



ANNUAL FINANCIAL REPORT
2022|23

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FRUCHT. STÄRKE. ZUCKER.

ANNUAL FINANCIAL REPORT

OF AGRANA BETEILIGUNGS-AG

FOR THE YEAR ENDED 28 FEBRUARY 2023

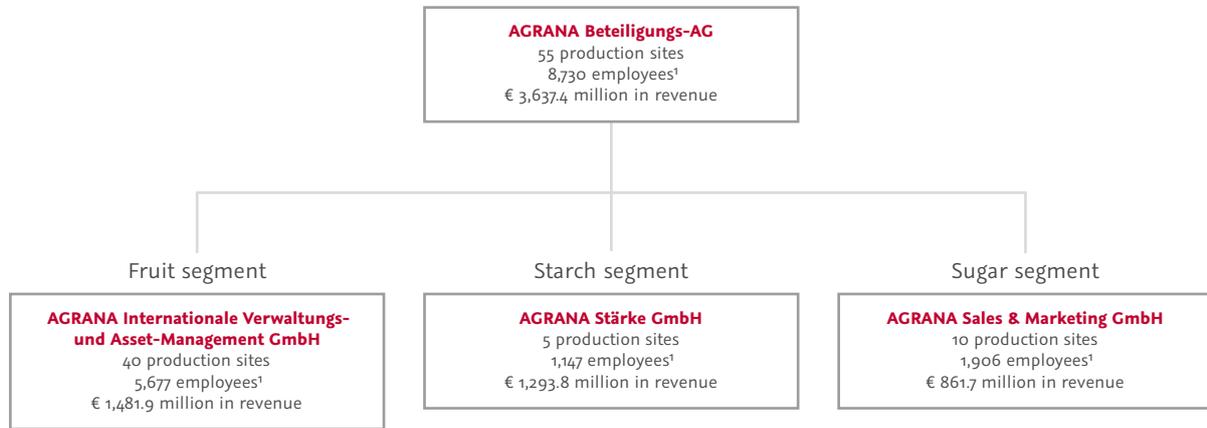
GROUP MANAGEMENT REPORT 2022/23

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Organisational structure

AGRANA is a globally operating processor of agricultural raw materials, with its Fruit, Starch and Sugar segments manufacturing high-quality foods and many intermediate products for the downstream food industry as well as for non-food applications. With about 8,700 employees (in FTE)¹ at 55 production sites on six continents, the Group generated revenue of about € 3.6 billion in the 2022|23 financial year. AGRANA was established in 1988 and has been quoted on the Vienna Stock Exchange since 1991.



Business segments and procurement models

The **Fruit segment** custom-designs and produces fruit preparations (fruit ingredients) and fruit juice concentrates. AGRANA is the world's leading manufacturer of fruit preparations for the dairy, bakery, ice cream and food service industries. The fruit used in the fruit preparations is sourced largely from primary processors, in frozen or aseptic form. In some countries, AGRANA also operates its own primary processing plants where fresh fruit (in some cases from contract growers) is received and readied for processing into fruit preparations. In the fruit juice concentrate business, at production sites located mainly in Europe, AGRANA produces apple and berry juice concentrates, not-from-concentrate juices, fruit wines, beverage bases and aromas. AGRANA seeks to achieve the most sustainable and complete utilisation of raw materials possible. While fruit preparations production generates very little residue, the press cake from apple juice production, known as apple pomace, is utilised by the pectin industry and as a feedstuff.





In the **Starch segment**, AGRANA processes and refines raw materials grown by contract farmers or purchased in the open market – mainly corn (maize), wheat and potatoes – into premium starch products. These products are sold into the food and beverage industry as well as the paper, textile, cosmetics and building materials sectors and other non-food industries. The starch operations additionally produce fertilisers and high-quality animal feeds. The production of climate-friendly bioethanol for blending with petrol is also part of the Starch segment's activities.

AGRANA's **Sugar segment** processes sugar beet from contract growers and also refines raw cane sugar purchased worldwide. The products are sold to customers in downstream industries for use in, for example, sweets, non-alcoholic beverages and pharmaceutical applications. Under country-specific sugar consumer brands, AGRANA also markets a wide range of granulated sugars and of sugar specialty products to consumers through food retailers. Additionally, in the interest of the most complete possible utilisation of its agricultural raw materials, AGRANA produces a large number of fertilisers and animal feedstuffs. These not only help the economic bottom line but also ecologically close the material cycle by returning minerals and other nutrients to the land and the food chain.



Corporate governance

Information on corporate governance is provided in AGRANA's corporate governance report within this annual report, and on the Group's website at www.agrana.com/en/ir/corporate-governance.

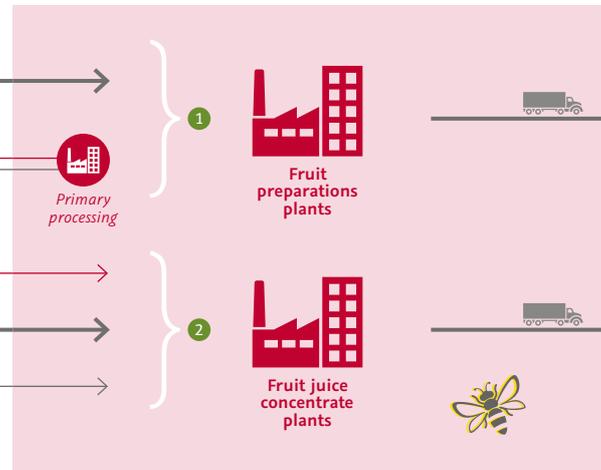
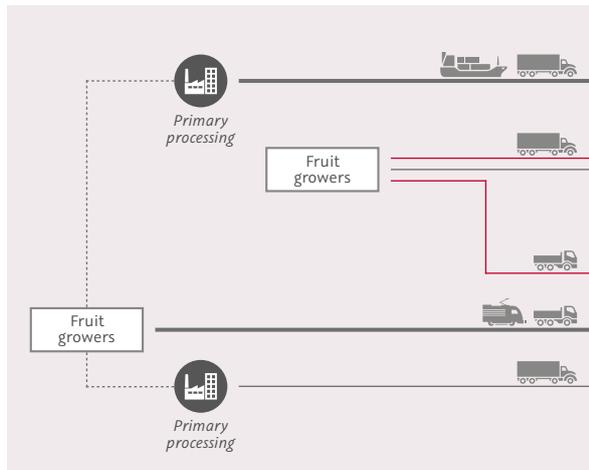
Non-financial information statement¹

The sustainable AGRANA value chain in 2022|23

Procurement of agricultural raw materials

AGRANA processing: Adding value

FRUIT SEGMENT



1 75% of raw material volume assessed using social criteria (SEDEX)

2 33% of raw material volume assessed using social and environmental criteria (SAI FSA)

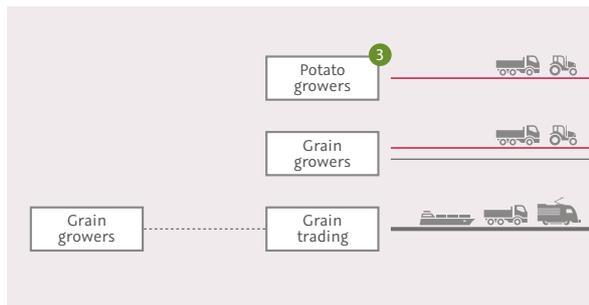
Fruit preparations:

- Total energy consumption²: 2.08 GJ/t
- Total emissions²: 133 kg of CO₂/t
- Water withdrawal²: 4.88 m³/t
- Water consumption²: 1.15 m³/t
- Social criteria assessed (SEDEX) and externally audited at 61.5% of sites³

Fruit juice concentrates:

- Total energy consumption²: 3.15 GJ/t
- Total emissions²: 207 kg of CO₂/t
- Water withdrawal²: 3.69 m³/t
- Water consumption²: -0.93 m³/t
- Social criteria assessed (SEDEX) and externally audited at 57.1% of sites³

STARCH SEGMENT



3 100% of Austrian potato growers assessed using social and environmental criteria (SAI FSA)

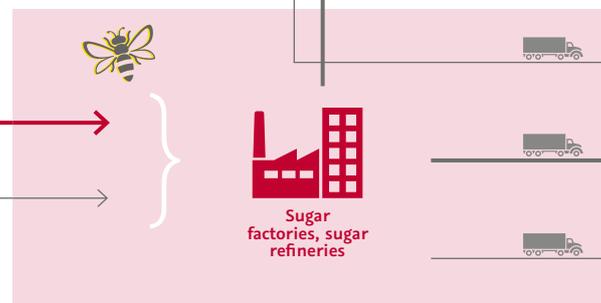
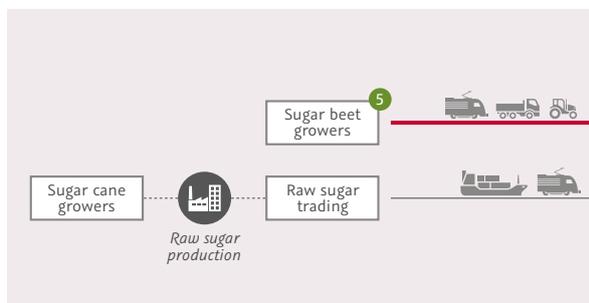
4 70% of raw material volume assessed using social and environmental criteria (SAI FSA or FSA benchmarking system)

Starch factories:

- Total energy consumption²: 4.37 GJ/t
- Total emissions²: 167 kg of CO₂/t
- Water withdrawal²: 4.69 m³/t
- Water consumption²: 0.52 m³/t

- Energy management system at 75% of sites³ is certified to ISO 50001
- Social criteria assessed (SEDEX) and externally audited at 75% of sites³

SUGAR SEGMENT



5 100% of sugar beet volume assessed using social and environmental criteria (SAI FSA)

Sugar factories, sugar refineries:

- Total energy consumption²: 2.65 GJ/t
- Total emissions²: 162 kg of CO₂/t
- Water withdrawal²: 2.29 m³/t
- Water consumption²: -0.77 m³/t

- Energy management system at 100% of sites³ is certified to ISO 50001
- Social criteria assessed (SEDEX) and externally audited at 88.9% of sites³

¹ This non-financial information statement under section 267a Austrian Commercial Code has been prepared in accordance with the Global Reporting Initiative (GRI) Standards.

² Per tonne of product output.

Customers and consumers



The thickness of lines marking the business relationships represents the relative volume of flows within the respective business segment.

Sustainability targets of the AGRANA Group

By 2050 at the latest: Net-zero emissions (Scope 1, 2 and 3) across the entire value chain of the AGRANA Group

- **SBTi targets by 2030|31 (under verification):** Reduction of emissions from our own production operations (Scope 1 and 2) by 50% and from the upstream and downstream value chain (Scope 3) by about 34%, compared to the base year 2019|20

Eco-efficiency of our production

- **2040: Net-zero emissions** from the AGRANA Group's production operations (Scope 1 and 2)

Additional targets of the Fruit segment

Fruit segment

Fruit preparations business

Targets by 2024|25:

- No landfilling of waste
- 50% renewable share of electricity

Targets by 2025|26:

- 26% of processed fruit to achieve FSA Silver equivalent
- Water withdrawal² of 4.24 cubic metres/t⁴
- 100% of production sites to have a recognised social audit

Fruit juice concentrate business

Target by 2030|31:

- 100% sustainable sourcing as defined by the Sustainable Juice Covenant (see from page 80)

Workplace safety targets of the AGRANA segments:

- Targets by 2026|27: see "AGRANA's People", page 106

Learn more about the AGRANA value chain at wsk-mini.agrana.com/index-en.html



³ Within the GRI reporting boundaries.

⁴ The target applies to the fruit preparations plants within the 2018|19 GRI reporting boundaries (excluding primary processing plants).



AGRANA reports non-financial sustainability matters (i.e., topics) that are material to its business activities by integrating them in the Group management report, with the relevant pages visually marked by a green footprint (for a description of the business model, see the section “Organisational structure” from page 42). This non-financial information statement provides an overview of AGRANA’s understanding of sustainability, presents sustainability-related governance structures, and describes the AGRANA materiality matrix, the management approaches for the key non-financial matters/topics, the organisational and content boundaries of the sustainability reporting, and relevant Group-level performance indicators. Details on relevant actions taken, performance indicators as well as goals in the individual areas are presented in the business segment reports, the section “AGRANA’s people” and the corporate governance report.

AGRANA’s understanding of sustainability

AGRANA as an industrial processor of agricultural raw materials defines sustainability in its business activities as a harmonious balance of economic, environmental and social responsibility. This understanding of sustainability is summed up by three sustainability principles, which serve management and all employees as a practical and intuitive guide to daily sustainable action:

At AGRANA we:

- Utilise almost 100% of our agricultural raw materials and use low-emission technologies to minimise impacts on the environment
- Respect all our stakeholders and the communities where we operate
- Engage in long-term partnerships with suppliers and customers

AGRANA has developed its understanding of sustainability through regular interaction with its stakeholders:

Formats of AGRANA’s engagement with stakeholders in 2022|23

Key stakeholder groups	Formats of dialogue
Raw material suppliers	Regular advisory meetings as part of the AGRANA4you programme; field visits, field days and trial tours; contracting events in the Starch and Sugar segments, both physical and as webinars; special webinars for new beet growers, contracting meetings and technical exchanges; intensive communication through social media (notably Facebook).
Industrial customers	After the pandemic-driven pause, the most important international food and beverage fairs were held physically again in the 2022 23 financial year, largely with very satisfactory visitor numbers. The highlights of the trade fair circuit in 2022 were GULFOOD Manufacturing in Dubai, IFT in Chicago and Food Ingredients Europe in Paris. The largest trade fair for organic food in Europe – Biofach in Nuremberg – was held on two dates, in July 2022 and February 2023. AGRANA and AUSTRIA JUICE successfully presented new products and innovations at all five trade fairs.
Local communities	Contacts by telephone and in writing as part of local community relations.
Investors and the public	Ongoing investor relations and public relations work; digital and physical road shows for institutional investors; press conferences and physical annual general meeting.
Our employees	Information via intranet (AGRAnet) and social media; town hall meetings once per quarter.



Material non-financial matters/sustainability topics

In the 2022|23 financial year, AGRANA's Fruit, Starch and Sugar segments processed a worldwide total of approximately 8.6 million tonnes of agricultural raw materials (prior year: 9.8 million tonnes) and sold about 5.4 million tonnes of high-quality products (prior year: 5.7 million tonnes).

In the year under review, a materiality analysis was carried out in accordance with the requirements of the Global Reporting Initiative (GRI). The table on the next page provides an overview of internal experts' assessments of the (positive or negative, potential or actual) impacts of AGRANA's business activities on the environment and on society (representing the so-called inside-out perspective under the CSRD) in various aspects relevant to sustainability. The impacts were rated numerically in terms of their scale, scope, and remediability in the event of negative impacts, in accordance with the GRI 3 standard or the draft of the Corporate Sustainability Reporting Directive (CSRD) available at the time of reporting.

More than 20 employees from various departments and from all three AGRANA business segments were

involved in the process. The presentation of topics is divided into three categories – “Significant”, “Important” and “Fundamental” – depending on the rating assigned. The Fundamental category represents all GRI standards that, while they did not meet certain numerical thresholds in the internal assessment for the AGRANA Group as a whole, are relevant for individual AGRANA business segments or must be reported on in any case due to legal requirements or stakeholder expectations (compliance, governance, etc.). As in the previous years, the most material sustainability topics for AGRANA are:

- **Raw material procurement** and the emissions from the upstream value chain
- **Energy consumption** within and outside the organisation and the resulting emissions
- Our **employees**
- Other highly relevant aspects include issues around **water withdrawal** (especially at sites at risk in terms of water stress), **biodiversity** (impacts of activities and products on the variety of life forms) and **product stewardship**.

In the 2023|24 financial year, the materiality analysis will be developed further with regard to the requirements of the CSRD that will apply in the future.

AGRANA material topics	GRI Standard	Significant
Raw material procurement	201-2	Financial implications and other risks and opportunities due to climate change
Emissions	305-1	Direct (Scope 1) GHG emissions
	305-2	Energy indirect (Scope 2) GHG emissions
	305-3	Other indirect (Scope 3) GHG emissions
	305-5	Reduction of GHG emissions

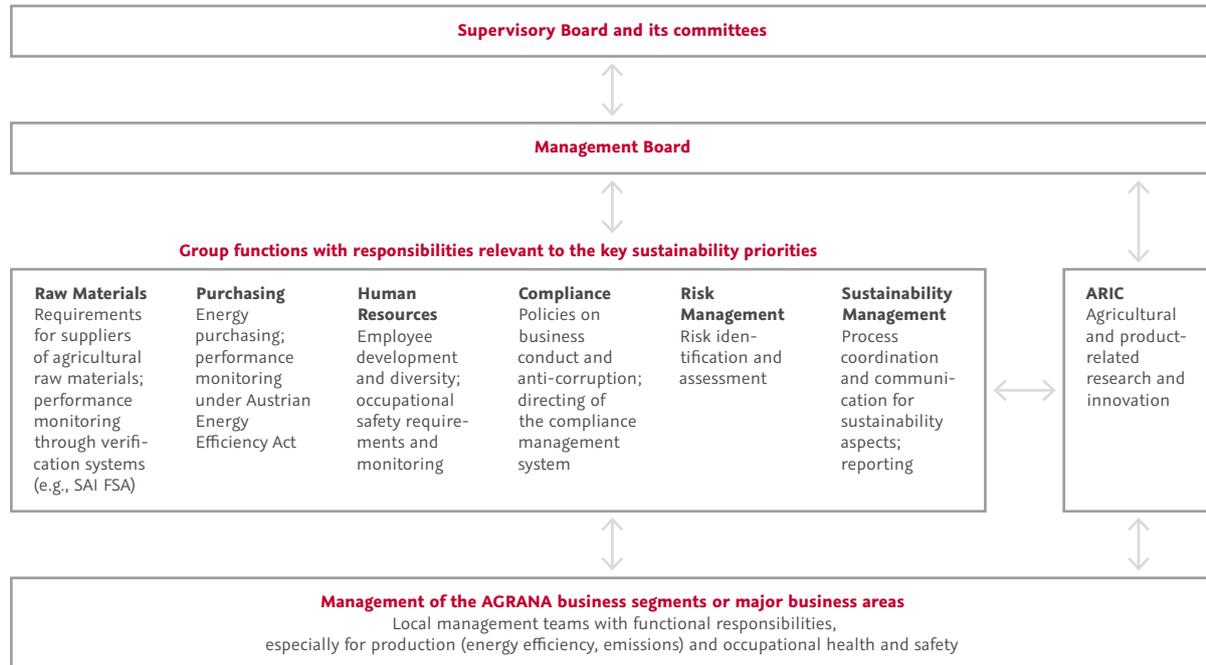
AGRANA material topics	GRI Standard	Important
Raw material procurement	301-1	Materials used by weight or volume
Energy consumption	302-1	Energy consumption within the organization
	302-2	Energy consumption outside of the organization
	302-3	Energy intensity
	302-4	Reduction of energy consumption
Water	303-3	Water withdrawal
Biodiversity	304-2	Significant impacts of activities, products and services on biodiversity
Product responsibility	416-1	Assessment of the health and safety impacts of product and service categories
Our employees	405-2	Ratio of basic salary and remuneration of women to men

AGRANA material topics	GRI Standard	Fundamental
Compliance	205-1	Operations assessed for risks related to corruption
	205-2	Communication and training about anti-corruption policies and procedures
	205-3	Confirmed incidents of corruption and actions taken
	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services
	417-2	Incidents of non-compliance concerning product and service information and labeling
	Governance	405-1
Emissions	305-4	GHG emissions intensity
Raw material procurement	408-1	Operations and suppliers at significant risk for incidents of child labor
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor
	308-2	Negative environmental impacts in the supply chain and actions taken
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk
	414-2	Negative social impacts in the supply chain and actions taken
	Water	303-1
	303-2	Management of water discharge-related impacts
	303-5	Water consumption
Our employees	403-1	Occupational health and safety management system
	403-2	Hazard identification, risk assessment, and incident investigation
	403-3	Occupational health services
	403-4	Worker participation, consultation, and communication on occupational health and safety
	403-5	Worker training on occupational health and safety
	403-6	Promotion of worker health
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
	403-9	Work-related injuries
	404-1	Average hours of training per year per employee
	Waste	306-1
306-2		Management of significant waste-related impacts
306-3		Waste generated



Integration of sustainability responsibilities in AGRANA’s organisational structure, and boundaries of this report

Governance responsibility for sustainability topics



Sustainability responsibilities are part and parcel of many or all corporate functions, and the chart above therefore shows only the Group functions most significant in this regard. Until recently, sustainability was dealt with by the full Management Board. However, in view of the general increase in environmental and social challenges, sustainability was made an individually assigned Management Board-level function in its own right in November 2022, with responsibility for it given to Chief Technology Officer Norbert Harringer, who had already been reporting on sustainability matters to the Supervisory Board in all its meetings. The functional integration of sustainability topics was reflected in the fact that, within the Supervisory Board, joint responsibility for sustainability governance and decision-making continued to be exercised by all members as a full board throughout the financial year.

Organisational boundaries of reporting for 2022|23

The organisational boundaries for the reporting of the non-financial (i.e., sustainability) matters integrated in this 2022|23 annual report (GRI reporting boundaries) encompass all AGRANA Group companies worldwide and match the set of companies included in the Group’s financial consolidation. The non-financial information thus does not include the joint ventures of the AGRANA Group except where explicitly indicated otherwise; the joint ventures are the HUNGRANA group (in the Starch segment) and AGRANA-STUDEN group and Beta Pura GmbH (in the Sugar segment). In total, the GRI and sustainability reporting thus covers 53 of a total of 55 production sites worldwide.



Management approaches for material non-financial matters

This section presents, on the one hand, the risks affecting AGRANA as per the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and, on the other hand, the material risks potentially triggered by AGRANA that are likely to have a negative impact on the matters under section 267a Austrian Commercial Code. It also satisfies the requirements of the Global Reporting Initiative (GRI). Further, it provides a content-based demarcation and a general Group-wide overview of matters of particular relevance to AGRANA's stakeholders.

Matters in the supply chain – Raw material procurement

In view of its core business of processing agricultural raw materials and of the associated very significant procurement volumes and costs, as well as the potential for negative environmental and social impacts of crop production, AGRANA's sustainability work in the supply chain focuses on suppliers of agricultural raw materials and agricultural intermediate goods (such as frozen fruit pieces), and the non-financial reporting scope is thus far limited to this area of procurement. In preparation for an EU directive on supply chain due diligence, structured reporting for the procurement of non-agricultural goods and services will be expanded beginning in the 2023|24 financial year.

The procurement of agricultural raw materials by AGRANA is directly affected by the physical risks of climate change, such as in the form of a rising number of extreme weather events, increased pest pressure and the resulting challenges in terms of raw material availability and price volatility. For details on the management of these risks, see the section "Risk Management", subheading "Procurement risks", from page 109.

At the same time, in the context of its raw material procurement, AGRANA indirectly contributes to the potentially negative effects of raw material cultivation or is linked to them through its choice of suppliers. This relates to negative ecological impacts, such as land consumption or land use competition, pesticide use, soil erosion and degradation, water scarcity or poor water quality, as well as reduction of biodiversity. In addition, AGRANA's suppliers could also cause negative social impacts, such as through human rights violations, child labour or poor working conditions.

Although AGRANA has no direct control over the operational management practiced by its suppliers, it strives to avoid or minimise these environmental and social risks through its selection of suppliers, thus following the precautionary principle. AGRANA has set out the requirements for agricultural suppliers in its written principles for the procurement of agricultural raw materials and intermediate products, a document which, for the social criteria, incorporates the AGRANA Code of Conduct by reference. The principles for the procurement of agricultural raw materials and intermediate products were last revised in the 2020|21 financial year and are incorporated in supply contracts. In order to also take into account aspects such as ensuring non-deforestation and emission reduction in the supply chain, a further update of these principles will be undertaken and published in 2023|24. Under both the Group's purchase-order-related and general terms and conditions, the AGRANA Code of Conduct also applies to all other business partners from whom AGRANA purchases goods and/or services.

Documentation in connection with the Sustainable Agriculture Initiative Platform (SAI)

In order to work on and document environmental and social responsibility topics in the agricultural supply chain in a structured way regardless of the particular procurement model, AGRANA Beteiligungs-AG has since July 2014 been an active member of the Sustainable Agriculture Initiative Platform (SAI, a food industry initiative founded in 2002), and, with its Fruit, Starch and Sugar segments, participates in the working groups and committees relevant to its raw materials.

The SAI Platform gives processors of agricultural raw materials like AGRANA several helpful tools particularly for the evaluation and documentation of conformity with good environmental and social practices in the agricultural supply chain and for comparing the value and judging the equivalences of different documentation types and international certifications.

The underlying tool is always the Farm Sustainability Assessment (FSA) created by the SAI Platform. This assessment is carried out using a 109-point questionnaire covering all features relevant to sustainability, such as farm management, working conditions (including questions on child and forced labour), soil and nutrient management and crop protection. Depending on the fulfilment of the various criteria, each farm receives a sustainability rating designated by the "Gold", "Silver", or "Bronze" level. AGRANA's goal is that those contract farmers who apply the FSA system achieve at least FSA Silver status.

The external verification of the FSA sustainability level of AGRANA's contract farmers is governed by a three-year cycle that began in 2017. The latest round of re-verification audits was completed in summer 2021. The farmers in all countries achieved the AGRANA target of FSA Silver status or higher, with the exception of the Romanian beet producers. The next verification, under the new FSA 3.0 system, is scheduled for the 2023|24 financial year.

In addition to the direct application of the FSA, the SAI Platform provides a comprehensive benchmarking system that ensures that farms which already have relevant certifications (e.g., Global GAP or Rainforest Alliance) or participate in company-specific sustainability programmes are accorded FSA equivalence, which significantly reduces the verification effort.

The certification to international or company standards, as well as the external verification of farm self-assessments under the FSA in conformity with the rules of the SAI Implementation Framework, enable agricultural producers and the processing industry to advertise their FSA sustainability status in the B2B space.

In the 2022|23 financial year, about 82% of the raw material volume processed by AGRANA was directly or indirectly covered in the SAI FSA system.

Regenerative agriculture and biodiversity

Regenerative agriculture is commonly understood as an approach to agricultural production that aims to conserve or restore agricultural land and ecosystems and includes measures for the management of soil, water and biodiversity.

Basic soil protection measures such as crop rotation, soil-conserving use of technology, or obtaining fertiliser recommendations based on regular soil analyses have been a practice required by AGRANA of its suppliers for many years, and innovative further models and measures are under development.

Biodiversity is significant for AGRANA especially in its upstream value chain, i.e., in the farming landscape. In this annual report, AGRANA to the extent possible publishes biodiversity aspects of raw material procurement from contract growers in the respective business segment's report. AGRANA also carries out some projects at its business locations to protect or increase species diversity. For instance, since 2016, AGRANA maintains a bee conservation project, which involved installing ten bee hives at each of the Group's Austrian locations. Some of these bee colonies are also used in workshops for elementary schools to teach interrelationships in nature.

Water in the upstream value chain

Water-related risks indirectly affecting AGRANA that exist in its supply chain, i.e., in agricultural production, are implicitly captured in the risk management process and risk reporting, as part of operational procurement risks (see the section "Risk management", from page 109). Most of the field crops which AGRANA procures and processes in the European Union are currently grown without irrigation. Data on water use in the production of agricultural raw materials are therefore not reported to date, due mainly to the limited relevance for the Group and also to limited availability and reliability of data in international procurement. Nonetheless, AGRANA is aware of the growing importance of water availability and water quality requirements in the context of changes in climate and the need to adapt to these changes. In the 2023|24 financial year, these risks will be dealt with as part of a climate change scenario analysis for the upstream value chain (see the section "Risk Management", from page 116).

Environmental aspects – eco-efficiency of our production

The blueprint for AGRANA's management of environmental and energy matters is its environmental policy, which follows the precautionary approach and underpins the avoidance or reduction of negative economic, environmental and social impacts of AGRANA's production and also includes a complaints process. The policy was revised in 2020|21 to incorporate AGRANA's climate strategy for the phase-out of fossil fuels in production operations by 2040. To reflect AGRANA's commitment to the Science Based Targets initiative, the Group's environmental policy will be updated in the 2023|24 financial year.

Energy consumption and emissions in AGRANA's production activities

In the area of energy supply, AGRANA is exposed to transition risks, such as mooted national legal bans on (certain) fossil fuels or a carbon tax. In AGRANA's view, a system of industry-wide CO₂ taxation is socially necessary to establish the true costs of burning carbon and to incentivise investment in renewable technologies. If carbon taxation is only introduced nationally or in the EU and without corresponding export relief or import charges for CO₂ loads, this would limit the company's international competitiveness. For details on the management of these risks, see the section "Risk management", subheading "Non-financial risks", from pages 113, 116).



AGRANA's processing of agricultural raw materials is energy-intensive, especially in the Starch and Sugar segments. It is subject to the EU Emissions Trading Scheme and, through the greenhouse gas emissions generated, has negative impacts on people and the environment. These impacts are within AGRANA's direct control. AGRANA is committed to operating responsibly and will continue to reduce harmful emissions more and more, in order to achieve net-zero greenhouse gas emissions by 2040 (Scope 1 and 2). The energy management systems at AGRANA's production sites provide the basis for the monitoring of the Group's climate strategy. The energy management systems of about 37.7% of all AGRANA production facilities within the GRI reporting boundaries (see page 49) held an ISO 50001 certification in the financial year (prior year: 37.7%).

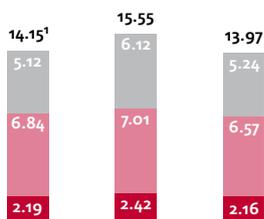
Generally speaking, absolute energy consumption and emission figures are not very meaningful for gauging efficiency improvements because of the sometimes sharp annual fluctuations in raw material processing quantities (especially in the Sugar segment and the fruit juice concentrate business) and the associated inherent variability in absolute energy consumption and in the resulting emissions. AGRANA therefore additionally always reports energy intensity and emission intensity per tonne of product output.

It was above all the approximately 16.2% lower beet processing in the Sugar segment and about 10% lower raw material processing in both the Starch segment and the fruit juice concentrate business that led to a reduction in total energy consumption (Scope 1 and 2) of about 10.2% year-on-year to about 13.97 million GJ. Specific energy consumption (Scope 1 and 2) per tonne of product output fell to 3.21 GJ. Absolute emissions were reduced by about 9% despite the use of around 22,000 tonnes of extra light heating oil in Austria as a substitute for natural gas in order to avoid potential supply uncertainties. Specific emissions per tonne of product output remained almost constant at about 163 kg CO₂ due to the lower production volumes.



Energy consumption (Scope 1+2) of the AGRANA Group

Bar chart: total amounts (gross), in million gigajoules (GJ)



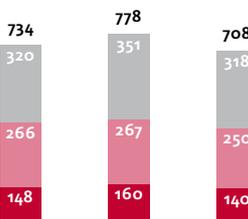
2020|21 2021|22 2022|23

● Specific energy consumption in GJ per tonne of product output

■ Sugar segment
■ Starch segment
■ Fruit segment

Emissions (Scope 1+2) of the AGRANA Group

Bar chart: total amounts (gross), in thousand tonnes of CO₂

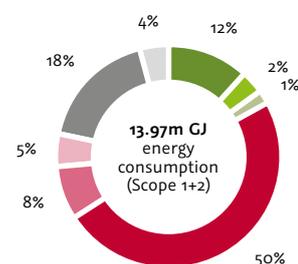


2020|21 2021|22 2022|23

● Specific emissions in kg of CO₂ per tonne of product output

■ Sugar segment
■ Starch segment
■ Fruit segment

Energy mix of the AGRANA Group in 2022|23



■ Renewable electricity
■ Biogas
■ Biomass
■ Natural gas (incl. LNG)
■ Light fuel oil and Diesel
■ Coal and coke
■ Steam
■ Electricity

¹Value adjusted slightly to correct rounding differences.



Corporate carbon footprint of the AGRANA Group

In the prior, 2021|22 financial year, data on Scope 3 emissions (representing the upstream and downstream value chain) for the 2019|20 base year of AGRANA's climate strategy were collected in a structured way for the first time, in accordance with the requirements of the Greenhouse Gas Protocol. For this purpose, AGRANA combined the primary data from all business segments in different Scope 3 categories with emission factors from the two methodologically comparable and comprehensive databases ofecoinvent and the Quantis World Food Database (which include effects from land use and land use change where relevant). The resulting Scope 3 emissions figure was added to the existing values for Scope 1 and Scope 2 emissions from our own production operations to calculate the corporate carbon footprint. Emission calculations for the upstream and downstream value chain involve significant assumptions and are subject to a high level of uncertainty, especially in the agricultural sector. This results both from the methodology used and from the limited availability of emission measurements from crop production. Based on these uncertain assumptions, 5.6 million tonnes of CO_{2e} were reported here for 2019|20 in the 2021|22 annual report, but an in-depth analysis has since shown that the actual number was about 500,000 tonnes lower, due to multiple counting in the Starch segment. In the 2019|20 base year, the AGRANA Group thus directly or indirectly caused total emissions (Scope 1, 2 and 3) of approximately 5.14 million tonnes of CO_{2e}.

The statement of the shares of Scope 1, 2 and 3 in the total 2019|20 corporate carbon footprint changes only minimally as a result:

The largest share, 82%, was that of emissions from the upstream and downstream value chain, over which AGRANA has no direct control (Scope 3 emissions).

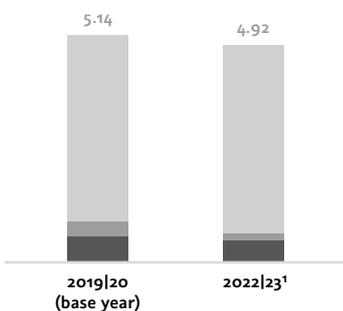
Around 18% of the total emissions triggered by AGRANA's business activities were attributable to emissions from the Group's own production operations, which can be directly influenced by AGRANA (Scope 1 and 2).

At 2.8 million tonnes of CO_{2e}, the Starch segment accounted for about 55% of the AGRANA Group's total emissions (Scope 1, 2 and 3) in the 2019|20 financial year. This was followed by the Sugar segment with around 1.2 million tonnes CO_{2e} (23%) and the Fruit segment with about 1.1 million tonnes of CO_{2e} (22%).

The largest sources of emissions in the upstream and downstream value chain (Scope 3) in the base 2019|20 financial year were the growing of agricultural crops and the purchase of other goods and services (category 3.1), at a combined total of about 78%. Their transport to AGRANA's production sites (category 3.4) represented the next largest entry, at 6.8%. In addition, the transport of AGRANA products to its customers (category 3.9), over which AGRANA has little control, also contributed a relevant 5.3% to emissions. Under category 3.12, "End-of-life treatment of products sold" (with a share of 5.2%), AGRANA grouped emissions from the disposal of packaging materials of all kinds. For lack of available data, no further statements can be made on the emissions caused by the use of the foods, food ingredients and technical products manufactured by AGRANA.

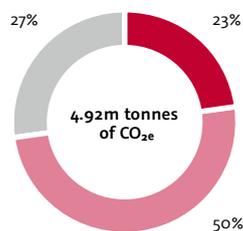


Total emissions (Scope 1+2+3) of the AGRANA Group
in million tonnes of CO_{2e}



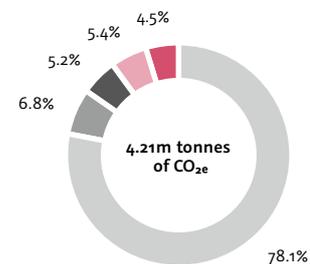
- Scope 3
- Scope 2
- Scope 1

Total emissions (Scope 1+2+3) by AGRANA segment in 2022|23¹



- Fruit segment
- Starch segment
- Sugar segment

Scope 3 emissions of the AGRANA Group by category in 2022|23¹



- 3.1 Purchased goods & services
- 3.4 Upstream transport
- 3.9 Downstream transport
- 3.12 End-of-life-treatment
- Other²

¹ For time reasons, the values shown for 2022|23 (except those for fruit preparations) were primarily calculated using factors based on the processing quantities of the most important agricultural raw materials.

² Total of 3.2 Capital goods, 3.6 Business travel, 3.5 Waste, 3.8 Upstream leased assets (primarily storage space, offices) and 3.7 Employee commuting.



Further development of AGRANA's climate strategy

In the 2019|20 financial year, AGRANA launched the development of a climate strategy in line with the Paris climate accord, the European Green Deal and the Austrian Energy and Climate Plan, which call for a neutral carbon balance by 2050 and 2040, respectively.

In July 2021, AGRANA joined the Science Based Targets initiative (SBTi). Under this initiative, companies commit to setting emission reduction targets in line with the Paris Climate Agreement. In November 2022, the Group submitted its science-based targets to the SBTi for validation; the process of validating these targets will start at the end of May 2023.

Under the science-based targets submitted, AGRANA commits to reducing emissions from its production operations (Scope 1 and 2) by 50% by 2030|31 (relative to the base year 2019|20) and lowering emissions from the upstream and downstream value chain (Scope 3) by about 34% over the same period. The company's long-term goal is to be able to report net-zero emissions in its own production activities (Scope 1 and 2) by 2040 and net-zero emissions across the entire value chain by 2050 at the latest.

Emission reduction in AGRANA's own production operations (Scope 1+2)

The emission reduction path in the company's own manufacturing (Scope 1 and 2) calls for the continuous transition from fossil fuels to renewable energy sources in order to achieve net-zero emissions by 2040.

This involves, for example, the following:

- Implementation of a package of measures for switching to electricity from renewable sources, which started with the purchase of external green electricity in Austria in the 2020|21 financial year and is being rolled out incrementally in other countries, as well as being complemented by the installation of photovoltaic systems on the company's own production buildings
- Phase-out of coal as an energy source at the AGRANA Group's last remaining coal-fired production site, in Opava, Czech Republic, by 2025|26 at the latest
- Ongoing energy efficiency measures in all business segments

AGRANA follows the principle of complete raw material utilisation to make core products and by-products (the latter being mainly animal feed and fertilisers). In the second stage – beginning in 2026|27 at the latest – energy recovery from low-protein raw material residues is to be added to the existing direct material

use in order to continue to utilise all raw material components not just completely, but also optimally in terms of climate protection. At AGRANA's Hungarian sugar factory in Kaposvár, beet pulp and other beet residues have already been used for biogas production for a number of years (see the section "Sugar segment", from page 95).

In this respect, however, there is a lack of a binding regulatory basis with regard to the accounting assumptions for emission reductions associated with different biomass sources. Furthermore, energy recovery from biomass cuts into feedstuff revenue. Generating energy from biomass in a legally compliant and profitable manner requires the right regulatory and business conditions. Due to the challenges concerning emission accounting and availability of economical, low-emission biomass, another thrust in the phase-out of fossil fuels will be the increased electrification of processes.

In total, based on current assumptions, AGRANA would have to invest about € 470 million by 2040 to avoid the greenhouse gas emissions (Scope 1 and 2) generated in its production operations during the processing of raw materials used; the specific projects included in this value are limited to those contained in the Group's internal five-year plan, while projects and cost estimates included beyond the five-year time horizon are to date based only on modelling.

Emission reduction in the upstream and downstream value chain (Scope 3)

Emissions from the agriculture and food sector contributed about 31%¹ of global man-made emissions in 2019. The European Green Deal also places great importance on reducing emissions from agricultural crop production as part of the Farm to Fork strategy. Although flat prescriptions, such as the reduction of chemical fertiliser use by at least 20%, can be controversial, they do highlight a key area for action in climate protection.

At about 78%, the main contribution to the Scope 3 portion of the AGRANA Group's corporate carbon footprint comes from the production of the agricultural raw materials processed by the company. Reducing emissions generated in agricultural production is thus the focus for AGRANA's efforts to cut Scope 3 emissions.

In 2022|23, measures were therefore developed in several expert workshops on how and to what extent greenhouse gas emissions can be reduced "in the field". Important approaches are, for example, the creation of greater transparency in the procurement of raw materials, especially from overseas, in order to reduce emissions from land use changes (by, among other things, ensuring freedom from deforestation); the use



of emission-reduced fertilisers in crop production; and the introduction of regenerative agricultural practices at suppliers. The reduction of emissions or, more specifically, the achievement of net-zero emissions in agriculture, will depend to a large extent on the – thus far lacking – scientific guidance and regulatory specifications for carbon storage/sequestration in agriculture (carbon farming).

In the course of these workshops, a closer analysis of the emission factors for agricultural raw materials used in the calculation of the corporate carbon footprint, taken from international databases, revealed that the composition of these factors often does not correspond to the agricultural practices of the Group's raw material suppliers assumed by AGRANA experts. For this reason, a project was launched in 2022|23 to collect primary data for the most important raw materials in the individual business segments in order to calculate AGRANA-specific emission factors. These primary data are gathered from growers of sugar beet, starch potatoes and corn (maize) in Austria, of apples in Hungary and of strawberries in Mexico. This is an initial pilot project with the medium-term goal of finding an easy-to-use, software-based solution that allows farmers to quickly and straightforwardly collect data that will enable them and AGRANA to calculate their own, crop-specific emission factors.

To obtain a more realistic picture of the emissions from AGRANA's upstream value chain and thus of its starting position for the emission reduction path, AGRANA will revise (re-baseline) the corporate carbon footprint for 2019|20 in the 2023|24 financial year. In this revision, the previously used secondary data on emission factors will be replaced with the AGRANA-specific primary emission factors. In addition, the SBTi's new requirements for companies in or products from the forestry, land and agriculture (FLAG) sector will be included. In future, companies will be required to divide their greenhouse gas emissions into so-called FLAG and non-FLAG emissions. In short, in AGRANA's case, this will divide emissions into those directly attributable to agricultural production and those which arise elsewhere along the value chain.

Based on this revision of the 2019|20 corporate carbon footprint, all potential emission reduction measures identified to date will be reassessed in the 2023|24 financial year. And finally, the results – the targets derived – will have to be validated again by the Science Based Targets initiative.

In the 2023|24 financial year, the corporate carbon footprint for the 2022|23 financial year will also be determined, in order to generate an up-to-date picture of AGRANA's emission-related impacts, possibly identify

new emission hot spots and develop further emission reduction measures together with suppliers and partners.

Finally, it must be noted that the societal transformation into a low-emission society can only succeed with the help of a comprehensive emissions trading system that transparently reveals the CO₂ footprint of very consumer decision in the areas of food, housing, mobility and leisure behaviour and allows CO₂-intensive lifestyles to be identified by their higher costs, thus facilitating investment decisions for companies.

Water and effluent (wastewater)

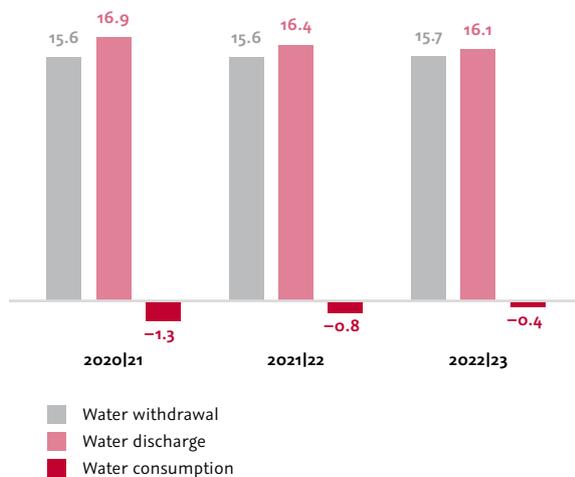
Water, the most important resource globally for the world's population, is one of many inputs in the production processes of the AGRANA Group. General water scarcity and the removal of water in water-stressed regions, as well as poor quality or temperature of discharged wastewater, represent environmental and social risks.

AGRANA evaluated the water risk for all its production sites in 2022|23 using the WWF Water Risk Filter and the Aqueduct Water Risk Atlas of the World Resources Institute, which cover the above risks and numerous others. In the 2022|23 financial year, based on these analytical tools, 15 of the AGRANA sites (or 28.3%) within the GRI report boundaries (see page 49), mostly belonging to the globally operating Fruit segment, were for various reasons located in areas with high or very high water risk. Although none of AGRANA's production sites have so far been operationally affected by a shortage of high-quality water or caused significant problems for the surrounding water users, the sustainable, responsible use and discharge of water, in compliance with all legal standards, is an important aspect of AGRANA's environmental policy. Further details on water management at the production sites are provided in the segment reports (pages 82, 89, 96).

In its quest for efficiency, AGRANA utilises the water contained in the agricultural raw materials for its processes. For example, sugar beet and apples have an average water content of 75% and 85%, respectively. After using and appropriately treating the water in compliance with all legal requirements, AGRANA makes it available again to other water users. Overall, the AGRANA Group discharges more water than it withdraws and thus has a negative water consumption balance.

Water consumption of the AGRANA Group

In million cubic metres



AGRANA reports water and wastewater figures solely for its core business, the processing of agricultural raw materials in its production plants. Absolute values of water withdrawal and discharge have only very limited meaning as a measure of water use efficiency, since annual raw material processing quantities fluctuate and absolute water withdrawal and discharge values therefore vary.

Waste

The economic, environmental and social risks and impacts of waste generation and disposal in AGRANA's business activities are limited thanks to the Group's policy and practice of minimising waste through the virtually complete utilisation of raw materials. For AGRANA as an agricultural processor, its raw materials are far too valuable not to be utilised to the fullest. The Group-wide principle of complete utilisation is entrenched in the environmental policy and is practiced by producing both a wide range of high-quality foods and intermediate products for down-stream industries and – particularly in the Starch and Sugar segments – manufacturing a very broad portfolio of by-products, especially feedstuffs and fertilisers. These not only contribute significantly to the economic bottom line but also close nature's material cycle by returning minerals and other nutrients to the land and the food chain.

Waste generation at the AGRANA Group

	2022 23	2021 22 ¹	2020 21 ¹
Total amount of waste	60,136 t	75,982 t	75,738 t
Of which hazardous waste	520 t	439 t	437 t
Waste per tonne of product output	13.6 kg	16.0 kg	18.0 kg
Of which hazardous waste per tonne of product output	117 g	92 g	104 g

In the 2022|23 reporting year, the AGRANA Group further aligned its definition of waste with European regulation. For this reason, only residual materials that are intended for disposal are now counted as waste. Residual materials that are reused without further energy input are no longer reported as waste. The absolute amount of waste generated by the AGRANA Group in prior years was corrected accordingly for better comparability. Due to the lower volume of raw material processing, the absolute quantity of waste decreased by 20.7% compared to the previous year. The specific amount of waste decreased to a similar extent as a consequence of the resulting lower product output. The amount of hazardous waste reported is subject to strong fluctuations, as the material is partly collected on site until an amount efficient enough for disposal is reached (for details, see the segment reports)

Transport

The transport of raw materials and products (categories 3.4. and 3.9., upstream and downstream transportation) contributed only about 12.1% of the greenhouse gas emissions in the upstream and downstream areas (Scope 3), as indicated by the initial estimate of the AGRANA Group's corporate carbon footprint for the 2019|20 financial year (see page 53). AGRANA will nevertheless seek to make transport sustainable to the extent that it can be influenced by the company and that it is infrastructurally and economically feasible to do so. AGRANA has influence on upstream transport through the ability to give preference to less-distant suppliers.

In 2022|23, the combined modal split for inbound and outbound logistics in the AGRANA Group was approximately 71.6% road, 21.0% rail and 7.4% water.

Packaging

AGRANA relies on reusable packaging systems in its deliveries to customers that are industrial processors. In 2022|23, about 70% of the product volume sold worldwide was delivered to AGRANA's customers in this manner, mainly by bulk truck or in returnable large steel containers.

Only 30% of the products distributed, especially sugar of the Wiener Zucker family of brands distributed to consumers via retailers, were offered in disposable packaging. In this area, AGRANA strives to pay particular attention to the sustainable production and re-cycleability of the packaging materials. This means, for example, using paper packaging where product protection requirements permit, and choosing FSC-certified paper. Virgin fibre is only used for packaging that comes into direct contact with the product, in order to avoid the risk of possible product contamination. Only recycled materials are used for tertiary packaging made of corrugated board. Composite materials that are virtually free of plastic are used for sealing (e.g., for sugar sticks and single-serving sugar packets). The Wiener Zucker brand family does not use aluminium in its packaging.

Employee matters – Our staff

The internal normative basis for AGRANA's relationship with its employees is the AGRANA Code of Conduct, which was last revised in 2022|23. Among other things, it prohibits any discrimination or harassment, forbids child labour and forced labour, and addresses issues of health and safety in the workplace. It also affirms the rights of free association and collective bargaining. By adhering to its Code of Conduct, the Group expects to avoid or minimise economic risks to AGRANA (for example, difficulties in employee recruitment, inefficient operating processes, strikes and reputational damage) and social risks to employees (e.g., a work environment that is unsafe, hazardous to health, discriminatory or unfair). Since 2019|20, the Code of Conduct includes a Group Diversity and Inclusion Policy. In addition, AGRANA is a member of the UN Global Compact, reinforcing the Group's commitment to social issues. The Compact encompasses ten fundamental principles, covering areas related to human rights and labour standards, environment and climate, and anti-corruption.

The employment relationships of about 61% of AGRANA employees' worldwide in 2022|23 fell under collective agreements. The interests of approximately 65% of staff were represented by a local employee council or union representative. At those sites where neither of these forms of representation exists, AGRANA has set up complaint boxes as a formal channel available to all employees for reporting grievances regarding labour practices or human rights. A process is in place for the prompt and fair handling of the complaints received. Employees also have access to the AGRANA Whistleblowing System.

The 2022|23 financial year continued to be marked by COVID-19 (especially in the Fruit segment), which resulted in ongoing communication on physical distancing and hygiene rules in the production area as well as among administrative staff. The experienced local crisis teams dealt effectively with each challenge and both the health of the workforce and the ability to produce or deliver were ensured, thanks to a wide range of measures that included distancing and hygiene protocols, rearrangements of production shifts and schedules, increased levels of working remotely/from home, support for testing and vaccination campaigns, etc. At the beginning of the financial year, AGRANA Fruit's activities in South Korea were particularly affected by COVID-19, and in July 2022, infection rates rose sharply in Mexico and the USA. By mid-October 2022, the general situation was stable and it was decided at Group level to discontinue weekly reporting of infection figures.

Respect for human rights

SEDEX membership and SMETA audits

Since 2009, AGRANA Beteiligungs-AG is a member of the Supplier Ethical Data Exchange (SEDEX). The SEDEX assessment and audit focuses primarily on working conditions, safety and human rights (including questions on child and forced labour), but also includes some questions on environmental aspects. At the balance sheet date in 2023, thirty-five of the AGRANA production sites (or 66%; prior year: 52.8%) within the GRI reporting boundaries had valid SMETA or comparable social audits. No significant violations were found. The SMETA audit reports on the AGRANA plants are available to SEDEX members on the organisation's online platform.

The areas of focus in 2022|23 regarding working conditions and human rights in relation to AGRANA employees are discussed in the section "AGRANA's people" (see from page 101).

Anti-corruption and anti-bribery – Compliance

The risks, management approaches and activities in 2022|23 with regard to compliance and business conduct, anti-corruption and anti-bribery are presented in the "Compliance" section of the corporate governance report (see from page 30).

¹ Calculated based on the average number of employees (headcount) within the GRI reporting boundaries.

Social matters

Product responsibility and sustainable products

Product safety and quality

The foremost aim of the AGRANA quality policy is to produce foods and feedstuffs that meet customer requirements and are safe for consumption.

Adherence to the many applicable national and international regulations for product safety at all production sites worldwide is the top priority for AGRANA in this context.

In the area of food safety, AGRANA ensures it meets local legal requirements for food and feed, as well as relying on certifications to standards recognised by the Global Food Safety Initiative (GFSI). An important part of these standards are so-called hazard control plans. These serve to identify and control potential chemical, physical or microbiological hazards to human health. Hazard control plans are regularly reviewed and improved.

The top-down and bottom-up implementation of the requirements arising from laws and standards is ensured by informed and trained employees who act responsibly. In this way, AGRANA also ensures the introduction and maintenance of an advanced food safety culture.

In its assurance of food and feed safety, AGRANA goes beyond the legal requirements and has implemented internationally recognised standards of product safety, to which it is externally certified.

The AGRANA quality management system is based on the principles of ISO 9001, the international norm for quality management systems. AGRANA's quality management system is supplemented by numerous certifications for food and feed safety and defence. Depending on the country or region and customer demand, additional certifications are also offered, such as Organic, GMO-Free, Kosher (following Jewish dietary laws) and Halal (adhering to Islamic dietary laws). Overall in the 2022|23 financial year, 100% of AGRANA's feed production sites held certifications to at least one of these standards or of the locally relevant international ones.

The levels of excellence in the hygiene and quality standards of the foods and feeds produced by AGRANA are continually raised further with the aid of external certifications, customer and supplier audits and an internal audit system.

In the 2022|23 financial year, a product recall of infant milk formula was carried out that affected end consumers. The batch involved was contaminated with fragments of plastic dosing spoons. The contamination occurred when the dosing spoons were added to the product. This was triggered by a malfunction of the spoon dispensing device. Based on an extensive and thorough analysis of the problem, appropriate measures were taken that prevent a recurrence of such an error.

Sugar as a component of a balanced diet

As a producer of sugar among other products, the AGRANA Group is indirectly affected by regulatory risks arising, for example, from sugar taxes and Nutri-Score disclosures. In economic regions with a high standard of living, considerations around health and a balanced diet are a major reason for many people to wish to reduce sugar intake. At the same time, legislators and national health authorities are also interested in reducing sugar in the diet because of concerns about diet- and lifestyle-related diseases that could potentially overburden health care systems. The food industry strives to avoid actual or threatened tax burdens on sugar, such as in the form of a sugar tax (especially on soft drinks), and also makes industry-specific voluntary commitments (e.g., for cereals and yoghurts). The much-discussed display of Nutri-Scores – a system for the nutritional labelling of foods, often colour-coded or letter-based – also motivates food manufacturers to reduce sugar in their recipes. The result is a gradual reduction in sugar content. Sugar consumption in the EU has been stagnating or slightly declining for about 20 years. In their forecasts, the OECD and FAO project a cumulative decrease of about 5% in sugar consumption in the OECD countries by 2029. The introduction of sugar taxes is another factor among many that is leading to the gradual decline in per-capita sugar consumption in Europe.

On the supply side, on the other hand, according to the market research institute S&P Global, there is concern in the short term that there will not be enough sugar available for processing in the European Union due to low EU stocks and reduced production from sugar beet.

AGRANA is conscious of its social responsibility. However, in AGRANA's view, reformulations of product recipes that target sugar alone fall short of the mark. Ultimately, what is responsible for overweight (and the medical complications that may result from it) is not sugar but a positive energy balance, i.e., more calories being taken in than expended. Whether these excess

calories come from fat, protein, sugar or other carbohydrates makes relatively little difference in this regard.

AGRANA therefore attaches great importance to imparting knowledge about nutrition in general, lifestyle, energy balances and the properties of sugar in particular. In the 2022|23 financial year, the Group's engagement in this area consisted of initiatives such as those of Austria's Forum for Health Today ("Forum Ernährung heute") and of the platform "Land Grows Life" ("Land schafft Leben").

Social engagement

Beyond striving to maximise the environmental and social sustainability of its core business activities, AGRANA is also engaged as a responsible corporate citizen in its host communities. As part of this engagement, the Group is involved in various sustainability-related initiatives and in industry associations and advocacy groups (see page 60).

AGRANA's contribution to the UN Sustainable Development Goals

In line with its business activities and its sustainability priorities in the areas of climate change mitigation,

complete raw material utilisation, attention to environmental and social criteria in procurement, and business ethics, AGRANA supports especially the Sustainable Development Goals (SDGs) 8, 13, 15 and 16 adopted in September 2015 by the General Assembly of the United Nations; for the first time, these UN goals have also engaged the private sector in furthering the achievement of develop-





Memberships in major sustainability initiatives

Initiative	Member companies from AGRANA Group	Since	Initiative's aim and member base
Sustainable Agriculture Initiative Platform (SAI)	AGRANA Beteiligungs-AG ¹	2014	Aim: develop guidelines for and implement sustainable agriculture practices; Members: from the food production value chain
Sustainable Juice Covenant	AUSTRIA JUICE GmbH	2018	Aim: global initiative for sustainable production of fruit- and vegetable-based juices, purees and juice concentrates; Members: beverage industry, especially members of the European Fruit Juice Association (AIJN)
Science Based Targets initiative	AGRANA Beteiligungs-AG ¹	2021	Aim: members commit to setting climate targets in line with the Paris Agreement; Members: companies from various industries worldwide
Supplier Ethical Data Exchange (SEDEX)	AGRANA Beteiligungs-AG ¹	2009	Aim: promote sustainable social and environmental practices in the value chain; Members: companies from various industries worldwide
UN Global Compact	AGRANA Beteiligungs-AG ¹	2022	Aim: follow ten fundamental principles related to human rights and labour standards, environment and climate, as well as anti-corruption; Members: companies from various industries worldwide
EcoVadis	AUSTRIA JUICE GmbH and some sites of Fruit segment, AGRANA Stärke GmbH, AGRANA Zucker GmbH	2013	Aim: supplier assessment on environmental and social criteria throughout their value chain; Members: companies from a wide range of industries
ARGE Gentechnik-frei (Plattform GMO-Free)	AGRANA Beteiligungs-AG ¹	2010	Aim: promote and safeguard Austrian GMO-free agriculture and food production; Members: from the entire food value chain, including many retailers

Memberships in industry associations and advocacy groups

Industry association or advocacy group	Member company	Geographic scope
Industriellenvereinigung (Federation of Austrian Industries)	AGRANA Beteiligungs-AG	Austria
Fachverband der Nahrungs- und Genussmittelindustrie (Austrian Food Industry Association)	AGRANA Beteiligungs-AG	Austria
AÖL – Assoziation ökologischer Lebensmittelhersteller (Association of Sustainable Food Producers)	AGRANA Stärke GmbH	Germany
CEFS – Comité Européen des Fabricants de Sucre (European Association of Sugar Producers)	AGRANA Zucker GmbH	European Union
Starch Europe	AGRANA Stärke GmbH	European Union
SGF International E.V.	AUSTRIA JUICE GmbH	Worldwide
ePURE	AGRANA Stärke GmbH	European Union



EU-Taxonomy-aligned and -eligible revenue, investment and operating expenses

In summer 2020, the European Union adopted the Taxonomy Regulation (Reg (EU) 2020/852), which defines criteria for reporting revenues, investments and operating expenses from or in sustainable economic activities. To be considered sustainable, economic activities must serve one of six EU environmental objectives – climate change mitigation, adaptation to climate change, sustainable use of water resources, transition to a circular economy, pollution prevention, or protection of ecosystems and biodiversity – without significantly compromising any of the other five. In addition, they must meet minimum social standards. For the 2022|23 financial year, the reporting of EU Taxonomy-aligned and -eligible revenue (“turnover”), capital expenditure (CapEx, or investment) and operating expenditure (OpEx, or operating expenses), as key performance indicators or KPIs, is limited to the economic activities identified under the two goals of climate change mitigation (EU objective 1) and climate change adaptation (EU objective 2).

The determination of Taxonomy-eligible or -aligned revenue, investment and operating expenses was carried out through the assessment under the technical screening criteria as well as the DNSH criteria and the minimum social safeguards (Article 18 of the Taxonomy Regulation), in collaboration with the persons responsible for technology at the respective production sites as well as the controllership, finance, compliance and sustainability functions at the site, segment and Group levels. The AGRANA Group avoids any type of double counting by evaluating the data for each performance indicator separately from each other.

Taxonomy-aligned or -eligible revenue (“turnover”) in 2022|23

As the current EU Taxonomy rules do not yet address economic activities in the production of food and beverages or food ingredients, 92.3% of the AGRANA Group’s revenue in 2022|23 did not yet fall within the scope of the EU Taxonomy.

For the 2022|23 financial year, the AGRANA Group is able to report EU Taxonomy-aligned or Taxonomy-eligible revenue solely from its business activities under “3.17. Manufacture of plastics in primary forms” (production of thermoplastic starch at the facility in Gmünd, Austria), “4.13. Production of biogas and biofuels for transport and liquid biofuels” (bioethanol production at the site in Pischelsdorf, Austria), “5.7. Anaerobic digestion of biowaste” (biogas produc-

tion, processing and injection of biomethane into the local natural gas grid at the site of the Kaposvár sugar factory in Hungary); for details, see the Sugar segment report, from page 95 (for table, see from page 62).

The denominator of this KPI consists of the revenue reported in the 2022|23 consolidated financial statements (on page 124).

Taxonomy-aligned or -eligible capital expenditure in 2022|23

Of the AGRANA Group’s total investment in the year under review, only 13.8% was within the current scope of the EU Taxonomy.

EU Taxonomy-eligible capital expenditure in AGRANA’s business activities in the 2022|23 financial year was related to investment under, among others, the economic activities “4.25. Production of heat/cool using waste heat” (i.e., generation of heat/cold using waste heat), “5.3. Construction, extension and operation of wastewater collection and treatment”, “5.1. Construction, extension and operation of water collection, treatment and supply systems”, “7.2. Renovation of existing buildings” and “7.3. Installation, maintenance and repair of energy efficiency equipment” (see table from page 64). The sum of these investment expenditures represents the numerator of the KPI.

The denominator consists of the amount of “purchases of property, plant and equipment and intangibles” reported in the 2021|22 consolidated financial statements (on page 132).

Taxonomy-aligned or -eligible operating expenses in 2022|23

The EU Taxonomy’s definition of operating expenditure (OpEx) is limited to the areas of repair and maintenance, expenses for short-term leases, building renovation, research and development, and training. As a result, only € 96.6 million of the operating expenses in the 2022|23 financial year fell within the scope of the EU Taxonomy. EU Taxonomy-aligned operating expenses were limited to those under the economic activity “4.25. Production of heat/cool using waste heat” (table from page 68).

Taxonomy-aligned turnover (revenue) in 2022|23¹

Economic activities (1)	Codes (2)	Absolute turnover (3)	Proportion of turnover (4)	Substantial Contribution criteria					
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		€000	%	%	%	%	%	%	%
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of plastics in primary form	3.17	1,247	0.0%	100%	0%	0%	0%	0%	0%
Manufacture of biogas and biofuels for use in transport and of bioliquids	4.13	95,544	2.7%	100%	0%	0%	0%	0%	0%
Anaerobic digestion of biowaste	5.7	4,194	0.1%	100%	0%	0%	0%	0%	0%
Turnover of environmentally sustainable activities (Taxonomy-aligned)		100,985	2.8%	100%	0%	0%	0%	0%	0%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)									
Manufacture of biogas and biofuels for use in transport and of bioliquids	4.13	178,946	4.9%						
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)		178,946	4.9%						
Total (A.1 + A.2)		279,931	7.7%						
B. Taxonomy-non-eligible activities									
Turnover of Taxonomy-non-eligible activities		3,357,511	92.3%						
Total (A + B)		3,637,442	100.0%						

¹ The percentages of Taxonomy-aligned or -eligible revenue based on absolute amounts in thousand euros are subject to (minimal) rounding error and thus do not sum exactly to 100%.

Taxonomy-aligned capital expenditure (“CapEx”) in 2022|23¹

Economic activities (1)	Codes (2)	Absolute CAPEX (3)	Proportion of CAPEX (4)	Substantial Contribution criteria					
				Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		€000	%	%	%	%	%	%	%
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Electricity generation using solar photovoltaic technology	4.1	353	0.3%	100%	0%	0%	0%	0%	0%
Manufacture of biogas and biofuels for use in transport and of bioliquids	4.13	175	0.2%	100%	0%	0%	0%	0%	0%
Installation and operation of electric heat pumps	4.16	49	0.0%	100%	0%	0%	0%	0%	0%
Production of heat/cold using waste heat	4.25	3,493	3.4%	100%	0%	0%	0%	0%	0%
Construction, extension and operation of water collection, treatment and supply systems	5.1	781	0.8%	100%	0%	0%	0%	0%	0%
Construction, extension and operation of waste water collection and treatment	5.3	850	0.8%	100%	0%	0%	0%	0%	0%
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	361	0.4%	100%	0%	0%	0%	0%	0%
Freight transport services by road	6.6	71	0.1%	100%	0%	0%	0%	0%	0%
Installation, maintenance and repair of energy efficiency equipment	7.3	655	0.6%	100%	0%	0%	0%	0%	0%
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	246	0.2%	100%	0%	0%	0%	0%	0%
CAPEX of environmentally sustainable activities (Taxonomy-aligned)		7,034	6.8%	100%	0%	0%	0%	0%	0%

¹The percentages of Taxonomy-aligned or -eligible CapEx based on absolute amounts in thousand euros are subject to (minimal) rounding error and thus do not sum exactly to 100%.

DNSH criteria ("Does Not Significantly Harm")										
Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safe-guards (17)	Taxonomy-aligned proportion of CAPEX, 2022 23 (18)	Taxonomy-aligned proportion of CAPEX 2021 22 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
-	Y	Y	Y	Y	Y	Y	0.3%	-	-	-
-	Y	Y	Y	Y	Y	Y	0.2%	-	-	-
-	Y	Y	Y	Y	Y	Y	0.0%	-	-	-
-	Y	Y	Y	Y	Y	Y	3.4%	-	-	-
-	Y	Y	Y	Y	Y	Y	0.8%	-	-	-
-	Y	Y	Y	Y	Y	Y	0.8%	-	-	-
-	Y	Y	Y	Y	Y	Y	0.4%	-	-	T
-	Y	Y	Y	Y	Y	Y	0.1%	-	-	T
-	Y	Y	Y	Y	Y	Y	0.6%	-	E	-
-	Y	Y	Y	Y	Y	Y	0.2%	-	-	-
-	Y	Y	Y	Y	Y	Y	6.8%	-	-	-

Economic activities (1)	Codes (2)	Absolute CAPEX (3)	Proportion of CAPEX (4)	Substantial Contribution criteria						
				Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	
		€000	%	%	%	%	%	%	%	
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)										
Manufacture of biogas and biofuels for use in transport and of bioliquids	4.13	496	0.5%							
Construction, extension and operation of water collection, treatment and supply systems	5.1	96	0.1%							
Construction, extension and operation of waste water collection and treatment	5.3	281	0.3%							
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	203	0.2%							
Freight transport services by road	6.6	25	0.0%							
Installation, maintenance and repair of energy efficiency equipment	7.3	6,036	5.9%							
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)		7,138	6.9%							
Total (A.1 + A.2)		14,172	13.8%							
B. Taxonomy-non-eligible activities										
CAPEX of Taxonomy-non-eligible activities		88,743	86.2%							
Total (A + B)		102,915	100.0%							

DNSH criteria
 ("Does Not Significantly Harm")

Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safe-guards (17)	Taxonomy-aligned proportion of CAPEX, 2022 23 (18)	Taxonomy-aligned proportion of CAPEX, 2021 22 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
							0.0%	-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-
								-	-	-

Taxonomy-aligned operating expenses (“OpEx”) in 2022|23¹

Economic activities (1)	Codes (2)	Absolute OPEX (3)	Proportion of OPEX (4)	Substantial Contribution criteria					
				Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		€000	%	%	%	%	%	%	%
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Production of heat/cold using waste heat	4.25	426	0.4%	100%	0%	0%	0%	0%	0%
OPEX of environmentally sustainable activities (Taxonomy-aligned)		426	0.4%	100%	0%	0%	0%	0%	0%
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)									
Manufacture of biogas and biofuels for use in transport and of bioliquids	4.13	6	0.0%						
Construction, extension and operation of water collection, treatment and supply systems	5.1	375	0.4%						
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	67	0.1%						
Freight transport services by road	6.6	160	0.2%						
Close to market research, development and innovation	9.1	4,344	4.5%						
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)		4,952	5.1%						
Total (A.1 + A.2)		5,378	5.6%						
B. Taxonomy-non-eligible activities									
OPEX of Taxonomy-non-eligible activities		91,255	94.4%						
Total (A + B)		96,633	100.0%						

¹The percentages of Taxonomy-aligned or -eligible OpEx based on absolute amounts in thousand euros are subject to (minimal) rounding error and thus do not sum exactly to 100%.

Financial results

The consolidated financial statements for the 2022|23 financial year (the twelve months ended 28 February 2023) were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Changes in the scope of consolidation

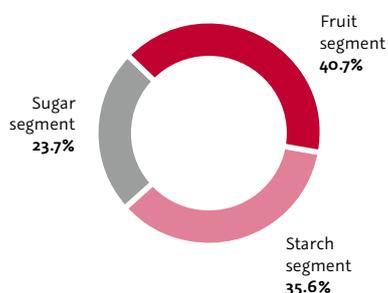
A detailed overview of the additions to and removals from the scope of consolidation is provided in the notes to the consolidated financial statements (the Notes, from page 137). In total in the consolidated financial statements, 55 companies were fully consolidated (28 February 2022 year-end: 57 companies) and 13 companies were accounted for using the equity method (28 February 2022: 13 companies).

Revenue and earnings

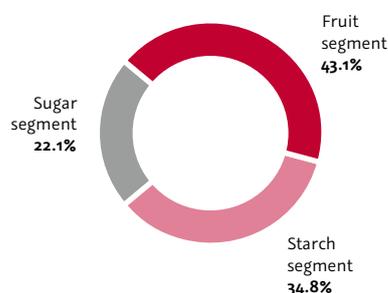
Consolidated income statement (condensed)		2022 23	2021 22	Change % / pp
Revenue	€000	3,637,442	2,901,544	25.4%
EBITDA ¹	€000	277,143	206,652	34.1%
Operating profit before exceptional items and results of equity-accounted joint ventures	€000	158,433	86,481	83.2%
Share of results of equity-accounted joint ventures	€000	18,657	8,019	132.7%
Exceptional items	€000	(88,830)	(69,768)	-27.3%
Operating profit [EBIT]	€000	88,260	24,732	256.9%
EBIT margin	%	2.4	0.9	1.6 pp
Net financial items	€000	(26,542)	(16,099)	-64.9%
Profit before tax	€000	61,718	8,633	614.9%
Income tax expense	€000	(37,035)	(20,866)	-77.5%
Profit/(loss) for the period	€000	24,683	(12,233)	301.8%
Attributable to shareholders of the parent	€000	15,816	(12,612)	225.4%
Earnings/(loss) per share	€	0.25	(0.20)	225.0%

In the 2022|23 financial year, **revenue** of the AGRANA Group was € 3,637.4 million, up significantly from one year earlier, with the growth coming from a combination of adjusted prices in all segments and stable sales volumes in the Fruit and Sugar segments.

Revenue by segment in 2022|23

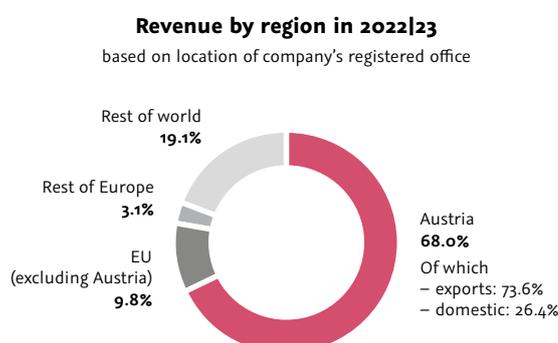


Revenue by segment in 2021|22



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

Subsidiaries based in Austria generated 68.0% (prior year: 65.2%) of Group revenue.



Operating profit (EBIT) in 2022|23 was € 88.3 million, a very significant increase from the year-ago level of € 24.7 million. The earnings growth was driven by a greatly improved pre-exceptionals operating profit and an increase in results of equity-accounted joint ventures. As in the prior year, the Group recognised impairment charges resulting from the war in Ukraine. These led to a net exceptional items expense of € 88.8 million (prior year: net expense of € 69.8 million). Details are presented in the Fruit segment report (page 79) and in the Notes (page 133). In the Fruit segment, impairment of goodwill and assets as a result of increased cost of capital due to the war in Ukraine led to negative EBIT of € 38.5 million (prior year: EBIT loss of € 15.8 million). The segment's operating performance before exceptional items was stable thanks to an extraordinarily good showing in the fruit juice concentrate business. High ethanol prices in the first half of 2022|23 and a flourishing wheat gluten business were the main reasons for an improvement in the Starch segment's EBIT to € 80.2 million. The Sugar segment returned to profit thanks to higher sales prices and margins, delivering EBIT operating profit of € 46.6 million (prior year: EBIT loss of € 31.1 million). Details on the share of results of equity-accounted joint ventures, which play a role in Starch and Sugar EBIT, can be found in the segment reports and the Notes.

Net financial items amounted to an expense of € 26.5 million in the 2022|23 financial year (prior year: net expense of € 16.1 million), with the deterioration driven primarily by more-adverse currency translation effects (including the interest portion of currency swaps). One important financial item, net interest expense, was also higher than in the previous year, as the cost of capital in the markets rose very significantly since summer 2022.

Net financial items		2022 23	2021 22	Change %
Net interest (expense)	€000	(12,417)	(7,382)	-68.2%
Currency translation differences	€000	(10,345)	(5,146)	-101.0%
Share of results of non-consolidated subsidiaries and outside companies	€000	29	34	-14.7%
Other financial items	€000	(3,809)	(3,605)	-5.7%
Total	€000	(26,542)	(16,099)	-64.9%

Profit before tax jumped strongly from the prior year's € 8.6 million to € 61.7 million. After an income tax expense of € 37.0 million, representing a tax rate¹ of 60.0% (prior year: 241.7%), the Group registered a profit for the period of € 24.7 million (prior year: loss for the period of € 12.2 million). **Profit for the period** attributable to shareholders of AGRANA was € 15.8 million (prior year: € 12.6 million); **earnings per share** increased to a positive € 0.25 (prior year: loss per share of € 0.20).

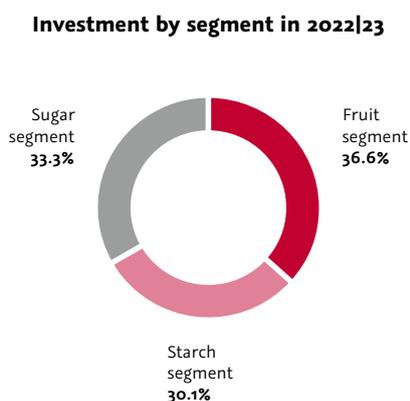
¹ For details on the tax rate and income tax reconciliation, see the Notes, from page 163.

Investment

In 2022|23, AGRANA invested a total of € 102.9 million, or € 20.5 million more than in the prior year. Purchases of property, plant and equipment and intangibles were thus below operating depreciation and amortisation, with the following distribution by business segment:

Investment ¹		2022 23	2021 22	Change % / pp
Fruit segment	€000	37,679	37,382	0.8%
Starch segment	€000	30,985	24,283	27.6%
Sugar segment	€000	34,252	20,702	65.5%
Group	€000	102,916	82,367	24.9%
Operating depreciation and amortisation	€000	118,710	120,171	-1.2%
Investment coverage	%	86.7	68.5	26.5%

Investment in all segments focused on energy efficiency and plant modernisation, and the Fruit and Starch segments also invested in capacity expansion. The key projects in the individual business segments are detailed in the segment reports.



To counter the uncertainty regarding a guaranteed natural gas supply in Europe, both in terms of volume and price, AGRANA decided at the beginning of the 2022|23 financial year to implement the use of extra light heating oil (ELHO) as an alternative fuel. A total of slightly more than € 8 million was invested in heating-oil burners and storage tanks at all Austrian sites of the Sugar and Starch segments. The required volumes of ELHO were contracted for. In combination with the purchased amounts of natural gas, the use of ELHO ensures the security of the energy supply, especially during the campaign, and also provides price stabilisation.

Cash flow

Consolidated cash flow statement (condensed)		2022 23	2021 22	Change %
Operating cash flow before changes in working capital	€000	282,343	207,225	36.2%
Changes in working capital	€000	(259,225)	(128,992)	-101.0%
Interest received and paid and income tax paid, net	€000	(21,228)	(24,998)	15.1%
Net cash from operating activities	€000	1,890	53,235	-96.4%
Net cash (used in) investing activities	€000	(88,994)	(72,624)	-22.5%
Net cash from financing activities	€000	107,219	17,595	509.4%
Net increase/(decrease) in cash and cash equivalents	€000	20,115	(1,794)	1,221.2%
Effects of movement in foreign exchange rates on cash and cash equivalents	€000	1,941	(52)	3,832.7%
Cash acquired in initial consolidation of subsidiaries	€000	0	753	-100.0%
Effect of IAS 29 on cash and cash equivalents	€000	(7,306)	(6,285)	-16.2%
Cash and cash equivalents at beginning of period	€000	103,593	110,971	-6.6%
Cash and cash equivalents at end of period	€000	118,343	103,593	14.2%
Free cash flow ¹	€000	(87,104)	(19,389)	-349.2%

Thanks mostly to the improved operating performance, **operating cash flow** before changes in working capital was up € 75.1 million year-on-year to a new total of € 282.3 million. After a mainly inventory-driven, larger increase of € 259.2 million in working capital than a year ago (prior year: increase of € 129.0 million), **net cash from operating activities** decreased to € 1.9 million (prior year: € 53.2 million). **Net cash used in investing** activities rose significantly to € 89.0 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 borrowings (including the placement of an ESG-linked Schuldscheindarlehen) led to a **net cash inflow** of € 107.2 million **from financing activities** (prior year: net cash inflow of € 17.6 million). Free cash flow was negative at a deficit of € 19.4 million (prior year: positive free cash flow of € 84.0 million).

Financial position

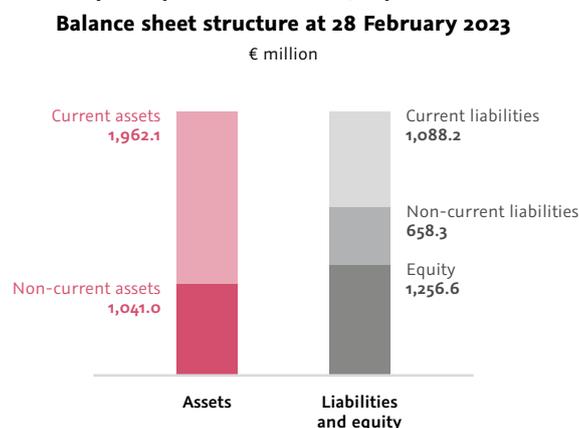
Consolidated balance sheet (condensed)		28 Feb 2023	28 Feb 2022	Change % / pp
Non-current assets	€000	1,041,010	1,134,960	-8.3%
Current assets	€000	1,962,065	1,508,670	30.1%
Total assets	€000	3,003,075	2,643,630	13.6%
Equity	€000	1,256,569	1,281,542	-1.9%
Non-current liabilities	€000	658,302	477,537	37.9%
Current liabilities	€000	1,088,204	884,551	23.0%
Total equity and liabilities	€000	3,003,075	2,643,630	13.6%
Net debt	€000	684,895	532,006	28.7%
Gearing ratio ²	%	54.5	41.5	13.0 pp
Equity ratio	%	41.8	48.5	-6.6 pp

¹ Total of net cash from operating activities and net cash used in investing activities.

² Ratio of net debt to total equity.

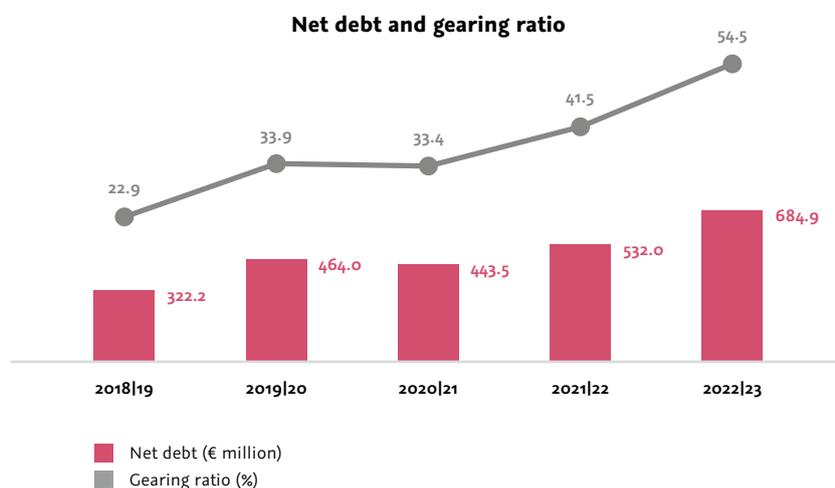
Total assets as of 28 February 2023, at € 3.0 billion, were up significantly from one year earlier (28 February 2022: € 2.64 billion), with an **equity ratio** of 41.8% (28 February 2022: 48.5%).

The value of non-current assets decreased moderately, by € 94.0 million, due to impairment of assets and goodwill in the Fruit segment. Current assets showed a significant increase of € 453.4 million, with a rise both in inventories (as a result of higher raw material and energy costs) and in trade receivables.



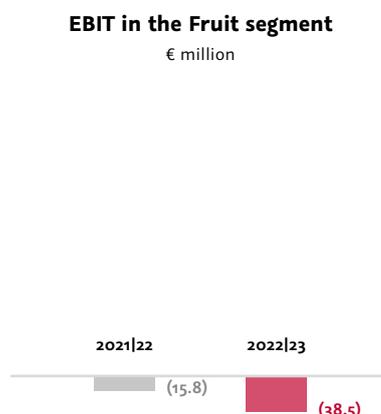
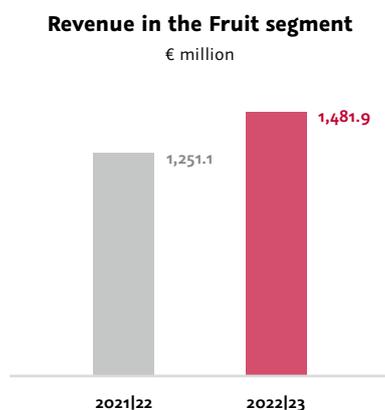
Non-current liabilities rose considerably, by € 180.8 million, due primarily to an increase in long-term borrowings. Current liabilities were also up, by a significant € 203.7 million, as a result of higher trade payables and other payables.

Net debt as of 28 February 2023 stood at € 684.9 million, up € 152.9 million from the 2021|22 year-end level. The **gearing ratio** (net debt to total equity) at the balance sheet date was thus 54.5% (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 SSD issue also helped to further diversify and optimise the investor and funding mix.

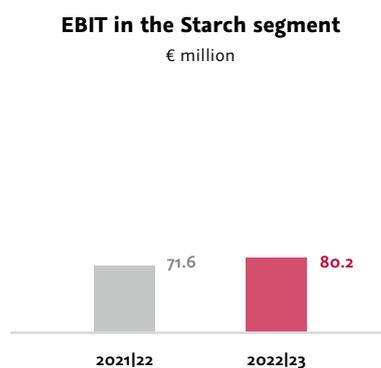
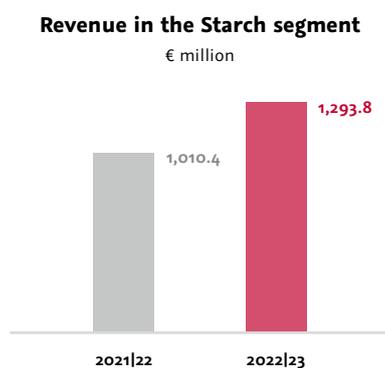
Segment financial results



Fruit segment revenue in 2022|23, at € 1,481.9 million, grew significantly from the year-earlier level (by 18.5%). The fruit preparations side of the business saw revenue growth stemming from higher sales prices. In the fruit juice concentrate activities, the growth was additionally powered by volume, with a compelling revenue expansion not just in apple and berry juice concentrates but also in the value-added business. The Fruit segment was responsible for 40.7% of Group revenue (prior year: 43.1%).

Like the year before, the segment's EBIT was negative, at a loss of € 38.5 million, which was 143.0% larger than in the prior year. Weighing on the Fruit segment EBIT result, as in the prior year, were non-cash one-off effects of the war in Ukraine (higher cost of capital). The € 91.1 million impairment on goodwill and assets, as well as the other exceptional items (income of € 1.4 million in the juice concentrate business) are explained in more detail in the Fruit segment report (page 79) and the Notes (page 133). In fruit preparations, operating profitability before exceptional items 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 (particularly South Korea and China). In the fruit juice concentrate business, pre-exceptionals operating 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.

Further details on the results of the Fruit business are provided in the segment report from page 78.



Revenue in the **Starch segment** grew substantially in the 2022|23 financial year, by 28.0% to € 1,293.8 million. 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. The revenue growth was thus price-driven, and this was the case across the entire portfolio. In the ethanol business, sales prices are based on the Platts quotations. The volatility in ethanol markets seen in the last financial year was extreme. After quoting as high as above € 1,300 per cubic metre in the first half of 2022|23, ethanol prices fell significantly from the end of summer 2022 and only ranged between € 700 and € 800 per cubic metre since November 2022. By-product sales revenue (notably in high-protein products) increased significantly, following raw material prices higher. The high general level of prices moderated demand and sales volumes thus eased evenly across all product groups. The Starch segment's share of Group revenue was 35.6% (prior year: 34.8%).

With EBIT of € 80.2 million, the Starch segment's operating profit surpassed that of the previous year by 11.9%. A very good performance reflected in this was that of the wheat gluten business. Margins on the core products declined due to the significant uptrend in raw material and energy prices. The earnings contribution by the equity-accounted HUNGRANA group declined from € 13.8 million to € 11.0 million. Historic high corn prices in Hungary (due in part to local crop failures) and the increased energy prices were factors detracting from the result of this Hungarian joint venture, particularly in its ethanol business. On balance, the EBIT profit margin of the Starch segment in 2022|23 eased to 6.2%, from 7.1% in the prior year.

Further details on the results of the Starch business are provided in the segment report from page 85.



In 2022|23, revenue in the **Sugar segment** rose by a substantial 34.6% to € 861.7 million. This growth was driven by a significant increase in sugar selling prices. The sales price trajectory was very positive, above all in the reseller business (i.e., with wholesalers and retailers), but also in the industrial market; the upward price trend has continued to strengthen since the new customer contracts took effect at the start of the 2022|23 sugar marketing year (1 October 2022). Revenue from by-products (especially dried beet pulp) increased very significantly as a result of the price correlation with agricultural commodities. The Sugar segment generated 23.7% of the Group's revenue (prior year: 22.1%).

Sugar EBIT of € 46.6 million marked a pronounced improvement from the double-digit loss of the year-earlier period. This was due to significantly increased margins thanks to the improved sales price environment. Higher costs of raw materials and energy were more than made up for. In the 2022 campaign, beet sugar production was down markedly in every country, although the impact of this on capacity utilisation was partly offset by a strong increase in processing of raw sugar especially in Romania and, to a lesser extent, in Hungary. The profit contribution of the equity-accounted AGRANA-STUDEN group was € 9.9 million, much higher than the previous year's € 1.9 million. The unusually high earnings of the AGRANA-STUDEN group, the best in its history, were explained by the positive trend in sugar sales prices and a higher processing volume at the refinery in Brcko in Bosnia and Herzegovina. The AGRANA Group's share of the result of the Vienna-based Beta Pura GmbH was a loss of € 2.3 million (prior year: loss of € 7.6 million). The positive net exceptional items of € 0.9 million were related to recoveries from ongoing tax proceedings in Romania.

Further details on the results of the Sugar business are given in the segment report from page 91.

Events after the balance sheet date

No significant events occurred after the balance sheet date of 28 February 2023 that had a material effect on AGRANA's financial position, results of operations or cash flows.

Fruit segment

Basics of the Fruit segment

Marketing relationship

B2B

Products

Fruit preparations, fruit juice concentrates, not-from-concentrate juices, fruit wines, natural flavours and beverage bases

Raw materials processed

Fruits (leading raw material for fruit preparations: strawberry; raw materials for fruit juice concentrates: apples and berries)

Key markets

Marketed worldwide

Customers

Dairy, ice cream, bakery, food service and beverage industries

Special strengths

Custom-designed, innovative products

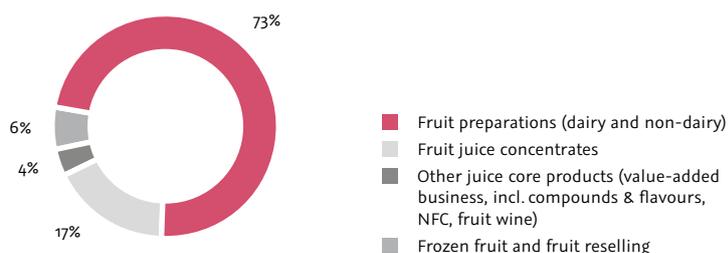
AGRANA Internationale Verwaltungs- und Asset-Management GmbH, Vienna, is the holding company for the Fruit segment. The coordination and operational management of the fruit preparations business are provided by its holding company, AGRANA Fruit S.A.S., based in Mitry-Mory, France. In the fruit juice concentrate business, the operating holding company is AUSTRIA JUICE GmbH, based in Kröllendorf/Allhartsberg, Austria. At the balance sheet date, the Fruit segment as a whole comprised 26 production sites in 20 countries for fruit preparations, and 14 plants in seven countries for the production of apple and berry juice concentrates.

Revenue and earnings

Fruit segment		2022 23	2021 22	Change % / pp
Total revenue	€000	1,482,895	1,251,846	18.5%
Inter-segment revenue	€000	(964)	(766)	-25.8%
Revenue	€000	1,481,931	1,251,080	18.5%
EBITDA ¹	€000	94,460	93,341	1.2%
Operating profit before exceptional items and results of equity-accounted joint ventures	€000	51,241	51,857	-1.2%
Exceptional items	€000	(89,731)	(67,696)	-32.5%
Operating (loss) [EBIT]	€000	(38,490)	(15,839)	-143.0%
EBIT margin	%	-2.6	-1.3	-1.3 pp
Investment ²	€000	37,679	37,382	0.8%
Number of employees (FTE) ³		5,677	5,662	0.3%

Revenue in the fruit preparations business grew by about 15%, as a result of price increases prompted by the significant rise in raw material and production costs. All regions participated in the revenue increase, with the greatest percentage gains seen in Mexico, North America, Australia and Russia. The increase in Argentina – largely driven by volume – was also significant. An analysis of sales volume by product category indicates growth in sales volumes for non-dairy fruit preparations and volume declines in the dairy area and in fruit reselling.

Revenue by product group in 2022|23



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

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

³ Average number of full-time equivalents in the reporting period.

Operating profit in the fruit preparations business before exceptional items was off significantly from the previous year. Earnings improvements in Mexico (through higher margins) and in Russia (positive currency translation effects) were far from able to make up for the declining results recorded especially in the Europe region (which were due to higher energy and raw material costs) and in Asia-Pacific (due to volume reductions in South Korea and China).

A very negative driver for EBIT in the fruit preparations activities was the net exceptional items expense of € 91.1 million (prior year: net expense of € 64.8 million). 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. Non-cash impairment of € 2.8 million on assets and of € 88.3 million on goodwill was recognised (prior year: war-related impairment of € 62.5 million and business-related impairment of € 2.3 million). Further details on exceptional items are provided in the Notes, page 133.

Revenue in the fruit juice concentrate business was boosted significantly in the 2022|23 financial year. Operating profit before exceptional items was up significantly, due to an improved margin situation both for berry and apple juice concentrates; historic high contribution margins were achieved from the 2022 harvest. The value-added segment also trended very well and (particularly in “from-the-named-fruit” natural aromas) growth targets were surpassed. Net exceptional items income of € 1.4 million was also positive for EBIT in the fruit juice concentrate activities. It stemmed from the fact that part of the write-downs recognised as of 28 February 2022 on trade receivables and on inventories as a result of the war in Ukraine was already able to be reversed in the year under review.

Market environment

After a 2021 calendar year contraction of 2.9% in the global market for spoonable fruit yoghurt (the main market for the fruit preparations business), the market stabilised in 2022 with slight growth of 0.2%. The current forecast by Euromonitor from February 2023 calls for average annual volume growth of 0.4% in the period to 2027. The Western Europe region is predicted to see a slight decline (of 1.2% per year), while the North American market is expected to have slow growth (at 0.6% p.a.). An expanding market is also projected for Australia and New Zealand (2.5% p.a.) and the Middle East and Africa (2.3% p.a.). An important category within the dairy market segment is drinkable

yoghurt, estimated to grow at a rate of 2.1% p.a. globally over the same period. The niche category of plant-based yoghurt alternatives is a further market for fruit preparations, predicted to grow briskly at an average annual rate of 4.8% to 2027.

Besides yoghurt, the main market segments significant to the diversification of the fruit preparations activities are ice cream and food service. The ice cream market is forecast to grow globally by 1.7% p.a. in the period to 2027. Within it, the new and dynamic market for plant-based alternative products is projected to attain 8.5% average annual growth. In the food service segment, the main markets served by AGRANA are quick service restaurants (QSR) and coffee & tea shops. The predicted future trajectory of these segments in the period to 2027 is very positive, with average annual growth of 5.7% in QSR and 7.3% in coffee & tea shops.

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. However, as foods serve not only nutritional needs but also for everyday moments of pleasure, there is potential for the industry here, too.

The fruit juice concentrate business remains subject to the trends towards lower fruit juice content in beverages and towards not-from-concentrate 100% juices. As a consequence, there is growing demand for beverage bases with a reduced fruit juice content. AGRANA addresses this trend with its strategic emphasis on the increased production of beverage bases and natural aromas.

In fruit juice concentrates, customer call-offs were very high overall in the fourth quarter of 2022|23. Amid very good market demand, the contracts for both apple and berry juice concentrates made from the 2022 crop were concluded at contribution margins well above those of the prior year.

Sales volumes and contribution margins in the value-added business increased very strongly. The growth targets were exceeded, especially in from-the-named-fruit aromas.

The logistical challenges that defined the export-heavy concentrate business since the COVID-19 pandemic (high transport costs and low availability of containers), notably for shipping to the USA, eased in the course of the 2022|23 financial year.

Raw materials and production

In 2022|23, about 343,000 tonnes of raw materials were purchased for the fruit preparations activities. The volatile market setting for commodities and the fact that the global trend in freight costs for the full year was still rising drove an average increase of about 20% year-on-year in raw material costs for fruit and ingredients. There were increases in purchasing prices across all fruit categories, as well as for sugar and starches used. AGRANA sought to pass these higher input costs on via adjusted contracts with customers.

The Group's global requirement of 55,000 tonnes of strawberry, the most important fruit by volume in the fruit preparations business, was contracted at significantly higher prices than in the year before, due largely to higher production costs on the supplier side. In the harvests begun in the fourth quarter of 2022|23 in Mexico, Egypt and Morocco, there are indications of very good raw material availability with average prices lower than those for the past 2022 crop.

The second most important fruit for fruit preparations by processing volume was peach, at just over 18,000 tonnes. Weather-related below-average harvest volumes in the European growing regions as well as in China led to significant price increases.

Blueberry ranked third in volume with a global requirement of about 11,000 tonnes. Despite war-related challenging harvesting conditions and logistics, the crop yields in the Eastern European production areas (which include Ukraine) were above expectations. The Canadian harvest also delivered stable yields, in line with the previous year.

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. The pineapple harvest that started in the third quarter of 2022|23 and has now ended brought good availability of raw materials with significantly lower prices.

Energy costs in the fruit preparations business rose considerably since the financial second quarter. What became more expensive was primarily the natural gas and electricity supply of the European production sites.

In the fruit juice concentrate business, the 2022 apple harvest was characterised by very good raw material availability in the Polish growing regions. The higher apple quantities harvested there largely made up for lower availability of apples in Hungary, Romania and China. At the Ukrainian site as well, the apple processing volume reached 90% of normal, despite the difficult circumstances. There was good availability of red berries (an industry term that includes strawberries, raspberries, black and red currants, sour cherries, chokeberries and elderberries).

Engagement in the upstream value chain

Supplier environmental and social assessment

To document compliance with sustainability criteria for raw materials from conventional cultivation, the Farm Sustainability Assessment (FSA) is used in the fruit preparations business, as are programmes that are FSA-equivalent under the benchmarking system of the Sustainable Agriculture Initiative Platform (for details, see from page 50). In the 2022|23 financial year, 20.8% (prior year: 17.4%) of the raw materials (fruits and other ingredients) procured by the purchasing organisation, AGRANA Fruit Services GmbH, for the fruit preparations segment had a valid sustainability certification as defined in the AGRANA principles for the procurement of agricultural raw materials and intermediate products. Of the fruit processed worldwide, 13.9% had a sustainability certification (prior year: 6.1%). Most of this represented an FSA certification of at least Silver level, or an equivalent certification under an international standard. The target under the Strategy 2025|26 of the fruit preparations business is to increase the proportion of processed fruit with a sustainability certification to 26%.

To evaluate its suppliers for their adherence to social criteria, AGRANA Fruit Services invites new suppliers to participate in the Supplier Ethical Data Exchange, or SEDEX (for details on SEDEX, see page 57). At the end of the financial year, the fruit preparations business had SEDEX data (and audit documents where applicable) for about 75% of the processed volume of raw materials (prior year: 72.2%). By 2025|26, the fruit preparations business plans to receive valid SEDEX data for supplier evaluation for at least 90% of the fruit volume processed each year.

The fruit juice concentrate business, as a result of its procurement structures, is confronted with an especially significant challenge in supply chain management, as most of the raw materials it processes are sourced via collection points from dealers. This is a consequence of legacy regional structures evolved over time which are focused primarily on the fresh market and retail trade and on fruit exports. Fundamentally, going forward, the Group seeks to purchase an increasing proportion of raw materials directly from farmers – not least in order to be able to improve sustainability aspects together with the growers. Since 2018|19, AUSTRIA JUICE is a member of the Sustainable Juice Covenant, a global initiative aimed at making the procurement, production and marketing of fruit- and vegetable-based juices, purees and concentrates 100% sustainable by the year 2030.

AUSTRIA JUICE currently maintains two projects for direct procurement from growers. In Hungary, since the year 2000, AUSTRIA JUICE has supported local farmers in growing pest-resistant apple varieties that require about 60% less pesticide than conventional cultivars. Besides financial assistance for the new planting of the trees and ongoing advice over the growing season, the fruit growers also receive purchasing guarantees. A further project with contract growers was launched in Poland in 2007. In the 2022|23 financial year, for harvest reasons, only about 11% (prior year: 20%) of all apples processed by AUSTRIA JUICE into apple juice concentrate worldwide came from these two projects.

In contract crop production, for the documenting of sustainable environmental and social criteria at its suppliers' operations, AUSTRIA JUICE uses the FSA questionnaire provided by the SAI Platform (for details, see from page 50). Two years ago, in the 2020|21 financial year, Hungarian suppliers of disease- and pest-resistant apple varieties, who were selected according to SAI Platform standards, again participated in the mandatory completion of the FSA questionnaire and the external audits. In 2020|21, for the first time, Hungarian contract suppliers of sour cherries, elderberries and carrots also completed the FSA questionnaire and were externally audited on the basis of it. As a result, AUSTRIA JUICE is entitled to claim SAI Silver (and in some cases Gold) status for three years for Hungarian growers for all raw material categories named above. Back in the 2018|19 financial year, the FSA questionnaire combined with external verification was also used for the contract growers of resistant apple varieties in Poland. The re-verification of the Polish supplier farms for resistant apple

varieties, as well as other direct suppliers of apples and various berries, was carried out in 2021|22. Based on the results, AUSTRIA JUICE has been able to advertise at least FSA Silver level for all Polish contract growers of resistant varieties. In the 2023|24 financial year, re-verification audits will be held for various supplier groups.

As well, FSA Silver equivalence can be claimed under the benchmarking of the FSA requirements against the national legislation of, for example, Poland, Spain and Hungary, when combined with a certification to the Global GAP standard. In total, following the calculation methodology of the Sustainable Juice Covenant and based on the respective juice concentration standards of the European Fruit Juice Association (AIJN), AUSTRIA JUICE is thus able to claim at least FSA Silver level for about 33% (prior year: 36%) of its raw material processing volume.

Regenerative agriculture in fruit farming

In the 2022|23 financial year, the fruit preparations business expanded the guide for regenerative practices in fruit farming developed in the previous year by adding a scorecard, designed to render progress in regenerative fruit production measurable based on the agricultural practices used by growers. The guide was also made available online to share knowledge and promote its application. Since its publication, it has been downloaded by customers, suppliers, NGOs and research institutions.

In the year, AGRANA's fruit preparations business entered into partnerships with a blueberry producer in Canada and a strawberry grower in Mexico that, in pilot projects, will implement regenerative practices for these bush and ground crops. The operator in Canada is already advanced in the application of regenerative techniques and has for some time been employing minimally invasive soil tillage, cover crops and mulching. Using the Cool Farm Tool (a calculator that helps growers optimise their practices to reduce GHG emissions), a negative CO₂ balance, improved soil health and increased species diversity were documented for this Canadian operation. In 2023|24 the fruit preparations business will establish a pilot farm for regenerative practices for strawberry growers in Mexico.



Environmental and energy aspects of AGRANA's production

Energy consumption and emissions in processing
 Helped by an 8.2% reduction in raw material processing in the Fruit segment that was due to a 10.5% lower processing volume in the fruit juice concentrate business, absolute energy consumption (Scope 1 and 2) in the Fruit segment in the year under review declined to about 2.16 million GJ, a decrease of approximately 10.4% year-on-year. As well, the Fruit segment's average specific energy consumption (scope 1 and 2) per tonne of product output fell by 7.2% to 2.45 GJ, due partly to various investments in energy efficiency in the fruit juice concentrate activities.

Absolute emissions (Scope 1 and 2) in the Fruit segment declined by about 12.5% in the financial year to around 140,000 tonnes of CO₂. Thanks to the switch to renewable energy sources, average specific emissions from direct and indirect energy consumption (Scope 1 and 2) were reduced by 9.7% to 159 kg of CO₂ per tonne of product output.

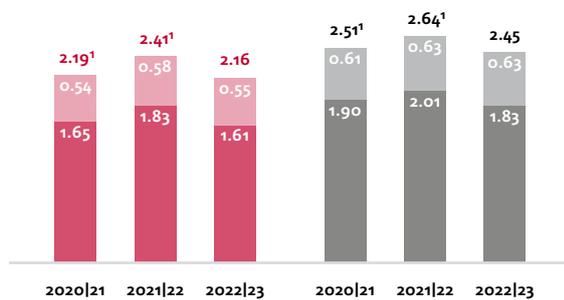
Under the Group-wide AGRANA climate strategy (for details, see from page 54), the Fruit segment too will reduce its emissions in line with the science-based climate targets.

Water consumption in processing operations at AGRANA's fruit plants

Fruit segment	2022 23	2021 22	2020 21
Total in million m ³			
Water withdrawal	3.9	3.9	4.1
Water discharge	3.6	3.7	3.8
Water consumption	0.3	0.2	0.3

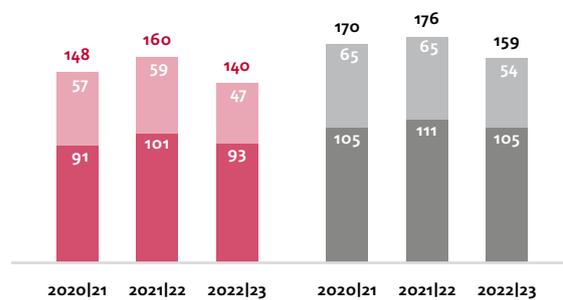
Fruit segment	2022 23	2021 22	2020 21
In m ³ per tonne of core and by-products			
Water withdrawal	4.47	4.25	4.70
Water discharge	4.04	4.03	4.36
Water consumption	0.43	0.22	0.34

Energy consumption (Scope 1+2) in processing operations at fruit plants



- Absolute indirect energy consumption (Scope 2) in million gigajoules
- Absolute direct energy consumption (Scope 1) in million gigajoules
- Average specific indirect energy consumption (Scope 2) in gigajoules per tonne of product output
- Average specific direct energy consumption (Scope 1) in gigajoules per tonne of product output

Emissions (Scope 1+2) from processing operations at fruit plants



- Absolute indirect emissions (Scope 2) in thousand tonnes of CO₂
- Absolute direct emissions (Scope 1) in thousand tonnes of CO₂
- Average specific indirect emissions (Scope 2) in kg of CO₂ per tonne of product output
- Average specific direct emissions (Scope 1) in kg of CO₂ per tonne of product output



¹ Value adjusted slightly to correct data collection errors.



The risk analysis for the AGRANA production sites regarding water withdrawal and discharge, which was revised in the 2022|23 financial year and uses the WWF Water Risk Filter and the Aqueduct Water Risk Atlas (for details, see from page 55), identified potentially high water risk at ten sites of the fruit preparations business and three sites of the fruit juice concentrate operations. Neither in the fruit preparations nor the fruit juice concentrate business are there currently actual operational risks affecting the sites, nor do the sites currently actually cause such risks to other local water users.

In the fruit juice concentrate activities, and particularly in the production of apple juice concentrates, the water bound in the fruit is released and thus improves local water availability.

In the fruit preparations business, a water management programme was launched in 2019|20 for all AGRANA fruit preparations sites. The implementation of a range of efficiency measures at facilities such as in Morocco, Mexico and France led to lower water consumption there. Overall, however, absolute water withdrawal in the fruit preparations activities rose by 6.4% in 2022|23 compared to one year earlier. This was due partly to an increase in production volume, enhanced cleaning measures and the use of additional water for cooling the wastewater at some sites.

Overall, water withdrawal in the Fruit segment remained constant at the prior-year level of 3.9 million cubic metres. Absolute water consumption increased from 0.2 million cubic metres to 0.3 million cubic metres, or 300 million litres.

Waste from processing operations at AGRANA's fruit plants

Fruit segment	2022 23	2021 22 ¹	2020 21 ¹
Waste disposed	25,529 t	27,713 t	28,005 t
Of which hazardous waste	333 t	263 t	257 t
Waste per tonne of product	28.9 kg	30.4 kg	32.1 kg
Hazardous waste per tonne of product	377 g	289 g	295 g

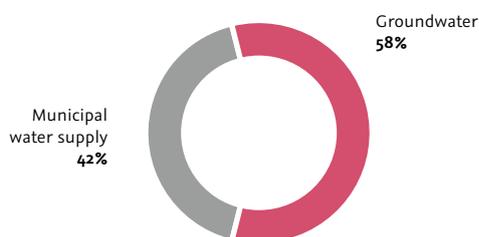
In the 2022|23 financial year, the AGRANA Group further aligned its definition of waste with European regulation. For this reason, only residual materials that are intended for disposal are now counted as waste. Residual materials that are reused without further energy input are no longer reported as waste. The waste amounts previously reported for the prior years were adjusted accordingly for better comparability. In the Fruit segment, the absolute and specific waste volumes both declined from the prior year, by 7.9% and 4.9%, respectively. The absolute volume of hazardous waste increased by about 26.6% year-on-year, owing mainly to the volume change at a single fruit preparations facility that operates under a very comprehensive legal definition of hazardous waste.

EcoVadis

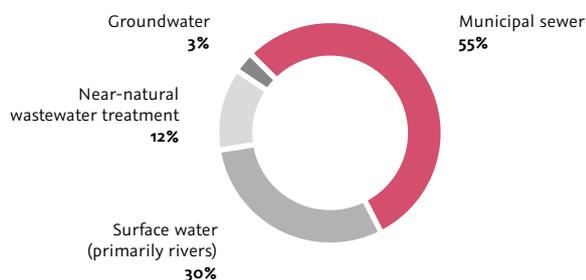
In the 2022|23 financial year, AUSTRIA JUICE GmbH held a Gold-level sustainability rating from EcoVadis, the international supplier evaluation platform.



Water withdrawal at AGRANA's fruit plants in 2022|23 by source



Receiving waters for the wastewater of AGRANA's fruit plants in 2022|23



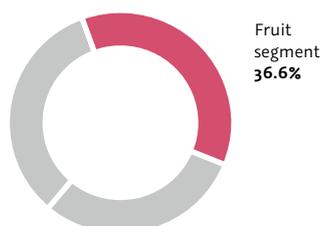
¹ Values adjusted for comparability after changes in data collection methodology.

Investment

Capital expenditure in the Fruit segment in 2022|23 was € 37.7 million (prior year: € 37.4 million). The various investment projects across all 40 production sites represented primarily capacity expansions, plant modernisation and energy efficiency improvements. The following individual investments were made, among others:

- Acquisition of new stainless steel containers, for asset replacement and capacity expansion in Mitry-Mory, France
- Installation of new facilities for product diversification (so-called brown flavours)¹ in Jacona, Mexico
- Completion of the application laboratory in Dachang, China

**Share of Group investment
in 2022|23**



Starch segment

Basics of the Starch segment

Marketing relationship B2B	Products General division into food, non-food and feed sectors; Native and modified starches, saccharification products, alcohols/bioethanol, by-products (feedstuffs and fertilisers)	Raw materials processed Corn (maize), wheat, potatoes
Key markets Central and Eastern Europe, principally Austria and Germany; also specialty markets, e.g., in USA and UAE	Customers Food sector: food industry; Non-food sector: paper, textile, construction chemicals, pharmaceutical, cosmetics and petroleum industries; Feed sector: feed industry	Special strengths GMO-free and strong organic focus

The Starch segment includes the two fully consolidated companies AGRANA Stärke GmbH, Vienna, with its three Austrian plants in Aschach (corn starch), Gmünd (potato starch) and Pischelsdorf (integrated wheat starch and bioethanol plants); AGRANA TANDAREI S.r.l. with a plant in Romania (corn processing); and Marroquin Organic International, Inc., Santa Cruz, California, USA, a trading company specialising in organic products. AGRANA Stärke GmbH, together with the joint venture partner Archer Daniels Midland Company based in Chicago, Illinois, USA, also manages and coordinates the joint ventures of the HUNGRANA group (with one plant in Hungary, where starch products, saccharification products and bioethanol are manufactured). The joint ventures are included in the consolidated financial statements using the equity method of accounting.

Revenue and earnings

Starch segment		2022 23	2021 22	Change % / pp
Total revenue	€000	1,306,594	1,020,436	28.0%
Inter-segment revenue	€000	(12,779)	(10,029)	-27.4%
Revenue	€000	1,293,815	1,010,407	28.0%
EBITDA ¹	€000	116,750	106,391	9.7%
Operating profit before exceptional items and results of equity-accounted joint ventures	€000	69,168	57,929	19.4%
Share of results of equity-accounted joint ventures	€000	11,021	13,761	-19.9%
Operating profit [EBIT]	€000	80,189	71,690	11.9%
EBIT margin	%	6.2	7.1	-0.9 pp
Investment ²	€000	30,985	24,283	27.6%
Number of employees (FTE) ³		1,147	1,137	0.9%

Market activity in the Starch segment's product markets in 2022|23 was influenced by the war in Ukraine and its ripple effects. Extreme hikes in raw material and energy costs made it necessary to pass on the rise in manufacturing costs to customers. At the same time, customers appreciated AGRANA's ability to deliver product and provide security of supply. Starch segment revenue increased by 28% in 2022|23 as a result of the adjusted sales prices in the entire product portfolio. Sales volumes were down from the year before.

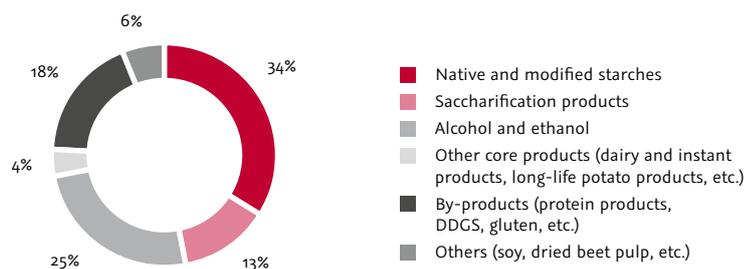
Independent of trends in manufacturing costs, the ethanol market price is based on the Platts quotations, which showed a very high range of fluctuation in the financial year. High energy prices still supported ethanol quotations in the first half of 2022|23, but also prompted large import orders for the European market.

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

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

³ Average number of full-time equivalents in the reporting period.

Revenue by product group in 2022|23



The arrival of the imports in the second half of the year then resulted in an oversupply of ethanol, which translated into lower prices and margins for European producers.

By-product revenue usually correlates with the trend in raw material costs, which is why this business area too saw significant revenue growth.

The marked increase in raw material costs in the Starch segment was due to the powerful rise in grain prices. At the same time, energy prices soared. The significant overall increase in manufacturing costs could not fully be passed on to customers through sales price adjustments and thus weighed on margins. An upside factor for earnings was the price trend in by-products (notably high-protein ones). Overall, EBITDA of € 116.8 million was achieved in the Starch segment, moderately above the prior-year level. Operating profit before exceptional items and results of equity-accounted joint ventures was € 69.2 million, or 19.4% more than one year earlier.

In 2022|23, revenue of the HUNGRANA group, the joint venture in Hungary, grew by about 28% to € 457.6 million. Its business performance followed the general trend of strong increases in corn (maize) and energy prices and thus vastly higher production costs. While prices for saccharification products rallied, ethanol margins declined. On balance, the HUNGRANA group recorded EBIT of € 41.5 million (prior year: € 34.1 million). Its profit after tax was € 22.0 million (prior year: € 27.5 million), and the profit share attributable to AGRANA's Starch segment thus eased to € 11.0 million (prior year: € 13.8 million).

Market environment

In the 2022|23 financial year, the COVID-19 pandemic, which had dominated world and economic events for the two previous years, moved to 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 for the first time required current annual contracts with customers to be revisited intra-year. In very demanding, but constructive, rounds of negotiations, the goal was to pass on cost increases as best as possible. As well, the use of shorter contract terms and the desire of many customers to stock up as early as they could for the coming year were factors determining market behaviour across all product segments.

At the beginning of the financial year, all product categories were in high demand by the market. In some categories, such as spray-dried saccharification products, limited availability meant that demand could only partly be met. Sales volumes of native and modified starches in the food sector and of proteins were high, with gratifying volume growth recorded particularly in specialties and organics. At the beginning of the financial year, the paper industry too had a very good order situation and thus strongly stimulated the demand for cereal starches.

In the course of the year, however, the spike in energy prices led to the first, in some cases significant, declines in market demand. Due to the explosion in energy costs, customers in the paper sector were the first to be confronted with a loss of competitiveness in export markets. Towards the end of the financial year, this trend expanded to the whole starch market and the progressively weaker demand collided with improved availabilities; for example, new capacity in Southeastern Europe created local overcapacity in the market.

In the market for infant formula, almost all well-known European manufacturers suffered from overcapacity, due above all to the restrictions in supplying the Asian market. However, AGRANA's focus on premium products enabled it to achieve nearly stable sales volumes in this market segment.

Volatility in the fuel alcohol market remains high. After strong quotations especially in the first quarter of 2022|23, the alcohol business was a key profit source for the Starch segment until the end of the first half of the financial year. However, high prices for energy and raw materials were exerting continuous heavy pressure on the cost side. In addition, ethanol prices in Europe fell significantly since the end of summer 2022, the top reason being the considerable amount of imports, particularly from Brazil and the USA. 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 eased again, since an energy crisis in Europe not only appeared more likely than a food crisis but did, in fact, come to pass.

Raw materials and production

World grain production¹ in the 2022|23 grain marketing year (1 July to 30 June) is estimated by the International Grains Council (IGC) at 2.248 billion tonnes (prior year: 2.291 billion tonnes), which is below the previous year's level and also less than the expected consumption of 2.266 billion tonnes. Global wheat production is forecast at 796 million tonnes (prior year: 781 million tonnes), barely exceeding expected consumption of 789 million tonnes (prior year: 783 million tonnes). The world's corn production is projected at 1,153 million tonnes (prior year: 1,220 million tonnes) and the predicted consumption of corn is 1,180 million tonnes (prior year: 1,217 million tonnes). Total ending grain stocks, at 597 million tonnes, are estimated to fall about 19 million tonnes short of the year-earlier amount.

Grain futures prices were marked by strong volatility throughout the financial year, buffeted by war-driven turmoil and unfavourable weather conditions. 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.

Since summer 2022, a falling trend could be seen. The price declines on the exchanges were caused by lower demand, an absence of further escalations of the war, agreed export corridors from Ukraine, and large harvests in important production regions. At the balance sheet date of 28 February 2023, on Euronext Paris, wheat quoted at € 274 per tonne and corn was at € 279 per tonne (year earlier: € 323 per tonne for wheat and € 311 for corn).

Potatoes

In the 2022|23 campaign, the potato starch factory in Gmünd, Austria, processed about 217,000 tonnes of starch potatoes (prior year: 274,000 tonnes). The processing of food potatoes for the production of long-life potato products was in line with the prior-year volume.

Corn and wheat

In 2022|23, AGRANA Stärke GmbH processed approximately 6% less corn at the Austrian sites in Aschach and Pischelsdorf than in the year before. The share of specialty corn (notably waxy corn and organic corn) was about 24%.

Wheat milling volume at the Pischelsdorf facility for the production of wheat starch and bioethanol was moderately lower in 2022|23 than in the previous year. Through delivery contracts concluded with growers in advance, AGRANA also secured ethanol wheat.

At the two Austrian locations, a total of about 1.4 million tonnes of corn and other cereals was processed in the financial year.

In 2022|23, the HUNGRANA facility in Hungary was not able to duplicate its grinding volume of the year before. The plant in Romania processed more specialty corn and less yellow corn than in the previous year.

Corn and wheat commodity prices during AGRANA's 2022|23 financial year

€ per tonne (Euronext Paris commodity derivatives exchange)



¹ IGC forecast of 16 February 2023.



Engagement in the upstream value chain

Supplier environmental and social assessment

AGRANA Starch has grouped its Austrian contract growers of potatoes and specialty corn into two so-called Farm Management Groups (FMGs). Previously, in 2017, the sustainability performance of these groups was externally audited in accordance with FSA requirements for the first time after completion of the Farm Sustainability Assessment (for details, see from page 50). The re-verification audits, which are valid for three years, were held in the 2020|21 financial year. Every farm in the AGRANA Starch FMGs achieved FSA Silver level or better. In the 2023|24 financial year, a re-verification audit under the new requirements of FSA 3.0 will be conducted on the two Farm Management Groups.

In the sourcing of conventional raw materials for the production of wheat starch and bioethanol, AGRANA has been relying for years on certification systems recognised by the European Commission, namely, the International Sustainability and Carbon Certification (ISCC) and the Austrian Agricultural Certification Scheme (AACS). Both the ISCC EU and AACS are accorded Silver-level equivalence in the FSA system.

Building awareness of good agricultural practice

Awareness-building activities on good agricultural practice were limited in the financial year to events held in small groups and to virtual offerings under the “AGRANA4You” advisory programme for contract growers. Thus, eight field days were offered for special target groups such as organic growers, starch

potato and starch corn growers as well as ethanol grain growers. These events were tailored to their audiences of 30 to 50 participants each. In addition, farmers were informed about agricultural commodity-related topics at external events, such as trade fairs, field days and webinars. External trade fairs, events and online webinars were also used for AGRANA employees to expand their knowledge on markets, seed, crop protection, and technology. AGRANA’s own magazine for contract farmers, “Agrosugar/Agrostarch”, covered topics such as optimising tillage (soil cultivation), nutrient supply, as well as best practices for the handling of seed potatoes.

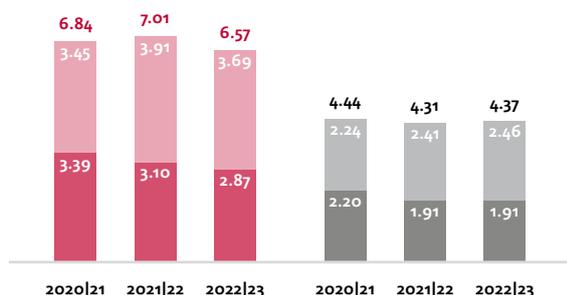
Environmental and energy aspects of AGRANA’s production

Energy consumption and emissions in processing

In the year under review, lower raw material processing quantities at all Austrian sites led to a reduction in absolute energy consumption (Scope 1 and 2) in the Starch segment by about 6.3% year-on-year to a new total of approximately 6.57 million GJ. As a result of lower factory utilisation especially at these sites, specific energy consumption (Scope 1 and 2) increased by about 1.3% to 4.37 GJ per tonne of product output.

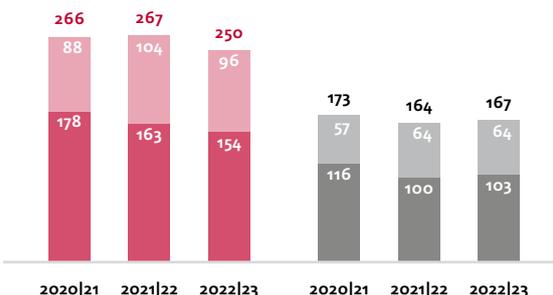
In parallel with absolute energy consumption (Scope 1 and 2), absolute emissions (Scope 1 and 2) of the Starch segment eased by about 6.4% to approximately 250,000 tonnes of CO₂. Average specific emissions (Scope 1 and 2) per tonne of product output went up slightly by about 1.3% from the prior year, to 167 kg of CO₂ per tonne of product made.

Energy consumption (Scope 1+2) in processing operations at starch plants



- Absolute indirect energy consumption (Scope 2) in million gigajoules
- Absolute direct energy consumption (Scope 1) in million gigajoules
- Average specific indirect energy consumption (Scope 2) in gigajoules per tonne of product output
- Average specific direct energy consumption (Scope 1) in gigajoules per tonne of product output

Emissions (Scope 1+2) from processing operations at starch plants



- Absolute indirect emissions (Scope 2) in thousand tonnes of CO₂
- Absolute direct emissions (Scope 1) in thousand tonnes of CO₂
- Average specific indirect emissions (Scope 2) in kg of CO₂ per tonne of product output
- Average specific direct emissions (Scope 1) in kg of CO₂ per tonne of product output



By 2030|31, in support of AGRANA's climate strategy and in line with the Group's science-based targets, the Starch segment will reduce its emissions (Scope 1 and 2) by 50% in absolute terms from 2019|20 levels.

In the year under review the three Austrian starch manufacturing sites held a valid ISO 50001 certification.

Water consumption in processing at AGRANA's starch plants

Starch segment	2022 23	2021 22	2020 21
Total in million m ³			
Water withdrawal	7.1	6.9	7.0
Water discharge	6.3	5.8	6.3
Water consumption	0.8	1.1	0.7

Starch segment	2022 23	2021 22	2020 21
In m ³ per tonne of core and by-products			
Water withdrawal	4.69	4.27	4.56
Water discharge	4.17	3.55	4.08
Water consumption	0.52	0.72	0.48

In keeping with the Group's environmental policy, water use and effluent at the AGRANA starch plants are managed sustainably. Process water in the starch operations is repeatedly recycled and cleaned.

Water withdrawal at AGRANA's starch plants in 2022|23 by source



Water withdrawal in 2022|23 in absolute numbers was about 7.1 million cubic metres, or 1.6% more than one year earlier. Absolute water discharge rose by around 8.9% for the year, due to lower evaporation in manufacturing and shorter cleaning intervals in bioethanol production at the site in Pischelsdorf.

Average specific water consumption per tonne of product output (core and by-products) in the Starch segment during the financial year was about 0.52 cubic metres, or 520 litres.

100% of wastewater discharged from the AGRANA starch factories was released into surface waters, i.e., rivers.

Waste from processing operations at AGRANA's starch plants

Starch segment	2022 23	2021 22	2020 21
Waste disposed	19,918 t	28,241 t	30,608 t
Of which hazardous waste	81 t	61 t	43 t
Waste per tonne of product	13.2 kg	17.4 kg	19.8 kg
Hazardous waste per tonne of product	54 g	37 g	28 g

In the 2022|23 financial year, the AGRANA Group further aligned its definition of waste with European regulation. For this reason, only residual materials that are intended for disposal are now counted as waste. Residual materials that are reused without further energy input are no longer reported as waste, which reduced absolute waste volume. The higher amount of hazardous waste than in the prior year resulted primarily from infrastructure upgrading work done at the Aschach site.

EcoVadis

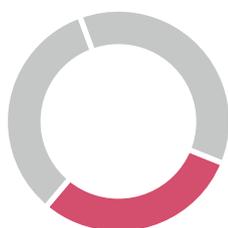
In the 2022|23 financial year, AGRANA Stärke GmbH held a Silver-level sustainability rating from EcoVadis, the international supplier evaluation platform.

Investment

The Starch segment invested € 31.0 million during the 2022|23 financial year (prior year: € 24.3 million). The following projects were carried out among others:

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

Share of Group investment in 2022|23



Starch
segment
30.1%

Additionally, € 20.9 million (prior year: € 14.1 million) was invested in 2022|23 in the HUNGRANA companies (amounts for these equity-accounted joint ventures are stated at 100% of the total).

Sugar segment

Basics of the Sugar segment

Marketing relationship B2B and B2C	Products Sugars and sugar specialty products, by-products (feedstuffs and fertilisers)	Raw materials processed Sugar beet, and raw sugar from sugar cane
Key markets Austria, Hungary, Romania, Czech Republic, Slovakia, Bosnia and Herzegovina (Western Balkans region), Bulgaria	Customers Downstream manufacturers (particularly confectionery, beverage and fermentation industries), food resellers (for consumer products)	Special strengths High product quality standards; product offering tailored to customer needs

AGRANA Sales & Marketing GmbH is the parent company for the Group's Sugar sales activities and at the same time acts as the holding company for the Sugar segment's businesses in Hungary, the Czech Republic, Slovakia, Romania, Bulgaria, and Bosnia and Herzegovina. AGRANA Zucker GmbH is the company that owns the assets of, and directs, the two Austrian sugar factories. Also assigned to the Sugar segment are INSTANTINA Nahrungsmittel Entwicklungs- und Produktionsgesellschaft m.b.H., Vienna; AGRANA Research & Innovation Center GmbH, Vienna; Österreichische Rübensamenzucht Gesellschaft m.b.H., Vienna; and the Group's holding company, AGRANA Beteiligungs-AG, Vienna. The joint ventures of the AGRANA STUDEN group and Beta Pura GmbH are included in the consolidated financial statements using the equity method of accounting.

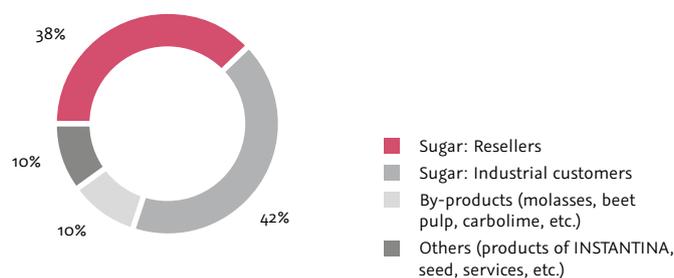
Revenue and earnings

Sugar segment		2022 23	2021 22	Change % / pp
Total revenue	€000	884,607	666,173	32.8%
Inter-segment revenue	€000	(22,911)	(26,116)	12.3%
Revenue	€000	861,696	640,057	34.6%
EBITDA ¹	€000	65,933	6,920	852.8%
Operating profit/(loss) before exceptional items and results of equity-accounted joint ventures	€000	38,024	(23,305)	263.2%
Share of results of equity-accounted joint ventures	€000	7,636	(5,742)	233.0%
Exceptional items	€000	901	(2,072)	143.5%
Operating profit/(loss) [EBIT]	€000	46,561	(31,119)	249.6%
EBIT margin	%	5.4	(4.9)	10.3 pp
Investment ²	€000	34,252	20,702	65.5%
Number of employees (FTE) ³		1,906	1,892	0.7%

Sales volume was stable in 2022|23 overall, with a minor volume decline in the core products, i.e., the sugar portfolio. Slight volume growth was seen in by-products, driven by the subcategory of "other" products. AGRANA's sugar markets showed divergent trends. While volumes in the reseller sector were down, sales into the industrial sector increased moderately.

Since the beginning of the 2020|21 sugar marketing year in October 2020, sugar selling prices have steadily recovered. In sales to resellers, prices in the 2022|23 financial year were up about 40% from the year before, and prices for industrial buyers also rose markedly from the average of the prior year thanks to new contracts with customers.

Revenue by product group in 2022|23



The considerable operating profit marked a very significant turnaround from the loss of the previous year. Substantial increases in sugar selling prices significantly outweighed the sharp hikes in raw material and energy prices. Amid lower production volume in the 2022 campaign, the Sugar segment had idle-capacity costs of approximately € 5 million (prior year: about € 2 million).

The earnings of the AGRANA-STUDEN group continued to be positive for the Sugar segment's EBIT in 2022|23 and were the highest in the history of AGRANA-STUDEN, contributing € 9.9 million to EBIT (up sharply from the prior year's € 1.9 million). The second sugar joint venture, Beta Pura GmbH, Vienna, with a deficit of € 2.3 million (prior year: deficit of € 7.6 million), made a negative contribution to the results of equity-accounted joint ventures.

Net exceptional items represented income of € 0.9 million thanks to a further refund received for previous years' tax expenses in Romania that the Group had disputed. In the prior year, the net exceptional items expense of € 2.1 million was incurred in connection with an impairment charge for trade receivables from Beta Pura GmbH (triggered by the war in Ukraine).

Market environment

World sugar market

Very high levels of uncertainty and volatility prevailed in the sugar market, as in all other commodity markets.

In its April 2023 estimate of the world sugar balance, the market research company S&P Global predicted a deficit of 3.5 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 meant a further reduction in sugar stocks given the also rising world sugar consumption.

World sugar balance ¹	2023 24	2022 23	2021 22
Million tonnes, except %			
Opening stocks	65.5	65.5	68.9
Production	191.4	187.8	184.5
Consumption	(189.9)	(187.5)	(186.0)
Net exports/imports	(0.9)	(0.3)	(1.9)
Closing stocks	66.1	65.5	65.5
In % of consumption	34.8	34.9	35.2

For the new SMY 2022|23, which began on 1 October 2022, S&P Global expects world sugar supply and demand to be in balance. For the coming SMY 2023|24, an initial estimate is projecting only a small surplus of 0.7 million tons. With predicted further growth in production and consumption, the ratio of stocks to consumption is forecast to remain low, at 34.8%.

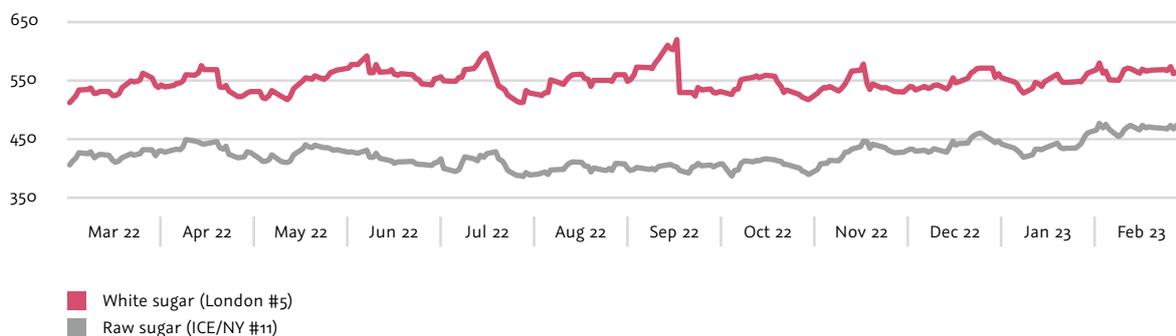
Asia will continue to be the world's top sugar-producing region, followed by South America and Europe. Key determinants of the global supply situation are the production volumes and export capacity of Brazil and India.

The start of the war in Ukraine pushed up sugar quotations in the world market. Throughout the 2022|23 financial year, sugar prices quoted at a high absolute level amid increased volatility and were also affected by inflation, especially the high energy costs.

At the end of the year under review, white sugar quoted at US\$ 562.4 per tonne and raw sugar stood at US\$ 486.8 (year earlier: US\$ 496.0 and US\$ 396.8 per tonne, respectively).

International sugar prices during AGRANA's 2022|23 financial year

US\$ per tonne



EU sugar market

In the 2021|22 sugar marketing year, sugar production in the EU-27 countries was 16.6 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 March 2023 forecast predicts a further reduction 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 15.0 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 rose significantly further. For February 2023 it was € 804 per tonne. Within the EU, there were 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 or remain high in absolute terms, 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).

Free trade agreements

The EU is in negotiations with various countries (such as Australia) and country groups over possible free trade agreements. Should sugar and sugar-containing goods not be grouped as sensitive products (contrary to existing trade practice), additional volumes of sugar could in future be imported into the EU with preferential tariff treatment.

The ratification process for the Mercosur agreement continues. The agreement will only take effect once the Council of the European Union, the European Parliament and all 27 EU member states have given their approval. Following the change of government in Brazil, renewed efforts are currently underway to implement the agreement soon, with added conditions regarding climate protection.

Raw materials and production

The area planted to sugar beet by the approximately 5,300 AGRANA contract farmers (prior year: approximately 5,800) in the 2022|23 sugar marketing year was about 72,000 hectares, a reduction from the prior year's 86,000 hectares. Growing conditions in July and August 2022 were very dry. Only in select areas, in the Upper Austria and western Lower Austria provinces as well as the beet catchment area of the Czech sugar plant in Opava, was precipitation adequate in the summer. The second half of the growing season brought a cool, damp September and a dry October. The cool temperatures in September were largely what led to a lower sugar content than one year earlier.

Cercospora leaf spot disease caused localised problems in the westerly, more humid areas. However, more significant crop losses were prevented through the by now high proportion of varieties resistant to leaf disease. Due to mild temperatures in May 2022, the incidence of beet weevil was up again from the previous year's level, leading to problems and the turning under of some acreages in the affected regions (Austria's northern Tulln Basin and parts of the country's Weinviertel area). With the precipitation which set in regionally over the autumn months, some of the beet harvest took place in wet conditions, which was reflected in higher deductions on beet prices compared to the previous year.

The growing conditions described were the crucial reason for a below-average sugar content of 16.1% (prior year: 17.2%). Around 4.7 million tonnes of sugar beet (prior year: 5.7 million tonnes) were harvested from a total area of about 72,000 hectares, corresponding to an average yield of 66 tonnes per hectare (prior year: 67 tonnes per hectare).

AGRANA's seven beet sugar factories processed a combined daily average of slightly more than 47,800 tonnes of beet during the campaign (prior year: 49,700 tonnes). As a result of the lower beet quantity, in a campaign averaging a length of 101 days (prior year: 115 days), the factories produced a total of about 717,000 tonnes of conventional sugar (prior year: 850 thousand tonnes). Additionally, at the plant in Tulln, Austria, slightly more than 5,000 tonnes of organic sugar was produced in a one-week organic campaign. Due to the volume of beet processed, the average capacity utilisation of the sugar factories was 85% (prior year: 95%).

At the plant in Tulln, a molasses desugarisation facility was operated year-round (except for business-related interruptions). AGRANA also operates two raw sugar refineries, in Bosnia and Herzegovina and in Romania; in the 2022|23 financial year, these produced a total of 290,000 tonnes of white sugar (prior year: 208,000 tonnes).

On 19 January 2023, after a lawsuit by an environmental protection organisation in Belgium, the European Court of Justice ruled that, in future, sugar beet seed may no longer be treated with neonicotinoids. On 14 February 2023, it was decided for Austria that no emergency exemptions for neonicotinoid would be granted for the 2023 crop year. AGRANA and the beet growers are working hard on alternative pest control solutions, especially for the beet weevil. In the Czech Republic, Slovakia, Hungary and Romania, valid emergency exemptions apply for the use of neonicotinoids in the 2023 crop year.

Update on betaine crystallisation and Beta Pura GmbH

At the Tulln, Austria, site, the betaine crystallisation plant was shut down at the beginning of April 2022 due to a lack of raw materials. The joint venture partner did not supply the joint venture, Beta Pura GmbH, Vienna, with raw materials. Production was resumed for about one month at the beginning of 2023, using only raw materials from AGRANA Zucker GmbH. Beta Pura GmbH remains in restructuring¹.

Engagement in the upstream value chain

Supplier environmental and social assessment

The Sugar segment uses the Farm Sustainability Assessment (FSA) to document sustainable management by its sugar beet contract growers (for details on the FSA, see from page 50). The contract beet suppliers in all five beet production countries are grouped into so-called Farm Management Groups (FMGs).

In 2017, these groups' sustainability performance had been externally audited in accordance with FSA requirements for the first time, and the re-verification audits took place in 2020. In the groups in Austria and the Czech Republic, 100% of the farms achieved at least FSA Silver status. In Romania, Slovakia and Hungary, the re-verification audits planned for 2020 could only be finalised in 2021 due to the travel and contact restrictions prompted by the COVID-19 pandemic. As in the initial audit in 2017, all Slovak farms achieved at least FSA Silver status. The Farm Management Group in Hungary successfully improved its results compared to the first audit, with all growers obtaining at least FSA Silver standing. Romania also showed an improvement in audit results, with 60% of farms achieving an FSA Silver rating, while the target of 100% FSA Silver was not yet attained.

For the current, 2023|24 financial year, a re-verification under the new FSA 3.0 standard is planned.

Building awareness of good agricultural practice

Awareness-building activities in 2022|23 remained limited to events held in small groups and to virtual offerings under the "AGRANA4You" advisory programme. For example, subject-specific webinars were offered again for beet growers, focusing on the topics of planting, seed, and crop protection for the 2022 season.

A physical field day was conducted in the Tulln, Austria, catchment area at the end of August 2022, in compliance with all COVID-19 prevention measures; the key subjects in focus were crop varieties, crop protection and tillage. Around 500 farmers were able to learn more about current topics related to sugar beet production, soil cultivation and hoeing technology. The focus was on equipment demonstrations for tasks ranging from primary tillage all the way to planting catch-crops. AGRANA experts provided information on electro-ultra-filtration (EUF) soil testing, automated soil sampling and the evaluation of fertiliser recommendations. The contracting for 2023 beet production was offered both online and in physical meetings.



Biodiversity in the supply chain

In 2021, about 3,600 hectares were greened in Austria with catch-crop mixes from Österreichische Rübensamenzucht GmbH, a not-for-profit subsidiary of AGRANA Zucker GmbH that provides farmers with GMO-free seed from its own in-house propagation and from purchased material. The catch-crops loosen the soil structure, mobilise nutrients, activate soil fauna and improve field biodiversity. In addition, flowered areas of annuals and perennials were established; together, the flowering fields provide ideal forage for wild animals, offer honey plants for bees, and add to the beauty of the landscape.

Transport

Although transport is not an emissions hotspot (at about 9.3% of the carbon footprint in the 2019|20 base year) and little influence can be exerted on the downstream sector in particular, AGRANA nevertheless strives to make transport sustainable as far as infra-structurally and economically possible. In total across all production countries in the 2022|23 processing season, about 35% of the beet was delivered to the sugar factories by rail, with the proportion highest in Austria at around 49% and Hungary at approximately 48%.

Environmental and energy aspects of AGRANA's production

Energy consumption and emissions in processing

In total in 2022|23, the Sugar segment processed about 16% less beet than in the prior year. To compensate,

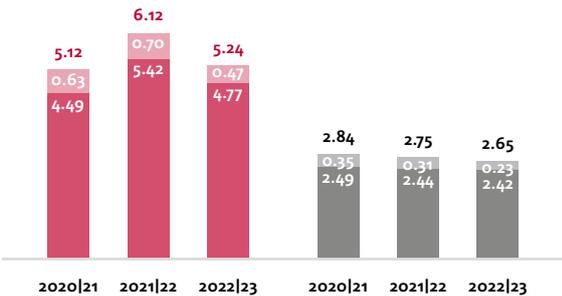
the refining of raw sugar at the AGRANA refinery sites within the GRI reporting boundaries (see page 49) was boosted by about 78% to approximately 246,000 tonnes of raw sugar.

The lower beet processing volumes resulted in a reduction of about 14.4% in absolute energy consumption (Scope 1 and 2) year-on-year in the Sugar segment. Approximately 5.24 million GJ of energy was consumed in production (Scope 1 and 2). As a result of lower factory utilisation, the Sugar segment saw a disproportionately small decrease of about 3.6% in specific energy consumption (Scope 1 and 2) to 2.65 GJ per tonne of product output.

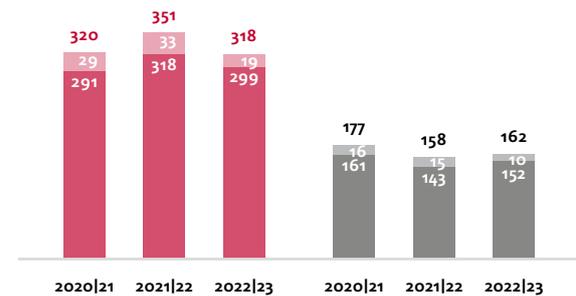
To avoid a potential natural gas supply shortfall during the 2022|23 beet processing campaign, a supply of extra light heating oil (ELHO) was contractually secured immediately after the outbreak of the war in Ukraine to ensure continuity of production under any circumstances. Ultimately, about 18,300 tonnes of ELHO were used. Despite this partial substitution of ELHO for natural gas, absolute emissions (Scope 1 and 2) of the Sugar segment fell by about 9.4% to approximately 318,000 tonnes of CO₂, due to the lower volumes of raw materials processed. Average specific emissions from direct and indirect energy consumption (Scope 1 and 2) increased slightly by around 2.5% year-on-year to 162 kg of CO₂ per tonne of product output, reflecting the reduced processing volumes and hence lower efficiency.



Energy consumption (Scope 1+2) in processing operations at sugar plants



Emissions (Scope 1+2) from processing operations at sugar plants



- Absolute indirect energy consumption (Scope 2) in million gigajoules
- Absolute direct energy consumption (Scope 1) in million gigajoules
- Average specific indirect energy consumption (Scope 2) in gigajoules per tonne of product output
- Average specific direct energy consumption (Scope 1) in gigajoules per tonne of product output
- Absolute indirect emissions (Scope 2) in thousand tonnes of CO₂
- Absolute direct emissions (Scope 1) in thousand tonnes of CO₂
- Average specific indirect emissions (Scope 2) in kg of CO₂ per tonne of product output
- Average specific direct emissions (Scope 1) in kg of CO₂ per tonne of product output



The Kaposvár sugar plant in Hungary generated about 18.91 million cubic metres of biogas from beet pulp in the 2022|23 financial year. This would have been sufficient to cover about 88% of the site’s primary energy requirement for the 2022|23 beet campaign. With its complete utilisation of low-protein raw material components for energy capture, Kaposvár also represents a pilot project for AGRANA’s future transition to renewable energy by 2040 under its climate strategy (for details, see from page 54). In 2022|23, about 9.7 million cubic metres of the biogas produced at the facility was sold; most of this was refined by the biogas upgrading plant (installed in 2015) into biomethane for feeding into the local natural gas grid and its sale reported as EU-Taxonomy-eligible revenue. The biomethane injected into the grid was equivalent to the annual heating requirement of about 1,919 single-family homes. It would be conceivable in the future for AGRANA to internally utilise all the biogas produced here.

By 2030|31, the Sugar segment will reduce its emissions (Scope 1 and 2) by about 50% in absolute terms compared to 2019|20, supporting AGRANA’s climate strategy and science-based targets for emission reduction.

In 2022|23, all Sugar segment production sites within the GRI reporting boundaries (see page 49) held a current certification to ISO 50001 for their energy management systems.

Water withdrawal and discharge in processing operations at AGRANA’s sugar plants

Sugar segment	2022 23	2021 22	2020 21
Total in million m ³			
Water withdrawal	4.7	4.8	4.5
Water discharge	6.3	7.0	6.8
Water consumption	(1.6)	(2.2)	(2.3)

Sugar segment	2022 23	2021 22	2020 21
In m ³ per tonne of core and by-products			
Water withdrawal	2.29	2.16	2.49
Water discharge	3.06	3.14	3.77
Water consumption	(0.77)	(0.98)	(1.28)

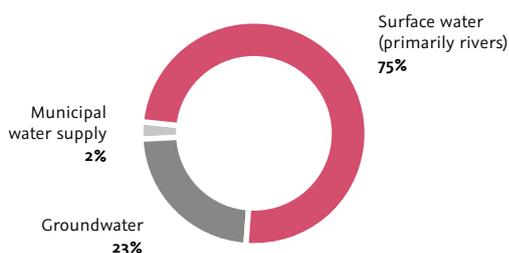
Some of the water required by a sugar factory enters the facility in bound form in the beet itself and is thus obtained from the raw material and then used in processing. Sugar beets consist of about 75% water, which must be separated from the sugar during the manufacturing process.

This water is used in multiple ways: for leaching the sugar from the beet cossettes, for the process steam needed in sugar extraction, and for transporting and cleaning the beets. The water is continually cleaned and returned to the process cycle. In-house or municipal wastewater treatment plants at all sites ensure the environmentally responsible treatment of the effluent in compliance with local government requirements. Only cleaned wastewater satisfying the applicable environmental standards is thus discharged into the receiving waters.

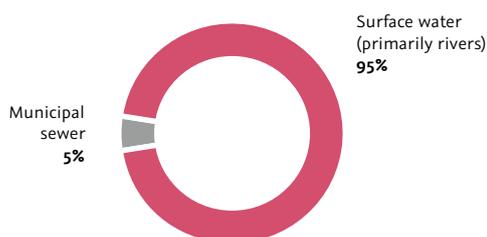
In 2022|23, the Sugar segment released about 1.6 million cubic metres of water previously bound in the beet, thus creating a negative water consumption balance. In other words, more water was discharged than withdrawn, which is a desirable situation. Per tonne of product output, approximately 0.77 cubic metres (or 770 litres) of water were discharged into receiving waters.



Water withdrawal at AGRANA’s sugar plants in 2022|23 by source



Receiving waters for the wastewater of AGRANA’s sugar plants in 2022|23



Waste from processing operations at AGRANA's sugar plants

Sugar segment	2022 23	2021 22 ¹	2020 21 ¹
Waste disposed	14,689 t	20,030 t	17,907 t
Of which hazardous waste	105 t	116 t	137 t
Waste per tonne of product	7.2 kg	9.0 kg	9.9 kg
Hazardous waste per tonne of product	51 g	52 g	76 g

In the 2022|23 financial year, the AGRANA Group further aligned its definition of waste with European regulation. For this reason, only residual materials that are intended for disposal are now counted as waste. Residual materials that are reused without further energy input are no longer reported as waste. The waste amounts previously reported for the prior years were adjusted accordingly for better comparability. The absolute volume of waste fell by 26.7% year-on-year, due partly to the lower beet processing volume. The specific volume of waste per tonne of product decreased proportionately and the specific volume of hazardous waste remained constant.

EcoVadis

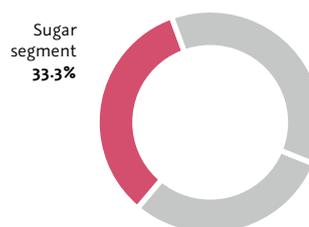
In the 2022|23 financial year, AGRANA Zucker GmbH updated its data for the sustainability rating purposes of EcoVadis, the international supplier evaluation platform. It achieved Gold recognition.

Investment

In the Sugar segment, AGRANA invested € 34.3 million (prior year: € 20.7 million) during the 2022|23 financial year, primarily for the following projects:

- Replacement of three white sugar centrifuges in Tulln, Austria
- Replacement of the evaporators in Sered, 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
- Enhancing the flexibility regarding the energy sources used, in order to safeguard production at all sites

Share of Group investment in 2022|23



Additionally in 2022|23, € 1.5 million (prior year: € 2.2 million) was invested in the equity-accounted joint ventures (the AGRANA-STUDEN group and Beta Pura GmbH; values for these entities are stated at 100% of the total).

¹ Corrected due to adjustment of the data collection methodology.

Research and development

Operating in a highly competitive marketplace, it is crucially important for AGRANA to identify market trends early, satisfy the markets' needs through product innovations and develop customised solutions for its clientele. In close partnership with customers, AGRANA's research and development (R&D) teams are always working on new technologies, specialty products and innovative applications for existing products, thus supporting the Group's strategic focus on lasting success.

The AGRANA Research & Innovation Center (ARIC) in Tulln, Austria, is the Group's central research and development hub for the Fruit, Starch and Sugar businesses; it works together with AGRANA's 18 local new-product development centres (NPDs) for fruit products. A key goal of ARIC, which is structured as a separate company wholly owned by AGRANA Beteiligungs-AG, is to develop innovative products from sugar beets, potatoes, corn (maize), waxy corn, wheat and various fruits. ARIC is active nationally and internationally as an in-house R&D service provider for sugar technology, agriculture, food technology, starch technology, microbiology, biotechnology and fruit preparations.

The collaboration of R&D specialists from the different segments (Fruit, Starch and Sugar) under one roof not only drives administrative synergies but, above all, promotes a creative exchange between different research groups and disciplines, particularly on subjects that cut across segment boundaries. The complementarity between the different groups' experience is particularly valuable in cross-segment areas of research, such as technologies, thickening and sweetening solutions, aromas, microbiology, product quality and safety, and organic products.

Research und development		2022 23	2021 22
R&D expenditure (internal and external)	€m	23.1	20.0
R&D-to-sales ratio ¹	%	0.64	0.69
Number of employees in R&D (headcount)		324	315

Fruit Segment

Fruit preparations

Complementing the existing production of chocolate slivers at AGRANA Fruit, new chocolate inclusions were developed, thus enabling attractive applications in various new recipes.

The evaluation of a new technology for gentle pasteurisation of fruit preparations showed promising results. The main advantage of the new process is that the heating of the fruit preparation is done very quickly and without local over-heating, thus achieving a significant increase in quality parameters.

Dysphagia patients suffer from severe swallowing difficulties. Their food must therefore have a special consistency. Development work by ARIC enabled the provision of a range of fruit preparations for this consumer group. In addition, using a 3D printer, these fruit preparations can be given the shape of, for example, the original fruit.

The substitution of dairy products with plant-based raw materials is playing an increasingly important role. New soft ice creams from AGRANA Research based on cereal flours, which can be combined with different flavours, allow innovative products to be developed for the food service sector.

Fruit juice concentrates

AUSTRIA JUICE continued the successful expansion of the business areas of beverage bases, aromas and the production of juice concentrates in the financial year. For these development areas, strategic investments were made in infrastructure and personnel. The utilisation of FTNF juice aromas ("from the named fruit") and the in-house production of composite aromas continued to be developed and expanded in order to build up the growth segment of beverage bases and the aroma business.

Processes to diversify and standardise the range of FTNF juice aromas and of herbal, spice and citrus extracts are continuously implemented and improved.

Starch segment

Raw materials

In the evaluation of new raw materials for starch production, the main focus is on potential new properties of the core and by-products made from these materials. In order to be able to examine these new products comparatively, additional analytical methods are being developed for both technical (i.e., non-food) and food applications. Advantages of the new starch types over established ones can thus be elaborated and enhanced, especially in applications in the technical starch sector, which creates new application and sales opportunities.

Food applications

Market and customer demand for total product solutions and product concepts is growing, where AGRANA takes over part of the product development for the customer. This includes the areas of vegan/vegetarian nutrition (meat and milk alternatives), reduction of additives in recipes (clean label) and the improvement of products' nutritional physiology (reflected in the Nutri-Score and other nutritional profile labelling). As a result, some of AGRANA's research and development focuses intensively on food application technology in order to do full justice to these requirements.

Vegetable proteins

Plant proteins for the development of vegetarian and vegan food components are central to AGRANA's research activities. Thus, protein sources used are potatoes, corn and wheat, among others, with their proteins processed by special techniques so that they can be used as functional ingredients in food, replacing proteins of animal origin. These plant-based proteins serve a rapidly growing market segment of meat and dairy alternative products. In plant proteins, what matters is not only the level of protein content but also the protein's function in food applications. AGRANA is therefore also intensively researching methods to characterise these properties.

New products and technologies

AGRANA introduced a new process for the saccharification of organic starch, achieving significant quality improvements and making production processes more efficient. This is to lead to cost savings by reducing the additives and labour required.

In the area of modified food starches, AGRANA is continuously working to optimise manufacturing and use less chemicals in order to reduce wastewater pollution and thus contribute to more resource-conscious production.

Non-food applications

In home-compostable bioplastics, AGRANA successfully enhanced and expanded the product group of starch-based compounds with an increased content of bio-based carbon for a wide variety of applications. The manufacturing process for these compounds was also made more efficient and energy-saving. Thanks to a novel strategy for the compatibilisation of the starch-based compound material, beneficial processing behaviour was achieved that will open up new areas of application and market segments.

With new innovations, ARIC has responded to the quest on the part of the paper, adhesives and construction sectors for bio-based solutions with a lower carbon footprint. The focus is on replacing fossil products through the development of novel starch derivatives and more resource-efficient processes. For example, in high-fill systems (which contain a higher proportion of dry matter), new starch derivatives were developed that outperform conventional dextrins and are on a par with them in terms of cost.

Biotechnology

In the area of bioethanol production, a research focus was on the utilisation of by-products such as stillage (a residue remaining after distillation) as fertiliser for organic farming.

Sugar segment

Technology

In addition to minimising energy consumption in the extraction of sugar from the beet cosettes and the need-based use of process additives in juice purification, one development focus continued to be on process optimisations to increase sugar yield.

Against the backdrop of the European Green Deal and the challenging situation in Europe regarding energy availability and cost, a funded project was continued in which various innovative processes and technologies for decolourisation of sugar syrups are being investigated. The aim is to enable the crystallisation of white sugar with minimum use of

fossil fuels. In the course of research activities, the exchange with knowledge centres such as universities was further intensified and the testing of environmentally friendly and sustainable technologies in particular was stepped up.

Sugar products

For the retail specialty products of the Group's Sugar segment, new packaging materials were tested that are intended to offer the same product protection as those used to date, but without the plastic content common in composite materials. This is to form another building block in the implementation of AGRANA's sustainability strategy.

By-products

As part of AGRANA's climate strategy, studies were conducted on energy recovery from by-products of sugar extraction and strategies were evaluated for thus gradually reducing and ultimately replacing fossil fuels entirely. One emphasis here was on new, innovative processes to realise the full potential of biomass utilisation.

Sugar beet as a raw material

A priority concern for AGRANA is to ensure the competitiveness of sugar beet and thus the long-term production of sugar to meet demand, even in the face of climatic changes and further restrictions on plant protection and soil and fertiliser management. A loss of beet crop acreage due to animal pests and yield limitations caused by leaf diseases must thus be countered to ensure that sugar yields are maintained and, when possible, increased.

The development of alternatives to the use of neonicotinoids in the seed pellet, which are now prohibited, is essential for the successful protection of sugar beet against the beet weevil.

The main focus of work was and is on population control of the weevil, which comprises mechanical, insecticidal and, not least, biological approaches both in current and prior-year sugar beet fields. Research is also underway on the management of beet fleas and aphids: Aphids are regarded as carriers of beet yellow viruses, which cause further significant yield reductions. Comprehensive monitoring of pest occurrence forms the basis for the establishment and operation of warning services that allow timely measures to regulate the populations of these insects. A great deal of attention is devoted to digitalising the prompt recording of the occurrence of these and other pests.

Another ongoing effort is the close monitoring of the possible incidence of pests and diseases already established in Europe but not yet confirmed in the Group's crop regions.

Leaf spot disease on sugar beet (*Cercospora beticola*) continues to have a high potential to cause losses. Even as the number of permitted fungicidal active substances is reduced, resistances are emerging in pest populations. Work is being done in this area particularly to precisely determine the time of infection and subsequent incubation in order to be able to counter the development of the disease in the crop as early as possible.

Following the ban on crop protection products containing the active substances desmedipham and triflusaluron and the change currently under discussion in the approval of phenmedipham, ARIC is examining new combinations of the remaining active substances in order to strive to ensure the success of weed control despite reduced efficacy. The new sugar beet genetics with resistance to a selected sulphonylurea compound that are entering the market are being assessed, especially with regard to their suitability for use in regions with high pest pressure. Much attention is also paid to the management of weeds resistant to this active ingredient. The latter option for weed control gains importance especially under a ban on the use of glyphosate.

Due to the increasing shortage of available water, agricultural research is working on new tillage concepts and the judicious management of varieties and of fertiliser use in order to avoid water losses.

Drastic decreases can be observed in the supply of phosphorus and potassium on the sites available for sugar beet cultivation. AGRANA is therefore expanding its research projects on soil testing and on the basic provision of these nutrients.

AGRANA's people

In the 2022|23 financial year the AGRANA Group employed an average total of 8,932 people (by headcount; prior year: 8,877). Of this total, 2,486 worked in Austria (prior year: 2,476) and 6,446 were employed in other countries (prior year: 6,401). The number of employees in each business segment was as follows.

Segment	Average number of employees (headcount) in financial year		Average number of FTE ¹ in financial year		Number of employees (headcount) at balance sheet date	
	2022 23	2021 22	2022 23	2021 22	28 Feb 2023	28 Feb 2022
Fruit	5,796	5,772	5,677	5,662	5,421	5,434
Starch	1,183	1,171	1,147	1,137	1,182	1,162
Sugar	1,953	1,934	1,906	1,892	1,845	1,779
Group	8,932	8,877	8,730	8,691	8,448	8,375

In 2022|23 the AGRANA Group employed an average of 8,730 full-time equivalents (prior year: 8,691). In the Fruit segment, the number of employees rose mainly as a result of an increased requirement for temporary workers, which was due to higher product demand and larger harvest volumes. The personnel increase in the Starch segment was the result of a recovery in the order situation and the associated renewed filling of positions. In the Sugar segment, a higher production volume was the top reason for an increase in staff numbers.

The average age of permanent employees² on 28 February 2023 was 42 years (for details on the age structure, see the GRI content index, from page 220). Of the permanent employees, 30.3% (prior year: 29.8%) were women, and 64.9% of salaried staff had an academic degree (prior year: 64.5%). The turnover rate³ for permanent staff in 2022|23 was 16.1% (prior year: 16.9%). The proportion of employees with a part-time contract⁴ was 4.2%, representing 359 individuals by headcount at the balance sheet date (prior year: 4.0%). The share of temporary agency staff⁵ was 5.1%, or an average over the year of 456 individuals by headcount (prior year: 5.7%).

Human resources management

AGRANA's personnel strategy focuses on the creation of an entrepreneurial environment that enables our employees to perform at their best and to think and act sustainably and like entrepreneurs. Appreciation, mutual respect and open communication form an essential part of the corporate culture; this has especially high significance given the international and culturally diverse environment. Values-based leadership and collaboration are the cornerstone of our attractiveness in the labour market and underpin the satisfaction of our employees.

AGRANA employees within the GRI reporting boundaries⁶

at the balance sheet date of 28 February 2023⁷

Segment	Non-permanent staff ⁸		Permanent staff				Managers ⁹		Of whom executive leadership ¹⁰			
	Total	Female	Blue-collar	Female	White-collar	Female	Total	Female	Total	Female		
Fruit	1,290	59.2 %	2,533	23.0 %	1,598	48.3 %	4,131	32.8 %	297	28.6 %	11	18.2 %
Starch	47	36.2 %	718	13.1 %	417	47.5 %	1,135	25.7 %	70	22.9 %	2	50.0 %
Sugar ¹¹	164	30.5 %	979	16.6 %	702	42.0 %	1,681	27.2 %	155	31.6 %	15	26.7 %
Group	1,501	55.4 %	4,230	19.8 %	2,717	46.6 %	6,947	30.3 %	522	28.7 %	28	25.0 %

¹ Full-time equivalents.

² Permanent employees of AGRANA Group companies.

³ Staff turnover rate = total number of departures of permanent AGRANA employees reported in the financial year ÷ average number (headcount) of permanent AGRANA employees.

⁴ Proportion of the total workforce at 28 February 2023, by headcount.

⁵ Proportion of the average total workforce for the financial year, by headcount.

⁶ See GRI reporting boundaries.

⁷ For prior-year values, see GRI content index, from page 196.

⁸ Almost all non-permanent positions represent seasonal local workers in the processing campaigns.

⁹ Management positions at reporting levels 2 and 3.

¹⁰ Reporting level 1 (the reporting level immediately below the Management Board of AGRANA Beteiligungs-AG;

Level 1 also includes the regional managing directors of the three segments).

¹¹ The staff of AGRANA Beteiligungs-AG is counted under the Sugar segment.



Diversity and inclusion are embedded as an integral part of AGRANA's fundamental principles – the Code of Conduct – and in a supplementary Diversity, Equity & Inclusion (DEI) Policy, in order to expand and further strengthen the preservation and promotion of the diversity of its employees and their equitable participation and belonging in the company. With its DEI initiative, AGRANA is committed to a diverse and inclusive corporate culture for its employees worldwide and contributes daily to creating a work environment that is free of unfair restriction and of discrimination. The globally operating fruit preparations business is leading the way in implementing DEI measures. It already has a complete network of DEI officers, who roll out local and multi-site DEI initiatives, ensure compliance with the DEI Policy and core principles, and look after local employees. Of particular note in 2022|23 was an initiative in Brazil that aims to improve age diversity and focuses on recruiting employees more than 50 years in age. In the spirit of a best-practice approach, some of these measures have already been extended to the AGRANA Group at large and, for the first time, a global DEI network is engaged in promoting an inclusive corporate culture.

Motivation and collaboration are further key values fostered by AGRANA's human resources strategy. Special attention is paid to staff development in order to identify and develop employees' potential and ensure the company's lasting competitiveness. A global talent management process, centred on structured target agreements and feedback conversations between managers and their employees, enables AGRANA to ensure forward-looking succession planning.

In all business segments, the leadership culture was given a clear framework in the form of leadership principles. These provide a guideline for successful culture development and sustainable business success and support our managers in their personal development.

In 2022|23, the functionalities of the global human resources management system were further expanded and stabilised and new modules were successfully implemented. The HR management system is designed to improve the efficiency of personnel processes, support quality assurance, create transparency and increase data security. Going forward, the focus will be on gradually further developing the functionalities of this system and adapting it to the constantly changing requirements.

(Variable) compensation

The incentivising and recognition of performance is a major element of the personnel strategy and a significant factor in the Group's success. A project to evaluate a potential gender pay gap will be carried out in the 2023|24 financial year in order to be able to present such a gap in a meaningful way in view of the wide international scope of the Group's activities in its four different major business areas.

To help achieve the company's strategic and operational objectives, a Group-wide performance management system is in place for managerial staff. Next to targets related to the corporate financial position and profit, the variable compensation plan also involves personal targets to encourage and reward outstanding individual performance. In the 2022|23 financial year, 10.7% of all employees (prior year: 10.5%) were covered by this performance-oriented compensation system.

Employer attractiveness and AGRANA's employer brand

In 2022|23, AGRANA Beteiligungs-AG was again recognised with the BEST RECRUITERS mark, remaining in the top-ten recruiters in the industry ranking.

BEST RECRUITERS is the largest recruiting study in the German-speaking countries. It annually reviews the quality of recruiting practices of the top employers in Austria, Germany, Switzerland and Liechtenstein. The study considers more than 200 scientific criteria in assessing recruiting presence, job advertisements and the treatment of applicants.

The renewed awarding of the BEST RECRUITERS seal of approval is testament to the great importance which AGRANA attaches to the respectful and friendly treatment of potential new employees. AGRANA sees this recognition as an affirmation of its efforts to continually raise the quality standards it applies to the process of searching for new talent, and takes it as motivation to follow promising new recruiting trends.

In all business areas, the measures on social networks were intensified and the local presence for reaching potential new hires was expanded.

Employee referral programmes in the Sugar and Starch segment for recruiting from employees' networks have shown sustained success, especially for campaign workers, and will continue to be used.



Staff development and training

The quest for excellence is the cornerstone of the training and development of employees and managers. At AGRANA, employees and their skills and abilities are a central focus. The Group therefore sees it as all the more important to recognise and develop the potential of its employees and invest in them through talent management. Regular discussions between staff and managers on the setting and achievement of objectives form the basis for this and allow consistent priorities to be established. Through many job skills trainings and intensive Group-wide programmes, AGRANA promotes the continual expansion and transfer of its employees' knowledge and abilities. These staff development measures not only strengthen the Group's competitiveness but also help raise employee motivation and engagement.

In 2022|23, the focus in training and development was on promoting needs-based learning and the development of leadership.

Leaders are a key lever in any organisational development. One important step is therefore to provide managers with the necessary support and tools to act as the first point of contact for staff development. For this purpose, AGRANA has launched the concept of the Development Coach Network, in which focus topics are discussed, initiatives refined and best practices shared in order to enable the most efficient selection of the right employee development measures.

The guiding vision is for development coaches to support managers in development matters, create an environment for life-long learning, and ultimately ensure that the right employees with the right qualifications are chosen for the right positions.

Leveraging the power of the Internet as a distribution medium, there is a constantly growing online offering of on-demand teaching and study content. This allows training programmes with innovative learning formats to be delivered independently of time, language and location. AGRANA has responded to the resulting trends and opportunities with the global introduction of a digital learning platform. The platform enables employees to educate themselves independently in specific subject areas relevant to the company. At the same time, a group of experts within the company is able to create target group-specific learning pathways. Appropriately for a company with a global

footprint, learning is thus no longer tied to any particular time or place. Employees have access to an ever-growing catalogue of over 15,000 units of learning materials.

By developing so-called learning paths, specific inter-related content from different courses can be combined into complete programmes tailored to different target groups. For instance, one learning path, covering the subject of diversity and inclusion, contains five course elements on different aspects of this topic. In total, the catalogue offers more than 50 internal training courses, some of which are intended for the global AGRANA workforce as a whole, while others are custom-designed for specific locations and their local requirements.

In the financial year, about 740 learners studied using this approach to staff development.

In 2022|23 the Group trained an average of 102 apprentices, of whom twenty-four, or 23.5%, were female. An average of 72 apprentices were employed in Austria, of whom eleven, or 15.3%, were female. A combined average of 30 apprentices were employed in Germany, France, Algeria, Brazil, the Czech Republic and Slovakia; 13 of these apprentices, or 43.3%, were female. These countries have dual education systems similar to Austria's, i.e., combining apprenticeship and vocational school. The training was provided in areas including chemical engineering technology, electrical engineering technology, industrial sales, information technology, lab technology (chemistry), food technology, logistics, mechanical engineering technology, mechatronics, metalworking, technical drawing, purchasing, personnel services, and office administration.

In order to enhance the attractiveness of apprenticeship vocations, among others, and to introduce pupils and young people to general career opportunities in technical and commercial occupations, numerous measures were taken at various locations to make closer contact with potential apprentices and young employees through partnerships with training institutions. In addition, AGRANA Group sites took part in events to present apprenticeship and other occupations, both digitally and increasingly in person. As well, some plants were toured by guests from educational institutions. Existing apprentices were also offered workshops and training courses in various subject areas. Additionally, the presence on social media and in the traditional print media was strengthened.

Training hours of AGRANA employees¹

in the 2022|23 and 2021|22 financial years

Segment	2022 23			Proportion of employees who received training	2021 22			Proportion of employees who received training
	Average training hours per employee				Average training hours per employee			
	Total	Male	Female		Total	Male	Female	
Fruit	19.5	19.5	19.6	94.0 %	19.6	19.3	20.3	90.7 %
Blue-collar	16.4	17.5	12.9	92.2 %	17.1	17.5	15.9	92.3 %
White-collar	24.4	24.2	24.6	96.9 %	23.6	23.5	23.7	88.3 %
Starch	12.7	13.6	10.1	80.2 %	7.6	6.7	10.2	67.7 %
Blue-collar	13.6	14.1	10.2	69.2 %	7.2	6.7	10.4	51.7 %
White-collar	11.1	12.1	10.0	100.0 %	8.3	6.6	10.2	97.4 %
Sugar ²	19.1	19.5	17.8	98.2 %	16.1	16.7	14.4	97.8 %
Blue-collar	19.7	20.5	15.8	98.0 %	17.5	18.7	12.4	98.9 %
White-collar	18.1	17.6	18.9	98.4 %	14.1	13.1	15.6	96.3 %
Group	18.3	18.4	17.9	92.8 %	16.8	16.5	17.6	88.7 %
Blue-collar	16.7	17.6	13.1	89.6 %	15.5	15.7	14.6	86.8 %
White-collar	20.8	20.5	21.0	97.8 %	18.9	18.1	19.8	91.7 %

The mandatory portion of training hours in 2022|23 (including occupational health and safety, first aid, compliance training, etc.) amounted to 53.4%. The Group's expenditure for external training and development in the 2022|23 financial year was about € 2.1 million (prior year: € 1.7 million), equivalent to 0.7% (prior year: 0.6%) of total wages and salaries.

Workplace health and safety

In organisational terms, AGRANA's occupational safety management is the responsibility of the managing directors of AGRANA's segments and business units who are responsible for production, the plant managers of AGRANA's production sites and the local workplace health and safety officers. The workplace health and safety officers and safety specialists are responsible for ensuring compliance with all occupational health and safety measures prescribed by law or instituted by the company. These include, for example, both regular and event-driven hazard identification and risk assessment, the development of improvement measures, the organisation of occupational health and safety training and the analysis, documentation (together with Human Resources) and communication of actual occupational accidents.

In all 25 countries where AGRANA has production facilities, there is some form of legal obligation for the employer to assess the workplace in safety terms. This

assessment is carried out by the safety specialists, in some cases in collaboration with external consultants, and must be documented in a way that is job-specific and accessible to employees. It must be reviewed at regular intervals or revised as necessary in the event of changes to the facilities or processes or after accidents. Employees are obligated to report identified hazards, such as through documentation in the shift log, via the company suggestion system, or during periodic safety inspection rounds. In the fruit preparations business with its global operations, this reporting obligation can for cultural reasons also be fulfilled anonymously at some locations.

In addition to legally required local occupational health and safety measures and reporting obligations (e.g., to insurance providers), the AGRANA Group has for many years collected monthly, standardised worldwide data on workplace health and safety. This serves to improve the Group-wide comparability and analysis of occupational accidents and forms the basis for the development of improvement measures and targets under the programmes in the business segments and businesses.

¹ Permanent staff within the GRI reporting boundaries.

² The staff of AGRANA Beteiligungs-AG is counted under the Sugar segment.

Workplace safety data for the AGRANA Group¹

for the 2022|23, 2021|22 and 2020|21 financial years

Segment	Rate of recordable work-related injuries ²			Rate of high-consequence work-related injuries ³			Rate of fatalities as a result of work-related injury		
	Total	Male	Female	Total	Male	Female	Total	Male	Female
2022 23									
Fruit	1.0	1.3	0.6	0.2	0.1	0.2	0.0	0.0	0.0
Starch	3.9	4.5	1.9	0.0	0.0	0.0	0.0	0.0	0.0
Sugar	2.3	2.5	2.0	0.0	0.0	0.0	0.0	0.0	0.0
Group	1.6	2.1	0.9	0.1	0.1	0.1	0.0	0.0	0.0
2021 22									
Fruit	1.1	1.5	0.5	0.1	0.1	0.0	0.0	0.0	0.0
Starch	2.3	2.7	0.8	0.0	0.0	0.0	0.0	0.0	0.0
Sugar	1.9	2.4	0.8	0.1	0.1	0.0	0.1	0.1	0.0
Group	1.4	1.9	0.6	0.0	0.1	0.0	0.0	0.0	0.0
2020 21									
Fruit	1.1	1.5	0.5	0.0	0.0	0.0	0.0	0.0	0.0
Starch	2.4	2.8	1.2	0.0	0.0	0.0	0.0	0.0	0.0
Sugar	2.7	3.1	1.7	0.1	0.1	0.0	0.0	0.0	0.0
Group	1.6	2.1	0.7	0.0	0.0	0.0	0.0	0.0	0.0

No fatal work accident occurred in the 2022|23 financial year (prior year: two fatalities).

In 2022|23 there were 154 work accidents at the AGRANA Group (prior year: 127)¹. In addition, there were seven accidents of contractors (prior year: five accidents); for organisational reasons, these are not included in the workplace safety data.

Type and number of workplace accidents in 2022|23

Bruises, crushing injuries, lacerations (30), slips, trips and falls resulting in injuries (55), cuts and punctures (16), burns and scalds (14), injuries caused by incorrect lifting, carrying and storage (23), business travel accidents (6), eye injuries (8), others (2).

The central occupational health and safety committee, which convenes annually, provides the occupational health and safety officers of the European sites, the managing directors responsible, human resources managers and employee representatives with a forum for the supranational and cross-functional discussion of safety and health issues, such as the analysis of selected accidents or types of accident (including those occurring at non-European sites) and the discussion of further measures for accident prevention. In the globally operating fruit preparations business too, there are functionally diverse working groups and advisory bodies, which have made this business area's "Safety First" occupational safety programme the AGRANA Group's leading initiative in workplace safety.

¹ Non-permanent (i.e., fixed-term or temporary) and permanent employees within the GRI reporting boundaries.

² Rate of recordable work-related injuries ("injury rate") = (total number of accidents⁵ ÷ total paid hours worked⁶) x 200,000⁷

³ Rate of high-consequence work-related injuries ("serious injury rate") = (total number of serious injuries⁴ ÷ total paid hours worked⁶) x 200,000⁷

⁴ An injury is classified as serious if no full recovery or healing occurs within six months of the accident.

⁵ In AGRANA's workplace safety data, injuries are counted as accidents. Days are counted as lost from the first scheduled work day missed after the accident (excluding accidents on the way to or from work).

⁶ Total paid hours worked are defined by AGRANA as contractual work hours plus paid overtime.

⁷ Explanation of the multiplier 200,000: The multiplier is intended to make the Group's internal workplace safety data comparable with other companies. It is based on the assumption of 40 work hours per week and 50 work weeks per year, for 100 employees (40 x 50 x 100). The effect of the multiplier is thus to convert from a company's average number of accidents, lost days or absentee hours (hours missed as a result of accident or illness) per hour of work done in the company, to an annual number per 100 employees.

Workplace safety targets for the AGRANA Group¹ in the 2022|23 financial year and subsequent years

Segment	Target for 2026 27	Target status in 2022 23
Fruit		
Fruit preparations business	Injury rate ² : 0.65	Injury rate ² : 0.9
Fruit juice concentrate business	Injury rate ² : 1.4	Injury rate ² : 1.6
Starch	Injury rate ² : 1.4	Injury rate ² : 3.9
	Strategic development of clearly defined measures, and of an internal communication strategy, for improving workplace safety	Continuation of the internal safety training programme based on the “Golden rules for work – safe and healthy together”
	Internal safety training programme for team leaders, department heads and management team, and regular personal safety training for all employees	Regular personal safety training for all employees by the respective department heads with a focus on department-specific hazards
	Defined targets in place for health and safety KPIs in every operational department	Creation of a Sharepoint page on worker safety, and digitalisation of the reporting system, including a workflow-based reporting process
		Defined targets in place for near misses and unsafe actions in every operational department
		Regular safety walks by the management team
Sugar	Injury rate ² : 1.4	Injury rate ² : 2.3
	In addition to existing occupational safety initiatives, internal safety audits are carried out at the Sugar sites since 2022 23 by safety experts from other segments as part of best-practice sharing within the AGRANA Group.	Continuation of quarterly work safety meetings (introduced in 2020) with the plant managers and safety specialists
		Mandatory reporting in the weekly meeting of the country managers
		“Safety first” as an agenda item in the best-practice meetings of the Sugar segment’s department heads

¹ Employees within the GRI reporting boundaries.

² See definition on page 105.

³ Lost day rate = (total number of lost days⁴ ÷ total paid hours worked)² x 200,000²

⁴ An eight-hour work day is assumed.



In its third year, COVID-19 transformed into a local, seasonal illness much like many others. In administration, the forms of collaboration and flexible work schedules and work location models introduced during the COVID-19 pandemic have been integrated in the company's practices for the long term. To this end, carefully thought-out rules were established that presuppose a culture of trust and a focus on results.

At the same time, the communication on physical distancing and hygiene rules was maintained both in production and for salaried employees. This along with a variety of other measures (changes in production shifts and scheduling, an increased proportion of remote work, support for testing and vaccination campaigns, etc.) safe-guarded both the health of employees and the ability to supply customers.

By October 2022, the general situation was considered stable and the weekly reporting of infection figures at Group level was discontinued.

Health programmes

As part of its ongoing routine occupational health care under the "AGRANA Fit" programme, at many sites AGRANA offers preventive health check-ups and/or vaccinations (for influenza, tick-borne encephalitis, titre testing, etc.). These are intended to help maintain and improve employees' health and well-being. As well, some locations have individual arrangements with local health care organisations and fitness facilities.

AGRANA provides a broad sports offering for its employees, such as running groups, "deep work", Zumba toning, high-intensity interval training, after work bodyweight, vinyasa flow yoga, Pilates and boot camp courses. Alongside the wide variety of health and sports opportunities, the Group also provided many workshops for employee information, awareness-building and development in the areas of work-life balance management, nutrition, stress reduction, burnout prevention, and for good ergonomics in the workplace.

As healthful nutrition is such an important element of personal well-being, AGRANA promotes healthy, balanced diets for its staff through workshops and local campaigns, such as making available free fresh fruit.

Balancing work and family

Ensuring that work is compatible with family life is an important part of AGRANA's human resources strategy from a social responsibility perspective. AGRANA is thus a member of the Austrian "Business for Family" network of the Federal Ministry for Work, Family and Youth (also see the corporate governance report).

Across the Group, this is reflected in numerous initiatives and offerings for employees. The possibility of working from home, the funding or even direct provision of child care in certain locations (including special such services during the holidays), and variable work hours, are all part of this effort.



Risk management

and system of internal control

The Management Board of the AGRANA Group recognises the importance of active and effective risk management. The basic aim of risk management at AGRANA is to identify risks and opportunities as early as possible and take appropriate measures to safeguard the profitability and continued existence of the Group.

The AGRANA Group uses integrated monitoring and reporting systems that permit regular, Group-wide assessment of the risk situation. For the early identification and monitoring of risks relevant to the Group, two mutually complementary control tools are in place:

- An enterprise-wide **operational planning and reporting system** forms the basis for the monthly reporting to the appropriate decision-makers. Under this reporting process, a separate risk report is prepared for the Group and for each business segment. Its focus is on the determination of sensitivities to changing market prices for the current and next financial year. The individual risk parameters are assessed on an ongoing basis in relation to the current budget (prepared at the start of the year) or the current forecast (as updated in the course of the year), so as to be able to calculate the impacts on the profit measure “operating profit before exceptional items and results of equity-accounted joint ventures”. Besides this ongoing reporting, the risk managers from the business areas regularly discuss the business situation and the use of risk mitigation measures directly with the Management Board.
- The Group’s **risk management** aims to identify material individual risks and evaluate their implications for the overall profile of risks and opportunities. Twice every year, the risks in the individual business areas over the financial planning horizon of five years are analysed by a designated risk management team together with the Group’s central risk management function. The process involves risk identification and risk assessment by probability of occurrence and potential magnitude of risk/opportunity, the definition of early warning indicators and the taking of counter-measures. Also, the aggregate risk position of the AGRANA Group is determined for the current financial year using a Monte Carlo simulation, an established standard calculation in risk management. This allows a judgement to be made as to whether a combination or accumulation of individual risks could pose a threat to the ability to continue in business as a going concern. The results are reported to the Management Board and the Audit Committee of the Supervisory Board.

Risk management representatives have been designated for the business segments of the AGRANA Group. These representatives are responsible for initiating loss-minimising measures as required, subject to Management Board approval.

The design and implementation of risk management under rule 83 of the Austrian Code of Corporate Governance is evaluated annually by the independent audit firm, which submits the findings in a final report on the viability of the Group-wide risk management.

Risk policy

AGRANA sees the responsible management of business opportunities and risks as an essential basis for purposeful, value-driven and sustainable business management. The Group’s risk policy seeks to ensure risk-aware behaviour, sets out clearly defined responsibilities and stipulates independent risk control as well as integrated internal controls.

Throughout the Group, risks may be assumed only if they arise from the core business of the AGRANA Group and if it does not make economic sense to avoid, insure or hedge them. The policy is to minimise risks to the extent reasonably possible while achieving an appropriate balance of risks and returns. The assumption of risks outside the operating business is prohibited without exception.

AGRANA Beteiligungs-AG is responsible for the Group-wide coordination and implementation of risk management arrangements determined by the Management Board. The use of hedging instruments is permitted only to hedge operating business transactions and financing activities, not for speculative purposes outside the core businesses of the AGRANA Group. The positions in hedge contracts and their current value are regularly reported to the Management Board.

Significant risks and uncertainties

The AGRANA Group is exposed to risks both from its business operations and from its national and international operating environment.

In developing and implementing the corporate strategy, the Management Board incorporates sustainability aspects and associated opportunities and risks related to climate change, the environment, social matters and corporate governance.

Operational risks

Procurement risks

AGRANA is dependent on the availability of sufficient amounts of agricultural raw materials of the necessary quality. Beyond a possible supply shortfall of appropriate raw materials, a risk is also posed by fluctuation in the prices of these inputs (to the extent that the difference cannot be passed through to customers). Major drivers of availability, quality and price are weather-related conditions in the growing regions (also see “Non-financial information statement”, from page 44), the competitive situation, regulatory and legal requirements, and movements in the exchange rates of relevant currencies.

As in the year before, the procurement markets for energy were characterised by very volatile prices in the 2022|23 financial year. The future price trend for energy commodities can have a significant impact on AGRANA's profitability. To lock in energy prices, certain volumes of natural gas and electricity are hedged over a medium-term horizon.

In the **Fruit segment**, crop failures caused by unfavourable weather and by plant diseases can adversely affect the availability and purchasing prices of raw materials. In the fruit preparations business with its worldwide presence and its knowledge of procurement markets, AGRANA is able to anticipate regional supply bottlenecks and price volatility and take appropriate remedial action in response. Annual purchasing contracts are concluded where possible.

In the fruit juice concentrate business, the risks related to raw materials, production and sales are managed centrally. Both foreign-currency purchases of raw materials and sales contracts in foreign currency are hedged using derivatives. In these derivatives

contracts, no short or long positions are taken that exceed the amount necessary for hedging the underlying transaction. The risk of fluctuating energy prices is countered by hedging energy purchases at an early stage. Particular challenges in the 2022|23 financial year were the pass-through of increased raw material prices for berry juices, coping with the global transport crisis, and managing energy and packaging costs.

In the **Starch segment**, corn and wheat are the main raw materials. Energy costs are another significant component of manufacturing costs. The ability to pass on procurement price fluctuations to customers is dependent on the product or industry.

In starches and by-products, changes in procurement prices lead to a change in product market prices in the same direction, which acts as a natural hedge by partly offsetting the raw material and energy price risks. Selling prices of bioethanol in Europe are driven mainly by the quotations on the Platts information platform, which do not reflect raw material prices but fluctuations in the ethanol market. The volatility in bioethanol prices is correspondingly high. For saccharification products, the prices are correlated with European sugar prices and are largely unaffected by raw material price movements.

Thanks to procurement in national and international markets, the raw material supply can for the most part be regarded as secure. The supply of specialty raw materials is sufficiently secured through contract farming and supply contracts. When economical, raw material prices can also be hedged and/or the supply secured through futures contracts and over-the-counter derivatives, both of which require management approval. The volume and results of these hedges are included in the regular reporting and are reported to AGRANA's Management Board.

In the **Sugar segment**, sugar beet and raw cane sugar are used as raw materials. Besides weather factors, an important determinant of sugar beet availability is how profitable it is for farmers to grow beet compared to other field crops. The availability of sugar beet is becoming an increasingly significant consideration, as final beet prices partly depend on the sales price of sugar.

In mid-January 2023, the European Court of Justice (ECJ) ruled that sugar beet seed may no longer be treated with neonicotinoids against insects. As a result, the Austrian authorities did not issue an emergency neonicotinoid approval for beet crops in 2023. In areas with a high incidence of beet weevil, this decision may lead to a reduction in acreage (see “European Green Deal”, from page 113).

Possible future cancellations of national coupled premiums for beet cultivation paid to farmers in the beet production regions of Hungary, Romania, the Czech Republic and Slovakia will have a negative impact on incomes of local farmers and may represent a price and/or volume risk for AGRANA.

At the refining facilities in Bosnia and Herzegovina and in Romania, the basic driver of AGRANA's profitability is how much value can be added by processing the purchased raw sugar given the market prices achievable for white sugar. Next to the risk of high raw sugar purchasing prices, another procurement risk lies in the regulations on the import of white and raw sugar to the European Union and the CEFTA countries. The prices for the required raw sugar are hedged with commodity derivatives where financially appropriate, unless fixed prices are agreed. Industrial contracts without a fixed price agreement are also hedged by means of commodity derivatives. Hedging is performed in accordance with internal policies and must be reported to the Management Board.

The Group's production processes, especially in the Starch and Sugar segments, are energy-intensive. AGRANA therefore continually invests in improving energy efficiency in the manufacturing facilities and the transition to lower-emission or renewable sources of energy. The quantities and prices of the required forms of energy are also to some extent hedged, for the short and medium term.

War in Ukraine

AGRANA has production facilities in Ukraine and Russia. The military conflict made it necessary to adjust the production operations in Ukraine. For security reasons, production was shut down briefly after the war began. Operations were then soon resumed, with adjustments made to adapt to the current security situation. About 5% of the Ukrainian employees have fled the war-affected region or been called up for military service.

The production of fruit preparations in Ukraine has stabilised in the region of 50% of the pre-war level. The decline is due mainly to the loss of export markets and lower domestic consumption as a result of the war. Despite the difficult situation, with power outages and with air raid alerts causing work interruptions, the processing of fresh fruit was kept approximately in line with the level of the prior year. The business of the farm in Luka also continued on a similar scale as before the war. Customer defaults have so far only been minor.

Production of fruit juice concentrates in Ukraine was maintained with only minor reductions despite a difficult environment and power disruptions, achieving 90% of the budgeted volumes. The entire production from the 2022|23 harvest and the 2021|22 inventories were sold internally to AUSTRIA JUICE GmbH, Kröllendorf/Allhartsberg, Austria, and subsequently marketed and delivered from Austria. There were no significant defaults on customer payments, and AGRANA was able to reverse a portion of the impairment allowance and inventory write-downs recognised in the 2021|22 financial statements.

In Russia, the Ukraine war is causing significant shifts in the market environment. While global brands are experiencing a decline in sales and Western companies are leaving the country, local companies are benefiting from this development because they are taking over this business, sometimes as new owners. AGRANA's largest customers also saw major changes in this respect in the financial year.

Due to the sanctions in place, supplying the Russian plant with imported goods is becoming increasingly challenging. On the purchasing side, the flow of goods has shifted away from Europe and towards Asia. In addition to fruit, this also affected stabilisers, packaging materials and machine parts.

It is currently difficult to assess whether further valuation adjustments will have to be made on assets in Ukraine and Russia in the future (also see the Notes, from page 152).

The war in Ukraine also means a higher IT security risk from cyber sabotage and other forms of cyber attack.

Product quality and safety

AGRANA sees the manufacturing and marketing of high-quality, safe products as a fundamental requirement for long-term economic success. The Group applies rigorous quality management that is continually refined and that meets the requirements of the relevant food and beverage legislation, standards and customer specifications. The quality management covers the entire process from raw material procurement, to manufacturing, to delivery of the finished product. Compliance with legal and other quality standards is regularly verified by internal and external audits. In addition, product liability insurance is carried to cover any remaining risks.

Market risks and competitive risks

In its worldwide operations, AGRANA is exposed to strong competition from regional and supranational competitors. The market entry of new competitors or the addition of more production capacity by existing rivals may intensify competition in the future.

In its agricultural outlook report in December 2022, the European Commission underlined the recent and ongoing challenges faced by the agricultural sector and, in particular, the sugar sector: First came the economic recovery after COVID-19, but this led to supply and trade disruptions and rising commodity and raw material prices. This was followed by the powerful effects of the Ukraine war, such as an extreme increase in energy prices, which translated to further uncertainty in agricultural markets.

Extreme weather events associated with climate change are increasingly affecting the agricultural industry. Owing to the drought periods last summer, sugar production was significantly lower than planned, which once again had an impact on the price situation. The forecast by weather experts also predicts a droughty summer for Europe in 2023, which may have an effect on how well sugar beet as a planting choice for farmers in the EU competes with other agricultural crops, such as corn and wheat. Going forward, the trend in sugar prices in European markets and non-EU markets will continue to have a critical influence on the earnings situation in the Sugar segment.

With regard to EU sugar production, the European Commission expects a decline in beet acreage, combined with stable yields. As a result, sugar production is expected to slowly ease, from an average of 15.8 million tonnes in the period from 2023 to 2025, to 15.5 million tonnes in 2032. Sugar consumption in

the EU has also been receding for many years, largely because consumers wish to move to a healthier diet. Given the expected decline in the EU population and the continuing trend of decreasing per-capita sugar consumption, the downward trend is predicted to continue in the medium term.

The Group's own market position is therefore continually monitored so that any required corrective action can be rapidly initiated. In response to demand and other factors, AGRANA frequently adjusts its capacity and cost structures in order to maintain its competitiveness in the core markets. The early detection of changes in demand patterns and consumer behaviour is based on the constant analysis of sales variances. In this context, AGRANA also monitors new technological developments and production processes in the market that, in the future, could lead to a partial backward integration on the part of customers into core businesses of individual segments of the AGRANA Group.

AGRANA is pursuing extensive measures to strengthen its core business and expand its market positions in order to mitigate existing volatilities and achieve stable earnings. Investments are also being made in the development of new markets in the area of fruit preparations and "brown flavours"¹. However, the generally tense global political situation (on the war in Ukraine, see from page 110) and its influence on the market environment, particularly on purchasing behaviour, may have a negative impact on the Fruit segment. The economic trends especially in China, Argentina and Turkey are under constant observation.

IT risks

AGRANA is reliant on the functioning of a complex information technology infrastructure. System non-availability, data loss or data tampering and breaches of confidentiality in critical IT systems can have significant impacts on business operations. The general trend in external attacks on IT systems of organisations implies that the AGRANA Group too is or may increasingly be subject to such threats in the future. The maintenance of IT security is ensured by qualified internal and external experts and by appropriate organisational and technical measures. These include redundant IT systems and security tools that are state-of-the-art. Together with external partners, precautions have been taken to counter possible threats and avert potential damage.

Employees

The AGRANA Group aims to be an attractive employer at the regional and global level and offer a secure workplace with development opportunities for qualified employees. Joint success as “Team AGRANA” is part of the basis for employee satisfaction and loyalty and enables the company’s sustainable performance and development.

Safety in the workplace is a top priority. Safety specialists at all locations work as a global network to share best practices and ensure that high standards are met. Local health initiatives complement this focus.

The continuing shortage of skilled workers, as well as changing workplaces and the resulting impacts on collaboration, are currently the most immediate risks and will remain significant factors for AGRANA in the coming years. Especially in the technical and scientific occupations as well as in the IT sector, there is a noticeable change in the labour market towards a “worker’s market”. An initiative to review and optimise the compensation system is underway to bring improvements and relief in this area. In parallel with this measure, internal employee development is being stepped up.

At the same time, as part of its work on diversity, equity and inclusion, AGRANA strives to make jobs more attractive, including for women, and to retain talent and knowledge within the company.

Intensive local and regional personnel marketing measures, the promotion of junior staff training, and the adaptation of work timing models where possible, form the framework for close support of AGRANA’s managers in the areas of remote leadership, hybrid team work, succession planning and change management.

Flexibilisation also means greater individual responsibility in terms of workload and separation of work time and personal time. Individual support from the respective manager, as well as from the Human Resources team and external coaches, is important here.

Coronavirus (COVID-19)

The global spread of coronavirus disease, or COVID-19, in the form of its different variants has in the past led to drastic restrictions on public, social and economic life worldwide. AGRANA maintains production sites and sales locations on six continents and was therefore affected in various regions within and outside Europe.

All measures taken brought positive results for the Group and full production operations were successfully maintained at all production sites worldwide in the financial year (with the exception of Ukraine). In addition, the functioning of the transport logistics chains was ensured so that there were no significant delays in deliveries to customers.

As a result of the Chinese government’s restrictive COVID-19 policy in place until the end of 2022, AGRANA Fruit’s sites in China were affected by travel restrictions and heightened protective measures at the plants. Since the government ended these rules, the situation has largely normalised. AGRANA Fruit was able to ensure timely deliveries to customers throughout the duration of the measures.

As part of the critical infrastructure and as a food producer, AGRANA operates in one of the economically less affected industries. Nevertheless, despite vaccinations, COVID-19 (in the form of existing or possible new variants) will continue to have an effect on the trajectory of the global economy and there may be future adverse impacts on procurement, production and the markets served.

Regulatory risks

Risks from sugar market regulation

As part of the risk management process, potential scenarios and their impacts are examined and assessed from an early stage. Current developments and their implications are also reported beginning on page 92 in the section on the Sugar segment.

Sugar regime: Work is currently continuing at the European level on the new Common Agricultural Policy (CAP) 2023–2027, of which the organisation of the sugar market is a component. The new CAP is seen as the key to securing the future of agriculture and forestry and to achieving the goals of the European Green Deal. The CAP 2023–2027 contains a number of policy reforms to support the transition to sustainable agriculture and forestry in the EU.

In December 2022, the European Commission approved the member states' national strategic plans. By the end of December 2023, the Commission is now to assess whether these national strategic plans are compatible with its Green Deal objectives. From 2024, the member states are required to submit performance reports to the Commission and to present them at an annual meeting.

Free trade agreements

Fearing competitive disadvantages for European companies, the EU's formerly reserved position on bilateral free trade agreements has changed. The EU is negotiating free trade agreements with numerous countries. Future such agreements by the EU could have economic impacts on AGRANA. The company follows ongoing trade talks (which often stretch over years) and trade deals and analyses and evaluates the individual results as they become known.

The EU and the Mercosur countries (Argentina, Brazil, Paraguay and Uruguay) in June 2019 reached political agreement on a comprehensive trade pact. The proposal then entered a ratification process in each member country.

In addition, national tax and customs regulations and their interpretation by local authorities can lead to further risks in the regulatory environment.

European Green Deal

In December 2019, the European Commission presented its climate protection roadmap, the Green Deal. To meet the climate and environmental challenges, the industrial sectors and all value chains are to be transformed within the next three decades. The overarching objective is to achieve net-zero emissions of greenhouse gases (GHG) within the EU by 2050. An interim EU target adopted in December 2020 is to reduce GHG emissions by 55% by the year 2030 compared to 1990 levels.

Apart from the climate ambitions, under the Green Deal all areas of legislation will be reviewed for their consistency with the goal of climate neutrality. This may lead to legislative amendments, such as in the Industrial Emissions Directive or the Emissions Trading Directive. Also important in this context are the discussions surrounding the Carbon Border Adjustment Mechanism (CBAM) and the introduction of a price for CO₂. Since October 2022, companies in Austria that produce or import fuels must pay a net amount of € 30 per tonne of CO₂. These costs are to be increased incrementally over the next few years, initially to € 35 (2023), then € 45 (2024) and € 55 per tonne (2025). As an energy-intensive industrial processor especially in the Starch and Sugar segments,

AGRANA is subject to the EU Emissions Trading Scheme for most of its production facilities in these segments. In order to prevent a double burden, the legislator has exempted installations subject to EU emissions trading from the scope of the National Emissions Allowance Trading Act 2022 (NEGH).

In December 2022, the Council of the European Union and the European Parliament reached preliminary political agreements regarding the Carbon Border Adjustment Mechanism and the Regulation on Deforestation-Free Supply Chains. Under the Carbon Border Adjustment Mechanism, a levy will be payable from 2026 on certain goods entering the EU, such as iron, steel, aluminium, cement, electricity, fertilisers and hydrogen, whose production outside the EU emits greenhouse gases. In a transitional phase starting in 2023, importers will have to report the emission load of the goods, but still without having to purchase the corresponding allowances. The inclusion of fertilisers in this list could have negative effects on fertiliser availability and pricing in Europe and thus on the availability and prices of the raw materials processed by AGRANA.

Under the Deforestation-Free Supply Chains Regulation, it must be demonstrated for certain import commodities such as soy, coffee and cocoa, among others, that these products have been produced or obtained both deforestation-free (i.e., on land that has not been deforested after 31 December 2020) and legally (i.e., in accordance with all applicable legislation in force in the producing country). The above commodities are sourced by AGRANA in the course of its trading activities and processed in the Sugar segment (in instant products) and in the fruit preparations business. Ensuring freedom from deforestation in the supply chain is a focus of work under AGRANA's climate strategy (see "Non-financial information statement", from page 54).

Other Green Deal work packages important for AGRANA, especially when it comes to its supply chain, include the Farm to Fork initiative, the implementation of a circular economy, and the biodiversity strategy. To increase sustainability in the agricultural sector, the European Commission in June 2022 presented a proposal on the future use of pesticides. The proposal calls for reducing the use of crop protection products by 50% by 2030. Furthermore, the use in sensitive areas (Natura 2000 protected areas) is to be prohibited altogether. The proposal is currently being debated vigorously and is meeting with resistance in the majority of member states. In principle, a factual debate on the use of crop protection products is necessary, but flat percentage reductions from different national or crop-specific baseline values should be

opposed. In connection with the debate on crop protection products, the ruling of the European Court of Justice of 19 January 2023 regarding the ban on emergency authorisations for neonicotinoids is also worth noting.

It is correct that the use of neonicotinoids in flowering crops must be rejected to protect pollinators, especially bees, and scientific concerns must be taken seriously. However, sugar beet does not flower, and according to studies by the European Food Safety Authority and others¹, neonicotinoids are unlikely to pose a risk to bees in non-flowering crops. Nonetheless, AGRANA is following the results of the bee monitoring programme of the Austrian Agency for Health and Food Safety to assess the potential impact of neonicotinoid residues. So far, the monitoring has not shown any effects that are hazardous to bees.

Without effective crop protection, especially against the beet weevil that occurs in eastern Austria, the competitiveness of sugar beet as a crop choice for growers is severely limited. The total ban on neonicotinoids in beet cultivation from 2023 makes it necessary to treat the entire field several times, in contrast to the seed treatment used until now that only acted selectively on and around each beet plant. Other, less effective agents must now be used. This is less efficient and results in a potential yield reduction and hence higher emission factors per kilogramme of beet, thus highlighting a conflict between environmental goals. As a consequence, many farmers could stop growing beet, which could lead to a sharp decline in planting area, an insufficient sugar beet supply, and thus lower utilisation of sugar factories.

Besides ensuring good environmental standards, the maintenance of minimum social standards both within a company and in its supply chain – which Germany has already adopted as part of its Supply Chain Due Diligence Act that will become law nationally from 2023 – is a further upcoming focus of work for the European Commission as well.

Another important core element of the Green Deal for the transformation towards a low-carbon society is the redirection of financial flows in favour of environmentally sustainable economic activities that contribute to achieving the six EU environmental objectives: climate change mitigation and adaptation, sustainable use of water resources, transition to a circular economy, pollution prevention, and protection of eco-systems and biodiversity. In summer 2020, the European Union adopted the EU Taxonomy, a classification system that defines criteria for reporting

sustainable (or “green”) sales, investments and operating expenses, i.e., which serve primarily one of the above environmental objectives without significantly compromising any of the other five. In July 2021, technical screening criteria for individual economic activities and their contribution to the first two of the environmental objectives were published as part of a delegated act. To date, such criteria have been defined only for a very small proportion of AGRANA’s business activities or products, while the majority are not yet covered by the EU Taxonomy (see “Non-financial information statement”, from page 66). The extension of requirements to the production of food and food ingredients, which is material to AGRANA, did not yet occur in 2022. For definition reasons, this keeps the share of Taxonomy-eligible and thus potentially Taxonomy-aligned economic activities at AGRANA low. In the longer term this would be considered potentially disadvantageous, as it is believed that a growing share of “green” revenue, investment or operating expenses, could bring advantages in terms of financing and government subsidies.

As many regulatory provisions from the European Green Deal have not yet been finalised, specific statements about the impacts cannot yet be made. Developments on this front are monitored and evaluated on an ongoing basis.

EU Renewable Energy Directive

The EU’s Renewable Energy Directive (RED II), adopted in December 2018, has material significance for the business activities of the Starch segment. This directive also sets the target values for the time horizon of 2021 to 2030. It was transposed into national law through an amendment to Austria’s 2012 Fuel Regulation published on 13 December 2022 that came into force on 1 January 2023. It sets a GHG reduction target of 13% by 2030. The introduction of E10 in Austria is seen as a key option for achieving this reduction target. At the time of this reporting, the implementation of RED III, through which the use of renewable energy is to be increased and greenhouse gas emissions reduced, was being negotiated in the European and national bodies.

The EU decision in October 2022 to end new registrations of vehicles with internal combustion engines as of 2035 was noted by AGRANA, but according to current assessments does not pose a relevant risk to bioethanol production. First of all, bioethanol is only one of several products under the circular economy concept of the biorefinery in Pischelsdorf, Austria. Moreover, amid the phase-out of fossil products, bioethanol will find uses beyond that in fuels.

Legal risks

AGRANA continually monitors changes in the legal setting relevant to its businesses or to their employees that could result in a risk situation, and takes risk management actions as necessary. Areas of law to which particular attention is devoted are antitrust, food and environmental legislation, as well as data protection, anti-money laundering and anti-terrorism finance provisions. AGRANA maintains dedicated staff positions for matters of compliance, employment law and general areas of law, and provides regular further training for the employees involved.

The antitrust case against AGRANA Zucker GmbH, which was explained in the previous years' reports, was brought to a legally binding conclusion with the outcome expected by AGRANA, without a fine. The lawsuit against AGRANA Stärke GmbH reported in the prior year (alleging non-delivery of promised product quantities) was dismissed with legal effect by the Commercial Court of Vienna.

There are no pending or threatened civil actions against companies of the AGRANA Group that could have a material impact on the Group's financial position, results of operations and cash flows.

Financial risks

AGRANA is subject to risks from movements in exchange rates, interest rates and product prices. It also has exposure to risks related to obtaining the financing required by the Group. The Group's financing management is provided centrally by the Treasury department, which regularly reports to the Management Board on the movement in and structure of the available credit lines, on the Group's net debt, on the financial risks and on the amount and results of the hedging positions taken.

The AGRANA Group operates worldwide and must observe different tax regimes, levy requirements and currency regulations. Changes in these rules by the legislative bodies, as well as their interpretation by local authorities, can have an effect on the financial results of individual Group companies and, consequently, on the Group.

Interest rate risks

Interest rate risks arise from fluctuation in the value of fixed interest financial instruments as a result of changes in market interest rates; this is referred to as interest rate price risk. By contrast, floating rate investments or borrowings are subject to minimal price risk, as their interest rate is adjusted to market rates very frequently.

In addition, the fluctuation in market interest rates entails risk as to the amounts of future interest payments; this is referred to as interest rate cash flow risk. AGRANA strives to employ interest rate hedging instruments that match the amount and maturity of debt financing. In accordance with IFRS 7, the existing interest rate risks are determined by calculating Cash-Flow-at-Risk and the modified duration and are presented in detail in the Notes.

Currency risks

Currency risks arise mainly from the purchase and sale of goods in foreign currencies and from financing in non-local currencies. For AGRANA, the principal relevant exchange rates are those between the euro and the US dollar, Hungarian forint, Polish złoty, Romanian leu, Ukrainian hryvnia, Russian ruble, Brazilian real, Mexican peso, Argentine peso and Chinese yuan.

As part of its currency management, AGRANA, on a monthly basis for each Group company, determines the net foreign currency exposure arising from the purchasing, sales, and cash and cash equivalent positions, including the hedging positions held. Open purchasing and sales contracts in foreign currencies that have not yet been settled are also taken into

account. For the hedging of currency risks, AGRANA primarily employs forward foreign exchange contracts (also known as currency forwards). Through these, the value of cash flows denominated in foreign currencies is protected against exchange rate movements. In countries with volatile currencies, these risks are further reduced through the shortening of credit periods, indexing of selling prices to the euro or US dollar, and similar methods of risk mitigation.

Currency risk is determined using the Value-at-Risk approach and presented in the Notes.

Liquidity risks

The AGRANA Group's objective and policy is to hold sufficient cash and cash equivalents at all times to meet its payment obligations. Liquidity risks at single-company or country level are detected early through the standardised reporting, thus allowing timely mitigative action to be taken as appropriate. The liquidity of the AGRANA Group is sufficiently assured for the long term through bilateral and syndicated credit lines.

Counterparty and bank risks

Due to the AGRANA Group's transnational scope, bank balances and financial investments are held with various banking partners and have a global distribution. The AGRANA Group closely and regularly monitors the associated risk of default. Under its internal guidelines, business relationships may only be entered into with top-quality banks with a defined minimum credit rating. In cases where the minimum rating cannot be met, upper limits for credit balances are specified and must be strictly adhered to.

Risks of default on receivables

Risks of default on receivables are mitigated by trade credit insurance, strict credit limits, and the ongoing monitoring of customers' credit quality. The residual risk is covered by raising appropriate amounts of provisions.

The financial risks are explained in detail in the Notes, in the section "Notes on financial instruments" (from page 184).

Climate change and other ESG risks

In the 2022|23 financial year, AGRANA continued to analyse non-financial risks and risks that are not primarily financial. The analysis was based on the requirements of the Austrian Sustainability and Diversity Act and section 267a of the Austrian Commercial Code, as well as the Global Reporting Initiative (GRI) and the reporting recommendations on climate-related risks and opportunities issued by the Task Force on Climate-related Financial Disclosures (TCFD).

While the legal and GRI requirements focus on the non-financial risks and actual impacts triggered by companies, the TCFD recommends increased reporting of the risks that climate change poses to companies. As well, as part of the compliance verification for the reporting of EU Taxonomy-aligned revenue, investments (capital expenditure, or CapEx) and operating expenses (operating expenditure, or OpEx), a climate change scenario analysis with a long-term planning horizon must be demonstrated.

AGRANA's risk management addresses the risks affecting AGRANA and, within the scope of its business activities, covers the physical risks acting on the Group (especially operational risks related to raw material procurement – see from page 109). Under AGRANA's risk management system and the Group-wide uniform planning and reporting system, the observation period for the above risks is five years (for a description, see the section "System of internal control and of risk management", page 119).

In the 2022|23 financial year, a climate change scenario analysis was conducted in accordance with the requirements of the EU Taxonomy for all 53 production sites of the AGRANA Group within the GRI reporting boundaries. The aim was to survey the physical climate risks for each location. The selection of the climate hazards on which to focus was made according to the EU Taxonomy and expert opinion. The following acute climate hazards were classified as relevant for the AGRANA Group: heat waves, tornadoes/storms, forest fires and wildfires, droughts and floods. In addition, water stress and sea-level rise were defined as relevant chronic hazards. The scenarios SSP1-2.6 and SSP5-8.5 recommended by the Intergovernmental Panel on Climate Change (IPCC) were used. The analysis considered the current conditions and an optimistic and a pessimistic scenario up to 2040 and 2060. The analysis also corresponds to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in the relevant respects.



In addition, questionnaires were used to survey the exposure of the production sites and the vulnerability of production processes to the various climate hazards. The responses were provided by the respective plant and production managers of all 53 sites in the scope of the survey.

The overall physical climate risk is arrived at through the analysis of the climate hazards and the evaluation of exposure and vulnerability. The results reflect the high complexity of the climate models to be used as well as the subjective response behaviour of the respondents.

These modelling exercises indicate that three threats in particular – water stress¹ and/or drought and/or heat waves – pose potentially relevant risks for some sites. This preliminary assessment of overall climate risk for production sites will be refined in the 2023|24 financial year through a more detailed analysis. Climate change adaptation measures will then be planned and implemented on this basis, which will reduce the overall physical climate risk. In 2023|24, the climate change scenario analysis begun in 2022|23 will be carried out for raw material procurement, using the same methods.

As an energy-intensive industrial processor especially in the Starch and Sugar segments, AGRANA is subject to the EU Emissions Trading Scheme for most of its production facilities in these segments. For that reason, the company has long paid close attention to potential regulatory (transition) risks related to energy legislation. Political directives in the fight against climate change will, through the 2015 Paris Climate Agreement and the European Green Deal that is based on it, give rise to increased regulatory risks for AGRANA in the coming years in the context of the transformation into a low-emission society (see the section “Regulatory risks”).

AGRANA conducts its business in an environmentally and ethically sustainable and legal manner. Social, economic and environmental responsibility are central to AGRANA. AGRANA is a member of the UN Global Compact initiative and is thus obliged to implement its requirements. The Compact’s fundamental values, such as respect for human rights, are enshrined in AGRANA’s Code of Conduct. Adherence to the Code of Conduct is mandatory for employees, managers and business partners. The AGRANA Group performs ongoing risk assessments and due diligence processes, including with regard to social aspects.

Both the risks described in this risk report that affect AGRANA, and the risks for and actual impacts on the environment and society caused by AGRANA’s business activities, together with the measures taken to manage these risks (such as the development of an AGRANA climate strategy) are described in more detail in the section “Non-financial information statement”, from page 54. Both for the risks affecting the Group and those triggered by it, AGRANA has taken appropriate measures to counteract detrimental effects from non-financial risks associated with strategic and operational business conduct. These measures relate to environmental, employee and social matters and are in accordance with national and international standards for the protection of quality and reputation in the interest of the AGRANA Group.



¹ The results in the climate change scenario for water stress were determined on the basis of the “Aqueduct Global Maps 3.0 Data” database. On the recommendation of experts and in line with the current draft of the CSRD, AGRANA continues to report sites at risk for water stress (see GRI Content Index, page 222) based on two assessment tools, the Aqueduct Water Risk Atlas and the WWF Water Risk Filter, which are publicly available.

Aggregate risk

The Group's current aggregate risk exposure is marked by high volatility in product selling prices and in purchasing prices for energy and raw materials. The uncertain availability of input factors such as energy has led to a significant increase in prices. In the bioethanol activities, profitability is critically determined by the future trend in sales prices. The fact that the prices of the corn and wheat used as raw materials can move independently of ethanol prices makes it even more difficult to forecast the earnings trajectory of the bioethanol operations.

Despite the upward-trending EU selling prices for sugar and isoglucose, the Group's aggregate risk exposure is significantly above the average of the previous years, due to the volatile price trend for bioethanol, the financial year's considerable rise in costs for raw materials, energy and consumables, as well as the ongoing uncertainty regarding the extent and duration of the war in Ukraine and concerning the discontinuation of the emergency approvals for neonicotinoids. However, the exposure is covered by a high equity base and the AGRANA Group is able to balance out risks thanks to the diversification provided by the three business segments.

As before, there are no risks to the AGRANA Group's ability to continue in business (no such risks are currently discernible).

System of internal control and of risk management

Disclosures under section 243a (2) Austrian Commercial Code

The Management Board of AGRANA is responsible for the establishment and design of an internal control system and risk management system in respect of both the accounting process and of compliance with the relevant legal requirements.

The internal control system, standardised Group-wide accounting rules and the International Financial Reporting Standards (IFRS) assure both the uniformity of accounting and the reliability of the financial reporting and externally published financial statements.

Most Group companies use SAP as the primary ERP¹ system. All AGRANA companies send the data from their separate financial statements to the central SAP consolidation module. This ensures that the reporting system operates on the basis of uniform data. The consolidated financial statements are prepared by the Group Accounting department. The department is responsible for ensuring the correct and complete transfer of financial data from Group companies, for carrying out the financial statement consolidation, performing the analytical processing of the data and preparing financial reports. On a monthly basis, the Controlling and Group Accounting departments validate and assure the congruence of the internal and external reporting.

The primary control tool for AGRANA's management is the enterprise-wide, uniform planning and reporting system. The system comprises a medium-term plan with a planning horizon of five years, budget planning for the next financial year, monthly reporting including a separate monthly risk report, and, three to four times per year, a projection for the current financial year that incorporates the significant financial developments. In the event of material changes in the planning assumptions, this system is supplemented with ad-hoc forecasts.

The monthly financial reporting produced by the Controlling department portrays the performance of all Group companies. The contents of this report are standardised across the Group and include detailed sales data, the balance sheet, income statement and the financials derived from them, as well as an analysis of significant variances. This monthly report also

includes a dedicated risk report both for each business segment and the whole AGRANA Group in which the risk potential is calculated for the current and next financial year for the key profitability factors, based on the assumption of current market prices for not yet contractually secured volumes versus budgeted prices.

A Group-wide risk management system (see the "Risk management" section, from page 108) at both the operational and strategic level, in which all sources and types of risk relevant to AGRANA – such as the regulatory and legal environment, raw material procurement, competitive and market risks, and financing – are analysed for risks and opportunities, enables the management to identify changes in the Group's environment at an early stage and take timely corrective action as required.

Internal Audit monitors all operational and business processes in the Group for compliance with legal provisions and internal policies and procedures, and for the effectiveness of risk management and the systems of internal control. The unit's audit activities are guided by a Management Board-approved annual audit plan that is based on a Group-wide risk assessment. When requested by the Management Board, Internal Audit also performs ad-hoc audits focusing on current and future risks. The audit findings are regularly reported to AGRANA's Management Board and the respective managers responsible as well as the Supervisory Board (represented by the Audit Committee). The implementation of the actions proposed by Internal Audit is assured by follow-up verifications.

An internal risk analysis is also part of AGRANA's compliance management system. It is based on widely recognised indices that rate the compliance risks on a country-specific basis; in addition, the concrete Group-specific risks are evaluated. The risk analysis is coordinated between the Group risk management function and the Compliance Office.

As part of the audit of the financial statements, the external independent auditor annually evaluates the internal control system of the accounting process and of the information technology systems. The audit findings are reported to the Audit Committee of the Supervisory Board.

¹ Enterprise resource planning.

Capital, shares, voting rights and rights of control¹

The share capital of AGRANA Beteiligungs-AG at the balance sheet date of 28 February 2023 was € 113.5 million (28 February 2022: € 113.5 million), divided into 62,488,976 voting ordinary no-par value bearer shares (28 February 2022: 62,488,976 such shares). There are no other classes of shares.

AGRANA Zucker, Stärke und Frucht Holding AG ("AZSF"), based in Vienna, is the majority shareholder, directly holding 78.34% of the share capital of AGRANA Beteiligungs-AG. The share capital of AZSF is in turn held by Zucker-Beteiligungsgesellschaft m.b.H. ("ZBG"), Vienna, which owns a 50% interest less one share (that share being held by AGRANA Zucker GmbH, a subsidiary of AGRANA Beteiligungs-AG) and by Südzucker AG ("Südzucker"), Mannheim, Germany, which holds the other 50%. The following four Vienna-based entities are shareholders of ZBG: „ALMARA” Holding GmbH (a subsidiary of RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung); Marchfelder Zuckerfabriken Gesellschaft m.b.H.; Rübenproduzenten Beteiligungs GesmbH; and Leipnik-Lundenburger Invest Beteiligungs AG. Under a syndicate agreement between Südzucker and ZBG, the voting rights of the syndicate partners are combined in AZSF, there are restrictions on the transfer of shares, and the partners in the syndicate have certain mutual rights to appoint members of each other's management board and supervisory board. Thus, Markus Mühleisen has been nominated by ZBG and appointed as a member of the management board of Südzucker AG, and Ingrid-Helen Arnold has been nominated by Südzucker and appointed as a member of the management board of AGRANA Beteiligungs-AG.

There are no shareholders with special rights of control. Those employees who are also shareholders of AGRANA Beteiligungs-AG exercise their voting rights individually.

The Management Board does not have powers to issue or repurchase shares except to the extent provided by law.

The agreements for Schuldscheindarlehen (bonded loans) and credit lines (syndicated loans) contain change of control clauses that grant the lenders an extraordinary right to call the loans.

With this exception, there are no significant agreements that take effect, change materially, or end, in the case of a change of control resulting from a takeover offer. No compensation agreements in the event of a public takeover offer exist between the Company and its Management Board, Supervisory Board or other staff.

Outlook

With its diversified business model and sound balance sheet, AGRANA considers itself well positioned for the future.

Key sources of uncertainty for the following forecast remain the war in Ukraine and its consequences. Due to the unpredictability of the further course of the war, effects such as exceptional cost increases and demand declines cannot be ruled out. Since the outbreak of the war, the volatility in the Group's product markets and procurement markets further intensified. AGRANA's projections are based on the assumptions that the physical supplies of energy and raw materials remain assured and that purchasing price increases, especially for raw materials and energy, can be passed on in adjusted customer contracts.

AGRANA Group		2022 23 Actual		2023 24 Forecast	
Revenue	€m	3,637.4	Significant increase		↑↑
EBIT	€m	88.3	Very significant increase		↑↑↑
Investment ¹	€m	102.9		150	

At **Group level** for the 2023|24 financial year, AGRANA expects a very significant increase in operating profit (EBIT). Group revenue is projected to show significant growth.

Total investment across the three business segments in the 2023|24 financial year, at approximately € 150 million, is to significantly exceed both the 2022|23 value and this year's budgeted depreciation of about € 120 million. Approximately 16% of the capital expenditure will be for emission reduction measures in the Group's own production operations, under the AGRANA climate strategy.

Fruit segment		2022 23 Actual		2023 24 Forecast	
Revenue	€m	1,481.9	Slight increase		↗
EBIT	€m	(38.5)	Very significant improvement		↑↑↑
Investment ¹	€m	37.7		58	

In the **Fruit segment**, AGRANA expects the 2023|24 financial year to bring an improvement in revenue and in operating profit. In the fruit preparations business, a positive revenue trend is projected, driven primarily by price adjustments; its EBIT is to improve very significantly, due both to the base-year effect of the goodwill impairment in 2022|23 and the fact that the business is targeting an increase in operating margins for 2023|24. In the fruit juice concentrate activities, revenue for this financial year is predicted to be in line with one year earlier. Based on the sales contracts closed to date for product from the 2022 crop, the earnings situation in the concentrate business in 2023|24 is expected to remain good.

Investment in the Fruit segment this year is budgeted at approximately € 58 million, or about 28% more than the expected level of depreciation. The planned main focus is on asset replacement and maintenance investment as well as production optimisation measures (e.g., for energy efficiency).

Starch Segment		2022 23 Actual		2023 24 Forecast	
Revenue	€m	1,293.8	Moderate increase		↑
EBIT	€m	80.2	Significant reduction		↓↓
Investment ¹	€m	31.0		60	

For the **Starch segment**, a significant increase in revenue is forecast for the 2023|24 financial year, driven primarily by higher sales prices. The company does not expect to be able to fully pass on the increased production costs to the markets. Moreover, the ethanol business is predicted to remain very volatile, with earnings lower than one year earlier. Starch segment EBIT is therefore expected to be significantly below last year's result.

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

The investment budgeted for the Starch segment this year is about € 60 million; after two years of low capital spending, it will thus exceed depreciation again (by 26%). Most of the capital expenditures will go to product optimisation and plant modernisation projects.

Sugar segment

		2022 23 Actual	2023 24 Forecast	
Revenue	€m	861.7	Significant increase	↑↑
EBIT	€m	46.6	Significant increase	↑↑
Investment ¹	€m	34.2	32	

In the **Sugar segment**, AGRANA is projecting revenue growth for 2023|24, largely price-related. In the event of a stable EU sugar market environment, a further improvement in operating performance is expected. Due to the ban on neonicotinoids in Austria, there is an increased risk of lower yields per hectare and lower production volumes for the two Austrian sites.

The capital expenditures planned in the Sugar segment for the year, at about € 32 million, will also be higher than depreciation. Besides asset replacement and maintenance investment, the spending is being directed especially to energy efficiency measures and plant modernisation.

The quantitative statements and direction arrows in the “Outlook” section 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%

Sustainability outlook for 2023|24

AGRANA expects that, by the end of the 2023 calendar year at the latest, it will be able to publish science-based emission reduction targets validated by the Science Based Targets initiative (SBTi) (see the section “AGRANA climate strategy”). As well, in the 2023|24 financial year, the corporate carbon footprint for the 2022|23 financial year will be calculated in accordance with the SBTi guidance for companies in the so-called forest, land and agriculture sector and AGRANA’s climate strategy will be updated accordingly. A further focus will be on the calculation of AGRANA-specific emission factors for the most important agricultural crops. In addition, regenerative agriculture projects will be designed and implemented together with different partners along the value chain.

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Consolidated income statement

for the year ended 28 February 2023

Note	€000	2022 23	2021 22
(1)	Revenue	3,637,442	2,901,544
(2)	Changes in inventories of finished and unfinished goods	236,416	99,051
(2)	Own work capitalised	2,348	2,069
(3)	Other operating income	51,948	35,742
(4)	Cost of materials	(2,873,077)	(2,169,319)
(5)	Staff cost	(377,523)	(347,226)
(6)	Depreciation, amortisation and impairment losses	(209,795)	(176,999)
(7)	Other operating expenses	(398,156)	(328,149)
(8)	Share of results of equity-accounted joint ventures	18,657	8,019
	Operating profit [EBIT]	88,260	24,732
(9)	Finance income	49,385	28,564
(10)	Finance expense	(75,927)	(44,663)
	Net financial items	(26,542)	(16,099)
	Profit before tax	61,718	8,633
(11)	Income tax expense	(37,035)	(20,866)
	Profit/(loss) for the period	24,683	(12,233)
	Attributable to shareholders of the parent	15,816	(12,612)
	Attributable to non-controlling interests	8,867	379
(12)	Earnings/(loss) per share under IFRS (basic and diluted)	€ 0.25	€ (0.20)

Consolidated statement of comprehensive income

for the year ended 28 February 2023

€000	2022 23	2021 22
Profit/(loss) for the period	24,683	(12,233)
Other comprehensive income/(expense):		
Currency translation differences and hyperinflation adjustments	20,482	14,094
Changes in fair value of hedging instruments (cash flow hedges), after deferred taxes	(15,389)	427
Effects from equity-accounted joint ventures	(8,951)	(1,686)
Expense/(income) to be recognised in the income statement in the future	(3,858)	12,835
Change in actuarial gains and losses on defined benefit pension obligations and similar liabilities, after deferred taxes	2,432	3,743
Changes in fair value of equity instruments, after deferred taxes	(183)	(7)
Effects from equity-accounted joint ventures	10	1
Expense that will not be recognised in the income statement in the future	2,259	3,737
Other comprehensive (expense)/income	(1,599)	16,572
Total comprehensive income for the period	23,084	4,339
Attributable to shareholders of the parent	15,882	4,586
Attributable to non-controlling interests	7,202	(247)

Consolidated cash flow statement

for the year ended 28 February 2023

Note	€000	2022 23	2021 22
	Profit/(loss) for the period	24,683	(12,233)
	Depreciation, amortisation and impairment of non-current assets	210,014	177,372
	Reversal of impairment losses on non-current assets	(211)	(283)
	(Gains) on disposal of non-current assets	(743)	(5,251)
	Changes in non-current provisions	(3,982)	(4,580)
	Share of results of equity-accounted joint ventures	(18,657)	(8,019)
	Dividends received from equity-accounted joint ventures	11,500	12,500
	Loss on net monetary position under IAS 29	1,913	1,038
	Non-cash expenses/income and other adjustments	57,826	46,681
	Operating cash flow before changes in working capital	282,343	207,225
	Changes in inventories	(344,709)	(162,853)
	Changes in receivables and other assets	(112,611)	(122,344)
	Changes in current provisions	(57)	997
	Changes in payables (excluding borrowings)	198,152	155,208
	Changes in working capital	(259,225)	(128,992)
	Interest received	1,145	742
	Interest paid	(11,222)	(7,617)
	Tax paid	(11,151)	(18,123)
(13)	Net cash from operating activities	1,890	53,235
	Dividends received	28	33
	Proceeds from disposal of non-current assets	1,430	7,897
	Purchases of property, plant and equipment and intangible assets, net of government grants	(89,236)	(77,018)
	Proceeds from disposal of securities	0	94
	Purchase of a business/of a subsidiary, net of cash acquired	(1,216)	(3,630)
(14)	Net cash (used in) investing activities	(88,994)	(72,624)
	Proceeds from/(repayment of) Schuldscheindarlehen [bonded loans]	228,000	0
	Outflows from lease liabilities	(6,361)	(5,808)
	Repayment of investment loan of the European Investment Bank	(4,882)	(4,882)
	Proceeds from/(repayment of) syndicated loans	140,000	0
	(Outflows)/inflows from bilateral loans and from bank overdrafts and cash advances	(201,481)	84,043
	Capital increase of a subsidiary through non-controlling interests	0	1,800
	Purchase of non-controlling interests	0	(4,201)
	Dividend paid	(48,057)	(53,357)
(15)	Net cash from financing activities	107,219	17,595
	Net increase/(decrease) in cash and cash equivalents	20,115	(1,794)
	Effect of movement in foreign exchange rates on cash and cash equivalents	1,941	(52)
	Cash acquired in initial consolidation of subsidiaries	0	753
	Effect of IAS 29 on cash and cash equivalents	(7,306)	(6,285)
	Cash and cash equivalents at beginning of period	103,593	110,971
	Cash and cash equivalents at end of period	118,343	103,593

Consolidated balance sheet

at 28 February 2023

Note	€000	28 Feb 2023	28 Feb 2022
ASSETS			
A. Non-current assets			
(16)	Intangible assets	115,098	204,554
(17)	Property, plant and equipment	819,418	828,168
(18)	Equity-accounted joint ventures	66,460	65,952
(18)	Securities	17,378	18,772
(18)	Investments in non-consolidated subsidiaries and outside companies	280	280
(19)	Other assets	2,559	3,500
(20)	Deferred tax assets	19,817	13,734
		1,041,010	1,134,960
B. Current assets			
(21)	Inventories	1,210,019	864,067
(19)	Trade receivables	471,495	398,509
(19)	Other assets	158,702	132,757
	Current tax assets	3,506	9,744
	Cash and cash equivalents	118,343	103,593
		1,962,065	1,508,670
	Total assets	3,003,075	2,643,630
EQUITY AND LIABILITIES			
A. Equity			
(22)	Share capital	113,531	113,531
	Share premium and other capital reserves	540,760	540,760
	Retained earnings	539,284	570,269
	Equity attributable to shareholders of the parent	1,193,575	1,224,560
	Non-controlling interests	62,994	56,982
		1,256,569	1,281,542
B. Non-current liabilities			
(23a)	Provisions for pensions and termination benefits	53,535	58,848
(23b)	Other provisions	28,388	29,364
(24)	Borrowings	562,868	377,744
(25)	Other payables	6,670	5,363
(26)	Deferred tax liabilities	6,841	6,218
		658,302	477,537
C. Current liabilities			
(23b)	Other provisions	19,516	19,028
(24)	Borrowings	257,748	276,627
(25)	Trade payables	586,991	440,130
(25)	Other payables	199,479	143,780
	Tax liabilities	24,470	4,986
		1,088,204	884,551
	Total equity and liabilities	3,003,075	2,643,630

Consolidated statement of changes in equity

for the year ended 28 February 2023

€000	Attributable to the shareholders					Retained	
	Share capital	Share premium and other capital reserves	Reserve for equity instruments	Reserve for hedging instruments (cash flow hedges)	Reserve for actuarial gains and losses		Effects from equity-accounted joint ventures
2022 23							
At 1 March 2022	113,531	540,760	3,103	262	(34,829)	(35,452)	
Changes in fair value of equity instruments	0	0	(238)	0	0	0	
Changes in fair value of hedging instruments (cash flow hedges)	0	0	0	(18,073)	0	(12,494)	
Changes in actuarial gains and losses on defined benefit pension obligations and similar liabilities	0	0	0	0	2,628	10	
Tax effects	0	0	55	3,241	(284)	4,683	
Currency translation (loss)/gain and hyperinflation adjustments	0	0	0	0	0	(1,086)	
Other comprehensive (expense)/income for the period	0	0	(183)	(14,832)	2,344	(8,887)	
Profit for the period	0	0	0	0	0	0	
Total comprehensive (expense)/income for the period	0	0	(183)	(14,832)	2,344	(8,887)	
Dividends paid	0	0	0	0	0	0	
Transfer to reserves	0	0	0	0	0	0	
At 28 February 2023	113,531	540,760	2,920	(14,570)	(32,485)	(44,339)	
						539,284	

of AGRANA Beteiligungs-AG

earnings

Other retained earnings	Currency translation reserve	Profit for the period	Equity attributable to shareholders of the parent	Non-controlling interests	Total
773,007	(123,210)	(12,612)	1,224,560	56,982	1,281,542
0	0	0	(238)	0	(238)
0	0	0	(30,567)	(662)	(31,229)
0	0	0	2,638	117	2,755
0	0	0	7,695	18	7,713
0	21,624	0	20,538	(1,138)	19,400
0	21,624	0	66	(1,665)	(1,599)
0	0	15,816	15,816	8,867	24,683
0	21,624	15,816	15,882	7,202	23,084
0	0	(46,867)	(46,867)	(1,190)	(48,057)
(59,479)	0	59,479	0	0	0
713,528	(101,586)	15,816	1,193,575	62,994	1,256,569

€000	Attributable to the shareholders					
	Share capital	Share premium and other capital reserves	Reserve for equity instruments	Reserve for hedging instruments (cash flow hedges)	Reserve for actuarial gains and losses	Retained
						Effects from equity-accounted joint ventures
2021 22						
At 1 March 2021	113,531	540,760	3,110	(263)	(38,551)	(33,938)
Changes in fair value of equity instruments	0	0	(117)	0	0	0
Changes in fair value of hedging instruments (cash flow hedges)	0	0	0	656	0	(692)
Changes in actuarial gains and losses on defined benefit pension obligations and similar liabilities	0	0	0	0	4,612	1
Tax effects	0	0	110	(131)	(890)	173
Currency translation (loss) and hyperinflation adjustments	0	0	0	0	0	(996)
Other comprehensive (expense)/income for the period	0	0	(7)	525	3,722	(1,514)
(Loss) for the period	0	0	0	0	0	0
Total comprehensive (expense)/income for the period	0	0	(7)	525	3,722	(1,514)
Dividends paid	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0
Additional contributions by other shareholders	0	0	0	0	0	0
Changes in equity interests and in scope of consolidation	0	0	0	0	0	0
Other changes	0	0	0	0	0	0
At 28 February 2022	113,531	540,760	3,103	262	(34,829)	(35,452)
						570,269

of AGRANA Beteiligungs-AG

earnings

Other retained earnings	Currency translation reserve	(Loss) for the period	Equity attributable to shareholders of the parent	Non-controlling interests	Total
767,030	(137,682)	59,787	1,273,784	55,313	1,329,097
0	0	0	(117)	0	(117)
0	0	0	(36)	(357)	(393)
0	0	0	4,613	46	4,659
0	0	0	(738)	62	(676)
0	14,472	0	13,476	(377)	13,099
0	14,472	0	17,198	(626)	16,572
0	0	(12,612)	(12,612)	379	(12,233)
0	14,472	(12,612)	4,586	(247)	4,339
0	0	(53,116)	(53,116)	(242)	(53,358)
6,671	0	(6,671)	0	0	0
0	0	0	0	1,800	1,800
(747)	0	0	(747)	350	(397)
53	0	0	53	8	61
773,007	(123,210)	(12,612)	1,224,560	56,982	1,281,542

Notes to the consolidated financial statements

AGRANA Beteiligungs-Aktiengesellschaft (“the Company”, “AGRANA Beteiligungs-AG”) is the parent company of the AGRANA Group and has its registered office at Friedrich-Wilhelm-Raiffeisen-Platz 1, A-1020 Vienna. The Company together with its subsidiaries constitutes an international group engaged mainly in the world-wide industrial processing of agricultural raw materials.

The consolidated financial statements of the AGRANA Group for 2022|23 were prepared in accordance with International Financial Reporting Standards (IFRS) in effect at the balance sheet date and with International Financial Reporting Interpretations Committee (IFRIC) interpretations, as adopted by the European Union, as well as with the additional requirements of section 245a Austrian Commercial Code (UGB).

1. Segment information

The segment reporting, which conforms with IFRS 8, distinguishes between three business segments – Fruit, Starch and Sugar – and thus follows the AGRANA Group’s internal reporting structure.

The AGRANA Group has the three reportable segments Fruit, Starch and Sugar, which correspond to its strategic businesses. The segments differ in terms of their product portfolios, production technologies, raw material procurement, and sales strategies, and are managed separately. AGRANA Beteiligungs-AG, the Group’s holding company, is considered part of the Sugar segment.

The internal reporting for each segment is provided monthly to the Group’s chief operating decision-maker (the CODM). The CODM is the Management Board of AGRANA Beteiligungs-AG. Information on the results of the reportable segments is found in the overviews below. Segment profitability is evaluated primarily on the basis of “operating profit before exceptional items and results of equity-accounted joint ventures”, which is a key performance indicator included in every internal management report.

In the reporting of the reportable segments to the CODM, AGRANA uses the performance indicator “operating profit before exceptional items and results of equity-accounted joint ventures”. This item differs from the metric “operating profit” (EBIT) used in the consolidated income statement in that operating profit reflects the results of equity-accounted joint ventures and exceptional items. Exceptional items are infrequent or non-recurring expenses or income that exceed a defined amount and that do not arise in the ordinary course of business.

1.1. Segmentation by business activity

€000	Fruit	Starch	Sugar	Consolidation	Group
2022 23					
Total revenue	1,482,895	1,306,594	884,607	(36,654)	3,637,442
Inter-segment revenue	(964)	(12,779)	(22,911)	36,654	0
Revenue	1,481,931	1,293,815	861,696	0	3,637,442
EBITDA	94,460	116,750	65,933	0	277,143
Depreciation, amortisation and impairment of property, plant and equipment and intangibles ¹	(43,219)	(47,582)	(27,909)	0	(118,710)
Operating profit before exceptional items and results of equity-accounted joint ventures	51,241	69,168	38,024	0	158,433
Exceptional items	(89,731)	0	901	0	(88,830)
Share of results of equity-accounted joint ventures	0	11,021	7,636	0	18,657
Operating (loss)/profit [EBIT]	(38,490)	80,189	46,561	0	88,260
Segment assets	1,201,159	789,448	2,111,656	(1,099,188)	3,003,075
Segment equity	339,412	383,288	885,593	(351,724)	1,256,569
Segment liabilities	861,747	406,160	1,226,063	(747,464)	1,746,506

¹ Excluding goodwill.

€000	Fruit	Starch	Sugar	Consolidation	Group
Purchases of property, plant and equipment and intangibles ¹	37,679	30,985	34,252	0	102,916
Purchases of non-current financial assets	0	0	2,291	0	2,291
Total capital expenditure	37,679	30,985	36,543	0	105,207
Carrying amount of equity-accounted joint ventures	0	43,952	22,508	0	66,460
Number of employees (average full-time equivalents)	5,677	1,147	1,906	0	8,730
2021 22					
Total revenue	1,251,846	1,020,436	666,173	(36,911)	2,901,544
Inter-segment revenue	(766)	(10,029)	(26,116)	36,911	0
Revenue	1,251,080	1,010,407	640,057	0	2,901,544
EBITDA	93,341	106,391	6,920	0	206,652
Depreciation, amortisation and impairment of property, plant and equipment and intangibles ¹	(41,484)	(48,462)	(30,225)	0	(120,171)
Operating profit/(loss) before exceptional items and results of equity-accounted joint ventures	51,857	57,929	(23,305)	0	86,481
Exceptional items	(67,696)	0	(2,072)	0	(69,768)
Share of results of equity-accounted joint ventures	0	13,761	(5,742)	0	8,019
Operating (loss)/profit [EBIT]	(15,839)	71,690	(31,119)	0	24,732
Segment assets	1,230,632	718,822	1,791,412	(1,097,236)	2,643,630
Segment equity	389,414	384,376	859,394	(351,642)	1,281,542
Segment liabilities	841,218	334,446	932,018	(745,594)	1,362,088
Purchases of property, plant and equipment and intangibles ¹	37,382	24,283	20,702	0	82,367
Purchases of non-current financial assets	0	0	0	0	0
Total capital expenditure	37,382	24,283	20,702	0	82,367
Carrying amount of equity-accounted joint ventures	0	53,155	12,797	0	65,952
Number of employees (average full-time equivalents)	5,662	1,137	1,892	0	8,691

The revenue and asset data represent consolidated amounts. Inter-segment charges for products and services are based on comparable market prices.

The net exceptional items expense in the 2022|23 financial year was € 88,830 thousand (prior year: net expense of € 69,768 thousand). Reflecting the continuing war in Ukraine and a pronounced increase in the cost of capital, the great majority of the exceptional expenses was incurred in the Fruit segment in the form of a goodwill impairment charge of € 88,252 thousand in the financial second quarter of 2022|23. Similarly triggered by the higher cost of capital, impairment tests were performed on property, plant and equipment, which led to an impairment charge (also in the second quarter) of € 2,833 thousand in South Africa and India. Write-downs recognised in the prior year in the Fruit segment on trade receivables and finished and unfinished goods, triggered by the outbreak of war in Ukraine, were partly reversed in the year under review, in an amount of € 965 thousand recorded as other operating income (of which € 809 thousand related to Ukraine, € 136 thousand to Austria and € 20 thousand to China) and in an amount of € 381 thousand recorded as changes in inventories of finished and unfinished goods, as the customers paid the trade receivables and the products were delivered to the customer, respectively. In connection with a product complaint in Europe in the Fruit segment

¹ Excluding goodwill.

from the 2020|21 financial year, further expenses of € 704 thousand had to be recognised in other operating expenses and conversely, insurance proceeds already received of € 712 thousand for the same case were recorded in other operating income. In the Sugar segment, € 901 thousand was recognised in other operating income for a refund related to a completed tax audit in Romania.

The items “segment assets” and “segment liabilities” match the allocation used in internal reporting. The inter-segment consolidation consisted of liability and dividend consolidation of € 747,464 thousand (prior year: € 745,594 thousand) and equity capital consolidation of € 351,724 thousand (prior year: € 351,642 thousand).

1.2. Segmentation by region

Companies are assigned to geographic segments based on the location of their registered office.

Revenue €000	2022 23	2021 22
Austria	2,474,132	1,890,363
Hungary	11,601	8,856
Romania	38,010	32,496
Rest of EU	308,090	281,794
EU-27	2,831,833	2,213,509
Rest of Europe (Russia, Turkey, Ukraine)	112,466	109,197
Other foreign countries	693,143	578,838
Total	3,637,442	2,901,544

The revenue of the Eastern European companies amounted to € 216,817 thousand (prior year: € 199,561 thousand), or about 6.0% (prior year: 6.9%) of total revenue. The countries defined as Eastern Europe are Hungary, Slovakia, Czech Republic, Romania, Bulgaria, Poland, Russia, Ukraine and Turkey. Revenue in Russia amounted to € 73,957 thousand (prior year: € 60,040 thousand) and that in Ukraine was € 24,650 thousand (prior year: € 40,463 thousand).

Purchases of property, plant and equipment and intangibles¹ €000	2022 23	2021 22
Austria	54,998	38,282
Hungary	7,931	4,234
Romania	3,190	2,718
Rest of EU	19,466	19,586
EU-27	85,585	64,820
Rest of Europe (Russia, Turkey, Ukraine)	1,271	3,118
Other foreign countries	16,060	14,429
Total	102,916	82,367

Carrying amount of property, plant and equipment and intangibles¹ €000	2022 23	2021 22
Austria	461,879	475,047
Hungary	50,132	51,393
Romania	33,538	34,382
Rest of EU	117,881	112,991
EU-27	663,430	673,813
Rest of Europe (Russia, Turkey, Ukraine)	20,873	18,026
Other foreign countries	151,546	153,912
Total	835,849	845,751

2. Basis of preparation

Amounts in the consolidated financial statements are presented in thousands of euros (€000) unless otherwise indicated. As a result of automated calculation, rounding errors may occur in totals of rounded amounts and percentages.

In the presentation of the income statement, the nature of expense method was used. The separate financial statements of the fully consolidated companies represented in the consolidated financial statements are based on uniform accounting policies.

In the 2022|23 financial year, the following standards and interpretations became effective (i.e., their application became mandatory) for the first time:

Standard		Issued by the IASB	Adopted by the EU
IAS 16	Property, Plant and Equipment (amendment)	14 May 2020	28 Jun 2021
IAS 37	Provisions, Contingent Liabilities and Contingent Assets (amendment)	14 May 2020	28 Jun 2021
IFRS 3	Business Combinations (amendment)	14 May 2020	28 Jun 2021
Various	Annual Improvements to IFRSs 2018–2020 Cycle	14 May 2020	28 Jun 2021

The amendments to the standards presented above had no material impacts on the presentation of AGRANA's financial position, results of operations and cash flows.

The following standards will become effective from the 2023|24 financial year or later. For those standards not yet adopted by the EU, the effective year for AGRANA given in the table represents the expected time of adoption. AGRANA has not early-adopted any of the new or changed standards cited below. The information provided on the content of the standards depends on whether and to what extent they are relevant to AGRANA. Where accounting rules becoming effective in subsequent periods do not apply to AGRANA's situation, no information on their content is given.

Standard	Content <i>and expected impact on AGRANA</i>	Issued by the IASB	Effective for AGRANA from financial year	Adopted by the EU
IAS 1	Presentation of Financial Statements (amendment) <i>The changes clarify that the classification of liabilities as current or non-current is based on whether there exists a right to defer settlement of an obligation for at least twelve months. The classification thus depends on the right at the balance sheet date and is independent of management's expectations and of events after the balance sheet date. With its initial application deferred, the amendment may become relevant from the 2023 24 financial year.</i>	23 Jan 2020 15 Jul 2020	2023 24	Not to date
IAS 1	Presentation of Financial Statements (amendment) <i>The amendment requires that in future only the material accounting policies be presented in the Notes. To be material, an accounting policy must be related to material transactions or other events and there must be a reason for its inclusion in the presentation. Going forward, this is intended to promote company-specific rather than standardised disclosures. AGRANA expects that the disclosures on accounting policies will be reduced.</i>	12 Feb 2021	2023 24	2 Mar 2022

Standard	Content <i>and expected impact on AGRANA</i>	Issued by the IASB	Effective for AGRANA from financial year	Adopted by the EU
IAS 1	Presentation of Financial Statements (amendment) <i>The changes relate to requirements that were introduced with the classification of liabilities with covenants as current or non-current. The changes clarify under what conditions companies must classify financial liabilities as current or non-current. Only covenants that a company must comply with by the balance sheet date affect the maturity of a liability. However, a company must report in the notes to the financial statements on the risk that non-current liabilities could become repayable within twelve months. AGRANA currently does not expect the requirements to become relevant.</i>	31 Oct 2022	2024 25	Not to date
IAS 8	Accounting policies, Changes in Accounting Estimates and Errors (amendment) <i>The amendment clarifies the distinction between changes in accounting policies and changes in accounting estimates. To this end, it states that an accounting estimate always relates to a measurement uncertainty regarding a monetary amount in the financial statements. The amendment may become relevant from the 2023 24 financial year.</i>	12 Feb 2021	2023 24	2 Mar 2022
IAS 12	Income Taxes (amendment) <i>To date, where assets and liabilities are recognised for the first time, the initial recognition exemption (IAS 12.15) has under certain conditions applied, such that in exceptional cases, no deferred taxes were recognised. As there was uncertainty in practice as to whether this exemption also applied to leases and to decommissioning obligations, a narrow-scope amendment to IAS 12 was issued. Once the amendment becomes effective, the initial recognition exemption will no longer apply to transactions in which deductible and taxable temporary differences arising on initial recognition are equal in amount, even if the other previously applicable conditions are met. The result is that deferred taxes are recognised on, for example, leases accounted for by the lessee and on decommissioning obligations. AGRANA is assessing whether the amendment is relevant to it.</i>	7 May 2021	2023 24	11 Aug 2022
IFRS 16	Leases (amendment) <i>The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that are accounted for as a sale under IFRS 15. As there are no such transactions, these amendments are currently not applicable in the AGRANA Group.</i>	22 Sep 2022	2024 25	Not to date
IFRS 17	Insurance Contracts <i>The standard is substantially not relevant to AGRANA.</i>	18 May 2017 25 Jun 2020	2023 24	19 Nov 2021
IFRS 17	Insurance Contracts (amendment) <i>The standard is substantially not relevant to AGRANA.</i>	9 Dec 2021	2023 24	8 Sep 2022

3. Scope of consolidation

The consolidated financial statements include, by full consolidation, all domestic and foreign companies controlled by AGRANA Beteiligungs-AG (i.e., all subsidiaries), except where the subsidiary's effect on the Group's financial position, results of operations and cash flows is immaterial. Control exists when AGRANA Beteiligungs-AG has the power to participate in positive and negative variable returns of a company (an investee) and to affect these returns. This is usually given when AGRANA Beteiligungs-AG owns more than one-half of the voting rights of the investee.

Companies managed jointly with another entity, where control is exercised jointly and the investors have joint rights to the net assets of the investee, are joint ventures and are included in the consolidated financial statements using the equity method of accounting.

At the balance sheet date, 57 companies besides the parent were fully consolidated in the Group financial statements (prior year: 57 companies) and 13 companies were included using the equity method (prior year: 13 companies).

An overview of the fully consolidated entities, equity-accounted joint ventures, and non-consolidated subsidiaries and joint ventures is presented below.

3.1. Subsidiaries and business interests at 28 February 2023

Name of company	Registered office	Country	Equity interest 28 Feb 2023		Equity interest 28 Feb 2022	
			Direct	In-direct ¹	Direct	In-direct ¹
AGRANA Beteiligungs-Aktiengesellschaft (the parent company)	Vienna	Austria	–	–	–	–
I. Subsidiaries						
Fully consolidated subsidiaries						
AGRANA AGRO S.r.l.	Roman	Romania	–	100.00%	–	100.00%
AGRANA BIH Holding GmbH	Vienna	Austria	–	75.00%	–	75.00%
AGRANA Fruit Algeria Holding GmbH	Vienna	Austria	–	55.00%	–	55.00%
AGRANA Fruit Argentina S.A.	Buenos Aires	Argentina	–	100.00%	–	100.00%
AGRANA Fruit Australia Pty Ltd.	Sydney	Australia	–	100.00%	–	100.00%
AGRANA Fruit Austria GmbH	Gleisdorf	Austria	–	100.00%	–	100.00%
AGRANA Fruit Brasil Indústria, Comércio, Importação e Exportação Ltda.	São Paulo	Brazil	–	100.00%	–	100.00%
AGRANA Fruit Dachang Co., Ltd.	Dachang	China	–	100.00%	–	100.00%
AGRANA Fruit France S.A.S.	Mitry-Mory	France	–	100.00%	–	100.00%
AGRANA Fruit Germany GmbH	Konstanz	Germany	–	100.00%	–	100.00%
AGRANA FRUIT INDIA PRIVATE LIMITED	Pune	India	–	100.00%	–	100.00%
AGRANA Fruit Istanbul Gıda Sanayi ve Ticaret A.S.	Istanbul	Turkey	–	100.00%	–	100.00%
AGRANA Fruit Japan Co., Ltd.	Tokyo	Japan	–	100.00%	–	100.00%
AGRANA Fruit (Jiangsu) Company Limited	Changzhou	China	–	100.00%	–	100.00%
AGRANA Fruit Korea Co. Ltd.	Jincheon-gun	South Korea	–	100.00%	–	100.00%
AGRANA Fruit Latinoamérica S. de R.L. de C.V. ²	Zamora	Mexico	–	–	–	100.00%
AGRANA Fruit Luka TOV	Vinnytsia	Ukraine	–	99.97%	–	99.97%
AGRANA Fruit Management Australia Pty Ltd.	Sydney	Australia	–	100.00%	–	100.00%
AGRANA Fruit México, S.A. de C.V.	Zamora	Mexico	–	100.00%	–	100.00%
AGRANA Fruit Polska SP z.o.o.	Ostrołęka	Poland	–	100.00%	–	100.00%
AGRANA Fruit S.A.S.	Mitry-Mory	France	–	100.00%	–	100.00%
AGRANA Fruit Services GmbH	Vienna	Austria	–	100.00%	–	100.00%
AGRANA Fruit Services S.A.S.	Mitry-Mory	France	–	100.00%	–	100.00%
AGRANA Fruit South Africa (Proprietary) Ltd.	Johannesburg	South Africa	–	100.00%	–	100.00%
AGRANA Fruit Ukraine TOV	Vinnytsia	Ukraine	–	99.80%	–	99.80%
AGRANA Fruit US, Inc.	Brecksville	USA	–	100.00%	–	100.00%
AGRANA Group-Services GmbH	Vienna	Austria	100.00%	–	100.00%	–

Name of company	Registered office	Country	Equity interest 28 Feb 2023		Equity interest 28 Feb 2022	
			Direct	In-direct ¹	Direct	In-direct ¹
AGRANA Internationale Verwaltungs- und Asset-Management GmbH	Vienna	Austria	98.91%	1.09%	98.91%	1.09%
AGRANA JUICE (XIANYANG) CO., LTD	Xianyang City	China	–	50.01%	–	50.01%
AGRANA Magyarország Értékesítési Kft.	Budapest	Hungary	–	88.03%	–	88.03%
Agrana Nile Fruits Processing SAE	Qalyoubia	Egypt	–	51.00%	–	51.00%
AGRANA Research & Innovation Center GmbH	Vienna	Austria	100.00%	–	100.00%	–
AGRANA Romania S.R.L.	Bucharest	Romania	–	100.00%	–	100.00%
AGRANA Sales & Marketing GmbH	Vienna	Austria	100.00%	–	100.00%	–
AGRANA Stärke GmbH	Vienna	Austria	98.91%	1.09%	98.91%	1.09%
AGRANA Trading EOOD	Sofia	Bulgaria	–	100.00%	–	100.00%
AGRANA Zucker GmbH	Vienna	Austria	98.91%	1.09%	98.91%	1.09%
AUSTRIA JUICE Germany GmbH	Bingen	Germany	–	50.01%	–	50.01%
AUSTRIA JUICE GmbH	Kröllendorf/ Allhartsberg	Austria	–	50.01%	–	50.01%
AUSTRIA JUICE Hungary Kft.	Vásárosnamény	Hungary	–	50.01%	–	50.01%
AUSTRIA JUICE Poland Sp. z.o.o	Chełm	Poland	–	50.01%	–	50.01%
AUSTRIA JUICE Romania S.r.l.	Vaslui	Romania	–	50.01%	–	50.01%
AUSTRIA JUICE Ukraine TOV	Vinnytsia	Ukraine	–	50.01%	–	50.01%
Biogáz Fejlesztő Kft.	Kaposvár	Hungary	–	88.03%	–	88.03%
Dirafrost FFI N. V.	Lummen	Belgium	–	100.00%	–	100.00%
Dirafrost Maroc SARL	Larache	Morocco	–	100.00%	–	100.00%
Financière Atys S.A.S.	Mitry-Mory	France	–	100.00%	–	100.00%
INSTANTINA Nahrungsmittel Entwicklungs- und Produktionsgesellschaft m.b.H.	Vienna	Austria	66.67%	–	66.67%	–
Koronás Irodaház Szolgáltató Korlátolt Felelősségű Társaság ³	Budapest	Hungary	–	–	–	87.61%
Magyar Cukorgyártó és Forgalmazó Zrt.	Budapest	Hungary	–	87.61%	–	87.61%
Moravskoslezské Cukrovary s.r.o.	Hrušovany	Czech Republic	–	100.00%	–	100.00%
Marroquin Organic International, Inc.	Santa Cruz	USA	–	100.00%	–	100.00%
Österreichische Rübensamenzucht Gesellschaft m.b.H.	Vienna	Austria	–	86.00%	–	86.00%
o.o.o. AGRANA Fruit Moscow Region	Serpuchov	Russia	–	100.00%	–	100.00%
S.C. A.G.F.D. Tandarei s.r.l.	Țândărei	Romania	–	100.00%	–	100.00%
Slovenské Cukrovary s.r.o.	Sereď	Slovakia	–	100.00%	–	100.00%
SPA AGRANA Fruit Algeria	Akbou	Algeria	–	55.02%	–	55.02%
Non-consolidated subsidiaries						
AGRANA Amidi srl	Sterzing	Italy	–	100.00%	–	100.00%

Reporting date: 28 Feb 2023 | Equity: € 61.0 thousand | Profit for the period: € 5.9 thousand

Name of company	Registered office	Country	Equity interest 28 Feb 2023		Equity interest 28 Feb 2022	
			Direct	In-direct ¹	Direct	In-direct ¹
II. Joint ventures						
Equity-accounted joint ventures						
Beta Pura GmbH	Vienna	Austria	–	50.00%	–	50.00%
<i>AGRANA-STUDEN group:</i>						
"AGRAGOLD" d.o.o.	Brčko	Bosnia and Herzegovina	–	50.00%	–	50.00%
AGRAGOLD d.o.o.	Zagreb	Croatia	–	50.00%	–	50.00%
AGRAGOLD dooel Skopje	Skopje	Northern Macedonia	–	50.00%	–	50.00%
AGRAGOLD trgovina d.o.o.	Ljubljana	Slovenia	–	50.00%	–	50.00%
AGRANA-STUDEN Albania sh.p.k.	Tirana	Albania	–	50.00%	–	50.00%
AGRANA-STUDEN Beteiligungs GmbH	Vienna	Austria	–	50.00%	–	50.00%
AGRANA-STUDEN Kosovo L.L.C.	Pristina	Kosovo	–	50.00%	–	50.00%
AGRANA Studen Sugar Trading GmbH	Vienna	Austria	–	50.00%	–	50.00%
Company for trade and services	Belgrade	Serbia	–	50.00%	–	50.00%
AGRANA-STUDEN Serbia d.o.o. Beograd						
STUDEN-AGRANA Rafinerija Secera d.o.o.	Brčko	Bosnia and Herzegovina	–	50.00%	–	50.00%
<i>HUNGRANA group:</i>						
GreenPower Services Kft.	Szabadegyháza	Hungary	–	50.00%	–	50.00%
HUNGRANA Keményítő- és Isocukorgyártó és Forgalmazó Kft.	Szabadegyháza	Hungary	–	50.00%	–	50.00%

The number of companies that were fully consolidated or equity-accounted changed as follows in the 2022|23 financial year:

	Full consolidation	Equity method
At 1 March 2022	57	13
Merger	–1	0
Disposal	–1	0
At 28 February 2023	55	13

In the fourth quarter of 2022|23, a fully consolidated company, Koronás Irodaház Szolgáltató Korlátolt Felelősségű Társaság, based in Budapest, Hungary, was liquidated.

Also in the fourth quarter, the fully consolidated AGRANA Fruit Latinoamerica S. de R.L. de C.V., based in Zamora, Mexico, was merged into AGRANA Fruit México, S.A. de C.V., Zamora, Mexico.

¹ Total indirect ownership interest held by the Group.

² Merged in 2022|23.

³ Liquidated in 2022|23.

Joint ventures

The information below represents the aggregated financial position and performance of the joint ventures. The joint ventures are listed on page 139.

€000	AGRANA- STUDEN group	HUNGRANA group	Beta Pura GmbH	Total
28 February 2023				
Non-current assets	30,718	120,282	31,587	182,587
Inventories	60,485	68,393	2,752	131,630
Receivables and other assets	22,156	47,260	866	70,282
Cash and cash equivalents	4,600	35,618	0	40,218
Current assets	87,241	151,271	3,618	242,130
Total assets	117,959	271,553	35,205	424,717
Equity	45,921	86,934	335	133,190
Borrowings	318	986	21,814	23,118
Other liabilities	741	1,793	4,149	6,683
Non-current liabilities	1,059	2,779	25,963	29,801
Borrowings	44,826	112,643	5,312	162,781
Other liabilities	26,153	69,197	3,595	98,945
Current liabilities	70,979	181,840	8,907	261,726
Total equity and liabilities	117,959	271,553	35,205	424,717
Revenue	221,660	457,580	4,694	683,934
Depreciation, amortisation and impairment losses	(2,535)	(13,237)	(3,026)	(18,798)
Other (expense), net	(195,229)	(402,835)	(7,189)	(605,253)
Operating profit/(loss) [EBIT]	23,896	41,508	(5,521)	59,883
Interest income	74	19	0	93
Interest expense	(701)	(1,712)	(743)	(3,156)
Other finance (expense), net	(402)	(3,107)	(11)	(3,520)
Profit/(loss) before tax	22,867	36,708	(6,275)	53,300
Income tax (expense)/benefit	(3,013)	(14,666)	241	(17,438)
Profit/(loss) for the period	19,854	22,042	(6,034)	35,862
Other comprehensive (expense)	(430)	(17,450)	0	(17,880)
Total comprehensive income/(expense) for the period	19,424	4,592	(6,034)	17,982

€000	AGRANA- STUDEN group	HUNGRANA group	Beta Pura GmbH	Total
28 February 2022				
Non-current assets	32,731	105,213	34,372	172,316
Inventories	34,931	71,172	2,713	108,816
Receivables and other assets	23,885	54,901	2,883	81,669
Cash and cash equivalents	5,475	7,744	0	13,219
Current assets	64,291	133,817	5,596	203,704
Total assets	97,022	239,030	39,968	376,020
Equity	26,497	105,342	6,369	138,208
Borrowings	341	122	18,521	18,984
Other liabilities	22,789	1,766	4,400	28,955
Non-current liabilities	23,130	1,888	22,921	47,939
Borrowings	43,240	88,595	4,566	136,401
Other liabilities	4,155	43,205	6,112	53,472
Current liabilities	47,395	131,800	10,678	189,873
Total equity and liabilities	97,022	239,030	39,968	376,020
Revenue	172,027	356,238	10,580	538,845
Depreciation, amortisation and impairment losses	(2,513)	(13,693)	(2,966)	(19,172)
Other (expense), net	(164,477)	(308,463)	(14,184)	(487,124)
Operating profit/(loss) [EBIT]	5,037	34,082	(6,570)	32,549
Interest income	61	5	0	66
Interest expense	(496)	(889)	(467)	(1,852)
Other finance (expense), net	(582)	(1,641)	(15)	(2,238)
Profit/(loss) before tax	4,020	31,557	(7,052)	28,525
Income tax (expense)	(211)	(4,035)	(1,871)	(6,117)
Profit/(loss) for the period	3,809	27,522	(8,923)	22,408
Other comprehensive (expense)	(1,374)	(1,998)	0	(3,372)
Total comprehensive income/(expense) for the period	2,435	25,524	(8,923)	19,036

The calculation of the carrying amounts of the investments in equity-accounted joint ventures is tabulated below:

€000	AGRANA- STUDEN group	HUNGRANA group	Beta Pura GmbH	Total
28 February 2023				
Equity	45,921	86,934	335	133,190
Of which attributable to AGRANA	22,961	43,467	168	66,595
Addition to carrying amount	0	0	2,291	2,291
Impairment in 2022 23 financial year	0	0	(2,291)	(2,291)
Impairment in prior year	0	0	(3,185)	(3,185)
Unrecognised losses tracked outside the financial statements	0	0	3,017	3,017
Value change at time of transition from proportionate consolidation to equity method	(452)	484	0	32
Investments in equity-accounted joint ventures (carrying amount)	22,509	43,951	0	66,460
Dividend attributable to AGRANA	0	11,500	0	11,500

€000	AGRANA- STUDEN group	HUNGRANA group	Beta Pura GmbH	Total
28 February 2022				
Equity	26,497	105,342	6,369	138,208
Of which attributable to AGRANA	13,249	52,671	3,185	69,105
Impairment	0	0	(3,185)	(3,185)
Value change at time of transition from proportionate consolidation to equity method	(452)	484	0	32
Investments in equity-accounted joint ventures (carrying amount)	12,797	53,155	0	65,952
Dividend attributable to AGRANA	0	12,500	0	12,500

Owing to the sanctions against Russia, the majority of the raw material – betaine molasses – required by Beta Pura GmbH is currently not available. As a result of the joint venture's associated short- and medium-term financial difficulties, AGRANA Sales & Marketing GmbH as a 50% shareholder concluded a deferral and restructuring agreement subject to conditions precedent with Beta Pura GmbH and the bank that had provided the financing, RAIFFEISEN-LANDESBANK NIEDERÖSTERREICH-WIEN AG. Under this agreement, AGRANA Sales & Marketing GmbH provided a guarantee for 50% of the outstanding loans of Beta Pura GmbH to a maximum amount of € 13,367 thousand and undertook to grant Beta Pura GmbH a subordinated shareholder loan of € 2,500 thousand. At the time of preparation of the consolidated financial statements, the conditions precedent were not yet fulfilled. The guarantee was recognised in the consolidated financial statements as a financial guarantee at the fair value of € 2,291 thousand. As well, the ownership interest in Beta Pura GmbH held by AGRANA Sales & Marketing GmbH serves as security for the bank loans of Beta Pura GmbH. In the 2022|23 financial year, an impairment charge of € 2,291 thousand was recorded on the equity interest in Beta Pura GmbH (prior year: impairment of € 3,185 thousand).

Non-controlling interests

The non-controlling interests of € 62,994 thousand (prior year: € 56,982 thousand) represented primarily the co-owners of the AUSTRIA JUICE group, at € 42,271 thousand (prior year: € 37,382 thousand). AGRANA's total interests in the AUSTRIA JUICE group amounted to 50.01%. Therefore, 49.99% of the equity of the AUSTRIA JUICE group must be reported as a non-controlling interest in AGRANA's consolidated financial statements.

The following table presents the financial position and performance of the AUSTRIA JUICE group:

AUSTRIA JUICE group €000	28 Feb 2023	28 Feb 2022
Non-current assets	130,116	129,875
Current assets	232,865	205,132
Total assets	362,981	335,007
Non-current liabilities	105,392	5,612
Current liabilities	165,749	247,334
Total liabilities	271,141	252,946
Net assets	91,840	82,061
Revenue	305,121	229,587
Operating profit [EBIT]	21,035	2,581
Profit/(loss) before tax	12,705	(3,100)
Income tax (expense)/benefit	(1,990)	701
Profit/(loss) for the period	10,715	(2,399)
Other comprehensive (expense)	(936)	(811)
Total comprehensive income/(expense) for the period	9,779	(3,210)
Net cash from operating activities	17,121	8,622
Net cash (used in) investing activities	(10,094)	(7,410)
Net cash (used in) financing activities	(5,610)	(156)
Net increase in cash and cash equivalents	1,417	1,056

The table below shows the share of the non-controlling shareholders in the result and net assets of the AUSTRIA JUICE group:

AUSTRIA JUICE group €000	28 Feb 2023	28 Feb 2022
Share of profit/(loss) for the period	5,356	(1,199)
Share of carrying amount of net assets	45,910	41,021
Measurement effect from business combination	(3,639)	(3,639)
Non-controlling interest in net assets	42,271	37,382

3.2. Balance sheet date

The balance sheet date (reporting date) of the consolidated financial statements is the last day of February. Group companies with other reporting dates prepare interim financial statements at the Group reporting date.

4. Consolidation methods

- Acquisitions of companies that are fully consolidated are accounted for using the acquisition method in accordance with IFRS 3. Where a business combination entails the possible recognition of intangible assets not previously recognised in the separate financial statements of the acquired company, such as customer relationships, these are recognised only when the requirements under IFRS 3 for capitalisation are met. For acquisitions of a majority interest that is less than a 100% stake, IFRS 3 provides an accounting policy choice as to how to measure the resulting non-controlling interests. The non-controlling interests may be measured either at their proportionate share of the fair value of the net assets of the acquiree (partial goodwill method) or at their proportionate share of goodwill (full goodwill method). This choice is available individually for each business combination. The full goodwill method has not been applied in the AGRANA Group to date.
- The investments in joint ventures are accounted for using the equity method and are included in the consolidated financial statements from the time of acquisition, provided that the requirements for the application of IFRS 11 (Joint Arrangements) are met. Profits or losses resulting from transactions of the AGRANA Group with a joint venture are eliminated to the extent of the Group's interest in the joint venture.
- Intragroup revenues, expenses and income and all receivables and payables or provisions between the consolidated companies are eliminated. In assets that arise from intragroup flows of products or services and are included in non-current assets or in inventories, intragroup balances are eliminated.

5. Currency translation

- Financial statements of foreign Group companies are translated into euros in accordance with IAS 21. The functional currency of every Group company is its respective national currency. Assets and liabilities are translated at the ECB reference rates of exchange or other published reference rates at the balance sheet date (i.e., at period-end rates). Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the transaction date. Expenses and income are translated at annual average rates of exchange (the mean of the daily rates of the ECB and the national banks), with the exception of significant currency translation gains and losses near the balance sheet date from the measurement of receivables and liabilities related to Group financing. Expenses and income of subsidiaries in hyperinflationary economies are translated at the closing rate.
- Differences compared to prior-year amounts arising from the translation of balance sheet items at current balance sheet date exchange rates or arising from the use of average rates in translating expenses and income compared to the use of current balance sheet date rates are recognised in other comprehensive income. Specifically, they are presented in the statement of other comprehensive income as currency translation differences related to consolidation.
- In translating the financial statements of foreign Group companies, the following exchange rates were applied:

€	Currency	Rate at reporting date		Average rate for year		
		28 Feb 2023	28 Feb 2022	2022 23	2021 22	
	Albania	ALL	115.04	121.32	118.08	122.10
	Algeria	DZD	144.74	158.03	147.76	159.37
	Argentina	ARS	209.10	120.81	209.10	120.81
	Australia	AUD	1.58	1.55	1.51	1.58
	Bosnia and Herzegovina	BAM	1.96	1.96	1.96	1.96
	Brazil	BRL	5.53	5.78	5.36	6.31
	Bulgaria	BGN	1.96	1.96	1.96	1.96
	China	CNY	7.37	7.07	7.10	7.53
	Croatia	HRK	7.53	7.57	7.54	7.52
	Czech Republic	CZK	23.50	25.00	24.46	25.39
	Egypt	EGP	32.40	17.54	22.45	18.35
	Hungary	HUF	377.68	369.72	396.39	358.32
	India	INR	87.72	84.55	83.33	86.84

€	Currency	Rate at reporting date		Average rate for year	
		28 Feb 2023	28 Feb 2022	2022 23	2021 22
Japan	JPY	145.23	129.31	139.86	130.43
Mexico	MXN	19.45	22.90	20.71	23.79
Morocco	MAD	11.03	10.72	10.74	10.59
Northern Macedonia	MKD	61.70	61.70	61.62	61.64
Poland	PLN	4.72	4.69	4.71	4.57
Romania	RON	4.92	4.95	4.93	4.93
Russia	RUB	79.62	115.48	70.29	86.81
Serbia	CSD	117.31	117.66	117.42	117.58
South Africa	ZAR	19.55	17.29	17.44	17.35
South Korea	KRW	1,401.84	1,347.62	1,357.91	1,356.32
Turkey	TRY	20.06	15.45	20.06	11.57
Ukraine	UAH	38.61	33.17	35.18	31.96
USA	USD	1.06	1.12	1.04	1.17

6. Financial reporting in hyperinflationary economies

- Financial statements of subsidiaries in hyperinflationary economies are adjusted in accordance with IAS 29. In the financial year, these were companies based in Argentina and Turkey (with that in Turkey having immaterial effects for the Group since 2022|23). Before translation into the Group currency (the euro), non-monetary items of the balance sheet that are measured at cost or amortised cost are adjusted to reflect the price changes that occurred in the financial year, using a suitable price index to measure purchasing power. Monetary items in the balance sheet are not adjusted. All items in the statement of comprehensive income and all components of equity are also adjusted using appropriate price indices. Gains or losses on the net monetary position are reported as a separate line in finance income or expense, in the consolidated income statement.
- The financial statements of the subsidiaries in hyperinflationary economies were prepared based on the historical cost approach. As a result of changes in the general purchasing power of the functional currency (Argentine peso and Turkish lira), these financial statements must be adjusted and are thus stated in the measuring unit current at the balance sheet date. The prices used for the adjustment are the consumer prices published by, respectively, Argentina's Instituto Nacional de Estadística y Censos (the National Institute of Statistics and Census), and Türkiye İstatistik Kurumu (the Turkish statistical institute). The price indices at 28 February 2023 stood at 1,272.75 in Argentina (28 February 2022: 628.63) and 1,241.33 in Turkey. The change in the indices is shown in the following table:

	Index change Argentina		Index change Turkey	
	2022 23	2021 22	2022 23	2021 22
March	6.7%	4.8%	5.5%	–
April	6.0%	4.1%	7.3%	–
May	5.1%	3.3%	3.0%	–
June	5.3%	3.2%	5.0%	–
July	7.4%	3.0%	2.4%	–
August	7.0%	2.5%	1.5%	–
September	6.2%	3.5%	3.1%	–
October	6.3%	3.5%	3.5%	–
November	4.9%	2.5%	2.9%	–
December	5.1%	3.8%	1.2%	–
January	6.0%	3.9%	6.7%	–
February	5.8%	3.9%	3.2%	–

7. Accounting policies

7.1. Intangible assets (including goodwill) and property, plant and equipment

- Purchased intangible assets (other than goodwill) are capitalised at cost and amortised on a straight-line basis over their expected useful lives of between 5 and 15 years.
- Goodwill is not amortised, but is reviewed at least annually for impairment. This review is performed regularly at the 28/29 February year-end, and additionally whenever there are indications of possible impairment (triggering events). Details on this impairment test are presented in the notes to the balance sheet.
- Acquired items of property, plant and equipment are valued at cost of purchase and/or conversion, less straight-line depreciation and impairment losses. In the conversion costs of internally generated assets, besides materials and labour costs, prorated overheads are capitalised. Borrowing costs directly attributable to the production of an asset that are incurred during the production period are capitalised in accordance with IAS 23. All other borrowing costs are recognised as an expense in the period during which they are incurred. Maintenance costs are expensed as incurred, unless they result in an expansion or significant improvement of the asset concerned, in which case they are capitalised.
- Under IFRS 16, for all leases, the lessee generally recognises a right-of-use asset and a lease liability in the balance sheet, based on the present value of the outstanding lease payments. The present value is determined based on the current incremental borrowing rate, unless the interest rate implicit in the lease is available. The right-of-use asset is depreciated over the term of the lease. The unwinding of discount on the lease liability is performed using the effective interest method and the liability is amortised through lease payments; the resulting interest expenses are reported in finance expense. The right-of-use asset is subject to impairment testing in accordance with IAS 36 (Impairment of Assets). AGRANA does not apply IFRS 16 to leases of intangible assets. For assets of low value and for short-term leases, AGRANA elects not to capitalise the lease, and the expenses are recognised in other operating expenses.
- Depreciation of property, plant and equipment is generally based on the following useful lives:

Buildings	15 to 50 years
Plant and machinery	10 to 15 years
Office furniture and equipment	3 to 10 years

These useful lives are reviewed annually and adjusted as required.

7.2. Government assistance

- Government assistance to reimburse the Group for costs is recognised as other operating income in the period in which the related costs are incurred, unless the assistance is contingent on conditions that are not yet sufficiently likely to be met.
- Government assistance to support capital expenditure is recognised as deferred income from the time of the binding award and deducted from the cost of the intangible assets and property, plant and equipment on a straight-line basis over the useful life of the allocated asset through profit or loss. Details are provided on page 171.

7.3. Financial instruments

- The AGRANA Group distinguishes the following classes of financial instruments:

Financial assets

- Securities, and investments in non-consolidated subsidiaries and outside companies
- Trade receivables
- Other financial assets
- Cash and cash equivalents

Financial liabilities

- Bank loans and overdrafts, and other loans from non-Group entities
- Liabilities to affiliated companies in the Südzucker group and to joint ventures
- Lease liabilities
- Trade payables
- Financial other payables

Derivative financial instruments

- Interest-rate derivatives
- Currency derivatives
- Commodity derivatives
- Energy derivatives

Financial assets

▪ Investment fund units and uncertificated securities (cooperative shares) in the balance sheet item “securities” are classified as at fair value through profit or loss and are measured at fair value on initial recognition. Equity instruments that are to be held for the long term are assigned to the category “fair value through other comprehensive income (no recycling)”. Initial measurement is at fair value, including any transaction costs. Value changes of equity instruments are recognised outside profit or loss (after income tax) in a separate reserve item in equity. Investments in nonconsolidated subsidiaries are recognised at cost at the time of acquisition and classified as at “fair value through other comprehensive income (no recycling)”. The fair value of investments in outside companies was determined on the basis of discounted future cash flows. Fair value was not determined for investments in non-consolidated subsidiaries, as the amount was immaterial to the AGRANA Group.

- Financial assets are recognised at the settlement date.

▪ Receivables are initially recognised at fair value and subsequently measured at amortised cost. Non-interest-bearing receivables with a remaining maturity of more than one year are recognised at their present value using the effective interest method. For default risks or other risks contained in receivables, sufficient impairment is allowed individually or on a portfolio basis. The portfolio-based impairment is determined using the simplified approach under IFRS 9. Under this approach, expected credit losses over the entire life of the asset are anticipated based on analysis of historical loss rates for different lengths of time past due. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that affect customers’ ability to pay receivables. The impairment is recognised in separate impairment allowance accounts. The face amounts of the receivables net of the necessary impairment allowance represent the fair values. Irrecoverable receivables are derecognised on an individual case-by-case basis. If the reasons for an impairment charge cease to apply, the impairment loss is reversed, to not more than the asset’s historical cost. As the instruments in the item “other financial assets” are not subject to any particular concentrations of risk, and cash and cash equivalents are with minor exceptions payable on demand, an expected impairment loss under IFRS 9 was not calculated for these assets.

- Foreign currency receivables are measured at the exchange rates at the balance sheet date.

▪ Cash and cash equivalents include cash on hand and bank deposits having a remaining term to maturity of up to three months at the time of investment. Cash and cash equivalents in foreign currency are measured at the exchange rates at the balance sheet date.

Financial liabilities

- Borrowings are initially measured at their actual proceeds. Premiums, discounts or other differences between the proceeds and the repayment amount are realised over the term of the instrument by the effective interest method and recognised in net financial items (at amortised cost).
- Trade payables are initially measured (at inception of the liability) at the fair value of the goods or services received. Subsequently these payables are measured at amortised cost. Other payables not resulting from the receipt of goods or services are measured at their payable amount.
- Payables denominated in foreign currencies are recognised at the exchange rates at the balance sheet date.

Derivative financial instruments

- Derivatives are carried as an asset or liability and, irrespective of their purpose, are measured at fair value. Changes in their fair value are recognised through profit or loss – either in other operating income/expenses (for commodity derivatives and currency derivatives related to purchase and sales transactions, and for energy derivatives related to the purchase of natural gas, extra light heating oil and electricity for production operations) or in net financial items (for interest rate derivatives and currency derivatives related to financings) – unless the derivatives are used to hedge an underlying transaction (cash flow hedges) and meet the requirements for hedge accounting under IFRS 9. In the latter case, the unrealised effective changes in value are recognised directly in equity. If the hedged expected transaction leads to the subsequent recognition of a non-financial item (such as inventories), the amount accumulated in the “reserve for hedging instruments (cash flow hedges)” is included directly in the acquisition cost of the non-financial item at the time of its recognition. In all other cases, the accumulated amount is transferred to the income statement in the period in which the underlying hedged transaction affects profit or loss. Ineffective portions of the valuation gains or losses on cash flow hedges are recognised in the income statement immediately. Derivative financial instruments are classified as at fair value through profit or loss, except for derivatives with a hedging relationship to an underlying transaction. The latter are allocated to the category “fair value through other comprehensive income (hedging instruments)”. More information on derivative financial instruments is provided from page 184.

7.4. Inventories

- Inventories are measured at the lower of cost of purchase and/or conversion and net selling price. The weighted average cost formula is used. In accordance with IAS 2, the conversion costs of unfinished and finished products include – in addition to directly attributable unit costs – reasonable proportions of the necessary material costs and production overheads inclusive of depreciation of manufacturing plant (based on the assumption of normal capacity utilisation) as well as production-related administrative costs. Financing costs are not taken into account. To the extent that inventories are at risk as a result of prolonged storage or reduced saleability, a write-down is recognised.

7.5. Emission allowances

- AGRANA's CO₂ emission rights represent the emission rights (EU Allowances, or EUA) issued in the EU Emissions Trading System and are accounted for in accordance with the provisions of IAS 38 (Intangible Assets), IAS 20 (Accounting for Government Grants and Disclosure of Government Assistance) and IAS 37 (Provisions, Contingent Liabilities and Contingent Assets). The EUA, allocated free of charge or acquired for the respective calendar year, are intangible assets that are reported under other current assets. They are measured at cost, which is zero in the case of allowances allocated free of charge. If the actual emissions exceed the allocated EUA, a provision for CO₂ emissions is recognised as an expense. The provision is calculated by taking into account the cost incurred for purchased allowances or the market value of allowances at the measurement date.

7.6. Impairment

- Assets (other than inventories and deferred tax assets) are tested at every balance sheet date for evidence of impairment. In addition, these assets are reviewed for impairment when there are indications of possible impairment. Goodwill and other intangible assets with an indefinite useful life are reviewed for impairment annually at 28/29 February, even when there is no indication of impairment.
- The impairment test involves determining the asset's recoverable amount. The recoverable amount is the higher of an asset's value in use and its fair value less costs of disposal. If the asset's recoverable amount is less than its carrying amount, the difference is expensed as an impairment loss in the income statement.
- An asset's value in use is the present value of the estimated future cash flows from the asset's continuing use and from its disposal at the end of its useful life. The discount rate used in determining present value is a pre-tax market rate adjusted for the specific risks of the asset concerned. Where no largely independent cash inflows can be determined, value in use is determined for the next-larger unit (the cash-generating unit) to which the asset belongs and for which largely independent cash inflows can be determined.
- Where an impairment loss later decreases or is eliminated, the amount of the reversal of the impairment loss (except in the case of goodwill) is recognised as income in the income statement up to the lower of amortised original cost and value in use. Impairment losses on goodwill are not reversed.

7.7. Employee benefit obligations

- The AGRANA Group maintains both defined contribution and defined benefit plans for pensions and termination benefits. Under the defined contribution pension and termination benefit arrangements, AGRANA has no further obligation after paying the agreed premium. Contributions to defined contribution plans are recognised as an expense when they fall due, and are reported in staff costs. Contributions paid to government plans are treated in the same manner as those paid to defined contribution plans. As the Group has no payment obligations beyond making the contributions, no provision is maintained.
- The provisions for defined benefit pension, termination and long-service obligations are calculated using the projected unit credit method in accordance with IAS 19 (Employee Benefits), based on actuarial valuations. This involves determining the present value of the defined benefit obligation and comparing it to the fair value of plan assets at the balance sheet date. In the case of a deficit, a provision is recorded. The defined benefit obligation is measured by the projected unit credit method. Under this method, the future payments determined on the basis of realistic assumptions are accumulated over the period during which the respective beneficiaries acquire the entitlement to these benefits.
- Service cost is recognised in staff costs. Besides the current service cost for the benefits newly earned by staff every year, it may also include past service cost arising from plan curtailments or changes, which is recognised immediately in profit or loss for the period. The net interest cost for the financial year is calculated by applying the discount rate determined at the beginning of the year to the net obligation determined at that time, taking into account the expected payment outflows. Net interest is recognised in finance expense.
- Actuarial gains and losses arising from changes in actuarial assumptions or from differences between previous actuarial assumptions and observed outcomes are recognised in other comprehensive income in the period in which they occur, along with their effect on deferred taxes (with the exception of obligations for long-service awards). Correspondingly, the full amount of the obligation is recognised in the balance sheet. The changes in actuarial gains and losses recognised in the respective period are presented separately on the face of the statement of comprehensive income. Actuarial gains and losses previously recognised in other comprehensive income cannot be reclassified to profit or loss in subsequent periods. The recognition in other comprehensive income also includes the differences between (i) the interest income on plan assets based on the discount rate and included in net interest and (ii) the actual return on plan assets determined at the end of the period.

- The calculation is based on extrapolated future trends in salaries, retirement benefits and employee turnover, as well as a discount rate of predominantly 4.25% for the year under review (prior year: 1.65%).
- A portion of pension obligations has been transferred to pension funds. The retirement pension benefit contributions to be paid are calculated so as to fully fund the retirement benefit obligation at the time of retirement. If a plan deficit occurs, there is an obligation to fund the shortfall. The Group also holds benefit insurance policies to secure its ability to meet obligations under pension and termination benefit plans. The individual assets allocated to the pension plan are netted against the present value of the pension obligation to arrive at the net obligation. Likewise, the qualifying insurance policies are treated as plan assets in reducing the present value of the respective pension and termination benefit obligation.

7.8. Other provisions

- Other provisions are recognised where the following conditions are met: the AGRANA Group has a legal or constructive obligation to a third party as a result of a past event, the obligation is likely to lead to an outflow of resources, and the amount of the obligation can be reliably estimated.
- Provisions are measured at the amount representing the best estimate of the expenditure required to settle the obligation. If the present value of the obligation determined on the basis of a market interest rate differs materially from its nominal amount, the present value of the obligation is used.
- The risks arising from contingent liabilities are covered by sufficient provisions.
- Provisions for reclamation comprise obligations for reclamation of properties, emptying and rehabilitation of landfills, remediation or restoration of building structures, legacy soil reclamation and removal of waste residues.
- Provisions for “staff costs, including long-service awards” also include provisions for phased retirement, provisions for redundancy benefit plans under restructuring projects, provisions for bonuses and awards, and other personnel-related provisions. Under IAS 19, long-service awards are classified as long-term employee benefits. These are determined by the projected unit credit method. Actuarial gains and losses are reported in the current period in staff costs. Long-service awards are one-time payments dependent on level of salary or wage and length of service and are stipulated under local company agreements or of collective agreements. Obligations for the payment of such service anniversary bonuses exist especially in Austria. In Austria, provisions for phased retirement must be created as a result of labour laws regarding obligations to employees. The legislation concerning phased retirement makes it easier for companies to employ older staff members working reduced hours with substantial financial security until full retirement. Provisions for redundancy benefit plans under restructurings are created only if a formal, detailed restructuring plan has been prepared and communicated.
- Provisions for uncertain liabilities include, among other items, provisions for litigation risks, onerous contracts, costs of beet receiving, loading and storage, and other uncertain liabilities. A provision for onerous (loss-making) contracts is recognised if the expected economic benefit from a contract is less than the unavoidable cost of fulfilling the contract.

7.9. Deferred taxes

- Deferred taxes are recognised on temporary differences between the IFRS carrying amounts of assets and liabilities and the tax base; on consolidation entries; and on tax loss carryforwards expected to be utilised. Significant differences exist between the IFRS carrying amounts and the tax base for property, plant and equipment, inventories and provisions. Deferred tax assets are recognised for unused tax loss carryforwards insofar as these are expected to be utilised within five years.

- Deferred taxes are calculated by the liability method (under IAS 12), based on the pertinent national income tax rates. Consequently, with the exception of goodwill arising on consolidation, deferred taxes are recognised for all temporary differences between the IFRS balance sheet and the tax base, to the extent that deferred tax assets are likely to be realised.
- When income and expenses are recognised in other comprehensive income, then so are the respective deferred tax assets and liabilities. The assessment of the recoverability of deferred tax assets arising from temporary differences and from tax loss carryforwards takes into account company-specific forecasts of, for instance, the future earnings situation in the respective Group company. Deferred tax assets are recognised only if the associated tax benefits are expected to be realisable over a five-year planning horizon. This is the case if sufficient profits can be earned or if there is sufficient taxable income from the reversal of temporary differences previously recognised as liabilities.
- Deferred tax assets are classified as non-current assets; deferred tax liabilities are recorded as non-current liabilities. Deferred tax assets are offset against deferred tax liabilities if they relate to the same tax authority.
- The income tax reported represents the tax levied in the individual countries on taxable income, and the movement in deferred taxes.

7.10. Recognition of revenue and costs

- Revenue represents the fair value of the consideration received or receivable for products and services sold in the course of ordinary business activities. In the AGRANA Group, revenue is recognised in accordance with the five-step model of IFRS 15, and generally at a point in time. Revenue is recognised when control of a product or service passes to a buyer. The timing of the transfer of control to the buyer is typically determined in accordance with INCOTERMS (International Commercial Terms), which govern the transfer of the risks and rewards incident to ownership. Revenue from services is recognised to the extent that they have been provided by the balance sheet date. For variable price agreements, revenue recognition is based on the expected final prices estimated on a contract-specific basis. Revenue is presented net of rebates, discounts and sales tax, and after eliminating intragroup sales. The costs of obtaining sales contracts predominantly have a short-term relationship to revenue and are expensed immediately. Under the usual industry payment terms, there are no financing terms to consider in revenue recognition.
- Operating expenses are recognised in the income statement upon use of the product or service or as incurred.
- Finance expense comprises the interest expense, similar expenses and transaction costs on debt financing and on lease liabilities; financing-related currency translation gains and losses; and financing-related hedging gains and losses.
- Income from financial investments represents interest, dividend and similar income realised from cash-equivalent investments and investments in other financial assets; gains and losses on the disposal of financial assets; and impairment losses and impairment loss reversals.
- Interest income is recognised on an accrual basis using the effective interest method. Dividend income is recognised at the time of the decision to pay the dividend.

7.11. Critical assumptions and judgements

- The preparation of these consolidated financial statements in accordance with IFRS requires the Company's management to make judgements and to act on assumptions about future developments. These judgements and assumptions can have a material effect on the recognition and measurement of the assets and liabilities, the disclosure of other liabilities at the balance sheet date, and the amounts of income and expenses reported for the financial year.

The critical assumptions and judgements are deemed reasonable at the time of preparation of the financial statements. In particular, material assumptions and judgements are made in connection with climate-related risks and further impacts of the Russian invasion of Ukraine and its consequences. The assumptions made are as follows:

- In the 2022|23 financial year, a climate change scenario analysis was performed for the production sites in the AGRANA Group. The aim was to survey the physical climate risks for each location. The following acute climate hazards were classified as relevant for the AGRANA Group: heat waves, tornadoes/storms, forest fires and wildfires, droughts and floods. In addition, water stress and sea-level rise were identified as relevant chronic hazards.

As well, questionnaires were used to survey the exposure of the production sites and the vulnerability of production processes to the various climate hazards. The overall physical climate risk is arrived at through the analysis of the climate hazards and the evaluation of exposure and vulnerability. The results reflect the high complexity of the climate models to be used as well as the subjective response behaviour of the respondents.

These modelling exercises indicate that three hazards in particular – water stress and/or drought and/or heat waves – pose potentially relevant risks for some sites. This preliminary assessment of overall climate risk for production sites will be refined in the 2023|24 financial year through a more detailed analysis. Climate change adaptation measures will then be planned and implemented on this basis, which will reduce the overall physical climate risk.

Both for the risks affecting AGRANA and those triggered by it, the Group has taken appropriate measures to counteract detrimental effects.

- As a result of the war in Ukraine that began on February 24, 2022, uncertainty continues regarding the unpredictable further course of the war and its consequences; thus, effects such as exceptional cost increases, demand declines as well as a rising cost of capital due to macroeconomic developments cannot be ruled out. Since the outbreak of the war, the volatility in the Group's product markets and procurement markets further intensified. AGRANA's projections are based on the assumptions that the physical supplies of energy and raw materials remain assured and that purchasing price increases, especially for raw materials and energy, can be passed on in adjusted customer contracts.
- The following assumptions involve a not insignificant risk that they may lead to a material change in the carrying amounts of assets and liabilities in the next financial year:
 - The impairment testing of goodwill (carrying amount at 28 February 2023: € 98,667 thousand; at 28 February 2022: € 186,971 thousand), other intangible assets (carrying amount at 28 February 2023: € 16,431 thousand; at 28 February 2022: € 17,583 thousand) and property, plant and equipment (acquired and leased) (carrying amount at 28 February 2023: € 819,418 thousand; at 28 February 2022: € 828,168 thousand) is based on forward-looking assumptions. The determination of the recoverable amounts for the purpose of the impairment review involves several assumptions, such as regarding future net cash flows and the discount rate. The net cash flows are the amounts in the most current cash flow forecast for the cash-generating units (CGUs) for the next five years (being the most current at the time of the regular impairment test date of 28/29 February). In February 2023, the underlying projections for the goodwill impairment test performed as of 28 February 2023 were released by the Management Board and noted by the Supervisory Board (before approval by the latter).

Beginning in the 2022|23 financial year, the goodwill impairment test is regularly performed as of the end of the financial year (28/29 February), as a result of a changed planning process. As part of the transition to this schedule, in the year under review the impairment test was performed both at 31 August 2022 and at 28 February 2023. Reflecting the continuing war in Ukraine and the sharp increase in the cost of capital (the WACC¹ before tax at 31 August 2022 was 8.68%), goodwill impairment of € 88,252 was recorded for the Fruit CGU at 31 August 2022. The forecast uncertainty and the potential further trajectory of the war were taken into account in the following alternative planning scenarios:

Fruit CGU at 31 August 2022	Weighting	CAGR of revenue p.a. (baseline: 2021 22)	Operating margin in 2026 27
Base case	60%	6.2%	5.0%
Downside case – moderate	30%	6.1%	4.4%
Downside case – progressive	10%	5.5%	4.1%

Further details are provided in section 10.1., “Intangible assets, including goodwill”.

The insights gained after what is now more than one year of war in Ukraine (such as the observation of a stabilisation in supply chains and a more optimistic market trend) were incorporated in the current planning calculations and the alternative scenarios. The additional weighting given in the prior year to the war trajectory in the three scenarios of the impairment test was therefore not applied.

Furthermore, due to a stable market in Russia and capacity utilisation of about 50% in Ukraine, the relative weightings of the scenarios were shifted from the “downside case – progressive” in favour of the more optimistic “downside case – moderate” and “base case”.

The base case reflects management’s judgement and, besides the assumptions on the business performance of the companies in Ukraine and Russia, also takes into account climate-related risks. The Fruit segment is reliant on sufficient availability of agricultural crops of the quality required; reductions in raw material availability as a result of adverse weather conditions and crop losses due to plant diseases can have negative impacts on raw material costs. The raw material costs projected in the base case take into account raw material procurement, and thus changes in harvest expectations as a result of climate change.

Forecast uncertainty caused by the volatility of the markets (commercial risks) and by climate-related risks are taken into consideration through alternative planning scenarios (a moderate downside case and progressive downside case). In terms of commercial risks, the planning scenarios differ mainly in the assumptions as to revenue growth and the operating margin trajectory up to the terminal value stage. The progressive downside case assumes a stronger decline in revenue growth and lower EBIT margin than the moderate downside case. Climate-related risks in the form of crop losses caused by, among other factors, drought, flooding or pest infestation, and the resulting supply interruptions and price increases for raw materials that cannot be fully passed on to customers, are represented at differential levels of severity in these alternative scenarios. The progressive downside case additionally assumes war damage to the sites in Ukraine and a sharper market contraction in Russia.

The impairment test of goodwill in the Fruit CGU at 28 February 2023 with the scenario weightings presented below did not show further impairment. Viewed separately, both alternative scenarios lead to a value in use that is less than the carrying amount.

¹ Weighted average cost of capital.

The scenarios at 28 February 2023 were as follows:

Fruit CGU at 28 February 2023	Weighting	CAGR of revenue p.a. (baseline: 2022 23)	Operating margin in 2027 28
Base case	65%	3.7%	5.5%
Downside case – moderate	30%	3.5%	4.9%
Downside case – progressive	5%	2.1%	4.4%

One year earlier, the scenarios including the effects of the Ukraine crisis were as follows:

Fruit CGU at 28 February 2022	Weighting	CAGR of revenue p.a. (baseline: 2021 22)	Operating margin in 2026 27
Base case	60%	6.2%	4.7%
Downside case – moderate	25%	5.8%	4.1%
Downside case – progressive	15%	5.4%	3.8%

The discount rate before tax is based on the industry, the company risk level and the specific market environment, and was set at 9.48% at 28 February 2023 (prior year: 7.25%).

Sensitivities were calculated based on the goodwill impairment test performed at 28 February 2023. An increase of 0.5 percentage points in WACC would lead to additional impairment of € 24,300 thousand in the Fruit CGU. At 28 February 2023, the sensitivities to the weighting of the scenarios were also determined. Assuming that all other parameters remain the same, a weighting distribution of 70% : 30% : 0% would lead to an increase of € 9,738 thousand in excess cover (the excess of value in use over the carrying amount). A weighting allocation of 60% : 30% : 10% would result in a reduction of € 9,738 thousand in excess cover.

Regarding climate-driven difficulties in obtaining input commodities for the Starch segment, AGRANA does not expect bottlenecks of material significance, thanks to the ability to procure the necessary raw materials in national and international markets. Moreover, in starches and by-products, changes in procurement prices lead to a change in the market prices of products in the same direction, which acts as a natural hedge by partly offsetting increases in raw material and energy prices. Selling prices of bioethanol in Europe are driven largely by the quotations on the Platts information platform, which depend not on raw material prices but on fluctuations in the ethanol market. The volatility in bioethanol prices is correspondingly high. In saccharification products, the prices are correlated with European sugar prices and largely unaffected by raw material price movements.

In the Starch CGU, in addition to the base case, a downside case was developed based on lower sales volumes and lower margins. On a weighted basis, the scenarios do not lead to impairment. Considered on its own, the downside case would result in the goodwill of the Starch CGU having a value in use of less than its carrying amount.

Starch CGU at 28 February 2023	Weighting	CAGR of revenue p.a. (baseline: 2022 23)	Operating margin in 2027 28
Base case	65%	3.7%	3.6%
Downside case	35%	-0.9%	3.5%

Starch CGU at 28 February 2022	Weighting	CAGR of revenue p.a. (baseline: 2021 22)	Operating margin in 2026 27
Base case	65%	1.7%	5.0%
Downside case	35%	-3.5%	5.5%

The discount rate before tax in the Starch CGU is based on the industry, the company risk level and the specific market environment, and was set at 8.76% (prior year: 7.09%).

Sensitivities were calculated based on the findings of the goodwill impairment test performed at 28 February 2023. On the assumption of a constant WACC, a reduction in operating profit of approximately 6% in 2027|28 would not jeopardise the excess cover in the Starch CGU.

An increase of 0.5 percentage points in the WACC would lead to complete impairment of the goodwill in the amount of € 1,606 thousand. The sensitivity to the weighting of the scenarios was also determined. Assuming that all other parameters remain constant, a weighting distribution of 55% : 45% would reduce the excess cover by € 8,425 thousand.

- The relevant value drivers for the impairment test of the Sugar Sales & Production CGU were identified as the amount of beet production acreage, sugar sales prices, and production costs related to natural gas prices/energy prices. Due to the ban on neonicotinoids in Austria, there is an increased risk of lower yields per hectare and lower production volumes for the two Austrian sites. A substantial reduction in beet production area and a level of sugar prices at which rising gas and energy prices cannot be passed on to customers could lead to impairment.
- AGRANA expects that a potential reduction in beet production acreage would be compensated for by corresponding market price changes and that the Group will continue to be able to pass cost increases due to rising raw material and energy prices on to customers.
- In the Sugar Sales & Production CGU, the ban on the treatment of beet seed with neonicotinoids was classified as a triggering event by the management. The ensuing scenario-based impairment test of property, plant and equipment did not identify any impairment.
- Financial instruments for which no active market exists are reviewed for impairment by using alternative discounting-based valuation methods. The inputs used for the determination of fair value are based in part on assumptions concerning the future.
- The measurement of existing pension and termination benefit obligations (carrying amount of the provision at 28 February 2023: € 53,535 thousand; at 28 February 2022: € 58,848 thousand) involves assumptions regarding the discount rate, age at retirement, life expectancy, employee turnover and future increases in pay and benefits.

- The sensitivity analysis below is based on varying one assumption at a time with the other assumptions remaining unchanged from the original calculation. Potential correlation effects between assumptions are thus not taken into account. The changes in assumptions would have the following effects on the present values of the obligations stated in note 23a:

€000	Pension benefits		Termination benefits	
	28 Feb 2023	28 Feb 2022	28 Feb 2023	28 Feb 2022
Change in actuarial assumptions				
Discount rate				
+0.5 percentage points	(1,911)	(2,092)	(987)	(1,428)
–0.5 percentage points	2,076	2,289	1,040	1,527
Wage and salary increase				
+0.25 percentage points	41	33	489	729
–0.25 percentage points	(39)	(32)	(480)	(704)
Pension increase				
+0.25 percentage points	982	1,075	–	–
–0.25 percentage points	(947)	(1,033)	–	–
Life expectancy				
Increase by 1 year	3,886	3,629	–	–
Decrease by 1 year	(4,100)	(3,791)	–	–

- The recognition of deferred tax assets (carrying amount at 28 February 2023: € 19,817 thousand; at 28 February 2022: € 13,734 thousand) is based on the assumption that sufficient taxable profit will be earned over the five-year planning horizon to realise them.
- The off-balance sheet obligations from financial guarantees and from other contingent liabilities, and any reductions in these obligations, are regularly reviewed as to whether they require recognition in the balance sheet.
- In determining the amount of other provisions (carrying amount at 28 February 2023: € 47,904 thousand; at 28 February 2022: € 48,392 thousand), management exercises judgement as to whether AGRANA is likely to incur an outflow of resources from the obligation concerned and whether the amount of the obligation can be estimated reliably.
- The HUNGRANA group, AGRANA STUDEN group and Beta Pura GmbH are classified as joint ventures under IFRS 11 and the agreements existing at the time. The AGRANA Group holds 50% of the share capital of the joint ventures.
- The AGRANA Group holds 50.01% of the share capital of AUSTRIA JUICE GmbH and its subsidiaries. As a result of the underlying contracts and arrangements, AGRANA exercises control over these companies and fully consolidates them in the Group accounts.

8. Notes to the consolidated income statement

Note (1)

8.1. Revenue

AGRANA is a globally operating processor of agricultural raw materials, with its Fruit, Starch and Sugar segments manufacturing high-quality foods and many intermediate products for the downstream food industry as well as for non-food applications.

Revenue in the Fruit segment is generated with fruit preparations for the dairy, bakery, ice cream and food service industries and with fruit juice concentrates, such as apple and berry juice concentrates, as well as with not-from-concentrate juices and fruit wines, beverage bases and aromas.

In the Starch segment, AGRANA processes and refines primarily corn (maize), wheat and potatoes into premium starch products for the food and beverage industry, the paper, textile, cosmetics and building materials sectors and other non-food industries. The starch operations also produce fertilisers and high-quality animal feeds. The production of bioethanol as well is part of the Starch segment.

The Sugar segment processes sugar beet from contract growers and also refines raw sugar purchased worldwide. The products are sold into downstream industries for use in, for example, sweets, non-alcoholic beverages and pharmaceutical applications. A wide range of sugars and sugar specialty products is also marketed to consumers, through food retailers. In addition, in the interest of optimal utilisation of its agricultural raw materials, the Sugar segment produces a large number of fertilisers and feedstuffs for use in agriculture and animal husbandry.

In all three business segments, revenue is recognised after control of the product passes to the customer, and almost always at a point in time. All supply contracts contain Incoterms, such as DDP, DAP and EXW, which govern the transfer of control to the customer and thus establish the timing of revenue recognition. The payment term is usually up to 90 days. Of AGRANA's revenue, 96.75% (prior year: 95.44%), or the great majority, is generated with products manufactured by the Group itself. AGRANA's revenue from services, at 0.21% of the total (prior year: 0.30%), and from the reselling of merchandise, at 3.04% (prior year: 4.26%), is of minor significance as a share of total revenue.

Within the business segments, revenue is allocated to regions based on the location of the companies' registered office.

€000	2022 23	2021 22
Fruit segment		
EU-27	697,607	585,598
Europe non-EU	112,466	109,197
North America	436,539	337,420
South America	41,585	32,661
Asia	107,254	115,664
Africa	37,191	31,208
Australia and Oceania	49,289	39,332
	1,481,931	1,251,080
Starch segment		
EU-27	1,272,530	987,854
North America	21,285	22,553
	1,293,815	1,010,407
Sugar segment		
EU-27	861,696	640,057
	861,696	640,057
Total	3,637,442	2,901,544

The Group's top ten customers accounted for 28.7% (prior year: 29.8%) of consolidated revenue. No AGRANA customer accounted for more than 10% of consolidated revenue (prior year: one customer, at 10.9%).

Note (2)

8.2. Changes in inventories and own work capitalised

€000	2022 23	2021 22
Changes in inventories of finished and unfinished goods	236,416	99,051
Own work capitalised	2,348	2,069

The change in inventories of finished and unfinished goods amounted to a net increase of € 236,416 thousand (prior year: net increase of € 99,051 thousand), which resulted from an increase in the Sugar segment of € 173,193 thousand (prior year: increase of € 90,205 thousand), an increase in the Starch segment of € 40,512 thousand (prior year: decrease of € 11,099 thousand) and an increase in the Fruit segment of € 22,711 thousand (prior year: increase of € 19,945 thousand).

Of the prior year's write-down of € 1,118 thousand on finished and unfinished goods in the Fruit segment due to the war in Ukraine, an amount of € 381 thousand was reversed in the financial year under review as an exceptional item, as the products were successfully delivered to the customer involved.

Note (3)

8.3. Other operating income

€000	2022 23	2021 22
Income from		
Currency translation gains	16,682	7,705
Derivatives	4,977	1,298
Exceptional items	2,578	0
Reversal of allowance for impairment of trade receivables	2,103	1,027
Insurance benefits and payments for damages	1,341	1,650
Research incentives	1,102	1,268
Disposal of non-current assets other than financial assets	1,046	5,842
Rent and leases	704	578
Beet and pulp cleaning, transport and handling	680	525
Services rendered to third parties	93	108
Other items	20,642	15,741
Total	51,948	35,742

Within other operating income, "other items" represent, among other things, revenue from the pass-through of costs for raw materials, consumables and services.

Of the impairment allowance recognised in the prior year in the Fruit segment on trade receivables as a result of the outbreak of war in Ukraine, an amount of € 965 thousand was reversed in the year under review, as the customers paid the receivables. In relation to a product complaint in Europe in the Fruit segment from the 2020|21 financial year, € 712 thousand of insurance proceeds were recognised, and in the Sugar segment, a refund of € 901 thousand received in relation to a completed tax audit in Romania was recorded. Other operating income thus included income of € 2,578 thousand from exceptional items.

Note (4)

8.4. Cost of materials

€000	2022 23	2021 22
Costs of		
Raw materials	1,897,913	1,409,546
Consumables and goods purchased for resale	888,963	685,405
Purchased services	86,201	74,368
Total	2,873,077	2,169,319

Note (5)

8.5. Staff costs

€000	2022 23	2021 22
Wages and salaries	298,615	274,678
Social security contributions, retirement benefit expenses and other staff costs	78,908	72,548
Total	377,523	347,226

The expense for the unwinding of discount on the pension and termination benefits newly accrued in prior years, less the return on plan assets, is included within net financial items. The interest component, at € 983 thousand (prior year: € 540 thousand) is included in net financial items. The current and past service costs are included in staff costs.

In the 2022|23 financial year an expense of € 21,167 thousand (prior year: € 20,345 thousand) was recognised for contributions to government pension plans.

€ 1,655 thousand of contributions to a defined contribution termination benefit fund were recognised in the income statement for the year (prior year: € 1,555 thousand).

Average number of employees during the financial year (average full-time equivalents):

By employee category	2022 23	2021 22
Wage-earning staff	5,877	5,863
Salaried staff	2,755	2,736
Apprentices	98	92
Total	8,730	8,691

By region	2022 23	2021 22
Austria	2,364	2,356
Hungary	410	417
Romania	516	491
Rest of EU	1,448	1,456
EU-27	4,738	4,720
Rest of Europe (Russia, Turkey, Ukraine)	1,130	1,150
Other foreign countries	2,862	2,821
Total	8,730	8,691

At the joint ventures, the average number of employees in full-time equivalents over the year was as follows (reported at company totals, not proportionately):

By employee category	2022 23	2021 22
Wage-earning staff	344	336
Salaried staff	223	206
Total	567	542

Note (6)

8.6. Depreciation, amortisation and impairment

€000	Total	Amorti- sation, depre- ciation	Impair- ment losses	Reversal of impair- ment losses
2022 23				
Intangible assets	3608	3608	0	0
Property, plant and equipment – acquired	108,498	107,281	1,428	(211)
Property, plant and equipment – leased	6,604	6,604	0	0
Recognised in operating profit before exceptional items	118,710	117,493	1,428	(211)
Exceptional items	91,085	0	91,085	0
Recognised in operating profit [EBIT]	209,795	117,493	92,513	(211)
2021 22				
Intangible assets	3,691	3,691	0	0
Property, plant and equipment – acquired	110,647	110,747	183	(283)
Property, plant and equipment – leased	5,833	5,833	0	0
Recognised in operating profit before exceptional items	120,171	120,271	183	(283)
Exceptional items	56,828	0	56,828	0
Recognised in operating profit [EBIT]	176,999	120,271	57,011	(283)

Impairment losses and reversals of impairment losses, by segment, were as follows:

€000	Impair- ment losses	Reversal of impair- ment losses
2022 23		
Fruit segment	92,102	(133)
Starch segment	119	0
Sugar segment	292	(78)
Group	92,513	(211)
2021 22		
Fruit segment	56,828	(37)
Starch segment	27	(111)
Sugar segment	156	(135)
Group	57,011	(283)

Impairment charges recognised in “operating profit before exceptional items” in the Fruit segment related to the closure of a production line in Hungary, while those in the Sugar and Starch segment concerned mainly expenses for shut-down assets (prior year: expenses for shut-down assets in the Sugar and Starch segments).

Reflecting the continuing war in Ukraine and the strongly risen cost of capital, a goodwill impairment charge of € 88,252 thousand had to be recognised in the Fruit segment in the financial second quarter of 2022|23. The higher cost of capital also triggered impairment tests of property, plant and equipment, which led to an impairment expense (also in the second quarter) of € 2,833 thousand in South Africa and India. The combined exceptional portion of depreciation, amortisation and impairment was thus € 91,085 thousand (prior year: € 56,828 thousand).

Note (7)

8.7. Other operating expenses

€000	2022 23	2021 22
Selling and freight costs	204,034	173,668
Operating and administrative expenses	120,066	97,122
Currency translation losses	16,840	7,776
Other taxes	11,848	6,368
Advertising expenses	10,190	7,547
Derivatives	8,854	1,809
Rent and lease expenses	6,559	5,777
Damage payments	3,711	1,632
Research and development expenses (external)	787	581
Exceptional items	704	10,442
Losses on disposal of non-current assets	303	591
Other items	14,260	14,836
Total	398,156	328,149

Internal and external R&D costs totalled € 23,055 thousand (prior year: € 19,974 thousand).

Within other operating expenses, “other items” included, for instance, provisions and other purchased services.

Exceptional items in other operating expenses consisted of an additional expense of € 704 thousand in connection with a product complaint in Europe from the 2020|21 financial year in the Fruit segment (prior year: a combined total of € 10,442 thousand of, in the Fruit segment, a trade receivables impairment allowance and foreign currency losses due to the war in Ukraine, and a damage claim, and in the Sugar segment, an allowance for impairment of trade receivables from Beta Pura GmbH).

The expenses incurred in the financial year for the external auditor, PwC Wirtschaftsprüfung GmbH, were € 555 thousand (prior year: € 545 thousand). Of this total, € 527 thousand (prior year: € 485 thousand) related to the audit of the consolidated financial statements (including the audit of the separate financial statements of individual subsidiaries), € 2 thousand (prior year: € 2 thousand) was for other assurance services, and € 26 thousand (prior year: € 58 thousand) represented other non-audit services.

Note (8)

8.8. Share of results of equity-accounted joint ventures

The share of results of equity-accounted joint ventures of € 18,657 thousand (prior year: € 8,019 thousand) included the Group's share (amounting to € 11,204 thousand) of the profits of the joint ventures in the HUNGRANA group and AGRANA-STUDEN group, less impairment of € 2,291 thousand on the interest held in Beta Pura GmbH.

Note (9)

8.9. Finance income

€000	2022 23	2021 22
Interest income	1,199	742
Currency translation gains	24,748	14,838
Income of non-consolidated subsidiaries and outside companies	29	34
Gains on derivatives	22,564	12,522
Miscellaneous finance income	845	428
Total	49,385	28,564

Interest income by segment was as follows:

€000	2022 23	2021 22
Fruit segment	594	322
Starch segment	43	26
Sugar segment	562	394
Total	1,199	742

Note (10)

8.10. Finance expense

€000	2022 23	2021 22
Interest expense	12,977	7,584
Net interest on provisions for pensions and termination benefits	983	540
Currency translation losses	12,778	7,875
Losses on derivatives	42,771	23,597
Loss on net monetary position under IAS 29	1,914	1,034
Miscellaneous finance expense	4,504	4,033
Total	75,927	44,663

Interest expense by segment was as follows:

€000	2022 23	2021 22
Fruit segment	2,126	1,554
Starch segment	280	235
Sugar segment	10,571	5,795
Group	12,977	7,584

Interest expense includes interest of € 1,112 thousand on lease liabilities (prior year: € 1,008 thousand) and the interest component from the discounting of the non-current obligation for long-service awards, at € 153 thousand (prior year: € 76 thousand).

Net currency translation differences on financing activities amounted to a gain of € 11,971 thousand (prior year: gain of € 6,963 thousand). This was composed of a realised gain of € 9,264 thousand (prior year: realised gain of € 5,127 thousand) and an unrealised gain of € 2,707 thousand (prior year: unrealised gain of € 1,836 thousand). The net translation gain was attributable primarily to foreign currency financing in US dollars, Mexican pesos and Czech koruna.

Note (11)

8.11. Income tax expense

Current and deferred tax expenses and credits pertained to Austrian and foreign income taxes and had the following composition:

€000	2022 23	2021 22
Current tax expense	40,572	17,618
Of which Austrian	22,586	3,020
Of which foreign	17,986	14,598
Deferred tax (benefit)/expense	(3,537)	3,248
Of which Austrian	(1,419)	(2,599)
Of which foreign	(2,118)	5,847
Total tax expense	37,035	20,866
Of which Austrian	21,167	421
Of which foreign	15,868	20,445

Reconciliation of the deferred tax amounts in the balance sheet to deferred tax in the statement of comprehensive income:

€000	2022 23	2021 22
Increase/(decrease) in deferred tax assets in the consolidated balance sheet	6,083	(2,706)
(Increase) in deferred tax liabilities in the consolidated balance sheet	(623)	(716)
Total change in deferred taxes	5,460	(3,422)
Of which recognised in the income statement	3,537	(3,248)
Of which recognised in other comprehensive income	3,010	(909)
Of which from currency translation/hyperinflation/other	(1,087)	325
Of which changes in scope of consolidation recognised in other comprehensive income	0	410

In order to reconcile the amount in other comprehensive income to that in the statement of changes in equity, the tax effects of equity-accounted joint ventures and of their proportionate non-controlling interests – a total amount of € 4,703 thousand – must be added to the other comprehensive income of € 3,010 thousand presented in the table above.

Reconciliation of profit before tax to income tax expense

€000	2022 23	2021 22
Profit before tax	61,718	8,633
Standard Austrian tax rate	24.83%	25.00%
Nominal tax expense at standard Austrian rate	15,325	2,158
Tax effect of:		
Different tax rates applied on foreign income	(2,023)	(1,091)
Tax-exempt income and tax deductions, including results of equity-accounted joint ventures	(6,168)	(3,579)
Non-temporary differences from consolidation measures	21,504	10,871
Non-tax-deductible expenses and additional tax debits	4,388	3,868
Effects from other taxes	1,756	3,031
Effects of tax loss carryforwards	1,706	739
Non-recurring tax expenses or (benefits), net	547	4,869
Income tax expense	37,035	20,866
Effective tax rate	60.0%	241.7%

The nominal tax expense is based on application of the standard Austrian corporation tax rate of 24.83%.

The Tax Reform Act of 2005 introduced a concept for the taxation of company groups. In accordance with the provisions of this Act, the AGRANA Group established a group consisting of AGRANA Beteiligungs-AG as the group parent and the following group members: AGRANA Zucker GmbH, AGRANA Stärke GmbH, AGRANA Sales & Marketing GmbH, AGRANA Internationale Verwaltungs- und Asset-Management GmbH, AGRANA Group-Services GmbH, INSTANTINA Nahrungsmittel Entwicklungs- und Produktionsgesellschaft m.b.H, AGRANA Research & Innovation Center GmbH and AUSTRIA JUICE GmbH.

Deferred taxes are recognised on differences between carrying amounts in the consolidated financial statements and the tax bases of the individual companies in their home countries. Deferred taxes take into account carryforwards of unused tax losses.

In the interest of conservative planning, deferred taxes reflect carryforwards of tax losses only to the extent that sufficient taxable profit is likely to be earned over the next five years to utilise the deferred tax assets. € 15,052 thousand (prior year: € 13,344 thousand) of potential tax assets were not recognised. These related to cumulative unused tax loss carryforwards of € 59,296 thousand (prior year: € 52,487 thousand). Of the unused tax loss carryforwards, € 54,748 thousand (prior year: € 47,845 thousand) can be carried forward indefinitely, € 1,333 thousand (prior year: € 1,670 thousand) expire in two to four years and € 3,215 thousand (prior year: € 2,972 thousand) expire in five to seven years.

At the balance sheet date the deferred tax assets and liabilities recognised in other comprehensive income amounted to a net asset of € 14,046 thousand (prior year: € 6,335 thousand).

For temporary differences on investments in subsidiaries, deferred tax liabilities of € 170,433 thousand (prior year: € 176,910 thousand) were not recognised, as these gains are intended to be reinvested for an indefinite period and these temporary differences are thus not likely to reverse in the foreseeable future.

Note (12)

8.12. Earnings per share

		2022 23	2021 22
Profit/(loss) for the period attributable to shareholders of the parent (AGRANA Beteiligungs-AG)	€000	15,816	(12,612)
Average number of shares outstanding		62,488,976	62,488,976
Earnings/(loss) per share under IFRS (basic and diluted)	€	0.25	(0.20)
Dividend per share	€	0.90¹	0.75

Subject to the Annual General Meeting's approval of the proposed allocation of profit for the 2022|23 financial year, AGRANA Beteiligungs-AG will pay a dividend of € 56,240 thousand (prior year: € 46,867 thousand).

9. Notes to the consolidated cash flow statement

The cash flow statement is prepared using the indirect method and in accordance with IAS 7. The statement traces the movements in the AGRANA Group's cash and cash equivalents arising from operating, investing and financing activities.

Cash and cash equivalents, for the purpose of the cash flow statement, represent cash on hand, cheques and bank deposits.

There were restrictions on access to cash and cash equivalents of subsidiaries in Ukraine, Russia and Argentina as a result of currency legislation.

Cash and cash equivalents do not include current bank borrowings or securities classified as current assets.

The currency translation effects, except those on cash and cash equivalents, are already eliminated in the respective balance sheet items.

Note (13)

9.1. Cash flows from operating activities

Due primarily to the improved operating performance, operating cash flow before changes in working capital was up year-on-year to € 282,343 thousand (prior year: € 207,225 thousand), representing 7.76% of revenue (prior year: 7.14%). Within "non-cash expenses/income and other adjustments", non-cash expenses/income consisted mainly of the unrealised currency translation gains of € 2,707 thousand (prior year: gains of € 1,836 thousand) reflected in net financial items; net non-cash income of € 914 thousand (prior year: net expense of € 280 thousand) for impairment of receivables; non-cash inventory write-downs of € 5,811 thousand (prior year: € 6,914 thousand); and non-cash exceptional income of € 7 thousand (prior year: expense of € 11,158 thousand). The component "other adjustments" predominantly concerned corrections of the tax expense and net interest expense reflected in the Group's profit for the period, due to the separate presentation of that portion of interest and income taxes which represents cash flows. After changes in working capital and after cash flows from interest and taxes, net cash from operating activities was € 1,890 thousand (prior year: € 53,235 thousand).

Note (14)

9.2. Cash flows from investing activities

Purchases of property, plant and equipment and intangible assets increased by € 12,218 thousand to € 89,236 thousand (prior year: € 77,018 thousand). As well, a further purchase price payment of € 1,216 thousand was made for the subsidiary AGRANA Fruit Japan Co, Ltd, Tokyo, Japan, acquired in the prior year (prior year: € 3,630 thousand), while proceeds from the disposal of non-current assets were € 1,430 thousand (prior year: € 7,897 thousand). On balance, net cash used in investing activities was € 88,994 thousand (prior year: net cash use of € 72,624 thousand).

Note (15)

9.3. Cash flows from financing activities

Cash flows from financing activities in the year under review amounted to a net inflow of € 107,219 thousand (prior year: net inflow of € 17,595 thousand). This reflected € 48,057 thousand of dividends paid, largely to shareholders of AGRANA Beteiligungs-AG (prior year: € 53,357 thousand of dividends paid, a subsidiary's capital increase of € 1,800 thousand through non-controlling interests, and the purchase of non-controlling interests of € 4,201 thousand) and the cash inflows/outflows from borrowings presented in the table below.

The following table presents the changes in liabilities arising from financing activities:

	Carrying amount at 1 Mar 2022	Changes in maturities	Cash inflows/ (cash outflows)	Currency translation differences and other non-cash changes	Carrying amount at 28 Feb 2023
€000					
2022 23					
Schuldscheindarlehen, i.e., bonded loans	174,000	0	235,000	0	409,000
Investment loan from European Investment Bank	21,972	(4,882)	0	0	17,090
Loans	159,073	(50,000)	0	39	109,112
Lease liabilities	22,699	(6,755)	0	11,722	27,666
Non-current borrowings	377,744	(61,637)	235,000	11,761	562,868
Schuldscheindarlehen, i.e., bonded loans	7,000	0	(7,000)	0	0
Investment loan from European Investment Bank	4,882	4,882	(4,882)	0	4,882
Syndicated loans	15,000	0	140,000	0	155,000
Bank overdrafts and cash advances	244,142	50,000	(201,481)	(696)	91,965
Lease liabilities	5,603	6,755	(6,361)	(96)	5,901
Current borrowings	276,627	61,637	(79,724)	(792)	257,748

	Carrying amount at 1 Mar 2021	Changes in maturities	Cash inflows/ (cash outflows)	Currency translation differences and other non-cash changes	Carrying amount at 28 Feb 2022
€000					
2021 22					
Schuldscheindarlehen, i.e., bonded loans	181,000	(7,000)	0	0	174,000
Investment loan from European Investment Bank	26,854	(4,882)	0	0	21,972
Loans	262,383	(100,000)	(3,543)	233	159,073
Lease liabilities	23,400	(6,558)	0	5,857	22,699
Non-current borrowings	493,637	(118,440)	(3,543)	6,090	377,744
Schuldscheindarlehen, i.e., bonded loans	0	7,000	0	0	7,000
Investment loan from European Investment Bank	4,882	4,882	(4,882)	0	4,882
Syndicated loans	15,000	0	0	0	15,000
Bank overdrafts and cash advances	55,617	100,000	87,586	939	244,142
Lease liabilities	4,775	6,558	(5,808)	78	5,603
Current borrowings	80,274	118,440	76,896	1,017	276,627

10. Notes to the consolidated balance sheet

Note (16)

10.1. Intangible assets, including goodwill

€000	Goodwill	Concessions, licences and similar rights	Total
2022 23			
Cost			
At 1 March 2022	262,365	112,737	375,102
Currency translation differences and hyperinflation adjustments	(52)	2,042	1,990
Additions	0	1,773	1,773
Reclassifications	0	349	349
Disposals	0	(2,465)	(2,465)
Investment grants	0	(31)	(31)
At 28 February 2023	262,313	114,405	376,718
Accumulated amortisation and impairment			
At 1 March 2022	75,394	95,154	170,548
Currency translation differences and hyperinflation adjustments	0	1,676	1,676
Amortisation for the period	0	3,608	3,608
Impairment	88,252	1	88,253
Disposals	0	(2,465)	(2,465)
At 28 February 2023	163,646	97,974	261,620
Carrying amount at 28 February 2023	98,667	16,431	115,098
2021 22			
Cost			
At 1 March 2021	261,892	104,628	366,520
Currency translation differences and hyperinflation adjustments	2	3,052	3,054
Changes in scope of consolidation/other changes	471	3,731	4,202
Additions	0	2,527	2,527
Reclassifications	0	768	768
Disposals	0	(1,969)	(1,969)
At 28 February 2022	262,365	112,737	375,102
Accumulated amortisation and impairment			
At 1 March 2021	20,111	91,810	111,921
Currency translation differences and hyperinflation adjustments	0	1,584	1,584
Amortisation for the period	0	3,691	3,691
Impairment	55,283	0	55,283
Reclassifications	0	38	38
Disposals	0	(1,969)	(1,969)
At 28 February 2022	75,394	95,154	170,548
Carrying amount at 28 February 2022	186,971	17,583	204,554

- Intangible assets consist largely of acquired customer relationships, software, patents and similar rights.
- The additions of € 1,773 thousand (prior year: € 2,527 thousand) of intangible assets related primarily to software.
- Of the total carrying amount of goodwill, the Fruit segment accounted for € 97,061 thousand (prior year: € 185,365 thousand) and the Starch segment for € 1,606 thousand (prior year: € 1,606 thousand).

- In order to comply with the requirements of IFRS 3 in conjunction with IAS 36 and to allow the determination of any impairment of goodwill, AGRANA defines its cash generating units (CGUs) as the smallest given group of assets that generate cash inflows which are largely independent of the cash inflows of other assets. For the purposes of goodwill impairment testing, AGRANA aggregates the CGUs to the next-higher level at which the goodwill is controlled according to the process of internal control and reporting. At 28 February 2023, the cash-generating units in the AGRANA Group for the purposes of goodwill impairment testing were the Fruit segment and the Starch segment. All goodwill was allocated to these units.
- To test for impairment, the carrying amount of each cash-generating unit is measured by allocating to it the corresponding assets and liabilities, inclusive of attributable goodwill and other intangible assets. Impairment is recognised in profit or loss when the recoverable amount (value in use) of a cash-generating unit is less than its carrying amount inclusive of goodwill.
- In testing for impairment, AGRANA uses a discounted cash flow method to determine the value in use of the cash-generating units. The determination of expected cash flows from each cash-generating unit is based on business plans that have been released by the Management Board and noted by the Supervisory Board (before approval by the latter) and that have a planning horizon of five years. Projections beyond a five-year horizon are based on the assumption of a constant, inflation-induced growth rate of 2.0% per year (assumption at 28 February 2022 and 31 August 2022: 1.5%). The cost of capital (WACC¹) is calculated as the weighted average cost of equity and debt capital for each CGU.
- The cost of equity is based on a risk-free rate, a return premium for the business risk, and a premium for country risk and inflation differential. The spot rate of 2.48% of a 30-year zero coupon bond, based on Deutsche Bundesbank data, was used as the risk-free rate of return (28 February 2022: 0.42%; 31 August 2022: 1.58%). Business risk is represented by the product of a general market risk premium of 6.5% (28 February 2022: 8.0%; 31 August 2022: 7.42%) and a beta factor derived from a segment-specific peer group comprising eight companies per business segment (28 February 2022 and 31 August 2022: eight companies). Both the country risk and the inflation differential are assigned a volatility factor of 1.41 (28 February 2022: 1.16; 31 August 2022: 1.02).
- The cost of debt capital is calculated as the risk-free rate, the inflation differential, and the credit spread determined by reference to the capital market.

The following table presents the carrying amounts of the goodwill and the respective discount rate (WACC):

	Goodwill		WACC before tax	
	28 Feb 2023	28 Feb 2022	2022 23	2021 22
	€m	€m	%	%
Fruit CGU	97	185	9.48	7.25
Starch CGU	2	2	8.76	7.09
Group	99	187	–	–

- The quality of the forecast data is frequently tested against actual outcomes with the help of variance analysis. The insights gained are then taken into account during the preparation of the next annual plan. Projections of value in use are highly sensitive to assumptions regarding future local market developments and volume trends. Value in use is therefore ascertained both on the basis of experience and of assumptions that are reviewed with experts for the regional markets.
- As a result of changes in the planning process, the impairment tests now are regularly performed at the balance sheet date of 28/29 February. In the financial year under review, impairment tests were carried out as of both 31 August 2022 and 28 February 2023. The impairment test at 31 August 2022 was materially affected by the continuing war in Ukraine and sharp rise in the cost of capital (pre-tax WACC at 31 August 2022: 8.68%). In this test, the valuation of goodwill was reviewed using the latest planning calculations from July 2022 approved by the Supervisory Board. The forecast uncertainty due to the war in Ukraine and to the markets' volatility was addressed through alternative planning scenarios. The scenarios differed mainly in the assumptions as to revenue growth and operating margin up to the terminal value stage. The estimated future business performance of the sites in Ukraine and Russia was also incorporated in the scenarios,

with differences between the scenarios in how strongly the hostilities affect the operating business, while assuming the continued operation of the companies in both countries as going concerns. This identified a goodwill impairment of € 88,252 thousand in the Fruit CGU at the end of August 2022 (year earlier: € 55,283 thousand). At 28 February 2023, the updated goodwill impairment test did not show further impairment. More details are provided in section 7.11, "Critical assumptions and judgements".

- The values in use were subjected to a sensitivity analysis. The results are presented from page 154f.
- The goodwill is not tax-deductible.
- At the balance sheet date, other intangible assets with an indefinite useful life that were not significant for the AGRANA Group were included.

Note (17)

10.2. Property, plant and equipment

€000	Land, lease- hold rights and buildings	Technical plant and machinery	Other plant, furniture and equipment	Assets under construction	Total
2022 23					
Property, plant and equipment – acquired					
Cost					
At 1 March 2022	661,185	1,511,970	251,861	35,045	2,460,061
Currency translation differences and hyperinflation adjustments	9,430	11,912	3,175	587	25,104
Changes in scope of consolidation/ other changes	0	8	(37)	18	(11)
Additions	9,102	30,883	10,025	39,422	89,432
Reclassifications	7,968	21,653	1,252	(31,222)	(349)
Disposals	(5,197)	(12,001)	(6,226)	(7)	(23,431)
Government grants	(98)	(1,597)	(5)	0	(1,700)
At 28 February 2023	682,390	1,562,828	260,045	43,843	2,549,106
Accumulated depreciation and impairment					
At 1 March 2022	378,502	1,086,703	202,033	370	1,667,608
Currency translation differences and hyperinflation adjustments	4,843	6,928	2,826	(1)	14,596
Changes in scope of consolidation/ other changes	0	(2)	(95)	0	(97)
Depreciation for the period	17,250	75,155	14,876	0	107,281
Impairment	1,540	2,107	164	19	3,830
Reclassifications	5	(5)	0	0	0
Disposals	(5,115)	(11,671)	(5,986)	0	(22,772)
Reversal of impairment losses	(9)	(69)	(133)	0	(211)
At 28 February 2023	397,016	1,159,146	213,685	388	1,770,235
Carrying amount at 28 February 2023	285,374	403,682	46,360	43,455	778,871

€000	Land, lease- hold rights and buildings	Technical plant and machinery	Other plant, furniture and equipment	Assets under construction	Total
2022 23					
Property, plant and equipment – leased					
Cost					
At 1 March 2022	34,926	13,522	2,024	0	50,472
Currency translation differences	72	204	5	0	281
Additions	7,860	3,493	358	0	11,711
Reclassifications	99	0	(99)	0	0
Disposals	(411)	(676)	(274)	0	(1,361)
At 28 February 2023	42,546	16,543	2,014	0	61,103
Accumulated depreciation and impairment					
At 1 March 2022	10,115	3,582	1,060	0	14,757
Currency translation differences	8	116	(27)	0	97
Depreciation for the period	4,159	2,003	442	0	6,604
Impairment	399	31	0	0	430
Reclassifications	52	0	(52)	0	0
Disposals	(411)	(649)	(272)	0	(1,332)
At 28 February 2023	14,322	5,083	1,151	0	20,556
Carrying amount at 28 February 2023	28,224	11,460	863	0	40,547
Carrying amount of total property, plant and equipment at 28 February 2023	313,598	415,142	47,223	43,455	819,418

€000	Land, lease- hold rights and buildings	Technical plant and machinery	Other plant, furniture and equipment	Assets under construction	Total
2021 22					
Property, plant and equipment – acquired					
Cost					
At 1 March 2021	648,800	1,471,310	242,039	27,826	2,389,975
Currency translation differences and hyperinflation adjustments	6,413	9,370	929	(132)	16,580
Changes in scope of consolidation/ other changes	0	(1,579)	211	663	(705)
Additions	4,889	33,602	13,104	24,228	75,823
Reclassifications	4,543	10,327	1,684	(17,438)	(884)
Disposals	(3,238)	(9,933)	(5,869)	(102)	(19,142)
Government grants	(222)	(1,127)	(237)	0	(1,586)
At 28 February 2022	661,185	1,511,970	251,861	35,045	2,460,061
Accumulated depreciation and impairment					
At 1 March 2021	360,135	1,014,076	191,372	280	1,565,863
Currency translation differences and hyperinflation adjustments	1,560	5,084	745	(4)	7,385
Changes in scope of consolidation/ other changes	0	(1,089)	(100)	0	(1,189)
Depreciation for the period	17,254	78,102	15,391	0	110,747
Impairment	1,398	35	154	141	1,728
Reclassifications	28	5	(71)	0	(38)
Disposals	(1,852)	(9,295)	(5,458)	0	(16,605)
Reversal of impairment losses	(21)	(215)	0	(47)	(283)
At 28 February 2022	378,502	1,086,703	202,033	370	1,667,608
Carrying amount at 28 February 2022	282,683	425,267	49,828	34,675	792,453

€000	Land, lease- hold rights and buildings	Technical plant and machinery	Other plant, furniture and equipment	Assets under construction	Total
2021 22					
Property, plant and equipment – leased					
Cost					
At 1 March 2021	31,568	9,638	2,054	2,306	45,566
Currency translation differences	479	140	17	0	636
Changes in scope of consolidation/ other changes	1,536	0	0	0	1,536
Additions	2,246	1,635	136	0	4,017
Reclassifications	20	2,402	0	(2,306)	116
Disposals	(923)	(293)	(183)	0	(1,399)
At 28 February 2022	34,926	13,522	2,024	0	50,472
Accumulated depreciation and impairment					
At 1 March 2021	6,863	2,364	792	0	10,019
Currency translation differences	141	51	4	0	196
Depreciation for the period	3,940	1,446	447	0	5,833
Disposals	(829)	(279)	(183)	0	(1,291)
At 28 February 2022	10,115	3,582	1,060	0	14,757
Carrying amount at 28 February 2022	24,811	9,940	964	0	35,715
Carrying amount of total property, plant and equipment at 28 February 2022	307,494	435,207	50,792	34,675	828,168

- Additions of property, plant and equipment by segment were as follows:

€000	2022 23	2021 22
Fruit segment	36,750	35,607
Starch segment	30,204	23,998
Sugar segment	34,189	20,235
Group	101,143	79,840

- Currency translation differences are the differences between amounts arising from the translation of the opening balances of foreign Group companies at the exchange rates prevailing at the start and at the end of the reporting period. This item also includes the effects of the application of IAS 29 (accounting for hyperinflation).
- The government grants all pertained to the Sugar segment and consisted mainly of assistance for companies in the food industry in Hungary, investment assistance in the Czech Republic, and COVID-19 investment incentives in Austria.
- Due to the increased cost of capital amid the ongoing war in Ukraine, impairment tests of property, plant and equipment were performed. They resulted in an impairment charge of € 2,833 thousand in South Africa and India in the Fruit segment in the second quarter of 2022|23, recognised as an exceptional item (prior year: impairment of property, plant and equipment of the AGRANA Fruit Luka farming operation in Vinnytsia, Ukraine, and impairment of containers (totes) for finished products located at customers in war zones, totalling € 1,545 thousand in the Fruit segment).
- AGRANA uses leases mainly for long-term rental agreements for land and buildings in administration and production.
- At 28 February 2023 the weighted average incremental borrowing rate for the measurement of lease liabilities was 3.3% (prior year: 3.6%).

- Expenses for short-term leases and leases of assets with low value recognised in other operating expenses, as well as interest expenses on lease liabilities recognised in net financial items, were as follows in the year under review:

€000	2022 23	2021 22
Expenses for short-term leases	2,582	2,017
Expenses for leases of low-value assets	341	156
Interest expenses on lease liabilities	1,112	1,008

Note (18)

10.3. Equity-accounted joint ventures, securities, and investments in non-consolidated subsidiaries and outside companies

€000	Equity-accounted joint ventures	Securities (non-current)	Investments in non-consolidated subsidiaries and outside companies	Total
2022 23				
At 1 March 2022	65,952	18,772	280	85,004
Currency translation differences	(1,081)	0	0	(1,081)
Share of results of equity-accounted joint ventures	20,948	0	0	20,948
Capital increase at joint ventures and additions	2,291	0	0	2,291
Impairment	(2,291)	(1,156)	0	(3,447)
Dividends of equity-accounted joint ventures and disposals	(11,500)	0	0	(11,500)
Other comprehensive (expense)	(7,859)	(238)	0	(8,097)
At 28 February 2023	66,460	17,378	280	84,118
2021 22				
At 1 March 2021	72,118	19,416	1,683	93,217
Currency translation differences	(994)	2	0	(992)
Changes in scope of consolidation	0	0	(1,273)	(1,273)
Share of results of equity-accounted joint ventures	11,204	0	0	11,204
Impairment	(3,185)	(475)	(90)	(3,750)
Dividends of equity-accounted joint ventures and disposals	(12,500)	(54)	(40)	(12,594)
Other comprehensive (expense)	(691)	(117)	0	(808)
At 28 February 2022	65,952	18,772	280	85,004

- Owing to the sanctions against Russia, the majority of the raw material (betaine molasses) required by Beta Pura GmbH is currently not available. As a result of the joint venture's associated short- and medium-term financial difficulties, AGRANA Sales & Marketing GmbH as a 50% shareholder concluded a deferral and restructuring agreement subject to conditions precedent with Beta Pura GmbH and the bank that had provided the financing, RAIFFEISEN-LANDESBANK NIEDERÖSTERREICH-WIEN AG. Under this agreement, AGRANA Sales & Marketing GmbH provided a guarantee for 50% of the outstanding loans of Beta Pura GmbH to a maximum amount of € 13,367 thousand and undertook to extend to Beta Pura GmbH a subordinated shareholder loan of € 2,500 thousand. At the time of preparation of the consolidated financial statements, the conditions precedent were not yet fulfilled. The guarantee was recognised in the consolidated financial statements as a financial guarantee at the fair value of € 2,291 thousand. As well, the ownership interest in Beta Pura GmbH held by AGRANA Sales & Marketing GmbH serves as security for the bank loans of Beta Pura GmbH. In the 2022|23 financial year, impairment of € 2,291 thousand was recorded on the equity interest in Beta Pura GmbH (prior year: impairment of € 3,185 thousand).

Note (19)

10.4. Receivables and other assets

€000	28 Feb 2023	28 Feb 2022
Trade receivables	471,495	398,509
Amounts due from affiliated companies and joint ventures	16,005	18,117
Positive fair value of derivatives	10,535	8,032
Amounts due from associates of the Südzucker group	2,757	284
Receivable under government grants	1,263	1,369
Miscellaneous other financial assets	45,844	34,532
Financial instruments	547,899	460,843
VAT credits and other tax credits	69,397	61,217
Assets from termination benefit plans with a surplus	75	0
Prepaid expenses	8,642	7,241
Accrued income	6,743	5,465
Total	632,756	534,766
Of which due after more than 1 year	2,559	3,500

Amounts due from affiliated companies represent open accounts with non-consolidated subsidiaries, with the Group's parent company Südzucker AG and Südzucker's subsidiaries, and with joint ventures.

Note (20)

10.5. Deferred tax assets

Deferred tax assets were attributable to balance sheet items as follows:

€000	28 Feb 2023	28 Feb 2022
Deferred tax assets		
Intangible assets and property, plant and equipment	3,870	3,748
Non-current financial assets (primarily "one-seventh" write-downs on non-consolidated subsidiaries and on outside companies)	6,710	3,408
Inventories	6,526	4,447
Receivables and other assets	1,050	1,340
Carryforwards of unused tax losses	2,934	3,378
Provisions for pensions, termination benefits and long-service awards	3,717	4,248
Other provisions and liabilities	18,456	14,847
Total deferred tax assets	43,263	35,416
Deferred tax assets offset against deferred tax liabilities relating to the same tax authority	(23,446)	(21,682)
Net deferred tax assets	19,817	13,734

Deferred tax liabilities are detailed in note 26.

Note (21)

10.6. Inventories

€000	28 Feb 2023	28 Feb 2022
Raw materials and consumables	391,358	296,906
Finished and unfinished goods	789,923	546,207
Goods purchased for resale	28,738	20,954
Total	1,210,019	864,067

Write-downs of € 5,811 thousand (prior year: € 6,913 thousand) were recognised on inventories, with € 4,011 thousand accounted for by the Fruit segment (prior year: € 1,681 thousand), € 445 thousand by the Starch segment (prior year: € 2,617 thousand) and € 1,355 thousand by the Sugar segment (prior year: € 2,615 thousand). The impairment represented reductions in net realisable values at the balance sheet date.

Note (22)

10.7. Equity

- The share capital at the balance sheet date was € 113,531,275 (prior year: € 113,531,275), divided into 62,488,976 (prior year: 62,488,976) voting ordinary bearer shares. All shares were fully paid.
- The movements in the Group's equity are presented from page 128.
- The capital reserves ("share premium and other capital reserves") consist of share premium (i.e., additional paid-in capital) and of reserves resulting from the reorganisation of companies. At the balance sheet date, the amount of share premium and other capital reserves was € 540,759,998 (prior year: € 540,759,998).
- Retained earnings consist of the reserve for equity instruments, the reserve for hedging instruments (cash flow hedges), reserves for actuarial gains and losses, and reserves for the share of other comprehensive income of joint ventures, effects of consolidation-related foreign currency translation and hyperinflation adjustments (including gains of € 5,061 thousand in Argentina and of € 2,119 thousand in Turkey), and accumulated profit for the period.

Disclosures on capital management

A key goal of equity management is the maintenance of sufficient equity resources to safeguard the Company's continuing existence as a going concern and ensure continuity of dividends. Equity bore the following relationship to total capital:

€000	28 Feb 2023	28 Feb 2022
Total equity	1,256,569	1,281,542
Total assets	3,003,075	2,643,630
Equity ratio	41.8%	48.5%
Net debt	684,895	532,006
Gearing ratio	54.5%	41.5%

Capital management at AGRANA means the management of equity and of net debt. By optimising these two quantities, the Company seeks to achieve the best possible shareholder returns. In addition to the equity ratio, the most important control variable is the gearing ratio (net debt divided by total equity). The total cost of equity and debt capital employed and the risks associated with the different types of capital are continuously monitored.

The sound equity base gives AGRANA strategic flexibility and also ensures the Group's financial stability and independence. In addition to its self-financing ability, AGRANA also has access to sufficient committed credit lines for its overall financing needs.

The approach to capital management was unchanged from the prior year.

Note (23)

10.8. Provisions

€000	28 Feb 2023	28 Feb 2022
Provisions for:		
Pensions	26,710	25,404
Termination benefits	26,825	33,444
Other	47,904	48,392
Total	101,439	107,240

Note (23a)

a) Provisions for pensions and termination benefits

Provisions for pensions and termination benefits are measured in accordance with IAS 19, using the projected unit credit method and taking into account future trends on an actuarial basis. For both the pension and termination benefit obligations, the plans are defined benefit plans.

The present values of the obligations, and the associated plan assets where applicable, were determined based on the following actuarial parameters:

%	28 Feb 2023	28 Feb 2022
Expected rate of wage and salary increases		
Austria and rest of Europe	4.00 – 9.04	3.36
Mexico/South Korea	6.00 / 3.00	6.00 / 4.00
Expected trend of pension increases		
Austria and rest of Europe	4.00 – 9.04	1.90
Mexico	6.00	6.00
Discount rate		
Austria and rest of Europe	4.25	1.65
Mexico/South Korea	9.00 / 5.30	8.25 / 2.70

A discount rate of 4.25% (prior year: 1.65%) was used in almost all cases in the determination of the provisions for pensions and termination benefits. The discount rate is based on the yield of high-quality corporate bonds with a duration matching the average weighted duration of the obligations.

The measurement process also involves other company-specific actuarial assumptions, such as the staff turnover rate. The current mortality tables recognised in the respective country are used as the biometric basis for the calculations – in Austria, this is the version of the computation tables specific to salaried employees (“AVÖ 2018-P-Rechnungsgrundlagen für die Pensionsversicherung”).

Defined benefit plans

Pension plans in the AGRANA Group are based largely on direct defined benefit commitments. The amounts of the pension benefits are usually determined by length of service and by pensionable pay. Termination benefit plans exist mainly as a result of legal requirements or of obligations under collective agreements and the benefits represent one-time, lump sum payments. The amount of the termination benefits typically depends on final pay and length of service.

The provision in the balance sheet for pensions and termination benefits in the AGRANA Group represents the present value of the defined benefit obligation less the fair value of the plan assets:

€000	28 Feb 2023	28 Feb 2022
Pension plans		
Present value of defined benefit obligation	41,857	41,813
Fair value of plan assets	(15,147)	(16,409)
Pension provisions [net liability]	26,710	25,404
Termination benefit plans		
Present value of defined benefit obligation	28,802	35,542
Fair value of plan assets	(2,052)	(2,098)
Net liability under defined benefit obligation	26,750	33,444
Of which assets from termination benefit plans with a surplus	-75	0
Of which termination benefit provisions	26,825	33,444

In connection with defined benefit pension commitments, the AGRANA Group's major plans are the following:

AGRANA Beteiligungs-AG has direct defined benefit commitments in respect of Management Board members for retirement, disability and survivor pensions based on a fixed percentage of a pension assessment base. All pension benefit obligations have been transferred to and are administered by an external pension fund. The present value of the obligation was € 24,679 thousand (prior year: € 25,721 thousand) and the plan assets amounted to € 14,760 thousand (prior year: € 16,056 thousand). Further detail is provided in the section "Related party disclosures" in these Notes.

In addition, there were direct defined benefit commitments, including for survivor benefits, in respect of retired former employees of AGRANA Zucker GmbH in the amount of € 13,451 thousand (prior year: € 12,508 thousand), of Österreichische Rübensamenzucht Gesellschaft m.b.H. in the amount of € 593 thousand (prior year: € 620 thousand), of AGRANA Stärke GmbH in the amount of € 1,490 thousand (prior year: € 1,473 thousand) and of AUSTRIA JUICE GmbH in the amount of € 159 thousand (prior year: € 184 thousand). The present value of the obligation of AUSTRIA JUICE GmbH is offset by plan assets in the form of pension risk transfer insurance of € 135 thousand (prior year: € 139 thousand).

At AGRANA Fruit Austria GmbH there are pension commitments in respect of active employees for retirement, disability and survivor benefits with a contractual (in some cases length-of-service-dependent) fixed benefit amount, and direct obligations in respect of retired former employees, including survivor benefits. The present value of these obligations was € 365 thousand (prior year: € 470 thousand) and there were plan assets in the form of pension insurance of € 169 thousand (prior year: € 155 thousand).

In Mexico there is a contractual obligation in respect of a defined set of recipients in the event of retirement or early retirement to pay a fixed percentage of a specified pensionable pay base in monthly instalments for a period of ten years. Alternatively, the recipient may choose a lump sum payment. The present value of this obligation was € 1,120 thousand (prior year: € 837 thousand), with plan assets in the form of pension insurance of € 83 thousand (prior year: € 59 thousand).

The pension provisions showed the following movement:

€000	Present value of obligation	Fair value of plan assets	Pension provisions
2022 23			
At 1 March 2022	41,813	(16,409)	25,404
Current service cost	78	0	78
Interest expense/(income)	719	(269)	450
Taxes and administration cost	0	9	9
Total recognised in the income statement [net pension cost]	797	(260)	537
Losses/(gains) from:			
Actual return on plan assets	0	691	691
Changes in financial assumptions	725	0	725
Experience adjustments	1,367	0	1,367
Currency translation differences	174	(12)	162
Total remeasurement loss recognised in the statement of comprehensive income	2,266	679	2,945
Benefits paid	(3,019)	1,015	(2,004)
Employer contributions to plan assets	0	(172)	(172)
Other movements	(3,019)	843	(2,176)
At 28 February 2023	41,857	(15,147)	26,710

€000	Present value of obligation	Fair value of plan assets	Pension provisions
2021 22			
At 1 March 2021	46,405	(16,281)	30,124
Current service cost	216	0	216
Interest expense/(income)	385	(125)	260
Taxes and administration cost	0	20	20
Total recognised in the income statement [net pension cost]	601	(105)	496
(Gains)/losses from:			
Actual return on plan assets	0	(526)	(526)
Changes in demographic assumptions	17	0	17
Changes in financial assumptions	(3,004)	0	(3,004)
Experience adjustments	631	0	631
Currency translation differences	86	(8)	78
Total remeasurement (gain) recognised in the statement of comprehensive income	(2,270)	(534)	(2,804)
Benefits paid	(2,923)	885	(2,038)
Employer contributions to plan assets	0	(374)	(374)
Other movements	(2,923)	511	(2,412)
At 28 February 2022	41,813	(16,409)	25,404

The AGRANA Group has the following main termination benefit plans:

The termination benefit plans most significant in amount exist in Austria and France. The plans represent legislated commitments to pay a lump sum benefit on termination of employment (unless terminated by the employee) and in the event of retirement or death. The amount of the benefit depends on final pay and length of service. Termination benefit obligations in Austria and France are funded solely by provisions, in the amount of € 26,039 thousand (prior year: € 32,333 thousand).

In Russia and Ukraine there are termination benefit commitments (either legislated or based on company-wide agreements) that are minor in amount. These are payable as a lump sum on termination of employment (except in the event of termination by the employee) or on retirement. The benefit amount depends on final pay and length of service. These commitments in the amount of € 187 thousand (prior year: € 218 thousand) are covered solely by provisions. In Romania there are termination benefit obligations of three months' pay in the event of retirement. The amount of the provision is € 195 thousand (prior year: € 176 thousand).

The commitments in Mexico are legislated obligations to all permanent and full-time employees. In Mexico the termination benefit is paid if the employment relationship is terminated (after 15 years or more of service), at retirement or in the event of disability or death. It takes the form of a lump sum in an amount that is based on final salary and length of service. Plan assets of € 3 thousand (prior year: € 2 thousand) in Mexico offset the present value of the obligation of € 407 thousand (prior year: € 265 thousand).

The present value of the obligation of the termination benefit plan for South Korea was € 1,974 thousand (prior year: € 2,550 thousand); the plan assets amounted to € 2,049 thousand (prior year: € 2,096 thousand). The plan thus had a surplus of € 75 thousand.

The termination benefit provisions showed the following movement:

€000	Present value of obligation	Fair value of plan assets	Net liability, termination benefits
2022 23			
At 1 March 2022	35,542	(2,098)	33,444
Current service cost	1,543	0	1,543
Interest expense/(income)	598	(65)	533
Taxes and administration cost	0	5	5
Total recognised in the income statement [net termination benefit cost]	2,141	(60)	2,081
Losses/(gains) from:			
Actual return on plan assets	0	33	33
Changes in demographic assumptions	(20)	0	(20)
Changes in financial assumptions	(4,463)	0	(4,463)
Experience adjustments	(1,244)	0	(1,244)
Currency translation differences	(76)	83	7
Total remeasurement (gain)/loss recognised in the statement of comprehensive income	(5,803)	116	(5,687)
Transfers	(120)	0	(120)
Benefits paid	(2,958)	275	(2,683)
Employer contributions to plan assets	0	(285)	(285)
Other movements	(3,078)	(10)	(3,088)
At 28 February 2023	28,802	(2,052)	26,750

€000	Present value of obligation	Fair value of plan assets	Net liability, termination benefits
2021 22			
At 1 March 2021	39,606	(1,944)	37,662
Current service cost	1,711	0	1,711
Past service cost	(247)	0	0
Interest expense/(income)	320	(40)	280
Taxes and administration cost	0	5	5
Total recognised in the income statement [net termination benefit cost]	1,784	(35)	1,749
Losses/(gains) from:			
Actual return on plan assets	0	27	27
Changes in demographic assumptions	(18)	0	(18)
Changes in financial assumptions	(1,338)	0	(1,338)
Experience adjustments	(587)	0	(587)
Currency translation differences	66	(29)	37
Total remeasurement (gain) recognised in the statement of comprehensive income	(1,877)	(2)	(1,879)
Benefits paid	(3,971)	180	(3,791)
Employer contributions to plan assets	0	(297)	(297)
Other movements	(3,971)	(117)	(4,088)
At 28 February 2022	35,542	(2,098)	33,444

The expense for the unwinding of discount on benefits accrued in prior years, less the return on plan assets, is included within net financial items. The current service cost is included in staff costs. The year's actuarial result on pension and termination benefit provisions, which is recognised in other comprehensive income as the item "Changes in actuarial gains and losses on defined benefit pension obligations and similar liabilities", was an actuarial gain of € 2,755 thousand (prior year: actuarial gain of € 4,659 thousand). The movement resulted primarily from a change in the discount rate, experience adjustments, changes in growth assumptions for the pension assessment base and future salaries, changes in expected retirement age and assumed employee turnover rates. As of 28 February 2023, net cumulative actuarial losses of € 39,990 thousand (prior year: net cumulative actuarial losses of € 42,745 thousand) had been offset against retained earnings, not taking into account deferred taxes.

The experience adjustments reflect the impacts on the plan liabilities of differences between the actual movement in the plan obligation during the year and the assumptions made at the beginning of the year. Such differences arise, especially, from actual rates of wage and salary increases, changes in pension benefits, employee turnover and biometric variables such as disability and mortality.

Composition of plan assets

The plan assets consist primarily of investments in an external pension fund and of pension benefit insurance policies. The fundamental objective for the plan assets is to provide, at all times, full coverage of the payment obligations arising from the respective benefit plans. The plan assets include neither financial instruments issued by the Group nor owner-occupied property.

At the balance sheet date the plan assets were invested in the following asset categories:

%	28 Feb 2023	28 Feb 2022
Fixed income securities	30.08%	35.93%
Equity securities	33.68%	39.13%
Real estate	5.80%	4.86%
Other	30.44%	20.08%

Risks

Defined benefit plans are associated with various risks for the AGRANA Group. Besides general actuarial risks such as discount rate risk and longevity risk, these include the risk that actual outcomes will differ from actuarial assumptions such as rates of wage and salary growth, pension benefit trends, retirement age and employee turnover (early departures). Risks in connection with the plan assets are capital market risks, credit risks and investment risks. Other risks lie in exchange rate fluctuation and changes in inflation rates.

The rate of return on plan assets is assumed to equal the discount rate. If the actual rate of return on plan assets is less than the discount rate used, the respective net liability increases. The net liability is most strongly influenced by the discount rate.

Potential inflation risks that may lead to an increase in the defined benefit obligations lie, indirectly, in inflation-driven salary growth during active service and in inflation-induced pension benefit increases.

Duration and future payments

The average weighted duration of the present value of the pension obligations at 28 February 2023 was 9.91 years (prior year: 10.88 years) and that of the termination benefit obligations was 7.24 years (prior year: 8.39 years).

€ 3,600 thousand of contributions are expected to be paid into the plan assets in the subsequent reporting period (prior year: € 1,146 thousand).

The amounts of pension and termination benefit payments in the next ten years are expected to be as follows:

€000	Pension benefits	Termination benefits
Financial year 2023 24	3,221	3,841
Financial year 2024 25	3,086	2,413
Financial year 2025 26	3,005	2,930
Financial year 2026 27	2,913	2,106
Financial year 2027 28	2,836	2,023
Financial years 2028 29 to 2032 33	13,755	16,714
Total	28,816	30,027

Note (23b)

b) Other provisions

€000	Recla- mation	Staff costs, including long-service awards	Uncertain liabilities	Total
2022 23				
At 1 March 2022	12,047	16,548	19,797	48,392
Currency translation differences	171	(39)	(33)	99
Used	(211)	(2,590)	(11,169)	(13,970)
Released	(254)	(969)	(3,359)	(4,582)
Added	1,117	2,195	14,653	17,965
At 28 February 2023	12,870	15,145	19,889	47,904
Of which due within 1 year	1,498	1,828	16,190	19,516

The provisions for uncertain liabilities included, among other items, provisions for onerous contracts of € 4,598 thousand (prior year: € 8,015 thousand), for litigation risks of € 2,453 thousand (prior year: € 2,523 thousand) and for costs of beet receiving, loading and storage of € 1,075 thousand (prior year: € 1,153 thousand).

Of the non-current other provisions of € 28,388 thousand (prior year: € 29,364 thousand), a large portion, at € 10,791 thousand (prior year: € 12,244 thousand), represented provisions for long-service awards. These are payable under local company agreements or collective agreements and are based on length of service. Phased-retirement provisions of € 30 thousand (prior year: € 445 thousand) are expected to be used in outflows of funds in the next one to three years. For the majority of the non-current provisions of € 11,372 thousand (prior year: € 11,841 thousand) for reclamation, an outflow of funds is likely to occur in more than five years.

Note (24)

10.9. Borrowings

€000	28 Feb 2023	28 Feb 2022
Bank loans and overdrafts	787,049	626,069
Lease liabilities	33,567	28,302
Borrowings	820,616	654,371
Of which due after more than 1 year	562,868	377,744

Details of bank loans and overdrafts are presented in sections 11.1 to 11.4.

The maturities of the lease liabilities existing at the balance sheet date were as follows:

€000	28 Feb 2023	28 Feb 2022
Non-current lease liabilities	27,666	22,699
Current lease liabilities	5,901	5,603

At the balance sheet date, bank loans and overdrafts were secured by liens. The liens related to collateral in the form of export receivables for an export credit in Austria and in the form of operating assets (such as machinery) for loans in Algeria. The underlying carrying amounts were € 11,478 thousand (prior year: € 9,082 thousand).

Note (25)

10.10. Trade and other payables

€000	28 Feb 2023	28 Feb 2022
Trade payables	586,991	440,130
Amounts due to affiliated companies in the Südzucker group and joint ventures	34,026	33,180
Amounts due to other investees of the Südzucker group	19,733	0
Payables from the acquisition of subsidiaries	5,526	4,060
Derivative liabilities	35,420	11,326
Financial other payables	79,160	72,160
Financial instruments	760,856	560,856
Payables: deferred income	3,741	3,729
Payables: prepayments	1,834	1,480
Payables: other tax	16,058	13,652
Payables: social security	10,651	9,556
Total	793,140	589,273
Of which due after more than 1 year	6,670	5,363

Trade payables included obligations to beet growers of € 177,533 thousand (prior year: € 63,884 thousand).

Financial other payables included, among other items, liabilities to employees and payroll liabilities.

Note (26)

10.11. Deferred tax liabilities

Deferred tax liabilities were attributable to balance sheet items as follows:

€000	28 Feb 2023	28 Feb 2022
Deferred tax liabilities		
Non-current assets	19,628	19,807
Inventories	325	147
Receivables and other assets	5,966	3,625
Untaxed reserves in separate financial statements	1,269	1,341
Provisions and other liabilities	3,099	2,980
Total deferred tax liabilities	30,287	27,900
Deferred tax assets offset against deferred tax liabilities relating to the same tax authority	(23,446)	(21,682)
Net deferred tax liabilities	6,841	6,218

Deferred tax assets are detailed in note 20.

11. Notes on financial instruments

11.1. Investment and credit transactions (non-derivative financial instruments)

To cover its overall funding needs, the AGRANA Group, in addition to its self-financing capability, has access to syndicated credit lines and bilateral credit lines from banks.

Financial instruments are generally procured centrally and distributed Group-wide. The principal aims of obtaining financing are to support sustained growth in enterprise value, safeguard the Group's credit quality and ensure its liquidity.

To manage the seasonally fluctuating cash flows, the AGRANA Group in the course of its day-to-day financial management uses conventional investments (demand deposits, time deposits and securities) and borrowings (in the form of overdrafts, short-term funds and fixed rate loans).

	Average effective interest rate %	At balance sheet date €000	Of which due in		
			Up to 1 year €000	1 to 5 years €000	More than 5 years €000
28 February 2023					
Fixed rate					
CNY	4.53	665	665	0	0
DZD	6.96	4,749	3,742	1,007	0
EUR	1.56	334,574	55,639	273,852	5,083
	1.64	339,988	60,046	274,859	5,083
Variable rate					
CNY	3.60	1,989	1,989	0	0
EGP	19.46	991	991	0	0
EUR	3.56	439,216	183,956	226,260	29,000
INR	12.00	122	122	0	0
KRW	4.99	3,808	3,808	0	0
TRY	26.00	658	658	0	0
ZAR	10.75	277	277	0	0
	3.64	447,061	191,801	226,260	29,000
Total	2.78	787,049	251,847	501,119	34,083

	Average effective interest rate %	At balance sheet date €000	Of which due in		
			Up to 1 year €000	1 to 5 years €000	More than 5 years €000
28 February 2022					
Fixed rate					
CNY	4.69	4,105	3,412	693	0
DZD	7.18	3,307	2,957	350	0
EUR	1.20	355,550	62,648	263,060	29,842
	1.23	362,962	69,017	264,103	29,842
Variable rate					
CNY	4.59	5,133	5,133	0	0
EGP	7.50	758	758	0	0
EUR	0.23	253,916	192,816	42,000	19,100
KRW	2.83	2,987	2,987	0	0
TRY	23.25	215	215	0	0
USD	2.25	97	97	0	0
ZAR	9.00	1	1	0	0
	0.39	263,107	202,007	42,000	19,100
Total	0.91	626,069	271,024	306,103	48,942

Borrowings (excluding lease liabilities) consisted of bank loans and overdrafts in the amount of € 787,049 thousand (prior year: € 626,069 thousand).

The weighted average interest rate paid on the amounts drawn under the financing facilities was 2.78% (prior year: 0.91%), with an average remaining maturity of 2.4 years (prior year: 2.2 years). Credit lines amounted to an aggregate limit of € 1,152,380 thousand (prior year: € 1,085,955 thousand). The average remaining maturity of the credit lines was 2.3 years (prior year: 1.3 years).

The credit funding of the AGRANA Group consisted primarily of two syndicated credit lines totalling € 400,000 thousand at the balance sheet date (prior year: € 400,000 thousand) and Schuldscheindarlehen (bonded loans) of € 409,000 thousand (prior year: € 181,000 thousand). The rest of the credit funding consisted of bilateral credit lines.

The fixed interest portion of bank loans and overdrafts and amounts due to affiliated companies was € 339,988 thousand (prior year: € 362,962 thousand). The fair values (i.e., market values) of the variable rate bank loans and overdrafts are equivalent to their carrying amounts. At the balance sheet date, bank loans and overdrafts in the amount of € 11,478 thousand (prior year: € 9,082 thousand) were secured by other liens (see note 24).

Cash and cash equivalents increased by € 14,750 thousand from the prior year to a new total of € 118,343 thousand.

11.2. Derivative financial instruments

To hedge part of the risks arising from its operating activities (risks due to movements in interest rates, foreign exchange rates and raw material and energy prices), the AGRANA Group to a limited extent uses derivative financial instruments. AGRANA employs derivatives largely to hedge the following exposures:

- Interest rate risks, which can arise from floating rate borrowings.
- Currency risks, which may arise primarily from the purchase and sale of products in US dollars and Eastern European currencies and from finance in foreign currencies.
- Market price risks, arising especially from changes in commodity prices for sugar in the world market, from grain prices, from selling prices for sugar and ethanol, and from energy prices.

The Group employs only conventional derivatives for which there is a sufficiently liquid market (for example, interest rate swaps, forward foreign exchange contracts, currency options, commodity futures or energy swaps). The use of these instruments is governed by Group policies under the Group's risk management system. These policies prohibit the speculative use of derivative financial instruments, set ceilings appropriate to the underlying transactions, define authorisation procedures, minimise credit risks, and specify internal reporting rules and the organisational separation of risk-taking and risk oversight. Adherence to these standards and the proper processing and valuation of transactions are regularly monitored by an internal department whose independence is ensured by its organisational separation from risk origination.

The notional amounts and market values (fair values) of the derivative financial instruments held by the AGRANA Group were as follows:

Purchase	Sale	Nominal amount	Positive fair values	Negative fair values	Net fair value
		€000	€000	€000	€000
28 February 2023					
AUD	EUR	4,835	0	(65)	(65)
CZK	EUR	510	1	0	1
EUR	AUD	11,772	139	(1)	138
EUR	CZK	83,142	0	(3,872)	(3,872)
EUR	GBP	736	0	(6)	(6)
EUR	HUF	27,948	0	(2,117)	(2,117)
EUR	INR	716	17	0	17
EUR	JPY	3,868	54	0	54
EUR	MXN	28,902	0	(1,679)	(1,679)
EUR	PLN	36,597	0	(374)	(374)
EUR	RON	115,279	6	(2,350)	(2,344)
EUR	USD	176,121	2,581	(335)	2,246
EUR	ZAR	2,581	204	0	204
HUF	EUR	5,735	302	0	302
MXN	EUR	15,197	351	0	351
PLN	EUR	47,917	557	(1)	556
RON	EUR	47,242	954	0	954
USD	EUR	92,040	671	(336)	335
Currency derivatives		701,138	5,837	(11,136)	(5,299)
Interest rate swaps		128,500	4,619	0	4,619
Wheat and corn futures		208,119	76	(7,243)	(7,167)
Energy swaps		52,743	3	(17,041)	(17,038)
Total		1,090,500	10,535	(35,420)	(24,885)

Purchase	Sale	Nominal	Positive	Negative	Net
		amount	fair values	fair values	fair value
		€000	€000	€000	€000
28 February 2022					
AUD	EUR	2,837	60	0	60
CZK	EUR	15,957	0	(335)	(335)
EUR	AUD	3,723	0	(46)	(46)
EUR	CZK	45,157	231	(684)	(453)
EUR	GBP	552	0	(3)	(3)
EUR	HUF	14,534	244	(27)	217
EUR	INR	1,234	0	(28)	(28)
EUR	JPY	1,349	0	(3)	(3)
EUR	MXN	18,497	0	(1,088)	(1,088)
EUR	PLN	13,610	247	0	247
EUR	RON	108,741	0	(1,396)	(1,396)
EUR	RUB	320	110	0	110
EUR	USD	124,264	2	(1,688)	(1,686)
EUR	ZAR	2,456	0	(119)	(119)
HUF	EUR	2,169	0	(14)	(14)
MXN	EUR	10,978	137	0	137
PLN	EUR	32,100	175	(244)	(69)
RON	EUR	53,864	686	0	686
USD	EUR	40,323	1,888	0	1,888
USD	RON	9,104	102	0	102
Currency derivatives		501,769	3,882	(5,675)	(1,793)
Interest rate swaps		76,000	382	(272)	110
Sugar futures		12,196	257	0	257
Wheat and corn futures		132,619	3,511	0	3,511
Ethanol futures		16,687	0	(5,379)	(5,379)
Total		739,271	8,032	(11,326)	(3,294)

The currency derivatives and commodity derivatives are used to hedge cash flows for up to one year; the interest rate derivatives, for one to five years, and the energy derivatives, for one to four years.

The notional amount of the derivatives represents the face amount of all hedges, translated into euros, the Group currency.

The fair value of a derivative is the amount which the AGRANA Group would have to pay or would receive at the balance sheet date in the hypothetical event of early termination of the hedge position. As the hedging transactions involve only standardised, fungible financial instruments, fair value is determined on the basis of quoted market prices.

Fair value changes of derivatives that were used to hedge future cash flows and have a hedging relationship to an underlying transaction (cash flow hedges) must initially be recognised in other comprehensive income. Subsequently they are taken to profit or loss only when the cash flows are realised, in revenue (for sales transactions) or cost of materials (for purchase transactions) and in net financial items (for interest rate swaps).

The carrying amounts represent the fair values. The derivatives recognised with a hedging relationship to an underlying transaction are presented in the following table:

€000	28 Feb 2023		28 Feb 2022	
	Fair value		Fair value	
	Positive	Negative	Positive	Negative
Currency derivatives	164	(1,012)	1,743	(560)
Interest rate swaps	4,619	0	382	(272)
Sugar futures	0	0	257	0
Wheat and corn futures	0	(7,243)	3,486	0
Energy swaps	3	(17,041)	0	0
Ethanol futures	0	0	0	(5,379)
Total	4,786	(25,296)	5,868	(6,211)

The hedge relationships concern the hedging of price risk on raw sugar purchases, sugar sales, wheat and corn purchases, corn sales in the case of waxy corn derivatives, and on sales of ethanol, and purchases of natural gas, extra light heating oil, and electricity. Under the risk management strategy, hedging through futures contracts and over-the-counter (OTC) swaps is intended to hedge a certain percentage of the planned commodity quantities. The goal of the risk management strategy is to lock in the price of future purchases and sales at an early stage by entering into corresponding futures contracts and OTC swaps. As part of the hedging of price risk, transactions in US dollars are protected against the effects of exchange rate movements through the use of foreign exchange contracts.

To hedge interest rate risk, the Group holds interest rate swaps with a hedging relationship to the underlying transaction. The underlying transaction is considered to consist of the future cash flows from financial liabilities that carry variable interest at 3-month EURIBOR. The hedging of the variable future interest payments on the financial liability leads to the reduction of volatile valuation components in the income statement and enhances the quality of planning and forecasting. The risk management objective is thus to hedge against the risk of fluctuations in variable cash flows.

For the 2022|23 financial year, a loss of € 18,073 thousand (prior year: gain of € 656 thousand) before taxes, and a tax benefit of € 3,241 thousand (prior year: tax expense of € 131 thousand) for value changes on derivatives with a hedging relationship to the underlying transaction, were recognised in other comprehensive income. A loss of € 2,211 thousand due to hedge ineffectiveness was recognised in the year under review (prior year: € 0 thousand). Net derivative gains of € 828 thousand relating to already fulfilled underlying transactions were reclassified from the reserve for hedging instruments (cash flow hedges) to the income statement. The fair values of the derivatives remained in the balance sheet until their future settlement.

The following table presents the derivatives that have a hedging relationship to an underlying transaction, with the notional amounts or contract volumes, and the average prices and interest rates, by maturity.

		28 Feb 2023			28 Feb 2022		
		Remaining maturity			Remaining maturity		
		Up to 1 year	1 to 5 years	More than 5 years	Up to 1 year	1 to 5 years	More than 5 years
Currency derivatives (USD)							
Notional amount	€000	6,209	0	0	46,242	0	0
Average hedged price	USD	1.045	0	0	1.167	0	0
Currency derivatives (RON)							
Notional amount	€000	0	0	0	13,059	0	0
Average hedged price	RON	0	0	0	1.587	0	0
Currency derivatives (HUF)							
Notional amount	€000	0	0	0	7,045	0	0
Average hedged price	HUF	0	0	0	365.354	0	0
Currency derivatives (CZK)							
Notional amount	€000	15,385	0	0	7,332	0	0
Average hedged price	CZK	25.361	0	0	25.880	0	0
Interest rate swaps							
Notional amount	€000	0	101,000	27,500	50,000	26,000	0
Average interest rate	%	0	1.477	2.640	0.245	-0.460	0
Sugar futures							
Volume	Tonnes	0	0	0	35,003	0	0
Average hedged price	€ per tonne	0	0	0	17.330	0	0
Wheat and corn futures							
Volume	Tonnes	152,750	0	0	21,800	0	0
Average hedged price	€ per tonne	321.565	0	0	158.558	0	0
Ethanol futures							
Volume	Tonnes	0	0	0	17,100	0	0
Average hedged price	€ per tonne	0	0	0	661.289	0	0
Natural gas swaps							
Volume	MWh	352,925	0	0	0	0	0
Average hedged price	€ per MWh	85.606	0	0	0	0	0
Extra light heating oil swaps							
Volume	Tonnes	42,524	0	0	0	0	0
Average hedged price	€ per tonne	827.557	0	0	0	0	0
Power swaps							
Volume	MWh	625	0	0	0	0	0
Average hedged price	€ per MWh	292.680	0	0	0	0	0

The value changes of those derivative positions which do not have a hedging relationship to an underlying transaction are recognised in profit or loss in the income statement. Hedging transactions were carried out to hedge sales revenue and raw material expenses.

The table below shows the periods in which the cash outflows are expected to occur, as well as the carrying amounts of the hedging instruments:

€000	Carrying amount	Total	Contractual cash outflows								
			Up to 3 m	4 to 6 m	7 to 12 m	1 to 2 y	2 to 3 y	3 to 4 y	4 to 5 y	More than 5 y	
28 February 2023											
Currency derivatives											
	Positive fair values	5,837	5,837	5,595	178	64	0	0	0	0	0
	Negative fair values	(11,136)	(11,136)	(10,303)	(493)	(340)	0	0	0	0	0
Interest rate derivatives											
	Positive fair values	4,619	28	143	143	286	122	(206)	(206)	(173)	(81)
	Negative fair values	0	0	0	0	0	0	0	0	0	0
Commodity derivatives											
	Positive fair values	76	76	25	51	0	0	0	0	0	0
	Negative fair values	(7,243)	(7,243)	(3,895)	0	(3,348)	0	0	0	0	0
Energy derivatives											
	Positive fair values	3	3	1	1	1	0	0	0	0	0
	Negative fair values	(17,041)	(17,041)	(1,551)	(654)	(12,453)	(637)	(943)	(803)	0	0
	Total	(24,885)	(29,476)	(9,985)	(774)	(15,790)	(515)	(1,149)	(1,009)	(173)	(81)
28 February 2022											
Currency derivatives											
	Positive fair values	3,882	3,882	3,624	145	113	0	0	0	0	0
	Negative fair values	(5,675)	(5,675)	(5,301)	(257)	(117)	0	0	0	0	0
Interest rate derivatives											
	Positive fair values	382	60	6	6	12	25	11	0	0	0
	Negative fair values	(272)	(331)	(103)	(103)	(125)	0	0	0	0	0
Commodity derivatives											
	Positive fair values	3,768	3,768	3,517	25	226	0	0	0	0	0
	Negative fair values	(5,379)	(5,379)	(5,379)	0	0	0	0	0	0	0
	Total	(3,294)	(3,675)	(3,636)	(184)	109	25	11	0	0	0

In terms of sensitivities, the net combined fair value of the derivative positions held at 28 February 2023 would have changed as follows given a reduction or increase of a half percentage point in the market interest rate, an appreciation or depreciation of 10% in the relevant currencies against the euro, and a reduction or increase of 10% in the prices of wheat, corn and sugar:

	Notional amount		Sensitivity (+)		Sensitivity (-)	
	28 Feb 2023	28 Feb 2022	28 Feb 2023	28 Feb 2022	28 Feb 2023	28 Feb 2022
€000						
Currency derivatives	701,138	501,769	(22,039)	(25,980)	18,032	21,257
Interest rate derivatives	128,500	76,000	3,295	546	(2,293)	(546)
Commodity derivatives	208,119	161,502	4,393	(1,335)	(4,393)	(1,843)
Energy derivatives	52,743	-	4,854	-	(4,854)	-

The effect of the changes in fair value on equity, including the tax effect, would have been, for the increase in rates and prices, an equity increase of € 7,579 thousand (prior year: decrease of € 6,347 thousand) and for the decrease in rates and prices, an equity decrease of € 7,157 thousand (prior year: increase of € 2,788 thousand). The effect of the fair value changes on profit before tax would have been, for the increase in rates and prices, a profit decrease of € 19,340 thousand (prior year: decrease of € 18,528 thousand) and for the decrease in rates and prices, a profit increase of € 15,786 thousand (prior year: increase of € 15,248 thousand).

11.3. Additional disclosures on financial instruments

Carrying amounts and fair values of financial instruments

Set out in the table below are the carrying amounts and fair values of the Group's financial assets and liabilities, both by individual item type and by measurement category. The fair value of a financial instrument is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

The table below also shows how the fair values were determined, broken down by category of financial instrument. The fair value measurements were classified into three categories according to how closely the inputs used were based on quoted market data:

The three levels were defined as follows:

- Level 1 consists of those financial instruments for which the fair value represents exchange or market prices quoted for the exact instrument on an active market (i.e., these prices are used without adjustment or change in composition).
- In Level 2, the fair values are determined on the basis of exchange or market prices quoted on an active market for similar assets or liabilities, or using other valuation techniques for which the significant inputs are based on observable market data.
- Level 3 consists of those financial instruments for which the fair values are determined on the basis of valuation techniques using significant inputs that are not based on observable market data.

The fair value of Level 2 currency derivatives is measured based on the exchange rate at the balance sheet date and the underlying currencies' interest rate differential relevant for the remaining maturity. The mark-to-market price is determined and compared with the price of the hedged item or transaction. The input factors for this are the reference rates of the European Central Bank (ECB; daily fixing) or selected national central banks, and the daily published money market rates in the currencies relevant to AGRANA.

For Level 2 interest rate derivatives, the measurement of fair value involves comparing the fixed interest rate with the swap rates as at the balance sheet date or with the yield curve relevant for the maturity. The fair value is obtained from a separate calculation provided by banking institutions.

To hedge energy purchasing price risks, over-the-counter swaps are concluded at banking institutions. These are categorised as Level 2 instruments. The fair values are determined based on quoted market prices at the balance sheet date and obtained from a separate confirmation issued by the banking institutions.

In measuring the fair values of bank loans and overdrafts in Level 2, the terms agreed in the existing financing contracts, such as the remaining maturity and interest rate, are compared with the current market terms available at the balance sheet date for new financings with the same remaining maturity. The interest rate differential identified in this comparison determines the difference between the carrying amount and fair value.

The table below does not contain disclosures on the fair value of financial assets and liabilities that do not require measurement at fair value if the carrying amount is a reasonable approximation of fair value. This applies in particular to trade receivables, other financial assets, cash and cash equivalents, trade payables and financial other payables, as a result of the short terms to maturity.

€000	Carrying amount				Total	Fair value			Total
	At fair value through profit or loss	At fair value through other comprehensive income (no recycling)	At fair value through other comprehensive income (hedging instruments)	At amortised cost		Level 1	Level 2	Level 3	
28 February 2023									
Financial assets at fair value									
Securities (non-current)	11,473	5,905	–	–	17,378	10,583	–	6,795	17,378
Investments in non-consolidated subsidiaries and outside companies (non-current)	–	280	–	–	280	–	–	280	280
Derivative financial assets	5,749	–	4,786	–	10,535	76	10,459	–	10,535
	17,222	6,185	4,786	–	28,193				
Financial assets not at fair value									
Trade receivables	–	–	–	471,495	471,495				
Financial other receivables ¹	–	–	–	65,869	65,869				
Cash and cash equivalents	–	–	–	118,343	118,343				
	–	–	–	655,707	655,707				
Financial liabilities at fair value									
Derivative liabilities	10,124	–	25,296	–	35,420	7,243	28,177	–	35,420
	10,124	–	25,296	–	35,420				
Financial liabilities not at fair value									
Bank loans and overdrafts	–	–	–	787,049	787,049	–	759,662	–	759,662
Lease liabilities ²	–	–	–	33,567	33,567				
Trade payables	–	–	–	586,991	586,991				
Financial other payables ³	–	–	–	138,445	138,445				
	–	–	–	1,546,052	1,546,052				

¹ Excluding other tax receivables, and excluding those prepaid expenses and accrued income not resulting in a cash inflow.

² In accordance with IFRS 7.29 (d), the fair value is no longer presented.

³ Excluding payables from other tax, social security, customer prepayments, and deferred income.

€000	Carrying amount				Total	Fair value			Total
	At fair value through profit or loss	At fair value through other comprehensive income (no recycling)	At fair value through other comprehensive income (hedging instruments)	At amortised cost		Level 1	Level 2	Level 3	
28 February 2022									
Financial assets at fair value									
Securities (non-current)	12,630	6,142	–	–	18,772	11,739	–	7,033	18,772
Investments in non-consolidated subsidiaries and outside companies (non-current)	–	280	–	–	280	–	–	280	280
Derivative financial assets	2,164	–	5,868	–	8,032	3,767	4,265	–	8,032
	14,794	6,422	5,868	–	27,084				
Financial assets not at fair value									
Trade receivables	–	–	–	398,509	398,509				
Financial other receivables ¹	–	–	–	54,302	54,302				
Cash and cash equivalents	–	–	–	103,593	103,593				
	–	–	–	556,404	556,404				
Financial liabilities at fair value									
Derivative liabilities	5,115	–	6,211	–	11,326	5,379	5,947	–	11,326
	5,115	–	6,211	–	11,326				
Financial liabilities not at fair value									
Bank loans and overdrafts	–	–	–	626,069	626,069	–	624,647	–	624,647
Lease liabilities ²	–	–	–	28,302	28,302				
Trade payables	–	–	–	440,130	440,130				
Financial other payables ³	–	–	–	109,400	109,400				
	–	–	–	1,203,901	1,203,901				

The fair values of financial instruments were determined on the basis of the market information available at the balance sheet date and using the methods and assumptions outlined below.

Securities of Level 1 classified as at “fair value through profit or loss”, which included investment fund units of € 10,583 thousand (prior year: € 11,739 thousand), are measured at current market values obtained from securities account statements. Level 3 securities categorised as at “fair value through other comprehensive income (no recycling)” consisted largely of equity instruments in the amount of € 5,637 thousand (prior year: € 5,874 thousand), for which the market value is determined based on an issuer valuation report. For other securities in Level 3 classified as at “fair value through profit or loss” (uncertificated securities) in the amount of € 890 thousand (prior year: € 891 thousand), the nominal value represented their fair value. For shares of non-listed companies classified as at “fair value through other comprehensive income (no recycling)” in the amount of € 268 thousand (prior year: € 268 thousand) and for € 10 thousand (prior year: € 10 thousand) of investments in non-consolidated subsidiaries, the Group chose not to determine fair value based on discounted future cash flows, as this item was not material to the Group. The fair value of investments in outside companies in the amount of € 270 thousand (prior year: € 270 thousand) was determined using discounted expected future cash flows.

¹ Excluding other tax receivables, and excluding those prepaid expenses and accrued income not resulting in a cash inflow.

² In accordance with IFRS 7.29 (d), the fair value is no longer presented.

³ Excluding payables from other tax, social security, customer prepayments, and deferred income.

Securities, investments in non-consolidated subsidiaries and in outside companies that are classified as at “fair value through other comprehensive income (no recycling)” are held for the long term for strategic purposes. The following table shows their fair values and associated dividend payments.

€000	Fair value 28 Feb 2023	Dividend 2022 23	Fair value 28 Feb 2022	Dividend 2021 22
RAIFFEISEN-Holding				
NIEDERÖSTERREICH-WIEN regGenmbH	5,637	43	5,874	109
Other	548	28	548	33
Total	6,185	71	6,422	142

The change in fair values of Level 3 securities was recognised in other comprehensive income, in the reserve for equity instruments, at a decrease of € 238 thousand (prior year: decrease of € 117 thousand) before tax, and at a tax benefit of € 55 thousand (prior year: tax benefit of € 110 thousand). In the 2022|23 financial year, there were no changes in the category “at fair value through other comprehensive income (no recycling)” in Level 3.

The positive and negative fair values of commodity derivatives relate partly to cash flow hedges. For the interest rate hedges, the fair values are determined on the basis of discounted future cash flows. Forward foreign exchange contracts are measured on the basis of reference rates, taking into account forward premiums or discounts. The fair values of interest rate derivatives are obtained from the bank confirmations as at the balance sheet date. These fair values represent the present values of the future interest payments based on the yield curves used. The fair values of commodity derivatives are based on official quotations on futures exchanges. The market rates (fair values) of currency derivatives are based on the forward rates determined by AGRANA as at the balance sheet date and on the hedged exchange rates. The interest rates and exchange rates used for the determination of the forward rates are based on the reference rates published by the ECB or the national central banks. In some cases, as a result of differences in interest rates, the fair values determined by the Group may differ to an insignificant extent from the fair values calculated by the commercial banks that issue the bank confirmations. The market values of energy derivatives represent cash flow hedges and are obtained from bank confirmations.

The fair value of fixed interest liabilities is calculated as the present value of expected future cash flows. For variable rate liabilities, the fair value equals the carrying amount.

The net gains and losses on financial instruments are presented by measurement category in the following table:

€000	2022 23	2021 22
Fair value through profit or loss	(1,148)	(475)
Fair value through profit or loss – derivatives	924	(2,093)
At amortised cost – financial assets	756	(351)
At amortised cost – financial liabilities	2,707	1,836
Net gain/(loss) on financial instruments in the income statement	3,239	(1,083)
Fair value through other comprehensive income (no recycling)	(238)	(117)
Fair value through other comprehensive income (hedging instruments)	(18,073)	656
Net (loss)/gain on financial instruments in other comprehensive income	(18,311)	539
Total net (loss) on financial instruments	(15,072)	(544)

The total interest income and expense on financial assets and financial liabilities measured at amortised cost was as follows:

€000	2022 23	2021 22
Total interest income	1,199	742
Total interest expense	(11,491)	(6,077)
Net interest expense	(10,292)	(5,335)

11.4. Risk management in the AGRANA Group

The AGRANA Group is exposed to market price risks through changes in exchange rates, interest rates and security prices. On the procurement side, price risks arise largely from energy costs, the purchase of sugar in the world market and the purchase of wheat and corn (maize) for bioethanol production. On the sales side, price risks arise primarily from selling prices that are based on world market prices of ethanol and sugar. In addition, the Group is exposed to credit risks, which are associated especially with trade receivables.

AGRANA uses an integrated system for the early identification and monitoring of risks relevant to the Group. The Group's proven approach to risk management is guided by the aim of achieving a balance between risks and returns. The Group's risk culture is characterised by risk-aware behaviour, clearly defined responsibilities, independent risk control, and the implementation of internal control systems.

AGRANA regards the responsible management of business risks and opportunities as an important part of sustainable, value-driven corporate governance. Risk management thus forms an integral part of the entire planning, management and reporting process and is directed by the Management Board. The parent company and all subsidiaries employ risk management systems that are tailored to their respective operating activity. The systems' purpose is the methodical identification, assessment, control and documenting of risks.

In a three-pronged approach, risk management at the AGRANA Group is based on risk control at the operational level, on strategic control of Group companies by the Group, and on an internal monitoring system delivered by the Group's internal audit department. In addition, emerging trends that could develop into threats to the viability of the AGRANA Group as a going concern are identified and analysed at an early stage and continually re-evaluated as part of the risk management process.

Credit risk

Credit risk is the risk of an economic loss as a result of a counterparty's failure to honour its payment obligations. Credit risk includes both the risk of a deterioration in customers' or other counterparties' credit quality, and the risk of their immediate default.

The trade receivables of the AGRANA Group are largely with the food and chemical industries and the reseller sector (wholesalers and retailers). Credit risk in respect of trade receivables is managed on the basis of internal standards and guidelines.

The AGRANA Group applies the following credit risk management principles:

- Credit analysis of prospective customers and ongoing monitoring of existing customers' credit quality
- Use of trade credit insurance in accordance with internal Group regulations and requirements, supplemented where appropriate with additional security such as bank guarantees, letters of credit or prepayments.
- Systems-supported credit limit checks
- Standardised dunning

Each operating unit is responsible for the implementation and monitoring of the corresponding processes. As well, a monthly credit risk report is prepared by the operating units and aggregated at Group level. The uniform measures monitored as part of credit risk monitoring include, among others, days sales outstanding (DSO), the ageing schedule for receivables, and the types and amounts of credit security.

In determining possible impairment, in accordance with internal guidelines and IFRS 9, trade receivables are deemed irrecoverable when 90 days past due, unless the operating unit has reasonable and supportable information that demonstrates that a longer period past due is justified. However, should impairment be identified in the course of the credit monitoring, individual impairment is applied. This is also true for trade receivables less than 90 days past due. The receivables are not derecognised until an actual default is considered likely.

AGRANA uses the simplified approach under IFRS 9 to measure expected credit losses. Beyond the recognition of individual impairment, the defaults of the past ten years were analysed. Based on the results, loss rates were determined, by length of time past due and by payment profile of the underlying revenue. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors that affect customers' ability to pay receivables. For the measurement model, projections for non-performing loans were identified as the most relevant factor for the adjustment of the historical loss rates. As in the prior year, credit spreads are currently not suitable adjustment factors due to the war in Ukraine. Since the start of the war, credit spreads showed increases only in short-term maturities, but a declining trend in the medium-term maturities, which would indicate an undervaluation of credit risk. Macroeconomic uncertainty has decreased significantly compared to the two prior financial years. Therefore, the weighting of the calculated factors by GDP growth rates that had been used in the prior years was no longer applied.

To account for the uncertainties that persist, a multiplier of 2 was applied to the scalar factors for Ukraine and Russia and a multiplier of 1.5 was applied for the rest of the world, as in the prior year. The allowance for impairment of trade receivables was reduced to € 267 thousand, remaining immaterial for the Group overall.

The maturity profile of trade receivables, the loss rates and the impairment allowances raised were as follows:

€000	Loss rate %	Gross carrying amount	Impair- ment allowance	Net carrying amount
28 February 2023				
Trade receivables not yet due	0.0296	442,815	(130)	442,685
Trade receivables past due				
Up to 30 days	0.2989	20,687	(62)	20,625
31 to 90 days	1.2590	5,929	(75)	5,854
More than 90 days		2,331	0	2,331
Individual impairment recognised		8,289	(8,289)	0
Total		480,051	(8,556)	471,495
28 February 2022				
Trade receivables not yet due	0.0653	370,607	(243)	370,364
Trade receivables past due				
Up to 30 days	0.6201	23,580	(146)	23,434
31 to 90 days	2.7697	3,220	(89)	3,131
More than 90 days		1,580	0	1,580
Individual impairment recognised		10,982	(10,982)	0
Total		409,969	(11,460)	398,509

The allowance for impairment of trade receivables showed the following movements:

€000	28 Feb 2023	28 Feb 2022
Allowance at 1 March	11,460	7,154
Currency translation adjustments/other changes	(325)	(89)
Added	607	5,685
Used	(295)	(263)
Reversed	(2,891)	(1,027)
Allowance at 28 February	8,556	11,460

The reversed amount of the allowance included interest income of € 43 thousand (prior year: € 15 thousand).

Liquidity risk

Liquidity risk is the risk that a company will not be able to meet its financial obligations when due or in sufficient measure.

The AGRANA Group generates liquidity with its business operations and from external financing. The funds are used to fund working capital, investment and business acquisitions.

In order to ensure the Group's solvency at all times and safeguard its financial flexibility, a liquidity reserve is maintained in the form of credit lines and, to the extent necessary, of cash.

To manage the seasonally fluctuating cash flows, both short-term and long-term finance is raised in the course of day-to-day financial management.

At the balance sheet date the Group had credit lines with a total limit of € 1,152,380 thousand (prior year: € 1,085,955 thousand). The weighted average remaining maturity of the credit lines at the balance sheet date was 2.3 years (prior year: 1.3 years).

The following maturity profile shows the effects of the cash outflows from liabilities as at 28 February 2023 on the Group's liquidity situation. All cash outflows are undiscounted.

€000	Carrying amount	Total	Contractual cash outflows							More than 5 y
			Up to 3 m	4 to 6 m	7 to 12 m	1 to 2 y	2 to 3 y	3 to 4 y	4 to 5 y	
28 February 2023										
Non-derivative financial payables										
Bank loans and overdrafts	787,049	846,385	161,221	39,427	67,975	132,331	149,494	135,345	124,013	36,579
Trade payables	586,991	586,991	463,246	121,715	2,030	0	0	0	0	0
Amounts due to affiliated companies and other investees of the Südzucker group and joint ventures	53,759	53,759	53,432	0	327	0	0	0	0	0
Lease liabilities	33,567	46,239	1,997	1,703	3,203	5,713	5,091	4,350	2,437	21,745
Financial other payables	84,686	84,686	62,172	8,672	7,171	2,164	1,105	3,383	15	4
	1,546,052	1,618,060	742,068	171,517	80,706	140,208	155,690	143,078	126,465	58,328
Derivative financial payables										
Currency derivatives	11,136	11,136	10,303	493	340	0	0	0	0	0
Commodity derivatives	7,243	7,243	3,895	0	3,348	0	0	0	0	0
Energy derivatives	17,041	17,041	1,551	654	12,453	637	943	803	0	0
	35,420	35,420	15,749	1,147	16,141	637	943	803	0	0
28 February 2022										
Non-derivative financial payables										
Bank loans and overdrafts	626,069	641,373	111,813	4,123	159,845	60,275	120,140	47,534	88,429	49,214
Trade payables	440,130	440,130	380,477	59,236	417	0	0	0	0	0
Amounts due to affiliated companies and other investees of the Südzucker group and joint ventures	33,180	33,180	32,856	0	324	0	0	0	0	0
Lease liabilities	28,302	40,243	1,846	1,617	3,037	5,584	2,819	2,469	2,126	20,745
Financial other payables	76,220	76,220	57,602	7,238	6,017	2,408	1,208	943	786	18
	1,203,901	1,231,146	584,594	72,214	169,640	68,267	124,167	50,946	91,341	69,977
Derivative financial payables										
Interest rate derivatives	272	331	103	103	125	0	0	0	0	0
Currency derivatives	5,675	5,675	5,301	257	117	0	0	0	0	0
Commodity derivatives	5,379	5,379	5,379	0	0	0	0	0	0	0
	11,326	11,385	10,783	360	242	0	0	0	0	0

The undiscounted cash outflows as presented are based on the assumption that repayment of liabilities is applied to the earliest maturity date. Interest payments on floating rate financial instruments are determined by reference to the most recent prevailing rates.

Currency risk

The Group's international business operations expose AGRANA to foreign exchange risks from financing and financial investment, from trade receivables and trade payables, and from future foreign currency cash flows under purchasing and sales contracts. To measure and control these risks, the AGRANA Group uses Value-at-Risk based on the variance-covariance approach at a 95% confidence level. This involves the measurement of the various currency pairs at the given volatilities and takes into account the correlations between them.

The result is stated as diversified Value-at-Risk:

	Value-at-Risk	
	28 Feb 2023	28 Feb 2022
€000		
Sum of absolute net positions of the currency pairs	186,865	145,696
Value-at-Risk diversified	8,114	4,882

The following table gives the foreign currency position by currency pair of the Value-at-Risk calculation. The individual values include both the financing activities and the operating business. This combined presentation allows the quantification of the interactions between these two spheres for each currency pair (natural hedging).

	Foreign-currency position	
	28 Feb 2023	28 Feb 2022
€000		
Currency pair		
EUR/AUD	2,975	737
EUR/CNY	1,055	1,954
EUR/CZK	33,290	6,444
EUR/EGP	723	1,641
EUR/HUF	18,967	5,680
EUR/MAD	1,570	2,743
EUR/PLN	5,863	4,195
EUR/RON	63,013	76,572
EUR/RUB	1,586	5,688
EUR/UAH	5,342	4,056
EUR/USD	17,182	7,249
USD/ARS	3,401	2,258
USD/AUD	3,770	8,013
USD/BRL	866	653
USD/CNY	2,851	2,927
USD/KRW	2,972	1,045
USD/MXN	13,988	7,581
Other	7,451	6,260
Total	186,865	145,696

Most of the Group's foreign exchange risk arises in the operating business, when revenues or costs are denominated in a currency other than that of the related costs or revenues, respectively. The AGRANA Group's currency risk from financing arises from borrowings and financial investments not denominated in the local currency of the respective company.

The total foreign currency positions of € 186,865 thousand (prior year: € 145,696 thousand) related primarily to Romania, China, the Czech Republic, Hungary, the USA and Mexico, and represented a Value-at-Risk of € 8,114 thousand (prior year: € 4,882 thousand).

In the Sugar segment, Group companies based in the European Union whose local currency is not the euro are exposed to foreign exchange risk between the euro and their respective local currency, as the beet prices for a given campaign are partly set in euros. The subsidiaries in Romania and Hungary are subject to currency risk from raw sugar purchases in US dollars and purchases of white sugar in euros, and some companies are exposed to currency risk from the export of sugar in US dollars.

In the Starch segment, foreign exchange risks arise from borrowings not denominated in local currency.

In the Fruit segment, foreign exchange risks arise when revenue and materials costs are in foreign currency rather than local currency. In addition, risks arise from borrowings not denominated in local currency.

Interest rate risk

The AGRANA Group is exposed to interest rate risks primarily in the euro zone.

Risks from potential changes in interest rates are reported on an “at risk” basis. AGRANA distinguishes between Cash-Flow-at-Risk (CFaR) for variable rate borrowings and Value-at-Risk (VaR) for changes in market interest rates on fixed rate borrowings.

CFaR: An increase in interest rates would cause an increase in funding costs from variable rate borrowings. The CFaR analysis is based on the volatilities of the individual funding currencies and the correlations between them.

VaR: The analysis examines the implied risk from a decrease in interest rates, as existing fixed rate borrowings would continue to incur interest costs at a constant rate instead of following the market trend. The different maturities of fixed interest borrowings are taken into account through weighted present values and a potential change in variable interest rates under the modified duration approach.

The CFaR and VaR from borrowings were as follows:

€000	28 Feb 2023	28 Feb 2022
Net floating rate borrowings	447,062	263,107
Cash-Flow-at-Risk diversified	19,521	183
Net fixed rate borrowings	279,941	293,944
Value-at-Risk upon change in interest rates	7,133	9,404

The floating rate borrowings are subject to interest rate risk. To hedge against this risk, interest rate swaps were entered into for a portion of the borrowings, thus achieving fixed interest rates on this portion.

Commodity price risk

AGRANA's business activities expose it to market price risk from purchases of commodities and the sale of finished products (ethanol). This is particularly true in the production of bioethanol, where the most important cost factors by far are the prices of the main inputs, corn and wheat. To a lesser but still significant extent, the Sugar segment has exposure to the purchase prices of raw sugar.

At the balance sheet date, the Group had open commodity derivative contracts for the purchase of 152,750 tonnes of wheat for the Austrian bioethanol production operations (prior year: purchase of 21,800 tonnes) and the purchase of 7,500 tonnes of waxy corn derivatives (prior year: purchase of 1,150 tonnes). These positions represented an aggregate contract amount of € 72,010 thousand (prior year: € 2,786 thousand) and, based on the underlying closing prices, had a combined net negative fair value of € 7,167 thousand (prior year: negative fair value of € 1,611 thousand). In the prior year, there were open derivative positions for the purchase of 35,003 tonnes of raw sugar and the sale of 17,100 tonnes of ethanol. No open positions in these two commodities existed at the end of the year under review.

Legal risks

AGRANA continually monitors changes in the legal setting relevant to its businesses or to their employees that could lead to a risk situation, and takes risk management actions as necessary. Areas of law to which particular attention is devoted are antitrust, food and environmental legislation, as well as data protection, anti-money laundering and anti-terrorism finance provisions. AGRANA maintains dedicated staff positions for matters of compliance, employment law and general areas of law, and provides regular further training for the employees involved.

The antitrust case against AGRANA Zucker GmbH, which was explained in the previous years' reports, was brought to a legally binding conclusion with the outcome expected by AGRANA, without imposition of a fine. The lawsuit against AGRANA Stärke GmbH reported in the prior year (alleging non-delivery of promised product quantities) was dismissed with legal effect by the Commercial Court of Vienna.

Otherwise, there are no pending or threatened civil actions against companies of the AGRANA Group that could have a material impact on the Group's financial position, results of operations and cash flows.

11.5. Contingent liabilities and commitments

Guarantees were primarily related to bank loans of the joint ventures in the Sugar segment.

€000	28 Feb 2023	28 Feb 2022
Guarantees	46,569	43,982
Warranties, cooperative liabilities	1,373	1,373

The guarantees are not expected to be utilised.

Commitments, in the form of purchase commitments for investments in property, plant and equipment, amounted to € 17,257 thousand (prior year: € 12,246 thousand).

12. Events after the balance sheet date

No significant events occurred after the balance sheet date of 28 February 2023 that had a material effect on AGRANA's financial position, results of operations or cash flows.

13. Related party disclosures

AGRANA Zucker, Stärke und Frucht Holding AG, based in Vienna, holds 78.34% of the share capital of AGRANA Beteiligungs-AG. This holding company is exempt from the obligation to prepare consolidated financial statements, as its accounts are included in the consolidated financial statements of Südzucker AG, Mannheim, Germany. The ultimate parent of the group of companies is Süddeutsche Zuckerrübenverwertungs-Genossenschaft eG, Stuttgart, Germany.

Related parties for the purposes of IAS 24 are Südzucker AG, Mannheim, Germany, and Zucker-Beteiligungsgesellschaft m.b.H., Vienna, as shareholders of AGRANA Zucker, Stärke und Frucht Holding AG, Vienna. AGRANA's consolidated financial statements are included in the consolidated accounts of Südzucker AG, Mannheim, Germany.

In addition to Südzucker AG, Mannheim, Germany, and its subsidiaries ("Südzucker group"), other related parties are RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN regGenmbH, Vienna, and its subsidiaries ("companies with significant influence").

Equity-accounted joint ventures that are jointly controlled, as well as unconsolidated subsidiaries, are also related parties as defined in IAS 24.

Business relationships with related parties at the balance sheet date can be analysed as follows:

€000	Südzucker group	Companies with significant influence	Joint ventures	Non- consolidated sub- sidiaries	Total
2022 23					
Revenue	109,225	19,992	33,385	0	162,602
Operating expenses	(80,420)	(1,309)	(113,940)	(340)	(196,009)
Credit relationships	(327)	(68,000)	0	0	(68,327)
Participation capital	0	5,637	0	0	5,637
Bank balances and current receivables	0	10,158	0	0	10,158
Commitments under long-term supply contracts	0	0	(13,800)	0	(13,800)
Net trade (payables)/receivables for goods	(7,923)	1,317	(6,933)	(97)	(13,636)
Net interest (expense)/income	(116)	(1,122)	58	0	(1,180)
Guarantees issued	0	0	59,367	0	59,367
Guarantees utilised	0	0	41,233	0	41,233

€000	Südzucker group	Companies with significant influence	Joint ventures	Non- consolidated sub- sidiaries	Total
2021 22					
Revenue	76,892	16,851	29,123	0	122,866
Operating expenses	(91,278)	(1,548)	(76,107)	(327)	(169,260)
Credit relationships	(324)	(40,016)	0	0	(40,340)
Participation capital	0	5,968	0	0	5,968
Bank balances and current receivables	0	10,620	2	0	10,622
Non-current financial receivables	0	0	1,000	0	1,000
Net trade (payables)/receivables for goods	(5,760)	1,068	(9,611)	(85)	(14,388)
Net interest (expense)/income	(1)	(660)	59	0	(602)
Guarantees issued	0	0	46,000	0	46,000
Guarantees utilised	0	0	41,684	0	41,684

At the balance sheet date, borrowings from related parties amounted to € 68,237 thousand (prior year: € 40,340 thousand).

For fully consolidated subsidiaries, the Group has issued guarantees in favour of companies with significant influence of € 5,000 thousand (prior year: € 5,000 thousand), of which none (prior year: none) was utilised.

The remuneration of the members of the Management Board of AGRANA Beteiligungs-AG totalled € 2,721 thousand (prior year: € 3,900 thousand), consisting of total fixed base salaries of € 1,480 thousand (prior year: € 1,622 thousand) and a total performance-based, variable component of € 1,241 thousand (prior year: € 2,278 thousand). The performance-based elements of the compensation are linked to the amount of the dividend paid for the last three financial years. The Management Board member of AGRANA Beteiligungs-AG appointed on the basis of the syndicate agreement between Südzucker AG, Mannheim, Germany, and Zucker-Beteiligungsgesellschaft m.b.H., Vienna, did not receive compensation for serving on the Management Board.

On 8 July 2022 the Annual General Meeting approved an annual aggregate remuneration for the Supervisory Board of € 325 thousand (prior year: € 325 thousand) and delegated to the Supervisory Board Chairman the responsibility for allocating this sum. The amount paid to the individual Supervisory Board members is tied to their function on the Board. No meeting fees were paid.

Post-employment benefits granted to the former Management Board members Johann Marihart, Fritz Gattermayer and Walter Grausam under the Company's plan are pension, disability insurance and survivor benefits. For the pension of Markus Mühleisen, Stephan Büttner and of Norbert Harringer there is a defined contribution obligation, which can be claimed after the recipient has reached 55 years of age if the employment relationship has ended. For the 2022|23 financial year, pension fund contributions of € 330 thousand were paid (prior year: € 286 thousand). In relation to the former Management Board member Fritz Gattermayer, who left the company on May 31, 2021, a chargeback was made (i.e., AGRANA received a refund) of € 189 thousand of the monthly contributions paid for the period from June 2021 to August 2022. As well, a provisional supplementary contribution of € 291 thousand was made in September 2022. This payment was required due to the start of the utilisation of the pension benefit by Fritz Gattermayer.

The pension benefit obligations in respect of the Management Board are administered by an external pension fund. In the balance sheet at 28 February 2023, within the item "provisions for pensions and termination benefits", an amount of € 9,919 thousand was recognised for pension obligations (prior year: € 9,665 thousand).

In the event that a Management Board appointment is withdrawn, there are severance pay obligations in accordance with the provisions of the Employees Act or the Occupational Pension Plan Act.

Information on the Management Board and Supervisory Board is provided on page 204.

On 28 April 2023 the Management Board of AGRANA Beteiligungs-AG released the consolidated financial statements for review by the Supervisory Board and the Audit Committee and for presentation to the Annual General Meeting and subsequent publication. The Supervisory Board has responsibility for reviewing the consolidated financial statements and stating whether it approves them.

Vienna, 28 April 2023

The Management Board of AGRANA Beteiligungs-AG



Markus Mühleisen
Chief Executive Officer



Ingrid-Helen Arnold
Member of the Management Board



Stephan Büttner
Member of the Management Board



Norbert Harringer
Member of the Management Board

List of members of AGRANA's boards

Management Board

Markus Mühleisen
Chief Executive Officer

Ingrid-Helen Arnold
Member

Stephan Büttner
Member

Norbert Harringer
Member

Supervisory Board

Erwin Hameseder
Chairman

Niels Pörksen
First Vice-Chairman

Veronika Haslinger
Second Vice-Chairman

Helmut Friedl
Member

Andrea Gritsch
Member

Ernst Karpfinger
Member

Josef Pröll
Member

Stefan Streng
Member

Employee representatives

Thomas Buder
Chairman of the Group Staff Council
and the Central Staff Council

Daniela Bogner

Andreas Klamler

René Schmid

Statement by the members of the Management Board

In accordance with section 124 (1) Austrian Stock Exchange Act, the undersigned members of the Management Board, as the legal representatives of AGRANA Beteiligungs-AG, confirm to the best of their knowledge that:

- the consolidated financial statements of AGRANA Beteiligungs-AG for the year ended 28 February 2023, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, give a true and fair view of the financial position, results of operations and cash flows of the AGRANA Group;
- the Group management report for the 2022|23 financial year presents the business performance, financial results and situation of the AGRANA Group so as to provide a true and fair view of the Group's financial position, results of operations and cash flows, together with a description of the principal risks and uncertainties faced by the Group.

Vienna, 28 April 2023

The Management Board of AGRANA Beteiligungs-AG



Markus Mühleisen
Chief Executive Officer



Ingrid-Helen Arnold
Member of the Management Board



Stephan Büttner
Member of the Management Board



Norbert Harringer
Member of the Management Board

Independent auditor's report

[Translation]

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the consolidated financial statements of AGRANA Beteiligungs-Aktiengesellschaft, Vienna, and its subsidiaries (the Group), which comprise the separate consolidated income statement, the consolidated statement of comprehensive income, the consolidated cash flow statement, the consolidated balance sheet as at 28 February 2023 and the consolidated statement of changes in equity for the financial year then ended, and the notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Group as at 28 February 2023, and of its financial performance and cash flows for the financial year then ended in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs) and the additional regulations of section 245a Austrian Company Code.

Basis for Opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 (hereinafter EU Regulation) and Austrian Generally Accepted Standards on Auditing. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with Austrian Generally Accepted Accounting Principles and professional requirements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of the auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the financial year. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

We have structured key audit matters as follows:

- Description
- Audit approach and key observations
- Reference to related disclosures

Impairment of goodwill

Description

The carrying amount of goodwill is EUR 98,667k (carrying amount as at 28 February 2022: EUR 186,971k).

Goodwill is reviewed by the Management Board at least annually for impairment. This review is performed regularly once a year, and additionally whenever there are indications of possible impairment (triggering events). As a result of a change in the planning process, the goodwill impairment test has been performed regularly since the financial year 2022|23 at the end of the financial year (28/29 February). As part of this transition, the impairment test was performed in the current financial year as at 31 August 2022 and 28 February 2023. The ongoing war in Ukraine and a sharp rise in the cost of capital resulted in an impairment of goodwill of the CGU Fruit in the amount of EUR 88,252k.

In the course of the annual assessments as to whether goodwill is to be impaired, the Company determines the value in use for the following cash generating units (CGUs) Fruit and Starch. The Company calculates the values in use based on the discounted cash flow method. This valuation method is significantly influenced by the assumptions and estimates in respect of the future cash flows. These future cash flows are derived from forecast figures which are approved by the respective management bodies and may be subject to adjustments if necessary. The discount rate applied in the discounted cash flow is also influenced by future changes in the market, economic and legal environment.

Based on the relevant facts as described that the determination of the value in use is based on judgement and associated with estimation uncertainties, testing for impairment of goodwill was determined as key audit matter within the audit.

Audit approach and key observations

We:

- evaluated the internal monitoring system to ensure that it is appropriate to detect possible indications of impairment and evaluated the Company's internal assessment for objective evidence of impairment,
- involved our internal PwC valuation experts,
- compared the valuation method and assumptions in respect of forecasts and valuation parameters applied against appropriate benchmarks and against the accounting regulations of IAS 36, based on our experience,
- assessed the valuation method applied by following the model and analysing whether it is adequate for determining the value in use,
- critically examined the discount rate by assessing the discount rate parameters applied in terms of their appropriateness through comparison with market and industry-specific benchmarks,
- reviewed the Company's forecasting accuracy applied by back testing the underlying forecast figures,
- reviewed the mandatory disclosures regarding the impairment test in accordance with IAS 36 in the notes to the consolidated financial statements 2022/23 and evaluated whether they are accurate and complete.

The accounting and measurement methods used are consistent with IFRSs as adopted by the EU.

Reference to related disclosures

See Note 7.6. and 7.11. for the procedures carried out by the Management Board for the performance of impairment tests and Note 10.1. in the notes to the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the management report for the Group and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU (IFRSs) and the additional regulations of section 245a Austrian Company Code, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation and with Austrian Generally Accepted Standards on Auditing, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU Regulation and with Austrian Generally Accepted Standards on Auditing, which require the application of ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with all relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Comments on the Management Report for the Group

Pursuant to Austrian Generally Accepted Accounting Principles, the management report for the Group is to be audited as to whether it is consistent with the consolidated financial statements and as to whether the management report for the Group was prepared in accordance with the applicable legal regulations. Regarding the consolidated non-financial statement contained in the management report for the Group, it is our responsibility to examine whether it has been prepared, to read it and to consider whether it is, based on our knowledge obtained in the audit, materially inconsistent with the consolidated financial statements or otherwise appears to be materially misstated.

Management is responsible for the preparation of the management report for the Group in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian standards on auditing for the audit of the management report for the Group.

Opinion

In our opinion, the management report for the Group was prepared in accordance with the applicable legal regulations, comprising the details in accordance with section 243a UGB, and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the obtained understanding concerning the Group and its circumstances no material misstatements in the management report for the Group came to our attention.

Additional Information in Accordance with Article 10 of the EU Regulation

We were elected as statutory auditor at the ordinary general meeting dated 8 July 2022. We were appointed by the Supervisory Board on 9 September 2022. We have audited the Company for an uninterrupted period since the financial year 2019/20, ending with the balance sheet date 29 February 2020.

We confirm that the audit opinion in the "Report on the Consolidated Financial Statements" section is consistent with the additional report to the Audit Committee referred to in Article 11 of the EU Regulation.

We declare that no prohibited non-audit services (Article 5 para. 1 of the EU Regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible Engagement Partner

Responsible for the proper performance of the engagement is Mr. Werner Stockreiter, Austrian Certified Public Accountant.

Vienna, 28 April 2023

PwC Wirtschaftsprüfung GmbH

signed:

Werner Stockreiter

Austrian Chartered Accountant

PARENT COMPANY: FINANCIAL STATEMENTS AND MANAGEMENT REPORT 2022/23

*AGRANA BETEILIGUNGS-AG (NACH UGB)
UNDER AUSTRIAN COMMERCIAL CODE (UGB)*

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Parent company financial statements

for the year ended 28 February 2023

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Parent company income statement

for the year ended 28 February 2023

of AGRANA Beteiligungs-AG, under Austrian Commercial Code (UGB)

€	2022 23	2021 22
1. Revenue	46,727	39,222
2. Other operating income	191	133
3. Staff costs	(21,827)	(18,247)
4. Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	(643)	(841)
5. Other operating expenses	(31,277)	(24,803)
6. Operating (loss) [subtotal of items 1 to 5]	(6,829)	(4,536)
7. Income from investments in subsidiaries and other companies	69,824	51,226
Of which from subsidiaries	69,795	51,193
8. Income from other securities and loans classified as non-current financial assets	7,142	4,063
Of which from subsidiaries	7,142	4,063
9. Other interest and similar income	4,769	3,723
Of which from subsidiaries	4,547	3,723
10. Interest and similar expense	(5,469)	(3,228)
Of which from subsidiaries	(4,631)	(3,066)
11. Net financial items [subtotal of items 7 to 10]	76,266	55,784
12. Profit before tax [subtotal of items 1 to 11]	69,437	51,248
13. Income tax (expense)	(3,534)	(3,549)
14. Profit for the period	65,903	47,699
15. Retained profit brought forward from prior year	16,659	15,827
16. Retained profit	82,562	63,526

Parent company balance sheet

at 28 February 2023

of AGRANA Beteiligungs-AG, under Austrian Commercial Code (UGB)

t€	28 Feb 2023	28 Feb 2022
ASSETS		
A. Non-current assets		
I. Intangible assets	169	337
II. Property, plant and equipment	951	947
III. Non-current financial assets	866,283	638,283
	867,403	639,567
B. Current assets		
I. Receivables and other assets	392,684	409,527
Of which due in more than 1 year	16,908	13,400
II. Cash and bank balances	3	15
	392,687	409,542
C. Prepaid expenses		
	136	88
D. Deferred tax assets		
	618	618
Total assets	1,260,844	1,049,815
EQUITY AND LIABILITIES		
A. Equity		
I. Share capital	113,531	113,531
II. Share premium and other capital reserves	550,689	550,689
III. Revenue reserve	13,928	13,928
IV. Retained profit	82,562	63,526
Of which brought forward from prior year	16,659	15,827
	760,710	741,674
B. Provisions		
I. Provisions for retirement and termination benefit obligations	11,597	11,574
II. Provisions for tax and other provisions	23,813	4,152
	35,410	15,726
C. Liabilities		
I. Borrowings	449,000	271,000
Of which due in up to 1 year	0	57,000
Of which due in more than 1 year	449,000	214,000
II. Other liabilities	15,724	21,415
Of which due in up to 1 year	15,571	16,438
Of which due in more than 1 year	153	4,977
	464,724	292,415
Total equity and liabilities	1,260,844	1,049,815

Anhang zum Jahresabschluss

1. Allgemeines

Die Erstellung des Jahresabschlusses erfolgte nach den Bestimmungen des Unternehmensgesetzbuches (§ 189 ff UGB) in der geltenden Fassung.

Die Gesellschaft ist als große Kapitalgesellschaft gemäß § 221 UGB einzustufen.

Die Gliederungsvorschriften der §§ 224 und 231 Abs 2 UGB wurden eingehalten, wobei für den Ausweis des Anlagevermögens das Wahlrecht gemäß § 223 Abs 6 UGB zur Verbesserung der Klarheit der Darstellung in Anspruch genommen wurde. Die zusammengefassten Posten sind im Anhang aufgliedert.

Die zahlenmäßige Darstellung erfolgt in EURO (EUR) mit gerundeten Werten, jene der Vorjahresbeträge in tausend EURO (TEUR) mit gerundeten Werten.

Für die Darstellung der Gewinn- und Verlustrechnung wurde das Gesamtkostenverfahren gewählt.

2. Bilanzierungs- und Bewertungsmethoden

2.1. Allgemeine Grundsätze

Der Jahresabschluss wurde unter Beachtung der Grundsätze ordnungsmäßiger Buchführung und Bilanzierung sowie unter Beachtung der Generalnorm, ein möglichst getreues Bild der Vermögens-, Finanz- und Ertragslage des Unternehmens zu vermitteln, aufgestellt.

Bei der Erstellung des Jahresabschlusses wurde der Grundsatz der Vollständigkeit eingehalten.

Bei der Bewertung der einzelnen Vermögensgegenstände und Schulden wurde der Grundsatz der Einzelbewertung beachtet und eine Fortführung des Unternehmens unterstellt.

Dem Vorsichtsprinzip wurde dadurch Rechnung getragen, dass nur die am Abschlussstichtag verwirklichten Gewinne ausgewiesen wurden. Alle erkennbaren Risiken und drohenden Verluste wurden berücksichtigt.

Schätzungen beruhen auf einer umsichtigen Beurteilung. Soweit statistisch ermittelbare Erfahrungen aus gleich gelagerten Sachverhalten vorhanden sind, wurde dies bei Schätzungen berücksichtigt.

Die bisherige Form der Darstellung wurde bei der Erstellung des vorliegenden Jahresabschlusses beibehalten.

Der Jahresabschluss der Gesellschaft wird beim Firmenbuch des Handelsgerichtes Wien eingereicht.

Der Konzernabschluss der AGRANA Beteiligungs-Aktiengesellschaft, Wien, wird in den Konzernabschluss der Südzucker Aktiengesellschaft Mannheim, Deutschland, aufgenommen und dieser beim Handelsregister des Amtsgerichtes Mannheim hinterlegt. Der Konzernabschluss der AGRANA Beteiligungs-Aktiengesellschaft wird beim Handelsgericht Wien hinterlegt.

2.2. Anlagevermögen

Immaterielle Vermögensgegenstände

Die immateriellen Vermögensgegenstände werden zu Anschaffungskosten bewertet, die um die planmäßigen Abschreibungen vermindert sind.

Die planmäßige Abschreibung wird linear vorgenommen.

Folgende Nutzungsdauer wird der planmäßigen Abschreibung zugrunde gelegt:

	Jahre	Prozent
Markenrechte	10	10,00%
EDV-Software	3	33,33%

Außerplanmäßige Abschreibungen auf einen zum Abschlussstichtag niedrigeren beizulegenden Wert werden vorgenommen, wenn die Wertminderungen voraussichtlich von Dauer sind.

Sachanlagevermögen

Das Sachanlagevermögen wird zu Anschaffungskosten bewertet, die um die planmäßigen Abschreibungen vermindert sind.

Die planmäßige Abschreibung wird linear vorgenommen.

Folgende Nutzungsdauern werden der planmäßigen Abschreibung zugrunde gelegt:

	Jahre	Prozent
Gebäude	40-50	2,5-2
Geschäftsausstattung	5-10	20-10
EDV-Ausstattung	3	33,33
Gebrauchte Geschäftsausstattung und EDV	1-5	100-20

Gemäß Strukturanpassungsgesetz 1996 ergibt sich eine steuerliche Abschreibungsdauer für Personenkraftfahrzeuge von 8 Jahren. Unternehmensrechtlich wird eine Nutzungsdauer von 5 Jahren zugrunde gelegt.

Außerplanmäßige Abschreibungen auf einen zum Abschlussstichtag niedrigeren beizulegenden Wert werden vorgenommen, wenn die Wertminderungen voraussichtlich von Dauer sind.

Finanzanlagen

Die Anteile an verbundenen Unternehmen und Beteiligungen werden zu Anschaffungskosten oder zu dem niedrigeren Wert, der ihnen gemäß § 204 (2) UGB beizulegen ist, bewertet.

Gemäß Strukturanpassungsgesetz 1996 werden Abschreibungen bzw. Verluste aus Beteiligungen steuerrechtlich auf 7 Jahre verteilt angesetzt. Unternehmensrechtlich wird dieser Aufwand im Entstehungsjahr zur Gänze geltend gemacht.

Die Ausleihungen werden zum Nennwert bewertet. Im Falle einer dauerhaften Wertminderung werden außerplanmäßige Abschreibungen auf den beizulegenden Zeitwert vorgenommen.

Zuschreibungen und andere Angaben

Zuschreibungen zu Vermögensgegenständen des Anlagevermögens werden vorgenommen, wenn die Gründe für die außerplanmäßige Abschreibung weggefallen sind. Die Zuschreibung erfolgt auf maximal den Nettobuchwert, der sich unter Berücksichtigung der Normalabschreibungen, die inzwischen vorzunehmen gewesen wäre, ergibt.

Geringwertige Vermögensgegenstände (Einzelanschaffungswert unter je EUR 800) werden aktiviert und sofort abgeschrieben.

Gemäß den steuerrechtlichen Vorschriften wird für Zugänge im ersten Halbjahr eine volle Jahresabschreibung, für Zugänge im zweiten Halbjahr eine halbe Jahresabschreibung vorgenommen.

2.3. Umlaufvermögen

Forderungen und sonstige Vermögensgegenstände

Die Forderungen und sonstigen Vermögensgegenstände sind mit dem Nennwert angesetzt, soweit nicht im Fall erkennbarer Einzelrisiken der niedrigere beizulegende Wert angesetzt wird.

Zuschreibungen zu Vermögensgegenständen des Umlaufvermögens werden vorgenommen, wenn die Gründe für die Abschreibung weggefallen sind.

Latente Steuern

Für Unterschiede zwischen unternehmensrechtlichen und steuerrechtlichen Wertansätzen bei Vermögensgegenständen, Rückstellungen, Verbindlichkeiten und Rechnungsabgrenzungen, die sich in späteren Geschäftsjahren abbauen, wird in Höhe der sich insgesamt ergebenden Steuerbelastung eine Rückstellung für passive latente Steuern gebildet. Führen diese Unterschiede in Zukunft zu einer Steuerentlastung, werden aktive latente Steuern in der Bilanz angesetzt. Für steuerliche Verlustvorträge wurde eine aktive latente Steuer gebildet. Latente Steuern werden auf Basis des aktuellen Körperschaftsteuersatz von 23 % gebildet. Der gemäß § 198 (10) UGB aktivierbare Betrag in der Höhe von 618.379 € (im Vorjahr 618 Tsd. €) wurde in die Bilanz aufgenommen.

2.4. Rückstellungen

Rückstellungen für Abfertigungen und Jubiläen

Die Rückstellungen für Abfertigungen und Jubiläen wurden im Einklang mit der „AFRAC-Stellungnahme 27 Personalrückstellungen (UGB) (Dezember 2020)“ nach versicherungsmathematischen Grundsätzen bewertet. Diese werden gemäß den International Accounting Standards IAS 19 mit der versicherungsmathematischen Bewertungsmethode der laufenden Einmalprämien ermittelt. Als Rechnungszinssatz wurde der Stichtagszinssatz von 4,25 % (im Vorjahr 1,65 %) herangezogen. Der Zinssatz basiert auf der Rendite hochwertiger Unternehmensanleihen, deren Duration der durchschnittlich gewichteten Duration der Verpflichtungen entspricht. Die künftigen Gehaltssteigerungen wurden mit 6,00%|4,00 % (im Vorjahr 3,36 %) und Fluktuationsabschläge je nach Dienstangehörigkeit von 0-11,03 % (im Vorjahr 0-1,65 %) für Abfertigungen und von 0,78-11,52 % (im Vorjahr 0-12,33 %) für Jubiläen angesetzt. Als Rechnungsgrundlagen wurden die „AVÖ 2018-P – Rechnungsgrundlagen für die Pensionsversicherung“ in der Ausprägung für Angestellte herangezogen. Als Fluktuation wurden neben Invalidisierungs- und Sterberaten und der Beendigung des Dienstverhältnisses mit dem Erreichen des Pensionsalters jährliche dienstzeitabhängige Raten für vorzeitige Beendigungen des Dienstverhältnisses angesetzt. Das Pensionseintrittsalter für Frauen und Männer wurde mit 65 Jahren gemäß Übergangsregel der Pensionsreform ermittelt.

Rückstellung für Pensionen

Die Rückstellungen für Pensionen wurden im Einklang mit der „AFRAC-Stellungnahme 27 Personalrückstellungen (UGB) (Dezember 2020)“ nach versicherungsmathematischen Grundsätzen bewertet. Diese werden gemäß den International Accounting Standards IAS 19 mit der versicherungsmathematischen Bewertungsmethode der laufenden Einmalprämien ermittelt. Als Rechnungszinssatz wurde der Stichtagszinssatz 4,25 % (im Vorjahr 1,65 %) herangezogen, die künftigen Gehaltssteigerungen für Aktive wurden mit 9,04%|6,00 %|4,00 (im Vorjahr 1,86 %) angesetzt. Als Rechnungsgrundlagen wurden die „AVÖ 2018-P – Rechnungsgrundlagen für die Pensionsversicherung“ in der Ausprägung für Angestellte herangezogen. Über die Ausscheideursachen Tod und Invalidisierung und der Beendigung des Dienstverhältnisses mit dem Erreichen des Pensionsalters wurden keine weiteren Ausscheideursachen wie Fluktuation berücksichtigt.

Die Pensionsverpflichtungen sind seit 2002 leistungsorientiert an eine Pensionskasse ausgelagert. Es wurde der Gesamtbetrag der rückgestellten Pensionsansprüche an die Kasse übertragen.

Die bilanzierte Rückstellung für Pensionen setzt sich aus dem Barwert abzüglich des beizulegenden Zeitwertes des Planvermögens zusammen:

Pensionspläne	Stand	Stand
	28.02.2023	28.02.2022
	EUR	EUR
Barwert der leistungsorientierten Verpflichtung	24.679.705	25.720.692
Beizulegender Zeitwert des Planvermögens	-14.760.466	-16.056.269
Rückstellungen für Pensionen	9.919.239	9.664.423

Sonstige Rückstellungen

In den sonstigen Rückstellungen werden unter Beachtung des Vorsichtsprinzips alle zum Zeitpunkt der Bilanzerstellung erkennbaren Risiken und der Höhe sowie dem Grunde nach ungewisse Verbindlichkeiten mit den Beträgen berücksichtigt, die nach vernünftiger unternehmerischer Beurteilung erforderlich sind. Die sonstigen Rückstellungen wurden in Höhe des Erfüllungsbetrages gebildet, der bestmöglich geschätzt wurde.

Die Rückstellungen für nicht verbrauchte Urlaube wurden in voller erforderlicher Höhe passiviert.

Die sonstigen Rückstellungen beinhalten auch Verpflichtungen betreffend kollektivvertragliche Verpflichtungen zur Zahlung von Jubiläumsgeldern. Diese Rückstellungen werden nach den für Abfertigungsrückstellungen angewandten Berechnungsmethoden (IAS19) ermittelt.

2.5. Verbindlichkeiten

Die Verbindlichkeiten sind mit dem Erfüllungsbetrag angesetzt. Fremdwährungsverbindlichkeiten sind mit dem höheren Devisenbriefkurs am Bilanzstichtag bewertet.

3. Erläuterungen zur Bilanz

3.1. Anlagevermögen

Die Entwicklung der einzelnen Posten des Anlagevermögens ist im Anlagespiegel (Beilage zum Anhang) dargestellt.

Der Anteilsbesitz gemäß § 238 Abs 1 Z 4 UGB (mindestens 20 % Kapitalanteil) stellt sich wie folgt dar:

Beteiligungsunternehmen	Höhe des Anteils %	Eigenkapital gem. § 229 UGB EUR	Geschäftsjahr	Jahresüberschuss/ fehlbetrag EUR
Anteile an verbundenen Unternehmen:				
AGRANA Sales & Marketing GmbH, Wien	100,00	40.512.033	2022 23	0
AGRANA Int.Verw.u.Asset Managem. GmbH, Wien*)	98,91	315.368.275	2022 23	12.848.277
AGRANA Zucker GmbH., Wien*)	98,91	146.359.181	2022 23	3.718.020
AGRANA Stärke GmbH., Wien*)	98,91	350.767.575	2022 23	55.485.227
AGRANA Group-Service GmbH, Wien	100,00	1.289.410	2022 23	-1.787.758
INSTANTINA Nahrungsmittel Entwicklungs- und Produktions Gesellschaft m.b.H, Wien	66,67	7.858.924	2022 23	249.040
AGRANA Research & Innovation Center GmbH, Tulln	100,00	5.822.435	2022 23	894.203

*) Die restlichen Anteile auf 100 % werden von Tochtergesellschaften gehalten.

Die Ausleihungen an verbundene Unternehmen betreffen die AGRANA Group-Services GmbH, Wien. Davon haben 0 € eine Restlaufzeit von bis zum einem Jahr, 449.000.000 € eine Restlaufzeit von 1 bis 5 Jahren und 0 € eine Restlaufzeit von über 5 Jahren.

3.2. Forderungen und sonstige Vermögensgegenstände

in EUR (Vorjahr in TEUR)	Restlaufzeit bis 1 Jahr	Restlaufzeit von mehr als 1 Jahr	Bilanzwert
Forderungen gegenüber verbundenen Unternehmen (28.2.2022)	375.698.353 396.092	16.904.824 8.346	392.603.177 404.438
Sonstige Forderungen und Vermögensgegenstände (28.2.2022)	78.129 35	2.764 5.053	80.893 5.089
Summe (28.2.2022)	375.776.482 396.127	16.907.588 13.400	392.684.070 409.527

Die Forderungen gegenüber verbundenen Unternehmen betreffen in Höhe von 389.113.813 € (im Vorjahr 404.272 Tsd. €) sonstige Forderungen und in Höhe von 3.489.364 € (im Vorjahr 4.166 Tsd. €) Forderungen aus Lieferungen und Leistungen.

Die sonstigen Forderungen und Vermögensgegenstände enthalten im Wesentlichen Salden der debitorischen Kreditoren 13.843 € (im Vorjahr 27 Tsd. €) sowie 60.000 € aus Forderungen aus Lieferungen und Leistungen. Forderungen aus Kapitalertragsteuer in Höhe von 15.433 € (im Vorjahr 14 Tsd. €) sowie die kurzfristigen Forderungen gegenüber dem Finanzamt Wien 1/23 in Höhe von 715.808 € (im Vorjahr 4.746 Tsd. €) in Summe 731.241 € wurden mit der Position Steuerrückstellungen saldiert.

In den sonstigen Forderungen sind keine wesentlichen Erträge, die erst nach dem Bilanzstichtag zahlungswirksam werden, enthalten.

3.3. Grundkapital

In der 31. ordentlichen Hauptversammlung der AGRANA Beteiligungs-Aktiengesellschaft, Wien, am 6. Juli 2018 wurde ein Aktiensplit im Verhältnis 1:4 beschlossen. Dadurch stieg die Anzahl der Aktien mit Wirksamkeit am 24. Juli 2018 von bisher 15.622.244 auf 62.488.976 auf Inhaber lautende Stückaktien. Das Grundkapital von 113.531.275 € blieb unverändert.

3.4. Kapitalrücklagen

	Stand 01.03.2022 EUR	Veränderung EUR	Stand 28.02.2023 EUR
Gebundene Kapitalrücklage	505.122.086	0	505.122.086
Nicht gebundene Kapitalrücklage	45.566.884	0	45.566.884
Summe	550.688.970	0	550.688.970

3.5. Gewinnrücklagen

	Stand 01.03.2022 EUR	Veränderung EUR	Stand 28.02.2023 EUR
Gesetzliche Gewinnrücklage	47.964	0	47.964
Andere Rücklagen (freie Rücklagen)	13.880.000	0	13.880.000
Summe	13.927.964	0	13.927.964

3.6. Rückstellungen

Die Berechnung der Rückstellungen für Abfertigungen, Pensionen und der sonstigen Rückstellungen wird unter den Bilanzierungs- und Bewertungsgrundsätzen erläutert.

Die Effekte aus Personalrückstellungsänderungen werden im Personalaufwand erfasst.

Die Abfertigungs-, Pensions- und sonstigen Rückstellungen gliedern sich wie folgt:

	Stand 01.03.2022 EUR	Verbrauch EUR	Auflösung EUR	Zuweisung EUR	Stand 28.02.2023 EUR
Abfertigung	1.909.329	231.418	0	0	1.677.911
Pensionsansprüche	9.664.423	0	162.804	417.620	9.919.239
Jubiläumsgelder	488.050	111.695	0	0	376.355
Altersteilzeit	51.080	51.080	0	0	0
Nicht konsumierte Urlaube	1.531.067	0	0	265.912	1.796.979
Sonderzahlungen	391.797	0	0	33.931	425.728
Prüfungsaufwand	167.720	167.720	0	253.004	253.004
Veröffentlichungsaufwand	165.000	136.095	28.905	155.000	155.000
Kosten der Hauptversammlung	75.000	48.993	26.007	80.000	80.000
Kosten Bilanzpressekonferenz	2.000	1.617	383	2.000	2.000
Manipulationsgeb. div. Banken	2.190	0	0	0	2.190
Aufsichtsratsvergütungen	325.000	312.000	13.000	325.000	325.000
Sonstige ausstehende Eingangsrechnungen	952.730	918.173	34.557	690.017	690.017
Summe	15.725.385	1.978.791	265.656	2.222.484	15.703.423

Die Rückstellung für ausstehende Eingangsrechnungen betrifft im Wesentlichen offene Leistungen für IT-Projekte und Abrechnungen.

3.7. Verbindlichkeiten

	28.02.2023	28.02.2022
	EUR	TEUR
Verbindlichkeiten gegenüber Kreditinstituten	449.000.000	271.000
<i>davon mit einer Restlaufzeit von bis zu einem Jahr</i>	<i>0</i>	<i>57.000</i>
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	<i>40.000.000</i>	<i>85.000</i>
<i>davon mit einer Restlaufzeit von mehr als fünf Jahren</i>	<i>409.000.000</i>	<i>129.000</i>
Verbindlichkeiten aus Lieferungen und Leistungen	2.605.701	1.197
<i>davon mit einer Restlaufzeit von bis zu einem Jahr</i>	<i>2.605.701</i>	<i>1.197</i>
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	<i>0</i>	<i>0</i>
<i>davon mit einer Restlaufzeit von mehr als fünf Jahren</i>	<i>0</i>	<i>0</i>
Verbindlichkeiten gegenüber verbundenen Unternehmen	6.148.567	14.100
<i>davon mit einer Restlaufzeit bis zu einem Jahr</i>	<i>5.995.503</i>	<i>9.123</i>
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	<i>153.064</i>	<i>4.977</i>
Sonstige Verbindlichkeiten	6.970.027	6.118
<i>davon mit einer Restlaufzeit von bis zu einem Jahr</i>	<i>6.970.027</i>	<i>6.118</i>
Summe	464.724.295	292.416
<i>davon mit einer Restlaufzeit bis zu einem Jahr</i>	<i>15.571.231</i>	<i>16.439</i>
<i>davon mit einer Restlaufzeit von mehr als einem Jahr</i>	<i>40.153.064</i>	<i>89.977</i>
<i>davon mit einer Restlaufzeit von mehr als fünf Jahren</i>	<i>409.000.000</i>	<i>129.000</i>

Die Verbindlichkeiten gegenüber Kreditinstituten enthalten ein Schuldscheindarlehen über 449.000.000 €, welches zur Gänze konzernintern mit gleicher Kondition und Laufzeit an die für Finanzierungen zuständige AGRANA Group-Services GmbH weitergereicht wurde.

In den sonstigen Verbindlichkeiten sind die Abgrenzungen für erfolgsabhängige Personalprämien in Höhe von 2.829.429 € (im Vorjahr 3.633 Tsd. €) sowie eine Teuerungsprämie in Höhe von 90.600 € und Verbindlichkeiten aus Steuern und im Rahmen der sozialen Sicherheit in Höhe von 1.146.340 € (im Vorjahr 930 Tsd. €) enthalten.

In den Verbindlichkeiten gegenüber verbundenen Unternehmen sind sonstige Verbindlichkeiten in Höhe von 6.148.567 € (im Vorjahr 14.100 Tsd. €) enthalten, welche fast ausschließlich die Verrechnungen aus der Gruppenbesteuerung betreffen.

Die Miete im Raiffeisenhaus für das Geschäftsjahr 2022|23 beträgt 1.892.859 € (im Vorjahr 1.709 Tsd. €). Für fünf Jahre beträgt die Miete aus heutiger Sicht insgesamt 9.464.293 €.

3.8. Haftungsverhältnisse, sonstige Verpflichtungen (§ 237 Abs 1 Z 2)

	28.02.2023	28.02.2022
	EUR	TEUR
Haftungen aus Wechselobligo	7.800.000	7.800
Haftungen aus Zahlungsgarantien	358.064.501	307.819
Summe	365.864.501	315.619
<i>davon gegenüber verbundenen Unternehmen</i>	<i>313.929.102</i>	<i>266.136</i>

Im Rahmen des Jahresabschlusses wurden drei Konzerngesellschaften¹ in der Ukraine zum Zwecke der Erlangung einer Bestätigung über das Fortbestehen („Going Concern“) jeweils mit einer Patronatserklärung der AGRANA Beteiligungs-AG ausgestattet.

Die Patronatserklärungen beinhalten keinen konkreten Wertumfang.

¹ AUSTRIA Juice Ukraine TOV, AGRANA Fruit Ukraine TOV, AGRANA Fruit Luka TOV

4. Erläuterung zur Gewinn- und Verlustrechnung

Die Gewinn- und Verlustrechnung umfasst im Berichtsjahr den Zeitraum vom 1. März 2022 bis 28. Februar 2023, im Vorjahr jenen vom 1. März 2021 bis 28. Februar 2022.

4.1. Umsatzerlöse

Die Umsatzerlöse in Höhe von 46.726.801 € (im Vorjahr 39.222 Tsd. €) beinhalten im Wesentlichen Erträge aus der Konzernverrechnung in Höhe von 24.469.470 € (im Vorjahr 21.600 Tsd. €) und Erträge für die Nutzung der Lizenzen für Markenrechte (Royalties) in Höhe von 21.848.452 € (im Vorjahr 17.237 Tsd. €).

4.2. Erträge aus dem Abgang von Anlagevermögen

Die Erträge aus dem Abgang von Anlagevermögen mit Ausnahme der Finanzanlagen belaufen sich auf 41.412 € (im Vorjahr 46 Tsd. €).

4.3. Erträge aus der Auflösung von Rückstellungen

Die Erträge aus der Auflösung von Rückstellungen von 102.852 € (im Vorjahr 32 Tsd. €) beinhalten im Wesentlichen die Auflösung von Rückstellungen für ausstehende Eingangsrechnungen betreffend IT-Leistungen, Pensionskasse und Konzernkommunikation.

4.4. Übrigen sonstigen betrieblichen Erträge

Die übrigen sonstigen betrieblichen Erträge von 46.564 € (im Vorjahr 55 Tsd. €) enthalten Erträge aus realisierten Gewinnen aus Kursdifferenzen und Erträge aus Versicherungsansprüchen.

4.5. Personalaufwand

	2022 23 EUR	2021 22 TEUR
Gehälter	17.170.287	16.486
Aufwendungen für Abfertigung	-56.049	85
Leistungen an betriebliche Mitarbeitervorsorgekassen (MVK)	233.235	206
Aufwendungen für Altersversorgung	781.869	-1.949
Sozialabgaben und Personalnebenkosten	3.442.114	3.248
Sonstige Sozialaufwendungen	255.904	171
Summe	21.827.361	18.247

davon entfallen

	Abfertigungen und Leistungen an betriebliche Mitarbeitervorsorgekassen		Pensionen (Rückstellungen)	
	2022 23 EUR	2021 22 TEUR	2022 23 EUR	2021 22 TEUR
Vorstand u. Personen lt. § 80 AktG	61.262	48	750.954	-1.976
andere Arbeitnehmer	171.973	243	30.915	27
Summe	233.235	291	781.869	-1.949

Die durchschnittliche Zahl der Arbeitnehmer (Headcount, ohne Vorstandsmitglieder) während des Geschäftsjahres betrug 167 Angestellte, dies entspricht 151,7 FTE (im Vorjahr 161 Headcount entspricht 147,8 FTE).

Die Gesamtbezüge der Vorstandsmitglieder betragen im Berichtsjahr 2.720.581 € (im Vorjahr 7.544 Tsd. €). An die Pensionskasse wurden an laufenden Beiträgen 333.333 € (im Vorjahr 279 Tsd. €) für die Vorstandsmitglieder bezahlt. Weiters wurde bei der Vorsorge für künftige Pensionsansprüche ein Betrag in Höhe von 162.804 € (im Vorjahr 364 Tsd.€) zugeführt.

Die Mitglieder des Aufsichtsrates erhielten für ihre Tätigkeit im Geschäftsjahr 2022|23 eine Vergütung von 312.000 € (im Vorjahr 313 Tsd. €).

In den Löhnen und Gehältern ist der Verbrauch der Rückstellungen für Jubiläumsgelder in Höhe von –110.327 € (im Vorjahr 26 Tsd. €) enthalten.

Im Posten „Sonstige Verbindlichkeiten“ sind Aufwendungen in Höhe von 3.626.252 € (im Vorjahr 3.962 Tsd. €) enthalten, die erst nach dem Bilanzstichtag zahlungswirksam werden.

4.6. Sonstige betriebliche Aufwendungen

Die übrigen sonstigen betriebliche Aufwendungen betragen 31.276.938 € (im Vorjahr 24.802 Tsd. €) und umfassen im Wesentlichen EDV-Aufwand inkl. EDV Beratung von 14.418.048 € (im Vorjahr 11.855 Tsd. €), Rechts-, Prüfungs- und Beratungsaufwendungen von 4.905.471 € (im Vorjahr 2.459 Tsd. €), Leasing, Mieten und Pachten von 2.476.484 € (im Vorjahr 2.268 Tsd. €), Werbeaufwendungen von 1.742.041 € (im Vorjahr 1.313 Tsd. €), Bankgebühren 105.424 € (im Vorjahr 97 Tsd. €) sowie andere Aufwendungen in Höhe von 7.629.470 € (im Vorjahr 6.810 Tsd. €).

4.7. Erträge aus Beteiligungen

	2022 23 EUR	2021 22 TEUR
Erträge von verbundenen Unternehmen	69.795.251	51.193
Erträge von sonstigen Beteiligungen	28.380	33
Summe	69.823.631	51.226

4.8. Steuern vom Einkommen

	2022 23 EUR	2021 22 TEUR
Körperschaftsteuer	–19.854.350	–583
Körperschaftsteuer Vorperioden	–758.266	–1.939
Steuerumlagen	17.141.310	900
Lat. Ertragsst. auf Verlustvort.	0	–1.819
nicht abzugsfähige Quellensteuer	–62.306	–107
Summe	–3.533.612	–3.549

Mit dem Steuerreformgesetz 2005 wurde ein neues Konzept der Besteuerung von Unternehmensgruppen eingeführt. Die AGRANA-Gruppe hat entsprechend dieser Bestimmungen eine Unternehmensgruppe bestehend aus AGRANA Beteiligungs-Aktiengesellschaft als Gruppenträger und AGRANA Zucker GmbH, AGRANA Stärke GmbH, AGRANA Sales & Marketing GmbH, AGRANA Internationale Verwaltungs- und Asset-Management GmbH, AUSTRIA Juice GmbH, AGRANA Group-Services GmbH, INSTANTINA Nahrungsmittel Entwicklungs- und Produktions Gesellschaft m.b.H. und AGRANA Research & Innovation Center GmbH als Gruppenmitglieder gebildet. Zwischen den Gruppenmitgliedern und dem Gruppenträger erfolgt eine Steuerumlagenverrechnung.

5. Sonstige Angaben

5.1. Beziehungen zu verbundenen Unternehmen (§ 238 Abs. 1 Z 20 UGB)

AGRANA AGRO SRL, Roman, Rumänien

AGRANA BiH Holding GmbH, Wien, Österreich

AGRANA Fruit Algeria Holding GmbH, Wien, Österreich

AGRANA Fruit Argentina S.A., Buenos Aires, Argentinien

AGRANA Fruit Australia Pty Ltd, Central Mangrove, Australien

AGRANA Fruit Austria GmbH, Gleisdorf, Österreich

AGRANA Fruit Brasil Indústria, Comércio, Importacao e Exportacao Ltda., São Paulo, Brasilien

AGRANA Fruit Dachang Co., Ltd, Dachang, China

AGRANA Fruit France S.A.S, Mitry-Mory, Frankreich

AGRANA Fruit Germany GmbH, Konstanz, Deutschland

AGRANA FRUIT INDIA PRIVATE LIMITED, Pune, Indien

AGRANA Fruit Istanbul Gıda Sanayi ve Ticaret A.S., Istanbul, Türkei

AGRANA Fruit Japan Co., Ltd., Tokyo, Japan

AGRANA Fruit (Jiangsu) Company Limited, Jiangsu, China

AGRANA Fruit Korea Co. Ltd, Jincheon-gun, Südkorea

AGRANA Fruit Latinoamerica S. de R.L de C.V, Zamora, Mexiko¹

AGRANA Fruit Luka TOV, Vinnitsa, Ukraine

AGRANA Fruit Management Australia Pty Ltd., Sydney, Australien

AGRANA Fruit México, S.A. de C.V., Zamora, Mexiko

AGRANA Fruit Polska SP z.o.o., Ostrołęka, Polen

AGRANA Fruit S.A.S., Mitry-Mory, Frankreich

AGRANA Fruit Services GmbH, Wien, Österreich

AGRANA Fruit Services S.A.S., Mitry-Mory, Frankreich

AGRANA Fruit South Africa (Proprietary) Ltd, Johannesburg, Südafrika

AGRANA Fruit Ukraine TOV, Vinnitsa, Ukraine

AGRANA Fruit US, Inc, Brecksville, USA

AGRANA Group-Services GmbH, Wien, Österreich

AGRANA Internationale Verwaltungs- und Asset-Management GmbH, Wien, Österreich

AGRANA JUICE (XIANYANG) CO.,LTD, Xianyang City, China

AGRANA Magyarorzág Értékesítési Kft., Budapest, Ungarn

AGRANA Nile Fruits Processing (SAE), Qalyoubia, Ägypten

AGRANA Research & Innovation Center GmbH, Wien, Österreich

AGRANA Romania S.R.L., Bukarest, Rumänien

AGRANA Sales & Marketing GmbH, Wien, Österreich

AGRANA Stärke GmbH, Wien, Österreich

AGRANA Trading EOOD, Sofia, Bulgarien

AGRANA Zucker GmbH, Wien, Österreich

AUSTRIA JUICE GmbH, Kröllendorf/Allhartsberg, Österreich

AUSTRIA JUICE Germany GmbH, Bingen, Deutschland

AUSTRIA JUICE Hungary Kft., Vásárosnamény, Ungarn

AUSTRIA JUICE Poland Sp.z.o.o., Chelm, Polen

AUSTRIA JUICE Romania SRL, Vaslui, Rumänien

AUSTRIA JUICE Ukraine TOV, Vinnitsa, Ukraine

Biogáz Fejlesztő Kft., Kaposvár, Ungarn

Dirafrost FFI N.V., Lummen, Belgien

Dirafrost Maroc SARL, Larache, Marokko

Financière Atys S.A.S., Mitry-Mory, Frankreich

INSTANTINA Nahrungsmittel Entwicklungs- und Produktions Gesellschaft m.b.H., Wien, Österreich

Koronás Irodaház Szolgáltató Korlátolt Felelősségű Társaság, Budapest, Ungarn¹

Magyar Cukorgyártó és Forgalmazó Zrt., Budapest, Ungarn

Moravskoslezské Cukrovary A.S., Hrušovany, Tschechien

Marroquin Organic International, Inc., Santa Cruz, USA

o.o.o. AGRANA Fruit Moscow Region, Serpuchov, Russland

AGRANA Amidi srl, Sterzing, Italien

Österreichische Rübensamenzucht Gesellschaft m.b.H., Wien, Österreich

¹ Liquidation in 2022/23

S.C. A.G.F.D. Tandarei s.r.l., Tândărei, Rumänien

Slovenské Cukrovary s.r.o., Sered, Slowakei

SPA AGRANA Fruit Algeria, Akbou, Algerien

SÜDZUCKER Aktiengesellschaft Mannheim/Ochsenfurt, Mannheim, Deutschland mit ihren Tochtergesellschaften

5.2. Beziehungen zu assoziierten Unternehmen

“AGRAGOLD“ d.o.o., Brčko, Bosnien und Herzegowina

AGRAGOLD d.o.o., Zagreb, Kroatien

AGRAGOLD dooel, Skopje, Nordmazedonien

AGRAGOLD trgovina d.o.o., Ljubljana, Slowenien

AGRANA STUDEN Albania sh.p.k., Tirana, Albanien

AGRANA-STUDEN Beteiligungs GmbH, Wien, Österreich

AGRANA-STUDEN Kosovo L.L.C., Pristina, Kosovo

AGRANA-STUDEN Sugar Trading GmbH, Wien, Österreich

Beta Pura GmbH, Wien, Österreich

Company for trade and services AGRANA-STUDEN Serbia d.o.o. Beograd, Belgrad, Serbien

GreenPower Services Kft, Szabadegyháza, Ungarn

HUNGRANA Keményítő- és Isocukorgyártó és Forgalmazó Kft., Szabadegyháza, Ungarn

STUDEN-AGRANA Rafinerija Secera d.o.o., Brčko, Bosnien und Herzegowina

Zu den angeführten Unternehmen bestehen fremdübliche Dienstleistungsbeziehungen.

6. Aufwendungen für den Abschlussprüfer (§ 238 Abs. 1 Z18 UGB)

	2022 23			2021 22		
	Jahresabschluss EUR	Andere Bestätigungsleistungen EUR	Gesamt EUR	Jahresabschluss TEUR	Andere Bestätigungsleistungen TEUR	Gesamt TEUR
PwC Wirtschaftsprüfung GmbH	11.595	301.479	313.074	10	269	280
Summe	11.595	301.479	313.074	10	269	280

7. Wesentliche Ereignisse nach dem Bilanzstichtag

Nach dem Bilanzstichtag am 28. Februar 2023 sind keine Vorgänge von besonderer Bedeutung eingetreten, die einen wesentlichen Einfluss auf die Ertrags-, Finanz- und Vermögenslage der AGRANA Beteiligungs-AG hatten.

8. Ergebnisverwendung

Es wird vorgeschlagen, aus dem Bilanzgewinn in Höhe von 82.561.659 € eine Dividende von EUR 0,90 je Aktie, das sind in Summe 56.240.078 € auszuschütten und den Restbetrag auf neue Rechnung vorzutragen.

9. Organe und Arbeitnehmer (§ 239 UGB)

Aufsichtsrat:

Mag. Erwin HAMESEDER, Mühldorf	Vorsitzender
Dr. Niels PÖRKSEN, Wien	Stellvertreter des Vorsitzenden
Mag. Veronika HASLINGER, Wien	Stellvertreterin des Vorsitzenden
MMag. Dr. Andrea GRITSCH, Wien	
Dipl.-Ing. Helmut FRIEDL, Egling a.d.Paar	
Dipl.-Ing. Ernst KARPFFINGER, Oberweiden	
Dipl.-Ing. Josef PRÖLL, Wien	
Dr. Stefan STRENG, Wien	

Vom Betriebsrat delegiert:

Thomas BUDER, Katzelsdorf
Dipl.-Ing. Daniela BOGNER, Wien
Andreas KLAMLER, Gleisdorf
René SCHMID, Wien

Vorstand:

Dkfm. Markus MÜHLEISEN, MBA, Wien	Vorsitzender
Ingrid Helen ARNOLD, MBA, Wien	
Mag. Stephan BÜTTNER, Wien	
Dipl.-Ing. Dr. Norbert HARRINGER, Wien	

Wien, am 28. April 2023

Der Vorstand:



Dkfm. Markus Mühleisen, MBA



Mag. Stephan Büttner



Dipl.-Ing. Dr. Norbert Harringer



Ingrid Helen Arnold, MBA

Entwicklung des Anlagevermögens

im Geschäftsjahr 2022|23 in €

ANLAGEVERMÖGEN	Anschaffungskosten				
	Stand 01.03.2022	Zugang	Um- buchung	Abgang	Stand 28.02.2023
I. Immaterielle Vermögensgegenstände					
1. Markenrechte	611.301	0	0	0	611.301
2. EDV-Software	10.450.154	0	0	2.315.103	8.135.051
	11.061.455	0	0	2.315.103	8.746.352
II. Sachanlagen					
1. Betriebs- und Geschäftsausstattung	4.451.412	562.607	0	1.336.674	3.677.344
2. Geringwertige Vermögensgegenstände	0	12.567	0	12.567	0
	4.451.412	575.174	0	1.349.241	3.677.344
III. Finanzanlagen					
1. Anteile an verbundenen Unternehmen	424.145.490	0	0	0	424.145.490
2. Ausleihungen an verbundenen Unternehmen	221.000.000	228.000.000	0	0	449.000.000
3. Wertpapiere (Wertrechte) des Anlagevermögens	258.620	0	0	0	258.620
	645.404.110	228.000.000	0	0	873.404.110
Gesamtsumme	660.916.977	228.575.174	0	3.664.344	885.827.806

Abschreibungen				Buchwerte		
Stand 01.03.2022	Jahresab- schreibung	Zu- schreibung	Abgang	Stand 28.02.2023	Stand 28.02.2023	Stand 28.02.2022
611.301	0	0	0	611.301	0	0
10.112.658	168.154	0	2.315.103	7.965.709	169.342	337.496
10.723.959	168.154	0	2.315.103	8.577.010	169.342	337.496
3.504.561	462.677	0	1.240.722	2.726.516	950.828	946.851
0	12.567	0	12.567	0	0	0
3.504.561	475.244	0	1.253.289	2.726.516	950.828	946.851
7.120.724	0	0	0	7.120.724	417.024.766	417.024.766
0	0	0	0	0	449.000.000	221.000.000
0	0	0	0	0	258.620	258.620
7.120.724	0	0	0	7.120.724	866.283.386	638.283.386
21.349.244	643.398	0	3.568.392	18.424.250	867.403.556	639.567.733

Lagebericht

für das Geschäftsjahr 2022|23 vom 1. März 2022 bis 28. Februar 2023

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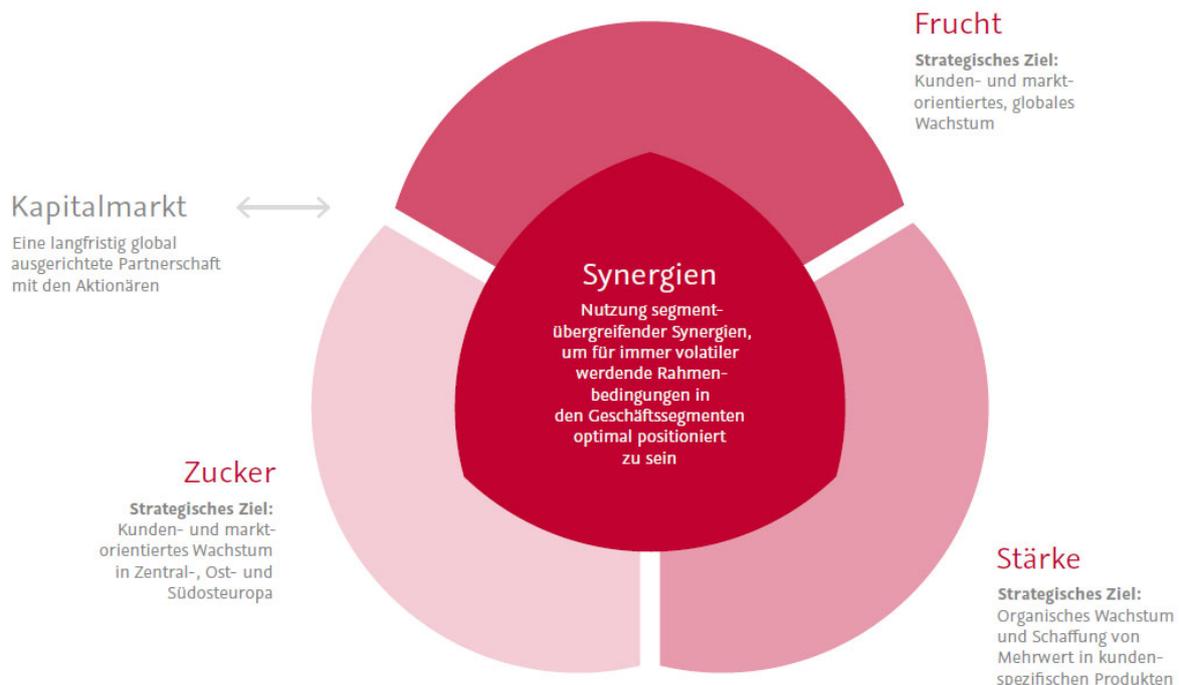
Überblick

Die AGRANA Beteiligungs-Aktiengesellschaft ist als international ausgerichtetes österreichisches Industrieunternehmen in ihrer **Konzern­tätigkeit** in den Segmenten Zucker und Stärke hauptsächlich in Europa und im Segment Frucht weltweit tätig und strebt in diesen Märkten eine führende Position in der industriellen Veredelung von agrarischen Rohstoffen an. Die AGRANA Beteiligungs-Aktiengesellschaft bildet die Holding-Gesellschaft der AGRANA-Gruppe („AGRANA“).

Der Konzern verfolgt einen an den jeweiligen lokalen Marktgegebenheiten ausgerichteten Wachstumskurs. Langfristige und stabile Kunden- und Lieferantenbeziehungen, respektvolles Verhalten gegenüber den Stakeholdern sowie die kontinuierliche Steigerung des Unternehmenswertes sind wichtige Eckpfeiler, die an den Grundsätzen nachhaltigen Wirtschaftens ausgerichteten Unternehmensstrategie.

Ziel von AGRANA ist es, sowohl global agierenden als auch regional tätigen Kunden weltweit hohe Produktqualität, optimalen Service sowie innovative Ideen und Know-how in der Produktentwicklung zu bieten.

Die strategischen Ziele der Konzernsegmente, die sich in der AGRANA Beteiligungs-Aktiengesellschaft in den Beteiligungsverhältnissen widerspiegeln, stehen in einer synergetischen Wechselwirkung:



AGRANA kontrolliert und steuert die produktbezogene Wertschöpfungskette vom Einkauf der agrarischen Rohstoffe bis zu den daraus gewonnenen industriellen Vorprodukten, im Segment Zucker auch bis zum Endprodukt für den Konsumenten.

Das Unternehmen nutzt das konzerneigene strategische Know-how über die Segmente hinweg. Dies betrifft v.a. die landwirtschaftliche Kontraktwirtschaft und Rohstoffbeschaffung, Kenntnisse von Kundenbedürfnissen und Märkten, die Möglichkeiten segmentübergreifender Produktentwicklungen sowie Synergien in der Logistik, im Einkauf, Verkauf und im Finanzbereich. Damit wird die Basis für eine solide Marktstellung gegenüber den Mitbewerbern in allen Produktgruppen sowie die nötige Innovationskraft und die Wettbewerbsfähigkeit von AGRANA geschaffen.

Das **Segment Frucht** umfasst für Kunden individuell konzipierte und produzierte Fruchtzubereitungen und Fruchtsaftkonzentrate. AGRANA ist der weltweit führende Hersteller von Fruchtzubereitungen für die Molkerei-, Backwaren-, Eiscreme- und Food Service-Industrie. Die in Zubereitungen verarbeiteten Früchte werden größtenteils in tiefgefrorener oder aseptischer Form von Erstverarbeitern bezogen. In einigen Ländern betreibt AGRANA auch eigene Anlagen der ersten Verarbeitungsstufe, in denen frische Früchte teilweise von Vertragsanbauern übernommen und für die Verarbeitung in Fruchtzubereitungen vorbereitet werden. Im Bereich Fruchtsaftkonzentrate werden v.a. an europäischen Produktionsstandorten Apfel- und Beerensaftkonzentrate ebenso wie Direktsäfte und Fruchtweine sowie Getränkegrundstoffe und Aromen hergestellt. AGRANA legt Wert auf eine möglichst nachhaltige, vollständige Verwertung der eingesetzten agrarischen Rohstoffe. Während in der Herstellung von Fruchtzubereitungen kaum Reststoffe anfallen, werden die bei der Produktion von Apfelsaftkonzentrat verbleibenden Presskuchen, sogenannte (Apfel-)Trester, von der Pektinindustrie und als Futtermittel genutzt.

Im **Segment Stärke** verarbeitet und veredelt AGRANA sowohl aus Vertragslandwirtschaft stammende als auch über den Handel bezogene Rohstoffe (primär Mais, Weizen und Kartoffeln) zu hochwertigen Stärkeprodukten. Die erzeugten Produkte werden an die Nahrungs- und Genussmittelindustrie und auch an die Papier-, Textil-, Kosmetik-, Baustoffindustrie sowie andere technische Industriezweige geliefert. Im Rahmen der Stärkegewinnung werden auch Dünge- und hochwertige Futtermittel erzeugt. Die Produktion von Bioethanol, das als klimaschonende Komponente Benzin beigemischt wird, ist ebenfalls Teil des Segmentes Stärke.

AGRANA verarbeitet im **Segment Zucker** Zuckerrüben aus Vertragslandwirtschaft und raffiniert weltweit bezogenen Rohr-Rohzucker. Die Produkte werden an weiterverarbeitende Industrien z.B. für Süßwaren, alkoholfreie Getränke und Pharmaanwendungen geliefert. Zudem vertreibt AGRANA unter länderspezifischen Marken auch eine breite Palette an Kristallzucker und Zuckerspezialprodukten über den Lebensmittelhandel an Endkonsumenten. Daneben produziert AGRANA im Sinne einer möglichst vollständigen Verwertung der eingesetzten agrarischen Rohstoffe eine Vielzahl an Dünge- und Futtermitteln zum Einsatz in der Landwirtschaft und Nutztierhaltung. Diese leisten nicht nur einen Beitrag zum ökonomischen Erfolg, sondern schließen durch die Rückführung von Nähr- und Mineralstoffen in die Natur auch den ökologischen Kreislauf.

Rund 8.700 Mitarbeiter (FTEs)¹ an 55 Produktionsstandorten auf allen Kontinenten erwirtschafteten im Geschäftsjahr 2022|23 einen Konzernumsatz von rund 3,6 Mrd. €. AGRANA wurde 1988 gegründet und notiert seit 1991 an der Wiener Börse.

Geschäftsverlauf und wirtschaftliche Lage der AGRANA Beteiligungs-Aktiengesellschaft

basierend auf dem Jahresabschluss nach UGB zum 28. Februar 2023

Geschäftsentwicklung	2022 23	2021 22	Veränderung
	TEUR	TEUR	%
Umsatzerlöse	46.727	39.222	19,1%
Sonstige betriebliche Erträge	191	133	43,7%
Betriebsleistung	46.918	39.355	19,2%
Operatives Ergebnis (Betriebserfolg)	-6.830	-4.536	-50,6%
Operative Marge ¹	-14,6%	-11,5%	
Beteiligungserträge	69.824	51.226	36,3%
Finanzerfolg	76.266	55.784	36,7%
Ergebnis vor Steuern	69.436	51.248	35,5%
Jahresüberschuss	65.903	47.699	38,2%
Investitionen in Sachanlagen und immaterielle Vermögenswerte	228.575	660	34509,3%

¹ Operative Marge = Operatives Ergebnis / Betriebsleistung

Umsatzerlöse

Die **Umsatzerlöse** der AGRANA lagen im Geschäftsjahr 2022|23 mit 46.727 Tsd. € insgesamt über dem Vorjahresniveau (+7.505 Tsd. € bzw +19,1%). Bei den Erträgen aus Lizenzentnahmen verzeichnete man einen Anstieg (+4.612 Tsd. € bzw +26,8%). Eine ebenfalls positive Entwicklung zeigten die Erträge aus Konzernverrechnungen (+2.870 Tsd. € bzw +13,3%).

Ertragslage

Der Betriebserfolg (**operatives Ergebnis**) reduzierte sich im Vergleich zum Vorjahr um -2.294 Tsd. € (bzw. 50,6%) auf -6.830 Tsd. €. Diese Veränderung resultiert trotz des Anstiegs der Umsatzerlöse vor allem aus erhöhten Personalaufwendungen (+3.580 Tsd. € bzw. +21,9%) und gestiegenen sonstigen betrieblichen Aufwendungen (+6.475 bzw. +26,1%). Im Personalaufwand des Vorjahres war eine ertragswirksame Auflösung der Pensionsrückstellung von 2.262 Tsd. € enthalten.

Der Anstieg der sonstigen betrieblichen Aufwendungen ist im Wesentlichen auf Mehraufwendungen bei den Rechts- und Beratungskosten für strategische Konzepte und Projekte (+2.246 Tsd €) als auch erhöhte Ausgaben im IT-Bereich (+2.584 Tsd €) zurückzuführen, unter anderen aber auch nach der Corona-Zeit normalisierte Aufwendungen für beispielsweise Reise- bzw. Veranstaltungskosten.

Die Beteiligungserträge haben sich im Geschäftsjahr 2022|23 um +18.598 Tsd. € bzw +36,3% erhöht. Dies ist vor allem bedingt durch die Dividendenausschüttung der AGRANA Zucker GmbH.

Vermögens- und Finanzlage

Bilanzkennzahlen	2022 23 TEUR	2021 22 TEUR	Veränderung %
Bilanzsumme	1.260.844	1.049.815	20,1%
Grundkapital	113.531	113.531	0,0%
Immaterielle Vermögensgegenstände und Sachanlagen	1.120	1.284	-12,8%
Anteile an verbundenen Unternehmen	417.025	417.025	0,0%
Andere Finanzanlagen	449.259	221.259	103,0%
Eigenkapital	760.710	741.674	2,6%
Verbindlichkeiten gegenüber Kreditinstituten	449.000	271.000	65,7%
Eigenkapitalquote ¹	60,3%	71,0%	-10,7 pp
Haftungsverhältnisse	365.865	315.619	15,9%

¹ Eigenkapitalquote = Eigenkapital / Gesamtkapital

Die **immateriellen Vermögensgegenstände und Sachanlagen** reduzieren sich im Vergleich zum Vorjahr um -164 Tsd. €. Den Investitionen in Höhe von 575 Tsd. € stehen Abschreibungen in Höhe von 643 Tsd. € gegenüber. Die wesentliche Veränderung betrifft den Buchwertrückgang sowohl bei der Betriebs- und Geschäftsausstattung und EDV-Software.

Die **Anteile an verbundenen Unternehmen** sind im Vergleich zum Vorjahr unverändert.

Andere Finanzanlagen beinhalten Ausleihungen an verbundene Unternehmen die nach der Aufnahme des Schuldscheindarlehens im Geschäftsjahr 2022|23 um 228.000 Tsd. € erhöht wurden.

Die **Eigenkapitalquote** von 60,3 % ist im Vergleich zum Vorjahr (71,0 %) gesunken, und zeigt eine stabile und solide Eigenkapitalausstattung und Bilanzstruktur der Gesellschaft.

Die **Verbindlichkeiten gegenüber Kreditinstituten** haben sich im Geschäftsjahr um 178.000 Tsd. € erhöht, dies ist vor allem auf die Ausgabe des ESG-Rating-gebundenen Schuldscheindarlehens im Dezember 2022 zurückzuführen.

Cashflow

	2022 23	2021 22	Veränderung
	TEUR	TEUR	%
Cashflow aus laufender Geschäftstätigkeit	-21.332	-5.263	305%
Cashflow aus Investitionstätigkeit	-152.097	54.592	-379%
Cashflow aus Finanzierungstätigkeit	131.050	-2.458	-5431%
Cashflow aus flüssigen Mitteln	-42.380	46.871	-190%
Bestand an flüssigen Mitteln¹	294.993	337.373	-13%

¹ einschließlich Forderungen gegenüber dem Konzern-Cash-Pooling mit AGRANA Group-Services GmbH 28.02.2023: 294.991 Tsd. €; 28.02.2022: 337.358 Tsd. €.

Im Geschäftsjahr wurde erstmals die Gliederung gemäß AFRAC-Stellungnahme 36 Geldflussrechnung (UGB) vorgenommen, deshalb wurden auch die Vorjahreszahlen entsprechend angepasst.

Der Cashflow aus der **Investitionstätigkeit** veränderte sich um -206.689 Tsd. € auf -152.097 Tsd. €. Im Geschäftsjahr 2022|23 ist der negative Cashflow vor allem durch die Zunahme bei den Ausleihungen an verbundene Unternehmen bedingt.

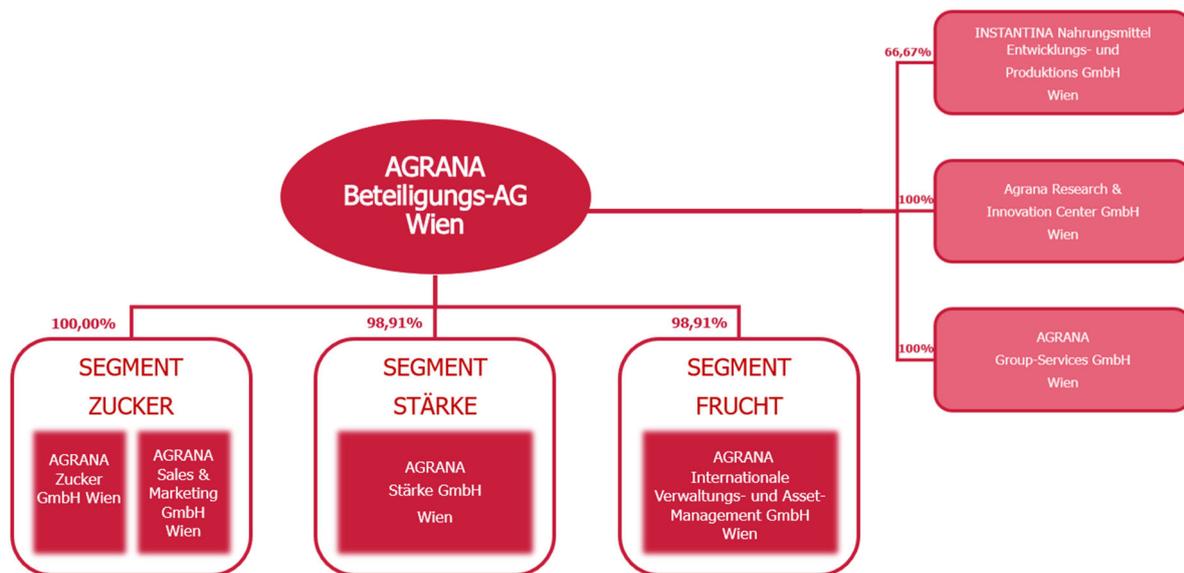
Der Cashflow aus der **Finanzierungstätigkeit** in Höhe von 131.050 Tsd. € resultiert aus der Dividendenauszahlung von -48.867 Tsd. € (im Vorjahr: -53.116 Tsd. €) und der Aufnahme von Verbindlichkeiten gegenüber Kreditinstituten in Höhe von 178.000 Tsd. € im Rahmen der Ausgabe des ESG-Rating-gebundenen Schuldscheindarlehens.

Beteiligungen der AGRANA Beteiligungs-Aktiengesellschaft

Die Segmente der AGRANA-Gruppe spiegeln sich in der AGRANA Beteiligungs-Aktiengesellschaft im Finanzanlagevermögen unter den Beteiligungen wider.

Die weiteren Beteiligungen der AGRANA-Beteiligungs-Aktiengesellschaft werden bis auf die INSTANTINA Nahrungsmittel Entwicklungs- und Produktions Gesellschaft m.b.H. zu 100 % gehalten. Die restlichen Anteile auf 100 % (33,33 %) der INSTANTINA Nahrungsmittel Entwicklungs- und Produktions Gesellschaft m.b.H werden von der KRÜGER Gesellschaft m.b.H. & Co. KG, Deutschland gehalten.

Die restlichen Anteile auf 100 % der „Segment-Gesellschaften“ Stärke und Frucht werden von der Tochtergesellschaft AGRANA Sales & Marketing GmbH (ehem. AGRANA Marketing- und Vertriebsservice Gesellschaft m.b.H.) gehalten.



AGRANA Zucker GmbH

Die AGRANA Sales & Marketing GmbH ist die Dachgesellschaft für die Zuckerverkaufsaktivitäten des Konzerns und fungiert gleichzeitig als Holding für die Zucker-Beteiligungen in Ungarn, Tschechien, der Slowakei, in Rumänien, Bulgarien sowie Bosnien und Herzegowina. Die AGRANA Zucker GmbH ist jene Gesellschaft, die das Vermögen der beiden österreichischen Zuckerfabriken besitzt und diese lenkt. Dem Segment Zucker werden weiters die INSTANTINA Nahrungsmittel Entwicklungs- und Produktions Gesellschaft m.b.H., Wien, die AGRANA Research & Innovation Center GmbH, Wien, die Österreichische Rübensamenzucht Gesellschaft m.b.H., Wien, sowie die AGRANA Beteiligungs-AG, Wien, als Gruppen-Holding zugerechnet. Die Gemeinschaftsunternehmen der AGRANA-STUDEN-Gruppe und der Beta Pura GmbH, Wien, werden nach der Equity-Methode in den Konzernabschluss einbezogen.

Geschäftsentwicklung

Segment Zucker		2022 23	2021 22	Veränderung %/pp
Umsatzerlöse (brutto)	t€	884.607	666.173	32,8%
Umsätze zwischen den Segmenten	t€	-22.911	-26.116	12,3%
Umsatzerlösen	t€	861.696	640.057	34,6%
EBITDA ¹	t€	65.933	6.920	852,8%
Operatives Ergebnis	t€	38.024	-23.305	263,2%
Ergebnisanteil von Gemeinschaftsunternehmen, die nach der Equity-Methode bilanziert werden	t€	7.636	-5.742	233,0%
Ergebnis aus Sondereinflüssen	t€	901	-2.072	143,5%
Ergebnis der Betriebstätigkeit (EBIT)	t€	46.561	-31.119	249,6%
EBIT-Marge	%	5,4	-4,9	10,3 pp
Investitionen ²	t€	34.252	20.702	65,5%
Mitarbeiter (FTEs) ³		1.906	1.892	0,7%

¹ Operatives Ergebnis vor operativen Abschreibungen

² In Sachanlagen und immaterielle Vermögenswerte, ausgenommen Geschäfts-/Firmenwerte

³ Durchschnittlich im Geschäftsjahr beschäftigte Vollzeitäquivalente (FTEs – Full-time equivalents)

Der Absatz über alle Produkte hinweg war im Geschäftsjahr 2022|23 stabil, wobei es bei den Hauptprodukten (Zucker) einen geringfügigen Mengenrückgang gab. Bei den Nebenprodukten (inklusive sonstige Produkte) gab es einen leichten Absatzanstieg. Die AGRANA-Zuckermärkte entwickelten sich unterschiedlich. Während im Retailbereich Mengenrückgänge verzeichnet wurden, konnten im Industriesektor die Absätze moderat erhöht werden.

Seit Beginn des Zuckerwirtschaftsjahres 2020|21 erholen sich die Zuckerverkaufspreise stetig. Im Retailgeschäft waren die Preise im Geschäftsjahr 2022|23 um rund 40 % höher als im Vorjahr, im Industriebereich lagen die Verkaufspreise aufgrund neuer Verträge mit den Kunden ebenfalls markant über dem Durchschnittswert des Vorjahres.

Das EBIT lag sehr deutlich über dem schwachen Vorjahreswert. Markant gestiegene Zuckerverkaufspreise konnten die wesentlich höheren Rohstoff- und Energiepreise deutlich überkompensieren.

Das Ergebnis der AGRANA-STUDEN-Gruppe wirkte sich auch 2022|23 positiv auf das EBIT des Segmentes Zucker aus und war im Übrigen das beste Ergebnis der Unternehmensgeschichte. Der Ergebnisbeitrag erhöhte sich deutlich von 1,9 Mio. € auf 9,9 Mio. €. Das zweite Zucker-Joint Venture, die Beta Pura GmbH, Wien, trug aufgrund des herausfordernden Marktumfeldes für Betain und hoher Energiepreise negativ zum Ergebnis von Gemeinschaftsunternehmen bei (-2,3 Mio. €; Vorjahr: 7,6 Mio. €).

AGRANA Stärke GmbH

Das Segment Stärke umfasst die vollkonsolidierten Gesellschaften AGRANA Stärke GmbH, Wien, mit den drei österreichischen Fabriken in Aschach (Maisstärke), Gmünd (Kartoffelstärke) und Pischelsdorf (integrierte Weizenstärke- und Bioethanolanlage), die AGRANA TANDAREI S.r.l. mit einem Werk in Rumänien (Maisverarbeitung) sowie die Marroquin Organic International, Inc., Santa Cruz|USA, ein auf Bio-Produkte spezialisiertes Handelshaus. Zudem führt und koordiniert die AGRANA Stärke GmbH, gemeinsam mit dem Joint Venture-Partner Archer Daniels Midland Company, Chicago|USA, die Gemeinschaftsunternehmen der HUNGRANA-Gruppe (mit einem Werk in Ungarn; Herstellung von Stärke-, Verzuckerungsprodukten und Bioethanol), die nach der Equity-Methode in den Konzernabschluss einbezogen werden.

Geschäftsentwicklung

Segment Stärke		2022 23	2021 22	Veränderung %/pp
Umsatzerlöse (brutto)	t€	1.306.594	1.020.436	28,0%
Umsätze zwischen den Segmenten	t€	-12.779	-10.029	-27,4%
Umsatzerlösen	t€	1.293.815	1.010.407	28,0%
EBITDA ¹	t€	116.750	106.391	9,7%
Operatives Ergebnis	t€	69.168	57.929	19,4%
Ergebnisanteil von Gemeinschaftsunternehmen, die nach der Equity-Methode bilanziert werden	t€	11.021	13.761	-19,9%
Ergebnis der Betriebstätigkeit (EBIT)	t€	80.189	71.690	11,9%
EBIT-Marge	%	6,2	7,1	-0,9 pp
Investitionen ²	t€	30.985	24.283	27,6%
Mitarbeiter (FTEs) ³		1.147	1.137	0,9%

¹ Operatives Ergebnis vor operativen Abschreibungen

² In Sachanlagen und immaterielle Vermögenswerte, ausgenommen Geschäfts-/Firmenwerte

³ Durchschnittlich im Geschäftsjahr beschäftigte Vollzeitäquivalente (FTEs – Full-time equivalents)

Das Marktgeschehen auf den Produktmärkten des Segmentes Stärke war 2022|23 vom Krieg in der Ukraine und dessen Folgen beeinflusst. Extrem gestiegene Rohstoff- und Energiekosten erforderten die Weitergabe der erhöhten Herstellungskosten an die Kunden. Diese haben aber gleichzeitig die Lieferfähigkeit und Versorgungssicherheit durch AGRANA wertgeschätzt. Der Umsatz stieg 2022|23 um 28 % durch die angepassten Verkaufspreise im gesamten Produktportfolio. Die Absatzmengen waren gegenüber dem Vorjahr rückläufig.

Unabhängig von Herstellungskostenentwicklungen orientiert sich der Ethanolmarktpreis an den Platts-Notierungen, die im Berichtsjahr eine sehr hohe Schwankungsbreite aufwiesen. Hohe Energiepreise unterstützten die Ethanolnotierungen noch im ersten Halbjahr 2022|23, initiierten aber auch große Importorders für den europäischen Markt.

Die deutlich gestiegenen Rohstoffkosten im Segment Stärke waren auf die massiv gestiegenen Getreidepreise zurückzuführen. Gleichzeitig kam es zu einem extremen Anstieg bei den Energiepreisen. Die in Summe deutlich gestiegenen Herstellungskosten konnten nicht zur Gänze durch Verkaufspreisanpassungen an die Kunden weitergegeben werden und belasteten die Margen. Ergebnisstärkend wirkten die Preisentwicklungen bei den Nebenprodukten (v.a. bei Hochproteinen). Insgesamt konnte im Berichtsjahr ein EBITDA von 116,8 Mio. € erzielt werden, das moderat über dem Vorjahreswert lag. Das operative Ergebnis betrug 69,2 Mio. € und lag um 19,4 % über dem Vorjahreswert.

Im Geschäftsjahr 2021|22 stieg auch der Umsatz der ungarischen HUNGRANA-Gruppe um rund 28 % auf 457,6 Mio. €. Die Geschäftsentwicklung folgte dem generellen Trend deutlich gestiegener Mais- und Energiekosten und dadurch massiv gestiegener Produktionskosten. Während sich die Preise für Verzuckerungsprodukte erholten, sanken die Margen für Ethanol. Insgesamt wies die HUNGRANA-Gruppe ein EBIT von 41,5 Mio. € (Vorjahr: 34,1 Mio. €) aus. Das PAT betrug 22,0 Mio. € (Vorjahr: 27,5 Mio. €), womit der Ergebnisbeitrag für das Segment Stärke auf 11,0 Mio. € (Vorjahr: 13,8 Mio. €) sank.

AGRANA Internationale Verwaltungs- und Asset-Management GmbH

Die AGRANA Internationale Verwaltungs- und Asset-Management GmbH, Wien, ist die Dachgesellschaft für das Segment Frucht. Die Koordination und operative Führung für den Geschäftsbereich Fruchtzubereitungen erfolgt durch die Holdinggesellschaft AGRANA Fruit S.A.S. mit Firmensitz in Mitry-Moryl/Frankreich. Im Bereich Fruchtsaftkonzentrate operiert die AUSTRIA JUICE GmbH mit Sitz in Kröllendorf/Allhartsberg/Österreich als operative Holding. Insgesamt sind dem Segment zum Bilanzstichtag 26 Produktionsstandorte in 20 Ländern für Fruchtzubereitungen und 14 Werke in sieben Ländern für die Herstellung von Apfel- und Beerensaftkonzentraten zuzurechnen.

Geschäftsentwicklung

Segment Frucht		2022 23	2021 22	Veränderung %/pp
Umsatzerlöse (brutto)	t€	1.482.895	1.251.846	18,5%
Umsätze zwischen den Segmenten	t€	-964	-766	-25,8%
Umsatzerlösen	t€	1.481.931	1.251.080	18,5%
EBITDA ¹	t€	94.460	93.341	1,2%
Operatives Ergebnis	t€	51.241	51.857	-1,2%
Ergebnis aus Sondereinflüssen	t€	-89.731	-67.696	-32,5%
Ergebnis der Betriebstätigkeit (EBIT)	t€	-38.490	-15.839	-143,0%
EBIT-Marge	%	-2,6	-1,3	-1,3 pp
Investitionen ²	t€	37.679	37.382	0,8%
Mitarbeiter (FTEs) ³		5.677	5.662	0,3%

¹ Operatives Ergebnis vor operativen Abschreibungen

² In Sachanlagen und immaterielle Vermögenswerte, ausgenommen Geschäfts-/Firmenwerte

³ Durchschnittlich im Geschäftsjahr beschäftigte Vollzeitäquivalente (FTEs – Full-time equivalents)

Der Umsatz im Geschäftsbereich Fruchtzubereitungen wuchs um rund 15 %, was auf Preissteigerungen in Folge der signifikant gestiegenen Rohstoff- und Herstellungskosten zurückzuführen war. Umsatzsteigerungen wurden in allen Regionen verzeichnet, wobei es in Mexiko, Nordamerika, Australien und Russland die höchsten positiven Abweichungen gab. Signifikant fiel auch die Steigerung in Argentinien aus, welche hier v.a. mengengetrieben war. Eine Analyse der Absatzentwicklung nach Produktkategorien zeigte gestiegene Verkaufsmengen bei den Non-Dairy-Fruchtzubereitungen und rückläufige Mengen im Molkerei-Bereich sowie im Bereich Handel mit Früchten.

Das operative Ergebnis im Bereich Fruchtzubereitungen lag signifikant unter dem Vorjahresergebnis. Ergebnisverbesserungen in Mexiko (höhere Margen) und in Russland (positive Auswirkungen aus dem Wechselkurs) konnten die Ergebnisrückgänge, v.a. in den Regionen Europa (primär gestiegene Energiekosten) und Asien-Pazifik (Mengenrückgänge in Südkorea und China), bei weitem nicht kompensieren.

Auf das EBIT im Bereich Fruchtzubereitungen wirkte sich das Ergebnis aus Sondereinflüssen in Höhe von -91,1 Mio. € (Vorjahr: -64,8 Mio. €) sehr negativ aus. Neben dem weiter andauernden Krieg in der Ukraine und den Verwerfungen an den Energie- und Rohstoffmärkten lösten vor allem rasant steigende Kapitalkosten eine Werthaltigkeitsprüfung für die Cash Generating Unit Frucht im zweiten Quartal 2022|23 aus. Dabei wurden zahlungsunwirksame Wertminderungen auf Assets (-2,8 Mio. €) und Goodwill (-88,3 Mio. €) verbucht (Vorjahr: „kriegsbezogen“ -62,5 Mio. €, „geschäftsbezogen“ -2,3 Mio.€).

Die Umsatzerlöse im Geschäftsbereich Fruchtsaftkonzentrate konnten im Geschäftsjahr 2022|23 deutlich gesteigert werden. Das signifikant über dem Vorjahr liegende operative Ergebnis war auf eine verbesserte Margensituation, sowohl bei Buntsaftkonzentraten als auch bei Apfelsaftkonzentraten, zurückzuführen; aus der Ernte 2022 konnten historisch hohe Deckungsbeiträge erzielt werden. Des Weiteren entwickelte sich der Added Value-Bereich sehr positiv und Wachstumsziele, v.a. bei FTNF¹-Aromen, konnten übertroffen werden. Ein Ergebnis aus Sondereinflüssen in Höhe von +1,4 Mio. € wirkte sich auch positiv auf das EBIT im Fruchtsaftkonzentratbereich aus. Ein Teil der zum 28. Februar 2022 gebildeten Wertberichtigungen für Forderungen und Vorräte aufgrund des Krieges in der Ukraine konnte nämlich bereits aufgelöst werden.

¹ From the named fruit (natürliche Aromen)

INSTANTINA Nahrungsmittel Entwicklungs- und Produktions Gesellschaft m.b.H.

Die INSTANTINA Nahrungsmittel Entwicklungs- und Produktions Gesellschaft m.b.H. ist auf die Entwicklung und Produktion von Instantprodukten spezialisiert und ist dem Segment Zucker zugeordnet.

AGRANA Research & Innovation Center GmbH

Bei der AGRANA Research & Innovation Center GmbH, Wien werden schwerpunktmäßig die Forschungs- und Entwicklungsaktivitäten für Zucker und Stärke der AGRANA-Gruppe gebündelt.

AGRANA Group-Services GmbH

Die AGRANA Group-Services GmbH erfüllt im Konzern die Finanzierungsfunktion und betreibt das Cash-Pooling. Sie ist, wie die Holding, dem Segment Zucker zugeordnet.

Umwelt und Nachhaltigkeit

AGRANAs Nachhaltigkeitsverständnis

AGRANA, als industrieller Veredler agrarischer Rohstoffe, versteht im Rahmen ihrer Geschäftstätigkeit unter Nachhaltigkeit die Balance zwischen Ökonomie, Ökologie und Sozialem. Dieses Verständnis von Nachhaltigkeit ist im Rahmen von drei Leitsätzen, die dem Management und allen Mitarbeitern als praktische und leicht verständliche Anleitung zu täglich nachhaltigem Handeln dienen, zusammengefasst.

Wir bei AGRANA...

- verwerten annähernd 100 % der eingesetzten Rohstoffe und nutzen emissionsarme Technologien, um Auswirkungen auf die Umwelt zu minimieren,
- achten alle unsere Stakeholder und die Gesellschaften, in denen wir tätig sind,
- leben langfristige Partnerschaften mit Lieferanten und Kunden.

AGRANA entwickelte ihr Nachhaltigkeitsverständnis auf Basis der regelmäßigen Interaktion mit ihren Stakeholder-Gruppen.

AGRANA Nachhaltigkeitsaktivitäten im Geschäftsjahr 2022|23 und Ziele

Auf Basis ihrer Geschäftstätigkeit hat AGRANA fünf Handlungsfelder der Nachhaltigkeit entlang ihrer Produktwertschöpfungskette identifiziert:

- **Rohstoffbeschaffung** und die in der vorgelagerten Wertschöpfungskette ausgelösten Emissionen
- **Energieeinsatz** innerhalb und außerhalb der Organisation und dadurch ausgelöste Treibhausgasemissionen
- Unsere **Mitarbeiterinnen und Mitarbeiter**
- Weitere höchst relevante Aspekte umfassen Themen rund um **Wasserentnahme** (vor allem an Risikostandorten hinsichtlich Wasserstress), **Biodiversität** (Auswirkungen von Aktivitäten und Produkten auf die biologische Vielfalt) und **Produktverantwortung**

Die SAI Plattform bietet industriellen Veredlern landwirtschaftlicher Rohstoffe wie AGRANA mehrere hilfreiche Instrumente v.a. zur Evaluierung und Dokumentation der Einhaltung guter Umwelt- und Sozialkriterien in der agrarischen Lieferkette bzw. zum Vergleich der Wertigkeit unterschiedlicher Nachweise bzw. internationaler Zertifizierungen an.

Das Basisinstrument stellt dabei immer das von der SAI Plattform erstellte Farm Sustainability Assessment (FSA) dar. Dieses wird mithilfe eines Fragebogens, welcher aus 109 Fragen zu allen für die Nachhaltigkeit relevanten Themenschwerpunkten wie Betriebsführung, Arbeitsbedingungen (inklusive Fragen zu Kinder- und Zwangsarbeit), Boden- und Nährstoffmanagement oder Pflanzenschutz besteht, durchgeführt. Je nach Erfüllung der unterschiedlichen Kriterien erhält der Anbaubetrieb eine Nachhaltigkeitsbewertung mit dem Status Gold, Silber oder Bronze. AGRANA hat sich zum Ziel gesetzt, dass jene Kontraktlandwirte, welche die FSA-Systematik anwenden, zumindest FSA Silber-Status erreichen.

Im Berichtsjahr wurde eine Wesentlichkeitsanalyse nach den Anforderungen der Global Reporting Initiative (GRI) durchgeführt. Die Tabelle auf der nächsten Seite gibt einen Überblick über die Einschätzung interner Expertinnen und Experten hinsichtlich (positiver oder negativer, potenzieller oder tatsächlicher) Auswirkungen der AGRANA-Geschäftstätigkeit auf Umwelt und Gesellschaft (inside-out Perspektive) in unterschiedlichen, nachhaltigkeitsrelevanten Aspekten. Die Auswirkungen wurden bezüglich ihres Ausmaßes, ihrer Tragweite und ihrer Behebbarkeit im Falle negativer Auswirkungen gemäß des Standards GRI 3 beziehungsweise dem zum Berichterstellungszeitpunkt vorliegenden Entwurf der Corporate Sustainability Reporting Directive (CSR-D) mit einem Zahlenwert beurteilt.

Externe Zertifizierungen im Lebensmittel- und Futtermittelbereich

Die Prinzipien der internationalen Norm für Qualitätsmanagementsysteme ISO 9001 bilden die Basis des AGRANA-Qualitätsmanagementsystems. Ergänzt wird das System durch zahlreiche Zertifizierungen für Lebens- und Futtermittelsicherheit und Produktschutz. Je nach Land oder Region sowie Kundennachfrage werden noch zusätzliche Zertifizierungen wie Bio, gentechnikfrei, Kosher (nach jüdischen Speisegesetzen) und Halal (nach islamischen Speisegesetzen) angeboten. Insgesamt verfügten im Geschäftsjahr 2022|23 100 % der Produktionsstandorte über mindestens eine dieser bzw. der jeweils lokal relevanten internationalen Zertifizierungen.

Die AGRANA Beteiligungs-AG ist seit 2009 Mitglied bei der Supplier Ethical Data Exchange (SEDEX). Das SEDEX-Assessment und Audit zielt vor allem auf Arbeitsbedingungen, -sicherheit und Menschenrechte (inklusive Fragen zu Kinder- und Zwangsarbeit) ab, enthält aber auch einige Fragen zu Umweltaspekten.

Seit 2010 ist die AGRANA Beteiligungs-Aktiengesellschaft Mitglied des Vereins ARGE Gentechnik-frei, welcher das Ziel hat, verlässliche Rahmenbedingungen für Produktion, Kennzeichnung und Kontrolle von Gentechnik-freien Lebensmitteln zu schaffen.

Forschung und Entwicklung

In einem hochkompetitiven Marktumfeld ist es für AGRANA von zentraler Bedeutung, Markttrends frühzeitig zu erkennen, durch Produktinnovationen die Bedürfnisse der Märkte zu erfüllen und maßgeschneiderte Kundenlösungen zu entwickeln. In enger Partnerschaft mit ihren Kunden arbeitet AGRANAs Forschung und Entwicklung (F&E) laufend an neuen Technologien, Spezialprodukten und innovativen Anwendungsmöglichkeiten bestehender Produkte und unterstützt somit die auf langfristigen Erfolg ausgelegte Konzernstrategie.

Das AGRANA Research & Innovation Center (ARIC) in Tulln|Österreich ist neben 18 lokalen Frucht-NPD¹-Centern der zentrale Forschungs- und Entwicklungs-Hub des Konzerns für die Bereiche Frucht, Stärke und Zucker. Das ARIC ist als eigenständiges Unternehmen in der AGRANA-Gruppe organisiert und eine 100%-Tochter der AGRANA Beteiligungs-AG, deren Ziel es ist, innovative Produkte aus den Rohstoffen Zuckerrübe, Kartoffel, Mais, Wachsmas, Weizen und aus diversen Früchten zu entwickeln. Das ARIC ist national und international als Inhouse-F&E-Dienstleister und -Serviceanbieter in den Bereichen Zuckertechnologie, Landwirtschaft, Lebensmitteltechnologie, Stärketechnologie, Mikrobiologie, Biotechnologie und Fruchtzubereitungen tätig.

Die Zusammenarbeit von F&E-Spezialisten aus unterschiedlichen Bereichen (Frucht, Stärke und Zucker) unter einem Dach ermöglicht nicht nur verwaltungstechnische Synergieeffekte, sondern fördert v.a. den Austausch unterschiedlicher Forschergruppen und Disziplinen, insbesondere zu bereichsübergreifenden Themen. Durch die sich ergänzenden Erfahrungen ergeben sich Vorteile bei segmentübergreifenden Forschungsschwerpunkten, z.B. bei Technologien, Verdickungs- und Süßungslösungen sowie Aromen, Mikrobiologie, Produktqualität und -sicherheit sowie Bio-Produkten.

F&E-Kennzahlen		2022 23	2021 22
F&E-Aufwendungen (Intern und extern)	Mio. €	23,1	20,0
F&E-Quote ²	%	0,64	0,69
Mitarbeiter in F&E (Köpfe)		324	315

Personal- und Sozialbericht

Die gesamte AGRANA-Gruppe beschäftigte im Geschäftsjahr 2022|23 durchschnittlich 8.932 Mitarbeitende (Köpfe) (Vorjahr: 8.877 Mitarbeitende), davon 2.486 (Vorjahr: 2.476) in Österreich und 6.446 (Vorjahr: 6.401) international.

Im Geschäftsjahr 2022|23 waren in der AGRANA-Gruppe durchschnittlich 8.932 FTEs (Vorjahr: 8.691 FTEs) beschäftigt. Im Segment Frucht stieg die Personalanzahl hauptsächlich durch einen vermehrten Bedarf an temporären Mitarbeitenden einerseits aufgrund einer steigenden Nachfrage und andererseits aufgrund höherer Erntevolumina. Die Personalerhöhung im Segment Stärke ist aufgrund einer Erholung der Auftragslage und damit verbunden einer Wiederbesetzung von Positionen zurückzuführen. Im Segment Zucker hat hauptsächlich ein erhöhtes Produktionsvolumen zu einem Personalanstieg geführt.

¹ New Product Development

² F&E Aufwendungen gemessen am Konzernumsatz

Im Geschäftsjahr 2022|23 wurden die Funktionalitäten des globalen Personalmanagementsystems weiter ausgebaut und stabilisiert sowie neue Module erfolgreich implementiert. Durch das Personalmanagementsystem sollen die Effizienz der Personalprozesse verbessert, die Qualitätssicherheit unterstützt, Transparenz geschaffen sowie die Datensicherheit erhöht werden. In den folgenden Jahren ist geplant, die Funktionalitäten des Systems sukzessive weiterzuentwickeln und an die sich laufend ändernden Anforderungen anzupassen.

Die Förderung und Anerkennung von Leistung ist ein wichtiger Bestandteil der Personalstrategie und stellt einen Beitrag zum Unternehmenserfolg dar. Ein Projekt zur Evaluierung eines potenziellen Gender Pay Gaps wird im Geschäftsjahr 2023|24 durchgeführt, um diesen angesichts der internationalen Tätigkeit in vier unterschiedlichen Geschäftsbereichen aussagekräftig darstellen zu können.

Um die strategischen und operativen Ziele des Unternehmens zu erreichen, kommt bei AGRANA für das Management ein konzernweit implementiertes Performance-Management-System zum Einsatz. Neben Finanz- und Ertragszielen umfasst die variable Vergütung auch individuelle Zielvereinbarungen, um herausragende individuelle Leistungen zu honorieren und zu fördern. Im Geschäftsjahr 2022|23 unterlagen 10,7 % (Vorjahr: 10,5 %) aller Beschäftigten diesem erfolgsorientierten Entlohnungssystem.

Die Schwerpunkte im Aus- und Weiterbildungsbereich lagen im Geschäftsjahr 2022|23 auf der Förderung von bedarfsorientiertem Lernen und Führungskräfteentwicklung. Ein wichtiger Hebel in jeglicher Organisationentwicklung sind Führungskräfte. Ein wichtiger Schritt ist es daher, Führungskräften die nötige Unterstützung zu bieten und Werkzeuge an die Hand zu geben, um die erste Ansprechperson im Thema Personalentwicklung der Mitarbeiterinnen und Mitarbeitern zu sein.

AGRANA hat im Geschäftsjahr 2022|23 durchschnittlich 102 Lehrlinge (davon weiblich: 24 bzw. 23,5 %) ausgebildet. In Österreich waren durchschnittlich 72 Lehrlinge (davon weiblich: 11 bzw. 15,3 %) beschäftigt, in Deutschland, Frankreich, Algerien, Brasilien, Tschechien und Slowakei, welche ein mit Österreich vergleichbares duales System haben, waren es durchschnittlich 30 Lehrlinge (davon weiblich: 13 bzw. 43,3 %). Die Ausbildung erfolgte u.a. in den Bereichen Chemieverfahrenstechnik, Elektrotechnik, Industriellehre, Informationstechnologie, Labortechnik (Chemie), Lebensmitteltechnik, Logistik, Maschinenbautechnik, Mechatronik, Metalltechnik, Technisches Zeichnen, Einkauf, Personaldienstleistung sowie Bürokaufmann/-frau.

COVID-19 hat sich im dritten Jahr zu einer lokal, saisonal auftretenden Krankheit - wie viele andere auch - gewandelt. In der Verwaltung wurden die in der Zeit der COVID-19-Pandemie geschaffenen Formen der Zusammenarbeit und Arbeitszeit- und Orts-Flexibilisierung dauerhaft im Unternehmen verankert. Dazu wurden gut abgestimmte Spielregeln, die eine Kultur des Vertrauens und der Ergebnisorientierung voraussetzen, etabliert.

Nichtsdestotrotz wurde die Kommunikation zu Abstands- und Hygieneregeln sowohl in der Produktion als auch unter den Angestellten fortgeführt. Dadurch sowie eine Vielzahl an weiteren Maßnahmen (Umstellungen von Produktionsschichten und -planung, erhöhtes Ausmaß an Telearbeit/Home-Office, Unterstützung von Tests und Impfkampagnen etc.) konnte sowohl die Gesundheit der Mitarbeitenden als auch die Lieferfähigkeit gegenüber Kunden sichergestellt werden. Im Oktober 2022 wurde die allgemeine Lage als stabil eingestuft und das wöchentliche Reporting zu Infektionszahlen auf Konzernebene eingestellt.

Die konzernweiten externen Aus- und Weiterbildungskosten beliefen sich im Geschäftsjahr 2022|23 auf rund 2,1 Mio. € (Vorjahr: 1,7 Mio. €), was 0,7 % (Vorjahr: 0,6 %) der Lohn- und Gehaltssumme entsprach.

Arbeitssicherheit und Gesundheit

Das Arbeitssicherheitsmanagement von AGRANA ist organisatorisch bei den für Produktion verantwortlichen Geschäftsführern der AGRANA-Segmente bzw. Geschäftsbereiche, den Werksleitern der AGRANA-Produktionsstandorte sowie den Arbeitssicherheitsbeauftragten der Standorte angesiedelt. Die Arbeitssicherheitsbeauftragten bzw. Sicherheitsfachkräfte tragen die Verantwortung für die Einhaltung aller gesetzlich vorgeschriebenen bzw. vom Unternehmen veranlassten Arbeitssicherheitsmaßnahmen. Dies sind z.B. die regelmäßige und anlassbezogene Gefahrenidentifikation und Risikobewertung, die Ableitung von Verbesserungsmaßnahmen, die Organisation von Arbeitssicherheitsschulungen sowie die Analyse, Dokumentation (gemeinsam mit Human Resources) und Kommunikation von tatsächlichen Arbeitsunfällen.

In allen 25 Ländern, in denen AGRANA über Produktionsstandorte verfügt, besteht eine - wenn auch unterschiedlich ausgestaltete - gesetzliche Verpflichtung der Arbeitsplatzevaluierung durch den Arbeitgeber. Diese wird durch die Sicherheitsfachkräfte, teilweise in Zusammenarbeit mit externen Beraterinnen und Beratern, durchgeführt und ist arbeitsplatzbezogen für die Mitarbeitenden zugänglich zu dokumentieren. Sie ist in regelmäßigen Abständen zu überprüfen bzw. anlassbezogen bei Anlagen- oder Verfahrensänderungen oder nach Unfällen zu überarbeiten. Mitarbeiterinnen und Mitarbeiter sind verpflichtet, festgestellte Gefahrenquellen z.B. über die Dokumentation im Schichtbuch, im betrieblichen Vorschlagswesen oder im Rahmen von periodischen Sicherheitsrundgängen zu melden. Im global tätigen Geschäftsbereich Fruchtzubereitungen ist diese Meldeverpflichtung aus kulturellen Gründen an manchen Standorten auch anonym möglich.

Vereinbarkeit von Beruf und Familie

Die Vereinbarkeit von Beruf und Familie ist im Hinblick auf das soziale Bewusstsein ein bedeutender Bestandteil der Personalstrategie von AGRANA. Aus diesem Grund ist AGRANA bereits im Frühjahr 2016 dem vom Bundesministerium für Arbeit, Familie und Jugend initiierten österreichischen Netzwerk „Unternehmen für Familien“ beigetreten.

Konzernweit spiegelt sich dies in zahlreichen Initiativen und Angeboten für die Mitarbeiterinnen und Mitarbeiter wider. Dazu zählen beispielsweise die Möglichkeit von Home-Office, die Förderung bzw. auch das Angebot von Kinderbetreuung an einzelnen Standorten (inklusive spezieller Angebote in den Ferien) sowie variable Arbeitszeit.

Risikomanagement und Internes Kontrollsystem

Der Vorstand der AGRANA-Gruppe ist sich der Bedeutung eines aktiven und funktionsfähigen Risikomanagements bewusst. Dieses verfolgt das grundsätzliche Ziel, Chancen- und Risikopotenziale ehestmöglich zu erkennen und geeignete Maßnahmen zur Erhaltung der Ertragskraft sowie zur Sicherung des Fortbestandes der Unternehmensgruppe zu setzen.

Die AGRANA-Gruppe bedient sich integrierter Kontroll- und Berichtssysteme, die eine regelmäßige, konzernweite Einschätzung der Risikosituation ermöglichen. Im Rahmen der Früherkennung und Überwachung von konzernrelevanten Risiken wurden zwei einander ergänzende Steuerungsinstrumente implementiert:

- Ein konzernweites **operatives Planungs- und Berichtssystem** bildet die Basis für die monatliche Berichterstattung an die zuständigen Entscheidungsträger. Im Rahmen dieses Reporting-Prozesses wird für die Gruppe und für jedes Segment ein separater Risikobericht erstellt. Der Fokus liegt dabei auf der Ermittlung von Sensitivitäten in Bezug auf sich verändernde Marktpreise für das gegenwärtige und folgende Geschäftsjahr. Die einzelnen Risikoparameter werden laufend der aktuellen Planung bzw. dem aktuellen Forecast gegenübergestellt, um die Auswirkungen auf das operative Ergebnis berechnen zu können. Neben der laufenden Berichterstattung diskutieren die Verantwortlichen aus den Geschäftsbereichen regelmäßig direkt mit dem Vorstand über die wirtschaftliche Situation sowie den Einsatz risikoreduzierender Maßnahmen.
- Das **Risikomanagement** verfolgt die Zielsetzung, wesentliche Einzelrisiken hinsichtlich ihrer Auswirkungen auf das Chancen- und Risikopotenzial zu identifizieren und zu bewerten. Zweimal jährlich werden die Risiken über den finanziellen Planungshorizont von fünf Jahren in den einzelnen Geschäftsbereichen durch ein definiertes Risikomanagement-Team in Kooperation mit dem zentralen Risikomanagement analysiert. Der Prozess beinhaltet die Risikoidentifikation und deren Bewertung nach Eintrittswahrscheinlichkeit und möglichem Risiko-/Chancenpotenzial, die Definition von Frühwarnindikatoren sowie Maßnahmen zur Gegensteuerung. Zudem wird für das laufende Geschäftsjahr die aggregierte Risikoposition der AGRANA-Gruppe mittels einer im Risikomanagement üblichen Berechnung, der „Monte-Carlo-Simulation“, ermittelt. So kann beurteilt werden, ob ein Zusammenwirken oder die Kumulation von Einzelrisiken ein bestandsgefährdendes Risiko darstellen könnten. Die Ergebnisse werden an den Vorstand sowie den Prüfungsausschuss des Aufsichtsrates berichtet.

Für die Segmente der AGRANA-Gruppe wurden Risikomanagement-Verantwortliche definiert, die in Abstimmung mit dem Vorstand im Bedarfsfall Maßnahmen zur Schadensminimierung einleiten sollen.

Die Funktionsfähigkeit des Risikomanagements gemäß Regel 83 des Österreichischen Corporate Governance Kodex (ÖCGK) wird jährlich vom Wirtschaftsprüfer geprüft und als Ergebnis der Beurteilung ein abschließender Bericht über die Funktionsfähigkeit des unternehmensweiten Risikomanagements erstellt.

Risikopolitik

AGRANA sieht im verantwortungsvollen Umgang mit Chancen und Risiken eine wesentliche Grundlage für eine ziel- und wertorientierte sowie nachhaltige Unternehmensführung. Die Risikopolitik der Unternehmensgruppe zielt auf risikobewusstes Verhalten ab und sieht klare Verantwortlichkeiten, eine Unabhängigkeit im Risikomanagement und die Durchführung interner Kontrollen vor.

Risiken dürfen konzernweit nur dann eingegangen werden, wenn sie sich aus dem Kerngeschäft der AGRANA-Gruppe ergeben und nicht ökonomisch sinnvoll vermieden oder abgesichert werden können. Sie sind möglichst zu minimieren, wobei auf ein ausgewogenes Verhältnis von Risiko und Chance Bedacht zu nehmen ist. Das Eingehen von Risiken außerhalb des operativen Geschäftes ist ohne Ausnahmen verboten.

Die AGRANA Beteiligungs-AG ist für die konzernweite Koordinierung und Umsetzung der vom Vorstand festgelegten Maßnahmen zum Risikomanagement verantwortlich. Der Einsatz von Hedge-Instrumenten ist nur zur Absicherung von operativen Grundgeschäften und Finanzierungstätigkeiten, nicht jedoch zu Spekulationszwecken außerhalb der Kerngeschäftstätigkeit der AGRANA-Gruppe, erlaubt. Über den Bestand und die Werthaltigkeit von Hedge-Kontrakten wird regelmäßig an den Vorstand berichtet.

Wesentliche Risiken und Ungewissheiten

Die Unternehmensgruppe ist Risiken ausgesetzt, die sich sowohl aus dem operativen Geschäft als auch von nationalen und internationalen Rahmenbedingungen ableiten.

Der Vorstand bezieht bei der Entwicklung und Umsetzung der Unternehmensstrategie Aspekte der Nachhaltigkeit und damit verbundene Chancen und Risiken in Bezug auf Klimawandel, Umwelt, soziale Belange und Corporate Governance mit ein.

Operative Risiken

Beschaffungsrisiken

AGRANA ist auf ausreichende Verfügbarkeit agrarischer Rohmaterialien in der benötigten Qualität angewiesen. Neben einer möglichen Unterversorgung mit geeigneten Rohstoffen stellen deren Preisschwankungen, wenn sie nicht oder nicht ausreichend an die Abnehmer weitergegeben werden können, ein Risiko dar. Wesentliche Treiber für Verfügbarkeit, Qualität und Preis sind wetterbedingte Gegebenheiten in den Anbaugebieten, die Wettbewerbssituation, regulatorische und gesetzliche Regelungen sowie die Veränderung der Wechselkurse relevanter Währungen.

Produktqualität und -sicherheit

AGRANA sieht in der Produktion und im Vertrieb von qualitativ hochwertigen und sicheren Produkten eine Grundvoraussetzung für langfristig wirtschaftlichen Erfolg. Das Unternehmen verfügt über ein streng ausgelegtes und laufend weiterentwickeltes Qualitätsmanagement, das den Anforderungen der relevanten lebensmittelrechtlichen Standards und den kundenseitig festgelegten Kriterien entspricht und den gesamten Prozess, von der Rohstoffbeschaffung über die Produktion bis zur Auslieferung der gefertigten Waren, umfasst. Die Einhaltung der Qualitätsstandards wird regelmäßig durch interne und externe Audits verifiziert. Darüber hinaus sollen abgeschlossene Produkthaftpflichtversicherungen allfällige Restrisiken abdecken.

Markt- und Wettbewerbsrisiken

AGRANA steht im Rahmen ihrer globalen Tätigkeit im intensiven Wettbewerb mit regionalen wie auch überregionalen Mitbewerbern. Der Eintritt neuer Mitbewerber bzw. die Schaffung zusätzlicher Produktionskapazitäten bestehender Konkurrenten kann die Wettbewerbsintensität in Zukunft verstärken.

Die eigene Marktposition wird laufend beobachtet, sodass etwaig notwendige korrigierende Maßnahmen schnell eingeleitet werden können. Entsprechend der Nachfrage und auch aufgrund anderer Einflussfaktoren werden die Kapazitäten und die Kostenstrukturen zur Erhaltung der Wettbewerbsfähigkeit auf den Kernmärkten stetig angepasst. Das frühzeitige Erkennen von Änderungen des Nachfrage- und Konsumverhaltens basiert auf stetigen Analysen von Planabweichungen. In diesem Zusammenhang stehen auch neue technologische Entwicklungen und Produktionsprozesse am Markt unter Beobachtung, die in Zukunft zu einer teilweisen Rückwärtsintegration von Kunden in Kernbereiche einzelner Segmente der AGRANA-Gruppe führen können.

AGRANA verfolgt zur Stärkung ihres Kerngeschäfts und dem Ausbau bestehender Marktpositionen umfangreiche Maßnahmen, um die bestehenden Volatilitäten abzufangen und eine stabile Ertragslage zu erzielen.

IT-Risiken

AGRANA ist auf die Funktionstüchtigkeit einer komplexen IT-Technologie angewiesen. Die Nichtverfügbarkeit, Datenverlust oder Datenmanipulation und die Verletzung der Vertraulichkeit bei kritischen IT-Systemen können beträchtliche Auswirkungen auf betriebliche Teilbereiche haben. Die allgemeine Entwicklung in Bezug auf externe Angriffe auf IT-Systeme verdeutlicht das Risiko, dass die AGRANA-Gruppe in Zukunft auch zunehmend solchen Risiken ausgesetzt ist/sein kann. Die Aufrechterhaltung der IT-Sicherheit wird durch qualifizierte interne und externe Expertinnen und Experten sowie durch entsprechende organisatorische und technische Maßnahmen gewährleistet. Dazu zählen redundant ausgelegte IT-Systeme und Security Tools, die dem neuesten Stand der Technik entsprechen. Zusammen mit externen Partnern wurden Vorkehrungen getroffen, um möglichen Bedrohungen zu begegnen und potenziellen Schaden abzuwenden.

Regulatorische Risiken

Marktordnungsrisiken für Zucker

Im Rahmen des Risikomanagements werden bereits im Vorfeld mögliche Szenarien und ihre Auswirkungen analysiert und bewertet.

Zuckermarktordnung: Derzeit wird auf europäischer Ebene weiter an der neuen Gemeinsamen Agrarpolitik (GAP) 2023-2027 gearbeitet, deren Bestandteil auch die Zuckermarktordnung ist. Die neue Gemeinsame Agrarpolitik wird als Schlüssel zur Zukunftssicherung der Land- und Forstwirtschaft sowie zur Erreichung der Ziele des europäischen Green Deals gesehen. Die neue GAP enthält eine Reihe politischer Reformen zur Unterstützung des Übergangs zu einer nachhaltigen Land- und Forstwirtschaft in der EU.

Im Dezember 2022 hat die Europäische Kommission (EK) die nationalen strategischen Pläne der Mitgliedstaaten genehmigt. Bis Ende Dezember 2023 soll die EK nun prüfen, ob diese nationalen strategischen Pläne auch mit dem Green Deal-Zielen der EK vereinbar sind. Ab 2024 sind die Mitgliedstaaten verpflichtet, Performance Reports bei der EK abzugeben und diese in einem jährlichen Meeting auch zu präsentieren.

Freihandelsabkommen: Angesichts zu befürchtender Wettbewerbsnachteile für europäische Unternehmen hat sich die früher zurückhaltende Position der EU zu bilateralen Freihandelsabkommen geändert. Die EU verhandelt mit zahlreichen Staaten über Freihandelsabkommen. Zukünftige Abkommen der EU könnten wirtschaftliche Auswirkungen auf AGRANA haben. AGRANA verfolgt die oft Jahre andauernden Verhandlungen bzw. Abschlüsse und analysiert und bewertet die einzelnen Ergebnisse.

Die EU und die Mercosur-Staaten (Argentinien, Brasilien, Paraguay und Uruguay) haben im Juni 2019 eine politische Einigung über ein umfassendes Handelsabkommen erzielt. Der Antrag ging in jedem Mitgliedsland in einen Ratifizierungsprozess.

Des Weiteren können nationale Steuer- und Zollvorschriften sowie deren Auslegung durch die lokalen Behörden zu weiteren Risiken im regulatorischen Umfeld führen.

EU Green Deal: Im Dezember 2019 hat die EU-Kommission ihren Fahrplan zum Klimaschutz, den Green Deal, vorgelegt. Um die klima- und umweltbedingten Herausforderungen zu bewältigen, sollen innerhalb der nächsten drei Jahrzehnte die Industriesektoren und alle Wertschöpfungsketten umgestaltet werden. Maßgebend ist das Ziel innerhalb der EU bis 2050 keine Netto-Treibhausgasemissionen (THG) mehr freizusetzen. Ein im Dezember 2020 beschlossenes EU-Zwischenziel ist die Reduktion von THG-Emissionen um 55 % bis 2030 im Vergleich zu 1990.

Aufgrund derzeit vieler noch nicht finalisierter Definitionen der regulatorischen Bestimmungen aus dem EU Green Deal, können momentan noch keine konkreten Aussagen über die Auswirkungen getroffen werden. Die Entwicklungen werden laufend verfolgt und evaluiert.

EU-Richtlinie für erneuerbare Energien

Am 21. Dezember 2018 wurde die Erneuerbare Energie Richtlinie der EU (RED II) verabschiedet, die eine wesentliche Bedeutung für die Geschäftstätigkeit im Segment Stärke hat. Diese Richtlinie setzt auch die Zielwerte für den Zeithorizont 2021 bis 2030 fest. Die nationale Umsetzung erfolgte im Rahmen einer Novelle der Kraftstoffverordnung 2012, welche am 13. Dezember 2022 veröffentlicht und per 1. Jänner 2023 in Kraft gesetzt wurde.

Bis ins Jahr 2030 wird darin ein THG-Minderungsziel von 13 % festgeschrieben. Um dieses THG-Minderungsziel zu erreichen, wird die Einführung von E10 in Österreich als wesentliche Option zur Erreichung dieses Zieles gesehen. Zur Zeit wird bereits die Umsetzung der RED III in den Europäischen und Nationalen Gremien verhandelt, durch welche die Nutzung Erneuerbarer Energien gesteigert und die Treibhausgasemissionen verringert werden sollen.

Die EU-Entscheidung vom Oktober 2022 über das Ende von Verbrennungsmotoren in neu zugelassenen Fahrzeugen ab 2035 wurde von AGRANA verfolgt, stellt nach aktueller Einschätzung aber kein relevantes Risiko für die Bioethanolproduktion dar. Einerseits ist Bioethanol nur ein Produkt im Rahmen des Kreislaufwirtschaftskonzeptes der Bioraffinerie in Pischelsdorf/Österreich, andererseits wird Bioethanol im Rahmen des Ausstiegs aus fossilen Produkten Verwendungsmöglichkeiten abseits des Einsatzes in Treibstoffen finden.

Rechtliche Risiken

AGRANA verfolgt Änderungen der rechtlichen Rahmenbedingungen, die eines ihrer Geschäftsfelder oder deren Mitarbeitende betreffen und allenfalls zu einer Risikosituation führen könnten, kontinuierlich und trifft gegebenenfalls notwendige Maßnahmen. Die unter besonderer Aufmerksamkeit stehenden Rechtsbereiche sind Kartell-, Lebensmittel- und Umweltrecht, neben Datenschutz, Geldwäschebestimmungen und Terrorismusfinanzierung. AGRANA hat für die Bereiche Compliance, Personalrecht und allgemeine Rechtsbereiche eigene Stabsstellen eingerichtet und bildet die betroffenen Mitarbeitenden regelmäßig fort.

Das Kartellverfahren gegen die AGRANA Zucker GmbH, das in den Vorjahresberichten erläutert wurde, ist mit dem von AGRANA erwarteten Ergebnis ohne Geldbuße rechtskräftig beendet worden. Die bereits im Vorjahr berichtete Klage gegen die AGRANA Stärke GmbH (Behauptung der Nichtlieferung zugesagter Produktmengen) wurde vor dem Handelsgericht Wien rechtskräftig abgewiesen.

Es bestehen keine gerichtsanhängigen oder angedrohten zivilrechtlichen Klagen gegen Unternehmen der AGRANA-Gruppe, die eine materielle Auswirkung auf die Ertrags-, Finanz- und Vermögenslage haben könnten.

Finanzielle Risiken

AGRANA ist Risiken aus der Veränderung von Wechselkursen, Zinssätzen und Produktpreisen ausgesetzt. Darüber hinaus bestehen Risiken, die für den Konzern notwendigen Refinanzierungen zur Verfügung gestellt zu bekommen. Die Finanzierungssteuerung der Unternehmensgruppe erfolgt zentral durch die Treasury-Abteilung, die dem Vorstand laufend über die Entwicklung und Struktur der zur Verfügung stehenden Kreditrahmen, die Nettofinanzschulden des Konzerns, die finanziellen Risiken und über den Umfang und das Ergebnis der getätigten Sicherungsgeschäfte berichtet.

Die AGRANA-Gruppe ist weltweit tätig und hat unterschiedliche Steuergesetzgebungen, Abgabenregularien sowie devisenrechtliche Bestimmungen zu beachten. Veränderungen dieser Bestimmungen durch die gesetzgebenden Instanzen und die Auslegung durch lokale Behörden können einen Einfluss auf den finanziellen Erfolg einzelner Konzerngesellschaften und in weiterer Folge auch auf den Konzern haben.

Zinsänderungsrisiken

Zinsänderungsrisiken ergeben sich durch Wertschwankungen von fix verzinsten Finanzinstrumenten infolge einer Änderung des Marktzinssatzes (zinsbedingtes Kursrisiko). Variabel verzinsliche Anlagen oder Kreditaufnahmen unterliegen dagegen keinem Wertrisiko, da der Zinssatz zeitnah der Marktzinslage angepasst wird.

Durch die Schwankung des Marktzinsniveaus ergibt sich außerdem ein Risiko hinsichtlich der künftigen Zinszahlungen (zinsbedingtes Zahlungsstromrisiko). Dabei versucht AGRANA, Zinssicherungsinstrumente dem Finanzierungsbedarf und der Fristigkeit entsprechend einzusetzen. Im Rahmen der Umsetzung von IFRS 7 werden die bestehenden Zinsrisiken durch Berechnung des „Cash Flow at Risk“ bzw. der „Modified Duration“ ermittelt und im Konzernanhang detailliert dargestellt.

Währungsrisiken

Währungsrisiken können aus dem Einkauf von Waren und Verkauf von Produkten in Fremdwährungen sowie aufgrund von Finanzierungen, die nicht in der lokalen Währung erfolgen, entstehen. Für AGRANA sind v.a. die Kursrelationen von Euro zu US-Dollar, ungarischem Forint, polnischem Złoty, rumänischem Leu, ukrainischer Griwna, russischem Rubel, brasilianischem Real, mexikanischem Peso, argentinischem Peso und chinesischem Yuan von Relevanz.

Im Rahmen des Währungsmanagements ermittelt AGRANA monatlich pro Konzerngesellschaft das Netto-Fremdwährungsexposure, welches sich aus den Einkaufs-, Verkaufs- und Finanzmittelpositionen inklusive der im Bestand befindlichen Sicherungsgeschäfte ergibt. Zudem werden bereits kontrahierte, jedoch noch nicht erfüllte Einkaufs- und Verkaufskontrakte in Fremdwährungen berücksichtigt. Als Sicherungsinstrument setzt AGRANA vorrangig Devisentermingeschäfte ein, mit denen die in Fremdwährung anfallenden Zahlungsströme gegen Kursschwankungen abgesichert werden. In Ländern mit volatilen Währungen werden diese Risiken zusätzlich durch eine Verkürzung von Zahlungsfristen, eine Indizierung der Verkaufspreise zum Euro oder US-Dollar und analoge Sicherungsmechanismen weiter reduziert.

Das Währungsrisiko wird durch den „Value at Risk“-Ansatz ermittelt und im Konzernanhang dargestellt.

Liquiditätsrisiken

Das Bestreben der AGRANA-Gruppe ist darauf ausgerichtet, über ausreichend liquide Mittel zu verfügen, um jederzeit den fälligen Zahlungsverpflichtungen nachzukommen. Liquiditätsrisiken auf Einzelgesellschafts- oder Länderebene werden durch das einheitliche Berichtswesen frühzeitig erkannt, wodurch Gegenmaßnahmen rechtzeitig eingeleitet werden können. Die Liquidität der AGRANA-Gruppe ist durch bilaterale und syndizierte Kreditlinien langfristig und ausreichend abgesichert.

Kontrahenten- und Bankenrisiken

Aufgrund der internationalen Aufstellung der AGRANA-Gruppe bestehen Bankguthaben und Finanzanlagen, global verteilt, bei verschiedenen Bankpartnern. Das hierbei bestehende Risiko von Zahlungsausfällen wird in der AGRANA-Gruppe genau und regelmäßig überwacht. Im Rahmen der internen Richtlinien dürfen nur Geschäftsbeziehungen zu erstklassigen Banken mit einem definierten Mindestrating eingegangen werden. In Fällen, in denen das Mindestrating nicht erfüllt werden kann, sind Obergrenzen für Guthaben vorgegeben und strikt einzuhalten.

Risiken aus Forderungsausfällen

Risiken aus Forderungsausfällen werden durch die bestehenden Warenkreditversicherungen, durch strikte Kreditlimits und laufende Überprüfungen der Kundenbonität minimiert. Das verbleibende Risiko wird durch Vorsorgen in angemessener Höhe abgedeckt.

Coronavirus (COVID-19)

Die globale Verbreitung des Coronavirus und diverser Mutationen führte in der Vergangenheit weltweit zu massiven Einschränkungen des öffentlichen, gesellschaftlichen und wirtschaftlichen Lebens. AGRANA ist mit Produktions- und Vertriebsstandorten auf allen Kontinenten vertreten und war daher in unterschiedlichen Regionen innerhalb und außerhalb Europas betroffen.

Sämtliche gesetzten Maßnahmen haben in der Gruppe ihre positive Wirkung gezeigt und es ist gelungen, im Berichtsjahr an weltweit allen (abgesehen von den ukrainischen) Produktionsstandorten den vollen Produktionsbetrieb aufrechtzuerhalten. Darüber hinaus konnte das Funktionieren der Transportketten gesichert werden, sodass es zu keinen nennenswerten Verzögerungen in der Belieferung der Kunden kam.

Durch die bis Ende 2022 restriktive COVID-19-Politik der chinesischen Regierung waren die AGRANA Frucht-Standorte in China von Reiseeinschränkungen sowie erhöhten Schutzmaßnahmen in den Fabriken betroffen. Seit der Beendigung dieser Auflagen durch die Regierung hat sich die Situation weitgehend normalisiert. AGRANA Frucht konnte während der gesamten Dauer der Maßnahmen die zeitgerechte Belieferung der Kunden sicherstellen.

AGRANA gehört als Teil der kritischen Infrastruktur und Nahrungsmittelproduzent zu den weniger wirtschaftlich betroffenen Branchen. Dennoch können COVID-19 bzw. eventuelle neue Mutationen, trotz Impfungen, auch weiterhin Einfluss auf die konjunkturelle Entwicklung der Weltwirtschaft haben und es kann in Zukunft zu Beeinträchtigungen in der Beschaffung, Produktion und auf den Absatzmärkten kommen.

Krieg in der Ukraine

AGRANA ist mit Produktionsstätten in der Ukraine und in Russland vertreten. Der kriegerische Konflikt erforderte eine Anpassung des Produktionsbetriebes in der Ukraine. Aus Sicherheitsgründen wurde die Produktion nach Kriegsausbruch kurzfristig stillgelegt. Nach kurzer Zeit konnte der Betrieb wieder aufgenommen werden und wurde mit Anpassungen an die aktuelle Sicherheitslage weitergeführt. Rund 5 % der ukrainischen Mitarbeitenden sind in der Zwischenzeit aus der Kriegsregion geflohen oder wurden zum Militärdienst einberufen.

Die Produktion von Fruchtzubereitungen in der Ukraine hat sich auf ein Niveau von rund 50 % vor Kriegsausbruch eingependelt. Der Rückgang ist v.a. auf den Wegfall der Exportmärkte, sowie einen Rückgang des Binnenkonsums im Zuge des Krieges zurückzuführen. Die Verarbeitung der frischen Früchte konnte trotz der schwierigen Lage mit Energieversorgungsunterbrechungen und Arbeitsunterbrechungen durch Luftalarm in etwa auf dem Vorjahresniveau gehalten werden. Auch das Geschäft der landwirtschaftlichen Farm in Luka lief in ähnlichem Ausmaß wie vor dem Krieg weiter. Auf der Kundenseite gab es bisher nur kleinere Zahlungsausfälle.

Die Produktion von Fruchtsaftkonzentraten in der Ukraine konnte trotz schwieriger Rahmenbedingungen und Energieversorgungsunterbrechungen mit nur geringfügigen Einbußen aufrechterhalten werden, sodass 90 % der budgetierten Mengen erreicht wurden. Die gesamte Produktion aus der Ernte 2022|23 sowie die Bestände 2021|22

wurden intern an die AUSTRIA JUICE GmbH, Kröllendorf/Allhartsberg|Österreich, verkauft und in Folge von Österreich aus vermarktet und ausgeliefert. Es gab keine signifikanten Zahlungsausfälle und ein Teil der getroffenen Risikovorsorgen aus dem Jahresabschluss 2021|22 konnte aufgelöst werden.

In Russland bewirkt der Ukraine-Krieg maßgebliche Verschiebungen des Marktumfeldes. Während globale Marken Absatzrückgänge verzeichnen bzw. westliche Unternehmen das Land verlassen, profitieren lokale Unternehmen von dieser Entwicklung, weil sie dieses Geschäft, z.B. als neue Eigentümer, übernehmen. Auch bei AGRANAs größten Kunden waren in dieser Hinsicht im letzten Geschäftsjahr massive Veränderungen zu beobachten.

Aufgrund der implementierten Sanktionen gestaltet sich die Belieferung des russischen Werkes mit Importgütern zunehmend herausfordernd. Die Warenströme haben sich einkaufsseitig weg von Europa hin Richtung Asien bewegt. Davon betroffen waren neben Früchten auch Stabilisatoren, Verpackungsmaterialien und maschinelle Ersatzteile.

Es ist derzeit schwer einzuschätzen, ob in Zukunft weitere Bewertungsmaßnahmen für Vermögenswerte in der Ukraine und in Russland vorgenommen werden müssen.

Der Krieg in der Ukraine bringt auch im Bereich der IT-Sicherheit ein erhöhtes Risiko aus Cyber- und Sabotageattacken mit sich.

Klimawandelrisiken und andere ESG-Risiken

Im Geschäftsjahr 2022|23 hat sich AGRANA weiter mit der Analyse der nicht-finanziellen bzw. nicht primär finanziellen Risiken beschäftigt. Für die Betrachtungen wurden einerseits die Vorgaben des österreichischen Nachhaltigkeits- und Diversitätsgesetzes bzw. des § 267a UGB und der Global Reporting Initiative (GRI) sowie andererseits auch die Reporting-Empfehlungen zu klimabezogenen Risiken und Chancen der Task Force on Climate-related Financial Disclosures (TCFD) herangezogen.

Während die gesetzlichen und GRI-Anforderungen ihren Fokus auf die von Unternehmen ausgelösten nicht-finanziellen Risiken bzw. tatsächlichen Auswirkungen richten, empfiehlt die TCFD die verstärkte Darstellung der durch den Klimawandel auf Unternehmen wirkenden Risiken. Auch im Rahmen der Konformitätsprüfung für den Ausweis EU-taxonmiekonformer Umsätze, Investitionen (CAPEX) und Betriebsausgaben (OPEX) ist eine Klimawandelszenarioanalyse mit einem langfristigen Planungshorizont nachzuweisen.

Das AGRANA-Risikomanagement beschäftigt sich mit den auf AGRANA wirkenden Risiken und deckt die im Rahmen der AGRANA-Geschäftstätigkeit auf die Gruppe wirkenden physischen Risiken ab. Der Betrachtungszeitraum für die genannten Risiken entspricht im Rahmen des AGRANA-Risikomanagementsystems und dem konzernweit einheitlich implementierten Planungs- und Berichtssystem fünf Jahre.

Im Geschäftsjahr 2022|23 wurde eine Klimawandelszenarioanalyse gemäß den Anforderungen der EU-Taxonomie für alle 53 Produktionsstandorte in den GRI-Berichtsgrenzen der AGRANA-Gruppe durchgeführt. Ziel war es, die physischen Klimarisiken pro Standort zu erheben. Die Auswahl der sogenannten "climate hazards" (Gefährdungen durch den Klimawandel) erfolgte nach Vorgaben der EU-Taxonomie sowie der Einschätzung von Experten. Für die AGRANA-Gruppe wurden folgende „akute climate hazards“ als relevant eingestuft: Hitzewellen, Tornados/Sturm, Wald- und Flächenbrände, Dürren sowie Überflutungen. Zudem wurden Wasserknappheit und der Anstieg des Meeresspiegels als „chronische“ Gefährdungen definiert. Zur Anwendung kamen die vom Weltklimarat, dem Intergovernmental Panel on Climate Change (IPCC), empfohlenen Szenarien SSP1-2.6 und SSP5-8.5, betrachtet wurden die aktuellen Verhältnisse und jeweils ein optimistisches sowie ein pessimistisches Szenario bis 2040 und 2060. Die Analyse entspricht auch den Empfehlungen der Task Force on Climate-Related Financial Disclosures (TCFD) in den relevanten Bereichen.

Zusätzlich wurde anhand von Fragebögen die Exposition der Produktionsstandorte ("exposure") und die potenzielle Beeinträchtigung von Produktionsprozessen ("vulnerability") – ausgelöst durch die verschiedenen "climate hazards" – erhoben. Die Beantwortung erfolgte durch die jeweiligen Werks- und Produktionsleiter aller 53 Standorte.

Das gesamte physische Klimarisiko setzt sich aus der Analyse der "climate hazards" sowie der Auswertung von "exposure" und "vulnerability" zusammen. Die Ergebnisse spiegeln die hohe Komplexität der zu verwendenden Klimamodelle sowie das subjektive Antwortverhalten der Befragten.

Im Rahmen dieser Modellierungen stellen vor allem Wasserknappheit¹ und/oder Dürre und/oder Hitzewellen potenziell relevante Risiken für einige Standorte dar. Das vorläufige Gesamtklimarisiko für Produktionsstandorte wird im Geschäftsjahr 2023|24 durch eine nähere Detailanalyse evaluiert. Auf dieser Basis werden dann Adaptionsmaßnahmen geplant und implementiert, wodurch sich das gesamte physische Klimarisiko reduzieren wird. Die im Berichtsjahr 2022|23 gestartete Klimawandelszenarioanalyse wird im Geschäftsjahr 2023|24 analog für die Rohstoffbeschaffung durchgeführt.

Als energieintensiver industrieller Veredler, v.a. in den Segmenten Stärke und Zucker, unterliegt AGRANA mit dem Großteil ihrer Produktionsstandorte dieser Segmente dem EU-Emissionshandelssystem. Daher beschäftigt sich das Unternehmen seit jeher auch intensiv mit potenziellen regulatorischen (transitorischen) Risiken im Bereich der Energiegesetzgebung. Politische Lenkungsmaßnahmen im Kampf gegen den Klimawandel werden durch das Pariser Klimaabkommen 2015 und dem darauf basierenden EU Green Deal in den nächsten Jahren vermehrte regulatorische Risiken im Rahmen der Transformation zu einer emissionsarmen Gesellschaft für AGRANA begründen. (siehe dazu Abschnitt Regulatorische Risiken)

AGRANA übt ihre Geschäftstätigkeit auf ökologisch und ethisch nachhaltige und legale Art und Weise aus. Soziale, ökonomische und ökologische Verantwortung stehen bei AGRANA im Mittelpunkt. AGRANA ist der Initiative UN Global Compact beigetreten und ist somit verpflichtet deren Anforderungen umzusetzen. Die grundlegenden Werte, wie die Achtung der Menschenrechte, sind in AGRANAs Verhaltenskodex verankert. Die Einhaltung des Verhaltenskodex ist für Mitarbeitende, Führungskräfte und Geschäftspartner verpflichtend. Der AGRANA-Konzern führt laufend Risikobewertungen und Due Diligence-Prozesse, auch hinsichtlich sozialer Aspekte, durch.

Sowohl die in diesem Risikobericht beschriebenen auf AGRANA wirkenden als auch die durch AGRANAs Geschäftstätigkeit ausgelösten Risiken und tatsächlichen Auswirkungen auf Umwelt und Gesellschaft sowie die ergriffenen Maßnahmen, wie z.B. die Entwicklung einer AGRANA-Klimastrategie, werden im Kapitel Nicht-finanzielle Erklärung genauer beschrieben. AGRANA hat sowohl im Bereich der auf sie wirkenden als auch im Bereich der von ihr ausgelösten Risiken angemessene Maßnahmen gesetzt, um nachteiligen Effekten aus nicht-finanziellen Risiken aus der strategischen und operativen Geschäftsgebarung entgegenzuwirken. Die Maßnahmen betreffen Umwelt-, Arbeitnehmer- und Sozialbelange und stehen im Einklang mit nationalen und internationalen Standards zur Wahrung der Qualitäts- und Reputationsansprüche im Interesse der AGRANA-Gruppe.

Gesamtrisiko

Die derzeitige Gesamtrisikoposition des Konzerns ist durch hohe Volatilitäten von Verkaufs-, Energie- und Rohstoffpreisen gekennzeichnet. Die unsichere Verfügbarkeit von Einsatzfaktoren wie z.B. Energie hat zu einem deutlichen Preisanstieg geführt. Im Bereich Bioethanol ist der wirtschaftliche Erfolg wesentlich durch die zukünftige Entwicklung der Absatzpreise bestimmt. Da sich die Preise für die verwendeten Rohstoffe Mais und Weizen unabhängig von den Ethanolpreisen entwickeln können, wird die Einschätzung der Ergebnisentwicklung bei Bioethanol zusätzlich erschwert.

Trotz der sich nach oben bewegenden EU-Verkaufspreise für Zucker und Isoglukose liegt die Gesamtrisikoposition des Konzerns aufgrund der volatilen Preisentwicklung bei Bioethanol und der im letzten Geschäftsjahr deutlich gestiegenen Kosten für Rohstoffe, Energie und Hilfs- und Betriebsstoffe sowie aufgrund der nach wie vor gegebenen Unsicherheiten in Bezug auf Ausmaß und Dauer des Krieges in der Ukraine sowie des Wegfalls der Sonderzulassungen für Neonicotinoide deutlich über dem Durchschnitt der Vorjahre. Sie ist jedoch durch eine hohe bilanzielle Eigenkapitalausstattung gedeckt und die AGRANA-Gruppe kann durch die Diversifikation in drei Geschäftsbereichen risikoausgleichend agieren.

Es bestehen nach wie vor keine bestandsgefährdenden Risiken für die AGRANA-Gruppe bzw. sind solche auch gegenwärtig nicht erkennbar.

¹ Die Ergebnisse im Klimawandelszenario für Wasserknappheit wurden auf Grundlage der Datenbank „Aqueduct Global Maps 3.0 Data“ ermittelt. Auf Empfehlung von Experten sowie aktuellem Entwurf der CSR-D berichtet AGRANA Risikostandorte hinsichtlich Wasserstress weiterhin nach den öffentlich, kostenfrei zugänglichen Bewertungsinstrumenten Aqueduct Water Risk Atlas und dem WWF Water Risk Filter.

Berichterstattung gemäß § 243a Abs. 2 UGB

Der Vorstand der AGRANA verantwortet die Einrichtung und Ausgestaltung eines Internen Kontrollsystems (IKS) und Risikomanagementsystems (RMS) im Hinblick auf den Rechnungslegungsprozess sowie die Einhaltung der maßgeblichen gesetzlichen Vorschriften.

Das IKS, konzernweit geltende Bilanzierungs- und Bewertungsrichtlinien sowie die Vorschriften zur Rechnungslegung nach den International Financial Reporting Standards (IFRS) sichern sowohl Einheitlichkeit der Rechnungslegung als auch die Verlässlichkeit der Finanzberichterstattung und der extern publizierten Abschlüsse.

Der überwiegende Anteil der Konzerngesellschaften verwendet SAP als führendes ERP¹-System. Sämtliche AGRANA-Gesellschaften übergeben die Werte der Einzelabschlüsse in das zentrale SAP-Konsolidierungsmodul. Es kann somit sichergestellt werden, dass das Berichtswesen auf einer einheitlichen Datenbasis beruht. Die Erstellung des Konzernabschlusses erfolgt durch das Konzernrechnungswesen. Es zeichnet für die Betreuung der Meldedatenübernahme der lokalen Gesellschaften, die Durchführung der Konsolidierungsmaßnahmen und für die analytische Aufbereitung und Erstellung von Finanzberichten verantwortlich. Die Kontrolle und Abstimmung des internen und externen Berichtswesens werden monatlich durch das Controlling und Konzernrechnungswesen durchgeführt.

Das wesentliche Steuerungsinstrument für das Management von AGRANA ist das konzernweit implementierte einheitliche Planungs- und Berichtssystem. Es umfasst eine Mittelfristplanung mit einem Planungshorizont von fünf Jahren, eine Budgetplanung (für das folgende Geschäftsjahr), Monatsberichte inklusive eines eigenen Risikoberichtes sowie dreimal bis viermal jährlich eine Vorschaurechnung des laufenden Geschäftsjahres, in dem die wesentlichen wirtschaftlichen Entwicklungen berücksichtigt werden. Im Falle von wesentlichen Änderungen der Planungsprämissen wird dieses System durch Ad-hoc-Planungen ergänzt.

Die vom Controlling erstellte monatliche Finanzberichterstattung zeigt die Entwicklung aller Konzerngesellschaften. Der Inhalt dieses Berichtes ist konzernweit vereinheitlicht und umfasst neben detaillierten Verkaufsdaten, Bilanz, Gewinn- und Verlustrechnung, die daraus ableitbaren Kennzahlen und auch eine Analyse der wesentlichen Abweichungen. Teil dieses Monatsberichtes ist auch ein eigener Risikobericht, sowohl für jedes Segment als auch für die gesamte AGRANA-Gruppe, in dem unter Annahme von aktuellen Marktpreisen noch nicht fixierter Mengen bei wesentlichen Ergebnisfaktoren im Vergleich zu geplanten Preisen das Risikopotenzial für das laufende und das nachfolgende Geschäftsjahr errechnet wird.

Ein konzernweites Risikomanagementsystem, sowohl auf operativer als auch strategischer Ebene, in dessen Rahmen alle für das Unternehmen relevanten Risikofelder wie regulatorische und rechtliche Rahmenbedingungen, Rohstoffbeschaffung, Wettbewerbs- und Marktrisiken sowie Finanzierung auf Chancen und Risiken analysiert werden, ermöglicht es dem Management, frühzeitig Veränderungen im Unternehmensumfeld zu erkennen und rechtzeitig Gegenmaßnahmen einzuleiten.

Die Interne Revision überwacht sämtliche Betriebs- und Geschäftsabläufe in der Gruppe im Hinblick auf die Einhaltung gesetzlicher Bestimmungen und interner Richtlinien sowie auf Wirksamkeit des Risikomanagements und der internen Kontrollsysteme. Grundlage der Prüfungshandlungen ist ein vom Vorstand beschlossener jährlicher Revisionsplan auf Basis einer konzernweiten Risikobewertung. Auf Veranlassung des Managements werden Ad-hoc-Prüfungen durchgeführt, die auf aktuelle und zukünftige Risiken abzielen. Die Ergebnisse der Prüfungshandlungen werden regelmäßig an den AGRANA-Vorstand und an das verantwortliche Management sowie an den Aufsichtsrat (Prüfungsausschuss) berichtet. Die Umsetzung der von der Revision vorgeschlagenen Maßnahmen wird durch Folgekontrollen überprüft.

Eine interne Risikoanalyse ist auch Bestandteil des AGRANA Compliance-Managementsystems. Sie basiert auf allgemein anerkannten Indizes, die die Compliance-Risiken länderspezifisch bewerten; zusätzlich werden die konkreten unternehmensspezifischen Risiken evaluiert. Die Risikoanalyse wird zwischen dem Konzern-Risikomanagement und dem Compliance-Office abgestimmt.

Im Rahmen der Abschlussprüfung beurteilt der Wirtschaftsprüfer jährlich das Interne Kontrollsystem des Rechnungslegungsprozesses und der IT-Systeme. Die Ergebnisse der Prüfungshandlungen werden dem Prüfungsausschuss im Aufsichtsrat berichtet.

Kapital-, Anteils-, Stimm- und Kontrollrechte

(Angaben gemäß § 243a Abs. 1 UGB)

Das Grundkapital der AGRANA Beteiligungs-AG zum Stichtag 28. Februar 2023 betrug 113,5 Mio. € (28. Februar 2022: 113,5 Mio. €) und war in 62.488.976 (28. Februar 2022: 62.488.976) auf Inhaber lautende Stückaktien (Stammaktien mit Stimmrecht) geteilt. Weitere Aktiengattungen bestehen nicht.

Die AGRANA Zucker, Stärke und Frucht Holding AG (AZSF) mit Sitz in Wien hält als Mehrheitsaktionär direkt 78,34 % des Grundkapitals der AGRANA Beteiligungs-AG. An der AZSF sind die Zucker-Beteiligungsgesellschaft m.b.H. (ZBG), Wien, mit 50 % abzüglich einer Aktie, die von der AGRANA Zucker GmbH, einer Tochter der AGRANA Beteiligungs-AG, gehalten wird, sowie die Südzucker AG (Südzucker), Mannheim|Deutschland, mit 50 % beteiligt. An der ZBG halten die „ALMARA“ Holding GmbH, eine Tochtergesellschaft der RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung, die Marchfelder Zuckerfabriken Gesellschaft m.b.H., die Rübenproduzenten Beteiligungs GesmbH und die Leipnik-Lundenburger Invest Beteiligungs AG, jeweils Wien, Beteiligungen. Aufgrund eines zwischen der Südzucker und der ZBG abgeschlossenen Syndikatsvertrages sind die Stimmrechte der Syndikatspartner in der AZSF gebündelt und es bestehen u.a. Übertragungsbeschränkungen der Aktien und bestimmte Nominierungsrechte der Syndikatspartner für die Organe der AGRANA Beteiligungs-AG und der Südzucker. So ist Dkfm. Markus Mühleisen, MBA von der ZBG als Vorstandsmitglied der Südzucker AG und Ingrid-Helen Arnold, MBA seitens Südzucker als Vorstandsmitglied der AGRANA Beteiligungs-AG nominiert und bestellt.

Es gibt keine Inhaberinnen und Inhaber von Aktien, die über besondere Kontrollrechte verfügen. Mitarbeiterinnen und Mitarbeiter, die auch Aktionärinnen und Aktionäre der AGRANA Beteiligungs-AG sind, üben ihre Stimmrechte individuell aus.

Der Vorstand verfügt über keine über die unmittelbaren gesetzlichen Regelungen hinausgehenden Befugnisse, Aktien auszugeben oder zurückzukaufen.

In den Verträgen betreffend Schuldscheindarlehen und Kreditlinien („Syndicated Loans“) sind Change of Control-Klauseln enthalten, die den Darlehensgebern ein außerordentliches Kündigungsrecht einräumen.

Darüber hinaus bestehen keine bedeutenden Vereinbarungen, die bei einem Kontrollwechsel infolge eines Übernahmeangebotes wirksam werden, sich wesentlich ändern oder enden. Entschädigungsvereinbarungen zwischen der Gesellschaft und ihren Organen oder Mitarbeitenden im Falle eines öffentlichen Übernahmeangebotes bestehen nicht.

Corporate Governance-Bericht

AGRANA bekennt sich zu den Regelungen des ÖCGK. Im Geschäftsjahr 2022|23 hat AGRANA den ÖCGK in der Fassung vom Jänner 2021 zur Anwendung gebracht. Der Aufsichtsrat der AGRANA Beteiligungs-AG hat sich in seinen Sitzungen am 23. November 2022 und 16. Februar 2023 mit Fragen der Corporate Governance befasst und einstimmig der Erklärung über die Einhaltung des Kodex zugestimmt.

Gemäß Regel 62 des ÖCGK ist die Umsetzung und die Einhaltung der einzelnen Regeln des Kodex regelmäßig, zumindest alle drei Jahre einer externen Evaluierung zu unterziehen. Dies erfolgte für das Geschäftsjahr 2020|21 durch die KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft auf Basis des Fragebogens zur Evaluierung der Einhaltung des ÖCGK, herausgegeben vom Österreichischen Arbeitskreis für Corporate Governance (Fassung Jänner 2021). Der Bericht über diese externe Evaluierung ist unter www.agrana.com/ir/corporate-governance abrufbar. Im Geschäftsjahr 2023|24 wird eine neuerliche externe Evaluierung zur Einhaltung der Regeln des Kodex erfolgen.

Zweigniederlassungen

Die AGRANA Beteiligungs-Aktiengesellschaft hatte 2022|23 keine Zweigniederlassungen.

Ereignisse nach dem Bilanzstichtag

Nach dem Bilanzstichtag am 28. Februar 2023 sind keine Vorgänge von besonderer Bedeutung eingetreten, die einen wesentlichen Einfluss auf die Ertrags-, Finanz- und Vermögenslage der AGRANA hatten.

Prognosebericht

AGRANA sieht sich aufgrund des diversifizierten Geschäftsmodelles und einer soliden Bilanzstruktur für die Zukunft gut aufgestellt.

Wesentliche Unsicherheitsfaktoren für die nachfolgende Prognose bleiben der Krieg in der Ukraine und dessen Folgen. Wegen der unvorhersehbaren Entwicklungen des Krieges können u.a. außergewöhnliche Kostensteigerungen und Nachfragerückgänge nicht ausgeschlossen werden. Die Volatilitäten auf den Absatz- und Beschaffungsmärkten haben sich seit dem Ausbruch des Krieges nochmals verstärkt. Den AGRANA-Planungen liegen die Annahmen zugrunde, dass die physische Versorgung mit Energie und Rohstoffen gewährleistet bleibt und dass gestiegene Preise, insbesondere im Rohstoff- und Energiebereich, auch in angepassten Kundenkontrakten weitergegeben werden können.

Auf **Gruppenebene** wird für das Geschäftsjahr 2023|24 mit einem sehr deutlichen Anstieg beim Ergebnis der Betriebstätigkeit (EBIT) gerechnet. Beim Konzernumsatz wird von einem deutlichen Anstieg ausgegangen.

Das **Investitionsvolumen** in den drei Segmenten soll in Summe mit rund 150 Mio. € sowohl deutlich über dem Wert von 2022|23, als auch über den geplanten Abschreibungen in Höhe von rund 120 Mio. € liegen. Etwa 16 % davon werden auf Emissionsreduktionsmaßnahmen in der eigenen Produktion im Rahmen der AGRANA-Klimastrategie entfallen.

Nachhaltigkeitsausblick 2022|23

AGRANA geht davon aus, bis spätestens Ende 2023 von der Science Based Targets Initiative (SBTi) validierte, wissenschaftsbasierte Emissionsreduktionsziele veröffentlichen zu können (siehe Kapitel AGRANA-Klimastrategie). Zudem wird im Geschäftsjahr 2023|24 der Corporate Carbon Footprint für das Geschäftsjahr 2022|23 nach den Vorgaben des SBTi-Leitfadens für Unternehmen aus dem "Forest-, Land- and Agriculture"-Sektor berechnet und die AGRANA-Klimastrategie entsprechend angepasst. Ein weiterer Fokus wird auf der Berechnung von AGRANA-spezifischen Emissionsfaktoren der wichtigsten agrarischen Kulturen liegen. Zudem werden Projekte im Bereich der regenerativen Landwirtschaft zusammen mit verschiedenen Partnern entlang der Wertschöpfungskette konzeptioniert und implementiert.

Aus Sicht der **Einzelgesellschaft**, der AGRANA Beteiligungs-Aktiengesellschaft, wird für das kommende Geschäftsjahr 2023|24 mit einer stabilen Umsatzentwicklung und einem Ergebnis vor Steuern auf aktuellem Niveau gerechnet.

Wien, am 28. April 2023

Der Vorstand:

Dkfm. Markus Mühleisen, MBA



Ingrid-Helen Arnold, MBA



Mag. Stephan Büttner



Dipl. Ing. Dr. Norbert Harringer

Statement by the members of the Management Board

In accordance with section 124 (1) Austrian Stock Exchange Act, the undersigned members of the Management Board, as the legal representatives of AGRANA Beteiligungs-AG, confirm to the best of their knowledge that:

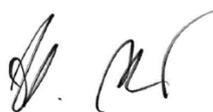
- the separate financial statements for the year ended 28 February 2023 give a true and fair view of the financial position, results of operations and cash flows of the parent company as required by the applicable accounting standards;
- the management report for the 2022|23 financial year presents the business performance, financial results and situation of AGRANA Beteiligungs-AG in such a way as to provide a true and fair view of AGRANA's financial position, results of operations and cash flows, together with a description of the principal risks and uncertainties faced by the company.

Vienna, 28 April 2023

The Management Board of AGRANA Beteiligungs-AG



Markus Mühleisen
Chief Executive Officer



Ingrid-Helen Arnold
Member of the Management Board



Stephan Büttner
Member of the Management Board



Norbert Harringer
Member of the Management Board

Independent auditor's report

[Translation]

Report on the Financial Statements

Audit Opinion

We have audited the financial statements of AGRANA Beteiligungs-Aktiengesellschaft, Vienna, which comprise the balance sheet as at 28 February 2023, the income statement for the financial year then ended and the notes.

In our opinion, the accompanying financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as at 28 February 2023, and of its financial performance for the financial year then ended in accordance with Austrian Generally Accepted Accounting Principles.

Basis for Opinion

We conducted our audit in accordance with Regulation (EU) No. 537/2014 (hereinafter EU Regulation) and Austrian Generally Accepted Standards on Auditing. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with Austrian Generally Accepted Accounting Principles and professional requirements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of the auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have structured key audit matters as follows:

- Description
- Audit approach and key observations
- Reference to related disclosures

Valuation of shares in affiliated companies and loans to affiliated companies

Description

Shares in affiliated companies and loans to affiliated companies amounting to EUR 866,024,765.83 (as at 28 February 2022: EUR 638,024,766) make up a material share of the Company's assets. The major part of shares in affiliated companies and loans to affiliated companies can generally not be valued using market prices as they are not available. Determining the current value therefore requires discretionary decisions, estimates and assumptions. This particularly includes planned cash flows, future market conditions, growth rates and cost of capital. Slight changes in these assumptions as well as in the methods used may have a material impact on the valuation.

Due to the matter described, we considered the valuation of shares in affiliated companies and loans to affiliated companies as a key audit matter in our audit.

Audit approach and key observations

We:

- evaluated workflows to make sure they are suitable to identify potential indications of a diminution in value,
- checked whether the valuation principles were applied consistently,
- assessed the recognition of individual shares in affiliated companies and loans to affiliated companies based on samples, and
- tested the recoverability of shares in affiliated companies and loans to affiliated companies in selected cases.

The accounting and valuation principles are applied in accordance with the UGB (Austrian Company Code). We consider the valuation of shares in affiliated companies and loans to affiliated companies to be justifiable.

Reference to related disclosures

See chapter 2. Accounting and valuation methods under 2.2 Fixed assets, sub-item Financial assets in the notes to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the management report and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and the Audit Committee for the Financial Statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with Austrian Generally Accepted Accounting Principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation and with Austrian Generally Accepted Standards on Auditing, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU Regulation and with Austrian Generally Accepted Standards on Auditing, which require the application of ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with all relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Comments on the Management Report for the Company

Pursuant to Austrian Generally Accepted Accounting Principles, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the management report was prepared in accordance with the applicable legal regulations.

Management is responsible for the preparation of the management report in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian standards on auditing for the audit of the management report.

Opinion

In our opinion, the management report for the Company was prepared in accordance with the applicable legal regulations, comprising the details in accordance with section 243a UGB, and is consistent with the financial statements.

Statement

Based on the findings during the audit of the financial statements and due to the obtained understanding concerning the Company and its circumstances no material misstatements in the management report came to our attention.

Additional Information in Accordance with Article 10 of the EU Regulation

We were elected as statutory auditor at the ordinary general meeting dated 18 July 2022. We were appointed by the Supervisory Board on 9 September 2022. We have audited the Company for an uninterrupted period since the financial year 2019/20, ending at the balance sheet date 29 February 2020.

We confirm that the audit opinion in the "Report on the Financial Statements" section is consistent with the additional report to the Audit Committee referred to in Article 11 of the EU Regulation.

We declare that no prohibited non-audit services (Article 5 para. 1 of the EU Regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible Engagement Partner

Responsible for the proper performance of the engagement is Mr. Werner Stockreiter, Austrian Certified Public Accountant.

Vienna, 28 April 2023

PwC Wirtschaftsprüfung GmbH

signed:

Werner Stockreiter

Wirtschaftsprüfer

Proposal for the appropriation of profit

of AGRANA Beteiligungs-AG
under Austrian Commercial Code (UGB)

	2022 23 €
The financial year to 28 February 2023 closed with retained profit of	82,561,659
The Management Board proposes to the Annual General Meeting to allocate this retained profit as follows:	
Distribution of a dividend of € 0.90 per ordinary no-par value share on 62,488,976 participating ordinary shares, that is, a total of	56,240,078
Retained profit to be carried forward	26,321,581
	82,561,659

Publication information

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Forward-looking statements

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

For financial performance indicators not defined in footnotes, please see the definitions, annual report 2022|23 on page 228.

AGRANA strives for gender-sensitive language in all its internal and external written documents, including this integrated annual report. 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 report may contain minor, immaterial rounding errors.. No liability is assumed for misprints, typographical and similar errors.

This English translation of the AGRANA annual report is solely for reader's convenience and is not definitive. In the event of discrepancy or dispute, only the German version shall govern.