



Q1–Q3 2022|23

INTERIM STATEMENT FOR THE
FIRST THREE **QUARTERS** OF 2022|23

First three quarters of 2022|23 at a glance

- Revenue: € 2,742.5 million (+26.4%; Q₁–Q₃ prior year: € 2,169.6 million)
- Operating profit before exceptional items and results of equity-accounted joint ventures: € 121.6 million (+77.0%; Q₁–Q₃ prior year: € 68.7 million)
- EBIT: € 50.2 million (–33.9%; Q₁–Q₃ prior year: € 76.0 million)
- EBIT margin: 1.8% (Q₁–Q₃ prior year: 3.5%)
- Profit for the period: € 5.4 million (–87.9%; Q₁–Q₃ prior year: € 44.8 million)
- Equity ratio: 42.7% (28 February 2022: 48.5%)
- Gearing ratio¹: 54.8% (28 February 2022: 41.5%)
- Number of employees (FTE)²: 8,858 (Q₁–Q₃ prior year: 8,815)

¹ Ratio of net debt to total equity.

² Average number of full-time equivalents in the reporting period.

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Letter from the Management Board

Dear Investor,

In the first nine months of 2022|23, despite a business environment marked by multiple crises, AGRANA posted another substantial operating profit of € 121.6 million before exceptional items and results of equity-accounted joint ventures (Q1–Q3 prior year: € 68.7 million). Once again, our diversified, sustainable business model thus proves a stabilizing influence in turbulent times.

A key driver of the earnings improvement was the turnaround in the Sugar segment in this financial year. In this business area, as you know, the market environment has been completely changed ever since the end of the sugar quotas in September 2017, with many new challenges. The AGRANA “family” has stood by this segment even in difficult times and has taken numerous measures over the past five years to get it back on track – work that is now beginning to bear fruit.

At AGRANA, the financial third quarter (September to November) is dominated by campaign production. The processing of raw materials in terms of beet (Sugar segment), potato (Starch segment) and apple (Fruit segment) has been very satisfactory thus far. In the Fruit segment, the good volume of the 2022 apple campaign will lead to continued strong results in the fruit juice concentrate business in the coming months. The capacity utilisation of the beet sugar factories is lower in this campaign than in the previous year due in part to reduced beet volumes caused by drought. In the next season as well, beet prices are expected to be at a level attractive to farmers.

High ethanol quotations in the first half of 2022|23 and good results in wheat gluten were the main reasons for a good EBIT performance in the Starch segment in the first three quarters. However, the ethanol price trend in the third quarter was clearly downward and the Platts quotations in the weeks ahead will therefore be a key factor for the segment’s results in the rest of the financial year.

As an industrial food processor, the Group has no higher priority this year than ensuring continuity of supply to our customers and the energy and processing security that this requires. The use of extra light heating oil alongside natural gas, and the requisite conversion of systems in the relevant sugar and starch factories, have been effective to date. We have also learned to deal even better with the new realities in energy markets and have managed the extreme price volatilities in this sphere well.

Employing extra light heating oil to secure production continuity in the short term does not detract from our long-term sustainability measures. The great lengths to which we are going in the quest for sustainability that is so crucial for the future are reflected, for example, in the fact that in the third quarter of 2022|23, we submitted our targets for reducing greenhouse gas emissions along the value chain to the Science Based Targets initiative (SBTi), a non-governmental organisation, for verification of the targets’ compliance with the Paris Climate Agreement. In order to be able to meet the growing environmental challenges and the high ambitions for emission reduction, the responsibility for sustainability, which previously resided with the whole Management Board, was defined as a separate, Management-Board-level brief in November 2022 that is now the responsibility of CTO Norbert Harringer. In December 2022, for the first time, AGRANA issued an ESG-linked Schuldscheindarlehen (a loan with bond-like characteristics also known as a promissory note loan). Investor demand was so high that the originally planned deal size of € 100 million was increased to € 235 million. This funding instrument will be a major building block for securing the AGRANA Group’s medium-term liquidity in a challenging environment.

In the current, fourth quarter and in the next financial year, volatile markets both on the purchasing and sales sides will continue to demand our sustained close attention and careful management. However, we are confident that we can achieve our long-term goals and short-term targets. In the latter context, we reaffirm the financial outlook for the full 2022|23 financial year; Group EBIT is expected to increase very significantly (by more than 50%). Operating profit before exceptional items and results of equity-accounted joint ventures is forecast to grow significantly (i.e., by more than 10% and up to 50%).

Looking back at 2022 after another challenging calendar year, we would like to thank all our partners, customers, suppliers, employees and other stakeholders for the good things accomplished together. A special thank-you goes to our colleagues in Ukraine for their extraordinary efforts and dedication.

For 2023 we wish you all the best, good health and, above all, a peaceful year.

The Management Board team of AGRANA Beteiligungs-AG

Markus Mühleisen
Chief Executive Officer

Ingrid-Helen Arnold

Stephan Büttner

Norbert Harringer

Group report

AGRANA Group results for the first three quarters of 2022|23

Revenue and earnings

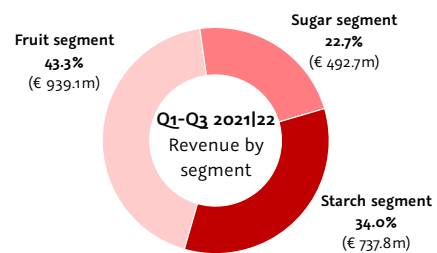
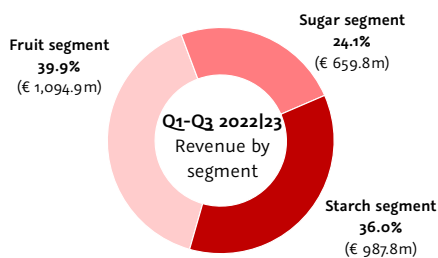
Consolidated income statement (condensed)	Q1–Q3 2022 23	Q1–Q3 2021 22
€m, except as otherwise indicated		
Revenue	2,742.5	2,169.6
EBITDA ¹	210.8	156.7
Operating profit before exceptional items and results of equity-accounted joint ventures	121.6	68.7
Share of results of equity-accounted joint ventures	17.6	9.6
Exceptional items	(89.0)	(2.3)
Operating profit (EBIT)	50.2	76.0
EBIT margin	1.8%	3.5%
Net financial items	(18.5)	(11.2)
Profit before tax	31.7	64.8
Income tax expense	(26.3)	(20.0)
Profit for the period	5.4	44.8
Attributable to shareholders of the parent	(0.7)	44.3
(Loss)/earnings per share (€)	(0.01)	0.71

Consolidated income statement (condensed)	Q3 2022 23	Q3 2021 22
€m, except as otherwise indicated		
Revenue	950.2	745.2
EBITDA ¹	69.6	62.7
Operating profit before exceptional items and results of equity-accounted joint ventures	35.1	27.7
Share of results of equity-accounted joint ventures	4.0	3.5
Exceptional items	0.0	0.0
Operating profit (EBIT)	39.1	31.2
EBIT margin	4.1%	4.2%
Net financial items	(8.3)	(4.1)
Profit before tax	30.8	27.1
Income tax expense	(8.5)	(9.4)
Profit for the period	22.3	17.7
Attributable to shareholders of the parent	20.8	16.4
Earnings per share (€)	0.33	0.26

In the financial first three quarters of 2022|23 (the nine months ended 30 November 2022), **revenue** of the AGRANA Group was € 2,742.5 million, up significantly from the same period one year earlier, with the growth coming primarily from adjusted prices in all segments, as well as from higher sales volumes in the Sugar segment.

Operating profit (EBIT) was € 50.2 million in the first three quarters of 2022|23, a considerable decrease from the year-ago level of € 76.0 million. The decline in EBIT was due to a net exceptional items expense of € 89.0 million (Q1–Q3 prior year: net expense of € 2.3 million) as a result of impairment losses on assets and goodwill in the Fruit segment in the second quarter. Further details on exceptional items can be found in the Fruit segment report (page 8). In the Fruit segment, the impairment resulted in an EBIT loss of € 51.6 million (Q1–Q3 prior year: positive EBIT of € 36.2 million).

The segment's operating performance excluding exceptional items was stable. Meanwhile, the excellent ethanol business in the first half of the year drove a significant rise in Starch segment EBIT to € 67.1 million (Q1–Q3 prior year: € 53.5 million). The Sugar segment returned to profit thanks to higher margins and sales volumes than in the prior year, delivering EBIT of € 34.7 million (Q1–Q3 prior year: EBIT loss of € 13.7 million). The Group's **net financial items** amounted to an expense of € 18.5 million (up from a € 11.2 million net expense in the year-earlier period) due primarily to an adverse change in currency translation differences. After an income tax expense of € 26.3 million, corresponding to a tax rate of 83.0% (Q1–Q3 prior year: 30.9%), the Group's **profit for the period** was € 5.4 million (Q1–Q3 prior year: profit for the period of € 44.8 million). **Earnings per share** attributable to AGRANA shareholders decreased to a deficit of € 0.01 (Q1–Q3 prior year: profit of € 0.71).



Investment¹

In the first three quarters of 2022|23, AGRANA invested € 59.2 million, or € 9.1 million more than in the year-earlier comparative period. Capital expenditure by segment was as follows:

Investment €m, except %	Q1-Q3 2022 23	Q1-Q3 2021 22	Change
Fruit segment	20.5	19.2	6.8%
Starch segment	13.2	14.0	-5.7%
Sugar segment	25.5	16.9	50.9%
Group	59.2	50.1	18.2%

In addition to the regular projects for product quality improvement, asset replacement and maintenance across all production sites, the following individual investments are worthy of note:

Fruit segment

- Acquisition of new stainless steel containers, for asset replacement and capacity expansion in Mitry-Mory, France
- Installation of new facilities for product diversification ("brown" flavours²) in Jacona, Mexico
- Completion of the application laboratory in Dachang, China

Starch segment

- Measures to increase specialty corn (maize) processing in Aschach, Austria

- Expansion of the company wastewater treatment plants in Aschach and Gmünd, Austria
- Enhancing flexibility in the energy sources used, in order to safeguard production at all sites

Sugar segment

- Replacement of three white sugar centrifuges in Tulln, Austria
- Replacement of the evaporators in Sereď, Slovakia, to reduce energy consumption
- Renewal of the evaporation station in Opava, Czech Republic, to save energy
- Conversion of the packaging plants in Buzău, Romania

Additionally, in the first three quarters, € 12.0 million (Q1-Q3 prior year: € 12.6 million) was invested in the equity-accounted joint ventures (the HUNGRANA and STUDEN groups and Beta Pura GmbH; values given for these entities represent the totals rather than AGRANA's proportion of ownership).

Energy

The necessary measures to be able to use extra light heating oil were successfully implemented at AGRANA's Austrian sites. Burners and storage tanks were installed and the required quantities of extra light oil were contracted. In combination with the purchased amounts of natural gas, the use of extra light heating oil ensures the security of the energy supply, especially during the campaign, and also provides price stabilisation. Increasingly, in addition to the physical hedges, appropriate financial derivatives are used to hedge prices and thus counter the ongoing high volatility.

¹ Investment represents purchases of property, plant and equipment and intangible assets, excluding goodwill.

² "Brown" flavours include, for example, chocolate, caramel, toffee and nougat.

Cash flow

Consolidated cash flow statement (condensed)	Q1–Q3 2022 23	Q1–Q3 2021 22	Change
€m, except %			
Operating cash flow before changes in working capital	205.3	150.0	36.9%
Changes in working capital	(239.9)	(67.1)	–257.5%
Interest received and paid and income tax paid, net	(18.6)	(22.4)	17.0%
Net cash (used in)/from operating activities	(53.2)	60.5	–187.9%
Net cash (used in) investing activities	(51.0)	(41.1)	–24.1%
Net cash from/(used in) financing activities	73.8	(19.7)	474.6%
Net (decrease) in cash and cash equivalents	(30.4)	(0.3)	–10,033.3%
Effects of movement in foreign exchange rates and hyperinflation adjustments on cash and cash equivalents	1.0	(2.2)	145.5%
Cash acquired in initial consolidation of subsidiaries	0.0	0.9	–100.0 %
Cash and cash equivalents at beginning of period	103.6	111.0	–6.7%
Cash and cash equivalents at end of period	74.2	109.4	–32.2%

Operating cash flow before changes in working capital increased to € 205.3 million in the first nine months of 2022|23 (Q1–Q3 prior year: € 150.0 million), due mainly to the better operating performance combined with high non-cash impairment charges. After a mainly inventory-driven, much larger increase of € 239.9 million in working capital than one year earlier (Q1–Q3 prior year: increase of € 67.1 million), net cash used in operating activities in the first three quarters of 2022|23 was € 53.2 million (Q1–Q3 prior year: net cash from operating activities of € 60.5 million). Net cash used in investing activities rose to € 51.0 million (Q1–Q3 prior year: net cash use of € 41.1 million) as a result primarily of lower proceeds from the disposal of non-current assets and higher payments for purchases of property, plant and equipment and intangibles. With a moderately lower dividend payment, a significant year-on-year increase in current borrowings led to a net cash inflow of € 73.8 million from financing activities (Q1–Q3 prior year: net cash outflow of € 19.7 million).

Financial position

Consolidated balance sheet (condensed)	30 Nov. 2022	28 Feb. 2022	Change
€m, except % and pp			
ASSETS			
Non-current assets	1,032.6	1,134.9	-9.0%
Of which intangible assets, including goodwill	115.2	204.6	-43.7%
Of which property, plant and equipment	805.5	828.2	-2.7%
Current assets	1,928.1	1,508.7	27.8%
Of which inventories	1,188.0	864.1	37.5%
Of which trade receivables	508.3	398.5	27.6%
Of which cash and cash equivalents	74.2	103.6	-28.4%
Total assets	2,960.8	2,643.6	12.0%
EQUITY AND LIABILITIES			
Equity	1,263.3	1,281.5	-1.4%
Equity attributable to shareholders of the parent	1,203.2	1,224.5	-1.7%
Non-controlling interests	60.1	57.0	5.4%
Non-current liabilities	411.9	477.5	-13.7%
Of which borrowings	325.5	377.7	-13.8%
Current liabilities	1,285.6	884.6	45.3%
Of which borrowings	458.2	276.6	65.7%
Of which trade payables	632.1	440.1	43.6%
Total equity and liabilities	2,960.8	2,643.6	12.0%
Net debt	692.0	532.0	30.1%
Gearing ratio¹	54.8%	41.5%	13.3pp
Equity ratio	42.7%	48.5%	-5.8pp

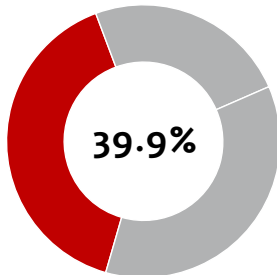
Total assets, at € 2.96 billion as of 30 November 2022, were up significantly from the 2021|22 year-end balance sheet date, and the equity ratio was 42.7% (28 February 2022: 48.5%). The value of non-current assets decreased moderately to € 1,032.6 million due to impairment of assets and goodwill in the Fruit segment. Current assets increased significantly to € 1,928.2 million, with a rise both in inventories (for seasonal reasons and due to the rise in raw material and energy costs) and trade receivables. Non-current liabilities were reduced to € 411.9 million. Current liabilities, at € 1,285.6 million, rose significantly as a result of increased current borrowings and higher trade payables. Net debt as of 30 November 2022 stood at € 692.0 million, an increase of € 160.0 million from the year-end level of 28 February 2022. The gearing ratio at the quarterly balance sheet date was 54.8% (28 February 2022: 41.5%).

At the beginning of December 2022, AGRANA Beteiligungs-AG for the first time issued an ESG-linked Schuldschein-darlehen (SSD) in the euro capital market (an SSD is a type of loan with bond-like characteristics). In response to the strong demand for the significantly oversubscribed issue, the initially planned deal size was expanded from € 100 million to € 235 million. The proceeds are used for general corporate financing purposes. The issue also helped to further diversify and optimise the investor and funding mix.

¹ Debt-equity ratio (ratio of net debt to total equity).

Fruit segment

Share of Group revenue



Financial results

Fruit segment €m, except %	Q1–Q3 2022 23	Q1–Q3 2021 22
Revenue	1,094.9	939.1
EBITDA ¹	71.5	69.5
Operating profit before exceptional items and results of equity-accounted joint ventures	38.3	38.5
Exceptional items	(89.9)	(2.3)
Operating (loss)/profit [EBIT]	(51.6)	36.2
EBIT margin	(4.7%)	3.9%

Fruit segment €m, except %	Q3 2022 23	Q3 2021 22
Revenue	367.4	305.7
EBITDA ¹	21.5	22.4
Operating profit before exceptional items and results of equity-accounted joint ventures	8.5	10.4
Exceptional items	0.0	0.0
Operating profit [EBIT]	8.5	10.4
EBIT margin	2.3%	3.4%

Fruit segment revenue in the first three quarters of 2022|23, at € 1,094.9 million, was significantly above the year-earlier level. Fruit preparations revenue rose for price reasons, while the increase in fruit juice concentrate revenue was additionally driven by volume.

Due to an impairment charge, the EBIT result was negative at a deficit of € 51.6 million, a very significant difference from the positive year-ago result. In addition to the ongoing war in Ukraine and the upheaval in energy and commodity markets, it was rapidly rising capital costs in particular that triggered an impairment test for the Fruit cash-generating unit in the second quarter of 2022|23. As a result of the test, non-cash impairment of € 91.2 million on assets and goodwill was determined and was recognised in exceptional items. Operationally, profitability in fruit preparations was significantly below that of one year earlier. The deterioration was attributable mainly to a mixed business performance in the Europe region (including Ukraine) and Asia-Pacific. In the fruit juice concentrate business, earnings rose very significantly thanks to improved contribution margins for apple juice concentrate from the 2021 and 2022 harvests. In addition, better contribution margins from berry juice concentrates and premium natural fruit flavourings known as FTNF (“from the named fruit”) flavours were factors in the EBIT growth. As well, in fruit juice concentrates, positive net exceptional items of € 1.4 million were recorded, as a large part of the write-downs recognised on receivables and inventories as of 28 February 2022 due to the war in Ukraine was already reversed since.

Market environment

The market environment for fruit preparations is determined by consumer trends in the global markets for dairy products, ice-cream and food service. The top trends continue to revolve around naturalness, health, pleasure, convenience and sustainability. At the same time, due to the economically challenging times, with high inflation and continually rising energy costs in many parts of the world, consumers are increasingly also focusing on affordability, with a tendency to limit themselves more to essential products. Broadly speaking, food is among the essential product categories, and demand for it is thus less negatively affected than other categories, such as leisure spending. Nevertheless, an effect on sales is noticeable in the food sector, too. Brand loyalty is declining in many places and consumers are more often reaching for products with promotional prices or for cheaper private label products. According to Nielsen market analyses from November 2022, volume gains for dairy products were made only in private label sales.

The fruit yoghurt market – the main market for fruit preparations – is being negatively affected by the globally strained economic situation. Research by Euromonitor in October 2022 showed a 1.9% decline in sales volumes worldwide in the 2022 calendar year. For 2023, the

market is expected to recover and grow slightly. According to Euromonitor (November 2022), the global ice cream market expanded by 1.0% in the 2022 calendar year and is projected to grow faster than that (at 1.6%) in 2023. In the food service segment, the main important markets served by AGRANA Fruit are quick service restaurants (QSR) and coffee and tea shops. These two sectors recovered quickly after the pandemic-driven loss of sales and showed growth rates in 2022 of about 7% and 18%, respectively.

In fruit juice concentrates, the Group recorded high customer call-offs of apple juice concentrate in the first nine months of 2022|23. Amid good market demand, the contracts for apple juice concentrate made from the 2022 crop were concluded at contribution margins well above those of the prior year.

For the bulk of the berry juice concentrate volumes produced from the 2022 harvest, contracts were already signed with customers. These contracts augur an improvement in contribution margins relative to one year earlier.

Raw materials and production

The purchasing of fruits from the 2022 crop, for processing in this financial year and next year, was largely completed in the third quarter of 2022|23. Overall in the reporting period, about 265,000 tonnes of raw materials were procured for the fruit preparations activities.

For the fruit preparations business, the harvest of strawberry, the principal fruit, was already completed in July in all relevant procurement markets. The planned volume requirement was fully contracted, in the production regions with Mediterranean climate zones such as Egypt, Morocco and Spain as well as in Mexico

and China. Average purchase prices were above the previous year's level, due mostly to higher production costs on the supplier side. From August on, strawberry planting for the next crop (to be harvested from the end of November 2022 to January 2023) began in the regions with a Mediterranean climate. Good raw material availability and prices below the level of the previous harvest in 2022 are expected due to acreage expansions.

The raspberry harvest went well and was significantly above the weak last crop year (2021) in terms of volume. Despite the armed conflict in Ukraine, the planned purchase volumes were successfully contracted and delivered to the European plants. Prices remained volatile at a high absolute level, with a slight downward trend.

Prices for tropical fruits from the Asian and South American growing regions increased compared to the prior year, due mainly to globally high freight rates. For the pineapple harvest started in the third quarter, there are signs of good raw material availability with declining prices.

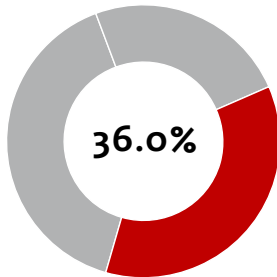
Energy costs in the fruit preparations business were very significantly higher in the first three quarters of 2022|23 than one year earlier. It was primarily the gas and electricity supply of the European production sites that became more expensive.

In the fruit juice concentrate activities, AGRANA was able to attain the processing volumes expected, thanks to good availability both of apples and red berries (an industry term that includes strawberries, raspberries, black and red currants, sour cherries, chokeberries and elderberries).

Lower apple availability in Hungary was largely made up for by a better supply in Poland.

Starch segment

Share of Group revenue



Financial results

Starch segment €m, except %	Q1-Q3 2022 23	Q1-Q3 2021 22
Revenue	987.8	737.8
EBITDA ¹	94.8	79.4
Operating profit before exceptional items and results of equity-accounted joint ventures	59.1	43.5
Share of results of equity-accounted joint ventures	8.0	10.0
Operating profit [EBIT]	67.1	53.5
EBIT margin	6.8%	7.3%

Starch segment €m, except %	Q3 2022 23	Q3 2021 22
Revenue	332.5	261.0
EBITDA ¹	20.6	33.4
Operating profit before exceptional items and results of equity-accounted joint ventures	9.6	21.4
Share of results of equity-accounted joint ventures	0.8	3.1
Operating profit [EBIT]	10.4	24.5
EBIT margin	3.1%	9.4%

Starch segment revenue in the first three quarters of 2022|23 was € 987.8 million and thus grew significantly from one year earlier. With demand restrained compared to the previous year, the extreme increases in raw material and energy prices led to significantly higher

manufacturing costs, which AGRANA was partly able to pass on in sales prices. A big driver of the revenue growth in the first nine months of 2022|23 was the rise in ethanol prices (which are based on Platts quotations) compared to the same period last year. This financial year, volatility in ethanol markets is extremely high. From a peak of over € 1,300 per cubic metre in the first half of 2022|23, ethanol prices have fallen substantially since the end of the summer and were only between € 700 and € 800 per cubic metre in November 2022.

At € 67.1 million, EBIT in the Starch segment was up significantly year-on-year. The wheat gluten business performed very well. The earnings contributed by the equity-accounted HUNGRANA group declined from € 10.0 million to € 8.0 million. Weighing on the result were historic high corn prices in Hungary (due in part to local crop failures) and the increased energy prices.

Market environment

In the first three quarters of 2022|23, the COVID-19 pandemic, which dominated world and economic events for the last two years, faded into the background. It was eclipsed by the outbreak of war in Ukraine in late February 2022, which wrought dramatic and lasting changes in the economic environment.

Raw material and energy costs reached unprecedented levels, which meant that, for the first time, current annual contracts with customers had to be revisited intra-year. In very demanding but also constructive rounds of negotiations, the goal was to pass on cost increases as far as possible. As well, the use of shorter contract terms and the desire of many customers to stock up as early as possible for the coming year are factors determining market behaviour across all product segments.

Demand by the food industry for native and modified starches was stable at a high absolute level. The business done in liquid saccharification products was defined by a continuing shortage of production capacity in the European market.

The packaging paper industry is under mounting pressure from the drastic increase in energy costs. Passing through AGRANA's own high production costs to these customers is only possible to a limited extent. The European industry is increasingly at a disadvantage in exports of packaging paper.

Despite promising customer projects in technical starches, the uncertain economic situation is making conditions more difficult for product launches, which is

having a negative impact on demand for AGRANA Starch's intermediate products.

Volatility in the fuel alcohol market remains high. After strong quotations especially in the first quarter of 2022|23, the alcohol business was a major profit driver for the Starch segment until including the first half of the financial year. However, high prices for energy and raw materials are exerting continuous great pressure on the cost side. In addition, ethanol prices in Europe have fallen significantly since the end of summer 2022; the top reason is the considerable amount of imports, especially from Brazil and the USA. The forward prices for ethanol for 2023 have also declined accordingly. The food vs feed vs fuel debate that arose in the course of the grain price rally has eased again, since an energy crisis in Europe not only appeared more likely than a food crisis but has now, in fact, come to pass. Against this backdrop, the introduction of E10 in Austria in 2023 also seems more probable again.

Raw materials and production

World grain production in the 2022|23 grain marketing year (July to June) is estimated by the International Grains Council in its forecast of 17 November 2022 at 2.26 billion tonnes (or about 1.5% less than in the prior year), which falls short of expected consumption by around 17 million tonnes. Wheat production is forecast at 791 million tonnes (prior year: 781 million tonnes; estimated 2022|23 consumption: 784 million tonnes) and the projected production of corn is 1,166 million tonnes (prior year: 1,219 million tonnes; estimated 2022|23 consumption: 1,190 million tonnes). Total ending grain stocks are to ease by approximately 17 million tonnes to a new balance of 580 million tonnes.

Grain production in the EU-27 is estimated by Stratégie Grains at about 265 million tonnes (prior year: 290 million tonnes). Of this total, the soft wheat harvest is to account for about 126 million tonnes, down somewhat from the 2021 crop of 130 million tonnes. The 2022 corn harvest in the EU is expected to reach just under 51 million tonnes, a significant reduction from the prior year's crop of 70 million tonnes.

Quotations for corn and wheat on the Euronext Paris commodity derivative exchange initially rose sharply in the first months of the financial year, following the outbreak of the war in Ukraine. A slight downward trend has been observable since the beginning of September 2022, with prices of € 301 per tonne for corn and € 327 per tonne for wheat on 30 November 2022 still well above

the year-earlier comparable values of € 237 per tonne of corn and € 280 per tonne of wheat.

Potatoes

On 31 August 2022 the potato starch factory in Gmünd, Austria, began the processing of starch potatoes from the 2022 harvest (with contracts for about 220,000 tonnes of the raw material). Due to the persistent drought last summer, contract fulfilment by the growers is expected to reach about 96% of the contracted amount of starch potatoes. The average starch content of approximately 18.7% will represent a slight decrease from the prior year's 19.1%.

Corn and wheat

During the wet corn campaign at the corn starch factory in Aschach, Austria from the end of August to mid-December 2022, about 138,000 tonnes of wet corn was processed (prior year: about 131,000 tonnes). For the full financial year, the total corn processing volume at this facility is expected to reach about 455,000 tonnes (prior year: 482,000 tonnes).

At the plant in Pischelsdorf, Austria, approximately 87,000 tonnes of wet corn was processed from the end of August to mid-December 2022 (prior year: 105,000 tonnes). A combined total of 1.0 million tonnes of non-corn grains (wheat, organic wheat and triticale) and corn are to be used in this integrated biorefinery¹ in the full year 2022|23 (prior year: 1.1 million tonnes).

The raw material supply for the Austrian starch plants and the bioethanol facility for the 2022|23 financial year is almost fully secured. Raw material prices in the first three quarters of the financial year were higher than budgeted due to the significant increase in global and regional corn and wheat prices.

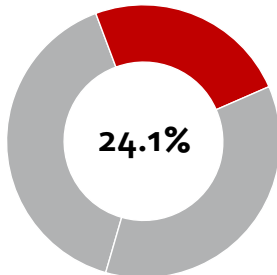
At the plant in Hungary (HUNGRANA), which is accounted for using the equity method, 123,000 tonnes of wet corn was processed from the middle of August to the middle of December 2022 (year earlier: 216,000 tonnes; quantities given for this joint venture represent the total rather than AGRANA's proportion of ownership). Persistent drought and heat had led to a corn crop failure in Hungary. Total corn processing at HUNGRANA in the full financial year is expected to reach 1.0 million tonnes (prior year: 1.1 million tonnes).

At the plant in Romania, total corn processing will come to about 76,000 tonnes, in line with the prior year.

¹ Facility combining wheat starch production with bioethanol production using corn, wheat, and B- and C-type starches from the wheat starch plant.

Sugar segment

Share of Group revenue



Financial results

Sugar segment €m, except %	Q1–Q3 2022 23	Q1–Q3 2021 22
Revenue	659.8	492.7
EBITDA ¹	44.5	7.7
Operating profit/(loss) before exceptional items and results of equity-accounted joint ventures	24.2	(13.3)
Share of results of equity-accounted joint ventures	9.6	(0.4)
Exceptional items	0.9	0.0
Operating profit/(loss) [EBIT]	34.7	(13.7)
EBIT margin	5.3%	(2.8%)

Sugar segment €m, except %	Q3 2022 23	Q3 2021 22
Revenue	250.3	178.5
EBITDA ¹	27.5	6.9
Operating profit/(loss) before exceptional items and results of equity-accounted joint ventures	17.0	(4.1)
Share of results of equity-accounted joint ventures	3.2	0.4
Exceptional items	0.0	0.0
Operating profit/(loss) [EBIT]	20.2	(3.7)
EBIT margin	8.1%	(2.1%)

The Sugar segment's revenue in the first three quarters of 2022|23, at € 659.8 million, was up significantly from one year earlier. The reasons were increased sales volumes

and, above all, significantly higher sugar selling prices. The sales price trajectory was very positive especially in the reseller business, but also in the industrial market; the upward price trend continued to strengthen since the new customer contracts took effect at the start of the sugar marketing year 2022|23 (1 October 2022).

The Sugar EBIT of € 34.7 million in the first three quarters of the financial year marked a pronounced improvement from the double-digit loss of the year-earlier period. It was due to significantly increased margins thanks to the improved sales price environment and rigorous cost management. For the AGRANA-STUDEN group, a joint venture, EBIT in the full 2022|23 financial year is expected to reach a historic high. Numerous reorganisation measures taken in the past and correct market decisions made in the current volatile market setting are reflected in the joint venture's already good EBIT for the first nine months of 2022|23. The positive net exceptional items of € 0.9 million were related to recoveries from ongoing tax proceedings in Romania.

Market environment

World sugar market

The sugar market, like all other commodity markets, is experiencing very high levels of uncertainty and volatility.

In its December 2022 estimate of the world sugar balance, the market research company IHS Markit (formerly F.O. Licht) predicts a deficit of 2.6 million tonnes of sugar – and thus a third deficit year in succession – for the sugar marketing year (SMY) 2021|22, which ran from 1 October 2021 to 30 September 2022. Despite rising production, this means a further reduction in sugar stocks given the also rising world sugar consumption.

For the new SMY 2022|23, IHS Markit expects a sugar surplus of 1.7 million tonnes. The further increase in projected production exceeds the forecast rise in global sugar consumption. Nonetheless, the ratio of stocks to consumption remains low.

Asia will continue to be the world's top sugar-producing region, followed by South America and Europe. Key determinants of the global supply situation are the production volumes and export capacity of India and Brazil.

At the end of the reporting period, white sugar quoted at US\$ 539.2 per tonne and raw sugar stood at US\$ 432.8 (year earlier: US\$ 484.2 and US\$ 410.0 per tonne, respectively).

EU sugar market

In the 2021|22 sugar marketing year, sugar production in the EU-27 countries was 16.7 million tonnes (prior year: 14.5 million tonnes), with a further slight reduction in planting area but increased yields per hectare.

For the current 2022|23 sugar marketing year, the European Commission in its October 2022 estimate predicts a further reduction of about 4% in acreage. As a result of the drought in important growing regions, the Commission also expects lower yields per hectare, leading to a decline in sugar production to 15.5 million tonnes. It can thus be assumed that sugar imports will continue to be needed to supply the EU.

According to EU price reporting, the average white sugar price in the EU reached € 512 per tonne in September 2022, at the end of the 2021|22 sugar marketing year, up by € 104 per tonne from September 2021. At the beginning of the new SMY 2022|23, the price increased significantly further. The latest published level from October 2022 was € 586 per tonne. Within the EU, there are significant regional price differences between the deficit and surplus regions.

Most analyst houses expect EU market prices to continue to rise sharply in the coming weeks and months, as, besides the relationship between supply and demand in the EU, adjusted selling prices will also have to reflect sugar producers' increased production costs (notably for energy and beet).

Raw materials and production

The area contracted by AGRANA with its growers for sugar beet production in the 2022 crop year was almost 72,000 hectares (prior year: around 86,000 hectares).

In retrospect, the growing conditions for sugar beet in 2022 can be described as average. A moist June was followed by dry summer months with above-average temperatures and little rain. Especially in eastern Lower Austria province, in Austria's Burgenland province and in large parts of the Hungarian and Romanian catchment areas, the prolonged drought caused significant yield losses in beet fields. A rainier September had a positive effect on yield. However, this was accompanied by a decrease in sugar content, so that the average sugar content remained largely below that of the prior year.

The total beet harvest will be approximately 4.8 million tonnes, including some 60,000 tonnes of organic beet grown in Austria. Beet yields in Austria, the most

important country for beet production, are about 80 tonnes per hectare.

The beet campaign in all factories started between the middle of September and early October 2022. By the beginning of December, 70% of the planned beet volume had already been processed. At 2.7 million tonnes, the largest portion is used at the two Austrian sites in Tulln and Leopoldsdorf.

Based on the current estimate of beet volume, capacity utilisation at the factories (over a campaign duration projected at 103 processing days) is expected to be lower than in last year's campaign. The plants in Roman, Romania, and Kaposvár, Hungary, are also processing around 40,000 tonnes of raw cane sugar during the beet campaign.

As of 29 December 2022¹, in the still ongoing contracting drive, contracts for beet production in 2023 have been concluded for a planting area of about 35,000 hectares in Austria to date.

The raw sugar refinery in Buzau, Romania, processed some 180,000 tonnes of raw sugar from the beginning of April to the end of October. In Bosnia and Herzegovina, the second raw sugar campaign has been running since the end of October 2022, with a planned volume of about 70,000 tonnes in the 2022|23 financial year. In total, approximately 270,000 tonnes of white sugar have already been produced in the two factories to date in this financial year.

At the site in Tulln, Austria, the operation of the molasses desugaring plant was suspended for cost reasons between mid-March and the end of October 2022.

In Tulln, the betaine crystallisation plant had to be shut down at the beginning of April 2022 due to a lack of raw materials.

The joint venture Beta Pura GmbH, Vienna, is currently not being supplied with raw materials by the joint venture partner and is experiencing financial difficulties. Work on a restructuring solution is underway with the bank that provided the financing.

¹ This interim statement was prepared by the Management Board of AGRANA Beteiligungs-AG on 29 December 2022.

Management of risks and opportunities

AGRANA uses an integrated system for the early identification and monitoring of risks that are relevant to the Group.

There are currently no known risks to the AGRANA Group's ability to continue as a going concern and no future risks of this nature are discernible at present.

A detailed description of the Group's business risks, including those related to the war in Ukraine, is provided on pages 84 to 92 of AGRANA's annual report 2021|22, and from page 22 of the notes to the interim consolidated financial statements in the half-year report 2022|23.

The suit for a fine filed in 2010 by the Austrian Federal Competition Authority (FCA) against AGRANA Zucker GmbH, Vienna, in the context of antitrust proceedings for alleged agreements in restraint of competition relating to Austria, was dismissed by the Vienna Cartel Court in May 2019. After the FCA referred the case to the European Court of Justice, the Austrian Supreme Court has now definitively ruled, in favour of AGRANA, that no antitrust violation occurred and that no fine shall be imposed on AGRANA.

Number of employees

Average full-time equivalents	Q1–Q3 2022 23	Q1–Q3 2021 22	Change
Fruit segment	5,826	5,812	0.2%
Starch segment	1,145	1,139	0.5%
Sugar segment	1,887	1,864	1.2%
Group	8,858	8,815	0.5%

In the first three quarters of 2022|23, the AGRANA Group employed an average of 8,858 full-time equivalents¹ (Q1–Q3 prior year: 8,815).

Significant events after the interim reporting date

No significant events occurred after the interim balance sheet date of 30 November 2022 that had a material effect on AGRANA's financial position, results of operations or cash flows.

Outlook

AGRANA Group €m	2021 22 Actual	2022 23 Forecast
Revenue	2,901.5	↑↑
EBIT	24.7	↑↑↑
Operating profit before exceptionals and JVs ¹	86.5	↑↑
Investment ²	82.4	111

↑↑ Significant increase ³

↑↑↑ Very significant increase ³

At **Group level** for the 2022|23 financial year, AGRANA expects a very significant increase in operating profit (EBIT). As well, both the Group's "operating profit before exceptional items and results of equity-accounted JVs" and revenue are projected to show significant growth.

Fruit segment €m	2021 22 Actual	2022 23 Forecast
Revenue	1,251.1	↑↑
EBIT	(15.8)	↓↓↓
Operating profit before exceptionals and JVs ¹	51.9	↓↓
Investment ²	37.4	42

↑↑ Significant increase ³

↓↓ Significant reduction ³

↓↓↓ Very significant deterioration ³

In the **Fruit segment**, AGRANA expects the full 2022|23 financial year to bring growth in revenue and a significant decrease in operating profit before exceptional items. EBIT will deteriorate very significantly as a result of the impairment charge recognised in the second quarter. In the fruit preparations business, revenue is expected to increase, while operating profit before exceptional items is forecast to decline. In the fruit juice concentrate activities, revenue is projected to rise significantly in 2022|23, with a further improvement in the earnings situation compared to the year before.

Starch segment €m	2021 22 Actual	2022 23 Forecast
Revenue	1,010.4	↑↑
EBIT	71.6	→
Operating profit before exceptionals and JVs ¹	57.9	→
Investment ²	24.3	33

↑↑ Significant increase ³

→ Steady ³

For the **Starch segment**, a significant increase in revenue is forecast for the 2022|23 financial year, driven primarily by higher sales prices. Although higher raw material and energy prices are weighing on profitability, full-year EBIT and "operating profit before exceptional items and results of equity-accounted joint ventures" are expected to be in line with the prior year thanks to the good ethanol performance in the first half of 2022|23 and the attractive results in wheat gluten.

Sugar segment €m	2021 22 Actual	2022 23 Forecast
Revenue	640.0	↑↑
EBIT	(31.1)	↑↑↑
Operating (loss)/profit before exceptionals and JVs ¹	(23.3)	↑↑↑
Investment ²	20.7	36

↑↑ Significant increase ³

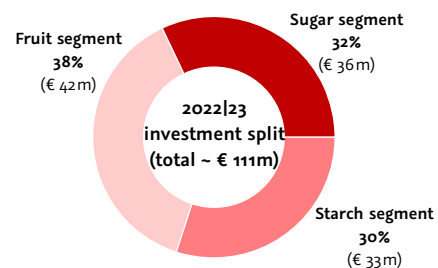
↑↑↑ Very significant improvement ³

In the **Sugar segment**, AGRANA projects revenue growth for 2022|23, mainly for price reasons. Despite higher energy costs and beet prices, a clearly positive and thus very significantly improved EBIT result is expected thanks to the considerably rising EU market prices and rigorous cost management.

This forecast is based on the assumptions that the war in Ukraine remains regionally limited, that the physical supplies of energy and raw materials are ensured and that the significantly risen purchasing prices especially for raw materials and energy can be passed on through adjusted customer contracts.

Investment

Total investment across the three business segments in the 2022|23 financial year, at approximately € 111 million, is to significantly exceed the 2021|22 level, but be below this year's budgeted depreciation of about € 120 million.



¹ Operating profit (or loss) before exceptional items and results of equity-accounted joint-ventures.

² Investment represents purchases of property, plant and equipment and intangible assets, excluding goodwill.

³ These quantitative terms as used in the Outlook section are defined as specific ranges of percentage change; see the definitions on page 17.

Other information

Financial calendar

17 May 2023	Results for full year 2022 23 (annual results press conference)
27 June 2023	Record date for participation in Annual General Meeting
6 July 2023	Results for first quarter of 2023 24
7 July 2023	Annual General Meeting in respect of 2022 23
12 July 2023	Ex-dividend date
13 July 2023	Record date for dividend
14 July 2023	Dividend payment date
12 October 2023	Results for first half of 2023 24
11 January 2024	Results for first three quarters of 2023 24

Contacts

AGRANA Beteiligungs-AG

Friedrich-Wilhelm-Raiffeisen-Platz 1
1020 Vienna, Austria

Investor Relations

Hannes Haider
Phone: +43-1-211 37-12905 | Fax: +43-1-211 37-12926
E-mail: investor.relations@agrana.com

Corporate Communications/Public Relations

Markus Simak
Phone: +43-1-211 37-12084 | Fax: +43-1-211 37-12926
E-mail: info.ab@agrana.com

www.agrana.com

Interim statement for the first three quarters of 2022|23

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Friedrich-Wilhelm-Raiffeisen-Platz 1
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Forward-looking statements

This interim statement contains forward-looking statements, which are based on assumptions and estimates made by the Management Board of AGRANA Beteiligungs-AG. Although these assumptions, plans and projections represent the Management Board's current intentions and best knowledge, a large number of internal and external factors may cause actual future developments and results to differ materially from these assumptions and estimates. Some examples of such factors are, without limitation: negotiations concerning world trade agreements; changes in the overall economic environment, especially in macroeconomic variables such as exchange rates, inflation and interest rates; EU sugar policy; consumer behaviour; and public policy related to food and energy. AGRANA Beteiligungs-AG does not guarantee in any way that the actual future developments and actual future results achieved will match the assumptions and estimates expressed or made in this interim statement, and does not accept any liability in the event that assumptions and estimates prove to be incorrect.

THE QUANTITATIVE STATEMENTS AND DIRECTION ARROWS IN THE "OUTLOOK" SECTION OF THIS REPORT ARE BASED ON THE FOLLOWING DEFINITIONS:

Modifier	Visualisation	Numerical rate of change
Steady	→	0% up to +1%, or 0% up 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%

This interim statement has not been audited or reviewed. It was prepared by the Management Board of AGRANA Beteiligungs-AG on 29 December 2022.

For financial performance indicators not defined in a footnote, please see the definitions on page 204 of the annual report 2021|22.

AGRANA strives for gender-sensitive language in all its internal and external written documents, including in this interim statement. In the interest of readability, this document may occasionally use language that is not gender-neutral. Any gender-specific references should be understood to equally include all genders as the context permits.

As a result of the standard round-half-up convention used in rounding individual amounts and percentages, this interim statement may contain minor, immaterial rounding errors. No liability is assumed for misprints, typographical and similar errors.

This English translation of the interim statement is solely for readers' convenience and is not definitive. In the event of discrepancy or dispute, only the German version shall govern.