



PRESS RELEASE

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Good start to 2022 | 23 financial year: AGRANA on track despite difficult market environment

First quarter of 2022 | 23 at a glance

- Revenue: € 886.3 million (Q1 prior year: € 705.8 million)
- EBIT: € 51.6 million (Q1 prior year: € 20.9 million)
- EBIT margin: 5.8% (Q1 prior year: 3.0%)
- Profit for the period: € 36.1 million (Q1 prior year: € 12.1 million)
- Equity ratio: 51.0% (28 February 2022: 48.5%)

In the first quarter of the 2022|23 financial year (the three months ended 31 May 2022), AGRANA, the fruit, starch and sugar company, as expected achieved very significant growth in operating profit (EBIT), from € 20.9 million to € 51.6 million. The Group's revenue rose to € 886.3 million (Q1 prior year: € 705.8 million). "Despite a difficult market environment, we are on track in the 2022|23 financial year. We have so far coped well with the challenges of increased market volatility created by the war in Ukraine," notes AGRANA Chief Executive Officer Markus Mühleisen. While the hikes in energy prices weighed on production operations in all business segments, the bottom line was buoyed by a very positive performance in the ethanol business, which contributed to a strong increase in EBIT in the Starch segment. Significantly, the Sugar segment too, after a prolonged period below break-even, was able to generate positive quarterly EBIT again. In the Fruit segment, EBIT expanded thanks particularly to a better performance in the fruit juice concentrate business. "Our aim at AGRANA is to be a reliable buyer of raw materials from farmers and a stable supplier to our customers. Inflation poses a challenge for every participant in the value chain, and so we first try to exhaust all available efficiencies in our own activities. We only raise sales prices when we are left with no other choice," explains Mühleisen.

Results in each business segment for the first quarter of 2022 | 23

FRUIT segment

Revenue in the Fruit segment, at € 360.7 million, was significantly higher than one year earlier (Q1 prior year: € 320.7 million). Revenue both in the fruit preparations and fruit juice concentrate businesses expanded for price reasons. The segment's EBIT was € 19.9 million (Q1 prior year: € 15.9 million). Earnings in fruit preparations were moderately below the prior year's level; this was attributable mainly to a mixed business performance in the Europe region (including Ukraine) and Asia-Pacific. A very significant upward jump in operating profit in the fruit juice concentrate business was made possible especially by the improved contribution margins of apple and berry juice concentrate from the 2021 crop.

STARCH segment

The Starch segment's revenue of € 319.1 million was up strongly from the same quarter of the year before (Q1 prior year: € 234.6 million). The war in Ukraine intensified the disruptions in commodity and energy markets. AGRANA's continuing top objective was to maintain supply chains and production throughout and ensure reliable deliveries to customers. Extreme increases in raw material and energy costs made it necessary to pass on the rise in manufacturing costs to customers through sales price adjustments. The key driver of the revenue growth was the steep climb in ethanol prices compared to the same period last year. The very significant increase in EBIT to € 29.3 million (Q1 prior year: € 11.5 million) was driven by the high-margin ethanol business unit and the fact that input commodities (including energy) were generally still hedged.

SUGAR segment

Revenue in the Sugar segment, at € 206.5 million, rose very significantly from the previous year (Q1 prior year: € 150.5 million). The reasons were markedly increased sales volumes with resellers and industrial customers, and significantly higher selling prices. EBIT was € 2.4 million, a pronounced improvement from the still negative result of the year-earlier period (Q1 prior year: loss of € 6.5 million). This was due to significantly increased margins thanks to an improved sales price environment.

The detailed financial results are provided in the **interim statement for the first quarter of 2022 | 23** at <https://www.agrana.com/en/ir/>.

Outlook

For the full 2022|23 financial year, AGRANA expects a very significant increase in operating profit (EBIT). Group revenue is projected to show significant growth. This forecast is based on the assumption that the war in Ukraine is temporary and remains regionally limited, that the physical supplies of energy and raw materials are ensured and that the Group's target markets and procurement markets partially return to normal within the 2022|23 financial year. AGRANA also expects and assumes that it will be able to pass on the significant price increases (seen especially in raw materials and energy) through new customer contracts.

Total investment across the Group this year, at approximately € 115 million, is to exceed the 2021|22 level, while running below this year's budgeted depreciation of about € 120 million.

About AGRANA

AGRANA converts agricultural raw materials into high-quality foods and numerous industrial intermediate products. About 9,000 employees at 55 production sites worldwide generate annual Group revenue of approximately € 2.9 billion. Established in 1988, the company is the world market leader in fruit preparations and the foremost producer of fruit juice concentrates in Europe. As well, its Starch segment is a major manufacturer of custom starch products (made from potato, corn and wheat) and of bioethanol. AGRANA is the leading sugar producer in Central and Eastern Europe.

This announcement is available in German and English at www.agrana.com.