

Analyst Conference

24 May 2023

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Highlights

- **Framework politics**
 - Update on frameworks and politics
 - eFuels
- **Market developments**
 - Update on ethanol, feedstock and energy markets
- **Financials 2022/23**
 - Full year figures and outlook FY 2023/24
- **Sustainability**
 - Initiatives and emission reduction targets
- **Strategy**
 - East Energy
 - Biobased Chemicals



Framework politics

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Importance of biofuels gains greater recognition

Biofuels needed to meet climate targets

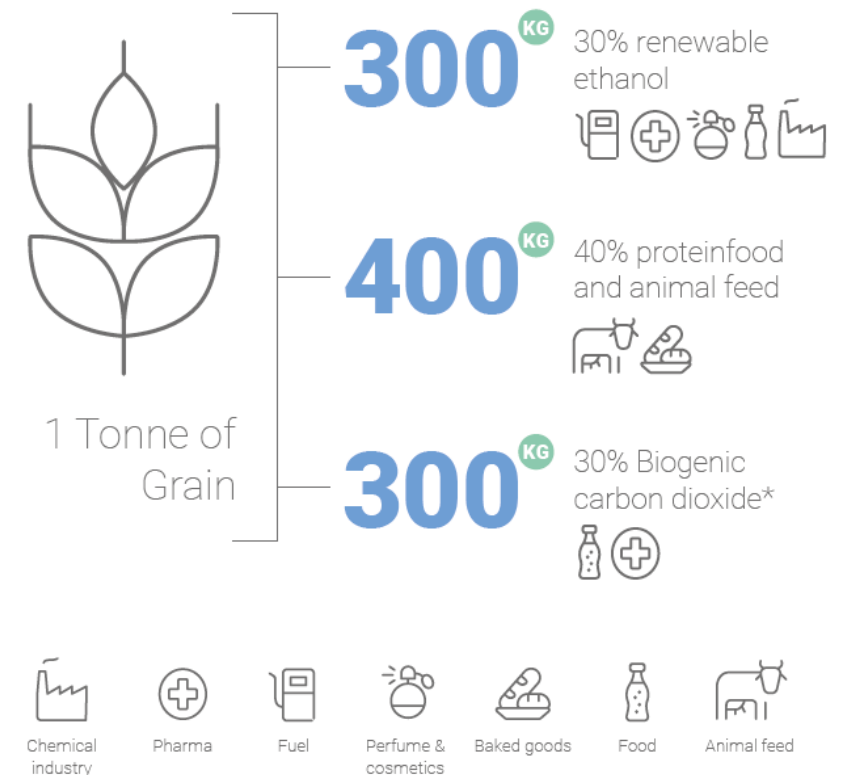
Parts of German federal government revived “food or fuel” discussion

- Since May 2022, fruitless discussion on lowering the crop-cap led by Federal Ministry of Environment
- Transport ministry emphasises the important role of biofuels in reducing the emissions in the transport sector

Positive contribution of biofuels acknowledged more and more often

- Integrated production of food, feed and biofuels
- Grain for ethanol not suitable for human consumption – more and more waste and residues are used
- Prices for agricultural products only marginally affected by biofuels
- Good grain availability with rising stocks in Europe

CropEnergies products sustainable Ethanol production



* The resulting biogenic carbon dioxide is captured and used in the beverage and food industries, among others.

Green Deal and Fit-for-55 package

Parliament and Council agree on several key legislative initiatives

Fit-for-55: Overall goal to reduce GHG emissions by 55% in 2030

Emission Trading System (ETS)

- More ambitious GHG reduction goal of 62% (vs. 43%)
- Introduction of a separate new ETS for buildings, road transport and fuels

Renewable Energy Directive (RED-III)

- Share of renewable energy overall shall increase to 42.5% (vs. 32%)
- More renewables in industry, heating & cooling and transport required

ReFuelEU aviation and Fuel EU maritime

- Sustainable aviation fuels (SAF) of 6% in 2030 increasing to 70% until 2050
- GHG savings in maritime fuels of 6% in 2030 increasing to 80% until 2050

CO₂ standards for cars and vans

- Increased CO₂ emission targets of -55% in 2030 and -100% in 2035 for new cars
- Clear violation of the principle of technology openness and neutrality despite limited loophole for synthetic fuels



Revision “Renewable Energy Directive”

Provisional agreement between Council and Parliament on 30 March 2023

Overall energy consumption

- Target for renewable energies raised to 42.5% by 2030 with an additional 2.5% indicative top up

Transport sector

- Member States can choose between one of two binding targets by 2030:
 - Reduction of greenhouse gas intensity by at least 14.5% or
 - At least 29% share of renewable energies
- Crop-cap – no further restrictions: share in 2020 plus 1% (max. 7%)
- Binding combined sub-target of 5.5% for advanced biofuels and renewable fuels of non-biological origin (RFNBO), thereof at least 1%-point of RFNBOs

The plenary vote is scheduled for September 2023



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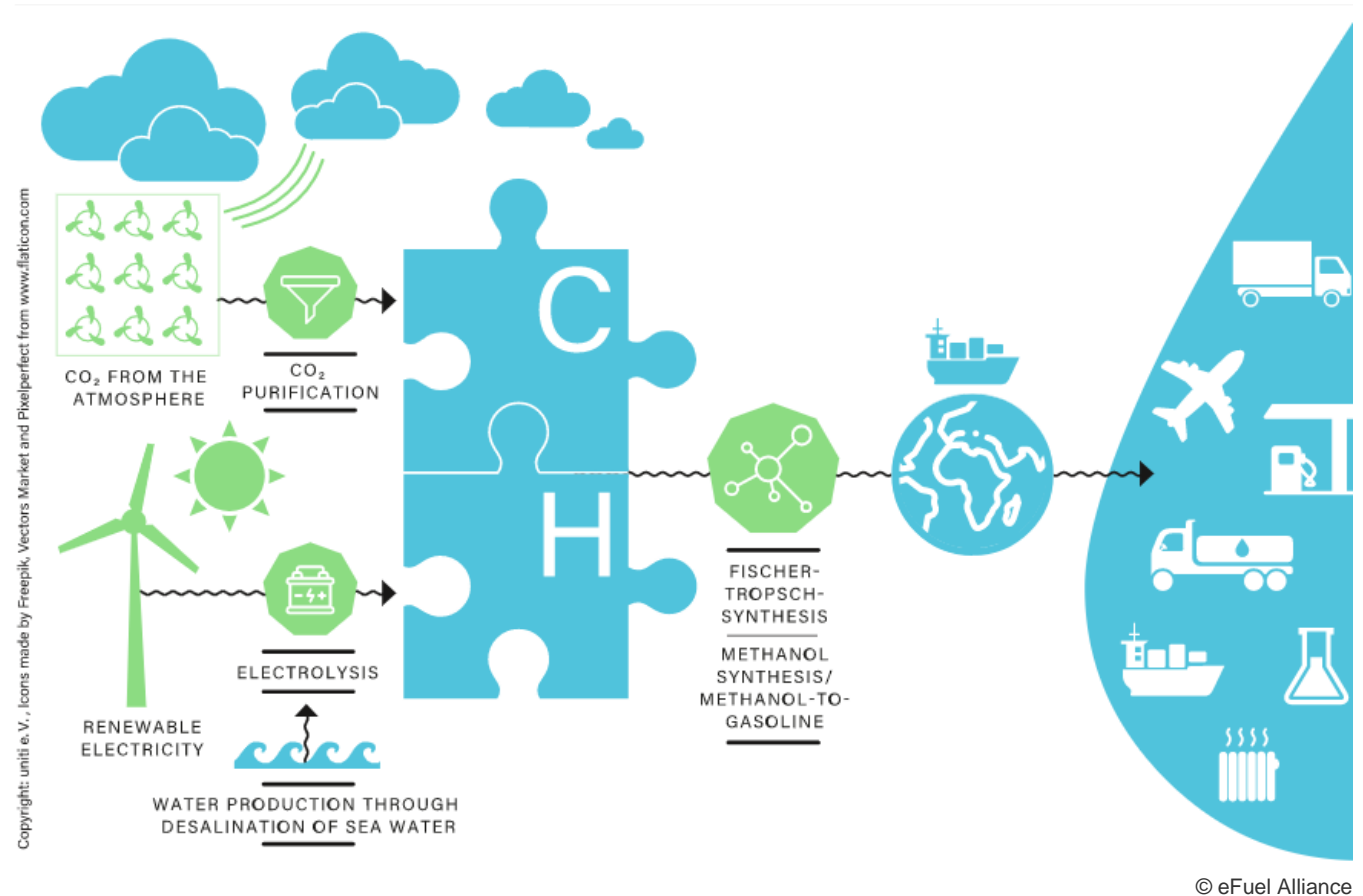
Ethanol & eFuels – the perfect match

Ethanol as “octane booster”

eFuels need ethanol to increase performance

eFuels

- Manufactured using captured carbon dioxide together with hydrogen obtained from sustainable electricity sources such as wind and solar
- Climate-friendly but energy intense
- Ethanol is the perfect match to upgrade eFuels: high octane number, available and economically viable



Market developments

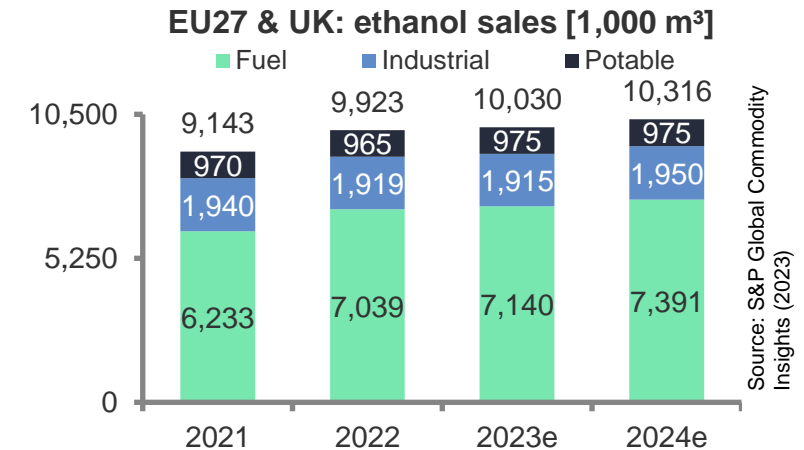
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Market development

Volumes

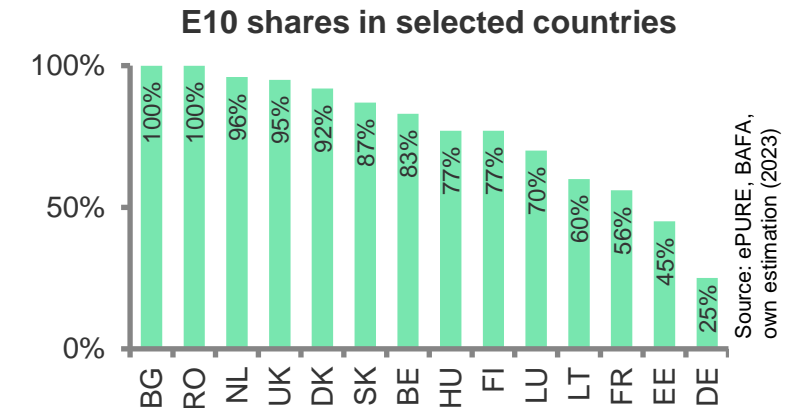
Ethanol market in the EU27 & UK in 2022 (in million m³)

- Consumption: 9.9 +9% (7.0 fuel | 2.9 non-fuel)
- Production: 7.7 +/-0% (5.5 fuel | 2.3 non-fuel)
- Fuel ethanol sales expected to further increase in 2023 and 2024
- Non-fuel ethanol sales expected to remain stable



E10 no. 1 petrol in many European countries

- Currently, 17 EU member states plus Norway and the UK have rolled out E10 at petrol stations
- Sales growth in particular in France, Sweden and UK
- E10 sales in Germany also increasing
- Start of E10 sale in Ireland, Austria and Norway in April 2023
- Discussions in Poland to introduce E10 in 2024



Market development

Imports and prices

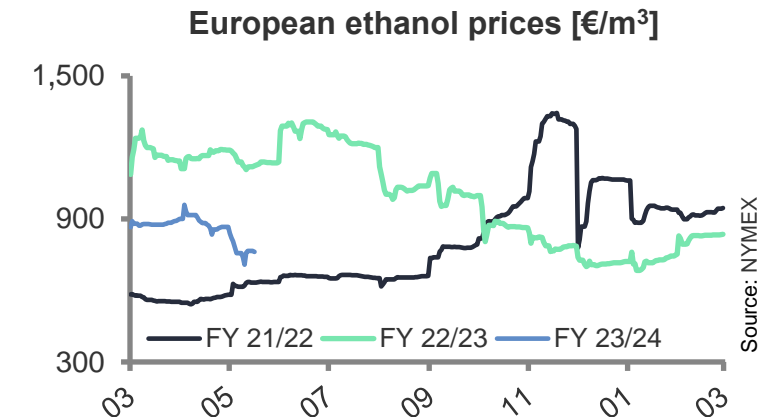
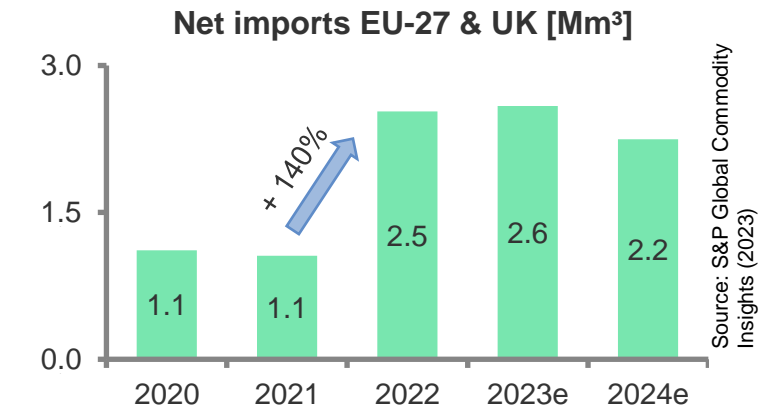
Sharp increase of imports to Europe in 2022

- Large price difference made imports to Europe attractive
- 2.5 Mm³ in 2022 vs. 1.1 Mm³ in 2021
 - Increase by almost 140%
- Europe needs imports to cover rising demand

European ethanol price* in financial year 2022/23

- Average ethanol price € 995 (812) /m³
- Steady drop in prices due to soaring import pressure in 2nd half of financial year
- Prices recovering at end of financial year

* Ethanol T2 FOB Rdam, next date of expiry



Market development

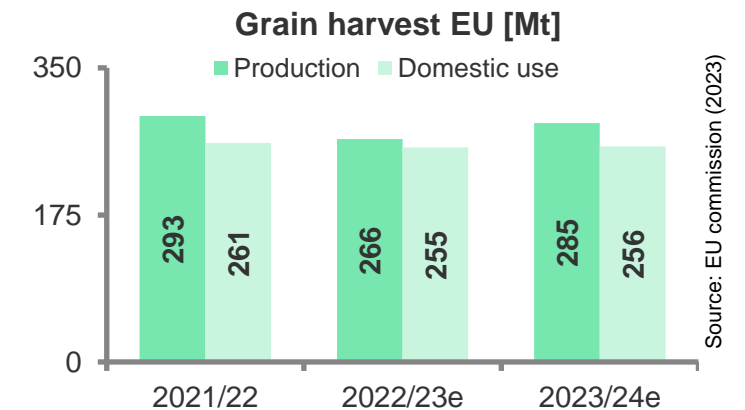
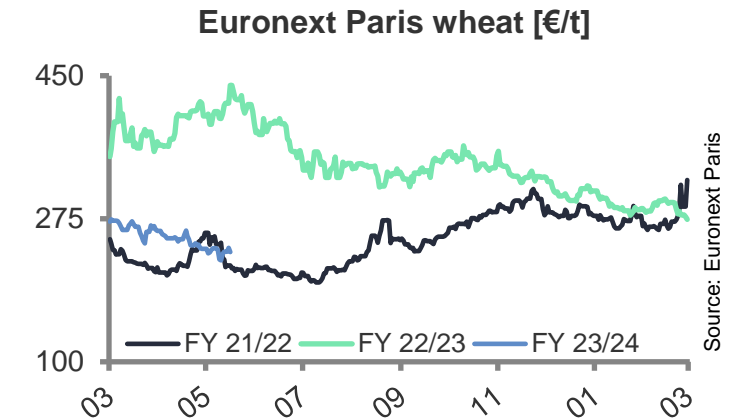
Feedstock market

Grain market 2022/23

- Grain prices in financial year 2022/23*: € 344 (249) /t
- Grain prices declined gradually after reaching peak in May 2022
- Sharp increase of imports from Ukraine
- EU grain harvest: 266 (293) Mt exceeds consumption of 255 (261) Mt
- IGC expects slight decline of global grain harvest with 2,252 Mt

Outlook 2023/24

- EU grain harvest expected to rise again
- Global grain harvest expected to reach level of 2021/22 again



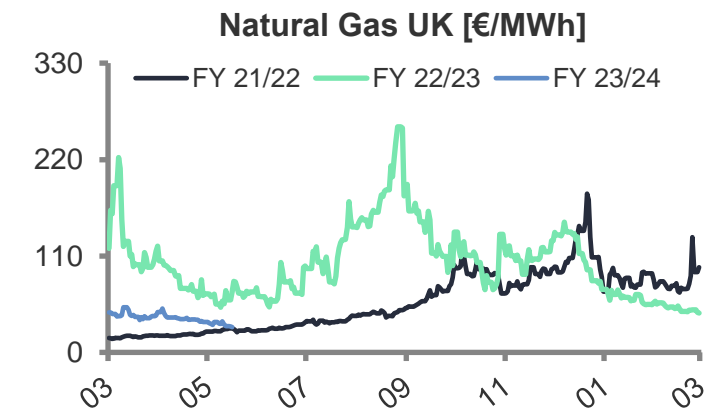
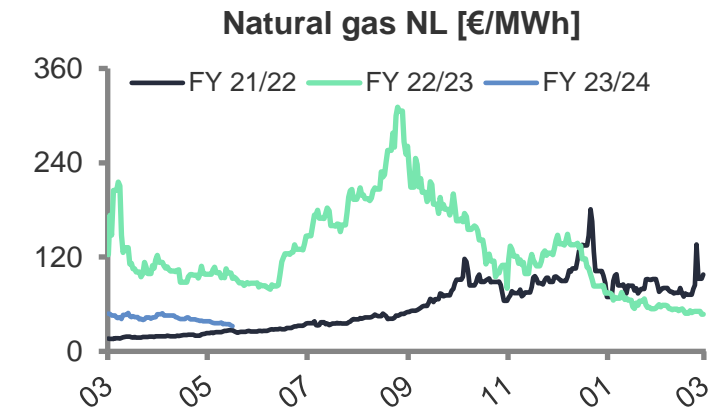
* Wheat (Euronext Paris), next date of expiry

Market development

Energy markets

Easing on the trading markets for natural gas

- Steady price decline since mid-December 2022
- Mild winter 2022/23 led to lower gas consumption
- Winter season 2022/23 with above-average storage levels
- Construction of several LNG terminals in Germany, first ones already operational
- Future price developments and security of supply in Europe depend on
 - Global LNG demand
 - Supply capacity of the European gas-producing nations
 - Storage levels
 - Weather conditions



Financials



Overview 2022/23

• Ethanol production	1,057 (1,051) ,000 m³	+ 1%
• Revenues	€ 1,488 (1,075) million	+ 38%
• EBITDA	€ 294.0 (168.8) million	+ € 125 million
• Operating profit	€ 251.0 (127.0) million	+ € 124 million
• Net income	€ 196.6 (89.4) million	+ € 107 million
• Net financial assets (vs. 28.02.2022)	€ 318.1 (229.9) million	+ € 88 million

REVENUES

1,488 million euros

OPERATING PROFIT

251.0 million euros

EBITDA

294.0 million euros

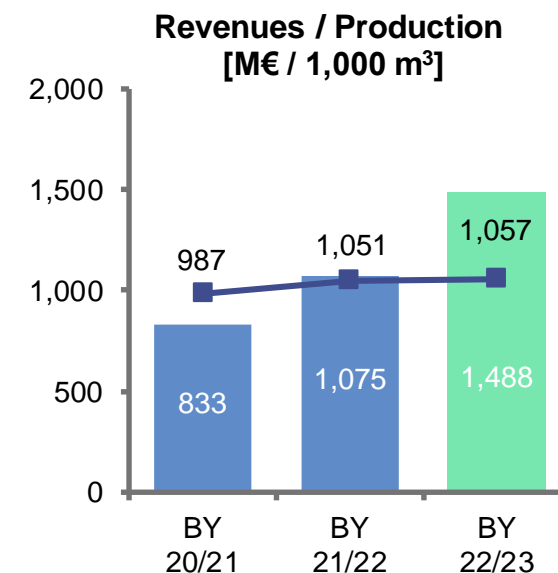


Note: Figures in parentheses relate to the corresponding prior-year period.

Revenues

(in € million)	2022/23	2021/22	Δ
Ethanol	1,159.4	836.9	+ 39%
Food and animal feed products	304.9	223.8	+ 36%
Other revenues	24.0	14.6	+ 64%
Revenues	1,488.3	1,075.3	+ 38%

- Ethanol production on previous year's level
- Revenues exceed last year's record level again
- Significant increase in sales prices for all products, especially for ethanol in 1st half of the financial year 2022/23

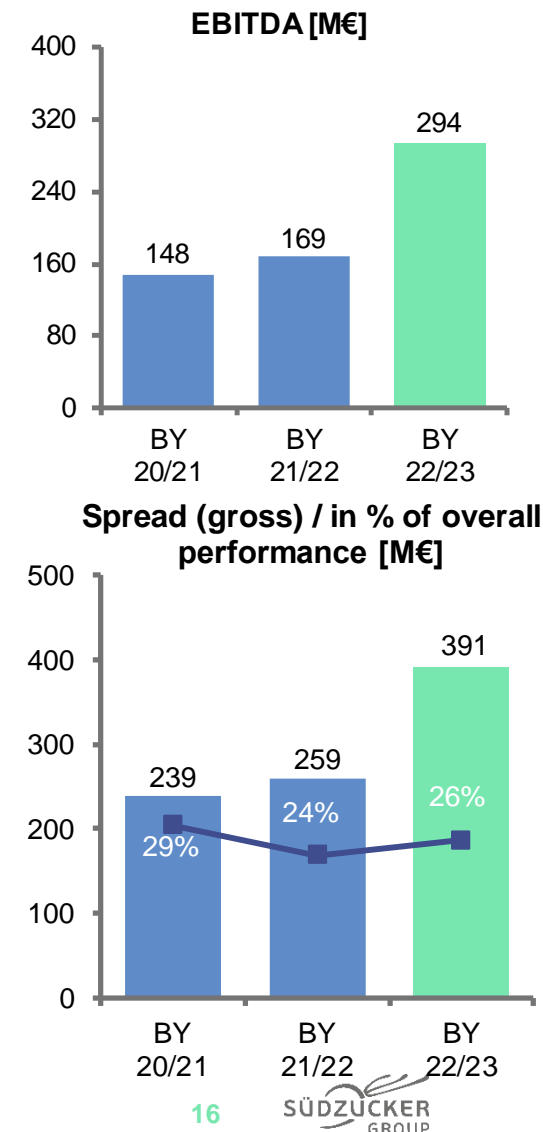


EBITDA

(in € million)	2022/23	2021/22	Δ
Revenues	1,488.3	1,075.3	+ 38%
Overall performance	1,501.4	1,100.1	+ 36%
Cost of materials*	-1,110.3	-840.9	- 32%
Spread (gross)	391.1	259.2	+ 51%
<i>in % of overall performance</i>	<i>26.0%</i>	<i>23.6%</i>	
Further operating expenses/income*	-97.1	-90.4	- 7%
EBITDA*	294.0	168.8	+ 74%
<i>Margin</i>	<i>16.9%</i>	<i>11.8%</i>	-

*without restructuring costs and special items

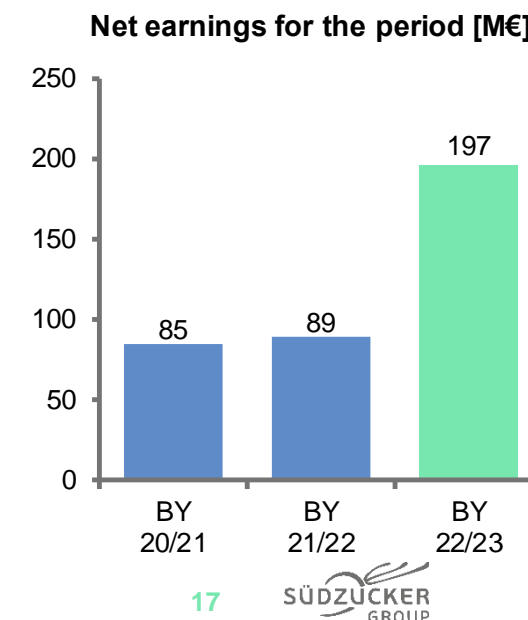
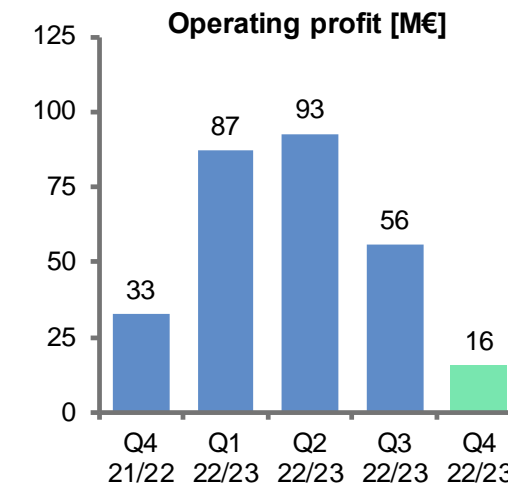
- Significantly higher costs for raw materials and energy were more than compensated by higher sales prices for ethanol
- Material expense ratio thus improves to 74.0 (76.4)% of overall performance



Income statement

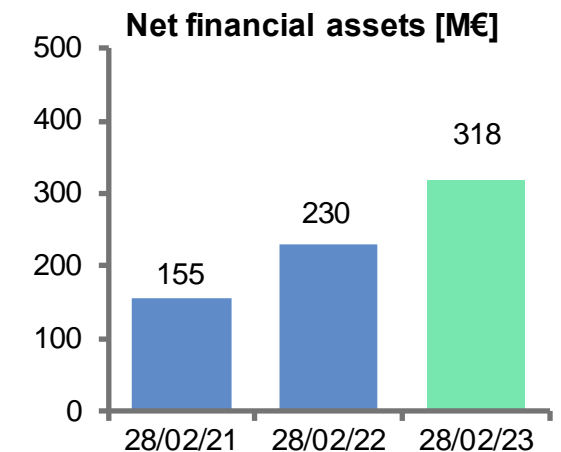
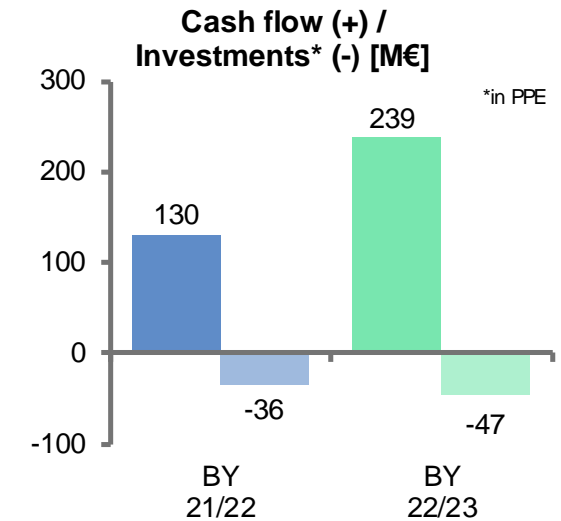
(in € million)	2022/23	2021/22	Δ
Operating profit	251.0	127.0	+ 98%
Restructuring costs / special items	-0.1	0.0	-
At-equity result	0.5	0.2	> + 100%
Income from operations	251.3	127.2	+ 98%
Financial result	4.1	-3.0	-
Earnings before income taxes	255.4	124.2	> + 100%
Taxes on income	-58.9	-34.8	- 69%
Net earnings for the period	196.6	89.4	> + 100%

- Improved financial result due to unrealised currency effects and higher interest income
- Tax rate decreases to 23 (28)%



Cash flow

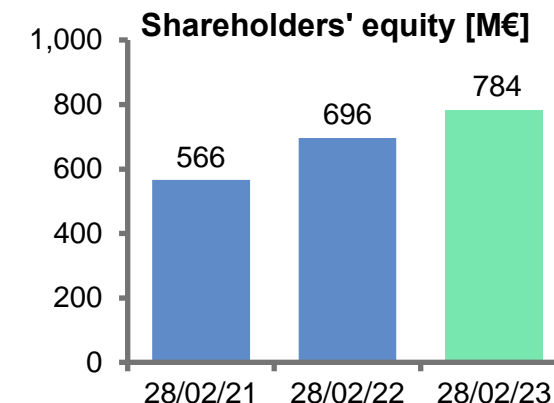
(in € million)	2022/23	2021/22	Δ
Cash flow	238.7	130.1	+ 108.6
Change in net working capital	-51.0	16.9	- 67.9
Net cash flow from operating activities	187.7	147.0	+ 40.7
Investments in property, plant et al.	-46.7	-35.0	- 11.0
Investments in financial assets	-3.6	0.0	- 3.6
Increase / Decrease in financial receivables	-76.3	-51.3	- 25.0
Payments into current financial investments	-34.9	0.0	- 34.9
Cash flow from investing activities	-161.5	-86.2	- 75.3
Cash flow from financing activities	-44.8	-35.4	- 9.4
Changes in exchange rates / consolidation basis	-0.3	0.2	- 0.5
Change in cash and cash equivalents	-18.9	25.5	- 44.4
	28/02/2023	28/02/2022	Δ
Net financial assets	318.1	229.9	+ 88.2



- Investments particularly for biomass boiler in Wanze

Balance sheet

(in € million)	28/02/2023	28/02/2022	Δ
Assets			
Non-current assets	393.8	377.9	+ 4%
Current assets	653.1	604.9	+ 8%
Total assets	1,046.9	982.7	+ 7%
Liabilities			
Shareholders' equity	783.8	696.4	+ 13%
Non-current liabilities	56.1	70.1	- 20%
Current liabilities	207.0	216.2	- 4%
Total liabilities and equity	1,046.9	982.7	+ 7%
Capital Employed	540.9	492.4	+ 10%
ROCE	46.4%	25.8%	-
Net financial assets	318.1	229.9	+ 38%
Equity ratio	75%	71%	-



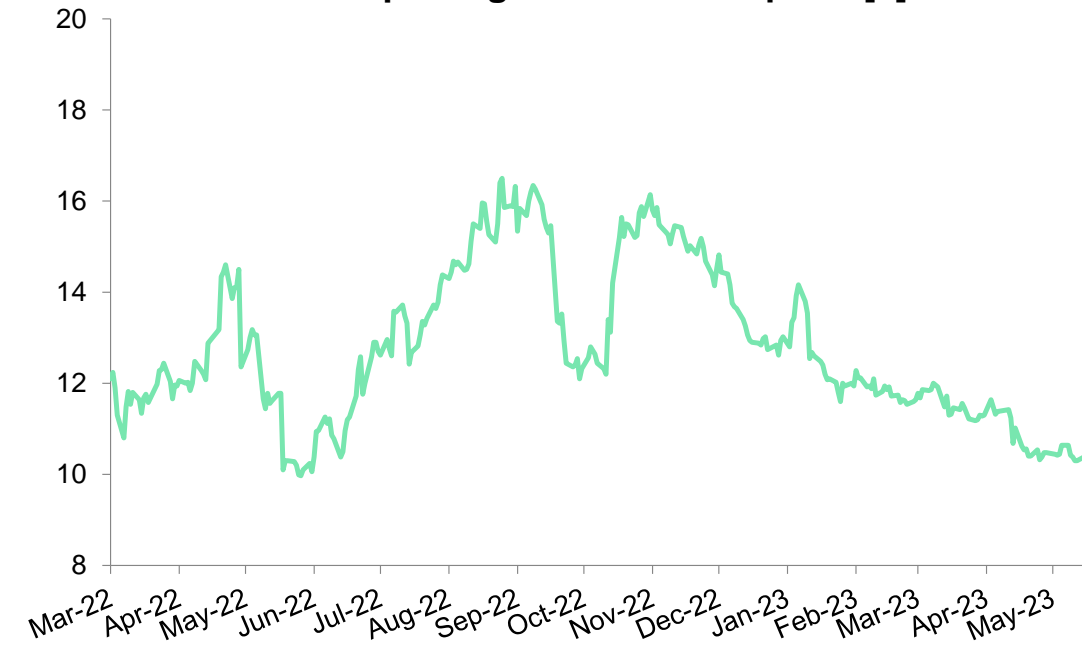
- Significant increase in shareholder's equity and net financial assets due to strong earnings situation

Dividend

(in € per share)	2022/23	2021/22
Earnings	2.25	1.02
Cash flow	2.74	1.49
Dividend	0.60*	0.45
Payout ratio	27%	44%
*proposal		
Share price end of financial year	11.64€	12.46€
Dividend yield	5.2%	3.6%

- Significant increase in dividend (proposed)
- Payout ratio: 27 (44)% from consolidated net income (IFRS)

CropEnergies AG - share price [€]



Outlook 2023/24

Released on 17 April 2023

- Revenues between € 1.27 to € 1.37 (previous year: € 1.49) billion
- EBITDA in a range of € 140 to € 190 (previous year: € 294) million
- Operating profit between € 95 to € 145 (previous year: € 251) million
- Assumptions
 - Continued volatility on the sales, raw material and energy markets caused by the ongoing Ukraine war
 - The introduction of E10 in other European countries points to stable sales of fuel ethanol
 - This will be met by continued high import volumes



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Sustainability

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CropEnergies climate targets - we are on track



Targets

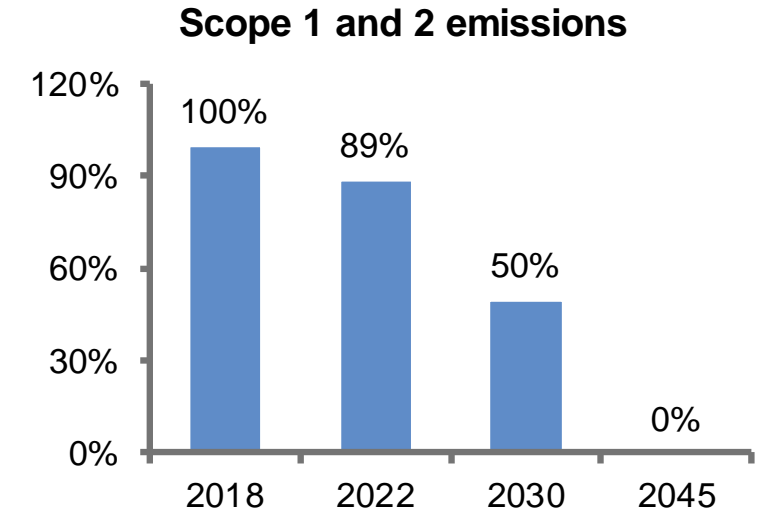
- Reduction of fossil CO₂ scope1 & 2: - 50% by 2030
- Intermediate target of - 32% by 2026
- “Net zero“ by 2045 or before

Future Measures

- Usage of waste heat
- Improve energy efficiency
- Electrification of processes (e.g. heat pumps, vapor recompression)
- Fuel switch

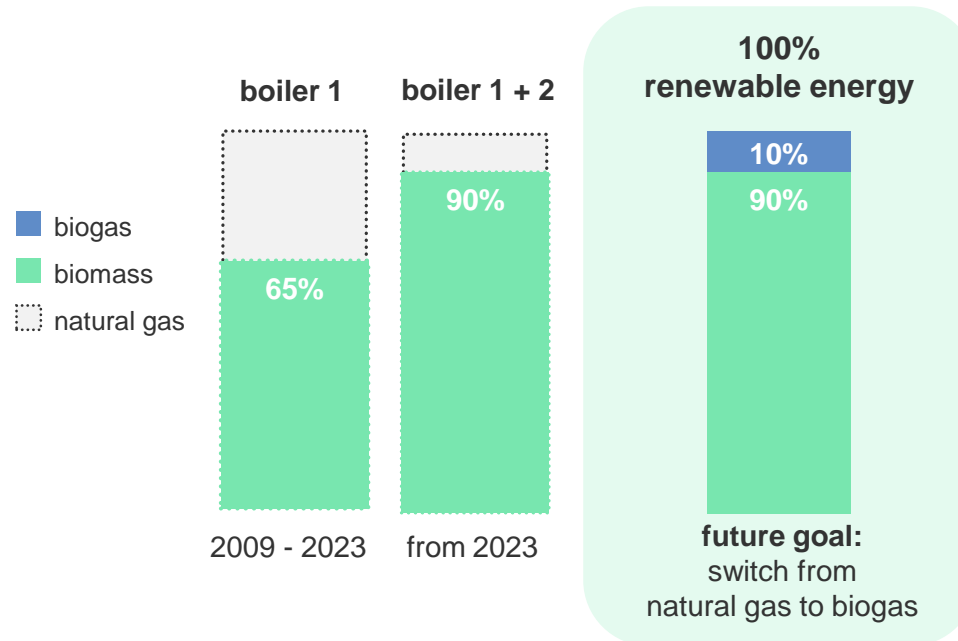
CropEnergies is part of the Südzucker Group commitment to SBTi*, including the goal of - 30% scope 3 emissions by 2030

* Science Based Targets initiative



Our first plant on the way to a fossil free production process

- Second biomass boiler in test phase – fully operational in Q3/2023
- 50,000 t CO₂ reduction per year



New biomass boiler

Sustainability initiatives and external ratings

Review of developments FY 2022/23

- CE underlined it's strong commitment to global sustainability goals by joining several voluntary initiatives in 2022/23
- CE increases transparency through participation in ratings and disclosure projects
- CE is aiming to increase its engagement in sustainability platforms

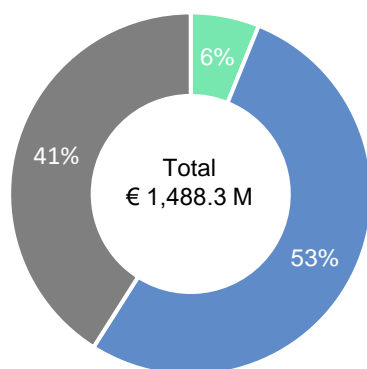


*CSRD- Corporate Sustainability Reporting Directive

EU-Taxonomy

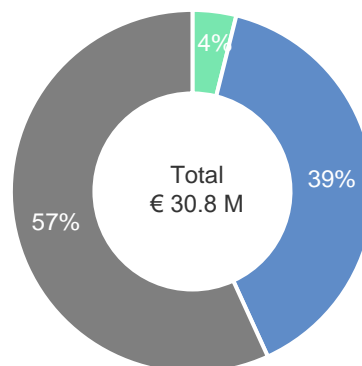
FY 2022/23: first-time reporting of taxonomy aligned figures

Turnover



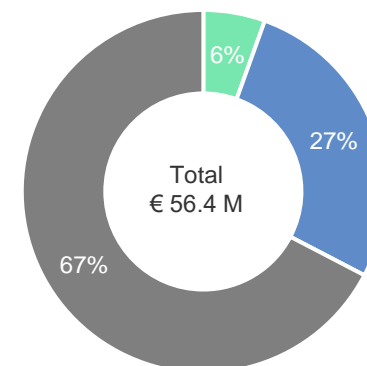
Taxonomy-aligned	€ 91.0 M
Taxonomy-eligible	€ 787.1 M
other	€ 610.2 M

Opex



Taxonomy-aligned	€ 1.2 M
Taxonomy-eligible	€ 12.1 M
other	€ 17.5 M

Capex



Taxonomy-aligned	€ 3.1 M
Taxonomy-eligible	€ 15.3 M
other	€ 38.0 M

- Taxonomy-**eligible** sales mainly from the production of fuel ethanol from agricultural raw materials under environmental objective “climate change mitigation”
- Only sales from the production of **residue-based ethanol** are taxonomy-aligned

Strategy update

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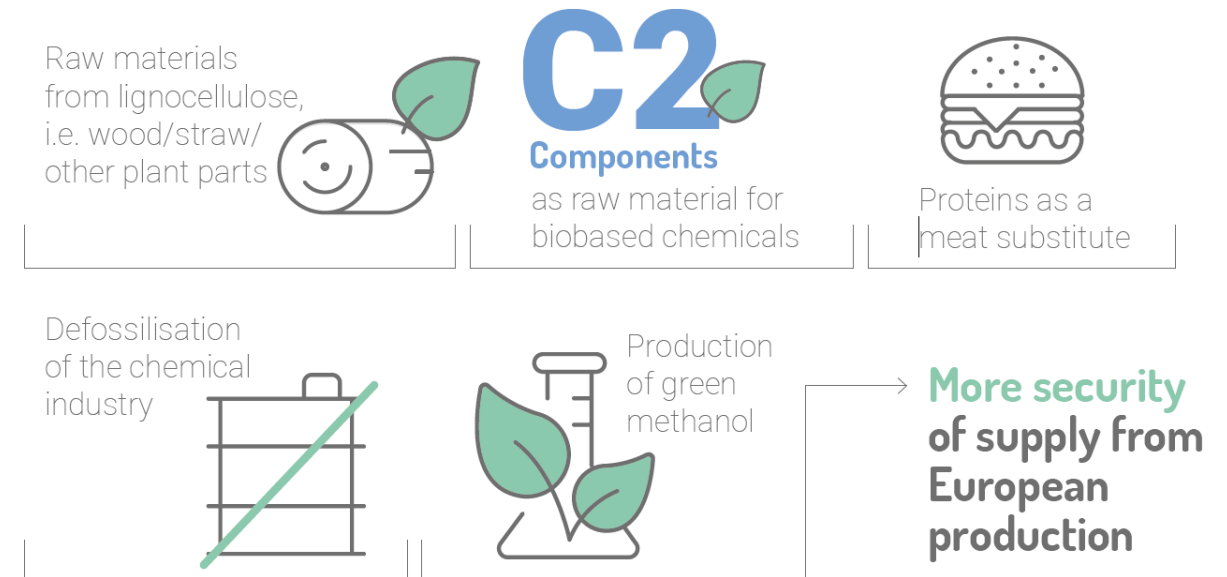
Innovation from Biomass

For our future:

Sustainability and climate neutrality

- Core business of mobility – with sustainable and climate-friendly fuels
- New business area – based on ethanol derivatives as an alternative to fossil raw materials
- Biogenic CO₂ as the raw material of the future and for the company's further development
- Protein products for the food and feed industry serve growth market and deepen value creation
- New business area for green electricity and green hydrogen

New product and production concepts



Super E20 for Europe

Higher biofuel blends needed to reach climate targets

Super E20: a step to climate neutrality

- Special requirements for E20 are now discussed in the German standardization DIN circle
- A future E20-standard would also help to increase the possibilities for renewable fuels (E20+)

Example Four Motors

- ✓ The special racing fuel was developed in cooperation between Shell and CropEnergies
- ✓ New fuel (2023): 60% renewable components, of which 20% ethanol, only 40% fossil fuel: ca. 40% CO₂ reduction and almost 103 octane

Super E20 at public fuel station

- ✓ Planned: 1st commercial petrol station for E20 in Mannheim
- ✓ Objective: proof of easy implementation in existing infrastructure

Position

Standardization of E20-fuel

Petrol with 15% to 20% (v/v) ethanol



© Four Motors

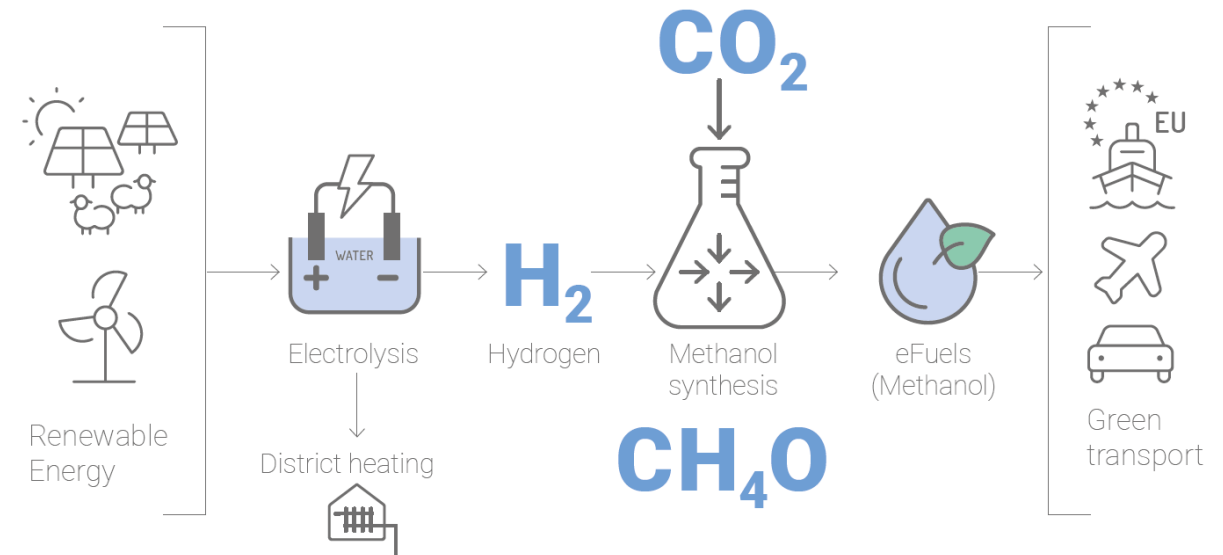
Participation in East Energy

Energy transition requires green electricity

- In September 2022, CropEnergies acquired a 25% stake in East Energy
- East Energy plans the construction of several large photovoltaic parks in North-Eastern Germany
 - First photovoltaic parks are expected to reach the “ready-to-build”-status late 2023
 - East Energy is working to include wind parks in its portfolio
- Production of green hydrogen from self-generated electricity envisaged
- Production of methanol as fuel for ships and aviation under investigation



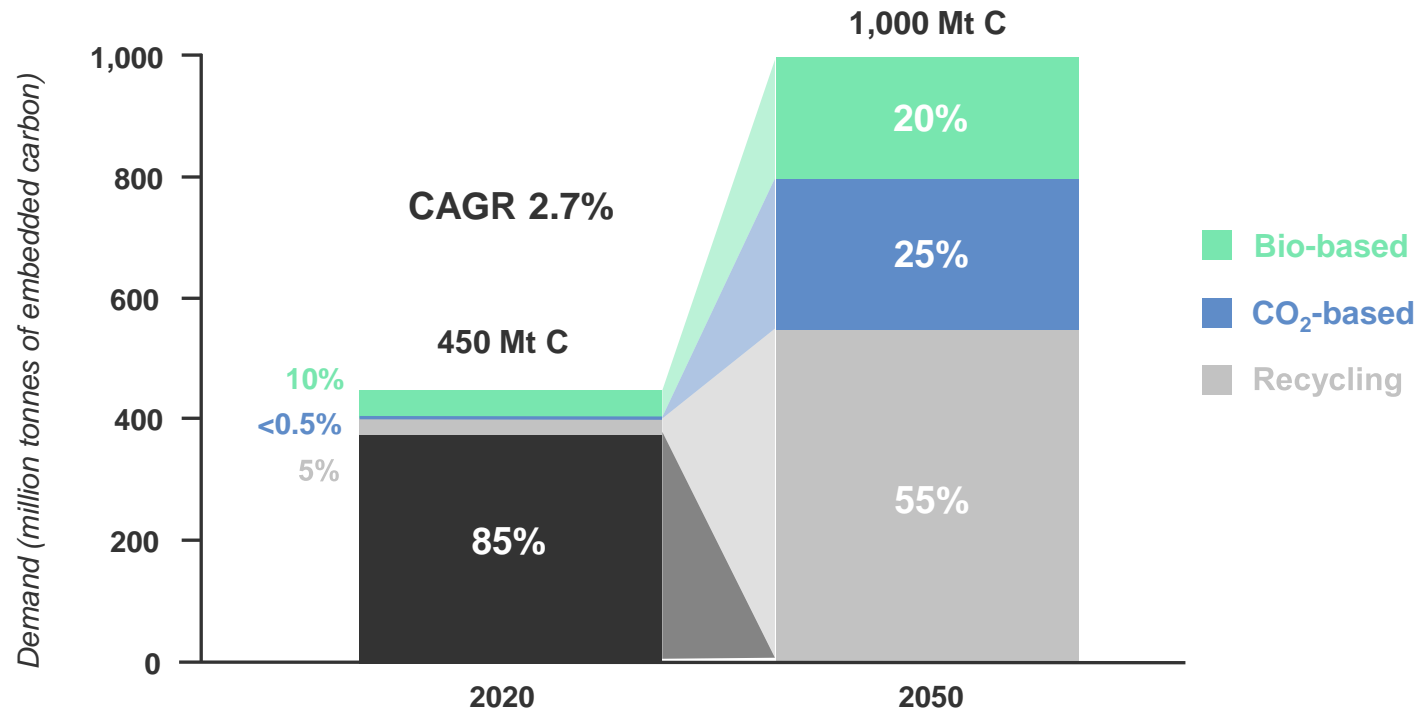
eFuels from solar and wind energy



Biobased Chemicals (BBC)

Green carbons: growth opportunity for CropEnergies

Global demand for carbon for chemicals increases

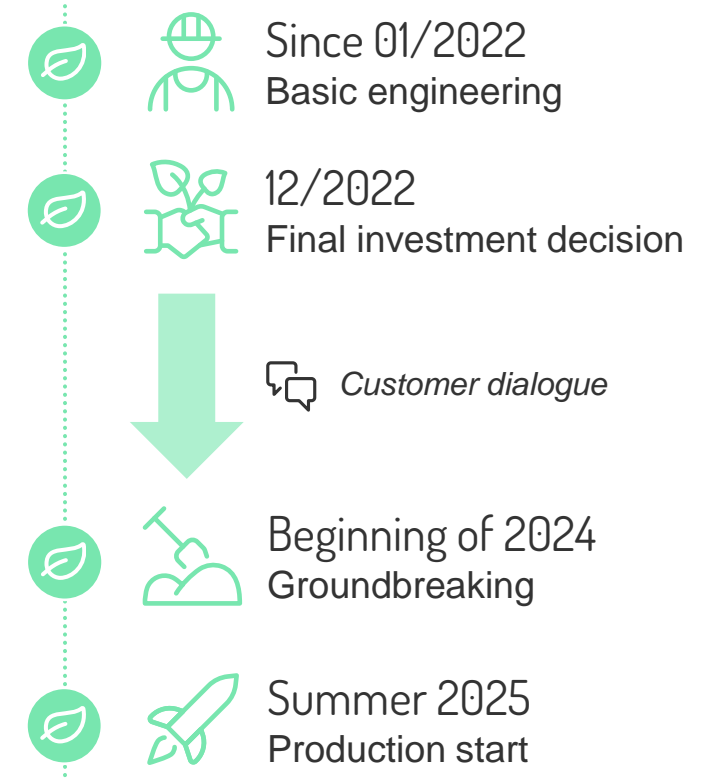


Source: Renewable Carbon as a Guiding Principle for Sustainable Carbon Cycles, a paper by the Renewable Carbon Initiative, February 2022 (www.renewable-carbon.eu/graphics)

Project ZETAC

€ 120-130 million investment in renewable ethyl acetate

- Construction of the first of its kind production facility in Europe based on Johnson Matthey technology
 - Production of 50,000 t ethyl acetate with a valuable hydrogen by-product stream directly from ethanol
 - Location: Zeitz Chemical and Industrial Park
- Ethyl acetate is widely used in the manufacture of cosmetics, flexible packaging and coatings, paints and adhesives, as well as in the food, beverage and pharmaceutical industries



Renewable Ethylen

A further step towards Biobased Chemicals (BBC)

Acquisition of 50% in the Dutch start-up Syclus BV

- Objective: construction and operation of a first of its kind ethanol-to-ethylene facility at the Chemelot industrial park in Geleen, Netherlands
 - Annual production capacity approx. 100,000 t
 - Technical and economic feasibility until end of 2023
 - Investment requirement in the range of > € 120 million
- Renewable ethylene – alternative to oil and gas
 - European demand for (fossil) ethylene approx. 20 million tonnes per year
 - Main building block for plastics and polymers, e. g. packaging, building materials, automotive applications, paints, adhesives, fibers, clothing and many more everyday products

SYCLUS



Chemelot industrial park

Financial Calendar

5 July 2023:	Statement for the 1 st quarter of 2023/24
11 July 2023:	Annual General Meeting 2023 (virtual)
11 October 2023:	Report for the 1 st half of 2023/24
10 January 2024:	Statement for the 3 rd quarter of 2023/24
15 May 2024:	Annual report and press and analysts' conference FY 2023/24

Stock Information

ISIN:	DE000A0LAUP1
Symbol:	CE2
Bloomberg / Reuters:	CE2 GY / CE2G.DE
Transparency standard:	Prime Standard

Disclaimer

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± 1% - stable	± 1 – 4% - slight
± 4 – 10% - moderate	> ± 10% - significant

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