



FRUIT
STARCH
SUGAR

The natural upgrade



AGRANA Beteiligungs-AG Results for the first half of 2021 | 22

Presentation for investors and analysts

AGRANA Investor Relations:
www.agrana.com/en/ir

Vienna, 14 October 2021



H1 2021|22 OVERVIEW

- **Commodity markets** have soared dramatically in the past several months
- Higher **energy costs** too weighed on earnings
- **Coronavirus pandemic** is not over yet
- **Volatile markets** both on the purchasing and sales sides
- **Confident** that we will master these challenges well
- **Strategic partnerships**, as well as our **market position**, will certainly help us
- **Despite an extremely volatile business environment, in 2021|22 we plan to exceed last year's € 78.7 million EBIT significantly, which is to say by at least 10%.**





H1 2021|22 OVERVIEW – KEY FIGURES



Revenue: € 1,424.4 m
(H1 2020|21: € 1,309.3 m)



EBIT: € 44.8 m
(H1 2020|21: € 55.8 m)

EBIT margin: 3.1%
(H1 2020|21: 4.3%)

Profit for the period: € 27.1 m
(H1 2020|21: € 34.4 m)

Equity ratio: 53.8%
(28 Feb. 2021: 53.8%)

Gearing ratio: 36.7%
(28 Feb. 2021: 33.4%)



~8,818
Employees (FTEs)

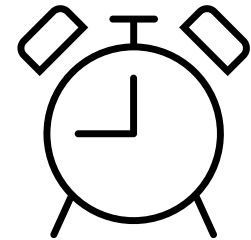
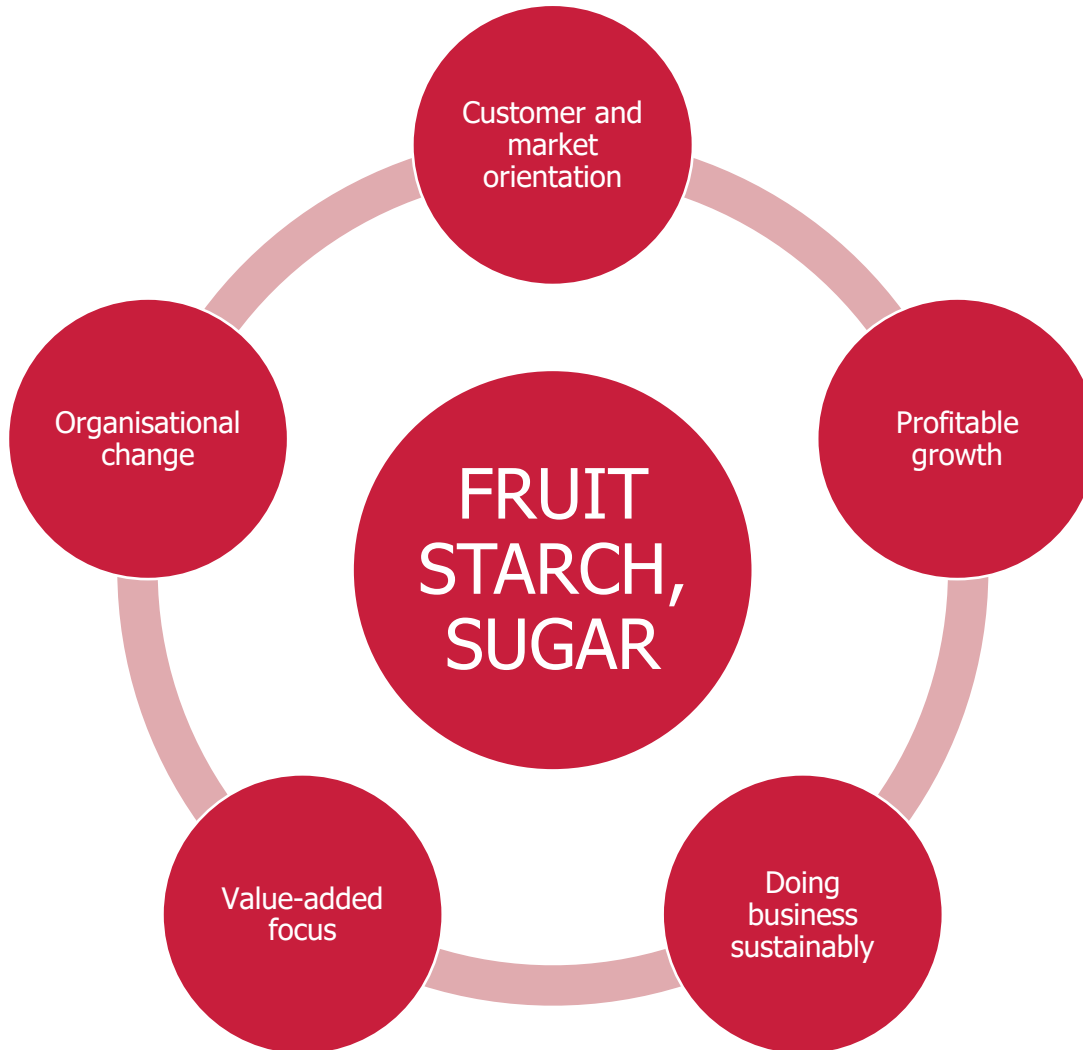


55
Production
sites



FOLLOW-UP FROM Q1 2021|22

BUILD ON WHAT EXISTS AND INNOVATE





SEGMENTS FRUIT, STARCH AND SUGAR

MARKET ENVIRONMENT





FRUIT SEGMENT

Fruit preparations

- **Top trends:** naturalness, health, pleasure, convenience and sustainability
- **Covid-19 pandemic** is having a big **impact** on many of these consumer trends
- “Natural, sustainable and wholesome products” **vs.** “affordability of foods”

Fruit juice concentrates

- Call-offs of **apple juice concentrate** were up significantly in spring 2021
- For most of **berry juice concentrate** volumes produced from the 2021 harvest, contracts already concluded



STARCH SEGMENT

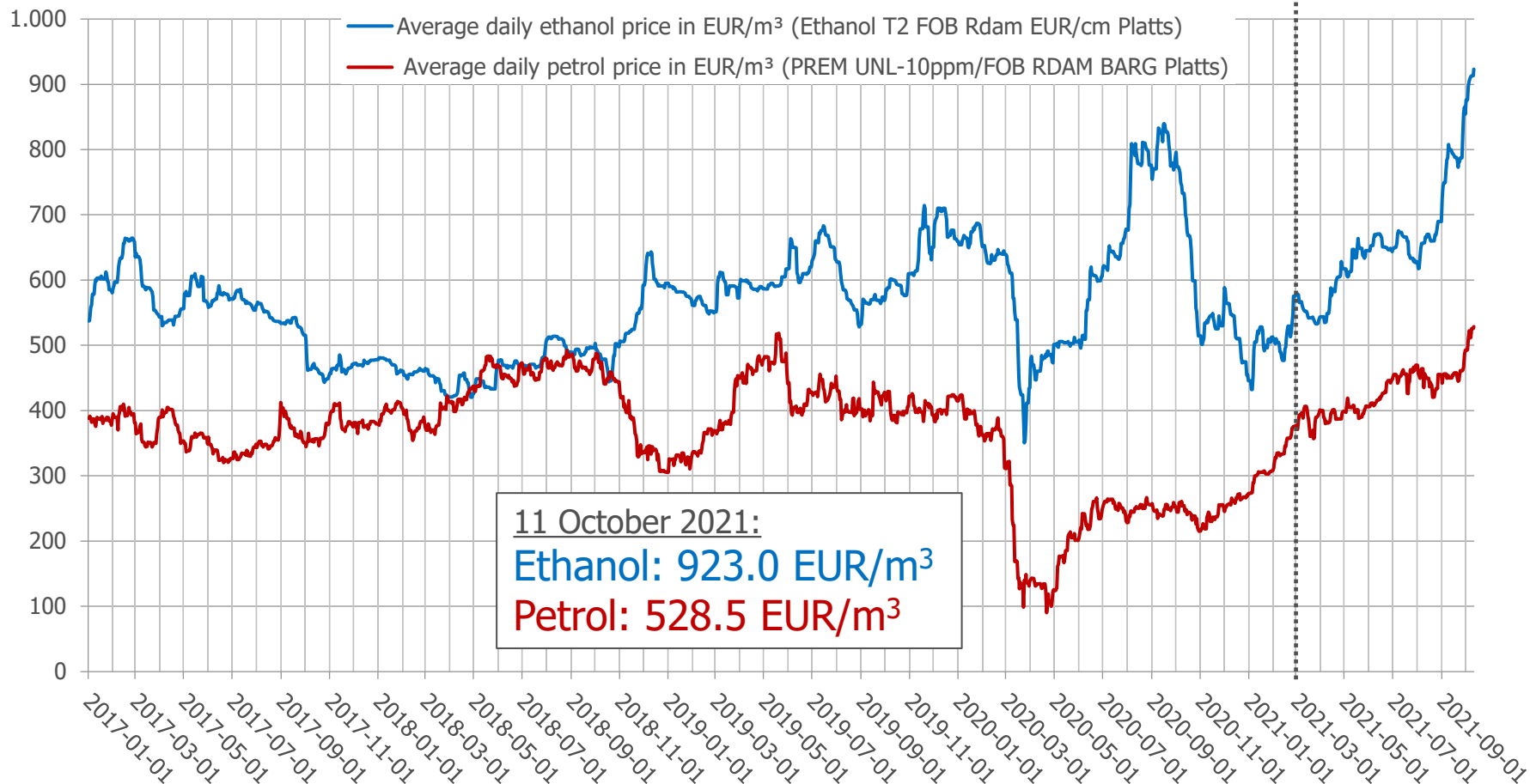
- **Covid-19 pandemic** remained influential factor in almost all sales markets for starch products
- Demand in the market for **native starches** was **stable**
- **Packaging paper** sector has become a **growing** sales market
- In the **infant formula** sector, European producers faced with **shrinking** markets
- Margins in the **liquid saccharification** products segment are expected to remain under pressure (in the medium term)
- **Ethanol** and fuel market is showing strong momentum (-> RED II and the European Commission's "Fit for 55" package)



1 JANUARY 2017 – 11 OCTOBER 2021 (EUR)

ETHANOL AND PETROL PRICES

2021|22





SUGAR SEGMENT

▪ World sugar market

- Since the outbreak of the coronavirus pandemic and a plunge in world sugar quotations in March/April 2020, **sugar prices have risen steadily**, due partly to the expectations for the world market sugar balance
- In its estimate from 31 August 2021 of the world sugar balance for the end of the SMY 2021|22, the analytics firm IHS Markit has projected a **production deficit**

▪ EU sugar market

- EU's crop monitoring service is forecasting an average **EU beet yield** of 75.0 tonnes per hectare for the new 2021 campaign on a reduced area of 1.387 million hectares (prior year: 1.401 million hectares)
- Average sugar prices under the **EU price reporting system** had declined significantly for a long time (January 2019: only € 312 per tonne); in the 2019 and 2020 calendar years the price of sugar in the EU recovered continually



RAW SUGAR & WHITE SUGAR SUGAR QUOTATION

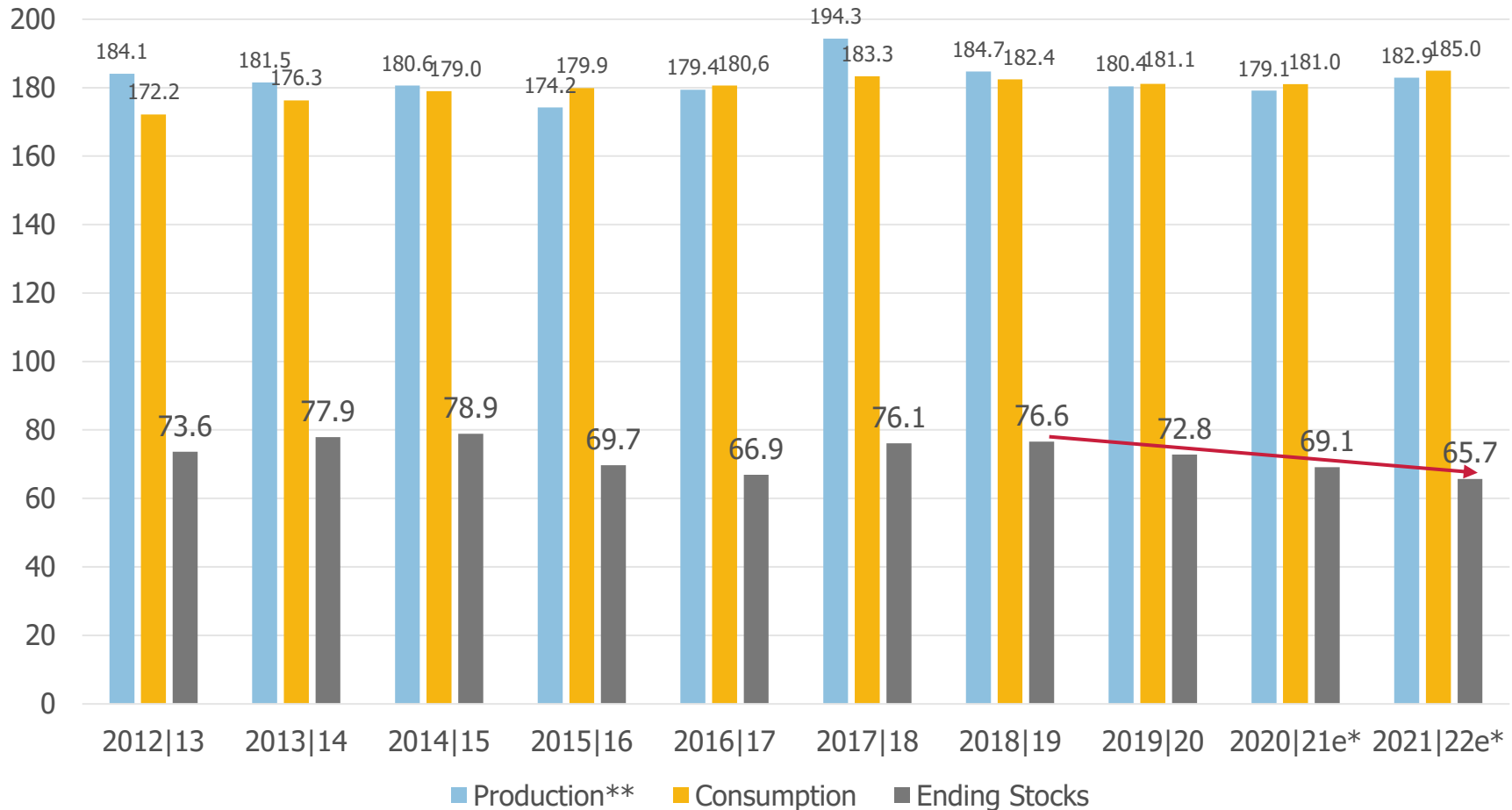
1 January 2006 – 13 October 2021 (USD)





WORLD SUGAR PRODUCTION & CONSUMPTION

Million tonnes



Source: IHS Markit (28 September 2021)

* Estimate

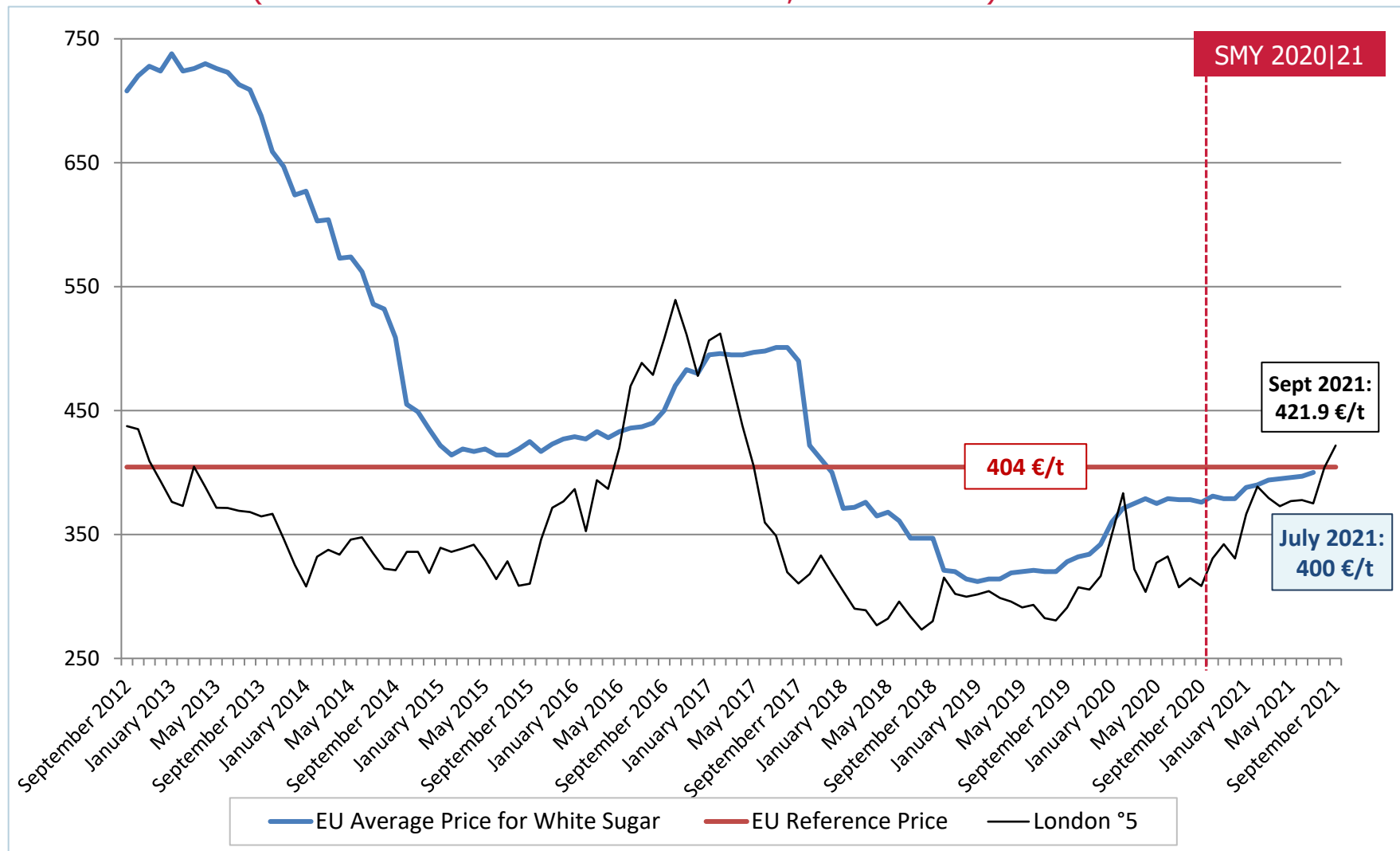
** Production: October-September



SUGAR PRICE REPORTING

MONTHLY EU AVERAGE PRICES

(SEPTEMBER 2012 TO SEPTEMBER 2021; € PER TONNE)



Source: European Commission (as of 6 October 2021) and IEG Vantage (as of 6 October 2021)



AGRANA
**FOCUS
ON ESG**





AGRANA CLIMATE STRATEGY



1st interim target: -25% CO₂ emissions by 2025 | 26 from 928,000 t (in base year 2019|20)

Annual investments in the amount of € 10 million

- **Measures:**
 - Use of **green electricity**
 - **Coal phase-out** at the last two coal-fired sugar production sites in Sered' | Slovakia (2021|22) and Opava | Czech Republic (2025|26)
 - Implementation of **energy efficiency measures**
 - **Increased use of residual low-protein raw materials/biomass for energy, in stages from 2025 | 26 onward**
- **June 2021:** project for structured capture of Scope 3 emissions (e.g. from raw material cultivation, transport) has been started
- Development of **reduction measures together with our suppliers and partners by 2030** at the latest in order to be able to offer largely **CO₂ neutral products**
- **July 2021:** AGRANA Group joined the Science Based Targets Initiative and will set corresponding climate targets within 24 months



SEGMENTS FRUIT, STARCH AND SUGAR

RAW MATERIALS, PRODUCTION AND INVESTMENT





FRUIT SEGMENT



Fruit preparations

- Harvest of **strawberry**, the principal fruit, was completed in July in all relevant procurement markets.
- Availability of **raspberries** as a raw material was below normal for the third consecutive year, with substantial price hikes of more than 100% compared to the prior-year period
- In the first half of 2021|22, about **189,000 tonnes of raw materials** were purchased for the fruit preparations business

Fruit juice concentrates

- AGRANA was able to process greater volumes than in the prior year thanks to good availability of **red berries**
- For **apples**, the principal fruit, good raw material availability is expected in the main crop production regions



STARCH SEGMENT



Corn and wheat

- **Aschach, Austria:** wet corn volume of about 120,000 to 130,000 tonnes is expected to be received; in the first half of 2021|22, approximately 247,000 tonnes of corn was processed
- **Biorefinery in Pischelsdorf, Austria:** total processing volume at this facility in H1 of the financial year was about 551,000 tonnes
- **HUNGRANA, Hungary:** in the first half of 2021|22, some 557,000 tonnes of corn was processed here

Potatoes

- On 2 September 2021 the potato starch **factory in Gmünd, Austria**, began the processing of starch potatoes from the 2021 harvest
- Contract fulfilment by the growers is expected to reach 100% to 105%
- Average starch content will be about 18.5%, similar to last year's



2021|22





SUGAR SEGMENT



- **Area contracted** by AGRANA with its growers for sugar beet production in the 2021 crop year was about **87,000 hectares** (prior year: around 86,000 hectares)
 - Of this, about 2,100 hectares was dedicated to growing organic sugar beet
- In **Austria**, the contract area for beet production was expanded by about 13% from the prior year, to almost **39,000 hectares**
- **Beet campaigns** at all factories **started** between the middle of September and the beginning of October 2021
 - In addition, a thick-juice campaign is underway at the Tulln plant in Austria since 6 September 2021



H1 2021|22

INVESTMENT

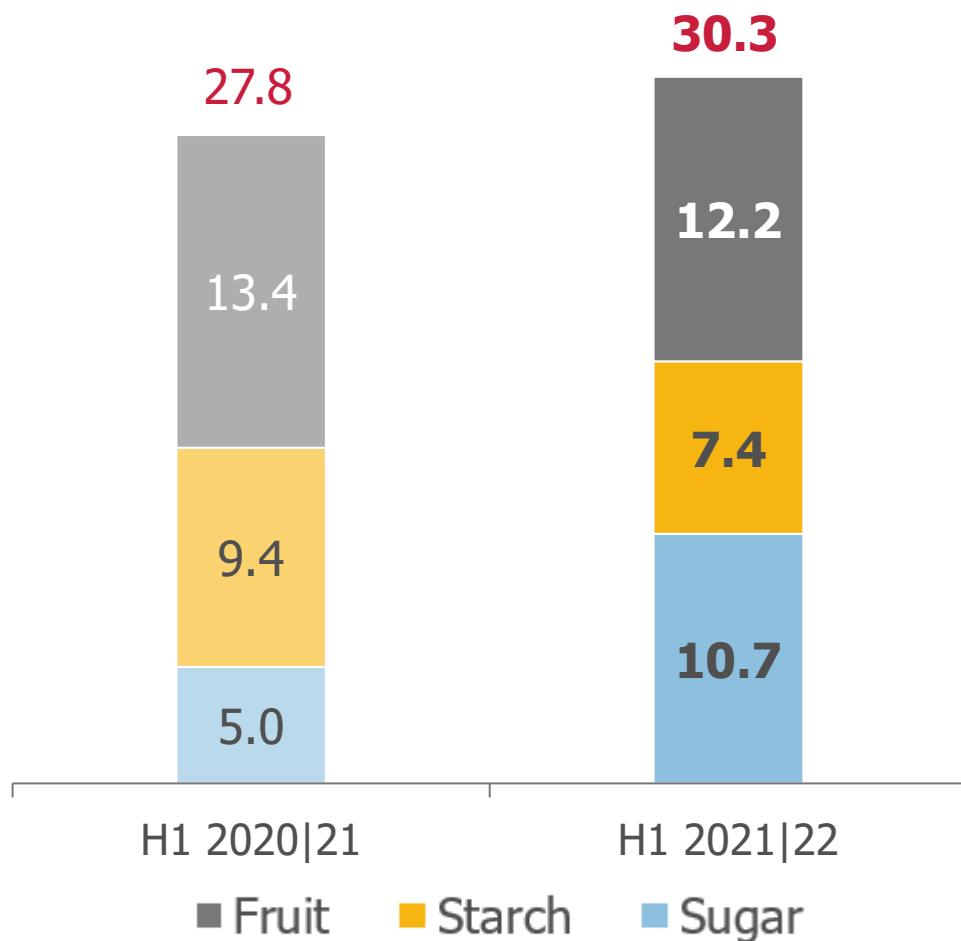




MOST IMPORTANT PROJECTS IN THE GROUP

INVESTMENT OVERVIEW

€m



GROUP

H1 2021|22

FRUIT

- Mitry-Mory, France (new filling plant)
- Dachang, China (new laboratory)

STARCH

- Aschach, Austria (corn processing)
- Gmünd, Austria (wastewater)

SUGAR

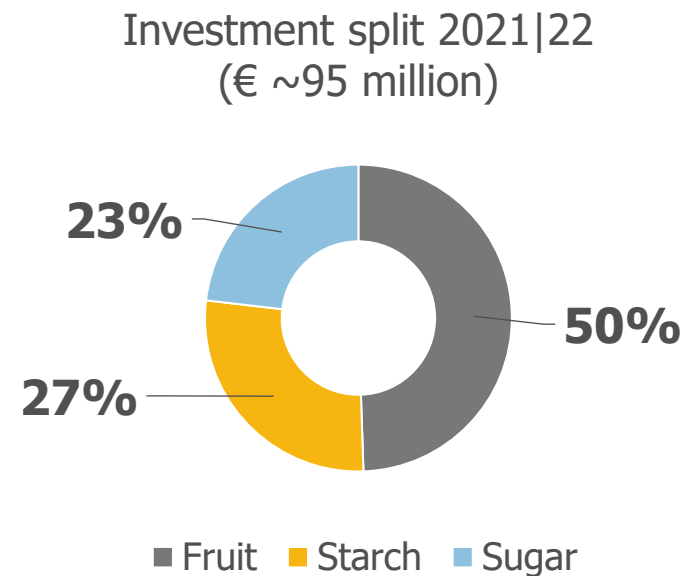
- Sered', Slovakia (boiler)



OUTLOOK FOR 2021|22

INVESTMENT PLAN

- **Total investment** across the three business segments in the 2021|22 financial year, at approximately **€ 95 million**
- **Significantly below** budgeted depreciation (€ ~120 million)
- **Continuation of implementation phase** after completion of major projects and capacity expansion in recent years





H1 2021|22

FINANCIALS



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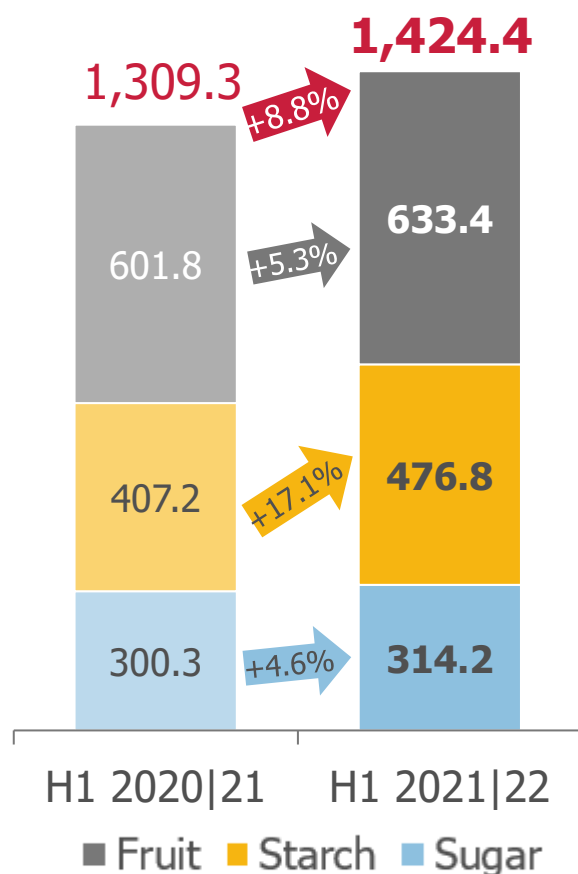
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H1 2021|22 VS PRIOR YEAR

REVENUE BY SEGMENT

€m



GROUP

FRUIT

- Fruit segment revenue was moderately above the year-earlier level
- Fruit preparations business saw revenue growth, stemming partly from higher sales volumes
- Revenue in the fruit juice concentrate activities declined slightly for price and volume reasons

STARCH

- Significant growth of 17.1% from one year earlier
- Higher volumes of core products and by-products were demanded than in the same period of the previous year
- For ethanol, the Platts quotations moved within a high trading range thanks to increased gasoline demand
- Continuous rise in grain prices since the autumn of 2020 was partly passed on in adjusted prices for starches and by-products on the sales side

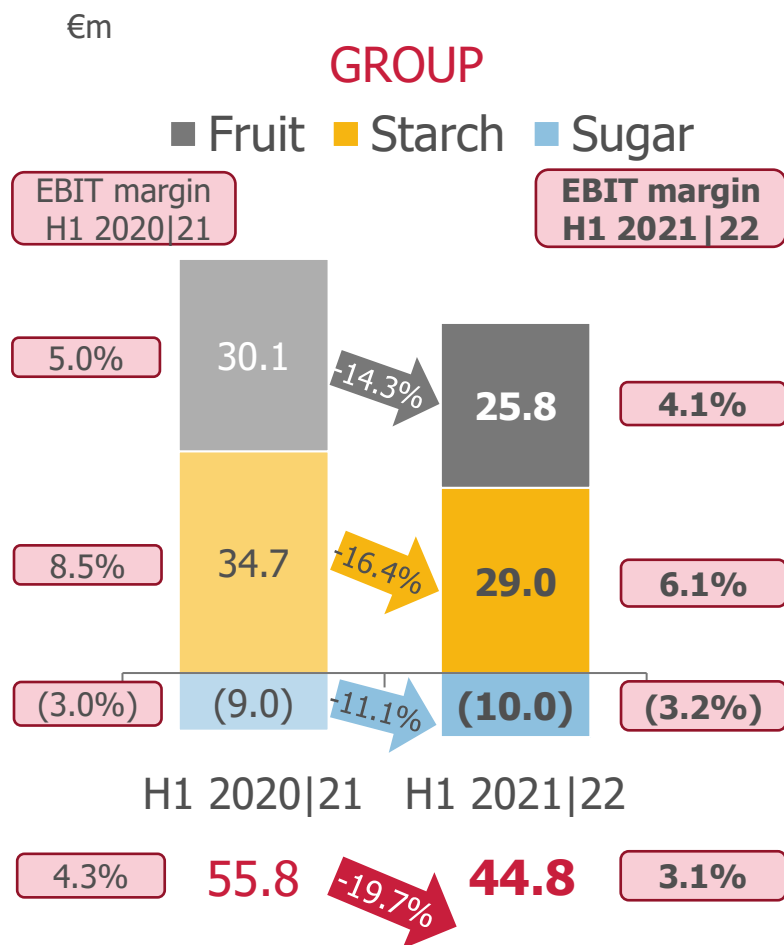
SUGAR

- Increase was driven by rising sugar selling prices and higher revenue from sales of beet seed and other agricultural products



H1 2021|22 VS PRIOR YEAR

EBIT BY SEGMENT



FRUIT

- Causes of the deterioration lay in sales of fruit juice concentrates, which saw reduced delivery volumes in combination with lower contribution margins of apple juice concentrates produced from the 2020 crop
- In fruit preparations, the solid performance was driven by improved earnings in the Europe and Russia regions as well as in Dira Frost's frozen fruit solutions business
- One-off combined expense of € 2.3 million from a damage claim and reorganisation measures

STARCH

- Main reason for the decline was a noticeable increase in purchase prices for wheat, corn (maize) and energy compared to the previous year
- Could not yet be fully offset by adjusting product prices
- High selling prices for ethanol made a positive contribution to EBIT performance, especially in the second quarter
- Earnings contribution of the equity-accounted HUNGRANA group fell from € 9.6 million to € 6.9 million; historic high corn prices in Hungary could not yet be made up for by higher prices for saccharification and starch products

SUGAR

- In the 2020 sugar campaign, AGRANA's own production was below average due to pests, especially in Austria; resulting lower margin from the necessary compensatory reselling and refining of sugar was a key driver of the reduced Sugar EBIT performance in the first six months of 2021|22



CONSOLIDATED INCOME STATEMENT

€m (condensed)	H1 2021 22	H1 2020 21	Q2 2021 22	Q2 2020 21
Revenue	1,424.4	1,309.3	718.6	656.7
EBITDA ¹	94.0	101.1	49.2	46.4
Operating profit before except. items and results of equity-accounted JV	41.0	47.4	22.3	19.3
Share of results of equity-accounted JV	6.1	8.9	3.9	5.0
Exceptional items	(2.3)	(0.5)	(2.3)	(0.5)
EBIT	44.8	55.8	23.9	23.8
EBIT margin	3.1%	4.3%	3.3%	3.6%
Net financial items	(7.1)	(9.1)	(3.3)	(3.0)
Profit before tax	37.7	46.7	20.6	20.8
Income tax expense	(10.6)	(12.3)	(5.6)	(5.6)
Profit for the period	27.1	34.4	15.0	15.2
Attributable to shareholders of the parent	28.0	33.9	15.3	15.1
Earnings per share	€ 0.45	€ 0.54	€ 0.24	€ 0.24

¹ EBITDA represents operating profit before exceptional items, results of equity-accounted joint ventures, and operating depreciation and amortisation.



ANALYSIS OF NET FINANCIAL ITEMS

€m	H1 2021 22	H1 2020 21	Change
Net interest expense	(3.7)	(4.0)	+7.5%
Currency translation differences	(2.1)	(3.4)	+38.2%
Other financial items	(1.3)	(1.7)	+23.5%
Total	(7.1)	(9.1)	+22.0%



TAX RATE

€m	H1 2021 22	H1 2020 21	Change
Profit before tax	37.7	46.7	-19.3%
Income tax expense	(10.6)	(12.3)	+13.8%
Tax rate	28.1%	26.3%	+1.8pp



CONSOLIDATED CASH FLOW STATEMENT

€m (condensed)

H1 2021|22

H1 2020|21

Change

Operating cash flow before changes in working capital

90.9

112.8

-19.4%

Changes in working capital

(34.7)

(28.1)

-23.5%

Interest received and paid and income tax paid, net

(16.9)

(13.2)

-28.0%

Net cash from operating activities

39.3

71.5

-45.0%

Net cash (used in) investing activities

(23.0)

(32.3)

+28.8%

Net cash from/(used in) financing activities

5.3

(29.0)

+118.3%

Net increase in cash and cash equivalents

21.6

10.2

+111.8%



CONSOLIDATED BALANCE SHEET

€m (condensed)	31 Aug. 2021	28 Feb. 2021	Change
Non-current assets	1,229.1	1,232.0	-0.2%
Current assets	1,229.4	1,240.7	-0.9%
Total assets	2,458.5	2,472.7	-0.6%
Equity	1,322.1	1,329.1	-0.5%
Non-current liabilities	589.1	597.4	-1.4%
Current liabilities	547.3	546.2	+0.2%
Total equity and liabilities	2,458.5	2,472.7	-0.6%
Equity ratio	53.8%	53.8%	0.0pp
Net debt	485.8	443.5	+9.5%
Gearing	36.7%	33.4%	+3.3pp



2021|22

FINANCIAL OUTLOOK



ANTICIPATING WHAT WILL BE IN DEMAND TOMORROW



AGRANA GROUP

OUTLOOK FOR 2021|22

EBIT 2021 | 22



Revenue 2021 | 22



Given the ongoing Covid-19 crisis and the associated strong volatility in all business segments, the **forecast for the full year is subject to very high uncertainty!**

- EBIT in the third quarter of this 2021|22 financial year will be broadly in line with the results of the first and second quarter (between € 20 million and € 25 million).
- EBIT for the fourth quarter is expected to be very significantly above the prior-year comparative period.



AGRANA SEGMENTS

OUTLOOK FOR 2021|22

FRUIT

Revenue ↑

EBIT ↑↑

STARCH

Revenue ↑

EBIT ↓↓

SUGAR

Revenue ↑↑

EBIT ↑↑↑



2021|22 AND 2022|23

FINANCIAL CALENDAR

13 January 2022

Results for first three quarters of 2021 | 22

13 May 2022

Results for full year 2021|22 (annual results press conference)

28 June 2022

Record date for Annual General Meeting participation

7 July 2022

Results for first quarter of 2022|23

8 July 2022

Annual General Meeting in respect of 2021|22

13 July 2022

Ex-dividend date

14 July 2022

Record date for dividend

15 July 2022

Dividend payment date

13 October 2022

Results for first half of 2022|23

12 January 2023

Results for first three quarters of 2022|23

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Quantitative definitions of selected common modifying words used:

Modifier	Visualisation	Numerical rate of change
Steady	→	0% up to 1%, or 0% to -1%
Slight(ly)	↗ or ↘	More than 1% and up to 5%, or less than -1% and not less than -5%
Moderate(ly)	↑ or ↓	More than 5% and up to 10%, or less than -5% and not less than -10%
Significant(ly)	↑↑ or ↓↓	More than 10% and up to 50%, or less than -10% and not less than -50%
Very significant(ly)	↑↑↑ or ↓↓↓	More than 50%, or less than -50%