

## Press release

Mannheim, 19 May 2022

### **Südzucker significantly increases operating result in fiscal 2021/22**

Südzucker AG had already published its preliminary figures for fiscal 2021/22 (1 March 2021 to 28 February 2022) on 4 April 2022. Today's publication of the annual report now includes the final figures. In fiscal 2021/22, group consolidated revenues rose by EUR 920 million to EUR 7,599 (previous year: 6,679) million. While revenues in the special products segment were slightly higher than last year, the fruit segment's revenues rose moderately and the sugar, CropEnergies and starch segments' revenues increased significantly.

Group EBITDA was well above the previous year at EUR 692 (previous year: 597) million.

The group's consolidated operating result climbed significantly to EUR 332 (previous year: 236) million in the 2021/22 financial year. The increase in results is mainly due to the substantially improved results in the sugar, CropEnergies and starch segments. By contrast, the special products segment's operating result was down significantly and the fruit segment's was slightly lower.

Capital employed rose by EUR 103 million to EUR 6,325 (previous year: 6,222) million, mainly because of higher inventories and trade receivables as a result of higher sales revenues. The significant improvement in operating result to EUR 332 (previous year: 236) million drove ROCE up to 5.3 (3.8) percent.

### **Recommended dividend of EUR 0.40 per share**

The executive board and supervisory board propose to the annual general meeting a dividend of EUR 0.40 per share for fiscal 2021/22. The annual general meeting is expected to take place again virtually on 14 July 2022.

### **Sugar segment posts substantially reduced operating loss**

The sugar segment's revenues rose significantly to EUR 2,623 (previous year: 2,255) million, due to both higher sugar sales revenues and higher volumes. The price increases achieved in the past 2020/21 sugar marketing year took effect at the beginning of fiscal 2021/22, and since October 2021 the additional price increases at the beginning of the new 2021/22 sugar marketing year.

The segment was able to cut its operating loss substantially to EUR -21 (previous year: -128) million in fiscal 2021/22. At the beginning of the fiscal year, the higher sugar sales revenues and

sales volumes were offset in particular by higher production costs from the 2020 campaign due to raw material prices, as well as in some cases sharp cost increases for energy, packaging materials and raw materials since the third quarter. These substantial cost increases as well as sales volumes at the end of the fiscal year that were higher than in the previous year but below expectations meant that, despite improved capacity utilization in the 2021 campaign, the target of an operating profit was not achieved.

### **2021 processing campaign and sugar production**

The average processing duration rose from 108 to 124 days. The Zeitz factory worked the longest, processing the last beets of the 2021/22 campaign on 5 March 2022 after 177 campaign days.

Südzucker Group's beet yield for the 2021 cultivation year rose to 78.3 (previous year: 70.4) tonnes per hectare – an above-average result. Together with the slight increase in cultivation area, a total beet volume of 27.6 (previous year: 24.1) million tonnes was available for processing. A slightly below-average sugar content of 17.3 (previous year: 16.8) percent resulted in a theoretical sugar yield of 13.6 (previous year: 11.8) tonnes per hectare.

The Group's total sugar production from beet and refining climbed to 4.4 (previous year: 3.7) million tonnes. The volume of organic sugar produced at the Rain and Tulln factories also increased due to the larger cultivation area. The volume of animal feed and molasses rose to 1.5 (previous year: 1.3) million tonnes.

### **Special products segment burdened by rising costs**

Revenues in the special products segment were slightly above the previous year's level at EUR 1,781 (previous year: 1,710) million. This increase was driven in particular by higher sales revenues in spite of an overall decline in volumes. Last year, the start of the fiscal year had been positively impacted by some sharp jumps in demand due to the Corona pandemic, for example for frozen pizzas.

Operating result fell substantially compared to the previous year to EUR 117 (previous year: 159) million. The negative impact of rising raw material, energy, logistics and other costs could not be covered by higher sales revenues, with costs being passed on to customers only in part and with a time lag.

### **CropEnergies segment results set new record**

Revenues in the CropEnergies segment rose significantly to EUR 1,004 (previous year: 774) million, driven by both substantially higher sales revenues and increased volumes.

Operating result was therefore once again higher than last year's strong figure, reaching another record result of EUR 127 (previous year: 107) million. Higher volumes and substantially increased sales revenues more than offset the significant rise in raw material and energy costs.

### **Starch segment reports significantly improved operating result**

The starch segment was able to significantly boost revenues to EUR 940 (previous year: 774) million, driven by rising sales revenues and more than satisfactory volume growth.

The higher volume and sales revenues drove the operating result up significantly for the reporting period, to EUR 57 (previous year: 45) million. Substantially higher raw material and energy costs were more than offset by sales revenue and volume growth. Rising ethanol prices in particular had a positive impact, especially in the second half of year 2021.

### **Fruit segment operating result at last year's level**

The fruit segment's revenues rose moderately from last year to EUR 1,251 (previous year: 1,166) million. This was attributable to the increase in selling prices for fruit preparations, as well as higher sales volumes and revenues for fruit juice concentrates.

Operating result was slightly below last year at EUR 52 (previous year: 53) million. In the fruit preparations division, higher sales revenues were unable to fully compensate for higher costs. In the fruit juice concentrates division, both sales volumes and margins were up, resulting overall in a positive earnings contribution.

### **Group outlook 2022/23 unchanged**

Südzucker expects – as already published on 14 April 2022 – consolidated group revenues of EUR 8.7 to 9.1 (previous year: 7.6) billion for the current 2022/23 fiscal year. Significant revenue growth is expected in the sugar, special products and starch segments. In the CropEnergies segment, a range between EUR 1.3 and 1.4 billion is anticipated. The fruit segment's revenues are expected to increase moderately.

Group operating result is expected to range between EUR 300 and 400 (previous year: 332) million. The sugar segment's operating result is expected to be in a range between EUR 0 and 100 million. The special products and fruit segments are expected to generate an operating result significantly below last year's level. The CropEnergies segment's operating result is expected to range between EUR 105 and 155 million. A moderate decline in results is seen in the starch segment.

Group EBITDA is anticipated to range between EUR 660 and 760 (2021/22: 692) million.

Südzucker expects a slight increase in capital employed. Based on the aforementioned improvement in operating result, ROCE is expected to rise slightly (previous year: 5.3 percent).

For the first quarter of 2022/23, EBITDA and operating result are expected to grow significantly compared to the previous year's level (Q1 2021/22: EBITDA: EUR 121 million; operating result: EUR 49 million).

The outlook assumes that the Ukraine war will be temporary and remain regionally contained, that physical supplies of energy and raw materials will be guaranteed and that the target and procurement markets will at least partly return to more normal conditions over the course of fiscal 2022/23. In this context, the expected pass-through of significantly higher prices, particularly in the raw materials and energy sectors, into new customer contracts will be of decisive importance.

### Group Strategy 2026 PLUS – Get the Power of Plants

Südzucker Group has set ambitious goals and launched a pioneering change process with its Group Strategy 2026 PLUS. The company is transforming from a major processor of agricultural raw materials to a leading partner of plant-based solutions for a livable, healthy and sustainable world. The group of companies aims to be even more innovative, customer-focused and consistently aligned to sustainability and profitable growth.

A number of focus initiatives have been launched to address the strategic directions. We have now defined four areas that will be driven forward primarily by the strength of the entire group of companies. The focus is on expanding the proteins business area and establishing the new bio-based chemicals business, as well as developing and implementing the digitalization and sustainability strategy.

<b>Business performance - Group</b>		2021/22	2020/21	+/- in %
<b>Revenues</b>	€ million	<b>7.599</b>	<b>6.679</b>	<b>13,8</b>
EBITDA	€ million	692	597	15,8
Depreciation on fixed assets and intangible assets	€ million	-360	-361	-0,5
<b>Operating result</b>	€ million	<b>332</b>	<b>236</b>	<b>40,6</b>
Result from restructuring/special items	€ million	-42	-40	3,9
Result from companies consolidated at equity	€ million	-49	-126	-61,0
<b>Result from operations</b>	€ million	<b>241</b>	<b>70</b>	<b>&gt; 100</b>
EBITDA margin	%	9,1	8,9	0,0%
Operating margin	%	4,4	3,5	0,0%
Investments in fixed assets <sup>1</sup>	€ million	332	285	16,4
Investments in financial assets/acquisitions	€ million	4	15	-75,3
<b>Total investments</b>	€ million	<b>336</b>	<b>300</b>	<b>11,9</b>
Shares in companies consolidated at equity	€ million	77	136	-43,2
Capital employed	€ million	6.325	6.222	1,7
Return on capital employed	%	5,3	3,8	
<b>Employees</b>		<b>18.019</b>	<b>17.876</b>	<b>0,8</b>

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

<b>Business performance - sugar segment <sup>1</sup></b>		2021/22	2020/21	+/- in %
<b>Revenues</b>	€ million	<b>2.623</b>	<b>2.255</b>	<b>16,4</b>
EBITDA	€ million	133	31	> 100
Depreciation on fixed assets and intangible assets	€ million	-154	-159	-2,8
<b>Operating result</b>	€ million	<b>-21</b>	<b>-128</b>	<b>-84,1</b>
Result from restructuring/special items	€ million	0	-30	-99,0
Result from companies consolidated at equity	€ million	-63	-144	-56,7
<b>Result from operations</b>	€ million	<b>-84</b>	<b>-302</b>	<b>-72,4</b>
EBITDA margin	%	5,1	1,4	0,0%
Operating margin	%	-0,8	-5,7	0,0%
Investments in fixed assets <sup>2</sup>	€ million	114	128	-10,7
Investments in financial assets/acquisitions	€ million	0	3	-100,0
<b>Total investments</b>	€ million	<b>114</b>	<b>131</b>	<b>-12,1</b>
Shares in companies consolidated at equity	€ million	21	81	-73,5
Capital employed	€ million	2.740	2.773	-1,2
Return on capital employed	%	-0,7	-4,6	
<b>Employees</b>		<b>6.105</b>	<b>6.243</b>	<b>-2,2</b>

<sup>1</sup> Prior-year figures adjusted.

<sup>2</sup> Including intangible assets.

<b>Business performance - special products segment <sup>1</sup></b>		2021/22	2020/21	+/- in %
<b>Revenues</b>	€ million	<b>1.781</b>	<b>1.710</b>	<b>4,1</b>
EBITDA	€ million	190	232	-18,0
Depreciation on fixed assets and intangible assets	€ million	-73	-73	0,3
<b>Operating result</b>	€ million	<b>117</b>	<b>159</b>	<b>-26,4</b>
Result from restructuring/special items	€ million	0	0	-50,0
Result from companies consolidated at equity	€ million	0	-1	-
<b>Result from operations</b>	€ million	<b>117</b>	<b>158</b>	<b>-26,3</b>
EBITDA margin	%	10,7	13,5	0,0%
Operating margin	%	6,6	9,3	0,0%
Investments in fixed assets <sup>2</sup>	€ million	124	82	50,4
Investments in financial assets/acquisitions	€ million	0	0	-
<b>Total investments</b>	€ million	<b>124</b>	<b>82</b>	<b>50,4</b>
Shares in companies consolidated at equity	€ million	0	0	-
Capital employed	€ million	1.740	1.640	6,1
Return on capital employed	%	6,7	9,7	
<b>Employees</b>		<b>4.990</b>	<b>4.886</b>	<b>2,1</b>

<sup>1</sup> Prior-year figures adjusted.

<sup>2</sup> Including intangible assets.

### Business performance - CropEnergies segment

		2021/22	2020/21	+/- in %
<b>Revenues</b>	€ million	<b>1.004</b>	<b>774</b>	<b>29,8</b>
EBITDA	€ million	169	148	13,7
Depreciation on fixed assets and intangible assets	€ million	-42	-41	1,0
<b>Operating result</b>	€ million	<b>127</b>	<b>107</b>	<b>18,7</b>
Result from restructuring/special items	€ million	0	1	-100,0
Result from companies consolidated at equity	€ million	0	0	-33,3
<b>Result from operations</b>	€ million	<b>127</b>	<b>108</b>	<b>17,6</b>
EBITDA margin	%	16,8	19,2	0,0%
Operating margin	%	12,6	13,8	0,0%
Investments in fixed assets <sup>1</sup>	€ million	36	29	24,3
Investments in financial assets/acquisitions	€ million	0	0	-
<b>Total investments</b>	€ million	<b>36</b>	<b>29</b>	<b>24,3</b>
Shares in companies consolidated at equity	€ million	3	3	12,0
Capital employed	€ million	486	465	4,6
Return on capital employed	%	26,1	23,0	
<b>Employees</b>		<b>455</b>	<b>450</b>	<b>1,1</b>

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

### Business performance - starch segment <sup>1</sup>

		2021/22	2020/21	+/- in %
<b>Revenues</b>	€ million	<b>940</b>	<b>774</b>	<b>21,4</b>
EBITDA	€ million	106	92	14,4
Depreciation on fixed assets and intangible assets	€ million	-49	-47	3,9
<b>Operating result</b>	€ million	<b>57</b>	<b>45</b>	<b>25,3</b>
Result from restructuring/special items	€ million	0	1	-
Result from companies consolidated at equity	€ million	14	19	-28,9
<b>Result from operations</b>	€ million	<b>71</b>	<b>65</b>	<b>9,1</b>
EBITDA margin	%	11,2	11,9	0,0%
Operating margin	%	6,1	5,9	0,0%
Investments in fixed assets <sup>2</sup>	€ million	24	22	8,6
Investments in financial assets/acquisitions	€ million	0	11	-100,0
<b>Total investments</b>	€ million	<b>24</b>	<b>33</b>	<b>-28,1</b>
Shares in companies consolidated at equity	€ million	53	53	0,6
Capital employed	€ million	488	515	-5,2
Return on capital employed	%	11,7	8,8	
<b>Employees</b>		<b>1.128</b>	<b>1.143</b>	<b>-1,3</b>

<sup>1</sup> First-time reporting of the starch segment in the 2021/22 financial year.

<sup>2</sup> Including intangible assets.

## Business performance - fruit segment

		2021/22	2020/21	+/- in %
<b>Revenues</b>	€ million	<b>1.251</b>	<b>1.166</b>	<b>7,2</b>
EBITDA	€ million	94	94	-0,7
Depreciation on fixed assets and intangible assets	€ million	-42	-41	0,7
<b>Operating result</b>	€ million	<b>52</b>	<b>53</b>	<b>-1,9</b>
Result from restructuring/special items	€ million	-42	-12	> 100
Result from companies consolidated at equity	€ million	0	0	-
<b>Result from operations</b>	€ million	<b>10</b>	<b>41</b>	<b>-75,7</b>
EBITDA margin	%	7,5	8,1	0,0%
Operating margin	%	4,1	4,5	0,0%
Investments in fixed assets <sup>1</sup>	€ million	34	24	41,9
Investments in financial assets/acquisitions	€ million	4	1	> 100
<b>Total investments</b>	€ million	<b>38</b>	<b>25</b>	<b>48,8</b>
Shares in companies consolidated at equity	€ million	0	0	-
Capital employed	€ million	870	829	5,0
Return on capital employed	%	6,0	6,4	
<b>Employees</b>		<b>5.341</b>	<b>5.154</b>	<b>3,6</b>

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

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### About the Südzucker Group

Südzucker is a major player in the food industry with its sugar, special products, starch and fruit segments, and Europe's leading ethanol producer with its CropEnergies segment.

In the traditional sugar business, the group is Europe's number one supplier of sugar products, with 23 sugar factories and two refineries, extending from France in the west via Belgium, Germany and Austria, through to Poland, the Czech Republic, Slovakia, Romania, Hungary, Bosnia, and Moldova in the east. The special products segment, with its consumer-oriented functional ingredients for food and animal feed (BENEEO), chilled/frozen products (Freiberger) and portion packs (PortionPack Europe), operates in dynamic growth markets. Südzucker's CropEnergies segment is Europe's leading producer of renewable ethanol, with production sites in Germany, Belgium, France and Great Britain. Other products in this segment are protein food and animal feed products as well as biogenic carbon dioxide. The new starch segment comprises AGRANA's starch and ethanol activities. The group's fruit segment operates globally, is the world market leader for fruit preparations and is a leading supplier of fruit juice concentrates in Europe.

In 2021/22, the group employed about 18.000 persons and generated revenues of about EUR 7.6 billion.