



FRUIT
STARCH
SUGAR

The natural upgrade

AGRANA 2021 | 22 Online:
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AGRANA Beteiligungs-AG Annual Results for 2021 | 22

Presentation for investors and analysts

Vienna, 13 May 2022



WAR IN UKRAINE





WAR IN UKRAINE

AGRANA IN UKRAINE

- AGRANA has been conducting business in Ukraine since 1997, employing around 800* personnel
- At its **Vinnitsa** site (300km southwest of Kyiv) AGRANA processes fruit to make **fruit preparations** for the dairy products industry as well as **fruit juice concentrates** for beverage producers
- In addition, AGRANA also operates its own **agricultural production unit in Luka**, Ukraine, where fruit is processed for the regional fresh fruit and fruit processing market
- All products are mainly sold in Ukraine

Current situation in Ukraine

- AGRANA has set up a **crisis management** team which is in constant contact with the colleagues on site in order to be able to react swiftly to current developments and **provide the local employees with as much support as possible**, particularly with regard to their safety
- **Production operations were shut down** after the outbreak of war and are being **temporarily started up** - depending on the current security situation
- Delivery schedules are being revised and customers supplied from other sites whenever possible

*Average number of full-time equivalents in the reporting period.



WAR IN UKRAINE

AGRANA IN RUSSIA

- Only AGRANA's fruit segment operates in Russia
- **Fruit preparations** are produced and nearly 300 personnel employed in **Serpukhov**, around 100 km south of Moscow
- In Russia, **AGRANA manufactures products for the regional market**, i.e. the fruit preparations are sold in Russia and other CIS states.

Current situation in Russia

- AGRANA has a critical role in the food chain: **supplier of basic, essential foodstuffs**
- A **closure would harm the local population** and would have no impact on those who are responsible for the war
- In alignment with our international customers, a **withdrawal** from the Russian market is therefore **not planned at present**
- AGRANA also has an **obligation to the local personnel** in its role as an employer
- AGRANA fully **supports the political sanctions imposed on Russia** and has in addition **decided to refrain for the moment from making further investments in Russia**
- AGRANA is closely monitoring ongoing developments and evaluating its operations in Russia on a regular basis

*Average number of full-time equivalents in the reporting period.



2021|22

STRONG OPERATING RESULTS IN A CHALLENGING YEAR

EBIT impacted by negative exceptional financial effects of the war

- **Highly volatile** business environment
- **Commodity markets** have experienced a massive upturn
- **Energy costs** with extreme increases
- **COVID-19 challenges** continued, but that we have learned to deal with it
- **Processing campaigns** for three key raw materials – sugar beets, potatoes and apples – were very satisfactory in the 2021|22 financial year
- **Ethanol prices at historic highs**, driving very strong EBIT performance in the Starch segment



2021|22

KEY FIGURES – OVERVIEW

Revenue: € 2,901.5 m
(2020|21: € 2,547.0 m)

EBITDA¹: € 206.7 m
(2020|21: € 191.2 m)

Operating profit²: € 86.5 m
(2020|21: € 73.1 m)

EBIT: € 24.7 m
(2020|21: € 78.7 m)

Loss for the period: € 12.2 m
(2020|21: Profit for the period of € 55.0 m)

Dividend proposal of € 0.75 per share
(dividend in 2020|21: € 0.85 per share)


8,691
Employees (FTEs)


55
Production sites

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

² Before exceptional items and results of equity-accounted JVs



AGRANA FACES THE CHALLENGES OF THE FUTURE

AGRANA at the intersection of three major issues of our time

**Transformation of
agriculture**

Climate change



Feeding a growing world population



GOOD PROGRESS ON STRATEGIC AGENDA

- Working on all five focus areas
- Strong foundation; significant upside potential in all divisions
- In-depth strategic business review well underway





SEGMENTS FRUIT, STARCH AND SUGAR

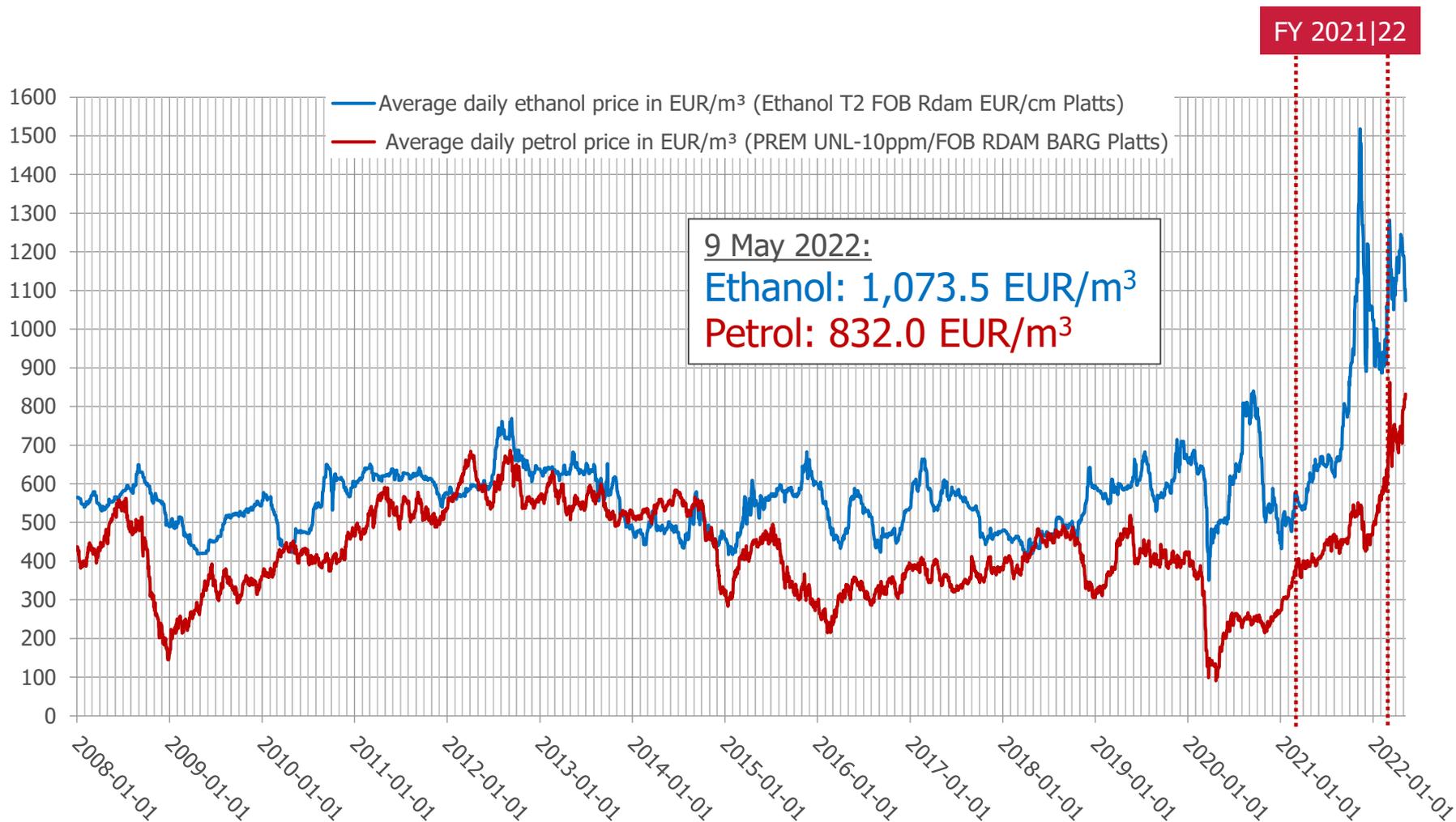
MARKET ENVIRONMENT DRIVERS





1 JANUARY 2012 – 9 MAY 2022 (EUR)

ETHANOL AND PETROL PRICES

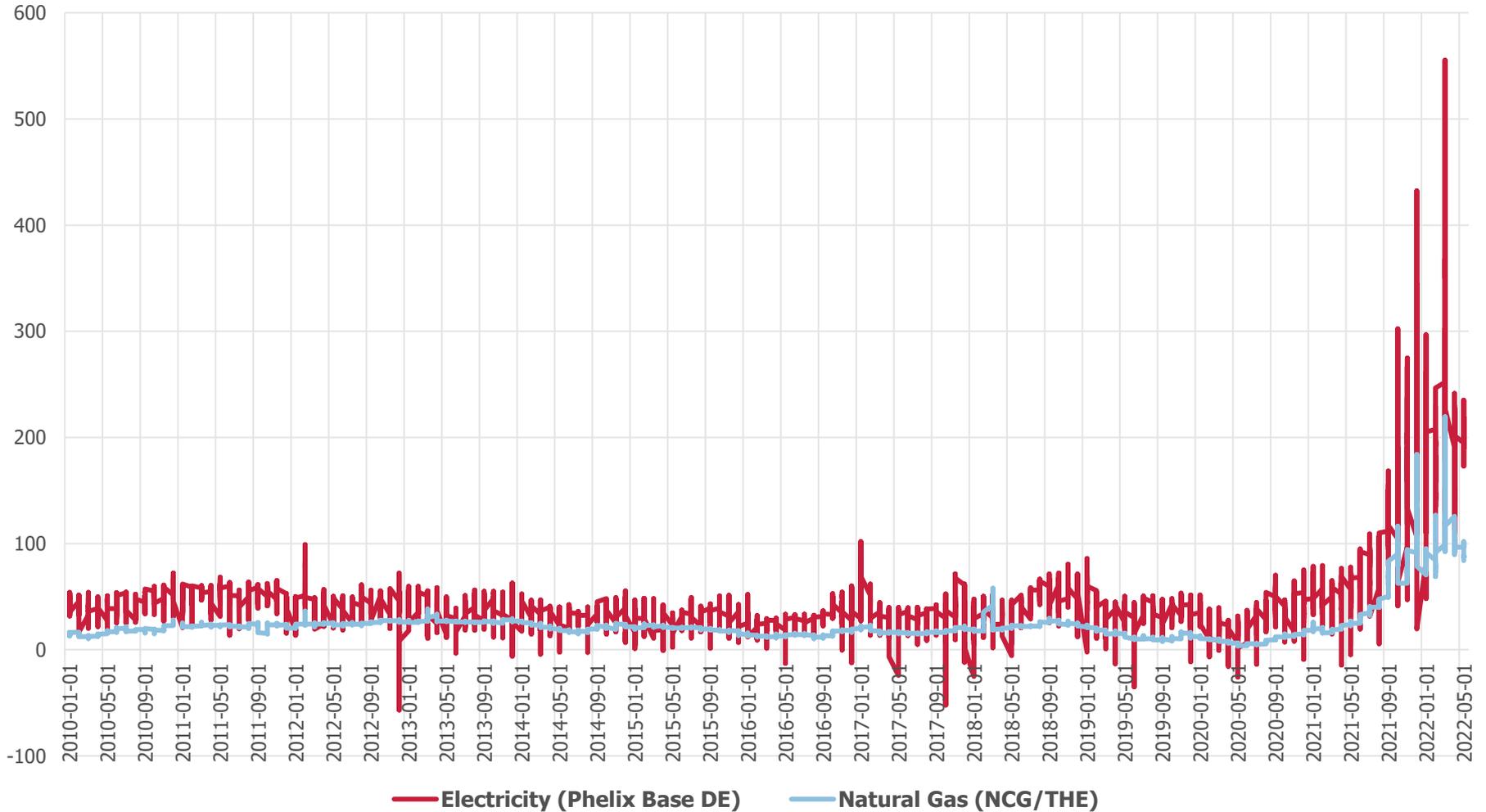




PRICE DEVELOPMENT (JANUARY 2010 – MAY 2022)

ELECTRICITY AND NATURAL GAS

€

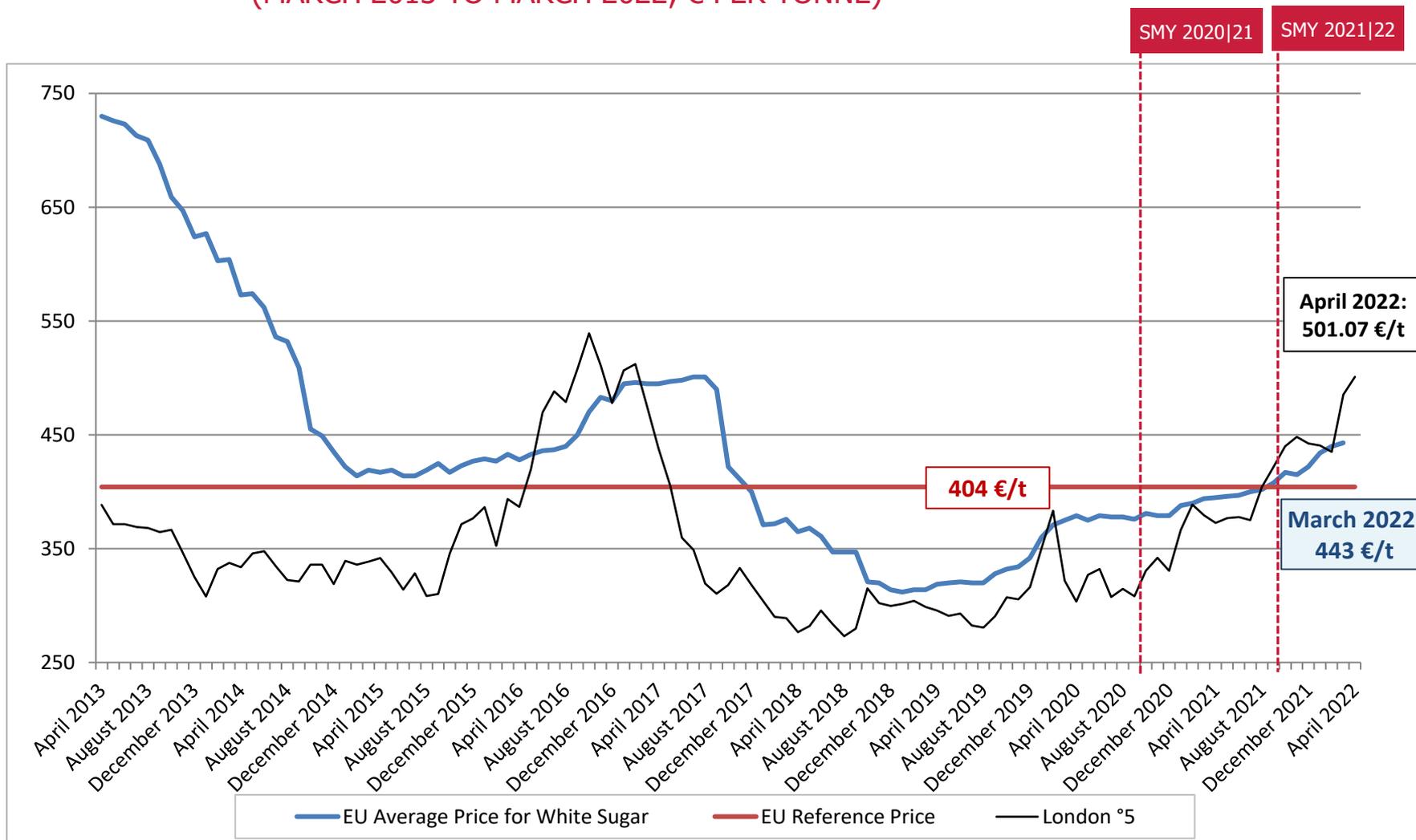




SUGAR PRICE REPORTING

MONTHLY EU AVERAGE PRICES

(MARCH 2013 TO MARCH 2022; € PER TONNE)



Source: European Commission (as of 26 April 2022) and IEG Vantage (as of 10 May 2022)



SEGMENTS FRUIT, STARCH AND SUGAR

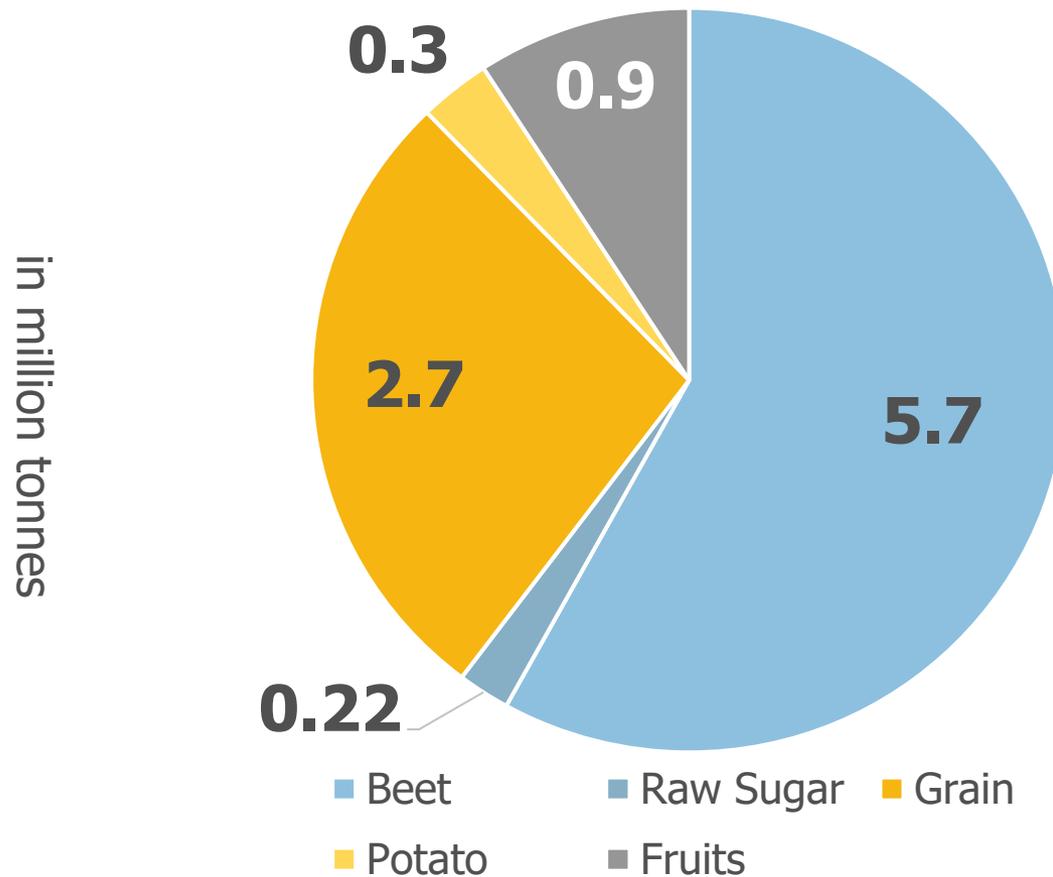
RAW MATERIALS AND PRODUCTION





VOLUMES PROCESSED IN 2021|22

**Raw materials processed:
9.8 million tonnes**





FRUIT SEGMENT



Fruit preparations

- About **354,000 tonnes** of raw materials were purchased
- Volatile market setting for commodities and global trend in freight costs -> **average rise of about 11%** year-on-year in raw material
- Price increases were incurred **mainly for berries** (raspberry, blackberry and blueberry), peach, tropical fruits and stabilisers
- On the **energy cost side**, there were significant increases due to rate hikes for electricity and gas in the second half of 2021|22, especially in Europe

Fruit juice concentrates

- **2021 apple harvest** was characterised by **good raw material availability** in Poland and Hungary
- AGRANA was able to process greater volumes than in the prior year thanks to **high availability of red berries**
- All fruit juice concentrate plants recorded **good capacity utilisation**

STARCH SEGMENT



Corn and wheat

- AGRANA processed approximately **8% more corn** at the Austrian sites in Aschach and Pischelsdorf than in the year before; share of specialty corn (notably waxy corn and organic corn) was about 22%
- **Wheat milling volume** at the Pischelsdorf facility for the production of wheat starch and bioethanol was **raised** by around 7% in 2021|22 compared to the prior year.
- At the two Austrian locations, a **total of about 1.6 million tonnes of corn and other cereals** were processed in the past business year
- At the HUNGRANA facility in Hungary, the total amount of corn processed in 2021|22 was in line with the prior-year level

Potatoes

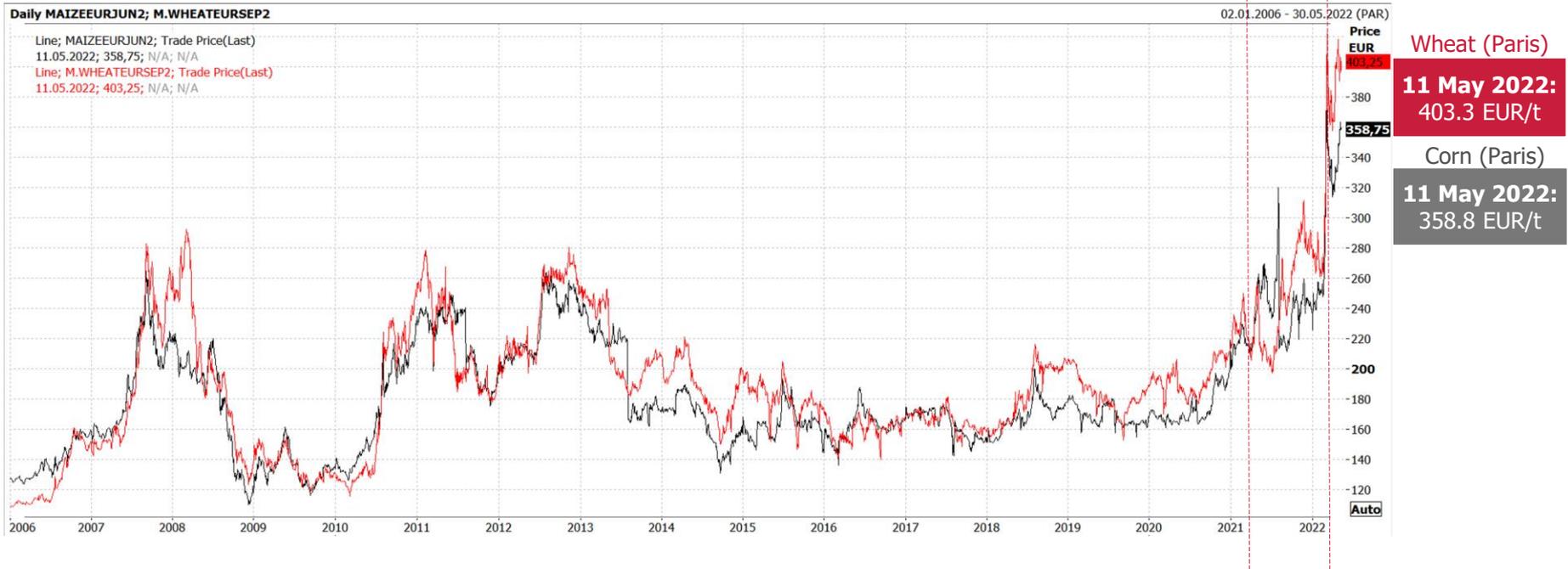
- 2021|22 campaign: potato starch factory in Gmünd, Austria, processed about **274,000 tonnes of starch potatoes**
- Processing of food potatoes for the production of long-life potato products was in line with the prior-year volume



WHEAT & CORN (EURONEXT, PARIS) COMMODITY PRICES

1 January 2006 – 11 May 2022 (EUR)

FY 2021|22



SUGAR SEGMENT



- Area planted to sugar beet in the 2021|22 SMY was about **86,000 hectares**, as in the prior year
- Favourable vegetation conditions ultimately led to an **above-average sugar content** of 17.2% (prior year: 15.1%)
- Around **5.7 million tonnes of sugar beet** (prior year: 4.8 million tonnes) were **harvested** from a total area of about 85,700 hectares (prior year: around 76,300 hectares), corresponding to an **average yield of 67 tonnes per hectare** (prior year: 63 tonnes per hectare)
- Thanks to the high beet quantity, in a campaign averaging 115 days in length (prior year: 100 days), the factories produced a **total of 850,000 tonnes of conventional sugar** (prior year: 637,000 tonnes)
- Additionally, at the plant in Tulln, Austria, about **15,600 tonnes of organic sugar** were produced in a ten-day separate organic campaign



AGRANA
FOCUS ON ESG



REPLACING FOSSIL ENERGY SOURCES!



- **AGRANA is committed to the goal of a CO₂-neutral production (Scope 1 + 2) by 2040**
- **First step by 2025 | 26: 25% reduction of emissions** (from 928,000 t CO₂ in the 2019|20 base year) includes the following measures:
 - A package of measures for switching to electricity from renewable sources, which started with the purchase of external green electricity in Austria in the 2020|21 financial year
 - The phase-out of coal as an energy source at the last two coal-fired sugar production sites in Sered', Slovakia, and Opava, Czech Republic (latest by 2025|26)
 - On-going implementation of energy efficiency measures in all business segments
- **From 2026 | 27, focus on energy recovery from low-protein raw material residues** (e.g. AGRANA's sugar factory in Kaposvár, Hungary)
- **Investment requirements by 2040:** about **€ 400 million** to avoid the greenhouse gas emissions generated in AGRANA's production (Scope 1+2)
- **Goal by 2050: CO₂ neutrality (Scope 1 + 2 + 3)**
- **Scope 3 emissions account for 83%** of our corporate carbon footprint: development of measures together with stakeholders and farmers in the supply chain to reduce emissions



2021|22

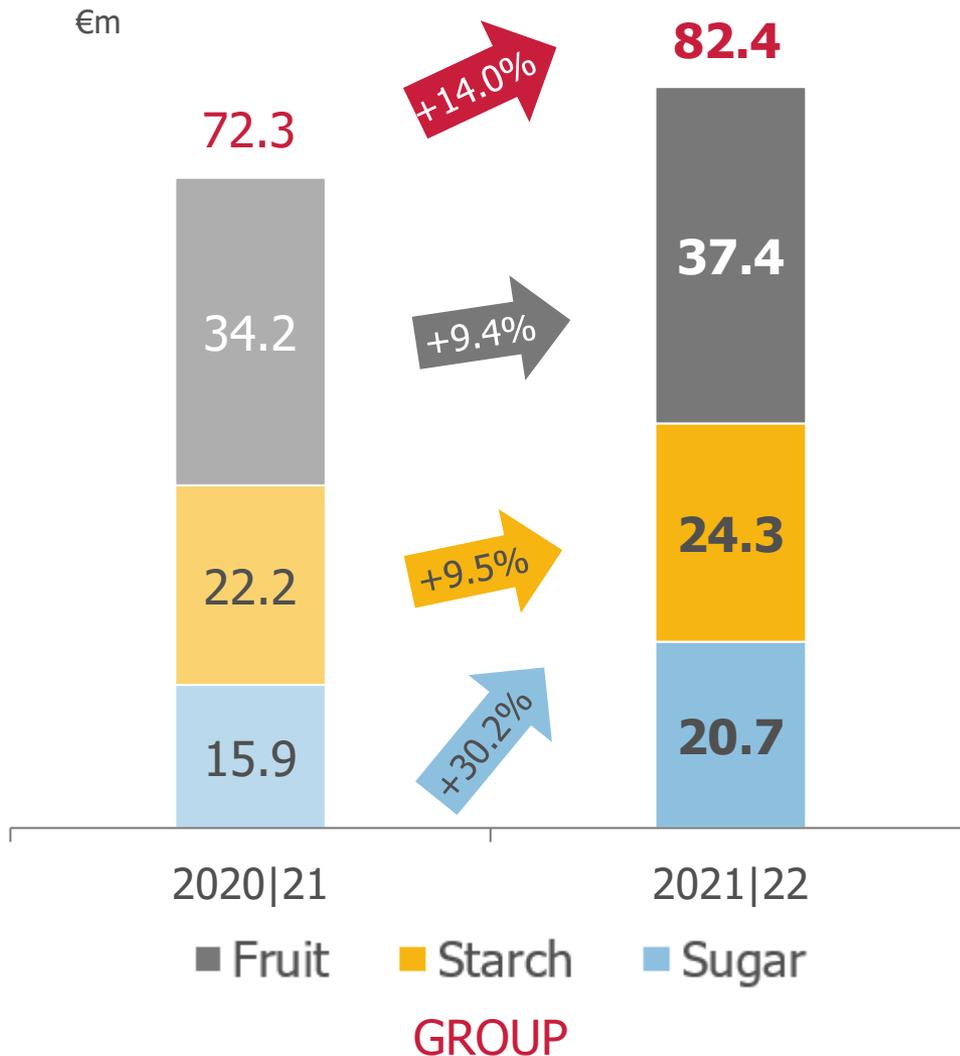
INVESTMENT





MOST IMPORTANT PROJECTS IN THE GROUP

INVESTMENT OVERVIEW



2021|22

FRUIT

- Mitry-Mory, France (new filling plant and upgrading of the cooling system)
- Dachang, China (new laboratory)
- Brecksville, Ohio (new construction of the US headquarters)

STARCH

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

SUGAR

- Sered', Slovakia (boiler: from coal to gas/biogas)
- Tulln, Austria (control system)

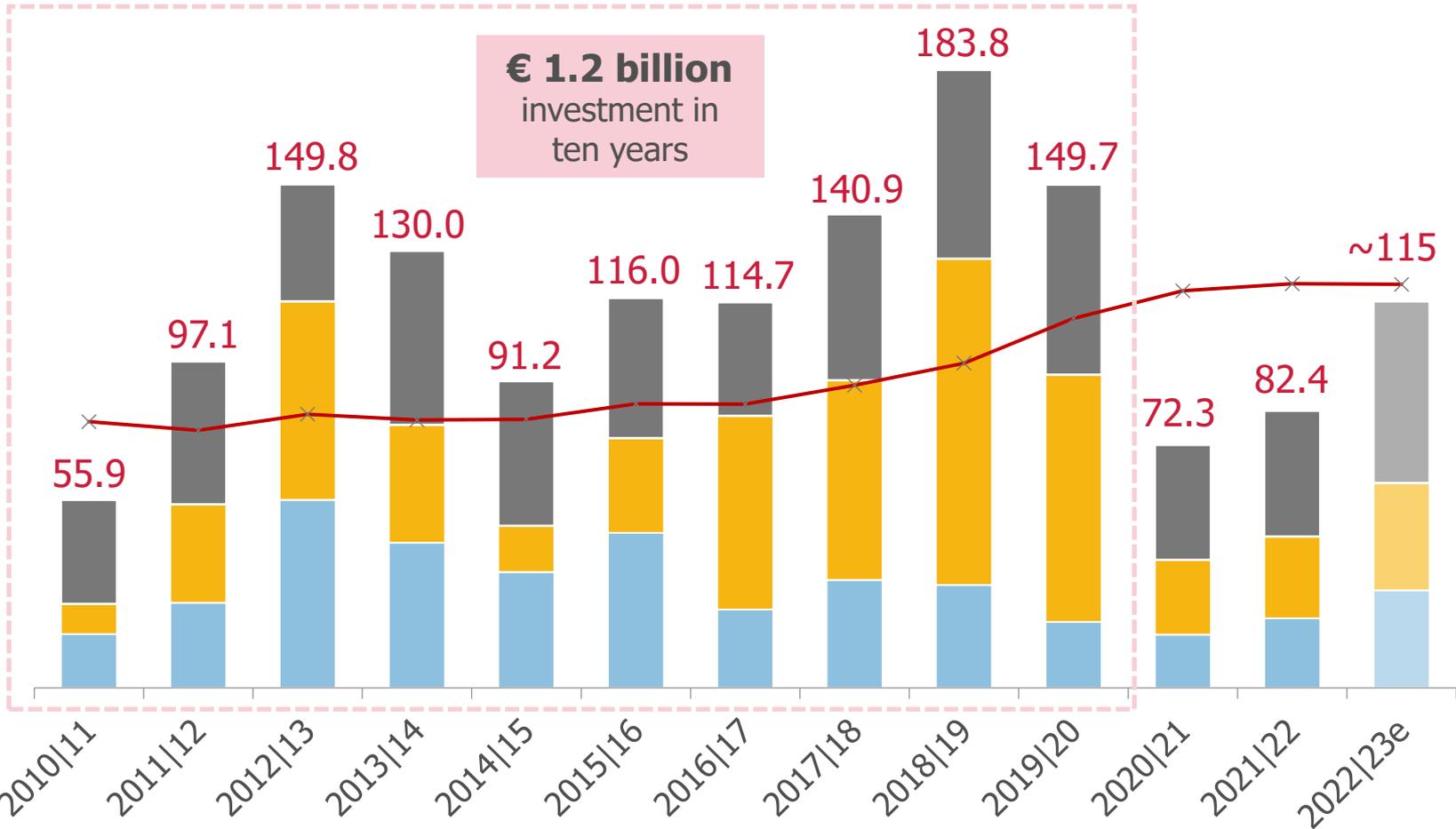


INVESTMENT FOR SUSTAINABLE GROWTH

CAPEX EVOLUTION

€m

■ Fruit ■ Starch ■ Sugar ✕ Deprec. GROUP



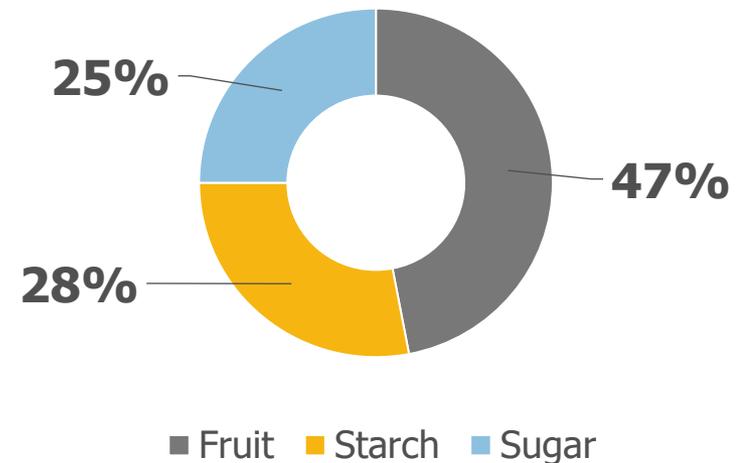
€ 1.2 billion investment in ten years



INVESTMENT PLAN

- **Total investment** across the three business segments in the 2022|23 financial year, at approximately **€ 115 million**
- Expected to exceed the 2021|22 level, but to be below this year's **budgeted depreciation** of about **€ 120 million**

Investment split 2022|23
(€ ~115 million)





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2021|22

CONSOLIDATED FINANCIAL STATEMENTS (CONDENSED)



EXCEPTIONAL ITEMS

€m	2021 22	2020 21	Change
Exceptional items	(69.8)	(11.9)	-486.6%
thereof			
Fruit (preparations)	(64.8)	(10.9)	-494.5%
Juice (concentrates)	(2.9)	(0.8)	-262.5%
Sugar	(2.1)	(0.2)	-950.0%

€m	2021 22	2020 21	Change
Exceptional items	(69.8)	(11.9)	-486.6%
thereof			
“War-related” – Goodwill impairment (Fruit)	(55.3)	0.0	n/a
“War-related” – Other (Fruit and Sugar)	(12.2)	0.0	n/a
“Business-related”	(2.3)	(11.9)	+80.7%



EXCEPTIONAL ITEMS

GOODWILL IMPAIRMENT

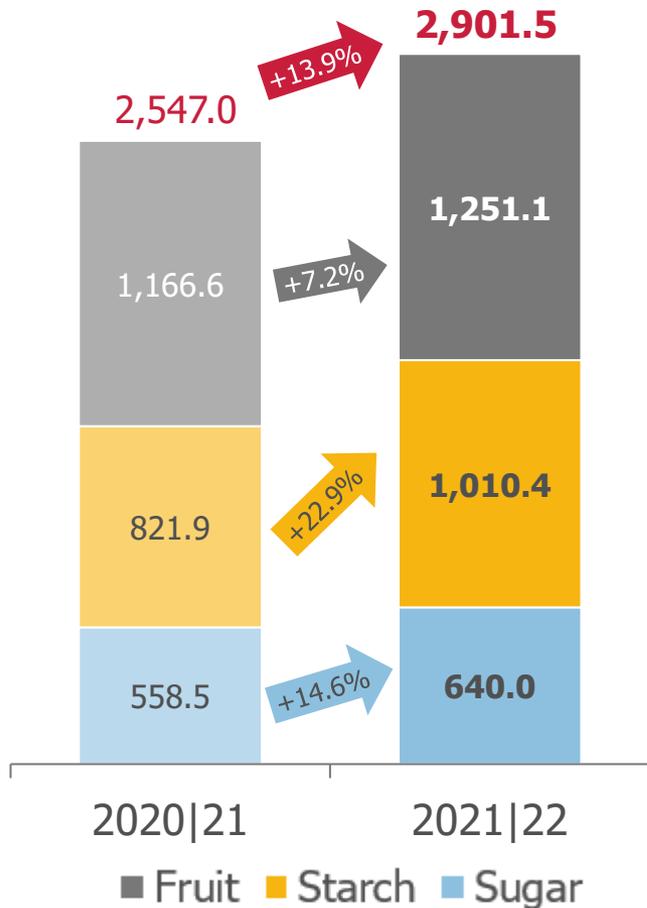
- The **start of the Ukraine war** on 24 February 2022, affecting subsidiaries in Ukraine and Russia, was a **triggering event** for the goodwill impairment test for the Fruit CGU at 28 February 2022
- Impacts of the war situation on the companies in Ukraine and Russia were projected
 - In view of the high degree of uncertainty at the time of preparation of the projections, the **management developed four possible scenarios** for future trajectories in these two countries – building on the basic assumptions presented above on the impacts of the Ukraine conflict – and weighted the scenarios by their expected probability of occurrence
 - Price increases for energy and raw materials expected to result from the Ukraine crisis were also taken into account in the scenarios
- **Planning calculations adjusted for the effects** of the war in Ukraine were **presented to the Supervisory Board** in a special meeting on 19 April 2022



2021|22 VS PRIOR YEAR

REVENUE BY SEGMENT

€m



GROUP

FRUIT

- Fruit preparations business saw revenue growth stemming mostly from higher sales prices
- Revenue in the fruit juice concentrate activities also rose, with higher prices for berry juice concentrates more than offsetting the effect of a decline in apple juice concentrate sales volumes

STARCH

- More core and by-product quantities were demanded than in p/y
- Rise in revenue was driven primarily by the adjustment of sales prices in response to extreme increases in raw material and energy costs
- In the ethanol business, sales prices are based on the Platts quotations, which reached historic highs in 2021|22

SUGAR

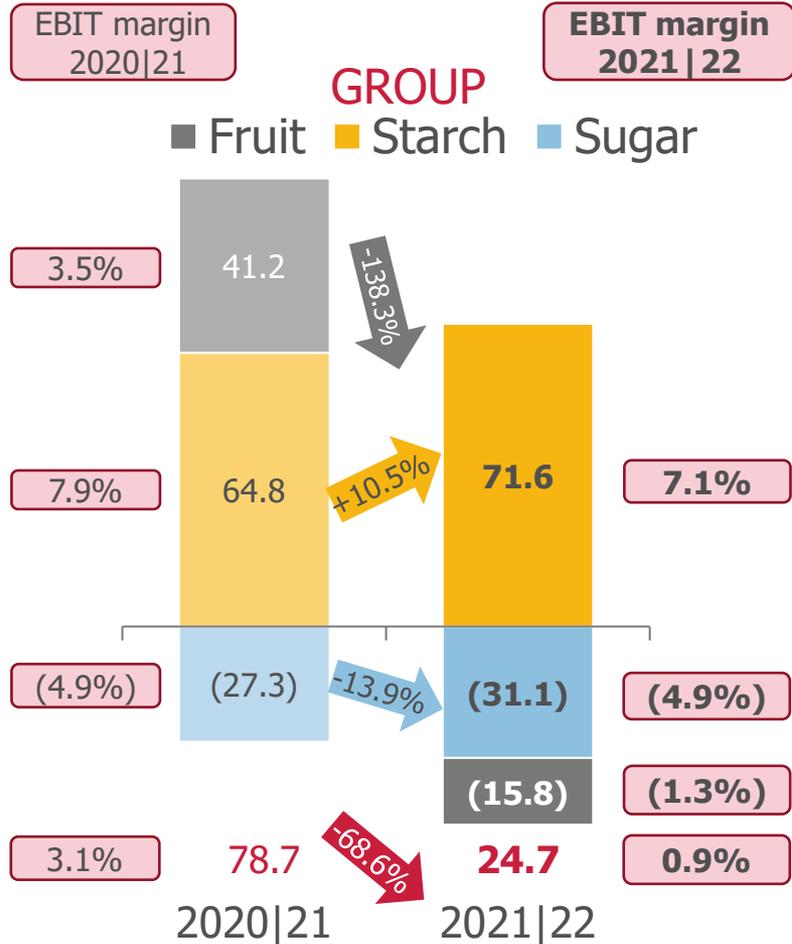
- Both higher sugar selling prices and increased sugar sales volumes led to the growth
- By-product revenue (especially for dried beet pulp) increased, as did revenue from beet seed and other agricultural products



2021|22 VS PRIOR YEAR

EBIT BY SEGMENT

€m



FRUIT

- Fruit segment's earnings were impacted above all by non-cash one-time charges (primarily goodwill impairment of € 55.3 million) related to the war in Ukraine as well as by exceptional items in the form of a damage claim and reorganisation measures
- Improvement in operating profit in the fruit juice concentrate business: a normal apple harvest in 2021, high contract prices for apple juice concentrate and strong contribution margins for berry juice concentrates were the key factors in this
- Operating earnings performance in the fruit preparations business decreased, also because of significantly risen raw material and energy costs

STARCH

- Margins on the core products, with the exception of ethanol, declined due to the significant uptrend in raw material and energy prices
- Depreciation and amortisation increased as a result of the major investments in the last financial years
- Earnings contribution of the equity-accounted HUNGRANA group declined from € 19.4 million to € 13.8 million (historically high corn prices in Hungary)

SUGAR

- While the expansion of beet production area – particularly in Austria – and favourable weather conditions led to a campaign with a higher beet volume than in the year before, raw material prices and, above all, energy prices soared compared to the previous year



CONSOLIDATED INCOME STATEMENT

€m (condensed)	2021 22	2020 21	Change
Revenue	2,901.5	2,547.0	+13.9%
EBITDA ¹	206.7	191.2	+8.1%
Operating profit before except. items and results of equity-accounted JV	86.5	73.1	18.3%
Share of results of equity-accounted JV	8.0	17.5	-54.3%
Exceptional items	(69.8)	(11.9)	-486.6%
EBIT	24.7	78.7	-68.6%
EBIT margin	0.9%	3.1%	-2.2pp
Net financial items	(16.1)	(18.5)	+13.0%
Profit before tax	8.6	60.2	-85.7%
Income tax expense	(20.9)	(5.2)	-301.9%
(Loss)/profit for the period	(12.2)	55.0	-122.2%
Attributable to shareholders of the parent	(12.6)	59.8	~ -121%
(Loss)/earnings per share	(€ 0.20)	€ 0.96	~ -121%

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	2021 22	2020 21	Change
Net interest expense	(7.4)	(8.0)	+7.5%
Currency translation differences	(5.1)	(7.0)	+27.1%
Other financial items	(3.6)	(3.5)	-2.9%
Total	(16.1)	(18.5)	+13.0%



TAX RATE

€m	2021 22	2020 21	Change
Profit before tax	8.6	60.2	-85.7%
Income tax expense	(20.9)	(5.2)	-301.9%
Tax rate	241.7%	8.7%	+233.0pp

	2021 22			2020 21		
	Profit before tax	Income tax expense	Tax rate	Profit before tax	Income tax expense	Tax rate
Tax rate published	8.6	(20.9)	241.7%	60.2	(5.2)	8.7%
Goodwill impairment	55.3					
Romania		1.8			(5.4)	
Ukraine	5.3	2.1				
Tax rate adjusted I	69.2	(17.0)	24.5%	60.2	(10.6)	17.6%
HUNGRANA (@equity)	(13.8)	0.0		(19.4)	0.0	
Tax rate adjusted II	55.4	(17.0)	30.6%	40.8	(10.6)	26.0%



CONSOLIDATED CASH FLOW STATEMENT

€m (condensed)	2021 22	2020 21	Change
Operating cash flow before changes in working capital	207.2	198.8	+4.2%
Changes in working capital	(129.0)	(14.6)	-783.6%
Total of interest paid/received and tax paid	(25.0)	(20.6)	-21.4%
Net cash from operating activities	53.2	163.6	-67.5%
Net cash (used in) investing activities	(72.6)	(79.6)	+8.8%
Net cash from/(used in) financing activities	17.6	(59.5)	+129.6%
Net (decrease)/increase in cash and cash equivalents	(1.8)	24.5	-107.3%
Free cash flow	(19.4)	84.0	-123.1%



CONSOLIDATED BALANCE SHEET

€m (condensed)	28 Feb. 2022	28 Feb. 2021	Change
Non-current assets	1,135.0	1,232.0	-7.9%
Current assets	1,508.6	1,240.7	+21.6%
Total assets	2,643.6	2,472.7	+6.9%
Equity	1,281.5	1,329.1	-3.6%
Non-current liabilities	477.5	597.4	-20.1%
Current liabilities	884.6	546.2	+62.0%
Total equity and liabilities	2,643.6	2,472.7	+6.9%
Equity ratio	48.5%	53.8%	-5.3pp
Net debt	532.0	443.5	+20.0%
Gearing	41.5%	33.4%	+8.1pp



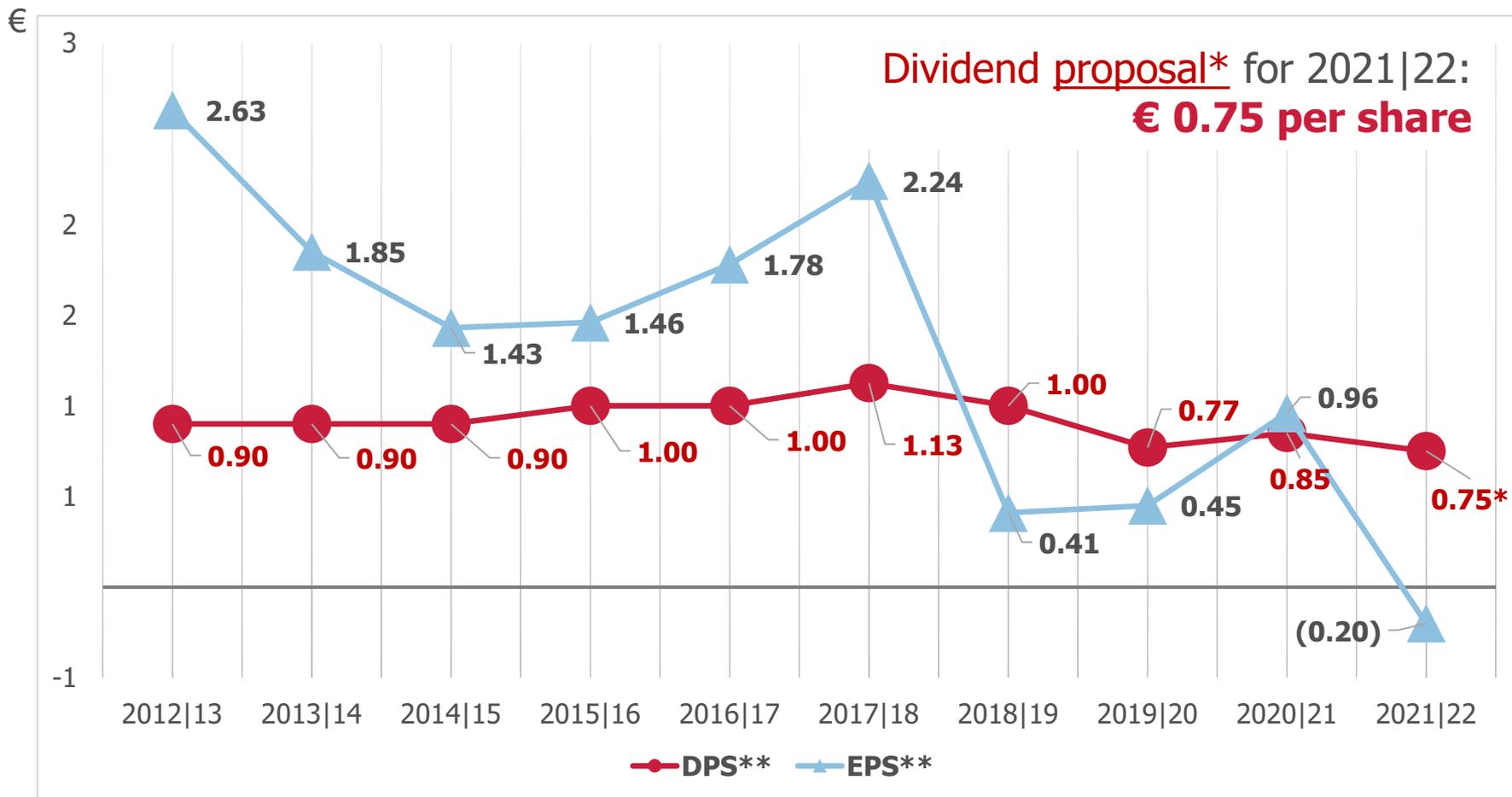
2021|22

DIVIDEND PROPOSAL

- The Management Board of AGRANA Beteiligungs-AG has decided to propose a **dividend payout in the amount of € 0.75 per share** for the 2021|22 financial year (dividend for 2020|21: € 0.85 per share) to the 35th Annual General Meeting to be held on 8 July 2022
- AGRANA remains **committed to a predictable, reliable and transparent dividend policy that is geared to continuity.**
 - The dividends are based on the result as well as on the Group's cash flow and debt situation, while simultaneously maintaining a solid balance sheet structure.
 - Moreover, AGRANA also takes current events such as the war in Ukraine and the anticipated future development of business into account in its dividend policy.



DIVIDEND AND EARNINGS PER SHARE



Dividend yield (based on the closing share price at the last balance sheet date): **4.5%**

**EPS and DPS adjusted; after the four-for-one stock split performed in July 2018, all EPS and DPS values are based on the number of shares out-standing at 28 February 2021, which was 62,488,976.



2022|23

FINANCIAL OUTLOOK



OUTLOOK FOR 2022|23

EBIT 2022 | 23



Revenue 2022 | 23



- The war in Ukraine led to a further intensification of the already **high volatility in AGRANA's target markets** and **further price increases** in its procurement markets
- The resulting economic and financial impacts and the duration of this additional temporary exceptional situation are difficult to estimate
- As well, there are still risks associated with the coronavirus pandemic
- The forecast **2022 | 23 is based on the assumption** that
 - the war in Ukraine will remain **temporary and regionally limited**
 - the **physical supply of energy and raw materials is ensured**
 - the Group's target markets and procurement markets partially return to normal within the 2022|23 financial year
- AGRANA also expects to be able to pass on the significant price increases (seen especially in raw materials and energy) in new customer contracts



AGRANA SEGMENTS

OUTLOOK FOR 2022|23

FRUIT

Revenue ↑
EBIT ↑↑↑

STARCH

Revenue ↑↑↑
EBIT ↓

SUGAR

Revenue ↑↑
EBIT ↑↑



AGRANA GROUP

OUTLOOK FOR Q1 2022|23

Q1 2021 | 22 (3 months)
EBIT: € 20.9 million

Q1 2022 | 23
EBIT





2022|23

FINANCIAL CALENDAR

8 July 2022

Annual General Meeting in respect of 2021 | 22

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 more than -1% and up to -5%
Moderate(ly)	↑ or ↓	More than +5% and up to +10%, or more than -5% and up to -10%
Significant(ly)	↑↑ or ↓↓	More than +10% and up to +50%, or more than -10% and up to -50%
Very significant(ly)	↑↑↑ or ↓↓↓	More than +50% or more than -50%