



cropenergies

Innovation from Biomass

Financial Year 2023/24

INTERIM REPORT

1st half

1 March to 31 August 2023

Mannheim, 11 October 2023

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 periods referred to are thus defined as follows:

2nd quarter: 1 June – 31 August

1st half: 1 March – 31 August

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.

CONTENTS

Highlights	4
Interim management report	5
Operating environment	5
Business development	12
Risk and opportunities report	19
Outlook	20
Interim financial statements	22
Statement of comprehensive income	22
Cash flow statement	24
Balance sheet	25
Development of shareholders' equity	26
Notes to the interim financial statements	28
Responsibility statement	41
Financial calendar	42

HIGHLIGHTS

1ST HALF 2023/24

- Revenues reach € 630.6 (848.7) million € -218 million
- EBITDA declines to € 56.1 (200.9) million € -145 million
- Operating profit down
to € 34.2 (179.7) million € -146 million
- Net earnings in the 1st half
reach € 27.5 (135.8) million € -108 million
- Ethanol production declines
to 464,000 (583,000) m³ -20%
- Net financial assets amount to
€ 273 million (as of 28 February 2023: € 318 million)

OUTLOOK FOR THE 2023/24 FINANCIAL YEAR (UNCHANGED)

- CropEnergies expects revenues in the 2023/24 financial year to range between € 1.27 and € 1.37 billion.
- Operating profit is expected to range between € 95 and € 145 million.
- This is equivalent to an EBITDA of between € 140 and € 190 million.

INTERIM MANAGEMENT REPORT

Operating environment

European Green Deal

The EU intends to lower greenhouse gas (GHG) emissions by at least 55% by the year 2030. In the context of the European Green Deal, the EU is also seeking to achieve climate neutrality by the year 2050. To achieve its 2030 climate target, the European Commission presented a comprehensive package of proposals (“Fit for 55” package) on 14 July 2021, aimed at adapting the EU’s climate and energy policy. Amending the “Renewable Energy Directive” with a view to further advancing the use of renewable energies is a key element of the “Fit for 55” package. This process is drawing to a close after more than two years. Other “Fit for 55” initiatives have also been completed in the meantime or are on the verge of being completed.

“Renewable Energy Directive”

The “Renewable Energy Directive” (RED II) still currently provides for the proportion of renewable energies in the transport sector to increase to at least 14% in the year 2030. On 30 March 2023, European Parliament and Council negotiators agreed that this energy blending target should increase to at least 29%. Alternatively, member states can also establish a GHG reduction target of at least 14.5%. The proportion of renewable fuels from arable crops in the member states is to remain up to one percentage point above the level reached in 2020, the maximum, however, being 7%. The agreement also provides for a binding sub-target of 5.5% for renewable biofuels from wastes and residues as well as for synthetic fuels in the year 2030. Synthetic fuels are to ac-

count for at least one percentage point here. This negotiated outcome, which has been approved by the European Parliament, still needs to be formally ratified by member states in the Council.

A further “Fit for 55” measure consists in establishing separate trading for fossil CO₂ emissions from fuels by 2026. Member states have so far been unable to reach agreement with regard to restructuring the taxation of energy products. The European Commission had proposed that energy tax rates should, in future, be based on the energy content of fuels and their environmental impact. The restructuring of energy taxation requires the agreement of all EU member states in the Council. Such energy- and CO₂-oriented pricing of fuels is in line with the demands that the European ethanol industry has been making for a number of years.

By contrast, the industry rejects the European Commission’s decision to set CO₂ emission performance standards for passenger cars and light commercial vehicles. According to this, the average annual emissions of new vehicles should be 55% lower than 2021 from 2030 and 100% lower from 2035. This is equivalent to a de facto ban on new vehicles with an internal combustion engine from 2035 at the latest. This rule is a clear breach of the principle of technology neutrality, as only vehicle exhaust pipe emissions are to continue to be taken into consideration. Consequently, life cycle emissions of vehicles without local emissions, such as electric cars, are ignored. The European Commission was merely charged with developing a method for determining the life cycle emissions of new vehicles by the end of 2025. Furthermore, the European Commission is to formulate a proposal

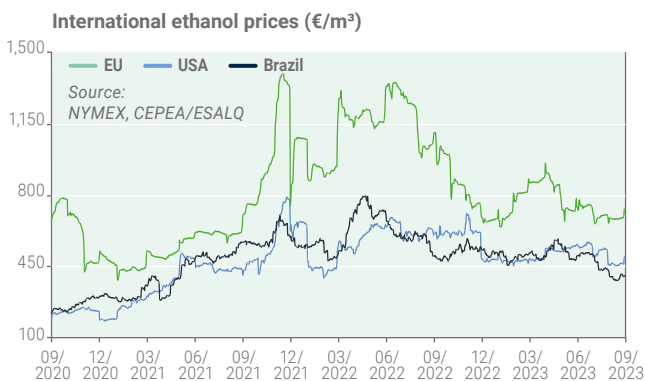
which also enables vehicles to be registered outside the scope of vehicle fleet standards after 2035, providing they run exclusively on CO₂-neutral fuels. The regulations are to be reviewed in 2026.

Germany

Lawmakers in Germany have decided to raise the GHG reduction quota gradually to 25% by 2035, a further step being completed with the increase from 7% to 8% as of 1 January 2023. The energy component of renewable fuels from arable crops is to contribute up to 4.4% to this. The proportion of advanced biofuels is to be increased gradually to 2.6% in 2030. In addition to the established biofuels, other renewable fuel alternatives are to be promoted. These include synthetic fuels, which are counted double towards the GHG quota, and renewable electricity, which is counted three times towards it. Neither fossil fuels nor GHG emissions will, however, be reduced by means of this virtual multiplication. Virtual GHG reductions will not contribute to lowering traffic-related emissions from around 148 million tonnes of CO_{2eq} in 2022 to just 85 million tonnes of CO_{2eq} in 2030, as targeted in the Bundes-Klimaschutzgesetz (Federal Climate Protection Act – KSG). Climate-friendly alternatives to fossil fuels are, in fact, what is needed to lower greenhouse gas emissions. One example is the fuel ethanol used in Germany, which showed greenhouse gas emissions of around 9 g CO_{2eq}/MJ and hence less than 200 g CO_{2eq}/L of ethanol in 2021. This is equivalent to a genuine 90% saving in greenhouse gases, across the entire value chain from raw material production through to use in a vehicle. Overall, 11.1 million tonnes of CO_{2eq} were saved by the use of biofuels in 2021. These positive climate protection effects of the production of biofuels based on the

principle of the circular economy are increasingly being recognised.

Ethanol markets



Ethanol prices in the **USA** declined from the equivalent of around € 605/m³ to around € 525/m³ in the course of the 2nd quarter of 2023/24. The price decline was triggered, in particular, by a similar downward trend in grain prices. Production in 2023, at 60.7 (60.0) million m³, is expected to be above the previous year's level. Domestic consumption is also expected to increase slightly, amounting to 54.9 (54.4) million m³. Accordingly, exports, at 6.0 (6.1) million tonnes, are expected to be at the previous year's level.

Prices in **Brazil** also experienced a downward trend in the course of the 2nd quarter of 2023/24, falling from the equivalent of around € 550/m³ at the beginning of June to around € 475/m³ at the end of August. The fall in prices is linked to a significant increase in Brazilian ethanol production, which is expected to rise to 34.5 (31.1) million m³ in the 2023/24 sugar year. Domestic

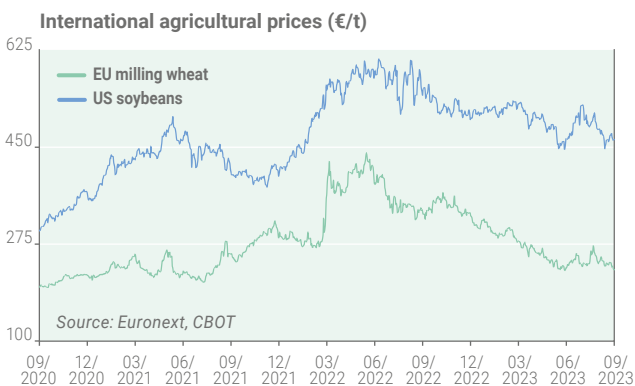
consumption is also expected to grow, albeit to a lesser extent, and to stand at 30.4 (29.0) million m³. Exports are expected to increase accordingly to 3.3 (2.3) million m³.

In **Europe**, ethanol prices continued to decline in the 2nd quarter of 2032/24, decreasing from around € 800/m³ at the beginning of June to around € 750/m³ at the end of August 2023. The decline in ethanol prices was due, among other things, to international price trends as well as continuing high import quantities. Ethanol prices stood at around € 746 (1,171)/m³, on average, in the 2nd quarter. At the end of September 2023, spot prices for ethanol increased to around € 800/m³. Production in the EU-27 and the United Kingdom in 2023, at 7.3 (7.7) million m³, is expected to be below the previous year's level. Domestic consumption, on the other hand, at 9.9 (10.0) million m³, is expected to be virtually unchanged at the previous year's level. Net imports are estimated at 2.8 (2.5) million m³ and therefore continue to be at a very high level.

Grain and protein markets

According to the International Grain Council (IGC), world grain production (excluding rice) is expected to increase to 2,294 (2,263) million tonnes in 2023/24, thereby matching the level of the record harvest of the 2021/22 grain year. Grain consumption, at 2,307 (2,266) million tonnes, is also expected to increase. Grain stocks are therefore expected to decline slightly to 584 (597) million tonnes. For the EU-27, the European Commission expects grain harvests to increase to 271 (265) million tonnes in 2023/24. Consumption, at 256 (255) million tonnes, is expected to correspond to the level of the previous year. Stocks are expected to stand at 42 (49) million tonnes.

European wheat prices on the Euronext in Paris rose briefly in the course of the 2nd quarter of 2023/24 from around € 225/tonne at the beginning of the quarter to up to around € 265/tonne in July after the grain agreement with Russia was not extended. Following this brief increase, however, grain prices declined again and were back at € 225/tonne at the end of the 2nd quarter of 2023/24.



The global soybean harvest in 2023/24 is expected to reach a new record level of 398 (368) million tonnes. Consumption is also expected to increase to a record level of 388 (359) million tonnes at the same time. Stocks are expected to rise to 64 (54) million tonnes. The development of the one-month soybean futures contract in the USA was influenced by concerns about potential drought damage in the course of the 2nd quarter. At the beginning of June, it stood at around US\$ 13.4/bushel* (€ 460/tonne), rising to around US\$ 15.5/bushel (€ 515/tonne) by the end of July. At the end of the quarter, it stood at around US\$ 13.7/bushel (€ 465/tonne). The listings for European rapeseed meal rose from around € 270/tonne to € 290/tonne in the course of the quarter. The 2023/24 rapeseed harvest in Europe, at 19 (20) million tonnes, is expected to be slightly below the previous year's level.

Energy markets

At the beginning of June 2023, the Brent oil price stood at around US\$ 74/barrel and the gas price at € 24/MWh while, at the end of August 2023, the respective prices were around US\$ 87/barrel and € 32/MWh. The higher oil listings are due, in particular, to lower production quantities and resulting lower stocks. Despite the increase, gas prices continued to trade at a significantly reduced level compared with the much higher average prices of the last few quarters.

* 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. Production quantities in the 1st half of 2023/24 were below those achieved in the previous year, owing to scheduled maintenance downtime and the integration of new plant components into the production process. Ethanol production reached 464,000 (583,000) m³. The production of food and animal feed products declined accordingly.

Revenues and net earnings

€ thousands	2 nd quarter		1 st half year	
	2023/24	2022/23	2023/24	2022/23
Revenues	309,155	449,782	630,558	848,722
EBITDA*	30,955	103,139	56,072	200,936
<i>EBITDA margin in %</i>	10.0%	22.9%	8.9%	23.7%
Depreciation*	-10,915	-10,625	-21,915	-21,255
Operating profit	20,040	92,514	34,157	179,681
<i>Operating margin in %</i>	6.5%	20.6%	5.4%	21.2%
Restructuring costs and special items	-167	0	-364	0
Income from companies consolidated at equity	91	72	105	142
Income from operations	19,964	92,586	33,898	179,823
Financial result	1,938	752	3,198	1,209
Earnings before income taxes	21,902	93,338	37,096	181,032
Taxes on income	-5,694	-22,457	-9,645	-45,258
Net earnings for the period	16,208	70,881	27,451	135,774
Earnings per share, diluted/undiluted (€)	0.19	0.81	0.31	1.56

* Without restructuring costs and special items

Business development: 2nd quarter

As expected, CropEnergies was unable, in the 2nd quarter, to achieve the record revenues obtained in the previous year's quarter, generating € 309.2 (449.8) million. It recorded not only significantly lower sales prices for ethanol, but also lower sales quantities due to the reduced production volume. However, the sales prices for protein-containing food and animal feed products surpassed the previous year's level. By contrast, prices for processed raw materials in the 2nd quarter were back below those of the previous year. EBITDA declined accordingly to € 31.0 (103.1) million.

Given slightly higher depreciation of € 10.9 (10.6) million, operating profit also declined significantly to € 20.0 (92.5) million, and the operating margin fell to 6.5% (20.6%). As there were very few special items, income from operations, at € 20.0 (92.6) million, is virtually the same as operating profit.

As a result of an increase in interest income, the financial result improved significantly to € 1.9 (0.8) million. This results in earnings before income taxes of € 21.9 (93.3) million. After taxes, net earnings of € 16.2 (70.9) million were achieved in the 2nd quarter of 2023/24. Based on 87.2 million time-weighted no-par-value shares, that translates into earnings per share of € 0.19 (0.81).

Business development: 1st half

Significantly lower sales quantities and declining prices for ethanol were also recorded in the course of the first six months of the financial year. Despite an improvement in sales prices for food and animal feed products, revenues declined to € 630.6 (848.7) million.

As raw material prices also increased year over year, EBITDA declined significantly to € 56.1 (200.9) million. Given a slight increase in depreciation, that translates into operating profit of € 34.2 (179.7) million, with an operating margin of 5.4% (21.2%). Income from operations reached € 33.9 (179.8) million.

Taking into account the financial result of € 3.2 (1.2) million, which was improved by the significant increase in interest income, earnings before income taxes also declined to € 37.1 (181.0) million. After taxes, this produces net earnings of € 27.5 (135.8) million for the reporting period. Based on 87.2 million time-weighted no-par-value shares, that translates into earnings per share of € 0.31 (1.56).

Statement of changes in financial position

€ thousands	1 st half year	
	2023/24	2022/23
Gross cash flow	51,183	152,396
Change in net working capital	-17,170	26,348
Net cash flow from operating activities	34,013	178,744
Investments in property, plant and equipment and intangible assets	-22,624	-12,587
Investments in financial assets	-1,174	-1,072
Cash received on disposal of non-current assets	88	51
Payments received (+) / Payments made (-) for financial receivables	204,966	-120,200
Payments into current financial investments	-114,584	-5,025
Cash flow from investing activities	66,672	-138,833
Dividends paid	-52,327	-39,245
Purchase of own shares	0	-243
Repayment of lease liabilities	-2,861	-2,602
Cash flow from financing activities	-55,188	-42,090
Change in cash and cash equivalents due to exchange rate changes	110	-183
Increase (+) / Decrease (-) in cash and cash equivalents	45,607	-2,362

As a result of the reduction in EBITDA to € 56.1 (200.9) million, gross cash flow also declined to € 51.2 (152.4) million. Including the change in net working capital, net cash flow from operating activities in the 1st half of 2023/24 amounted to € 34.0 (178.7) million.

Cash inflow from investing activities stood at € 66.7 (cash outflow: 138.8) million. A cash outflow of € 22.6 (12.6) million was attributable to expenditures on property, plant and equipment and intangible assets. This relates to the expansion and improvement of existing

production plants and the construction of the new site for producing sustainable ethyl acetate in the Zeitz Chemical and Industrial Park.

Investments in financial assets of € 1.2 (1.1) million relate to Syclus BV and East Energy GmbH. Furthermore, repayments of current financial receivables of € 205.0 (payments: 120.2) million and payments into current financial investments of € 114.6 (5.0) million were made.

A dividend of € 52.3 (39.2) million was paid in July 2023. After further payments for lease liabilities of € 2.9 (2.6) million, this gave rise to a net cash outflow from financing activities of € 55.2 (42.1) million in the 1st half of 2023/24.

Balance sheet structure

€ thousands	31 August 2023	31 August 2022	Change	28 February 2023
Assets				
Non-current assets	400,413	368,114	32,299	393,782
Current assets	565,313	813,052	-247,739	653,088
Total assets	965,726	1,181,166	-215,440	1,046,870
Liabilities and shareholders' equity				
Shareholders' equity	756,249	878,492	-122,243	783,750
Non-current liabilities	55,891	63,861	-7,970	56,141
Current liabilities	153,586	238,813	-85,227	206,979
Total liabilities and shareholders' equity	965,726	1,181,166	-215,440	1,046,870
Net financial assets	273,438	354,033	-80,595	318,095
Equity ratio	78.3%	74.4%		74.9%

Non-current assets increased by € 32.3 million to € 400.4 million as of 31 August 2023, with fixed assets increasing by € 24.3 million to € 382.7 million, allowing for investments and scheduled depreciation as well as right-of-use assets from leases that had to be recognised under IFRS 16. This amount includes goodwill, which was unchanged at € 6.1 million. Deferred tax assets increased by € 2.6 million to € 8.3 million. Shares in entities consolidated at equity increased by € 2.4 million to € 5.3 million, mainly due to the acquisition of Syclus BV, and other investments in LXP Group GmbH and East Energy GmbH rose by € 1.8 million to € 2.9 million. Due to the issue of a long-term loan, there are financial receivables of € 1.2 million. Receivables and other assets remained virtually unchanged year over year.

Current assets decreased by € 247.7 million to € 565.3 million year over year, with current financial receivables declining by € 250.1 million to € 65.1 million and trade receivables and other assets by € 161.8 million to € 170.0 million. This also includes the positive mark-to-market values from derivative hedging instruments of € 10.4 (137.9) million and receivables in the form of ring-fenced credits for hedging transactions of € 26.4 (44.3) million. Furthermore, fixed-interest securities increased by € 144.4 million to € 164.4 million, while cash and cash equivalents rose by € 29.1 million to € 58.2 million. Inventory stocks decreased by € 8.5 million to € 106.3 million. Tax assets declined by € 0.9 million to € 1.2 million.

Non-current liabilities decreased by € 8.0 million to € 55.9 million, with deferred tax liabilities declining by € 15.0 million to € 17.8 million. Non-current lease

liabilities of € 10.5 (6.8) million had to be recognised. Provisions for pensions and similar obligations increased by € 3.1 million to € 23.9 million and non-current tax liabilities by € 0.2 million to € 1.3 million. Other provisions remained virtually unchanged at € 2.4 million.

Current liabilities declined by € 85.2 million to € 153.6 million, with trade payables and other liabilities decreasing by € 54.2 million to € 123.9 million. This also includes the negative mark-to-market values from derivative hedging instruments of € 18.6 (4.9) million and liabilities in the form of ring-fenced obligations from hedging transactions of € 1.7 (28.8) million. Current tax liabilities declined by € 29.4 million to € 19.9 million and current provisions decreased by € 3.2 million to € 4.8 million. Furthermore, current lease liabilities of € 5.0 (3.5) million had to be recognised.

The **net financial position** as of 31 August 2023 shows **net financial assets** of € 273.4 (354.0) million. The net financial assets consist of cash and cash equivalents, short-term investments in fixed-interest securities and financial receivables less the liabilities from leases. In addition, further cash is tied to hedging transactions. This cash is reported under other receivables and other liabilities.

Shareholders' equity declined to € 756.2 (878.5) million; the equity ratio reached 78.3% (74.4%).

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 75 to 87 of the Annual Report for the 2022/23 financial year. Allowing for the previously explained developments in the market environment and at regulatory level, the disclosures made there are still valid.

Outlook

After an extraordinarily strong first half in the previous year, CropEnergies generated revenues of € 631 (849) million and operating profit of € 34 (180) million in the 1st half of 2023/24. Over the year as a whole, CropEnergies' raw material and energy costs are likely to remain at the previous year's level. Ethanol prices continue to be volatile, trading well below the previous year's record levels in a normalised market environment. CropEnergies therefore expects ethanol sales prices in the 2023/24 financial year to be lower than in the 2022/23 record year and forecasts revenues of between € 1.27 and 1.37 billion and operating profit of between € 95 and € 145 million for the 2023/24 financial year. This is equivalent to EBITDA of between € 140 and € 190 million.

CropEnergies expects that the volatilities on the sales, raw material and energy markets that were increased by the Ukraine war in the previous year, in particular, will gradually abate. The introduction of E10 in further European countries suggests stable sales of fuel ethanol, which will, however, continue to be offset by high import quantities.

INTERIM FINANCIAL STATEMENTS

Statement of comprehensive income

€ thousands

Income statement

Revenues

Change in work in progress and finished goods inventories and internal costs capitalised

Other operating income

Cost of materials

Personnel expenses

Depreciation

Other operating expenses

Income from companies consolidated at equity

Income from operations

Financial result

Earnings before income taxes

Taxes on income

Net earnings for the period

Earnings per share, diluted/undiluted (€)

Table of other comprehensive income

Net earnings for the period

Mark-to-market gains and losses after deferred taxes

Revaluation not affecting income

Realisation in a profit or loss

Foreign currency differences from consolidation

Income and expenses to be reclassified in future in the profit and loss account

Remeasurement of defined benefit plans and similar obligations after deferred taxes

Income and expenses not to be reclassified in future in the profit and loss account

Income and expenses recognised in shareholders' equity

Total comprehensive income

	2 nd quarter		1 st half year	
	2023/24	2022/23	2023/24	2022/23

	309,155	449,782	630,558	848,722
	1,744	2,061	-9,695	-542
	1,755	1,889	3,001	10,209
	-252,441	-319,861	-506,490	-597,009
	-12,900	-11,635	-25,417	-22,840
	-10,915	-10,625	-21,915	-21,255
	-16,525	-19,097	-36,249	-37,604
	91	72	105	142
	19,964	92,586	33,898	179,823
	1,938	752	3,198	1,209
	21,902	93,338	37,096	181,032
	-5,694	-22,457	-9,645	-45,258
	16,208	70,881	27,451	135,774
	0.19	0.81	0.31	1.56

	16,208	70,881	27,451	135,774
	18,248	64,175	-15,414	128,650
	22,246	50,837	-10,600	95,208
	-3,998	13,338	-4,814	33,442
	1,086	-1,810	2,983	-4,713
	19,334	62,365	-12,431	123,937
	-182	3,601	-363	8,865
	-182	3,601	-363	8,865
	19,152	65,966	-12,794	132,802
	35,360	136,847	14,657	268,576

Cash flow statement

€ thousands	1 st half year	
	2023/24	2022/23
Net earnings for the period	27,451	135,774
Depreciation and amortisation of intangible assets, property, plant and equipment and other investments	21,915	21,255
Other items	1,817	-4,633
Gross cash flow	51,183	152,396
Change in net working capital	-17,170	26,348
I. Net cash flow from operating activities	34,013	178,744
Investments in property, plant and equipment and intangible assets	-22,624	-12,587
Investments in financial assets	-1,174	-1,072
Cash received on disposal of non-current assets	88	51
Payments received (+) / Payments made (-) for financial receivables	204,966	-120,200
Payments into current financial investments	-114,584	-5,025
II. Cash flow from investing activities	66,672	-138,833
Dividends paid	-52,327	-39,245
Purchase of own shares	0	-243
Repayment of lease liabilities	-2,861	-2,602
III. Cash flow from financing activities	-55,188	-42,090
Change in cash and cash equivalents (total of I., II. and III.)	45,497	-2,179
Change in cash and cash equivalents due to exchange rate changes	110	-183
Increase (+) / Decrease (-) in cash and cash equivalents	45,607	-2,362
Cash and cash equivalents at the beginning of the period	12,620	31,484
Cash and cash equivalents at the end of the period	58,227	29,122

€ thousands	1 st half year	
	2023/24	2022/23
Interest receipts	5,458	36
Interest expense	442	439
Tax payments	27,657	15,331

Balance sheet

€ thousands	31 August 2023	31 August 2022	Change	28 February 2023
Assets				
Intangible assets	6,884	7,260	-376	7,039
Property, plant and equipment	375,771	351,125	24,646	371,086
Shares in companies consolidated at equity	5,303	2,923	2,380	5,198
Other investments	2,875	1,072	1,803	2,300
Financial receivables	1,200	0	1,200	600
Receivables and other assets	50	38	12	45
Deferred tax assets	8,330	5,696	2,634	7,514
Non-current assets	400,413	368,114	32,299	393,782
Inventories	106,265	114,767	-8,502	133,648
Financial receivables	65,115	315,203	-250,088	270,681
Trade receivables and other assets	170,046	331,827	-161,781	184,291
Tax receivables	1,232	2,141	-909	2,004
Securities	164,428	19,992	144,436	49,844
Cash and cash equivalents	58,227	29,122	29,105	12,620
Current assets	565,313	813,052	-247,739	653,088
Total assets	965,726	1,181,166	-215,440	1,046,870
Liabilities and shareholders' equity				
Subscribed capital	87,250	87,250	0	87,250
Nominal value of treasury shares	-39	-39	0	-39
Capital reserves	197,847	197,847	0	197,847
Other reserves and other comprehensive income	471,191	593,434	-122,243	498,692
Shareholders' equity	756,249	878,492	-122,243	783,750
Provisions for pensions and similar obligations	23,916	20,842	3,074	22,710
Other provisions	2,373	2,356	17	2,181
Financial liabilities	10,518	6,770	3,748	9,767
Tax liabilities	1,260	1,060	200	1,260
Deferred tax liabilities	17,824	32,833	-15,009	20,223
Non-current liabilities	55,891	63,861	-7,970	56,141
Other provisions	4,794	7,965	-3,171	12,706
Financial liabilities	5,014	3,514	1,500	5,883
Trade payables and other liabilities	123,891	178,079	-54,188	149,965
Tax liabilities	19,887	49,255	-29,368	38,425
Current liabilities	153,586	238,813	-85,227	206,979
Total liabilities and shareholders' equity	965,726	1,181,166	-215,440	1,046,870

Development of shareholders' equity

€ thousands	Subscribed capital	Nominal value of treasury shares	Capital reserves
1 March 2022	87,250	-19	197,847
Net earnings for the period			
Mark-to-market gains and losses on cash flow hedging instruments after deferred taxes			
Foreign currency differences from consolidation			
Remeasurement of defined benefit plans and similar obligations after deferred taxes			
Income and expenses recognised in shareholders' equity			
Total comprehensive income			
In the acquisition costs of non-financial assets reclassified hedges from cost of materials			
Dividends paid			
Other changes		-20	
31 August 2022	87,250	-39	197,847
1 March 2023	87,250	-39	197,847
Net earnings for the period			
Mark-to-market gains and losses on cash flow hedging instruments after deferred taxes			
Foreign currency differences from consolidation			
Remeasurement of defined benefit plans and similar obligations after deferred taxes			
Income and expenses recognised in shareholders' equity			
Total comprehensive income			
In the acquisition costs of non-financial assets reclassified hedges from cost of materials			
Dividends paid			
Other changes		0	
31 August 2023	87,250	-39	197,847

Other reserves and other comprehensive income				
Other reserves	Cash flow hedges	Cumulative foreign currency differences	Total	Total consolidated shareholders' equity
341,176	65,706	4,459	411,341	696,419
135,774			135,774	135,774
	128,650			
		-4,713		
8,865				
8,865	128,650	-4,713	132,802	132,802
144,639	128,650	-4,713	268,576	268,576
	-47,122		-47,122	-47,122
-39,245			-39,245	-39,245
-116			-116	-136
446,454	147,234	-254	593,434	878,492
507,107	-5,564	-2,851	498,692	783,750
27,451			27,451	27,451
	-15,414			
		2,983		
-363				
-363	-15,414	2,983	-12,794	-12,794
27,088	-15,414	2,983	14,657	14,657
	10,088		10,088	10,088
-52,327			-52,327	-52,327
81			81	81
481,949	-10,890	132	471,191	756,249

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Principles of preparation of the interim consolidated financial statements

The interim financial statements of the CropEnergies Group as of 31 August 2023 have been prepared according to the rules for interim financial reporting of IAS 34 (Interim Financial Reporting) in compliance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and their interpretation by the International Financial Reporting Interpretations Committee (IFRIC). In accordance with IAS 34, the interim consolidated financial statements of CropEnergies AG as of 31 August 2023 are presented in a condensed form. The interim consolidated financial statements as of 31 August 2023 have not been reviewed. The executive board of CropEnergies AG prepared these interim financial statements on 28 September 2023.

As shown in the notes to the Annual Report for the 2022/23 financial year in item (1) "Principles of preparation of the consolidated financial statements" on pages 108 to 110, new or amended standards and interpretations were applicable for the first time to the interim reporting.

In other respects, the same accounting and valuation principles as used in the preparation of the consolidated annual financial statements as of 28 February 2023 have been applied. These principles are explained on pages 113 to 118 in the notes to the 2022/23 Annual Report. The Annual Report is avail-

able for viewing and downloading on the Internet at www.cropenergies.com/de/investor-relations/ or www.cropenergies.com/en/investor-relations/. The following additions are made to the disclosures provided there:

As of 31 August 2023, a discount rate of 4.20% was used as a basis for major pension plans when calculating the provisions for pensions and similar obligations; as of 28 February 2023 and 31 August 2022, respectively, the discount rate was 4.29% and 3.70%.

Income taxes were calculated on the basis of country-specific income tax rates, taking into account income tax planning for the entire financial year. Irrespective of the annual tax rate calculation, significant special items are fully recognised in the respective quarter.

The biomass boilers installed at the site in Wanze are being used to produce green electricity. This green electricity is sold on the Belgian electricity market or consumed internally, in accordance with the regulations in Wallonia for promoting sustainably generated energy currently in force until 2039. The green certificates (green electricity certificates) allocated by the government for the production of green electricity are recognised as a reduction of the cost of materials in the amount of their sales proceeds. The corresponding sales proceeds amounted to € 8.5 (12.0) million in the reporting period.

Consolidated companies

The separate financial statements of CropEnergies AG and the entities which it controls (subsidiary companies) are included in the consolidated financial statements according to the principles of full consolidation (smallest group). Under IFRS 10 (Consolidated Financial Statements), control exists if a company is exposed, or has rights, to positive or negative returns from its involvement with another entity. It must also have the ability to affect these variable returns by controlling the entity's activities. Control can exist as a result of voting rights or prevailing circumstances, as a consequence of, among other things, contractual arrangements. Accordingly, the following subsidiary companies are consolidated:

- CropEnergies Bioethanol GmbH, Zeitz (Germany)
- CropEnergies Beteiligungs GmbH, Mannheim (Germany)
- CE Biobased Chemicals GmbH, Elsteraue (Germany)
- BioWanze SA, Wanze (Belgium)
- Ryssen Alcools SAS, Loon-Plage (France)
- Ensus UK Ltd, Wilton (United Kingdom)

Compagnie Financière de l'Artois SAS has been merged with Ryssen Alcools SAS.

LXP Group GmbH, East Energy GmbH and Syclus BV have not been included in the consolidated group, as they are still being established and do not yet make any significant contribution to revenues and earnings and are therefore of secondary importance overall.

The joint venture CT Biocarbonic GmbH, Zeitz, in which CropEnergies has a 50% stake and which is under joint

management, is included at equity in the consolidated financial statements. CT Biocarbonic GmbH's contribution to earnings is thereby included only in earnings from companies consolidated at equity.

Revenue, profit, investment and employees

€ thousands	1 st half year	
	2023/24	2022/23
Revenues	630,558	848,722
EBITDA*	56,072	200,936
<i>EBITDA margin in %</i>	8.9%	23.7%
Depreciation*	-21,915	-21,255
Operating profit	34,157	179,681
<i>Operating margin in %</i>	5.4%	21.2%
Restructuring costs and special items	-364	0
Income from companies consolidated at equity	105	142
Income from operations	33,898	179,823
Investments in property, plant and equipment and intangible assets	22,624	12,587
Employees	486	467

* Without restructuring costs and special items

Revenues decreased to € 630.6 (848.7) million. As raw material prices also increased year over year, EBITDA declined significantly to € 56.1 (200.9) million. Given a slight increase in depreciation, that translates into operating profit of € 34.2 (179.7) million, with an operating margin of 5.4% (21.2%). Income from operations reached € 33.9 (179.8) million.

The capital expenditures amounting to € 22.6 (12.6) million were attributable almost entirely to property, plant and equipment. Of the total, € 9.4 million was invested at BioWanze SA, € 4.7 million at CropEnergies Bioethanol GmbH, € 4.1 million at Ensus UK Ltd, € 4.0 million at CE Biobased Chemicals GmbH and € 0.3 million at Ryssen Alcools SAS.

As of the end of the first six months of the 2023/24 financial year, the number of employees (full-time equivalents) stood at 486 (467). Of this figure, 56 were employed at CropEnergies AG, 146 at CropEnergies Bioethanol GmbH, 133 at BioWanze SA, 48 at Ryssen Alcools SAS and 103 at Ensus UK Ltd.

Earnings per share

The net earnings of € 27.5 million in the 1st half of 2023/24 are fully attributable to the shareholders of CropEnergies AG. Earnings per share (IAS 33) are calculated on the basis of a time-weighted average of 87.2 million shares. This produces earnings per share for the 1st half of 2023/24 of € 0.31 (1.56); there is no dilution of earnings per share.

Inventories

€ thousands	31 August	
	2023	2022
Raw materials and supplies	30,572	36,380
Work in progress	6,989	9,576
Finished goods and merchandise	68,704	68,811
	106,265	114,767

There was a mainly volume-related decrease of € 8.5 million in inventories to € 106.3 million.

Trade receivables and other assets

€ thousands	31 August	
	2023	2022
Trade receivables	79,808	94,923
Receivables from affiliated companies	20,944	16,646
Other assets	69,294	220,258
	170,046	331,827

Trade receivables and receivables from affiliated companies declined by € 10.8 million to € 100.8 million.

Other assets, amounting to € 69.3 (220.3) million, mainly consist of receivables in the form of ring-fenced credits for hedges of € 26.4 (44.3) million, VAT receivables of € 15.5 (17.8) million and receivables from positive mark-to-market values of derivative hedging instruments of € 10.4 (137.9) million. They also include receivables from purchased CO₂ emission rights of € 8.4 (14.2) million, receivables from advance payments of € 7.3 (5.2) and other receivables of € 1.3 (0.9) million.

Shareholders' equity

Shareholders' equity declined to € 756.2 (878.5) million.

The other reserves and other comprehensive income consist of the retained net earnings for the year, the changes in cash flow hedges, pensions and similar obligations recognised directly in equity, consolidation-related currency translation effects and hedging results reclassified in the acquisition costs of non-financial assets. The "cash flow hedges" item contains the changes in the mark-to-market values – allowing for deferred taxes – of wheat, ethanol, gas and currency derivatives including accruals amounting to € -15.4 (128.7) million. In the 1st half of 2023/24, the amount written back to revenues was € -4.8 (33.4) million and that to the cost of materials was € 9.4 (-47.1) million.

Trade payables and other liabilities

€ thousands	31 August	
	2023	2022
Trade payables	69,398	93,523
Payables to affiliated companies	8,600	19,301
Other liabilities	45,893	65,255
	123,891	178,079

Trade payables and liabilities to affiliated companies declined by € 34.8 million to € 78.0 million.

Other liabilities, amounting to € 45.9 (65.3) million, mainly comprise liabilities from negative mark-to-market values of derivative hedging instruments of € 18.6 (4.9) million and liabilities in respect of other taxes amounting to € 16.2 (18.4) million. They also include liabilities in respect of personnel expenses of € 8.3 (7.5) million, liabilities in the form of ring-fenced obligations from hedging transactions

of € 1.7 (28.8) million, liabilities in respect of payments received on account of orders of € 0.6 (4.8) million and other liabilities of € 0.5 (0.9) million.

Financial receivables / liabilities

€ thousands	31 August	
	2023	2022
Financial receivables	66,315	315,203
Securities	164,428	19,992
Cash and cash equivalents	58,227	29,122
Liabilities from leases	-15,532	-10,284
Net financial assets	273,438	354,033

As of 31 August 2023, there were net financial assets of € 273.4 (354.0) million. These net financial assets consist of cash and cash equivalents of € 58.2 million, short-term investments in fixed-interest securities of € 164.4 million, current financial receivables from Südzucker AG amounting to € 65.1 million and non-current financial receivables of € 1.2 million less liabilities from leases of € 15.5 million. In addition, further cash is tied to hedging transactions. This cash is reported under other receivables and other liabilities.

Financial instruments

In the table below, the financial assets and liabilities calculated at fair value are classified by measurement levels (fair value hierarchy), which, according to IFRS 13, are defined as follows:

Measurement level 1 comprises financial instruments traded on active markets, whose listed prices are taken over unchanged into the measurement. This is the case for wheat futures and options as well as ethanol derivatives. Measurement level 2 applies when measurement is based on methods whose influencing factors are derived directly or indirectly from observable market data. At CropEnergies, this applies to currency derivatives and gas swaps. The measurement of level 3 derivatives is based on methods involving at least one significant influencing factor that cannot be observed. CropEnergies does not use any level 3 derivatives.

€ thousands	31 August 2023	Level 1
Positive market values – Cash flow hedge derivatives	10,374	5,929
Positive market values – Derivatives held for trading	0	0
Financial assets	10,374	5,929
Negative market values – Cash flow hedge derivatives	15,206	8,475
Negative market values – Derivatives held for trading	3,432	3,432
Financial liabilities	18,638	11,907

The fair values of the financial instruments were measured on the basis of the market information available on the reporting date and the methods and assumptions set out below:

Owing to their predominantly short maturities, it is assumed in the case of trade receivables, financial receivables, other receivables, securities and cash items that the fair values correspond to the book values.

The same applies to trade payables and other current liabilities.

Further details on calculating the fair values of the individual financial instruments as well as their allocation to measurement levels can be found in the notes to the consolidated financial statements of the Annual Report for the 2022/23 financial year in item (28) "Additional disclosures on financial instruments" on pages 147 to 150.

Fair Value Hierarchy					
Level 2	Level 3	31 August 2022	Level 1	Level 2	Level 3
4,445	0	137,897	33,663	104,234	0
0	0	0	0	0	0
4,445	0	137,897	33,663	104,234	0
6,731	0	4,832	4,832	0	0
0	0	55	55	0	0
6,731	0	4,887	4,887	0	0

Relations with related companies and persons (related party transactions)

“Related parties” for the purposes of IAS 24 (Related Party Disclosures) are Südzucker AG as majority shareholder, its executive and supervisory boards together with their close family members, and its subsidiaries (Südzucker Group), the joint ventures CT Biocarbonic GmbH and Syclus BV, as well as the members of the executive board and supervisory board of CropEnergies AG together with their close family members. Furthermore, there is Süddeutsche Zuckerrüben-Verwertungs-Genossenschaft eG (SZVG), Stuttgart, whose own holdings of Südzucker shares plus the shares held in trust for its shareholders represent a majority stake in Südzucker AG.

Südzucker AG

The transactions with Südzucker AG in the 1st half of the 2023/24 financial year involved supplies, especially raw materials and energy, by Südzucker AG amounting to € 21.9 (24.2) million. In addition, research and development work worth € 0.5 (0.4) million, services worth € 0.3 (1.8) million and other services worth € 0.5 (0.5) million were provided.

Conversely, the CropEnergies Group received € 3.1 (3.9) million from Südzucker AG for supplies of goods. Furthermore, the CropEnergies Group achieved service revenues of € 0.2 (0.2) million.

As of 31 August 2023, there were receivables of € 0.2 (0.6) million from Südzucker AG and liabilities of € 3.6 (3.2) million to Südzucker AG in respect of the aforementioned performance relationships. Financial receivables from Südzucker AG amounted to € 65.1 (315.2) million.

Affiliated companies of Südzucker AG

The transactions with the affiliated companies of Südzucker AG in the 1st half of the 2023/24 financial year involved supplies, especially raw materials and traded commodities, amounting to € 14.2 (33.9) million. In addition, services worth € 0.5 (0.4) million were provided.

Conversely, the CropEnergies Group received € 62.3 (46.4) million from the affiliated companies of Südzucker AG for supplies of goods. In addition, the CropEnergies Group received service revenues of € 1.4 (2.2) million and other compensation payments of € 0.3 (0.2) million.

As of 31 August 2023, there were receivables of € 20.7 (16.0) million outstanding from the affiliated companies of Südzucker AG and liabilities of € 5.0 (16.1) million outstanding to the affiliated companies of Südzucker AG in respect of the aforementioned performance relationships.

The performance relationships with Südzucker AG and its affiliated companies were settled at usual market prices and interest rates; performance and consideration were commensurate, so no party was placed at a disadvantage. No significant transactions were conducted with related persons.

Services were provided and goods were supplied, at usual market prices, for the joint venture CT Biocarbonic GmbH amounting to € 1.1 (0.9) million in the 1st half of 2023/24.

There were no transactions with Süddeutsche Zuckerrüben-Verwertungs-Genossenschaft eG (SZVG) in the 1st half of the 2023/24 financial year.

Report on events after the balance sheet date

Since 31 August 2023, there have been no events of particular importance which can be expected to have a significant impact on the net assets, financial position and results of operations.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Mannheim, 28 September 2023

CropEnergies AG

The Executive Board

Dr. Stephan
Meeder

(Executive board
spokesman)

Jürgen
Böttcher

Dr. Fritz Georg
von Graevenitz

FINANCIAL CALENDAR

- Statement for the 1st to 3rd quarter of 2023/24 10 January 2024
- Annual press and analysts' conference for the 2023/24 financial year 15 May 2024
- Statement for the 1st quarter of 2024/25 10 July 2024
- Annual General Meeting 2024 16 July 2024
- Report for the 1st half of 2024/25 9 October 2024

CONTACT

CropEnergies AG

Maximilianstraße 10
68165 Mannheim

Investor Relations

Heike Baumbach

Phone: +49 (621) 71 41 90-30

Fax: +49 (621) 71 41 90-03

ir@cropenergies.de

Public Relations / Marketing

Nadine Dejung-Custance

Phone: +49 (621) 71 41 90-65

Fax: +49 (621) 71 41 90-05

presse@cropenergies.de

www.cropenergies.com

Forward-looking statements and forecasts

This report 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 75 to 87 of the 2022/23 Annual Report provides an overview of the risks. CropEnergies does not accept any obligation to update the forward-looking statements made in this report.

In addition, all disclaimers published on the CropEnergies website apply.