

## Press release

Mannheim, 14 January 2025

### **Südzucker confirms annual forecast following the first nine months of fiscal 2024/25**

Group revenues of Südzucker AG fell in the first three quarters of fiscal 2024/25 (1 March to 30 November 2024) slightly to EUR 7,466 (previous year: 7,779) million. Revenues declined in the special products, CropEnergies and starch segments, but were at last year's level in the sugar segment and rose slightly in the fruit segment.

Group EBITDA was down significantly to EUR 502 (previous year: 1,124) million.

The consolidated group operating result recorded in the third quarter of 2024/25 was negative and fell significantly to EUR 236 (previous year: 860) million in the reporting period. The significant decrease in the sugar, CropEnergies and starch segments is offset by a slight increase in the special products segment and a significant increase in the fruit segment.

#### **Sugar segment with stable revenue development but operating loss**

The sugar segment's revenues in the third quarter of 2024/25 were significantly below the previous year's level, reaching only EUR 3,104 (previous year: 3,106) million in the reporting period. The significantly higher sales volumes were no longer able to offset the falling prices. Prices in the EU fell more and more sharply over the course of the fiscal year and dropped again significantly at the beginning of the new 2024/25 sugar marketing year. The increased exports to the international market also put pressure on our average sales prices.

During the third quarter of 2024/25, the sugar segment for the first time recorded an operating loss and thus showed a negative figure of EUR -23 (previous year: 525) million for the entire reporting period. The significant decline in results was mainly caused by the sharp downturn in prices. The significantly higher manufacturing costs in the 2023 campaign also had a negative impact from the beginning of the financial year. Inventories produced at high costs during the 2023 campaign were still being sold in the third quarter of 2024/25 at prices that had fallen significantly again at the beginning of the new sugar marketing year, which placed an above-average burden on the third quarter of 2024/25.

#### **Beet cultivation and 2024 campaign**

Südzucker Group experienced a wide range of weather conditions in its beet cultivation areas, from persistent rainfall and cool weather to favorable conditions and extreme drought and heat. Nearly all regions faced challenges due to a strong Cercospora infestation, resulting in unusually low sugar contents. The low sugar content syndrome (SBR) and the Stolbur disease also occurred again this year. Cicadas infect the plants with bacterial pathogens. Stolbur leads to so-called

“rubber beets”: the sugar beet bodies become shriveled and take on a rubbery consistency. SBR can be recognized by the yellowish discoloration of the leaves and ultimately by the significantly lower sugar content of the beet. Both diseases lead to considerable losses in yield and quality. The beets are more difficult to store and process.

Beet yield expectations showed considerable fluctuations over the course of the year and across different regions. The overall sugar yield per hectare for the Südzucker Group will fall slightly short of the average.

#### **Special products segment with stable earnings performance**

The special products segment's revenues of EUR 1,704 (previous year: 1,818) million were moderately below the previous year's level. This decline was due to both lower volumes and lower prices.

The operating result, however, increased slightly to EUR 152 (previous year: 150) million. Higher margins were the main factor behind this slight overall rise in the special products segment. The divisions experienced fluctuations in raw material costs, with some rising or remaining at last year's level.

#### **CropEnergies segment with significant decline in results**

CropEnergies segment revenues fell significantly to EUR 711 (previous year: 848) million. The decrease is due to significantly lower prices for ethanol as well as food and animal feed products. Volumes increased, however, compared to the previous year's low level due to scheduled maintenance shutdowns.

In line with the revenues trend, the operating result for the reporting period, at EUR 8 (previous year: 61) million, was also significantly lower than last year. The key factor for the decrease in results was the prices for ethanol, which were significantly lower than the previous year. The lower net raw material and energy costs and the increased sales volumes were nowhere near enough to offset the negative impact of falling prices.

#### **Starch segment with significant decline in results**

The starch segment recorded a significant decline in revenues to EUR 724 (previous year: 828) million. This downturn was the result of significantly lower prices for products in the starch segment as well as for by-products and ethanol. In contrast, sales volumes developed positively and increased in the reporting period.

In line with the revenues trend, the operating result for the reporting period, at EUR 24 (previous year: 58) million, was also significantly lower than last year. The substantial decrease in raw material and energy costs, along with higher sales volumes, was not enough to completely offset the significantly lower prices. The third quarter was also affected by the several-week flood-induced shutdown at the Pischelsdorf location in Austria.

#### **Fruit segment shows significant increase in results**

The fruit segment's revenues rose slightly to EUR 1,223 (previous year: 1,179) million. This can be attributed to a rise in sales volumes of fruit preparations and higher prices for fruit juice concentrates.

The operating result improved significantly to EUR 75 (previous year: 66) million. Due to a slight increase in sales volumes with moderately higher margins, the contribution of fruit preparations to the results was enhanced. In contrast, the contribution to the results from fruit juice concentrates decreased despite slightly higher sales volumes due to slightly lower margins.

#### **Outlook for fiscal 2024/25 further confirmed**

Consolidated group revenues in fiscal 2024/25 are expected to be between EUR 9.5 and 9.9 (2023/24: 10.3) billion. Group EBITDA is anticipated to range from EUR 550 to 650 (2023/24: 1,318) million. The consolidated operating result is expected to be between EUR 175 and 275 (2023/24: 947) million.

The capital employed is anticipated to be below the previous year's level. Based on the expected deterioration in the operating result, a significant decline in ROCE (2023/24: 13.2 percent) is expected.

The ongoing war in Ukraine continues to exacerbate the already high volatility on the sales and procurement markets. The future impact of the negative influences stemming from the EU's extended duty-free access for agricultural imports from Ukraine, which is now limited in terms of volume, remains uncertain. The implications of the war that broke out in the Middle East on October 2023 are likewise difficult to assess.

In fact, it is proving quite difficult overall to assess the economic and financial ramifications along with the potential duration of these temporary crises.

## Group figures as of 30 November 2024

		3rd quarter			1st - 3rd quarter		
		2024/25	2023/24 + / - in %	2024/25	2023/24 + / - in %	2024/25	2023/24 + / - in %
<b>Revenues</b>	€ million	<b>2,374</b>	2,701	-12.1	<b>7,466</b>	7,779	-4.0
<b>EBITDA</b>	€ million	<b>82</b>	385	-78.7	<b>502</b>	1,124	-55.3
EBITDA margin	%	3.5	14.3		6.7	14.4	
Depreciation	€ million	-115	-117	-1.7	-266	-264	0.8
<b>Operating result</b>	€ million	<b>-33</b>	268	-	<b>236</b>	860	-72.6
Operating margin	%	-1.4	9.9		3.2	11.1	
Result from restructuring / special items	€ million	-85	-17	> 100	-72	-18	> 100
Result from companies consolidated at equity	€ million	0	3	-100.0	4	1	> 100
<b>Result from operations</b>	€ million	<b>-118</b>	254	-	<b>168</b>	843	-80.1
Investments in fixed assets and intangible assets	€ million	149	129	15.5	417	328	27.1
Investments in financial assets / acquisitions	€ million	-2	0	-	5	1	> 100
<b>Total investments</b>	€ million	<b>147</b>	129	14.0	<b>422</b>	329	28.3
Shares in companies consolidated at equity	€ million				86	83	3.6
Capital employed	€ million				6,833	7,273	-6.0
<b>Employees</b>					<b>19,853</b>	19,655	1.0

## Revenues by segment

€ million	1st - 3rd quarter		
	2024/25	2023/24	+ / - in %
Sugar	3,104	3,106	-0.1
Special products	1,704	1,818	-6.3
CropEnergies	711	848	-16.2
Starch	724	828	-12.6
Fruit	1,223	1,179	3.7
<b>Group total</b>	<b>7,466</b>	<b>7,779</b>	<b>-4.0</b>

## EBITDA by segment

€ million	1st - 3rd quarter		
	2024/25	2023/24	+ / - in %
Sugar	81	629	-87.1
Special products	216	212	1.9
CropEnergies	42	94	-55.3
Starch	59	92	-35.9
Fruit	104	97	7.2
<b>Group total</b>	<b>502</b>	<b>1,124</b>	<b>-55.3</b>

## Operating result by segment

€ million	1st - 3rd quarter		
	2024/25	2023/24	+ / - in %
Sugar	-23	525	-
Special products	152	150	1.3
CropEnergies	8	61	-86.9
Starch	24	58	-58.6
Fruit	75	66	13.6
<b>Group total</b>	<b>236</b>	<b>860</b>	<b>-72.6</b>

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## About the Südzucker Group

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

In the traditional sugar business, the group is Europe's number one supplier of sugar products, with 23 sugar factories and two refineries, extending from France in the west via Belgium, Germany and Austria, through to Poland, the Czech Republic, Slovakia, Romania, Hungary, Bosnia, and Moldova in the east. The special products segment, with its consumer-oriented functional ingredients for food and animal feed (BENEOL), chilled/frozen products (Freiberger) and portion

packs (PortionPack Group), operates in dynamic growth markets. Südzucker's CropEnergies segment is Europe's leading producer of renewable ethanol, with production sites in Germany, Belgium, France and Great Britain. Other products in this segment are protein food and animal feed products as well as biogenic carbon dioxide. The starch segment comprises AGRANA's starch and ethanol activities. The group's fruit segment operates globally, is the world market leader for fruit preparations for dairies and is a leading supplier of fruit juice concentrates in Europe.

In 2023/24, the group employed about 19.200 persons and generated revenues of about EUR 10.3 billion.