

# THE SÜDZUCKER GROUP PROFILE 2019



**SÜDZUCKER**



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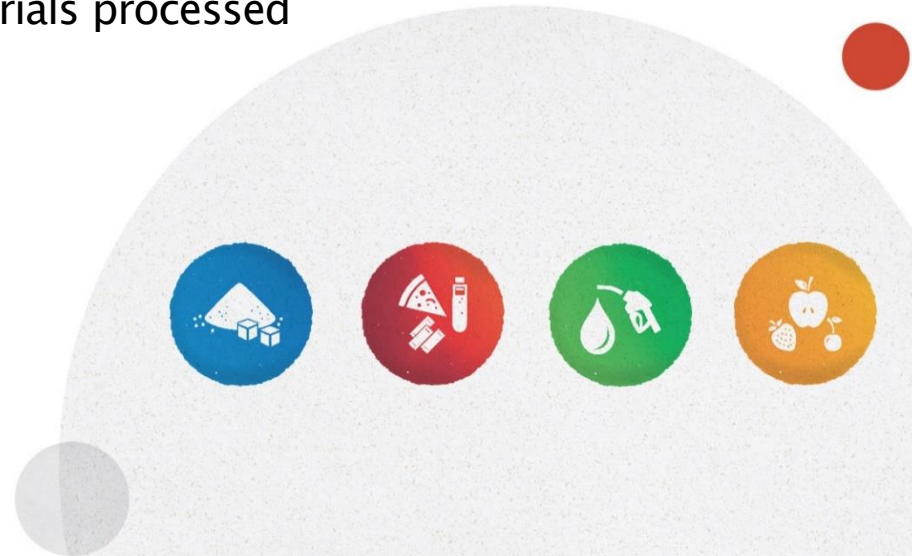
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# 1.1 Südzucker Group: Overview

- One of the most leading food industry companies
- Segments sugar, special products, CropEnergies and fruit
- In the traditional sugar business, the group is Europe's number one supplier of sugar products
- About 19,200 employees\*
- About € 6.8 billion annual revenues
- More than 100 production locations world-wide
- About 36 million tonnes of agricultural raw materials processed
- Sugar production: 4.7 million tonnes
- Fiscal year: 1 March to 28/29 February
- Member of the German SDAX®
- Formation 1926
- Legal form: stock corporation under German law

\* Based on full-time equivalents.



## 1.2 Südzucker Group: Segment overview

Sugar is our core business, yet Südzucker is more than sugar ...



28 sugar factories and  
2 refineries in  
Austria, Belgium,  
Bosnia,  
the Czech Republic,  
France, Germany,  
Hungary, Moldova,  
Poland, Romania,  
Slovakia

**Sugar  
segment**



BENEOL  
Freiberger  
PortionPack Europe  
Starch  
–  
28 production sites  
worldwide

**Special products  
segment**



Bioethanol  
–  
4 production sites  
in Belgium, France,  
Germany and  
Great Britain

**CropEnergies  
segment**



Fruit preparations  
Fruit juice concentrates  
–  
43 production sites  
worldwide

**Fruit  
segment**

## 1.3 Our strengths

- **Diversified** corporate structure, product portfolio, markets and employees.
- **Competent** large-scale processing of agricultural materials in various business sectors. Our expertise covers the entire value added chain – from our suppliers to our customers – including the associated logistics and use of our products. Our proficiency is based on our highly skilled, motivated employees, who embody our know-how, our experience and our innovation capability in production, distribution, sales and marketing and logistics.
- **Practice sustainability**, especially by using resource-friendly production methods and fully utilizing agricultural materials to the greatest extent possible.



## 1.4 Corporate strategy (I)

*Our aim is to grow profitably and sustainably boost shareholder value without compromising our ecological and social responsibilities.*

### ■ Adjustment of our sugar segment strategy

Given the continuing difficult market environment with production volumes increasing around the world, together with extremely low prices, we want to shift our focus in future to cost-effective delivery to customers throughout Europe and continued to grow our market share in this region.

In other words, exporting noteworthy sugar volumes to the rest of the world from our European facilities will in future be of secondary importance to Südzucker. This also means we have to adjust the company's production and administrative organizations.

Accordingly, we plan to close five factories in order to reduce our sugar production capacities by 700,000 tonnes and at the same time fully load the remaining plants. We will intensify other cost cutting measures along the entire value chain.

## 1.4 Corporate strategy (II)

Our group strategy continues to apply for all segments:

- **We focus on global megatrends**  
Expanding world population and rising incomes continuously increase demand for food and animal feed, as well as renewable energy. Trends toward alternative and functional food ingredients as well as convenience products are also strengthening. We continue to align our business segments with these trends.
- **We aim to grow market share in our business sectors**  
We want to have a leading position and/or expand in our target market sectors. Our aim here is to be number one or a strong number two.
- **We focus on our core competencies**  
Our core competencies are large-scale processing of agricultural raw materials and the associated logistics. Our aim is to continually advance our expertise to make completely use of all product flows and to increase value creation by engaging in intensive research.

## 1.4 Corporate strategy (III)

- **Our portfolio is diversified**

We maintain a reasonable risk exposure by diversifying our portfolio of products and services and spreading it out across a wide range of geographic locations. This will continue to be our approach.

- **We take advantage of synergies**

We aim to align our growth activities with our core competences so that we can tap synergies along the entire value chain. Here we focus especially on enhancing multipurpose sites, where we produce products for different segments.

- **Solid financing strategy**

We have a solid financing strategy. Our aim is to sustainably strengthen our ability to generate cash flow, nurture a strong relationship with our shareholders. The sound investment-grade rating ensures the access to international capital markets and banks.

## 1.4 Corporate strategy (IV)

### ■ Targeted value-oriented investments

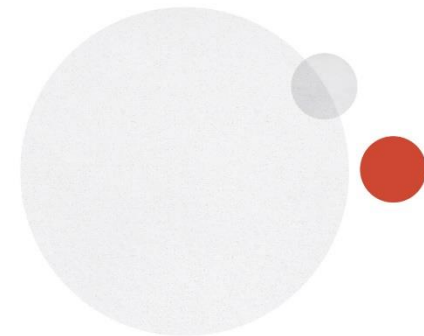
We will strengthen all of our divisions in order to secure future growth. The company's annual investment budget is used for replacing worn-out or obsolete equipment, expanding capacities and purchasing new equipment that extracts greater value from products. In addition, we will continue to press ahead with our internationalization strategy by continually evaluating acquisition opportunities.

### ■ Sustainability is integral part of our corporate strategy

Corporate management is committed to conducting business sustainably, whereby the key principle is to handle all of our resources carefully. No business is worth endangering the partnership with nature.

### ■ We support and foster our employees

Our various human resources policy measures aim to supporting the company's strategy and enable our employees to work successfully amid ever-changing conditions.

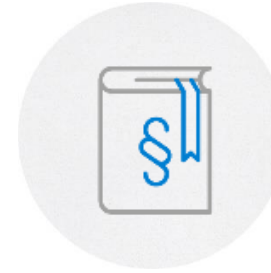
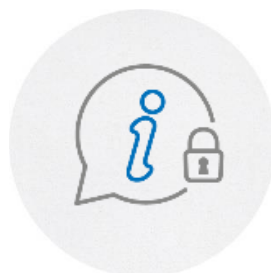


## 1.5 Our guiding principles

- We uphold integrity in business transactions.
- We produce high-quality, safe products.
- We treat our environment responsibly.
- We protect our information.
- We communicate fully, correctly and clearly.
- We treat our employees with fairness and respect.



Adhering to these guidelines and the rules of the code of conduct is a key component of the Südzucker's corporate image as a trustworthy, reliable partner.

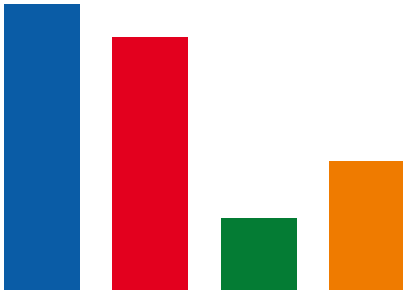


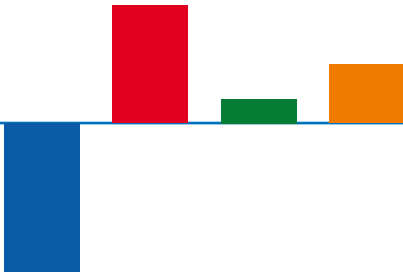
## 1.6 Südzucker Group: Figures

		2018/19	2017/18
<b>Revenues</b>	€ million	6,754	6,983
EBITDA	€ million	353	758
Depreciation on fixed assets and intangible assets	€ million	-326	-313
<b>Operating result</b>	€ million	27	445
Result from restructuring/special items	€ million	-810	20
Result from companies consolidated at equity	€ million	22	2
<b>Result from operations</b>	€ million	-761	467
EBITDA margin	%	5.2	10.8
Operating margin	%	0.4	6.4
Investments in fixed assets <sup>1)</sup>	€ million	379	361
Investments in financial assets/acquisitions	€ million	15	432
<b>Total investments</b>	€ million	394	793
Shares in companies consolidated at equity	€ million	390	370
Capital employed	€ million	6,072	6,650
Return on Capital Employed	%	0.4	6.7

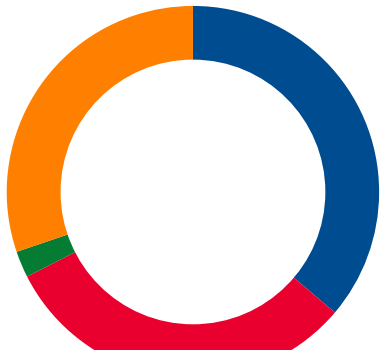
<sup>1)</sup> Including intangible assets.

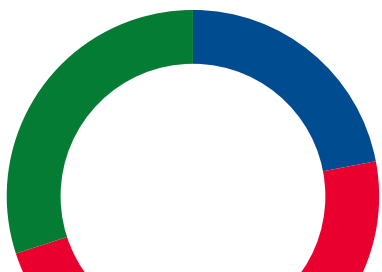
## 1.7 Südzucker Group: Segment figures

Revenues	%	€ million	2018/19	2017/18
	38.3	Sugar segment	2,588	3,017
	34.0	Special products segment	2,294	1,997
	10.3	CropEnergies segment	693	808
	17.4	Fruit segment	1,179	1,161
		<b>Group</b>	<b>6,754</b>	<b>6,983</b>

Operating result		€ million	2018/19	2017/18
		Sugar segment	-239	139
		Special products segment	156	158
		CropEnergies segment	33	72
		Fruit segment	77	76
		<b>Group</b>	<b>27</b>	<b>445</b>

## 1.8 Südzucker Group: Employees\*

Employees by segments	%	2018/19	2017/18	
	36.2	Sugar	6,950	7,034
	31.3	Special products	6,033	5,697
	2.3	CropEnergies	433	414
	30.2	Fruit	5,803	5,370
			19,219	18,515

Employees by region	%	2018/19	2017/18	
	22	Germany	4,260	4,185
	48	Other EU countries	9,185	8,913
	30	Non EU/other	5,774	5,417
			19,219	18,515

\* Based on full-time equivalents.

## 1.9 Executive board



**Dr. Niels Pörksen**  
(CEO)

- Sales
- Strategy
- Public relations
- Compliance
- Organisation/IT
- Audit
- Quality management



**Dr. Thomas Kirchberg**

- Agricultural commodities
- Production
- Research/development
- co-products
- Farms
- Human resources
- Convenience Food / Functional Food



**Thomas Kölbl**

- Finance/accounting
- Controlling
- Investor relations
- Legal issues
- Taxation
- Procurement of supplies and consumables
- Property/insurance
- Bioethanol (CropEnergies)



**Dipl.-Ing. Johann Marihart**  
(CEO of AGRANA  
Beteiligungs-AG)

- Sugar (AGRANA)
- Starch (AGRANA)
- Fruit

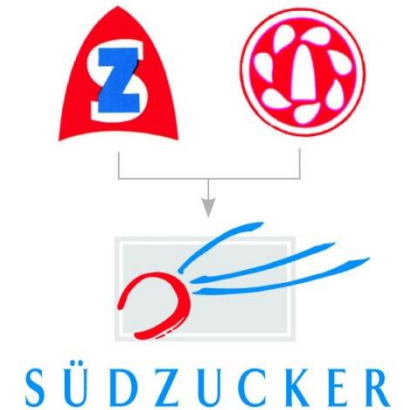
## 1.10 Supervisory board

- Chairman: Dr. Hans-Jörg Gebhard
- 2 Deputy chairmen: Franz-Josef Möllenberg and Erwin Hameseder
- 8 further shareholders' representatives
- 9 further employees' representatives
- Südzucker largely complies with the recommendations of the Government Commission “German Corporate Governance Code”



## 1.11 More than 175 years of tradition (I)

- 1837 Formation of the first sugar company of the later Südzucker
- 1926 1st merger: Süddeutsche Zucker-Aktiengesellschaft, Mannheim
- 1951 Formation of Zuckerfabrik Franken GmbH
- 1988 2nd merger: Südzucker Aktiengesellschaft Mannheim/Ochsenfurt
- 1989 Investment in AGRANA Beteiligungs-AG, Vienna
- 1989 Investment in Raffinerie Tirlemontoise S.A., Brussels
- 1991 Formation of Südzucker GmbH, Zeitz
- 1995 Formation of Schöller Holding GmbH & Co. KG, Nuremberg
- 1996 Acquisition of majority interest in Freiberger, Berlin
- 1996 Beginning investments in sugar division in Poland
- 1998 Acquisition of outstanding minority interests in Freiberger
- 2001 Acquisition of Saint Louis Sucre S.A., Paris / Sale of Schöller Holding
- 2003 Acquisition of 14 Silesian sugar factories



## 1.10 More than 175 years of tradition (II)

- 2003 Establishment of fruit division by AGRANA
- 2004 Worldwide expansion of fruit division
- 2005 Start of bioethanol production in Zeitz
- 2006 BENEÓ–Orafti factory in Chile starts production
- 2006 IPO for the Südzucker subsidiary CropEnergies (bioethanol) and European–wide expansion of the bioethanol division
- 2006 First joint venture with a leading apple juice concentrate producer in China
- 2007 Fruit preparations factory in Brazil starts production
- 2007 BENEÓ Group founded: Orafti, Palatinit and Remy functional food activities merged



## 1.10 More than 175 years of tradition (III)

- 2008 Bioethanol plant in Wanze, Belgium with an annual capacity of 300,000 m<sup>3</sup> starts production
- 2008 Bioethanol plant in Pischelsdorf, Austria with an annual capacity of 240,000 m<sup>3</sup> starts production
- 2009 Freiburger takes over the pizza production site in Osterweddingen
- 2010 New pizza factory starts up in Westhoughton, Great Britain
- 2010 CO<sub>2</sub> production facility starts up in Zeitz, Germany (joint venture)
- 2012 Investment in ED&F Man, a British commodities trading company
- 2012 Joint venture AUSTRIA JUICE GmbH
- 2013 CropEnergies builds a facility at the Zeitz site which will produce high-end food-grade rectified spirit

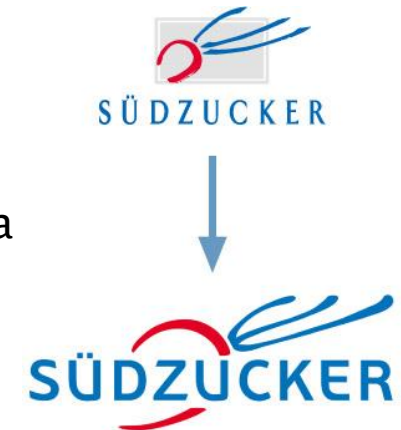


**ED&F  
MAN**

**AUSTRIA  
JUICE**

## 1.10 More than 175 years of tradition (IV)

- 2013 CropEnergies acquires UK bioethanol producer Ensus
- 2013 AGRANA opens wheat starch plant at site in Pischelsdorf, Austria
- 2014 Südzucker and Austrian shareholders increase participation in AGRANA Beteiligungs-AG
- 2014 AGRANA starts up fruit preparations plant in Lysander, New York, USA
- 2014 Introduction of new logo
- 2015 Change of the company's name to Südzucker AG
- 2015 Completion of renovation and new construction of headquarters in Mannheim
- 2016 Wheat starch factory in Zeitz starts operations
- 2016 Südzucker raises stake in ED&F Man to 35 % minus one share

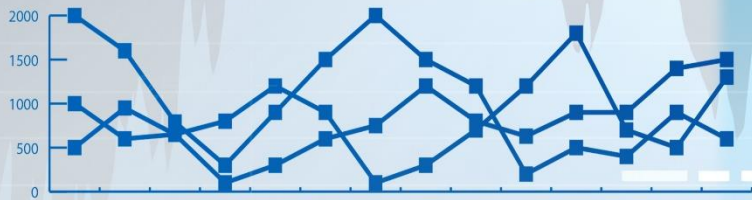


## 1.10 More than 175 years of tradition (V)

- 2016 AGRANA acquires Argentinian fruit preparations producer MAIN PROCESS S.A.
- 2017 Freiberger acquires German frozen pizza producer HASA GmbH
- 2017 AGRANA acquires fruit processing plant in India
- 2017 Freiberger acquires U.S. frozen and deli pizza producer Richelieu Foods
- 2018 AGRANA acquires stake in Algerian fruit preparations producer Elafruits SPA
- 2018 Südzucker and DouxMatok announce partnership
- 2018 PortionPack acquires British single portion items producer CustomPack Ltd.
- 2018 AGRANA signs joint venture agreement with US sugar producer The Amalgamated Sugar Company



# SÜDZUCKER SHARE



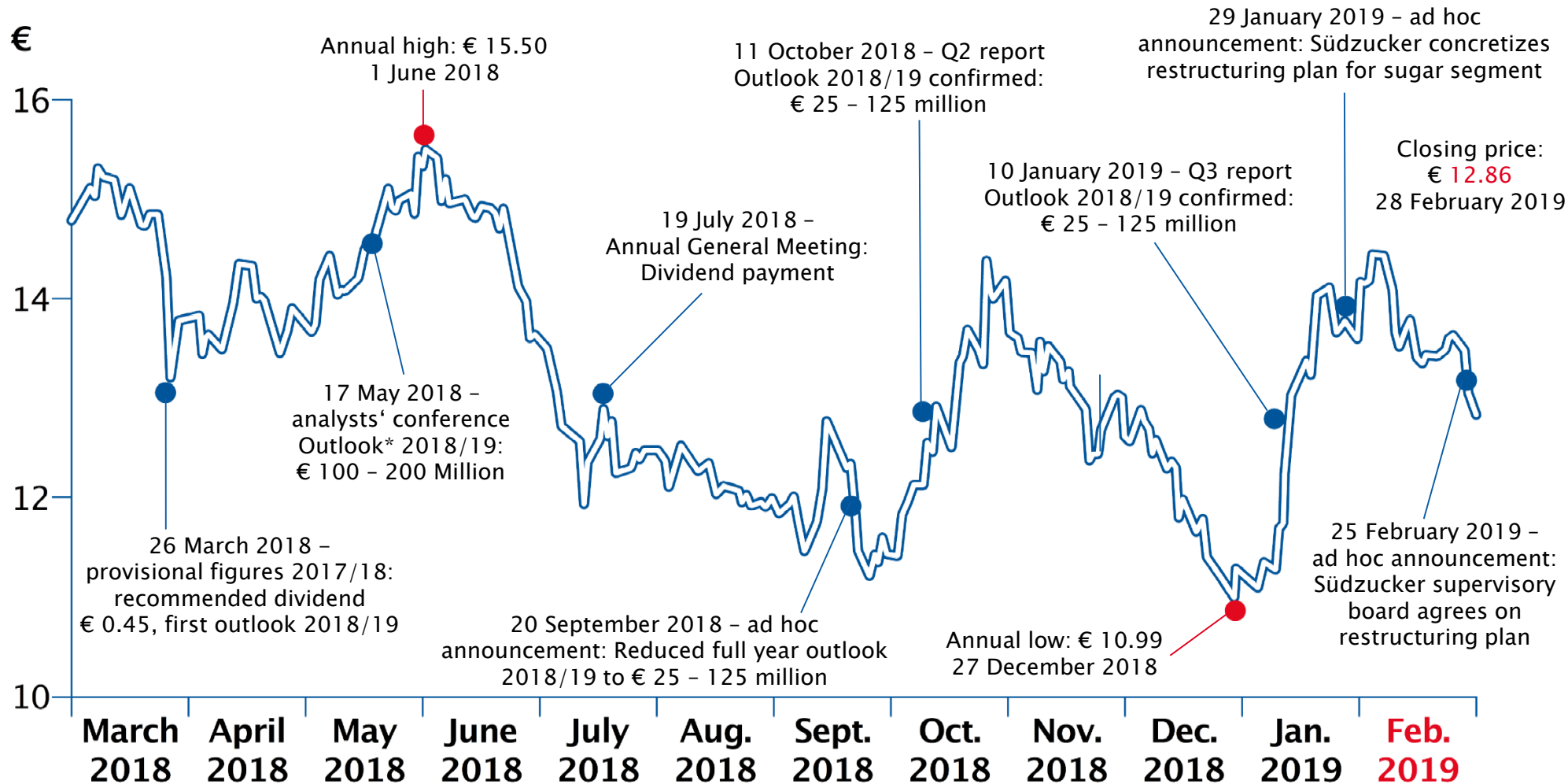
## 2.1 Südzucker share: Overview

		2018/19	2017/18
Market capitalization <sup>1)</sup>	€ million	2,625	3,014
Freefloat – market capitalization <sup>1)</sup>	€ million	892	1,025
Number of shares issued at € 1 <sup>1)</sup>	million shares	204.2	204.2
Xetra® closing price <sup>1)</sup>	€	12.86	14.76
High of the year (Xetra®)	€	15.51	24.27
Low of the year (Xetra®)	€	10.99	14.73
Average trading volume/day <sup>2)</sup>	thousand of shares	851	1,222
Cumulative trading turnover	€ million	2,832	5,575
SDAX® closing rate / previous year: MDAX® <sup>1)</sup>	points	10,805	26,275
Performance Südzucker share (1 Mar. to 28 Feb.) <sup>3)</sup>	%	-12.9	-37.2
Performance SDAX® / previous year: MDAX® (1 Mar. to 28 Feb.)	%	-11.0	12.5
Dividend <sup>4)</sup>	€/share	0.20	0.45
Dividend yield	%	1.6	3.0
Earnings per share	€	-4.14	1.00

<sup>1)</sup> Balance sheet date. <sup>2)</sup> Total daily trading volume on all German stock exchanges where the share is admitted for trading.

<sup>3)</sup> Südzucker total return index, considers share development and dividend distribution. <sup>4)</sup> 2018/19: Proposal.

## 2.2 Südzucker share: Share price movement



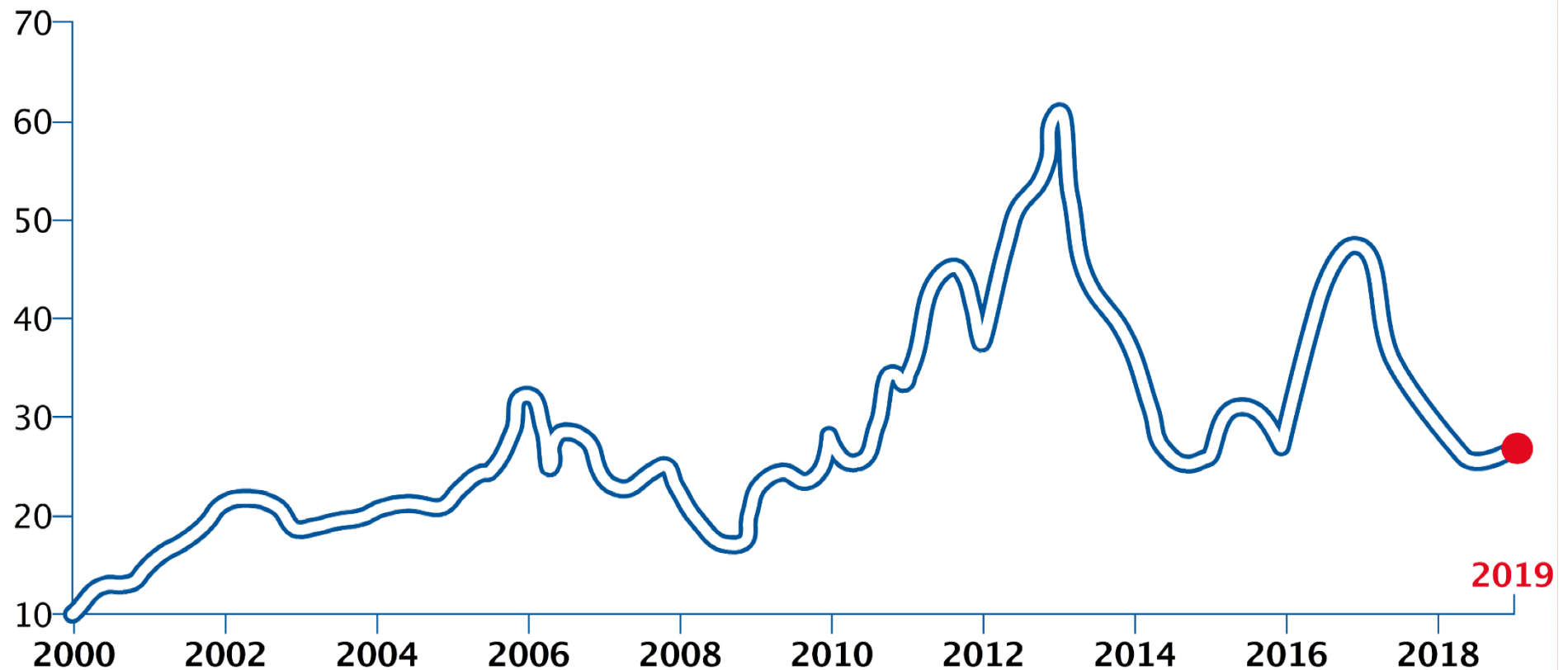
\* The outlook relates to the expected consolidated group operating result during the respective fiscal year.

The current share price movement can be found here: [www.suedzucker.de/en/Investor-Relations/Aktie/Aktueller-Aktienkurs/](http://www.suedzucker.de/en/Investor-Relations/Aktie/Aktueller-Aktienkurs/)

## 2.3 Südzucker share: Long-term performance

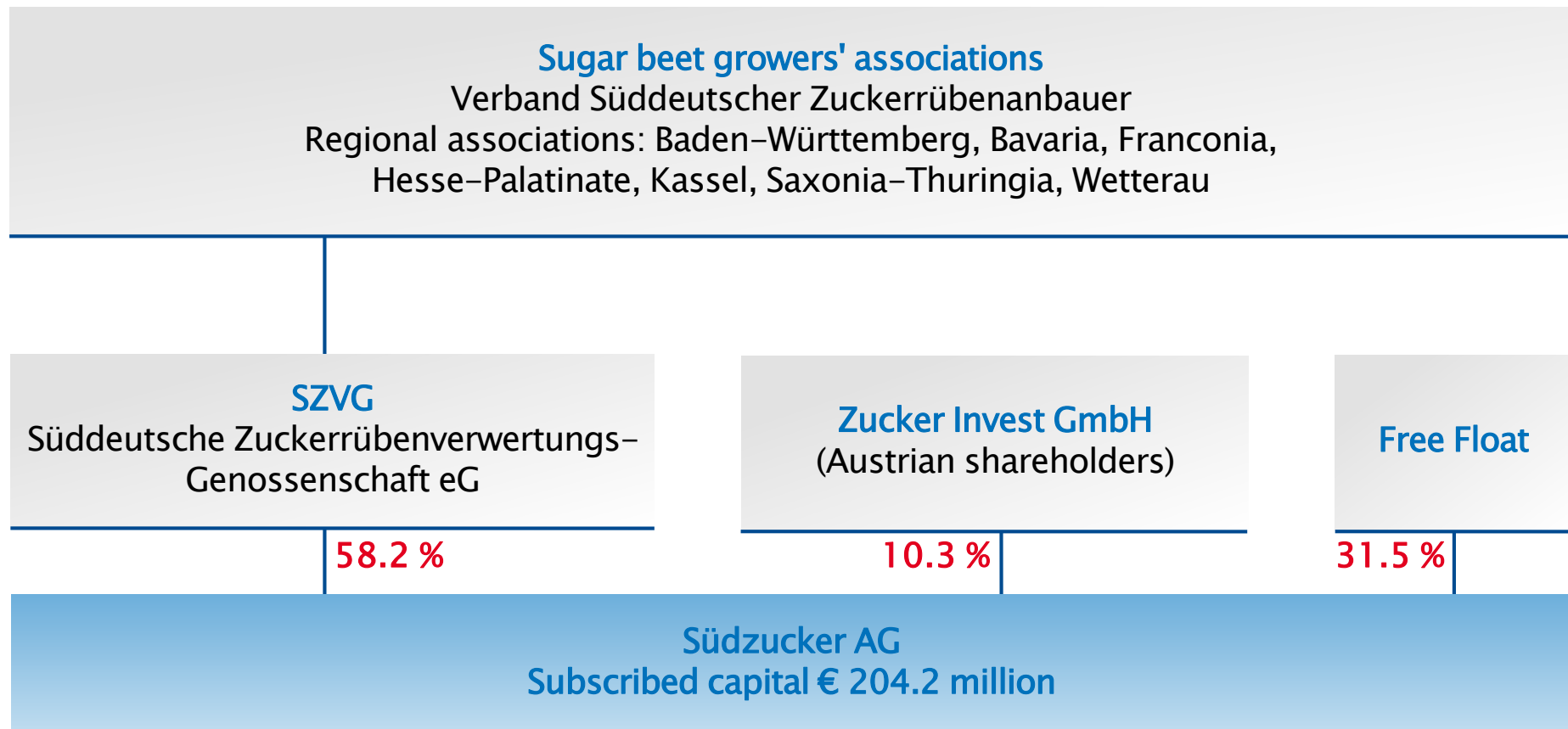
(assuming reinvestment of dividends\* and rights)

Fiscal year end value in € thousands



\* excluding tax credit.

## 2.4 Shareholder structure



Status at: 28 February 2019



# SUGAR SEGMENT



## 3.1 Sugar segment: Overview

The sugar segment produces and markets sugar, specialty sugar products and animal feed.

To the sugar segment belongs:

- Sugar production sites and refineries of
  - Südzucker AG – Germany
  - Südzucker Polska – Poland
  - Südzucker Moldova – Moldova
  - Raffinerie Tirlemontoise – Belgium
  - Saint Louis Sucre – France
  - AGRANA – Austria, Romania, Slovakia, the Czech Republic, Hungary, Bosnia
- ED&F Man
- Farming operations in Germany, Poland, Moldova and Chile
- Bodengesundheitsdienst
- Animal feed and other co-products
- Distributors in Greece, the United Kingdom, Israel, Italy and Spain
- Studen Group (including sugar production in Bosnia)
- Maxi S.r.l., an Italian marketing joint venture



## 3.2 Sugar segment: Figures

		2018/19	2017/18
<b>Revenues</b>	€ million	2,588	3,017
EBITDA	€ million	-102	278
Depreciation on fixed assets and intangible assets	€ million	-137	-139
<b>Operating result</b>	€ million	-239	139
Result from restructuring/special items	€ million	-769	24
Result from companies consolidated at equity	€ million	5	-28
<b>Result from operations</b>	€ million	-1,003	135
EBITDA margin	%	-3.9	9.2
Operating margin	%	-9.2	4.6
Investments in fixed assets <sup>1)</sup>	€ million	145	171
Investments in financial assets/acquisitions	€ million	2	2
<b>Total investments</b>	€ million	147	173
Shares in companies consolidated at equity	€ million	326	308
Capital employed	€ million	2,653	3,299
Return on Capital Employed	%	-9.0	4.2

<sup>1)</sup> Including intangible assets.

## 3.3 Sugar segment: Campaign 2018/2019

### ■ Group

29 sugar factories all over Europe (including the meanwhile closed plant Strzyżów, Poland)

2 refineries

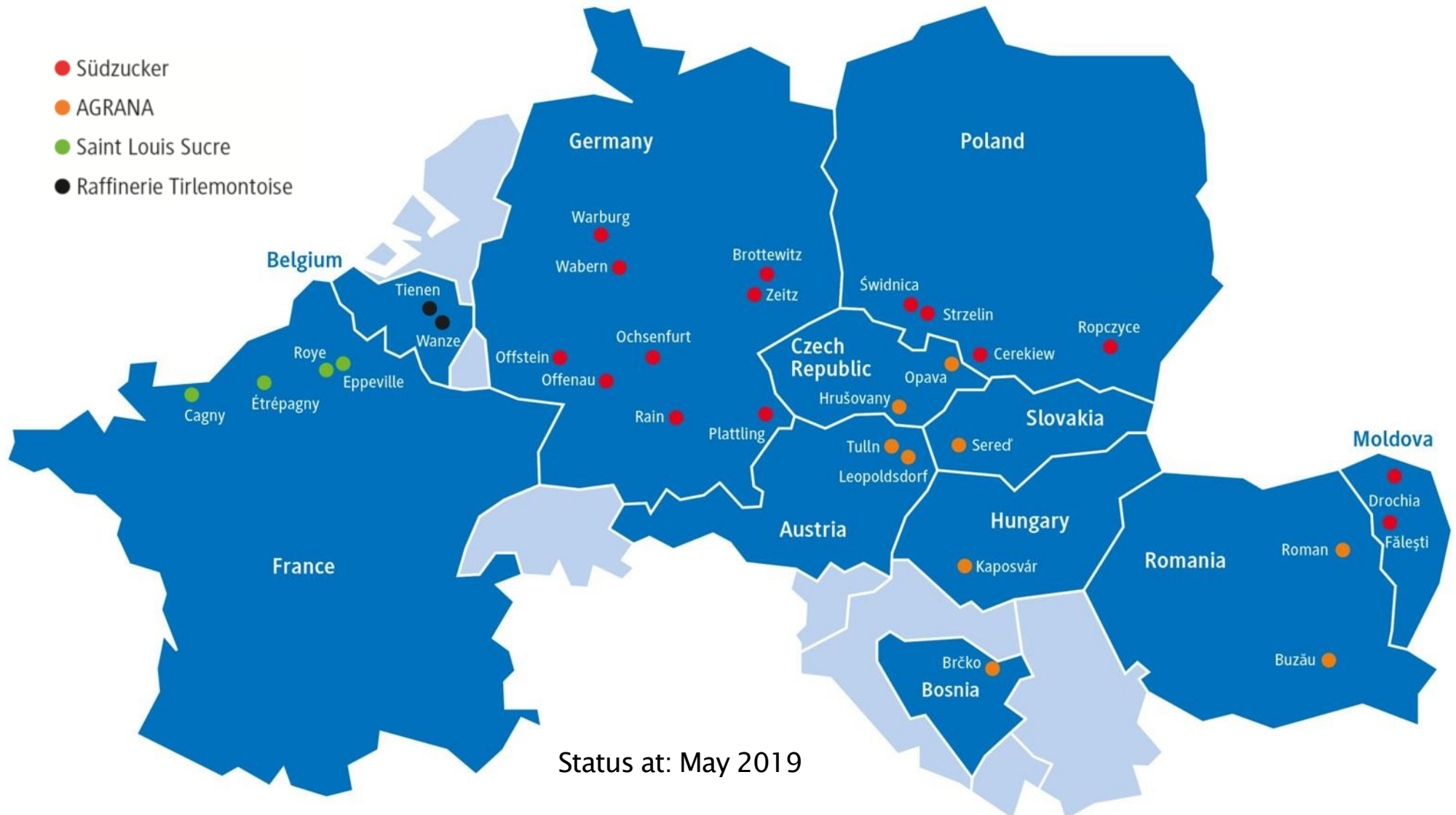
Cultivated area: 434,000 hectares

Beet processing: 29.3 million tonnes

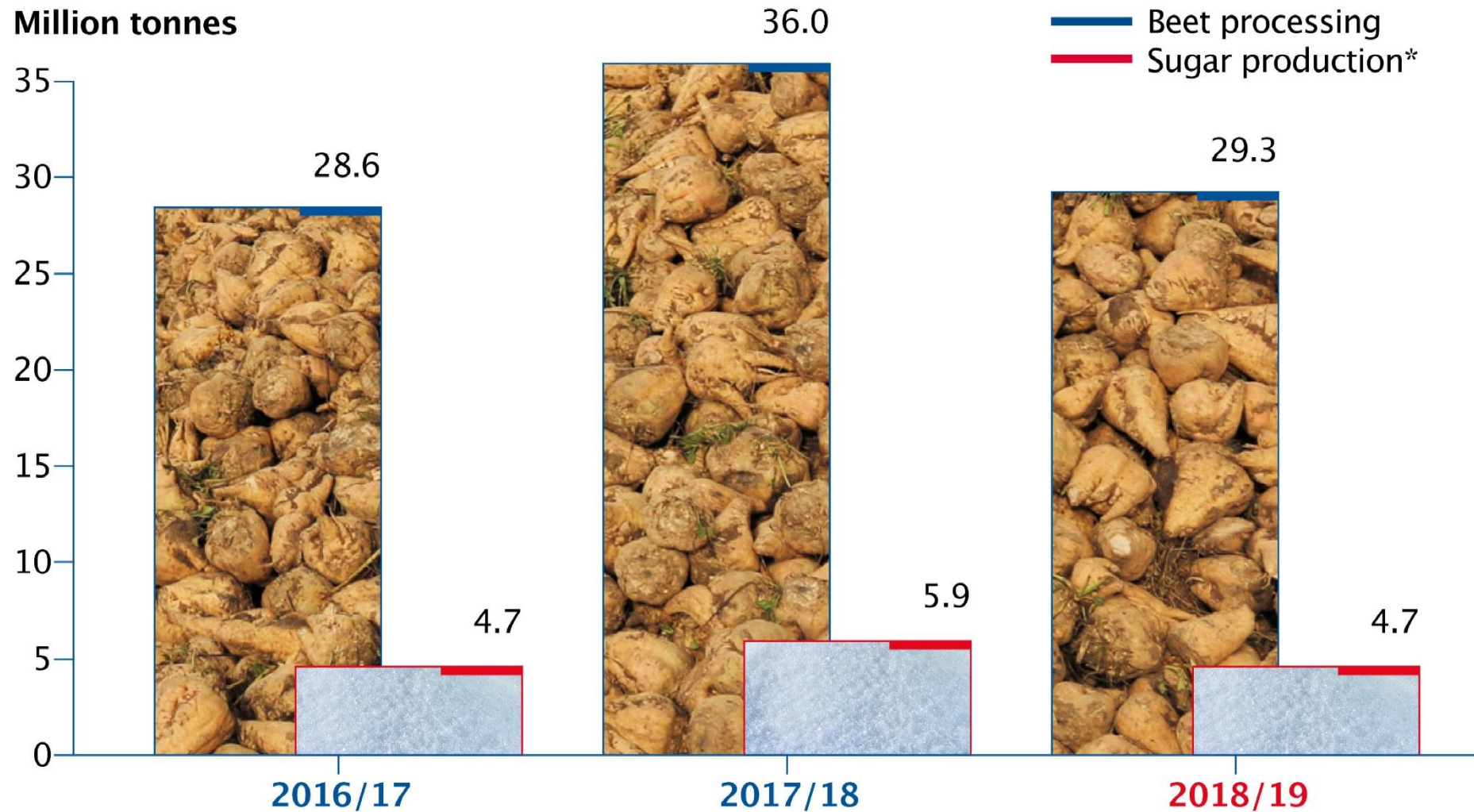
Total sugar production: 4.7 million tonnes  
(including raw sugar refining)



## 3.4 Sites of the sugar factories/refineries



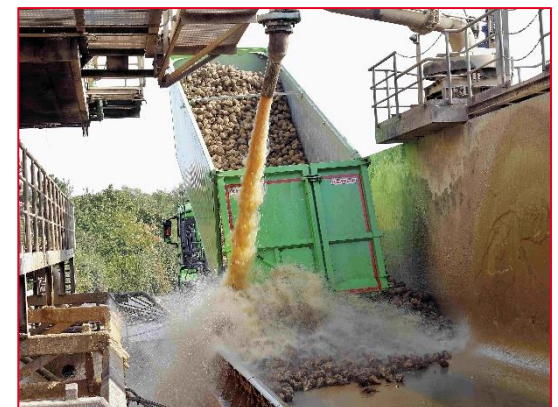
## 3.5 Beet processing/sugar production



\* Group, incl. raw sugar refinery.

## 3.6 Südzucker AG

- Founded 1926
- 9 sugar factories in Germany
- Processing capacity of the sugar factories: more than 100,000 tonnes of beet per day
- Products: wide assortment of sugar types for households and for the processing industries



## 3.6.1 Südzucker: Assortment for households

- Fein Zucker
- Feinster Zucker
- Feinster Back Zucker
- Puder Zucker
- Puder Zucker Mühle
- Hagel Zucker
- Brauner Zucker
- Würfel Zucker
- Glücks Zucker
- Gelier Zucker 1 plus 1
- Gelier Zucker 2 plus 1
- Gelier Zucker 3 plus 1
- Fix & Fruchtig Instant-Gelierzucker
- Einmach Zucker
- Bio Gelier Rohrzucker 1 plus 1
- Zucker Hut
- Kandissorten
- Arometti Fein Zucker mit Amaretto- oder Vanille-Geschmack
- Zucker Sticks
- Vanillin Zucker
- Sirup Zucker
- Bio Zucker (Rübenzucker)
- Bio Rohrzucker



### Fairtrade:

- Brauner Rohrzucker
- Brauner Würfel Rohrzucker
- Rohrzucker Sticks
- Weisser Rohrzucker



## 3.6.2 Südzucker: Assortment for processing industries

### Crystal

- Crystal sugar
- Extra white sugar
- Icing sugar
- Brown sugar
- Farin sugar
- Brown cane sugar
- Organic beet sugar
- Organic cane sugar

### Liquid

- Liquid sugar
- Invert sugar syrup
- Glucose syrup
- Organic invert sugar syrup
- Mixed syrups
- Fructose syrup
- Caramelized sugar syrup

### Specialities

- Fondant
- Organic fondant
- Glazes
- Nibs sugar
- Compri sugar
- Bee feed



## 3.7 Südzucker Polska

Südzucker Polska produces sugar at four factories in Cerekiew, Ropczyce, Strzelin and Świdnica. The Cukier Królewski brand has been known on the Polish market for 20 years. Its high quality has been recognized with awards from customers and also retail and industry specialists. Since 2018, Cukier Królewski has been communicating its local heritage with a “made with Polish beets from local farmers” logotype.



## 3.8 Südzucker Moldova

Südzucker Group established a foothold in Moldova in the mid-90s and now operates two sugar factories there.



## 3.9 Raffinerie Tirlemontoise

Raffinerie Tirlemontoise has been affiliated with Südzucker Group since 1989 and is market leader in Belgium.



## 3.10 Saint Louis Sucre

## SAINT LOUIS SUCRE

Saint Louis Sucre in France has been affiliated with Südzucker Group since 2001. The entity operates four sugar factories and three packaging plants.



## 3.11 AGRANA

AGRANA Zucker GmbH is the management company of the Austrian sugar division and also serves as a holding company for the subsidiaries in Bosnia, Bulgaria, the Czech Republic, Hungary, Romania and Slovakia.

AGRANA offers gastronomy and industrial customers a wide range of tailor-made sugar products – from conventional to organic farming.



## 3.12 ED&F Man Holdings Ltd.

Stake of Südzucker in British commodities trading company ED&F Man: 34.56 %

- About ED&F Man:
  - Founded 1783
  - 6,000 employees in 60 countries
  - Headquarters in London
  
- Operations:
  - Sugar: Trading as well as participations in production and refining capacities
  - Marketing of coffee, molasses, pulses
  - Cargo shipping
  - Financial services



## 3.13 Farms

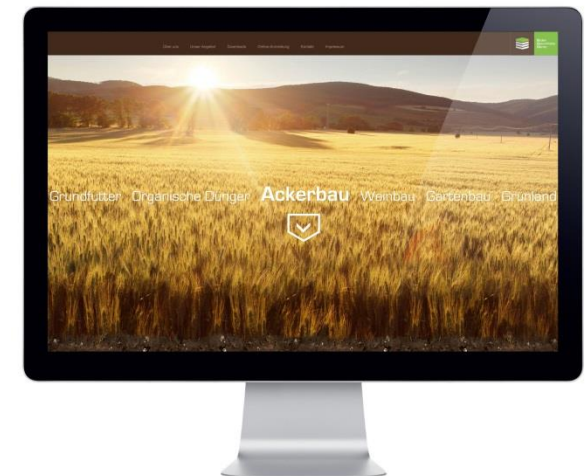
Since its founding Südzucker manages its own farming operations in Germany, Poland, Moldova and Chile close to its production sites:

- Cultivation of wheat, sugar beet, maize, chicory, rapeseed, soybean and other
- Partly organic farming of the areas (e. g. organic sugar beets) and organic turkey production
- Steady enhancement of modern farming methods and transfer of knowledge into practice



## 3.14 Bodengesundheitsdienst, co-products

- **BGD Bodengesundheitsdienst GmbH**
  - Soil testing
  - Fertilization advice
  - Comparison of plant nutrients
  - Virus and bacteria analyses
  - Animal feed testing
  - Organic fertilizer testing
- **Co-products**
  - Marketing of co-products of sugar, starch and bioethanol production





# SPECIAL PRODUCTS SEGMENT



## 4.1 Special products segment: Overview



- Specialty ingredients on a natural basis for food, feed and pharmaceuticals
- 5 production sites worldwide



- Deep-frozen and chilled pizza, as well as deep-frozen pasta dishes and snacks; sauces and dressings
- 11 production sites (6 in Europe, 5 in the USA)



- Portion pack articles
- 6 production sites in Europe



- Starch and special starch products for use in food and non-food areas as well as bioethanol
- 5 production sites and 1 joint venture
- Maize starch, isoglucose and bioethanol plant Hungrana Kft. (50 % joint venture)

## 4.2 Special products segment: Figures

		2018/19	2017/18
<b>Revenues</b>	€ million	2,294	1,997
EBITDA	€ million	268	255
Depreciation on fixed assets and intangible assets	€ million	-112	-97
<b>Operating result</b>	€ million	156	158
Result from restructuring/special items	€ million	-51	-3
Result from companies consolidated at equity	€ million	17	30
<b>Result from operations</b>	€ million	122	185
EBITDA margin	%	11.7	12.8
Operating margin	%	6.8	7.9
Investments in fixed assets <sup>1)</sup>	€ million	165	121
Investments in financial assets/acquisitions	€ million	7	430
<b>Total investments</b>	€ million	172	551
Shares in companies consolidated at equity	€ million	62	60
Capital employed	€ million	2,133	2,055
Return on Capital Employed	%	7.3	7.7

<sup>1)</sup> Including intangible assets.

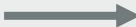






## 4.3 BENE0 – Connecting nutrition & health

### A contribution to better nutrition

- Made from raw materials BENE0 produces and markets specialty ingredients with nutritional benefits.
- Main market segments: food, feed
- Additionally BENE0 actively supports its customers in the areas nutritional science and application technology to support the successful development of innovative ingredients.
- Sales offices in the United States, Asia, South America and Europe as well as a coordinated sales team in more than 70 countries for worldwide tailor-made customer support and a strong market position
- 5 production sites in Belgium, Chile, Germany and Italy
- About 900 employees



## 4.3.1 BENE0: Product portfolio and benefits

<b>Products</b> 	<b>Natural fibres: Inulin and Oligofructose</b>	<b>Functional carbohydrates: Isomalt and Palatinose™</b>	<b>Rice starches, flours, proteins</b>	<b>Gluten</b>
<b>Natural sources</b> 	Chicory root 	Sugar beet 	Rice 	Wheat 
<b>Benefits</b> 	<ul style="list-style-type: none"> <li>■ Digestive health</li> <li>■ Fibre enrichment</li> <li>■ Better calcium absorption</li> <li>■ Weight management</li> <li>■ Fat and sugar replacement</li> <li>■ Improved texture</li> </ul>	<ul style="list-style-type: none"> <li>■ Toothfriendly</li> <li>■ Weight management</li> <li>■ Sugar-/calorie reduction</li> <li>■ Optimized sweetness and improved stability</li> <li>■ Blood sugar management</li> <li>■ Optimized energy</li> </ul>	<ul style="list-style-type: none"> <li>■ Clean label</li> <li>■ Lactose-, gluten-free</li> <li>■ Texture optimization</li> <li>■ Optimized viscosity</li> <li>■ Dairy and meat substitution</li> <li>■ Hypoallergenic</li> </ul>	<ul style="list-style-type: none"> <li>■ Vegetable protein</li> <li>■ Quality improvement</li> <li>■ Texture optimization and stability</li> <li>■ Neutral taste profile</li> </ul>

## 4.3.2 BENE0: Application focus



### BENE0 – Ingredients for high standards:

- Tasteful recipes with an optimized nutritional profile
- Applications that go hand in hand with worldwide dietary trends

## 4.3.3 BENE0: Science as basis for customer success

- With expert services from R&D as well as the areas regulatory affairs and market intelligence BENE0 supports successful product launches and marketing of BENE0's customers.
- Focus in research are the topics nutritional science and application technology that are of central interest for food industry.
- On the basis of the research results BENE0 was able to reach several positive evaluations by the European Food Safety Authority (EFSA).
- The BENE0 Institute focuses on:
  - Weight management
  - Gut health
  - Dental health
  - Bone health
  - Physical performance
  - Controlling blood sugar



## 4.4 Freiburger

- One of the three largest manufacturers of frozen and chilled pizza worldwide
  - Market shares in Europe\*: frozen pizza: 21.7 %, chilled pizza: 20.6 %
  - Products: Deep-frozen and chilled pizza as well as deep-frozen pasta dishes and snacks; sauces and dressings
- Production sites: Berlin, Muggensturm, Osterweddingen, Burg, Oberhofen/Austria, Westhoughton/Great Britain and another 5 in the USA – in Wisconsin, Ohio, Illinois and Iowa
- 19 production lines in Europe and 12 in the USA; daily output of up to 4.2 million products
- Specialist for private labels, supplier of many leading food retailers in Europe and North America
- Further target markets: South Africa, Korea
- Brands: Alberto, Italissimo, al Forno, Stateside, Levi Roots
- Innovations 2018/2019: Products for in-store bakeries, Focaccia



\* Quantity share (piece); Sources: Nielsen and own calculations

## 4.5 PortionPack Europe

- Printing, packing and distribution of portion packed products
- Product range:
  - Food (sugar portions, toppings, pastries, snacks, sweets, etc.)
  - Non-food (shower gel, shampoo, refreshing towels, etc.)
- European market leader
- Major market: Gastronomy/ large-scale consumer (hotels, catering, restaurants and canteens)
- 9 affiliates in 7 European countries: Austria, Belgium, Czech Republic, Germany, Great Britain, Netherlands and Spain
- Co-operation (minority share) with Collaborative Packing Solutions Ltd. (CoSo) based in South Africa
- New PPE Group member since September 2018: CustomPack Ltd., Telford, Great Britain



## 4.6 Starch



- 6 production sites in Austria, Germany, Hungary and Romania
- Raw materials: Potatoes, maize and wheat
- Starch and special starch products for the
  - Food and semi-luxury food industries
  - Baby food industries
  - Paper and paper converting industries
  - Textile industry
  - Construction chemicals industry
  - Pharmaceutical and cosmetic industries
- Important supplier of environmentally friendly bioethanol
- One of the leading suppliers for business to business solutions in the bio-sector
- Provider of products from special maize e.g. wax maize and GMO-free maize
- Next to bioethanol, additional production of isoglucose in Hungary
- Since 2016: wheat starch plant in Zeitz



# CROPENERGIES SEGMENT



## 5.1 CropEnergies segment: Overview

- The CropEnergies Group is the leading European producer of sustainably produced ethanol.
- The CropEnergies Group includes:
  - CropEnergies Bioethanol GmbH, Zeitz, Germany
  - BioWanze SA, Brussels, Belgium
  - Ryssen Alcools SAS, Loon-Plage, France
  - Ensus UK Ltd., Yarm, Great Britain
  - CT Biocarbonic, Zeitz, Germany (joint venture)
- Ethanol production 2018/19: 967 thousand m<sup>3</sup>
- Production of dried food and animal feed 2018/19: 574 thousand tonnes
- 4 production sites in Belgium, France, Germany and Great Britain with an annual production capacity of about 1.3 million m<sup>3</sup> ethanol
- Branch offices in Chile and Brazil



● Plants ● Fuel depots ● Branch offices

## 5.2 CropEnergies segment: Figures

		2018/19	2017/18
<b>Revenues</b>	€ million	693	808
EBITDA	€ million	72	111
Depreciation on fixed assets and intangible assets	€ million	-39	-39
<b>Operating result</b>	€ million	33	72
Result from restructuring/special items	€ million	10	-1
Result from companies consolidated at equity	€ million	0	0
<b>Result from operations</b>	€ million	43	71
EBITDA margin	%	10.4	13.7
Operating margin	%	4.7	8.9
Investments in fixed assets <sup>1)</sup>	€ million	13	20
Investments in financial assets/acquisitions	€ million	0	0
<b>Total investments</b>	€ million	13	20
Shares in companies consolidated at equity	€ million	2	2
Capital employed	€ million	456	452
Return on Capital Employed	%	7.2	15.9

<sup>1)</sup> Including intangible assets.

## 5.3 CropEnergies Bioethanol GmbH

- One of Europe's biggest ethanol plants with an annual capacity of about 400,000 m<sup>3</sup> ethanol, 60,000 m<sup>3</sup> can be refined to neutral alcohol, more than 300,000 tonnes ProtiGrain® (protein animal feed) as well as 100,000 tonnes liquefied CO<sub>2</sub>
- Renewable ethanol: mainly as additive to petrol in the form of E5 and E10
- High quality neutral alcohol e. g. for beverage, cosmetics and pharmaceutical industries
- ProtiGrain®: high protein animal feed distributed all over Europe
- Purification and liquefaction of CO<sub>2</sub> from fermentation, among others for the food sector
- Flexibility in processing raw materials (cereals and sugar syrup)



## 5.4 BioWanze SA

- Since December 2008 BioWanze operates a plant in Wanze, Belgium producing ethanol, gluten and ProtiWanze® (liquid protein animal feed)
- Innovative production process: on average about 70 % CO<sub>2</sub> will be saved through the use of biomass as primary energy source instead of fossil fuel
- Raw materials: wheat and sugar syrup
- Annual capacity:
  - 300,000 m<sup>3</sup> ethanol
  - more than 400,000 tonnes ProtiWanze®
  - up to 60,000 tonnes gluten



## 5.5 Ryssen Alcools SAS

- Production site in Loon-Plage, France
- Part of the CropEnergies Group since June 2008
- Annual capacity:
  - more than 100,000 m<sup>3</sup> ethanol for fuel applications
  - up to 90,000 m<sup>3</sup> ethanol for traditional and technical applications
- Ryssen Alcools SAS specializes in flexible customer fulfilment in view of product specifications and delivery quantity.
- Customers: fuel industry, beverage, cosmetic, pharmaceutical and chemical industries



## 5.6 Ensus UK Ltd.

- One of the largest ethanol plants in Europe in Wilton, Great Britain
- Since July 2013 member of CropEnergies Group
- Production of ethanol and high-quality protein animal feed (DDGS)
- Annual capacity:
  - 400,000 m<sup>3</sup> ethanol
  - 350,000 tonnes DDGS
- Delivers carbon dioxide to a liquefaction plant which processes it for use in the food and beverage industry; annual capacity: 250,000 tonnes liquefied biogenic CO<sub>2</sub>



## 5.7 CT Biocarbonic

- Joint venture to liquefy the CO<sub>2</sub> generated at the ethanol facility in Zeitz
  - Partner: SOL Group
  - Largest biogenic CO<sub>2</sub> liquefaction plant in Germany
- CO<sub>2</sub> marketed for use in the beverage industry, in the food industry as a cooling and freezing agent and to produce dry ice used for cleaning
- Production capacity: 100,000 tonnes of liquefied CO<sub>2</sub>/annum
- Startup: end of 2010
- Shares the existing ethanol plant's infrastructure, such as water/wastewater, energy, CO<sub>2</sub>





# FRUIT SEGMENT



## 6.1 Fruit segment: Overview

- Segment with a global reach and 43 production facilities
- Global market leader in fruit preparations (AGRANA Fruit)
- Most significant producer of fruit juice concentrates in Europe (AUSTRIA JUICE)
- Refining agricultural raw materials to high-value intermediate products for the food industry, above all for the drinks, dairy, pastries and ice cream industry
- Market presence on all five continents

**AUSTRIA  
JUICE**



## 6.2 Fruit segment: Figures

		2018/19	2017/18
<b>Revenues</b>	€ million	1,179	1,161
EBITDA	€ million	115	114
Depreciation on fixed assets and intangible assets	€ million	-38	-38
<b>Operating result</b>	€ million	77	76
Result from restructuring/special items	€ million	0	0
Result from companies consolidated at equity	€ million	0	0
<b>Result from operations</b>	€ million	77	76
EBITDA margin	%	9.8	9.7
Operating margin	%	6.6	6.5
Investments in fixed assets <sup>1)</sup>	€ million	56	49
Investments in financial assets/acquisitions	€ million	6	0
<b>Total investments</b>	€ million	62	49
Shares in companies consolidated at equity	€ million	0	0
Capital employed	€ million	830	844
Return on Capital Employed	%	9.3	9.0

<sup>1)</sup> Including intangible assets.

## 6.3 Fruit preparations (AGRANA Fruit)

- Global market leader in fruit preparations
- 28 production sites worldwide
- Bundling all business activities into AGRANA Fruit S.A.S., Mitry-Mory, France
- Production plants next door to industrial customers to ensure freshness and high quality
- Center of innovation and product development for fruit preparations at Tulln, Austria
- R&D works closely with customers when designing and producing fruit preparations (especially international corporations in the dairy, ice cream and baked goods industries)



## 6.4 Fruit juice concentrates (AUSTRIA JUICE)

- Production and marketing of high-value apple juice and berry juice concentrates, flavours, fruit wine, direct juices, purees and beverage bases
- 15 production locations worldwide
- Bundling all business activities into AUSTRIA JUICE GmbH, headquartered in Kröllendorf, Austria

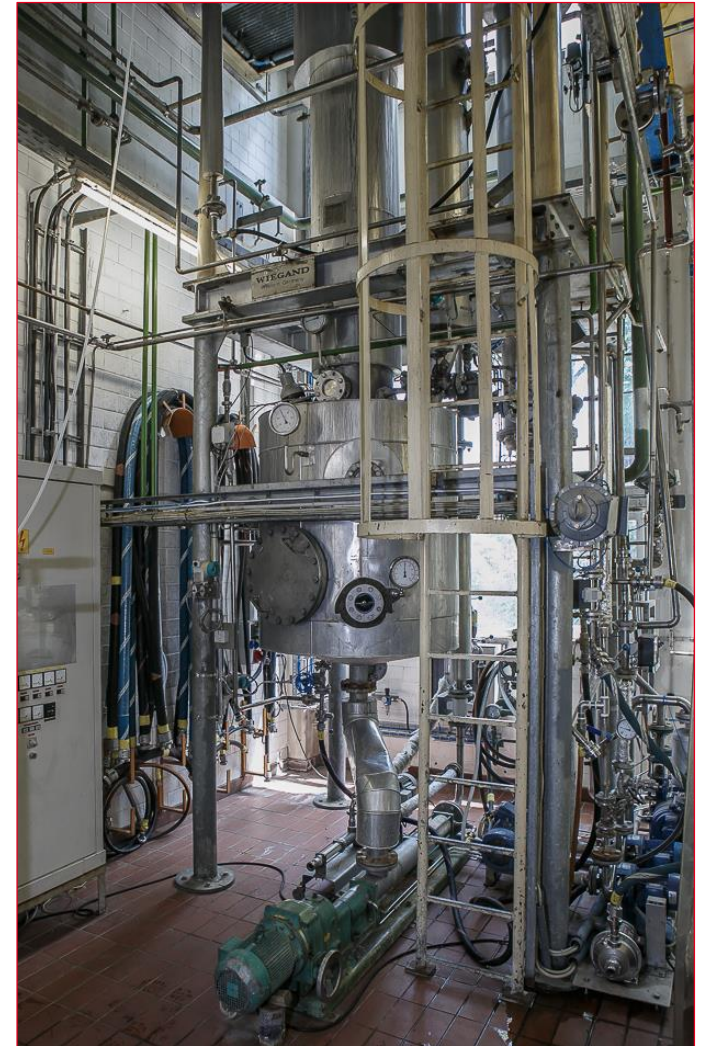


# RESEARCH AND DEVELOPMENT



## 7. Research and development (I)

- Main focus:
  - Development of new products and product variants
  - Application technology in the food and non-food areas
  - Optimization of the production processes
  - Testing new process technologies
  - Support for sales and production activities



## 7. Research and development (II)

- Assignments:  
Sugar technology and sugar specialities, functional food ingredients (Isomalt, Palatinose™, rice derivatives, inulin, oligofructose, proteins), pharmaceutical additives, starch and starch derivatives, fruit preparations, fruit juice concentrates, bioethanol, bio-based chemicals
- Expenditure for R&D in 2018/19: € 44.9 million
- 456 employees worldwide

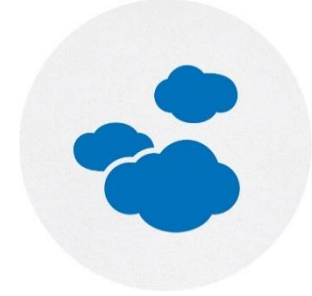


# SUSTAINABILITY



## 8.1 Sustainability: Rooted in our corporate culture

- Südzucker has a strong association with agriculture and thus also with nature, since its founding in the nineteenth century.
- Refining agricultural raw materials (e.g. sugar beets, grain, maize, chicory, fruits) to produce high-quality products is central to our business model.
- These raw materials must be available at all times if the medium to long-term business foundation of the company is to be sustained.
- Sustainability is also one of our customers' corporate values and increasingly influences consumers' buying decisions.
- The principle of sustainability traditionally is a deeply rooted component of corporate strategy.



## 8.2 Sustainability: Our strategy

- Our business conduct along the entire value chain, from agricultural raw materials to finished products, is guided by sustainability.
- Südzucker pays special attention to the following aspects, which apply in all segments:
  - Fully utilizing agricultural materials to the greatest extent possible
  - Continuously enhancing production processes to conserve resources and boost energy efficiency
  - Effective quality, environment and energy management systems
  - Respect the interests of all major Südzucker stakeholders
  - Establish long-term partnerships, e. g. with raw material suppliers and customers



## 8.3 Sustainability: Our core business activities (I)

### Agricultural raw materials procurement

- Agricultural raw materials mainly come from European fields
- Environmentally sound farming:
  - Expanded crop rotation
  - Intercropping
  - Legume cultivation
  - Flower strip planting and establishing riparian strips
- Groupwide agricultural research
- Science-based assistance and consultation for all agricultural raw materials
- Promoting biodiversity



## 8.3 Sustainability: Our core business activities (II)

### Environmental and energy aspects of production

- Adhering to environmental and energy policies that reduce resource consumption and the environmental impact of the company's business activities
- Constant improvement of the efficiency of production processes; use of modern energy management systems, e. g. co-generation systems
- Water is utilized and disposed of at all sites in a sustainable manner:  
E. g. beets consist of about 75 % water. This water is used both to wash the sugar beets and to extract the sugar from the pellets.
- Raw materials used are almost entirely converted to high-quality products: food and animal feed, raw materials for the fermentation industry and fertilizers
- Minimal waste
- Beets: Reducing soil adhesion



## 8.3 Sustainability: Our core business activities (III)

### Social responsibility

- **Product responsibility and quality**

- Quality management systems guarantee the safety and quality of the products, from the development phase through procurement, production and transport to delivery to the customer.



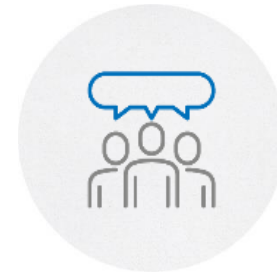
- **Ecological sustainability**

- Efficient energy use
  - Reducing emissions
  - Sustainable use of water
  - Minimal waste
  - Efficient logistics associated with procurement and distribution



## 8.3 Sustainability: Our core business activities (IV)

- **Economic sustainability**
  - Growth and job-related impact of Südzucker Group's production plants in rural areas: higher than average
  
- **Social sustainability**
  - Multifaceted social commitment
  - Dialogue at municipal level
  - Responsible dialogue with politicians and institutions
  - Participation in the EcoVadis sustainability evaluation system
  
- **Working conditions and human rights**
  - Code of conduct: conducting business ethically, legally and responsibly



# SUGAR MARKET



## 9.1 German sugar market

		2018/19	2017/18
Number of sugar factories		20	20
Number of beet growers		26,571	27,142
Area under beet cultivation	hectares	390,285	385,848
Sugar production	million tonnes	4.19	5.12
Domestic sugar sales	million tonnes	3.04*	2.93**

Source: WVZ. \*2017/18. \*\*2016/17.



## 9.2 German sugar sales

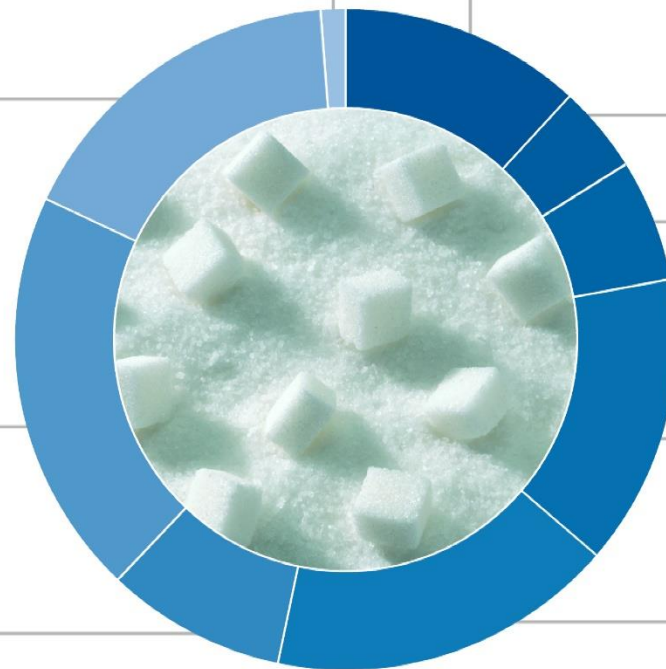
1.3 % Chemical and pharmaceutical products

16.5 % Other

19.7 % Beverages

9.7 % Bioethanol

**Processing sugar 88.3 %  
(total)**



**Households 11.7 %**

Toppings, preserved fruit 4.2 %

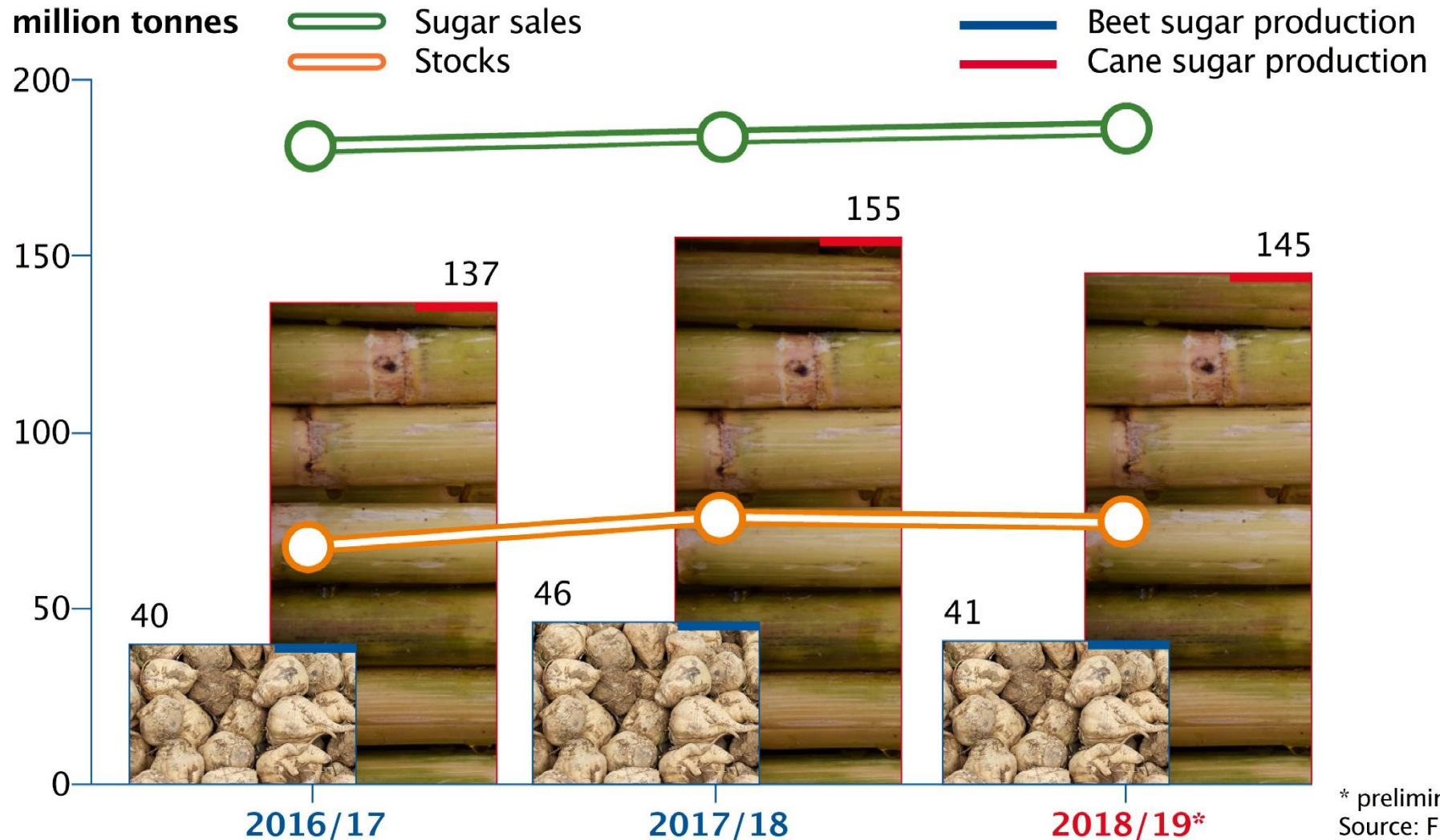
Milk products, ice cream 5.9 %

Baked goods 14.1 %

Candies 16.8 %

Source: BLE, Stb; 2017/18

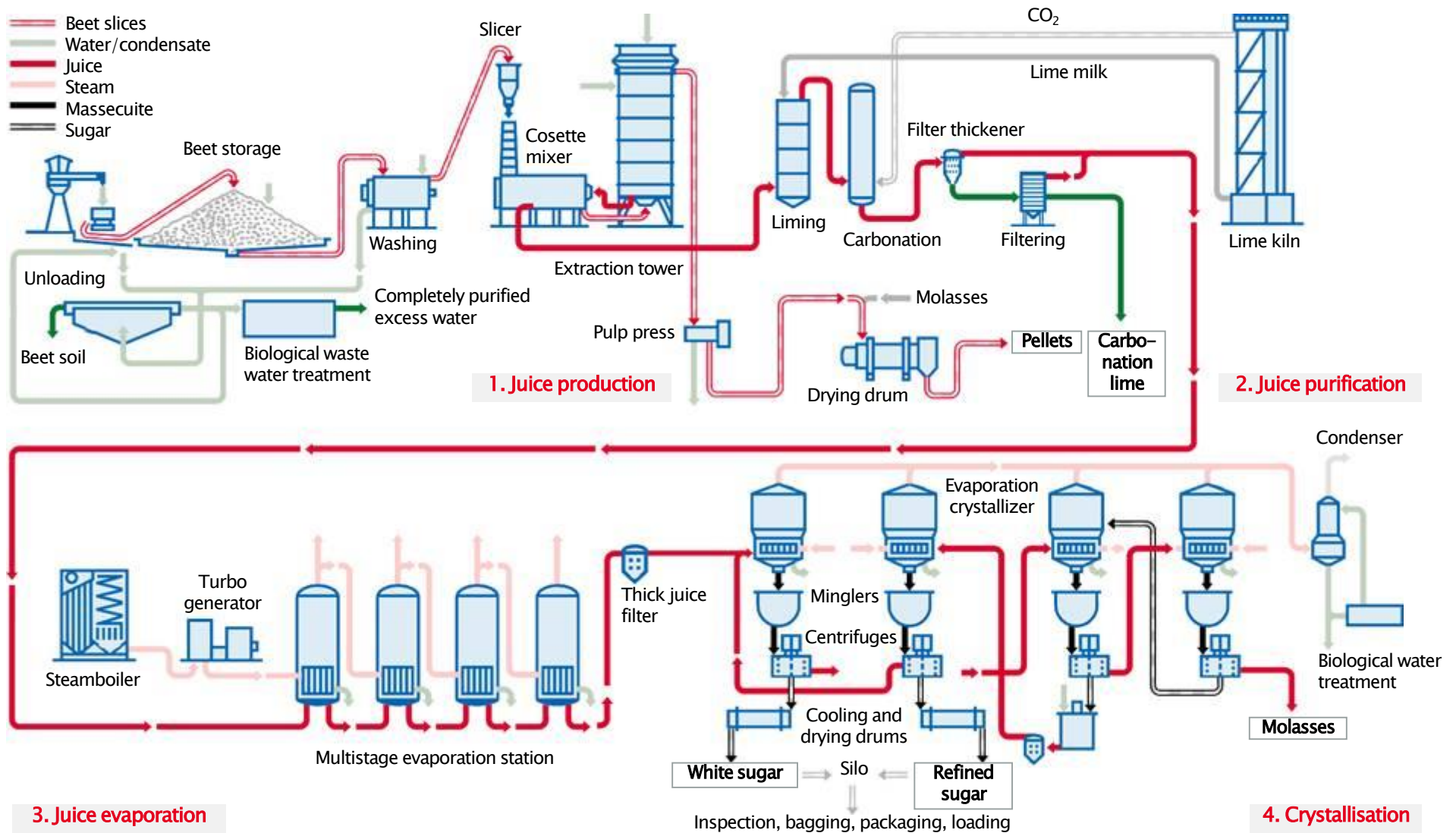
## 9.3 Global sugar production and sales



# SUGAR PRODUCTION



# 10. Sugar production



# Links

## Südzucker Group



[www.suedzucker.de](http://www.suedzucker.de)  
[www.suedzucker.com](http://www.suedzucker.com)  
[www.facebook.com/suedzuckerkarriere](https://www.facebook.com/suedzuckerkarriere)

## Sugar segment



[www.mein-suedzucker.de](http://www.mein-suedzucker.de)  
[www.bienenfutter.eu](http://www.bienenfutter.eu)  
[www.suedzucker.pl](http://www.suedzucker.pl)  
[www.cukier-krolewski.pl](http://www.cukier-krolewski.pl)  
[www.suedzucker.md](http://www.suedzucker.md)  
[www.edfman.com](http://www.edfman.com)



[www.raffinerietirlemontoise.com](http://www.raffinerietirlemontoise.com)  
[www.tiensesuiker.com](http://www.tiensesuiker.com)  
[www.sweet-moments.be](http://www.sweet-moments.be)



[www.saintlouis-sucre.com](http://www.saintlouis-sucre.com)



[www.agrana.com](http://www.agrana.com)  
[www.wiener-zucker.at](http://www.wiener-zucker.at)



[www.bodengesundheitsdienst.de](http://www.bodengesundheitsdienst.de)



Beratung und Information für den süddeutschen Zuckerrübenanbau

[www.bisz.suedzucker.de](http://www.bisz.suedzucker.de)

## Special products segment



[www.beneo.com](http://www.beneo.com)



[www.freiberger-pizza.com](http://www.freiberger-pizza.com)



[www.portionpackeurope.com](http://www.portionpackeurope.com)



[www.agrana.com](http://www.agrana.com)

## CropEnergies segment



[www.cropenergies.com](http://www.cropenergies.com)  
[www.biowanze.be](http://www.biowanze.be)  
[www.ryssen.com](http://www.ryssen.com)  
[www.ensus.co.uk](http://www.ensus.co.uk)

## Fruit segment



[www.agrana.com](http://www.agrana.com)

## Initiatives



[www.schmecktrichtig.de](http://www.schmecktrichtig.de)

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