

FMC Corporation
4Q25 Earnings Webcast
February 5, 2026
As Prepared for Delivery

Introduction – Curt Brooks

Good morning and welcome to FMC Corporation's fourth quarter earnings call. Joining me to provide today's prepared remarks are Pierre Brondeau, Chairman, Chief Executive Officer and President, and Andrew Sandifer, Executive Vice President and Chief Financial Officer. After their comments, we will take questions. Our earnings release and today's slide presentation are available on the FMC Investor Relations website, and the prepared remarks from today's discussion will be made available after the call.

Let me remind you that today's presentation and discussion will include forward-looking statements that are subject to various risks and uncertainties concerning specific factors, including but not limited to those factors identified in our earnings release and in our filings with the Securities and Exchange Commission. Information presented represents our best judgment based on

today's understanding. Actual results may vary based on these risks and uncertainties.

Today's discussion and the supporting materials will include references to adjusted EPS, adjusted EBITDA, free cash flow, organic revenue growth and revenue excluding India – all of which are non-GAAP financial measures. Please note that as used in today's discussion, CTPR means "chlorantraniliprole," "earnings" means "adjusted earnings" and "EBITDA" means "adjusted EBITDA." A reconciliation and definition of these terms, as well as other non-GAAP financial terms to which we may refer during today's conference call, are provided on our website.

With that, I will now turn the call over to Pierre.

CEO Messages (Slide 3)

Thanks, Curt and good morning everyone.

Last night, FMC announced our fourth quarter and full year 2025 results, as well as our 2026 priorities. Importantly, we also announced that our Board of Directors has authorized exploring strategic options, including but not limited to, a potential sale of the company.

To strengthen our business and position ourselves for success, we are laser focused on executing our operational priorities in 2026. Those include: strengthening the balance sheet, improving the competitiveness of our core portfolio, managing our post-patent Rynaxypyr strategy, and driving growth of our new active ingredients.

In parallel, the company is working to evaluate the best path forward for the benefit of the business and to maximize shareholder value.

Accordingly, the Board of Directors has decided that a formal proactive process to evaluate strategic options makes sense to undertake at this time. The strategic review is at a preliminary stage. We have retained financial and legal advisors to assist us with this process. This strategic review does not impact the process underway to sell our India commercial business.

As we look ahead, we are committed to positioning FMC for long-term success and that starts with working toward our 2026 priorities as laid out on slide 4.

2026 Operational Priorities (Slide 4)

To strengthen our balance sheet, we are targeting paying down over 1 billion dollars of debt through asset sales and licensing agreements. This includes the sale of our India commercial business which continues to progress with binding bids expected to be received in the second quarter. In addition, we are in active discussions regarding licensing agreements which include upfront payments.

Increasing the competitiveness of our off-patent, core portfolio products remains a top priority. Our goal is to lower the costs of our non-diamide core products to more effectively compete against generics. 2025 sales of these core products, excluding Rynaxypyr, were approximately 2.2 billion dollars. Nearly 1 billion dollars of these sales came from products manufactured in high-cost facilities. We expect to lower the manufacturing costs of these products by at least 35 percent by 2027.

This is a complex process which will require re-registration for most products as well as a build-up of inventory in advance of the transition. As a result, we will be limited in our ability to adapt the manufacturing mix to the changing needs of our customers. We

believe this reduced flexibility will act as a sales headwind in 2026 and has been reflected in our forward guidance.

In addition, we are executing our post-patent strategy for Rynaxypyr. 2025 sales were just over 800 million dollars and in line with our expectations. Beginning in 2026 there will be generic offerings of CTPR in all markets. As CTPR becomes more widely available through generics, resistance is likely to increase. For example, we are seeing pest resistance in rice crops in China and Japan. Our advanced formulations and mixtures are designed to address this challenge. As the owner of the original molecule, we have years of historical, proprietary data which benefits our development of formulations and mixtures to combat resistance.

For our more basic formulations of Rynaxypyr, our plan remains to lower price and grow volume by capturing market share from older classes of insecticides. We are already observing success with this strategy in a number of countries.

We anticipate branded Rynaxypyr earnings dollars in 2026 to be in line with prior year as higher volume, particularly for more advanced offerings, and lower costs, offset lower price.

Finally, we are committed to the continued sales growth of our four new active ingredients. We are only in the early stages of sales for the four new molecules, but we are already seeing solid growth. Sales have increased from approximately 130 million dollars in 2024 to approximately 200 million dollars in 2025. Those sales are almost entirely driven by fluindapyr and Isoflex. Dodhylex received emergency registration in two countries which resulted in modest sales in 2025.

While sales of new active ingredients grew 54 percent in 2025, they were below our expectations of 250 million dollars. This was mainly due to impacts from later-than-expected registration for Isoflex in Great Britain. We estimate 2026 sales for new active ingredients to be between 300 million and 400 million dollars. These actives are in high demand with three of them offering a new mode of action. We still expect sales of the four actives to exceed 2 billion dollars by 2035.

We believe executing these priorities positions us to enter 2027 with a stronger balance sheet, a more competitive core portfolio, and growing sales of higher-margin differentiated products.

FY 2026 Financial Outlook, Q1 2026 Financial Outlook (Slides 5-7)

Our 2026 full year guidance is provided on slide 5. We are expecting full-year sales of 3.6 billion dollars to 3.8 billion dollars to be down 5 percent at the midpoint versus prior year. Price is expected to be a mid-single digit headwind driven by Rynaxypyr, which is consistent with our post-patent strategy. The removal of India is expected to be a 2 percent full year headwind that will only impact the first half. Excluding India, we expect volume to be modestly higher driven by new actives and branded Rynaxypyr.

Full year adjusted EBITDA is expected to be between 670 million dollars to 730 million dollars. As you can see on slide 6, the main headwind versus prior year is in our legacy portfolio due to competitiveness. Rynaxypyr overall is expected to decline driven by diamide partner sales. It is important to note that branded Rynaxypyr earnings are expected to be in-line with prior year as we implement our strategy. Tariffs are expected to be a 20 million dollars headwind, nearly all of which will impact first quarter results. We expect positive impact from our growth portfolio with particularly strong contribution from new active ingredients.

Our first quarter sales guidance, outlined on slide 7, is 725 million dollars to 775 million dollars, 5 percent lower than prior year. Price is expected to be lower by mid-single digits which is consistent with our expectations for all quarters this year. The removal of India represents an additional 5 percent headwind. We do expect some volume growth as modest increases across most regions are largely offset by a few significant factors. There have been a large number of generic CTPR offerings announced, particularly in the U.S. and Brazil, as the last of our patents expired at year end. Distributors and retailers have been reluctant to fully stock Rynaxypyr until they better understand the quality, availability and grower response to these generic offerings. We believe generic entry is also impacting our diamide partners from whom we are expecting lower orders in the first quarter. Finally, planned registration losses in Europe will impact volume growth.

We expect adjusted EBITDA to be between 45 million dollars and 55 million dollars, which is 58 percent lower than prior year and represents about half of the total EBITDA headwind we expect for the year. The expected EBITDA reduction is largely due to lower price as well as cost factors that are unique to Q1. For example, manufacturing costs are unfavorable to prior year in the first quarter, but as the year progresses manufacturing costs are

forecasted to become favorable. In addition, the full year 20 million dollar tariff charges are recorded almost entirely in Q1.

EBITDA margin in the first quarter is expected to be around 7 percent. This abnormally low margin is caused by the combination of lower sales on which to absorb relatively flat fixed costs and the unique cost headwinds I just noted. We expect this margin profile to be unique to Q1 with subsequent quarter margins returning to more normal levels as a result of higher sales and favorable manufacturing costs.

I will now turn the call over to Andrew.

Selected Financial Results

Thanks, Pierre. I'll start this morning with a brief overview of our fourth quarter results. Let me note that you can find more detailed descriptions of our fourth quarter and full year 2025 results on slides 12 through 18 of today's presentation.

During the fourth quarter we continued to operate in challenging market conditions, including intense competition from generics and weaker grower margins. These conditions affected the timing

of purchases and product mix for crop protection. While we delivered Adjusted EBITDA and Adjusted EPS near our guidance midpoints, sales came in below our guidance range.

We reported 1.08 billion dollars in Q4 sales, a decline of 11 percent year-over-year, or 5 percent on a like-for-like basis excluding India.

Price declined 6 percent driven by lower Rynaxypyr and strong market competition, particularly in Latin America, which led to pricing headwinds for our Core portfolio products. Volumes were weaker than anticipated with a decline of 1 percent due to high competitive pressure.

Fourth quarter adjusted EBITDA was 280 million dollars, a decline of 17 percent versus the prior year quarter, down 8 percent on a like for like basis excluding India from the prior year. Lower price and volume were partially offset by lower costs and FX.

Adjusted earnings per share for the quarter was 1 dollar and 20 cents, a 33 percent decline due to lower adjusted EBITDA and higher interest.

Cash Flow 2025 Results

Moving on to free cash flow and the balance sheet.

We reported GAAP cash from operations of 657 million dollars for the fourth quarter, up 230 million dollars versus the prior year period. The increase was driven by a release of working capital, particularly from receivables. This led to Free Cash Flow of 623 million dollars for the quarter.

We ended 2025 with cash from operations of negative 6 million dollars, which included 103 million dollars of cash restructuring spending. 2025 Free Cash Flow was negative 165 million dollars.

We ended the fourth quarter with net debt of approximately 3.5 billion dollars, down over 550 million dollars from the third quarter due to strong free cash flow. Net debt to trailing twelve-month EBITDA was 4.1 times at year-end, while covenant leverage was 4.6 times. As a reminder, our covenant limit is 6 times through the third quarter of 2026 and then steps down to 5 and a half times at year-end.

Cash Flow 2026 Outlook (Slide 8)

Turning to slide 8 and the cash flow outlook for 2026.

Free cash flow for 2026 is expected to be in the range of negative 65 million to positive 65 million dollars, or break-even at the midpoint – including an expected 130 million dollars in restructuring spending. Lower EBITDA, higher restructuring spending, and modestly higher capital expense are expected to be offset by the liquidation of India working capital, lower cash taxes, and improved working capital performance in the ongoing business.

Despite break-even free cash flow and lower EBITDA, with the successful execution of our debt paydown plan, we expect to end 2026 with a reduction in net leverage of approximately one-half turn. We would then expect leverage to further improve in subsequent years with higher free cash flow from growing EBITDA and reduced restructuring spending.

And with that, I'll hand the call back to Pierre.

R&D Pipeline (Slide 9)

As we look ahead, the key driver of our growth and what differentiates us from the majority of other crop chemical providers is our R&D pipeline of new active ingredients. This pipeline is the result of years of dedicated work by our research and development teams, and it represents a significant

competitive advantage for FMC. On slide 9, we have provided base sales expectations using the current targeted crops, but we believe there is substantial upside to sales through application on additional crops.

Fluindapyr fungicide has been registered and launched in all major countries where we intend to sell including the U.S. and Brazil. Going forward, the focus will be on expanding sales through continued grower education.

For Isoflex active, we are already registered and selling in a number of countries. Sales are expected to increase in 2026 in particular due to a full growing season of sales in Great Britain following a delayed registration in 2025. Further growth is expected in 2027 following product registrations in the EU. We remain on track to receive these important registrations as we recently received approval for the active ingredient last week.

Dodhylex active is the first new mode of action herbicide in over 30 years. We are confident that this herbicide can be useful in other crops like sugar cane and expect meaningful contribution from Dodhylex beginning in 2027.

Finally, rimsosafen is expected to begin receiving registrations in 2028. Rimosafen is the first herbicide ever to be classified as a dual mode of action. Its primary targeted weed, Palmer Amaranth, is now resistant to eight herbicide classes. This pre-emergent herbicide will offer corn and soybean growers a new solution to an increasingly challenging problem.

In addition to these four molecules, we have two more active ingredients in development. While we expect sales of these two actives to begin during the early 2030s, their contribution is not included in the 2 billion dollars of expected 2035 sales listed in the slide.

2028 Targets (Slide 10) – Pierre

The growth of these active ingredients is an important part of our key dynamics for 2027 and 2028 which are outlined on slide 10. In addition to accelerating the growth of our new actives, it is important for us to also stabilize our Core portfolio by executing our Rynaxypyr post-patent strategy and by improving the competitiveness of our legacy Core. We expect margins to improve with SG&A and R&D spend growing much more slowly than top-line sales. The combination of these actions is expected

to result in EBITDA growth in the mid-teens percent in both 2027 and 2028.

In closing, we are committed to positioning FMC for long-term success. Our teams across the company are focused on executing our operational priorities with the same dedication and innovation that has always defined FMC. At the same time, we are undertaking a process to explore strategic alternatives. We believe that pursuing both paths simultaneously best positions us to maximize value for shareholders.

With that, we're ready to take your questions.