What **moves us forward.**

Integrated Annual Report 2023|24

Contents

2023|24 at a glance

- Revenue: € 3,786.9 million (+4.1%; prior year: € 3,637.4 million)
- Operating profit (EBIT): € 151.0 million (+71.0%; prior year: € 88.3 million)
- EBIT margin: 4.0% (prior year: 2.4%)
- Profit for the period: € 69.4 million (+181.0%; prior year: € 24.7 million)
- Earnings per share: € 1.04 (+316.0%; prior year: € 0.25)
- Equity ratio: 43.2% (prior year: 41.8%)
- Gearing ratio[1]: 51.0% (prior year: 54.5%)
- Dividend proposal of € 0.90 per share (dividend in prior year: € 0.90 per share)
- Number of employees (FTE)[2]: 8,876 (+1.7%; prior year: 8,730)

Quick facts about AGRANA

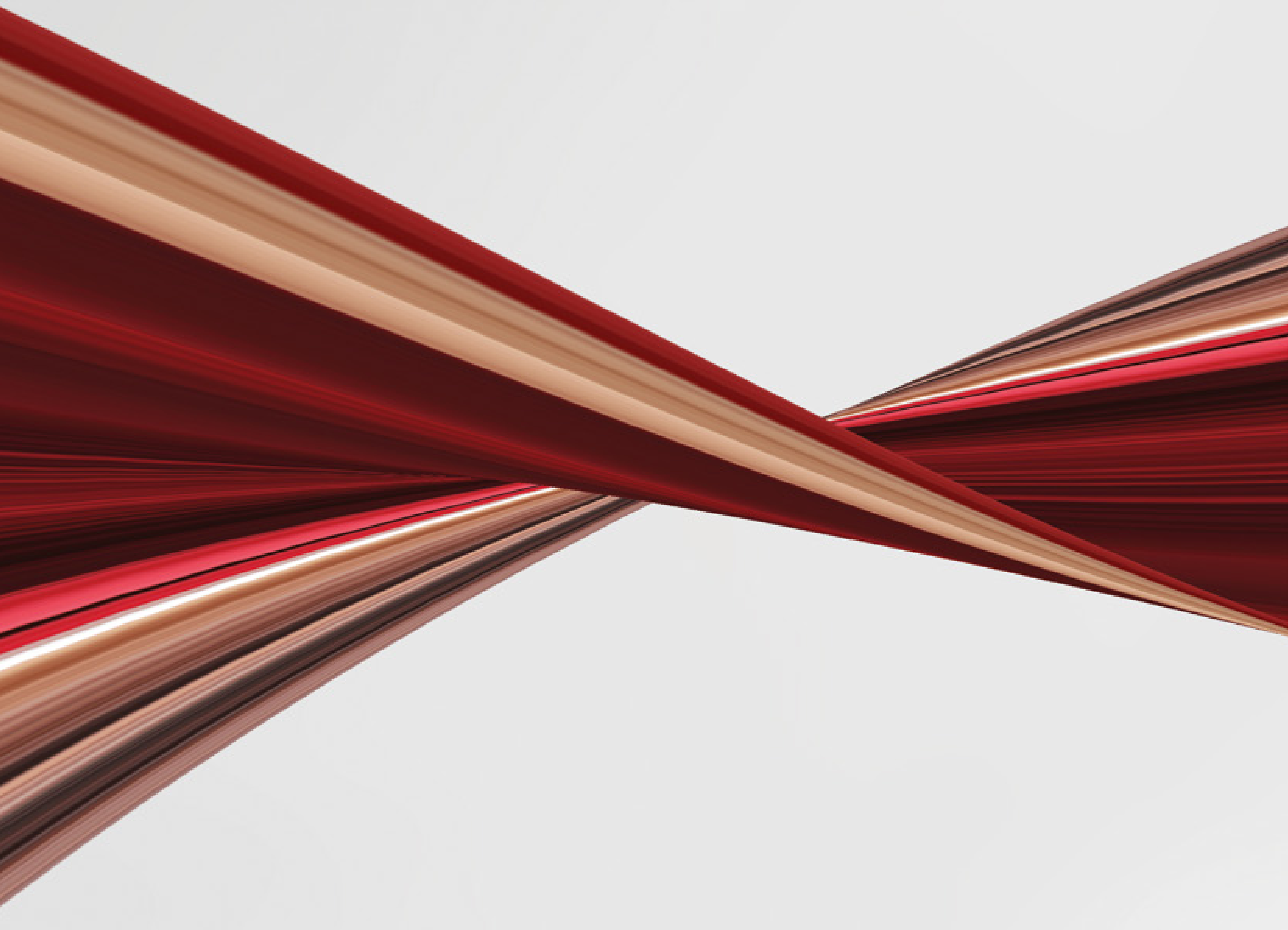
- World market leader in the production of fruit preparations
- World's leading producer (and supplier) of apple juice and berry juice concentrates
- Major European producer of custom starch products and bioethanol
- The leading sugar manufacturer in Central, Eastern and Southeastern Europe
- 55 production sites[3] in 25 countries on six continents

Financial calendar for 2024|25

25 Jun 2024	Record date for participation in Annual General Meeting
5 Jul 2024	Annual General Meeting in respect of 2023|24
10 Jul 2024	Ex-dividend date
11 Jul 2024	Results for first quarter of 2024|25
11 Jul 2024	Record date for dividend
15 Jul 2024	Dividend payment date
10 Oct 2024	Results for first half of 2024|25
14 Jan 2025	Results for first three quarters of 2024|25

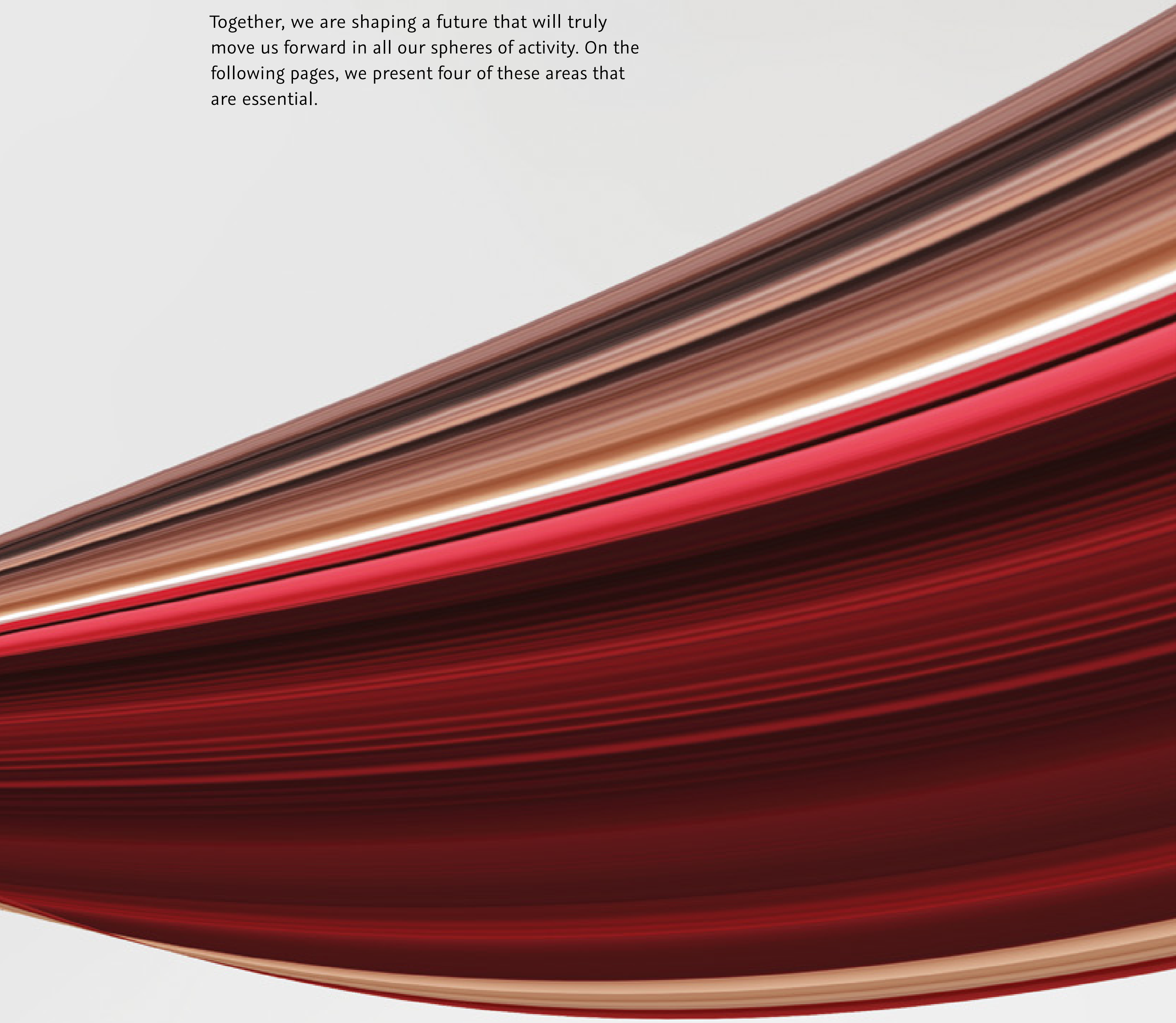
[1] Ratio of net debt to total equity.
[2] Average number of full-time equivalents in the reporting period.
[3] Number of sites as of 29 February 2024; also see "Our strong network moves us forward" [production sites], from page 30.

Shaping
the future
**moves us
forward.**



AGRANA's annual report is a snapshot in time.
It is a look back, a picture of where we stand, and an opportunity for us to offer an outlook. With our forward-looking orientation, as a team we combine individual strengths that not only complement each other, but also form a powerful whole.

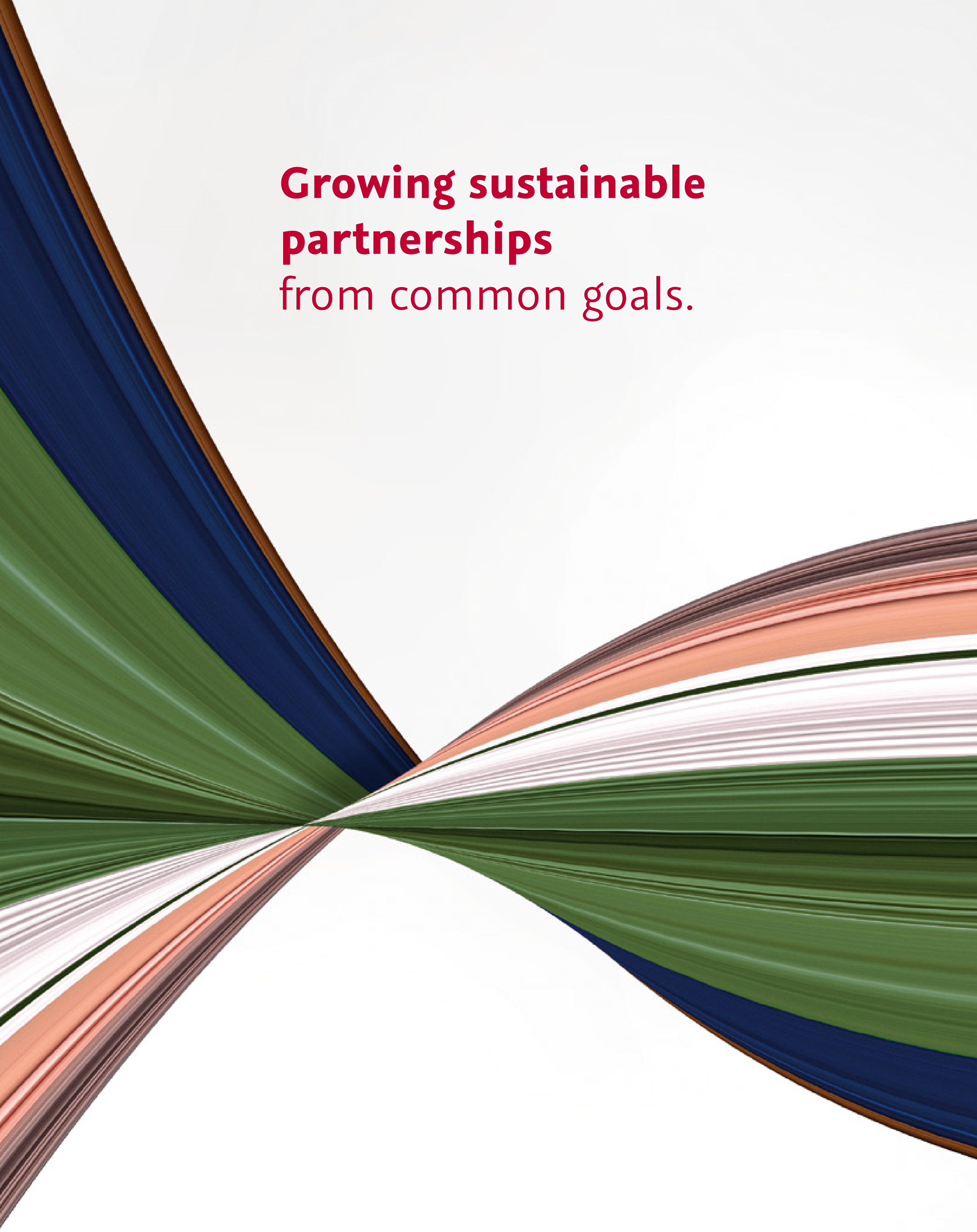
Together, we are shaping a future that will truly move us forward in all our spheres of activity. On the following pages, we present four of these areas that are essential.



Digital annual report 2023|24

Scan the QR code to experience the annual report digitally. **reports.agrana.com/en**

Growing sustainable partnerships
from common goals.



We see our continuous endeavour to reduce emissions in our upstream and downstream value chain as more than just a challenge accepted: It is also an opportunity to deepen our relationships with suppliers and customers.

With our positioning as a bridge between agriculture and industries, we look at our value chains as a networked system. This holistic view allows us to identify appropriate emission reduction targets and actions.

We are a driving force in ensuring the implementation of advanced approaches such as regenerative agriculture in order to develop products with our partners that make it easy for people to practice sustainable consumption.

We are moving forward with **renewable energy.**

AGRANA's transition to green energy is in full swing worldwide. The green electricity campaign begun three years ago in Austria is already being rolled out to other countries and expanded by the installation of photovoltaic systems on our own production buildings. Step by step, this will accomplish the shift to renewable energy.

Besides the emission reduction potential of renewable energy sources on the electricity side as an instrument of defossilisation, several AGRANA sites already focus on advanced energy recovery technologies for the mechanical compression and utilisation of process vapour to significantly lower the amount of natural gas required for energy-intensive processes.

Future investments will target not only advanced vapour compression, but many different technologies. This will lead to a major reduction in energy needs and thus in the associated emissions.

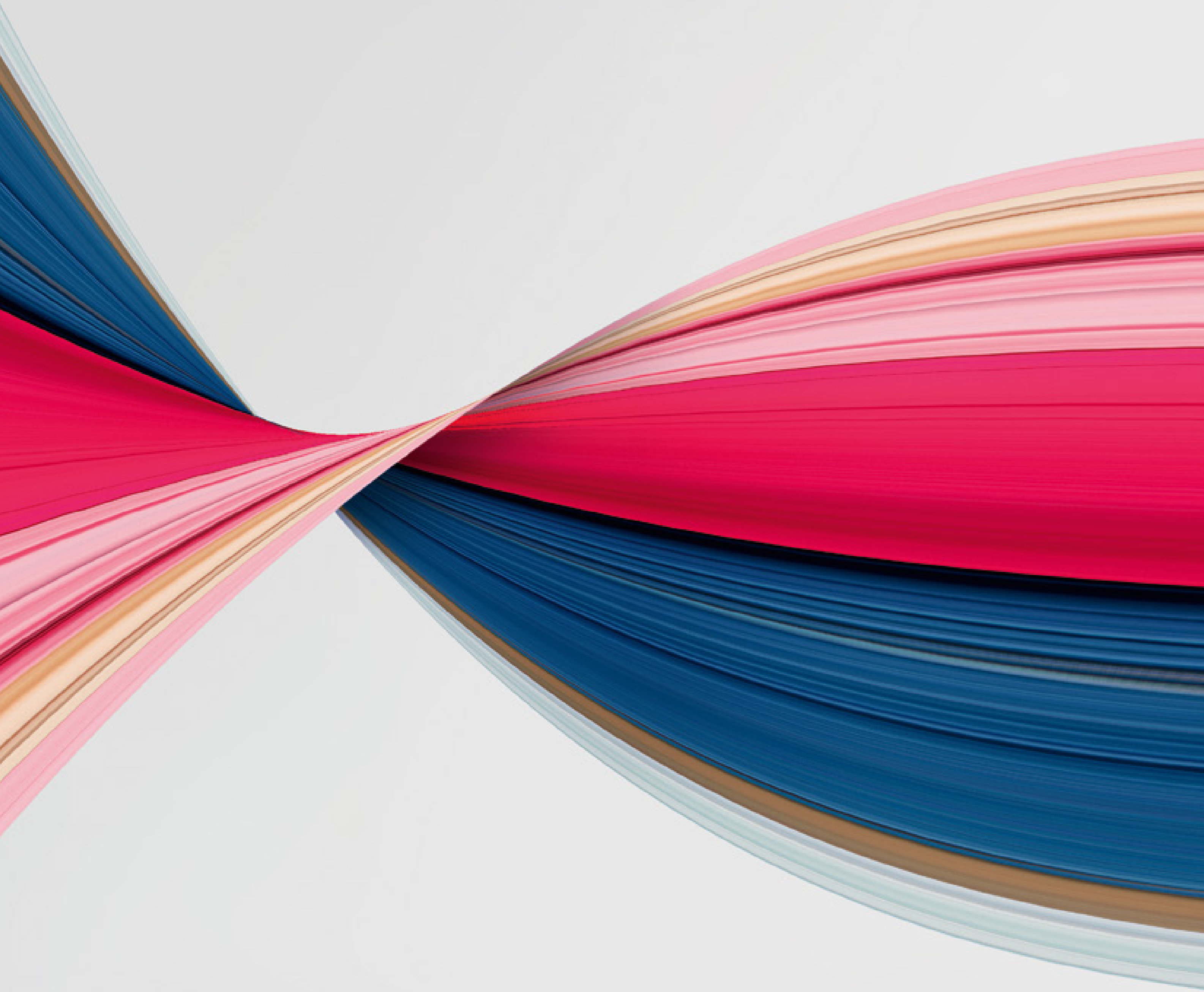
Strong ideas
keep us on
everyone's lips.

At AGRANA, our Fruit segment alone launches about 850 new products on the market every year. Many of these are ideas that mature into trendsetters through their presentation at the top international trade fairs.

In the last financial year, the focus at trade shows was on innovations such as plant-based meat alternatives and products for fast-food restaurants and the quick service industry. Our fruit juice concentrate business made a splash in 2023|24 with its large selection of organic beverages and aromas.

Naturally, we will continue to bring fresh inspiration to the markets with new products in 2024|25. Not just to exercise our ever-growing innovative power, but above all to stay ahead competitively.

Diversity is the opportunity
to include different points of view.



AGRANA's creative strength is in the wide range of ideas available as a result of our engagement for diversity, equity and inclusion. In this context, these values act as sustainable catalysts and stimulate our capacity for innovation.

But diversity, equity and inclusion also help us to spot risks early on and make better decisions. A strategy for these social topics was therefore introduced at Group level in the 2023|24 financial year, with two main elements.

First, a status survey was conducted. Second, under this strategy, the network of diversity ambassadors that has existed in our fruit preparations business since 2019|20 is continually being expanded across the Group.

Key figures

		2023|24	2022|23	2021|22	2020|21	2019|20	2018|19
Financial performance[1]							
Revenue	€m	3,786.9	3,637.4	2,901.5	2,547.0	2,480.7	2,443.0
EBITDA[2]	€m	291.1	277.1	206.7	191.2	183.1	147.7
Operating profit before exceptional items and results of equity-accounted joint ventures	€m	176.7	158.4	86.5	73.1	73.1	51.1
Share of results of equity-accounted joint ventures	€m	1.4	18.7	8.0	17.5	16.7	12.2
Exceptional items	€m	(27.0)	(88.8)	(69.8)	(11.9)	(22.9)	3.3
Operating profit [EBIT]	€m	151.0	88.3	24.7	78.7	66.9	66.6
EBIT margin	%	4.0	2.4	0.9	3.1	2.7	2.7
Profit before tax	€m	97.7	61.7	8.6	60.2	49.7	51.2
Profit/(loss) for the period	€m	69.4	24.7	(12.2)	55.0	31.2	30.4
Attributable to shareholders of the parent	€m	64.9	15.8	(12.6)	59.8	28.1	25.4
Attributable to non-controlling interests	€m	4.5	8.9	0.4	(4.9)	3.1	5.0
Operating cash flow before changes in working capital	€m	316.3	282.3	207.2	198.8	187.8	177.5
Investment[3]	€m	127.3	102.9	82.4	72.3	149.7	183.8
Return on sales[4]	%	2.6	1.7	0.3	2.4	2.0	2.1
Return on capital employed[5]	%	9.1	8.0	4.7	4.1	4.0	2.9
Non-financial metrics							
Number of employees[6]		8,876	8,730	8,691	8,847	9,342	9,230
Injury rate[7]		1.3	1.6	1.4	1.6	1.6	1.8
Energy consumption (Scope 1+2)	Million GJ	14.5	14.0	15.6	14.2	14.2	14.4
Emissions (Scope 1+2)	Tonnes CO_2	737,042	708,978	778,626	733,853	928,007	918,818
Emissions (Scope 3)[8]	Million tonnes CO_{2e}	4.1	4.2	4.5	4.0	4.2	4.2
Water consumption[9]	Million m^3	(1.0)	(0.4)	(0.8)	(1.3)	(0.9)	(1.5)
Share data at last day of February							
Closing price	€	13.35	17.00	16.54	17.60	17.56	17.40
Earnings/(loss) per share	€	1.04	0.25	(0.20)	0.96	0.45	0.41
Dividend per share	€	0.90 [10]	0.90	0.75	0.85	0.77	1.00
Dividend yield[11]	%	6.7 [10]	5.3	4.5	4.8	4.4	5.7
Dividend payout ratio	%	86.5 [10]	360.0	Neg.	88.5	171.1	243.9
Price/earnings ratio		12.8	68.0	Neg.	18.3	39.0	42.4
Market capitalisation	€m	834.2	1,062.3	1,033.6	1,099.8	1,097.3	1,087.3
Number of shares	'000	62,489.0	62,489.0	62,489.0	62,489.0	62,489.0	62,489.0
Financial strength							
Total assets	€m	2,889.4	3,003.1	2,643.6	2,472.7	2,529.3	2,389.4
Share capital	€m	113.5	113.5	113.5	113.5	113.5	113.5
Core non-current assets[12]	€m	997.5	1,018.7	1,117.9	1,207.5	1,285.2	1,229.8
Equity	€m	1,248.4	1,256.6	1,281.5	1,329.1	1,367.0	1,409.9
Equity ratio	%	43.2	41.8	48.5	53.8	54.0	59.0
Net debt	€m	636.1	684.9	532.0	443.5	464.0	322.2
Gearing ratio[13]	%	51.0	54.5	41.5	33.4	33.9	22.9

[1] Detailed information concerning the calculation methods of individual performance indicators can be found on page 224.
[2] EBITDA represents operating profit before exceptional items, results of equity-accounted joint ventures, and operating depreciation and amortisation.
[3] Investment represents purchases of property, plant and equipment and intangible assets, excluding goodwill.
[4] Profit before tax, divided by revenue.
[5] Operating profit before exceptional items and results of equity-accounted joint ventures, divided by capital employed.
[6] Average number of full-time equivalents in the reporting period.
[7] See definition on page 101.
[8] The value shown for the 2019|20 financial year was calculated based on comprehensive bottom-up data collection. All other values were derived by adjusting this base-year value in proportion to the change in the processing quantities of agricultural raw materials over time (except for the fruit preparations business).
[9] Net water consumption is negative, as AGRANA discharges more water than it withdraws.
[10] Based on the dividend proposal to the Annual General Meeting.
[11] Based on the closing share price at the balance sheet date of the respective year.
[12] Non-current assets excluding deferred tax assets and the item “other assets”.
[13] Ratio of net debt to total equity.

FRUIT. STARCH. SUGAR.

Integrated Annual Report 2023|24

of AGRANA Beteiligungs-AG
for the year ended 29 February 2024

Within this annual report on the 2023|24 financial year, AGRANA fulfils its obligation under the Austrian Sustainability and Diversity Improvement Act (also known in German as NaDiVeG) to prepare a non-financial information statement in accordance with section 267a Austrian Commercial Code; this statement is provided from page 38. The non-financial information statement has been prepared in accordance with the framework of the Global Reporting Initiative (GRI) and has undergone an independent limited assurance review. In this annual report 2023|24, the reporting of the sustainability topics that are material to AGRANA's business activities is integrated directly in the corporate governance report and Group management report. To make the non-financial information easier to find, the relevant passages are cross-referenced in the non-financial information statement, and a content index of all GRI disclosures in the report, organised by individual GRI Standard addressed, is provided from page 215. In addition, relevant passages are marked with a green footprint on the respective pages. AGRANA also follows the reporting recommendations of the Task Force on Climate-related Financial Disclosures (TCFD); references to the information incorporated in this report can be found in the TCFD content index from page 222.

Letter from the Management Board

Dear Investor,

In a continuing volatile business environment, we were able to record an operating profit (EBIT) of € 151.0 million (prior year: € 88.3 million[1]). We thus delivered on our guidance of very significantly higher earnings than in the prior year.

At the beginning of the fourth quarter of 2023|24 we informed you, in a so-called ad-hoc announcement, of the changes on the Management Board of AGRANA Beteiligungs-AG. Markus Mühleisen decided not to renew his Management Board term (he had been appointed until 31 May 2024) and left the Management Board on 31 December 2023. Ingrid-Helen Arnold (appointed until 30 April 2024) also stepped down early from her position on the Management Board, in December 2023. We would like to thank both our former Management Board colleagues for the work accomplished. Both made key contributions to successfully guiding AGRANA through serious crises such as the coronavirus pandemic and the war in Ukraine. We also thank Thomas Kölbl, who in December 2023 succeeded Ingrid-Helen Arnold on an interim basis on the Management Board of AGRANA Beteiligungs-AG and held the position until 29 February 2024. Looking ahead as the Management Board team in our new composition, we assure you that we will bring our full focus to working together with our employees and all our stakeholders to ensure profitable growth for the company, implement the transformations needed for this, and build on the existing successful path to lead the Group securely into a bright future.

Results in each business segment

AGRANA has adjusted well to the new market dynamics, especially where raw material and energy prices are concerned, and the operating performance was improved in very many business areas.

In the **Fruit segment**, our fruit preparations business has been back on course since the beginning of the financial year, including also achieving a good business trajectory in the food service product area. The operating profit situation in the fruit juice concentrate business before exceptional items also remains very satisfactory. A downside factor is the continuing difficult business trend in Asia, which gave rise to an asset impairment charge of € 18.7 million in the Fruit segment as a whole.

In the **Starch segment**, despite the economic weakness that led to a significant decline in sales volumes, the margin in starch and saccharification products was held nearly constant on balance. However, due to the significant fall in Platts prices, the bottom-line performance in the ethanol operations was much weaker than in the year before. A mainly utilisation-related significantly poorer showing of the HUNGRANA group led to a significant overall decline in Starch segment EBIT.

In the **Sugar segment**, beet processing in the 2023 campaign went well, with significantly better capacity utilisation and a higher sugar production volume than in the previous year. The sugar business in the summer was satisfactory, despite rising imports from Ukraine, and was marked by strong demand from the beverage industry that had a positive impact on our inventory management. In terms of sales, the duty-free or preferential sugar imports from Ukraine will remain a challenge for AGRANA, at least in the short term. As regards AGRANA's raw material supply, a further increase in beet planting acreage was achieved in the negotiations with growers for the contract production of beet in 2024. As a result of a significant reduction in the earnings contribution of the equity-accounted AGRANA-STUDEN group, EBIT in the Sugar segment was below the good level of the prior year.

Financial outlook for 2024|25 and dividend

Key risk factors (including financial ones) for the new, 2024|25 financial year currently remain difficult to assess. Two examples are the uncertainty regarding Ukrainian sugar imports and the high volatility in ethanol prices. As we have been seeing an increasingly challenging business environment since the fourth quarter of 2023|24 that we expect to continue, our forecast for 2024|25 calls for a Group EBIT result significantly below that of 2023|24[2]. Amid the increased cost of capital, the Group will maintain its focus on capital efficiency and working capital management. On the equity side and in terms of overall financing, AGRANA's position is sound and flexible.

In line with our focus on long-term profitable growth and our commitment to dividend continuity, we wish to pay you, our esteemed shareholders, a solid dividend for the 2023|24 financial year.

[1] EBIT in the prior financial year (2022|23) included an impairment charge of € 91.1 million on assets and goodwill in the Fruit segment.

[2] Also see the Outlook section from page 117 (including the disclaimer).

Our focus on sustainability moves us forward

With the future in mind, our commitment to sustainability and environmental responsibility remains one of our guiding principles. In this context, we are pleased that in autumn 2023 the Science Based Targets initiative – SBTi, the globally recognised non-governmental organisation – completed its review of the AGRANA Group's ambitious climate targets and officially confirmed that they are in line with the 1.5°C goal of the Paris climate agreement. At the beginning of September 2023 this made us the first food company in Austria with validated emission reduction targets. By 2030|31, under these targets, AGRANA plans to cut emissions from its own production operations (Scope 1 and 2) by 50% and reduce those in its upstream and downstream value chain (Scope 3) by about 34%.

We continue to invest in initiatives aimed at reducing our environmental impact, improving resource efficiency and promoting sustainable agricultural practices. Thus, in the third quarter of 2023|24, another regular round of verification of the Farm Sustainability Assessments was successfully completed at AGRANA's contract growers of beet, potatoes and corn (maize) in Austria and of apples in Hungary. As well, the ISO 50001 certifications of our sugar and starch factories were renewed.

Shaping the future moves us forward.

At the Annual General Meeting on 7 July 2023, the cornerstones of the AGRANA growth strategy were presented. Against the backdrop of climate change and sweeping transformations in the entire value chain of food production – from agriculture to the end customer – we have the following priorities for the coming years: 1) Strengthen the core business through a greater focus on innovation, comprehensive customer orientation and new sales channels; 2) Develop new growth markets and product applications based on natural, renewable raw materials; 3) Advance the organisation; and 4) Achieve net-zero greenhouse gas emissions (Scope 1, 2 and 3) by 2050 at the latest.

In the coming months we will continue to work intensively on defining the specifics of the company's strategic and organisational direction.

Over decades, the people at our company have earned a strong reputation as bridge builders between agriculture and the industries that we supply. This is a valuable asset especially in these volatile times, and will become even more important in the future: Thanks to supplier and customer relationships built on trust, and with excellent access to raw materials, with new models of collaboration and our strong innovative power, we are the natural choice as solution developers for our partners.

We would like to close by thanking our partners, customers, suppliers, employees and all other stakeholders for the valued collaboration and relationships. A special thank-you again goes to our colleagues in Ukraine for their continuing extraordinary efforts and dedication during the ongoing war.

The Management Board of AGRANA Beteiligungs-AG

Stephan Büttner, CEO **Norbert Harringer** **Stephan Meeder**

Supervisory Board's report

The year 2023|24 was once again marked by a series of global crises and their cumulative impacts. Russia's war of aggression in Ukraine, on European soil, is now raging for the third year. Added to this is a hotbed of painful conflict in the Middle East. These and other developments are further heightening geopolitical tensions and macroeconomic uncertainty, resulting in a volatile market environment for the AGRANA Group. Despite these multiple challenges, including the COVID-19 crisis in previous years, the company has proven and established itself as a reliable supplier and partner to its customers worldwide in all business segments, which is also reflected in the very good results for the 2023|24 financial year (FY). Our colleagues at the three AGRANA sites in Ukraine have our highest regard for their courage during this difficult time. With admirable dedication, they are successfully maintaining production despite the trying circumstances.

Special times demand special prudence: The close dialogue between the Supervisory Board and the Management Board again very much proved its worth in the past financial year – proactive reflection and intervision are part of AGRANA's culture. Accordingly, the Supervisory Board actively and diligently oversaw AGRANA Beteiligungs-AG throughout FY 2023|24 and fulfilled its tasks and duties under the applicable laws, regulatory requirements, the Articles of Association and the Supervisory Board's terms of reference, while observing the provisions of the Austrian Code of Corporate Governance. In turn, the Management Board informed the members of the Supervisory Board on an ongoing basis about significant developments and, both at and outside the regular meetings, reported to the Supervisory Board on AGRANA's current business, financial, risk and capital situation. Supervisory Board members also took part in plant tours at AGRANA's Sugar segment in Tulln, at the Starch segment facility in Aschach and at AUSTRIA Juice in Kröllendorf (all in Austria). The members of the Supervisory Board oversaw the management activities of the Management Board, were involved in all decisions of material importance to AGRANA's future and were available to the Management Board with support and advice in the further development of Group strategy.

Besides current issues, the Supervisory Board at its meetings discussed measures related to the Group's strategic direction and to the optimisation of business performance in all segments. Convening for a total of six meetings in the year, the Supervisory Board, on the basis of the reports of the Management Board and extensive written material, considered the business situation and financial position of the Group and its subsidiaries, the business performance and exceptional business transactions. The Management Board briefed the Supervisory Board in a timely and comprehensive manner on all measures requiring the approval of the Supervisory Board. The Supervisory Board members' overall attendance at the meetings in 2023|24 was approximately 95%. No member of the Supervisory Board attended fewer than half of the meetings. In addition, the Chairman of the Supervisory Board had ongoing, numerous conversations with the Management Board and communicated regularly with the Chief Executive Officer to discuss current developments in the business operations against the backdrop of the economic and business environment and address the impact on the Group's risk situation. The Supervisory Board and its committees at all times had the capacity to act and to pass resolutions.

FY 2023|24 brought important membership changes on the Supervisory Board and Management Board of AGRANA Beteiligungs-AG. Following the departure of Veronika Haslinger from the Supervisory Board at the 36th Annual General Meeting in July 2023, she was succeeded by Claudia Süssenbacher, Managing Director of Raiffeisen-Holding Niederösterreich-Wien reg. Gen.m.b.H. The mutually agreed change on the Management Board took place at the end of 2023: Chief Financial Officer Stephan Büttner took over from Markus Mühleisen as Chief Executive Officer, and Thomas Kölbl assumed temporary responsibility for Internal Audit on the Management Board from Ingrid-Helen Arnold. Subsequently, on 15 February 2024, Stephan Meeder was appointed to the latter position with effect from 1 March 2024 by resolution of the Supervisory Board.

Meetings of the Supervisory Board

A special meeting of the Supervisory Board on 22 March 2023 focused on the status of AGRANA's Group strategy. In its meeting on 16 May 2023 the Supervisory Board dealt with the audit of the parent company and consolidated financial statements for the year ended 28 February 2023; the parent company and consolidated management report (including the corporate governance report); and the proposal for the appropriation of profit for FY 2022|23 and the resolution thereon. The independent auditor attended this meeting and reported on the priorities and results of the audit. The Audit Committee chair reported on the deliberations of the Audit Committee and its recommendations regarding the parent company financial statements. The Supervisory Board adopted the parent company financial statements and approved the 2022|23 consolidated financial statements. Other items on the agenda of this meeting were the nomination of the independent auditor for election for FY 2023|24, the resolution on the report of the Supervisory Board to the Annual General Meeting for FY 2022|23, and the resolutions on the 2022|23 remuneration report, the changes to the remuneration policy, and real estate matters. The Supervisory Board also discussed the Group strategy and the capital expenditures for FY 2024|25. At the Supervisory Board meeting on 7 July 2023, the business performance in the first quarter of 2023|24 was in focus. The Supervisory Board meeting on 8 November 2023 focused on AGRANA's Group strategy, corporate governance issues and the Supervisory Board's annual compliance training. At the special Supervisory Board meeting on 4 December 2023, a change in the top management of AGRANA Beteiligungs-AG was decided: Chief

Financial Officer Stephan Büttner was appointed to succeed Markus Mühleisen as CEO and has held this position since 1 January 2024. As part of the membership change, Thomas Kölbl assumed temporary responsibility for Internal Audit on the Management Board from Ingrid-Helen Arnold. In the meeting on 15 February 2024, the Supervisory Board decided on the investment projects for FY 2024|25. It also dealt with the budget for 2024|25 and medium-term planning as well as the project to realign AGRANA's organisational structure. As well, decisions were made on investees. In addition, Stephan Meeder was appointed to succeed Thomas Kölbl effective 1 March 2024 as the member of the Management Board of AGRANA Beteiligungs-AG responsible for Internal Audit.

Committees of the Supervisory Board

The Audit Committee convened for two meetings in FY 2023|24. With the independent auditor in attendance, the Audit Committee dealt exhaustively with the 2022|23 parent company and consolidated financial statements of AGRANA Beteiligungs-AG and discussed the Management Board's proposal for the appropriation of profit. Other topics of the Committee's deliberations were the audit of the corporate governance report, the report from Internal Audit, and the risk management system and system of internal control. The Audit Committee also dealt with the planning and priorities for the audit of the 2023|24 financial statements and discussed the subjects of anti-corruption and compliance. The Nomination and Remuneration Committee met three times in FY 2023|24 and discussed the new remuneration policy for the Management Board. Additionally, the committee members dealt with personnel matters. In the Strategy and Sustainability Committee on 12 February 2024, the committee members discussed AGRANA's preparations for the Corporate Sustainability Reporting Directive (CSRD) and addressed the process around the Science Based Targets initiative (SBTi). The committee chairs reported to the full Supervisory Board in detail on the work of the committees.

Parent company and consolidated financial statements

The independent auditor appointed for the financial year ended 29 February 2024, KPMG Austria GmbH Wirtschafts-prüfungs- und Steuerberatungsgesellschaft, Vienna, has audited the parent company financial statements of AGRANA Beteiligungs-AG for the year ended 29 February 2024 prepared in accordance with Austrian Generally Accepted Accounting Principles and submitted by the Management Board, and the parent company management report of the Management Board. The independent auditor has reported the result of the audit in writing and issued an unqualified audit opinion. The Supervisory Board has received and reviewed the audit report of the independent auditor. The Audit Committee has reported to the Supervisory Board on the result of the audit of the financial statements, in accordance with section 92 Austrian Stock Corporation Act. After detailed review and discussion by the Audit Committee on 26 April 2024 and by the Supervisory Board on 13 May 2024, the Supervisory Board has approved the parent company financial statements for the year ended 29 February 2024 submitted by the Management Board (including the Notes) and the parent company management report, corporate governance report, and proposal for the appropriation of profit. The parent company financial statements for the year ended 29 February 2024 are thus adopted for the purposes of section 96 (4) Austrian Stock Corporation Act. The Supervisory Board is in agreement with the Management Board's proposal for the appropriation of profit.

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), were also audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, and received an unqualified audit opinion. The Audit Committee has reviewed the consolidated financial statements (including the Notes) and the group management report, and reported thereon to the Supervisory Board; the Supervisory Board has endorsed the consolidated financial statements (including the Notes) and the group management report.

Behind AGRANA's robust performance and the Group's stability in volatile times, there are people. Responsibility, appreciation and cohesion form the strong foundation of the values on which AGRANA has built as it developed from its small, agricultural beginnings with Austrian roots into an internationally respected organisation. Every contribution inside the company makes a difference in the world and ultimately adds more flavour and enjoyment for society. That is the essence of our shared ambition. With this in mind, the Supervisory Board would like to thank the members of the Management Board, all employees in the many countries, locations and teams, as well as all partners and customers, for the successful outcome of FY 2023|24 and for all that they mean to AGRANA.

Vienna, 13 May 2024

Erwin Hameseder
Chairman of the Supervisory Board

AGRANA's **Management Board**

STEPHAN BÜTTNER
Chief Executive Officer (CEO)

First appointed 1 November 2014
(CEO since 1 January 2024)
Appointed until 31 October 2028

Born 1973. After business studies at Vienna University of Economics and Business, worked in auditing among other areas. In 2001 moved to Raiffeisen Ware Austria AG in Korneuburg, Austria, and in 2004 became CEO of its subsidiary Ybbstaler Fruit Austria GmbH in Kröllendorf/Allhartsberg, Austria. Has been with the AGRANA Group since 2012, initially as CEO of AUSTRIA JUICE GmbH, Kröllendorf/Allhartsberg, Austria. Joined the Management Board of AGRANA Beteiligungs-AG on 1 November 2014. Became CFO on 1 January 2015. Since 1 January 2024 additionally is Chief Executive Officer. Since 4 December 2023 also member of the Management Board of Südzucker AG, Mannheim, Germany.

Responsibilities: Finance, Compliance, Information Technology & Organisation, Purchasing, Corporate Secretariat (line authority), Investor Relations, Mergers & Acquisitions, Public Relations, Human Resources, Legal, Strategy & Business Policy, Sales, and Fruit Segment

NORBERT HARRINGER
Chief Technology Officer (CTO)

First appointed 1 September 2019
Appointed until 31 August 2027

Born 1973. Studied chemistry and chemical technology at Johannes Kepler University in Linz, Austria. Began his career with the AGRANA Group in the Starch segment in 2005 as head of the quality control and quality management department at the Aschach site in Austria. In 2009 joined the production management of the plant in Gmünd, Austria, where he was plant manager from 2014 to 2016. Then plant manager in Aschach until June 2019. Member of management of the Starch segment since the end of 2018. On 1 September 2019 became the Group's Chief Technology Officer on the Management Board of AGRANA Beteiligungs-AG.

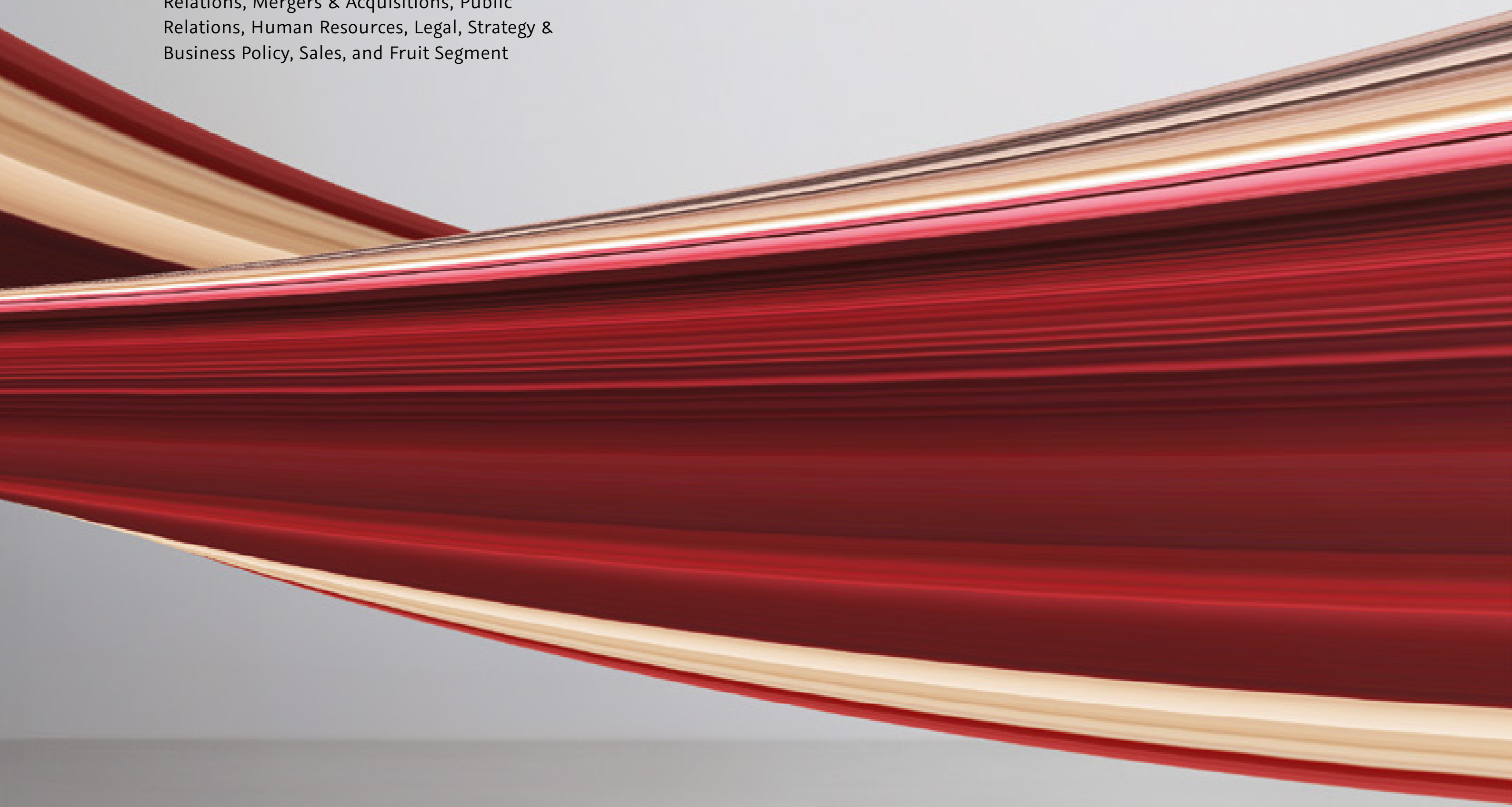
Responsibilities: Production & Investment, Raw Materials, Research & Development, Sustainability, Quality Management, Starch Segment and Sugar Segment

STEPHAN MEEDER
Chief Audit Officer (CAO)

First appointed 1 March 2024
Appointed until 18 December 2026

Born 1970. After studying business administration at the University of Mannheim and at ESSEC, Cergy-Pontoise, France, worked at ABB Structured Finance GmbH, Mannheim, Germany, from 1996 to 2000. Received his doctorate in 1999 at the University of Mannheim's Chair of Logistics. Joined the Südzucker Group in November 2006 and held several positions as finance manager. CFO of CropEnergies AG, Mannheim, Germany, from April 2015 to February 2024 and additionally CEO from July 2020 to February 2024. Member of the Management Board of Südzucker AG since December 2023.

Responsibilities: Internal Audit



Corporate governance report

This corporate governance report combines the corporate governance report of AGRANA Beteiligungs-AG and the consolidated corporate governance report of AGRANA Beteiligungs-AG pursuant to sections 243c and 267b Austrian Commercial Code (UGB) in conjunction with section 251 (3) UGB.

AGRANA Beteiligungs-AG is a public limited company (a stock corporation) under Austrian law and is listed on the Vienna Stock Exchange. The legal framework for corporate governance at AGRANA is provided by Austrian stock corporation law and capital market law, the regulations on employee co-determination, the Articles of Association and the terms of reference (the charters) of the Supervisory Board and Management Board of AGRANA Beteiligungs-AG. In addition, the Austrian Code of Corporate Governance (ACCG), which can be found on the website of the Austrian Working Group for Corporate Governance at www.corporate-governance.at, provides the framework for the direction and oversight of the company with the aim of ensuring a high degree of transparency for all stakeholders.

The ACCG consists of binding so-called L rules (these are based on legal requirements); of C rules (comply-or-explain rules), which are expected to be adhered to, with deviations to be explained in order to achieve compliance with the ACCG; and of R rules (recommendations), non-compliance with which requires neither disclosure nor explanation.

Commitment to the Austrian Code of Corporate Governance

AGRANA is committed to the provisions of the Austrian Code of Corporate Governance. In the 2023|24 financial year, AGRANA applied the ACCG in the version of January 2023. At its meetings on 8 November 2023 and 15 February 2024, the Supervisory Board of AGRANA Beteiligungs-AG discussed matters of corporate governance and unanimously adopted the statement of compliance with the ACCG.

Under rule 62 of the ACCG, the implementation of and compliance with the individual rules of the ACCG must be externally evaluated on a regular basis and at least every three years. This was done for the 2023|24 financial year by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, based on the questionnaire (January 2023 edition) issued by the Austrian Working Group for Corporate Governance for the purpose of assessing compliance with the ACCG. The report on this external evaluation is available at www.agrana.com/en/ir/corporate-governance. A renewed evaluation of compliance with the rules of the ACCG will be performed in the 2026|27 financial year.

In the 2023|24 financial year, AGRANA adhered to all C rules of the ACCG except as explained in the following:

- **Rule 49 (contracts requiring approval)**
  Under section 95 (5)(12) of the Austrian Stock Corporation Act, the approval of the Supervisory Board is required for contracts with members of the Supervisory Board by which members undertake, outside their role on the Supervisory Board, to provide a service to the Company or a subsidiary for a material consideration. This also applies to contracts with companies in which a Supervisory Board member has a significant economic interest. At the time of the initial commitment to the Austrian Code of Corporate Governance in 2005, the Supervisory Board decided, for business policy and competition reasons, not to publish the object and terms of such contracts in the annual report as stipulated in rule 49.

To safeguard open and transparent communication with all capital market participants and the interested public, information provided to investors during conference calls and road shows is simultaneously made available to all other shareholders through the Group website at www.agrana.com/en/ir/overview.

AGRANA's boards and functioning of the Management Board and Supervisory Board

Management Board

At 29 February 2024 the Management Board had the following members:

Name	Year of birth	Date first appointed	End of term
Stephan Büttner Chief Executive Officer	1973	1 Nov 2014	31 Oct 2028
Norbert Harringer	1973	1 Sep 2019	31 Aug 2027
Thomas Kölbl	1962	4 Dec 2023[1]	29 Feb 2024

With effect from 1 January 2024, Stephan Büttner was appointed Chief Executive Officer, following the departure of Markus Mühleisen from the Management Board at his own request as of 31 December 2023. In a change on the Management Board on 4 December 2023, Thomas Kölbl succeeded Ingrid-Helen Arnold, who left the AGRANA Group on the same date. Effective 1 March 2024, Stephan Meeder succeeded Thomas Kölbl on the AGRANA Management Board.

Members of the Management Board held supervisory board or similar positions in the following domestic and foreign companies not included in the consolidated financial statements:

- **Stephan Büttner**
  Südzucker AG[2], Mannheim, Germany
  Semperit AG Holding, Vienna

- **Thomas Kölbl:**
  K+S Aktiengesellschaft, Kassel, Germany
  K+S Minerals and Agriculture GmbH, Kassel, Germany
  CropEnergies AG, Mannheim, Germany
  Freiberger Holding GmbH, Berlin, Germany
  Südzucker Versicherungs-Vermittlungs-GmbH, Mannheim, Germany

The corporate culture of the AGRANA Group is marked by open and constructive teamwork between the Management Board and Supervisory Board. The two boards, and especially their chairmen, are engaged in ongoing dialogue regarding the Group's performance and strategic direction, both at and between the meetings of the Supervisory Board.

The Management Board of AGRANA Beteiligungs-AG is responsible for managing the Company independently in such a way as is required by the purpose and for the good of the Company, taking into account the interests of the shareholders and employees as well as the public interest. It manages the Company's business in accordance with the legal requirements – in particular the provisions of stock corporation, stock exchange and company law – and with the provisions of the Articles of Association, the Management Board's terms of reference adopted by the Supervisory Board, and the ACCG. The members of the Management Board are in ongoing communication with each other and, in weekly Management Board meetings, discuss the current course of business and make the necessary informal and formal decisions. The Group is managed on the basis of the open sharing of information and of regular meetings with the segments' executive and other senior management.

[1] Thomas Kölbl had been a member of the Management Board of AGRANA Beteiligungs-AG once before, from 8 July 2005 to 31 May 2021.

[2] Appointed as a member of the Management Board of Südzucker AG, Mannheim, Germany, due to the syndicate agreement between Südzucker AG and Zucker-Beteiligungsgesellschaft m.b.h, Vienna.

The terms of reference set out the division of responsibilities and the cooperation within the Management Board and its duties in respect of communication and reporting, and list the types of actions that require the approval of the Supervisory Board.

The remits of the Management Board members are as follows:

Name	Responsibilities
Stephan Büttner	Finance, Compliance, Information Technology & Organisation, Purchasing Coordination, Corporate Secretariat (line authority), Investor Relations, Mergers and Acquisitions/Equity Investments, Public Relations, Human Resources, Legal, Strategy and Business Policy, Sales Coordination, and Fruit Segment
Norbert Harringer	Production Coordination and Investment, Raw Materials, Research and Development, Sustainability, Quality Management, and Starch Segment and Sugar Segment
Thomas Kölbl	Internal Audit

Supervisory Board

The Supervisory Board of AGRANA Beteiligungs-AG has twelve members, of whom eight are shareholder representatives elected by the Annual General Meeting and four are employee representatives from the staff council. The shareholder representatives on the Supervisory Board were elected by the 2022 Annual General Meeting for a term ending at the conclusion of the AGM that will consider the results of the 2026|27 financial year. The Second Vice-Chairwoman of the Supervisory Board, Veronika Haslinger, stepped down at the end of the Annual General Meeting on 7 July 2023. In her place, Claudia Süssenbacher was elected by the Annual General Meeting as a member of the Supervisory Board for a term ending at the 40th AGM in 2027. In the reporting period the Supervisory Board convened for six meetings.

Name and supervisory board positions in listed domestic and foreign companies	Year of birth	Date first appointed	End of term
Erwin Hameseder, Mühldorf, Austria, independent Chairman of the Supervisory Board - Chairman of the Supervisory Board of Raiffeisen Bank International AG, Vienna - Vice-Chairman of the Supervisory Board of STRABAG SE, Villach, Austria - Second Vice-Chairman of the Supervisory Board of Südzucker AG, Mannheim, Germany	1956	23 Mar 1994	40th AGM (2027)
Niels Pörksen, Mannheim, Germany, independent First Vice-Chairman of the Supervisory Board - Member of the Board of Directors of AGCO Corporation, Duluth, MN, USA	1963	8 Jul 2022	40th AGM (2027)
Claudia Süssenbacher, Vienna, independent Second Vice-Chairwoman of the Supervisory Board - Member of the Supervisory Board of Südzucker AG, Mannheim, Germany	1977	7 Jul 2023	40th AGM (2027)

Name and supervisory board positions in listed domestic and foreign companies	**Year of birth**	**Date first appointed**	**End of term**
Helmut Friedl, Egling an der Paar, Germany, independent Member of the Supervisory Board - Member of the Supervisory Board of Südzucker AG, Mannheim, Germany	1965	7 Jul 2017	40th AGM (2027)
Andrea Gritsch, Vienna, independent Member of the Supervisory Board	1981	3 Jul 2020	40th AGM (2027)
Ernst Karpfinger, Baumgarten/March, Austria, independent Member of the Supervisory Board	1968	14 Jul 2006	40th AGM (2027)
Josef Pröll, Vienna, independent Member of the Supervisory Board	1968	2 Jul 2012	40th AGM (2027)
Stefan Streng, Uffenheim, Germany, independent Member of the Supervisory Board - Chairman of the Supervisory Board of Südzucker AG, Mannheim, Germany - Member of the Supervisory Board of CropEnergies AG, Mannheim, Germany	1968	8 Jul 2022	40th AGM (2027)
Veronika Haslinger, Vienna, independent Second Vice-Chairwoman of the Supervisory Board - Member of the Supervisory Board of Südzucker AG, Mannheim, Germany	1972	8 Jul 2022	36th AGM (2023)

Employee representative	**Year of birth**	**Date first appointed**
Thomas Buder, Tulln, Austria Chairman of the Group Staff Council and Central Staff Council	1970	1 Aug 2006
Andrea Benischek, Gmünd, Austria	1974	1 June 2023
Andreas Klamler, Gleisdorf, Austria	1970	10 Nov 2016
Stephan Savic, Vienna	1970	1 June 2023[1]

[1] Stephan Savic had been an employee member of the Supervisory Board of AGRANA Beteiligungs-AG once before, from 22 October 2009 to 24 February 2021.

Supervisory Board independence

The Supervisory Board of AGRANA Beteiligungs-AG applies the guidelines for the definition of supervisory board independence as set out in Annex 1 to the Austrian Code of Corporate Governance:

- A Supervisory Board member shall not, in the past five years, have been a member of the Management Board or other management staff of the Company or a subsidiary of the Company.
- A Supervisory Board member shall not have a business relationship of a size significant to him or her with the company or a subsidiary of the Company, and shall not have had such a business relationship in the past year. This also applies to business relationships with companies in which the Supervisory Board member holds a significant economic interest, but does not apply to board positions held within the Group.
- The approval of individual transactions by the Supervisory Board under L rule 48 does not automatically imply a member's designation as non-independent.
- A Supervisory Board member shall not, in the past three years, have been an external auditor of the Company or a partner or employee of the external audit firm.
- A Supervisory Board member shall not be a management board member of another company in which a member of the Company's Management Board is a supervisory board member.
- A Supervisory Board member shall not serve on the Supervisory Board for more than 15 years. This does not apply to Supervisory Board members who are shareholders with a strategic shareholding in the Company or who represent the interests of such a shareholder.
- A Supervisory Board member shall not be a close relative (direct descendant, spouse, common-law spouse, parent, uncle, aunt, sibling, nephew or niece) of a Management Board member or of persons holding any of the positions referred to in the foregoing points.

Committees and their members

Where the importance or specialist nature of a particular subject matter makes it appropriate, the Supervisory Board also exercises its advisory and supervisory functions through its following three committees:

The **Nomination and Remuneration Committee** deals with the legal relationships between the Company and the members of the Management Board. In the 2023|24 financial year it met three times. The Committee is responsible for succession planning in respect of the Management Board and approves the compensation schemes for the Management Board members. The **Strategy and Sustainability Committee** prepares strategic and sustainability-related decisions of the Supervisory Board by providing decision support, and makes decisions in urgent matters. The Strategy and Sustainability Committee held one meeting in the 2023|24 financial year. In addition, in 2023|24 all Supervisory Board members completed mandatory training on the CSRD. The **Audit Committee** prepares for transaction by the Supervisory Board all matters related to the Company's separate financial statements and to the auditing of the accounting records and of the consolidated financial statements and Group management report, including the corporate governance report. It monitors the effectiveness of the internal control system and risk management system and of the Internal Audit function, and verifies the independence and qualifications of the external auditors. In the 2023|24 financial year the Audit Committee met twice. Its meetings focused particularly on the audit of the 2022|23 financial statements, the preparation of the audit of the 2023|24 financial statements, the supervision of the risk management system, and the tender for the audit of the consolidated financial statements. The Audit Committee also dealt with the compliance report and the report of the Group's Internal Audit function. One meeting was devoted to the Management Board's report on the audit of the 2022|23 financial statements.

The Supervisory Board terms of reference include the procedures for the Supervisory Board committees; an excerpt of the terms of reference is available on the AGRANA website at www.agrana.com/en/ir/corporate-governance. Supervisory Board committees consist of the Supervisory Board Chair or a Vice-Chair, and of as many other members as the Supervisory Board shall determine. The only exception is the Nomination and Remuneration Committee, which consists of the Supervisory Board Chair and two members appointed from among the Supervisory Board members elected by the Annual General Meeting. If the Supervisory Board has two Vice-Chairs, they shall be appointed as these two other members of the Nomination and Remuneration Committee.

Name	**Position on committee**
Nomination and Remuneration Committee	
Erwin Hameseder	Committee chairman (and expert advisor on compensation)
Niels Pörksen	Member
Claudia Süssenbacher	Member
Stefan Streng	Member
Strategy and Sustainability Committee	
Erwin Hameseder	Committee chairman
Niels Pörksen	Member
Claudia Süssenbacher	Member
Stefan Streng	Member
Thomas Buder	Employee representative
Andreas Klamler	Employee representative
Audit Committee	
Claudia Süssenbacher	Committee chairwoman (and expert advisor on finance)
Niels Pörksen	Member
Ernst Karpfinger	Member
Stefan Streng	Member
Thomas Buder	Employee representative
Andrea Benischek	Employee representative

Compliance and Internal Audit

For AGRANA, compliance with legal and regulatory requirements is fundamental to good corporate governance and is part of Group strategy.

The AGRANA Compliance Management Policy sets out the compliance management system and the compliance organisation of the whole Group. The basis of the compliance management system is an internal risk analysis that is regularly revised and optimised. The risk analysis is based on widely recognised indices that rate the country-specific compliance risks. In addition, the concrete Group-specific risks are evaluated. This risk analysis is continually reviewed, updated, enhanced and coordinated with the Group risk management function.

The AGRANA Group maintains a Compliance Office that has central responsibility for the compliance activities and reports directly to the CEO, who is responsible for compliance. Additionally, the CFOs of the business segments and subsidiaries act as compliance officers in order to implement relevant Group requirements efficiently. The most important tasks of the Compliance Office include the implementation and further development of the AGRANA Group's compliance management system. The aim is to fulfil the organisational and supervisory obligations of the Group's management under the law and impart a clear understanding of the behaviours that the Group expects from all its stakeholders.

The Compliance Office is responsible for producing, communicating and training internal policies, providing support in compliance matters, documenting cases of non-compliance, and issuing recommendations. In addition to the Compliance Office there is a Compliance Board, which deliberates at least once a year on fundamental questions in matters of compliance.

AGRANA's compliance management system comprises the following core elements and policies:

The AGRANA Code of Conduct forms the basis for all business actions and decisions and specifies AGRANA's fundamental expectations of its internal and external stakeholders. In selecting business partners, the Group takes into account their acceptance of and compliance with the Code of Conduct. Together with the mission statement, the Code guides the entire AGRANA Group, setting unambiguous standards of integrity, correct business conduct and ethical principles.

In the course of business activities, it is possible for the personal or financial interests of staff or board members to come into potential or actual conflict with the interests of the AGRANA Group. In addition to the rules on conflicts of interest set out in the Code of Conduct, AGRANA therefore has a separate Conflict-of-Interest Policy, which includes an approval procedure.

Anti-corruption laws apply worldwide and must be obeyed everywhere and at all times. In view of Austria's specific anti-corruption legislation, AGRANA has a separate Austria Anti-Corruption Policy, which supplements the Code of Conduct. The policy comprises binding rules and an approval process and is intended to mitigate the potential risk of violations of the law and of the AGRANA Code of Conduct as well as to facilitate the proper handling of invitations and gifts. As well, all subsidiaries have implemented their own anti-corruption policy to meet local requirements.

AGRANA also has a Tax Policy, applicable in Austria, that governs the handling of sponsorships, donations and benefits in kind.

The purpose of the globally applicable Antitrust Compliance Policy is to ensure that all employees and the members of the Management Board and Supervisory Board know and abide by the essential provisions of competition and antitrust law and have the awareness to recognise situations with antitrust relevance. The overarching aim of this policy is to preserve employees from violating antitrust legislation and to provide practical, real-world support in applying the relevant rules.

The Policy on Information-Sharing in Joint Ventures was created to complement the applicable Antitrust Compliance Policy and establishes what information may be shared with joint venture partners.

As a publicly traded company, AGRANA Beteiligungs-AG has issued a Capital Market Compliance Policy to ensure adherence to stock exchange and capital market laws and regulations. It sets out the principles governing the disclosure of information and prescribes organisational measures such as for safeguarding confidentiality and preventing improper use or transmission of insider information.

The protection of personal data is an important priority for AGRANA. Applying its Data Protection Policy, the company takes all necessary precautions to ensure that the collection, processing and use of such data is transparent, purpose-driven, traceable and diligent.

The screening of business partners is a key precaution used by AGRANA for the prevention of economic crime and is performed as a risk-based, automated check of the applicable sanctions lists in a standardised database. AGRANA also has a policy for the prevention of VAT fraud within the EU, which was revised in the 2023|24 financial year. All business partners are expected to exercise corporate responsibility, and monitoring in this regard is continually improved.

To prevent and uncover potential risks, internal and external stakeholders have the option, in addition to the standard reporting channel, to report violations of the Code of Conduct by using the AGRANA Whistleblowing System available online. The AGRANA Whistleblowing Policy was updated in 2023|24 to reflect the EU's Whistleblower Directive (Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons reporting violations of EU law). In the last financial year, 25 compliance-related tips were received through this and other channels. Every such report is followed up with great diligence and full confidentiality. Suggestions and measures for improvement are implemented on an ongoing basis.

The AGRANA compliance e-learning tool comprises eight modules covering all compliance-related topics, including anti-corruption. This training was updated in the year under review and must be completed once a year. In the 2023|24 financial year, 99% of the 3,472 identified employees from all AGRANA segments and regions (European Union, European non-EU countries, Africa, Asia, Australia, North and South America) and the members of governance bodies completed the e-learning programme. Of the Management Board and Supervisory Board, which are located in the European Union, all members took this training. In addition, other groups of people received training from the Compliance Office on various compliance topics according to a set training plan..

The Internal Audit department verifies compliance with laws, regulations and internal policies. In the 2023|24 financial year, it audited 13 of the 53 production sites (i.e., 24.5%) within the GRI reporting boundaries (see "Non-financial information statement", on page 43), including audits for corruption and fraud in selected subject areas. No significant breaches of legal norms regarding anti-corruption were found.

Diversity strategy for the Management Board and Supervisory Board

New or vacant positions on the Management Board of AGRANA-Beteiligungs-AG are filled through structured processes supported by a recruitment consultancies, with the aim of finding the most suitable candidate for the position, ideally from within AGRANA.

In June 2022, the European Parliament adopted a directive on a gender quota in boardrooms, which provides for the balanced appointment of women and men to top positions in European business from 2026. At least 40% of supervisory board positions, or 33% of management board and supervisory board positions combined, are to go to the respective underrepresented gender.

Under the Gender Equality on Supervisory Boards Act (also known in German as the GFMA-G), section 86 (7) Austrian Stock Corporation Act applies to elections and appointments to supervisory boards occurring after 31 December 2017. A gender ratio of at least 30% must be achieved for all supervisory board members elected or appointed from 1 January 2018, failing which the non-compliant election or appointment would be invalid. This also applies to appointments to the Supervisory Board by an employee body elected after 31 December 2017. The tenure of existing supervisory board members is not affected. Accordingly, the Supervisory Board of AGRANA Beteiligungs-AG is made up of three women and nine men, thus fulfilling the required gender ratio.

Promoting equity for women

For more and more people, the compatibility of work and family life ranks high on the list of expectations for the workplace and is a major element of job satisfaction. Especially for women, it is frequently a critical career factor.

Offering good conditions for reconciling work and family commitments for as many employees as possible – particularly women, who still do most of the family work – is a key task in human resources management due to the increasing challenges of finding and retaining suitable employees. To create an attractive working environment, AGRANA offers flexible work hours and, for administrative staff, the option of working remotely up to 50% of hours.

The existing internal company amenities continued to be provided, such as the use of a company kindergarten at the headquarters site in Vienna, and weeks of summer holiday care – organised and financially supported by the company – offered for employees' children at the site in Aschach, Austria. Additionally, in Austria and Germany, AGRANA provides financial assistance for the day care of small children up to the age of three.

Since the 2023|24 financial year, AGRANA has an affinity group of employees known as WIN@AGRANA that specifically endeavours to support and develop women, including by offering special mentoring programmes and resource group events.

Vienna, 26 April 2024

The Management Board of AGRANA Beteiligungs-AG

Stephan Büttner
Chief Executive Officer

Norbert Harringer
Chief Technology Officer

Stephan Meeder
Chief Audit Officer

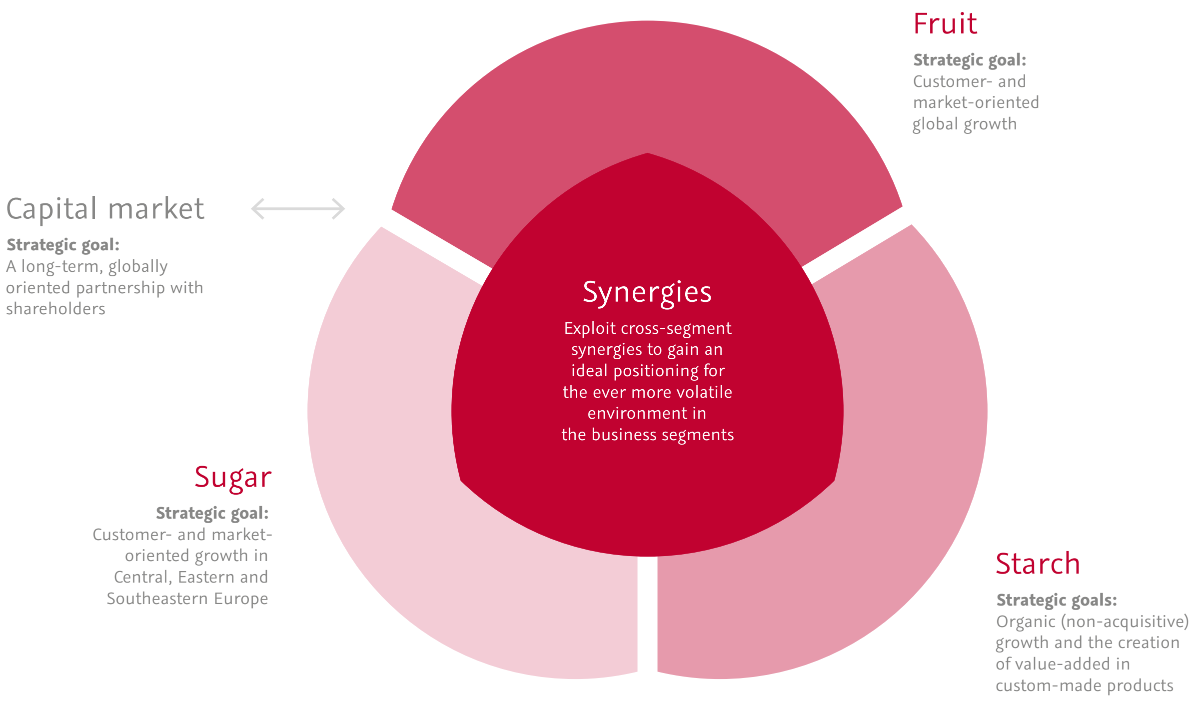
AGRANA's strategy

As an Austrian industrial group with an international focus, AGRANA operates globally in its Fruit segment, while its Starch and Sugar segments operate mainly in Europe. In these markets, AGRANA seeks or already occupies a leading position in the industrial processing of agricultural raw materials. The Group pursues a growth strategy oriented to the respective local market opportunities. Long-lasting, stable customer and supplier relationships, respectful treatment of all stakeholders and continual growth in the company's value are major cornerstones of the corporate strategy, which is guided by the principles of sustainable management. AGRANA's aim is to provide both its globally operating and its regional customers worldwide with high product quality, optimum service and innovative product development ideas and expertise.

AGRANA controls and manages the product value chain from the purchase of agricultural raw materials to the production of the resulting intermediate goods for industrial customers (and end products for consumers in the case of the Sugar segment). The Group utilises its strategic know-how across segment boundaries. This is especially true for agricultural grower contract management and raw material procurement, the knowledge of customer requirements and markets, the opportunities for the development of inter-segment products, and synergies in logistics, purchasing, sales and finance. The cross-segment application of these competencies forms the basis for a robust market position relative to competitors in all product groups and underpins AGRANA's innovative strength and its competitiveness.

In its business operations, AGRANA seeks to make the part of the value chain that it can influence as sustainable as possible. To AGRANA, sustainability means a harmonious balance between environmental, economic and social performance in its business activities. The following three guiding principles sum up AGRANA's understanding of sustainability:

- Utilisation of almost 100% of the agricultural raw materials employed, and use of low-emission technologies in industrial processing to reduce or avoid impacts on the environment
- Respect for all stakeholders and the communities where the Group operates, directly or indirectly
- Collaboration with suppliers and customers in long-term partnerships to jointly foster business models resilient to climate change (see "Non-financial information statement", from page 44).



Fruit segment strategy

Strategic goal: Customer- and market-oriented global growth. In the Fruit segment, the Group's business activities are fruit preparations (AGRANA Fruit, about 80% of the segment's revenue) and fruit juice concentrates (AUSTRIA JUICE, about 20% of segment revenue):

- AGRANA Fruit produces custom fruit preparations for the dairy, ice cream, bakery and food service industries. With local production units in close proximity to customers, AGRANA is the world leader in this global market and strives to strengthen its presence in existing markets, follow its internationally operating customers and grow faster than the market.
- AUSTRIA JUICE is a producer and reseller mainly of juice concentrates from apples, red fruits and berries. High quality is assured by manufacturing sites located close to the crop-growing areas and through modern production facilities and frequent quality checks. The aim is to increase global sales into the beverage industry, including also the further expansion in not-from-concentrate juices and fruit wines as well as in aromas and beverage bases.

AGRANA wants to consolidate and strengthen its global market position through organic growth and with the help of acquisitions and cooperative new ventures.

Starch segment strategy

Strategic goals: Organic (non-acquisitive) growth and the creation of value-added in custom-made products. In the Starch segment, AGRANA focuses on highly refined specialty products. Innovative, customer-driven products supported by application advice and continuous product development, combined with cost optimisation, are the key to the segment's success. An example is the leading position in organic starches and GMO-free[1] starches for the food industry. As well, in the non-food sector, the Group is a leading supplier of specialty starches for the paper, textile, cosmetics, pharmaceutical and building materials industries.

AGRANA's essential core competency – the large-scale processing of agricultural raw materials into industrial products – is also the basis for the bioethanol business. In Austria, AGRANA is the leading vendor of this climate-friendly fuel thanks to its bioethanol plant in Pischelsdorf. In bioethanol production, AGRANA successfully realises its goal of completely utilising the agricultural raw materials employed, thus enhancing their value-added through the optimal use of all residual components by processing them into co-products.

Sugar segment strategy

Strategic goal: Customer- and market-oriented growth. In the Sugar segment, AGRANA is very well positioned as a supplier in the Central, Eastern and Southeastern European countries. AGRANA differentiates itself from the competition through high quality standards, market service, an extensive sugar product portfolio, and by building the Group's regional brands. In addition to the goal of positioning sugar as a regional brand-name product, AGRANA continues to strive for full capacity utilisation everywhere (including yield improvement) and an intensification of marketing activities in Southeastern Europe. The Group's own production of beet sugar is supplemented by the reselling and refining activities of AGRANA's Sugar segment, especially in the Southeastern European countries with beet sugar deficits.

Synergy strategy

Strategic goal: Raise inter-segment synergies to ensure the Group's optimum positioning amid a volatile operating environment in the business segments. The synergy strategy encompasses the strategies of the three individual segments and also includes the sustainability dimension. Specifically, AGRANA seeks to exploit synergies between the three business segments in raw material procurement, in manufacturing and in marketing. This collaboration across its businesses helps AGRANA to supply a broad portfolio of high-quality products for a wide range of applications, both in the food and non-food sectors.

Capital market strategy

Strategic goal: A long-term partnership with shareholders. The Group's sound equity base gives AGRANA strategic flexibility. For its overall financing needs, AGRANA not only has the ability to self-finance, but can draw on committed bilateral loans, syndicated credit lines, and Schuldscheindarlehen (a type of loan with some bond-like characteristics, sometimes translated as "promissory note loan"). AGRANA sees its shareholders as long-term partners in realising the

[1] GMO-free or GM-free: Not derived from genetically modified organisms.

Group's goals and offers them an attractive long-run return on investment at a reasonable level of risk. With a policy of open and transparent communication, AGRANA aims to safeguard investors' confidence in the Group and make its business performance and its management decisions predictable and easy to understand.

Strategy review

The Management Board introduced core elements of the new strategy concept at the Annual General Meeting on 7 July 2023. As previously reported, in the 2022|23 financial year the Group had addressed future issues and the long-term realignment of the company. Global developments and future trends relevant to AGRANA were discussed with the support of external consultants. These provided the framework for broad-based internal working groups that considered AGRANA's opportunities and options. The ideas were fleshed out in individual subject areas and then refined with experts from the company and with external advice until a basis for decision-making was achieved. The entire project was coordinated by a strategy group newly established at the time. At the Annual General Meeting on 7 July 2023, the cornerstones of the AGRANA growth strategy were presented. Against the backdrop of climate change and sweeping transformations in the entire value chain of food production – from agriculture to the end customer – the following priorities are to be pursued in the coming years: 1) Strengthen the core business through a greater focus on innovation, expansion of the value chain, comprehensive customer orientation and new sales channels; 2) Develop new growth markets and solutions based on natural, renewable raw materials; 3) Further develop the organisation and corporate culture; 4) Achieve net-zero greenhouse gas emissions (Scope 1, 2 and 3) by 2050 at the latest. With the strategy revision, the AGRANA Group has launched a competitive, forward-looking and trail-blazing process for further profitable growth and sustainable success.

Our strong network **moves us forward.**

AGRANA, the value-added processor of agricultural raw materials with the business segments of Fruit, Starch and Sugar, operates 55 production sites[1] in 25 countries[1] and had 9,258 employees[2] as of 29 February 2024.

NORTH AMERICA

Plants
5 Fruit
Mexico, USA

Employees[2]
♂ 900 ♀ 823

Revenue[4]
€ 479.9 million

SOUTH AMERICA

Plants
2 Fruit
Argentina, Brazil

Employees[2]
♂ 213 ♀ 111

Revenue[4]
€ 38.5 million

[1] Including the HUNGRANA group (in the Starch segment) and AGRANA-STUDEN group and Beta Pura GmbH (in the Sugar segment).
[2] By headcount.
[3] Including the Instantina plant.
[4] Based on the location of the companies' registered offices.

EU

Plants
17 Fruit, 5 Starch, 9 Sugar[3]
Austria, Czech Republic, France, Germany, Hungary, Poland, Romania, Slovakia

Employees[2]
♂ 3,387 ♀ 1,419

Revenue[4]
€ 2,943.6 million

EUROPE NON-EU

Plants
5 Fruit, 1 Sugar
Bosnia and Herzegovina, Russia, Turkey, Ukraine

Employees[2]
♂ 514 ♀ 424

Revenue[4]
€ 133.7 million

ASIA

Plants
6 Fruit
China, India, Japan, South Korea

Employees[2]
♂ 318 ♀ 150

Revenue[4]
€ 95.7 million

AUSTRALIA AND OCEANIA

Plant
1 Fruit
Australia

Employees[2]
♂ 81 ♀ 45

Revenue[4]
€ 52.3 million

AFRICA

Plants
4 Fruit
Algeria, Egypt, Morocco, South Africa

Employees[2]
♂ 253 ♀ 620

Revenue[4]
€ 43.1 million

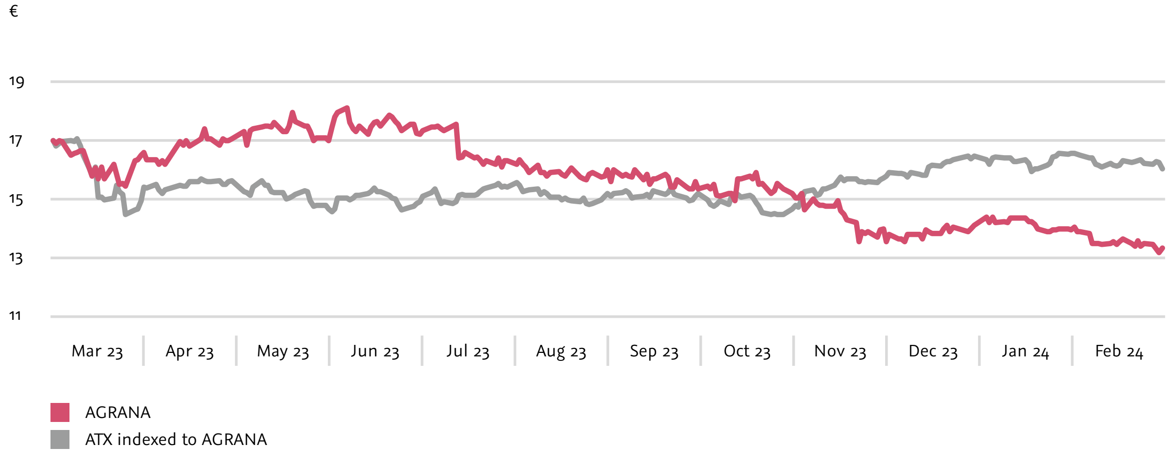
AGRANA in the capital market

AGRANA share data		2023|24	2022|23
Closing price at Feb 29/28 year-end	€	13.35	17.00
High	€	18.10	17.40
Low	€	13.20	13.20
Earnings per share	€	1.04	0.25
Closing price/earnings ratio at year-end		12.8	68.0
Closing book value per share at year-end	€	18.99	19.10
Number of shares at year-end	'000	62,489.0	62,489.0
Closing market capitalisation at year-end	€m	834.2	1,062.3

AGRANA share performance and stock market environment

In the stock market, too, the 2023 calendar year was defined by a challenging economic environment with high interest rates, inflation and geopolitical tensions. Nonetheless, international equity markets proved resilient, with very positive price performance across the board. Thus, the EURO STOXX 50®, the top European equity market index, gained 19.2% (to 4,521.65 points as of the end of the 2023 calendar year) and the German benchmark DAX® index even advanced by 20.3% (to 16,751.64 points). The Austrian stock market could not keep pace by comparison, rising 9.9% over the year; on 29 December 2023 the Austrian national index, the ATX®, closed at 3,434.97 points.

AGRANA share performance in 2023|24



AGRANA started the 2023|24 financial year at a share price of € 17.00. Until early July 2023 the share price performance was still positive on a year-to-date basis, with the high for the year reached on 5 June 2023. Since the dividend payment for the 2022|23 financial year in the middle of July, the share price then receded continually until the close of the financial year at the end of February 2024. The solid business performance in 2023|24 with improved earnings in every quarter was thus not reflected in the share price. Instead, the continuing war in Ukraine seemed to prompt international investors to hold back in the Austrian market overall. With their business activities, Austrian companies are perceived as being particularly tied to Central and Eastern Europe. In the financial year a dampened to downward price performance was also seen in many issuers with a low free float (low especially by international standards) and whose shares therefore have limited liquidity. The closing price of AGRANA's shares of € 13.35 at the balance sheet date was off 21.5% from the start of the financial year. The performance of the ATX index over the same period was a decline of 5.6%. AGRANA's average trading volume[1] on the Vienna Stock Exchange was about 23,800 shares per day (prior year: approximately 18,300 shares per day).

The market capitalisation at the end of February 2024, with 62,488,976 shares outstanding, was € 834.2 million (prior year: € 1,062.3 million).

[1] Trading volume based on double counting, as published by the Vienna Stock Exchange.

Key share information for AGRANA

ISIN code AT000AGRANA3	**Reuters code** AGRV.VI	**More about AGRANA's shares** www.agrana.com/en/investor/agrana-shares
Exchange/market segment VSE/Prime Market	**Bloomberg code** AGR:AV	
Type of security Ordinary shares	**Ticker symbol** AGR	
Number of shares 62,488,976		

Sustainability index and ratings

AGRANA is listed in the Prime Market segment of the Vienna Stock Exchange and is also quoted in the VÖNIX, the Austrian Sustainability Index. This equity index comprises those exchange-traded Austrian companies which are leading in social and environmental performance.

AGRANA regularly and actively participates in the sustainability ratings of ISS ESG and the CDP (formerly the Carbon Disclosure Project).

Active capital market communication

AGRANA's investor relations activities are based on the key principles of providing comprehensive and timely information, transparency and ongoing communication with investors and analysts.

At numerous road shows and investor conferences – most held physically – the Management Board provided Austrian and international institutional investors and analysts with information on the performance and prospects of the AGRANA Group. This was supplemented by one-on-one conversations as well as conference calls accompanying the publication of the quarterly and full-year results. Retail shareholders at an investor fair in Vienna had the opportunity to find out about current projects and the business operations directly from the Management Board. At the Annual General Meeting on 7 July 2023, AGRANA presented the key features of its growth strategy.

At the press conferences presenting the annual results, the Management Board thoroughly reported to the financial and industry media on the financial and business performance. In addition, in press releases and one-on-one interviews and backgrounders with financial, agricultural and other trade journalists, AGRANA provided information on subjects of current relevance to its business activities.

An additional important channel of investor relations activities is the AGRANA website (www.agrana.com/en/ir/overview), where all financial reports, financial news items, inside information announcements, voting rights notifications, management transaction disclosures and investor presentations are available as soon as they are published. AGRANA endeavours to make the same information available to all market participants at the same time.

At the year-end of 29 February 2024, analyst reports on AGRANA were available from Erste Group Bank, Kepler Cheuvreux and Raiffeisen Bank International, each giving a hold rating. A detailed overview of the research reports can be found on the Internet at www.agrana.com/en/ir/agrana-share/share-price-share-details-research (sub-tab: "Research").

Dividend policy of continuity

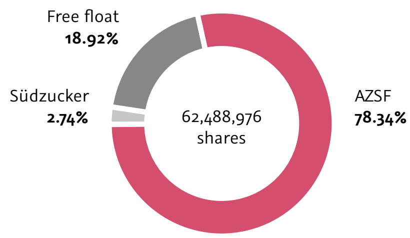
		2023|24	2022|23
Dividend per share	€	0.90[1]	0.90
Earnings per share	€	1.04	0.25
Dividend payout ratio	%	86.5[1]	360.0
Dividend yield[2]	%	6.7[1]	5.3

AGRANA is committed to a predictable, reliable and transparent dividend policy focused on continuity. The distributions are based not only on the Group's profit but also on its cash flow and its debt situation, taking into consideration the need to maintain a sound balance sheet structure. In its dividend policy, AGRANA also takes into account current events and the expected future business performance. For the financial year under review, the Management Board will therefore propose to shareholders at the Annual General Meeting on 5 July 2024 to pay a dividend of € 0.90 per share, representing a dividend yield of 6.7% based on the share price of € 13.35 at the end of February 2024 (prior year: 5.3%). The dividend payment date is 15 July 2024.

Stable shareholder structure

AGRANA has a very long-standing, stable principal shareholder in AGRANA Zucker, Stärke und Frucht Holding AG ("AZSF"), Vienna, in which Zucker-Beteiligungsgesellschaft m.b.H. ("ZBG"), Vienna, and Südzucker AG ("Südzucker"), Mannheim, Germany, are shareholders. Under a syndicate agreement between Südzucker and ZBG, the partners in the syndicate have mutual rights to appoint members of each other's management board and supervisory board.

Shareholder structure at 29 February 2024



In the 2023|24 financial year there was no material change in shareholder structure. The shareholder structure is presented in detail in the section "Capital, shares, voting rights and rights of control" on page 116.

[1] Dividend proposal to the Annual General Meeting.
[2] Based on the closing share price at the balance sheet date.

Group management report 2023|24

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 8,900 employees (in FTE)[1] at 55 production sites on six continents, the Group generated revenue of about € 3.8 billion in the 2023|24 financial year. AGRANA was established in 1988 and has been quoted on the Vienna Stock Exchange since 1991.

AGRANA Beteiligungs-AG
55 production sites
8,876 employees[1]
€ 3,786.9 million in revenue

Fruit segment

AGRANA Internationale Verwaltungs- und Asset-Management GmbH
40 production sites
5,720 employees[1]
€ 1,566.9 million in revenue

Starch segment

AGRANA Stärke GmbH
5 production sites
1,170 employees[1]
€ 1,148.7 million in revenue

Sugar segment

AGRANA Sales & Marketing GmbH
10 production sites
1,986 employees[1]
€ 1,071.3 million in revenue

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.

[1] Average number of full-time equivalents in the financial year.

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

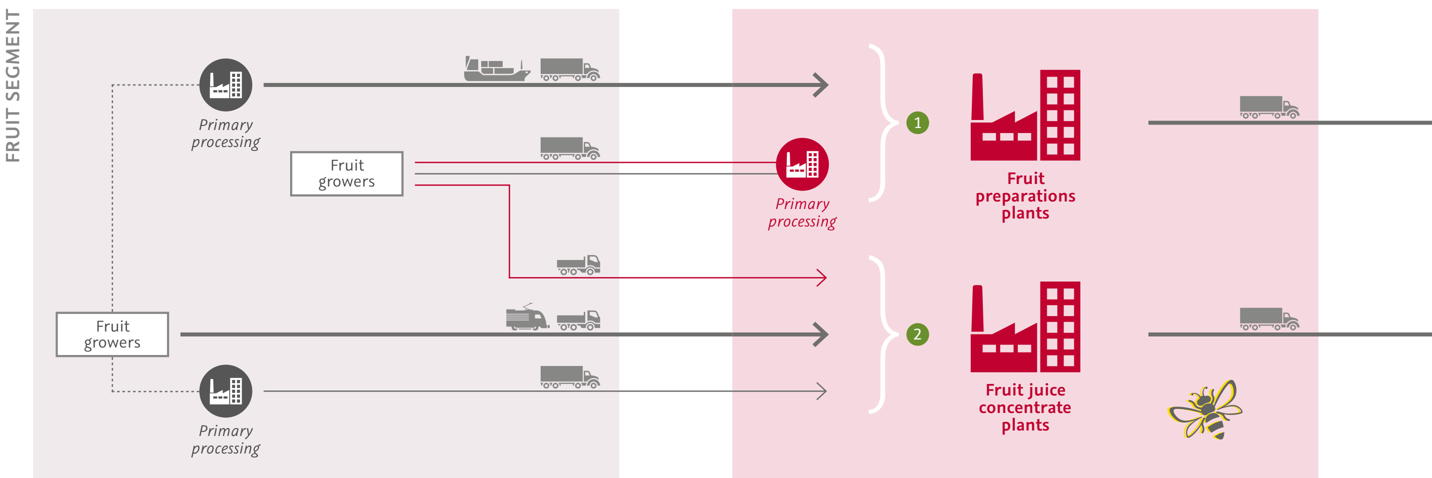
Information on corporate governance is provided in AGRANA's corporate governance report within this annual report, and on the Group's website at www.agrana.com/en/ir/corporate-governance.

Non-financial information statement[1]

The sustainable AGRANA value chain in 2023|24

Procurement of agricultural raw materials

AGRANA processing: Adding value

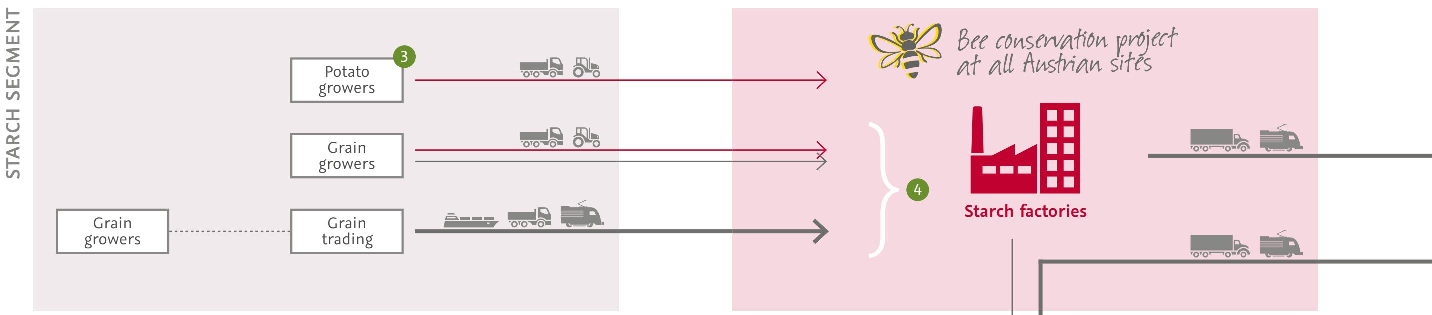


1 85% of raw material volume assessed using social criteria (SEDEX)

2 42% of raw material volume assessed using social and environmental criteria (SAI FSA)

Fruit preparations:
- Total energy consumption[2]: 2.10 GJ/t
- Total emissions[2]: 127 kg of CO_2/t
- Water withdrawal[2]: 4.81 m³/t
- Water consumption[2]: 0.79 m³/t
- Social criteria assessed (SEDEX) and externally audited at 58% of sites[3]

Fruit juice concentrates:
- Total energy consumption[2]: 3.07 GJ/t
- Total emissions[2]: 176 kg of CO_2/t
- Water withdrawal[2]: 3.77 m³/t
- Water consumption[2]: −0.35 m³/t
- Social criteria assessed (SEDEX) and externally audited at 54% of sites[3]

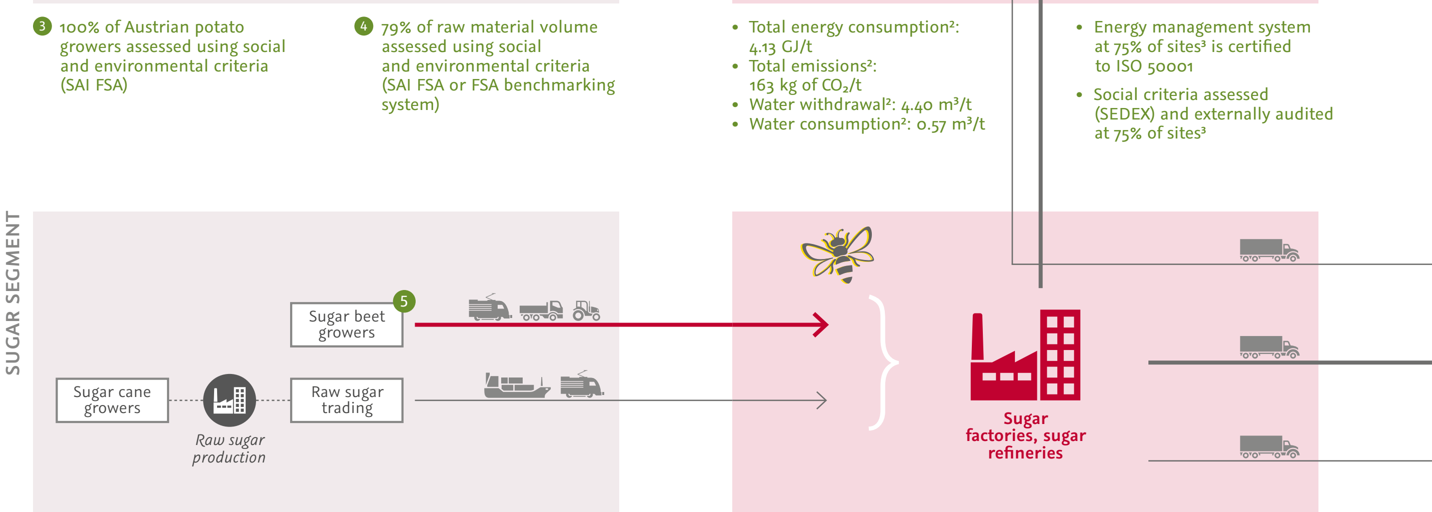


3 100% of Austrian potato growers assessed using social and environmental criteria (SAI FSA)

4 79% of raw material volume assessed using social and environmental criteria (SAI FSA or FSA benchmarking system)

- Total energy consumption[2]: 4.13 GJ/t
- Total emissions[2]: 163 kg of CO_2/t
- Water withdrawal[2]: 4.40 m³/t
- Water consumption[2]: 0.57 m³/t

- Energy management system at 75% of sites[3] is certified to ISO 50001
- Social criteria assessed (SEDEX) and externally audited at 75% of sites[3]



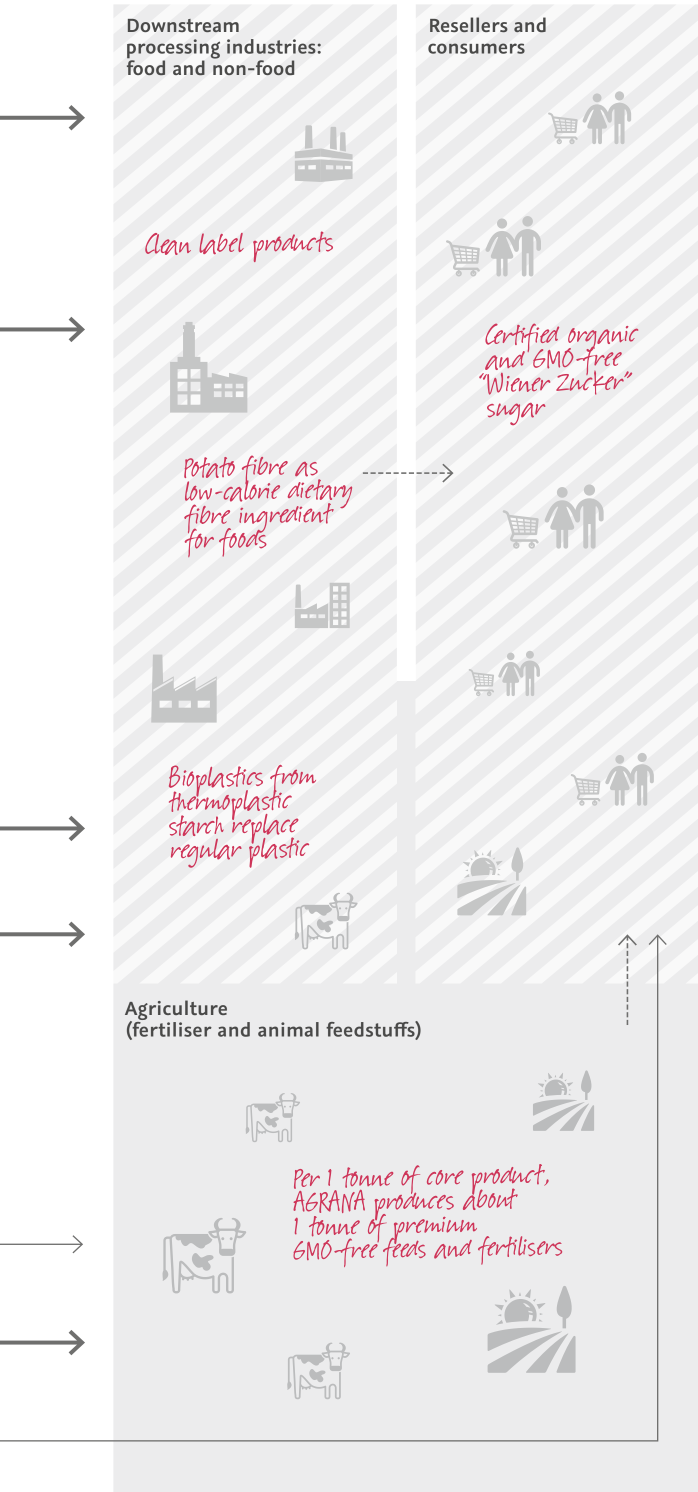
5 100% of sugar beet volume assessed using social and environmental criteria (SAI FSA)

- Total energy consumption[2]: 2.59 GJ/t
- Total emissions[2]: 151 kg of CO_2/t
- Water withdrawal[2]: 2.12 m³/t
- Water consumption[2]: −0.88 m³/t

- Energy management system at 100% of sites[3] is certified to ISO 50001
- Social criteria assessed (SEDEX) and externally audited at 78% of sites[3]

[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.

- Contract farming
- Direct business relationship
- No direct business relationship for AGRANA

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 (verified):** Reduction of emissions from the Group's own production operations (Scope 1 and 2) by 50% and from the upstream and downstream value chain (Scope 3) by 30%, compared to the base year 2019|20

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

Additional targets for 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 withdrawal[2] of 4.24 cubic metres/t[4]
- 100% of production sites to have a recognised social audit

Fruit juice concentrate business

Target by 2025|26:
- At least 50% sustainable sourcing as defined by the Sustainable Juice Covenant (see page 77)

Target by 2030|31:
- 100% sustainable sourcing as defined by the Sustainable Juice Covenant (see page 77)

Workplace safety targets of the AGRANA segments:
- Targets by 2026|27: see "AGRANA's People", from page 100

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 36). 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

To AGRANA as an industrial value-added processor of agricultural raw materials, sustainability means a harmonious balance between environmental, economic and social performance in its business activities. The following three guiding principles serve management and all employees as a practical and intuitive guide to daily sustainable action and sum up AGRANA’s understanding of sustainability:

- Utilisation of almost 100% of the raw materials employed, and use of low-emission technologies to reduce or avoid impacts on the environment
- Respect for all stakeholders and the communities where the Group operates, directly or indirectly
- Collaboration with suppliers and customers in long-term partnerships to jointly foster business models resilient to climate change

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

Formats of AGRANA’s engagement with stakeholders in 2023|24

Key stakeholder groups	Formats of dialogue
Raw material suppliers	Regular advisory meetings; 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	In 2023|24 AGRANA conducted a customer satisfaction survey and again presented its broad product portfolio at the most important international food and beverage fairs. Especially the focus on plant-based concepts such as yoghurt alternatives, vegan ice cream and meat substitutes attracted very satisfactory visitor numbers. The highlights of the trade fair circuit in 2023 were GULFOOD Manufacturing in Dubai, UAE; IFT in Chicago, Illinois, USA; and Food Ingredients Europe in Frankfurt, Germany. The largest trade fair for organic food in Europe – Biofach in Nuremberg – was held in February 2024. AGRANA and AUSTRIA JUICE successfully presented new products and innovations at all four 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; global employee survey

Material non-financial matters/sustainability topics

AGRANA's Fruit, Starch and Sugar segments processed a worldwide total of approximately 9.0 million tonnes of agricultural raw materials in the 2023|24 financial year (prior year: 8.6 million tonnes) and sold about 5.1 million tonnes of high-quality products (prior year: 5.4 million tonnes).

In 2023|24 the materiality analysis performed in the previous year to the standards of the Global Reporting Initiative (GRI) was reviewed and found to remain valid after minor adjustments. 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 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.

About 15 employees from various departments and from all three AGRANA business segments were involved in the review 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 was developed further in preparation for the requirements coming with the future entry into force of the CSRD and will be published in the annual report 2024|25 as part of the initial application of the European Sustainability Reporting Standards.

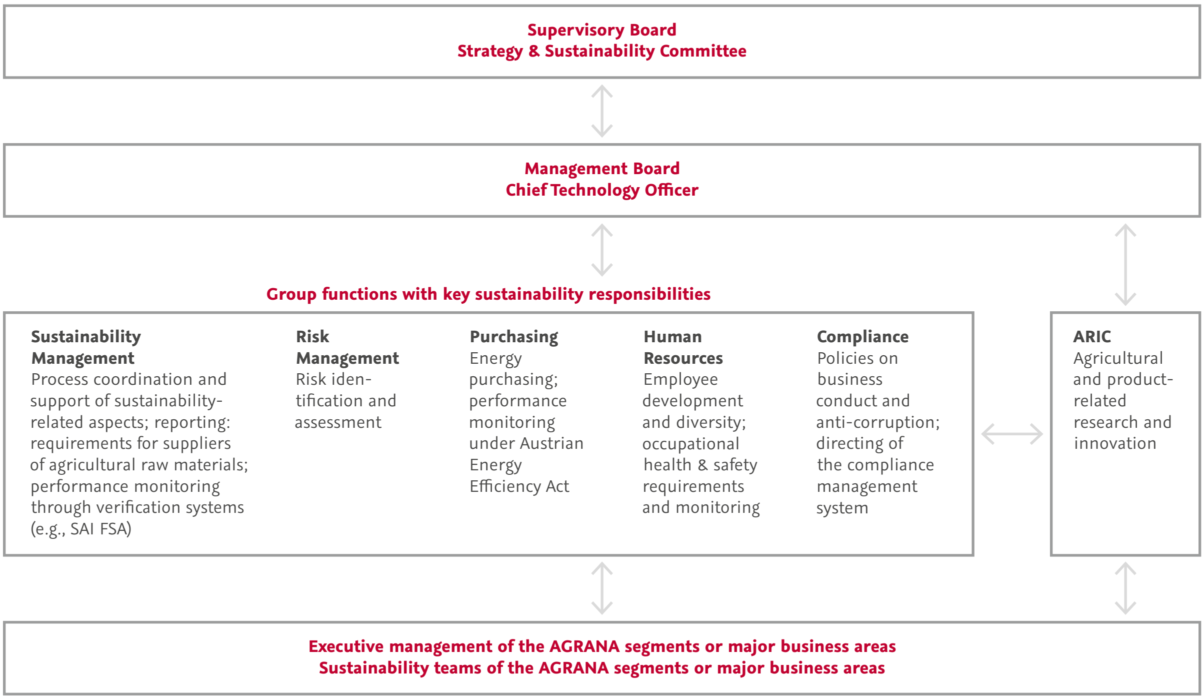
AGRANA material topics	GRI Standard	Significant
Raw material procurement	201-2	Financial implications and other risks and opportunities due to climate change
Emissions	305-1	Direct (Scope 1) GHG emissions
	305-2	Energy indirect (Scope 2) GHG emissions
	305-3	Other indirect (Scope 3) GHG emissions
	305-5	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
	403-1	Occupational health and safety management system
	403-2	Hazard identification, risk assessment, and incident investigation
	403-4	Worker participation, consultation, and communication on occupational health and safety
	403-5	Worker training on occupational health and safety
	403-9	Work-related injuries

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	Diversity of governance bodies and employees
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	Interactions with water as a shared resource
	303-2	Management of water discharge-related impacts
	303-5	Water consumption
Our employees	403-3	Occupational health services
	403-6	Promotion of worker health
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
	404-1	Average hours of training per year per employee
Waste	306-1	Waste generation and significant waste-related impacts
	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 therefore shows only the Group functions most significant in this regard. Since the 2022|23 financial year, Chief Technology Officer Norbert Harringer is responsible for the Management Board-level function of Sustainability and reports relevant matters to the Supervisory Board on an ongoing basis. In 2023|24 the Supervisory Board's existing Strategy Committee was renamed the Strategy and Sustainability Committee in order to recognise the higher sustainability governance requirements of the CSRD.

Organisational boundaries of reporting for 2023|24

The organisational boundaries for the reporting of the non-financial (i.e., sustainability) matters integrated in this 2023|24 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 therefore 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-related 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 2024|25 financial year.

AGRANA's procurement of agricultural raw materials 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 this reason, in 2023|24 AGRANA began the analysis of long-term climate risks along the agricultural value chains (for details on the management of these risks, see the section "Risk Management", subheading "Procurement risks", from page 105)

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 was started 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 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 shall 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 current reverification audits were completed in 2023. With few exceptions, the farmers in all countries achieved the AGRANA target of FSA Silver status or higher. The next verification under the FSA 3.0 system is scheduled for the 2026|27 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., ISCC 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 2023|24 financial year, about 86% 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 further innovative 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 105). 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 were addressed as part of a long-term climate change scenario analysis for the upstream value chain, through a pilot project for sugar beet as a raw material (see the section "Risk Management", from page 113).

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. To reflect AGRANA's commitment to the Science Based Targets initiative, the Group's Environmental Policy was 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 carbon taxes. In AGRANA's view, a system of industry-wide CO_2 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 CO_2 loads, this would limit the company's international competitiveness. For details on the management of these risks, see the section "Risk management", from page 104.

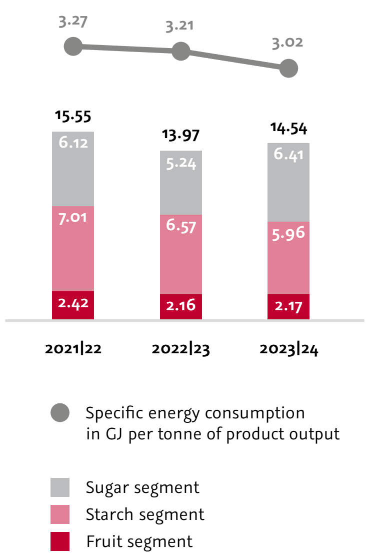
AGRANA's processing of agricultural raw materials is energy-intensive, especially in the Starch and Sugar segments. It is subject to the EU Emissions Trading Scheme and, through the greenhouse gas emissions generated, has negative impacts on people and the environment. These impacts are within AGRANA's 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 43) 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.

Due to an 18.8% increase in raw material processing volumes in the Sugar segment, the AGRANA Group's absolute gross total energy consumption (Scope 1 and 2) rose by about 4.1% year-on-year to 14.54 million GJ. Average specific energy consumption (Scope 1 and 2) per tonne of product output eased by 5.7% to 3.02 GJ, mainly as a result of good plant capacity utilisation in the Sugar segment and energy efficiency measures in all business segments. Thanks to the measures taken, the increase in absolute emissions (Scope 1 and 2) was limited to approximately 737,000 tonnes of CO_2, or about 3.9%, despite the use of some 37,000 tonnes of extra-light heating oil in Austria to replace natural gas and thus avoid potential supply insecurity due to the war in Ukraine. Average specific emissions (Scope 1 and 2) per tonne of product output fell by around 5.6% to about 153 kg of CO_2 because of the higher product volume produced in the Sugar segment, the switch to green electricity at several sites in the Fruit segment and efficiency measures in the Starch segment.

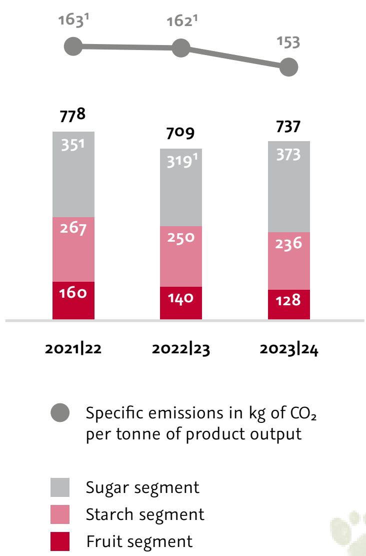
Energy consumption (Scope 1+2) of the AGRANA Group

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

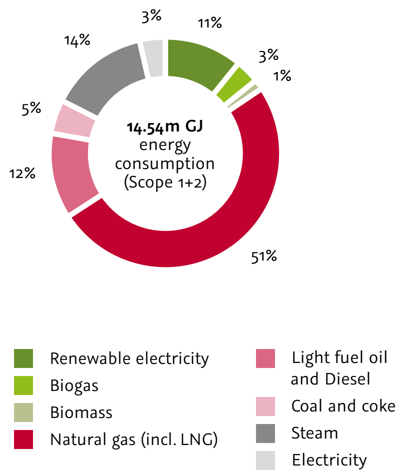


Emissions (Scope 1+2) of the AGRANA Group

Bar chart: total amounts (gross), in thousand tonnes of CO_2



Energy mix of the AGRANA Group in 2023|24



[1] Value adjusted slightly to correct rounding differences.

Corporate carbon footprint of the AGRANA Group

Back in the 2021|22 financial year, data on Scope 3 emissions (emissions from the upstream and down-stream value chain) for the 2019|20 base year of AGRANA's climate strategy were for the first time collected in a structured way 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 of ecoinvent 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 (see project for primary data collection, from page 48). Subject to this high uncertainty, in the base year of 2019|20 the AGRANA Group therefore directly or indirectly caused total emissions (Scope 1, 2 and 3) of approximately 5.14 million tonnes of CO_{2e}. In the 2023|24 financial year, based on initial estimates[1], the corresponding value was 4.87 million tonnes of CO_{2e}.

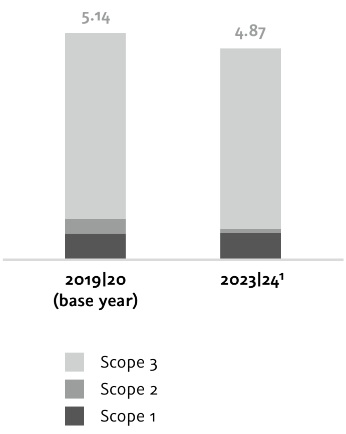
The largest share in 2023|24, at about 85%, was that of emissions from the upstream and downstream value chain, over which AGRANA has no direct control (Scope 3 emissions).

Around 15% of the total emissions triggered by AGRANA's business activities were attributable to emissions from the Group's own production operations, on which AGRANA has direct influence (Scope 1 and 2).

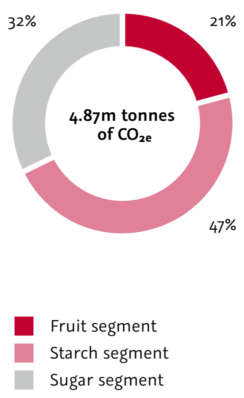
At 2.3 million tonnes of CO_{2e}, the Starch segment accounted for about 47% of the AGRANA Group's total emissions (Scope 1, 2 and 3) in the 2023|24 financial year. This was followed by the Sugar segment with around 1.5 million tonnes of CO_{2e} (32%) and the Fruit segment with about 1.0 million tonnes of CO_{2e} (21%).

The largest sources of emissions in the upstream and downstream value chain (Scope 3) in the 2023|24 financial year were the cultivation 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 approximately 7%. In addition, the transport of AGRANA products to its customers (category 3.9), over which AGRANA has little control, also contributed a relevant 5% to emissions. Under category 3.12, "End-of-life treatment of products sold" (with a share of 6%), AGRANA grouped

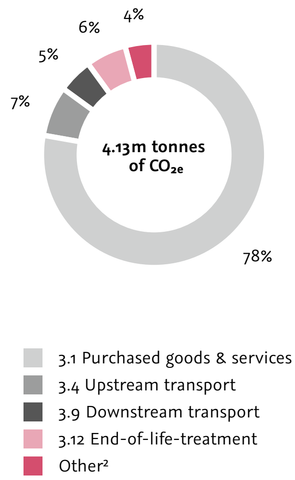
Total emissions (Scope 1+2+3) of the AGRANA Group
in million tonnes of CO_{2e}



Total emissions (Scope 1+2+3) by AGRANA segment in 2023|24[1]



Scope 3 emissions of the AGRANA Group by category in 2023|24[1]



[1] Owing to the large effort involved in the bottom-up data collection in the base year 2019|20, the figures shown for 2023|24 were derived by scaling from the base year, primarily in proportion to the change in processing volumes of the main agricultural raw materials over time in the Starch and Sugar segments and in the fruit juice concentrate business. In the fruit preparations business, the values were modelled using a single factor across all raw materials because of the large number of internationally procured raw materials involved.

[2] Total of 3.2 Capital goods, 3.3 Upstream fuel- and energy-related activities, 3.6 Business travel, 3.5 Waste, 3.8 Upstream leased assets (primarily storage space, offices) and 3.7 Employee commuting. The categories 3.10 Processing of sold products, 3.11 Use of sold products, 3.13 Downstream leased assets, and 3.14 Franchises were classified by the Science Based Targets initiative as not relevant in the context of AGRANA's business models (which primarily revolve around the production of food) and are therefore not reported. To date, category 3.15 Investments is not within the scope of GRI reporting for AGRANA joint venture companies, in some of which the co-owners are competitors.

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.

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 began at the end of May 2023 and was complete at the beginning of September 2023.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Under its verified science-based targets, 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 30% 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 and 2)

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

- Ongoing energy savings and efficiency screening in all business segments
- Implementation of a package of measures for switching to electricity from renewable sources and, where technically feasible and economical, the electrification of processes
- 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
- Energy recovery from agricultural residues (biomass)

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 stage from 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 91).

In this context, the EU institutions issued some regulatory clarifications and interpretation aids in 2023 and early 2024 which, if implemented at the national level, will make it easier for AGRANA to utilise agricultural residues for energy generation with emission-reducing accounting, as has already been the practice at the Kaposvár site for many years on the basis of the national regulations in force there. Although the existing regulatory uncertainty is slowly being resolved in favour of biomass use, the use of biomass as an energy source is at the expense of, for example, feedstuff revenue or utilisation for fertiliser, and will depend greatly on the sufficient physical and economical availability of biomass that is classified as sustainable and can therefore be accounted as emission-reducing. The phase-out of fossil fuels at the 53 production sites[1] of the AGRANA Group can therefore not employ a one-size-fits-all solution but will involve a mix of different measures – such as energy-saving and efficiency activities, biomass energy utilisation and increased electrification of processes – depending on the location.

In total, based on current assumptions, AGRANA would have to invest about € 576 million by 2040 to avoid the greenhouse gas emissions (Scope 1 and 2) generated in its production operations during the processing of the 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.

[1] Within the GRI reporting boundaries (see page 43).

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, too, places great importance on reducing emissions from agricultural crop production, as part of its Farm to Fork Strategy. Although blanket requirements, such as the reduction of chemical fertiliser use by at least 20%, are the subject of controversial debate, they nevertheless 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 upstream production of the agricultural raw materials processed by the company. In the 2023|24 financial year, to obtain a more realistic picture of the emissions from AGRANA's upstream value chain and thus of its starting position on the emission reduction path, AGRANA revised (re-base-lined) the corporate carbon footprint for 2019|20. As part of this effort, AGRANA to the extent possible included the SBTi's new requirements for companies in or products from the forestry, land and agriculture (FLAG) sector. In future, companies will be required to divide their greenhouse gas emissions into so-called FLAG and non-FLAG emissions, i.e., emissions directly attributable to agricultural production (FLAG) and those which arise elsewhere along the value chain (non-FLAG). This is the prerequisite for being able to leverage the great potential of carbon storage/sequestration as part of natural solutions in agriculture in the future. 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)

As the methodological requirements for Scope 3 emissions based on the provisions of the GHG Protocol have not yet been finalised and are not expected to be published until the course of the 2024 calendar year, we are refraining from publishing preliminary results.

Based on the final revision of the 2019|20 corporate carbon footprint, all potential emission reduction measures identified to date will be reassessed in the 2024|25 financial year. And finally, the results, or the targets identified, will have to be validated again by the Science Based Targets initiative as part of the re-baselining.

AGRANA took another important step in 2023|24 in the area of structured annual primary data collection from suppliers. In the previous, 2022|23 financial year, primary data for the key raw materials in the individual segments were collected in a pilot project and used to calculate specific emission factors for AGRANA suppliers. These primary data were collected from a representative number of growers of sugar beet, starch potatoes and corn (maize) in Austria, apples in Hungary and strawberries in Mexico for crop production in 2022. The results and experience from the pilot project were used in a project started in 2023|24 for the future annual primary data collection, which aims to enable suppliers to capture data as quickly and easily as possible with the help of software, using established systems to the extent possible. This is also intended to generate all the relevant data that food producers will need in future to calculate their own raw material-specific emission factors.

Water and effluent (wastewater)
Water, the most important natural resource globally for humanity, 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.

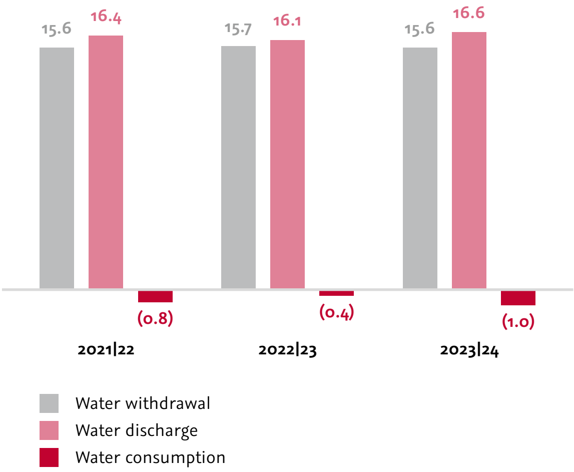
AGRANA in the 2023|24 financial year evaluated the water risk for all its production sites using the WWF Water Risk Filter and the Aqueduct Water Risk Atlas of the World Resources Institute, which cover the above risks and numerous others. In 2023|24, based on the analysis in the year before, 15 of the AGRANA sites (or 28.3%) within the GRI report boundaries (see page 43), 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 (from page 78, and pages 85 and 92).

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 a respective average water content of 75% and 85%. 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.

[1] Source: FAO, November 2021.

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

	2023|24	2022|23[1]	2021|22
Total amount of waste	84,990 t	64,461 t	75,982 t
Of which hazardous waste	617 t	520 t	439 t
Waste per tonne of product output	17.7 kg	14.8 kg	16.0 kg
Of which hazardous waste per tonne of product output	128 g	119 g	92 g

The AGRANA Group's definition of waste conforms with European regulation. For this reason, residual materials are only counted as waste if they are intended for disposal. Residual materials that are reused without further energy input are not reported as waste. As a result of a remodelling project at a fruit preparations site in the USA, the absolute volume of waste increased by about 31.8% compared to the previous year. The increase in hazardous waste was due primarily to the Starch segment. The generation of hazardous waste is subject to strong fluctuations, as the material is partly stored on site (using proper procedures) until an amount is reached that is efficient for disposal. As a result, the specific volume of waste overall and of hazardous waste also increased, by 19.5% and 7.6%, respectively.

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 47). AGRANA will nevertheless seek to make transport sustainable to the extent that it has influence 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 2023|24, the combined modal split for inbound and outbound logistics in the AGRANA Group was approximately 73.3% road, 20.5% rail and 6.2% water.

[1] Corrected for errors in prior year's data collection.

Packaging
AGRANA relies on reusable packaging systems in its deliveries to customers that are industrial processors. In 2023|24, about 74% 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 around 26% 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 recyclability of the packaging materials. This means, for example, using paper packaging where product protection requirements permit, and choosing FSC-certified paper. Virgin fibre is used only for packaging that comes into direct contact with the product, where it avoids the risk of possible product contamination. Only recycled materials are employed for tertiary packaging made of corrugated cardboard. 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 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 for 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 63% of AGRANA employees[1] worldwide in 2023|24 fell under collective agreements. In subsidiaries that are not covered by a collective agreement, contracts are drawn up in line with legal requirements and the market. The interests of approximately 66% of staff were represented by a local employee council or local union. At those sites where neither of these forms of representation exists, AGRANA has set up 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.

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 2023|24 balance sheet date, 32 (prior year: 35) of the AGRANA production sites (or 60.4%; prior year: 66%) 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 2023|24 regarding working conditions and human rights in relation to AGRANA employees are discussed in the section "AGRANA's people" (see from page 97).

Anti-corruption and anti-bribery – Compliance

The risks, management approaches and activities in 2023|24 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 23).

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. The hazard control plans are regularly reviewed and improved.

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

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, deepening 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 2023|24 financial year, 100% of AGRANA's 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.

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 front-of-pack nutritional labelling. 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 their 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 counters actual or threatened tax burdens on sugar, such as a sugar tax, by, for instance, adopting industry-specific voluntary commitments to reduce sugar content (e.g., for soft drinks, cereals and yoghurts). The much-discussed display of Nutri-Scores – a system for the comparative nutritional labelling of foods (meaningful within the same given category of food products) that is 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 two decades. In their forecasts, the OECD and FAO project a further decline in sugar consumption in the OECD countries, at an even lower absolute level than in recent years.

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 as such but a positive overall 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 disseminating knowledge about nutrition in general, about lifestyle, energy balances and the properties of sugar in particular. In the 2023|24 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 53).

AGRANA's contribution to the UN Sustainable Development Goals

In line with its business activities (the industrial processing of agricultural raw materials into foods and intermediate products for various industries) and its sustainability priorities in the areas of climate change mitigation, complete raw material utilisation, attention to environmental and social criteria within the company and in the agricultural and non-agricultural supply chain as well as in terms of ethical business conduct, AGRANA supports especially the Sustainable Development Goals (SDGs) 8, 13, 15 and 16 of the United Nations. In addition, AGRANA indirectly contributes to the attainment of individual aspects of Goals 2 to 7 and 12 to 14.

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 implementsustainable agriculture practices; Members: companies in 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 (Platform GMO-Free)	AGRANA Beteiligungs-AG[1]	2010	Aim: promote and safeguard Austrian GMO-free agriculture and food production; Members: companies in the entire food value chain, including many retailers

[1] AGRANA Beteiligungs-AG, representing all or several AGRANA companies.

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, the economic activities must meet minimum social standards.

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 ("do no significant harm") 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 assigning the data for a given key performance indicator (KPI) to a single economic activity only. In cases where an activity contributes to several environmental objectives, it was always counted entirely towards the AGRANA Group's most important environmental goal, climate change mitigation.

AGRANA ensures adherence to minimum social safeguards through its compliance management system and due diligence processes. The content of the Group-wide guidelines is based on the International Bill of Human Rights, the standards of the International Labour Organization, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles for Business and Human Rights. The AGRANA Compliance Office performs an annual risk analysis for all sites and countries where business activities are conducted. This risk analysis is based on selected indicators such as Coface risk ratings, the Corruption Perceptions Index and the International Trade Union Confederation (ITUC) Index, as well as on internal sources such as the evaluation of tips from the AGRANA whistleblowing hotline. The due diligence processes include internal audits by the Internal Audit department, external social audits at many AGRANA and supplier sites, and use of the tools of the Sustainable Agriculture Initiative Platform (SAI) for the agricultural supply chain. For detailed information on social matters in the supply chain, labour issues and respect for human rights, see the non-financial information statement from page 51 and the GRI content index (GRI 407 to 409) from page 220.

Taxonomy-aligned or -eligible revenue ("turnover") in 2023|24

EU Taxonomy-aligned and Taxonomy-eligible revenue (or "turnover" in the terminology of the Taxonomy) are key performance indicators whose denominator is the revenue reported in the 2023|24 consolidated financial statements on page 120, which was calculated in accordance with the Disclosures Delegated Act, Annex 1, section 1.1.1, as part of AGRANA's financial reporting (see the Notes, section 7.10, "Revenue recognition", page 147).

Those portions of revenue which were classified as Taxonomy-eligible in the screening process while also fulfilling the technical screening criteria were allocated to the respective numerator. As economic activities in the production of food and beverages or food ingredients are not included in the scope of the EU Taxonomy, 94.5% of the AGRANA Group's revenue in 2023|24 did not fall within its scope.

For the 2023|24 financial year, as in the prior 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) and "5.7. Anaerobic digestion of biowaste" (biogas production, 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 91 (for table, see from page 58). The only change compared to the previous year was due to an absolute decline in revenue from economic activity 4.13. Within this particular activity, some of the bioethanol manufactured at the site of the integrated wheat starch and bioethanol plant in Pischelsdorf – specifically, that share of bioethanol which is produced from the residual material from upstream wheat starch production – is classified as Taxonomy-aligned (A.1). By contrast, the portion produced from feed grain only fulfils the requirements for Taxonomy eligibility (A.2), and the total product revenue ("turnover") was therefore broken down by the categories A.1 and A.2 in proportion to the raw materials used.

	Proportion of turnover/ total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	1.7%	5.5%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Taxonomy-aligned or -eligible capital expenditure in 2023|24

Taxonomy-aligned capital expenditure (CapEx) and Taxonomy-eligible CapEx are KPIs that have as their denominator the total amount of the additions to property, plant and equipment (acquired and right-of-use) (note 17, page 123) and additions to intangible assets (note 16, page 123) reported in the 2023|24 consolidated financial statements, which was calculated in accordance with the Disclosures Delegated Act, Annex 1, section 1.1.2.1.

Capital expenditure for property, plant and equipment also includes assets under construction, as some projects are not completed in a single financial year but extend over several years depending on their size. In these cases, the project costs are accumulated as assets under construction during the construction stage until a certain phase of the project is completed and the costs are transferred to the respective asset class.

Those portions of capital expenditure which were classified as Taxonomy-eligible in the screening process and also fulfilled the technical screening criteria were allocated to the numerator of the respective KPI. Of the AGRANA Group's total capital expenditure in the year under review, 16% was within the scope of the EU Taxonomy (prior year: 13.8%).

EU Taxonomy-aligned capital expenditure in AGRANA's business activities in the 2023|24 financial year consisted of investment under, among others, the economic activities "4.25. Production of heat/cool using waste heat" (i.e., generation of heat/cold using re-covered heat energy), "5.3. Construction, extension and operation of wastewater collection and treatment systems", "5.1. Construction, extension and operation of water collection, treatment and supply systems", "6.5. Transport by motorbikes, passenger cars and light commercial vehicles" and "7.3. Installation, maintenance and repair of energy efficiency equipment" (see table from page 60). There were no additions from business combinations in the financial year. The change relative to the previous year was the absence of investment in economic activity "4.13. Production of biogas and biofuels for transport and liquid biofuels" (see table from page 60). Therefore, no breakdown of investment in this activity into Taxonomy-aligned and -eligible capital expenditure was performed (see the revenue section from page 58).

	Proportion of CAPEX/total CAPEX	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	9.1%	16.0%
CCA	0.0%	0.0%
WTR	2.4%	3.3%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Taxonomy-aligned or -eligible operating expenses in 2023|24

In EU Taxonomy-aligned and Taxonomy-eligible operating expenditure, the 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 € 109.2 million of total operating expenses in the 2023|24 financial year fell within the scope of the EU Taxonomy; this amount represents the denominator of the two KPIs.

The portions of operating expenses that were allocated to the numerator were those which matched the definition of the denominator, were classified as Taxonomy-eligible by the screening process and fulfilled the technical screening criteria. Taxonomy-aligned operating expenditure was limited to economic activity "7.3. Installation, maintenance and repair of energy-efficiency equipment", which only incurred operating expenses of € 11,000. Taxonomy-eligible OpEx was attributable to the economic activities "5.3. Construction, extension and operation of waste-water collection and treatment systems", "6.6. Freight transport services by road" and "9.1. Market-oriented research, development and innovation" (see table from page 64). Operating expenses under activity 9.1. are recorded only by the AGRANA Research & Innovation Centre (ARIC); this prevents double counting for other KPIs.

The market-oriented research related primarily to economic activities "3.17 Manufacture of plastics in primary forms", "4.13 Production of biogas and biofuels for transport and liquid biofuels", "5.1 Construction, extension and operation of water collection, treatment and supply systems" and "5.3 Construction, extension and operation of wastewater collection and treatment systems". As all research and development activities are concentrated in ARIC, no breakdown was performed and all operating expenses were assigned to activity 9.1. The change from the previous year consisted of the absence of the activities "4.13. Production of biogas and biofuels for transport and liquid biofuels", "4.25. Production of heat/cool using waste heat" and "6.5. Transport by motorbikes, passenger cars and light commercial vehicles", and can be seen in the table from page 64.

	Proportion of OPEX/total OPEX	
	Taxonomy-aligned per objective	**Taxonomy-eligible per objective**
CCM	0.0%	3.5%
CCA	0.0%	0.0%
WTR	0.0%	0.2%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

Nuclear energy- and fossil gas-related activities

	Nuclear energy-related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas-related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Taxonomy-aligned turnover (revenue) in 2023|24[1]

Economic activities (1)	Code (2)	Absolute turnover (3)	Proportion of turnover, 2023|24 (4)	Substantial Contribution criteria: Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)
		€000	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Manufacture of plastics in primary form	CCM 3.17	1,070	0.0 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	59,674	1.6 %	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Anaerobic digestion of bio-waste	**CCM 5.7** CE 2.5	1,564	0.0 %	Y	N/EL	N/EL	N/EL	N	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**62,308**	**1.7 %**						
Of which enabling		0	0.0 %						
Of which transitional		0	0.0 %						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)									
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	147,000	3.9 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		**147,000**	**3.9 %**						
Total (A.1 + A.2)		**209,308**	**5.5 %**						
B. Taxonomy-non-eligible activities									
Turnover of Taxonomy-non-eligible activities		3,577,568	94.5 %						
Total (A+B)		**3,786,876**	**100%**						

[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%.

DNSH criteria ("Does Not Significantly Harm")									
Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safe-guards (17)	Proportion of turnover, 2022|23 (18)	Category (enabling activity) (19)	Category (transi-tional activity) (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N		E	T
	Y	Y	Y	Y	Y	Y	0.0 %		T
	Y	Y	Y	Y	Y	Y	2.7 %		
	Y	Y	Y	Y	Y	Y	0.1 %		
							2.8 %		
							4.9 %		
							4.9 %		
							7.7 %		

Taxonomy-aligned capital expenditure (“CapEx”) in 2023|24[1]

Economic activities (1)	Code (2)	Absolute CAPEX (3)	Proportion of CAPEX, 2023|24 (4)	Substantial Contribution criteria: Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)
		€000	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Electricity generation using solar photovoltaic technology	CCM 4.1	96	0.1 %	Y	N	N/EL	N/EL	N/EL	N/EL
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	–	0.0 %	N	N	N/EL	N/EL	N/EL	N/EL
Installation and operation of electric heat pumps	CCM 4.16	47	0.0 %	Y	N	N/EL	N/EL	N/EL	N/EL
Production of heat/cold using waste heat	CCM 4.25	7,380	5.8 %	Y	N	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of water collection, treatment and supply systems	**CCM 5.1 /** WTR 2.1	1,459	1.1 %	Y	N	N	N/EL	N/EL	N/EL
Construction, extension and operation of waste water collection and treatment	**CCM 5.3 /** WTR 2.2	1,639	1.3 %	Y	N	N	N/EL	N/EL	N/EL
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	752	0.6 %	Y	N	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	139	0.1 %	Y	N	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	61	0.0 %	Y	N	N/EL	N/EL	N/EL	N/EL
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**11,573**	**9.1 %**						
Of which enabling		200	0.2 %						
Of which transitional		752	0.6 %						

[1] The 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 (13)**	**Pollution (14)**	**Circular economy (15)**	**Biodiversity (16)**	**Minimum safe-guards (17)**	**Proportion of CAPEX, 2022|23 (18)**	**Category (enabling activity) (19)**	**Category (transi-tional activity) (20)**
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	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	0.6 %	E	
	Y	Y	Y	Y	Y	Y	0.2 %	E	
							0.0 %		

				Substantial Contribution criteria					
Economic activities (1)	**Code (2)**	**Absolute CAPEX (3)**	**Proportion of CAPEX, 2023|24 (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**	**Biodiversity (10)**
		€000	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)									
Electricity generation using solar photovoltaic technology	CCM 4.1	853	0.7 %	EL	EL	N/EL	N/EL	N/EL	
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	–	0.0 %	EL	EL	N/EL	N/EL	N/EL	
Production of heat/cold using waste heat	CCM 4.25	632	0.5 %	EL	EL	N/EL	N/EL	N/EL	
Construction, extension and operation of water collection, treatment and supply systems	**CCM 5.1** / WTR 2.1	–	0.0 %	EL	EL	EL	N/EL	N/EL	
Construction, extension and operation of waste water collection and treatment	**CCM 5.3** / WTR 2.2	1,042	0.8 %	EL	EL	EL	N/EL	N/EL	
Freight rail transport	CCM 6.2	645	0.5 %	EL	EL	N/EL	N/EL	N/EL	
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	1,342	1.1 %	EL	EL	N/EL	N/EL	N/EL	
Freight transport services by road	CCM 6.6	22	0.0 %	EL	EL	N/EL	N/EL	N/EL	
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	4,108	3.2 %	EL	EL	N/EL	N/EL	N/EL	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	103	0.1 %	EL	EL	N/EL	N/EL	N/EL	
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)		**8,747**	**6.9 %**						
Total (A.1 + A.2)		**20,319**	**16.0 %**						
B. Taxonomy-non-eligible activities									
CAPEX of Taxonomy-non-eligible activities		106,949	84.0 %						
Total (A+B)		**127,268**	**100.0 %**						

DNSH criteria ("Does Not Significantly Harm")									
Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safe-guards (17)	Proportion of CAPEX, 2022|23 (18)	Category (enabling activity) (19)	Category (transi-tional activity) (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
							0.0 %		
							0.5 %		
							0.0 %		
							0.1 %		
							0.3 %		
							0.0 %		
							0.2 %		
							0.1 %		
							5.9 %		
							0.0 %		
							6.9 %		
							13.8 %		

Taxonomy-aligned operating expenses (“OpEx”) in 2023|24[1]

Economic activities (1)	Code (2)	Absolute OPEX (3)	Proportion of OPEX, 2023|24 (4)	Substantial Contribution criteria					
				Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)
		€000	%	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL	Y;N;N/EL
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Production of heat/cold using waste heat	CCM 4.25	–	0.0 %	N	N	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	11	0.0 %	Y	N	N/EL	N/EL	N/EL	N/EL
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**11**	**0.0 %**						
Of which enabling		11	0.0 %						
Of which transitional		0	0.0 %						
A.2 Taxonomy-eligible but not environmentally sustainable activites (not Taxonomy-aligned)									
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	–	0.0 %	EL	EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of waste water collection and treatment	**CCM 5.3 /** WTR 2.2	207	0.2 %	EL	EL	EL	N/EL	N/EL	N/EL
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	–	0.0 %	EL	EL	N/EL	N/EL	N/EL	N/EL
Freight transport services by road	CCM 6.6	164	0.2 %	EL	EL	N/EL	N/EL	N/EL	N/EL
Close to market research, development and innovation	CCM 9.1	3,446	3.2 %	EL	EL	N/EL	N/EL	N/EL	N/EL
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		**3,818**	**3.5 %**						
Total (A.1 + A.2)		**3,829**	**3.5 %**						
B. Taxonomy-non-eligible activities									
OPEX of Taxonomy-non-eligible activities		105,378	96.5 %						
Total (A+B)		**109,207**	**100.0 %**						

[1] The 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%.

DNSH criteria ("Does Not Significantly Harm")									
Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Minimum safe-guards (17)	Proportion of OPEX 2022|23 (18)	Category (enabling activity) (19)	Category (transi-tional activity) (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Y	Y	Y	Y	Y	Y	Y	0.4 %		
	Y	Y	Y	Y	Y	Y	0.0 %	E	
							0.4 %		
							0.0 %		
							0.4 %		
							0.1 %		
							0.2 %		
							4.5 %		
							5.1 %		
							5.6 %		

Financial results

The consolidated financial statements for the 2023|24 financial year (the twelve months ended 29 February 2024) were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

Changes in the scope of consolidation

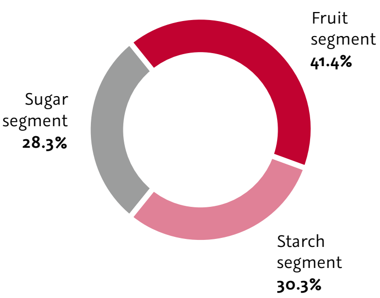
A detailed overview of the additions to and removals from the scope of consolidation is provided in the notes to the consolidated financial statements (the Notes, from page 133). In total in the consolidated financial statements, 54 companies were fully consolidated (28 February 2023 year-end: 55 companies) and 13 companies were accounted for using the equity method (28 February 2023: 13 companies).

Revenue and earnings

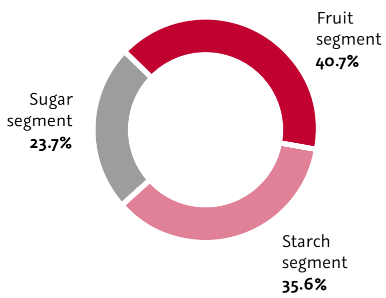
Consolidated income statement (condensed)		**2023|24**	**2022|23**	**Change** % / pp
Revenue	€000	3,786,876	3,637,442	4.1%
EBITDA[1]	€000	291,078	277,143	5.0%
Operating profit before exceptional items and results of equity-accounted joint ventures	€000	176,662	158,433	11.5%
Share of results of equity-accounted joint ventures	€000	1,392	18,657	−92.5%
Exceptional items	€000	(27,043)	(88,830)	69.6%
Operating profit (EBIT)	€000	151,011	88,260	71.1%
EBIT margin	%	4.0	2.4	1.6 pp
Net financial items	€000	(53,309)	(26,542)	−100.8%
Profit before tax	€000	97,702	61,718	58.3%
Income tax expense	€000	(28,349)	(37,035)	23.5%
Profit for the period	€000	69,353	24,683	181.0%
Attributable to shareholders of the parent	€000	64,925	15,816	310.5%
Earnings per share	€	1.04	0.25	316.0%

In the 2023|24 financial year, **revenue** of the AGRANA Group was € 3,786.9 million, up slightly from the same period one year earlier. The increase came from adjusted prices in the Fruit and Sugar segments, with sales volumes in the whole Group slightly lower than in the year before.

Revenue by segment in 2023|24



Revenue by segment in 2022|23

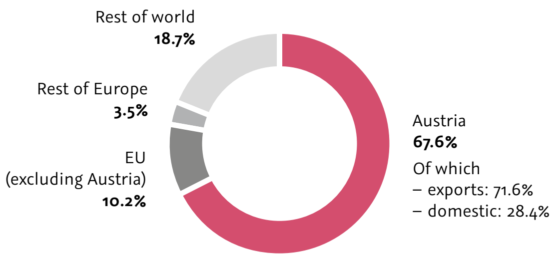


[1] EBITDA represents operating profit before exceptional items, results of equity-accounted joint ventures, and operating depreciation and amortisation.

Subsidiaries based in Austria generated 67.6% (prior year: 68.0%) of Group revenue.

Revenue by region in 2023|24

based on location of company's registered office



Operating profit (EBIT) in 2023|24 was € 151.0 million, a very significant increase from the year-ago level of € 88.3 million. The rise in EBIT was driven not just by the improved operating performance but also by a base-year effect – the lower baseline created by a net exceptional items expense of € 88.8 million in the prior year, which was primarily for impairment losses on goodwill in the Fruit segment. Details on this are presented in the Fruit segment report (from page 74) and the Notes (from page 129). In the Fruit segment, the EBIT result turned to a profit of € 60.2 million (prior year: loss of € 38.5 million), lifted both by the non-recurrence of the previous year's impairment and by a better operating performance in the fruit preparations business as well as in the fruit juice concentrate activities. Meanwhile, a markedly weaker ethanol result than in the year-earlier period was a key reason for the significant reduction in Starch segment EBIT to € 50.4 million (prior year: € 80.2 million). Operating profit in the Sugar segment decreased to € 40.4 million (prior year: € 46.6 million), due mostly to a smaller profit contribution by the AGRANA-Studen joint venture than one year earlier. 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 respective segment reports and the Notes.

Net financial items amounted to an expense of € 53.3 million in the 2023|24 financial year (prior year: net expense of € 26.5 million), with the deterioration driven primarily by an adverse change in net interest expense and, to a lesser degree, in currency translation effects (including the interest portion of currency swaps).

Net financial items		**2023|24**	**2022|23**	**Change**
				%
Net interest (expense)	€000	(32,325)	(12,417)	–160.3%
Currency translation differences	€000	(18,382)	(10,345)	–77.7%
Share of results of non-consolidated subsidiaries and outside companies	€000	63	29	117.2%
Other financial items	€000	(2,665)	(3,809)	30.0%
Total	€000	**(53,309)**	**(26,542)**	**–100.8%**

Profit before tax grew very significantly from the previous year's € 61.7 million to € 97.7 million. After an income tax expense of € 28.3 million, representing a tax rate[1] of 29.0% (prior year: 60.0%), the Group recorded a **profit for the period** of € 69.4 million (prior year: € 24.7 million). Profit for the period attributable to shareholders of AGRANA was € 64.9 million (prior year: € 15.8 million); **earnings per share** rose to € 1.04 (prior year: 0.25).

[1] For details on the tax rate and income tax reconciliation, see the Notes, from page 158.

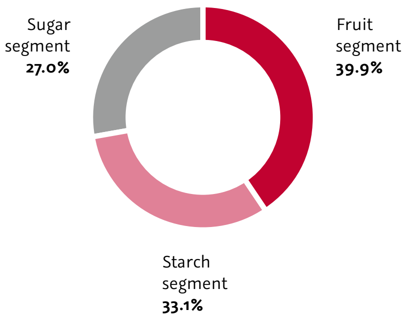
Investment

In 2023|24, AGRANA invested a total of € 127.3 million, or € 24.4 million more than in the prior year. Purchases of property, plant and equipment and intangibles were thus above operating depreciation and amortisation, with the following distribution by business segment:

Investment[1]		**2023|24**	**2022|23**	**Change** % / pp
Fruit segment	€000	50,822	37,679	34.9%
Starch segment	€000	42,110	30,985	35.9%
Sugar segment	€000	34,336	34,252	0.2%
Group	€000	**127,268**	**102,916**	**23.7%**
Operating depreciation and amortisation	€000	114,416	118,710	−3.6%
Investment coverage	%	111.2	86.7	28.3%

The main focus of capital expenditures in all segments was on energy efficiency projects and product quality improvement. The key projects in the individual business segments are detailed in the segment reports.

Investment by segment in 2023|24



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

Cash flow

Consolidated cash flow statement (condensed)		2023|24	2022|23	Change %
Operating cash flow before changes in working capital	€000	316,335	282,343	12.0%
Changes in working capital	€000	(46,088)	(259,225)	82.2%
Interest received and paid and income tax paid, net	€000	(30,031)	(21,228)	−41.5%
Net cash from operating activities	€000	**240,216**	**1,890**	**12,609.8%**
Net cash (used in) investing activities	€000	(110,980)	(88,994)	−24.7%
Net cash (used in)/from financing activities	€000	(139,334)	107,219	−230.0%
Net (decrease)/increase in cash and cash equivalents	€000	**(10,098)**	**20,115**	**−150.2%**
Effects of movement in foreign exchange rates on cash and cash equivalents	€000	(6,457)	1,941	−432.7%
Effect of IAS 29 on cash and cash equivalents	€000	(13,682)	(7,306)	−87.3%
Cash and cash equivalents at beginning of period	€000	118,343	103,593	14.2%
Cash and cash equivalents at end of period	€000	**88,106**	**118,343**	**−25.6%**
Free cash flow[1]	€000	129,236	(87,104)	248.4%

The item **"operating cash flow before changes in working capital"** increased by € 34.0 million to € 316.3 million as a result primarily of the much stronger profit for the period. Working capital increased by € 46.1 million year-on-year, which, for inventory and receivables reasons, was much less than the € 259.2 million increase in the year before. **Net cash from operating activities** was € 240.2 million (prior year: € 1.9 million). **Net cash used in investing activities** rose to € 111.0 million (prior year: net cash use of € 89.0 million) as a result of higher payments for purchases of property, plant and equipment and intangibles. Besides a higher dividend payment, a decrease in current and non-current borrowings led to **net cash use in financing activities** of € 139.3 million (prior year: net cash inflow of € 107.2 million as a result mainly of the issuance of an ESG-linked Schuldscheindarlehen (SSD, a type of loan with some bond-like characteristics)). Free cash flow improved to a positive € 129.2 million (prior year: negative free cash flow of € 87.1 million).

Financial position

Consolidated balance sheet (condensed)		29 Feb 2024	28 Feb 2023	Change % / pp
Non-current assets	€000	1,031,166	1,041,010	−0.9%
Current assets	€000	1,858,255	1,962,065	−5.3%
Total assets	€000	**2,889,421**	**3,003,075**	**−3.8%**
Equity	€000	1,248,430	1,256,569	−0.6%
Non-current liabilities	€000	628,680	658,302	−4.5%
Current liabilities	€000	1,012,311	1,088,204	−7.0%
Total equity and liabilities	€000	**2,889,421**	**3,003,075**	**−3.8%**
Net debt	€000	636,083	684,895	−7.1%
Gearing ratio[2]	%	51.0	54.5	−3.6 pp
Equity ratio	%	43.2	41.8	1.4 pp

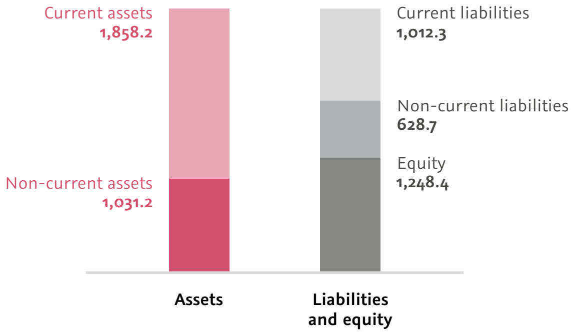
[1] Total of net cash from operating activities and net cash used in investing activities.
[2] Ratio of net debt to total equity.

Total assets as of 29 February 2024, at € 2,889.4 million, eased slightly from one year earlier (28 February 2023: € 3,003.1 million), with an **equity ratio** of 43.2% (28 February 2023: 41.8%).

Non-current assets were off slightly at € 1,031.2 million, as depreciation exceeded capital expenditures. Current assets decreased moderately to € 1,858.2 million, with a reduction both in inventories and trade receivables.

Balance sheet structure at 29 February 2024

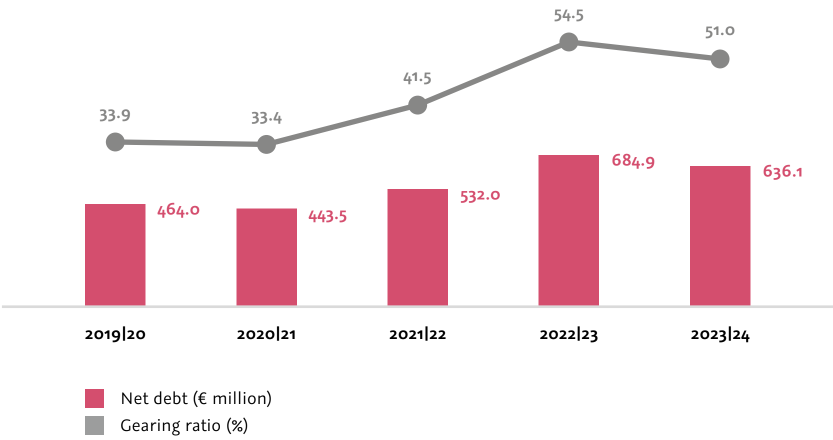
€ million



Non-current liabilities meanwhile showed a moderate decline to € 628.7 million, due to the repayment of borrowings. Current liabilities, at € 1,012.3 million, were also down, thanks to lower trade payables as well as primarily to reduced borrowings.

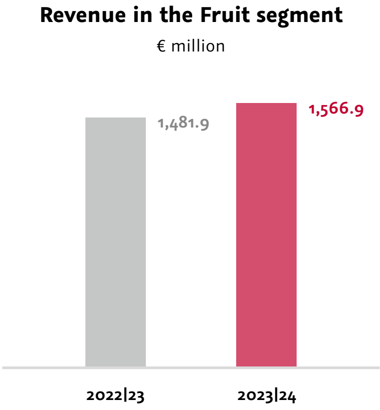
Net debt as of 29 February 2024, at € 636.1 million, was € 48.8 million less than at the 2022|23 year-end. The **gearing ratio** (net debt to total equity) thus eased to 51.0% at the balance sheet date (28 February 2023: 54.5%).

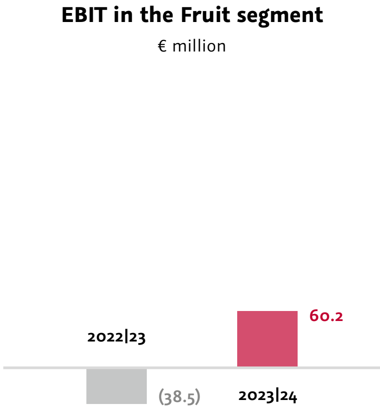
Net debt and gearing ratio



To enhance the long-term financing portfolio, the AGRANA Group in January 2024 secured bank financing in the form of a € 50 million bullet loan maturing in January 2029.

Segment financial results

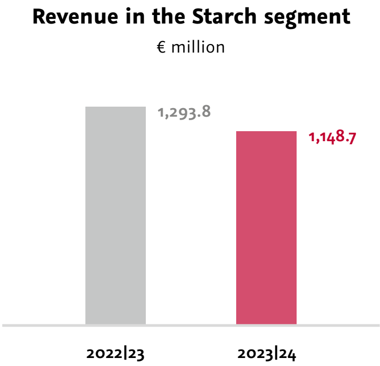


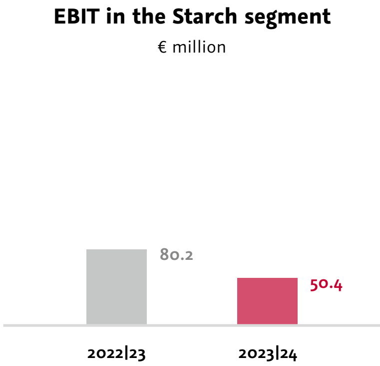


Fruit segment revenue in 2023|24 grew to € 1,566.9 million, or by 5.7% from the previous year. In the fruit preparations business, the revenue increase was driven primarily by price, but also by volume. In the fruit juice concentrate activities, revenue eased slightly, with lower delivery volumes not fully offset by higher selling prices. The Fruit segment was responsible for 41.4% of Group revenue (prior year: 40.7%).

The segment's EBIT was € 60.2 million (prior year: EBIT loss of € 38.5 million). In EBIT in the second half of 2023|24, a non-cash impairment of about € 24.7 million was recognised, in two steps, on assets in Asia (due to a severe deterioration in the market environment) and Hungary (for the closure of a carrot processing plant). In the prior year, following an impairment test performed as of 31 August 2022, impairment on goodwill (and assets) was recognised in exceptional items as part of EBIT, due primarily to increased cost of capital. Details on exceptional items are given in the Fruit segment report from page 74 and in the Notes from page 129. In fruit preparations, the amount of the item "operating profit before exceptional items and results of equity-accounted joint ventures" was very significantly above the year-ago level. The improvement was attributable mainly to a positive business performance in the Europe region (including Ukraine), in North America and in Russia. The fruit juice concentrate business grew its operating profit before exceptional items further compared to the already very good previous year. This was driven primarily by improved contribution margins of apple juice concentrate made from the 2022 crop. In addition, improved contribution margins from the value-added business (including beverage bases) figured into the EBIT growth.

Further details on the results of the Fruit business are provided in the segment report from page 74.





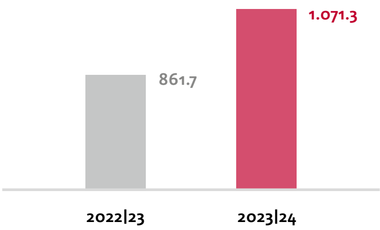
The **Starch segment** had revenue of € 1,148.7 million in the 2023|24 financial year. This was 11.2% below the value of the year before, in which the war in Ukraine led to powerful increases in market prices. The year under review saw a gradual normalisation in starch market prices due to fallen energy and raw material prices, with an impact on the sales pricing of most of the starch product portfolio. The volume-driven impacts were about equal to the price effects. In the ethanol business, sales prices are based on Platts price assessments. The volatility in ethanol markets seen in the financial year was once again extreme. The year's average price of € 741 per cubic metre was approximately one-quarter less than one year earlier. Revenue from by-products (including the subcategory "other products") followed raw material prices downward, with the decline in selling prices of high-protein by-products only occurring after a time lag. The Starch segment's share of Group revenue was 30.3% (prior year: 35.6%).

At € 50.4 million, EBIT in the Starch segment was down significantly from the previous year. One of the main reasons was that AGRANA's share of the earnings result of the equity-accounted HUNGRANA group dropped very significantly to € 1.9 million (prior year: € 11.0 million). Both margins and volumes were a factor in the performance of this Hungarian joint venture: It purchased raw materials and energy at high prices and was not able to pass these significantly increased costs on to customers sufficiently through adjusted sales prices; meanwhile, a significant decline in sales volumes led to underutilisation of capacity. It was primarily the low margins of the ethanol business, which were due to significantly lower Platts prices, that weighed on the Starch segment's earnings measure "operating profit before exceptional items and results of equity-accounted joint ventures". From the financial fourth quarter of 2023|24, starch products, too, saw declining margins owing to the greater downward pressure on sales prices in the market.

Further details on the results of the Starch business are provided in the segment report from page 81.

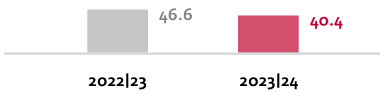
Revenue in the Sugar segment

€ million



EBIT in the Sugar segment

€ million



In 2023|24, revenue in the **Sugar segment** rose by a significant 24.3% to € 1,071.3 million. Achieved despite lower sales volumes, this growth was driven by a considerable rise in sugar selling prices; their trajectory was very positive both in the reseller business (wholesalers and retailers) and the industrial market. Revenue with by-products was slightly below the previous year's level, despite higher sales volumes. The Sugar segment generated 28.3% of the Group's revenue (prior year: 23.7%).

The Sugar segment's earnings measure of "operating profit before exceptional items and results of equity-accounted joint ventures" improved despite a steep increase in beet prices. However, a very significant reduction in the profit contribution made by joint ventures (which was down € 8.0 million from the prior year), combined with negative net exceptional items in connection with severance pay (change from prior year: € –3.2 million), led to a decrease of 13.3% in segment EBIT to € 40.4 million. AGRANA's share of the profit of the equity-accounted AGRANA-STUDEN group was € 1.7 million, far below the previous year's historic high of € 9.9 million. The reasons for this included a higher sales share of resold, lower-margin sugar, and underutilisation of the refinery in Bosnia and Herzegovina. The equity-accounted share of the result of Beta Pura GmbH, Vienna, was a deficit of € 2.2 million (prior year: deficit of € 2.3 million).

Further details on the results of the Sugar business are given in the segment report from page 87.

Events after the balance sheet date

No significant events occurred after the balance sheet date of 29 February 2024 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

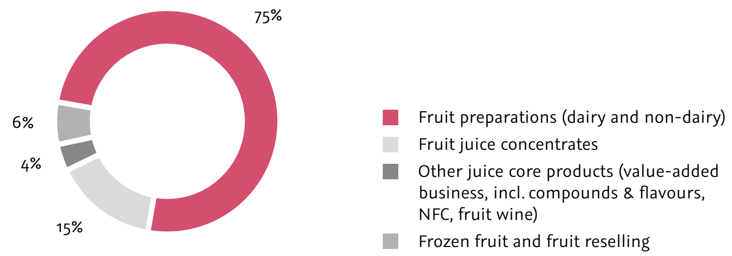
AGRANA Internationale Verwaltungs- und Asset-Management GmbH, Vienna, is the holding company for the Fruit segment. The coordination and operational management of the fruit preparations business are provided by its holding company, AGRANA Fruit S.A.S., based in Mitry-Mory, France. In the fruit juice 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		**2023|24**	**2022|23**	**Change** % / pp
Total revenue	€000	1,567,940	1,482,895	5.7%
Inter-segment revenue	€000	(1,086)	(964)	−12.7%
Revenue	€000	1,566,854	1,481,931	5.7%
EBITDA[1]	€000	125,712	94,460	33.1%
Operating profit before exceptional items and results of equity-accounted joint ventures	€000	84,946	51,241	65.8%
Exceptional items	€000	(24,699)	(89,731)	72.5%
Operating profit/(loss) [EBIT]	€000	60,247	(38,490)	256.5%
EBIT margin	%	3.8	−2.6	6.4 pp
Investment[2]	€000	50,822	37,679	34.9%
Number of employees (FTE)[3]		5,720	5,677	0.8%

In the fruit preparations business, revenue grew by about 8%, as a result primarily of price increases and, to a lesser extent, of higher sales volumes. Revenue gains were made especially in Europe (including Ukraine), Mexico and Russia. A significant revenue reduction was registered in Argentina, but this was solely an effect of currency translation, while sales volumes saw a slight increase. Analysed by product category, sales volumes of AGRANA's fruit preparations business showed growth in the strategically significant "Beyond" segment (ice cream and food service), while quantities remained stable in the core business of products for the dairy industry (representing approximately 80% of fruit preparations volume sold).

Revenue by product group in 2023|24



[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.

The fruit preparations business's operating profit before exceptional items was very significantly higher than one year earlier. The earnings improvement was generated primarily in the Europe region, which includes Ukraine (through lower raw material and energy costs), in North America (lower costs and good margins) and Russia (good volumes and margins). A net exceptional items expense of € 20.8 million due primarily to impairment of non-current assets in Asia had a negative impact on EBIT in the fruit preparations business. This impairment was caused by the continued strained business trend in Asia. In the prior year, a comparatively much larger impairment loss was recorded when an impairment test of the Fruit cash-generating unit was required (mainly as a result of rapidly risen cost of capital) in the second quarter of 2022|23; non-cash impairment on goodwill (€ 88.3 million) and on assets (€ 2.8 million) was recognised in that year. Further details on exceptional items are provided in the Notes, from page 129.

Revenue in the fruit juice concentrate business was marginally lower than in the year before, for volume reasons. Thanks to the delivery of apple juice concentrates from the 2022 harvest with historic high contribution margins, the already very high pre-exceptionals operating profit of the prior year was even somewhat surpassed. The value-added segment (beverage bases, aromas, etc.) also followed a very positive trend. A net exceptional items expense of € 3.9 million was a negative factor for EBIT in the fruit juice concentrate activities and represented three items: The difficult economic situation in China triggered an impairment charge on the assets of the juice production site there (€ 3.2 million), while the carrot processing plant in Hungary was shut down following the 2023 harvest and a partial write-down of € 1.4 million was recognised, as the raw material situation for carrot juice concentrate had deteriorated drastically. The reversal of a war-related € 0.7 million impairment loss on VAT receivables after these were settled had a positive effect on net exceptional items in the fruit juice concentrate business.

Market environment

The troubled global economic situation and multiple crises are dampening the market trend for fruit yoghurts (which constitute the main market for the products of the fruit preparations business). Analyses by Euromonitor in February 2024 showed a stagnating global market for the 2023 calendar year (with a 0.1% growth rate compared to 2022). While the fruit yoghurt markets in Asia (–2.9% p.a.) and Western Europe (–1.5% p.a.) declined, volumes in Eastern Europe (+1.8% p.a.) and Latin America (+2.2% p.a.) increased. A similar global market situation is expected for the 2024 calendar year, with only a slightly positive growth rate of 0.4% compared to 2023. Average annual volume growth of 0.5% in the following years is forecast up to 2028. The niche category of plant-based yoghurt alternatives showed appealing volume growth of 3.7% in the 2023 calendar year. This market segment is expected to grow by an average of 3.4% per year in the longer term up to 2028.

Besides yoghurt, the main market segments significant to the diversification of the fruit preparations activities are ice cream and food service. According to Euromonitor (February 2024), the global ice cream market expanded by 0.7% in the 2023 calendar year and is projected to accelerate slightly to 1.2% growth in 2024. Average annual volume growth of 1.3% is then expected until 2028. In the food service segment, the most important markets served by AGRANA are quick service restaurants (QSR) and coffee and tea shops. Current forecasts from GlobalData predict a very positive volume trend in these subsegments to 2028, with average annual growth of 4.8% for QSR and 4.6% for 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 main market-driving trends are pleasure, affordability, convenience, naturalness, sustainability and health. The persistently volatile market situation is partly curbing the willingness of consumers to experiment. This can be seen in the fewer new product launches on the market and the tendency towards familiar flavours. In the food service sector, consumers remain more willing to experiment and introductions of time-limited offerings (known as limited editions) are on the rise. Seasonal products are in particular demand here.

The fruit juice concentrate business remains subject to the trends towards lower fruit juice content in beverages on the one hand and towards not-from-concentrate 100% juices on the other hand. As a consequence of the first trend, 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 at a normal overall level in 2023|24. The contracts for both apple and berry juice concentrates made from the 2023 crop were concluded at very good contribution margins. However, the historic high contribution margins of the previous year could not be matched.

Sales volumes and contribution margins in the value-added business increased very strongly. The growth targets set were achieved despite lower sales volumes, thanks to improved contribution margins.

In the course of the 2023|24 financial year there was a further easing in logistical challenges, such as high transport costs and little availability of containers, that disproportionately affected the export-heavy concentrate business since the COVID-19 pandemic (notably for shipping to the USA).

Raw materials and production

In 2023|24, about 336,000 tonnes of raw materials were purchased for the fruit preparations activities (prior year: 340,000 tonnes). The lower consumption of raw materials is explained mostly by reduced demand in the Chinese plants as a result of the declining yoghurt market in China. The average raw material prices for fruits and ingredients were down slightly overall from the prior year. Higher sugar prices were offset by price reductions on fruits and stabilisers.

The global requirement of approximately 50,000 tonnes of strawberry, the most important fruit by volume in the fruit preparations business, was contracted at slightly lower prices than in the year before. In the fourth calendar quarter of 2023, harvesting began in the growing regions with a Mediterranean climate – Egypt, Morocco and Mexico. Due to reduced strawberry acreage in Morocco, availability of the raw material is expected to be reduced, resulting in slightly higher average prices than in the previous year. Stable volumes and prices are expected for the harvest in Mexico.

The second most important fruit by processing volume for fruit preparations was peach, at around 18,000 tonnes. Average crop yields were achieved in the main European procurement markets, while the harvest in China fell short of expectations due to weather conditions. Price increases for raw materials were offset by lower freight costs; purchase prices were therefore slightly below the year-earlier level.

There was a favourable trend in raspberries and blueberries, where good crop yields in the most important European and North American growing regions led to significant price declines for frozen product.

In tropical fruit, purchase prices for mangoes from the 2023 summer harvests decreased from the prior year as a result of falling freight costs from Asia. For the new mango harvest in Vietnam that started in the fourth calendar quarter of 2023, a moderate price increase looks likely amid reduced availability of the fruit.

The 2023 apple crop in the fruit juice concentrate business was slightly reduced from the previous year as there was less availability of the raw material in Poland and China. At the Ukrainian site, the apple processing volume reached an average level despite the difficult circumstances. Due to the high processing volumes of red berries from the 2022 crop, demand for berry juice concentrates in 2023|24 was significantly lower than in an average year; accordingly, about 30% less red berries were processed in the 2023 campaign ("red berries" is 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 (see from page 44 for details). In the 2023|24 financial year, 22.5% (prior year: 20.8%) of the raw materials (fruits and other ingredients) procured by the purchasing organisation, AGRANA Fruit Services GmbH, for the fruit preparations business 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, 18.5% had a sustainability certification (prior year: 13.9%). Most of this represented an FSA verification 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 51). As of the financial year-end, the fruit preparations business had

SEDEX data (and audit documents where applicable) for about 85.3% of the processed volume of raw materials (prior year: 75%). 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 per 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 2023|24 financial year, for harvest reasons, about 16% (prior year: 11%) 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 44). In the year under review, Hungarian contract suppliers of apples, sour cherries, elderberries and carrots completed the mandatory FSA questionnaire and were externally audited in accordance with the requirements of the SAI Platform. Under the three-year audit cycle, Polish contract growers will be externally audited in the 2024|25 financial year.

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 (or its equivalent) for about 42% of its raw material processing volume (prior year: 33%).

Regenerative agriculture in fruit farming

In the 2023|24 financial year, AGRANA's fruit preparations business continued its pilot projects in regenerative agriculture with a blueberry producer in Canada and a strawberry grower in Mexico.

The production of blueberries in Canada using regenerative agriculture was successfully continued by the partner supplier. The AGRANA agronomists focused on the pilot farm for regenerative strawberry cultivation in Mexico. Together with a Mexican implementation partner, the project was launched with five producers in July 2023. The team carried out basic assessments of soil, water and other parameters at the start of the project. The evaluation revealed potential for improvement in the use of agricultural inputs, the optimisation of water use and the improvement of irrigation techniques. The farmers involved realised the need for change and are willing to develop regenerative farming methods together with AGRANA. The project has already delivered concrete successes. After just a few months, the participating farms achieved not only higher strawberry yields but also significant cost savings thanks to reduced use of fertilisers and crop protection sprays. The fruit preparations business is planning to expand the project to more producers in the 2024|25 financial year.

Environmental and energy aspects of AGRANA's production

Energy consumption and emissions in processing

Absolute energy consumption (Scope 1 and 2) in the Fruit segment in the financial year was steady year-on-year at about 2.17 million GJ (net after intrasegment energy sales), as a result of stable production volumes in the fruit preparations and fruit juice concentrate businesses compared to the previous year. At 2.45 GJ, average specific energy consumption (Scope 1 and 2) per tonne of product output in the Fruit segment remained at the prior year's level.

Absolute emissions (Scope 1 and 2) in the Fruit segment fell by about 8.6% to approximately 128,000 tonnes of CO_2 due to the transition to renewable electricity at several sites. As a consequence, average specific emissions from direct and indirect energy consumption (Scope 1 and 2) also declined, by about 9.4% year-on-year to 144 kg of CO_2 per tonne of product output.

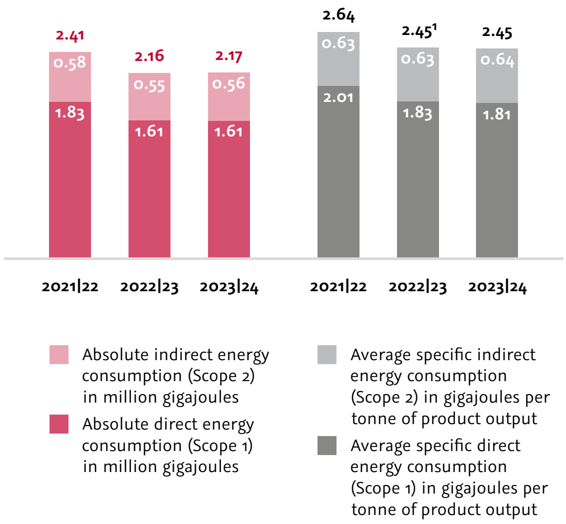
Under the Group-wide AGRANA climate strategy (for details, see from page 48), the Fruit segment too will continue to reduce its emissions in line with the science-based climate targets.

Water consumption in processing operations at AGRANA's fruit plants

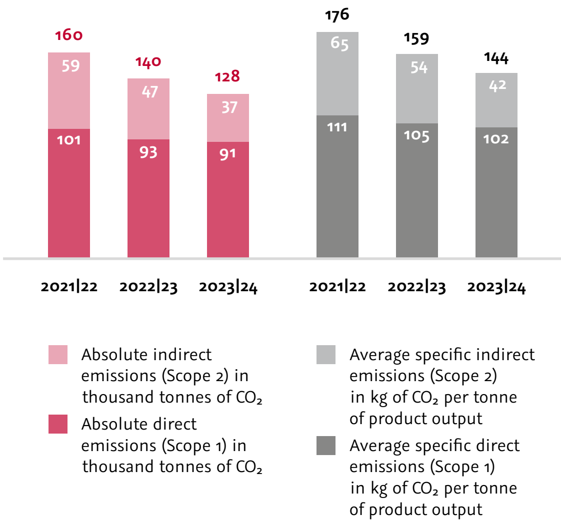
Fruit segment Total in million m³	**2023|24**	**2022|23**	**2021|22**
Water withdrawal	3.9	3.9	3.9
Water discharge	3.6	3.6	3.7
Water consumption	**0.3**	**0.3**	**0.2**

Fruit segment In m³ per tonne of core and by-products	**2023|24**	**2022|23**	**2021|22**
Water withdrawal	4.45	4.47	4.25
Water discharge	4.05	4.04	4.03
Water consumption	**0.40**	**0.43**	**0.22**

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



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



[1] Small variance due to rounding differences.

The risk analysis for the AGRANA production sites regarding water withdrawal and discharge, which was revised in the 2022|23 financial year and used the WWF Water Risk Filter and the Aqueduct Water Risk Atlas (for details, see from page 49), 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 has been in place since 2019|20 for all AGRANA fruit preparations sites. As part of this Initiative, AGRANA Fruit joined the international Alliance for Water Stewardship (AWS). The AWS is a global network of companies, civil society organisations and the public sector that champions the protection of shared water resources. As a member, AGRANA works for the protection of water as a fundamental resource for all people and for good water management practices worldwide.

The implementation of various efficiency measures at sites in Brazil, Germany, Poland and Turkey led to lower water consumption per tonne of product output in the fruit preparations activities.

On balance, absolute water withdrawal and water discharge (and hence consumption) in the Fruit segment remained unchanged from the previous year (see table on page 78). Specific water consumption per tonne of product output was reduced by 6.2% to 0.40 cubic metres (or 400 litres) per tonne of product output.

Waste from processing operations at AGRANA's fruit plants

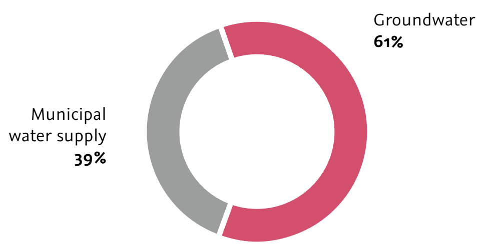
Fruit segment	2023|24	2022|23[1]	2021|22[1]
Waste disposed	41,721 t	26,165 t	27,713 t
Of which hazardous waste	338 t	334 t	263 t
Waste per tonne of product	47.0 kg	29.6 kg	30.4 kg
Hazardous waste per tonne of product	381 g	379 g	289 g

In 2023|24 the Fruit segment reported a total of 41,721 tonnes of waste under the European definition of waste, which only includes residual materials that are intended for disposal. The year-on-year increase of about 58% in the absolute volume of waste was due to a building reconfiguration at the fruit preparations site in Centerville, Tennessee USA.. This absolute increase raised the specific amount of waste per tonne of product output to the same extent. The absolute and specific amounts of hazardous waste remained almost constant compared to the prior year.

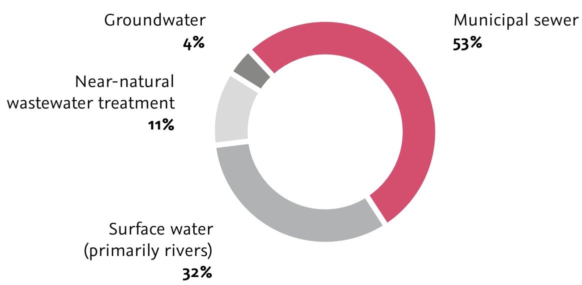
EcoVadis

At the end of the 2023|24 financial year, AUSTRIA JUICE GmbH received a Gold-level sustainability rating again from EcoVadis, the international supplier evaluation platform.

Water withdrawal at AGRANA's fruit plants in 2023|24 by source



Receiving waters for the wastewater of AGRANA's fruit plants in 2023|24



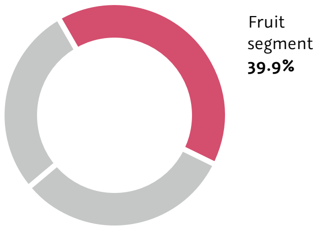
[1] Value adjusted to correct a data collection error.

Investment

Capital expenditure in the Fruit segment in 2023|24 was € 50.8 million (prior year: € 37.7 million). The various CapEx projects across all 40 production sites represented primarily capacity expansions, plant modernisation and energy efficiency improvements. The following individual investments were made, among others:

- Expansion of raw material storage in Jacona, Mexico
- Expansion of the food service section in Centerville, Tennessee, USA
- New wastewater treatment plant in Ostrołęka, Poland
- Installation of energy-saving MVR[1] technology in Lipnik and Białobrzegi, both in Poland

Share of Group investment in 2023|24



[1] MVR: Mechanical vapour recompression, an energy-saving technology that recycles waste heat and thus recovers energy.

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 facility); 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 and saccharification products as well as bioethanol are manufactured). The joint ventures are included in the consolidated financial statements using the equity method of accounting.

Revenue and earnings

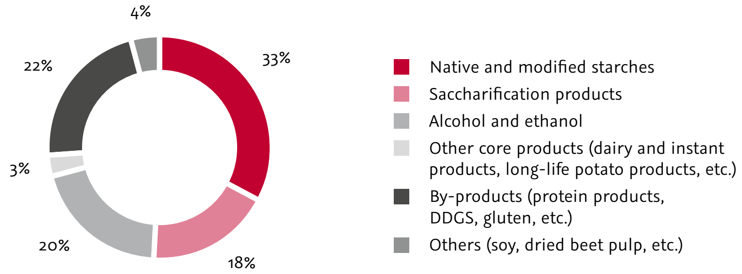
Starch segment		**2023|24**	**2022|23**	**Change** % / pp
Total revenue	€000	1,163,647	1,306,594	−10.9%
Inter-segment revenue	€000	(14,895)	(12,779)	−16.6%
Revenue	€000	1,148,752	1,293,815	−11.2%
EBITDA[1]	€000	94,062	116,750	−19.4%
Operating profit before exceptional items and results of equity-accounted joint ventures	€000	48,533	69,168	−29.8%
Share of results of equity-accounted joint ventures	€000	1,853	11,021	−83.2%
Operating profit (EBIT])	€000	50,386	80,189	−37.2%
EBIT margin	%	4.4	6.2	−1.8 pp
Investment[2]	€000	42,110	30,985	35.9%
Number of employees (FTE)[3]		1,170	1,147	2.0%

The 2023|24 financial year was characterised by reduced demand and mounting pressure on prices in the Starch segment. Customers' inflation-induced reluctance to spend, combined with their destocking, led to a weak market trend for sales volumes in AGRANA's main markets. At the beginning of the 2023|24 financial year, raw material prices were very high overall, but then fell precipitously with the new 2023 harvest and the emerging weakness in demand, driving a sub-sequent significant drop in sales prices.

The segment's revenue decreased from the prior year's all-time high of € 1,293.8 million to € 1,148.8 million. About half of the decline was due to prices and half to volume effects. Ethanol revenue fell the most significantly after the Platts prices slumped over the course of the year due to large import volumes and the resulting fall in selling prices for ethanol.

[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 2023|24



By-product revenues generally correlate with the movement in raw material costs. Only high-protein products were able to escape the downward price trend for longer, and revenue from by-products was therefore still up compared to the previous year.

Production costs declined due to the lower cost of raw materials. However, the decline in purchase prices only paralleled that in sales prices to a limited extent and delays in the adjustment process for selling prices therefore had a negative impact on margins. The increase in staff costs in response to the high inflation rates also adversely affected earnings. EBITDA of € 94.1 million was achieved in the Starch segment, a result significantly below the prior-year level. Operating profit before exceptional items and results of equity-accounted joint ventures also dropped significantly, to € 48.5 million.

In 2023|24, revenue of the HUNGRANA group, the joint venture in Hungary, decreased by about 27% to € 336.2 million. Besides lower selling prices, the main reason for the decline in sales was the significantly reduced corn milling throughput compared to the previous year. The significantly lower sales prices, capacity utilisation problems and weak ethanol margins were also the top reasons for the decline in EBIT at the HUNGRANA Group to € 12.5 million (prior year: € 41.5 million). Its profit after tax was € 3.8 million (prior year: € 22.0 million), and the profit share attributable to AGRANA's Starch segment thus eased to € 1.9 million (prior year: € 11.0 million).

Market environment

The 2023|24 financial year was affected by multiple crises, including the war in Ukraine and the conflict in the Middle East. The European starch market contracted for the second year in succession.

A significant decline in market demand was observed in all product segments, particularly in the first half of 2023|24. Consumption was generally lower and surpluses from the previous years were utilised. Customers were also more reluctant to place orders in anticipation of falling raw material and energy prices. The main objective for all competitors in the starch business was therefore to secure market share as well as possible, which in the prevailing environment led to price pressure.

In the food sector, sales of native and modified starches regrouped at a lower but largely steady level until the end of the 2023 calendar year. In contrast, the organics business became significantly more difficult due to a consumption-related decline caused by inflation. This has a particularly significant impact on AGRANA Stärke GmbH, as it is very strongly positioned in the organic market.

Throughout the financial year, significant declines and fluctuations in sales volumes were seen in the paper and packaging market segment, which were due to customers scaling back production at their plants for sales volume reasons. The construction industry recorded an especially significant slump in business. Sales volumes of construction starch and starch derivatives for gluing paper bags were about 30% lower than in the previous year. A market recovery in this area is not foreseeable in the short term.

In the infant formula market, overcapacity and the reduction of safety stocks translated into declining sales. Customers do not expect business to pick up here until the second half of the 2024 calendar year. AGRANA will continue its consistent focus on the development of infant products for the premium segment.

Fuel ethanol prices declined significantly in 2023|24 from the previous year as a result of high imports from Brazil and the USA. Discussions and differences in interpretation between the European Commission and the EU member states about applicable emission factors for agricultural raw materials, which have implications for the amounts of greenhouse gas savings ascribed to ethanol, temporarily led to a high degree of uncertainty in the market. Demand for fuels in Europe was generally good, particularly in Austria, where the introduction of E10 provided an additional boost and a record volume of ethanol was sold on the domestic market.

Raw materials and production

World grain production in the 2023/24 grain marketing year (1 July to 30 June) is estimated[1] by the International Grains Council (IGC) at 2,304 million tonnes, which is slightly above the prior year's level of 2,268 million tonnes, but also marginally below expected consumption of 2,306 million tonnes. Global wheat production is forecast at 789 million tonnes (prior year: 803 million tonnes), slightly below expected consumption of 803 million tonnes (prior year: 795 million tonnes). The world's corn production is projected at 1,227 million tonnes (prior year: 1,163 million tonnes) and the predicted consumption of corn is 1,212 million tonnes (prior year: 1,179 million tonnes). Total ending grain stocks are estimated to decrease by about 3 million tonnes to a new balance of 599 million tonnes.

Since the beginning of the 2023|24 financial year, grain commodity prices have moved downward (with the exception of two counter-movements for wheat in summer and autumn 2023), with prices falling significantly by the end of 2023|24. These price declines on commodity exchanges were caused by lower demand, an absence of further escalations of the war in Ukraine, agreed export corridors from Ukraine, large harvests in important production regions, and the competition for export volumes. At the balance sheet date of 29 February 2024, on Euronext Paris, wheat quoted at € 191 per tonne and corn was at € 178 per tonne (year earlier: € 274 per tonne for wheat and € 279 for corn).

Potatoes

In the 2023|24 campaign, the potato starch factory in Gmünd, Austria, processed about 170,600 tonnes of starch potatoes (prior year: 217,000 tonnes). The processed volume of food potatoes for the production of long-life potato products also was below that of the prior year. Unfavourable growing conditions led to lower yields for both starch and table potatoes.

Corn and wheat

In 2023|24, AGRANA Stärke GmbH processed approximately 26% less corn (maize) at the Austrian sites in Aschach and Pischelsdorf than in the year before. The share of specialty corn (primarily waxy corn and organic corn) was about 24%.

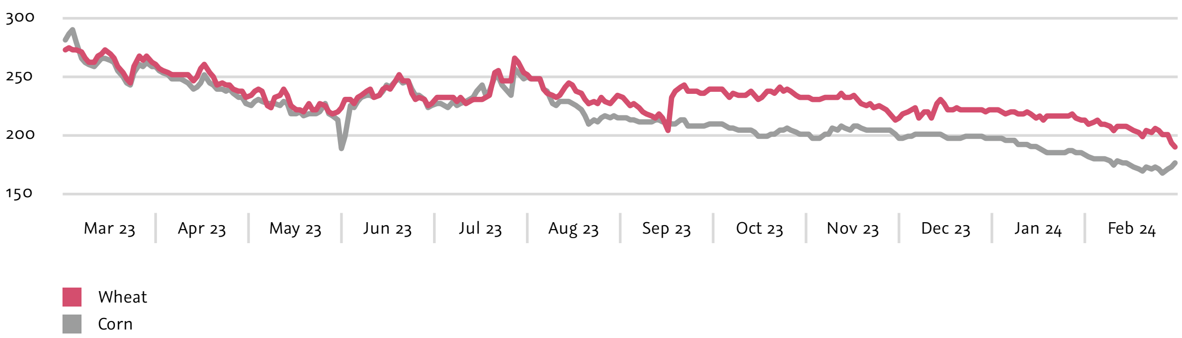
Wheat milling volume at the Pischelsdorf facility for the production of wheat starch and bioethanol was up slightly in 2023|24 from the previous year. Through delivery contracts concluded with growers in advance, AGRANA also secured ethanol wheat.

At the two Austrian locations, a total of about 1.33 million tonnes of corn and other cereals was processed in the financial year.

In 2023|24, the HUNGRANA facility in Hungary was not able to duplicate its corn milling volume of the year before. The plant in Romania also processed less yellow corn, while its processing volume of specialty corn remained constant.

Corn and wheat commodity prices during AGRANA's 2023|24 financial year

€ per tonne (Euronext Paris commodity derivatives exchange)



[1] Estimate from 14 March 2024.

Engagement in the upstream value chain

Supplier environmental and social assessment

AGRANA' Starch segment 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 44). Re-verification audits, which are valid for three years, were performed in the 2023|24 financial year to the new FSA 3.0 standard. Virtually all the farms (almost 100%) in the FMGs of AGRANA's starch business achieved FSA Silver status or higher. The next re-verification audit will be conducted in the 2026|27 financial year.

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 System for Biomass and Bioenergy (ISCC) and the Austrian Agricultural Certification Scheme (AACS). Both 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 in the financial year were limited to events held in small groups and to virtual programmes for contract growers. Thus, six 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 crop protection, optimisation of tillage (soil cultivation) and nutrient supply, as well as best practices for handling seed potatoes.

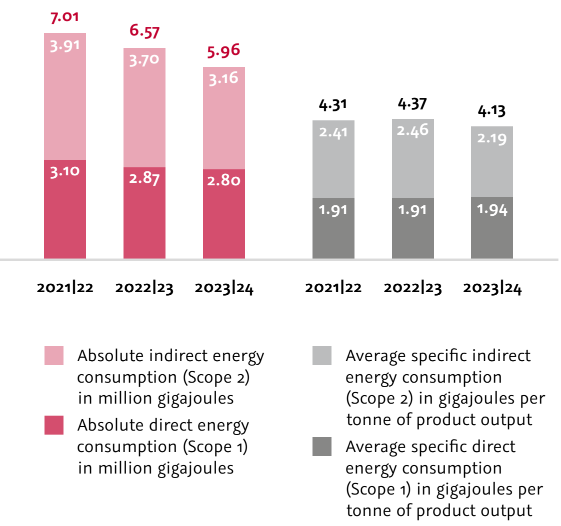
Environmental and energy aspects of AGRANA's production

Energy consumption and emissions in processing

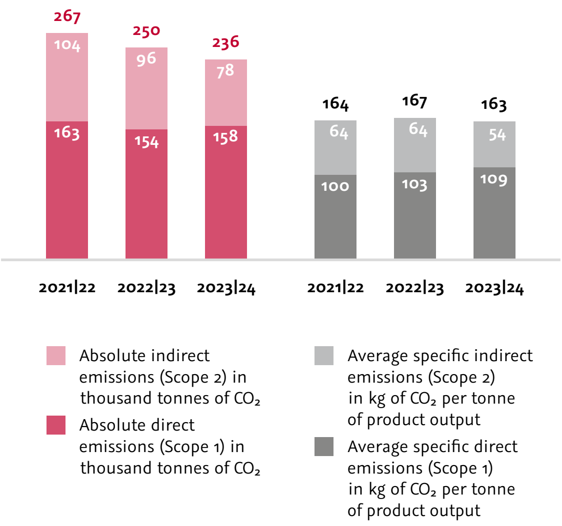
In the year under review, an overall decrease of approximately 9.4% in raw material processing quantities at all Austrian sites of the Starch segment led to a reduction in absolute energy consumption (Scope 1 and 2) of about 9.3% year-on-year to a new total of approximately 5.96 million GJ. Despite lower factory utilisation, specific energy consumption (Scope 1 and 2) per tonne of product output was reduced by about 5.5% to 4.13 GJ through technical optimisations in the plants and the introduction of a new wet feed product that reduces the energy required for drying.

Absolute emissions (Scope 1 and 2) in the Starch segment declined by about 5.6% to around 236,000 tonnes of CO_2. Average specific emissions (Scope 1 and 2) per tonne of product output went down slightly by about 2.4% from the prior year, to 163 kg of CO_2 per tonne of product made.

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



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



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 financial year the three Austrian starch manufacturing sites held a valid ISO 50001 certification.

Water consumption in processing operations at AGRANA's starch plants

Starch segment Total in million m³	**2023|24**	**2022|23**	**2021|22**
Water withdrawal	6.4	7.1	6.9
Water discharge	5.5	6.3	5.8
Water consumption	**0.9**	**0.8**	**1.1**

Starch segment In m³ per tonne of core and by-products	**2023|24**	**2022|23**	**2021|22**
Water withdrawal	4.40	4.69	4.27
Water discharge	3.83	4.17	3.55
Water consumption	**0.57**	**0.52**	**0.72**

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

Water withdrawal in 2023|24 in absolute numbers totalled about 6.4 million cubic metres, or 10% less than one year earlier. The reduction in absolute water discharge by around 11.7 % compared to the previous year was the result of reduced raw material processing.

Water withdrawal at AGRANA's starch plants in 2023|24 by source

Average specific water consumption per tonne of product output (core and by-products) in the Starch segment during the financial year was about 0.57 cubic metres, or 570 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	**2023|24**	**2022|23**[1]	**2021|22**
Waste disposed	29,898 t	23,607 t	28,241 t
Of which hazardous waste	158 t	81 t	61 t
Waste per tonne of product	20.7 kg	15.7 kg	17.4 kg
Hazardous waste per tonne of product	109 g	54 g	37 g

Under European regulation, only residual materials that are intended for disposal are counted as waste. Residuals that are reused without further energy input are no longer reported as waste. The higher total amount of waste than in the prior year resulted primarily from significantly greater disposal of certain wastewater (transferred to a specialised treatment contractor) in the financial year.

EcoVadis

In the 2023|24 financial year, AGRANA Stärke GmbH held a Silver-level sustainability rating from EcoVadis, the international supplier evaluation platform.

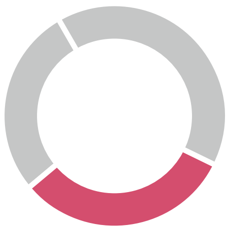
[1] The waste volumes for the 2022|23 financial year have been adjusted to correct for a data collection error at one site.

Investment

The Starch segment invested € 42.1 million during the 2023|24 financial year (prior year: € 31.0 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
- Upgrading of cooling performance in Pischelsdorf, Austria

Share of Group investment in 2023|24



Additionally, € 29.6 million (prior year: € 20.9 million) was invested in 2023|24 in the HUNGRANA companies (stated at 100% of the amounts for these equity-accounted joint ventures).

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 Sugar segment's joint ventures – the AGRANA STUDEN group and Beta Pura GmbH – are included in the consolidated financial statements using the equity method of accounting.

Revenue and earnings

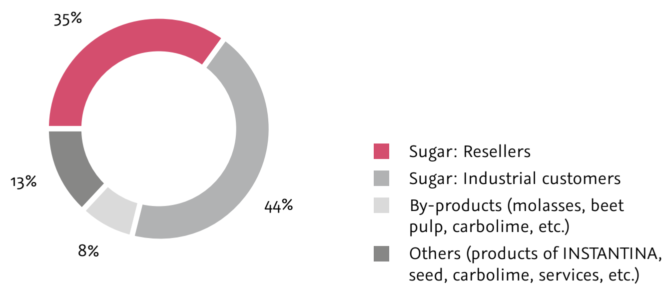
Sugar segment		2023|24	2022|23	Change % / pp
Total revenue	€000	1,102,740	884,607	24.7%
Inter-segment revenue	€000	(31,470)	(22,911)	–37.4%
Revenue	€000	1,071,270	861,696	24.3%
EBITDA[1]	€000	71,304	65,933	8.1%
Operating profit before exceptional items and results of equity-accounted joint ventures	€000	43,183	38,024	13.6%
Share of results of equity-accounted joint ventures	€000	(461)	7,636	–106.0%
Exceptional items	€000	(2,344)	901	–360.2%
Operating profit (EBIT)	€000	40,378	46,561	–13.3%
EBIT margin	%	3.8	5.4	–1.6 pp
Investment[2]	€000	34,336	34,252	0.2%
Number of employees (FTE)[3]		1,986	1,906	4.2%

The overall sales volume of the Sugar segment grew by just under 3% in the 2023|24 financial year, although the volume of sugar itself, the principal product, declined significantly. There was a pronounced increase in sales volume of by-products, thanks in part to the "other products" subcategory. AGRANA's sugar markets were negatively impacted primarily by the enormous competition from Ukraine, especially in the deficit countries. To compensate for significantly lower sales volumes in the home markets, intensive export activities were conducted.

In 2023|24, sales prices in both the reseller business (wholesalers and retailers) and the industrial sector were significantly or very significantly higher than the previous year's average.

[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 2023|24



Despite increased beet costs and the burden of high sugar imports from Ukraine, the sugar segment's operating profit before exceptional items and results of equity-accounted joint ventures was significantly higher than in the previous year. However, negative changes in the share of results of joint ventures and in exceptional items led to a decline in EBIT of about 13% to € 40.4 million.

The earnings contribution of the AGRANA STUDEN Group to the Sugar segment's EBIT in 2023|24 again was positive, at € 1.7 million, but was about 83% lower than the prior year's historic best of € 9.9 million. The decline in AGRANA-STUDEN's profit was largely a reflection of sales volume declines and of lower capacity utilisation at the refinery in the Western Balkans. The second sugar joint venture, Beta Pura GmbH, Vienna, with a deficit of € 2.2 million (prior year: deficit of € 2.3 million), made a negative contribution to the results of equity-accounted joint ventures.

The Sugar segment's net exceptional items expense of € 2.3 million was mainly related to provisions for severance payments. The prior year's net exceptional items of € 0.9 million was due to refunds received for tax expenses of previous years in Romania that the Group had disputed.

Market environment

World sugar market

The geopolitical situation and the weather had a significant impact on sugar trading and the supply-and-demand dynamics in the sugar market in the 2023|24 financial year. World market prices fluctuated correspondingly strongly.

In its March 2024 estimate of the world sugar balance, after three successive years of sugar deficits, the market research company S&P Global showed a small surplus of 0.7 million tonnes of sugar for the completed 2022/23 sugar marketing year (SMY), which ran from 1 October 2022 to 30 September 2023. With demand steady, there was a minimal increase in stocks due to a rise in production.

World sugar balance[1] Million tonnes, except %	**2023|24** SMY	**2022|23** SMY
Opening stocks	**66.2**	**65.5**
Production	194.3	189.0
Consumption	(189.0)	(187.4)
Net exports/imports	(0.1)	(0.9)
Closing stocks	**71.4**	**66.2**
In % of consumption	37.8	35.3

For the new SMY 2023/24, which began on 1 October 2023, S&P Global expects a significantly growing world sugar surplus as a result of the production increase.

The estimated surplus for SMY 2023/24 is attributed to an exceptional harvest in Brazil (the most important supplier of the global market) and higher production in the EU and Russia, contrasting with lower production volumes in Thailand.

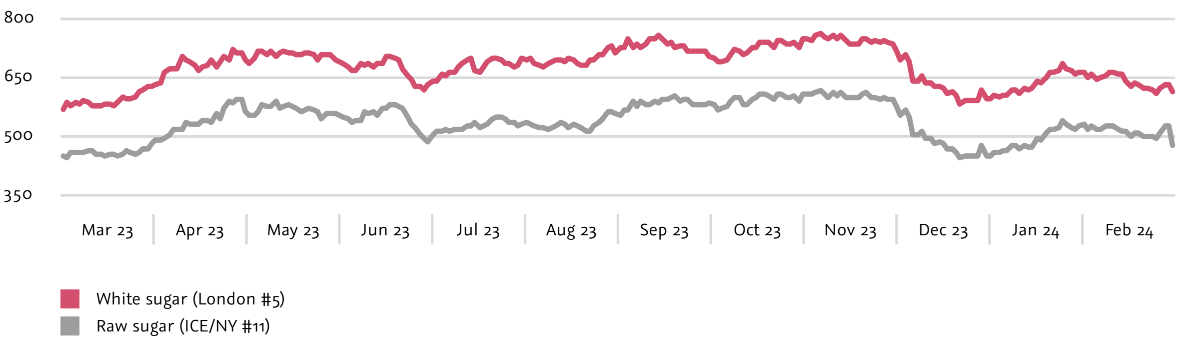
In the 2023|24 financial year, the upward trend in sugar prices initially continued, peaking at the beginning of December 2023. When speculative funds then liquidated the majority of their long positions, prices fell substantially to the levels seen at the start of the financial year (also see the price chart on the next page).

On 29 February 2024, white sugar quoted at US$ 615.1 per tonne and raw sugar stood at US$ 478.2 (year earlier: US$ 562.4 and US$ 486.8 per tonne, respectively).

[1] S&P Global; estimate of the World Sugar Balance, dated 15 March 2024.

International sugar prices during AGRANA's 2023|24 financial year

US$ per tonne



EU sugar market

In SMY 2022/23, which ended on 30 September 2023, sugar production in the EU-27 countries (excluding isoglucose) declined to 14.6 million tonnes (SMY 2021/22: 16.6 million tonnes), reflecting both a further slight reduction in sugar beet acreage and below-average yields due to the drought in summer 2022. The EU thus remained a net importer of sugar in SMY 2022/23. For the 2023/24 sugar marketing year now underway, the European Commission predicts a slight increase in planting area and high beet yields, but low sugar content. Sugar production is expected to increase to 15.8 million tonnes as a result, which would leave the EU a net importer of sugar despite rising exports and stocks. For SMY 2024/25, market observers expect a slight increase in beet planting area in the EU-27.

According to EU price reporting, average white sugar prices in the EU rose steadily from the beginning of the 2023|24 financial year, from € 804 per tonne in March 2023 to € 856 per tonne in December 2023, and eased to € 837 per tonne in February 2024 as of the latest available publication. Within the EU, there were significant regional price differences between the deficit and surplus regions. The deficit markets were under pressure from low-price imports from Ukraine and the price gains especially in the Romanian and Bulgarian markets therefore lost momentum in the summer.

Sugar imports from Ukraine to the EU

Since June 2022, there has been an EU arrangement allowing duty-free sugar imports from Ukraine, which was extended in spring 2023 to the beginning of June 2024. While Ukraine only had duty-free access to the EU market for about 20,000 tonnes before the war, duty-free sugar imports rose to approximately 415,000 tonnes in SMY 2022|23. The renewed extension of the EU special arrangement on imports of agricultural products from Ukraine to the EU, valid from 6 June 2024 to 5 June 2025, now includes an import restriction to protect sensitive products, including sugar. The average import levels for calendar years 2022 and 2023 and the second half of calendar year 2021 are used as the basis for this limit. For duty-free sugar exports from Ukraine to the EU, the new cap from 5 June 2024 is therefore in the general region of 265,000 tonnes for the calendar year 2024; for the period from 1 January to 5 June 2025, the cap is prorated on that basis.

Free trade agreements

Some important trade agreements, such as with the Mercosur countries and with Australia, have been delayed or are currently frozen, notably because certain issues relating to environmental protection and rules of origin have not yet been settled.

Raw materials and production

The sugar beet acreage planted by the approximately 5,500 AGRANA contract farmers (prior year: approximately 5,300 farmers) in the 2023/24 sugar marketing year was about 86,000 hectares, an increase from the prior year's 72,000 hectares. Growing conditions in 2023 were characterised by a cold, wet spring and dry summer months. Sufficient rainfall in mid-August significantly improved the yield prospects. The second half of the growing season was marked by a dry September. This was followed by a period of damp and cool weather from the end of October to late November.

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 damp, cool weather in April and May 2023, the incidence of beet weevil was lower than in the previous year, but still led to problems and the turning under of some acreage in those regions which are typically more affected (Austria's northern Tulln Basin and Weinviertel areas). It is relevant in this context that in the 2023 crop year, for the first time, sugar beet seed treated with neonicotinoids could not be used in Austria, as no emergency authorisation had been issued. With the in some cases abundant precipitation in the autumn months, some of the beet harvest took place in damp conditions, which resulted in higher deductions for soil clinging to the beet compared to the previous year.

The growing conditions described were the key reason for a mean sugar content of 16.2% (prior year: 16.1%), in line with the multi-year average. Around 5.7 million tonnes of sugar beet (prior year: 4.7 million tonnes) was harvested from a total area of about 86,000 hectares, corresponding to an average yield of 67 tonnes per hectare (prior year: 66 tonnes per hectare).

AGRANA's seven beet sugar factories processed a combined daily average of slightly more than 48,200 tonnes of beet during the campaign (prior year: 47,800 tonnes). Thanks to the higher total beet quantity, the factories produced a total of 806,000 tonnes of conventional sugar (prior year: 717,000 tonnes), in a campaign averaging 119 days in length (prior year: 101 days). Additionally, at the plant in Tulln, Austria, slightly more than 4,200 tonnes of organic sugar was produced in a one-week organic campaign. As a result of the beet processing volume, the average capacity utilisation of the sugar factories was 99% (prior year: 85%).

At the plant in Tulln, a molasses desugarisation facility was operated year-round. AGRANA also operates two raw cane sugar refineries, in Bosnia and Herzegovina and in Romania; in the 2023|24 financial year, these produced a total of 286,000 tonnes of white sugar (prior year: 290,000 tonnes).

Update on betaine crystallisation and Beta Pura GmbH

The Vienna-based Beta Pura GmbH[1] resumed operations at its Tulln, Austria, site in the 2023|24 financial year after an interruption of almost one year. The re-entry into the betaine market has been successful thus far and all four market categories – human nutrition, cosmetics, plant care and animal feed – are being served again. In recent months, a global distribution network has been established, sales and marketing activities carried out and product improvements made in terms of technology and quality. This has created a good basis for solid growth.

Engagement in the upstream value chain

Supplier environmental and social assessment

The Sugar segment has selected the Farm Sustainability Assessment (FSA) for use in documenting sustainable management by its sugar beet contract growers (for details on the FSA, see from page 44). The contract beet suppliers in all five beet production countries are grouped into Farm Management Groups (FMGs).

In 2017, these groups' sustainability performance had been externally audited in accordance with FSA requirements for the first time. Re-verification audits were performed in the 2023|24 financial year to the new FSA 3.0 standard; they are valid for three years. Virtually all the farms (almost 100%) in the FMGs of AGRANA's Sugar segment achieved FSA Silver status or higher. The next re-verification audit will be conducted in the 2026|27 financial year.

Building awareness of good agricultural practice

Awareness-raising activities in the 2023|24 financial year were conducted through various events and the quarterly trade magazine "Agrosugar/Agrostarch". For example, subject-specific webinars, physical meetings on crop-growing, and field visits were held with a focus on cultivation, seeds and crop protection. A sugar beet field day was conducted in the Tulln, Austria, catchment area at the end of June 2023, focusing on crop varieties, crop protection and hoeing technology. About 600 farmers were able to learn more about current topics related to sugar beet production. Presentations on the topics of digitalisation and camera-controlled hoeing technology as well as reduction of the volume of crop protection product use with the help of band spraying technology rounded off the programme. Contracting for beet cultivation in 2024 was offered both online and in face-to-face meetings.

Biodiversity in the supply chain

In 2023, about 3,800 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, annual and perennial flowering areas were created. The flowering fields provide ideal forage for wild animals, offer honey plants for bees, and add to the aesthetic dimension of the landscape.

[1] For financial and other details on Beta Pura GmbH, also see the Notes, from page 138.

Transport

Although transport is not, relatively speaking, a major source of emissions in the carbon footprint of the Sugar segment (at 9.3% 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 is infrastructurally and economically possible. In total across all production countries in the 2023|24 processing season, about 34% of the beet was delivered to the sugar factories by rail, with the proportion highest in Austria at around 49% and Hungary at approximately 45%.

Environmental and energy aspects of AGRANA's production

Energy consumption and emissions in processing

In 2023|24 the Sugar segment processed about 20% more beet than in the prior year. The volume of raw sugar refined at the AGRANA refinery sites within the GRI reporting boundaries (see page 43) was reduced by about 1.4% to approximately 242,000 tonnes.

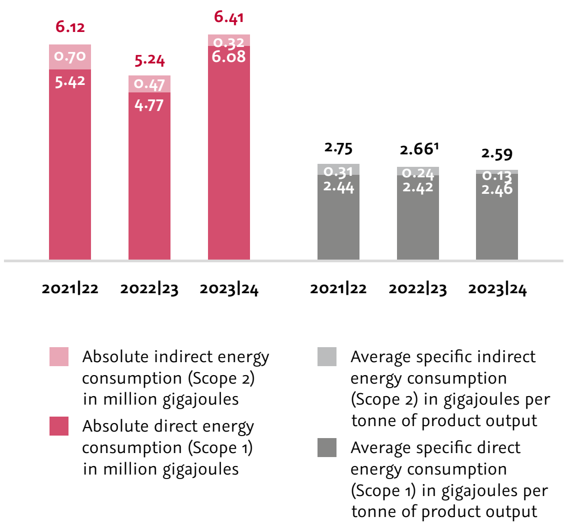
The higher beet processing volume drove an increase in absolute energy consumption (Scope 1 and 2) in the Sugar segment to about 6.41 million GJ. As a result of good factory utilisation, the Sugar segment saw a reduction of about 2.6% in specific energy consumption (Scope 1 and 2) to 2.59 GJ per tonne of product output..

Immediately after the outbreak of the war in Ukraine, to avoid a potential natural gas supply shortfall during the 2023|24 beet processing campaign, AGRANA contracted for the purchase of extra light heating oil (ELHO) for 2023; about 19,600 tonnes of ELHO was used in the 2023|24 campaign. Due to the higher beet processing volume and the substitution of ELHO for natural gas, absolute emissions (Scope 1 and 2) of the Sugar segment increased by about 17.3% year-on-year to approximately 373,000 tonnes of CO_2. Average specific emissions from direct and indirect energy consumption (Scope 1 and 2) declined by about 6.8% from the previous year to 151 kg of CO_2 per tonne of product output thanks to higher efficiency.

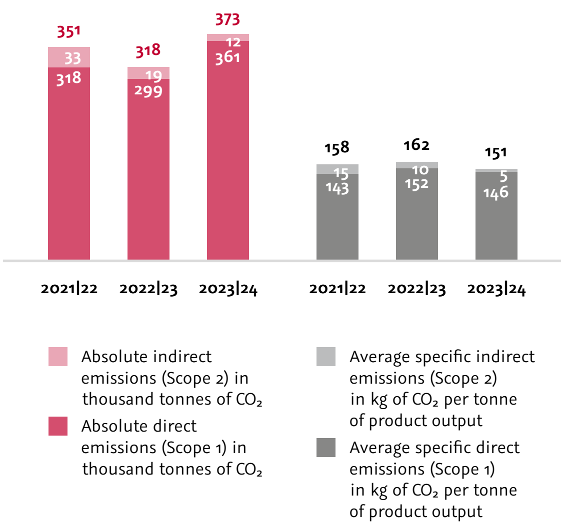
The Kaposvár sugar plant in Hungary generated about 24.1 million cubic metres of biogas from beet pulp in the 2023|24 financial year. This would have been sufficient to cover approximately 61.8% of the site's primary energy requirement for the 2023|24 beet campaign. With its complete utilisation of low-protein 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 48).

In 2023|24, about 9.8 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 1,860 single-family homes. It would be conceivable in the future for AGRANA to internally utilise all the biogas produced here.

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



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



[1] Value adjusted slightly to correct rounding differences.

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 2023|24, all Sugar segment production sites within the GRI reporting boundaries (see page 43) 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 Total in million m³	**2023|24**	**2022|23**	**2021|22**
Water withdrawal	5.2	4.7	4.8
Water discharge	7.4	6.3	7.0
Water consumption	**(2.2)**	**(1.6)**	**(2.2)**

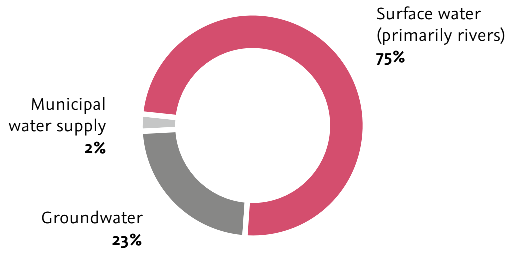
Sugar segment In m³ per tonne of core and by-products	**2023|24**	**2022|23**	**2021|22**
Water withdrawal	2.12	2.29	2.16
Water discharge	3.00	3.06	3.14
Water consumption	**(0.88)**	**(0.77)**	**(0.98)**

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.

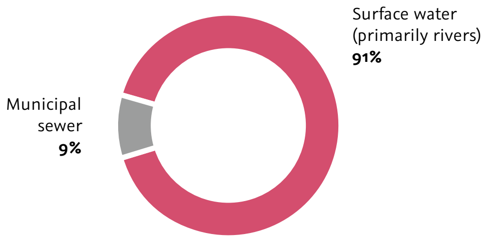
This water is used in multiple ways: for leaching the sugar from the beet cossettes, for the process steam needed in sugar extraction, and for transporting and cleaning the beets. The water is continually cleaned and returned to the process cycle. In-house or municipal wastewater treatment plants at 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 2023|24, the Sugar segment released about 2.2 million cubic metres of water previously bound in the beet, thus maintaining 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 0.88 cubic metres (or 880 litres) of water was discharged into receiving waters.

Water withdrawal at AGRANA's sugar plants in 2023|24 by source



Receiving waters for the wastewater of AGRANA's sugar plants in 2023|24



Waste from processing operations at AGRANA's sugar plants

Sugar segment	2023|24	2022|23	2021|22
Waste disposed	13,371 t	14,689 t	20,030 t
Of which hazardous waste	121 t	105 t	116 t
Waste per tonne of product	5.4 kg	7.5 kg	9.0 kg
Hazardous waste per tonne of product	49 g	53 g	52 g

In the 2023|24 financial year, the absolute volume of waste as defined by European regulation declined by about 9%. The specific total amount of waste and hazardous waste per tonne of product output also fell, by a respective 27.5% and 8.2%, as a result of higher beet processing volumes.

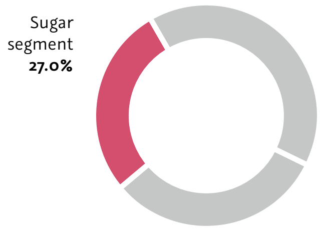
EcoVadis
In 2023|24, AUSTRIA Zucker GmbH updated its data for the sustainability rating purposes of EcoVadis, the international supplier evaluation platform. It achieved Platinum recognition.

Investment

In the Sugar segment, AGRANA invested € 34.4 million (prior year: € 34.2 million) during the 2023|24 financial year, primarily for the following projects:

- Modernisation of the distributed control system in Leopoldsdorf, Austria
- Production process optimisation through replacement of the filter presses in Sereď, Slovakia
- Optimisation of the evaporator station in Kaposvár, Hungary

Share of Group investment in 2023|24



Additionally in 2023|24, € 3.3 million (prior year: € 1.5 million) was invested in the equity-accounted joint ventures (the AGRANA-STUDEN group and Beta Pura GmbH, Vienna; values for these entities are stated at 100% of the total).

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 transcend 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		**2023|24**	**2022|23**
R&D expenditure (internal and external)	€m	26.0	23.1
R&D-to-sales ratio[1]	%	0.69	0.64
Number of employees in R&D (headcount)		333	324

Fruit Segment

Fruit preparations

With a view to the circular economy, residues from fruit processing were evaluated as valuable raw materials for new products. The utilisation of the peel and seeds of certain fruits is particularly suitable for the production of plant-based yoghurt and milk alternatives and even vegan leather imitations for the textile industry.

With the development of vegan fruit foam preparations with a high fruit content and the technological solution for a chocolate coating, a product was created for the confectionery sector for the first time. In the food service segment, under the brand name "Watson Says", AGRANA developed its own line of sauces and toppings, primarily for quick service restaurants.

To extend the shelf life of food, manufacturers often use artificial preservatives. Consumers are increasingly demanding clean label products that are free from E numbers requiring labelling. Various natural alternatives were tested that have a stabilising effect on quality and do not affect the taste or smell of the end product.

In view of the growing importance of a sugar-reduced diet, maintaining the characteristic sweet flavour of products where sweetness is expected poses a major challenge. Innovative methods in the processing of special cereal flours made it possible to develop fruit preparations without added sugar that still have a full sweetness profile.

Fruit juice concentrates

In the financial year, AUSTRIA JUICE successfully expanded its business areas of beverage bases, aromas and juice concentrate production, supported by strategic investments in infrastructure and personnel. The further development of the utilisation of FTNF ("from the named fruit") juice aromas and the in-house production of composite aromas made a significant contribution to strengthening the beverage base and 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. Work is also underway on the development of spray-dried aromas to expand the aroma portfolio for new markets.

[1] R&D expenditure as a share of Group revenue.

Starch segment

Raw materials
Extreme weather conditions caused by climate change are increasingly leading to fluctuations in raw material quality, resulting in the risk of poorer processability of starch raw materials and insufficient starch yield in production. To improve the ability to respond to fluctuating raw material quality levels, a forecasting model was developed through comprehensive raw material monitoring, allowing crop year effects and country specifics to be captured and more precise predictions to be made about achievable yields.

Food applications
Customers in the food sector increasingly expect complete solutions, as well as co-creation (a form of collaboration where they are purposefully involved in processes). In the area of food application technology, the focus was primarily on the further development of vegan, vegetarian and gluten-free food products. R&D also prioritised additional requirements such as clean label, organic and improved nutritional profiles. Accordingly, ARIC's in-house sensory panel was trained to meet these texture and flavour requirements and the sensory evaluation methods were adapted.

Vegetable proteins
Plant proteins are increasingly in focus as an alternative to animal products, driven by a growing trend towards a meat-reduced diet. This transformation is rooted in a growing awareness of health and environmental protection, animal welfare concerns and ethical considerations. AGRANA's protein sources are potatoes, corn and wheat, whose proteins are processed using special technologies so that they can be used not just for protein enrichment but as functional ingredients in foods. To do this, new analytical methods were developed to better characterise the functional properties of plant proteins, especially for vegetarian meat and dairy substitutes.

New products and technologies
In the area of starch-based foods, AGRANA successfully added newly developed modified starches to its product portfolio and explored new approaches to process optimisation in the manufacture of starch saccharification products. For maltodextrins, these are further developments in process control that improve the stability and automation of the production lines. Since the ban on ion exchangers, the production of organic glucose syrups has been a challenge, which has also affected profitability. To counteract this, the process parameters were optimised under the new conditions. This led to increased efficiency and a reduction in costs.

Non-food applications
With the further development of new, highly modified starch ethers, new product solutions for tile adhesives were brought to market. Optimisation of the manufacturing process, adjustments to the rheological profile and an increase in organic-based content led to a successful expansion of the product portfolio. The advantages of the newly developed starch ethers were demonstrated by creating a matrix of construction conditions and systematically testing the starch ethers in defined tile adhesive formulations. The findings were then presented to an expert audience in Asia.

The portfolio of AGENACOMP® products in the segment of home-compostable bioplastics was successfully expanded, including the development and industrial-scale optimisation of a starch-based shrink film material. In order to meet the requirements of the market, reductions in the CO_2 footprint that can be achieved by using starch-based bioplastics were identified. A life cycle assessment was successfully prepared in accordance with the requirements of the EU Taxonomy Regulation. In cooperation with an equipment manufacturer specialising in mechanical recycling systems, it was proved that film made with AGENACOMP® allows successful recycling without any loss of quality.

In the development of new starch products for the paper and adhesives sector, the focus was on finding alternatives to petro-based binders. Through physical or enzymatic modification, new starches were successfully launched on the market that enable customers to increase the bio-based content in their formulations. These special starches with their improved binding power were presented as a dextrin substitute in the paper coating sector in presentations with broad reach and have now been successfully positioned in the market.

Biotechnology
In bioethanol production, significant energy savings were achieved through process optimisation and strategic measures, thus reducing AGRANA's carbon footprint.

Sugar segment

Sugar beet as a raw material

Sugar beet crops are at risk from climatic changes, animal pests and leaf diseases. AGRANA works closely with farmers to meet the challenges posed by climate change and pests in order to achieve the volume targets and ensure the competitiveness of sugar beet as a planting choice for growers. Sugar beet is being positioned as an innovative field crop in order to maintain its attractiveness, with the aim of producing it in an ecologically sustainable and socially viable way.

Pests are still the chief cause of yield reductions worldwide and can sometimes cause total losses in sugar beet. Advanced mechanical methods and biological control strategies were developed to optimise measures against the beet weevil in sugar beet fields. Their purpose is the effective reduction of the pest population. At the same time, the application technology for insecticides was refined to ensure more precise and environmentally friendly distribution.

Increases in mean annual temperatures due to climate change favour the emergence of new pests that spread diseases such as low sugar content syndrome (syndrome basses richesses) and rubbery taproot disease in sugar beet. The establishment of dense, scientifically sound monitoring networks for pests and their ecosystems has led to the development of effective warning systems. These enable rapid, data-driven responses to pest threats through targeted control measures.

Leaf spot disease on sugar beet (Cercospora beticola) continues to have a high potential to cause losses. One aim in the treatment of Cercospora is to reduce the quantities of active ingredient needed to achieve effective control. With these aspects in mind, new active ingredients were tested for their suitability for combatting leaf spot disease. New sugar beet genetics with high tolerance to this disease also have promise. In particular, the potential for fungicide reduction is seen as a valuable contribution to more sustainable production.

Another mandate lies in the efforts to decarbonise and reduce climate-warming gases in order to cut Scope 3 emissions. One of these gases is nitrous oxide, which contributes disproportionately to the greenhouse effect. The research efforts are focussed on the generation of valid data in order to be able to correctly gauge the dimensions of nitrous oxide emissions and, if necessary, to adapt cultivation measures accordingly.

Technology

AGRANA's research and development activities also focus on minimising energy consumption and increasing sugar yields.

The judicious use of enzymes permits significantly more effective mechanical pressing of extracted beet pulp, which means that less natural gas is required to evaporate water in the subsequent drying process to produce beet pellets for feed.

In addition, specific optimisations are carried out at the respective sites in the area of sugar crystallisation, particularly in raw sugar and by-product processing. The aim is to obtain larger and therefore more easily separable crystals and to maximise molasses depletion efficiency, thereby increasing the sugar yield. These process steps are supported by appropriate training measures.

To drive forward digitalisation, imaging techniques and spectrometric methods are being developed and tested at industrial scale. In this way, the quality of the delivered beet or freshly cut beet cossettes can be determined more quickly and precise measures can be taken to optimise processing.

Decarbonisation and sustainability

In line with AGRANA's climate strategy, new technologies for water removal in sugar production are being tested in order to replace fossil fuel-based thermal evaporation processes with electrical methods. For their evaluation, they are upscaled from laboratory to pilot scale and a plant is operated in bypass mode in the industrial process.

Another focus is on energy generation from by-products and residual streams to replace fossil fuels. Here, AGRANA collaborates with well-known universities and experts in bioenergy and sustainable technologies in order to utilise innovations to increase the efficiency of existing plants and to develop site-specific scenarios for the provision of bioenergy.

AGRANA's people

In the 2023|24 financial year the AGRANA Group employed an average total of 9,047 people, by headcount (prior year: 8,932). Of this total, 2,558 worked in Austria (prior year: 2,486) and 6,489 were employed in other countries (prior year: 6,446). 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	
	2023|24	2022|23	2023|24	2022|23	29 Feb 2024	28 Feb 2023
Fruit	5,814	5,796	5,721	5,677	6,135	5,421
Starch	1,201	1,183	1,169	1,147	1,202	1,182
Sugar	2,032	1,953	1,986	1,906	1,921	1,845
Group	**9,047**	**8,932**	**8,876**	**8,730**	**9,258**	**8,448**

In 2023|24 the AGRANA Group employed an average of 8,876 full-time equivalents (prior year: 8,730). In the Fruit segment, the number of employees rose as a result of new strategic objectives, a longer season and the addition of temporary agency staff. The personnel increase in the Starch segment reflected a business-driven rise in full-time equivalents especially for the implementation of strategic initiatives and projects; the intensification of recruitment activities in the year under review also showed results. In the Sugar segment, a higher production volume, a longer campaign and the filling of vacant positions led to the increase in staff numbers.

The average age of permanent employees[2] on 29 February 2024 was 43 years (for details on the age structure, see the GRI content index, from page 215). Of the permanent employees, 30.7% (prior year: 30.3%) were women, and 63.0% of salaried staff had an academic degree (prior year: 64.9%). The turnover rate[3] for permanent staff in 2023|24 was 14.3% (prior year: 16.1%). This represented 1,009 departures. The proportion of employees with a part-time contract[4] was 3.9%, representing 363 individuals by headcount at the balance sheet date (prior year: 4.2%). The share of temporary agency staff[5] was 5.4%, or 485 individuals, on average over the year by headcount (prior year: 5.1%).

Human resources management

AGRANA's personnel strategy focuses on the creation of an entrepreneurial environment that enables 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 and makes AGRANA an attractive employer for existing and potential new staff. Values-based leadership and collaboration are the cornerstone of AGRANA's attractiveness in the labour market and underpin the satisfaction of employees.

AGRANA employees within the GRI reporting boundaries[6]
at the balance sheet date of 29 February 2024[7]

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	Total	Female
Fruit	1,903	71.0 %	2,586	23.2 %	1,646	49.3 %	4,232	33.3 %	295	29.8 %	11	18.2 %
Starch	45	24.4 %	727	12.2 %	430	47.2 %	1,157	25.2 %	67	23.9 %	2	50.0 %
Sugar[11]	199	22.1 %	972	16.4 %	750	43.2 %	1,722	28.0 %	151	30.5 %	12	25.0 %
Group	**2,147**	**65.5 %**	**4,285**	**19.8 %**	**2,826**	**47.4 %**	**7,111**	**30.7 %**	**513**	**29.2 %**	**25**	**24.0 %**

[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 29 February 2024, by headcount.
[5] Proportion of the average total workforce for the financial year, by headcount.
[6] See GRI reporting boundaries, page 43.
[7] For prior-year values, see GRI content index in this 2023|24 annual report, page 215.
[8] Almost all non-permanent positions represent seasonal local workers in the processing campaigns.
[9] Management positions at reporting levels 1, 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 as part of the Sugar segment.

Diversity, equity and inclusion

An initiative to ensure diversity, equity and inclusion in the company has existed in the fruit preparations business since 2019. The reason for the initiative is not only to enhance the general work atmosphere, but also the knowledge that more diversity helps AGRANA to be more innovative, recognise risks to the company at an early stage and improve the quality of decision-making. As a result of regulatory requirements, the topic is also gaining in importance for customers, who wish to know how AGRANA approaches diversity, equity and inclusion.

A shared DEI strategy has been in place at Group level since the beginning of 2023 and all segments and major business areas have been invited to implement measures in this area. As part of this strategy, a comprehensive DEI status survey was conducted using the German "Women's Career Index", assisted by a consultancy, and work was carried out to expand the network of local ambassadors for greater diversity, equity and inclusion from the already existing network in the fruit preparations business to the entire Group. In the Sugar segment, AGRANA has established a collaboration with the Roma community in Hungary. In November 2023, the first Group-wide meeting of DEI ambassadors was held, to share experience and best practices and work together on strategic DEI topics in workshops.

On 3 December 2023, the International Day of Persons with Disabilities, AGRANA demonstrated its support by participating in the international "Purple Light Up" initiative. The initiative is a global movement that aims to raise awareness of people with disabilities and promote their inclusion in various areas of life, especially in the workplace. In this context, AGRANA views the employment of people with disabilities not only as a social responsibility, but also as a strategic opportunity. This conviction is reflected in various areas of activity of the company, from human resources policy measures to the development of new customer groups.

Part of what makes AGRANA an attractive employer is that it pays particular attention 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 2023|24, the functionalities of the global human resources management system were further expanded and stabilised and new modules were successfully implemented. Through the HR management system, the efficiency of personnel processes is professionalised, quality assurance is supported, transparency created and data security increased. 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 an important element of AGRANA's personnel strategy and a major factor in the Group's success. A project to evaluate a potential gender pay gap is aimed at ensuring fair pay for female employees going forward. AGRANA's compensation policy is geared to the respective roles and market conditions and is intended to position AGRANA as an attractive employer.

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 2023|24 financial year, 10.4% of all employees (prior year: 10.7%) were covered by this incentive-enhanced compensation system.

Employer attractiveness and AGRANA's employer brand

In a Group-wide employer branding initiative, an employer brand tagline was developed to position AGRANA as a Group. In all business areas, proximity to new talent was sought and intensified through trade fairs, participation in university and school events, and open houses. Our presence on social media was further expanded in the past financial year, such as through video-based campaigns with content specific to target groups. In the Starch segment, new social media channels were used to reach the young generation of new employees.

Employee referral programmes in the Sugar and Starch segments for recruiting from employees' networks have shown success, especially for campaign workers. To further promote AGRANA's internal employer brand, the business segments organised numerous events and launched various initiatives. In addition, sports events, family days and a particularly appealing design of the common areas for factory floor workers were realised at some locations.

Staff development and training

At AGRANA, employees and their skills and abilities are a central focus. The Group sees it as highly important to recognise and promote the potential of its employees and invest in talent management. Regular discussions between staff and managers on the setting and achievement of objectives form the basis for this and enable needs-based professional training. Through targeted programmes, AGRANA promotes the continual expansion and transfer of its employees' knowledge and abilities. AGRANA's efforts in staff development not only strengthen the Group's competitiveness but also help raise employee motivation and engagement.

Leaders are a crucial factor in all 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.

AGRANA's businesses thus focussed all the more on leadership development initiatives in the financial year under review.

With the help of a steadily growing range of "online, on-demand" teaching and learning content, AGRANA offers employees training programmes in innovative digital formats that are independent of time, language and location. Internal experts can also use a digital learning platform to create target group-specific learning paths and provide further training on topics relevant for AGRANA. In the financial year, about 1,090 learners studied using this approach to staff development.

However, training at AGRANA is not being done only online, but also increasingly in person again. By bringing employees from all business segments together in training sessions, we increase personal dialogue on different approaches and perspectives. Of particular note here are multi-day training courses on strategic knowledge management, on project management, and on financial expertise for employees outside of finance departments. In addition, training on unconscious bias was offered to an initial group of managers to counter cognitive distortions.

In 2023|24 the Group trained an average of 103 apprentices, of whom 23 individuals, or 22.3%, were female. An average of 75 apprentices were employed in Austria, of whom eleven, or 14.7%, were female. A combined average of 28 apprentices were employed in Germany, France, Algeria, Brazil, the Czech Republic and Slovakia; 12 of these apprentices, or 42.9%, 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 such as 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 sites took part in specific events to present apprenticeship vocations and other occupations, both digitally and increasingly in person, and certain plants were toured by visitors 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 employees[1]
in the 2023|24 and 2022|23 financial years

	2023|24				2022|23			
	Average training hours per employee			Proportion of employees who received training	Average training hours per employee			Proportion of employees who received training
Segment	Total	Male	Female		Total	Male	Female	
Fruit	20.5	20.5	20.4	94.2 %	19.5	19.5	19.6	94.0 %
Blue-collar	16.7	17.5	13.9	93.5 %	16.4	17.5	12.9	92.2 %
White-collar	26.5	27.6	25.2	95.3 %	24.4	24.2	24.6	96.9 %
Starch	14.9	13.3	19.5	100.0 %	12.7	13.6	10.1	80.2 %
Blue-collar	15.4	14.0	25.2	100.0 %	13.6	14.1	10.2	69.2 %
White-collar	14.1	11.5	17.0	100.0 %	11.1	12.1	10.0	100.0 %
Sugar[2]	26.0	26.6	24.4	99.2 %	19.1	19.5	17.8	98.2 %
Blue-collar	24.5	25.2	20.9	99.4 %	19.7	20.5	15.8	98.0 %
White-collar	28.0	29.2	26.3	99.0 %	18.1	17.6	18.9	98.4 %
Group	**20.9**	**20.8**	**21.2**	**96.4 %**	**18.3**	**18.4**	**17.9**	**92.8 %**
Blue-collar	18.3	18.7	16.5	96.0 %	16.7	17.6	13.1	89.6 %
White-collar	25.0	25.7	24.2	97.0 %	20.8	20.5	21.0	97.8 %

The mandatory portion of training hours in 2023|24 (including occupational health and safety, first aid, compliance training, etc.) amounted to 53.1%. The Group's expenditure for external training and development in the 2023|24 financial year was about € 3.5 million (prior year: € 2.1 million), equivalent to 1.1% (prior year: 0.7%) 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 and of near misses.

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, the company suggestion system, or as part of 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 as part of the Sugar segment.

Workplace safety data for the AGRANA Group[1]
for the 2023|24, 2022|23 and 2021|22 financial years

	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		
Segment	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**	**Total**	**Male**	**Female**
2023|24									
Fruit	1.1	1.3	0.7	0.1	0.1	0.0	0.0	0.0	0.0
Starch	2.2	2.4	1.7	0.0	0.0	0.0	0.0	0.0	0.0
Sugar	1.5	1.8	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Group	**1.3**	**1.6**	**0.8**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
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**

No fatal work accident occurred in the 2023|24 financial year (prior year: no fatalities). In 2023|24 there were 119 work accidents at the AGRANA Group (prior year: 154)[1]. In addition, there were seven accidents of contractors[8] (prior year: seven accidents); for organisational reasons, these are not included in the workplace safety data.

Type and number of workplace accidents in 2023|24
Bruises, crushing injuries, lacerations (37), slips, trips and falls resulting in injuries (33), cuts and punctures (14), burns and scalds (14), injuries from incorrect lifting, carrying and storage (13), business travel accidents (0), eye injuries (5), others (3).

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 supraregional 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 accidents[5] ÷ total paid hours worked[6]) x 200,000[7]
[3] Rate of high-consequence work-related injuries ("serious injury rate") = (total number of serious injuries[4] ÷ total paid hours worked[6]) x 200,000[7]
[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 oft 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.
[8] Contractors are all persons who have an accident at an AGRANA site and are not an AGRANA employee.

Workplace safety targets for the AGRANA Group[1]
in the 2023|24 financial year and subsequent years

Segment	Target for 2026|27	Target status in 2023|24
Fruit Fruit preparations business	Injury rate[2]: 0.65 The “Safety First” programme of this business is an active part of AGRANA’s global initiative Regular training on safety culture for the management team, department heads and team leaders Development and introduction of routine procedures such as safety tours, safety observations and safety talks at various hierarchy levels, and of associated KPIs Continuation of the collection and reporting of the quantitative and qualitative information from the components of the safety pyramid; systematic analysis of work accidents and high-potential incidents, and communication of findings and experience	Injury rate[2]: 0.9 Continuation of the “Safety First” programme with systematic analysis of all work accidents, cross-site alert-flag system and follow-up measures to ensure that similar accidents – with a focus on cuts, scalds and internal traffic routes – do not recur Introduction of the “safety quarter-hour”, a meeting format which focuses on a specific safety topic in each session to raise awareness and promote an open safety culture Organisation of an International Safety Day at several locations worldwide Safety impetus session for the administrative areas at the segment’s headquarters
Fruit juice concentrate business	Injury rate[2]: 1.4 Ongoing training in and raising awareness of occupational safety Safety campaigns focusing on specific topics Safety walk protocol templates for all countries with predefined, mandatory targets and/or focus topics Continuous optimisation of the documentation of work accidents and near misses, as well as regular compilation, evaluation and communication of statistics	Injury rate[2]: 2.2 Introduction of an OHS organisational unit as a central point of contact with a focus on collaboration between the segments Implementation of an accident reporting system in English to enable the worldwide exchange of information Annual central meeting of all safety officers and plant managers as part of the production and quality meeting
Starch	Injury rate[2]: 1.4 Strategic development of clearly defined measures and an internal communication strategy for improving workplace safety Internal safety training programme particularly for supervisors and team leaders, and regular personal safety training for all employees	Injury rate[2]: 2.2 Regular personal safety training for all employees by the respective department heads, with a focus on department-specific hazards Ongoing optimisation of the SharePoint page on worker safety, and digitalisation of the reporting system, including a workflow-based reporting process

[1] Employees within the GRI reporting boundaries.
[2] See definition on page 101.

Starch	Defined targets in place for health and safety KPIs in every operational department Structured OHS management system including all necessary processes from reporting to the implementation of measures	Defined targets in place for near misses and unsafe actions in every operational department Regular safety walks by the management team
Sugar	Injury rate[1]: 1.4 Safety training for all employees in order to achieve a culture change in the area of occupational safety Introduction of a Safety Day for safety experts from all plants in the segment Strategic development of standards for checklists and safety walks in all national languages, with clearly defined measures to improve occupational safety Implementation of an accident reporting system in English to enable the worldwide exchange of information	Injury rate[1]: 1.5 "Safety first" as an agenda item in the best-practice meetings of the Sugar segment's department heads Strategic development of clearly defined standards for all relevant areas of occupational safety Regular cross-site safety audits

A key occupational safety objective is the gradual reduction of work accidents, with defined target values per segment or business by the end of the 2026|27 financial year. A Group-wide Occupational Health & Safety (OHS) Policy defines the values, strategy, rules of behaviour, objectives and targets that represent the minimum standard for AGRANA's production sites.

As part of the new, semiannual "OHS Day", Group-wide strategies and measures are developed, verified and followed up with all decision-makers in the segments and businesses in order to sustainably raise workplace safety standards.

Group-wide best practice sharing and safety audits guarantee the continuous improvement of processes and generate synergies in the Group. At many sites, safety-related improvements are also prompted by the company suggestion scheme, i.e., coming directly from the shop floor.

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, antibody 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.

Alongside a 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, first aid, 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 fresh fruit available free of charge.

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 thus joined the Austrian "Business for Family" network as long ago as spring 2016.

Across the Group, this is reflected in many 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 (also see the corporate governance report, from page 25).

[1] See definition on page 101.

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. In addition, the results of the Monte Carlo simulation serve as a basis for a liquidity-based analysis of risk-bearing capacity. 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 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 2023|24 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 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. On the purchasing side, annual contracts are concluded were 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.

In the **Starch segment**, corn (maize) 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 largely 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 geographically broad-based procurement in national and international markets, the raw material supply can largely 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 the profitability for farmers of growing beet rather than 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 2024, the Austrian Federal Agency for Food Safety issued an emergency authorisation for the insecticidal seed treatment "Buteo start" (active ingredient: flupyradifurone) for use on the seed pellet. It protects the beet plants against beet flea beetle infestation at the early stages of their development. The treatment also provides partial efficacy against beet weevil.

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 outbreak of war. 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 had decreased in the 2022|23 financial year to around 50% of the pre-war level. The decline was due mainly to the loss of export markets and lower domestic consumption. In 2023|24, business grew to approximately 70% of the pre-crisis level – mainly due to the resumption of the food service business, but also thanks to increased demand from Ukrainian dairy manufacturers. After a very good harvest in 2022, slightly less fresh fruit was processed in 2023 than before the war; this was due less to the war than to general fluctuations in the market. Business at the farm in Luka continued on a similar scale as before the outbreak of the war. The risk of customer defaults remains elevated and is reflected in corresponding provisions. Defaults thus far have only been minor.

The production of fruit juice concentrates in Ukraine was good despite difficult conditions and both the previous year's production volumes and the planned volumes were exceeded. The entire production from the 2023|24 harvest was sold internally to AUSTRIA JUICE GmbH, Kröllendorf/Allhartsberg, Austria, and subsequently marketed and delivered from Austria.

In Russia, the Ukraine war is causing significant shifts in the market environment. While global brands are experiencing a decline in sales and many Western companies have left 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 to the consolidated financial statements, from page 148).

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. The 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 supraregional 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 2023–2035, the European Commission published the macroeconomic assumptions for the sugar beet market in the EU. Climate change, consumer demand and the evolving structure of the agricultural sector were cited as the most important factors. But geopolitical instability and inflation also will have an impact on agricultural markets and the profitability of the food industry.

In a trend that was on display in 2023, the frequency and severity of very warm weather periods, heavy precipitation and droughts will increase as a result of climate change. After a wet spring, followed by heat waves and intense rainfall, the incidence of pests and diseases increased, which reduced sugar beet yields in some parts of the EU. In addition, heavy rain, snowfall and frost also affected the beet harvest in some regions of Central Europe. This led to delays and quality losses in the beet, which also had a direct negative impact on yields and production efficiency.

It is expected that sugar beet yields in the EU will slowly decline due to the more frequent adverse weather events and the limited plant protection products available for use. Reduced beet acreages and yields per hectare would limit sugar production.

The rise in inflation led to a decline in purchasing power and sugar consumption, particularly for premium products. The inflation effect is also more pronounced in countries with a lower GDP per capita and thus lower income per household. In view of the expected decline in the EU's population and the continuing trend of declining per capita sugar consumption, the downward trajectory in sugar consumption in the EU is projected to continue to 2035.

Since Russia's invasion, Ukraine's agricultural production has benefited from duty-free access to the EU for a period that was initially set to end 5 June 2024. As a result, imports of white sugar from Ukraine in 2023 represented a twenty-fold increase compared to the pre-war import quota, from 20,070 tonnes annually to over 400,000 tonnes per year. To address this, a special EU regime in the form of an import restriction for sensitive products, including sugar, will take effect for the period from 6 June 2024 to 5 June 2025 (also see the Sugar segment report, page 89).

In view of the above trends and forecasts, AGRANA endeavours to continuously adapt to market developments and to take a leading position in terms of relative competitiveness. Medium-term strategies in connection with the strategic goals are aimed at strengthening the market position and striving for operational excellence.

AGRANA is pursuing extensive measures to boost 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 geopolitical situation (for the war in Ukraine, see page 106) 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 an appealing 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 the changing nature of workplaces and the resulting impacts on collaboration, are currently the most immediate risks for AGRANA and will remain significant factors in the coming years. Especially in the technical and scientific occupations and the IT sector, there is a visible change in the labour market towards a "workers' market". An initiative to review and optimise the compensation system is to bring improvements 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 form the framework for close support provided to 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.

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 88 of this report, in the section "Sugar segment".

The Common Agricultural Policy for the period 2023–2027 took effect on 1 January 2023 and includes an ambitious "green architecture" for EU agriculture, a short supply chain from field to fork, and the introduction of new and strict rules for environmental protection and the reduction of the carbon footprint.

Political support for EU agriculture is still high, but inflation could undermine the efficiency of this spending and make additional support necessary. Sustainable farming and processing, so widely in demand by the food industry and end consumers, are associated with much higher costs than originally planned and harbour the risk of losing competitiveness in global markets.

The EU is facing an election year in 2024, which could usher in a decisive change in the political agenda of the European Parliament and the Council. Political changes could lead to a shift in priorities for the Green Deal, for example.

Free trade agreements
Fearing competitive disadvantages for European companies, the EU's previously 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, analysing and evaluating the individual results as they become known.

The EU and the Mercosur countries (Argentina, Brazil, Paraguay and Uruguay) in June 2019 reached basic political agreement on a comprehensive trade agreement. However, further discussions are currently underway to strengthen sustainability aspects. Once agreement is reached, the proposed wording will be submitted to the Council of the European Union and the European Parliament for approval. That approval forms the basis for the subsequent process of ratification and endorsement by the national parliaments.

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 climatic 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.

At the beginning of February 2024, the European Commission recommended accelerating the emission reduction targets due to the high costs of slow action and proposed a reduction in GHG emissions of at least 90% by 2040 compared to 1990. After the European elections in June 2024, it will be up to the next Commission to present a legislative proposal for setting the climate target for 2040.

Apart from the direct climate ambitions, under the Green Deal all areas of legislation will be reviewed for their consistency with the goal of climate neutrality. The revisions to the Industrial Emissions Directive and the Emissions Trading Directive are directly relevant to the AGRANA Group's energy-intensive sites. The Carbon Border Adjustment Mechanism, which was published in May 2023 and came into force in October 2023, is indirectly also relevant in this context. Under the Carbon Border Adjustment Mechanism, a levy will be payable from 2026 on certain goods entering the EU whose production outside the EU emits greenhouse gases, such as iron, steel, aluminium, cement, electricity, fertilisers and hydrogen. In a transitional phase that started in 2023, importers must report the emission load of the goods, but without yet having to purchase the corresponding allowances. The inclusion of fertilisers in this list could have negative impacts on fertiliser availability and pricing in Europe and thus on the availability and prices of the raw materials required by AGRANA.

In addition, many European countries are introducing carbon pricing systems. Since October 2022, companies in Austria that produce or import fuels must pay a net amount of € 30 per tonne of CO_2. This cost is to increase to € 55 per tonne by 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 Austria's National Emissions Allowance Trading Act 2022.

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 without deforestation (i.e., on land that has not been deforested after 31 December 2020) and legally (i.e., in accordance with all applicable legislation 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 48).

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 a 50% reduction in the use of crop protection products by 2030. Furthermore, the use in sensitive areas (Natura 2000 protected areas) is to be prohibited altogether. The proposal was vigorously debated and met with resistance in the majority of member states. This led to the withdrawal of the Sustainable Use Regulation (SUR) presented by the European Commission. 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 others[1], 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 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 limited. Due to the complete ban on neonicotinoids in beet cultivation since 2023, other, less effective active ingredients must 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.

In 2023, the first crop year without the use of neonicotinoids, about 6,000 hectares of beet fields were lost to beet weevil infestation. The losses were partially compensated for by replanting beet on approximately 4,000 hectares. AGRANA is pleased to have started the 2024 crop year with above-average contracted acreage.

Besides ensuring sound 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 in force nationally since 2023 – is a further upcoming focus of work for the European Commission as well, under the Corporate Sustainability Due Diligence Directive. For this, several cross-segment projects are already underway at AGRANA, which are managed by the Compliance department to ensure adherence to social standards in the supply chain 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 ecosystems and biodiversity. In summer 2020, the European Union adopted the EU Taxonomy, a classifycation 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. In June 2023, the delegated acts for the other four environmental targets were published, in which some industries, such as the food sector, remained exempt, contrary to initial drafts. This means that only a very small portion of AGRANA's business activities and products is now covered by the EU Taxonomy (see "Non-financial information statement", on page 55). As it was previously believed that an increasing proportion of "green" revenue, investment or operating expenses could bring advantages in terms of financing and state subsidies, it remains to be seen how the exemption of some industries from the financial and capital market control mechanism for greening the economy will evolve.

As many regulatory provisions under 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.

[1] UK Centre for Ecology & Hydrology.

EU Renewable Energy Directive
On 31 October 2023, the amendment to the Renewable Energy Directive (now RED III) was published in the Official Journal. In it the EU specifies how renewable energy is to be further expanded.

RED III plays a key role in realising the goals of the Green Deal – climate neutrality by 2050 and a reduction in net greenhouse gas emissions by 2030. RED III not only raises the EU targets for the renewable energy share. It also aims to shorten approval procedures for the expansion of renewable power generating plants, grids and energy storage systems. This also means that some of the temporary acceleration requirements for approval procedures adopted at the end of 2022 under the EU Emergency Regulation will be permanently transposed into European law.

RED III entered into force on 20 November 2023. By 21 May 2025, the member states must implement most of the requirements of the directive nationally in the areas of transport, industry, buildings, and heating and cooling.

In 2023, E10 was gradually introduced in Austria in order to make a key contribution to the greenhouse gas reduction target.

The EU decision of 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. Not only is bioethanol just one of several products made under the circular economy concept of the biorefinery in Pischelsdorf, Austria, but 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 anti-trust, 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.

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 to the consolidated financial statements (the Notes).

Currency risks

Currency risks arise mainly from the purchase of goods and sale of products in foreign currencies and from financing in non-local currencies. The main foreign currency items are listed in a table in the Notes (from page 193).

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 positioning, its 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 178).

Climate change and other ESG risks

In the 2023|24 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). Another focus of work was the preparation for the future reporting obligations that will be introduced by the Corporate Sustainability Reporting Directive (CSRD) in the 2024|25 financial year.

While the legal and GRI requirements focus on the non-financial risks and actual impacts triggered *by* companies, the EU Taxonomy and (from the next financial year) the CSRD require increased reporting of the risks that climate change poses *to* companies, analogous to the recommendations of the TCFD.

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 105). 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", on page 115).

In the 2023|24 financial year, the climate change scenario analysis carried out in 2022|23 for 53 production sites in accordance with the requirements of the EU Taxonomy (see 2022|23 Annual Report, from page 11) was verified in detail through a re-analysis.

The acute climate hazards that were classified as relevant for the AGRANA Group are 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. 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. Based on the results, three threats in particular – water stress[1] and/or drought and/or heat waves – pose potentially relevant risks for some sites. The findings of the detailed re-analysis in 2023|24 showed that the majority of locations are in the medium risk range, with drought and/or heat waves and water stress being the most common sources of risk. After the detailed re-analysis, only one site with a high risk rating remained; the re-analysis was not carried out at the three Ukrainian sites affected by the war in 2023|24. Adaptation measures are now being planned on this basis.

To supplement the climate change scenario analysis for the AGRANA Group's production sites, an analysis of climate risks along the agricultural value chains was initiated in the 2023|24 financial year.

To this end, a specific risk model was developed for the Group with which climate risks can be systematically determined and, in the next step, quantified. The first step was to determine the physical climate risk for sugar beet using selected indicators and to analyse initial possible effects on yields. Potential resilience measures were also developed.

The scenarios SSP1-2.6 and SSP5-8.5 recommended by the IPCC were used. The analysis considered the current conditions and an optimistic and a pessimistic scenario up to 2029, 2040 and 2060. The analysis was still in progress at the 2023|24 year-end and is guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in the relevant respects. The next steps will be identified on this basis.

[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 at-risk sites for water stress (see GRI content index, from page 215) according to two assessment tools, the Aqueduct Water Risk Atlas and the WWF Water Risk Filter, which are publicly available free of charge.

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. Through the 2015 Paris Climate Agreement and the European Green Deal that is based on it, political directives in the fight against climate change will 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 various 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 AGRANA’s climate strategy), are described in more detail in the section “Non-financial information statement”, from page 48. AGRANA, both for the risks affecting it and those triggered by it, 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.

Aggregate risk

The Group's aggregate risk exposure continues to be characterised by high volatility in its purchasing and sales markets and by cyclical weaknesses in demand. Furthermore, the geopolitical situation and possible escalations could have a negative impact on Europe in particular.

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.

The influx of agricultural products from Ukraine, especially sugar and grain, exceeds the authorised quantities intended as support for Ukraine. This impacts the markets by driving down prices, particularly in the countries neighbouring Ukraine.

Due to the volatile environment, the Group's overall risk exposure is above the average of the previous years. 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 policies 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 ERP[1] 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 104) 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. The risk analysis is based on widely recognised indices that rate the country-specific and Group-specific compliance risks. In addition, concrete measures are taken to minimise risks. The risk analysis is coordinated between the Group risk management function and the Compliance Office. The compliance management system of AGRANA Beteiligungs-AG has been certified in accordance with ISO 37301 and ISO 37001 since 2022.

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 control[1]

The share capital of AGRANA Beteiligungs-AG at the balance sheet date of 29 February 2024 was € 113.5 million (28 February 2023: € 113.5 million), divided into 62,488,976 voting ordinary no-par value bearer shares (28 February 2023: 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, as of the balance sheet date, Stephan Büttner had been nominated by ZBG and appointed as a member of the management board of Südzucker AG, and Thomas Kölbl had 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 (loans with some bond-like characteristics) 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.

[1] Disclosures under section 243a (1) Austrian Commercial Code.

Outlook

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

The war in Ukraine, which has been underway since the beginning of the 2022|23 financial year, broadly led to an increase in the already high volatility in sales markets and fueled price hikes in procurement markets, notably for raw materials and energy. In addition, the fact that agricultural imports from Ukraine are granted preferential access could cause further market disruption in the EU. For the 2024|25 financial year, despite the current reduction in volatility, it is difficult to assess the economic and financial impact, the security of supply and the duration of this temporary exceptional situation.

AGRANA Group		2023|24 Actual	2024|25 Forecast	
Revenue	€m	3,786.9	Slight reduction	↘
EBIT	€m	151.0	Significant reduction	↓↓
Investment[1]	€m	127.3	120	

At **Group level** for the full 2024|25 financial year, AGRANA expects a significant decrease in operating profit (EBIT). Group revenue is projected to show a slight reduction.

Total investment across the three business segments in the 2024|25 financial year, at approximately € 120 million, is expected to be moderately below the 2023|24 value and thus only in line with the budgeted depreciation of about € 120 million. Around 12% of this capital expenditure will be for emission reduction measures in the Group's own production operations as part of the AGRANA climate strategy.

Fruit segment		2023|24 Actual	2024|25 Forecast	
Revenue	€m	1,566.9	Steady	→
EBIT	€m	60.2	Significant increase	↑↑
Investment[1]	€m	50.8	56	

For the 2024|25 financial year in the **Fruit segment**, AGRANA is forecasting a significant improvement in EBIT on steady revenue. The fruit preparations business expects a moderate, price-related decline in revenue with stable volumes. Its EBIT should improve significantly in 2024|25 due to the base effect of the 2023|24 asset impairment in Asia, among other reasons. In the fruit juice concentrate activities, revenue for the new financial year is predicted to rise from one year earlier. In view of the sales contracts closed to date for product from the 2023 crop, the earnings situation in the concentrate business in 2024|25 is expected to remain good.

Investment in the Fruit segment this year is budgeted at approximately € 56 million, which is about 25% above 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		2023|24 Actual	2024|25 Forecast	
Revenue	€m	1,148.7	Slight reduction	↘
EBIT	€m	50.4	Significant reduction	↓↓
Investment[1]	€m	42.1	34	

For the **Starch segment**, a slight decrease in revenue is forecast for the 2024|25 financial year, driven by a continuing decline in selling prices. It is anticipated that purchase prices and production costs will not fall to the same extent as sales prices. Although projects have been initiated to further increase efficiency and reduce costs through process optimisation, EBIT is therefore expected to be significantly lower than in the year before.

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

The budgeted investment volume in the Starch segment for this year is about € 34 million and will thus be approximately 30% below the level of depreciation. Most of the capital expenditures will go to product optimisation and plant modernisation projects.

Sugar segment		**2023|24 Actual**	**2024|25 Forecast**	
Revenue	€m	1,071.3	Moderate reduction	↓
EBIT	€m	40.4	Very significant reduction	↓↓↓
Investment[1]	€m	34.4	30	

In the **Sugar segment**, AGRANA is projecting a price-driven, moderate revenue reduction in 2024|25. While higher sales volumes are budgeted in both the industrial and reseller sectors, a challenging market environment with enormous competition from Ukraine in the EU deficit countries, among other factors, is putting growing pressure on prices. Despite lower energy expenses, EBIT is therefore expected to decrease very significantly year-on-year.

The capital expenditures of about € 30 million planned in the Sugar segment for 2024|25 are expected to slightly exceed depreciation. Besides asset replacement and maintenance investment, the spending is being directed especially to energy savings, productivity gains and yield improvement.

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 2024|25

With AGRANA's science-based climate targets having been validated by the Science Based Targets initiative (SBTi) in September 2023, activity in the 2024|25 financial year will focus on the specific implementation planning of emission reduction projects in two areas: the Group's own production operations (Scope 1 and 2) and – once the revised Greenhouse Gas Protocol and the Land Sector and Removals Guidance relevant to the agricultural sector are published – the upstream supply chain (Scope 3). The basis for the development of reduction measures in the area of agricultural products will be the gradual introduction of primary data collection for the calculation of emission factors at suppliers.

In 2024|25, AGRANA will also prepare intensively for the growing reporting requirements resulting from the introducetion of the Corporate Sustainability Reporting Directive for the 2024|25 financial year and other legal requirements arising in connection with the European Green Deal.

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

Consolidated financial statements 2023|24

Consolidated income statement

for the year ended 29 February 2024

Note	€000	2023|24	2022|23
(1)	Revenue	3,786,876	3,637,442
(2)	Changes in inventories of finished and unfinished goods	77,367	236,416
(2)	Own work capitalised	5,776	2,348
(3)	Other operating income	44,632	51,948
(4)	Cost of materials	(2,804,836)	(2,873,077)
(5)	Staff cost	(417,404)	(377,523)
(6)	Depreciation, amortisation and impairment losses	(136,268)	(209,795)
(7)	Other operating expenses	(406,524)	(398,156)
(8)	Share of results of equity-accounted joint ventures	1,392	18,657
	Operating profit [EBIT]	**151,011**	**88,260**
(9)	Finance income	53,702	49,385
(10)	Finance expense	(107,011)	(75,927)
	Net financial items	**(53,309)**	**(26,542)**
	Profit before tax	**97,702**	**61,718**
(11)	Income tax expense	(28,349)	(37,035)
	Profit for the period	**69,353**	**24,683**
	Attributable to shareholders of the parent	64,925	15,816
	Attributable to non-controlling interests	4,428	8,867
(12)	Earnings per share under IFRS (basic and diluted)	€ 1.04	€ 0.25

Consolidated statement of comprehensive income

for the year ended 29 February 2024

€000	2023|24	2022|23
Profit for the period	**69,353**	**24,683**
Other comprehensive (expense)/income:		
Currency translation differences and hyperinflation adjustments	(16,300)	20,482
Changes in fair value of hedging instruments (cash flow hedges)	(13,726)	(15,389)
- Changes through other comprehensive income	(18,446)	(18,654)
- Deferred taxes	4,720	3,265
Effects from equity-accounted joint ventures	1,463	(8,951)
(Expense) to be recognised in the income statement in the future	(28,563)	(3,858)
Change in actuarial gains and losses on defined benefit pension obligations and similar liabilities	(3,528)	2,432
- Changes through other comprehensive income	(4,252)	2,742
- Deferred taxes	724	(310)
Changes in fair value of equity instruments	316	(183)
- Changes through other comprehensive income	411	(238)
- Deferred taxes	(95)	55
Effects from equity-accounted joint ventures	11	10
(Expense)/income that will not be recognised in the income statement in the future	(3,201)	2,259
Other comprehensive (expense)	**(31,764)**	**(1,599)**
Total comprehensive income for the period	**37,589**	**23,084**
Attributable to shareholders of the parent	27,190	15,882
Attributable to non-controlling interests	10,399	7,202

Consolidated cash flow statement

for the year ended 29 February 2024

Note	€000	2023|24	2022|23
	Profit for the period	69,353	24,683
	Depreciation, amortisation and impairment of non-current assets	136,315	210,014
	Reversal of impairment losses on non-current assets	(47)	(211)
	(Gains) on disposal of non-current assets	(2,162)	(743)
	Changes in non-current provisions	(2,004)	(3,982)
	Share of results of equity-accounted joint ventures	(1,392)	(18,657)
	Dividends received from equity-accounted joint ventures	2,500	11,500
	Loss on net monetary position under IAS 29	1,953	1,913
	Dividends received from non-consolidated subsidiaries	35	0
	Non-cash expenses/income and other adjustments	111,784	57,826
	Operating cash flow before changes in working capital	**316,335**	**282,343**
	Changes in inventories	(13,535)	(344,709)
	Changes in receivables and other assets	(13,220)	(112,611)
	Changes in current provisions	4,156	(57)
	Changes in payables (excluding borrowings)	(23,489)	198,152
	Changes in working capital	**(46,088)**	**(259,225)**
	Interest received	2,685	1,145
	Interest paid	(12,910)	(11,222)
	Tax paid	(19,806)	(11,151)
(13)	**Net cash from operating activities**	**240,216**	**1,890**
	Dividends received	28	28
	Proceeds from disposal of non-current assets	5,196	1,430
	Purchases of property, plant and equipment and intangible assets, net of government grants	(112,650)	(89,236)
	Proceeds from disposal of securities	7	0
	Purchases of non-current financial assets	(2,500)	0
	Purchase of a business/of a subsidiary, net of cash acquired	(1,061)	(1,216)
(14)	**Net cash (used in) investing activities**	**(110,980)**	**(88,994)**
	Proceeds from Schuldschein loans	0	235,000
	Repayment of Schuldschein loans	0	(7,000)
	Outflows from lease liabilities	(6,291)	(6,361)
	Repayment of investment loan of the European Investment Bank	(4,884)	(4,882)
	Proceeds from syndicated loans	0	140,000
	Repayment of syndicated loans	(140,000)	0
	Proceeds from loans	110,000	0
	Repayment of bank overdrafts and cash advances	(39,230)	(201,481)
	Purchase of non-controlling interests	(1,188)	0
	Dividends paid	(57,741)	(48,057)
(15)	**Net cash (used in)/from financing activities**	**(139,334)**	**107,219**
	Net (decrease)/increase in cash and cash equivalents	**(10,098)**	**20,115**
	Effect of movement in foreign exchange rates on cash and cash equivalents	(6,457)	1,941
	Effect of IAS 29 on cash and cash equivalents	(13,682)	(7,306)
	Cash and cash equivalents at beginning of period	118,343	103,593
	Cash and cash equivalents at end of period	**88,106**	**118,343**

Consolidated balance sheet

at 29 February 2024

Note	€000	29 Feb 2024	28 Feb 2023
	ASSETS		
	A. Non-current assets		
(16)	Intangible assets	112,443	115,098
(17)	Property, plant and equipment	797,622	819,418
(18)	Equity-accounted joint ventures	68,985	66,460
(18)	Securities	18,206	17,378
(18)	Investments in non-consolidated subsidiaries and outside companies	280	280
(19)	Other assets	3,318	2,559
(20)	Deferred tax assets	30,312	19,817
		1,031,166	**1,041,010**
	B. Current assets		
(21)	Inventories	1,170,810	1,210,019
(19)	Trade receivables	441,934	471,495
(19)	Other assets	153,368	158,702
	Current tax assets	4,037	3,506
	Cash and cash equivalents	88,106	118,343
		1,858,255	**1,962,065**
	Total assets	**2,889,421**	**3,003,075**
	EQUITY AND LIABILITIES		
(22)	**A. Equity**		
	Share capital	113,531	113,531
	Share premium and other capital reserves	540,760	540,760
	Retained earnings	532,438	539,284
	Equity attributable to shareholders of the parent	1,186,729	1,193,575
	Non-controlling interests	61,701	62,994
		1,248,430	**1,256,569**
	B. Non-current liabilities		
(23a)	Provisions for pensions and termination benefits	52,465	53,535
(23b)	Other provisions	31,271	28,388
(24)	Borrowings	523,596	562,868
(25)	Other payables	15,957	6,670
(26)	Deferred tax liabilities	5,391	6,841
		628,680	**658,302**
	C. Current liabilities		
(23b)	Other provisions	27,018	19,516
(24)	Borrowings	218,799	257,748
(25)	Trade payables	561,642	586,991
(25)	Other payables	164,967	199,479
	Tax liabilities	39,885	24,470
		1,012,311	**1,088,204**
	Total equity and liabilities	**2,889,421**	**3,003,075**

Consolidated statement of changes in equity

for the year ended 29 February 2024

€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
2023|24						
At 1 March 2023	113,531	540,760	2,920	(14,570)	(32,485)	(44,339)
Changes in fair value of equity instruments	0	0	411	0	0	0
Changes in fair value of hedging instruments (cash flow hedges)	0	0	0	(19,136)	0	5,735
Changes in actuarial gains and losses on defined benefit pension obligations and similar liabilities	0	0	0	0	(4,147)	11
Tax effects	0	0	(95)	4,770	701	(2,245)
Currency translation (loss) and hyperinflation adjustments	0	0	0	0	0	(2,073)
Other comprehensive income/(expense) for the period	**0**	**0**	**316**	**(14,366)**	**(3,446)**	**1,428**
Profit for the period	0	0	0	0	0	0
Total comprehensive income/(expense) for the period	**0**	**0**	**316**	**(14,366)**	**(3,446)**	**1,428**
Dividends paid	0	0	0	0	0	0
Transfer to reserves	0	0	0	0	0	0
Changes in equity interests and in scope of consolidation	0	0	0	0	0	0
Basis adjustment	0	0	0	13,041	0	0
Other changes	0	0	0	0	0	0
At 29 February 2024	**113,531**	**540,760**	**3,236**	**(15,895)**	**(35,931)**	**(42,911)**
						532,438

of AGRANA Beteiligungs-AG

earnings

Other retained earnings	Currency translation reserve	Profit for the period	Equity attributable to share-holders of the parent	Non-controlling interests	Total
713,528	(101,586)	15,816	1,193,575	62,994	1,256,569
0	0	0	411	0	411
0	0	0	(13,401)	732	(12,669)
0	0	0	(4,136)	(101)	(4,237)
0	0	0	3,131	(37)	3,094
0	(21,667)	0	(23,740)	5,377	(18,363)
0	**(21,667)**	**0**	**(37,735)**	**5,971**	**(31,764)**
0	0	64,925	64,925	4,428	69,353
0	**(21,667)**	**64,925**	**27,190**	**10,399**	**37,589**
0	0	(56,240)	(56,240)	(1,501)	(57,741)
(40,424)	0	40,424	0	0	0
8,871	0	0	8,871	(10,059)	(1,188)
0	0	0	13,041	0	13,041
292	0	0	292	(132)	160
682,267	**(123,253)**	**64,925**	**1,186,729**	**61,701**	**1,248,430**

	Attributable to the shareholders					
			Retained			
€000	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 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 share-holders 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**

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 2023|24 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
2023|24					
Total revenue	1,567,940	1,163,647	1,102,740	(47,451)	3,786,876
Inter-segment revenue	(1,086)	(14,895)	(31,470)	47,451	0
Revenue	**1,566,854**	**1,148,752**	**1,071,270**	**0**	**3,786,876**
EBITDA	125,712	94,062	71,304	0	291,078
Depreciation, amortisation and impairment of property, plant and equipment and intangibles[1]	(40,766)	(45,529)	(28,121)	0	(114,416)
Operating profit before exceptional items and results of equity-accounted joint ventures	**84,946**	**48,533**	**43,183**	**0**	**176,662**
Exceptional items	(24,699)	0	(2,344)	0	(27,043)
Share of results of equity-accounted joint ventures	0	1,853	(461)	0	1,392
Operating profit [EBIT]	**60,247**	**50,386**	**40,378**	**0**	**151,011**
Segment assets	1,197,521	736,284	2,042,955	(1,087,339)	2,889,421
Segment equity	338,116	366,866	900,072	(356,624)	1,248,430
Segment liabilities	859,405	369,418	1,142,883	(730,715)	1,640,991

[1] Excluding goodwill.

€000	Fruit	Starch	Sugar	Consoli-dation	Group
Purchases of property, plant and equipment and intangibles[1]	50,822	42,110	34,336	0	127,268
Purchases of non-current financial assets	0	0	99	0	99
Total capital expenditure	50,822	42,110	34,435	0	127,367
Carrying amount of equity-accounted joint ventures	0	47,093	21,892	0	68,985
Number of employees (average full-time equivalents)	5,720	1,170	1,986	0	8,876
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
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

The revenue and asset data represent consolidated amounts.

The net exceptional items expense in the 2023|24 financial year was € 27,043 thousand (prior year: net expense of € 88,830 thousand). Due to the difficult economic situation and the resulting strained business trend in Asia, impairment tests were carried out on the cash-generating units (CGUs) in Asia. The impairment tests led to impairment charges of € 18,730 thousand on property, plant and equipment in China and Japan (prior year impairment of PP&E: € 2,833 thousand, in South Africa and India), of € 1,325 thousand on intangible assets (customer relationships) in Japan, and of € 394 thousand on the goodwill of the CGU Japan (prior year impairment of intangible assets, including goodwill: € 88,252 thousand due to the sharp rise in capital costs as a result of the war in Ukraine). The carrot processing plant in Hungary was shut down as a result of a severe deterioration in its raw material situation and impairment losses of € 1,403 thousand were recognised. Reorganisation measures led to exceptional items of € 2,700 thousand in staff costs and € 850 thousand in other operating expenses. As in the prior year, war-related impairment on trade receivables, in the amount of € 703 thousand (prior year: € 965 thousand on trade receivables and € 381 thousand on finished and unfinished goods in changes in inventories), was reversed within exceptional items and the reversal recognised as other

[1] Excluding goodwill.

operating income. In total, exceptional items in the Fruit segment represented a net expense of € 24,699 thousand (prior year: net expense of € 89,731 thousand).

In the Sugar segment, provisions of € 2,611 thousand for the severance payment of a departing member of the Management Board were recognised in staff costs, € 395 thousand was recorded in other operating income from a refund in relation to a completed tax audit in Romania (prior year: € 901 thousand), and impairment of € 128 thousand of receivables from the joint venture Beta Pura GmbH was recognised in other operating expenses.

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 € 730,715 thousand (prior year: € 747,464 thousand) and equity capital consolidation of € 356,624 thousand (prior year: € 351,724 thousand).

1.2. Segmentation by region

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

Revenue €000	**2023|24**	**2022|23**
Austria	2,558,627	2,474,132
Hungary	9,831	11,601
Romania	35,853	38,010
Rest of EU	339,312	308,090
EU-27	2,943,623	2,831,833
Rest of Europe (Russia, Turkey, Ukraine)	133,736	112,466
Other foreign countries	709,517	693,143
Total	**3,786,876**	**3,637,442**

The revenue of the Eastern European companies amounted to € 245,235 thousand (prior year: € 216,817 thousand), or about 6.5% (prior year: 6.0%) 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 € 83,834 thousand (prior year: € 73,957 thousand) and that in Ukraine was € 32,983 thousand (prior year: € 24,650 thousand).

Purchases of property, plant and equipment and intangibles[1] €000	**2023|24**	**2022|23**
Austria	63,352	54,998
Hungary	10,498	7,931
Romania	5,595	3,190
Rest of EU	26,154	19,466
EU-27	105,599	85,585
Rest of Europe (Russia, Turkey, Ukraine)	2,705	1,271
Other foreign countries	18,964	16,060
Total	**127,268**	**102,916**

Carrying amount of property, plant and equipment and intangibles[1] €000	**2023|24**	**2022|23**
Austria	458,523	461,879
Hungary	47,223	50,132
Romania	33,715	33,538
Rest of EU	129,717	117,881
EU-27	669,178	663,430
Rest of Europe (Russia, Turkey, Ukraine)	17,953	20,873
Other foreign countries	124,688	151,546
Total	**811,819**	**835,849**

[1] Excluding goodwill.

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 2023|24 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 1	Presentation of Financial Statements (amendment)	12 Feb 2021	2 Mar 2022
IAS 1	Presentation of Financial Statements (amendment)	15 Jul 2020	19 Dec 2023
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors (amendment)	12 Feb 2021	2 Mar 2022
IAS 12	Income Taxes (amendment)	7 May 2021	11 Aug 2022
IAS 12	Income Taxes (amendment)	23 May 2023	8 Nov 2023
IFRS 17	Insurance Contracts	25 Jun 2020	19 Nov 2021
IFRS 17	Insurance Contracts (amendment)	9 Dec 2021	8 Sep 2022

On 23 May 2023, the IASB issued amendments titled “International Tax Reform – Pillar 2 Model Rules – Amendments to IAS 12” (Income Taxes), which became effective from 8 November 2023. The amendments concern mandatory simplifications to the accounting treatment of deferred taxes and introduce a temporary, obligatory exception to the accounting treatment of deferred taxes that result from the introduction of the global minimum tax. The amendments also prescribe specific disclosures in the notes to enable users of financial statements to understand the extent to which an entity is affected by the minimum tax, particularly before the legislation comes into force. For these disclosures, see section 8.11, “Income taxes”.

The amendments to the other 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 2024|25 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 *and expected impact on AGRANA*	Issued by the IASB	Effective for AGRANA from financial year	Adopted by the EU
IAS 1	Presentation of Financial Statements (amendment) *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.*	23 Jan 2020 15 Jul 2020	2024|25	19 Dec 2023

Standard	Content *and expected impact on AGRANA*	Issued by the IASB	Effective for AGRANA from financial year	Adopted by the EU
IAS 1	Presentation of Financial Statements (amendment) *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.*	31 Oct 2022	2024|25	19 Dec 2023
IAS 7	Statement of Cash Flows (amendment) *The amendments relate to requirements in connection with supplier finance arrangements such as supply chain financing, financing of trade payables and reverse factoring arrangements. The amendments do not define supplier finance arrangements but describe characteristics of such arrangements that require disclosures. Where such arrangements exist, information on how they affect liabilities, cash flows and liquidity risk, and on the effects if the arrangements were no longer to be available, must be disclosed in the notes to the financial statements. No such arrangements exist in the AGRANA Group.*	25 May 2023	2024|25	Not to date
IAS 21	The Effects of Changes in Foreign Exchange Rates (amendment) *The amendments provide guidance in the event of a lack of exchangeability of a currency and specify how to then determine the exchange rate.*	15 Aug 2023	2025|26	Not to date
IFRS 7	Financial Instruments: Disclosures (amendment) *The amendments are directly related to the amendments to IAS 7 and concern supplier finance arrangements. Where these arrangements are present, disclosures must be made on the terms and conditions, the carrying amounts of the liabilities, the line items involved and the ranges of payment due dates. No such arrangements exist in the AGRANA Group.*	25 May 2023	2024|25	Not to date
IFRS 16	Leases (amendment) *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.*	22 Sep 2022	2024|25	20 Nov 2023

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, 54 companies besides the parent were fully consolidated in the Group financial statements (prior year: 55 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 29 February 2024

			Equity interest 29 Feb 2024		Equity interest 28 Feb 2023	
Name of company	**Registered office**	**Country**	**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.[2)]	Roman	Romania	–	–	–	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 Gida 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 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%

Name of company	Registered office	Country	Equity interest 29 Feb 2024 Direct	Equity interest 29 Feb 2024 Indirect[1]	Equity interest 28 Feb 2023 Direct	Equity interest 28 Feb 2023 Indirect[1]
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%	–
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 Értékesitési Kft.	Budapest	Hungary	–	99.75%	–	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 Fejleszto Kft.	Kaposvár	Hungary	–	99.75%	–	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%	–
Magyar Cukorgyártó és Forgalmazó Zrt.	Budapest	Hungary	–	99.74%	–	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.	Ţăndărei	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: 29 Feb 2024 / Equity: € 40.4 thousand / Profit for the period: € 8.6 thousand						

Name of company	Registered office	Country	Equity interest 29 Feb 2024		Equity interest 28 Feb 2023	
			Direct	In-direct[1]	Direct	In-direct[1]
II. Joint ventures						
Equity-accounted joint ventures						
Beta Pura GmbH	Vienna	Austria	–	50.00%	–	50.00%
AGRANA-STUDEN group:						
"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 AGRANA-STUDEN Serbia d.o.o. Beograd	Belgrade	Serbia	–	50.00%	–	50.00%
STUDEN-AGRANA Rafinerija Secera d.o.o.	Brčko	Bosnia and Herzegovina	–	50.00%	–	50.00%
HUNGRANA group:						
GreenPower Services Kft.	Szabadegyháza	Hungary	–	50.00%	–	50.00%
HUNGRANA Keményitö- 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 2023|24 financial year:

	Full consolidation	Equity method
At 1 March 2023	55	13
Disposal	–1	0
At 29 February 2024	**54**	**13**

In the reporting period, the fully consolidated subsidiary AGRANA AGRO S.r.l. in Roman, Romania, was liquidated.

[1] Total indirect ownership interest held by the Group.
[2] Liquidated in 2023|24.

Joint ventures
The information below represents the aggregated financial position and performance of the joint ventures. The joint ventures are listed on page 135.

€000	AGRANA-STUDEN group	HUNGRANA group	Beta Pura GmbH	Total
29 February 2024				
Non-current assets	31,192	125,958	28,978	186,128
Inventories	43,078	36,177	3,239	82,494
Receivables and other assets	24,467	57,679	901	83,047
Cash and cash equivalents	4,651	2,781	0	7,432
Current assets	72,196	96,637	4,140	172,973
Total assets	**103,388**	**222,595**	**33,118**	**359,101**
Equity	44,688	93,218	(5,109)	132,797
Borrowings	877	10,155	23,001	34,033
Other liabilities	880	781	9,306	10,967
Non-current liabilities	1,757	10,936	32,307	45,000
Borrowings	33,767	66,186	3,563	103,516
Other liabilities	23,176	52,255	2,357	77,788
Current liabilities	56,943	118,441	5,920	181,304
Total equity and liabilities	**103,388**	**222,595**	**33,118**	**359,101**
Revenue	248,283	336,239	6,891	591,413
Depreciation, amortisation and impairment losses	(2,582)	(14,166)	(3,040)	(19,788)
Other (expense), net	(240,894)	(309,591)	(7,371)	(557,856)
Operating profit/(loss) [EBIT]	**4,807**	**12,482**	**(3,520)**	**13,769**
Interest income	196	0	0	196
Interest expense	(1,786)	(4,175)	(1,904)	(7,865)
Other finance income/(expense), net	166	(1,984)	(20)	(1,838)
Profit/(loss) before tax	**3,383**	**6,323**	**(5,444)**	**4,262**
Income tax benefit/(expense)	14	(2,618)	(1)	(2,605)
Profit/(loss) for the period	**3,397**	**3,705**	**(5,445)**	**1,657**
Other comprehensive income	370	2,578	0	2,948
Total comprehensive income/(expense) for the period	**3,767**	**6,283**	**(5,445)**	**4,605**

€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)/income	(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**

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
29 February 2024				
Equity	44,688	93,218	(5,109)	132,797
Of which attributable to AGRANA	22,344	46,609	(2,555)	66,398
Addition	0	0	4,956	4,956
Impairment	0	0	(5,932)	(5,932)
Unrecognised losses tracked outside the financial statements	0	0	4,036	4,036
Value change at time of transition from proportionate consolidation to equity method	(452)	484	0	32
Net investment (reported in non-current other assets)	0	0	(505)	(505)
Investments in equity-accounted joint ventures (carrying amount)	**21,892**	**47,093**	**0**	**68,985**
Dividend attributable to AGRANA	2,500	0	0	2,500

€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	0	0	2,291	2,291
Impairment	0	0	(5,476)	(5,476)
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

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 with Beta Pura GmbH and the bank that had provided the financing, RAIFFEISENLANDESBANK NIEDERÖSTERREICH-WIEN AG. Under this agreement, AGRANA Sales & Marketing GmbH provided a guarantee for 50% of the outstanding loans of Beta Pura GmbH up to a maximum amount of € 13,367 thousand and undertook to grant Beta Pura GmbH a subordinated shareholder loan of € 2,500 thousand. In the prior year, the guarantee was recognised in the consolidated financial statements as a financial guarantee at a 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. Of the shareholder loan, a portion in the amount of € 99 thousand was capitalised in the equity interest held in the joint venture Beta Pura GmbH and written down in full. The remaining portion of the shareholder loan in the amount of € 2,401 thousand, plus interest of € 165 thousand, was capitalised as a non-current receivable from Beta Pura GmbH. An impairment charge of € 357 thousand was taken on the receivable from the shareholder loan and the carrying amount of the loan receivable was reduced by € 1,704 thousand through the assumption of the prorated loss for the year since the fulfilment of the condition precedent. The impairment expenses and the prorated loss for the year are recognised in the share of results of joint ventures with a total amount of a loss of € 2,160 thousand (prior year: loss of € 2,291 thousand).

Non-controlling interests
The non-controlling interests of € 61,701 thousand (prior year: € 62,994 thousand) represented primarily the co-owners of the AUSTRIA JUICE group, at € 45,043 thousand (prior year: € 42,271 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. Other material non-controlling interests represent the co-owners of AGRANA BIH Holding GmbH, Vienna, Austria, and of INSTANTINA Nahrungsmittel Entwicklungs- und Produktionsgesellschaft m.b.H., Vienna, Austria.

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

AUSTRIA JUICE group €000	**29 Feb 2024**	**28 Feb 2023**
Non-current assets	135,834	130,116
Current assets	218,373	232,865
Total assets	**354,207**	**362,981**
Non-current liabilities	105,987	105,392
Current liabilities	150,835	165,749
Total liabilities	**256,822**	**271,141**
Net assets	**97,385**	**91,840**
Revenue	290,711	305,121
Operating profit [EBIT]	16,456	21,035
Profit before tax	5,791	12,705
Income tax (expense)	(477)	(1,990)
Profit for the period	5,314	10,715
Other comprehensive income/(expense)	2,073	(936)
Total comprehensive income for the period	7,387	9,779
Net cash from operating activities	7,837	17,121
Net cash (used in) investing activities	(16,672)	(10,094)
Net cash from/(used in) financing activities	4,808	(5,610)
Net (decrease)/increase in cash and cash equivalents	**(4,027)**	**1,417**

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	**29 Feb 2024**	**28 Feb 2023**
Share of profit for the period	2,656	5,356
Share of carrying amount of net assets	48,682	45,910
Measurement effect from business combination	(3,639)	(3,639)
Non-controlling interest in net assets	**45,043**	**42,271**

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:

		Rate at reporting date		Average rate for year	
€	Currency	29 Feb 2024	28 Feb 2023	2023|24	2022|23
Albania	ALL	103.99	115.04	106.78	118.08
Algeria	DZD	145.68	144.74	146.76	147.76
Argentina	ARS	909.49	209.10	909.49	209.10
Australia	AUD	1.67	1.58	1.64	1.51
Bosnia and Herzegovina	BAM	1.96	1.96	1.96	1.96
Brazil	BRL	5.41	5.53	5.37	5.36
Bulgaria	BGN	1.96	1.96	1.96	1.96
China	CNY	7.79	7.37	7.67	7.10
Croatia	HRK	0	7.53	0	7.54
Czech Republic	CZK	25.36	23.50	24.19	24.46
Egypt	EGP	33.39	32.40	33.35	22.45
Hungary	HUF	393.48	377.68	380.85	396.39
India	INR	89.75	87.72	89.62	83.33

€	Currency	Rate at reporting date 29 Feb 2024	28 Feb 2023	Average rate for year 2023|24	2022|23
Japan	JPY	162.53	145.23	155.10	139.86
Mexico	MXN	18.50	19.45	18.91	20.71
Morocco	MAD	10.93	11.03	10.92	10.74
Northern Macedonia	MKD	61.69	61.70	61.56	61.62
Poland	PLN	4.32	4.72	4.48	4.71
Romania	RON	4.97	4.92	4.96	4.93
Russia	RUB	99.45	79.62	95.73	70.29
Serbia	CSD	117.18	117.31	117.23	117.42
South Africa	ZAR	20.90	19.55	20.24	17.44
South Korea	KRW	1,447.43	1,401.84	1,427.80	1,357.91
Turkey	TRY	33.81	20.06	33.81	20.06
Ukraine	UAH	41.30	38.61	39.86	35.18
USA	USD	1.08	1.06	1.08	1.04

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, except at the time of initial application. 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 Istatistik Kurumu (the Turkish statistical institute). The price indices at 29 February 2024 stood at 4,900.76 in Argentina (28 February 2023: 1,272.75) and 2,083.22 in Turkey (28 February 2023: 1,241.33). The change in the indices is shown in the following table:

	Index change Argentina 2023|24	2022|23	Index change Turkey 2023|24	2022|23
March	7.7%	6.7%	2.3%	5.5%
April	8.4%	6.0%	2.4%	7.3%
May	7.8%	5.1%	0.0%	3.0%
June	6.0%	5.3%	3.9%	5.0%
July	6.3%	7.4%	9.5%	2.4%
August	12.4%	7.0%	9.1%	1.5%
September	12.7%	6.2%	4.8%	3.1%
October	8.3%	6.3%	3.4%	3.5%
November	12.8%	4.9%	3.3%	2.9%
December	25.5%	5.1%	2.9%	1.2%
January	20.6%	6.0%	6.7%	6.7%
February	15.0%	5.8%	5.0%	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 deducted from the cost of the intangible assets and property, plant and equipment at the time of the binding award and amortised through profit or loss on a straight-line basis over the useful life of the allocated asset. Details are provided on page 164.

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
– Schuldschein loans ("Schuldscheindarlehen")
– 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. Valuation differences on subsequent valuation are reported in finance income or expense. 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. Valuation differences are reported in other operating income or expense. 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 and assigned to the category "at amortised cost".

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 finance income or expense. Borrowings are measured at amortised cost and valuation differences are reported in finance income or expense.

- 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 and valuation differences are presented in other operating income or expense. 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 finance income/expense (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 in other comprehensive income rather than the income statement. 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, a treatment known as a "basis adjustment". 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 180.

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 CO_2 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) 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 CO_2 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. Fair value is determined based on observable market transactions or market information. If no such price is observable, fair value is determined based on appropriate valuation techniques, using relevant observable inputs and employing assumptions about risks. Costs of disposal must be deducted from the fair value 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 3.60% for the year under review (prior year: 4.25%).

- 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 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 taxes 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 deferred tax 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 initiated for production sites of the AGRANA Group. The aim was to survey the physical climate risks for each location. This analysis was verified in detail through a re-analysis in the 2023|24 financial year. The acute climate hazards classified as relevant for the AGRANA Group were 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. The scenarios 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. Based on the results, three threats in particular – water stress and/or drought and/or heat waves – pose potentially relevant risks for some sites. The findings of the detailed re-analysis in 2023|24 showed that the majority of sites are in the medium risk range, with drought and/or heat waves and water stress being the most common sources of risk here as well. After the detailed re-analysis, only one site with a high risk rating remained; the detailed re-analysis was not carried out at the three Ukrainian sites affected by the war in 2023|24. Adaptation measures are planned for the remaining at-risk site within the total period of five years allowed.

  To supplement the climate change scenario analysis for the AGRANA Group's production sites, an analysis of climate risks along the agricultural value chains was initiated in the 2023|24 financial year. As part of a pilot project, the first steps taken were to determine the physical climate risk for sugar beet using selected indicators, analyse initial possible effects on yields and derive a financial risk quantification. For this as well, the scenarios recommended by the IPCC were used. The analysis considered the current conditions and an optimistic and a pessimistic scenario up to 2029, 2040 and 2060. Potential resilience-boosting measures were also developed. The financial risk assessment from the climate change scenario analysis corresponds to the existing commodity risk expectation in the Sugar segment in the financial planning period. The next steps will be identified on this basis.

– As a result of the war in Ukraine that began on February 24, 2022, uncertainty continues both in Ukraine and in Russia regarding the unpredictable further course of the war and its consequences; thus, effects such as exceptional cost increases, demand declines, rising cost of capital due to macroeconomic developments, and volatility in the Group's product markets and procurement markets cannot be ruled out. The situation in both countries is monitored and evaluated on an ongoing basis. AGRANA's projections are based on the assumptions that the physical supplies of energy and raw materials remain assured and that increases in purchasing prices, 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 29 February 2024: € 98,246 thousand; at 28 February 2023: € 98,667 thousand), other intangible assets (carrying amount at 29 February 2024: € 14,197 thousand; at 28 February 2023: € 16,431 thousand) and property, plant and equipment (acquired and right-of-use assets) (carrying amount at 29 February 2024: € 797,622 thousand; at 28 February 2023: € 819,418 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 2024, the underlying projections for the goodwill impairment test performed as of 29 February 2024 were released by the Management Board and noted by the Supervisory Board.

  The insights gained after what are now more than two years 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.

  There were no changes in the scenario weightings compared to the prior year.

  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 29 February 2024 with the scenario weightings presented below did not identify further impairment.

The scenarios at 29 February 2024 were as follows:

Fruit CGU at 29 February 2024	Weighting	CAGR of revenue p.a. (baseline: 2023|24)	Operating margin in 2028|29
Base case	65%	0.4%	5.7%
Downside case – moderate	30%	0.1%	5.1%
Downside case – progressive	5%	−1.3%	4.2%

One year earlier, the scenarios 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%

The discount rate before tax is based on the industry, the company risk level and the specific market environment, and was set at 8.86% at 29 February 2024 (prior year: 9.48%).

Sensitivities were calculated based on the goodwill impairment test performed at 29 February 2024. An increase of 0.5 percentage points in WACC[1] would not lead to additional impairment in the Fruit CGU. At 29 February 2024, 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 € 13,825 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 € 13,825 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.

Starch CGU at 29 February 2024	Weighting	CAGR of revenue p.a. (baseline: 2023|24)	Operating margin in 2028|29
Base case	65%	2.2%	5.0%
Downside case	35%	0.9%	4.2%

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%

[1] Weighted average cost of capital.

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 8.77% (prior year: 8.76%).

Sensitivities were calculated based on the findings of the goodwill impairment test performed at 29 February 2024. On the assumption of a constant WACC, a reduction in operating profit of approximately 16.7% in 2028|29 would result in excess cover of zero in the Starch CGU.

An increase of 0.5 percentage points in the WACC would not lead to impairment of the goodwill. 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 € 12,860 thousand.

- In the prior year, 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 production costs cannot be passed on to customers could lead to impairment. In the 2023|24 financial year, no indication of impairment was identified.

- 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 the costs of production and administration on to customers.

- 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 29 February 2024: € 52,465 thousand; at 28 February 2023: € 53,535 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:

	Pension benefits		**Termination benefits**	
€000	**29 Feb 2024**	**28 Feb 2023**	**29 Feb 2024**	**28 Feb 2023**
Change in actuarial assumptions				
Discount rate				
+0.5 percentage points	(2,015)	(1,911)	(1,056)	(987)
−0.5 percentage points	2,207	2,076	1,116	1,040
Wage and salary increase				
+0.25 percentage points	50	41	524	489
−0.25 percentage points	(48)	(39)	(510)	(480)
Pension increase				
+0.25 percentage points	998	982	–	–
−0.25 percentage points	(962)	(947)	–	–
Life expectancy				
Increase by 1 year	3,470	3,886	–	–
Decrease by 1 year	(3,633)	(4,100)	–	–

- The recognition of deferred tax assets (carrying amount at 29 February 2024: € 30,312 thousand; at 28 February 2023: € 19,817 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 29 February 2024: € 58,289 thousand; at 28 February 2023: € 47,904 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, 96.07% (prior year: 96.75%), or the great majority, is generated with products manufactured by the Group itself. AGRANA's revenue from services, at 0.19% of the total (prior year: 0.21%), and from the reselling of merchandise, at 3.74% (prior year: 3.04%), 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	2023|24	2022|23
Fruit segment		
EU-27	739,368	697,607
Europe non-EU	133,736	112,466
North America	464,114	436,539
South America	38,510	41,585
Asia	95,661	107,254
Africa	43,131	37,191
Australia and Oceania	52,334	49,289
	1,566,854	**1,481,931**
Starch segment		
EU-27	1,132,985	1,272,530
North America	15,767	21,285
	1,148,752	**1,293,815**
Sugar segment		
EU-27	1,071,270	861,696
	1,071,270	**861,696**
Total	**3,786,876**	**3,637,442**

The Group's top ten customers accounted for 29.0% (prior year: 28.7%) of consolidated revenue. As in prior year, no AGRANA customer accounted for more than 10% of consolidated revenue.

Note (2)

8.2. Changes in inventories and own work capitalised

€000	2023|24	2022|23
Changes in inventories of finished and unfinished goods	77,367	236,416
Own work capitalised	5,776	2,348

The change in inventories of finished and unfinished goods amounted to a net increase of € 77,367 thousand (prior year: net increase of € 236,416 thousand), which represented an increase in the Sugar segment of € 99,393 thousand (prior year: increase of € 173,193 thousand), a reduction in the Starch segment of € 21,482 thousand (prior year: increase of € 40,512 thousand) and a reduction in the Fruit segment of € 544 thousand (prior year: increase of € 22,711 thousand).

Note (3)

8.3. Other operating income

€000	2023|24	2022|23
Income from		
Currency translation gains	11,062	16,682
Derivatives	4,942	4,977
Insurance benefits and payments for damages	3,756	2,053
Disposal of non-current assets other than financial assets	2,411	1,046
Research incentives	1,293	1,102
Beet and pulp cleaning, transport and handling	800	680
Reversal of allowance for war-related impairment of trade receivables	703	965
Rent and leases	660	704
Reversal of allowance for standard impairment of trade receivables	514	2,103
Tax refunds	395	901
Services rendered to third parties	102	93
Other items	17,994	20,642
Total	**44,632**	**51,948**

Within other operating income, “other items” includes income from the pass-through of costs for energy, consumables, raw materials and agricultural and other services.

Note (4)

8.4. Cost of materials

€000	2023|24	2022|23
Costs of		
Raw materials	1,885,062	1,897,913
Consumables and goods purchased for resale	825,435	888,963
Purchased services	94,339	86,201
Total	**2,804,836**	**2,873,077**

Note (5)

8.5. Staff costs

€000	2023|24	2022|23
Wages and salaries	331,580	298,615
Social security contributions, retirement benefit expenses and other staff costs	85,824	78,908
Total	**417,404**	**377,523**

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 € 2,118 thousand (prior year: € 983 thousand) is included in net financial items. The current and past service costs are included in staff costs.

In the 2023|24 financial year an expense of € 22,943 thousand (prior year: € 21,167 thousand) was recognised for contributions to government pension plans.

€ 1,866 thousand of contributions to a defined contribution termination benefit fund were recognised in the income statement for the year (prior year: € 1,655 thousand).

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

By employee category	**2023|24**	**2022|23**
Wage-earning staff	5,935	5,877
Salaried staff	2,843	2,755
Apprentices	98	98
Total	**8,876**	**8,730**

By region	**2023|24**	**2022|23**
Austria	2,442	2,364
Hungary	427	410
Romania	532	516
Rest of EU	1,467	1,448
EU-27	4,868	4,738
Rest of Europe (Russia, Turkey, Ukraine)	1,107	1,130
Other foreign countries	2,901	2,862
Total	**8,876**	**8,730**

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	**2023|24**	**2022|23**
Wage-earning staff	367	344
Salaried staff	211	223
Total	**578**	**567**

Note (6)

8.6. Depreciation, amortisation and impairment

€000	Total	Amortisation, depreciation	Impairment losses	Reversal of impairment losses
2023|24				
Intangible assets	5,094	3,375	1,719	0
Property, plant and equipment – acquired	123,970	104,329	19,688	(47)
Property, plant and equipment – right-of-use	7,204	6,545	659	0
Recognised in operating profit [EBIT]	**136,268**	**114,249**	**22,066**	**(47)**
2022|23				
Intangible assets	91,861	3,608	88,253	0
Property, plant and equipment – acquired	110,900	107,281	3,830	(211)
Property, plant and equipment – right-of-use	7,034	6,604	430	0
Recognised in operating profit [EBIT]	**209,795**	**117,493**	**92,513**	**(211)**

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

€000	Impairment losses	Reversal of impairment losses
2023|24		
Fruit segment	21,852	0
Starch segment	0	0
Sugar segment	214	(47)
Group	**22,066**	**(47)**
2022|23		
Fruit segment	92,102	(133)
Starch segment	119	0
Sugar segment	292	(78)
Group	**92,513**	**(211)**

Impairment losses in the Fruit segment totalling € 21,852 thousand (prior year: € 92,102 thousand) related to impairment of intangible assets (customer relationships in Japan) in the amount of € 1,325 thousand, of goodwill (CGU Japan) of € 394 thousand and of property, plant and equipment in China and Japan of € 18,730 thousand, due to the difficult economic situation and the resulting adverse business trend in Asia. In addition, the carrot processing operation in Hungary was closed down amid a serious deterioration in the raw material situation; this was recognised with an impairment charge of € 1,403 thousand in the Fruit segment. In the prior year in the Fruit segment, impairment expenses were for goodwill impairment of € 88,252 thousand due to a sharp rise in cost of capital as a result of the war in Ukraine; for impairment of property, plant and equipment in South Africa and India of € 2,833 thousand; and for the closure of a production line in Hungary at € 1,017 thousand.

In the Sugar segment, impairment was related mainly to expenses for closed-down assets (prior year: expenses for closed-down assets in the Sugar and Starch segments).

Note (7)

8.7. Other operating expenses

€000	2023|24	2022|23
Selling and freight costs	198,921	204,034
Operating and administrative expenses	147,598	120,066
Advertising expenses	13,418	10,190
Currency translation losses	10,060	16,840
Damage payments	7,930	4,415
Rent and lease expenses	7,572	6,559
Derivatives	6,168	8,854
Other taxes	2,163	11,848
Research and development expenses (external)	1,050	787
Restructuring expenses	978	0
Losses on disposal of non-current assets	244	303
Other items	10,422	14,260
Total	**406,524**	**398,156**

Internal and external R&D costs totalled € 26,008 thousand (prior year: € 23,055 thousand).

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

The expenses incurred in the financial year for the external auditor, KPMG Austria GmbH, were € 971 thousand (prior year: PwC Wirtschaftsprüfung GmbH, € 555 thousand). Of this total, € 751 thousand (prior year: € 527 thousand) related to the audit of the consolidated financial statements (including the audit of the separate financial statements of individual subsidiaries), € 97 thousand (prior year: € 2 thousand) was for other assurance services, and € 123 thousand (prior year: € 26 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 € 1,392 thousand (prior year: € 18,657 thousand) represented AGRANA’s proportionate share of the profits of the joint ventures in the HUNGRANA group and AGRANA-STUDEN group of € 3,552 thousand (prior year: € 20,948 thousand), less the € 1,704 thousand of Beta Pura GmbH’s loss that was offset against the receivable from the shareholder loan, and less a total of € 456 thousand for impairment of the shareholder loan and of the equity stake held in Beta Pura GmbH.

Note (9)

8.9. Finance income

€000	2023|24	2022|23
Interest income	2,986	1,199
Currency translation gains	14,658	24,748
Income of non-consolidated subsidiaries and outside companies	63	29
Gains on derivatives	34,416	22,564
Miscellaneous finance income	1,579	845
Total	**53,702**	**49,385**

Interest income by segment was as follows:

€000	2023|24	2022|23
Fruit segment	1,548	594
Starch segment	96	43
Sugar segment	1,342	562
Total	**2,986**	**1,199**

Note (10)

8.10. Finance expense

€000	2023|24	2022|23
Interest expense	35,122	12,977
Net interest on provisions for pensions and termination benefits	2,118	983
Currency translation losses	24,404	12,778
Losses on derivatives	39,333	42,771
Loss on net monetary position under IAS 29	1,933	1,914
Miscellaneous finance expense	4,101	4,504
Total	**107,011**	**75,927**

Interest expense by segment was as follows:

€000	2023|24	2022|23
Fruit segment	4,395	2,126
Starch segment	1,332	280
Sugar segment	29,395	10,571
Group	**35,122**	**12,977**

Interest expense includes interest of € 1,081 thousand on lease liabilities (prior year: € 1,112 thousand) and the interest component from the discounting of the non-current obligation for long-service awards, at € 333 thousand (prior year: € 153 thousand).

Net currency translation differences on financing activities amounted to a loss of € 9,747 thousand (prior year: gain of € 11,971 thousand). This was composed of a realised loss of € 3,472 thousand (prior year: realised gain of € 9,264 thousand) and an unrealised loss of € 6,275 thousand (prior year: unrealised gain of € 2,707 thousand). The overall net translation loss was primarily attributable to foreign currency financing in Mexican peso, Romanian leu, Argentine peso and Hungarian forint.

Note (11)

8.11. Income taxes

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

€000	2023|24	2022|23
Current tax expense	38,057	40,572
Of which Austrian	19,118	22,586
Of which foreign	18,939	17,986
Deferred tax (benefit)	(9,708)	(3,537)
Of which Austrian	(4,063)	(1,419)
Of which foreign	(5,645)	(2,118)
Total tax expense	**28,349**	**37,035**
Of which Austrian	15,055	21,167
Of which foreign	13,294	15,868

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

€000	2023|24	2022|23
Increase in deferred tax assets in the consolidated balance sheet	10,495	6,083
Decrease/(increase) in deferred tax liabilities in the consolidated balance sheet	1,450	(623)
Total change in deferred taxes	**11,945**	**5,460**
Of which recognised in the income statement	9,708	3,537
Of which recognised in other comprehensive income	1,583	3,010
Of which from currency translation/hyperinflation/other	654	(1,087)

In order to reconcile the amount of € 1,583 recognised in other comprehensive income that is shown in the above table to the amount of € 3,094 thousand 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 € 2,255 thousand – must be deducted and the tax effect of € 3,766 thousand of the basis adjustment, presented in "other changes" in equity, must be added.

Reconciliation of profit before tax to income tax expense

€000	2023|24	2022|23
Profit before tax	97,702	61,718
Standard Austrian tax rate	23.83%	24.83%
Nominal tax expense at standard Austrian rate	**23,282**	**15,325**
Tax effect of:		
Different tax rates applied on foreign income	(3,459)	(2,023)
Tax-exempt income and tax deductions, including results of equity-accounted joint ventures	(1,842)	(6,168)
Non-temporary differences from consolidation measures	(1,956)	21,504
Non-tax-deductible expenses and additional tax debits	3,832	4,388
Effects from other taxes	1,853	1,756
Effects of tax loss carryforwards	6,111	1,706
Non-recurring tax expenses or (benefits), net	528	547
Income tax expense	**28,349**	**37,035**
Effective tax rate	**29.0%**	**60.0%**

The nominal tax expense is based on application of a standard Austrian corporation tax rate of 23.83% (prior year: 24.83%). The corporation tax rate of 23.83% was calculated by prorating based on the two calendar-year rates of 24% and 23% which applied during AGRANA's financial year.

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. € 21,558 thousand (prior year: € 15,052 thousand) of deferred tax assets were not recognised. These related to cumulative unused tax loss carryforwards of € 85,319 thousand (prior year: € 59,296 thousand). Of the unused tax loss carryforwards,

€ 68,452 thousand (prior year: € 54,748 thousand) can be carried forward indefinitely, € 3,931 thousand (prior year: € 1,333 thousand) expire in one to four years and € 12,936 thousand (prior year: € 3,215 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 € 13,373 thousand (prior year: € 14,046 thousand).

For temporary differences on investments in subsidiaries, deferred tax liabilities of € 170,175 thousand (prior year: € 170,433 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.

In December 2021, the OECD published Model Rules for a new global framework for a minimum effective tax to ensure that the profits of multinational groups with total annual revenue of € 750 million or more are taxed at a minimum rate of 15% per country (the so-called Pillar II framework). In December 2022, the European Union unanimously agreed on the implementation of this framework in the form of a directive, which had to be transposed into the national law of the member states by 31 December 2023, in order to apply to financial years beginning after this date. The Austrian law implementing the Pillar II concept came into effect on 31 December 2023 and applies to financial years beginning on or after 31 December 2023.

The new legal framework will apply to the Group from the 2024|25 financial year. As Südzucker AG, the ultimate parent company under the Pillar II framework, is domiciled in Germany, the framework will apply to the AGRANA Group from 1 March 2024, regardless of which other countries also implement the law. Under the law, the AGRANA Group must pay a top-up tax for each country where the effective tax rate is less than 15%. The law provides for simplifications in the form of "safe harbour" rules per country, which means that under certain conditions, no top-up is payable. As the Pillar II legislation was not yet in force for the 2023|24 financial statements, the Group has no current tax burden under its minimum tax rules.

The Group is currently analysing the impact of the legislation, particularly with regard to the use of the safe harbour regulations. In this evaluation, Südzucker AG, as the ultimate parent company, applied the Pillar II rules to the results for the 2023|24 financial year in order to provide an indication of possible future impacts. These simplified calculations showed that almost all countries met the safe harbour exemption requirements, meaning that no additional taxes would have been incurred in these countries if the Pillar II rules had applied for the last financial year. For those countries that would not have met the safe harbour criteria, the impact on current taxes and tax payments is likely to be immaterial. Due to the complexity of the regulations, it is not yet possible to estimate the specific quantitative impact on future current taxes and tax payments.

The AGRANA Group makes use of the temporary exception resulting from the implementation of the Pillar II rules and contained in the amendment to IAS 12 published in May 2023, under which companies do not recognise deferred taxes resulting from Pillar II.

Note (12)

8.12. Earnings per share

		2023|24	**2022|23**
Profit for the period attributable to shareholders of the parent (AGRANA Beteiligungs-AG)	€000	64,925	15,816
Average number of shares outstanding		62,488,976	62,488,976
Earnings per share under IFRS (basic and diluted)	€	**1.04**	**0.25**
Dividend per share	€	**0.90[1]**	**0.90**

Subject to the Annual General Meeting's approval of the proposed allocation of profit for the 2023|24 financial year, AGRANA Beteiligungs-AG will pay a dividend of € 56,240 thousand (prior year: € 56,240 thousand).

[1] Proposal to the Annual General Meeting.

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. Restrictions on use relating to Russia mainly resulted from an upper limit of RUB 120 million (approximately € 1.2 million) on annual dividend payments to non-Russian parent companies. Higher dividend payments require a separate authorisation procedure and are only possible subject to conditions; AGRANA has not made use of this option to date. Currently no intra-group loans can be made by o.o.o. AGRANA Fruit Moscow Region, Serpuchov, Russia, to other AGRANA Group companies. The Russian subsidiary's cash and cash equivalents totalled € 24,946 thousand at the balance sheet date (prior year: € 14,645 thousand).

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 very significantly improved profit for the period, operating cash flow before changes in working capital was up year-on-year to € 316,335 thousand (prior year: € 282,343 thousand), representing 8.35% of revenue (prior year: 7.76%). Within "non-cash expenses/income and other adjustments", non-cash expenses/income consisted mainly of the unrealised currency translation losses of € 6,275 thousand (prior year: unrealised currency translation gains of € 2,707 thousand) reflected in net financial items; net non-cash expense of € 1,644 thousand (prior year: net gain of € 914 thousand) for impairment of receivables; and non-cash inventory write-downs of € 31,644 thousand (prior year: € 5,811 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 the € 60,673 thousand (prior year: € 49,452 thousand) 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 € 240,216 thousand (prior year: € 1,890 thousand).

Note (14)

9.2. Cash flows from investing activities

Purchases of property, plant and equipment and intangible assets increased by € 23,414 thousand to € 112,650 thousand (prior year: € 89,236 thousand) , due mainly to investment in energy efficiency and product quality improvement. Purchases of property, plant and equipment and intangible assets were reduced by grants in a total amount of € 3,778 thousand (prior year: € 1,731 thousand). As well, a further purchase price payment of € 1,061 thousand (prior year: € 1,216 thousand) was made for the subsidiary AGRANA Fruit Japan Co, Ltd, Tokyo, Japan, acquired in 2021|22, while proceeds from the disposal of non-current assets were € 5,196 thousand (prior year: € 1,430 thousand). On balance, net cash used in investing activities was € 110,980 thousand (prior year: net cash use of € 88,994 thousand).

Note (15)

9.3. Cash flows from financing activities

Cash flows from financing activities in the year under review amounted to a net outflow of € 139,334 thousand (prior year: net inflow of € 107,219 thousand). This reflected € 57,741 thousand of dividends paid, largely to shareholders of AGRANA Beteiligungs-AG (prior year: € 48,057 thousand), purchases of non-controlling interests of € 1,188 thousand (shares of minority shareholders of the fully consolidated Magyar Cukorgyártó és Forgalmazó Zrt., Budapest, Hungary, and S.C. A.G.F.D. Tandarei s.r.l., Țăndărei, Romania), and the cash inflows/outflows from borrowings presented in the table below.

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

€000	Carrying amount at 1 Mar 2023	Changes in maturities	Cash inflows	Cash outflows	Currency translation differences and other non-cash changes	Carrying amount at 29 Feb 2024
2023/24						
Schuldschein loans	409,000	(85,000)	0	0	0	324,000
Investment loan from European Investment Bank	17,090	(4,884)	0	0	0	12,206
Loans	109,112	(26,000)	80,000	0	(718)	162,394
Lease liabilities	27,666	(6,090)	0	0	3,420	24,996
Non-current borrowings	**562,868**	**(121,974)**	**80,000**	**0**	**2,702**	**523,596**
Schuldschein loans	0	85,000	0	0	0	85,000
Investment loan from European Investment Bank	4,882	4,884	0	(4,884)	0	4,882
Syndicated loans	155,000	0	0	(140,000)	0	15,000
Loans	0	0	30,000	0	0	30,000
Bank overdrafts and cash advances	91,965	26,000	0	(39,230)	(431)	78,304
Lease liabilities	5,901	6,090	0	(6,291)	(87)	5,613
Current borrowings	**257,748**	**121,974**	**30,000**	**(190,405)**	**(518)**	**218,799**

€000	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
2022/23						
Schuldschein loans	174,000	0	235,000	0	0	409,000
Investment loan from European Investment Bank	21,972	(4,882)	0	0	0	17,090
Loans	159,073	(50,000)	859	(859)	39	109,112
Lease liabilities	22,699	(6,755)	0	0	11,722	27,666
Non-current borrowings	**377,744**	**(61,637)**	**235,859**	**(859)**	**11,761**	**562,868**
Schuldschein loans	7,000	0	0	(7,000)	0	0
Investment loan from European Investment Bank	4,882	4,882	0	(4,882)	0	4,882
Syndicated loans	15,000	0	140,000	0	0	155,000
Bank overdrafts and cash advances	244,142	50,000	0	(201,481)	(696)	91,965
Lease liabilities	5,603	6,755	0	(6,361)	(96)	5,901
Current borrowings	**276,627**	**61,637**	**140,000**	**(219,724)**	**(792)**	**257,748**

10. Notes to the consolidated balance sheet

Note (16)

10.1. Intangible assets, including goodwill

€000	Goodwill	Concessions, licences and similar rights	Total
2023|24			
Cost			
At 1 March 2023	262,313	114,405	376,718
Currency translation differences and hyperinflation adjustments	(45)	(1,766)	(1,811)
Changes in scope of consolidation/other changes	0	4	4
Additions	0	2,950	2,950
Reclassifications	0	514	514
Disposals	0	(537)	(537)
At 29 February 2024	**262,268**	**115,570**	**377,838**
Accumulated amortisation and impairment			
At 1 March 2023	163,646	97,974	261,620
Currency translation differences and hyperinflation adjustments	(18)	(766)	(784)
Amortisation for the period	0	3,375	3,375
Impairment	394	1,325	1,719
Reclassifications	0	2	2
Disposals	0	(537)	(537)
At 29 February 2024	**164,022**	**101,373**	**265,395**
Carrying amount at 29 February 2024	**98,246**	**14,197**	**112,443**
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**

- Intangible assets consist largely of acquired customer relationships, software, patents and similar rights.
- The additions of € 2,950 thousand (prior year: € 1,773 thousand) of intangible assets related primarily to software.
- In view of the strained business trend in Asia, an impairment test was performed, which led to an impairment charge of € 1,325 thousand on customer relationships in the CGU Japan.

- Of the total carrying amount of goodwill, the Fruit segment accounted for € 96,640 thousand (prior year: € 97,061 thousand) and the Starch segment for € 1,606 thousand (prior year: € 1,606 thousand). The change in the Fruit segment was related to the impairment of the (immaterial) CGU Japan.

- 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 29 February 2024, 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 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 2023: 2.0% p.a.). The cost of capital (WACC[1]) 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 2.57% of a 30-year zero coupon bond, based on Deutsche Bundesbank data, was used as the risk-free rate of return (28 February 2023: 2.48%). Business risk is represented by the product of a general market risk premium of 6.43% (28 February 2023: 6.52%) and a beta factor derived from a segment-specific peer group comprising eight companies per business segment (28 February 2023: eight companies). Both the country risk and the inflation differential are assigned a volatility factor of 1.34 (28 February 2023: 1.41).

- 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**	
	29 Feb 2024	**28 Feb 2023**	**2023|24**	**2022|23**
	€m	€m	%	%
Fruit CGU	96	97	8.86	9.48
Starch CGU	2	2	8.77	8.76
Group	**98**	**99**	**–**	**–**

- 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.

- Impairment tests are regularly performed at the balance sheet date of 28 or 29 February. At 29 February 2024, the goodwill impairment test did not show impairment of the Fruit and Starch CGUs. The goodwill of the CGU Japan in the Fruit segment, which is immaterial for the Group, was impairment-tested separately due to the difficult business trend in Asia, which led to the recognition of complete impairment of this goodwill, in the amount of € 394 thousand. More details are provided in section 7.11, “Critical assumptions and judgements”.

[1] Weighted average cost of capital.

- The values in use were subjected to a sensitivity analysis. The results are presented from page 149.
- 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, leasehold rights and buildings	Technical plant and machinery	Other plant, furniture and equipment	Assets under construction	Total
2023|24					
Property, plant and equipment – acquired					
Cost					
At 1 March 2023	682,390	1,562,828	260,045	43,843	2,549,106
Currency translation differences and hyperinflation adjustments	(9,078)	(7,468)	(2,452)	(69)	(19,067)
Changes in scope of consolidation/ other changes	0	(217)	(261)	214	(264)
Additions	6,482	35,224	13,680	65,433	120,819
Reclassifications	2,761	20,571	2,784	(26,630)	(514)
Disposals	(8,811)	(6,948)	(6,445)	(217)	(22,421)
Government grants	(46)	(3,712)	(20)	0	(3,778)
At 29 February 2024	**673,698**	**1,600,278**	**267,331**	**82,574**	**2,623,881**
Accumulated depreciation and impairment					
At 1 March 2023	397,016	1,159,146	213,685	388	1,770,235
Currency translation differences and hyperinflation adjustments	(3,954)	(5,459)	(2,177)	(5)	(11,595)
Changes in scope of consolidation/ other changes	0	(10)	(160)	0	(170)
Depreciation for the period	17,338	72,345	14,646	0	104,329
Impairment	8,763	9,913	1,012	0	19,688
Reclassifications	0	(2)	0	0	(2)
Disposals	(6,260)	(6,863)	(6,238)	(33)	(19,394)
Reversal of impairment losses	(5)	(42)	0	0	(47)
At 29 February 2024	**412,898**	**1,229,028**	**220,768**	**350**	**1,863,044**
Carrying amount at 29 February 2024	**260,800**	**371,250**	**46,563**	**82,224**	**760,837**

€000	Land, lease-hold rights and buildings	Technical plant and machinery	Other plant, furniture and equipment	Assets under construction	Total
2023|24					
Property, plant and equipment – right-of-use					
Cost					
At 1 March 2023	42,546	16,543	2,014	0	61,103
Currency translation differences	(329)	(8)	(17)	0	(354)
Additions	2,361	677	461	0	3,499
Disposals	(632)	(1,175)	(274)	0	(2,081)
At 29 February 2024	**43,946**	**16,037**	**2,184**	**0**	**62,167**
Accumulated depreciation and impairment					
At 1 March 2023	14,322	5,083	1,151	0	20,556
Currency translation differences	(212)	(2)	(89)	0	(303)
Depreciation for the period	4,122	1,897	526	0	6,545
Impairment	659	0	0	0	659
Disposals	(632)	(1,169)	(274)	0	(2,075)
At 29 February 2024	**18,259**	**5,809**	**1,314**	**0**	**25,382**
Carrying amount at 29 February 2024	**25,687**	**10,228**	**870**	**0**	**36,785**
Carrying amount of total property, plant and equipment at 29 February 2024	**286,487**	**381,478**	**47,433**	**82,224**	**797,622**

€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 – right-of-use					
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**

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

€000	2023|24	2022|23
Fruit segment	49,570	36,750
Starch segment	41,507	30,204
Sugar segment	33,241	34,189
Group	**124,318**	**101,143**

- 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 related largely to assistance for companies in the food industry in Hungary in the Sugar segment, investment assistance in the Czech Republic and Slovakia in the Sugar business, and an environmental grant in the Starch segment.

- Due to the difficult economic situation and the resulting challenging business trend in Asia, impairment tests were carried out on the CGUs in Asia in the Fruit segment. This led to impairment charges on property, plant and equipment in China and Japan totalling € 18,730 thousand (prior year: South Africa and India, € 2,833 thousand). The fair value of the impaired property, plant and equipment was determined in accordance with IFRS 13. The fair value of land and buildings was measured on the basis of appraisals by independent experts. An income-based valuation method using Level 3 inputs was applied. The key inputs were assumptions regarding the sustainable realisable rental income and the market rate of return. In consultation with the management, specific risks in connection with the actual realisability were taken into account through additional discounts. For plant and machinery, market-based or cost-based valuation methods were used, depending on the class of asset. The main Level 3 inputs were assumptions regarding actual realisability in inactive markets. Scrap value estimates were used as a lower limit. Also in the Fruit segment, the carrot processing plant in

Hungary was closed down as a result of a severe deterioration in the raw material situation and impairment losses of € 1,403 thousand were recognised.

- AGRANA uses leases mainly for long-term rental agreements for land and buildings in administration and production.

- At 29 February 2024 the weighted average incremental borrowing rate for the measurement of lease liabilities was 3.5% (prior year: 3.3%).

- 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	2023|24	2022|23
Expenses for short-term leases	2,958	2,582
Expenses for leases of low-value assets	202	341
Interest expenses on lease liabilities	1,081	1,112

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
2023|24				
At 1 March 2023	66,460	17,378	280	84,118
Currency translation differences	(2,063)	0	0	(2,063)
Share of results of equity-accounted joint ventures	3,552	0	0	3,552
Additions	99	0	0	99
Impairment and valuations	(99)	424	0	325
Dividends of equity-accounted joint ventures and disposals	(2,500)	(7)	0	(2,507)
Other comprehensive income	3,536	411	0	3,947
At 29 February 2024	**68,985**	**18,206**	**280**	**87,471**
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
Additions	2,291	0	0	2,291
Impairment and valuations	(2,291)	(1,156)	0	(3,447)
Dividends of equity-accounted joint ventures	(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**

- Details on the movement in the carrying amounts of equity-accounted joint ventures are provided in section 3.1.

Note (19)

10.4. Receivables and other assets

€000	29 Feb 2024	28 Feb 2023
Trade receivables	441,934	471,495
Amounts due from affiliated companies in the Südzucker group and joint ventures	13,978	16,005
Positive fair value of derivatives	6,972	10,535
Amounts due from associates of the Südzucker group	986	2,757
Receivable under government grants	380	1,263
Miscellaneous other financial assets	47,757	45,844
Financial instruments	**512,007**	**547,899**
VAT credits and other tax credits	70,258	69,397
Assets from termination benefit plans with a surplus	0	75
Prepaid expenses	9,227	8,642
Accrued income	7,128	6,743
Total	**598,620**	**632,756**
Of which due after more than 1 year	3,318	2,559

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	29 Feb 2024	28 Feb 2023
Deferred tax assets		
Intangible assets and property, plant and equipment	4,412	3,870
Non-current financial assets (primarily "one-seventh" write-downs on non-consolidated subsidiaries and on outside companies)	13,984	6,710
Inventories	9,093	6,526
Receivables and other assets	2,049	1,050
Carryforwards of unused tax losses	2,799	2,934
Provisions for pensions, termination benefits and long-service awards	3,134	3,717
Other provisions and liabilities	23,265	18,456
Total deferred tax assets	**58,736**	**43,263**
Deferred tax assets offset against deferred tax liabilities relating to the same tax authority	(28,424)	(23,446)
Net deferred tax assets	**30,312**	**19,817**

Deferred tax liabilities are detailed in note 26.

Note (21)

10.6. Inventories

€000	29 Feb 2024	28 Feb 2023
Raw materials and consumables	292,220	391,358
Finished and unfinished goods	853,568	789,923
Goods purchased for resale	25,022	28,738
Total	**1,170,810**	**1,210,019**

Write-downs of € 31,644 thousand (prior year: € 5,811 thousand) were recognised on inventories, with € 10,157 thousand accounted for by the Fruit segment (prior year: € 4,011 thousand), € 8,256 thousand by the Starch segment (prior year: € 445 thousand) and € 13,231 thousand by the Sugar segment (prior year: € 1,355 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 124.

- 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 a gain of € 22,594 thousand in Argentina (prior year: gain of € 5,061 thousand) and a gain of € 2,142 thousand in Turkey (prior year: gain of € 2,119 thousand)), and accumulated profit for the period.

- Changes in ownership interests and scope of consolidation, amounting to a deduction of € 1,188 thousand, resulted from the purchase of shares of non-controlling shareholders of the fully consolidated Magyar Cukorgyártó és Forgalmazó Zrt, Budapest, Hungary, and S.C. A.G.F.D. Tandarei s.r.l., Ţăndărei, Romania.

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	29 Feb 2024	28 Feb 2023
Total equity	1,248,430	1,256,569
Total assets	2,889,421	3,003,075
Equity ratio	**43.2%**	**41.8%**
Net debt	636,083	684,895
Gearing ratio	**51.0%**	**54.5%**

By capital management, 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	29 Feb 2024	28 Feb 2023
Provisions for:		
Pensions	23,862	26,710
Termination benefits	28,603	26,825
Other	58,289	47,904
Total	**110,754**	**101,439**

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:

%	29 Feb 2024	28 Feb 2023
Expected rate of wage and salary increases		
Austria and rest of Europe	2.00 – 6.00	4.00 – 9.04
Mexico/South Korea	6.00 / 3.50	6.00 / 3.00
Expected trend of pension increases		
Austria and rest of Europe	3.60 – 4.50	4.00 – 9.04
Mexico	6.00	6.00
Discount rate		
Austria and rest of Europe	3.60	4.25
Mexico/South Korea	9.25 / 3.90	9.00 / 5.30

A discount rate of 3.60% (prior year: 4.25%) 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	29 Feb 2024	28 Feb 2023
Pension plans		
Present value of defined benefit obligation	41,913	41,857
Fair value of plan assets	(18,051)	(15,147)
Pension provisions [net liability]	**23,862**	**26,710**
Termination benefit plans		
Present value of defined benefit obligation	30,818	28,802
Fair value of plan assets	(2,215)	(2,052)
Net liability under defined benefit obligation	**28,603**	**26,750**
Of which assets from termination benefit plans with a surplus	0	~75
Of which termination benefit provisions	28,603	26,825

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 € 27,251 thousand (prior year: € 24,679 thousand) and the plan assets amounted to € 17,660 thousand (prior year: € 14,760 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 € 10,605 thousand (prior year: € 13,451 thousand), of Österreichische Rübensamenzucht Gesellschaft m.b.H. in the amount of € 649 thousand (prior year: € 593 thousand), of AGRANA Stärke GmbH in the amount of € 1,507 thousand (prior year: € 1,490 thousand) and of AUSTRIA JUICE GmbH in the amount of € 152 thousand (prior year: € 159 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 € 129 thousand (prior year: € 135 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 € 309 thousand (prior year: € 365 thousand) and there were plan assets in the form of pension insurance of € 183 thousand (prior year: € 169 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 € 1,440 thousand (prior year: € 1,120 thousand), with plan assets in the form of pension insurance of € 79 thousand (prior year: € 83 thousand).

The pension provisions showed the following movement:

€000	Present value of obligation	Fair value of plan assets	Pension provisions
2023|24			
At 1 March 2023	41,857	(15,147)	26,710
Current service cost	94	0	94
Interest expense/(income)	1,759	(689)	1,070
Effects of plan curtailments and settlements	(4)	0	(4)
Taxes and administration cost	0	171	171
Total recognised in the income statement [net pension cost]	**1,849**	**(518)**	**1,331**
(Gains)/losses from:			
Actual return on plan assets	0	(354)	(354)
Changes in financial assumptions	(223)	0	(223)
Experience adjustments	1,452	0	1,452
Currency translation differences	68	(6)	62
Total remeasurement loss/(gain) recognised in the statement of comprehensive income	**1,297**	**(360)**	**937**
Settlement payments	(75)	0	(75)
Benefits paid	(3,015)	1,208	(1,807)
Employer contributions to plan assets	0	(3,234)	(3,234)
Other movements	**(3,090)**	**(2,026)**	**(5,116)**
At 29 February 2024	**41,913**	**(18,051)**	**23,862**

€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**

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 € 27,237 thousand (prior year: € 26,039 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 € 263 thousand (prior year: € 187 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 € 350 thousand (prior year: € 195 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 € 22 thousand (prior year: € 3 thousand) in Mexico offset the present value of the obligation of € 550 thousand (prior year: € 407 thousand).

The present value of the obligation of the termination benefit plan for South Korea was € 2,418 thousand (prior year: € 1,974 thousand); the plan assets amounted to € 2,193 thousand (prior year: € 2,049 thousand). The plan thus had a surplus of € 0 (prior year: 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**
2023|24			
At 1 March 2023	28,802	(2,053)	26,749
Current service cost	1,170	0	1,170
Past service cost	(165)	0	(165)
Interest expense/(income)	1,162	(114)	1,048
Taxes and administration cost	0	5	5
Total recognised in the income statement [net termination benefit cost]	**2,167**	**(109)**	**2,058**
Losses/(gains) from:			
Actual return on plan assets	0	43	43
Changes in demographic assumptions	171	0	171
Changes in financial assumptions	1,003	0	1,003
Experience adjustments	2,043	0	2,043
Currency translation differences	(66)	67	1
Total remeasurement loss recognised in the statement of comprehensive income	**3,151**	**110**	**3,261**
Benefits paid	(3,302)	113	(3,189)
Employer contributions to plan assets	0	(276)	(276)
Other movements	**(3,302)**	**(163)**	**(3,465)**
At 29 February 2024	**30,818**	**(2,215)**	**28,603**

€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**

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 loss of € 4,237 thousand (prior year: actuarial gain of € 2,755 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 29 February 2024, net cumulative actuarial losses of € 44,227 thousand (prior year: net cumulative actuarial losses of € 39,990 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:

%	29 Feb 2024	28 Feb 2023
Fixed income securities	32.81%	30.08%
Equity securities	30.99%	33.68%
Real estate	5.70%	5.80%
Other	30.50%	30.44%

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 29 February 2024 was 10.39 years (prior year: 9.91 years) and that of the termination benefit obligations was 7.25 years (prior year: 7.24 years).

€ 1,810 thousand of contributions are expected to be paid into the plan assets in the subsequent reporting period (prior year: € 3,600 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 2024|25	3,054	3,322
Financial year 2025|26	2,915	3,442
Financial year 2026|27	2,849	2,571
Financial year 2027|28	2,784	2,072
Financial year 2028|29	2,729	2,417
Financial years 2029|30 to 2033|34	13,345	17,450
Total	**27,676**	**31,274**

Note (23b)

b) Other provisions

€000	Recla-mation	Staff costs, including long-service awards	Uncertain liabilities	Total
2023|24				
At 1 March 2023	12,870	15,145	19,889	47,904
Currency translation differences	(145)	(258)	(295)	(698)
Used	(1,455)	(1,802)	(8,995)	(12,252)
Released	(119)	(1,310)	(3,420)	(4,849)
Added	1,935	6,077	20,172	28,184
At 29 February 2024	**13,086**	**17,852**	**27,351**	**58,289**
Of which due within 1 year	160	3,280	23,578	27,018

The provisions for uncertain liabilities included mainly provisions for onerous contracts of € 5,820 thousand (prior year: € 4,598 thousand) and for litigation risks of € 2,137 thousand (prior year: € 2,453 thousand).

Of the non-current other provisions of € 31,271 thousand (prior year: € 28,388 thousand), a large portion, at € 12,009 thousand (prior year: € 10,791 thousand), represented provisions for long-service awards. These are payable under local company agreements or collective agreements and are based on length of service. For the majority of the non-current provisions of € 12,926 thousand (prior year: € 11,372 thousand) for reclamation, an outflow of funds is likely to occur in more than five years.

Note (24)

10.9. Borrowings

€000	29 Feb 2024	28 Feb 2023
Bank loans and overdrafts	302,786	378,049
Schuldschein loans	409,000	409,000
Lease liabilities	30,609	33,567
Borrowings	**742,395**	**820,616**
Of which due after more than 1 year	523,596	562,868

Details of bank loans and overdrafts and of Schuldschein loans ("Schuldscheindarlehen", or SSD) are presented in sections 11.1 to 11.4. SSD are loans with some bond-like characteristics, sometimes translated as "promissory note loans".

The maturities of the lease liabilities existing at the balance sheet date were as follows:

€000	29 Feb 2024	28 Feb 2023
Non-current lease liabilities	24,996	27,666
Current lease liabilities	5,613	5,901

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 € 42,623 thousand (prior year: € 11,478 thousand).

Note (25)

10.10.Trade and other payables

€000	29 Feb 2024	28 Feb 2023
Trade payables	561,642	586,991
Amounts due to affiliated companies in the Südzucker group and joint ventures	21,553	34,026
Amounts due to other investees of the Südzucker group	0	19,733
Payables from the acquisition of subsidiaries	3,786	5,526
Derivative liabilities	30,723	35,420
Financial other payables	89,984	79,160
Financial instruments	**707,688**	**760,856**
Payables: deferred income	4,505	3,741
Payables: prepayments	1,430	1,834
Payables: other tax	17,493	16,058
Payables: social security	11,450	10,651
Total	**742,566**	**793,140**
Of which due after more than 1 year	15,957	6,670

Trade payables included obligations to beet growers of € 197,266 thousand (prior year: € 177,533 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	29 Feb 2024	28 Feb 2023
Deferred tax liabilities		
Non-current assets	18,797	19,628
Inventories	630	325
Receivables and other assets	7,143	5,966
Untaxed reserves in separate financial statements	2,157	1,269
Provisions and other liabilities	5,088	3,099
Total deferred tax liabilities	**33,815**	**30,287**
Deferred tax assets offset against deferred tax liabilities relating to the same tax authority	(28,424)	(23,446)
Net deferred tax liabilities	**5,391**	**6,841**

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).

The following table presents borrowings (excluding lease liabilities) grouped by fixed and variable interest rate and showing the associated average effective interest rates:

	Average effective interest rate	At balance sheet date	Of which due in		
			Up to 1 year	1 to 5 years	More than 5 years
	%	€000	€000	€000	€000
29 February 2024					
Fixed rate					
DZD	6.76	4,823	3,822	986	15
EUR	1.85	289,591	91,092	193,452	5,047
	1.93	**294,414**	**94,914**	**194,438**	**5,062**
Variable rate					
CNY	4.07	8,288	8,288	0	0
EGP	22.43	1,092	1,092	0	0
EUR	5.27	398,837	99,737	240,100	59,000
KRW	5.24	8,636	8,636	0	0
TRY	48.82	297	297	0	0
ZAR	9.75	222	222	0	0
	5.32	**417,372**	**118,272**	**240,100**	**59,000**
Total	**3.92**	**711,786**	**213,186**	**434,538**	**64,062**

	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**

Borrowings (excluding lease liabilities) consisted of bank loans and overdrafts in the amount of € 302,786 thousand (prior year: € 378,049 thousand) and Schuldschein loans of € 409,000 thousand (prior year: € 409,000 thousand).

The weighted average interest rate paid on the amounts drawn under the financing facilities was 3.92% (prior year: 2.78%), with an average remaining maturity of 2.4 years (prior year: 2.4 years). Credit lines amounted to an aggregate limit of € 1,174,768 thousand (prior year: € 1,152,380 thousand). The average remaining maturity of the credit lines was 1.9 years (prior year: 2.3 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 Schuldschein loans of € 409,000 thousand (prior year: € 409,000 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 € 294,414 thousand (prior year: € 339,988 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 € 42,623 thousand (prior year: € 11,478 thousand) were secured by other liens (see note 24).

Cash and cash equivalents decreased by € 30,237 thousand from the prior year to a new total of € 88,106 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 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	Notional amount	Positive fair values	Negative fair values	Net fair value
		€000	€000	€000	€000
29 February 2024					
AUD	EUR	4,286	0	(53)	(53)
CZK	EUR	34,755	0	(677)	(677)
EUR	AUD	6,092	16	(7)	9
EUR	CZK	81,228	2,051	0	2,051
EUR	GBP	658	1	(4)	(3)
EUR	HUF	36,257	657	0	657
EUR	INR	488	0	(9)	(9)
EUR	JPY	4,411	61	0	61
EUR	MXN	37,046	0	(1,324)	(1,324)
EUR	PLN	20,951	2	(339)	(337)
EUR	RON	233,066	0	(1,321)	(1,321)
EUR	USD	120,241	27	(1,563)	(1,536)
EUR	ZAR	2,368	57	0	57
HUF	EUR	60,314	0	(1,110)	(1,110)
MXN	EUR	18,858	573	(15)	558
PLN	EUR	28,709	537	(5)	532
RON	EUR	109,653	347	0	347
USD	AUD	2,120	2	0	2
USD	EUR	79,181	1,049	(73)	976
Currency derivatives		**880,682**	**5,380**	**(6,500)**	**(1,120)**
Interest rate swaps		128,500	1,142	0	1,142
Wheat and corn futures		32,726	0	(8,299)	(8,299)
Energy swaps		42,259	109	(15,924)	(15,815)
Ethanol futures		4,547	341	0	341
Total		**1,088,714**	**6,972**	**(30,723)**	**(23,751)**

Purchase	Sale	Notional 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)**

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 positive fair values are reported in other assets and the negative fair values are recorded in other liabilities.

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). If the hedged transaction leads to the subsequent recognition of a non-financial item (for example, inventories), the cumulative amount in other comprehensive income is included directly in the cost of acquisition of the non-financial item at the time of its recognition. Such so-called basis adjustments were performed for wheat and corn futures in the amount of € 6,631 thousand after tax and for energy swaps in the amount of € 6,410 thousand after tax.

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	29 Feb 2024 Fair value Positive	29 Feb 2024 Fair value Negative	28 Feb 2023 Fair value Positive	28 Feb 2023 Fair value Negative
Currency derivatives	125	(112)	164	(1,012)
Interest rate swaps	1,142	0	4,619	0
Wheat and corn futures	0	(7,945)	0	(7,243)
Energy swaps	109	(15,829)	3	(17,041)
Ethanol futures	341	0	0	0
Total	**1,717**	**(23,886)**	**4,786**	**(25,296)**

The hedge relationships concerned the hedging of price risk on wheat and corn purchases, on corn sales in the case of waxy corn derivatives, and on sales of ethanol, and purchases of natural gas and extra light heating oil. 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 and 6-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 2023|24 financial year, a loss of € 19,136 thousand (prior year: loss of € 18,073 thousand) before taxes, and a tax benefit of € 4,770 thousand (prior year: tax benefit of € 3,241 thousand) for value changes on derivatives with a hedging relationship to the underlying transaction, were recognised in other comprehensive income. A loss of € 136 thousand due to hedge ineffectiveness was recognised in the year under review (prior year: loss of € 2,211 thousand), as the extent to which underlying transactions occurred was less than the associated hedge relationships (energy swaps). The ineffective losses were recognised in other operating expenses. Net derivative gains of € 1,903 thousand (prior year: € 828 thousand) relating to already fulfilled underlying transactions (wheat and corn futures) 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.

		29 Feb 2024 Remaining maturity			28 Feb 2023 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	2,182	0	0	6,209	0	0
Average hedged price	USD	1.102	0	0	1.045	0	0
Currency derivatives (RON)							
Notional amount	€000	13,525	0	0	0	0	0
Average hedged price	RON	5.035	0	0	0	0	0
Currency derivatives (CZK)							
Notional amount	€000	5,269	0	0	15,385	0	0
Average hedged price	CZK	24.945	0	0	25.361	0	0
Interest rate swaps							
Notional amount	€000	26,000	75,000	27,500	0	101,000	27,500
Average interest rate	%	−0.460	2.690	2.640	0	1.477	2.640
Wheat and corn futures							
Volume	Tonnes	150,100	0	0	152,750	0	0
Average hedged price	€ per tonne	258.851	0	0	321.565	0	0
Ethanol futures							
Volume	Tonnes	7,000	0	0	0	0	0
Average hedged price	€ per tonne	698.214	0	0	0	0	0
Natural gas swaps							
Volume	MWh	152,300	1,238,158	0	135,330	217,595	0
Average hedged price	€ per MWh	30.353	43.140	0	129.148	58.525	0
Extra light heating oil swaps							
Volume	Tonnes	0	0	0	42,524	0	0
Average hedged price	€ per tonne	0	0	0	827.557	0	0
Power swaps							
Volume	MWh	0	0	0	625	0	0
Average hedged price	€ per MWh	0	0	0	292.680	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:

			Contractual cash outflows							
€000	Carrying amount	Total	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
29 February 2024										
Currency derivatives										
Positive fair values	5,380	5,380	5,220	113	47	0	0	0	0	0
Negative fair values	(6,500)	(6,500)	(6,321)	(67)	(112)	0	0	0	0	0
Interest rate derivatives										
Positive fair values	1,142	6,392	638	543	661	1,356	1,356	1,163	374	301
Negative fair values	0	0	0	0	0	0	0	0	0	0
Commodity derivatives										
Positive fair values	341	341	141	200	0	0	0	0	0	0
Negative fair values	(8,299)	(8,299)	(6,433)	0	(1,866)	0	0	0	0	0
Energy derivatives										
Positive fair values	109	109	2	2	105	0	0	0	0	0
Negative fair values	(15,924)	(15,924)	(81)	(5)	(4,699)	(5,941)	(3,587)	(1,417)	(194)	0
Total	**(23,751)**	**(18,501)**	**(6,834)**	**786**	**(5,864)**	**(4,585)**	**(2,231)**	**(254)**	**180**	**301**
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)**

In terms of sensitivities, the net combined fair value of the derivative positions held at 29 February 2024 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 (–)	
€000	29 Feb 2024	28 Feb 2023	29 Feb 2024	28 Feb 2023	29 Feb 2024	28 Feb 2023
Currency derivatives	880,682	701,138	(22,918)	(22,039)	18,751	18,032
Interest rate derivatives	128,500	128,500	2,519	3,295	(2,260)	(2,293)
Commodity derivatives	37,273	208,119	2,818	4,393	(2,818)	(4,393)
Energy derivatives	42,259	52,743	4,180	4,854	(4,180)	(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 € 5,393 thousand (prior year: increase of € 7,579 thousand) and for the decrease in rates and prices, an equity decrease of € 5,521 thousand (prior year: decrease of € 7,157 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 € 20,406 thousand (prior year: decrease of € 19,340 thousand) and for the decrease in rates and prices, a profit increase of € 16,662 thousand (prior year: increase of € 15,786 thousand).

11.3. Additional disclosures on financial instruments

Carrying amounts and fair values of financial instruments

Set out in the next table 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 and cash equivalents, trade payables and financial other payables, as a result of the short terms to maturity.

	Carrying amount					Fair value			
€000	At fair value through profit or loss	At fair value through other compre-hensive income (no recycling)	At fair value through other compre-hensive income (hedging instruments)	At amortised cost	Total	Level 1	Level 2	Level 3	Total
29 February 2024									
Financial assets at fair value									
Securities (non-current)	11,897	6,309	–	–	**18,206**	11,007	–	7,199	**18,206**
Investments in non-consolidated subsidiaries and outside companies (non-current)	–	280	–	–	**280**	–	–	280	**280**
Derivative financial assets	5,255	–	1,717	–	**6,972**	341	6,631	–	**6,972**
	17,152	**6,589**	**1,717**	**–**	**25,458**				
Financial assets not at fair value									
Trade receivables	–	–	–	441,934	**441,934**				
Financial other receivables[1]	–	–	–	63,101	**63,101**				
Cash and cash equivalents	–	–	–	88,106	**88,106**				
	–	**–**	**–**	**593,141**	**593,141**				
Financial liabilities at fair value									
Derivative liabilities	6,837	–	23,886	–	**30,723**	8,299	22,424	–	**30,723**
	6,837	**–**	**23,886**	**–**	**30,723**				
Financial liabilities not at fair value									
Bank loans and overdrafts	–	–	–	302,786	**302,786**	–	282,649	–	**282,649**
Schuldschein loans	–	–	–	409,000	**409,000**	–	417,371	–	**417,371**
Lease liabilities[2]	–	–	–	30,609	**30,609**				
Trade payables	–	–	–	561,642	**561,642**				
Financial other payables[3]	–	–	–	115,323	**115,323**				
	–	**–**	**–**	**1,419,360**	**1,419,360**				

[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: 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	Total	Fair value: Level 1	Level 2	Level 3	Total
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	–	–	–	378,049	**378,049**	–	366,664	–	**366,664**
Schuldschein loans	–	–	–	409,000	**409,000**	–	392,998	–	**392,998**
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**				

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 € 11,007 thousand (prior year: € 10,583 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 € 6,048 thousand (prior year: € 5,637 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: € 890 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 € 261 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 29 Feb 2024	Dividend 2023|24	Fair value 28 Feb 2023	Dividend 2022|23
RAIFFEISEN-Holding NIEDERÖSTERREICH-WIEN regGenmbH	6,048	71	5,637	43
Other	541	28	548	28
Total	**6,589**	**99**	**6,185**	**71**

The change in fair values of Level 3 securities was recognised in other comprehensive income, in the reserve for equity instruments, at an increase of € 411 thousand (prior year: decrease of € 238 thousand) before tax, and at a tax expense of € 95 thousand (prior year: tax benefit of € 55 thousand). In the 2023|24 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 measurement of financial instruments are presented by measurement category in the following table:

€000	2023|24	2022|23
Fair value through profit or loss	424	(1,148)
Fair value through profit or loss – derivatives	6,898	924
At amortised cost – financial assets	(662)	756
At amortised cost – financial liabilities	(6,275)	2,707
Net gain on financial instruments in the income statement	**385**	**3,239**
Fair value through other comprehensive income (no recycling)	411	(238)
Fair value through other comprehensive income (hedging instruments)	(19,136)	(18,073)
Net (loss) on financial instruments in other comprehensive income	**(18,725)**	**(18,311)**
Total net (loss) on financial instruments	**(18,340)**	**(15,072)**

The total interest income and expense on financial assets and financial liabilities measured at amortised cost using the effective interest method were as follows:

€000	2023|24	2022|23
Total interest income	2,986	1,199
Total interest expense	(34,724)	(11,491)
Net interest expense	**(31,738)**	**(10,292)**

Total interest income mainly consisted of interest income on bank balances. In addition to interest expenses on lease liabilities, total interest expense largely represented interest expenses on bank loans and overdrafts and on Schuldschein loans ("Schuldscheindarlehen", or SSD, are loans with some bond-like characteristics).

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 metrics 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.

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 increased to € 435 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**	**Impairment allowance**	**Net carrying amount**
29 February 2024				
Trade receivables not yet due	0.0295	412,016	(122)	411,894
Trade receivables past due				
Up to 30 days	0.3146	21,100	(67)	21,033
31 to 90 days	1.4681	6,429	(94)	6,335
More than 90 days		2,824	(152)	2,672
Individual impairment recognised		8,856	(8,856)	0
Total		**451,225**	**(9,291)**	**441,934**
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**

The allowance for impairment of trade receivables showed the following movements:

€000	29 Feb 2024	28 Feb 2023
Allowance at 1 March	8,556	11,460
Currency translation adjustments/other changes	(186)	(325)
Added	2,178	607
Used	(743)	(295)
Reversed	(514)	(2,891)
Allowance at 29 February	**9,291**	**8,556**

The reversed amount of the allowance included interest income of € 8 thousand (prior year: € 43 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 € 1,174,768 thousand (prior year: € 1,152,380 thousand). The weighted average remaining maturity of the credit lines at the balance sheet date was 1.9 years (prior year: 2.3 years).

The following maturity profile shows the effects of the cash outflows from liabilities as at 29 February 2024 on the Group's liquidity situation. All cash outflows are undiscounted.

			Contractual cash outflows							
€000	Carrying amount	Total	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
29 February 2024										
Non-derivative financial payables										
Bank loans and overdrafts	302,786	330,862	100,067	28,456	7,882	51,901	50,697	7,178	54,333	30,348
Schuldschein loans	409,000	455,019	3,896	88,812	7,010	104,785	90,936	122,474	1,769	35,337
Trade payables	561,642	561,642	443,675	114,279	3,688	0	0	0	0	0
Amounts due to affiliated companies and other investees of the Südzucker group and joint ventures	21,553	21,553	21,213	340	0	0	0	0	0	0
Lease liabilities	30,609	43,251	1,902	1,674	3,110	6,101	5,211	2,568	2,284	20,401
Financial other payables	93,770	93,770	71,477	8,540	8,934	3,345	1,388	25	14	47
	1,419,360	**1,506,097**	**642,230**	**242,101**	**30,624**	**166,132**	**148,232**	**132,245**	**58,400**	**86,133**
Derivative financial payables										
Currency derivatives	6,500	6,500	6,321	67	112	0	0	0	0	0
Commodity derivatives	8,299	8,299	6,433	0	1,866	0	0	0	0	0
Energy derivatives	15,924	15,924	81	5	4,699	5,941	3,587	1,417	194	0
	30,723	**30,723**	**12,835**	**72**	**6,677**	**5,941**	**3,587**	**1,417**	**194**	**0**
28 February 2023										
Non-derivative financial payables										
Bank loans and overdrafts	378,049	386,314	157,995	35,705	62,101	35,133	46,988	45,713	2,596	83
Schuldschein loans	409,000	460,071	3,226	3,722	5,874	97,198	102,506	89,632	121,417	36,496
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**

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 (VaR) 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 VaR:

	Value-at-Risk	
€000	29 Feb 2024	28 Feb 2023
Sum of absolute net positions of the currency pairs	72,413	186,865
Value-at-Risk diversified	**5,201**	**8,114**

The following table gives the foreign currency position by currency pair of the VaR 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	
€000	29 Feb 2024	28 Feb 2023
Currency pair		
EUR/AUD	1,732	2,975
EUR/CNY	1,045	1,055
EUR/CZK	5,808	33,290
EUR/HUF	476	18,967
EUR/INR	1,499	504
EUR/MAD	2,107	1,570
EUR/MXN	1,489	509
EUR/PLN	2,342	5,863
EUR/RON	17,762	63,013
EUR/RUB	1,254	1,586
EUR/TRY	4,658	957
EUR/UAH	928	5,342
EUR/USD	5,440	17,182
RUB/CNY	3,543	0
USD/ARS	3,048	3,401
USD/AUD	675	3,770
USD/CNY	301	2,851
USD/EGP	1,261	1,132
USD/KRW	1,247	2,972
USD/MXN	8,319	13,988
USD/RUB	1,744	339
USD/TRY	1,143	147
USD/UAH	2,059	440
Other	2,533	5,012
Total	**72,413**	**186,865**

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 € 72,413 thousand (prior year: € 186,865 thousand) related primarily to Romania, Mexico, the USA, the Czech Republic and Turkey and represented a Value-at-Risk of € 5,201 thousand (prior year: € 8,114 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 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	29 Feb 2024	28 Feb 2023
Net floating rate borrowings	417,372	447,062
Cash-Flow-at-Risk diversified	**4,270**	**19,521**
Net fixed rate borrowings	199,500	279,941
Value-at-Risk upon change in interest rates	**4,759**	**7,133**

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, the sale of finished products (ethanol) and purchases of energy. 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 150,100 tonnes of wheat for the Austrian bioethanol production operations (prior year: purchase of 152,750 tonnes), the purchase of 10,400 tonnes of waxy corn derivatives (prior year: purchase of 7,500 tonnes), and the purchase of 1,390,458 MWh of natural gas (prior year: purchase of 352,925 MWh). In the prior year there were also open positions for the purchase of 42,524 tonnes of extra-light heating oil and 625 MWh of electricity. In the year under review, the Group had open positions for the purchase of 7,000 tonnes of ethanol (prior year: no open positions for ethanol purchases). The above positions represented an aggregate contract amount of € 79,579 thousand (prior year: € 120,554 thousand) and, based on the underlying closing prices, had a combined net negative fair value of € 23,773 thousand (prior year: negative fair value of € 24,205 thousand).

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.

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	**29 Feb 2024**	**28 Feb 2023**
Guarantees	33,008	46,569
Warranties, cooperative liabilities	1,365	1,373

The guarantees are not expected to be utilised.

At the beginning of the 2023|24 financial year, several national competition authorities in various European Union countries sent out questionnaires on the subject of price increases and/or launched investigations. In Romania, premises of 13 food producers, including AGRANA Romania S.R.L., Bucharest, Romania, were searched for two days at the end of March 2023 in connection with alleged price-fixing with competitors. In December 2023 another request for information was answered on time. As of the time of completion of the preparation of the financial statements, no specific allegations had been made by the Romanian competition authority. AGRANA also undertook its own external audit of all documents inspected by the competition authority and was unable to identify any violations of competition law; AGRANA therefore sees no reason for a fine to be imposed.

Commitments, in the form of purchase commitments for investments in property, plant and equipment, amounted to € 26,810 thousand (prior year: € 17,257 thousand).

12. Events after the balance sheet date

No significant events occurred after the balance sheet date of 29 February 2024 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
2023|24					
Revenue	103,538	23,040	71,660	0	**198,238**
Operating expenses	(63,791)	(860)	(121,302)	(371)	**(186,324)**
Credit relationships	(340)	(75,707)	0	0	**(76,047)**
Participation capital	0	6,048	0	0	**6,048**
Bank balances and current receivables	0	556	0	0	**556**
Commitments under long-term supply contracts	0	0	(12,600)	0	**(12,600)**
Non-current financial receivables	0	0	505	0	**505**
Net trade receivables/(payables) for goods	311	971	(6,953)	(112)	**(5,783)**
Net interest (expense)/income	(13)	(3,406)	264	0	**(3,155)**
Guarantees issued	0	0	59,367	0	**59,367**
Guarantees utilised	0	0	30,477	0	**30,477**

€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**

Transactions with related parties are conducted on comparable arm's length terms.

At the balance sheet date, borrowings from related parties amounted to € 76,047 thousand (prior year: € 68,237 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 aggregate total remuneration of the members of the Management Board of AGRANA Beteiligungs-AG amounted to € 5,062 thousand (prior year: € 2,949 thousand), consisting of fixed base salaries of € 1,619 thousand (prior year: € 1,450 thousand), one-year variable remuneration of € 1,214 thousand (prior year: € 1,470 thousand), multi-year variable remuneration of € 881 thousand, and benefits in kind and perquisites totalling € 31 thousand (prior year: € 29 thousand). In addition, there are entitlements of € 1,317 thousand under the consensual severance agreement of former Chief Executive Officer Markus Mühleisen. Until including the 2022|23 financial year, the performance-based elements of remuneration were linked to the amount of the dividend paid for the last three financial years. With effect from the 2023|24 financial year, the variable components of the Management Board members' remuneration were revised. The variable remuneration consists of a one-year variable remuneration element and a multi-year variable remuneration element. The one-year variable remuneration is tied to the Group's profitability in the most recent completed financial year – specifically, to the degree of achievement of a Group EBITDA financial target. EBITDA is defined as operating profit before exceptional items, results of equity-accounted joint ventures and operating depreciation and amortisation. The multi-year variable remuneration provides a profit share over a vesting period of three years, tied to three performance conditions: i) the degree of achievement of a target return on capital employed (ROCE), ii) the achievement of a target dividend based on the multi-year planning and iii) the degree of achievement of strategic targets; the performance against each of the three conditions is multiplied by a modifier of between 0.8 and 1.2. The first payment is made as an instalment together with the one-year variable remuneration; of the multi-year variable remuneration, only a maximum of 75% of the target amount for the year can be paid out. The final payment is made in the year of the Annual General Meeting that considers the results of the last year of the three-year observation period.

The Management Board members 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 from AGRANA for serving on the Management Board. For their work as legal representatives of Südzucker AG, Mannheim, Germany, Ingrid-Helen Arnold received total remuneration of € 1,744 thousand (prior year: € 1,360 thousand) from Südzucker AG and Thomas Kölbl received total remuneration of € 1,831 thousand from Südzucker AG.

On 7 July 2023 the Annual General Meeting approved annual aggregate remuneration for the Supervisory Board of € 380 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.

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 2023|24 financial year, pension fund contributions of € 330 thousand were paid (prior year: € 330 thousand). Post-employment benefits granted to the former Management Board members Johann Marihart, Fritz Gattermayer and Walter Grausam under the Company's plan are pension and survivor benefits. In the 2023|24 financial year, supplementary contributions totalling € 3,225 thousand were made for the former members of the Management Board. These payments related to the annual indexing of the pension under the sugar industry collective agreement to preserve the pension's purchasing power, in the amount of € 1,547 thousand, and to the negative performance of the pension fund, in the amount of € 1,678 thousand.

The pension benefit obligations in respect of the Management Board are administered by an external pension fund. In the balance sheet at 29 February 2024, within the item "provisions for pensions and termination benefits", an amount of € 9,591 thousand was recognised for pension obligations (prior year: € 9,919 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 199.

On 26 April 2024 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, 26 April 2024

The Management Board of AGRANA Beteiligungs-AG

Stephan Büttner Chief Executive Officer	**Norbert Harringer** Member of the Management Board	**Stephan Meeder** Member of the Management Board

List of members of AGRANA’s boards

Management Board

Stephan Büttner
Chief Executive Officer

Norbert Harringer
Member

Stephan Meeder
Member

Supervisory Board

Erwin Hameseder
Chairman

Niels Pörksen
First Vice-Chairman

Claudia Süssenbacher
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

Andrea Benischek

Andreas Klamler

Stephan Savic

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 29 February 2024, 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 2023|24 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, 26 April 2024

The Management Board of AGRANA Beteiligungs-AG

Stephan Büttner
Chief Executive Officer

Norbert Harringer
Member of the
Management Board

Stephan Meeder
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 consolidated balance sheet as at 29 February 2024, and the consolidated Income Statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and the cotes to the consolidated financial statements.

In our opinion, the consolidated financial statements comply with the legal requirements and present fairly, in all material respects, the consolidated financial position of the Group as at 29 February 2024, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code).

Basis for Opinion
We conducted our audit in accordance with the EU Regulation 537/2014 ("AP Regulation") and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor’s Responsibilities" section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor’s report is sufficient and appropriate to provide a basis for our audit opinion on 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. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, however, we do not provide a separate opinion thereon.

Impairment of the Goodwill of the Fruit Cash-Generating Unit
Risk for the Financial Statements
Goodwill of EUR 98.2 million is reported in the consolidated financial statements at 29 February 2024. Of this total, EUR 96.6 million is allocated to the Fruit cash-generating unit.

The procedure for testing goodwill for impairment is described by Management in the consolidated financial statements in subsections 7.1, 7.6 and 7.11 of the section “Accounting policies” and in note 16 in the section “Notes to the consolidated balance sheet”.

At least once a year, and additionally as necessary on an ad hoc basis, the Group tests goodwill for impairment, doing so separately for the Fruit and Starch cash-generating units (CGUs). The annual impairment tests are carried out as at the end of the financial year (28 or 29 February).

Goodwill is measured by its value in use, which is determined using a discounted cash flow method. To a material extent, this valuation is based on assumptions and estimates regarding the expected future cash flows. These cash flows are based on the financial projections that are approved by the Group's governance bodies and adjusted as necessary. The discount rate used can also be influenced by future changes in market, economic and legal conditions. The valuation is therefore inherently judgement-driven and subject to estimation uncertainty and thus involves a risk that goodwill is overstated in the financial statements.

Our Response
In auditing the impairment test of the goodwill of the Fruit cash-generating unit, we performed the following key audit procedures:

- Involving our valuation specialists, we reviewed the impairment tests performed by Management for the appropriateness of the valuation model used and of the planning assumptions and valuation parameters. In doing so, we assessed the assumptions made in the cash flow projections. We examined the valuation model applied and assessed whether it is suitable for determining the value in use appropriately.
- We validated the valuation parameters used in the model – especially the discount rate – for their appropriateness by comparing them with market- and industry-specific benchmarks.
- We compared the future cash flows underlying the impairment tests with the projections approved by the governance bodies and reviewed any adjustments made in the course of the impairment tests. In addition, we evaluated the historical projection accuracy on the basis of the backtesting performed by Management. We reviewed whether the effects of current geopolitical developments have been taken into account appropriately in the projections.
- We verified the arithmetic accuracy of the calculation of value in use.

Other Matter

The audit of the financial statements of AGRANA Beteiligungs-Aktiengesellschaft as of 28 February 2023 was performed by another auditor, who expressed an unqualified audit opinion on the financial statements dated 28 April 2023.

Other Information

Management is responsible for other information. Other information is all information provided in the annual report, other than the consolidated financial statements, the group management report and the auditor's report.

Our opinion on the consolidated financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact. If we conclude that there is a material misstatement of fact in other information, we must report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU, the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Management is also 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 intents 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

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 audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with the AP Regulation and Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in 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 AP Regulation and Austrian Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.

- We 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.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- We 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 audit report to the respective note in the consolidated financial statements. If such disclosures are not appropriate, we will modify our audit 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.

- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- We obtain sufficient appropriate audit evidence regarding the financial information of the entities and 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, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.

- We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.

- From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor’s report unless laws or other legal regulations preclude public disclosure about the matter or when in very rare cases, we determine that a matter should not be included in our audit report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal Requirements

Group Management Report

In accordance with Austrian company law, the group management report is to be audited as to whether it is consistent with the consolidated financial statements and prepared in accordance with legal requirements. It is our responsibility to determine whether the consolidated non-financial statement has been prepared as part of the group management report, to read and assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

Management is responsible for the preparation of the group management report in accordance with Austrian company law.

We have conducted our audit in accordance with generally accepted standards on the audit of group management reports.

Opinion
In our opinion, the group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Statement
Based on our knowledge gained in the course of the audit of the consolidated financial statements and our understanding of the Group and its environment, we did not note any material misstatements in the group management report.

Additional Information in accordance with Article 10 AP Regulation
We were elected as auditors at the Annual General Meeting on 7 July 2023 and were appointed by the supervisory board on 7 July 2023 to audit the financial statements of Company for the financial year ending on 29 February 2024.

We have been auditors of the Company since the consolidated financial statements at 29. February 2024.

We declare that our opinion expressed in the "Report on the Consolidated Financial Statements" section of our report is consistent with our additional report to the Audit Committee, in accordance with Article 11 AP Regulation.

We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 AP Regulation) and that we have ensured our independence throughout the course of the audit, from the audited Group.

Engagement Partner
The engagement partner is Mr Mag. Wilhelm Kovsca.

Vienna, 26 April 2024

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Signed by:
Mag. Wilhelm Kovsca
Wirtschaftsprüfer
(Austrian Chartered Accountant)

This report is a translation of the original report in German, which is solely valid.

The consolidated financial statements together with our auditor's opinion may only be published if the consolidated financial statements and the group management report are identical with the audited version attached to this report. Section 281 Paragraph 2 UGB (Austrian Commercial Code) applies.

Independent assurance report on the Non-financial Reporting[1]

[Translation]

This English language independent assurance report is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation nor for any errors or misunderstandings that may derive from the translation.

We have performed an independent limited assurance engagement on the consolidated non-financial report according to § 267a UGB as well as the sustainability disclosures and indicators for the financial year 2023|24, which has been published in the Integrated Annual Report ("NFI report") of AGRANA Beteiligungs-Aktiengesellschaft, Vienna (referred to as "AGRANA" or "the Company").

Conclusion

Based on the procedures performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the NFI report of the Company in the Integrated Annual Report 2023/24, which is referred to in the GRI content index, is not in accordance with the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§ 267a UGB), the provisions of Article 8 of the Regulation (EU) 2020/852 as amended and the supplementing delegated Regulation (EU) 2021/2178 (hereafter "EU Taxonomy Regulation") and the sustainability reporting guidelines of the Global Reporting Initiative (GRI Standards) Option "in accordance with" in all material respects.

Management's Responsibility

The Company's management is responsible for the proper preparation of the NFI report in accordance with the reporting criteria. The Company applies the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§ 267a UGB) and the sustainability reporting guidelines of the Global Reporting Initiative (GRI Standards) Option "in accordance with" as reporting criteria. In addition, the company prepares disclosures in accordance with the EU Taxonomy Regulation, which are published as part of sustainability reporting.

The Company's management is responsible for the selection and application of appropriate methods for non-financial reporting (especially the selection of significant matters) as well as the use of appropriate assumptions and estimates for individual non-financial disclosures, given the circumstances. Furthermore, their responsibilities include the design, implementation and maintenance of systems, processes and internal controls that are relevant for the preparation of the sustainability report in a way that is free of material misstatements – whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to state whether, based on our procedures performed and the evidence we have obtained, anything has come to our attention that causes us to believe that the Company's NFI report is not in accordance with the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§ 267a UGB), the legal requirements of the EU Taxonomy Regulation and the sustainability reporting guidelines of the Global Reporting Initiative (GRI Standards) Option "in accordance with" in all material respects.

Our engagement was conducted in conformity with the opinion of the expert group of the Austrian Chamber of Tax Advisors and Public Accountants (KFS/PG 13) as well as the International Standard on Assurance Engagements (ISAE 3000) applicable to such engagements. These standards require us to comply with our professional requirements including independence requirements, and to plan and perform the engagement to enable us to express a conclusion with limited assurance, taking into account materiality.

An independent assurance engagement with the purpose of expressing a conclusion with limited assurance ("limited assurance engagement") is substantially less in scope than an independent assurance engagement with the purpose of expressing a conclusion with reasonable assurance ("reasonable assurance engagement"), thus providing reduced assurance. Despite diligent engagement planning and execution, it cannot be ruled out that material misstatements, illegal acts or irregularities within the non-financial report will remain undetected.

[1] According to Section 267a UGB.

The procedures selected depend on the auditor's judgment and included the following procedures in particular:

— Inquiries of personnel at the group level, who are responsible for the materiality analysis, in order to gain an understanding of the processes for determining material sustainability topics and respective reporting threshholds of the Company;

— A risk assessment, including a media analysis, on relevant information on the Company's sustainability performance in the reporting period;

— Evaluation of the design and implementation of the systems and processes for the collection, processing and monitoring of disclosures on environmental, social and employees matters, respect for human rights, anti-corruption as well as bribery and also includes the consolidation of data;

— Inquiries of personnel at the group level, who are responsible for providing, consolidating and implementing internal control procedures relating to the disclosure of concepts, risks, due diligence processes, results and performance indicators;

— Inspection of selected internal and external documents, in order to determine whether qualitative and quantitative information is supported by sufficient evidence and presented in an accurate and balanced manner;

— Assessment of the processes for local data collection, validation and reporting, as well as the reliability of the reported data through a (remotely conducted) survey performed on a sample basis at Opava site;

— Analytical evaluation of the data and trend of quantitative disclosures regarding the GRI Standards listed in the GRI-Index, submitted by all locations for consolidation at the group level;

— Evaluation of the consistency of the of the Austrian Sustainability and Diversity Improvement Act (§ 267a UGB), the EU Taxonomy Regulation and the GRI Standards, Option "with reference to/in accordance with" to disclosures and indicators of the NFI report, which apply to the Company;

— Evaluation of the overall presentation of the disclosures by critically reading the NFI report.

The procedures that we performed do not constitute an audit or a review. Our engagement did not focus on revealing and clarifying of illegal acts (such as fraud), nor did it focus on assessing the efficiency of management. Furthermore, it is not part of our engagement to audit future-related disclosures, prior year figures, statements from external sources of information, expert opinions or references to more extensive external reporting formats of the Company.

Restriction on Use

Because our report will be prepared solely on behalf of and for the benefit of the principal, its contents may not be relied upon by any third party, and consequently, we shall not be liable for any third party claims. We agree to the publication of our assurance certificate and NFI report. However, publication may only be performed in its entirety and as a version has been certified by us.

General Conditions of Contract

Our responsibility and liability towards the Company and any third party is subject to paragraph 7 of the General Conditions of Contract for the Public Accounting Professions.

Vienna, 26 April 2024

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Signed by:
Peter Ertl
Wirtschaftsprüfer
(Austrian Chartered Accountant)

This English language independent assurance report is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation nor for any errors or misunderstandings that may derive from the translation.

Other informationen 2023|24

Parent company income statement

for the year ended 29 February 2024
of AGRANA Beteiligungs-AG, under Austrian Commercial Code (UGB)

€000	2023|24	2022|23
1. Revenue	50,831	46,727
2. Other operating income	239	191
3. Staff costs	(28,732)	(21,827)
4. Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	(666)	(643)
5. Other operating expenses	(40,677)	(31,277)
6. Operating (loss) [subtotal of items 1 to 5]	**(19,005)**	**(6,829)**
7. Income from investments in subsidiaries and other companies	60,422	69,824
Of which from subsidiaries	60,394	69,795
8. Income from other securities and loans classified as non-current financial assets	16,911	7,142
Of which from subsidiaries	16,911	7,142
9. Income from reversal of impairment losses on non-current financial assets	6,600	0
10. Other interest and similar income	17,103	4,769
Of which from subsidiaries	17,091	4,547
11. Interest and similar expense	(19,986)	(5,469)
Of which from subsidiaries	(18,985)	(4,631)
12. Net financial items [subtotal of items 7 to 11]	**81,050**	**76,266**
13. Profit before tax [subtotal of items 1 to 12]	**62,045**	**69,437**
14. Income tax (expense)	(2,479)	(3,534)
15. Profit for the period	**59,566**	**65,903**
16. Retained profit brought forward from prior year	26,322	16,659
17. Retained profit	**85,888**	**82,562**

Parent company balance sheet

at 29 February 2024
of AGRANA Beteiligungs-AG, under Austrian Commercial Code (UGB)

€000	29 Feb 2024	28 Feb 2023
ASSETS		
A. Non-current assets		
I. Intangible assets	609	169
II. Property, plant and equipment	839	951
III. Non-current financial assets	902,883	866,283
	904,331	**867,403**
B. Current assets		
I. Receivables and other assets	433,824	392,684
Of which due in more than 1 year	16,330	16,908
II. Cash and bank balances	4	3
	433,828	**392,687**
C. Prepaid expenses	**1,368**	**136**
D. Deferred tax assets	**162**	**618**
Total assets	**1,339,689**	**1,260,844**
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	85,888	82,562
Of which brought forward from prior year	26,322	16,659
	764,036	**760,710**
B. Provisions		
I. Provisions for retirement and termination benefit obligations	11,374	11,597
II. Provisions for tax and other provisions	40,556	23,813
	51,930	**35,410**
C. Liabilities		
I. Borrowings	509,000	449,000
Of which due in up to 1 year	115,000	0
Of which due in more than 1 year	394,000	449,000
II. Other liabilities	14,723	15,724
Of which due in up to 1 year	13,434	15,571
Of which due in more than 1 year	1,289	153
	523,723	**464,724**
Total equity and liabilities	**1,339,689**	**1,260,844**

Proposal for the appropriation of profit

of AGRANA Beteiligungs-AG
under Austrian Commercial Code (UGB)

	2023|24
	€
The financial year to 29 February 2024 closed with retained profit of	85,888,398
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	29,648,320
	85,888,398

Glossary of industry and trade terms

B

Bioethanol: An alcohol-based biofuel which in Europe is produced mainly from starchy cereals or sugar beet. Bioethanol is used primarily as a petrol additive in motor vehicles.

Biogas: Consists largely of methane and carbon dioxide and is produced by anaerobic fermentation or thermal processes from biomass, including waste biomass.

C

CO_2 equivalent (CO_2e): A metric unit of measurement used to compare the emissions of different greenhouse gases based on their global warming potential (GWP), i.e., their contribution to the greenhouse effect. This is done by converting the amounts of other gases into the equivalent amount of CO_2.

Corn starch: Starch produced from corn (maize), used mainly in food processing (such as in pudding or baby food), but also in industrial applications – for example, the production of paper and cosmetics.

D

Deficit countries/markets/regions: Geographic areas where more sugar is consumed than produced and which therefore cover their needs through sugar imports.

E

EU sugar regime: In place since 1968, the European Union's regulatory framework serves to organise the EU common market for sugar and ensure security of intra-EU sugar production. As of 1 October 2017, the quota system and the minimum beet price, which had been elements of the sugar regime, were abolished. Rules and arrangements such as the requirement to conclude sector-wide master agreements between beet growers and sugar companies, and price reporting by the European Commission, continue to apply.

F

Fruit juice concentrates: Forming the basis for fruit juice drinks, fruit juice concentrates are sold into the fruit juice and beverage industry.

Fruit preparations: Sometimes referred to as "fruit ingredients" in the industry. High-quality fruits are processed in liquid or chunk form and thermally preserved for further processing especially by the dairy, ice cream and bakery industries.

G

GMO: Genetically modified organisms, or GMO, are organisms whose genetic make-up has been altered in a targeted way through genetic engineering.

M

Modified starch: A starch product obtained by physical, enzymatic or chemical processes.

R

Raw sugar: A semi-finished form of cane sugar (or of beet sugar) in which the sugar crystals are not yet completely freed from the adhering non-sugar materials, which give it its brown colour.

S

Starch: An organic compound and one of the most important energy storage materials in plant cells. In Europe, starch is mainly obtained from corn, wheat or potatoes. To produce starch, the starch-containing parts of the plants are milled to a small size and the starch is washed out. The starch is then extracted from the liquid through filtration and centrifugation steps. In the final stage, the starch is dried.

Sugar: Sugar is obtained either from sugar beet or sugar cane. The term "sugar" includes granulated sugar for home use, glucose, fructose, lactose, and other forms. All belong to the nutrient group of carbohydrates. In sugar production from sugar beet, raw juice is extracted from beet pulp, then purified in a series of steps and finally thickened until sugar crystallises from it. The sugar is purified by recrystallising it several times so that clean, white crystals are obtained.

Extended glossary of the
AGRANA Annual Report 2023|24:
reports.agrana.com/en/glossary

Contacts

AGRANA Beteiligungs-AG

Friedrich-Wilhelm-Raiffeisen-Platz 1
1020 Vienna, Austria
Phone: +43-1-211 37-0, Fax: -12998
Email: info.ab@agrana.com
Website: www.agrana.com

Would you like more information?
We will be very happy to help you:

Investor Relations
Hannes Haider
Phone: +43-1-211 37-12905, Fax: -12926
Email: investor.relations@agrana.com

Sustainability
Ulrike Middelhoff
Phone: +43-1-211 37-12971, Fax: -12926
Email: ulrike.middelhoff@agrana.com

Corporate Communications/Public Relations
Markus Simak
Phone: +43-1-211 37-12084, Fax: -12926
Email: info.ab@agrana.com

Major subsidiaries

Fruit segment
AGRANA Internationale Verwaltungs- und Asset-Management GmbH
Friedrich-Wilhelm-Raiffeisen-Platz 1
1020 Vienna, Austria
Phone: +43-1-211 37-0, Fax: -12998
Email: info.juice-fruit@agrana.com

Starch segment
AGRANA Stärke GmbH
Headquarters:
Friedrich-Wilhelm-Raiffeisen-Platz 1
1020 Vienna, Austria
Phone: +43-1-211 37-0, Fax: -12998

Administration:
Conrathstraße 7
3950 Gmünd, Austria
Phone: +43-2852-503-0, Fax: -19420
Email: info.staerke@agrana.com

Sugar segment
AGRANA Sales & Marketing GmbH
Headquarters:
Friedrich-Wilhelm-Raiffeisen-Platz 1
1020 Vienna, Austria
Phone: +43-1-211 37-0, Fax: -12998

Administration:
Josef-Reither-Strasse 21–23
3430 Tulln, Austria
Phone: +43-2272-602-0, Fax: -11225
Email: info.zucker@agrana.com

Global Reporting Initiative content index

AGRANA Beteiligungs-AG has reported in accordance with the GRI Standards for the period of 1 March 2023 to 29 February 2024. GRI 1 used: GRI 1 – Foundation 2021

GRI	Disclosures	Presented on page[1]
GRI 2	**General disclosures[2] (2021)**	
2-1	Organisation details	30f, 32ff, 214
2-2	Entities included in the organisation's sustainability reporting	43, 133ff
2-3	Reporting period, frequency and contact point a) The reporting period is AGRANA's financial year (1 March 2023 to 29 February 2024) c) 14 May 2024	214
2-4	Restatements of information a) No significant restatements in the reporting year; minor error corrections of individual KPIs are explained directly in the report.	
2-5	External assurance	206ff
2-6	Activities, value chain and other business relationships	30f, 36f, 38f
2-7	Employees[2]	30f, 97ff, 215f

AGRANA employees within the GRI reporting boundaries[3] at the prior year's balance sheet date of 28 February 2023

	Non-permanent staff[4]		Permanent staff						Managers[5]		Of whom executive leadership[6]	
Segment	Total	Female	Blue-collar	Female	White-collar	Female	Total	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[7]	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%**

b) An analysis of staff by contract type (non-permanent, permanent, and non-guaranteed hours employees) and by region is omitted. Non-permanent positions are used especially for the relatively brief processing campaign season in the primary processing plants of the fruit preparations business (within the Fruit segment, which operates globally) and for the sugar beet campaigns (in the Sugar segment, which operates in the EU). In the 2023|24 financial year, AGRANA had no employees with non-guaranteed hours as defined by GRI.

c) In view of the low part-time share of 3.9% in 2023|24, a breakdown of employees by full-time and part-time contracts by gender is omitted.

GRI	Disclosures	Presented on page[1]
2-8	Workers who are not employees a) The proportion of temporary agency staff in the 2023|24 financial year was 5.4%. i.) The most common types of worker and their contractual relationship with the organisation: Information not available. Data collection is planned for the 2024|25 financial year as part of the reporting under the CSRD. ii.) Temporary agency staff is engaged in industrial processing on machines, in sales and administrative work.	
2-9	Governance structure and composition c) vi.-viii. Biographies of the Supervisory Board members can be viewed at https://www.agrana.com/en/ir/general-meeting c) v. See GRI 405-1	28ff, 25f, 43, 215ff
2-10	Nomination and selection of the highest governance body a) The nominations for election to the Supervisory Board were made on the basis of the requirements of section 87 (2a) Austrian Stock Corporation Act and the Austrian Code of Corporate Governance. iv. Competencies relevant to the impacts of the organisation: see biographies of Supervisory Board members at https://www.agrana.com/en/ir/general-meeting b) Stakeholders, including shareholders, are engaged through the Annual General Meeting.	18ff, 25f, 43
2-11	Chair of the highest governance body	14f, 20ff
2-12	Role of the highest governance body in overseeing the management of impacts	14f, 18ff, 43
2-13	Delegation of responsibility for managing impacts	14f, 18ff, 43
2-14	Role of the highest governance body in sustainability reporting	20ff, 43
2-15	Conflicts of interest b) i.-iv. Corporate Compliance reports these matters to the Supervisory Board twice a year.	18
2-16	Communication of critical concerns a) and b) The Director of Corporate Compliance regularly reports on compliance cases to the Management Board member responsible. In addition, the Audit Committee of the Supervisory Board is informed of the compliance cases on an aggregated basis every six months.	23f

[1] In page number references, "f" means "and following page"; "ff" means "and following pages".
[2] A breakdown by region is not applicable, as AGRANA manages its operations through the Fruit, Starch and Sugar segments, which differ in their geographic boundaries and thus inherently allow a regional allocation. The Starch and Sugar segments' sites within the GRI reporting boundaries (see page 43) operate only in the EU; those of the Fruit segment operate worldwide.
[3] See the GRI reporting boundaries in the AGRANA annual report 2022|23, page 49.
[4] Almost all non-permanent positions represent seasonal local workers in the processing campaigns.
[5] Management positions at reporting levels 1, 2 and 3.
[6] Reporting level 1 (the reporting level immediately below the Management Board of AGRANA Beteiligungs-AG, also includes the regional managing directors of the three segments).
[7] The staff of AGRANA Beteiligungs-AG is counted as part of the Sugar segment.

2-17	Collective knowledge of the highest governance body a) Ongoing reporting on sustainability aspects by CTO Norbert Harringer in Supervisory Board meetings. Sustainability trainings for all Supervisory Board members in November 2023 and February 2024.	18ff
2-18	Evaluation of the performance of the highest governance body a), b) and c) The performance of the members of the Supervisory Board and the Management Board is evaluated in an independent efficiency review and, if necessary, improvement measures are identified.	18
2-19	Remuneration policies Remuneration report 2023|24: www.agrana.com/en/ir/corporate-governance/remuneration-reports	
2-20	Process to determine remuneration Remuneration report 2023|24: www.agrana.com/en/ir/corporate-governance/remuneration-reports	
2-21	Annual total compensation ratio Remuneration report 2023|24: www.agrana.com/en/ir/corporate-governance/remuneration-reports a) The ratio between the total annual remuneration of the highest-paid person in the organisation and the median total annual remuneration of all salaried employees in Austria in 2023|24 was 40.19. b) The year-on-year change in Austria was 4.25. c) A global calculation of this information is not meaningful in a group with operations in many countries, due to local differences in living standards and thus in pay levels. AGRANA has therefore decided to disclose this information by country. For the 2023|24 financial year, only data from the Austrian Group companies was included in the calculation of the ratio shown under a) and in the year-on-year change under b). Data collection for further countries is planned for the 2024|25 financial year as part of the reporting under the CSRD.	
2-22	Statement on sustainable development	14f, 53
2-23	Policy commitments b) ii. and c) to f) See the AGRANA Code of Conduct: https://www.agrana.com/en/about-us/compliance-at-agrana/code-of-conduct. It was approved by the AGRANA Management Board and Supervisory Board and is publicly available.	23f, 44ff
2-24	Embedding policy commitments	23f, 40ff, 104ff
2-25	Process to remediate negative impacts a) and b) The Whistleblowing Policy is reviewed and updated regularly, at least every three years, and feedback from stakeholders is specifically taken into account through additional explanations and language versions.	23f, 40ff, 104ff
2-26	Mechanisms for seeking advice and raising concerns	23f
2-27	Compliance with laws and regulations a) and b) There were no material violations in the financial year.	23f, 40ff, 104ff
2-28	Membership associations	53
2-29	Approach to stakeholder engagement	40
2-30	Collective bargaining agreements	51
GRI 201	**Economic performance[1] (2016)**	
201-2	Financial implications and other risks and opportunities due to climate change Information not available. As part of the climate change scenario analysis for assets and raw materials, long-term physical, regulatory and transition risks were identified, particularly for raw materials. In the 2023|24 financial year, an initial science-based pilot project for physical and transition risks in the agricultural sector was launched in sugar beet procurement. This project can be used as a template for other raw materials and will also permit financial quantification in the next step from 2024|25.	44ff, 104f, 113f

Compliance and business conduct

GRI 205	**Anti-corruption (2016)**	
205-1	Operations assessed for risks related to corruption	23f
205-2	Communication and training about anti-corruption policies and procedures c) For the suppliers of the raw materials directly or indirectly recorded in the SAI FSA system in the 2023|24 financial year and processed by AGRANA (86%), awareness of anti-corruption matters was raised through the AGRANA principles for the procurement of agricultural raw materials and intermediate products, which contain a reference to the AGRANA Code of Conduct. Training and internal and external audits are performed as part of the SAI FSA verifications. To all other suppliers (such as of technical products or services), compliance and anti-corruption requirements are communicated through tender and order terms and conditions and the supplier portal.	23f, 44f
205-3	Confirmed incidents of corruption and actions taken b) There were violations by one AGRANA manager against AGRANA's Conflict-of-Interest Policy. c) There was one known violation at business partners. d) There were no known court cases against the organisation or its employees.	33f

[1] Also see the Group management report from page 35.

GRI 206	Anti-competitive behaviour (2016)	
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	111

Environmental and energy topics in AGRANA's production activities

GRI 301	Materials (2016)	
301-1	Materials used by weight or volume Report scope: agricultural raw materials. These are renewable materials (numbered "ii" in the GRI Standard). Other materials are non-significant and are therefore not reported; these other materials are largely non-renewable (numbered "i" in the GRI Standard). For competition reasons, no complete analysis by raw material category is provided.	41

GRI 302	Energy (2016)	
302-1	Energy consumption within the organisation d) External energy sales by energy source: • Electricity: 22,633 GJ • Biogas: 173,739 GJ f) and g) Energy consumption figures are calculated based on the invoices from energy suppliers and the information they contain on heating values and emission factors of the energy sources.	46
302-2	Energy consumption outside of the organization a) Energy consumption outside the organisation cannot be reported due to a lack of data and is not directly relevant. Energy consumption outside the organisation is relevant primarily for its impacts on emissions; these are addressed through corporate carbon footprint calculations.	46f
302-3	Energy intensity b) In the energy intensity ratio used by AGRANA, the denominator is the total weight of core products and by-products manufactured. c) All types of energy relevant for GRI purposes are used.	46
302-4	Reduction of energy consumption b) All types of energy relevant for GRI purposes are included in the reductions. d) Energy consumption figures are documented by supplier invoices, which usually also state heating values and emission factors of the respective energy sources. All calculations are performed in accordance with the Greenhouse Gas Protocol.	46

GRI 303	Water (2018)	
303-1	Interactions with water as a shared resource	49f
303-2	Management of water discharge-related impacts a) i. All AGRANA sites within the GRI reporting boundaries are subject to legal requirements on water discharge. a) ii. AGRANA's internationally operating fruit preparations business set up a water management programme in the 2019|20 financial year that establishes AGRANA's minimum standards. a) iii. There are no sector-specific standards within AGRANA's areas of business activity. a) iv. The profile of the receiving water bodies is considered within the scope of the applicable legal requirements.	49f
303-3	Water withdrawal a) Water withdrawal by source: 35% surface water, 54% groundwater, 11% municipal water b) Water withdrawal at sites at risk: 1,408,344 cubic metres (of which 85.7% was groundwater and 14.3% was municipal water) c) Water withdrawal is reported in cubic metres (m^3). Only freshwater is withdrawn. d) The data were analysed based on local water meter readings and utility bills.	49f, 78f, 85, 92
303-5	Water consumption b) Sites (number in brackets) with water stress based on WWF Water Risk Filter and Aqueduct Water Risk Atlas, in the following countries: Egypt (1), Algeria (1), Brazil (1), China (2), India (1), Morocco (1), Mexico (1), Romania (3), Turkey (1), Ukraine (3). At these sites at risk, a total of 530,581 m^3 of water was consumed in the 2023|24 financial year. c) No significant quantities of stored water are used. d) Calculation method: Water consumption = water withdrawal – water discharge. No additional sector-specific standards are used.	49f, 78f, 85, 92

GRI 304	Biodiversity (2016)	
304-2	Significant impacts of activities, products and services on biodiversity a) The 3,065 square metre AGRANA production site of the fruit preparations business in Algeria is located about 800 metres from a water body worthy of protection under the RAMSAR Convention. Therefore, a special water management programme is implemented at the site. a) i. to iv. and vi., and b) i. to iv.: Information not available. AGRANA has already implemented a number of lighthouse projects in the biodiversity sphere. Actual Group-wide impacts in relation to biodiversity will be ascertained under the new SAI/FSA regenerative agriculture framework in the 2024|25 financial year, as part of the preparation for the CSRD, using the SAI's tools for documenting sustainability in the supply chain.	

GRI 305	Emissions (2016)	
305-1	Direct (Scope 1) GHG emissions a) Gross volume of direct GHG emissions (Scope 1): 610,194 tonnes of CO_{2e} c) Biogenic emissions (gross): 58,983 tonnes of CO_{2e} b) and e) Depending on the source of the emission factors (the energy supplier or biograce.net), AGRANA's calculation of direct (Scope 1) emissions primarily includes CO_2 emissions, while other greenhouse gases (expressed in CO_2 equivalent) are only included in isolated cases. d) ii. Scope 1 emissions in the base year: 591,632 tonnes of CO_{2e} f) Emissions are consolidated using the financial control method.	10, 46, 78, 84, 91f
305-2	Indirect (Scope 2) GHG emissions a) Information not available. As the dual entry of market-based and location-based emissions in the sustainability database is currently not yet possible, location-based Scope 2 emissions cannot be reported. b) Gross volume of indirect GHG emissions (Scope 2): 126,848 tonnes of CO_{2e} c) and e) Depending on the source of the emission factors (the energy supplier or biograce.net), AGRANA's calculation of indirect (Scope 2) emissions primarily includes CO_2 emissions, while other greenhouse gases (expressed in CO_2 equivalent) are only included in isolated cases. d) ii. Scope 2 emissions in the base year: 337,043 tonnes of CO_{2e} f) Reporting boundaries under the financial control method.	10, 46, 78, 84, 91f
305-3	Other indirect (Scope 3) GHG emissions b) All greenhouse gases relevant for GRI purposes are included. c) Information not available. For Scope 3, no data on biogenic shares are currently collected. Data collection is planned for the 2024|25 financial year as part of the reporting under the CSRD. e) ii. Scope 3 emissions in the base year: 4,219,849 tonnes of CO_{2e} f) and g) See the description of the methodology.	10, 46
305-4	GHG emission intensity b) The organisation-specific metric is the total weight of core and by-products. The calculation is based on site-specific consumption values, guided by the Greenhouse Gas Protocol; emission factors are based on the individual grid mix factor of the respective energy supplier or on the respective national grid mix factor (biograce.net). c) AGRANA's calculation includes direct (Scope 1) and indirect (Scope 2) emissions. d) Depending on the source of the emission factors (reported by the energy supplier or by biograce.net), the calculation primarily includes CO_2 emissions, while other greenhouse gases (expressed in CO_2 equivalent) are only included in isolated cases.	46, 78, 84, 91f
305-5	Reduction of GHG emissions See GRI 305-4	46, 48, 78, 84, 91f

GRI 306	Waste (2020)[1]	
306-1	Waste generation and significant waste-related impacts ii. The disclosures relate solely to waste generated in AGRANA's own activities. AGRANA does not have waste data for the upstream supply chain or the downstream value chain. In some countries, the feeds and fertilisers marketed (or in some cases given away free) as by-products by AGRANA must be declared as waste for regulatory reporting purposes solely to comply with the local regulatory regimes. Since the 2015|16 financial year, AGRANA no longer reports these as waste in the annual report, as they are directly used as valuable feedstuffs in animal husbandry or as fertilisers in crop cultivation.	50, 79, 85, 93
306-2	Management of significant waste-related impacts b) The waste disposal method is determined by the respective commissioned, qualified (legally compliant) waste disposal provider. c) As waste disposal providers usually report on a calendar year basis and intra-year reporting to match the AGRANA financial year is not possible everywhere, some of the waste data relate to the last calendar year (these are not identified further).	50, 79, 85, 93
306-3	Waste generated As a result of AGRANA's principle of complete utilisation, the Group only disposes of small amounts of residual materials that cannot be further utilised at the respective production site. Acting in accordance with legal requirements, this waste material is quantified, collected and transferred to qualified companies for disposal.	50, 79, 85, 93

[1] The AGRANA Group's definition of waste differs slightly from the GRI definition ("re-use" quantities are not counted as waste at AGRANA).

Working conditions and human rights in respect of AGRANA employees: Employment

GRI 401	**Employment (2016)**	
401-1	New employee hires and employee turnover a) Information not available. Data collection will continue not to be necessary in the future. b) Information not available. A breakdown of the turnover data by age group, gender and region is currently not possible. Data collection is planned for the 2024|25 financial year as part of the reporting under the CSRD.	97
GRI 403	**Occupational health and safety**	
403-1	Occupational health and safety management system a) ii. AGRANA's occupational safety management system is based primarily on legal requirements, which are in many cases guided by international occupational safety standards. b) AGRANA's occupational safety management system includes all sites within the GRI reporting boundaries and all persons working at AGRANA sites (regardless of their employment relationship or reason for being on AGRANA premises). For organisational reasons, occupational safety statistics can only be reported for AGRANA employees.	100ff
403-2	Hazard identification, risk assessment, and incident investigation a) i. The qualifications and training of the safety personnel meet the respective local legal requirements. Safety instructions for workers typically comprise: – Personal initial instruction for every new employee (general safety instruction, fire protection, hygiene training, instruction at the workplace) – Personal initial training for contractors (general safety instruction, hygiene training) – An annual training for all employees, the scope of which depends on the individual work area (various online trainings are assigned) – Additional annual trainings are provided for employees in production, such as for handling hot materials or chemicals, use of personal protective equipment, handling of electrical hazards, and vehicle load safety training – An annual evacuation drill for all employees – Personal refresher training is provided as part of the processing of accidents c) AGRANA requires and encourages its employees to actively report hazards. In the event that employees experience negative consequences from the reporting of hazards, they have access to the usual complaint channels (e.g., reporting to the works council, using the local complaint systems if no works council exists, as well as use of the AGRANA whistleblowing system).	100ff
403-3	Occupational health services	100ff
403-4	Worker participation, consultation, and communication on occupational health and safety	100ff
403-5	Worker training on occupational health and safety	100ff
403-6	Promotion of worker health	103
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	100ff
403-9	Work-related injuries a) v. Total paid hours worked are defined by AGRANA as contractual work hours plus paid overtime. In the 2023|24 financial year, this total was 17,706,712 hours. b) i. to v. Information not available. Data on contractors other than the number of work-related accidents cannot be provided due to lack of information. c) Information not available. Hazards are not broken down by potential severity of injury. AGRANA's aim is to avoid accidents wherever possible. f) The AGRANA workplace safety data represent all AGRANA employees within the GRI reporting boundaries. Due to a lack of information (see b), data on contractors are limited to the number of accidents.	101
GRI 404	**Training and education (2016)**	
404-1	Average number of hours of training and development per year per employee	99f

GRI 405 Diversity and equal opportunity (2016)

405-1 Diversity of governance bodies and employees 19ff, 97

a) Gender and age of members of governance bodies at the balance sheet date of 29 February 2024

Members of governance bodies	Up to 30 years	31 to 50 years	Over 50 years
Supervisory Board members			
Shareholder representatives			
Male	0.0%	0.0%	75.0%
Female	0.0%	25.0%	0.0%
Employee representatives			
Male	0.0%	0.0%	75.0%
Female	0.0%	25.0%	0.0%
Management Board members			
Male	0.0%	0.0%	100.0%
Female	0.0%	0.0%	0.0%

b) Age structure of staff, by gender, at the balance sheet date of 29 February 2024 in absolute numbers (based on headcount at year-end)

Segment	Female	Male	Total
Fruit	**2,762**	**3,373**	**6,135**
Up to 30 years	546	695	1,241
31 to 50 years	1,694	1,899	3,593
Over 50 years	522	779	1,301
Starch	**303**	**899**	**1,202**
Up to 30 years	80	199	279
31 to 50 years	147	454	601
Over 50 years	76	246	322
Sugar[1]	**527**	**1,394**	**1,921**
Up to 30 years	61	211	272
31 to 50 years	312	652	964
Over 50 years	154	531	685
Group	**3,592**	**5,666**	**9,258**
Up to 30 years	687	1,105	1,792
31 to 50 years	2,153	3,005	5,158
Over 50 years	752	1,556	2,308

405-2 Ratio of basic salary and remuneration of women to men

Information not available. A project to evaluate a potential gender pay gap was launched in the 2023|24 financial year, in order to be able to identify and depict such a gap meaningfully in the future in view of the international scope of operations in three different business segments.

GRI 407 Freedom of association and collective bargaining (2016)

407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk 44, 51, 76f

All AGRANA sites are covered by the AGRANA Code of Conduct, which affirms the right to free association and collective bargaining. AGRANA sites perform an annual SEDEX self-assessment. Additionally in the year under review, 32 external social audits were performed at AGRANA sites, which also audit for this potential issue.
In the Starch and Sugar segments, which operate in the EU and Europe, the risk in the supply chain is considered to be low, as most contract growers are sole proprietors. The globally operating fruit preparations business uses SEDEX for supplier assessment to evaluate this risk and, where appropriate, to take action.

[1] The staff of AGRANA Beteiligungs-AG is counted as part of the Sugar segment.

GRI 408	**Child labour (2016)**	
408-1	Operations and suppliers at significant risk for incidents of child labour All AGRANA sites are covered by the AGRANA Code of Conduct, which prohibits child labour. AGRANA sites perform an annual SEDEX self-assessment. Additionally in the year under review, 32 external social audits were performed at AGRANA sites, which also audit for this potential issue. In the Starch and Sugar segments, which operate in the EU and Europe, the risk of child labour in the supply chain is classified as low, as a result of the strong regulatory environment and very high degree of mechanisation. The globally operating fruit preparations business uses SEDEX for supplier assessment (especially in higher-risk countries) in order to reduce this risk.	44, 51, 76f

GRI 409	**Forced or compulsory labour (2016)**	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour All AGRANA sites and suppliers are subject to the AGRANA Code of Conduct and perform an annual SEDEX self-assessment. Additionally in the year under review, 32 external social audits were performed at AGRANA sites, which also audit for this potential issue. In the Starch and Sugar segments, which operate in the EU and Europe, the risk in the supply chain is classified as low, as a result of the strong regulatory environment and very high degree of mechanisation. The globally operating fruit preparations business uses SEDEX for supplier assessment (especially in higher-risk countries such as Vietnam, Morocco and the Philippines) in order to reduce this risk.	44, 51, 76f

Environmental and social criteria in procurement

GRI 308	**Supplier environmental assessment (2016)**	
308-2	Negative environmental impacts in the supply chain and actions taken a) and b) In accordance with the requirements of the Sustainable Agriculture Initiative Platform (SAI), suppliers' statements are verified based on a representative sample (including the use of obligatory external audits). The absolute number of suppliers assessed is therefore not an applicable disclosure. c) No significant actual or potential negative environmental impacts were identified. d) and e) Both 0%; improvement measures are offered to all suppliers as part of a continuous improvement process.	44, 76f, 84, 90

GRI 414	**Supplier social assessment (2016)**	
414-2	Negative social impacts in the supply chain and actions taken a) and b) In accordance with the requirements of the Sustainable Agriculture Initiative Platform (SAI), suppliers' statements are verified based on a representative sample (including the use of obligatory external audits). The absolute number of suppliers assessed is therefore not an applicable disclosure. c) to e) No significant actual or potential negative social impacts were identified.	44, 76f, 84, 90

Social performance: Product responsibility and sustainable products

GRI 416	**Customer health and safety (2016)**	
416-1	Assessment of the health and safety impacts of product and service categories	51f
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services a) i. The Starch business segment was fined € 765 by the authorities at its Romanian site for a hygiene violation in the sanitation area of the animal feed production facility. b) There were no product recalls in the 2023|24 financial year.	51f

GRI 417	**Marketing and labelling (2016)**	
417-2	Incidents of non-compliance concerning product and service information and labelling There were no reportable incidents in the 2023|24 financial year.	

Task Force on Climate-related Financial Disclosures (TCFD) – content index

TCFD	Disclosure	Presented on page[1]
Governance		
a) Board's oversight of climate-related risks and opportunities		
102-18	Governance structure	18ff, 43
102-19	Delegating authority	18ff, 43
102-20	Executive-level responsibility for economic, environmental, and social topics	18ff, 43
102-26	Role of highest governance body in setting purpose, values, and strategy	18ff, 43
102-27	Collective knowledge of highest governance body a) Sustainability aspects relevant to AGRANA's business activities and related further information are addressed at the meetings of the AGRANA Supervisory Board and of its Strategy and Sustainability Committee.	18ff.
102-29	Identifying and managing economic, environmental, and social impacts a) On the Audit Committee of the Supervisory Board, the risk manager responsible presents the risk and opportunity report twice a year to all committee members in the presence of the members of the Management Board, for further discussion and to support strategy development. b) AGRANA conducts structured stakeholder surveys at irregular intervals.	44ff, 104ff
102-31	Review of economic, environmental, and social topics a) The review is performed twice annually.	104ff
102-32	Highest governance body's role in sustainability reporting a) The AGRANA Management Board reviews and approves the integrated sustainability report and confirms the completeness of its content to the independent auditor and the Supervisory Board.	
b) Management's role in assessing and managing climate-related risks and opportunities		
102-29	Identifying and managing economic, environmental, and social impacts See above	
102-31	Review of economic, environmental, and social topics See above	
102-32	Highest governance body's role in sustainability reporting See above	
Strategy		
a) Climate-related risks and opportunities		
102-15	Key impacts, risks and opportunities	44ff, 104ff
b) Impacts of climate-related risks and opportunities		
201-2	Financial implications and other risks and opportunities due to climate change Physical and regulatory/transition risks from climate change and their potential impacts on the Group are qualitatively described in the "Risk management" section and in the NFI statement; they are not yet explicitly quantified, but are implicitly included in the financial risk review.	44ff, 104ff
c) Resilience of the organization's strategy		
	AGRANA is well positioned to balance physical and transition risks thanks to its strategy of diversification into the three business segments Fruit, Starch and Sugar with their differing profiles in terms of geography, processing, product portfolios and regulatory environments. Also see the sections "AGRANA's strategy" and "Organisational structure".	27ff, 36f

[1] In page number references, "f" means "and following page"; "ff" means "and following pages".

Risk management

a) Process for identifying and assessing risks

201-2	Financial implications and other risks and opportunities due to climate change Physical and regulatory/transition risks from climate change and their potential impacts on the Group are qualitatively described in the "Risk management" section and in the NFI statement; they are not quantified. Opportunities from the transformation into a low-carbon economy are presented within the NFI statement under "Social matters", subheading "Products".	44ff, 104ff

b) Management process

	Also see the section "Risk management", subheading "Non-financial risks".	44ff, 104ff

c) Integration into overall risk management

	Also see the section "Risk management", subheading "Non-financial risks".	44ff, 104ff

Metrics and targets

a) Metrics used for assessment

102-29	Effectiveness of risk management processes AGRANA complies with rule 83 C of the Austrian Code of Corporate Governance. This rule requires the independent auditor to assess the effectiveness of the processes. The auditor informs the Management Board and reports to the Audit Committee of the Supervisory Board.	18

b) Greenhouse gas emissions

102-29	Identifying and managing economic, environmental, and social impacts See above	
102-30	Effectiveness of risk management processes See above	
201-2	Financial implications and other risks and opportunities due to climate change See above	

c) Targets

39

Financial performance indicators and their meaning

AGRANA Group (under IFRS)

Abbreviation if any	Indicator Definition		2023|24	2022|23
	Borrowings = Bank loans and overdrafts + lease liabilities	€000	742,395	820,616
CE	Capital employed = (PP&E + intangibles including goodwill) + working capital I	€000	1,937,685	1,992,643
	Dividend yield = Dividend per share ÷ closing share price × 100	%	6.7	5.3
EBIT	Operating profit = Earnings before interest and tax and after exceptional items and results of equity-accounted joint ventures	€000	151,011	88,260
EBITDA	= Operating profit before exceptional items, results of equity-accounted joint ventures, and operating depreciation and amortisation	€000	291,078	277,143
EBITDA margin	= EBITDA ÷ revenue × 100	%	7.7	7.6
EPS	Earnings per share (basic and diluted) = Profit for the period ÷ average number of shares outstanding	€	1.04	0.25
	Equity ratio = Equity ÷ total assets × 100		43.2	41.8
EVS	Equity value per share = Equity attributable to shareholders of the parent ÷ average number of shares outstanding	€	19.0	19.1
FCF	Free cash flow = Net cash from or used in operating activities + net cash from or used in investing activities	€000	129,236	(87,104)
	Gearing ratio = Net debt ÷ total equity × 100	%	51.0	54.5
	Intangible assets including goodwill	€000	112,443	115,098
	Net debt = Borrowings less (cash + cheques + other bank deposits + current securities + non-current securities)	€000	636,083	684,895
	Operating margin = Operating profit before exceptional items and results of equity-accounted joint ventures ÷ revenue × 100	%	4.7	4.4
	Operating profit before exceptional items and results of equity-accounted joint ventures	€000	176,662	158,433
P/E	Price/earnings ratio = Closing share price at financial year-end ÷ earnings per share	€	12.8	68.0
PP&E	Property, plant and equipment	€000	797,622	819,418
ROCE	Return on capital employed = Operating profit before exceptional items and results of equity-accounted joint ventures ÷ capital employed × 100	%	9.1	8.0
ROS	Return on sales = Profit before tax ÷ revenue × 100	%	2.6	1.7
WC I	Working capital I = Inventories + trade receivables + other assets − current provisions − current prepayments received − trade payables − other payables	€000	1,027,620	1,058,127

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Friedrich-Wilhelm-Raiffeisen-Platz 1, 1020 Vienna, Austria

Investor Relations
Hannes Haider
Phone: +43-1-211 37-12905, Fax: -12926
Email: investor.relations@agrana.com

Sustainability
Ulrike Middelhoff
Phone: +43-1-211 37-12971, Fax: -12926
Email: ulrike.middelhoff@agrana.com

Creative concept: The Gentlemen Creatives GmbH
Support for graphics and design: marchesani_kreativstudio GmbH
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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% 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%

For financial performance indicators not defined in footnotes, please see the definitions on page 224.

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 readers' convenience and is not definitive. In the event of discrepancy or dispute, only the German version shall govern.

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