Tereos

Update

September 2025

Tereos

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01

Results

YTD Q1 business highlights

Annual expectations maintained; Q1 impacted by seasonal effects

_ Q1 margins should not be a reference for upcoming quarters

EBITDA Q1 reaching €56m at the end of June 2025 (-79% YOY)

- Recurring EBIT of €-22m (-111% YOY)
- Cash flow after CAPEX and before working capital variation of €-151m (vs. €-145m in 24/25)

_ Brazilian crop impacted by lower agricultural yields, as anticipated

- Lower yields as result of weather conditions impacting yields in the Brazil Center-South region

_ Decreasing EU sugar prices

- EU sugar prices negotiated since 2024 have seen a sharp decline compared to 2023/24 levels, leading to lower margins in Q1 – impact will remain for the coming quarters

_ Starch and sweeteners prices

- Lower prices since Q4 24/25

YTD Q1 – key figures

12-MONTH (LTM) ADJUSTED EBITDA

€589m

12-MONTH REVENUES

€5,528m

-20,6% YOY at constant foreign exchange rate (-21,7% at current foreign exchange rate)

12-MONTH RECURRING EBIT

€188m

INCREASING LEVERAGE (VS. MARCH)

3.8x

YTD Q1 – P&L

Income statement € m	24/25 Q1	25/26 Q1		Var[1]
Revenues	1,603	1,200	-402	-25%
Adj. EBITDA	268	56	-212	-79%
Adj. EBITDA Margin	*16.7%*	*4.7%*	*-12.0pts*	
Depreciation / amortization	-86	-91	-5	
Seasonality adjustment	14	14	0	
Others	-1	-1	0	
Recurring EBIT	195	-22	-217	-111%
Recurring EBIT Margin	*12.2%*	*-1.8%*	*-14.0pts*	
EBIT	189	-18	-207	-109%
EBIT Margin	*11.8%*	*-1.5%*	*-13.3pts*	
Financial result	*-60*	*-40*	20	
Corporate income tax	*-22*	*-8*	14	
Share of profit of associates	*0*	*0*	0	
Net result	*108*	*-65*	**-173**	

— **Adjusted EBITDA** €212million lower vs Q1 24/25, resulting mainly from lower selling prices and, to a lesser extent, lower volumes

— **Recurring EBIT** drop mirroring EBITDA performance ; low margin at -1.8%

1 At current exchange rates

YTD Q1 – detail by division

- **€56 million EBITDA in the first quarter**
  - Sugar International: seasonality of the business leads to weaker results in the first quarter every year (24/25 was an exception)
  - Sugar EU prices reflecting prices fixed in 2024, at lower levels compared to 2023 (reflected in Q1 24/25)
  - Starch & Sweeteners with lower prices since Q4 24/25
- **LTM EBITDA at €589m**
- **Net Debt at €2,265m and leverage at 3.8x**
  - Slight increase of net debt (€ +45m vs. March 2025)

Adjusted EBITDA by division € m	24/25 Q1	25/26 Q1	% chg. (at current exch. rates)	% chg. (at constant exch. Rates)
Sugar Europe	110	-5	-105%	-105%
Sugar International	87	47	-46%	-40%
Starch & Sweeteners	50	9	-81%	-81%
Other (incl. Elim.)	21	5	-76%	-76%.
Tereos Group	268	56	-79%	-77%

Reccuring EBIT by division €m	24/25 Q1	25/26 Q1	% chg. (at current exch. rates)	% chg. (at constant exch. Rates)
Sugar Europe	90	-27	-130%	-130%
Sugar International	55	12	-78%	-77%.
Starch & Sweeteners	31	-10	-131%	-131%
Other (incl. Elim.)	19	2	-88%	-88%.
Tereos Group	195	-22	-111%	-111%

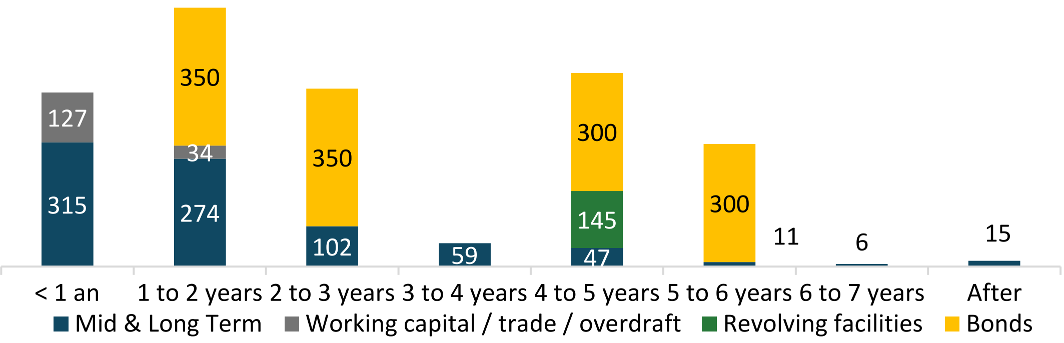
Proactive and balanced debt maturity schedule

- **Tereos France €600m successful 1-year extension**
  - Extension of one additional year for Tereos France's €600m facility was unanimously accepted by all the lenders, which once again demonstrated the strong support of our relationship banks
- **Successful DCM and bank financing operations**
  - Bond issuance in January 2025, for €300m
  - Full early redemption in October of the €425m notes due 2025
  - Full repayment of the French state-guaranteed loans in July 2025
- **Ratings confirmed; perspective reviewed**
  - S&P and Fitch confirmed Tereos ratings, reviewing the perspective (S&P: BB-/negative; Fitch: BB/stable)

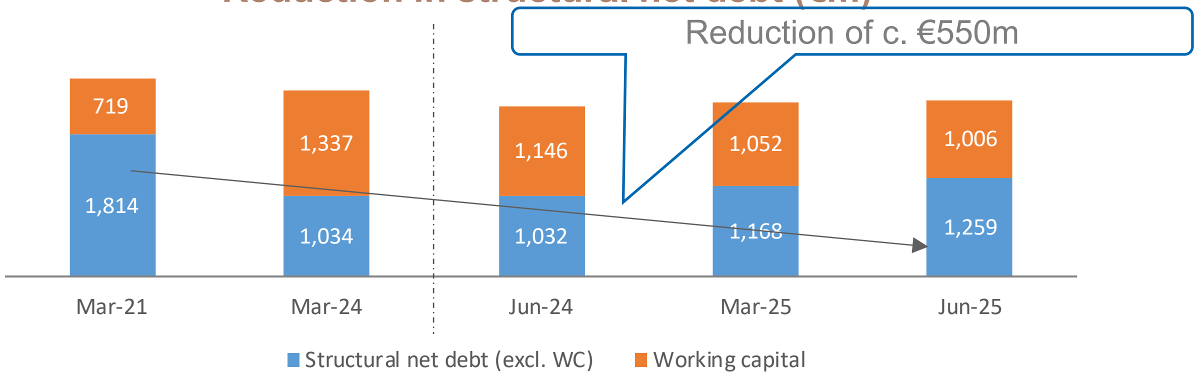
Debt maturity schedule as of June 30, 2025 (€m)[1]

Strong liquidity:

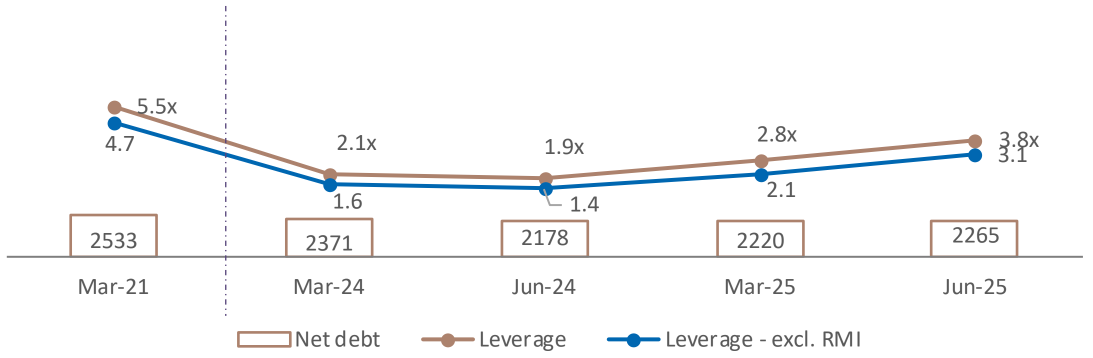
- **€324m - cash & cash equivalents**
- **€875m - undrawn amounts of long-term committed facilities**



Reduction in structural net debt (€m)[2]



Net debt (€m) / Net leverage[2] (x)



1 Pre IFRS 16 impacts and including amortized costs 2 Including IFRS 16; March 2021 and 2022 figures consider previous accounting methodology for intercrop expenditures; later years' figures consider new methodology, implemented since Q1 23/24 results release

Our CSR commitments: Day after day, we act to…

Cultivate our connection with Nature and territories

Reduction of agricultural GHG emissions
-36% GHG emissions Scope 1 & 3 FLAG

Regenerative and Low Carbon Agriculture
20% of supply from Regenerative or Low Carbon Agriculture

Sustainable and zero deforestation raw materials
100% certified sustainable and zero deforestation

Support for young farmers

Integration of local communities

Meet essential needs for a sustainable daily life

Circular economy
100% valorised plant raw materials

Net Zero GHG Emissions Objective
-50% of GHG emissions Scope 1 & 2

Decrease in water consumption
-28% water consumption (vs 2019-20)

Decarbonised solutions

Cultivate a shared future for Earth and People

Safety and health of employees and subcontractors
-30% LWC Rate (Lost Workday Cases)

Diversity, Equity and Inclusion
27% of women in the Management Forum
100% of sites made aware of visible and invisible disabilities

Enhancement of the cooperative model

Ethical principles

2032-33 targets (vs 2022-23)

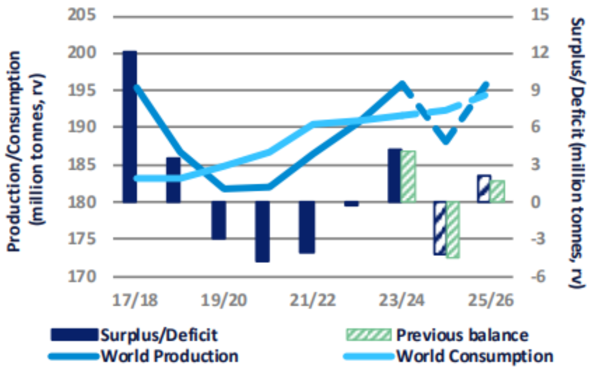
02

Markets and outlook

World sugar prices I/II

24/25 expected to finish in a strong deficit

Global supply/demand balance (Oct/Sep basis)



World sugar balance by different crop year periods (mn mt, rv)

	Oct/Sep	National Crop Year	Apr/Mar
2023/24			
Production	195.8	194.2	194.5
Consumption	191.6	191.4	191.5
Surplus/Deficit	4.2	2.8	3.0
2024/25			
Production	188.2	188.9	189.4
Consumption	192.3	192.0	191.7
Surplus/Deficit	(4.2)	(3.1)	(2.3)
2025/26			
Production	196.8	194.4	193.9
Consumption	194.6	194.3	193.7
Surplus/Deficit	2.2	0.1	0.1

Production estimates for key producers, 2023/24-2025/26 (National crop year)

Country	Unit	2023/24	2024/25 est.	2025/26 f'cast	*25/26 Change*
Australia	mn mt rv	4.1	3.8	4.0	↑
C/S Brazil	mn mt tq	42.4	40.2	39.5	↓
C America	mn mt rv	5.5	5.3	5.6	↑
China	mn mt wv	10.0	11.2	11.2	↑
EU + UK (sugar)	mn mt wv	16.1	17.0	15.8	↓
India	mn mt wv	32.2	26.1	31.0	↑
Mexico	mn mt tq	4.7	4.8	5.1	↑
Pakistan	mn mt tq	6.8	5.8	6.3	↑
Russia	mn mt wv	6.9	6.3	6.5	↑
Thailand	mn mt tq	8.5	9.8	10.6	↑
USA	mn mt rv	8.4	8.4	8.3	-
World Total	**mn mt rv**	**194.2**	**188.9**	**194.4**	↑

Note: EU estimate is for beet & cane sugar only, i.e., it excludes the beet sugar production equivalent from ethanol.

Current Situation (2024/25)

- ✓ **Production deficit**: Sugar output in key Northern Hemisphere producers has been disappointing, resulting in a significant global deficit estimated at 4.2 million tons. While consumption remains subdued, helping to prevent a critical drawdown in global stocks, the supply imbalance remains a concern.
- ✓ **C/S Brazil**: Production is trailing last year's levels, with the crop now expected to close at 39.5 million tons, down from initial projections of 40–42 million tons. The downward revision is primarily driven by lower-than-expected sucrose content and agricultural yields.

Future Outlook (2025/26)

- ✓ **Production recovery**: Early estimates suggest a possible recovery in global sugar production. India and Thailand are expected to be the main contributors to this recovery, assuming favorable weather and crop conditions not deteriorating.

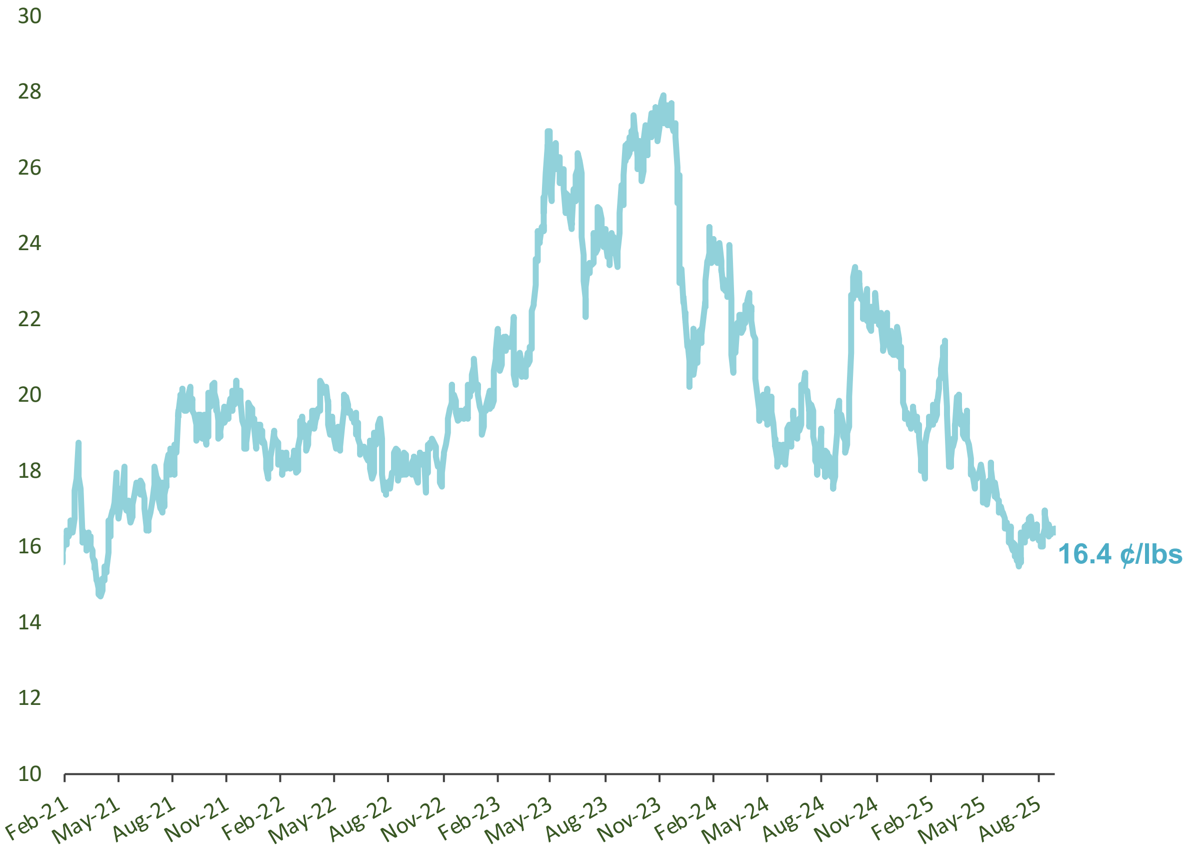
Supply & Demand Risk Flags

- ✓ **Importing countries**: Over the past three months, import activity has picked up, particularly from China, signaling renewed demand from key consuming regions.
- ✓ **Brazil crop concerns**: Yield performance and sugarcane quality for the upcoming 2025/26 crop are below expectations, raising concerns about supply continuity from the world's largest exporter.
- ✓ **Brazil ethanol Parity**: Strong domestic ethanol demand (driven by 30% blending mandate), combined with low sugarcane yields and reduced ATR levels are sustaining the ethanol parity at attractive levels. States far way from port ethanol are already outperforming sugar prices.
- ✓ **India's Production Risks**: Although early forecasts point to a recovery in India's sugar output, rising incidences of crop diseases and pest infestations could pose downside risks to the 2025/26 production outlook.

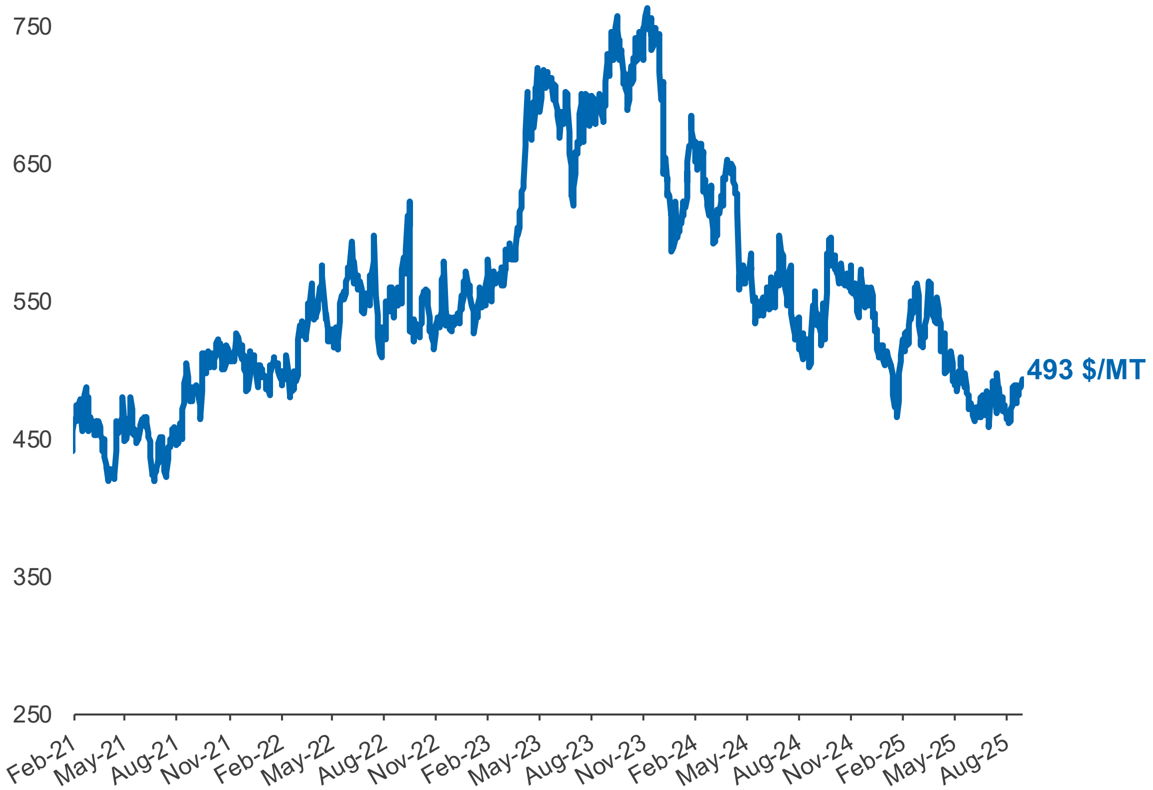
Sources: GlobalData, World Sugar Price View Aug 2025 (published on 6th August 2025)

World sugar prices II/II

World Sugar Index NY11 (¢/lbs)



London Sugar No. 5 ($/MT)



Sources: Bloomberg, August 2025

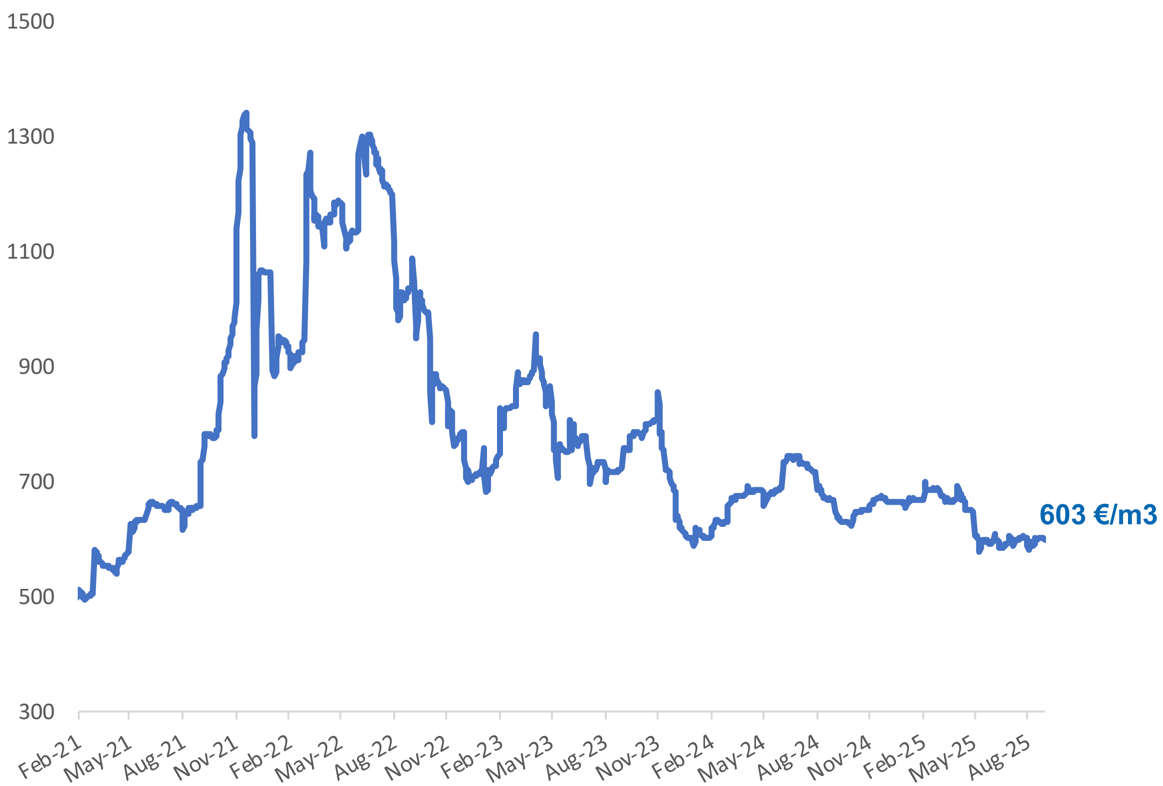
Ethanol prices supported by crude oil prices

ESALQ Hydrous Ethanol (BRL/L)

Brazil

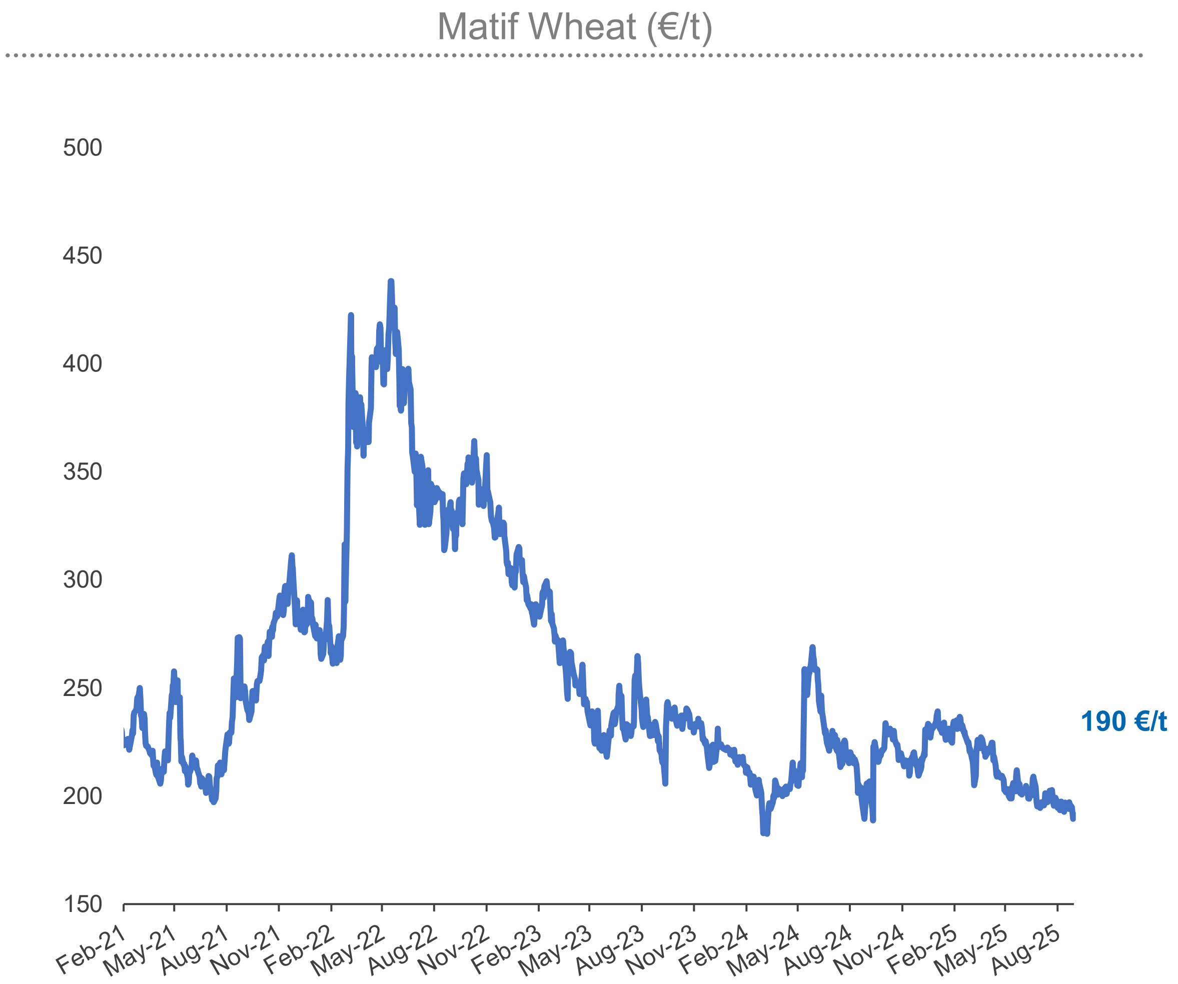
T2 Ethanol (EUR/m^3)

European Union



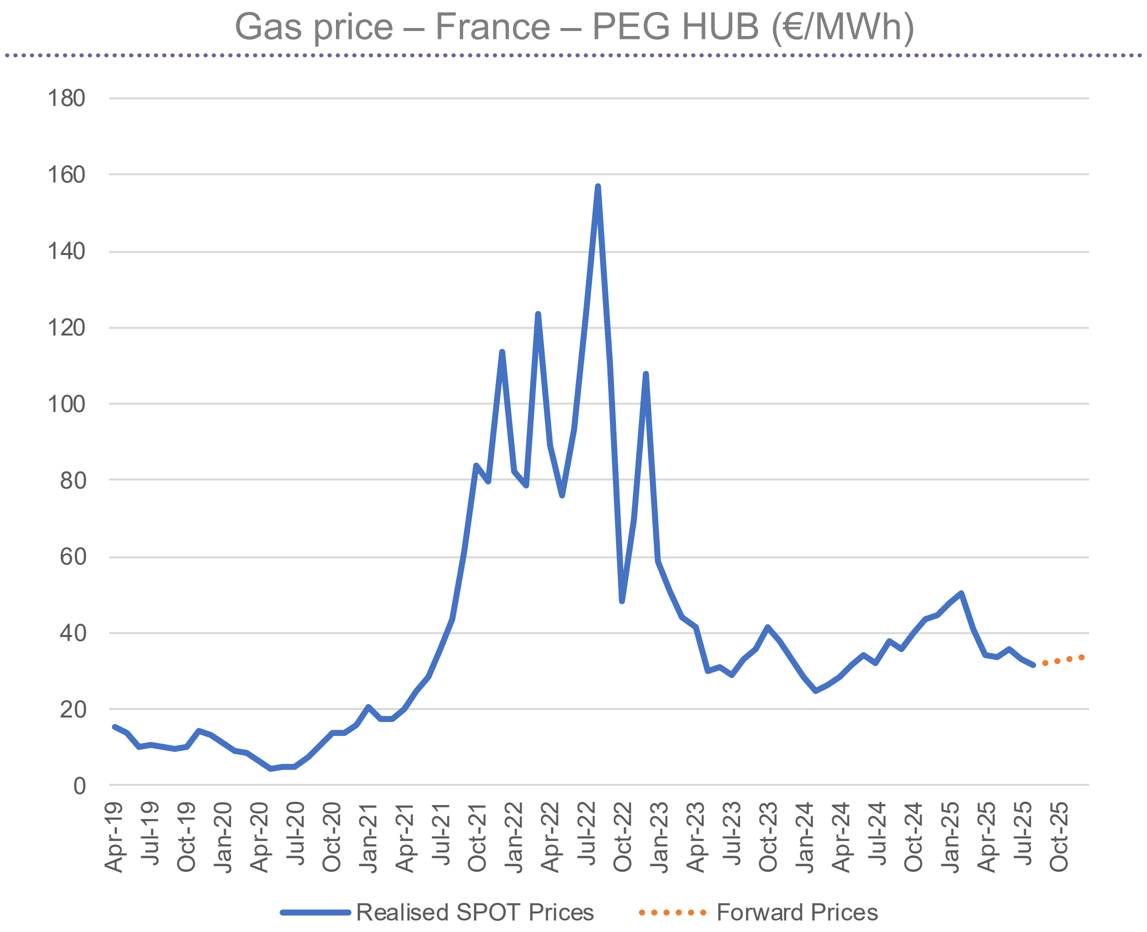
Sources: Bloomberg, August 2025

Wheat prices



Sources: Bloomberg, August 2025

Gas prices



Sources: Reuters, August 2025

Business perspectives 2025/26

SUGAR AND RENEWABLES EUROPE

- Tereos sugar beet campaign

_ For the next campaign (2025/26), Tereos' sugar beet acreage should remain stable compared with the current situation, while a reduction of around 9% is foreseen for the European market as a whole
As a reminder, over the past two years Tereos' Board has requested that cooperative members refrain from increasing their sugar beet surfaces, while the market saw a 12% increase

- Sugar prices in Europe

_ As we anticipated in previous releases, EU sugar prices negotiated since 2024 have seen a sharp decline compared to 2023/24 levels, which will lead to lower margins in 2025/26

SUGAR AND RENEWABLES INTERNATIONAL

- Sugarcane crushing volume

_ Some reduction in sugarcane crushing volume (up to -10%) is expected for the 2025/26 crop as result of weather conditions impacting yields in the Brazil Center-South region

- Increasing ethanol prices and world sugar prices lower than in 2024 but still at a descent level compared to historical average

_ Ethanol prices expected to recover in 2025/26 compared to previous years

STARCH, SWEETENERS AND RENEWABLES

- Selling volumes recovery should lead to some pressure in margins

_ The recovery in sales volumes following the halt of the Nesle plant is expected to put pressure on both selling prices and margins

Continued deployment of ambitious performance improvement initiatives on our 3 divisions

_ Improvements being deployed, covering industrial competitiveness (including energy consumption), SG&A optimization and agricultural performance

Medium-term targets and short-term perspectives

Medium-term view

From a medium-term perspective, Tereos has set the following targets:

Recurring EBIT margin	> 5%
Free cash flow before changes in working capital	Positive
Debt leverage ratio	< 3x

Potential conjunctural, short-term deviations

The recurring EBIT margin, financial leverage, and cash flow are key performance indicators for the Group. These target levels are pursued with a structural approach and a medium-term outlook.

However, due to the cyclical nature of the markets in which Tereos operates, temporary deviations may occur depending on the phase of the cycle in our various sectors.

The fiscal year 2025/26 will illustrate such a situation, and therefore, we anticipate:

The decline in selling prices in Europe, particularly in the sugar segment, will significantly impact our recurring EBIT margin and cash flow in 25/26, bringing these indicators well below our ambitious targets.
A gradual recovery is expected thereafter.

As a result, leverage in 25/26 is expected to peak temporarily at around 5.0x.

LTM June-25	
Recurring EBIT margin	3.4%
FCF before WC var.	Negative
Leverage ratio	3.8x

Tereos remains committed to its medium and long-term objectives and will continue to actively manage its indebtedness, leverage, and balance sheet strength to minimize short-term risks.

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