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Forward-looking statements and forecasts

This quarterly statement contains forward-looking statements. These statements are based on current estimations and forecasts of the executive board and information currently available to it. The forward-looking statements are not guarantees of the future developments and results mentioned therein. Rather, the future developments and results depend on a number of factors, entail various risks and imponderables and are based on assumptions that may not prove to be accurate. The „Risk and opportunities report“ on pages 86 to 96 of the 2020/21 Annual Report provides an overview of the risks. CropEnergies does not accept any obligation to update the forward-looking statements made in this statement. In addition, all disclaimers published on the CropEnergies website apply.



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Innovation from Biomass

Financial Year 2021/22

QUARTERLY STATEMENT

1st Quarter

1 March to 31 May 2021

Mannheim, 7 July 2021

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The figures stated in brackets on the following pages refer to the same period or point in time in the previous year.

CropEnergies AG's financial year differs from the calendar year. The 1st quarter relates to the period from 1 March to 31 May.

The interim report is also available in German. This English translation is provided for convenience only and should not be relied upon exclusively. The German version of the interim report is definitive and takes precedence over this translation.

HIGHLIGHTS

1ST QUARTER 2021/22

- Revenues up to € 214.1 (170.7) million € +43 million
- EBITDA grows to € 25.5 (18.2) million € +7 million
- Operating profit increases to
€ 15.1 (8.1) million € +7 million
- Net earnings in the 1st quarter reach
€ 10.1 (7.9) million € +2 million
- Ethanol production rises significantly
to 235,000 (208,000) m³ +12.9%
- Net financial assets increase significantly to
€ 183 million (as of 28 February 2021: € 155 million)

OUTLOOK FOR THE 2021/22 FINANCIAL YEAR

- CropEnergies expects revenues to range between
€ 925 and € 975 million in the 2021/22 financial year.
- Operating profit is expected to range between
€ 50 and € 80 million. This is equivalent to an EBITDA
of between € 90 and € 125 million.

MAIN EVENTS

Operating environment

Current framework in the EU

The EU initially planned to lower greenhouse gas (GHG) emissions by at least 40% by the year 2030. In the context of the European Green Deal, this climate protection target is to be increased to at least 55% fewer greenhouse gas emissions, in relation to 1990. The EU is seeking to lower net GHG emissions to zero by the year 2050, thereby achieving climate neutrality. In the wake of a higher climate target for 2030, increasing use of renewable energies, among other things, is also necessary. In this connection, the EU is currently examining the extent to which a revision of the “Renewable Energy Directive” can contribute to achieving higher climate ambitions.

The European Green Deal will place higher requirements on all economic sectors. A GHG reduction target, by 2030, of 43% (compared with 2005) currently applies to economic sectors covered by the EU-wide emissions trading system (“EU-ETS”). The GHG reduction target for the economic sectors not covered by the EU-ETS is currently still 30% (compared with 2005). The target for non-ETS sectors, to which transport also belongs, has been transferred to national reduction targets, owing to regional differences. In accordance with the so-called Effort Sharing Regulation, Germany needs to lower non-ETS area GHG emissions by 38% in annual increments by the year 2030. Achieving the target requires effective measures for limiting emissions at national level. If a member state misses the respective annual target, it must purchase the corresponding amount of emission rights from other member states. The targets for ETS and non-ETS sectors also need to be raised as part of the European Green Deal in order to achieve a reduction of at least 55% in emissions in the year 2030. The Euro-

pean Commission is expected to put forward its proposals for steeper cuts in GHG emissions in July 2021.

“Renewable Energy Directive”

The “Renewable Energy Directive” (RED II) recast in 2018 provides for the proportion of renewable energies in the transport sector to increase to at least 14% in the year 2030. The contribution of renewable fuels from arable crops in the member states should be able to remain up to one percentage point above the level reached in 2020, the maximum, however, being 7%. The proportion of fuels from wastes and residues is to rise from 0.2% in 2022 to at least 3.5% in 2030. Sustainably produced renewable fuels will therefore continue to be fundamental to more climate protection in the transport sector. The currently applicable targets for renewable energies in the transport sector will not be sufficient to ensure an appropriate contribution to the implementation of the European Green Deal. Calculations made by the European Commission indicate, rather, that the proportion of renewable energies in the transport sector will need to rise to at least 24% by the year 2030.

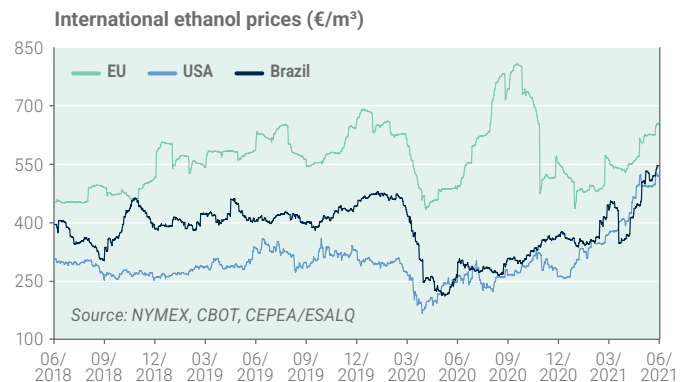
While a renewed increase in targets for renewable energies is being discussed at EU level, preparations for the national transposition of RED-II are under way in the member states. In Germany, the GHG reduction quota is to be raised gradually from 6% in 2021 to 25% in 2030. The energy component of renewable fuels from arable crops can account for up to 4.4% of the amount of fuel placed on the market. The proportion of advanced biofuels is to be increased gradually from 0.05% in 2020 to 2.6% in 2030. In addition to the established biofuels, other renewable fuel alternatives are to be promoted. These include synthetic fuels, which can be counted double towards the GHG quota, and renewable electricity, which can be counted three times towards it.

Climate Protection Act

Germany has committed, vis-à-vis the EU, to lower non-ETS GHG emissions by 38% by the year 2030. To implement this objective, lawmakers in Germany have, through the *Bundes-Klimaschutzgesetz* (Federal Climate Protection Act – KSG) which was passed in 2019, enshrined binding climate protection targets in law and defined annual emission ceilings for individual sectors of the economy, for the first time. A gradual reduction from 150 million tonnes of CO_{2eq} in 2020 to 95 million tonnes of CO_{2eq} in 2030 had been planned in the transport sector. After the Federal Constitutional Court ruled that the KSG was partly unconstitutional, lawmakers amended the law in June 2021. The transport sector now has an upper limit of GHG emissions of 85 (95) million tonnes of CO_{2eq} in 2030. GHG emissions overall are to be reduced by 65% by 2030. Annual GHG emissions are to fall by 88% by 2040 so as to achieve climate neutrality by 2045.

Ethanol markets

There was an increase in international ethanol prices in the 1st quarter of 2021/22. This development was on the one hand due to higher mobility in connection with a smaller number of new coronavirus infections in many countries, and on the other hand to much higher raw material costs.



In the **USA**, the one-month futures contract for ethanol on the Chicago Board of Trade (CBOT) increased from the equivalent of around € 370/m³ on 1 March 2021 to around € 510/m³ at the end of May 2021. This price level was last witnessed in 2014. Fuel ethanol production is slowly reaching pre-pandemic levels again. Overall, production is expected to increase to 57.8 (54.5) million m³ in 2021. Domestic consumption is also expected to recover, rising to 52.6 (49.4) million m³. Exports, at 6.4 (6.0) million m³, are expected to be above the previous year's level.

In **Brazil**, ethanol prices also rose significantly in the course of the 1st quarter, from the equivalent of around € 430/m³ at the beginning of March to around € 535/m³ at the end of May, with prices above R\$ 3/l being obtained for the first time in local currency. Ethanol production in Brazil is expected to stand at only 29.5 (32.6) million m³ in the 2021/22 sugar year. Domestic consumption, however, is expected to increase slightly again to 30.8 (30.0) million m³ and be above domestic production. No Brazilian net exports are therefore expected in the 2021/22 sugar year.

Ethanol prices also increased further in **Europe**. Spot prices rose from around € 580/m³ at the beginning of March to around € 640/m³ at the end of May. The average ethanol price in the 1st quarter was € 590/m³. The price development is a reflection, among other things, of the attenuation of the coronavirus pandemic in large parts of Europe.

Production in the EU-27 and the UK is expected to recover to 7.7 (7.5) million m³ and domestic consumption

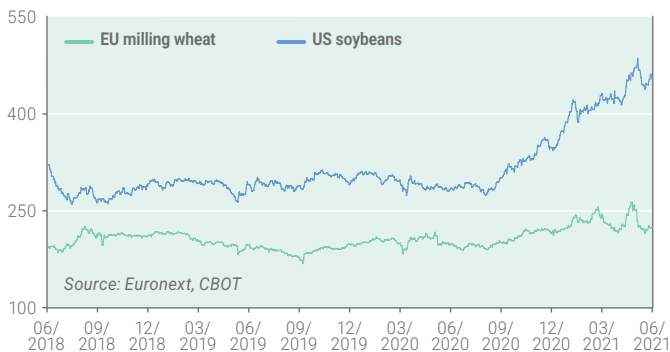
to 8.6 (8.3) million m³ in 2021, thereby again reaching the 2019 level. The recovery in the case of fuel ethanol is expected primarily due to increasing mobility, while consumption of ethanol for industrial applications and beverages is set to remain at the previous year's level. Net imports, at 0.8 (1.0) million m³, are expected to be slightly below the previous year's level.

Grain and protein markets

According to the International Grains Council (IGC), world grain production (excluding rice) is expected to increase to 2,292 (2,220) million tonnes in 2021/22 and therefore be largely in line with expected grain consumption of 2,297 (2,237) million tonnes. Accordingly, only a marginal change in global grain stocks is expected, at 595 (599) million tonnes. The European Commission expects the grain harvest in the EU-27 to increase to 290 (278) million tonnes in 2021/22. Consumption, at 263 (261) million tonnes, is expected to be slightly above the previous year's level.

Although European wheat prices on the Euronext in Paris declined, in the course of the 1st quarter of 2021/22, from € 250/tonne at the beginning of March 2021 to € 215/tonne at the end of May 2021, they still remained at a high level. The high price level was, among other things, due to a rising demand for grain in the wake of the attenuation of the coronavirus pandemic in many regions, including China. Another factor are the unfavourable weather conditions in the key maize-growing regions in Brazil and the USA which could cause a smaller maize harvest.

International agricultural prices (€/t)



Animal feed products, with a share of more than 60%, continue to account for the majority of domestic grain consumption. The starch content of merely around 4% of the EU grain harvest, on the other hand, is used for the production of fuel ethanol. The other components of the processed grain, particularly proteins, are refined into valuable food and animal feed products, thereby reducing dependence on soy imports from North and South America.

The global soybean harvest in 2021/22 is expected to achieve a new record level, at 383 (361) million tonnes. Consumption is also expected to increase to a record level of 378 (352) million tonnes at the same time. Stocks, at 51 (46) million tonnes, are therefore expected to increase slightly again. The one-month soybean futures contract on CBOT rose from around US\$ 14/bushel* at the beginning of March 2021 to over US\$ 15/bushel at the end of May. Prices above US\$ 15/bushel were last obtained on the CBOT in 2014. Drought in parts of South America, low stocks in the USA and the high global demand for soy triggered the sharp price increase. The listings for European rapeseed meal followed the lead given by international soy-

bean listings. Spot prices rose temporarily to € 340/tonne, thereby reaching an all-time high. The 2021/22 rapeseed harvest in the EU-27, at 17 (16) million tonnes, is expected to be slightly above the previous year's low level. Downward prices are expected for the new harvest. Futures, for example, stood at around € 260/tonne at the end of May 2021.

* A bushel of soybeans is equivalent to 27.216 kg of soybeans.

Business development

Production of ethanol and food and animal feed products

In its modern biorefineries in Belgium, Germany, France and the United Kingdom, CropEnergies produces renewable ethanol and protein-rich food and animal feed products. Ethanol production in the 1st quarter of the 2021/22 financial year, at 235,000 (208,000) m³, was significantly above the level achieved in the previous year. Production of food and animal feed products also exceeded the previous year's level in total.

Revenues and net earnings

€ thousands	1 st quarter	
	2021/22	2020/21
Revenues	214,069	170,655
EBITDA*	25,461	18,211
<i>EBITDA margin in %</i>	11.9%	10.7%
Depreciation*	-10,384	-10,095
Operating profit	15,077	8,116
<i>Operating margin in %</i>	7.0%	4.8%
Restructuring costs and special items	0	0
Income from companies consolidated at equity	-85	93
Income from operations	14,992	8,209
Financial result	-915	2,331
Earnings before income taxes	14,077	10,540
Taxes on income	-3,941	-2,635
Net earnings for the period	10,136	7,905
Earnings per share, diluted / undiluted (€)	0.12	0.09

* without restructuring costs and special items

At € 214.1 (170.7) million, CropEnergies generated significantly higher revenues than in the reference period of the previous year. The pleasing development was mainly due to normalisation of sales quantities. In the 1st quarter of the previous year, sales quantities

had been significantly lower owing to the shutdown at the Wanze site being extended due to the pandemic. In addition, ethanol prices had temporarily declined to a historically low level in the previous year as a result of the slump in demand caused by the first wave of the coronavirus pandemic. These increases in sales quantities and prices resulted, despite significantly higher specific raw material and energy costs, in an improvement in EBITDA to € 25.5 (18.2) million.

In conjunction with virtually constant depreciation of € 10.4 (10.1) million, operating profit was increased significantly to € 15.1 (8.1) million. This gives rise to an operating margin of 7.0% (4.8%). Since, as in the previous year, there were no special items, income from operations reached € 15.0 (8.2) million.

The financial result of € -0.9 (2.3) includes unrealised currency effects, giving rise to earnings before income taxes of € 14.1 (10.5) million. After taxes, net earnings of € 10.1 (7.9) million were therefore achieved in the 1st quarter of 2021/22. Based on 87.25 million no-par-value shares, this corresponds to earnings per share of € 0.12 (0.09).

Statement of changes in financial position

€ thousands	1 st quarter	
	2021/22	2020/21
Gross cash flow	21,164	15,533
Change in net working capital	12,899	18,496
Net cash flow from operating activities	34,063	34,029
Investments in property, plant and equipment and intangible assets	-4,729	-10,068
Cash received on divestments	168	0
Cash received on disposal of non-current assets	59	39
Payments into financial receivables	-18,100	-16,900
Payments into current financial investments	-2	4
Cash flow from investing activities	-22,604	-26,925
Cash flow from financing activities	-1,396	-906
Change in cash and cash equivalents due to exchange rate changes	29	-146
Increase in cash and cash equivalents	10,092	6,052

As a result of the increase in EBITDA to € 25.5 (18.2) million, cash flow also increased to € 21.2 (15.5) million. Including the change in net working capital, net cash flow from operating activities in the 1st quarter of 2021/22 amounted to € 34.1 (34.0) million.

The cash outflow from investing activities declined to € 22.6 (26.9) million, with € 4.7 (10.1) million being attributable to property, plant and equipment and intangible assets. The investments were used, in particular, to expand and improve the production plants. Furthermore, current financial receivables were increased by € 18.1 (16.9) million. The cash receipts from divestments amounting to € 0.2 million relate to further inflows from the sale of Ryssen Chile SpA.

After payments for lease liabilities of € 0.9 (0.9) million and other financial liabilities of € 0.5 (0) million, this gave rise to a net cash outflow from financing activities of € 1.4 (0.9) million in the 1st quarter of 2021/22.

Assets and liabilities

As of 31 May 2021, a discount rate of 1.80% was used as a basis for major pension plans when calculating the provisions for pensions and similar obligations. As of 28 February 2021 and 31 May 2020 respectively, the discount rate was 1.60% and 1.85%.

Net financial assets increased significantly to € 182.6 (130.2) million, which include current financial receivables from Südzucker AG amounting to € 161.8 (105.4) million.

The green certificates (green electricity certificates) allocated by the government for the production of green electricity at the BioWanze site are recognised as a reduction of the cost of materials in the amount of their sales proceeds. The corresponding sales proceeds amounted to € 6.1 (2.0) million in the reporting period.

Balance sheet

€ thousands	31 May 2021	31 May 2020	Change	28 February 2021
Assets				
Intangible assets	7,717	8,181	-464	7,858
Property, plant and equipment	355,280	367,133	-11,853	358,652
Shares in companies consolidated at equity	2,453	2,361	92	2,538
Receivables and other assets	771	44	727	1,027
Deferred tax assets	7,986	5,039	2,947	7,315
Non-current assets	374,207	382,758	-8,551	377,390
Inventories	64,503	71,039	-6,536	73,165
Current financial receivables	161,800	105,400	56,400	143,700
Trade receivables and other assets	134,723	94,517	40,206	126,480
Current tax receivables	1,776	7,719	-5,943	696
Securities	14,993	14,989	4	14,991
Cash and cash equivalents	16,103	19,411	-3,308	6,011
Current assets	393,898	313,075	80,823	365,043
Total assets	768,105	695,833	72,272	742,433
Liabilities and shareholders' equity				
Subscribed capital	87,250	87,250	0	87,250
Capital reserves	197,847	197,847	0	197,847
Other reserves and other comprehensive income	293,263	237,794	55,469	281,049
Shareholders' equity	578,360	522,891	55,469	566,146
Provisions for pensions and similar obligations	29,600	29,015	585	30,725
Other provisions	2,736	3,419	-683	2,685
Financial liabilities	6,791	6,553	238	5,889
Non-current tax liabilities	2,396	1,956	440	2,397
Deferred tax liabilities	20,399	24,389	-3,990	19,660
Non-current liabilities	61,922	65,332	-3,410	61,356
Other provisions	4,400	6,346	-1,946	6,345
Financial liabilities	3,505	3,057	448	4,166
Trade payables and other liabilities	107,390	89,214	18,176	91,841
Current tax liabilities	12,528	8,993	3,535	12,579
Current liabilities	127,823	107,610	20,213	114,931
Total liabilities and shareholders' equity	768,105	695,833	72,272	742,433
Net financial assets	182,600	130,190	52,410	154,647
Equity ratio	75.3%	75.1%		76.3%

Income statement

€ thousands	1 st quarter	
	2021/22	2020/21
Revenues	214,069	170,655
Change in work in progress and finished goods inventories and internal costs capitalised	-3,578	-1,074
Other operating income	1,735	4,427
Cost of materials	-163,001	-131,270
Personnel expenses	-10,032	-10,044
Depreciation	-10,384	-10,095
Other operating expenses	-13,732	-14,483
Income from companies consolidated at equity	-85	93
Income from operations	14,992	8,209
Financial result	-915	2,331
Earnings before income taxes	14,077	10,540
Taxes on income	-3,941	-2,635
Net earnings for the period	10,136	7,905
Earnings per share, diluted / undiluted (€)	0.12	0.09

Risk and opportunities report

CropEnergies uses an integrated system for the early detection and monitoring of group-specific risks. The successful treatment of risks is based on achieving a balanced relationship between return and risks. The company's risk culture is characterised by risk-conscious conduct, clearly defined responsibilities, independence during risk controlling and the implementation of internal controls.

There are no risks posing a threat to the company's continued existence and there are none discernible at the present time.

For detailed information on the risk management system and the group's risks and opportunities, please refer to the "Risk and opportunities report" on pages 86 to 96 of the Annual Report for the 2020/21 financial year. Allowing for the previously explained developments at regulatory level, the disclosures provided there are still valid.

Outlook

CropEnergies increased revenues to € 214 (171) million and operating profit to € 15.1 (8.1) million in the 1st quarter of 2021/22, with EBITDA growing to € 25.5 (18.2) million. The pleasing development was mainly due to normalisation of ethanol sales.

CropEnergies confirms its earnings expectation for the 2021/22 financial year. EBITDA is expected to range between € 90 and € 125 million (previous year: € 148 million), operating profit between € 50 and € 80 million (previous year: € 107 million). Owing to increased ethanol sales prices, however, CropEnergies expects moderately higher revenues of between € 925 and € 975 million (previous expectation: between € 870 and € 920 million).

FINANCIAL CALENDAR

- Annual General Meeting 2021 (virtual) 13 July 2021
- Report for the 1st half of 2021/22 13 October 2021
- Statement for the 1st to 3rd quarter of 2021/22 12 January 2022
- Annual press and analysts' conference for the 2021/22 financial year 18 May 2022
- Statement for the 1st quarter of 2022/23 6 July 2022
- Annual General Meeting 2022 12 July 2022