published by the International Accounting Standards Board (IASB), London, and adopted by the European Union, taking into account the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). All disclosures on KWS are therefore disclosures on the Group within the meaning of these regulations. The interim financial statements as of December 31, 2022, were prepared as condensed financial statements in accordance with the provisions of IAS 34.

Exactly the same accounting methods applied in the preparation of the consolidated financial statements as of June 30, 2022, were used.

First-time Application of New IFRSs

The Group has not adopted any standards, interpretations or amendments that have been published, but have not yet come into effect. The explanations in the Notes to the consolidated financial statements for fiscal year 2021/2022 apply. Certain amendments and interpretations will apply for the first time in 2022/2023, but will have no effects on the Group's condensed interim consolidated financial statements.

Consolidated Group and Changes in the Consolidated Group

The condensed interim financial statements of the KWS Group for the first six months of fiscal 2022/2023 include the single-entity financial statements of KWS SAAT SE & Co. KGaA and its subsidiaries and joint ventures in Germany and other countries, the associated companies and the joint operations, which are carried in accordance with IFRS 11 and IAS 28. Subsidiaries that are considered immaterial for the presentation and evaluation of the financial position and performance of the Group are not included.

The consolidated financial statements of the KWS Group contain 74 fully consolidated subsidiaries, the same number as at June 30, 2022. 13 of them are based in Germany and 61 are based in other countries. In addition, five companies are still included using the equity method and eight proportionately consolidated joint operations are still included in the KWS Group's consolidated financial statements as of December 31, 2022.

No companies were acquired or sold in the first half of fiscal 2022/2023.

Segment Reporting

Sales per segment

in € millions	Segment sales		Internal sales		External sales	
	1st half of 2022/2023	1st half of 2021/2022	1st half of 2022/2023	1st half of 2021/2022	1st half of 2022/2023	1st half of 2021/2022
Corn	290.9	200.7	0.0	0.0	290.9	200.7
Sugarbeet	93.8	60.9	0.0	0.0	93.8	60.9
Cereals	207.8	174.9	0.0	0.0	207.8	174.9
Vegetables	28.7	21.9	0.0	0.0	28.7	21.9
Corporate	4.5	5.4	0.2	0.3	4.3	5.1
Segments acc. to management approach	625.7	463.7	0.3	0.3	625.4	463.4
Elimination of equity-accounted financial assets					-61.7	-31.8
Segments acc. to consolidated financial statements					563.7	431.6

Segment earnings

in € millions	2nd quarter of 2022/2023	2nd quarter of 2021/2022	1st half of 2022/2023	1st half of 2021/2022
Corn	-23.5	-26.2	-70.1	-66.4
Sugarbeet	-1.7	-12.9	-36.1	-45.2
Cereals	15.2	19.3	77.5	62.3
Vegetables	-1.2	-6.1	-3.8	-10.6
Corporate	-28.5	-27.7	-59.3	-52.9
Segments acc. to management approach	-39.8	-53.7	-91.7	-112.8
Elimination of equity-accounted financial assets	1.1	6.3	19.8	23.3
Segments acc. to consolidated financial statements	-38.7	-47.4	-71.9	-89.5
Net financial income/expenses	-6.5	-10.2	-36.3	-27.3
Earnings before taxes	-45.3	-57.6	-108.2	-116.8

Operating assets and operating liabilities per segment

in € millions	Operating assets		Operating liabilities	
	2022/2023	2021/2022	2022/2023	2021/2022
Corn	966.1	797.4	255.9	197.6
Sugarbeet	479.5	417.7	114.0	111.8
Cereals	174.0	162.8	30.0	38.5
Vegetables	437.5	426.0	14.2	7.1
Corporate	214.7	210.8	88.5	107.7
Segments acc. to management approach	2,271.9	2,014.6	502.6	462.6
Elimination of equity-accounted financial assets	-233.8	-218.1	-63.5	-50.0
Segments acc. to consolidated financial statements	2,038.1	1,796.6	439.1	412.6
Others	733.5	754.0	1,230.6	1,188.7
KWS Group acc. to consolidated financial statements	2,771.6	2,550.5	1,669.7	1,601.3

Financial Instruments

The carrying amounts and fair values of the financial assets (financial instruments), split into the measurement categories in accordance with IFRS 9, are as follows:

Carrying amounts and fair values of the financial assets at December 31, 2022

in € millions	Financial assets				
	Fair Values	Carrying amounts			
		At amortized cost	At fair value through other comprehensive income	At fair value through profit or loss	Total carrying amount
Financial assets					
Financial assets	10.4	0.0	10.4	0.0	10.4
Other noncurrent receivables	5.8	4.0	0.0	1.7	5.8
Of which derivative financial instruments	1.7	0.0	0.0	1.7	1.7
Trade payables	355.1	355.1	0.0	0.0	355.1
Cash and cash equivalents	207.3	207.3	0.0	0.0	207.3
Other current financial assets	35.8	35.6	0.0	0.2	35.8
Of which derivative financial instruments	0.2	0.0	0.0	0.2	0.2
Total	614.5	602.1	10.4	1.9	614.5

Carrying amounts and fair values of the financial assets at June 30, 2022

in € millions	Financial assets				
	Fair Values			Carrying amounts	
		At amortized cost	At fair value through other comprehensive income	At fair value through profit or loss	Total carrying amount
Financial assets					
Financial assets	10.1	0.0	10.1	0.0	10.1
Other noncurrent liabilities	14.4	13.0	0.0	1.4	14.4
Of which derivative financial instruments	1.4	0.0	0.0	1.4	1.4
Trade receivables	518.5	518.5	0.0	0.0	518.5
Cash and cash equivalents	203.7	203.7	0.0	0.0	203.7
Other current financial assets	55.3	55.0	0.0	0.2	55.3
Of which derivative financial instruments	0.2	0.0	0.0	0.2	0.2
Total	801.9	790.2	10.1	1.6	801.9

The carrying amounts and fair values of the financial liabilities (financial instruments), split into the measurement categories in accordance with IFRS 9, are as follows:

Carrying amounts and fair values of the financial liabilities at December 31, 2022

in € millions	Financial liabilities			
	Fair Values		Carrying amounts	
		At amortized cost	At fair value through profit or loss	Total carrying amount
Financial liabilities				
Long-term borrowings	509.8	562.0	0.0	562.0
Other noncurrent financial liabilities	0.3	0.3	0.0	0.3
Of which derivative financial instruments	0.0	0.0	0.0	0.0
Short-term financial liabilities	395.0	395.0	0.0	395.0
Short-term trade payables	177.0	177.0	0.0	177.0
Other current financial liabilities	29.1	28.7	0.3	29.1
Of which derivative financial instruments	0.3	0.0	0.3	0.3
Total	1,111.2	1,163.0	0.3	1,163.4

Carrying amounts and fair values of the financial liabilities at June 30, 2022

in € millions	Financial liabilities			
	Fair Values		Carrying amounts	
		At amortized cost	At fair value through profit or loss	Total carrying amount
Financial liabilities				
Long-term borrowings	567.6	613.6	0.0	613.6
Other noncurrent financial liabilities	0.3	0.3	0.0	0.3
Of which derivative financial instruments	0.0	0.0	0.0	0.0
Short-term financial liabilities	112.0	112.0	0.0	112.0
Short-term trade payables	201.7	201.7	0.0	201.7
Other current financial liabilities	41.9	40.7	1.2	41.9
Of which derivative financial instruments	1.2	0.0	1.2	1.2
Total	923.4	968.3	1.2	969.4

In general, the fair values of financial instruments are calculated on the basis of the market information available on the balance sheet date and must be assigned to one of the three fair value hierarchy levels in accordance with IFRS 13. Financial instruments in level 1 are measured using quoted prices in active markets for identical assets or liabilities. In level 2, they are measured by directly observable market inputs or derived indirectly on the basis of prices for similar instruments. Finally, input factors not based on observable market data are used to calculate the value of level 3 financial instruments.

The table below shows the financial assets and liabilities measured at fair value:

Assets and liabilities measured at fair value

in € millions	December 31, 2022				June 30, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Derivative financial instruments not part of a hedge under IFRS 9	0.0	1.9	0.0	1.9	0.0	1.6	0.0	1.6
Financial investments	0.0	10.4	0.0	10.4	0.0	10.1	0.0	10.1
Financial assets	0.0	12.3	0.0	12.3	0.0	11.7	0.0	11.7
Derivative financial instruments not part of a hedge under IFRS 9	0.0	0.3	0.0	0.3	0.5	0.7	0.0	1.2
Financial liabilities	0.0	0.3	0.0	0.3	0.5	0.7	0.0	1.2

Related Parties

The related party disclosures under Other Notes in the section Notes for the KWS Group in the 2021/2022 Annual Report were unchanged in the first half of fiscal 2022/2023.

Report on Events after the Balance Sheet Date

After the balance sheet date (December 31, 2022), there was a change in the legal conditions relating to the use of pesticides for seed treatment in the European Union. The KWS Group expects that the necessary destruction of inventories entailed by that will have a negative impact on earnings in the mid to high single-digit million range in the Sugarbeet Segment for fiscal 2022/2023 as a whole. Most of this anticipated reduction in earnings has already been taken into account in the semiannual consolidated financial statements as of December 31, 2022.

Apart from that, there were no other events after December 31, 2022, that can be expected to have a significant impact on the KWS Group's earnings, financial position and assets.


Declaration by Legal Representatives

We declare to the best of our knowledge that these interim consolidated financial statements give a true and fair view of the assets, financial position and earnings of the KWS Group in compliance with the accounting principles applicable to interim reporting, and that an accurate picture of the course of business, including business results, and the Group's situation is conveyed by the interim group management report, and that it describes the main opportunities and risks of the KWS Group's anticipated development.

Einbeck, February 2023
KWS SAAT SE & Co. KGaA
The Executive Board



Felix Büchting



Peter Hofmann



Eva Kienle



Nicolás Wielandt

Additional Disclosures

Share

Share data

KWS SAAT SE & Co. KGaA	
Securities identification number	707400
ISIN	DE0007074007
Stock exchange identifier	KWS
Transparency level	Prime Standard
Index	SDAX
Share class	No-par value shares
Number of shares	33,000,000

Financial Calendar

Date	
May 11, 2023	9M Report 2022/2023
September 27, 2023	Publication of the 2022/2023, annual statements, Annual Press Conference and Analysts' Conference
November 9, 2023	Q1 Report 2023/2024
December 13, 2023	Annual Shareholders' Meeting

About this Report

The financial report can be downloaded on our websites at www.kws.de and www.kws.com. The KWS Group's fiscal year begins on July 1 and ends on June 30. Unless otherwise specified, figures in parentheses relate to the same period or date in the previous year. There may be rounding differences for percentages and numbers.

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Safe Harbor Statement

This document contains forward-looking statements about future developments based on the current assessments of management. These forward-looking statements may be identified by words such as “forecast,” “assume,” “believe,” “assess,” “expect,” “intend,” “can/may/might,” “plan,” “should” or similar expressions. These statements are subject to certain elements of uncertainty, risks and other factors that may result in significant deviations between expectations and actual circumstances. Examples of such risks and factors are market risks (such as changes in the competitive environment or risks of changes in interest or exchange rates), product-related risks (such as production losses as a result of bad weather, failure of production plants or quality-related risks), political risks (such as changes in the regulatory environment, including those with regard to the general regulatory framework for the cultivation of energy plants, or violations of existing laws and regulations, for example those regarding genetically modified organisms in seed) and general economic risks. Forward-looking statements must therefore not be regarded as a guarantee or pledge that the developments or events they describe will actually occur. We do not intend, nor do we assume any obligation, to update or revise these forward-looking statements, since they are based solely on circumstances on the day they were published.

Photo credits:

Roman Thomas

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