



14.10.2021 – 07:30 Uhr

EANS-News: AGRANA reaffirms full-year forecast, with significant EBIT growth in 2021|22 financial year

Corporate news transmitted by euro adhoc with the aim of a Europe-wide distribution. The issuer is responsible for the content of this announcement.

Earnings in first half of 2021|22 still below one year earlier

Mid Year Results

Vienna - AGRANA, the fruit, starch and sugar company, generated revenue of EUR 1,424.4 million in the first half of the 2021|22 financial year, a moderate increase of 8.8% year-on-year (H1 prior year: EUR 1,309.3 million). Operating profit (EBIT) declined by 19.7% to EUR 44.8 million (H1 prior year: EUR 55.8 million). The EBIT reduction was attributable to higher raw material and energy costs, a decrease in sales volumes of fruit juice concentrates from the 2020 crop, and lower margins in the Sugar segment.

AGRANA Chief Executive Officer Markus Mühleisen says: "Earnings in the first half of 2021|22, as expected, were below the year-earlier level. Despite an extremely volatile business environment, we reiterate our positive forecast for the full 2021|22 financial year and expect an increase of at least 10% in EBIT. A heterogeneous business trajectory since the outbreak of the Covid-19 pandemic led to sharp swings between the quarters of the prior year, which is resulting in some base effects in the opposite direction this financial year. Following a weaker first half of the year, we are projecting a gradual earnings improvement in the second half."

AGRANA Group consolidated financial results EUR million, except %

	H1 2021 22	H1 2020 21	
Revenue	1,424.4	1,309.3	
EBITDA*	94.0	101.1	
Operating profit before exceptional items**	41.0	47.7	
Share of results of equity-accounted joint ventures	6.1	8.9	
Exceptional items	(2.3)	(0.5)	
Operating profit (EBIT)	44.8	55.8	
Net financial items	3.1%	4.3%	
Profit for the period	27.1	34.4	
Investment***	30.3	27.8	

	Q2 2021 22	Q2 2020 21	
Revenue	718.6	656.7	
EBITDA*	49.2	46.4	
Operating profit before exceptional items**	22.3	19.3	
Share of results of equity-accounted joint ventures	3.9	5.0	
Exceptional items	(2.3)	(0.5)	
Operating profit (EBIT)	23.9	23.8	
EBIT margin	3.3%	3.6%	
Profit for the period	15.0	15.2	
Investment***	16.0	16.7	

* EBITDA represents operating profit before exceptional items, results of equity-accounted joint ventures, and operating depreciation and amortisation
 ** Operating profit before exceptional items and results of equity-accounted joint ventures
 *** Investment represents purchases of property, plant and equipment and intangible assets, excluding goodwill

The Group's net financial items amounted to an expense of EUR 7.1 million, down from an expense of EUR 9.1 million in the year-earlier period, thanks primarily to an improvement in currency translation differences. After an income tax expense of EUR 10.6 million, corresponding to a tax rate of 28.1% (H1 prior year: 26.3%), profit for the period was EUR 27.1 million (H1 prior year: EUR 34.4 million).

Net debt as of 31 August 2021 stood at EUR 485.8 million, up EUR 42.3 million from the year-end level of EUR 443.5 million marked on 28 February 2021. The gearing ratio rose accordingly to 36.7% as of the interim balance sheet date (28 February 2021: 33.4%).

Fruit segment
 EUR million, except %

	H1 2021 22	H1 2020 21
Revenue	633.4	601.8
Operating profit (EBIT)	25.8	30.1
EBIT margin	4.1%	5.0%

	Q2 2021 22	Q2 2020 21
Revenue	312.7	298.1
Operating profit (EBIT)	9.9	14.1
EBIT margin	3.2%	4.7%

Fruit segment revenue in the first half of 2021|22 grew by 5.3% year-on-year. The revenue growth in the fruit preparations business stemmed from higher sales volumes. Revenue in the fruit juice concentrate activities declined slightly for price and volume reasons.

EBIT of the Fruit segment was off 14.3% from the first half of the prior year. The reason lay in the fruit juice concentrate business, which saw a decrease in delivery volumes in combination with lower contribution margins for apple juice concentrate made from the 2020 crop.

Starch segment
 EUR million, except %

	H1 2021 22	H1 2020 21
Revenue	476.2	407.2
Operating profit (EBIT)	29.0	34.7
EBIT margin	6.1%	8.5%

	Q2 2021 22	Q2 2020 21
Revenue	242.2	202.8
Operating profit (EBIT)	17.5	17.7
EBIT margin	7.2%	8.7%

The Starch segment's revenue in the first half of 2021|22 rose by 17.1% from the year-earlier comparative period. Higher volumes of core products and by-products

were demanded than in the first half of the prior year. The ethanol price moved within a high trading range, averaging EUR 623 per cubic metre in the first six months of 2021|22, or EUR 44 more than in the year-ago period. The continuous rise in grain prices since the autumn of 2020 was partly passed on in adjusted prices for starches and by-products on the sales side.

EBIT for the Starch segment decreased by 16.4% from the first six months of the prior year. The main reason for this was a significant year-on-year increase in purchase prices for wheat, corn (maize) and energy which could not yet be fully offset by adjusting product prices. Higher depreciation as a result of the major investments made in recent years also had a negative impact on earnings.

Sugar segment
EUR million, except %

	H1 2021 22	H1 2020 21
Revenue	314.2	300.3
Operating profit (EBIT)	(10.0)	(9.0)
EBIT margin	(3.2%)	(3.0%)

	Q2 2021 22	Q2 2020 21
Revenue	163.7	155.8
Operating profit (EBIT)	(3.5)	(8.0)
EBIT margin	(2.1%)	(5.1%)

The Sugar segment's revenue in the first half of 2021|22 was up slightly from one year earlier. This positive development was driven primarily by an increase in sugar selling prices.

In the 2020 sugar campaign, AGRANA's own production was below average due to insect pests, especially in Austria. The resulting higher volumes of sugar reselling and refining, with associated lower margins, were a key driver of the reduced Sugar EBIT performance in the first six months of 2021|22.

Outlook

Despite the continuing substantial challenges arising from the Covid-19 pandemic and high raw material and energy costs, the Group's operating profit (EBIT) for the full 2021|22 financial year is expected to mark a significant increase. Group revenue is projected to show moderate growth. Due to the ongoing coronavirus pandemic and the associated strong volatility in all business segments, this forecast remains subject to very high uncertainty.

In 2021|22 the Group's investment spending of EUR 95 million will be substantially below the level of depreciation of approximately EUR 120 million.

"The coronavirus pandemic is not over yet. In the coming months, volatile markets both on the purchasing and sales sides will continue to demand our close attention. We are confident that we will master these challenges well. We have already taken measures in the past quarters to both deal with the price increases faced in procurement and to reflect the higher production costs in adjusted sales prices," remarks CEO Mühleisen in conclusion.

About AGRANA

AGRANA converts agricultural raw materials into high-quality foods and numerous industrial intermediate products. About 9,000 employees at 55 production sites worldwide generate annual Group revenue of approximately EUR 2.5 billion. Established in 1988, the company is the world market leader in fruit preparations and the foremost producer of fruit juice concentrates in Europe. As well, its Starch segment is a major manufacturer of custom starch products (made from potato, corn and wheat) and of bioethanol. AGRANA is the leading sugar

producer in Central and Eastern Europe.

This announcement is available at <https://www.agrana.com/en/> [<https://www.agrana.com/en/>].

Further inquiry note:
AGRANA Beteiligungs-AG

Mag.(FH) Hannes Haider
Investor Relations
Tel.: +43-1-211 37-12905
e-mail: hannes.haider@agrana.com

Mag.(FH) Markus Simak
Public Relations
Tel.: +43-1-211 37-12084
e-mail: markus.simak@agrana.com

end of announcement euro adhoc

issuer: AGRANA Beteiligungs-AG
 F.-W.-Raiffeisen-Platz 1
 A-1020 Wien
phone: +43-1-21137-0
FAX: +43-1-21137-12926
mail: info.ab@agrana.com
WWW: www.agrana.com
ISIN: AT000AGRANA3
indexes: WBI
stockmarkets: Wien, Berlin, Stuttgart, Frankfurt
language: English

Original content of: AGRANA Beteiligungs-AG, transmitted by news aktuell
Diese Meldung kann unter <https://www.presseportal.de/en/pm/63352/5045848> abgerufen werden.