

ANNUAL REPORT ROYAL HZPC GROUP 2024 — 2025

These financial statements are an English translation of the financial statements prepared on 30 October 2025. In case of any discrepancies or possible differences in interpretation between the English translation and the financial statements prepared on 30 October 2025, the latter prevail. The original financial statements prepared on 30 October 2025 are available at the Chamber of Commerce (registration number 01086659) and on our website www.hzpc.com.

Inhoudsopgave

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01 MESSAGE FROM HANS HUISTRA

A golden combination

Royal HZPC Group B.V. consists of two strong trading centres, HZPC and STET, and is a leading breeder. That is a fantastic combination; we create amazing new varieties, know how to introduce them effectively and understand how we can support the market.

Growing in our home market...

We remain committed to further growth. The Netherlands is still the largest exporting country of seed potatoes worldwide. We cherish our home market and continue to strive for growth here too. A high payout price is essential in this context, so that it remains attractive for our growers to grow seed potatoes despite the risks and challenges.



Loading boats in the Port of Harlingen

...and on the global market

The potato remains the crop of choice to feed the world's growing population. Especially when you consider water requirements, yield per hectare, nutritional value and the fact that you find the potato in cuisines all over the world. The global market is growing and we can still expand our market share. In doing so, besides the Netherlands, we also focus on our robust markets in Europe, such as France, Germany, the UK, Poland and Finland. We are also concentrating on accelerated growth in Africa, Asia and the Americas. Licensing is our main growth driver and is essential for investment and acceleration in research.

Faster, more agile and more customer-focused

Resilience Revolution, our theme today, is all about agility and resilience. You should see that clearly reflected in varieties, but also in the organisation, where we are all driven to take a step forward every day. Our organisation could be even faster, more agile and more customer-oriented. This will allow us to accelerate by bringing new varieties from classical breeding and hybrid varieties to the market. Resilience Revolution is also the sum of all the collaboration in the chain. Our CSR programme focuses on working with our chain partners to develop varieties that are resistant to climate change, suit local growing conditions and contribute to sustainable yields. This revolution is not just about genetics and innovation, but about strengthening the whole chain - from knowledge sharing to fair cooperation - so that we contribute to a more stable food supply worldwide. The momentum and necessity exist already. Our vision of contributing to feeding the world motivates us every day.



Logo Resilience Revolution

Good genetics alone are not enough

We are increasingly good at growing our varieties. With new cultivation techniques, you can achieve even more with existing and new varieties. However, good genetics and solid resistance packages alone are not enough. To ensure we all grow together in this context, we support growers by facilitating knowledge, expertise and cooperation, while always ensuring the grower's freedom is maintained.

A flying start

My first year as CEO of Royal HZPC Group B.V. is now complete. On 1 September 2024, I took over from Gerard Backx and he and his management team made sure I got off to a flying start. I also made a tour of all the company's fields. It is clear that we have a robust organisation. Together with our employees, growers, customers and partners, we work every day to build an agile and resilient future. And I look to the future with confidence.

Hans Huistra



02 MARKET AND HARVEST

A firm response

Seed potato acreage in the Netherlands is under pressure, while the demand for healthy food is ever increasing, particularly outside Europe. With our seed potatoes, licensed crops and future hybrid seeds, we have a robust response at hand. The call for collaboration across the chain is greater than ever. We are committed to responsible production and chain cooperation so that we contribute responsibly to food security.

The harvest

Spring was very wet, so planting was late and growth time was limited. Fortunately, growth came right at the end and the 2024 harvest was satisfactory, with many more smaller-sized tubers than last year.



Potato harvest

A high percentage sold

Smaller tubers mean a much higher selling price. And there was adequate demand from the market. After the difficult year 2023-2024, there were actually too few seed potatoes. As a result, there was good replacement demand for new and vital seed potatoes. In a good year, sales come out at 85%. This financial year, we came out at a whopping 97%. We supplied 93 countries in 2024-2025. In 2023-2024, it was 95 countries. The volume in sales and licences was more than 1 million tonnes this financial year. In 2023-2024, it was only 940,963 tonnes.

A good price for our growers

HZPC Holland B.V.'s high sales percentages meant a high payout price for our growers. That was already high for the 2023 harvest at € 53.20. For the 2024 harvest, we ended up at € 62.32, 17% higher than last year. This resulted in historically high yields of around € 24,000 per hectare.

> “The payout price is exceptionally high once again. Of course, our growers are delighted.”

Herman Verveld
Chief Commercial Officer

Seed potato acreage remains under pressure

We are once again gaining some acreage in the Netherlands, and this brings us to 39,000 hectares. But growers who previously chose to fill in part of the seed potato acreage with fries potatoes are not willing to reverse that decision easily. They like to spread the risk. Moreover, the industry's contract prices remain reasonable and demand for fries potatoes continues to rise, partly due to the fact that processing capacity in Europe is still increasing.



Potato field from the air

Crossing borders

With acreage under pressure in the Netherlands, we have no choice but to look beyond Dutch borders. We are expanding our seed potato acreage in France, Germany, Poland, Finland, Belgium and Denmark to continue to meet demand with seed potatoes that are at least as good as seed potatoes from the Netherlands.

> "The reputation of Dutch seed potatoes, and in particular the high-quality basic material, is and remains exceptionally good."

Herman Verveld
Chief Commercial Officer

From global to local

We have worked with local partners to set up seed potato cultivation in North Africa and Saudi Arabia, among others, using high-quality basic seed potatoes from the Netherlands. The mini-tubers supplied are also used to propagate seed potatoes for use at home and, in the future, for export to neighbouring countries. We provide knowledge about varieties as well as the corresponding planting techniques. After all, growing high-quality seed potatoes remains a speciality.

Influence of political climate

As tensions increase around the world, there is an increasing drive for countries to be self-sufficient. A country such as China is only just reopening its door to imports after all the COVID-19 restrictions. As a result, we are hoping to introduce our vitro material of new varieties to the world's largest potato market. We are also seeing countries like Uruguay and Turkey imposing stricter quality requirements on imported seed potatoes. In addition, compliance continues to demand our attention.

> "We have to take political developments into account. Whether this concerns quality, money, sanctions or imports."

Herman Verveld
Chief Commercial Officer

A divided world

Although the potato market is saturated in the Western world, there are still plenty of opportunities in Asia, Africa and South America. When the availability of land and water comes under pressure and the population grows rapidly, potatoes are more likely to be chosen over rice and cereals. Sustainable cultivation, but also nutritional values, are very important arguments here and that's where Royal HZPC Group B.V. can grow and make an impact, preferably in collaboration with strategic partners.



Colomba harvest Senegal

Global growth

If we cannot import seed potatoes, we opt for licensed cultivation. We do this in North America, parts of South America such as Argentina and Chile, South Africa, Australia, New Zealand, China and India, among others. We can grow and develop with our hybrid seeds, as these allow us, primarily in the first phase, to reach small-scale growers in different countries, who cannot be reached with seed potatoes.

Potato Glory

Increasing our share of the potato market is the main challenge for Royal HZPC Group B.V. But how do you grow in a saturated market like North America? This has proved difficult through supermarkets so we have looked for collaborations in the foodservice market, and worked with well-known chefs. In workshops, they help us demonstrate the versatility of the potato to restaurants. After all, when the potato variety is appreciated in restaurants, consumers will ask for that variety in the supermarket. And so we come back into the frame in retail.



Potato Glory Culinary Council members



Partner in the spotlight – Dr. Namita Oza

Chief agriculture officer at Iscon Balaji Foods (IBF)

India has grown from importer to exporter of fries in a very short time. How did that happen so fast?

"The turnaround came when we decided to start producing ourselves instead of importing; in less than 20 years, we have gone from several thousand tonnes of imports to zero in India. India now processes over a million tonnes of fries potatoes a year. We expect that quantity to double next year, 60% of it for export."

What is the role of Gujarat province in this growth?

"Without Gujarat, India could never have grown so much in the fries market. Although Gujarat accounts for only 7% of total potato production, about 90% of all fries potatoes in India come from this state. The climatic conditions are ideal. The farmers are progressive and entrepreneurial and there is a good

infrastructure."

> "Without Gujarat, India could never have grown so much in the fries market."

What other factors are important?

"The strong cooperation between farmers and fries manufacturers are important factors. We have contracts with our farmers so they can be sure of good prices and certainty. They have quality seed potatoes, can work with modern cultivation techniques and receive continuous support. And we are assured of a continuous supply of fries potatoes of consistent quality."

Are there any challenges?

"We now rely heavily on Gujarat for fries potatoes so it is important to look at other suitable regions too. We are also seeing the effects of climate change: temperatures are rising and the growing season is getting shorter in Gujarat. We must also support growers in the region with knowledge, infrastructure and suitable varieties. In Gujarat, Santana is particularly popular, but we need other varieties for other regions."

What will happen in the future?

"The demand for convenience foods will grow in the coming years, and with it the demand for fries. So there are plenty of opportunities in India. To that end, we are focussing on new varieties, looking at advanced cultivation techniques and expanding to other regions. We also want to grow globally in the market."

> "We are technologically ahead of the curve, and deeply connected to our farmers."

What sets you apart from the rest?

“Our strength lies in being technologically ahead, committed to sustainability, and deeply connected to the growers. We focus on creating as much value as possible for our farmers. We now work in ten states with 8,000 farmers. Our team of 350 agricultural experts is ready every day to support the farmers with technical assistance, field monitoring, and advice. We also invest a lot of time in training our farmers.”

How does technology help you in this process?

“Through a digital platform we developed together with CropIN, our farmers have access to all kinds of information. Think satellite monitoring, weather forecasting, but also predictions of diseases and pests and real-time data analysis. This helps us and the farmers to reduce risks and optimize yields.”



03 RESEARCH & DEVELOPMENT

Major step forward

Resilience Revolution, our current theme, has been going on in our breeding programme for years. The concrete results are increasingly taking shape, with new varieties and major developments in hybrid breeding, supported by data-driven breeding to take the biggest step forward. We accelerate where we can and seek collaboration because new, robust varieties with excellent resistance packages are not enough.

Yield as an important guideline

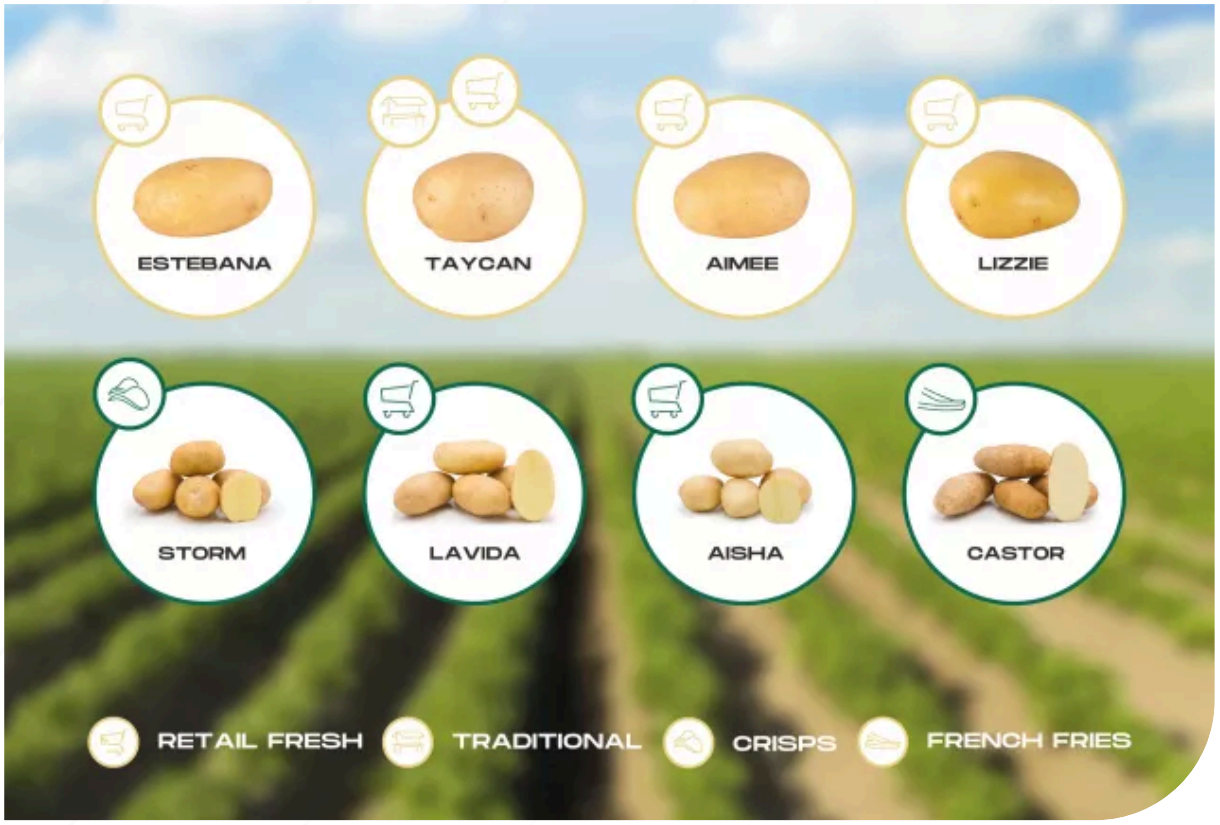
When we are breeding, we always have yield in mind. This encompasses the success of a consumer crop and the yield from seed potatoes in both financial and tonnage terms but also, increasingly, in terms of social returns. How can our varieties contribute to sustainability goals? In 2017, we set key CSR targets on resistance to potato virus Y, phytophthora, fusarium and nematodes, among others. We identified the risk of erwinia infection and improved the period of dormancy for new varieties. We are taking important steps forward by focussing on these goals. This means that other company departments and growers also have to make adjustments, such as storing seed potatoes at a warmer temperature to ensure the longer period of dormancy does not come at the expense of emergence.

New names in the variety portfolio

In 2024-2025, we will add new names to the variety portfolio of HZPC and STET. These new climate robust varieties are the result of our investments in stress tests, molecular markers and data models. They all have impressive resistance packages. Developing robust varieties resistant to climate stress is a cornerstone of our policy, contributing to sustainable food production and a resilient future.

Estebana HZA 13-1642: Fresh
Taycan HZA 14-1447: Fresh Retail and Traditional
Aimee HZA 14-2102: Fresh
Lizzie HZD 11-1735: Fresh

Storm STT12-873: Crisps
Lavida STT11-3542: Fresh
Aisha STT10-6777: Fresh
Castor STT12-400: Fries



Fully data-driven intersections

We are increasingly using data and ensuring data quality assurance. All our crossings are now data-driven. Breeding used to be a matter of knowledge and luck but now we can make much more targeted choices thanks to data models. This increases the chances of making faster genetic steps forward.

Hybrid variety candidates

We are testing hybrid varieties in trial fields in Kenya. These hybrids are an improvement over local varieties for small-scale growers. We must still make progress for the professional market and expect to announce one or two variety candidates with double phytophthora resistance next year.

> “In terms of hybrid breeding, we have now met the milestones we set back in 2011. And that's a real achievement.”
>
> **Robert Graveland**
> **Director of Research & Development**

New breeding technology: an additional tool

In 2023, the European Union (EU) approved the use of new breeding technologies (NBT), provided they allow you to develop varieties that could also be obtained from classical breeding but at an accelerated rate. The trilogy is currently being conducted and legislative proposals are being negotiated behind closed doors. Final legislation will not be in place until spring 2027 at the earliest.

> We welcome the opportunities, but we do not see NBTs as the holy grail. It is primarily an additional tool for our breeders.

Robert Graveland
Director of Research & Development



Potato plant at HZPC Research

More than just breeding is required

In breeding, we are taking the necessary steps to develop superior varieties with robust resistance packages. But resistance alone is not enough, and breeding is a time-consuming process. By applying highly targeted crop protection, we can inhibit the adaptability of viruses and diseases. In short, we must continue to preserve our sustainable varieties to maximise resistance.

> New varieties, crop protection and integrated crop management: all three are needed for the future of potato cultivation.

Robert Graveland

Director of Research & Development



Our laboratory in China

Strong interest in universal variety set

When we made the universal variety set available to universities for basic research in January 2024, we did not know what to expect. We can now regard it as a success and there are six universities and institutes using the set. Thus, we are contributing to accelerating potato-oriented research in science.



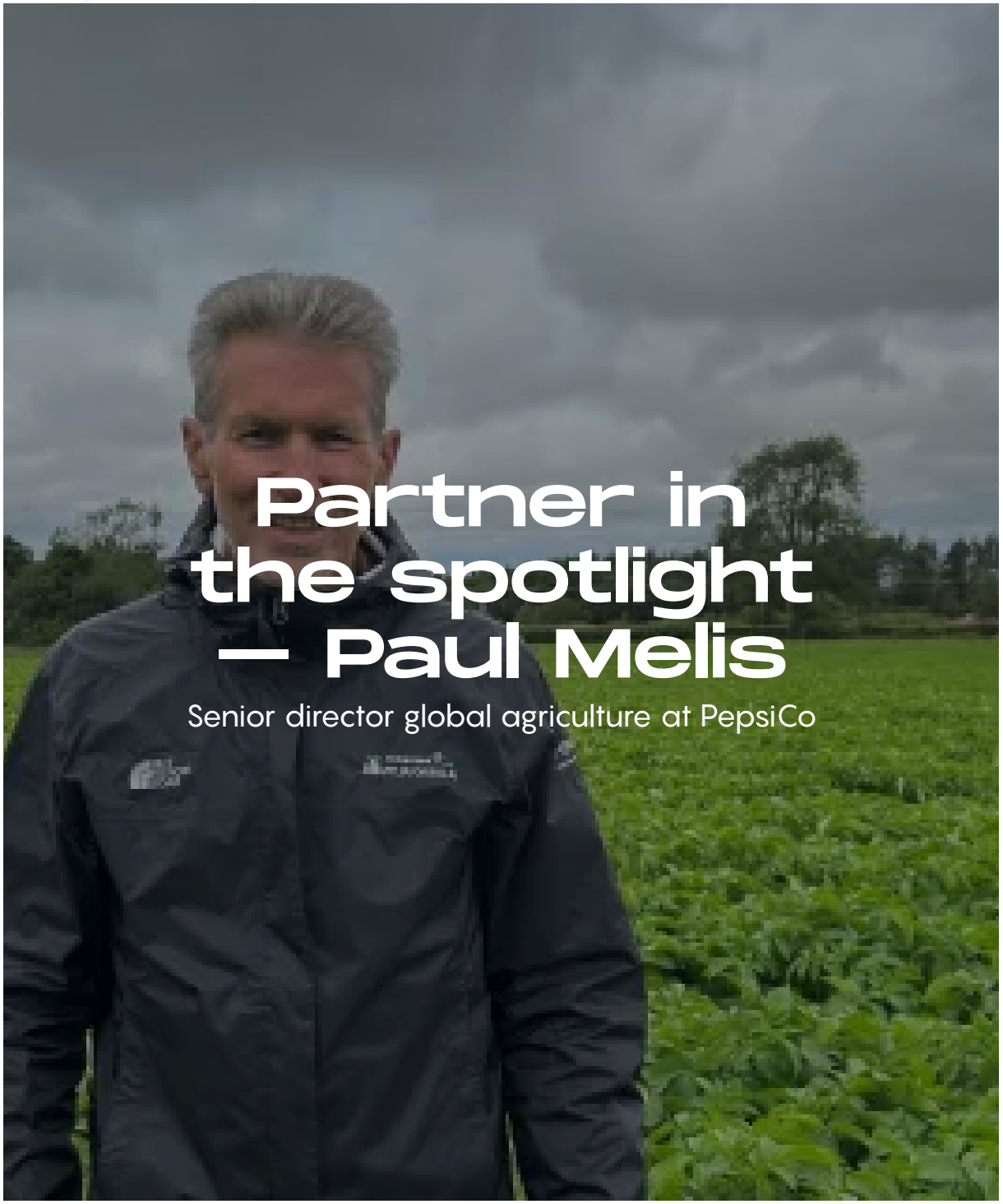
Research varieties

CropXR

CropXR (XR stands for eXtreme Resilience) is a comprehensive data-driven project focusing on smart consumer breeding and genetic models. Royal HZPC Group B.V. is a member of the Holland Innovative Potato (HIP) partnership. Within HIP, we carry out joint research in CropXR on how to make potatoes even more resilient to drought and nitrogen.

European research project ADAPT

Together with Wageningen University & Research and Utrecht University, we are participating in the European research project ADAPT. We are investigating how potatoes respond to stressors such as heat, drought and floods. We will feed the results of the survey into our own research program.



Partner in the spotlight — Paul Melis

Senior director global agriculture at PepsiCo

What exactly do you do as Senior director global agriculture?

"Our global agriculture team deals with strategic themes within global potato production: variety development and introduction, seed production, digital systems and data processing, productivity and training of agronomists. I am responsible for improving seed potato production. We are currently developing, for example, a tool to understand the five-year planning of seed potatoes in each country around the world. And we are using 'geospacial' data to look at where local seed potato production could be used in regions where we currently rely on imports."

Sustainability is an important issue. How does PepsiCo put this into practice?

"Positive Agriculture is an important part of our PepsiCo Positive strategy. That includes the sustainable procurement of crops, and encouraging regenerative agriculture. This concerns water use, reducing CO2 emissions, soil health and biodiversity. The third theme is structural improvement of the living conditions of everyone working in the agricultural sector. We look not only at the environment, but also at economic and social aspects. And that includes a fair price for growers."

> "We do not see potatoes as a commodity, but as a strategic crop."

PepsiCo is closely involved in the entire potato chain. Why is that?

"Unlike many other companies in our sector, we do not see potatoes as a commodity, but as a strategic crop. That is why we are involved from variety development and seed potato cultivation to the sale of chips. We contract our potatoes directly and therefore have direct contact with growers and cooperatives. All our growers are certified. This demonstrates that they meet requirements in terms of sustainability and livability."

How does Royal HZPC Group B.V. fit into that picture?

"The collaboration between our organisation started when STET took over Van Rijn/KWS. Van Rijn/KWS' crisps variety VR808 was exclusive to us at the time. Two more varieties, that are perfectly suited to our vision of the future, have since been added. We also use other varieties, which are not grown just for PepsiCo. We share knowledge, we test new varieties and work together on variety introductions."

You recently visited HZPC Research in Metslawier. Why?

"We talked about how we can expand our cooperation. There are synergies to be found in certain areas; Royal HZPC Group B.V. has a highly advanced breeding facility, we have a large global network and crisps potato production. So this offers opportunities. Multiple resistance is very important to us. Thanks to its advanced marker technology, Royal HZPC Group B.V. has a very good breeding programme for crisps potatoes."

> "Our cooperation is all about openness and mutual understanding."

What does the collaboration look like in concrete terms?

"We need varieties that are as sustainable as possible. These must offer great yields while growing with as little water as possible, the lowest levels of pesticides and emitting low levels of CO2. There are new HZPC varieties that already comply with these requirements and there are still some in the pipeline. Royal HZPC Group B.V. does the selection and testing, our R&D department helps. If a variety seems to have potential, we will collaborate on how best to deploy it globally."

What will happen in the future?

"I think our collaboration will continue to expand in the future. Our cooperation is all about openness and mutual understanding. We take each other's interests into account and pull together to meet challenges. This sense of 'business understanding' is crucial, now and in the future."



04 BREEDING & PRODUCTION

Future-proof cultivation and improvement

By producing healthy seed potatoes, we can make a substantial contribution to the world's food supply. Just think, the seed potatoes you put in the ground account for 25 to 50 times the volume of ware potatoes. So our production has to be more than up to scratch. That is why we are looking at future-proof measures with our growers. In doing so, we reduce the impact on the environment and surroundings and improve production. Together with our growers, we thus strengthen the basis for a sustainable food chain, taking responsibility for reducing the ecological impact and contributing to a stable food supply for future generations.

Future-proof seed potato cultivation expands

Growers love to learn from each other's experiences and that is the premise of the Future-proof seed potato cultivation growers' group. In this setting, 14 growers explore the practicalities of what future-proof cultivation could look like. This approach is having an impact, which is why a new growers' group was formed in the northern Netherlands in June 2025. Success largely depends on the group and mutual trust. At Royal HZPC Group B.V., we guide the group, provide input and invite experts to provide support.

In growing season 2024, about 50 growers in the Netherlands took specific cultivation measures to control viruses. Among these growers, 93 hectares of seed potatoes were covered with straw, barley was used as an under-sowing on 18 hectares, and 23 hectares were grown under gauze covers.

> “We want to bring more growers together. The greatest impact is realised when they can get to work themselves, discuss with each other how to improve cultivation, and be open about their experiences.”

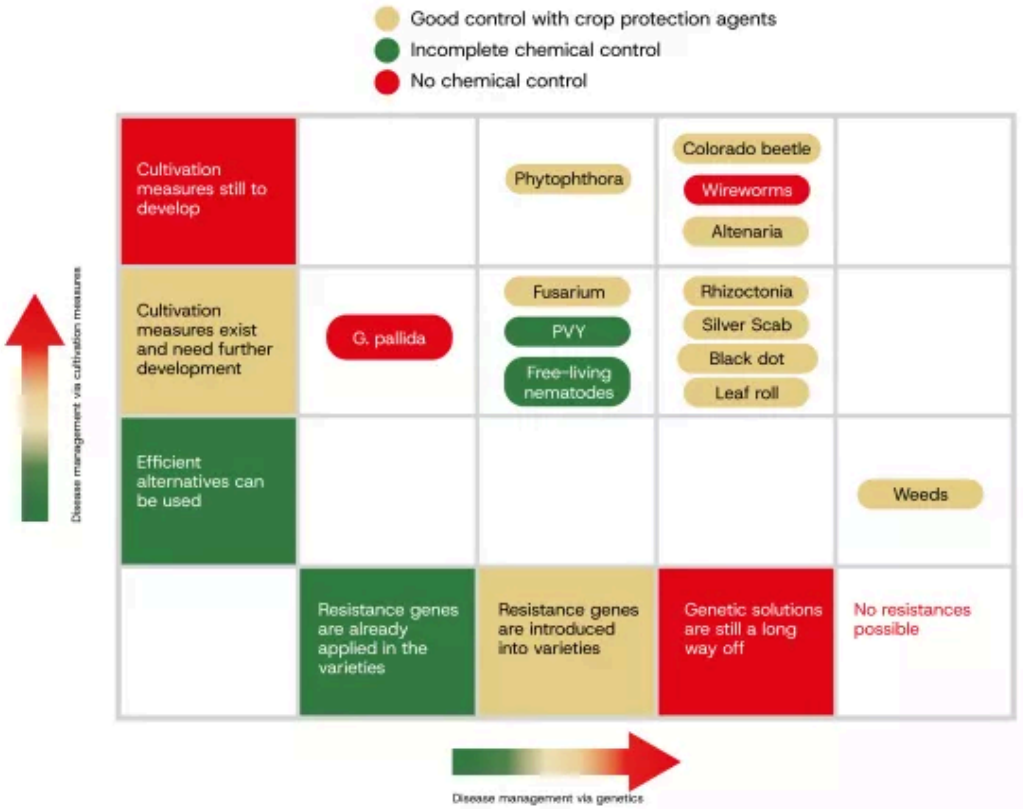
Frank van der Werff
Head of Production



Discussion group Future proofing Seed Potato Growing at the Pollema family home

More needed than resistant varieties

How can you optimise seed potato cultivation so that you still have good yields but reduce the use of resources? That is the question that Integrated Crop Management (ICM) answers. The genetic advancement of varieties with great resistance packages certainly helps, but more is needed. We need to work on improving cultivation measures to keep crops healthy. Not all cultivation measures have yet been examined and applied; it's about using resistant varieties at the right time and in the right place to achieve a good performance. Without the right cultivation measures, there is a high chance the resistance will be overcome so you are always one step behind.



Solutions are a combination of genetics and cultivation measures

Vision on seed potato cultivation

Our vision for seed potato production is to reduce the reliance on chemical pesticides while maintaining yields in both quality and quantity. We are doing this by introducing integrated crop management (ICM). We have already identified the biggest threats: virus, fusarium, rhizoctonia, wireworms and silver scurf. For each subject area, there is a working group where theory and practice come together from various disciplines.

From a targeted to an integrated approach

Crop protection agents are a targeted approach, while ICM is an integrated variety-specific approach, using different crop measures. This might include, for example, the cropping plan and the rotation of crops. All these cultivation measures combined should ensure that the resilience of seed potatoes is enhanced.

> **“There are so many measures and opportunities within ICM, where do you start and what steps do you take as a grower? We help make that transparent, so we can offer knowledge to the grower in a more focused and tailored way.”**

Sandra Wolters
Manager Agronomy EMENA

More data-driven working

Integrated Crop Management (ICM) requires the organisation of the knowledge we have about crop measures. With the increased complexity of ICM measures, we need to be data-driven, offering complex information to the grower and enabling the grower to share cultivation data with us. To this end, we can use supporting software such as a Decision Support System (DSS) app which offers daily support to growers at variety level, throughout the cultivation cycle. Our goal? Sustainably improve yield and quality. Input from growers ensures the knowledge base is constantly enriched and improved, continuously improving the advice in the DSS app. A key milestone was the launch of the DSS app specifically for small-scale farmers in East Africa with less than 1 hectare of land, in December 2024. In May 2025, a DSS app was introduced to larger growers in Canada.

> **“It is impossible to regularly visit farmers in East Africa in person and provide help on site. Thanks to this app, they can learn the basics and we can reach out and help them move forward in one go.”**
>
> **Antti Hintikka**
> **Project Manager DSS**

Finland as a producer of basic seed potatoes

The basic seed potato supply in the Netherlands is under pressure, partly due to diseases, but neighbouring countries depend on it. Our basic seed potatoes (the higher grades) form the starting material for commercial seed potatoes and that is a risk. We are now expanding basic seed potato production in northern Finland at a site officially established as disease-free (these sites are called High Grade Regions). There, we can ensure higher quality and a better success rate. That does require Finland to be positioned as a producer of high-quality material the quality of which meets the stated requirements of our customers.

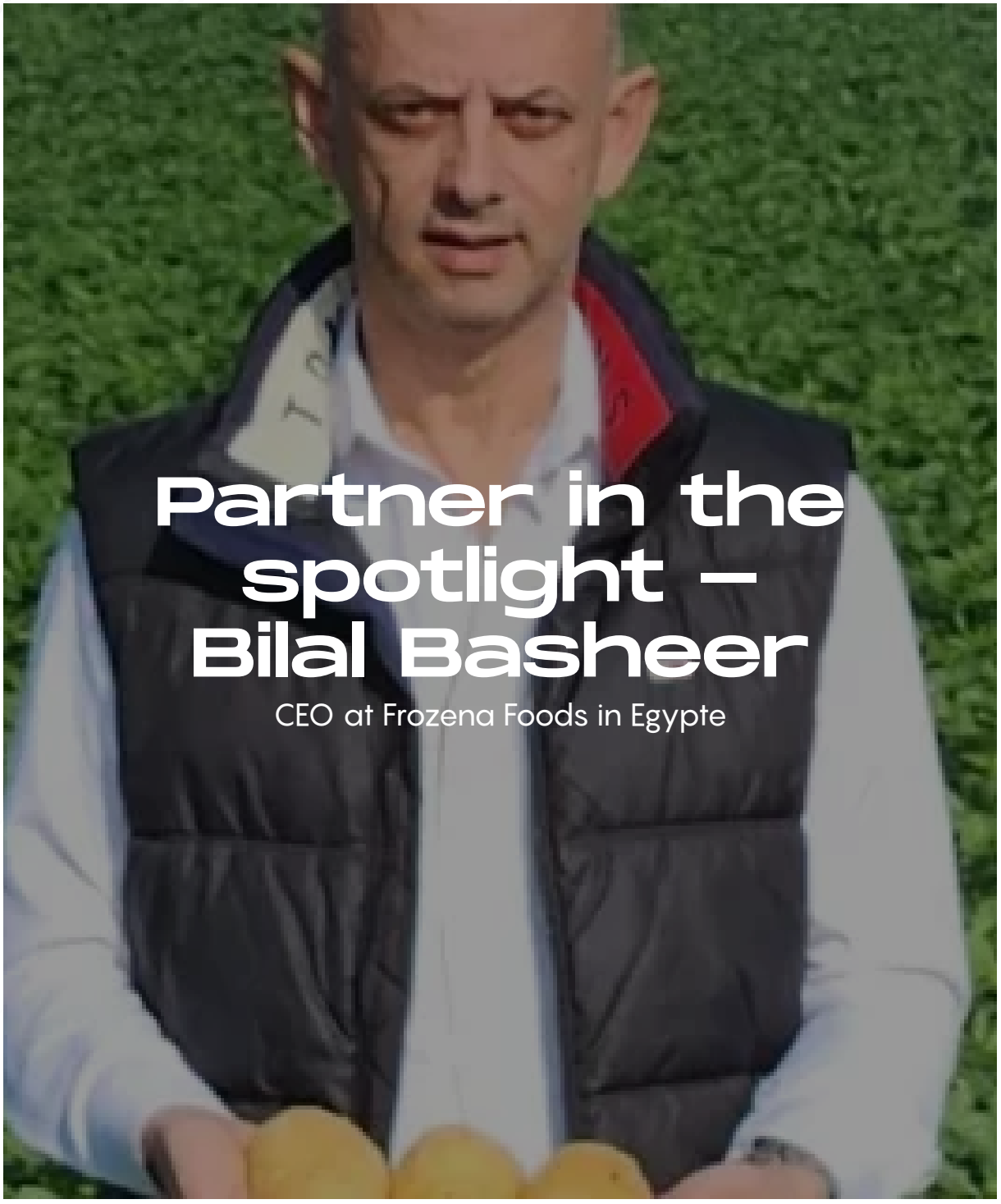
Fewer transport movements, lower CO2 emissions

One way to reduce CO2 emissions is to reduce transport movements. We want to transport our potatoes to the right place with a reduced impact on the environment. To this end, we have developed a plan which is part of our CSR approach.

Update to the Plant Reproductive Material Regulation

Legislation around the Plant Reproductive Material (PRM) regulation is being further formulated and defined in Brussels. The legislation is expected to be ready by 2026 at the latest and the Netherlands then has three years to implement it. PRM is expected to prescribe standards at the European level which are more

flexible than the current quality standards in the Netherlands. The question is how do we ensure alignment? Do we stick to our own level of quality or do we go with the lower standards?



Partner in the spotlight – Bilal Basheer

CEO at Frozena Foods in Egypte

What does Frozena Foods do?

"Frozena Foods produces frozen potato products in all shapes and sizes. With our agricultural arm Tazweed for Agricultural Crops, we have over 4,000 hectares of farmland in Al-Farafra and Wadi Al-Natroun. Every year, we produce 40,000 tonnes of fries and 3,500 tonnes of potato flakes for both the local market and for export. We export to the Middle East, Latin America and Asia; our fries are on sale in 30 countries worldwide."

What does potato cultivation look like in Egypt?

"Potatoes are mainly grown in the Nile Delta. They are also grown in some reclaimed desert areas. In Egypt, areas of the desert have been turned into agricultural areas as Egypt tries to create more fertile land outside the traditional agricultural areas around the Nile. We have two growing seasons: fries potatoes are a winter crop and are planted in autumn and harvested between January and April. And the seed crop is a summer crop. That is planted at the beginning of the year and harvested in May or June."

Which HZPC varieties do you grow?

"We have been working with Asterix for four years now, started working with Quintera two years ago and, last season, we tested Cardyma and Innovator."

> "In Egypt, we have a hot and dry desert climate."

What characterises the climate in Egypt?

"In Egypt, we have a hot and dry desert climate. Winters are mild and summer here is extremely hot and dry. We have very little rain and, in the desert areas, it may not rain for years. But, we have no shortage of sunshine. The sun shines here all year round."

What are the biggest challenges?

"The limited availability of water is our biggest challenge and irrigation costs are increasing. We are also facing climate change in Egypt. It is getting hotter and droughts are longer and more intense. Soil quality is also deteriorating and the costs for fertilisers, fuel, electricity and machinery, for example, are increasing significantly."

How do you deal with the very hot and dry periods?

"We try to plant very early in the season, to avoid the extreme heat as much as possible. We also use irrigation planning to determine when the crops need water, and how much. This allows us to use water as efficiently as possible while ensuring that the potato plants get what they need."

> "Our biggest challenge is the limited availability of water."

Why is that so important?

"Water scarcity is an increasing problem in Egypt and the demand for water is only set to increase because Egypt's population is growing substantially. Water in the Nile is an important resource, but we need to share that with other countries where water availability is also limited, such as Sudan and Ethiopia."

Are there rules for water use?

"The government has put rules in place to prevent the overuse of water, particularly in the reclaimed desert areas. There, water is even scarcer and we need to use water really efficiently."

So, how do you find enough water?

"In the fertile Nile Delta, we can use water from the Nile. In the reclaimed agricultural areas in the desert, we draw water from underground water sources. We deploy centre pivot irrigation; a system where a long tube with nozzles rotates in a circle around a fixed centre. This allows us to spray large agricultural plots in a targeted and controlled way. We are also investigating methods for using water even more efficiently and making cultivation more sustainable by using varieties that give good yields with less water."



05 COLLABORATION & CONNECTION

Different and better every day

Doing things a little differently and making improvements every day, with an impact on the chain and society... that is what drives us. We are looking at how we can collaborate even more effectively, also within the walls of Royal HZPC Group B.V. We are working on our visibility and constantly strengthening ties with colleagues, customers and growers.

STET switches to new ERP system

On 1 July 2024, HZPC Poland and HZPC Germany switched to the new ERP system. Both teams faced challenges, but managed to get through the season with the new system. The lessons learnt from this implementation were naturally taken on board by the project team when it switched to the new ERP system at STET, in summer 2025. With the implementation of the new ERP system, STET is taking an important step towards more efficient and transparent business operations.

Supply and demand more visible

NetSuite, the new ERP system, helps us clarify and define our customers' demands and our offerings. It replaces our old system and will ensure we are ready for the future. The new ERP system allows us to make gradual improvements for our customers, growers and colleagues. Implementing this type of new system is always challenging, especially when you have to maintain service levels for customers, growers and partners during the implementation process.

> “Hats off to the project team and the German and Polish teams. The transition has been challenging for all the teams. It clearly showcased the strength of these small teams, who also continued to complete their day-to-day tasks during implementation. I think that's amazing.”

Hans Huistra
CEO Royal HZPC Group

More multidisciplinary collaboration

Royal HZPC Group B.V. is organised in a market-oriented way with a compact team. This method of working with small multidisciplinary sector teams is a recent development. By pooling expertise and knowledge, we can more effectively support regions, licensees and customers and be even better placed to support our promising new varieties during their introduction to the markets.

Connecting Growers still important

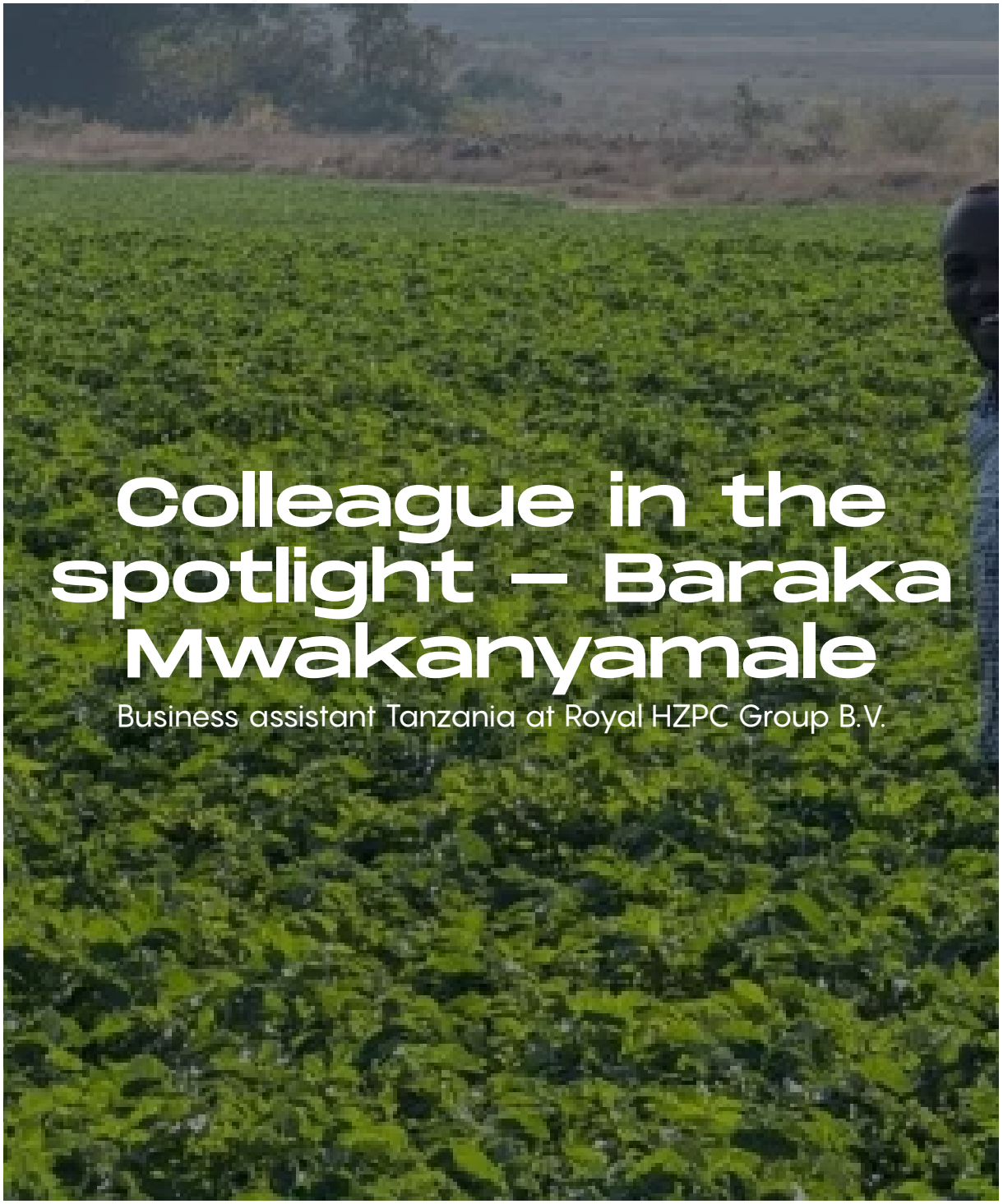
For the time being, we will continue to allocate €1.5 million annually to donate certificates to active growers in the European Union. We evaluate whether Connecting Growers is still necessary each year and see it as an important means of strengthening the bond with our active growers.

> We believe that our active growers should be involved in Royal HZPC Group B.V. as shareholders. So that we can make decisions and investments that are focused on the future of both us and the growers.

Hans Huistra
CEO Royal HZPC Group

Retaining knowledge, attracting new expertise

In a labour market that is still under considerable pressure, we have managed to find good candidates for vacancies. There are plenty of talented workers who want to live and work just outside the central 'Randstad'. HZPC France has been very successful in attracting new people with its Great Place to Work campaign. The average age within our company remains an issue. We have a great deal of experience and knowledge in-house, but the challenge remains to transfer knowledge to the next generation in good time. We do this by investing in training, personal growth programmes and creating an inclusive working environment in which young professionals can develop.



Colleague in the spotlight – Baraka Mwakanyamale

Business assistant Tanzania at Royal HZPC Group B.V.

Five years ago, Feico Born asked you to help him. With what exactly?

"I never dreamed of becoming an agronomist until I met Feico Born. At first, I was his driver and translator. I learnt many things about potatoes as we travelled around the country. Feico left a lasting impression on me. As a leader, he inspires people to take action and see the potential in themselves."

What are you doing now?

"I train local farmers on Good agricultural practices (GAP). There is very little knowledge of this in Tanzania. HZPC has developed the 8-factor training programme. Meanwhile, HZPC has attracted about 60 groups of farmers, who bought seed potatoes this year. We trained each group according to the programme, using

demo fields where farmers can learn in practice. When they see the successful results on the demonstration plots, they are inspired to apply what they have learnt. And as a result, productivity and sustainability increase. We expect to expand to 100 groups next season."

What are the opportunities and challenges in Tanzania?

"Tanzania now has a population of 68 million, but by 2050 that number will have doubled. The majority of the population is younger than 35. They love chips with egg and vegetables. They eat that up to five times a week. Demand for potatoes is high and ever-increasing while, simultaneously, we are experiencing the effects of climate change, with higher temperatures and drought."

> "We are making farmers' lives better."

What are farmers in Tanzania coming up against?

"In Tanzania, 80% of agriculture is small-scale. These small farmers are not well placed to test and analyse the soil, so they use too much fertiliser and sometimes not even the right ones. In addition, they do not apply crop rotation principles, which leads to certain diseases. As a result, yields sometimes fall short."

What is the effect of the training sessions?

"Thanks to the training, farmers now have 30 to 35 tonnes yield per hectare. That is much more than the 10 to 12 tonnes they had to make do with before. And there is still room for improvement."

Which varieties are popular in Tanzania?

"Sagitta is the most popular and is often called 'kiazi cha mzungu' (white man's potato). The variety gives much better yields than local varieties and it's tubers are nicely elongated. Challenger is ideal as a fries variety. There is also a market for it in neighbouring Kenya, where they contract directly with our farmers. We use Taurus and Cayman as crisps varieties. A Dutch company has invested in a fries factory that also buys directly from farmers. Such contracts give farmers financial security."

> "Sagitta is often called 'kiazi cha mzungu'."

Are there enough seed potatoes available?

"Farmers are asking for more seed potatoes than are currently available. HZPC is working with four seed potato companies to increase productivity and availability. Sales are buoyant so there is plenty of scope for seed potato producers to invest and make seed potato production in Tanzania more sustainable."

Are you glad you met Feico 5 years ago?

"Definitely, I am extremely proud of what we are doing here. We inspire farmers to improve potato cultivation and try to motivate and enthuse people throughout the chain, particularly with respect to new varieties. Through the steps we have taken, we are improving the lives of these farmers. We also see communities becoming closer. Thanks to the training, they can share their knowledge, experiences and successes with each other. We are really making an impact. That's what Royal HZPC Group B.V. means for Tanzania."



Baraka Mwakanyamale and Feico Born



06 COMPLIANCE

Corporate governance

Royal HZPC Group B.V. is a two-tier board company with an Executive Committee and an independent Supervisory Board (SB). The Executive Committee directs the Strategic Business Areas (SBAs); namely Strategic Business Area Europe, Strategic Business Development Area, SBA STET and SBA IPR and HZPC Research & Development.

	Tasks and Authorities
Executive Board	- Informs SB about policy and general affairs. - Discusses important issues with SB. - Presents essential decisions to the SB, for approval.
Supervisory Board	- Maintains supervision over policy, Executive Board and general matters. - Supports Executive Board with advice. - Approves essential decisions by Executive Board. - Appoints the Executive Board.
General (Annual) Meeting of Shareholders	- Appoints, on recommendation of SB, members of the SB meeting. - Has authorities that are set out in law and the company's Articles of Association. - Approves specific decisions by Executive Board.
Association HZPC	- Convenes general meeting of shareholders. - Owns 100% of shares. - Has certified all shares.
General members meeting Association HZPC	- Selects and appoints the Board of Association HZPC. - Approves several proposed decicions by Association HZPC.
Certificate holders	- Are (former)growers, (former)breeders and (former) members of staff. - Appoints Board members. - Finances the business with risk capital. - Can be members of Association HZPC.

Personal details of management structure as of 30 June 2025

Supervisory Board

Supervisory Board	
C.J. Biemond, Chairman	Godlinze
J.P. Bienfait	Amsterdam
I. Frolova	Epen
M. Hommes-Gesink	Lauwerzijl
J. Tijssen	Doetinchem

Royal HZPC Group B.V.

Executive Board	
H.E Huistra	Chief Executive Officer
H. Verveld	Chief Commercial Officer
J.L van Vilsteren	Chief Financial Officer

Executive Committee	
H.E Huistra	Chief Executive Officer and Director SBAE
R.P Graveland	Director HZPC Research B.V. and IPR B.V.
P.C Ton	Director STET Holland B.V.
H. Verveld	Director HZPC SBDA B.V., Chief Commercial Officer
J.L van Vilsteren	Chief Financial Officer



Participations

HZPC IPR B.V.	R.P. Graveland
HZPC SBA Europe B.V.	H.E. Huistra
HZPC SBDA B.V.	H. Verveld
HZPC Research B.V.	R.P. Graveland
STET Holland B.V.	P.C. Ton

HZPC SBA Europe B.V.

H.E Huistra	Director

Management of Participations

HZPC Deutschland GmbH	R. Möller
HZPC France SAS	C. Gauchet
HZPC Holland B.V.	M. Jansen Klomp
HZPC Belgium B.V.	M. Jansen Klomp
HZPC Kantaperuna OY	P. Bemelmans
HZPC Patatas España S.L.	J. Luis Marti
HZPC Polska Sp. Z.o.o	T. Jardzioch
HZPC Portugal Lda	P. Simoes
AO HZPC Sadokas	P. Bemelmans
HZPC UK Ltd.	C.R. Baker
TLC Potatoes Ltd.	C.R. Baker
ZOS B.V.	M. Jansen Klomp

Works Council of HZPC Holland B.V.

E. Meinsma	Chair
P. Kreijger	Vice Chair
K. Veenstra	Secretary
A. van den Berg	Member
V. Brolsma	Member
S. Dijkstra	Member
K. Mast	Member
T. van der Wal	Member

HZPC SBDA B.V.

H. Verveld	Director
HZPC América Latina S.A	I. Ramallo
HZPC Americas Corp.	A. Derbidge
HZPC Limited	H. Verveld
HZPC China Limited	H. Verveld

STET Holland B.V.

P.C Ton	Director
STET Potato UK	P. Hewett
STET France Arl.	T. Rondeaux
D.S.S Opslag B.V.	P.C Ton

Risk Management

In order to run an organisation like the Royal HZPC Group B.V., a sound risk management process is vital. We apply the 'Enterprise Risk Management' principles as prescribed by COSO. We identify, categorise and assess risks and determine how to deal with them appropriately. Working according to the COSO principles helps us stay focussed, and manage and report on our objectives. In FY2024/2025, we redefined several risks and tightened up adjustments. We thus ensure that risk management is not only a paper exercise, but also aligns with our company's activities in practice.

Our risk profile and top risks

Within our risk profile, we recognise four categories of risk; strategic, operational, reporting and compliance. We weigh these on a scale of 1-5.

STRATEGIC		OPERATIONAL	REPORT	COMPLIANCE
Internal	External	Production	Reporting and accountability	Compliance infringement
Variety portfolio development	Catastrophe risk	IT and security		
Current portfolio of varieties	Competition	Treasury		
Financial risk	Environment, climate, and legislation	Agility		
Business continuity and Aurora	Geopolitical developments	Health and safety		
Human capital	Market risk			
Governance and decision-making structure				
CSR				

CATEGORY	RISK	PROBABILITY	IMPACT
Strategic	Variety portfolio development	2,9	4,0
	Financial risk	3,4	3,4
	Current portfolio of varieties	2,6	3,6
	Business continuity	2,5	3,5
	Human capital	2,9	2,6
	Environment, climate, and legislation	3,8	3,2
	Catastrophe	2,4	3,6
Operational	Market risk	2,8	2,8
	Production	2,8	3,6
	IT and security	2,8	3,6
Report	Reporting and accountability	2,2	2,6
Compliance infringement	Compliance infringement	2,1	3,0

Strategic risks

Two subcategories are recognised in the strategic risk category; risks that we influence through our strategic activities (internal) and those that come from outside the organisation (external).

The larger internal strategic risks we recognise relate to our variety portfolio and hence the robustness of our earning power, our human capital and our vulnerability to issues in the value chain.

We actively manage the availability of the appropriate varieties in the wide range of markets in which we operate. We do this now and will continue to do so in the future. With our current variety portfolio, we believe we have great varieties available for every market. To ensure the future sustainability of our variety portfolio, we have been investing in innovation and advanced breeding techniques as well as in our staff and organisation for years. We have a group-wide overview of key positions and invest in attracting and retaining the right people. Fit for the future!

To ensure the continuity of our operation, we are investing in Aurora to ensure a robust and future-proof ERP. Under earning capacity, or financial risk, we manage the extent to which we are able to match our production to demand and the development of licence revenues. We never accept any infringements of our intellectual property; we are affiliated to Breeders Trust and, within our means, use active enforcement measures around the world.

We also monitor the development of risk externally. Local market conditions, climatic developments, sustainability and related regulations can have a major impact on the organisation of our business. Some of this risk is managed thanks to our global presence and the corresponding diversification. Through our commitment to the right human capital and strong local management, we ensure that we are not faced with surprises and stay close to developments in each market. We carefully monitor which regulations or developments affect us and make adjustments to ensure we are ready for them in time.

The volatility of global geopolitical relations has led to some concerns locally, however, the risk is seen as limited at group level.

Operational risks

The operational risk category deals with risks that could shut down the group's day-to-day processes. These include risks relating to production, the availability and quality of our seed potatoes for sale, IT and security, treasury, the group's ability to adapt to ad hoc changing conditions and those issues that may affect the health or safety of our employees.

Production risk requires a great deal of attention. We manage according to the availability of the right acreage for our forecasts, mini-tuber capacity and quality. Managing risks relating to IT and security is essential for the continuity of our organisation. Our focus is maintained and we can proactively address any weaknesses with periodic phishing simulations and pen tests.

Reporting risk

Reporting risk includes any event that results in desired or required financial or non-financial reports not being delivered. This risk is assessed as low; however, we can realise efficiency gains. The implementation of the new ERP system, which is part of Aurora, is helping to reduce this risk.

Compliance risks

Compliance includes the obligation to adhere to laws, regulations and internal policies, such as Code of Conduct, Whistleblower Policy, etc.. As a result of our global presence, we have to cope with different cultural conditions. These circumstances are not always compatible. We are ambitious in our feeding the world mission and will always seek the opportunity to deliver on this within the legal framework. In order to realise this, we follow strict procedures to maintain an overview of who we are doing business with. This is how we prevent unexpected involvement in money laundering, terrorist financing or violation of sanctions laws. Agents acting on behalf of one of our group entities follow this line and subscribe to our code of conduct. We are also keen to ensure that paid commissions are properly substantiated. We refrain from offering excessive commission payments to avoid the risk of corruption and bribery.

HZPC operates in various countries, including some with an increased risk of non-compliance with sanctions laws, anti-fraud and corruption regulations, and anti-money laundering legislation. This brings complexity due to the diverse and constantly changing (inter)national knowledge and regulations. As a result, there is a risk that certain transactions and/or payments may unintentionally conflict with relevant sanctions or anti-money laundering legislation. HZPC has implemented policies and control measures aimed at ensuring compliance with applicable sanctions laws. Compliance is an integral part of our governance and risk management structure and includes, among other things, due diligence processes, internal guidelines, and employee training. However, there is an inherent risk that HZPC does not always have direct control or oversight over all transactions and business relationships, particularly in international contexts. HZPC's internal risk management and control systems are designed to mitigate these risks as much as possible. This is guided by a corporate culture in which integrity and compliance are central. Despite these efforts, a complete elimination of compliance risks cannot be guaranteed. Any violation of relevant laws and regulations could have adverse effects on HZPC's operational performance, financial results, cash flows, and reputation. Therefore, HZPC remains focused on timely risk identification, strengthening internal control measures, and promoting a strong compliance culture.

Results, investments, financing

Investments

We invested in our business in 2024/2025, despite the economically uncertain environment, and will continue to do so. With the construction of the enclosed garden, our R&D facility is all set. We are making steady progress with the construction of our mini-tuber facility in France and hope to complete this in 2026. We have also invested in our mini-tuber production facility in the UK and in our distribution centers.

Our invested capital (total fixed assets) at the end of the 2024/2025 financial year is EUR 44.4 million, which is EUR 1.7 million higher than last year. We expect a similar amount of investment next year, a significant component of which is the Aurora project. In Aurora, we are adapting processes and replacing the old ERP system. This investment is in addition to regular replacement investments in operations and R&D.

Liquidity

The cash position remained unchanged compared to last year. The current ratio is unchanged from 1.2 last year. The quick ratio (current ratio excluding inventory) is also unchanged from last year at 1.2. We do not expect any major changes here in the future either.

Results

Net turnover of EUR 525 million was recorded in the past year. Sales were higher as Royal HZPC Group B.V. achieved higher volume at much higher average prices. Licence income increased from EUR 25.4 million in 2023/2024 to EUR 30.5 million.

The gross margin, i.e. the sum of operating income minus the sum of costs of raw and auxiliary materials and third-party services, freight and loading charges and packaging, increased from EUR 67.3 million to EUR 96.4 million. This is due to higher volumes and prices.

By paying close attention to costs, a net profit before deduction of costs of the Connecting Growers programme of EUR 17.1 million was achieved.

As yet, there are no expectations of the result for the coming season due to uncertainties. These are caused by uncertain yield expectations and the corresponding availability for different markets. In addition, uncertainty remains due to the geopolitical situation.

We do not expect any major changes for our workforce.

Financing

The financing structure has not been affected by any major changes this year. We concluded an increase and extension of our financing agreement as of March 2024. In the process, the consortium expanded from two banks to three banks. The banking consortium now consists of ING Bank N.V., Commerzbank Aktiengesellschaft and Crédit Industriel et Commercial, Succursale de Bruxelles. Funding is now guaranteed for a minimum of two years plus an option to extend it twice for a year.

Solvency fell from 44.7% in 2023/2024 to 41.6% in 2024/2025. The decline is partly caused by increases in working capital with the increase in sales tax 9% to 21% having a significant impact.

Costs were up due to higher volumes and cost increases due to inflation. As for the debtor position, we have seen an increase compared to last year and this is reflected in the balance sheet. However, we have recognised a higher provision for a debtor from Cuba. This is mainly due to the poor economic situation in this country.

The management team is constantly assessing the relevant information and risks in order to take the appropriate measures. The financing facility we now have is sufficient to continue paying out advances to growers and finance further growth. The current facility is also sufficient to absorb future regular fluctuations and disruptions in customer receipts. The management team constantly monitors developments in turnover and costs in order to maintain an overview of liquidity developments. Analyses are also carried out on a regular basis so that additional measures can be taken in good time. On the basis of the management analyses, the current results and the company's financing position, the financial statement has been drafted on the basis of an assumption of continuity. Based on an updated forecast in September 2025, we expect to have sufficient funding until at least March 2028 and to be in compliance with the bank's covenants.

Potato breeder and seed potato trading company Royal HZPC announced on October 2, 2025, its proposed acquisition of IPM Potato Group, a leading seed potato breeder and exporter based in Ireland. Financing for this acquisition was expanded in October 2025. The proposed acquisition is expected to make a positive contribution in the coming years.

Remuneration policy and staff matters

Our employees are crucial to achieving our strategic goals. Adequate personnel policies and market-based remuneration policies enable us to attract and retain staff. We use a range of different tools for this purpose.

Employees make an important contribution to the success of the company and, last year, we were able to attract great people. Some employees also left. We have been able to fill the vacancies that have arisen plus the additional positions created by business growth, although vacancies tend to be open a little longer than during previous years. We expect personnel numbers to remain the same or rise slightly.

Diversity

Royal HZPC Group B.V. stands for Diversity, Equity and Inclusion (DEI).

We are committed to a diverse workforce and an inclusive environment where everyone feels valued and respected. In addition, we support a corporate culture where everyone feels encouraged to (continue to) develop and grow. Or, in other words: Guiding continuous growth.

We actively seek to attract, employ and retain people from diverse backgrounds. As a result, our workforce is increasingly reflecting the rich diversity of the societies in which we operate. Our commitment to diversity extends to all levels of the organisation, from entry-level positions to management positions. The diversity dimensions on which Royal HZPC Group B.V. intends to report are:

- Gender diversity (female/male representation)
- Age diversity (representation of different age groups)
- International diversity (number of nationalities of our colleagues)
- Knowledge diversity (distribution of our workforce by clustered subject areas)
- Equal pay for men/women

In addition to the diversity dimensions on which we wish to report, Royal HZPC Group B.V. also stands for:

- Labour market diversity (removing barriers to/promoting participation of colleagues with an occupational disability)
- Ethnic and cultural diversity (promoting the representation of different ethnic and cultural groups)
- LGBTQ+ diversity (welcoming anyone regardless of sexual orientation)
- Philosophy of life (allowing for differences in terms of faith or philosophy of life)

We do not report on the representations of these groups within our workforce.

Gender diversity targets have been set for the composition of the management (Supervisory Board and Executive Board) and (Managing Directors of the SBAs) of the organisation.

Management layer	Target	To be realised by:	Explanatory notes:
SB	20% of the members consist of the 'opposite sex'. At least 20% women and at least 20% men. (current situation: 2 women, 3 men).	Realised	Target was realised in financial year 2024-2025.The SB has 2 women and 3 men, i.e. more than 20% of the 'opposite sex'. In future replacement, efforts will be made to continue to achieve the targets
Executive Board	20% of ExBo are of the 'opposite sex'. At least 20% female and at least 20% male (current situation: 3 men).	1-1-2028	Target was not realised in financial year 2024-2025. In future replacement, efforts will be made to achieve the targets.
Managing Directors SBAs	20% of the Managing Directors must be of the 'opposite sex'. At least 20% women and at least 20% men. (Current situation: 4 positions, with 3 men currently serving as Managing Directors and one vacancy).	1-1-2028	Target was not realised in financial year 2024-2025. In future replacement, efforts will be made to achieve the targets.

Equal and fair treatment

We are accountable to the principles of fairness, impartiality and justice. Our aim is to provide a working environment where everyone has equal access to professional and personal growth. To the extent that there are barriers to these principles, we want to remove them.

Our Code of Conduct describes how to deal with (perceived) unequal treatment.

Inclusion

For us, inclusion means promoting a sense of 'belonging' and creating a culture where everyone feels properly rewarded, respected and valued. Our mission, vision, corporate values and goals should be unifying. Within this context, we encourage open dialogue, active listening and mutual respect for everyone's unique contribution to the whole. We recognise that inclusive teams are more innovative, productive and better able to achieve our shared goals.

General

Our commitment to Diversity, Equality and Inclusion (DEI) is in line with international (including European) laws and regulations promoting equality and non-discrimination in the workplace. We focus on adhering to the principles set out in the various international guidelines within the countries where we are based. We understand that building a diverse, equitable and inclusive organisation is a journey that requires continuous effort and improvement. We will discuss the objectives internally so that they are known to everyone. Based on insights gained, we will make arrangements with Staff Representatives to refine our practices and policies.

Share certificates

Royal HZPC Group issued 783,725 shares with a nominal value of EUR 20. HZPC Association (Vereniging HZPC) owns 100 percent of the shares and has certified all the shares. The certificate holders form a closed group, the members of which have to comply with specific requirements. All certificate holders have a business agreement with Royal HZPC Group B.V, or have had one in the past.

Connecting growers

Twenty years ago, almost all certificates were in the hands of active growers. This has now fallen to around half. This is because many growers, who are no longer actively involved in growing, hold on to their certificates and in the past have rarely offered them for sale. At the same time, active growers purchased few certificates. Thanks to the Connecting Growers programme, share certificates are increasingly coming into the hands of active growers. For this purpose, Royal HZPC Group B.V. bought EUR 1.5 million worth of certificates in 2024-2025. These were donated free of charge to growers with a seed potato contract with Royal HZPC Group B.V. in the EU. The majority of our active European growers now hold certificates. Read more at: https://www.hzpc.com/en/about-us/association-hzpc/connecting-growers.

Share trading platform

Share certificates used to be traded on an internal market. Since the trading period in May 2022, Royal HZPC Group B.V. has operated a new trading system for trading in certificates. Twice a year, in May and November, certificate holders can trade HZPC certificates for 10 working days on the Captin trading platform; Captin is an AFM-regulated brokerage firm. Royal HZPC Group B.V. has thus become a semi-listed company that is obliged to abide by the Dutch Financial Market Authority (AFM) rules. The market has also become more transparent and the rights of the certificate holders align with the regulations that govern the regular market. The range within which trading takes place is twenty percent (rather than ten percent), so the market balances faster. During these trading periods, Royal HZPC Group B.V. purchases certificates for the Connecting Growers program in addition to the certificate scheme for staff.

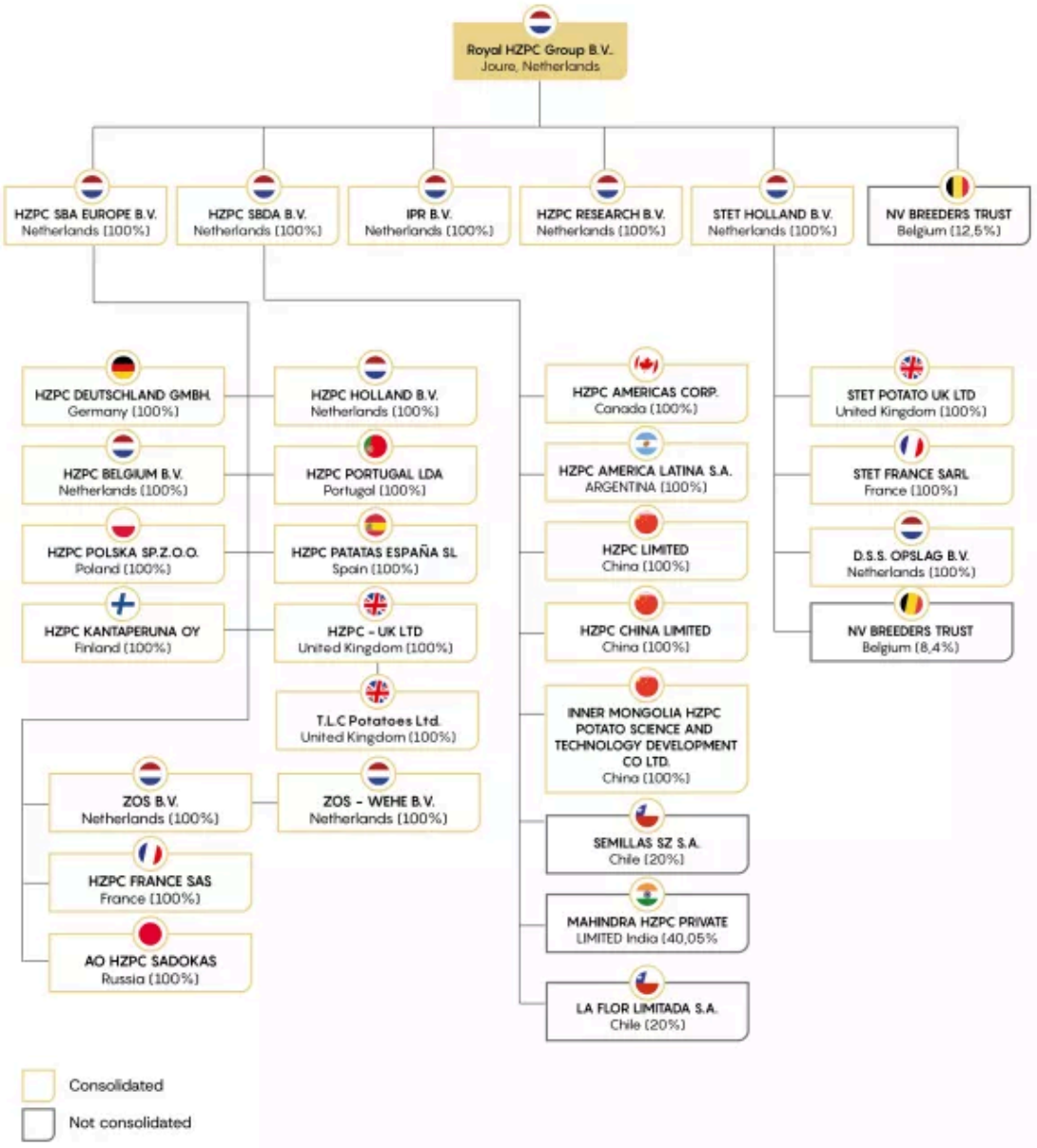
The certificate holders receive information about Royal HZPC Group B.V via press releases, the Annual Report and the HZPC website. In addition, Dutch certificate holders receive the company's client magazine 'Ruggespraak'.

Market table

	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Profit per share certificate (x EUR 1)*	€ 11,93	€ 1,49	€ 1,74	€ 9,00	€ 9,01	€ 7,79	€ 21,86
Dividend per share certificate (x EUR 1)	€ 7,75	€ 1,00	€ 1,00	€ 6,00	€ 6,00	€ 5,20	€ 10,90
Dividend as % of net result	65,00%	67,00%	57,00%	67,00%	67,00%	67,00%	50,00%
Rate as of 30 June (x EUR 1)	€ 162,00	€ 131,25	€ 106,35	€ 76,60	€ 76,27	€ 102,46	€ 121,59
Dividend as % of rate	4,78%	0,76%	0,94%	7,83%	7,87%	5,08%	8,96%
Return on shares (x EUR 1)	€ (30,25)	€ (29,75)	€ (23,90)	€ (23,75)	€ 5,67	€ 31,39	€ 30,03
Total shareholders return in %							
(as of 30 June of the previous year)	-15,13%	-18,36%	-18,21%	-22,33%	7,40%	41,16%	29,31%

*exclusive costs of Connecting Growers

Group structure





Colleague in the spotlight – Durk Zandberg

Business risk and compliance manager at Royal HZPC Group B.V.

Your job title is quite a mouthful. What exactly do you do?

"The main focus in my position now is compliance. When I started here in March 2024, there were a number of recommendations from our auditor and external auditor in that area. I started by tackling those together with my colleagues and the business. Risk management is also an important part of my work."

Compliance is a broad term, but what exactly is it?

"Compliance involves complying with laws and regulations, our own internal policies and procedures. And be able to demonstrate that with respect to our shareholders and growers. Banks and insurers also need to know whether our activities fall within the laws and regulations on all continents and in all countries where we operate."

> The world is becoming increasingly complex.

There seems to be an increasing emphasis on compliance. Why is that?

"Of course, it has always been important to abide by laws and regulations. These are becoming increasingly complex. Just like the world we live in. Just look at all the geopolitical developments. Royal HZPC Group B.V. deliberately chooses to also do business in markets where the local situation is challenging or with countries where international sanctions apply. Think of the Middle East, countries to the east of us, and also countries such as Cuba. It is important that we can demonstrate that we act within the legal frameworks. As a result, we also know we can face these challenging conditions."

Why is compliance important for banks?

"Banks would rather not pay out large fines, for example for violating US sanctions. We can use their financial products, such as a credit facility, insurance and payment options but, in return, they would like to know that these are in good hands. So we demonstrate that we have a clear overview of the risks and can manage them."

What does the importance of compliance mean for Royal HZPC Group B.V.?

"We want to work according to the rules, now and in the future. So not much actually changes now that the basics are in place. A number of risks that were slightly ambiguous have now been identified. For example, issues relating to certain countries or the payment system. First, we mapped risks associated with the so-called ultra-high-risk countries and clients. Then, in 2024-2025, we assessed countries with an estimated lower risk."

> We are demonstrating that we know and can manage the risks.

How do you make sure colleagues stay sharp?

"We are constantly shining the spotlight on compliance, using online training courses, for example. We also organise sessions to raise awareness and talk to each other about how to deal with certain issues. For example, what do you do if you suspect a conflict of interest? Compliance requires constant attention, if only because laws, regulations and sanctions are always changing."

Can you provide an example?

"The NIS2 directive, for example, which is new the cyber legislation, needs monitoring from my position within compliance. Privacy laws are another area that needs monitoring. Customers and countries could be subject to sanctions in the blink of an eye so we must check this every time before we do business. Soon, we will also be able to use a tool that continuously screens our customer portfolio for sanctions. We will then be automatically notified if anything changes. We thus constantly improve our compliance processes."



07 REPORT OF THE SUPERVISORY BOARD

Michael Kester stepped down as chairman of the Supervisory Board (SB) in February 2025. For this annual report, we speak to his successor Cor Biemond, who has been part of the SB since May 2017. Which issues were high on the agenda in 2024-2025?

New dynamics

"In September 2024, Hans Huistra took on the role of CEO at Royal HZPC Group B.V. Of course, this changes the dynamics within the company. Just like things have changed in the SB, now that I am chairman. Everyone has their own methods. Thanks to Gerard Backx, Hans got off to a good start. Gerard helped him where he could, but did not get in his way. We made sure Gerard had a great send-off. He had an enormous impact on Royal HZPC Group B.V. and we are very grateful to him for all his hard work. Hans has now got to grips with all the various issues. We are also hearing positive noises from the Works Council."

Strategy and organisational structure

"In 2024-2025, Royal HZPC Group B.V.'s strategy was further clarified and defined. This should help everyone understand our pathway and expectations. The change in organisational structure is inseparable from strategy. In simple terms, a layer has been removed and this makes the organisation less hierarchical. From now on, the SB will meet with the full Executive Committee, providing us with first-hand information."

Boundaries broken

"Across Europe, planting was late, due to a wet spring. This was a challenge for growers. Nevertheless, it became a record year for Royal HZPC Group B.V., breaking the 1 million tonnes of potatoes (sales and licences) and EUR 500 million turnover mark. This is the result of the interaction between growers, partners and Royal HZPC Group B.V. A great achievement."



Potato field in Germany

Continued focus on ERP system

"With sales and turnover at these levels, an efficient, modern ERP system is more important than ever. The urgency has only increased as Royal HZPC Group B.V. has continued to grow. An important step was taken in July 2024 when the teams in Poland and Germany switched to the new ERP system. Our compliments to these teams, as the switch involved a few challenges. We will continue to closely monitor developments around implementation."

Geopolitical developments

"There is a great deal of unrest in the world and this leads to social discussions, which also have repercussions on Royal HZPC Group B.V. Based on the UN resolution that sanctions should not have an adverse humanitarian impact on civilian populations, Royal HZPC Group B.V. has continued to supply sanctioned countries. That choice will stand for now, but will be regularly reviewed by the management together with the SB ."

Seed potato crop increasingly unmanageable

"We are seeing seed potato cultivation become more unruly and less predictable. At the same time, Royal HZPC Group B.V. must remain competitive. Consider the impact of climate change, for example, where we increasingly face extreme drought, heat or rainfall. The number of pesticides is being phased rapidly, especially as some of them are due for re-registration. This requires new varieties and different growing methods."



Potato field in Spain

Hybrid potato seeds

"Royal HZPC Group B.V. has achieved important milestones in hybrid breeding and the development of potato seed. The time when potato seeds will be brought to market is getting closer and closer. The SB ensures it stays abreast of the situation, any relevant plans and details of what financial resources are needed to ensure the move to the market is successful."

Recruitment of new CFO

"Current CFO, Jordan van Vilsteren, is stepping down from Royal HZPC Group B.V. Recruitment for his successor started in 2024-2025. CEO Hans Huistra was in charge of the search, supervised by the SB. We are delighted that Marlous Booijink will become our new CFO from 1 August. Jordan will stay on until 1 November, to carefully hand over his work."

Contributing to world food supplies

"The demand for food remains and will only increase in the future. Royal HZPC Group B.V. wants to contribute to the world's food supply but it is always important to do so in a well-managed manner while being compliant. Royal HZPC Group B.V. has made considerable progress in that area and is still pushing forward. As the SB, we will stay on top of this by asking questions and monitoring developments."



Potatoes at the market in India

Other issues on the agenda

- Mahindra HZPC: this joint venture in India is increasingly bearing fruit. The SB reviewed developments and was briefed by the Mahindra HZPC management.
- Enterprise risk management: the SB was updated by the business risk and compliance manager, on risk management and what steps Royal HZPC Group B.V. is taking
- New varieties: we are kept well informed about the development of new varieties. An additional focus in recent years has been the release of one of the largest varieties, Innovator.
- Connecting growers: every year we review Connecting Growers.

The SB in 2024–2025

In February 2025, chairman Michael Kester handed over the baton to Cor Biemond. Cor's second term ended but, as president, a third term is allowed. With Cor, the SB has a grower as chairman for the first time. Martine Hommes-Gesink succeeded Cor on the audit committee, in which she serves with Irina Frolova. On 21 November 2024, John Thijssen was elected as a new SB member. John is CEO of Barenbrug Holland. Following Michael's departure, the SB was thus back to full strength.

In 2024-2025, spread across the year, six meetings took place between the SB and the Executive Board of Royal HZPC Group B.V. The Chair of the SB worked with CEO Hans Huistra to prepare for the meetings. The audit committee met three times, always prior to meetings between the SB and the Executive Board. This financial year, the SB has also held two meetings of shareholders with the Board of HZPC Association.



From left to right: Jean-Pierre Bienfait, Martine Hommes-Gesink, Cor Biemond, Irina Frolova, John Thijssen

What does the Supervisory Board do?

The Supervisory Board of Royal HZPC Group B.V. supervises the policy of the Executive Board and the company strategy and operates completely independently of this board. The Executive Board submits plans to the SB in terms of strategy, budgets, investments and commercial policy. The SB serves to provide approval of the plans after review. The survival of the company and the interests of all stakeholders are paramount. As an employer, the SB also sets the remuneration for the Executive Board. As a shareholder, the HZPC Association (re)appoints the members of the SB.



08 FINANCIAL STATEMENTS ROYAL HZPC GROUP B.V.

08.1 Consolidated balance sheet

Consolidated balance sheet as of 30 June (after profit appropriation)

Assets

(in EUR x 1.000)	Notes		30-Jun-25		30-Jun-24
FIXED ASSETS					
Intangible fixed assets	**1**				
Research and development costs		8.396		4	
Goodwill		118		159	
Intangible fixed assets under construction		2.622		9.588	
			11.136		**9.751**
Tangible fixed assets	**2**				
Company buildings and land		20.312		21.237	
Plant and equipment		3.752		4.890	
Other fixed operating assets		1.126		799	
Operating assets under construction		840		3	
Assets not used for business operations		741		0	
			26.771		**26.929**
Financial fixed assets	**3**				
Participating interest		2.919		2.482	
Other securities		24		24	
Deferred tax assets		2.548		2.137	
Other receivables		1.019		1.397	
			6.510		**6.040**
TOTAL FIXED ASSETS			**44.417**		**42.720**
CURRENT ASSETS					
Inventories	**4**		**2.635**		**2.500**
Trade and other receivables					
Trade receivables	**5**	51.593		42.822	
Taxes, contributions and social insurance	**6**	20.554		7.337	
Other receivables and accrued income	**7**	11.827		11.645	
			83.974		**61.804**
Cash and cash equivalents	**8**		**16.818**		**15.444**
TOTAL CURRENT ASSETS			**103.427**		**79.748**
TOTAL ASSETS			**147.844**		**122.468**

Liabilities

(in EUR x 1.000)	Notes		30-Jun-25		30-Jun-24
GROUP EQUITY	**9**		**61.463**		**54.701**
Provisions	**10**				
Provision pensions		203		229	
Provision deferred taxes		87		0	
Provision jubilee		432		466	
			722		**695**
Current liabilities					
Debts to credit institutions	**11**	40.000		30.999	
Accounts payable to suppliers		16.615		15.122	
Debts to Vereniging HZPC		318		306	
Taxes, contributions and social insurances	**12**	5.968		3.189	
Dividend to be paid		8.543		4.075	
Other debts and accrued liabilities	**13**	14.215		13.381	
			85.659		**67.072**
TOTAL LIABILITIES			**147.844**		**122.468**

08.2 Consolidated profit and loss statement for the period 1 July 2024 up to 30 June 2025

(in EUR x 1.000)	Notes		2024/2025		2023/2024
Net revenue	14		525.172		419.876
Other operating income	15		929		310
Total operating income			**526.101**		**420.186**
Cost of raw materials and other consumables and outsourced work		389.096		310.684	
Freight cost		29.024		26.066	
Packaging		11.607		11.071	
Wages and salaries	16	27.195		24.489	
Social security costs and pension costs	16	8.642		7.597	
Depreciation of intangible and tangible fixed assets		3.359		2.814	
Impairments		333		0	
Other operating costs	17	33.847		27.409	
Total operating expenses			**503.103**		**410.130**
Operating result			**22.998**		**10.056**
Interest and similar income	18	336		711	
Interest and similar expenses	19	-3.142		-4.518	
			-2.806		**-3.807**
Result before income tax			**20.192**		**6.249**
Corporate income tax	20	-5.901		-2.229	
Share on result from participating interests		1.342		638	
			-4.559		**-1.591**
Net result			**15.633**		**4.658**
Total of direct changes in shareholders' equity of the company					
change in foreign currency translation reserve			-328		-199
Total comprehensive income of the year, net of tax			**15.305**		**4.459**

08.3 Consolidated cash flow statement

Consolidated cash flow summary for financial year 2024/2025.

(in EUR x 1.000)	Notes	2024/2025	2023/2024
Operating result		**22.998**	**5.038**
Adjusted for:			
Bookresult financial fixed assets		586	0
Depreciation/amortisation	**1,2**	3.643	2.814
Changes in provisions	**10**	-147	-86
Changes in working capital		-20.177	19.342
Cash flows from business operations		**6.903**	**27.108**
Interest received	**18**	336	5.729
Dividend received	**3**	82	103
Income tax received	**20**	0	11
Interest paid	**19**	-3.254	-3.915
Income tax paid	**20**	-2.951	-1.770
Cash flow from operating activities		**1.116**	**27.266**
Investing activities			
Investments in intangible fixed assets	**1,2**	-2.570	-5.752
Investments in financial fixed assets	**3**	-3	-829
Divestments of financial fixed assets	**3**	12	0
Investments in tangible fixed assets	**2**	-2.150	-2.656
Disposals of tangible fixed assets	**2**	140	21
Cash flow from investing activities		**-4.571**	**-9.216**
Financing activities			
Increase bank loan		9.001	-14.093
Dividend paid		-4.075	-4.702
Purchased certificates of shares		0	-21
Cash flow from financing activities		**4.926**	**-18.816**
Net cash flow		**1.471**	**-766**
Currency and exchange rate differences		-97	-392
Changes in cash and cash equivalents		**1.374**	**-1.158**
Cash and cash equivalents at the beginning of the year	**8**	15.444	16.602
Changes in cash and cash equivalents	**8**	1.374	-1.158
Cash and cash equivalents at the end of the year	**8**	**16.818**	**15.444**

08.4 Notes to the consolidated financial statements 2024/2025

General

The company, having its legal address in Joure at Edisonweg 5, with Dutch Chamber of Commerce number 807807928, is a private limited liability company under Dutch law, with 100% of its shares held by the HZPC Association (Vereniging HZPC).

The group's primary activities focus on the potato and encompass:

- research;
- breeding and growing varieties;
- (facilitating) growing, trading and distribution of seed and ware potatoes;
- enabling all other processes in a commercial, industrial and financial context;
- developing concepts

The associated growers deliver the potatoes they have grown to the company and receive a payment for this. The company sells the delivered potatoes grown by them and receives a commission. Most growers cultivate their crop within a pool mechanism. In addition, separate agreements are made with growers.

General accounting principles for the consolidated annual accounts

Financial reporting period

These annual accounts have been prepared for a reporting period of one year. The financial year of the company runs from 1 July up to and including 30 June of the following year.

Basis of preparation

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. The financial statements were prepared on 30 October 2025. The applied accounting policies are based on the historical cost convention.

Application of Section 402, Book 2 of the Netherlands Civil Code

The financial information of the company is included in the consolidated annual accounts. For this reason, in accordance with Section 402, Book 2 of the Netherlands Civil Code, the separate profit and loss account of the company exclusively states the share of the result of participating interests after tax and the general result after tax.

Going concern

The management team is constantly assessing the relevant information and risks in order to take the appropriate measures, if necessary. The management has learned, in recent years, that Royal HZPC Group B.V. is a very resilient company. We can weather the storms and keep pace with a market that is constantly changing. One of HZPC's biggest strengths is that we are not based on one continent but are a potato breeder and trading house operating on a global scale. Although instability is facing Europe and some of the Middle East, there are numerous opportunities in growth markets such as India, China and Africa. We are also expanding in America.

The financing that is available to us is enough to accommodate future, regular fluctuations and disruptions. The management team constantly monitors developments in turnover and costs in order to maintain an overview of liquidity developments. Analyses are also carried out on a regular basis so that additional measures can be taken in good time. On the basis of the management analyses, the current results and the company's financing position, the annual accounts have been drafted on the basis of an assumption of continuity. On the basis of the realised forecasts in September 2025, we expect to have sufficient financing until at least March 2028 and to be compliant with the bank's covenants.

The financing agreement runs until 6 March 2027 with an option of extending it twice by 1 year.

General valuation

The figures for 2023/2024 have been reclassified to enable comparability with 2024/2025, these reclassifications have no impact on the equity and result of the financial year. The following reclassifications apply to Royal HZPC Group B.V., the company balance sheet:

- Reclassification of current liabilities - debts to group companies (+ EUR 458,000)
- Reclassification of provisions - jubilee provision (- EUR 76,000)
- Reclassification of other liabilities - wages and salaries payable (- EUR 96,000)
- Reclassification of other liabilities - vacation days and holiday pay (- EUR 286,000)

An asset is recognised in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be reliably determined. A liability is recognised in the balance sheet when it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be determined with sufficient reliability.

Income is recognised in the profit and loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability has arisen, the size of which can be reliably determined. Expenses are recorded when a decrease in the economic potential related to a decrease in an asset or an increase of a liability has arisen, the size of which can be determined with sufficient reliability.

If a transaction results in a transfer of all or virtually all future economic benefits and all or virtually all risks relating to assets or liabilities to a third party, the asset or liability is no longer included in the balance sheet. Assets and liabilities are not included in the balance sheet from the date upon which economic benefits are not probable and/or cannot be determined with sufficient reliability.

Revenues and expenses are allocated to the period to which they relate. Revenues are recorded when the company has transferred the significant risks and rewards of ownership of the seed potatoes and ware potatoes to the buyer.

Licences are considered as income when third parties have exercised the right to use the company's assets.

The annual accounts are presented in euros, the company's functional currency. All financial information is rounded in euros to the nearest thousand unless otherwise indicated.

Use of estimates

The preparation of the annual accounts requires the management to form opinions and to make estimates and assumptions that influence the application of principles and the reported values of assets and liabilities and of income and expenditure. Actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are included in the period in which the estimate is revised and in future periods for which the revision has consequences.

The accounting policy on trade receivables and intangible assets (impairment) is, in the opinion of the management, the most critical for the purpose of presenting the financial position and requires estimates and assumptions. The customer credit risk related to trade receivables is a critical assumption and is dependent on the customer, the geographic region and economic circumstances.

Consolidation principles

The consolidated annual accounts include the financial data of the company and its group companies. Group companies are legal entities and companies in which dominant control is exercised. This will include financial instruments that carry potential voting rights if they have economic substance.

For an overview of the consolidated group companies, please refer to the Table of participating interests (page 70).

Newly acquired participating interests are included in the consolidation from the point in time at which a controlling interest can be exercised. Participating interests which have been disposed of are included in the consolidation up to the point in time when this interest ended. Joint ventures are not consolidated but valued at net asset value.

Notes to the consolidation method

The items in the consolidated financial statement are drawn up in accordance with uniform principles for valuation and determination of the result for the group.

In preparing the consolidated financial statements, intra-group debts, receivables and transactions are eliminated, as are the results realised within the group. If transactions occur with a non-consolidated participating interest, which does not qualify as a group company and which is valued in accordance with the equity method, the profit or loss which emanates from this transfer is processed pro rata on the basis of the relative interest that third parties have (proportional determination of results). A loss which emanates from the transfer of current assets or a particular reduction in value of fixed assets is processed completely.

The group companies are fully consolidated, with the minority interest of third parties presented separately. If the losses attributable to the minority interest of third parties exceed the minority interest in the consolidated company's equity, the difference, as well as any further losses, is charged in full to the majority shareholder. The share of third parties in the result is deducted separately as the last item in the consolidated profit and loss account from the group result.

Participating interests (direct and indirect) as of 30 June 2025

Royal HZPC Group B.V. in Joure, is the parent company of a group with the following participations:

HZPC SBA Europe B.V. with its participation:	
Consolidated:	**Interest:**
HZPC SBA Europe B.V. in Joure, the Netherlands	100%
HZPC Holland B.V., in Joure, the Netherlands	100%
ZOS B.V. in Leeuwarden, the Netherlands	100%
with its participation:	
ZOS WEHE B.V., in Wehe-den Hoorn, the Netherlands	100%
HZPC Belgium B.V., in Emmeloord, the Netherlands	100%
HZPC Deutschland GmbH, in Eydelstedt, Germany	100%
HZPC France SAS, in La Chapelle d'Armentieres, France	100%
HZPC Kantaperuna Oy, in Tyrnävä, Finland	100%
Patatas HZPC España S.L., in Torrent, Spain	100%
HZPC Portugal Lda, in Mira, Portugal	100%
HZPC UK Ltd., in Crowle Scunthorpe, United Kingdom	100%
with its participation:	
TLC Potatoes Ltd, in Banchory, United Kingdom	100%
HZPC Polska Sp. z o.o., in Poznan, Poland	100%
AO HZPC Sadokas, in Sint Petersburg, Russia	100%

HZPC SBDA B.V. with its participation:	
Consolidated:	**Interest:**
HZPC SBDA B.V. in Joure, the Netherlands	100%
HZPC Americas Corp., in Charlottetown, Canada	100%
HZPC América Latina S.A., in Buenos Aires, Argentina	100%
Inner Mongolia HZPC Potato Science and Technology development Co. Ltd., in Duolun, China	100%
HZPC Ltd, in Hongkong, China	100%
HZPC China Ltd, in Hongkong, China	100%
Non-consolidated:	
Mahindra HZPC Ltd., in Chandigarh, India	40,05%
Semillas SZ S.A., in Santiago, Chile	20%
La Flor Limitada S.A., in Santiago, Chile	20%

IPR B.V., in Joure, the Netherlands (consolidated)	100%

HZPC Research B.V., in Metslawier, the Netherlands (consolidated)	100%

STET Holland B.V. with its participation:	
Consolidated:	
STET Holland B.V., in Emmeloord, the Netherlands	100%
STET Potato UK Ltd., in Lincoln, United Kingdom	100%
STET France SARL, in Bapaume, France	100%
D.S.S. Opslag B.V., in Dronten, the Netherlands	100%

N.V. Breeders Trust, in Brussels, Belgium (non-consolidated)	**20,9%**

Royal HZPC Group B.V. has issued a liability statement in accordance with Article 2:403 of the Dutch Civil Code for IPR B.V.

Transactions in foreign currencies

Transactions denominated in foreign currency are converted into the relevant functional currency of the group companies at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currency are converted at the balance sheet date into the functional currency at the exchange rate prevailing on that date.

The fluctuations in currency exchange rates that occur during the conversion and processing are recorded in the period in which they occur with the exception of the fluctuations in exchange rates on monetary items that form part of the net investment in a foreign operation. Non-monetary assets and liabilities denominated in foreign currency that are stated at historical cost are converted into euros at the prevailing exchange rates on the transaction date. Fluctuations that occur in the foreign currency rates during conversion are recorded as expenditure in the profit and loss account.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are converted into euros at the prevailing exchange rates on the balance sheet date. Income and expenses of foreign operations are converted into euros at the exchange rate applying on the transaction date.

Currency translation differences are recognised in the translation differences reserve. On disposal of business operations abroad, the relevant cumulative amount of translation differences recognised in equity is recognised in the income statement as part of the result on disposal.

Development of most important foreign exchange currencies

The development of the foreign exchange rate of the most important currencies:

EUR 1 t.ov. Foreign currency	Rate 30-06-2025	Average exchange rate	Rate 30-06-2024
Canadian Dollar	1,60	1,52	1,47
British Pound	0,86	0,84	0,85
Polish Zloty	4,24	4,26	4,32
American Dollar	1,18	1,09	1,07
Russian Rubel	92,03	98,42	91,80

Financial instruments

Financial instruments include primary financial instruments such as receivables, securities and payables, as well as financial derivatives.

Financial assets and financial liabilities are recognised in the balance sheet when contractual rights or obligations arise in respect of that instrument. A financial instrument is derecognised if a transaction results in all or substantially all rights to economic benefits and all or substantially all risks relating to the position being transferred to a third party. Financial instruments (and individual components of financial instruments) are presented in the consolidated financial statements in accordance with the substance of the contractual terms. Presentation is made on the basis of individual components of financial instruments as financial assets, financial liabilities or equity.

Financial and non-financial contracts may contain arrangements that meet the definition of derivatives. Such an arrangement is separated from the primary contract and accounted for as a derivative if its economic characteristics and risks are not closely related to those of the primary contract, a separate

instrument with the same terms would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss.

Embedded financial instruments that are not separated from the host contract are accounted for in accordance with the host contract.

Derivatives separated from the host contract are measured, in accordance with the accounting policy for derivatives to which no cost price hedge accounting is applied, at cost or lower fair value.

Financial instruments are initially recognised at fair value, with (dis)premium and directly attributable transaction costs included in the initial recognition. However, if financial instruments are measured at fair value through profit or loss on subsequent measurement, directly attributable transaction costs are recognised directly in profit or loss on initial measurement.

After initial recognition, financial instruments are measured as described below.

Interest rate cap and hedge accounting

The company uses two interest rate caps to hedge the risk of an increase in interest paid on bank credit.

The company applies cost hedge accounting based on individual documentation per interest rate cap. The interest rate cap is valued at cost and amortised over the term of the interest rate cap against interest expense.

At each balance sheet date, it is determined whether ineffectiveness exists or has occurred. If and to the extent that the ineffectiveness results in a loss on a cumulative basis on the balance sheet date, the ineffectiveness is recognised under interest expense in the income statement.

Financial instruments held for trading

If the company has acquired or is contracted to acquire financial instruments for the purpose of selling the instrument in the short term, it forms part of the trading book and after initial recognition, is valued at fair value and changes in the fair value are recorded in the profit and loss account.

Loans granted and other receivables

Loans and other receivables are valued at amortised cost after initial recognition on the basis of the effective interest method, less impairment losses.

Current liabilities and other financial obligations

Long-term and current liabilities and other financial obligations are carried at amortised cost on the basis of the effective interest method.

The repayment obligations for the coming year with respect to long-term debts shall be included under short-term debts.

Impairment of financial assets

A financial asset or a group of financial assets, is assessed at each reporting date to determine whether there is objective evidence that the asset is impaired. A financial asset is deemed to be impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset that have had a negative impact on the estimated future cash flows of that asset, and which can be reliably estimated.

Objective evidence that financial assets are subject to impairment includes non-compliance with payment obligations or payment default by a debtor, restructuring of an amount payable to the company under conditions that otherwise would not have been considered by the company, indications that a debtor or issuer is approaching bankruptcy, or the disappearance of an active market for a security.

In addition, subjective and objective indicators of an impairment would be considered. Examples include the loss of active markets in the case of financial assets with a market listing, a reduction in the creditworthiness of the other party, i.e. the legal person or debtor of the issued instrument, or a reduction in the fair value of a financial asset to beneath the cost price or the amortised cost.

An impairment loss in respect of a financial asset valued at amortised cost is calculated as the difference between its book value and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recorded in the profit and loss account. Interest on a particular asset subject to impairment will continue to be accounted for via addition of interest from the asset with the original effective interest of the asset.

When, in a subsequent period, the amount of an impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the decrease in impairment loss is reversed through profit or loss (up to the amount of the original cost).

Offsetting financial instruments

A financial asset and a financial liability are offset when the entity has a legally enforceable right to set off the financial asset and financial liability and the company has the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously.

If there is a transfer of a financial asset that does not qualify for de-recognition in the balance sheet, the transferred asset and the associated liability are not offset.

Accounting principles for valuation assets and liabilities

Intangible fixed assets

The intangible fixed assets are valued against acquisition price or production price with reductions applied due to cumulative depreciations and impairment losses. The outlays following initial recording of an intangible fixed asset that has been purchased or produced are added to the acquisition or production price if it is probable that the outlays will lead to an increase in the future economic benefits and the outlays and the allocation to the asset can be reliably determined. If the conditions cannot be met, the outlays are recorded as costs in the profit and loss account.

Goodwill

Goodwill represents the excess of the cost of the acquisition over the company's interest in the net realisable value of the assets acquired (including transaction costs directly related to the acquisition) and the 'conditional' liabilities assumed at the transfer date, less cumulative amortisation and impairment losses.

Goodwill paid upon the acquisition of foreign group companies and subsidiaries is converted at the exchange rates on the date of the transaction. The capitalized goodwill is amortised on a linear basis over an estimated economic useful life of five years. Internally generated goodwill is not capitalised.

The amortisation rate for goodwill is 20%.

Development costs (software)

Development costs are capitalised to the extent that they relate to projects deemed commercially viable (software). The development of an intangible asset is deemed commercially viable if it is technically feasible to complete the asset, the company intends to complete the asset and then use it or sell it (including the availability of adequate technical, financial and other means of achieving this), the company has the ability to use or sell it actively, it is likely to generate future economic benefits and the expenditures during the development can be reliably determined.

The amortisation rate for development costs is 10.0% - 33.33%.

Development costs are valued at production cost, less accumulated amortisation and impairment losses. The manufacturing price mainly comprises the cost of hiring consultants and the employee's salary costs. The capitalised costs are depreciated after the completion of the development phase (actively ready for commissioning) over the estimated useful life, which is 3 to 7 years. Depreciation takes place according to the linear method. The costs for development and other costs for research have been fully charged to the result in the period in which they are incurred. For the part of the capitalised development costs not yet written off, a legal reserve is created.

Tangible fixed assets

Land and buildings, machines and other fixed operating assets are stated at cost, less accumulated depreciation and impairment losses. The cost consists of the price of acquisition or manufacture, plus other costs that are necessary to get the assets to their location and condition for their intended use The cost of self-constructed assets includes the purchase cost of materials and consumables and other costs that can be directly attributed to the manufacturing.

Investment subsidies are deducted from the cost price of the assets to which the subsidies relate.

Depreciation is calculated as a percentage of the purchase value in accordance with the linear method on the basis of the economic lifespan while taking residual value into account. Depreciation does not take place on land and assets in progress. Depreciation starts at the moment that an asset is available for the intended use and it ends at the time at which use is discontinued or its disposal.

The following depreciation percentages are applied:

Commercial buildings	4% - 20%
Machinery and equipment	10% - 33,3%
Other fixed assets	10% - 33,3%

Major maintenance costs are recognised in cost as soon as they arise and the capitalisation criteria are met. The carrying amount of the items to be replaced is then considered disinvested and charged to the income statement in a lump sum. All other maintenance costs are recognised directly in the income statement.

Participating interests with significant influence

Participating interests where significant influence is exercised over the business and financial policy are valued according to the equity method on the basis of net asset value. If valuation on the basis of the net asset value cannot take place as the information necessary for this cannot be obtained, the participation is valued according to the visible shareholders' equity.

In assessing whether the company has significant influence over the business and financial policies of a participating interest, all facts and circumstances and contractual relationships, including potential voting rights, are taken into account.

Participating interests where the company exercises joint control along with other participants, such as in joint ventures, are valued in the same way.

The net asset value is calculated on the basis of the company's accounting policies. If the participating legal entity transfers an asset or a liability to a participation that is valued according to the equity method, the profit or loss resulting from this transfer is recorded pro-rata on the basis of the relative interest that third parties have in the participations (proportional determination of results). A loss that results from the transfer of current assets or a particular reduction in value of fixed assets is recorded completely. Results on transactions involving transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests are eliminated to the extent that these cannot be regarded as having been realised.

Participations with a negative net asset value are valued at zero and a share in the profit of the participation in later years is only recorded if and to the extent that the cumulative share that has not been recorded is entered in the loss. However, if the company fully or partially guarantees the debts of the relevant participating interest, or it has the constructive obligation to enable the participating interest to pay its debts (for its share therein), then a provision is recognised accordingly to the amount of the estimated payments by the company on behalf of the participating interest. This provision is recognised primarily to the debit of the receivables on the respective participating interest and for the remainder, is presented under provisions.

Participating interests with no significant influence

Participations over which no meaningful control is exercised are valued on the basis of the acquisition price or lower recoverable value. If the situation involves a firm intention to sell, valuation occurs against the possible lower expected sale value. Results from transactions with and between associates valued at acquisition cost are recognised in full unless they are substantially unrealised. Dividends from participations which are valued on the basis of the acquisition price are recorded in the period in which they are declared as income from participations. Any profit or loss is recorded under financial income or expenses.

Other financial fixed assets

For the valuation of other financial fixed assets, reference is made to the principles under deferred taxes and financial instruments. Other securities are valued at amortised cost.

Impairment

For tangible and intangible fixed assets an assessment is made as of each balance sheet date as to whether there are indications that these assets are subject to impairment. If there are such indications, then the recoverable value of the asset is estimated. The recoverable value is the higher of the value in use and the net realisable value.

If it is not possible to determine the recoverable value of an individual asset, then the recoverable value of the cash flow generating unit to which the asset belongs is estimated.

If the book value of an asset (or a cash flow generating unit) is higher than the recoverable value, an impairment loss is recorded for the difference between the book value and the recoverable value. In the event of an impairment loss of a cash flow generating unit, the loss is first allocated to goodwill that has been allocated to the cash flow generating unit. Any remaining loss is allocated to the other assets of the unit in proportion to their carrying values.

In addition an assessment is made on each balance sheet date whether there is any indication that an impairment loss that was recorded in previous years has decreased. If there is such indication, then the recoverable value of the related asset (or cash flow generating unit) is estimated. Reversal of an impairment loss that was recorded in the past only takes place in the event of a change in the estimates used to determine the recoverable value since the recording of the last impairment loss. In such case, the book value of the asset (or cash flow generating unit) is increased up to the amount of the estimated recoverable value, but not higher than the carrying value that would have applied (after depreciation) if no impairment loss had been recorded in prior years for the asset (or cash flow generating unit).

An impairment loss for goodwill is not reversed in a subsequent period. Contrary to what is stated before, at each reporting date the recoverable amount is assessed for the following assets (irrespective of whether there is any indicator of an impairment):

- intangible assets that have not been put into use yet;
- intangible assets that are amortised over a useful life of more than 20 years (counting from the moment of initial operation/use).

The recovery of an exceptional devaluation loss for a cash flow generating unit must be attributed to the book value of the assets, i.e. not goodwill, on a pro rata basis, based on the book value of the unit's assets.

Losses are recorded in the profit and loss account. Interest on a particular asset subject to impairment will continue to be accounted for via addition of interest from the asset with the original effective interest of the asset.

Disposal of fixed assets

Fixed assets available for sale are stated at the lower of their book value and net realisable value.

Inventories

Inventories are valued at cost or lower realisable value. The cost price is made up of the acquisition price or production price with the addition of other costs connected with keeping the inventories at their present level and in their present condition. The realisable value is based on the most reliable estimate of the amount that the inventories are expected to yield.

Raw materials and consumables (packaging materials and components) are valued at the lower of cost price — determined in accordance with the first-in, first-out (FIFO) principle — and market value.

Inventories of finished product and mini-tubers which have been grown by the company itself, is valued at manufacturing price based on costs that are directly attributable to manufacturing. The main part of this is personnel expenses.

The valuation of stocks includes possible impairments that arise on the balance sheet date.

Receivables and securities

The accounting policies applied for the valuation of trade and other receivables and securities are described under the heading 'Financial instruments'. The valuation of all individually significant receivables is assessed on an individual basis whether there are objective indications of impairment. For individually immaterial receivables, this assessment is made on an individual basis.

Cash and cash equivalents

Cash and cash equivalents are valued on the basis of nominal value. If cash and cash equivalents are not freely available, this is taken into account during the valuation. Cash and cash equivalents in foreign currency are converted into the reporting currency on the balance sheet date at the exchange rate applying on that date. Reference is made to the pricing principles for foreign currency.

Shareholders' equity

Financial instruments that are designated as equity instruments by virtue of the economic reality are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity as part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the economic reality are presented under liabilities Interest, dividends, income and expenditure with respect to these financial instruments are recorded in the profit and loss as financial income or expense.

Provisions

A provision is recorded in the balance sheet if the following applies:

- a legally enforceable or constructive obligation, arising from a past event;
- whereby a reliable estimate can be made;
- it is probable that an outflow of resources will be required to settle the obligation.

If all or part of the payments that are necessary to settle a provision are likely to be fully or partially compensated by a third party upon settlement of the provision, then the compensation amount is presented separately as an asset.

Pension and jubilee provisions

A provision for pension and for long service is included for the obligations based on pension administration regulations or similar commitments. The long-service provision is the provision for future long-service awards. The provision is recognised for the present value of the future long-service awards, which is calculated on the basis of the commitments made, the likelihood of the staff concerned remaining with the company, and their age.

See also the accounting principles wages and salaries and note 11 to the consolidated balance sheet.

Provision for deferred payment

For the valuation and processing of the deferred tax provision, please refer to the separate section on taxes on profit or loss.

Current liabilities

The valuation of current liabilities is explained under the heading 'Financial instruments'.

Revenue recognition

If an agreement contains a significant financing component, the transaction price is adjusted for the time value of money. The interest rate used is the generally applicable interest rate for a comparable financing instrument with a comparable credit rating, or the interest rate that yields the current cash sale price of the goods or services. In agreements where the expected period between the transfer of the goods or services and payment is one year or less, the financing component is considered insignificant and is not recognised separately under financial income and expenses. In addition to the term, the level of the interest rate is a relevant factor in determining whether there is a significant financing component and, in the case of excessive rates, may lead to separate recognition under financial income and expenses.

Sales of seed potatoes and ware potatoes

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue from the sale of potatoes is processed in the profit and loss account when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the payment due is probable, the associated costs and possible return of the potatoes can be estimated reliably, and there is no continuing involvement with the potatoes.

The transfer of risks and benefits varies according to the conditions of the relevant sales contract.

Services

Revenue from the rendering of services is recorded in the net turnover at the fair value of the consideration received or receivable following deduction of concessions and reductions. These revenues are recorded in the profit and loss account when the revenue amount can be determined in a reliable manner, collection of the related compensation to be received is probable, the extent to which the services have been performed on the balance sheet date can be determined reliably, and the costs already incurred and (possibly) yet to be incurred to complete the service can be determined reliably.

Licenses

Licences are paid when third parties have exercised the right to use the company's assets, such as varieties developed by the company. If the group acts on behalf of varieties developed by third parties, the net operating income is included after the deduction of the payments to these third parties as the Company does not bear the customer credit risk on these licences. Turnover is recorded if the scope of the payment to be received can be reliably determined and the collection of it is probable.

Grants

Government grants are initially recorded in the balance sheet as deferred income when there is reasonable assurance that they will be received and there will be full compliance with the conditions associated with them. Grants that offset incurred costs are recorded as income in the profit and loss account on a systematic basis in the same period in which the costs are incurred. Government grants to offset the costs of an asset are deducted from the cost price of the asset and therefore systematically recorded in the profit and loss account over the useful life of the asset.

Costs of outsourced work and other external costs

This concerns costs that are directly attributable to net turnover such as cost of trade goods, services, transport, loading and packaging.

Personnel expenses

Personnel remuneration is recorded as an expense in the profit and loss account in the period in which the services are provided and, to the extent not already paid, recorded as a liability on the balance sheet. If the amounts already paid exceed the compensation payable, the excess is recorded as a current asset to the extent that there will be reimbursed by the staff or by set-off against future payments by the company.

An expected compensation due to profit sharing and bonus payments are recognized when the obligation to pay that fee has arisen can be made on or before the balance sheet date and a reliable estimate of the liabilities.

For rewards with building rights, profit sharing and bonuses of the projected costs are taken into account during the service. A liability is recorded on the balance sheet date.

The recognised obligation relates to the best estimate of the amounts required to settle the obligation at the balance sheet date. The best estimate is based on contractual agreements with employees (collective bargaining agreements and individual employment contracts). Additions to and releases of liabilities are charged or credited to the profit and loss account.

Dutch Pension scheme

The pension commitments are placed with a pension fund. The scheme is financed under the Dutch pension system via contributions to an industry pension fund.

The pension obligations are valued according to the 'obligation to the pension provider approach'. In this approach, the premium payable to the pension provider is accounted for as a liability in the profit and loss account. Based on the implementation agreement, it is assessed whether and, if so, what obligations exist in addition to the payment of the annual pension payable to the pension provider on the balance sheet date.

These additional obligations, including any obligations arising from the pension provider's recovery plans, result in charges for the group and are recorded in the balance sheet in a provision. The recorded liability relates to the best estimate of the amounts required to settle it by the balance sheet date. If the effect of the time value of money is material, the liability is valued at the present value. Discounting takes place on the basis of interest rates of high-quality corporate bonds. Additions to, and releases of, liabilities are charged or credited to the profit and loss account. At the end of the financial year 2024/2025 there were no pension claims and no liabilities for the group in addition to the payment of the annual pension payable to the pension provider.

The accrual of pension entitlements is always financed by means of (as a minimum) cost-cutting premium payments in the relevant calendar year. The pension scheme is a middleman scheme for both active and inactive participants (deferred pensioners and pensioners) — conditional supplement. The supplement depends on the investment return.

The annual pension entitlement accrual is 1.788% (2024: 1.788%) of the pensionable salary based on gross salary minus a EUR 16.655 deductible (2024: EUR 15.816). The pensionable salary is capped at EUR 75.864 (2024: EUR 71.628).

The annual contribution payable by the employer is 100% of pensionable salary. The amount of the contribution is determined annually by the board of the industry pension fund on the basis of the coverage ratio and expected returns.

The coverage ratio of the relevant industry pension fund as of June 30, 2025, according to the fund's statement, is 125,8%. Based on the implementing regulations, in the event of a deficit in the fund, the group has no obligation to pay additional contributions other than through higher future contributions.

In addition to the basic pension plan, there is also a surplus pension plan based on a defined contribution plan.

Foreign pension plans

Pension plans that are comparable in design and functioning to the Dutch pension system, having a strict segregation of the responsibilities of the parties involved and risk sharing between the said parties (company, fund and members), are recorded and measured in accordance with Dutch pension plans (see previous section). For these foreign schemes a best estimate of the existing pension liability is made as of the balance sheet date. This estimate is mainly based on annual salary and seniority of employees. This commitment should then be stated on the basis of an actuarial valuation principle generally accepted in the Netherlands.

Leasing

The Company may enter into financial and operating leases. A lease contract where the risks and rewards associated with ownership of the leased property are transferred substantially or wholly to the lessee, is referred to as a financial lease. All other lease contracts are classified as operational leases.

In classifying leases, the economic reality of the transaction is decisive rather than its legal form. If the Company acts as lessee in an operating lease, then the leased property is not capitalised. Lease payments regarding operating leases are charged to the profit and loss account on a linear basis over the lease period.

The company only has operational lease agreements.

Interest income and charges

Interest income is recorded in the profit and loss account on an accrual basis, using the effective interest rate method. Interest charges and similar charges are accounted for in the period to which they refer.

Corporate income tax

Corporate income taxes include the tax on profit and deferred tax due and payable for the reporting period. Corporate income tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax comprises the expected tax payable or receivable on the taxable profit or loss for the financial year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to the tax payable in respect of previous years.

If the carrying values of assets and liabilities for financial reporting purposes differ from their values for tax purposes, this results in temporary differences. A provision for deferred tax liabilities is recognised for taxable temporary differences.

For deductible temporary differences, unused loss carry forwards and unused tax credits, a deferred tax asset is recognised, but only in so far as it is probable that taxable profits will be available in the future for offset or compensation. Deferred tax assets are reviewed on each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised. For taxable temporary differences related to group companies, foreign branches, associates and interests in joint ventures, a deferred tax asset is recognised unless the company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

For deductible temporary differences regarding group companies, foreign branches, associates and interests in joint ventures, a deferred tax asset is only recognised in so far as it is probable that the temporary difference will reverse in the foreseeable future and that taxable profit will be available to offset the temporary difference. The measurement of deferred tax liabilities and deferred tax assets is based on the tax consequences following from the manner in which the company expects, at the balance sheet date, to realise or settle its assets, provisions, debts and accrued liabilities. Deferred tax assets and liabilities are stated at nominal value.

Share in result of participating interests

The share in the result of participating interests consists of the share of the group in the results of these participating interests, determined on the basis of the accounting principles of the group. Gains or losses on transactions involving the transfer of assets and liabilities between the company and its non-consolidated participating interests or between non-consolidated participating interests themselves have not been recorded to the extent that they cannot be regarded as realised. The results of participating interests acquired or sold during the financial year are recorded in the group result from the date of acquisition or until the date of sale respectively.

Cash flow statement

The cash flow statement has been prepared on the basis of the indirect method. Cash flows in foreign currencies have been converted to euros using the weighted average conversion rates for the relevant periods.

The cash in the cash flow statement consists of the cash and cash equivalents and investments that can be converted into cash without restrictions and without material risk of impairment as a result of the transaction.

Cash flows in foreign currencies have been converted at an estimated weighted average exchange rate for the reporting period/the exchange rate on the date on which the transactions took place. Currency exchange differences are shown separately in the cash flow statement.

Interest income and expenses, dividends received and income taxes are included in the cash flow from operating activities. Dividends paid are included in the cash flow from financing activities.

The acquisition price of the acquired group company is included in the cash flow from investing activities, insofar as payment has been made in cash. The cash available in the acquired group company has been deducted from the purchase price.

Transactions in which no exchange of cash takes place, including financial leases, are not included in the cash flow statement. The payment of the lease installments under the finance lease contract has been classified as an expense from financing activities for the part relating to the redemption and as an expense from operating activities for the part relating to the interest.

Cash flows from financial derivatives that are accounted for as fair value hedges or cash flow hedges are classified in the same category as the cash flows from the hedged balance sheet items. Cash flows from financial derivatives where hedge accounting is no longer applied are classified consistently with the nature of the instrument, from the date on which hedge accounting is discontinued.

Related parties

Transactions with related parties will be explained if they are not entered into under normal market conditions. The nature and scope of the transaction and other information will be provided for these transactions in order to provide further insights.

Events after the balance sheet date

Events that provide further information about the actual situation as at the balance sheet date and that become apparent up to the date of preparation of the annual accounts are included in the annual accounts. Events that do not provide further information about the actual situation at the balance sheet date are not included in the annual accounts. If such events are important for the judgement of the users of the annual accounts, the nature and estimated financial consequences thereof are explained in the annual accounts.

08.5 Notes to the consolidated balance sheet

1. Intangible fixed assets

The composition and movement for intangible fixed assets for the year 2024/2025 is as follows:

	Research and development costs	Goodwill	Intangible fixed assets under construction	Total 2024/2025
Purchase value	2.868	6.946	9.588	19.402
Cumulative depreciation	-2.864	-6.787	0	-9.651
Book value as per 1 July	**4**	**159**	**9.588**	**9.751**
Investments	68	0	2.622	2.690
Commissioning	9.588	0	-9.588	0
Impairment	-333	0	0	-333
Exchange differences	10	1	0	11
Reclassification	34	-2	0	32
Disposals	2	-1.086	0	-1.084
Depreciation disposals	-2	1.086	0	1.084
Depreciation	-975	-40	0	-1.015
Movements	**-909**	**-41**	**-6.966**	**1.385**
Purchase value	12.560	5.858	2.622	21.040
Cumulative depreciation	-4.164	-5.740	0	-9.904
Book value as per 30 June	**8.396**	**118**	**2.622**	**11.136**

The change in the acquisition value of divestments and depreciation of divestments in 'goodwill' relates to goodwill paid in the past, which has already been fully depreciated, and is recorded in the financial statements for the purpose of ensuring the accuracy of the cumulative acquisition value and cumulative depreciation as of the end of the fiscal year.

Investment in 'intangible fixed assets in progress' relates to the development of a new ERP system. The research phase was completed on 1 July 2022. The development phase started on 1 July 2023 has been extended by 1 year and is expected to continue until June 2026. A specific project organisation was set up for this development and an integration partner and other parties were contracted on a multi-year basis to successfully complete the program. Based on the current estimate, we expect total expenditure on this program to be EUR 21.6 million.

Inherent to the size and complexity of this development program, there is a risk that the development will take longer than planned and/or the costs will deviate from the estimate. In the last financial year, there was a backlog compared to the original program schedule. The accumulated backlog led to the postponement of the planned phased commissioning by 1 year. The scope of the program is unchanged.

In July 2024, the first part of the new ERP system, worth EUR 9.6 million, was put into operation. At the same time, further "building blocks" are being developed, which will be put into use in subsequent "releases". Operationally, this means that two HZPC companies will have put the new ERP system into use in 2024 and that companies will be transferred annually.

Depreciation commenced in the 2024 financial year, with an estimated economic life of 10 years. When estimating the economic lifespan, the factors considered included the speed of technical developments, the duration of contracts with software suppliers and the time required to develop a new ERP system.

An impairment test was carried out on the commissioned ERP system components during the financial year. This resulted in an impairment on components that are not being used or will not be used.

An amount of EUR 2.6 million has been included in the investments for the development of the ERP system.

2. Tangible fixed assets

The composition and movement for tangible fixed assets for the year 2024/2025 is as follows:

	Company buildings and land	Plant and equipment	Other fixed operating assets	Operating assets under construction	Assets not used for business operations	Total 2024/2025
Purchase value (pv)	47.882	22.021	3.412	3	0	73.315
Cumulative depreciation (cd)	-26.645	-17.131	-2.613	0	0	-46.389
Book value as per 1 July	**21.237**	**4.890**	**799**	**3**	**0**	**26.926**
Investments	283	435	592	1.191	0	2.501
Commissioning	24	330	0	-354	0	0
Investment subsidies	0	-181	0	0	0	-181
Disposals (pv)	-22	450	-644	0	0	-216
Depreciation disposals (cd)	11	-468	533	0	0	76
Decommissioning (pv)	-3.077	-428	0	0	3.505	0
Decommissioning (cd)	2.395	369	0	0	-2.764	0
Reclassification and exchange differences (pv)	1.053	-1.009	357	0	0	401
Reclassification and exchange differences (cd)	-640	203	-7	0	0	-444
Depreciation	-952	-839	-504	0	0	-2.295
Movements	**-925**	**-1.138**	**327**	**837**	**741**	**-158**
Purchase value	46.143	21.799	3.717	840	3.505	76.004
Cumulative depreciation	-25.831	-18.047	-2.591	0	-2.764	-49.233
Book value as per 30 June	**20.312**	**3.752**	**1.126**	**840**	**741**	**26.771**

3. Financial fixed assets

The composition and movement of financial fixed assets for the year 2024/2025 is as follows:

	Participating interests	Other securities	Deferred tax assets	Other receivables	Total 2024/2025
Book value as per 1 July	**2.482**	**24**	**2.137**	**1397**	**6.040**
Investments/increase	756	0	0	0	756
Results from participating interests	2	0	0	1	3
Dividend received	-82	0	0	0	-82
Exchange rate flucuations	-239	0	10	0	-229
Divestments	436	0	0	0	436
Netting loans-shares	-436	0	0	436	0
Repayments	0	0	0	-448	-448
Depreciations	0	0	0	-367	-367
Other mutations	0	0	401	0	401
Movements	**437**	**0**	**411**	**-378**	**470**
Book value as per 30 June	**2.919**	**24**	**2.548**	**1.019**	**6.510**

Participating interests

These are participating interests that are not consolidated due to minority interests.

The Fries4All B.V. holding has been sold. The loans granted have been repaid and the interest due has been received. The book result has been recognised in the profit and loss account under "result participations".

For a summary of the consolidated group companies, refer to the Table of participations (page 70).

Other securities

Other securities refers to securities that are intended to be held long-term. The market value of the different classes of other securities approximates the carrying value of EUR 24 thousand.

Deferred taxes

This item relates largely to Dutch fiscal entities. Deferred tax assets relate to deductible temporary differences on tangible fixed assets and the provision for bad debts. Outside the Netherlands, this item is limited in scope and consists of two deductible losses.

Of these assets, a limited amount is expected to be realised within one year.

Other receivables

This post includes two interest rate caps to hedge the interest rate risk on working capital financing. The first cap runs until May 2028, has a nominal amount of EUR 15 million, a cap rate of 2%, a present value at 30 June 2025 of EUR 83 thousand and a book value of EUR 104 thousand. The second cap runs until March 2033, has a nominal amount of EUR 15 million, a cap rate of 5%, a present value at 30 June 2025 of EUR 109 thousand and a book value of EUR 388 thousand.

This post also includes capitalized financing costs of the new credit financing which are amortized over 36 months.

Finally, this item includes guarantees provided to suppliers.

4. Inventories

	30-Jun-25	30-Jun-24
Packaging	1.210	1.380
Finished products	1.137	833
Prepayments on stock	288	287
	2.635	**2.500**

The stock of finished products mainly consists of self-developed mini-tubers which will be used again next season. No provision for obsolescence is required.

Trade and other receivables

5. Trade receivables

	30-Jun-25	30-Jun-24
Amortized cost of outstanding receivables	59.966	49.516
Less: Allowance for doubtful debts	-8.373	-6.694
	51.593	**42.822**

The nominal value of trade receivables is EUR 60.687 thousand. The trade receivables does not include an amount with a remaining term of more than 1 year which are not unforeseen.

6. Taxes, contributions and social insurances

	30-Jun-25	30-Jun-24
Sales tax	19.827	6.840
Corporate income tax	720	487
Other taxes and premiums	7	10
	20.554	**7.337**

7. Other receivables and accrued assets

	30-Jun-25	30-Jun-24
Licences to be claimed	7.366	6.730
Prepaid expenses	2.308	2.726
Turnover to be invoiced	175	112
Government grants	497	1.051
Receivable on growers	0	10
Operating result pool	665	653
Other amounts	816	363
	11.827	**11.645**

The item 'operating result pool' concerns the receivable HZPC Holland B.V. have on their growers and is the difference between the direct costs of the seed potatoes grown in pool and the income received in return. The differences are added to the exploitation of the pool in the next financial year.

The other receivables and accrued income contain no amounts with a term longer than 1 year.

8. Cash and cash equivalents

	30-Jun-25	30-Jun-24
Cash	0	0
Bank account current	16.818	15.444
	16.818	**15.444**

The full balance is available immediately. No bank guarantees have been issued.

9. Group equity

For an explanation of the group equity, refer to the notes on equity in the company financial statement. The share of third parties in the group equity is nil.

10. Provisions

The composition and the movement of the provisions in the 2024/2025 financial year are as follows:

	Provision pensions	Provision deferred tax	Provision jubilee	Total
Book value as per 1 July	**229**	**0**	**466**	**695**
Addition	33	87	27	147
Withdrawal	-59	0	-61	-120
Book value as per 30 june	**203**	**87**	**432**	**722**

Provision pensions

The full amount of the pension provision is long-term. The pension provision relates to employees abroad. They have plans that are not comparable to the way in which the Dutch pension system is organised and functions. For these foreign schemes a best estimate of the existing pension liability is made as of the balance sheet date.

Provision deferred taxes

The provision for deferred taxes consists of deductible temporary differences arising from tangible fixed assets in entities outside the Netherlands. Of these amounts, a limited amount is expected to be deductible within one year.

Provision jubilee

The provision jubilee is calculated on the basis of a 4% discount rate and taking the expected turnover in personnel into account. Of the amount, EUR 49 thousand has a term of less than 1 year and EUR 259 thousand has a term of more than 5 years.

Current liabilities

11. Debts to credit institutions

Credit facility

The company entered into a new financing agreement as per 6 March 2024. Participating banks and their proportionate participation are ING Bank N.V. (EUR 40 million), Commerzbank A.G. (EUR 30 million) and Credit Industriel et Commercial (EUR 20 million). ING Bank N.V. is acting as agent.

The financing agreement consists of a revolving current account facility of EUR 30 million and a seasonal facility of EUR 60 million. The seasonal facility is available from 1 October to 31 July. The interest rate is 1-month Euribor plus 1.3%. The financing agreement was concluded for the duration of 3 years with an option to extend twice for 1 year.

The EUR 90 million will help support existing operations and investments for the future. With respect to the agreement, the following collaterals have been provided in the form of:

First mortgage on the property and a first right of distraint (pledge of accounts receivable) of IPR B.V., HZPC Research B.V., Royal HZPC Group B.V., HZPC Holland B.V., HZPC SBDA B.V., HZPC SBA Europe B.V., ZOS B.V. and STET Holland B.V.

Covenants

Attached to the agreement are the following covenants and cover ratios at Royal HZPC Group B.V. level:

- Solvency ratio 37,5%
- Leverage ratio <4
- Minimum EBITDA of EUR 10 million
- Assets Cover 70%
- Turnover Cover 70%
- EBITDA Cover 70%

Royal HZPC Group B.V. has agreed with its banks on the following definitions of the covenants:
Solvency ratio: Adjusted equity / adjusted total assets
Asset cover: Assets of selected companies / consolidated assets
Revenue cover: Revenue of selected companies / consolidated revenue
EBITDA cover: EBITDA of selected companies / consolidated EBITDA
Leverage ratio: Net Debt of selected companies / consolidated EBITDA

The measurement date is June 30 of the financial year.

	Solvency ratio	Leverage ratio	Assets Cover	Turnover Cover	EBITDA Cover
For the term	> 37,5%	<4	> 70%	> 70%	> 70%
30-Jun-2025	**38,7%**	**0,8**	**78%**	**87%**	**91%**
30-Jun-2024	43,0%	1,7	74%	80%	81%

12. Taxes, premiums, and social security contributions

	30-Jun-25	30-Jun-24
Corporate income tax to be paid	4.278	943
Corporate sales tax to be paid	539	511
Payroll tax and social insurances	985	1.545
Other taxes and premiums	166	190
	5.968	**3.189**

Other tax and contributions and social security items contain no amounts with a term longer than one year.

13. Other debts and accrued liabilities

	30-Jun-25	30-Jun-24
Licenses to be paid	725	1.384
Wages and salaries to be paid	2.501	1.514
Pension contributions	768	739
Holiday allowances	2.628	2.133
Product-related costs	3.969	4.397
Grants (in advance)	311	0
Growers	0	159
Operating result pool	441	153
Other amounts	2.872	2.902
	14.215	**13.381**

The item 'operating result pool' concerns the payable STET Holland B.V. have on their growers and is the difference between the direct costs of the seed potatoes grown in pool and the income received in return. The differences are added to the exploitation of the pool in the next financial year.

Other debts and accrued liabilities contain no amounts with a term longer than 1 year.

Financial instruments

In the normal course of business, the company uses financial instruments that expose the company to market, currency, interest rate, credit and liquidity risks. To manage these risks, the company has developed a policy, including the establishment of a system of credit limits and procedures to reduce the risks of unpredictable adverse developments in financial markets and thus the financial performance of the company.

Credit risk

The company incurs credit risk on loans and receivables recorded under financial fixed assets, trade and other receivables and cash. The maximum credit risk facing the company amounted to EUR 107 million.

Exposure to credit risk of the company is primarily determined by the individual characteristics of each customer. In addition, management also considers the demographics of the customer base, including the default risk of the country in which customers operate, as these factors, particularly in the current deteriorating economic conditions, have an influence on the credit risk.

Due to the unrest in the Middle East, the credit risk in this region is high. The company has taken the following measures to limit credit risk:

- Safeguards measures such as advance payments, Letters of Credit and bank guarantees are used regularly;
- Credit limits are actively monitored throughout the season;
- New deliveries for the new season are rarely permitted until debts from the previous season have been paid.

Currency risk

As a result of its international activities, arising from receivables and debts recorded in the balance sheet, net investments in foreign companies and future transactions, the company is exposed to a currency risk in relation to the Russian Rouble, US Dollars, and Canadian Dollars in particular.

On 30 June 2025 the net exposure was converted into EUR at the spot rate on the balance sheet date as follows:

x 1.000	ASSETS Local Currency	Rate VV/€	ASSETS in €	LIABILITIES Local Currency	LIABILITIES in €
USD	325	1,18	276	101	86
GBP	7.223	0,86	8.440	5.330	6.228
PLN	19.542	4,24	4.613	15.003	3.542
CAD	6.865	1,60	4.282	6.757	4.215
ARS	1.681.421	1.392,57	1.207	1.000.915	719
RUB	458.732	92,03	4.985	84.059	913
CNY	2.505	7,84	319	3.233	412
Totaal			**24.122**		**16.114**

The company policy is to not take positions to hedge future cash flows or the debts and/or receivables on the balance sheet.

Liquidity risk

The company monitors its liquidity position by means of successive liquidity budgets. Management ensures that sufficient liquidity is available to meet the obligations. The company runs liquidity risks with respect to the interest on the credit facility. Two interest rate caps have been implemented to cover the interest rate risk on the credit facility. The conditions of hedge accounting are fulfilled, whereby the hedge relationship is processed in accordance with the rules of cost price hedge accounting.

The company ensures that there is adequate available credit to cover the expected operational costs, including fulfilling the financial obligations. This takes no account of any effects from extreme conditions that could not reasonably have been foreseen, such as natural disasters. The company also has the following credit facilities:

- Ongoing facility of EUR 30 million. The interest payable is 1-month Euribor + 1.3%.
- Seasonal facility of EUR 60 million from 1 October to 30 June of the following year. The interest payable is 1-month Euribor + 1.3%.

Interest risk

The company runs interest rate risk on the interest-bearing receivables and debts. A variable interest rate agreement has been agreed on both these receivables and debts, as a result of which the company runs a risk with regard to future cash flows. In order to limit the interest risk on the credit facility, two interest rate

caps have been agreed as a mitigating measure.

If the rate were to rise by 1% as of 30 June, with all other variables staying constant, the interest payable on an annual basis would increase by around EUR 71 thousand.

To cover the interest rate risk, a rate cap of 2% on EUR 15 million has been concluded; this runs until 2028 and a second rate cap of 5% on EUR 15 million runs until April 2033.

Off-balance sheet assets and liabilities

Overall liabilities amount to EUR 5.9 million. These include:

- Operating lease commitments and rentals for an amount of EUR 4.7 million. Of this amount, EUR 2.3 million has a term of less than 1 year. The remainder is an obligation for less than five years. The profit and loss account for financial year 2024-2025 includes EUR 4.3 million for lease and rental costs.
- The investment commitment under the implementation of an ERP system equates to an amount of EUR 0.5 million. This amount has a full term of less than 1 year.
- The investment commitments under property, plant, and equipment amount to EUR 0.7 million. This amount has a full term of less than 1 year.
- Royal HZPC Group B.V. received a positive ruling on an international arbitration case on IP rights in China in 2021/2022. The other party was ordered to pay a significant amount of damages. The ruling is yet to be confirmed by court in China. The other party has also filed a claim for damages, which is still pending before the court. For this reason, it has not yet been recognised as a receivable and liability in the annual accounts. Although the outcome of these disputes cannot be predicted with certainty, it is assumed — partly on the basis of legal advice received — that it will not have any significant adverse or positive impact on the consolidated position.
- HZPC operates in various countries, including some with an increased risk of non-compliance with sanctions legislation, fraud and corruption regulations, and anti-money laundering laws. This brings complexity due to the differing and constantly changing (inter)national laws and regulations. As a result, there is a risk that certain transactions and/or payments may unintentionally violate relevant sanctions or anti-money laundering legislation. HZPC has implemented policies and control measures aimed at ensuring that activities are conducted in compliance with applicable sanctions legislation. Compliance is an integral part of our governance and risk management structure and includes, among other things, due diligence processes, internal guidelines, and employee training. However, the inherent risk exists that HZPC may not always have direct control or oversight over all transactions and business relationships, particularly in international contexts. HZPC's internal risk management and control systems are designed to minimize these risks as much as possible. This is guided by a corporate culture in which integrity and compliance are central. Despite these efforts, the complete elimination of compliance risks cannot be guaranteed. Any violation of relevant laws and regulations may have adverse effects on HZPC's operational performance, financial results, cash flows, and reputation. HZPC therefore continues to focus on timely identifying risks, strengthening internal control measures, and promoting a strong compliance culture.

08.6 Notes to the consolidated profit and loss statement

14. Net revenue

Net revenue can be specified as follows in accordance with important yield categories:

	2024/2025	2023/2024
Seed potatoes	477.341	367.666
Licenses	30.541	25.381
Ware potatoes	15.292	23.899
Services	1.551	1.480
Other	447	1.450
	525.172	**419.876**

The following overview is provided for the net revenue/percentage spread over the sales areas:

	2024/2025		2023/2024	
	EUR	%	EUR	%
The Netherlands	78.751	15	85.845	20
Other E.U. countries	240.036	46	181.629	43
Other European countries	48.739	9	35.114	8
Outside Europe	157.646	30	117.288	28
	525.172	**100**	**419.876**	**100**

15. Other operating income

Other income includes revenue from sales of other products and services, grant income and realized results on property sales.

16. Personnel expenses

	2024/2025	2023/2024
Personnel expenses	27.195	24.489
Social security costs	4.906	4.363
Pension costs	3.736	3.234
	35.837	**32.086**

For the Dutch employees of HZPC Holland B.V. and ZOS, personnel costs include the provision of HZPC share certificates.

Number of employees

During the financial year, the average number of employees at Royal HZPC Group B.V. and its subsidiaries was 404 FTE, of which 286 FTE are employed in the Netherlands (previous financial year 389 FTE, of which 272 FTE were employed in the Netherlands).

Specification number of FTE's

	2024/2025	2023/2024
Management, administration and IT	99	94
Commerce and communication	80	84
Purchasing and logistic planning	107	111
Storage, grading and transport	26	24
Research	92	76
	404	**389**

17. Other operating expenses

	2024/2025	2023/2024
Sales costs	7.427	7.690
Office costs	4.933	3.842
Staff relates costs	9.487	6.751
Repair and maintenance	3.028	2.407
Other costs	8.972	6.719
	33.847	**27.409**

The cost of sales includes EUR 1.5 million (2023/2024 EUR 1.4 million) for Connecting Growers. Other costs consist of taxes, insurance, energy and various costs for the purpose of Research & Development.

18. Interest receivable and similar income

	2024/2025	2023/2024
Received interest debtors	24	256
Received interest R/C	175	266
Received interest interestcaps	137	189
	336	**711**

There is no question of a significant financing instrument in agreements. Therefore, it is not presented separately under interest income. The definition is further explained in the accounting principles of the financial statements. For the sake of comparability, both years have been presented in the same way (in the 2023/2024 financial statements, approximately €5 million was recognized under interest income).

19. Interest payable and similar charges

	2024/2025	2023/2024
Disconto	267	203
Interest R/C	1.474	2.908
Currency and payment differences	1.108	575
Other interest	293	832
	3.142	**4.518**

20. Corporate income tax

	2024/2025	2023/2024
Applicable tax rate in The Netherlands	25,8%	25,8%
Foreign effect	-0,3%	1,5%
Non-deductible amounts	2,7%	9,1%
Other	0,2%	-0,8%
Effective pressure	**28,4%**	**35,6%**

The company forms a fiscal unit for corporation tax together with HZPC Holland B.V., STET Holland B.V., HZPC Belgium B.V., ZOS B.V., ZOS WEHE B.V., HZPC SBDA B.V., HZPC SBA Europe B.V., HZPC Research B.V. and IPR B.V. The corporate income tax is included in each of the companies for the part that the company concerned would be due at a nominal rate, not taking into account any tax facilities applicable for the company.

The effective tax rate is 29.3% (2023/2024: 35.6%). For the Dutch companies, an effective rate of 34.7% applies.

For the foreign companies, an average tax rate of 26.0% applies (2023/2024: 28.8%), which is influenced by a lower normative tax burden in certain countries.

Other explanatory notes

Transaction with related parties

Transactions with related parties occur when a relationship exists between the company, its participating interests and their managers and directors. This includes the relationships between the company and its participating interests, the shareholders, the directors and key management personnel. Other transactions are to be understood as a transfer of resources, services or obligations, regardless of whether a sum is charged.

There were no transactions with related parties that were not on a commercial basis.

Auditor's fees

The following fees were charged by the auditors to the company, its subsidiaries and other consolidated companies, as referred to in Section 2:382a (1) and (2) of the Netherlands Civil Code. EY Accountants B.V. (former: Ernst & Young Accountants LLP) is responsible for the audit of the Royal HZPC Group B.V. annual accounts. Auditor's fees have been recognised based on the agreed fee. Subsequent costs are processed at the time of invoicing.

	2024/2025	2023/2024
Expenses in the year:		
Audit of the financial statements, the Netherlands (EY Accountants B.V.)	436	511
Other non-audit services (EY Accountants B.V.)	43	0
Other non-audit services (EY Expertises & Transactions SAS)	0	92
Auditor's fees	**479**	**603**

Remuneration of managing and supervisory directors

Refer to the notes to the separate company financial statement on page 108.

Subsequent events to the consolidated financial statements

The holdings HZPC Ltd and HZPC China Ltd are in liquidation. Completion is expected in 2026 without financial consequences.

Potato breeder and seed potato trading company Royal HZPC announced on October 2, 2025, its intended acquisition of IPM Potato Group, a leading seed potato breeder and exporter based in Ireland. For this purpose, financing was expanded as of October 2025. The intended acquisition is expected to make a positive contribution in the coming years.

08.7 Company balance sheet

Company balance sheet as of 30 June (after profit appropriation)

Assets

(in EUR x 1.000)	Notes		30-Jun-25		30-Jun-24
FIXED ASSETS					
Intangible fixed assets	**21**				
Research and developments costs		8.297		0	
Intangible fixed assets under construction		2.622		9.588	
			10.919		**9.588**
Tangible fixed assets	**22**				
Company buildings and land		15.600		16.094	
Other fixed assets		271		231	
Operating assets under construction		157		0	
			16.028		**16.325**
Financial fixed assets	**23**				
Participating interests in group companies		23.906		70.355	
Accounts receivables from group companies		0		1.664	
Other participating interests		7		8	
Other securities		25		24	
Deferred tax assets		2.368		2.020	
Other receivables		952		1.319	
			27.258		**75.390**
TOTAL FIXED ASSETS			**54.205**		**101.303**
CURRENT ASSETS					
Receivables					
Group companies		78.053		16.818	
Trade debtors		6		8	
Taxes and premiums		815		624	
Other receivables and accrued assets	**24**	503		491	
			79.377		**17.941**
Cash and cash equivalents			**691**		**2.048**
TOTAL CURRENT ASSETS			**80.068**		**19.989**
TOTAL ASSETS			**134.273**		**121.292**

Liabilities

(in EUR x 1.000)	Notes		30-Jun-25		30-Jun-24
Shareholders' equity	**25**				
Issued capital		15.675		15.675	
Share premium reserve		1.433		1.433	
Legal reserves for participating interests		2.894		2.460	
Legal reserve for development costs		10.961		9.593	
Foreign currency translation reserve		-2.086		-1.758	
Other reserves		32.586		27.298	
			61.463		**54.701**
Provisions	**26**		**17**		**31**
Current liabilities					
Debts to group companies		18.048		29.464	
Debts to suppliers		906		443	
Payables to participating interests and companies in which there is a participation		318		306	
Dividend to be paid		8.543		4.075	
Debts to credit institutions		40.000		30.000	
Taxes and premiums	**27**	3.216		433	
Other debts and accrued liabilities	**28**	1.762		1.839	
			72.793		**66.560**
TOTAL LIABILITIES			**134.273**		**121.292**

08.8 Company profit and loss statement for the period 1 July 2024 to 30 June 2025

(in EUR x 1.000)	Notes	2024/2025	2023/2024
Share in result of participating interests after tax	29	13.128	11.304
Other result after tax	30	2.505	-6.646
Net result		**15.633**	**4.658**

08.9 Notes to the company financial statements

General

The company financial statements are part of the 2024/2025 financial statements of the company. With regard to the company profit and loss account, the exemption pursuant to Article 2:402 of the Dutch Civil Code has been used.

In so far as no further explanation is provided of items in the separate company balance sheet and the separate company profit and loss account, please refer to the notes to the consolidated balance sheet and profit and loss account.

Principles for the valuation of assets and liabilities and the general determination of the result

The principles for the valuation of assets and liabilities and the determination of the result are the same as those applied to the consolidated balance sheet and profit and loss account, with the exception of the principles stated below.

Participating interests in group companies

Participating interests in group companies are accounted for in the company financial statements according to the equity accounting method on the basis of net asset value. For details we refer to the accounting policy for financial fixed assets in the consolidated financial statements.

Provision for participating interests

The provision is formed for the amount of the expected payments for the account of the company on behalf of the participating interests. Valuation of the provision is made at present value, if the effect of time value is material.

Result of participating interests

The share in the result of companies in which a participation is taken concerns the company's share in the results of these participating interests. In so far as gains or losses on transactions involving the transfer of assets and liabilities between the company and its participating interests or between participating interests themselves can be considered unrealised, they have not been recorded.

08.10 Notes to the company balance sheet

21. Intangible assets

The composition and movement of intangible fixed assets in the financial year 2024/2025 were as follows:

	Research and development costs	Intangible fixed assets under construction	Total 2024/2025
Purchase value	1.139	9.588	10.727
Cumulative depreciation	-1.139	0	-1.139
Book value as per 1 July	**0**	**9.588**	**9.588**
Investments	0	2.622	2.622
Commissioning	9.588	-9.588	0
Impairment	-333	0	-333
Depreciation	-958	0	-958
Movements	**8.297**	**-6.966**	**1.331**
Purchase value	10.727	2.622	13.349
Cumulative depreciation	-2.430	0	-2.430
Book value as per 30 June	**8.297**	**2.622**	**10.919**

22. Tangible fixed assets

The composition and movement of tangible fixed assets for the year 2024/2025 is as follows:

	Company buildings	Other fixed assets	Operating assets under construction	Total 2024/2025
Purchase value	32.737	1.328	0	34.065
Cumulative depreciation	-16.643	-1.097	0	-17.740
Book value as per 1 July	**16.094**	**231**	**0**	**16.325**
Investments	172	95	181	448
Commissioning	24	0	-24	0
Depreciation	-690	-55	0	-745
Balance	**-494**	**40**	**157**	**-297**
Purchase value	32.933	1.423	157	34.513
Cumulative depreciation	-17.333	-1.152	0	-18.485
Book value as per 30 June	**15.600**	**271**	**157**	**16.028**

23. Financial fixed assets

The composition and movement of financial fixed assets for the year 2024/2025 is as follows:

	Participating interests in group companies	Accounts receivable from group companies	Other participating interests	Deferred tax assets	Other securities	Other receivables	Total 2024/2025
Book value as per 1 July	**70.355**	**1.664**	**8**	**2.020**	**24**	**1.319**	**75.390**
Dividend	-60.700	0	0	0	0	0	-60.700
Result from participating interests	14.292	0	0	0	0	0	14.292
Exchange rate fluctuation	-41	0	0	0	0	0	-41
Depreciation/repayments	0	-1.664	0	0	0	-367	-2.031
Other	0	0	-1	348	1	0	348
Book value as per 30 June	**23.906**	**0**	**7**	**2.368**	**25**	**952**	**27.258**

The negative result of associates with negative equity EUR 5.95 million has been deducted from receivables from group companies, included in current assets.

24. Other receivables and accrued assets

	30-Jun-25	30-Jun-24
Prepaid amounts	497	477
Government grants to be claimed	6	12
Other accrues	0	2
Status as of 30 June	**503**	**491**

25. Shareholders' equity

The composition and the movement of shareholders' equity in the financial year 2024/2025 are shown in the following overview:

	Issued capital	Share premium reserve	Legal reserves for participating interests	Legal reserve for development costs	Foreign currency translation reserve	Other reserve	Total 2024/2025	Total 2023/2024
Book value as of 1 July	15.675	1.433	2.460	9.593	-1.758	27.298	54.701	54.296
Movements in financial year 2024/2025								
Results of financial year	0	0	0	0	0	15.633	15.633	4.658
Dividend	0	0	0	0	0	-8.543	-8.543	-4.075
Purchase certificates	0	0	0	0	0	0	0	21
Exchange rate fluctuations	0	0	0	0	-328	0	-328	-199
(d)investment	0	0	0	2.665	0	-2.665	0	0
Impaiment	0	0	0	-333	0	333	0	0
Depreciation	0	0	0	-964	0	964	0	0
Result participations	0	0	756	0	0	-756	0	0
Other changes	0	0	-322	-1	0	323	0	0
Movements	**0**	**0**	**434**	**1.367**	**-328**	**5.289**	**6.762**	**405**
Status as of 30 June	**15.675**	**1.433**	**2.894**	**10.960**	**-2.086**	**32.587**	**61.463**	**54.701**

Issued capital

The authorised capital of the company amounts to EUR 50 million (2023/2024 EUR 50 million) and consists of 2.5 million shares with a nominal value of EUR 20 each, with 783,725 ordinary shares being issued. The value of the paid and called-up capital amounts equate to EUR 15,674,500 (EUR 15,674,500 at the end of 2023/2024).

Share premium reserve

The share premium concerns the income from the issuing of shares in so far as this exceeds the nominal value of the shares (above par income).

Other legal reserves

Other legal reserves consist of a legal reserve for participating interests and the legal reserve for development costs.

The legal reserve for participating interests relates to companies that are valued in accordance with the equity method. The reserve concerns the difference between the participating interests' retained profit and direct changes in equity, as determined on the basis of the parent company's accounting policies, and the share thereof that the parent company may distribute. As to the latter share, this takes into account any profits that may not be distributable by participating interests that are Dutch limited companies based on the distribution tests to be performed by the management of those companies.

The legal reserve for development costs relates to the formed reserve of the not yet written off part of the capitalised development costs.

The legal reserve is determined on an individual basis.

Foreign currency translation reserve

Exchange gains and losses arising from the translation of foreign operations from functional to reporting currency are recorded in this reserve. On disposal of foreign operations, the relevant cumulative amount of currency exchange differences recognised in equity is recognised in the profit and loss account as part of the result on disposal.

Proposal for result appropriation

The General Meeting will be asked to approve the following appropriation of the 2024/2025 result after taxation: an amount of EUR 7.090 thousand to be added to the other reserves and the remaining amount of EUR 8.543 thousand to be distributed as dividends. Per share certificate, EUR 10.90 is available. This proposal is recorded in the balance sheet under the current liabilities.

26. Provisions

The composition and the movement of the other provisions in the financial year 2024/2025 are shown in the following overview:

	2024/2025	2023/2024
Amount as of 1 July	31	89
Additions	-14	18
Withdrawals	0	0
Reclassification	0	-76
Amount as of 30 June	**17**	**31**

The provision jubilee is calculated on the basis of a 4% discount rate and taking the expected turnover in personnel into account. Of the amount, EUR 15 thousand has a maturity <1 year and EUR 2 thousand has a maturity > 5 years.

27. Taxes and contributions

	30-Jun-25	30-Jun-24
Corporate income tax	3.181	404
Payroll tax and social insurances	35	29
	3.216	**433**

28. Other debts and accrued liabilities

	30-Jun-25	30-Jun-24
Wages and salaries to be paid	894	439
Holiday allowances	58	68
Pension contributions	10	136
Invoices to be received	0	132
Interest to be paid	66	0
Other amounts	734	1.064
	1.762	**1.839**

29. Share in result in participating interests after tax

This concerns the company's share in the results of its associates, of which an amount of EUR 13,181 thousand (2023/2024: EUR 10.705 thousand) concerns group companies. The remaining part concerns results in minority interests amounting to EUR 756 thousand (2023/2024: EUR 599 thousand).

30. Other income and expenses after tax

The other after-tax result concerns the regular costs for conducting holding activities. Costs encompass personnel costs, other corporate costs, including legal costs, depreciation, impairment, and interest assets/liabilities.

Wages and salaries

	2024/2025	2023/2024
Gross staff wages	5.842	4.009
Employer's social security contributions for staff	773	518
Pension premium	710	473
	7.325	**5.000**

Specification number of FTE's

	2024/2025	2023/2024
Management, administration and IT.	63	59

At Royal HZPC Group B.V. there were an average of 4 FTE (previous financial year 4 FTE), all working in the Netherlands. The remaining 59 FTEs are salaried at a group company and charged in full to Royal HZPC Group B.V. and included as a result.

Other company costs

	2024/2025	2023/2024
Sales costs	2.178	2.062
Office costs	2.231	1.937
Staff related costs	3.090	2.264
Repair and maintenance	1.455	959
Other costs	325	7.626
	9.279	**14.848**

Other explanatory notes

Financial instruments

In the normal course of business, the company uses financial instruments that expose the company to market, currency, interest rate, credit and liquidity risks. To manage these risks, the company has developed a policy, including the establishment of a system of credit limits and procedures to reduce the risks of unpredictable adverse developments in financial markets and thus the financial performance of the company.

Credit risk

The company incurs credit risk on loans and receivables recorded under financial fixed assets, other receivables and cash.

Liquidity risk

The company monitors its liquidity position through successive liquidity budgets. The management will ensure that sufficient liquidity is available to meet the obligations.

Interest risk

The company incurs interest risk on interest-bearing assets and liabilities. Both of these receivables and payables have agreed on variable interest rate agreements, which means that the company is exposed to risk regarding future cash flows. In order to limit the interest risk on the credit facility, an interest rate cap has been agreed as a mitigating measure.

Off-balance sheet assets and liabilities

The company has liabilities under operating leases and rent for an amount of EUR 1.5 million. Of this amount, EUR 0.9 million has a term of less than 1 year. The remaining amount concerns an obligation for less than five years. An amount of EUR 1.4 million has been recognised in the profit and loss account for rent and lease in the financial year 2024/2025.

Investment commitments related to the implementation of an ERP system amounting to EUR 0.5 million. This amount has a term of less than 1 year.

Investment commitments related to tangible fixed assets amounting to EUR 10 thousand. This amount has a term entirely of less than 1 year.

Tax entity

Together with its subsidiaries within the Netherlands, excluding D.S.S. Opslag B.V., the company forms a tax entity for corporate income tax purposes and value-added tax. The standard conditions stipulate that each of the companies is liable for the tax payable by all companies belonging to the tax entity. The fiscal entity does not differ from the fiscal entity in the consolidated financial statement.

Remuneration of managing and supervisory directors

A statement of the remuneration of the management has been omitted, pursuant to the provisions of Section 383 paragraph 1 of Book 2 of the Netherlands Civil Code, final sentence. The remuneration of Supervisory Board members amounts to EUR 119 thousand (2023/2024: EUR 107 thousand).

Joure, 30 October 2025

The Executive Board:
H.E. Huistra (CEO), Managing Director
H. Verveld (CCO)
M.L. Booijink (CFO)

The Supervisory Board:
C.J. Biemond, Chair
J.P. Bienfait
I. Frolova
M. Hommes-Gesink
J. Thijssen



09 OTHER INFORMATION

09.1 Statutory provisions on profit appropriation

Pursuant to article 27 of the articles of association of Royal HZPC Group B.V., a percentage of the company's profit to be determined by the Executive Board with the approval of the Supervisory Board can be added to the reserves while the undischarged losses of previous years are deducted along with the taxes which are, or will be, charged on the basis of the profit, which may be established by means of an estimate if necessary. The remaining profit is available for disposal at the discretion of the General Meeting of Shareholders. The company can only make payouts of profit available for paying out to the shareholders and any other parties that may be thus entitled to the extent that the shareholders' equity is greater than the paid and called-up part of the capital augmented with the reserves that must be maintained by law or under the articles of association.

09.2 Independent auditor's report

The following is an English translation of the independent auditor's report issued 30 October 2025

Report on the audit of the financial statements 2024/2025 included in the annual report

Our opinion

We have audited the financial statements for the financial year ended 30 June 2025 of Royal HZPC Group B.V. based in Joure.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Royal HZPC Group B.V. as at 30 June 2025 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- the consolidated and company balance sheet as at 30 June 2025
- The consolidated and company profit and loss account for the year then ended
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing.

Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

We are independent of Royal HZPC Group B.V. (the company) in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the supervisory board exercises oversight, as well as the outcomes.

We refer to Section Risk management of the management report for management's risk assessment after consideration of potential fraud risk.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, whistle blower procedures and incident registration of the Integrity Council. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption in close co-operation with our forensic specialists.We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We addressed the risks related to management override of controls, as this risk is present in all organizations. For these risks we have performed procedures among other things to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in the section "Use of estimates" on page 68 and the section "Intangible fixed assets" on page 74 in the

financial statements, including the allowance for doubtful debts and the capitalization of intangible fixed assets. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

We have also taken note of legal rulings and letters from lawyers. Specifically regarding the capitalization of intangible fixed assets, we have determined whether the capitalized expenditures meet the capitalization criteria, whether the cost price of the asset can be reliably determined, and whether any impairment has been correctly and completely accounted for.

When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition, In particular with regard to the recognition of revenue in the correct financial year. We considered among other things the company's revenue targets and their realization. We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk.

Due to global activities, we have identified a fraud risk related to transactions with agents and government authorities. In response, specific attention has been paid to the prices applied and payments made to government parties. Specifically regarding the risk related to commission payments to agents, we have focused on the contractual documentation of the agreed services and the amount of the related remuneration. Part of this risk also concerns non-compliance with laws and regulations, including as a result of third-party funds and sanctions legislation. We refer to the following section for further details.

We considered available information and made enquiries of relevant directors, the Integrity Council and the supervisory board.

Our audit response related to risks of non-compliance with laws and regulations

We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with the management board, reading minutes, inspection of compliance reports and performing substantive tests of details of classes of transactions, account balances or disclosures.

We have identified the following risk of non-compliance with laws and regulations and have performed the following procedures.

Risk of non-compliance with laws and regulations due to third parties

Risk	A portion of the revenue of Royal HZPC Group B.V. is generated in countries where sanctions measures apply and customers experience difficulties in transferring funds to Royal HZPC Group B.V., as a result of which third parties are engaged. We considered non-compliance with sanctions legislation and anti-corruption laws in high-risk countries, specifically regarding the use of intermediaries and the unintentional involvement in terrorist financing or money laundering by receiving funds via unknown third parties, as a risk in our audit. The risks regarding compliance with laws and regulations, including developments in the 2024-2025 financial year, are explained in the annual report on page 45 and 46 and in the financial statements on page 93.
Our approach	Among other things, we performed the following audit procedures, specifically focused on this risk, with the planning and execution carried out in collaboration with our forensic specialists: · Obtaining an understanding of the design and existence of internal controls regarding third-party funds and sanctions legislation · Reviewing (the process of) internally conducted (background) investigations and the follow-up given to identified third-party funds in the 2024-2025 financial year · Reviewing legal opinions · Inquiry with management and those charged with governance, as well as from the company's external legal advisor, regarding possible or suspected violations of laws and regulations related to third-party payments and sanctions legislation, including the status of ongoing investigations · To confirm the results of investigations, we verified the information received with underlying source documentation · Assessing the related disclosures included in the financial statements.

We also inspected lawyers' letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

We have evaluated the adequacy of the disclosures in the annual report on page 45 and 46 and in the financial statements on page 93 regarding the risk of non-compliance with laws and regulations as a result of third-party funds and sanctions legislation. We have assessed whether these disclosures reflect the current status of the increased risk of non-compliance with laws and regulations due to third-party funds and sanctions legislation. The disclosures show that not all identified risks have been fully mitigated; we have considered the possible impact of this in forming our opinion.

Our audit response related to going concern

As disclosed in section Going concern on page 67 in the financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, management made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with management exercising professional judgment and maintaining professional skepticism. We considered whether management's going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company's ability to continue as a going concern.If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Based on our procedures performed, we did not identify material uncertainties about going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the other information, including the management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless

management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material misstatements, whether due to fraud or error during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The Information in support of our opinion section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision, review and evaluation of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

Communication

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Groningen, 30 October 2025

EY Accountants B.V.

signed by J.J. Kooistra