annual report 2024

Tereos TTD

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Tereos
TTD

Content

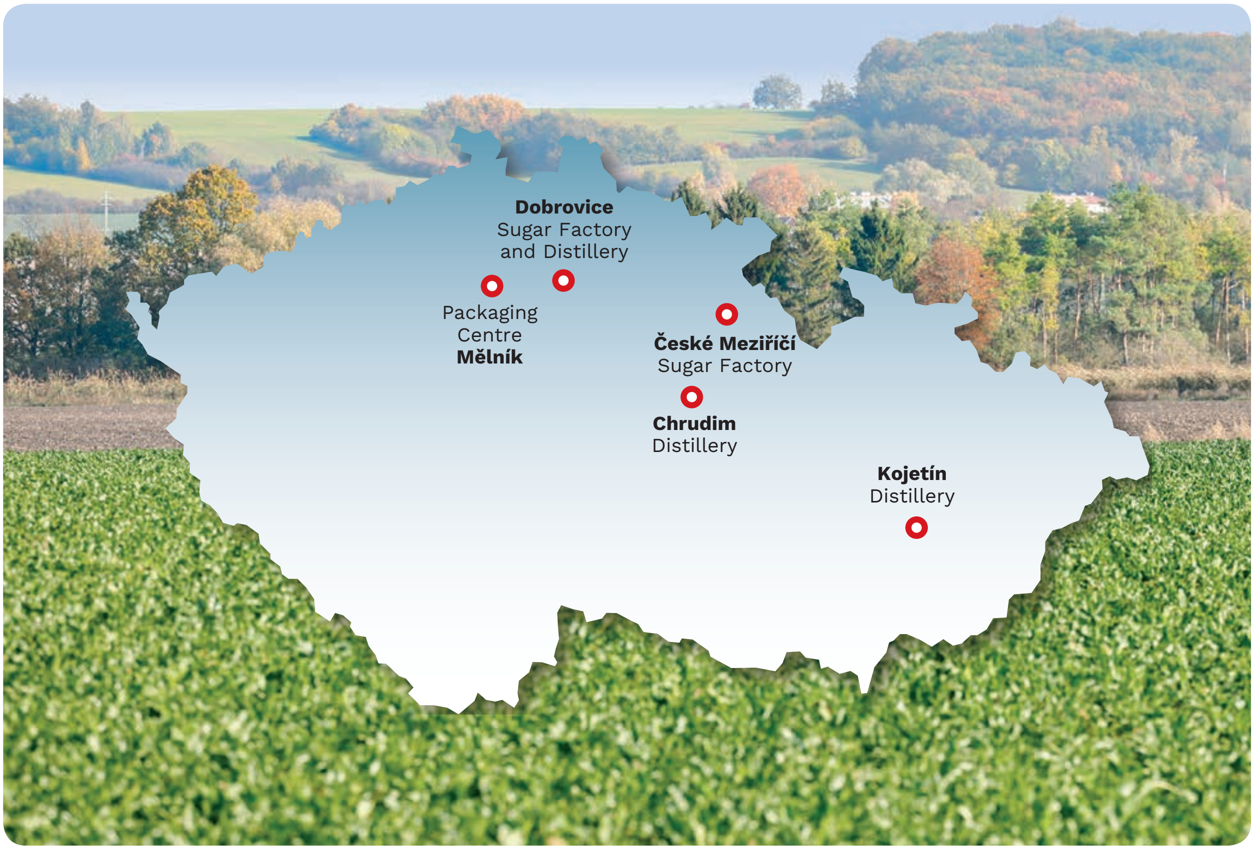
Who Are We?

shareholding structure Tereos TTD

Tereos TTD

35.38 %	62.07 %	2.55 %
Nordzucker	Tereos	minority shareholders

Tereos TTD plants



Main Figures

Tereos TTD

3.1 Mmt 16%
of sugar beet

600
number of growers

97,600 mt
of beet pelets

372,000 mt
of sugar

555,000 hl
of raw ethanol

499
employees

Supervisory Board

as of March 31st 2025

Olivier Leducq
Chairman of the Supervisory Board
CEO, Tereos Group

Michael Gerloff
Vice-chairman of the Supervisory Board
Business Development Director, Nordzucker

Gwenaël Elies
Member of the Board
CFO, Tereos Group

Christophe Lescroart
Member of the Board
Industry Director
Tereos Group for Europe

Jaroslav Suchánek
Member of the Board
Employee Representative
Tereos TTD

Michal Franěk
Member of the Board
Employee Representative
Tereos TTD

The Supervisory Board is Tereos TTD's supervisory body. It supervises the manner in which the Board of Directors conduct the company's business and perform their duties. The Supervisory Board has six members, of which four are elected to and recalled from office by the General Meeting, and two are elected by the staff. The Supervisory Board met three times in 2024/25. Supervisory Board meetings are mostly held in presence of the Board of Directors and TTD managers. At such meetings, the Board of Directors submits to the Supervisory Board's approval mainly the following: sugar beet purchasing plans, company development plans, investment projects, budgets, factory and equipment maintenance budgets, asset management matters, insurance agreements, business plans for each FY, sales forecasts, financing, including bank agreements.

Board of Directors

Tereos TTD

Martin Kolář

Chairman of the Board

A graduate of the Faculty of Economics and Management of the Czech University of Life Sciences in Prague.
He joined Tereos TTD in 2005 and held the position of the Company´s Sales Director for 11 years. Appointed as Managing Director in July 2021.

Karel Chalupný

Member of the Board

He graduated from the Faculty of Agrobiology, Food and Natural Resources at the Czech University of Life Sciences in Prague. Having earned experience first as a private farmer, then as a government official, he has been Tereos TTD's Agricultural Manager since 2011.

Radka Hložková

Member of the Board

She graduated from the Faculty of Law, Charles University, Prague.
She has been working for Tereos TTD since 2001, first as Board Assistant, then as Company Lawyer. She is also responsible for HR.

The Board of Directors is the company's executive body and its legal representative. Its members are elected to and recalled from office by the Supervisory Board. Its powers are defined in the company's Articles of Association. It is composed of three members. Chairman of the board is elected by Supervisory Board. The Board of Directors meets once per week, together with other company managers. Their management activities focus on critical fields of company management, such as raw material purchases, production unit management, sales and marketing, financing and accounting, controlling and IT, PR and legal. Their main objectives and missions are in line with the development strategy of our parent company – Tereos: as a stable business partner, processing sugar beet to sugar, fine ethanol, and beet pellets, while developing non-food use of sugar beet for renewable energy production on a continuous basis. The Board is executive, i.e., each Board member holds a specific management position with the company.

Chairman's

Foreword

Dear shareholders,
Dear business partners,

we are pleased to present our annual report for the 2024/25 financial year – a year that was challenging for our company, Tereos TTD, in terms of deteriorating market conditions, but at the same time extremely successful in terms of operational performance and production results.

Despite ongoing market instability and pressure on prices, we confirmed the resilience of our business and its ability to operate effectively even in the challenging economic environment. However, excellent agronomic results and record industrial performance did not fully translate into financial results, which were rather average given the significant decline in sugar and ethanol prices on the European and global markets.

The European sugar market was significantly affected by ongoing volatility in past period, which was further amplified by duty-free sugar imports from Ukraine. These high volumes, mainly destined for Central and Eastern European countries, including the Czech Republic, disrupted the regional market balance, created strong pressure on price levels, and significantly reduced the margins of domestic producers. The situation also highlighted the need for structural measures at the European Union level.

At the same time, sugar beet sowing areas expanded within the EU, particularly in Central and Eastern Europe, leading to a significant increase in sugar production volume. This development further intensified pressure on market prices and aggravated the difficult conditions for the processing sector.

Despite these developments, Tereos TTD not only managed to maintain but also strengthen its position as a key player in the Czech sugar industry and a reliable partner to domestic agriculture. We are proud to remain a pillar of food self-sufficiency in the Czech Republic while also exporting added value produced from Czech raw materials in Czech factories – in the form of high-quality sugar and other products for both domestic and European markets.

The most significant milestone of 2024/25 was undoubtedly the beet campaign, which became the most successful in the company's history. Due to the expansion of sowing areas, long-term cooperation with growers, and favourable growing conditions, we achieved a record volume of processed beet and the highest annual sugar production. Production ran smoothly in all plants, without any downtime, confirming the high level of technical readiness, maintenance, and organisational efficiency due to the contribution of our colleagues across all operations.

These results were also made possible by the systematic implementation of our investment strategy. At the Dobrovice sugar factory, we successfully completed the construction of a new diffusion tower and a modern beet washer, and expanded the sugar silo, thereby increased capacity, improved energy efficiency, and enhanced the level of automation. At the same time, we started the construction of a new gas-fired boiler room in České Meziříčí that will significantly contribute to the decarbonisation and sustainability of production.

Our company has long been based on the principles of sustainability and the circular economy, in line with the values of our parent group, Tereos. Sugar beet is processed without waste – in addition to sugar, we produce ethanol (fine, technical, and fuel), dried pellets, stillage, and pulp, which are used as feed or raw materials for agriculture. The water used in production is obtained from sugar beet and, after technological purification, returned to the natural cycle – this model is fully in line with current trends in sustainable food and industrial enterprises in Europe.

Our priority is to further reduce our carbon footprint, modernise our energy sources, and expand digital operations management. The goal is not only to meet European and national climate targets, but also to strengthen long-term competitiveness and operational efficiency. We are aware of our responsibility to the environment, society, and future generations—and we see this responsibility as an integral part of our business.

We attach great importance to the regions where we operate. We maintain an open dialogue with local authorities, support local educational, cultural, and environmental activities, and ensure responsible management of transport, noise, and emissions. We want to be not only an important employer but also a respected partner for the development of the Czech countryside.

We would like to express our gratitude to:

- **Shareholders** – for their trust and support, which has enabled key investments to be made and strengthened the company's stability in the European context;
- **Sugar beet growers** – for their expertise, flexibility, and partnership approach, were key aspects to the success of the campaign;
- **Tereos TTD employees** – for their daily commitment, loyalty, and professionalism, which ensure the stability of our operations and the quality of our products; and
- **Representatives of public administration and local governments** – for their helpfulness and constructive cooperation in the implementation of our development plans.

We are entering the next period with a clear vision: to continue transforming agricultural commodities into high value-added products, promote food and energy self-sufficiency, and actively contribute to the sustainable development of Czech agriculture and food production in the context of Central Europe.

We are fully aware that the situation on the sugar and ethanol markets remains difficult and will continue to have a significant impact on us in the coming period. The sharp decline in prices, caused by high stocks, duty-free imports, and fluctuating demand, continue to put pressure on margins and poses a major challenge for the coming financial year.

Nevertheless, we remain realistically optimistic. We rely on a strong team, an efficient and modern production base, long-term partnerships, and valuable experience. We are building on the foundations of a record-breaking campaign and a well-thought-out investment plan, and we have a solid backing within the international Tereos group. All of this gives us the confidence that we will continue to be able to deliver high-quality products, develop our activities in a sustainable manner, and strengthen our position in both the domestic and European markets.

Our priority remains efficiency, sustainability, and the creation of real value—rooted in Czech soil, supported by the expertise of our people, and built on respect for nature and the society of which we are a part.

Yours faithfully,

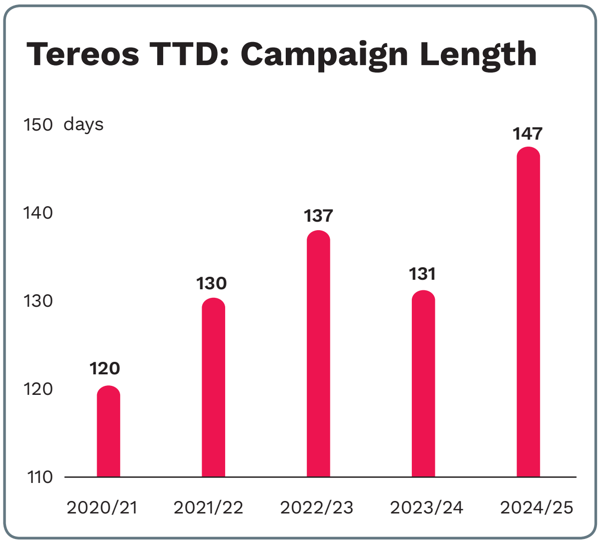
Kolář

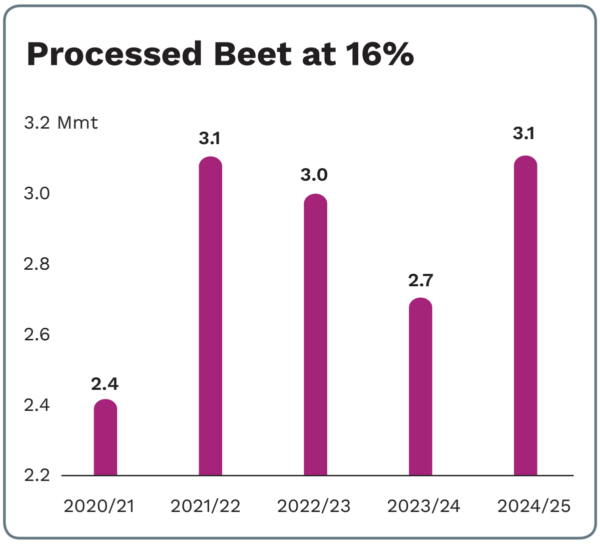
Martin Kolář
Chairman of the Board

Fiscal Year

2024/25

The 2024/25 sugar campaign was exceptional in many respects. Across record cultivation areas in the Czech Republic (over 68,000 hectares sown, representing an 11% year-on-year increase), more than 5 million tonnes of sugar beet were harvested. Their processing resulted in a total sugar output of 660,000 tonnes – a figure that will be difficult to surpass. For Tereos TTD, the campaign delivered an average yield of more than 77 tonnes per hectare with a 16 % sugar content. Although sugar content was lower than in the previous season, we were able to secure sufficient high-quality raw material for the production of all company products. Stable





climatic conditions without significant weather fluctuations allowed for smooth harvesting and deliveries to our sugar factories, ensuring the production of high-quality sugar.

Our beet campaigns were characterised by record volumes of processed beet, continuous operations, and the implementation of major investment projects, particularly at the Dobrovice sugar factory. The historically longest campaign was carried out without major issues, despite the extremely low sugar content of the beet. All delivered raw material was processed, and the sugar produced met customer requirements. A significant milestone was the last beet campaign in České Meziříčí carried out with coal as the primary energy source. From the 2025/26 campaign onwards, the factory will operate with natural gas in a new boiler house, significantly improving the environmental conditions around the sugar plant.

Production at our distilleries followed production plans and partner requirements. We successfully produced and sourced sufficient molasses, ensuring smooth deliveries of alcohol.

Central and Eastern Europe remains the key sales region for Tereos TTD, with more than 95% of our production delivered there annually. The strategic location of our plants represents

THE 2024/25
SUGAR CAMPAIGN WAS
EXCEPTIONAL
IN MANY RESPECTS

a significant competitive advantage, allowing us to supply a wide customer base. At the same time, this region also features a high concentration of other sugar producers. Market conditions were further influenced by duty-free imports of sugar and selected commodities from Ukraine into the EU. Ukrainian producers and their partners gradually adapted to European customers, which had a notable impact on market balance, particularly in countries neighbouring Ukraine. Record production across the region, combined with favourable natural conditions and high levels of sugar industry expertise, exerted downward pressure on prices.

Our commercial strategy therefore focused more strongly on regions and customers that consistently value the quality of our products, services, and flexibility in meeting their requirements. The consumer food market gradually stabilised, with retail sugar sales and sales to food producers using sugar in manufacturing

remaining comparable to the previous year. Consumer price inflation remained in the range of 2.5–3% during the reporting period.

The success of our business continues to depend on our employees, who know our customers' needs and help find solutions in challenging market conditions. We succeeded in expanding our customer portfolio while maintaining long-standing relationships with long-term partners. Stability in commercial relations is key for us and represents a solid foundation for further development.

Sales performance reflected both record production and the challenges of the business environment. Sales of crystal sugar reached historic highs, supported by exports outside the EU. Other commodities were sold in line with planned production and raw material availability. The following table provides an overview of sales developments across individual commodities.

Commercial activities included not only sales but also handling, logistics, warehousing, and invoicing. Throughout the year, attention was devoted to managing trade receivables, with the positive outcome that no unpaid receivables were recorded during the fiscal year.

Major Investments Deliver Expected Results

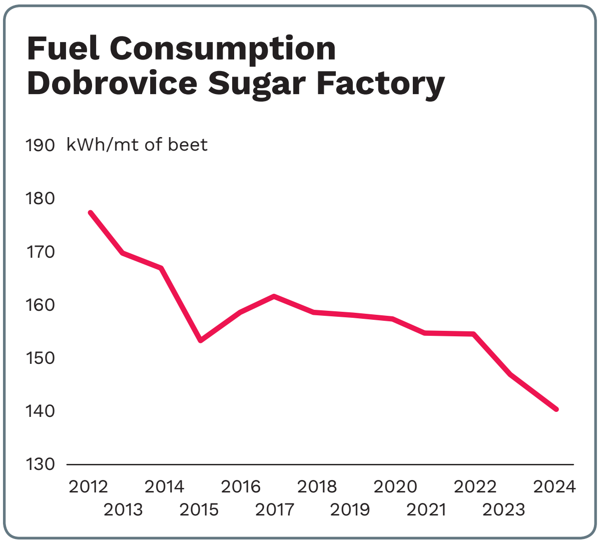
In fiscal year 2024/25, Tereos TTD carried out an extensive investment programme at its sugar factories aimed at increasing energy efficiency, strengthening operational stability and flexibility, and reducing the environmental impact of sugar production, storage, and transport.

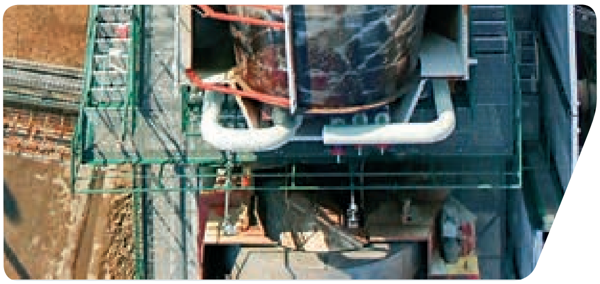
Comparison Individual Commodities Sales

for Fiscal Years Ended

Commodity		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Sugar	000 mt	305	295	322	340	339	373
Pellets	000 mt	70	88	93	79	74	90
Bioethanol	000 hl	372	346	483	417	386	432
E85 fuel	000 hl	16	2	0	0	0	0
Refined alcohol	000 ha	482	540	510	498	408	429
Stillage	000 mt	144	120	93	98	129	99

A key achievement was the installation of a new Maguin beet washer and BMA extraction tower at Dobrovice. This modern technological solution reduced weight losses and decreased the volume of water evaporated during juice thickening. As a result, fuel consumption dropped by 5% year-on-year, bringing total gas consumption per tonne of processed beet down to 140 kWh/t.

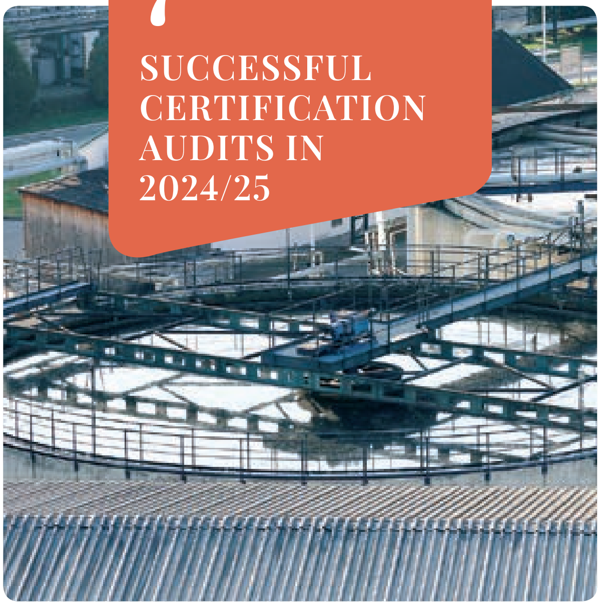




At České Meziříčí, we launched construction of a new gas boiler house, a two-year project that will install two modern natural gas boilers capable of also burning biogas from our on-site wastewater treatment plant. From the 2025/26 campaign onwards, this factory will operate using environmentally friendly fuels from renewable sources.

In 2025, we also completed the installation of a 768 kWp photovoltaic power plant at the Mělník packaging centre. The new facility significantly reduces reliance on external electricity supply, lowers the carbon footprint, and ensures long-term energy stability.

Another important milestone was the completion of the Global Decarbonisation Feasibility Study for Tereos TTD Sugar Factories, which has become the foundation for our long-term strategic investment plan. Near-term projects include a new extraction tower and mixer at České Meziříčí, alongside phased decarbonisation measures



7

SUCCESSFUL CERTIFICATION AUDITS IN 2024/25

Libor Gracl

Industrial Director of Tereos TTD

You had a challenging year of operations with a number of investments. What do you think has most advanced the industrial part of the company?

Thanks to new investments, we achieved better beet washing, significantly reduced fuel consumption during extraction, and also cut sugar storage costs by tens of millions annually thanks to the new sugar silo. We invested record-high amounts – it was a challenge we accepted, and I am proud to say that we succeeded. Personally, I greatly value the new experience we gained in planning, implementing, and operating the new machinery. These experiences are essential, and we will continue to benefit from them in the future.

The Group's industry is at the beginning of its decarbonization journey. What is your perspective as someone from production, and what do you consider the greatest challenge?

I have worked in the sugar industry for 30 years, and I am highly sensitive to the negative impacts of production on the environment. I see decarbonization as a tool to address one of today's most pressing issues, one that affects us all. There are two approaches – social and economic. Tereos TTD wants to be a leader, which is why we address both challenges in one step. We aim to reduce emissions while saving money on unused energy. However, this seemingly clear idea faces the difficult financial situation in the sector. The advantage lies in Tereos TTD's team of experts, its strategic plans, and the understanding of management. We will succeed.

The industrial part of the company is both energy- and technology-intensive. In your view, where should it head in the coming years – and what are your main priorities?

Our scope is focused on the next five to seven years. We have a vision and are working on detailed strategies. If I were to name the main priority in a single word, I would choose competitiveness. To achieve it, we must accelerate in all areas of industry. The requirements for energy savings go hand in hand with best practices in the sector, efficiency, and the search for and development of skilled personnel. These are our main priorities.

such as evaporator and crystallisation upgrades. In Dobrovice, we initiated a "zero stage" by relocating the filter press station, bringing both environmental benefits and reductions in dust and noise near the town centre.

Alongside large projects, we continued implementing smaller but effective measures focused on energy savings and emission reductions – from utilising vapours from carbonation to heating juices with waste heat.

Employee safety and working conditions also remained a focus. At Mělník packaging centre, we invested in upgraded safety signage, security mirrors, containment features, and improved navigation in production and logistics zones. The site also saw installation of new metal detectors, magnetic elements, and checkweighers, as well as upgrades to key packaging lines, increasing accuracy and traceability.

Digitalisation progressed further with the introduction of tablets directly on production lines, providing employees with online access to production records and documentation integrated with the internal system. This step accelerated and improved accuracy of reporting processes.

We also modernised employee facilities, upgrading changing rooms and sanitary facilities, and launched an employee satisfaction survey as valuable feedback for developing company culture.

Tereos TTD Certificates

ČSN EN ISO 14001:2016	Environmental Management System	◆ ◆ ● ●
ČSN EN ISO 50001:2019	Energy Management System	∞
ČSN EN ISO 9001:2016	Quality Management System	● ● ● ●
FSSC 22000	Food Safety System	◆ ◆
IFS FOOD Version 8 Higher level	International Food Safety Standard	■
GMP+ Feed Safety Assurance Module 2020	Good Manufacture Practice for feed safety (production, trade, storage and services)	◆ ◆ ● ●
Klasa	National food quality label	
Kosher	Certification according to Jewish requirements	
Halal	Certification according to Islamic requirements	
SMETA	Sedex members ethical trade audit	
2BSvs	Sustainability of bioethanol and distillery slops production	
ISCC – EU	Sustainability of bioethanol production	
SAI/FSA 3.0	Sustainability of sugar beet cultivation	

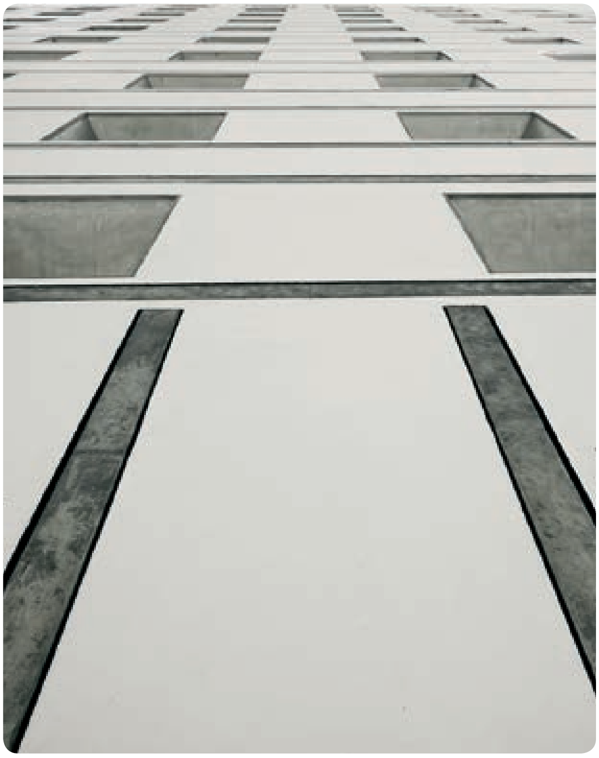
∞ all plants / Sugar fectories: ◆ Dobrovice, ◆ České Meziříčí / Distilleries: ● Dobrovice, ● Kojetín, ● Chrudim, ● Kolín
Packing centre: ■ Mělník

Quality – A Guarantee of Product Safety

Our products are subject not only to strict legislative and certification requirements but also to rising customer, partner, and regulatory expectations. Tereos TTD therefore relies on a sophisticated quality management system, continuous investment, close cooperation with suppliers, and a company-wide approach where quality is firmly embedded as a core value.

We meet European Union, Czech and export market regulations as a matter of course. This involves monitoring the entire production process from raw material intake to final product dispatch, carrying out extensive laboratory testing, and applying HACCP principles rigorously. Our facilities are certified to ISO 9001 (distilleries), FSSC 22000 (sugar factories), IFS Food (packaging centre), GMP+ Feed Safety Assurance 2020 (sugar factories and distilleries), and also meet Halal and Kosher requirements.

In FY 2024/25, we successfully passed certification audits including ČSN EN ISO 9001:2016, FSSC 22000, IFS Food (Higher Level), Klasa, GMP+ Feed Safety Assurance Module 2020, Halal, Kosher, as well as numerous customer



audits. For IFS Food we even improved our score from 97.87% to 98.92%.

With rising market demands, continuous investment remains essential. We modernised equipment (e.g. new sugar filling lines), enhanced quality controls (metal detectors, magnets, checkweighers), expanded digitalisation, and constructed a new sugar silo in Dobrovice. Tablets in production enable real-time data collection, error reduction, and process optimisation.

Quality is not limited to the quality department – it is a company-wide responsibility. Through training, seminars, inter-plant communication, and knowledge sharing, we are building a “Culture of Quality”, ensuring that every employee understands the significance of quality both professionally and for customer trust.

Suppliers also play a vital role. Long-term partnerships, regular audits, and joint projects are the foundation on which we build. In FY 2024/25, we carried out 19 supplier audits. A notable example is our long-term cooperation with bulk sugar transport partners, where we

jointly developed a system ensuring food safety – dedicated cisterns exclusively for Tereos TTD sugar, sealed connections, documented cleaning protocols, laboratory analyses, and visual inspections before loading. Thanks to long-standing, flexible, and continuous close cooperation, we minimize product safety risks in this sensitive area and significantly reduce the number of complaints related to the service.

In an environment of global competition and growing customer demands, quality is becoming not only a necessity but also a significant competitive advantage. Thanks to a well-designed quality management system, investments in modernization and digitalization, the development of corporate culture, and close cooperation with suppliers, Tereos TTD strengthens its market position and reinforces customer trust.

Corporate Social Responsibility

In FY 2024/25, Tereos TTD continued to actively support life in the regions where we operate. As one of the largest local employers and a long-standing community partner, we regularly contribute to improving quality of life – supporting sports and cultural events, educational activities for children, volunteer firefighters, and healthcare providers.

Our flagship CSR project remains the Dobrovice Museums, which connect the history of sugar, spirits, and beet cultivation with the present. Beyond permanent exhibitions, the museums host educational and cultural events. Particularly popular is the guided tour of sugar and alcohol production during the sugar beet campaign. The 2024/25 season saw a record 20,000 visitors to the Dobrovice Museums.

We also support projects directly benefiting local communities. This year in Dobrovice, we helped convert a former industrial railway track into a modern cycling path. Tereos TTD provided the land and financial support, transforming a former beet transport route into a valuable community and tourist amenity.

Community safety is another priority. We equipped volunteer firefighters in České Meziříčí with new breathing apparatus, enhancing their response capacity and ensuring greater safety for our employees, their families, and the entire local community.

For us, corporate social responsibility is not just a concept but a daily reality. We believe business must remain in balance with the needs of both people and nature. Alongside modern and sustainable sugar production, we are committed to supporting the communities where we live and work.

>20 000

RECORD ATTENDANCE AT DOBROVICE MUSEUMS

Sugar Beet

Where it all begins

It is said that sugar beet is the queen of the fields. Sugar beet cannot be grown at any place; it is a crop that is demanding in terms of soil and climate conditions. It places high demands on proper agronomic practices and treatment. On the other hand, it is a very adaptable crop that can thrive even in unfavourable weather conditions. It can reward growers' efforts with unexpected yields. It is a crop that is the only and most important raw material for Tereos TTD as a processor. The production of sugar and ethanol, as well as market conditions for these products, have been facing major fluctuations for years, and price volatility is high and difficult to predict. The dramatic drop in sugar prices and the long-term decline in bioethanol prices over the past few months are evidence of this. After two highly successful years economically for both growers and Tereos TTD, the basic guaranteed minimum price (GMP) for 2024/25 was a generous guarantee of good economic results for growers.

39 950

HA = SUGAR BEET AREA FOR HARVEST IN THE 2024/25 CAMPAIGN

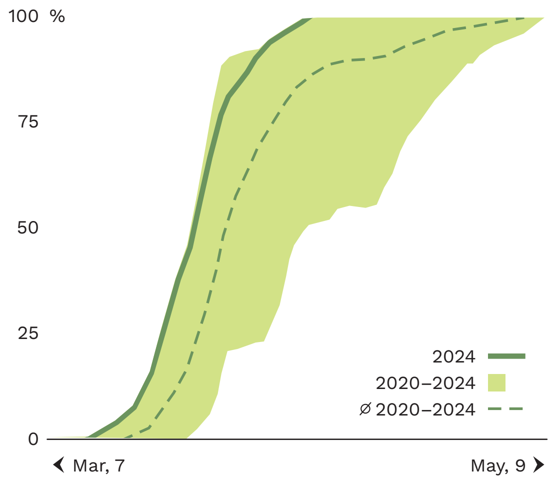
Assessment of growing period and results of the 2024/25 campaign

Although last year's sugar beet purchase was made with one of the lowest sugar contents in history; in other aspects, the results of the 2024/25 campaign were among the best.

The weather and rainfall in relation to sugar beet growing period can be assessed as largely positive. This is also related to early sowing, emergence, and row coverage, as can be seen in the charts.

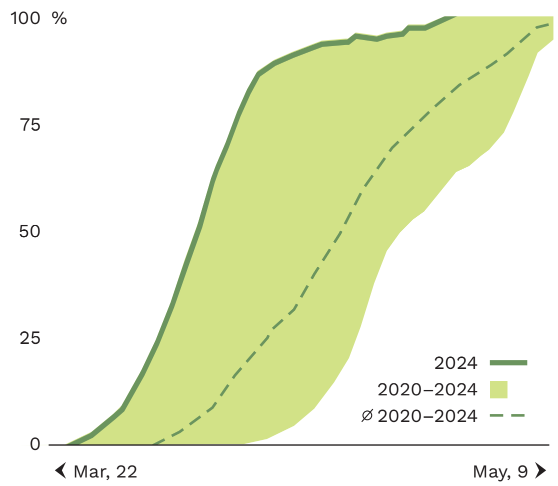
Almost 40,000 hectares of sugar beet – a record area. The beet

Sugar beet sowing development

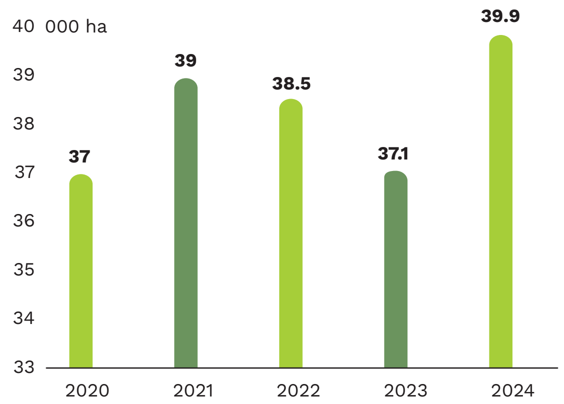


thrived over the summer, and the first sampling results were very promising. Then came the end of August and the first two weeks of September with tropical temperatures day and night. Instead of an increase in sugar content, we recorded a nearly one percent drop in sugar content in the fourth sampling. This decline was caused not only by high cercosporiosis infection pressure, but also by physiological sugar respiration in sugar beets during tropical nights. This roughly month-long episode ended with abnormal rainfall in mid-September that reached over 200 mm in some areas over a total of three days. The process of sugar content decline was complete.

Sugar beet emergence development

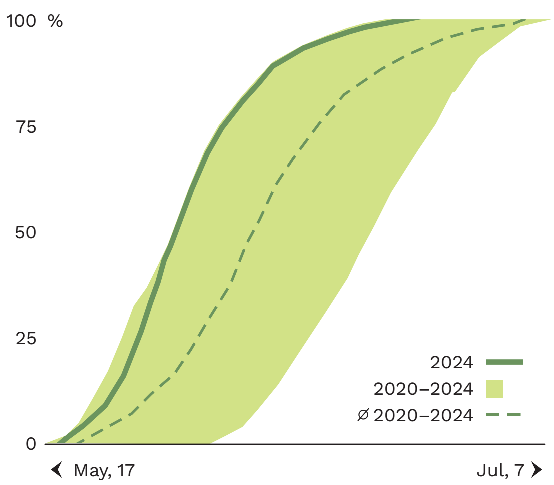


Harvested area



The 2024/25 campaign started on 11 September in České Meziříčí, with the Dobrovice sugar factory joining on 24 September. The end of the campaign was extended, with České Meziříčí

Row coverage development



finishing on 5 February 2025, and Dobrovice on 17 February 2025. Both lasted 147 days. Due to the long-term negative margin on bioethanol, the Dobrovice distillery was only in operation for a limited part of the campaign, with production focusing primarily on sugar.

The low initial sugar content of around 16% continued to decline in both sugar factories instead of gradual increasing. The root grew extremely in the 2024/25 campaign after the September rains, resulting in an above-average yield in terms of net weight. This was accompanied by increased beet fragility and, in some cases, poorer technological properties of the raw material. On a positive note, the favourable October weather conditions were utilised maximally, with harvesting running at full capacity in many areas. By 15 November, 92% of the areas were harvested, with harvesting ending on 2 December. The last 40 days of harvesting took place under good conditions, with no rain, meaning that the beet was suitable for covering and long-term storage. In view of the net yield and the record sugar beet area, the 2024/25 campaign was the longest in history, lasting 147 days. A record 570,000 tonnes of beet were covered in the 2024/25 campaign, of which over 230,000 tonnes were newly covered with TOPTEX. The weather was stable until the end of the campaign, with no fluctuations, and the protection

of the beet led to a reduction in sugar content losses. The results and their comparison with previous campaigns are documented in the relevant charts with results and comparison of developments since 2020.

It was only at the turn of October and November that the sugar content trend unexpectedly reversed and began to rise, and it remained stable until the end of the campaign.

The 2024/25 campaign was record-breaking in many aspects. We would like to express our gratitude for its successful completion to everybody

147

DAYS = 2024/25 CAMPAIGN LENGTH

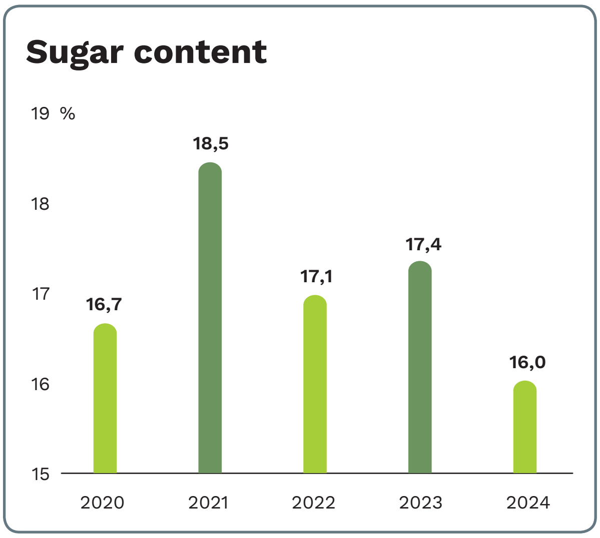
372

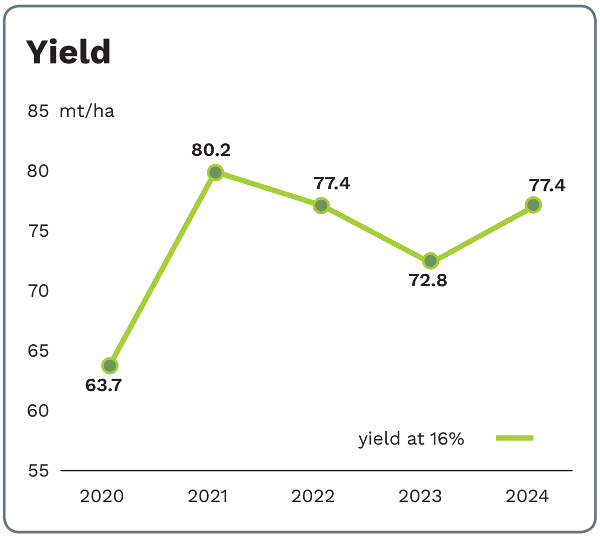
KMT OF WHITE SUGAR PRODUCED

Campaign 2024/25 – final results

Tereos TTD, a.s.	total
Total gross weight of beet purchased	3.5 Mmt
Average deductions due to mineral impurities*	10.1%
Average sugar content	16.03%
Total beet purchased at 16% sugar content	3.1 Mmt
Sugar beet harvested area	39.9 thousands of ha
Average yield of beet purchased	77.4 $mt_{16\%}$ / ha
Length of campaign	147 days
Average transport distance	66.4 km
Total white sugar production	372 thousands of mt

* lump sum for trimming +2.8%





involved: employees, growers, cooperating shipping companies, and all people who participated in this historically longest campaign.

Outlook and preparation for the 2025/26

At the end of September 2024, Tereos TTD presented the terms for sugar beet contracting for the 2025/26 season. Compared to the terms of the previous contract, the changes mainly concerned the amount of GMP, the separation of the price of contractual and non-contractual beet, and, based on demand from growers, a formula was introduced into the contract with a table of sugar beet realisation prices linked to the price of sugar, making sugar beet pricing transparent and predictable in advance. At the initiative of growers, there was also a change in late surcharges in the sense of an increase in the financial amount for the January part of the campaign. Due to the reduction in GMP, it was decided that a change would be made to the invoice price payments for the delivery of contractual beet. Various discussions were held about the contractual terms offered during which we patiently explained the changes in the contract and, in particular, the reasons that led to the decrease in GMP. Contracting was finally completed with a 10% reduction in area. There was a 12% reduction in the Dobrovice district and a 6% reduction in the České Meziříčí district. Some growers responded to the worsened conditions with a larger, sudden reduction in area, while others faithfully copied the crop rotation

RESPECT IS DUE TO OUR GROWERS, WHO MAINTAINED THEIR SOWING AREAS DESPITE THE CURRENT DROP IN SUGAR PRICES.

Karel Chalupný

Agricultural Director of Tereos TTD

Why is carbon farming important?

It is a topical issue currently addressed across the EU. It refers to a set of agricultural and forestry practices designed to increase carbon sequestration in soils and biomass, while at the same time reducing GHG emissions from farming. This strategy is linked to combating climate change, preserving biodiversity, and maintaining soil health. It means farming that works with nature rather than against it: storing carbon instead of releasing it, and making both soil and landscapes more resilient. We also see economic opportunities, as farmers may be able to benefit from carbon credits or subsidy programs.

How do you see sugar beet cultivation changing in the coming years?

The most successful growers will be those able to combine economics, sustainability, and smart technologies. We will face competitive pressures from cane sugar produced under different economic conditions. Both growers and processors will continue to be influenced by the EU's regulatory framework—restrictions on pesticides, pressure to reduce fertilizer use, and other requirements. We can expect technological advances, whether through the broader application of precision farming or the development of more resilient varieties. The sugar and sugar beet sector faces a challenging period ahead. This makes cooperation between growers and sugar producers and the search for shared solutions all the more essential. Sugar beet still has a strong future.

and did not significantly change the sugar beet area. This means that despite the current drop in sugar prices, they still believe in the commodity. We have genuine respect for this confidence. Over the past two decades, we together managed EU accession, radical restructuring of the sector, market liberalization, and deep price crises. Since 2017, more than 13 sugar factories have closed in the EU. And yet we are still here together. In logistics, we are preparing a project based on the Dobrovice model to introduce dry reception in České Meziříčí, and a new and modern beet coding system is already being introduced for the 2025/26 campaign in Dobrovice, with an emphasis on reliability, robustness, and work safety.

Carbon footprint and sustainable agriculture

The pressure to reduce carbon emissions has been a main topic in recent years, and TTD and the entire agricultural sector are no exception. The result is what is known as carbon farming. This involves creating a carbon balance at the level of farms and entire businesses and looking for ways to reduce emissions on the one hand and, on the other, to capture carbon as effectively as possible and keep it permanently in the soil.

This effort is leading to the establishment of new agrotechnical practices on the part of growers. These practices, such as regenerative agriculture, should maximise carbon sequestration in the soil while minimising emissions during farming. A benefit for interested growers could be the acquisition of an additional source of income if their carbon balance is positive in favour of stored carbon, and they are able to monetise this carbon reserve by selling it to third-party companies interested in carbon credits.

Monitoring and calculating carbon balance is now the business of many private companies across Europe, which use several methodologies and methods (soil analysis, modelling, a combination of both, etc.). It should be noted that none of these methodologies are officially recognised or supported by legislation.

For Tereos TTD, this topic is important from the perspective of the company's overall carbon footprint, as up to 48% of total CO_2 emissions (Tereos data) are generated by agricultural activities, i.e. primarily sugar beet cultivation. Therefore, if demand for a reduction in the company's total emissions increases, efforts to reduce emissions on the part of sugar beet growers will have to intensify. For this reason, the company's management has decided to launch the SARA (Sustainable And Regenerative Agriculture) initiative, which will oversee all efforts at Tereos TTD.

The biggest challenge will be maintaining current beet yields so that sugar beet cultivation remains profitable and attractive to growers. Meeting this condition has to be a priority in any discussion or effort to achieve carbon neutrality.

In order to gain a better picture of the current situation, employees of the Tereos TTD agronomy department have established cooperation with experts from the National Centre for Agricultural and Food Research and the Semčice Beet Institute with whom they are working intensively to obtain primary data from growers. Access to this information will enable us not only to consider ways to achieve lower emission values but also to increase the amount of carbon sequestered.

In addition to cooperating with the above partners, Tereos TTD also collaborates with colleagues from Tereos France. Based on their recommendation, cooperation was established with OK Carbon, a company that implements the Label Bas Carbone methodology in the Czech Republic. This methodology was developed in France with the support of the Ministry

of Agriculture and other stakeholders. Given the sophistication and robustness of the entire model, it is expected to be used in the creation of a pan-European standard according to which individual methodologies will then be assessed.

At the beginning of the summer, OK Carbon launched a pilot project with several selected sugar beet growers in order to obtain initial results for comparison with colleagues from Tereos France and to set targets and tools for reducing emissions.

Sugar

The cornerstone of our success since 1831

Sugar Production at Tereos TTD

Tereos TTD's sugar factories in Dobrovice and České Meziříčí started the 2024/25 campaign on different dates – in České Meziříčí on September 11, and in Dobrovice on September 20, after completing significant investment projects. Despite a demanding schedule, both plants were smoothly launched and maintained stable performance throughout the campaign. In total, more than 3 million tons of beet were processed across both plants, with the high technological quality of the raw material enabling excellent results for most of the campaign.

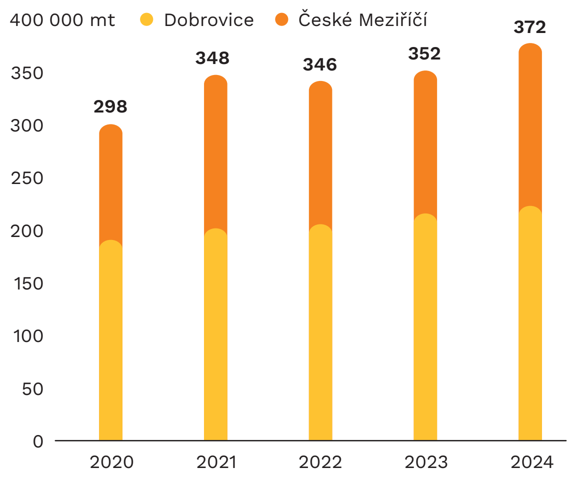
The Dobrovice factory operated smoothly, with minimal technical and operational issues. Investments in energy efficiency clearly improved plant performance. Minor delays due to installation errors by suppliers of the beet washer and scalding mixer were successfully eliminated and did not affect processing capacity. In addition to energy savings, the investments provided technological benefits, easier operation, and opened potential for further future improvements. Overall, the Dobrovice plant processed 2 million tons of sugar beet, producing nearly 227,000 tons of white crystal sugar – the second-best performance in the plant's history.

1.1

MILLION MT OF PROCESSED BEET = A RECORD FOR THE ČESKÉ MEZIŘÍČÍ SUGAR FACTORY

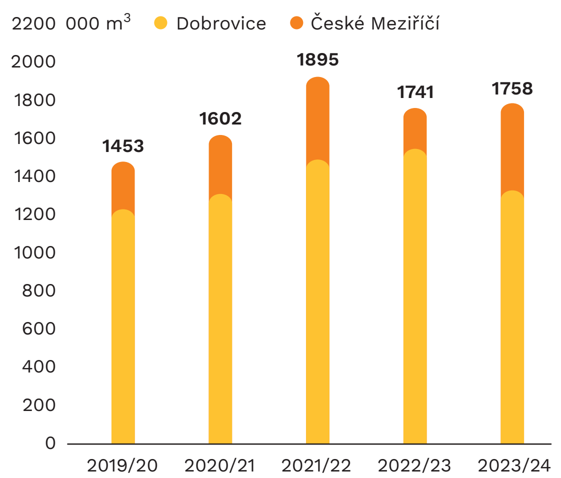
In České Meziříčí, the last coal campaign took place, marked by a record volume of processed beet – over 1.1 million tons – from which 145,000 tons of sugar were produced. Despite ongoing repairs on one of the boilers, smooth operations were maintained without major technological interruptions.

Sugar Production at Tereos TTD



Positive results were also supported by the growing production of biogas in biogas plants, which collectively reached almost 1.8 million m³ of natural gas equivalent. This allowed, for example, up to 5% of fossil energy at the Dobrovice plant to be replaced with renewable sources.

Biogas production in biogas stations



Product quality and high market requirements were successfully met at both plants. The packing center in Mělník played a key role in supplying packaged sugar to retail shelves for end customers. Stable and flexible operations enabled continuous coverage of demand across all segments. The plant's production capacity was fully utilized, with over 80,000 tons of sugar packed in various formats and packaging during the year, allowing a flexible response to customer requirements across the entire portfolio.

Sugar Production in the Czech Republic

The Czech Republic is among the seven largest sugar producers in Europe and has long maintained self-sufficiency as well as export capability. Sugar production in the country has a history of more than 200 years and remains a key pillar of the food industry.

During the 2024/25 campaign, 660,000 tons of crystal sugar were produced in the Czech Republic, representing a significant increase compared to both the previous year and the long-term average. The sugar beet cultivation area was expanded to 68,000 hectares. The Czech market is therefore not only fully supplied from domestic production but also actively participates in exports to neighboring countries.

However, the trading environment was affected by increased sugar imports from Ukraine, impacting some markets where Tereos TTD operates long-term. Calculating and setting final prices for our new campaign products was challenging, as the market already expected significant oversupply.

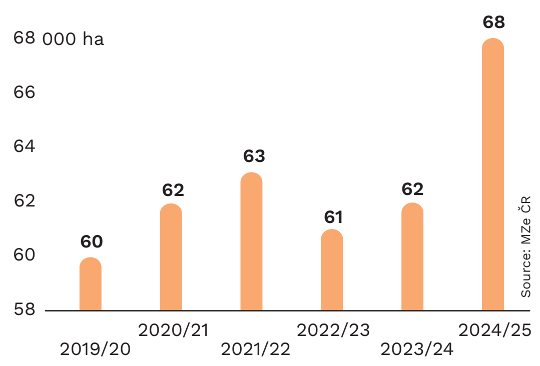
Despite the complex situation, the commercial team succeeded in maintaining stable price levels, ensuring not only successful sales but also room for further company development.

European Sugar Market Situation

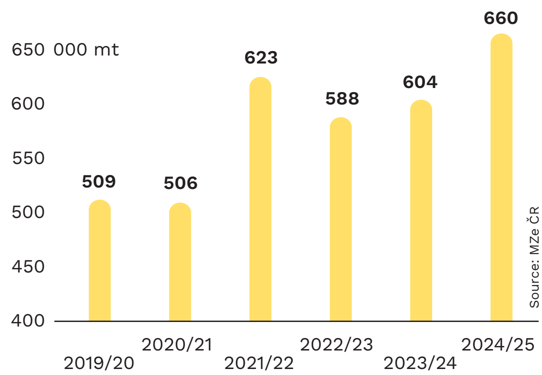
The European sugar market in the past campaign was characterized by higher production and reduced imports. EU production reached 17.1 million tons, a year-on-year increase. Consumption rose slightly, and EU exports also increased, while stocks remained at previous levels. Overall, the market appeared stable, although expectations of oversupply may affect prices and stock levels in the coming period.

A significant factor remains the ongoing war in Ukraine and duty-free sugar imports into the EU, which have put pressure particularly on markets in Eastern Europe. Although the EU introduced quantity restrictions, the situation continues to pose challenges for both producers and traders.

Sugar Beet Harvest Area
in the Czech Republic



Sugar Production
in the Czech Republic



Michal Beneš

Sales Director of Tereos TTD

The 2024/25 year was very challenging from a business perspective – what do you think was the most difficult aspect and what do you consider to be the greatest success?

This year presented a big challenge, mainly in terms of the amount of sugar. In the first half of the fiscal year, we needed to sell everything we had in our warehouses because the situation in the fields indicated very high production in the sugar campaign in the fall of 2024. These assumptions were subsequently fulfilled, and we sold more than 373,000 tonnes of sugar. Organising the packaging and transport of this quantity was at the limit of our plants' capacities. However, the campaign was exceptionally long, which allowed us to sell even more sugar in its duration and production. This challenge was the most difficult task of the year and was successfully accomplished due to the excellent cooperation not only of the entire sales department, but also of other teams at Tereos TTD. Other products were handled according to our sales plans, and the daily careful work and dedication of each individual in our team led to the successful completion of our tasks and sales targets.

In your opinion, how will the sugar business in our region develop in the future – and how is Tereos TTD preparing for this?

The trade in sugar can be divided into two areas. One area is sale to end customers in stores,

Situation on European Sugar Market 28

incl. the UK (Mmt)

	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Initial stock	1.8	2.4	1.3	1.6	2.1	2.2
Production	16.6	14.8	16.8	15.1	16.2	17.1
Import	2.3	2.2	2.4	3.6	2.4	1.5
Consumption	17.1	17.0	18.0	17.6	16.8	17.2
Export	1.1	1.0	0.9	0.5	1.7	1.7
Final stock	2.4	1.3	1.6	2.1	2.2	1.8

where we do not expect any significant changes and consumption will remain similar to current levels, with the only possible influence being a significant change in the population of Central Europe. This volume accounts for up to 20% of our annual sales. The remaining 80% of the sugar produced is supplied to our business partners in industry. Here it is used for the manufacture of their products. There may be many factors here that we cannot influence. The key is to maintain production volume in terms of production capacity and not to close down production plants that use sugar for their production. The relocation of production capacities to other areas, for example due to rising costs, can have a negative impact on industrial demand. Another factor may be the tax policy of individual countries. The much-discussed special tax on products containing sugar, currently mainly sweetened beverages, may again have a negative impact on sugar consumption. Some European countries have already introduced this tax.

However, sugar beet cannot be grown at any place, but only in locations where conditions are suitable for its growth. The location of the Czech Republic and the location of our sugar refineries are very suitable. We can see that countries further south, where climatic conditions are changing and it is warmer with lower rainfall, are limiting or even completely discontinuing sugar beet cultivation and sugar production. For Tereos TTD, this means that we will prepare for changes in logistics and deliveries and supply sugar to customers according to their needs. We will certainly sell the production capacity of our plants on the market in Central and Southern Europe.

Alcohols

food industry – pharmaceuticals – renewable energy

Tereos TTD leverages synergies between sugar and alcohol production. The flexibility of its production facilities – both sugar and distilleries – allows for efficient processing of a sugar by-product, molasses, into alcohol. In fiscal year 2024/25, the company operated three distilleries.

The Dobrovice distillery, the largest of its kind in the Czech Republic, produces both certified bioethanol and raw alcohol for further processing. The distilleries in Chrudim and Kojetín focused on producing refined alcohols – potable, technical, and anhydrous in pharma quality. Tereos TTD has long emphasized environmental responsibility, and therefore, in cooperation with its commercial partners, prefers rail transport for alcohol, an environmentally friendlier alternative to road transport.

Bioethanol – Renewable Energy

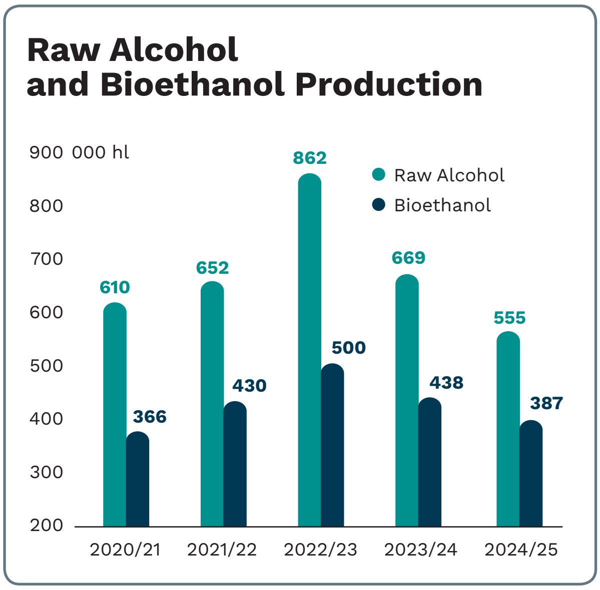
Production of bioethanol took place at the Dobrovice distillery in 2024/25. The facility operates in two modes: outside the sugar campaign, it processes molasses from both its own and external production, while during the campaign it simultaneously uses sugar juice from processed beet. This allowed for smooth and stable operation without significant technical complications.

The Dobrovice distillery also operates a vinasse treatment plant and a methanization facility, which contribute to the energy self-sufficiency and minimize the environmental footprint of both the plant and the entire company.

Average daily production during the campaign reached 2,391 hectoliters of raw alcohol, with total annual production amounting to 555,000 hectoliters of raw alcohol of which was produced 387,000 hectoliters of bioethanol.

3 YEARS AGO, TEREOS TTD BECAME **THE FIRST COMPANY** IN THE CZECH REPUBLIC TO OBTAIN — AND CONTINUOUSLY MAINTAIN — A CERTIFICATION FOR MEETING SUSTAINABILITY CRITERIA

Great attention was given to meeting sustainability criteria, particularly reducing CO_2 emissions compared to fossil fuels. The company successfully passes annual certification audits assessing the entire production process, including the supply chain. In the past year, CO_2 emission savings of 81.28% for molasses alcohol and 91.98% for 2G biofuels were confirmed. Tereos TTD was the first company in the Czech Republic to obtain this certification three years ago and continues to renew it.



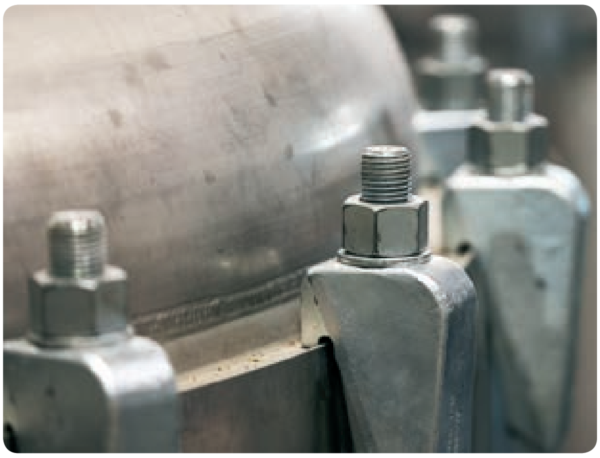
A significant sales driver in 2024 was the introduction of E10 fuel to the Czech market, which boosted demand for bioethanol. The company also diversifies its commercial portfolio to ensure even sales throughout the year, minimizing risks from price fluctuations on commodity markets. Cooperation with producers of automotive antifreeze mixtures remains stable.

Through these measures, the company not only strengthens its competitiveness but also makes a substantial contribution to meeting the climate commitments of the Czech Republic and the EU.

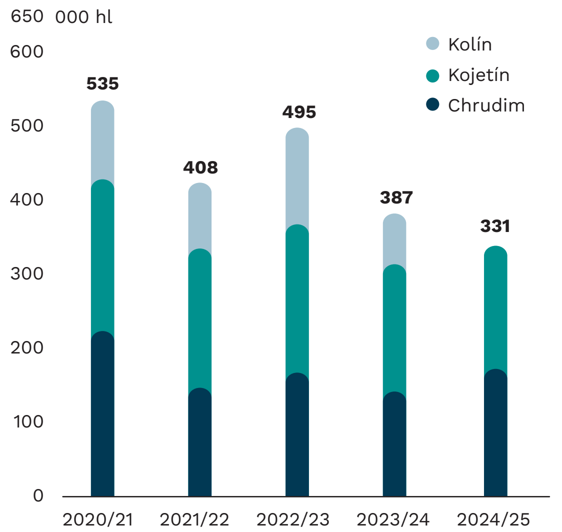
Refined Alcohols

Refined alcohol production took place at the Chrudim and Kojetín distilleries. In contrast, the distillery in Kolín, operational since 1872, ceased production at the beginning of 2024 after 152 years of continuous operation.

The Chrudim distillery operated for 296 days, producing 174,000 hectoliters of fine alcohol, supplemented by a smaller volume of technical alcohol. The Kojetín distillery operated for 301 days, using all three units, and produced 157,000 hectoliters of alcohol. Efficient management of the fuel base (coal) and in-house electricity production contributed to positive economic results.



Refined Alcohol Production



Contracts with partners in the Czech Republic and abroad were stabilized. Refined alcohols were supplied to the beverage, pharmaceutical, and chemical industries. However, a long-term decline in alcohol consumption remains evident, exacerbated by rising excise taxes on alcohol in the Czech Republic and Slovakia, as well as growing competition from European markets. These factors, combined with the construction of new capacities in neighboring countries, led to a decrease in total sales volume and the decision to close the Kolín plant.

Michal Beneš

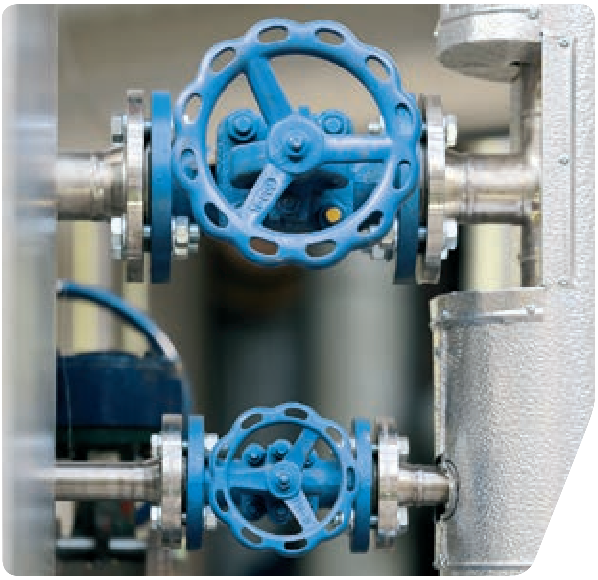
Sales Director of Tereos TTD

Sustainability and emission reduction also play a role in business nowadays. How specifically do these topics affect your daily work?

Sustainability is a really important topic these days. The biofuel sustainability certification, which we have successfully obtained every year for many years, allows us to sell bioethanol to fuel producers who blend it into petrol. The company devotes a lot of effort to the sustainability criteria for anhydrous alcohol, which is measured by the reduction in CO_2 emissions compared to fossil fuels. Every year, the company undergoes a rigorous recertification audit that focuses consistently on the entire production process, including the inspection of sugar beet suppliers. The achieved values – 81.28% savings in CO_2 emissions from molasses-based ethanol – are proof of this, and we have achieved these values repeatedly for several years. Our company has successfully passed the sustainability certification for 2G biofuels with a result of 91.98% savings in CO_2 emissions. The company was the first in the Czech Republic to achieve this certification three years ago, and we have successfully defended it repeatedly.

The topic of sustainability is now also appearing in our other products. This applies to sugar and ethanol, as well as distillation residues, which are part of the organic matter used

Despite falling prices, the company successfully negotiated new commercial terms, and refined alcohol production continued to deliver positive results. The company recognizes the strategic importance of this commodity and, as with sugar, emphasizes the need for domestic production, distribution, and storage, ensuring the Czech Republic remains fully self-sufficient and capable of fulfilling an export role.



Molasses Procurement

Molasses remains a key raw material for alcohol production in the Kojetín plant and partially in Dobrovice. Besides its own production, the company purchases molasses mainly from Central and Eastern Europe, considering transportation efficiency and cost optimization.

An advantage of molasses is its ability to be stored long-term under proper conditions. Quality is continuously monitored, as it is critical for fermentation processes. Transportation is carried out in cooperation with logistics partners, either by tanker trucks or railcars.

Thanks to a good beet harvest and expanded cultivation areas, molasses availability was high during the 2024/25 campaign. The company took advantage of favorable year-end prices to secure additional stock under advantageous conditions. With its own storage capacity, Tereos TTD is prepared to respond flexibly to market developments and remains a reliable partner for both suppliers and customers.

in biogas plants. We are currently in the preparatory phase, gathering information and creating procedures for calculating and recording the carbon footprint of our products. We are pleased to have a new colleague who is responsible for sustainability at Tereos TTD, she will help us meet our customers' requirements and successfully sell our products, because sustainability is already and will continue to be a very strong business argument, namely for trade with the largest producers in Europe.

The alcohol market has been changing in recent years. How do you explain this?

Ethanol sales have changed significantly in recent years. After the COVID-19 pandemic, when restaurants were closed, consumer behaviour changed. People are drinking less alcohol, and the younger generation prefers mixed drinks with a lower alcohol content. The state's tax policy also has a significant impact, with excise duty on alcohol in the Czech Republic set to rise by a total of 25% between 1 January 2024 and 1 January 2026. This increase will certainly be reflected in the price of beverages and will be paid by end consumers. Tereos TTD responded to market changes by terminating production at the Kolín distillery, and we are able to sell the amount of alcohol that our distilleries in Chrudim and Kojetín can produce not only to liqueur producers but we are also building strong ties with industrial production where our distilleries' production is needed for their manufacturing programs. The capacity of both plants is now being maximised, so we can have the most economical production possible, provide our customers with competitive prices, and create a margin for Tereos TTD.

Animal Feed

and Fertilisers

Feed and fertilizers form a solid pillar of our product portfolio and clearly illustrate the principle of circular economy consistently applied by Tereos TTD. From desugared beet pulp we produce high-quality pellets for livestock, in our distilleries in Dobrovice and Kojetín we generate nutritious distillery slops, and from sugar production we also obtain valuable lime and carbonation sludge used as sought-after fertilizer. Each of these products demonstrates that we are able to utilize sugar beet to 100% – transforming it not only into sugar, but also into valuable resources for agriculture.

Pellets

Tereos TTD systematically expands and optimizes its portfolio of business partners and successfully strengthens sales throughout the region. Pellets are among our key products – these dried granulated beet pulp, a highly valued energy-carbohydrate feed with a high fiber content, find wide use in feed mixtures for both livestock and pets thanks to their nutritional properties.

We produce pellets in our sugar factories in Dobrovice and České Meziříčí. Production takes place in modern dryers using natural gas, making it an energy-intensive yet carefully managed process. Given higher production costs, we optimized output in the České Meziříčí plant; overall, in the 2024/25 fiscal year we produced more than 96,000 tons of pellets – more than in the previous period. We place the same emphasis on the quality of our feed as on food production: we regularly recertify established systems and carefully control production processes and storage facilities.

The year 2024/25 was marked by further optimization of production according to signed contracts. We produced and sold more pellets than in the previous fiscal year, also thanks to a record amount of processed beets. The sales model, in which customers arrange transport on their own – whether by truck or rail – has fully proven itself and will continue to be used in the future. The process is highly efficient: the customer enters transport details directly into our system, after which we ensure smooth loading and vehicle clearance.

Distillery Slops

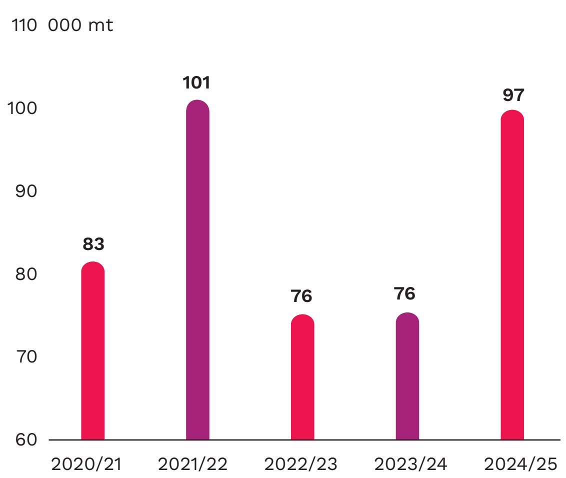
Distillery slops represent a valuable by-product of our ethanol production in the Dobrovice and Kojetín distilleries. Thanks to their versatility, they are used in several areas: as part of the feed base for livestock, in the production of compound feed, as a quality liquid potassium sulfate fertilizer applied by farmers to fields, and as an important energy source for biogas plants. A major achievement of the past period was the certification of distillery slops as a sustainable input for biogas plants under the 2BSvs standard, confirming our commitment to sustainable management principles. With sufficient storage capacity and a flexible network of delivery points, we are able to reliably meet the requirements of our business partners.

In the 2024/25 fiscal year, distillery slops production declined due to a lower volume of raw material (molasses) processed for ethanol production. However, Tereos TTD, in close cooperation with customers, found solutions that made it possible to allocate the entire output through signed contracts. Although 23% fewer distillers' grains were sold compared to the previous period and prices, under market influence, were lower than in the previous fiscal year, we managed to take production costs into account and maintain fair business conditions. We enter the new campaign year with the aim of once again finding joint solutions with our partners and successfully placing the entire planned volume of distillers' grains on the market.

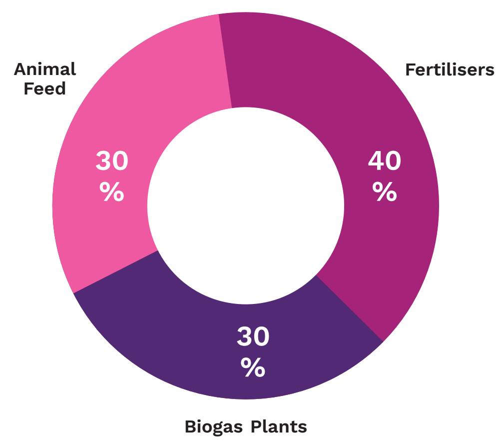
Lime and Carbonation Sludge

Another fertilizer supplied by Tereos TTD to farmers is lime-carbonation sludge. It is a high-quality natural fertilizer that arises as a by-product of sugar production. Farmers value it especially for its high calcium content and other minerals. It is further evidence of our commitment to the principles of circular economy and zero-waste production. Thanks to carbonation sludge, we can even better fulfill the idea of 100% utilization of sugar beet and support sustainable farming for farmers in our region.

Pelet Production



Distillery Slop Use



Financial Performance

Return to normal level after an extraordinary year

Historical and market context

At the beginning of the 1920s, Czechoslovakia was one of the world's leading sugar producers. Sugar accounted for a significant portion of exports and generated substantial tax revenues for the state. However, this growth did not last forever. Market surpluses led to a decline in prices and a natural cooling off. The year 2024/25 partially echoed this historical dynamic. After an exceptionally strong 2023/24, the market returned to more normal level in the past period. High prices in the previous season contributed to an expansion of sowing area and an increase in production volume, which in turn led to excess supply and downward pressure on prices. This market reaction is reminiscent of the situation in the 1920s, when growth was followed by a cooling off.

Sales and key segment development

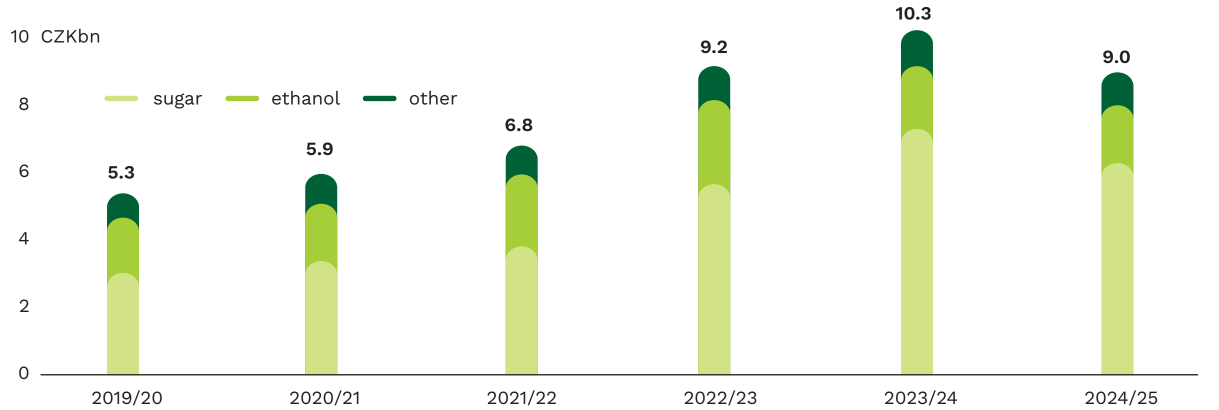
With the decline in prices, the company's sales fell by 12% year-on-year, although this decline was mitigated by the fact that two campaigns were reflected in the accounting period, each with a different price level. The first half of the year was marked by higher prices than the second half. Due to the fact that significant volumes of sugar were sold on more favourable terms in the first half of the year, the resulting decline in sales was reduced to 12% as stated above.

The largest year-on-year decline affected the sugar segment – the largest component of our sales in absolute terms. While sales from sugar sale reached CZK 7.3 billion in 2023/24, this year they fell to CZK 6.2 billion, representing a decline of more than CZK 1.1 billion, or approximately 16%. This development was almost exclusively caused by a decline in the average selling price – sales volume, on the other hand, increased year-on-year, but the increase in the volume of sugar sold was not enough to offset the price decline. While volume made a positive contribution of CZK 928 million, the decline in unit prices had a negative impact of more than CZK 2.2 billion, leading to a cumulative year-on-year decline in sales of more than CZK 1.2 billion. Another factor putting pressure on prices was increased competition caused by sugar imports from Ukraine, which is currently outside the scope of EU emission and production regulations – these different conditions significantly affected the competitiveness of imported sugar on the European market.

YEAR-ON-YEAR GROWTH IN SALES VOLUME OF BOTH SUGAR AND SPIRITS WAS UNABLE TO OFFSET THE DECLINE IN AVERAGE SELLING PRICES IN BOTH SEGMENTS.

The ethanol segment recorded a decline in sales from CZK 1.84 billion to CZK 1.75 billion, i.e. by 5%. Lower unit prices played a major role here as well – although sales volume increased slightly, this increase was not enough to offset the price

Consolidated Sales



decline. By contrast, sales in the „other“ category decreased only minimally, from CZK 1.13 billion to CZK 1.1 billion, or by approximately CZK 30 million (-3%), mainly due to the composition of exported by-products and a slight deterioration in prices on feed markets.

Margins, profitability, and financial indicators

Margins returned to a level that we consider sustainable in the long term. Despite the decline in sales, the company remained profitable. While EBITDA amounted to approximately CZK 1.7 billion with a margin of 16.8% in the previous year, this year it reached CZK 804 million with a margin of 8.9%. This decline is not a sign of failure, but rather a return to normal levels after

an exceptionally favourable period. Last year's results were exceptional due to favourable timing and a temporary market peak. This year, we have operated in an environment of lower prices and more normal market conditions. In the food industry, EBITDA margins typically range around 11-12%, and although we are below this average, we consider this year's result to be sound given the circumstances.

The picture is complemented with the development of other indicators: adjusted EBIT reached CZK 538 million, while profit after tax decreased year-on-year from approximately CZK 1.2 billion to CZK 447 million. Leverage remains

Operating Result
(CZKm)

	2024/25	2023/24	Δ	idx
Turnover	9,009	10,269	-1,260	-12%
Inventory Variation	-488	-174	-314	
Cost of Goods Sold	-7,020	-7,552	532	-7%
Other Operating Costs / Revenues Net	-985	-1,133	148	
Operating (Loss) Profit	**517**	**1,410**	**-893**	**-63%**
Financial Costs / Revenues Net	61	106	-45	
Profit Before Tax	**578**	**1,516**	**-938**	**-62%**
Taxes – Income & Deferred	-131	-314	183	
Net Profit	**447**	**1,202**	**-755**	**-63%**
EBITDA	**804**	**1,726**	**-922**	**-53%**
EBITDA Margin	8.9%	16.8%	-7.9%	
ROS	5.0%	11.7%	-6.7%	

virtually zero, net debt is negative, and financial stability was not compromised in any manner. ROCE returned below 7% this year, which, given the investment burden and the nature of the food industry, still represents a sustainable and competitive level in the sector. The overall cost structure remained stable even in a more challenging environment, which contributed to maintaining operating profitability. The cost of goods sold fell year-on-year, despite higher sale volumes. This development was driven primarily by lower unit costs for energy and key raw materials, which contributed significantly to the fact that the decline in margins was not even more pronounced. Gross margin, despite a year-on-year decline, continued to provide sufficient coverage for fixed operating costs. This allowed the company to maintain a positive operating result even in an environment of lower revenues. Sales and logistics costs remained under control, with year-on-year changes in these categories reflecting volume dynamics rather than inefficiency. Although the regulatory burden within the European Union has been increasing in the long term, we managed to keep administrative costs under control. There was a year-on-year decrease of more than CZK 40 million, reflecting the effective management of support activities across the entire company.

Cash flow, investments, and operational efficiency

The above EBITDA ensured positive operating cash flow, which covered part of this year's investment needs. The remaining financing was secured through a significant reduction in working capital, which freed up sufficient tied-up

Company Assets and Financing

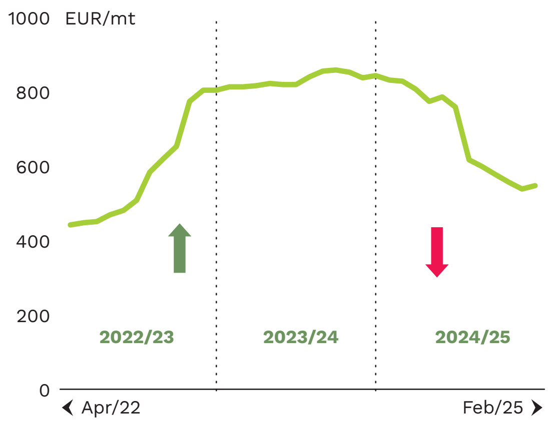
in the period of 1 April 2024 - 31 March 2025 (000 CZK)

	2024	2025	Δ
Fixed assets	**3,699,008**	**4,093,035**	**394,027**
Tangible fixed assets	3,692,526	4,026,874	334,348
Intangible fixed assets	6,473	66,152	59,679
Non-current financial assets	9	9	0
Current assets	**5,715,451**	**4,656,255**	**1,059,196**
Inventories	3,844,473	3,299,275	545,198
Receivables	1,587,850	1,214,955	372,895
Cash	283,128	142,025	141,103
Total assets	**9,414,459**	**8,749,290**	**665,169**

operating funds. This effect helped us to make extensive investments without having to draw on external credit resources. The reduction in working capital was driven primarily by a decline in the total value of inventories. This decline was caused by both lower inventory volumes and a decrease in unit production costs, mainly due to lower energy and gas prices.

The total price of the basic production commodity, i.e. sugar beet, also fell, which was reflected in lower inventory values; therefore, it had a positive effect on the amount of operating funds committed. Although the guaranteed minimum price rose compared to the previous year, no additional bonus was paid this year, unlike in the previous period, due to the overall development of prices on the sugar market. Sugar from the new beet campaign was sold in

Sugar Price Trends in the EU



Sustainability and investments in the future

The year 2024/ 25 was not a record-breaking year from a financial perspective, but it was a year that proved that even in a normal market environment, we are able to maintain efficiency, invest, manage cash flow, and adapt to change. For the second year in a row, we made significant investments in production technology, efficiency, and equipment renewal. This year, the gross volume of investments exceeded CZK 760 million (excluding grants, the net increase in assets is CZK 334 million).

The renewal of the diffusion system, the replacement of the washer, and the construction of a new silo played a key role this year, projects that are essential for the reliability and capacity of our production processes, and they accounted for the majority of this year's investment expenditures. In the case of the renewal of the diffusion technology, it is not just a technical upgrade – this project brings a measurable reduction in energy consumption (savings of almost 15,000 MWh per year), which corresponds to a reduction in CO_2 emissions of almost 3,000 tonnes per year.

From a financial perspective, this is an investment that brings measurable operational savings while significantly contributing to reducing our carbon footprint – in other words, a project that stands up to both energy and economic parameters. This investment dynamic demonstrates our long-term ambition to remain competitive while reflecting the needs of sustainability and production safety.

Stable Ownership Structure

(000 CZK)

	2024	2025	Δ
Share capital	1,321,011	1,321,011	0
Capital funds	40,912	44,180	3,268
Funds from profit	588,536	651,056	62,520
Retained earnings	3,605,505	4,487,430	881,925
Profit or loss for the current period	1,202,043	447,342	754,701
Total equity	**6,758,007**	**6,951,019**	**193,012**

Other Liabilities

(000 CZK)

	2024	2025	Δ
Long-term payables	**278,019**	**296,108**	**18,089**
Deferred tax liability	278,019	296,108	18,089
Long-term loans			0
Short-term payables	2,204,752	1,494,274	710,478
Trade payables	1,350,685	1,312,610	38,075
Short-term loans	**0**	**0**	**0**
Other payables	854,067	181,664	672,403
Deferred income	**36**	**58**	**22**
Total payables	**2,482,807**	**1,790,440**	**692,367**

the low-price environment, and even the end of the fiscal year did not indicate an improvement in market conditions. The combination of low sugar sale prices and high basic beet purchase prices did not provide room for an additional bonus. Unlike in the previous period, when the bonus was recorded as an estimated item, it did not arise this year; therefore, it was not included in the accounts. This also significantly reduced the value of the liability to suppliers.

On the receivables side, not only did lower product prices have an impact, but also the fact that most sales were made during the fiscal year, namely in the first half. Active maturity management also had a positive impact, leading to faster collection. Due to consistent monitoring of customer payment behaviour, it was not necessary to create provisions for receivables.

Overall, this made it possible to free up operating funds without affecting the continuity of supplier-customer relationships. The result was an improvement in net working capital, which decreased by more than CZK 330 million year-on-year.

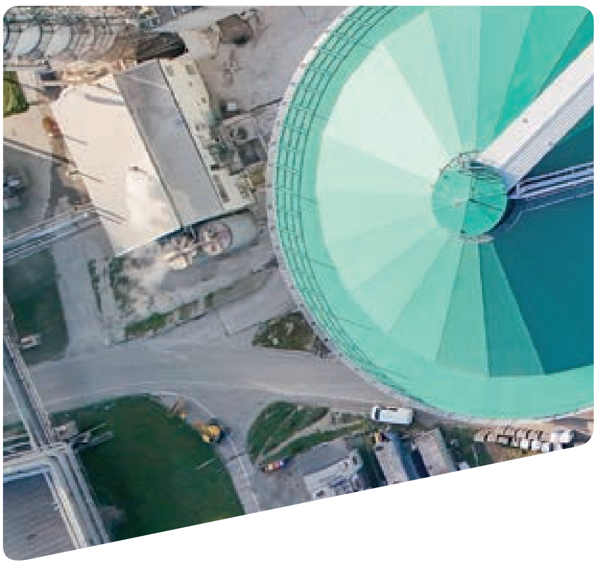
The approach to the previous year's results also played a significant role in this regard; of the total after-tax profit of CZK 1.2 billion, more than CZK 850 million was retained in the company in the form of an allocation to accumulated profits brought forward or an allocation to the relevant funds. This strengthened the equity base and the availability of funds for this year's FCF without the need for external financing. This cautious dividend policy gave us more room to finance the seasonality of the business and investments during the year without pressure for external financing. The dividend paid this year for the previous year's results did not represent a significant burden on free cash flow – its amount was set so as not to affect the company's liquidity or investment capacity. Due to sufficient liquidity and the absence of credit financing, we avoided interest expenses that would otherwise have negatively affected free cash flow. We managed to effectively utilise our free funds, despite declining sales and margins returning to normal levels. The result is the financial profit from interest income – a combination of discipline, preparation, and the ability to respond to market developments in a timely manner.

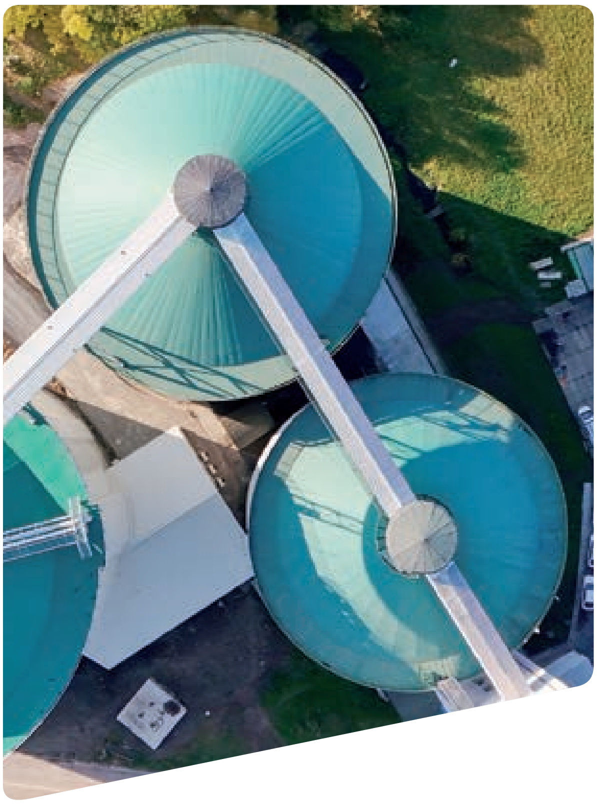
Financial stability and relations with banks

Last year, as in the previous year, we managed to finance our operations and investments without the need to draw on operating or investment loans. This does not mean that we underestimate the importance of stable financing – quite the contrary. In an industry with significant fluctuations in commodity prices and a seasonal cash flow structure, it is essential to have strong banking partners with us. Long-term relationships with our credit institutions give us the certainty that we will have access to the necessary financial resources to ensure our operations and achieve our business and investment goals. These relationships are based on our long-term presence in the market, transparent reporting, and conservative financial management – this makes us a partner that banks can count on in the long term. Consistent use of banking products to manage currency exposure has helped us mitigate fluctuations in the Czech koruna exchange rate as an exporter with primarily Czech koruna-denominated costs. With active hedging of exchange rate risk, we have been able to protect margins even during fluctuations on foreign exchange markets, thereby contributing to greater stability of our operational management.

The company cooperates with the following banks:

- Citibank Europe plc, organizační složka
- Commerzbank Aktiengesellschaft, pobočka Praha
- Československá obchodní banka, a. s.
- UniCredit Bank Czech Republic and Slovakia a.s.
- Všeobecná úverová banka a.s., pobočka Praha



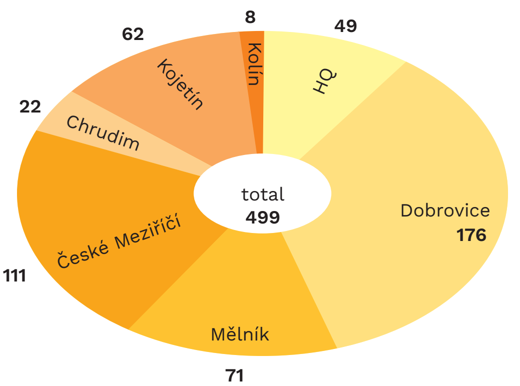


Employees

The cornerstone of Tereos TTD

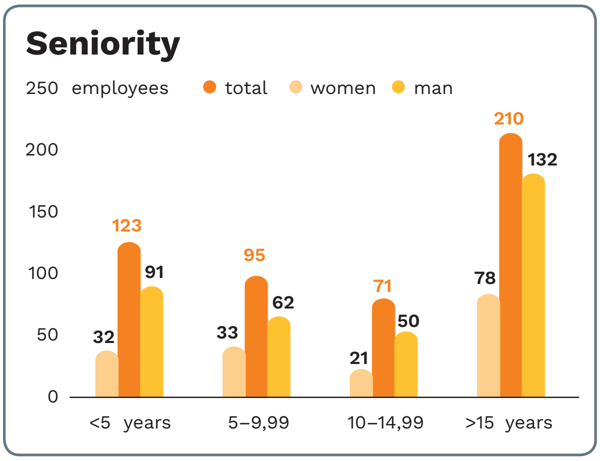
Employees are a key element of the success of any company. Without their dedication, commitment, and proactive approach, it is impossible to develop the company, contribute to its growth, and drive improvements. In the fiscal year 2024/25, Tereos TTD employed 499 people, including 164 women and 335 men. The largest workforce was at the Dobrovice site, where 225 employees worked across the sugar factory, distillery, and company headquarters, while the smallest teams were at the Chrudim distillery with 22 employees and the Kolín distillery, which, after ceasing refined alcohol production and maintaining only residual by-product operations, employed eight people. During the 2024/25 fiscal year, Tereos TTD created

Number of Employees by Site



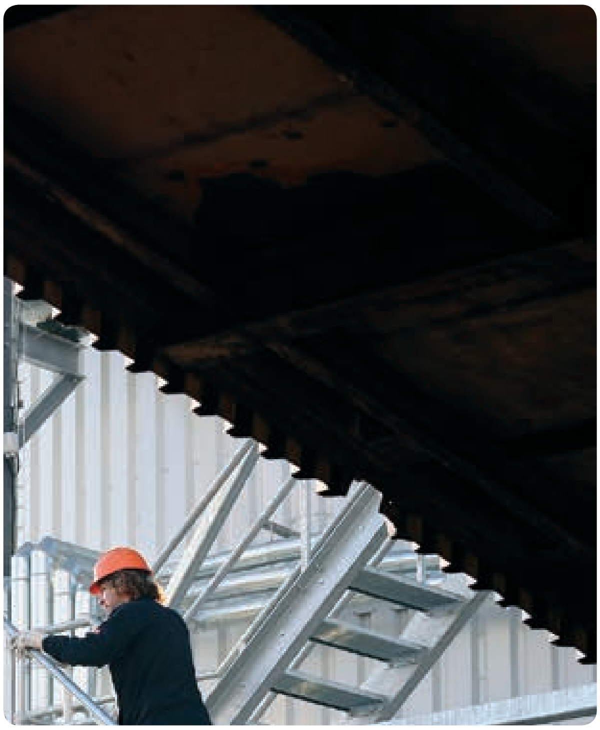
37 new jobs and 46 positions were terminated, largely influenced by the closure of the Kolín distillery.

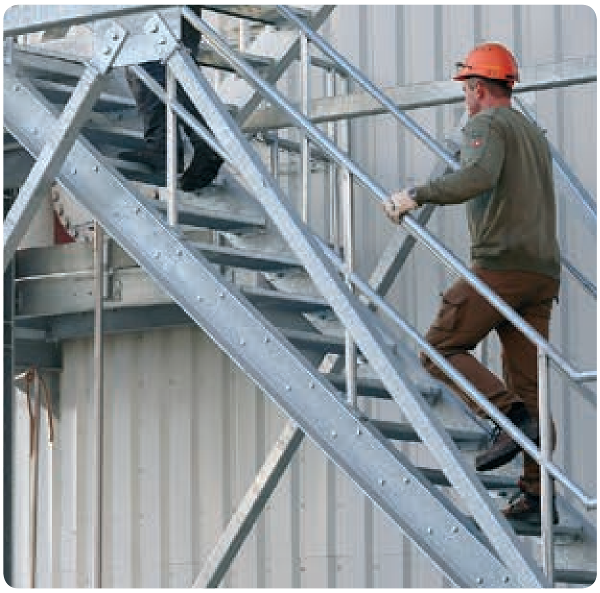
The company continued investing in employee education in 2024/25. Our sector requires highly specialized skills, making continuous training essential. Tereos TTD is also undergoing a significant generational shift: 42% of employees have been with the company for 15 years or more, with 14 employees having served for over 40 years, while a full quarter of the workforce has been with the company for less than five years. Special attention was therefore paid to knowledge transfer between generations and acquiring new skills. Employees completed a total of 8,804 training hours, averaging nearly 18 hours per person. Last year, the company piloted the SEDUO e-learning platform, offering a wide range of courses for both professional and personal development, which employees accessed through 40 purchased licenses. Language training focused primarily on English, with smaller participation in French and German courses.



42 %

OF EMPLOYEES HAVE BEEN WITH TEREOS TTD FOR MORE THAN 15 YEARS





An employee survey was conducted by the Mělník packaging center across all sites and departments, assessing the work environment regarding safety and quality. The results were evaluated, and an action plan for improvements was prepared. This feedback mechanism is highly valuable, giving the employer insight into employee satisfaction, actively involving employees in company matters, and ensuring that employee opinions inform decision-making processes.

Closure of the Kolín Distillery

On March 1, 2024, management decided to cease refined alcohol production at the Kolín distillery and subsequently shut down the unit. Only residual by-product operations remained on site. From an HR perspective, this was a challenging decision affecting all employees, and the HR department worked closely with the industrial and site management to mitigate the impact. When terminating employment, considerations included retirement eligibility, opportunities within other Tereos TTD operations, and maintaining residual operations for a planned period.

A social program was prepared for affected employees, including severance arrangements according to labor law, collective agreements, seniority, type of termination (dismissal or mutual agreement), and willingness to remain to support residual activities. Of the 19 employees affected by the closure, 8 had their employment terminated, 6 were reassigned within the company, and 5 remained to support residual operations at the Kolín site.

Labor Market Challenges

Tereos TTD, as a major food production company with specific skill requirements, faces a highly rigid labor market. Long-term low unemployment exacerbates recruitment difficulties, and no significant change is expected in the near term. A persistent mismatch exists: employers struggle to find suitable candidates, while job seekers cannot find positions meeting their expectations, often causing frustration, as confirmed by partner recruitment agencies.

The Czech labor market is also conservative, with many employees hesitant to change jobs due to social stigma associated with unemployment. Those who do change often demand significantly higher salaries, presenting challenges for new employers, especially if pay expectations exceed current employee levels. This issue will become more pronounced from July 2026, when new pay transparency legislation will require equal conditions for all employees and introduce reporting obligations for gender pay gaps.

8804

TRAINING HOURS PROVIDED TO OUR EMPLOYEES IN 2024

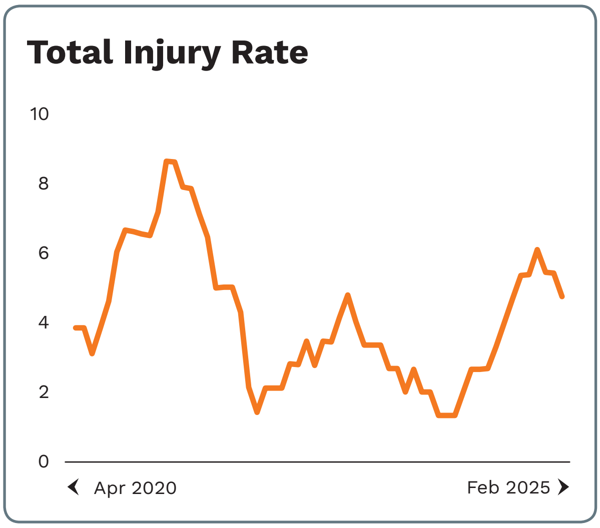
Employee Safety as an Absolute Priority

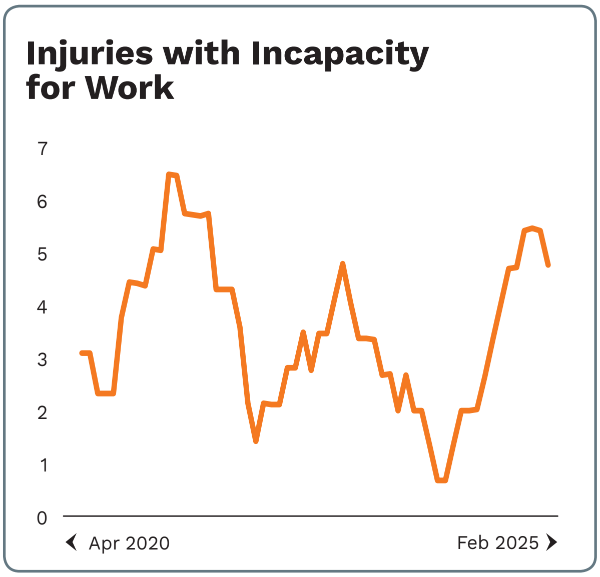
Occupational health and safety are a top priority for Tereos TTD and its employees. The company has an ambitious goal of achieving zero workplace accidents and becoming an industry leader in safety.

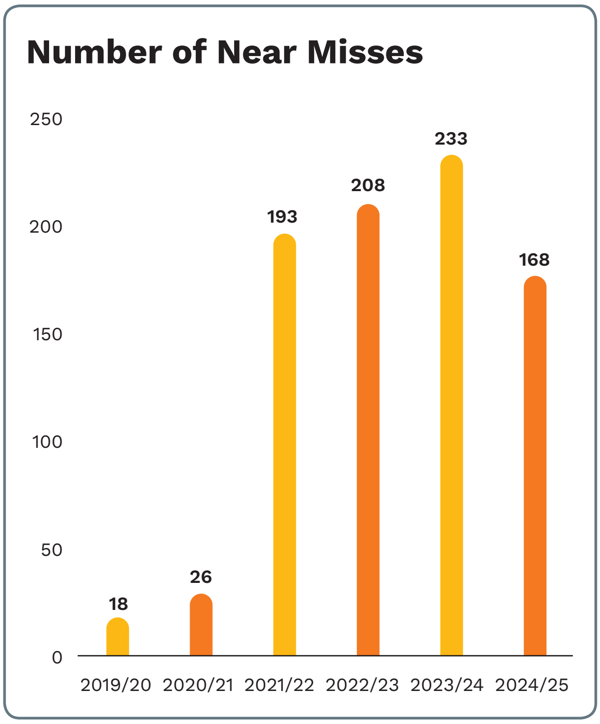
ON THE INITIATIVE OF THE EMPLOYEES OF THE MĚLNÍK PACKAGING CENTER, WE CONDUCTED A SURVEY ACROSS ALL PLANTS.

To support this goal, proactive risk identification and management are emphasized across all management levels. A new risk management system was introduced at all sites in collaboration with an external company, facilitating regular audits and workplace risk analysis. Employees are encouraged to report near-misses and unsafe behaviors, helping prevent accidents. Timely identification of these near-misses and hazardous behaviors can be highly beneficial. As shown by available statistical models from occupational safety studies, the higher the number of reported near-misses, the lower the risk of serious incidents occurring.

Safety performance indicators, including total accident rates and lost-time injury frequency, are monitored monthly over a rolling 12-month







period. Tereos TTD aims to keep the overall accident rate below 4. In FY 2024/25, this target was not met, highlighting the need to improve near-miss reporting. A cross-audit system focusing on near-misses between sites has been implemented. The same safety standards and monitoring apply to contractor employees working alongside Tereos TTD staff. Based on these assessments, measures are taken to improve workplace safety across all sites and employees.

Tereos TTD maintains a comprehensive prevention program and continues implementing international safety standards in collaboration with colleagues across the company. Employee training is a core part of the safety culture, including interactive risk-specific courses, emergency simulations, evacuation drills, and regular refresher training and testing in occupational safety and fire protection.

A key annual project is Safety Day, held at each site to demonstrate, through practical exercises, the importance of compliance with all safety regulations and standards, minimizing the likelihood of workplace accidents. The event also includes training for handling critical situations, such as treating injured colleagues or extinguishing hazardous substance.

Tereos Group

We cultivate the future for both the Earth and its people

Tereos TTD has been part of the French multinational Tereos Group since 1992. Tereos is an agricultural cooperative that brings together more than 10,300 members and employs 15,600 people. It ranks among the world's leading processors of plant-based raw materials – sugar beet, wheat, corn, sugarcane, and alfalfa – and a supplier of key commodities such as sugar, ethanol, alcohol, and starch products. Thanks to its broad and complementary portfolio, the group can respond flexibly to customer needs across various markets. In total, Tereos processes 43 million tons of plant-based raw materials annually. The group operates 38 industrial facilities across 14 countries in Europe, Africa, South America, and Asia.

Tereos defines its mission as: *"Together, we cultivate the future of the Earth and its people by meeting their everyday needs."* Sustainability is therefore at the core of its strategy. The group is among the most committed to reducing greenhouse gas emissions across the value chain. This commitment is grounded in values guiding daily work – courage, collaboration, pragmatism, and performance – and is validated by the independent SBTi Flag platform.

2024/25 Results

Despite worsening market conditions, Tereos closed the 2024/25 fiscal year with solid results, ranking as the third-best performance in the group's history. Adjusted EBITDA reached EUR 801 million, and recurring operating profit (EBIT) was EUR 405 million. Even with a year-on-year EBITDA decline of 29%, the group maintained a stable financial position. After a strong first half of the year, with EBITDA of EUR 506 million, the second half saw a significant drop to EUR 295 million.

Through disciplined financial management, debt was further reduced. Total debt at the end of

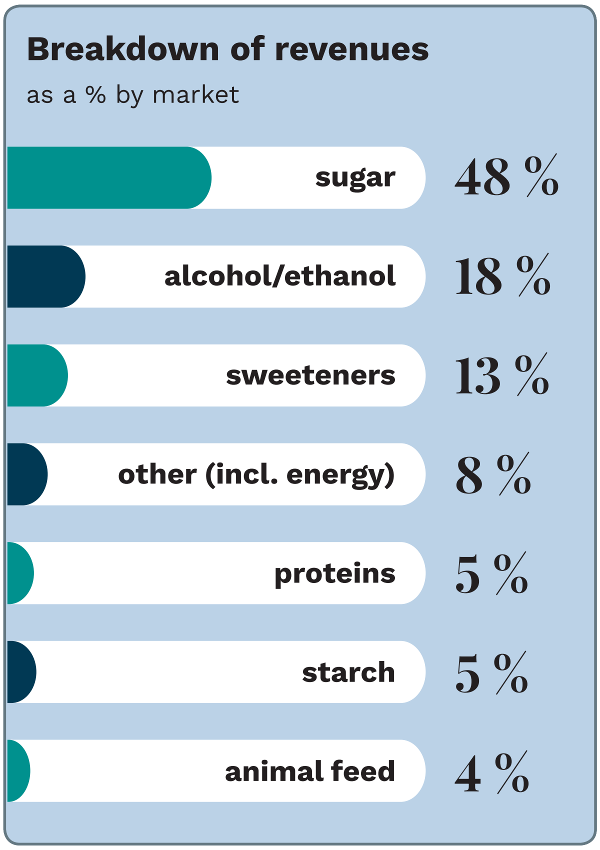
March 2025 amounted to EUR 2.22 billion – the lowest since 2016. The leverage ratio (debt to EBITDA) remained at a low 2.8×.

Tereos also continued its ambitious investment strategy. Projects focusing on decarbonization, safety, industrial risk management, and process optimization received EUR 455 million, significantly higher than in 2020–2023.

Tereos Group 2024/25 Results

(EURbn)

	2023/24	2024/25
Revenue	7.143	5.930
Adjusted EBITDA	1.128	0.801
Net Debt	2.37	2.22

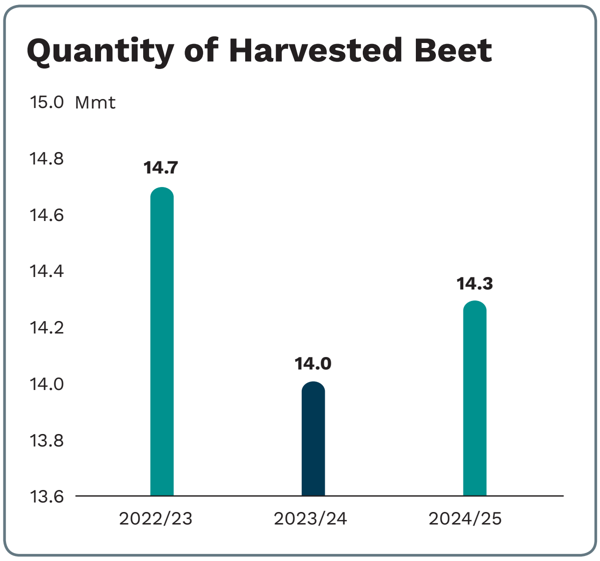


Sugar Beet

Besides the Czech Republic, Tereos processes sugar beet in France, where the 2024/25 campaign lasted 118 days, ending on January 21, 2025. Thanks to the dedication of cooperative members, agricultural teams, and transport and logistics services, a continuous and stable supply of raw material to the plants was ensured despite challenges from rain and snow. On freezing days, beets were protected with covers, minimizing losses. The average yield across France was 78.2 t/ha with an average sugar content of 16.6%. Although sugar content was below average, root yields above the five-year

20.4
MILLION T OF SUGARCANE PROCESSED BY BRAZILIAN SUGAR MILLS

average compensated for it. Industrial results were favorable, and all plants met their targets. The Connantre plant achieved a record performance, processing more than 24,900 tons per day in average.



Alfalfa

The 2024 campaign lasted 188 days and was affected by climatic fluctuations and a challenging market. The average yield reached 12.2 tons DM/ha, slightly below the five-year average. Positively, the dry matter content increased to 47.6%, improving energy efficiency in production. Market prices for alfalfa fell sharply year-on-year – due to an oversupply of forage, low soybean protein prices, and a drop in Chinese imports.

Cereals

In six European starch plants, 2.8 million tons of cereals were processed in 2024/25, a 3% increase year-on-year. Cooperation with milling partners helped mitigate the impact of a mill fire in Nesle. Overall sales volume was maintained, but a sharp decline in selling prices of starch

products, alcohol, and by-products negatively affected results. Foreign subsidiaries also performed well: **Tereos FKS Indonesia** processed 394,000 tons of corn (+8%) and achieved its best financial results ever, thanks to favorable market conditions and a successful transformation strategy. **Tereos Starch & Sweeteners Brazil** increased processing to 231,600 tons (+18%), achieving record revenues and profits due to higher raw material availability and more efficient processing.

Sugarcane

The campaign in Brazil began promisingly but was severely affected by drought and large-scale fires. Nevertheless, 20.4 million tons of cane were processed, producing 1.8 million tons of sugar, 624 million liters of ethanol, and 1,600 GWh of electricity from bagasse. Simultaneously, projects promoting more sustainable agriculture were implemented – including developing organic inputs and using drones for applications, reducing the carbon footprint.

On Réunion Island, drought and Cyclone Garance led to an exceptionally low yield, with less than 1.14 million tons of sugarcane processed. Sugar production dropped to just under 111,000 tons, and the area was declared an agricultural disaster zone. Tereos supported growers with EUR 8.8 million, spread over two years. African plants in Tanzania and Kenya, operated in collaboration with Alteo, delivered good results. **TPC Tanzania** processed 946,000 tons of cane, producing 86,000 tons of sugar. The Transmara plant in Kenya processed 895,000 tons of cane, yielding 90,000 tons of sugar.

Tereos TTD, a. s.

Palackého náměstí 1, 294 41 Dobrovice

Phone: +420 326 900 111, E-mail: kontakt@tereos.com

Dobrovice Sugar Factory and Distillery

Palackého náměstí 1, 294 41 Dobrovice, Phone: +420 326 900 111

České Meziříčí Sugar Factory

ul. Osvobození 277, 517 71 České Meziříčí, Phone: +420 494 679 310

Mělník Packaging Centre

Pražská 3555, 276 01 Mělník, Phone: +420 315 617 477

Chrudim Distillery

Tovární 264, 537 01 Chrudim IV., Phone: +420 469 620 512

Kojetín Distillery

Padlých hrdinů 927/865, 752 33 Kojetín, Phone: +420 581 762 787

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