



Nordzucker: Very successful financial year 2022/2023 – course set for sustainable development

Nordzucker concluded the financial year 2022/2023 very successfully with an EBIT of 211 million Euro in the group. With a sharpened strategy and excellence initiatives to optimise the entire value chain, the internationally active company considers itself well positioned to consistently continue on its path to becoming an even more sustainable company.

Braunschweig, 24 May 2023 – Nordzucker concluded the challenging financial year 2022/2023 very successfully and thus laid a good foundation for further sustainable development. The group increased its revenue by 16 per cent to 2.3 billion Euro and its operative result (EBIT) by 97 million Euro to 211 million Euro. The Australian subsidiary Mackay Sugar Ltd (MSL), which produces cane sugar, contributed 22 million Euro to this result. Group profit for the year before minority interests was 182 million Euro, compared to 84 million Euro in the previous year. The EBIT profit margin increased from 6 per cent in the previous year to 9 per cent.

"We are proud of this very good overall result, especially in light of the extreme challenges we faced last year. Energy crisis, inflation, interrupted supply chains, below-average crop yields and cost increases – we have successfully mastered all of this with great ideas and a lot of commitment from our employees and partners – from beet growers, logistics partners and suppliers to customers. The increased production costs due to price increases for energy and auxiliary materials for us and our growers were offset by a higher sugar price level", says CEO Lars Gorissen. "We have further sharpened our strategy. In terms of sustainability, we have set ourselves ambitious goals along the entire value chain and initiated further measures." The Executive Board and Supervisory Board will propose to the Annual General Meeting on 6 July 2023 a dividend payout of Euro 1.20 per share, up from 80 Cent per share last year.

Good prospects for Nordzucker in the financial year 2023/2024

"With our projects and initiatives, and also in the context of the current financial situation, we see ourselves well positioned to consistently continue on our path to becoming an even more sustainable company. To this end, we have launched overarching excellence initiatives that optimise our entire value chain and at the same time help to improve earnings. Based on this and in view of the development in the sugar market, we also expect a very good business result for 2023/2024", explains Alexander Bott, CFO.

Alexander Godow, COO, emphasises: "By converting our plants to the flexible use of different energy sources last year, we strengthened our resilience and could now switch

flexibly if necessary. This was an outstanding team effort and has shown once again: At our company, employees can develop solutions and bring about real improvements – and this in an international exchange."

Significantly higher prices for sugar beet

Good sugar beet yields form the basis for Nordzucker's business success. "We pay higher prices so that the beet remains profitable for our growers. After all, their costs for fuel and fertiliser, among other things, have also increased. But our commitment to beet cultivation goes beyond that: with our Smart Beet Initiative, we support innovations in the field so that beet cultivation remains economical with fewer pesticides, develop digital tools that support our growers in their work and are a reliable partner with our cultivation advisors. Our customers really appreciate our regional and sustainable approach", Lars Gorissen, CEO, emphasises.

Sustainability is part of Nordzucker's identity

Nordzucker's corporate strategy is based on the three pillars of excellence, sustainability and growth. "All these components interlock like gear wheels. Our sugar originates from nature and so we have always thought and acted in terms of sustainable cycles. We consistently drive sustainability along the entire value chain – from procurement to production and finally to the products", explains COO Alexander Godow.

One of the goals is to achieve climate-neutral production by 2050 at the latest and to halve CO₂ emissions as early as 2030. With the GoGreen program, Nordzucker is developing customised roadmaps for each production site. "We will implement measures to massively reduce energy requirements and change the energy mix with around 250 million Euro in the next five years", Godow continues. Renewable energy from beet pulp, which is a residual material from sugar production, plays a major role in this. "We could produce sugar in an energy-autonomous and climate-neutral way – if we use the energy that the sugar beet brings with it. To do this, we would produce biogas for our own sugar production from beet pulp, which is left over from sugar production. Now that the decision has been made at the European level that such residues are considered climate-neutral, it is important to closely accompany the implementation processes in the countries."

Sugar has its origins in the field. Climate change and the EU's farm-to-fork strategy, which prescribes a reduction in pesticides, bring challenges for high-yield beet cultivation. Nordzucker is a pioneer and is developing and testing innovative solutions for sustainable and at the same time economical beet cultivation of the future with scientists and growers as part of the so-called Smart Beet Initiative. This year, Nordzucker is conducting a total of 30 different tests in seven countries. The focus is on reducing herbicides, promoting beneficial insects and establishing modern techniques such as the use of robots to cut weeds.

Sustainable-innovative growth strategy

Nordzucker continues to pursue a clear growth and diversification strategy in the three areas of sugar cane, alternative products from agricultural raw materials and plant-based proteins. "We are currently taking concrete steps to enter the market for the production of plant-based proteins. We are convinced that it fits well with our core competence and that we not only benefit from the good network with our farmers, but also offer them attractive

business opportunities with a crop that fits well into the sugar beet crop rotation. This is sustainable-innovative", CEO Lars Gorissen concludes.

The current annual report "Nordzucker. Together. Sustainable." can be found [HERE](#).

Nordzucker

Nordzucker, headquartered in Braunschweig, Germany, is an international sugar producer and one of the world's leading companies in this industry. Nordzucker extracts sugar products in various forms – such as white sugar, organic sugar, raw sugar, refined sugar, specialities and liquid sugar – from sugar beet and sugar cane. Nordzucker also produces animal feed, molasses, fertilizers and fuels from renewable energies as well as electricity. In the financial year 2022/2023, the group generated revenues of 2.3 billion Euro. Making sugar production more sustainable along the entire value chain is a declared corporate goal. Growing beet and cane close to the factory results in short transport distances and already distinguishes the sustainability of the product. The sugar beet is used and processed as a whole – the process focuses on circularity and recycling. By 2050 at the latest, all production is to be CO₂-neutral. Nordzucker aims to be profitable and sustainable at the same time and offers jobs in rural areas as well. Excellent products and services, growth prospects and continuous improvements are the driving force for a committed and international team of 3,800 employees at 21 European and Australian locations – the basis for a sustainable future.

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Remark: Translation of the binding [German press release](#)