



An Agricultural  
Sciences Company



# Q2 2021 Earnings Presentation

August 4, 2021



## Safe Harbor Statement

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: Certain statements made in this presentation are forward-looking statements. In some cases, you can identify these statements by such words or phrases as “will likely result,” “is confident that,” “expect,” “expects,” “should,” “could,” “may,” “will continue to,” “believe,” “believes,” “anticipates,” “predicts,” “forecasts,” “estimates,” “projects,” “potential,” “intends” or similar expressions identifying “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including the negative of those words and phrases. Such forward-looking statements are based on management’s current views and assumptions regarding future events, future business conditions and the outlook for the company based on currently available information. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any results, levels of activity, performance or achievements expressed or implied by any forward-looking statement. Currently, one of the most significant factors is the potential adverse effect of the current COVID-19 pandemic on the financial condition, results of operations, cash flows and performance of FMC, which is substantially influenced by the potential adverse effect of the pandemic on FMC’s customers and suppliers and the global economy and financial markets. The extent to which COVID-19 impacts us will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, and the direct and indirect economic effects of the pandemic and containment measures, among others. Additional factors include, among other things, the risk factors and other cautionary statements included within FMC’s 2020 Form 10-K as well as other SEC filings and public communications. Moreover, investors are cautioned to interpret many of these factors as being heightened as a result of the ongoing and numerous adverse impacts of the COVID-19 pandemic. FMC cautions readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Forward-looking statements are qualified in their entirety by the above cautionary statement. FMC undertakes no obligation, and specifically disclaims any duty, to update or revise any forward-looking statements to reflect events or circumstances arising after the date on which they were made, except as otherwise required by law.

## Non-GAAP Financial Terms

These slides contain certain “non-GAAP financial terms”. Such non-GAAP financial terms include adjusted EBITDA, adjusted EPS, adjusted tax rate, adjusted cash from operations, free cash flow (“FCF”) and organic revenue growth. Definitions of these terms, as well as a reconciliation to the most directly comparable financial measure calculated and presented in accordance with GAAP, are provided on our website [investors.fmc.com](https://investors.fmc.com). Although we provide forecasts for these non-GAAP financial measures, we are not able to forecast the most directly comparable measures calculated and presented in accordance with GAAP. Certain elements of the composition of the GAAP amounts are not predictable, making it impractical for us to forecast. Such elements include, but are not limited to restructuring, acquisition charges, and discontinued operations and related cash activity. As a result, no GAAP outlook is provided.

# FMC Reported Financial Results

	Q2 2020	Q2 2021	'21 vs. '20
Revenue	\$1,155	\$1,242	8%
GAAP Net Income	\$185	\$203	10%
% Revenue	16.0%	16.4%	
GAAP EPS	\$1.41	\$1.56	11%
Adj. EBITDA <sup>1</sup>	\$341	\$347	2%
% Revenue	29.5%	28.0%	
Adjusted EPS <sup>1</sup>	\$1.72	\$1.81	5%

Note: Amounts in millions of USD, except EPS

## Q2 Highlights vs. Guidance

Revenue \$17 million above mid-point of guidance, up 4% organically <sup>1</sup>, excluding a 4% FX tailwind

Adjusted EBITDA \$2 million above the midpoint of guidance

Adjusted EPS ahead of the midpoint of guidance by \$0.03

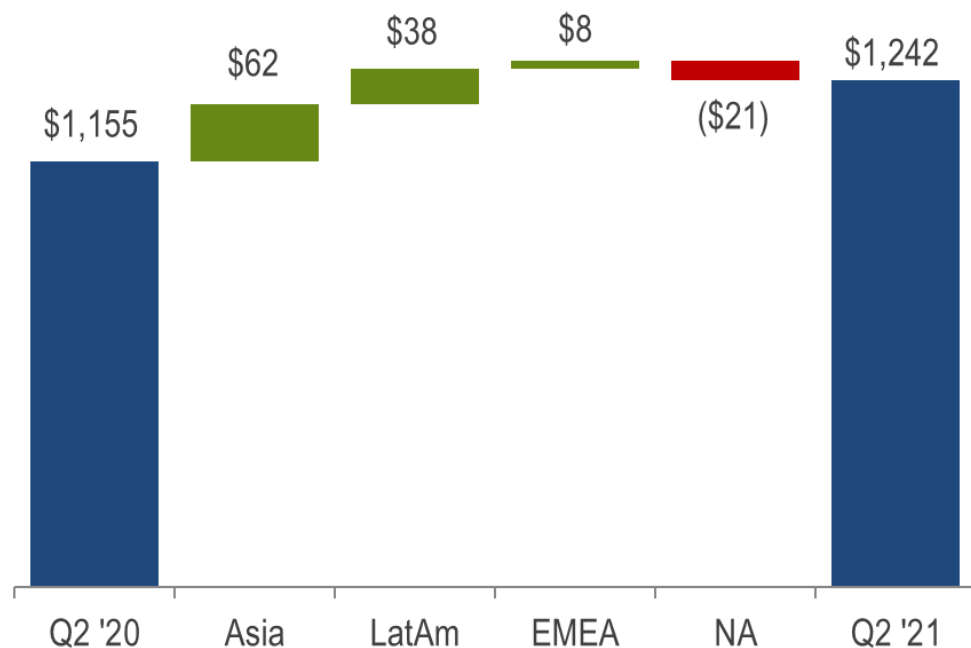
## Adj. EPS<sup>1</sup> vs. Q2 2020

Q2 '21 vs. Q2 '20	+9 cents
EBITDA	+5 cents
D&A	-2 cents
Interest expense	+5 cents
Share count	+1 cents

(1) Denotes non-GAAP financial term. Refer to non-GAAP financial terms at the beginning of this presentation.

# Q2 2021 Revenue Up 8%, Up 4% Organically<sup>1</sup>

## Regional Revenue Bridge



Note: Amounts in millions of USD

## Q2 2021 Revenue Drivers

Total: +8%	Volume	Price	F/X
Organic <sup>1</sup> : +4%	+4%	0%	+4%

### Asia

- Q2 '21 Revenue: \$379 million (+20% YOY, +13% ex-FX)
- Record quarter in India driven by diamides growth in rice, soybean, and cotton
- Double-digit growth in Australia, ASEAN, and Pakistan
- Strong growth in Plant Health products across the region

### Latin America

- Q2 '21 Revenue: \$300 million (+15% YOY, +12% ex-FX)
- Growth in Brazil after planned channel inventory reduction in Q1
- Mexico grew more than 25% driven by insecticide sales on specialty crops
- Andean Zone almost doubled driven by our newly enhanced presence in Colombia and Peru

### EMEA

- Q2 '21 Revenue: \$273 million (+3% YOY, -3% ex-FX)
- Delayed season impacted application window across much of region
- Discontinued product registrations impacted growth
- Growth in herbicides for cereals and sugar beets

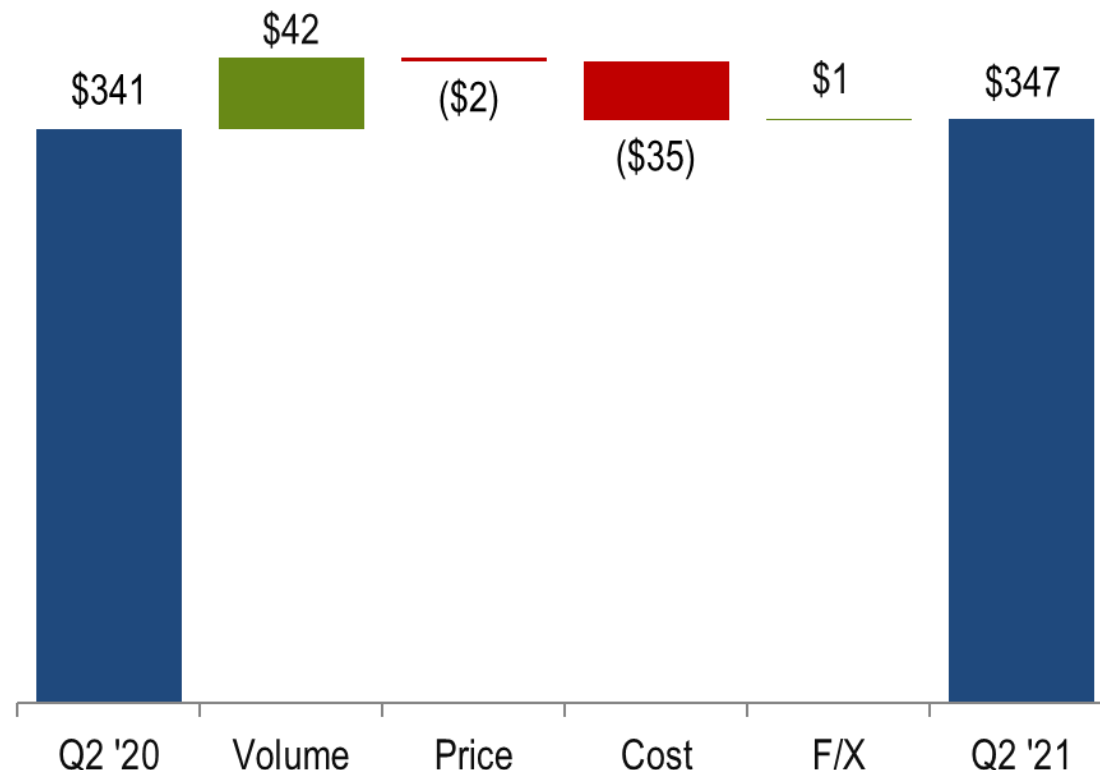
### North America

- Q2 '21 Revenue: \$291 million (-7% YOY, -8% ex-FX)
- Strong volume growth driven by new products (Vantacor<sup>TM</sup> insecticide and Xyway<sup>TM</sup> fungicide)
- Shift of diamide partner sales from NA to other regions: excluding revenue from diamide partners, NA region grew more than 20%

(1) Denotes non-GAAP financial term. Refer to non-GAAP financial terms at the beginning of this presentation.

# Q2 2021 Adjusted EBITDA<sup>1</sup> Increased 2%

## Q2 2021 Adjusted EBITDA Bridge



Note: Amounts in millions of USD

## Q2 2021 Adj. EBITDA Drivers

Volume gains in Asia, LatAm, and North America offset by delayed season and loss of registrations in EMEA

New product introductions and continued growth of our diamides helped drive high quality volume gains

Accelerating input costs partially offset by strong SG&A discipline

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# FY 2021 and Q3/Q4 Earnings Outlook

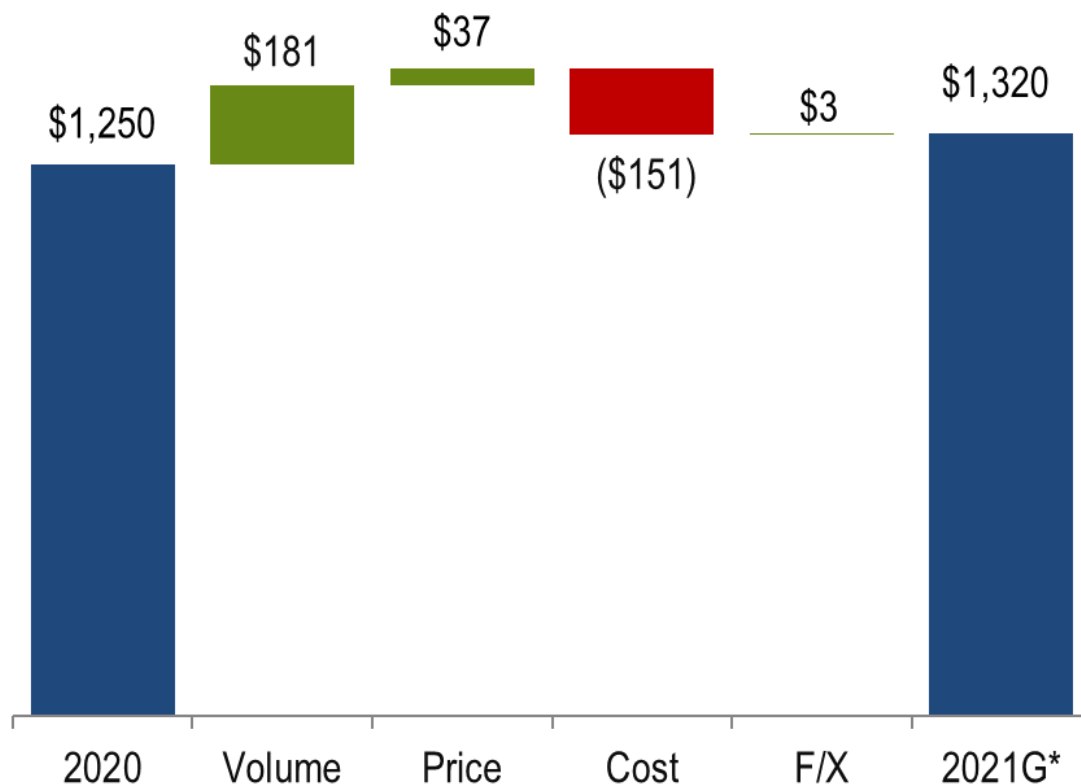
	FY 2021	Q3 2021	Q4 2021
Adjusted EPS Ranges <sup>(1,2)</sup>	\$6.54 - \$6.94 +9% YOY at midpoint WADSO: ~130 million	\$1.23 - \$1.39 +7% YOY at midpoint WADSO: ~130 million	\$1.96 - \$2.20 +46% YOY at midpoint WADSO: ~130 million
Revenue & Adjusted EBITDA <sup>(1)</sup> Ranges	Revenue: \$4.9 - \$5.1 billion Adj. EBITDA: \$1.29 - \$1.35 billion  Revenue +8% YOY at midpoint (+7% organic <sup>1</sup> ) Adj. EBITDA +6% YOY at midpoint	Revenue: \$1.13 - \$1.22 billion Adj. EBITDA: \$262 - \$288 million  Revenue +8% YOY at midpoint (+7% organic) Adj. EBITDA +5% YOY at midpoint	Revenue: \$1.33 - \$1.44 billion Adj. EBITDA: \$374 - \$408 million  Revenue +20% YOY at midpoint (+20% organic) Adj. EBITDA +35% YOY at midpoint

(1) Denotes non-GAAP financial term. Refer to non-GAAP financial terms at the beginning of this presentation.

(2) Outlook for EPS and weighted average diluted shares outstanding (WADSO) does not include the impact of any share repurchases that are expected in Q3 or Q4 2021.

# Projected FY 2021 Adj. EBITDA<sup>1</sup> and Revenue Drivers (YOY)

## FY 2021 Adjusted EBITDA Bridge



Note: Amounts in millions of USD

\* Midpoint of guidance

## FY 2021 Adj. EBITDA Drivers

Strong volume growth led by LatAm, North America and Asia

New products launched in last 12 months (Overwatch<sup>®</sup> herbicide, Xyway<sup>™</sup> fungicide, Vantacor<sup>™</sup> and Elevest<sup>®</sup> insect control) contribute \$130 million in YOY revenue growth

Cost headwinds driven by higher raw material and logistics costs as well as focused R&D investments in our pipeline

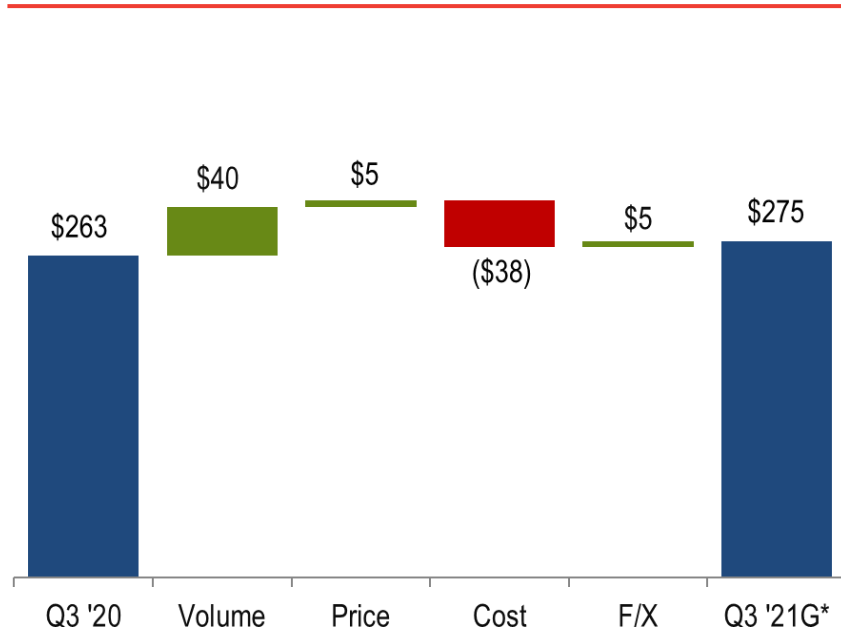
## FY 2021 Revenue Drivers

Total: +8% Organic <sup>1</sup> : +7%	Volume	Price	F/X
	+6%	+1%	+1%

(1) Denotes non-GAAP financial term. Refer to non-GAAP financial terms at the beginning of this presentation.

# Projected Q3/Q4 2021 Adj. EBITDA<sup>1</sup> & Revenue Drivers (YOY)

## Q3 2021 Adjusted EBITDA Bridge



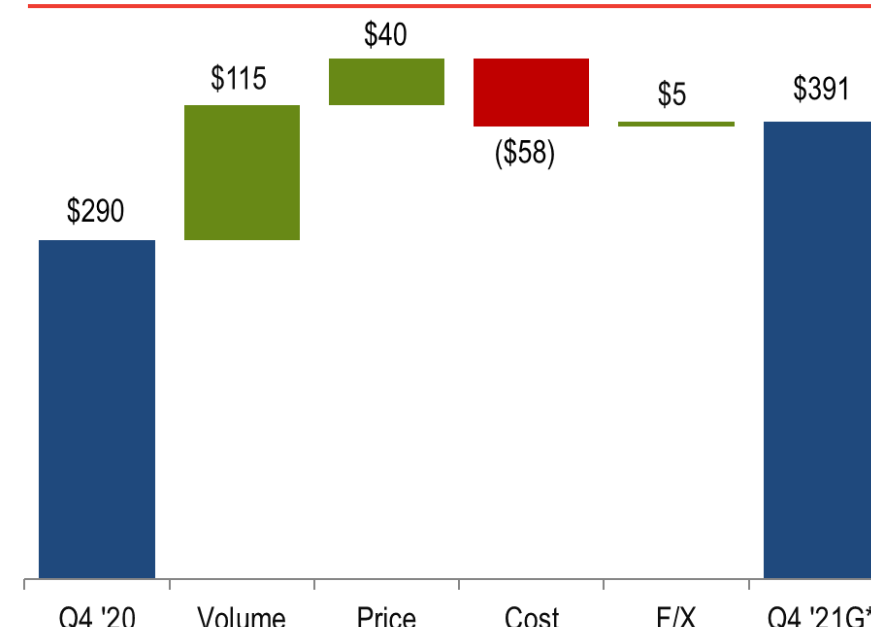
Note: Amounts in millions of USD

\* Midpoint of guidance

## Q3 2021 Revenue Drivers

Total: +8%	Volume	Price	F/X
Organic <sup>1</sup> : +7%	+6%	+1%	+1%

## Q4 2021 Adjusted EBITDA Bridge



Note: Amounts in millions of USD; Factors do not sum due to rounding

\* Midpoint of guidance

## Q4 2021 Revenue Drivers

Total: +20%	Volume	Price	F/X
Organic <sup>1</sup> : +20%	+17%	+3%	+0%

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# Q2 Cash Flow Results and 2021 Cash Flow Outlook

(\$ in millions)

	Q2 '20	Q2 '21	Change <sup>3</sup>	2020	2021 Outlook	Change <sup>4</sup>
Adjusted Cash from Operations <sup>1</sup>	\$278	\$256	(\$22)	\$801	\$700 - \$860	(\$21)
Capital Additions and Other Investing Activities	(\$19)	(\$27)	(\$8)	(\$88)	(\$150) - (\$180)	(\$77)
Legacy and Transformation <sup>2</sup>	(\$54)	(\$25)	\$29	(\$169)	(\$80) - (\$100)	\$79
FCF (before dividends, repurchases and M&A) <sup>1</sup>	\$205	\$204	(\$1)	\$544	\$480 - \$570	(\$19)
Adjusted Earnings <sup>1</sup>	\$224	\$235	\$11	\$809	\$849 - \$901	\$66

FCF Conversion

67%

60%

Q2 Cash Drivers <sup>3</sup>

**Adj. cash from operations down \$22 million:** Higher inventory offset by higher payables, timing of tax payments leads to year-on-year drop

**Capital additions up \$8 million:** In line with higher capital spending planned for this year following COVID-constrained spending last year

**Legacy and transformation down \$29 million:** Lower Transformation costs with completion of SAP program

2021 Outlook <sup>4</sup>

**Adj. cash from operations up \$21 million:** Higher EBITDA and working capital improvement offset by non-working capital items

**Capital additions up \$77 million:** Catch up on deferred projects, capacity growth

**Legacy and transformation down \$79 million:** Completion of SAP program partially offset by higher legacy items

(1) Denotes non-GAAP financial term. Refer to non-GAAP financial terms at the beginning of this presentation.

(2) Legacy Liabilities include liabilities from discontinued operations, net of legacy liabilities from continuing operations that are already captured in Adjusted Cash from Operations. Transformation costs include SAP implementation and DuPont Integration.

(3) These changes are calculated using the amounts shown in the Financial Schedules that accompany our earnings release.

(4) Relative changes noted here are based on midpoint of 2021 Outlook ranges shown in this table, relative to the 2020 actuals.

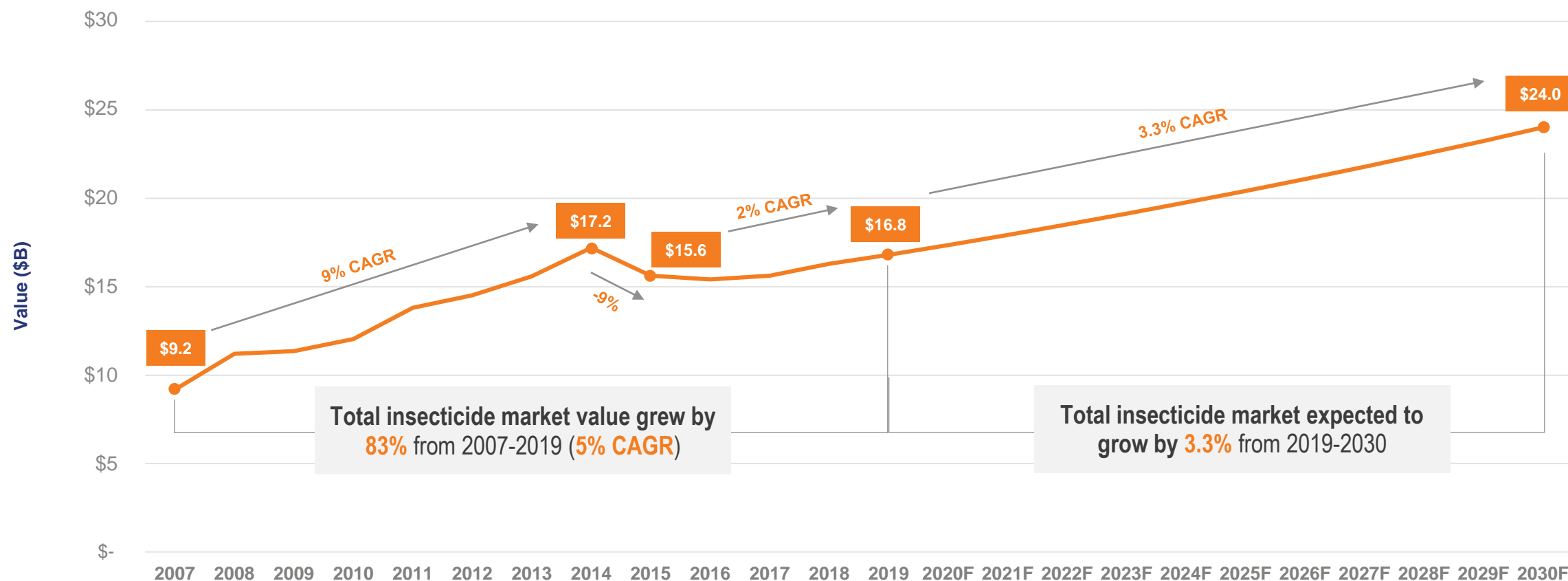
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# Diamide Discussion



# Insecticide Market 2007-2030F

## Total Insecticide Market Value at the Manufacturer Level 2007-2030

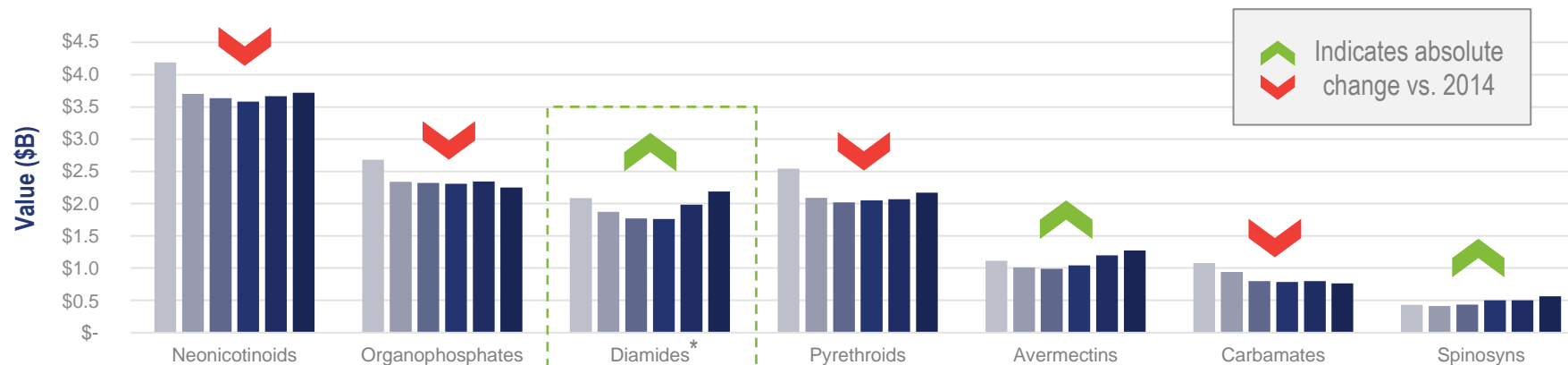


# Market Shares by Key Active Ingredient Classes

## Insecticide Active Ingredient Class by Revenue at the Manufacturer Level 2014-2019

Global Active Ingredient Class Value

■ 2014 ■ 2015 ■ 2016 ■ 2017 ■ 2018 ■ 2019



Market Share %	Neonicotinoids	Organophosphates	Diamides	Pyrethroids	Avermectins	Carbamates	Spinosyns
2014	23%	14%	11%	14%	6%	6%	2%
2017	22%	14%	11%	13%	6%	5%	3%
2019	21%	13%	13%	12%	7%	4%	3%
Change 2014-2019	-1%	-2%	1%	-1%	1%	-1%	1%
Change 2017-2019	-1%	-1%	2%	0%	1%	-1%	0%

**Diamides\*** make up 13% of the market (2019)

**Diamides\*** have **gained 2%** market share from 2017 to 2019, growing faster than any of the large insecticide classes.

**FMC's diamides (>80% of entire diamides\* class)** grew about 45% from 2017 to 2019

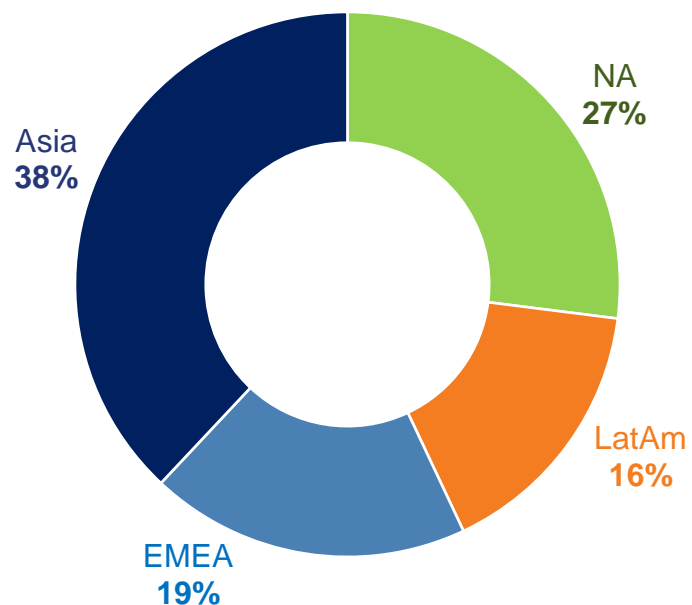
**Neonicotinoids, Organophosphates & Carbamates** have each **lost 1%** market share since 2017

Source: AgbioInvestor

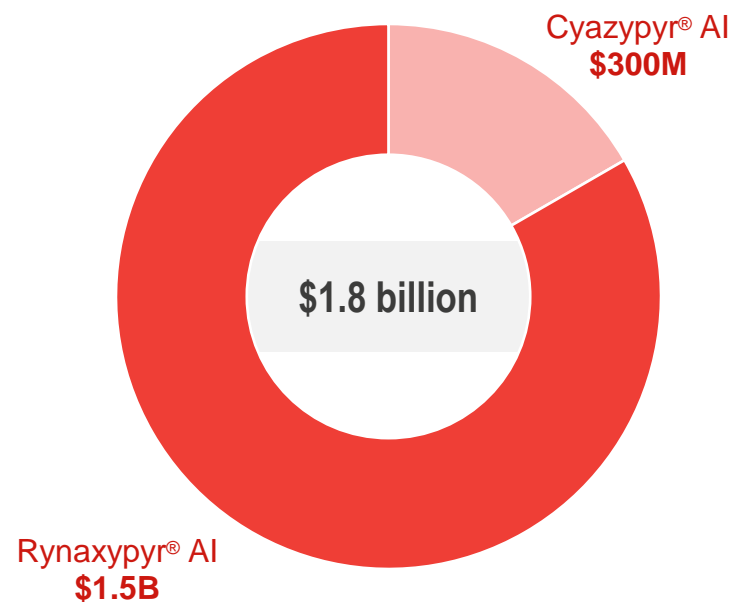
\* Diamides class includes five different active ingredients; FMC's Rynaxypyr® and Cyazypyr® active ingredients make up over 80% of the entire class.

# Diamide Revenue Breakdown

FMC Diamide Revenue  
by Region (2020)

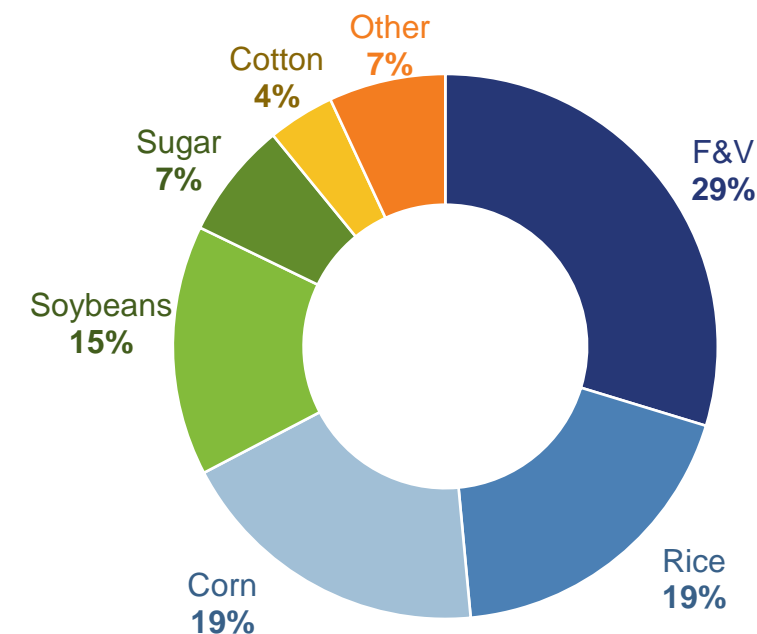


FMC Diamide Revenue  
by Active Ingredient (2020)



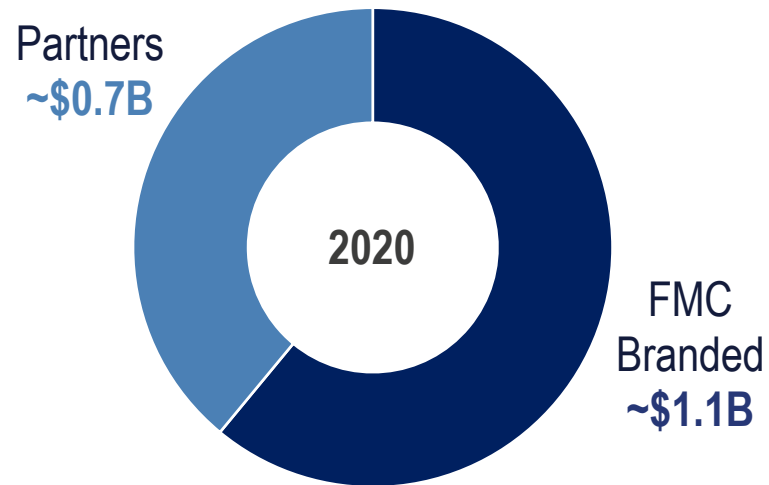
FMC Diamide Revenue  
by Crop (2019)

(Source: Kynetec Sigma CP)



# Diamide Strategy Delivering Strong Growth from both FMC Branded and Partners<sup>1</sup>

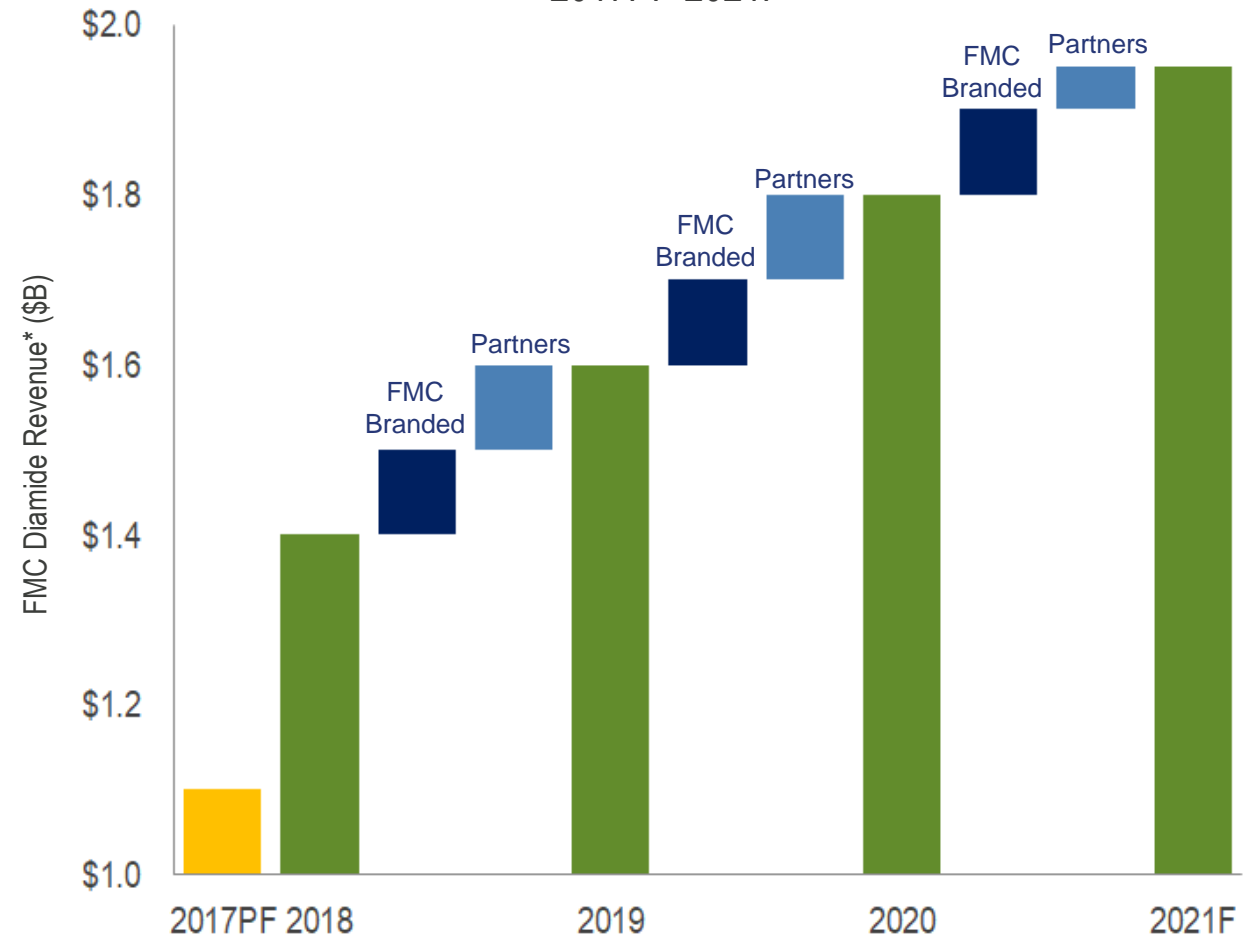
Partners Represent ~40% of FMC  
Diamide Revenue



## Key Attributes of Partners

- Positively reinforces overall FMC EBITDA margins
- Differentiated Market Access
- Unique Mixes / Formulations
- Unique Manufacturing Facilities
- Presence in Seed Treatment Market

FMC Diamide Growth Since 2017 Pro Forma<sup>2</sup>  
2017PF-2021F



(2) 2017 revenue of approximately \$1.1 billion is a pro forma value, as FMC acquired the products on November 3, 2017.

\* The growth breakouts from 2018-2021F are close approximations, rather than precise figures.

(1) All references to 'Partners' include global partners plus local company agreements.

# Diamide Growth Drivers – New Innovations

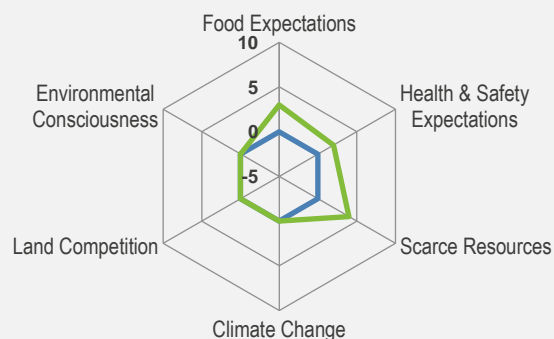
## Innovative Formulations Recently Launched in U.S.



**Crops:** soybeans, corn, cotton, potatoes, peanuts, and onions

**Other launches:** Asia 2021, EMEA and LatAm 2022

### Sustainability Matrix



Benchmark:  
Prevathon® Insecticide

New product:  
Vantacor™ Insecticide

### A novel patent-pending highly concentrated formulation provides:

- 12x more concentrated and 12x less packaging
- 95% less water required for formulated product
- An extended crop label
- Improved mixing
- Reduced environmental impact: GHG emissions are lower with less containers to transport
- More efficient handling with fewer containers to open



**Crops:** soybean, corn, cotton, potatoes, peanuts, beans and peas

**Other launches:** Asia 2022, EMEA and LatAm 2023

Formulation with bifenthrin, providing fast knockdown of target pests, long residual and broad spectrum control

## 2021-2026

We are developing new product offerings for our patented **PrecisionPac®** and **3RIVE 3D®** systems

Additional services to be provided to growers and dealers, such as through **ARC™ farm intelligence**



## By 2026...

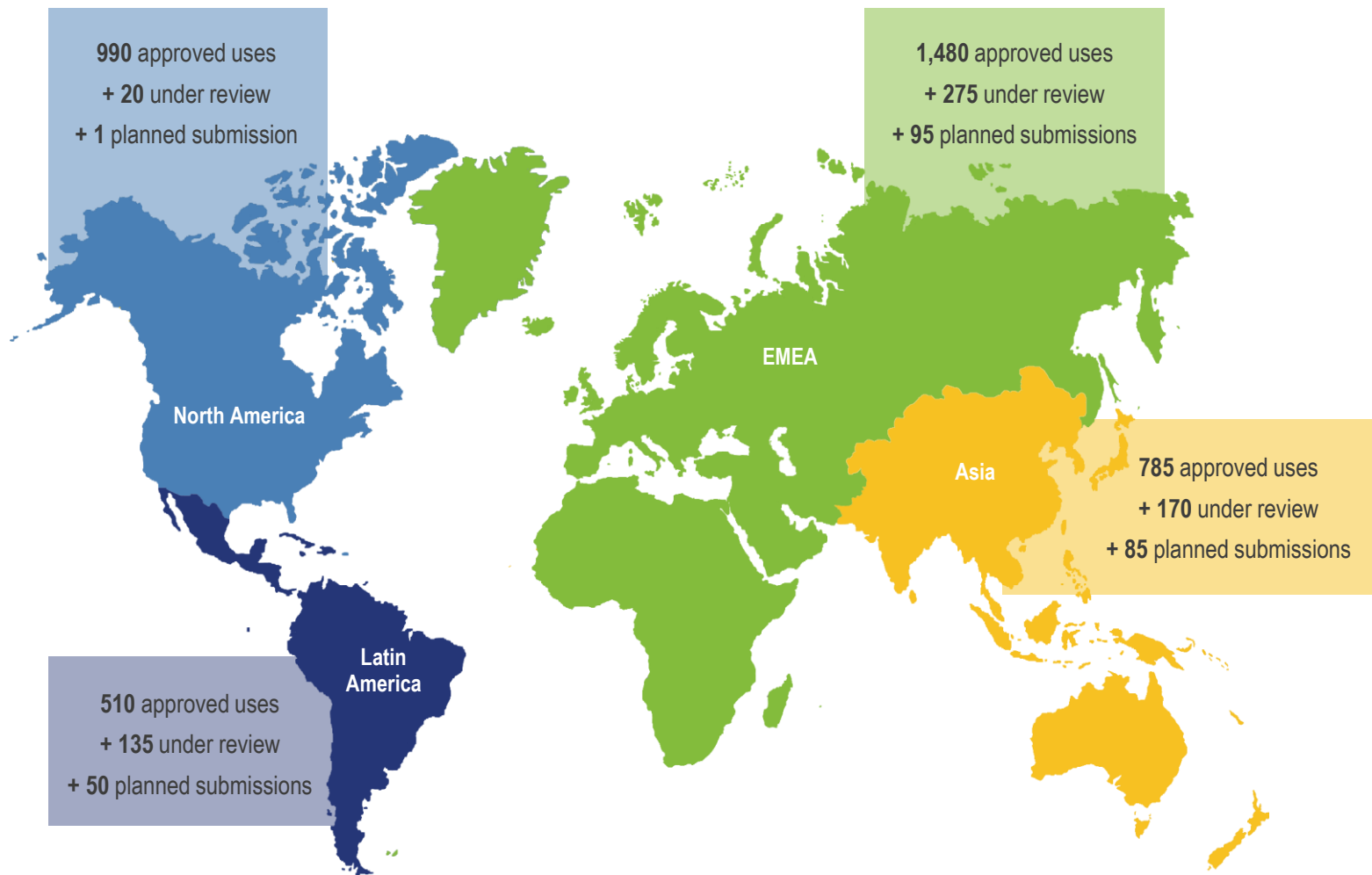
We anticipate launching **11 new diamide products including mixtures and other innovative formulation technologies**, many of which have patents pending, to address specific grower needs

- All four regions, including the large markets of India, Brazil, China, Europe and the U.S.
- Specialty crops and row crops
- Variety of target pests

## 2027 + beyond

We have work ongoing to enable us to **launch additional new formulations, mixtures and application technologies** into these major markets from 2027 on into the next decade

# Diamide Growth Drivers – Registrations / Label Extensions



**FMC Diamide Registrations**

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**2,665** APPROVED PRODUCT USES<sup>1</sup>  
Rynaxypyr® active

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**1,100** APPROVED PRODUCT USES  
Cyazypyr® active

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**+ 600** UNDER REGULATORY REVIEW

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**+ 230** PLANNED REGULATORY SUBMISSIONS  
For 2021-2025

1. The term “approved product uses” refers to unique combinations of country and crop across all products. For example, if 2 products based on Rynaxypyr® active are registered for sale on 2 crops (soybeans and corn) in 10 countries, that would equate to 40 approved product uses (2x2x10=40).

# Diamide Patent Profile

Patent Type	Summary
Composition of Matter Patents (active ingredient [AI] and certain intermediates)	Protects proprietary molecular structure of active ingredient and molecular structure of certain intermediates.
Process Patents (AI and key intermediates)	Protects the manufacturing processes for the active ingredient and the key intermediates used to make the active ingredient.
Formulation Patents	Protects product formulations that use the active ingredient.
Use Patents	Protects how a product containing the active ingredient is used.
Application Patents	Protects the methods or approaches to apply products containing the active ingredient.



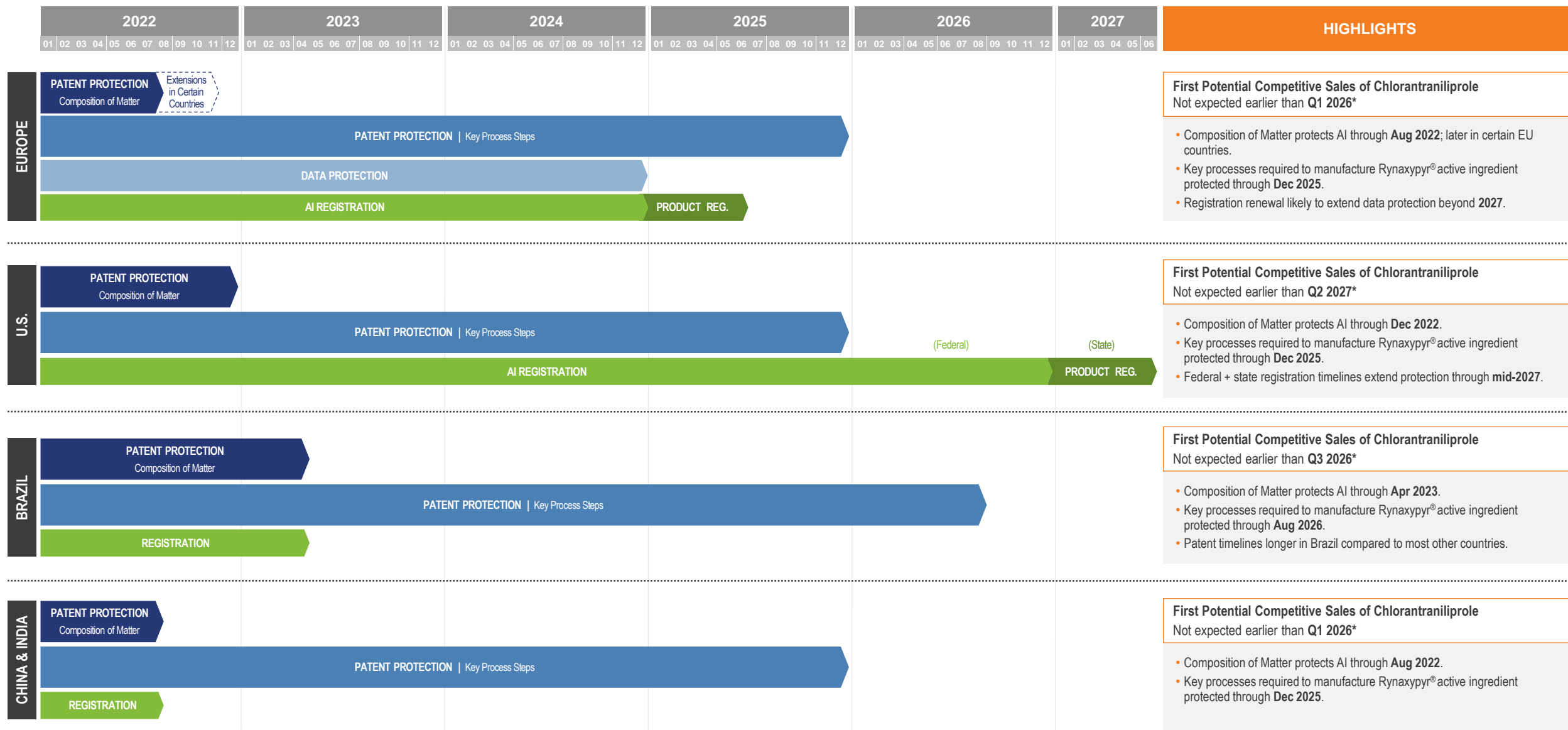
**>30** DIAMIDE  
PATENT FAMILIES

**76** COUNTRIES

**~1,000** PATENTS\*

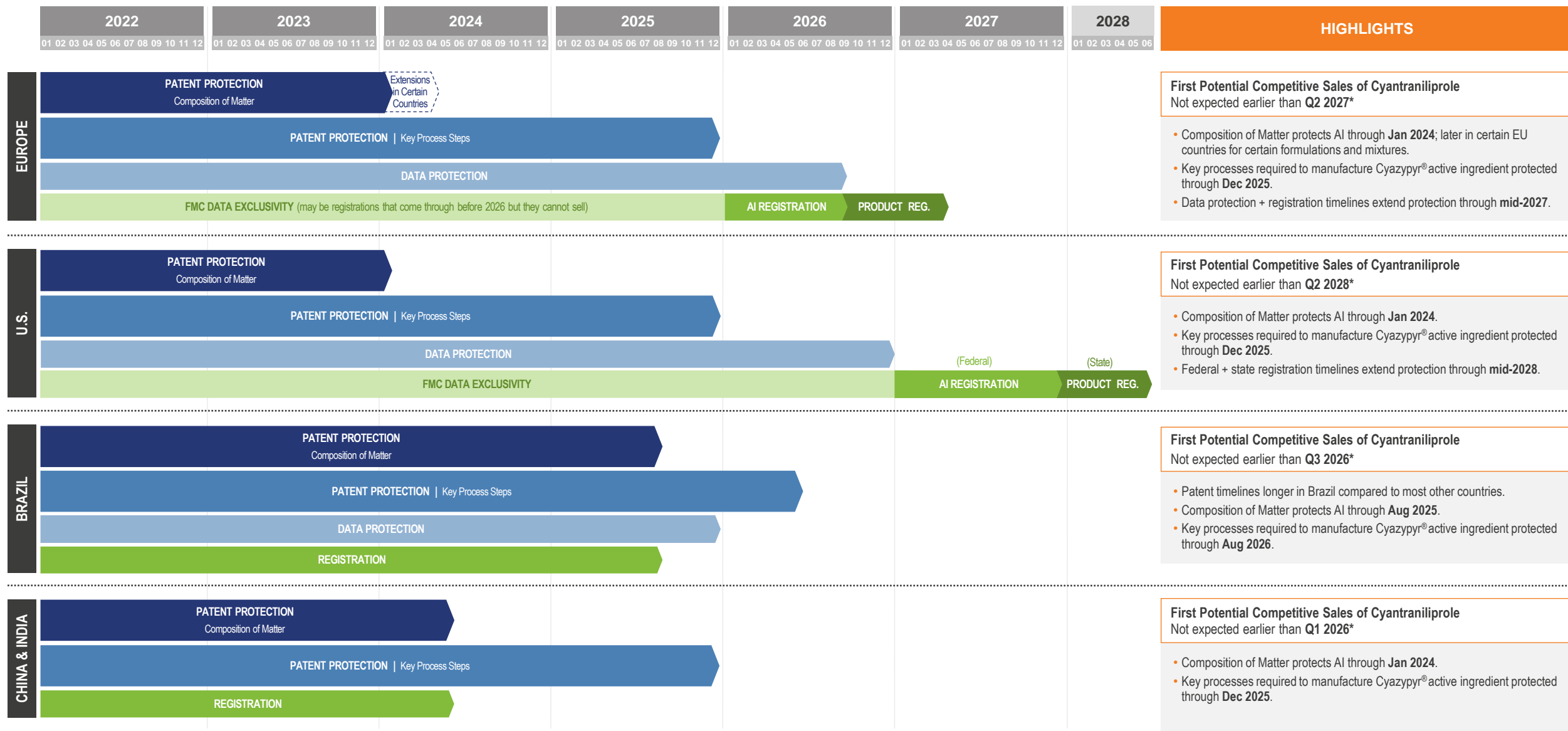
\*Granted and pending

# Diamide Patent Timelines – Rynaxypyr® Active



\*Assuming use of FMC's patented manufacturing process and relying on FMC data.

# Diamide Patent Timelines – Cyazypyr® Active



\*Assuming use of FMC's patented manufacturing process and relying on FMC data.

# Enforcing Our Intellectual Property

## FMC will aggressively enforce its patent estate on the diamides and all other intellectual property / regulatory rights

- Obtained injunctions and/or settlements **against six (6) separate infringers in India**. This includes a major victory won on July 5, 2021 versus NATCO Pharma Limited, following **19 months of complex litigation**, restraining NATCO from manufacturing, using, distributing, advertising, exporting, offering to sell and/or selling any product which contains chlorantraniliprole, FMC's leading insect control active ingredient.
- Filed **four infringement cases in China** – awaiting judgment on preliminary injunction in one case; other cases in initial phases.
- Obtained injunction against Brazilian regulators to respect our chlorantraniliprole data exclusivity, which will **postpone action on all potential generic applications** filed while our data exclusivity was still in force.
- We collaborated with Alibaba in China and IndiaMart in India to **remove online sellers of infringing products from those platforms**
- China actions have greatly reduced promotion of infringing products by generic producers – industry knows that **FMC is aggressively enforcing patents** and potential generics are becoming much more cautious



# Appendix – Other Financial Items

Interest Expense	\$130 – \$135 million
Adjusted Tax Rate <sup>(1)</sup>	12.5 – 14.5 percent
Non-Controlling Interest	~\$4 million
Full-Year Weighted Avg. Diluted Shares Outstanding (WADSO) <sup>(2)</sup>	~130 million
Depreciation & Amortization	\$165 – \$175 million
Free Cash Flow <sup>(1)</sup>	\$480 – \$570 million
Capital Additions and Other Investing Activities	\$150 – \$180 million



(1) Denotes non-GAAP financial term. Refer to non-GAAP financial terms at the beginning of this presentation.

(2) Outlook for weighted average diluted shares outstanding (WADSO) does not include the impact of any share repurchases that are expected in Q2 to Q4 2021.

# Appendix – Regional Growth (YOY)

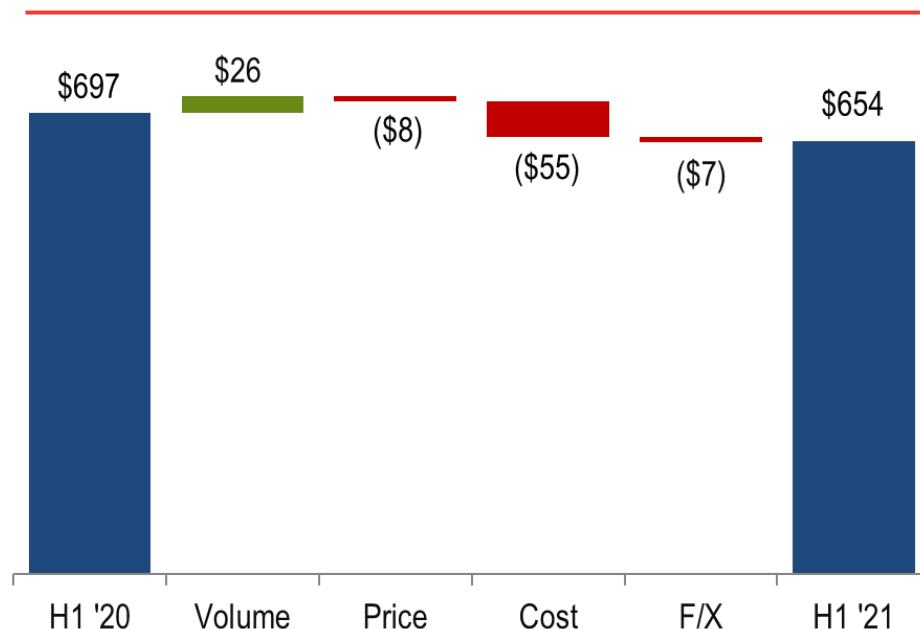
2021		FMC Q2 Sales*	% Chg	% (ex-FX)	FMC H1 Sales	% Chg	% (ex-FX)
	NA	\$291	-7%	-8%	\$592	-8%	-8%
	LatAm	\$300	15%	12%	\$503	-3%	-1%
	EMEA	\$273	3%	-3%	\$672	-1%	-6%
	Asia	\$379	20%	13%	\$671	19%	13%
	Total	\$1,242	8%	4%	\$2,438	1%	-1%

Note: Amounts in millions of USD  
 \* Factors do not sum due to rounding



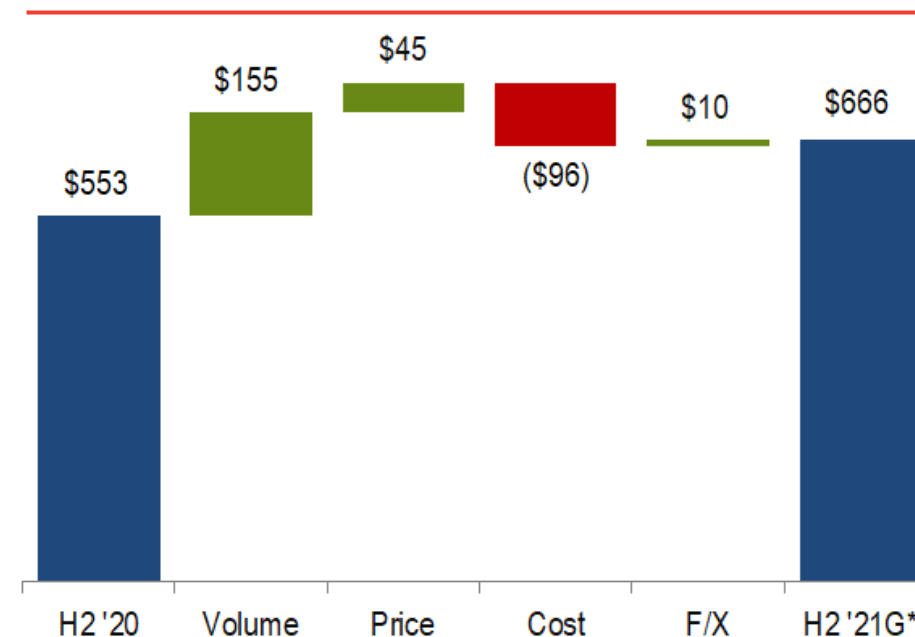
# Appendix – 2021 Half-Year Adj. EBITDA<sup>1</sup> & Revenue Drivers (YOY)

## H1 '21 Adjusted EBITDA Bridge



Note: Amounts in millions of USD; Factors do not sum due to rounding

## H2 '21 EBITDA Guidance (+20% YOY)



Note: Amounts in millions of USD; Factors do not sum due to rounding

\* Midpoint of guidance

## H1 2021 Revenue Drivers

Total: +1%	Volume	Price	F/X
Organic <sup>1</sup> : -1%	-1%	0%	+2%

## H2 2021 Revenue Drivers

Total: +14%	Volume	Price	F/X
Organic <sup>1</sup> : +14%	+12%	+2%	0%

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