2024

Annual Report

Cosun

Coöperatie Koninklijke Cosun U.A.

This Annual Report is also published in English. In the event of inconsistencies between the English and the Dutch version the latter shall prevail. The Annual Report is also available on the internet: www.cosun.com

2024

Cosun

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Contents

*These sections constitute the board report within the meaning of Article 2:391 of the Dutch Civil Code.

Cosun at a glance

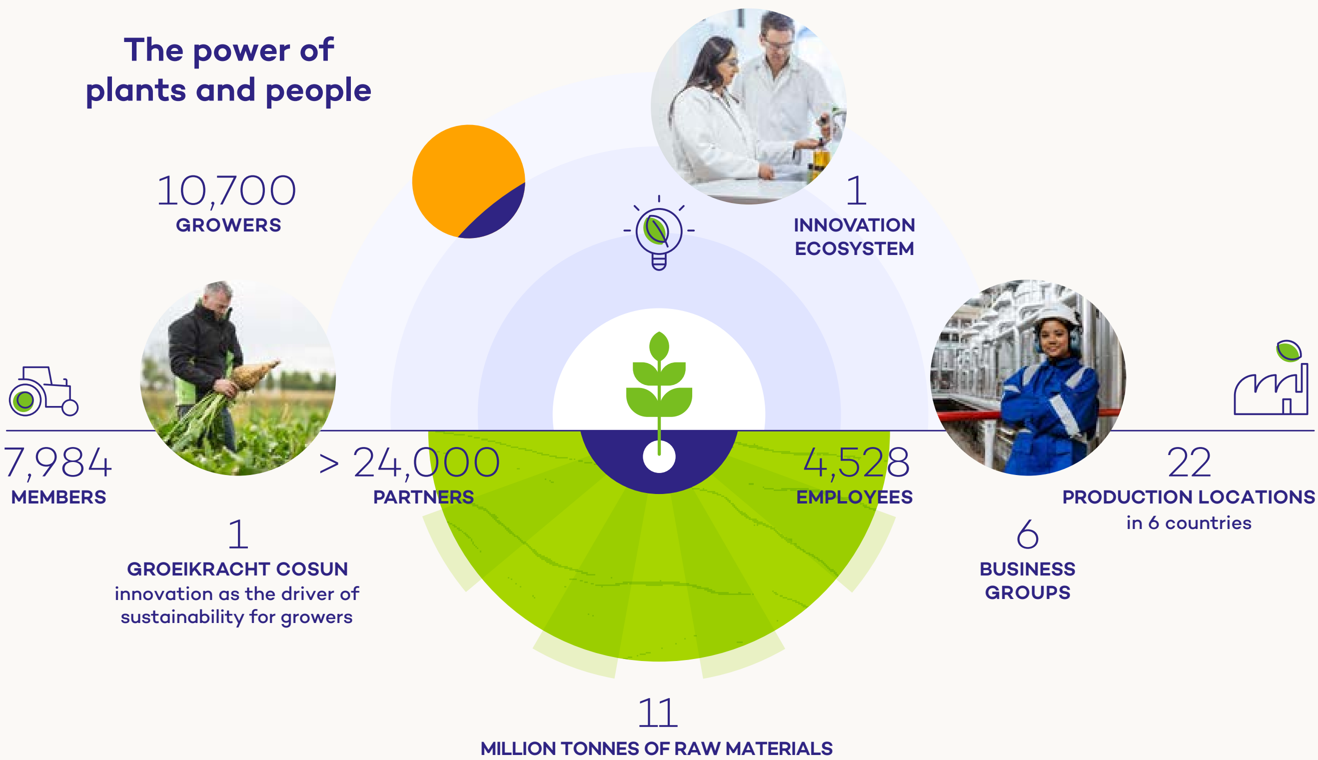
Profile

Royal Cosun is a leading international agricultural cooperative. Founded 125 years ago, it is in the hands of its roughly 8,000 members.

We convert our crops into products for everyday use. Together, we unlock the full potential of plants by sustainably producing smart solutions for current and future generations. We develop food, food ingredients, animal feed, biobased ingredients and green energy. In doing so, we help mitigate the impact of climate change and encourage healthy lifestyles.

As an agrifood cooperative, we put crops – our plants – at the heart of everything we do. With respect for sustainability and the climate, we work on plant-based solutions that make a positive contribution to a good life. Agricultural crops are our starting point to create a sustainable future for generations to come. Together with our growers, suppliers and customers, we make the power of plants available to everyone. This is how we add value to the chain.

With a staff of more than 4,500 professionals, Cosun works with suppliers and growers in Europe, Asia and North America. The Cosun group is made up of the business groups Aviko, Cosun Beet Company, Duynie, Sensus, Cosun Protein and Cosun Biobased Experts. Together, we earned an annual turnover of over EUR 3.4 billion in 2024.



Our plants

We use potatoes, sugar beet, chicory roots and field beans and the co-products from our production processes in a wide variety of applications: from Aviko's potato-based meals to Van Gilse's pancake syrup and Sensus's fibre-rich cereal bars with inulin. These crops can also be found in non-food applications such as 100% circular egg boxes made from potato starch, a co-product from producing fries, or green gas produced from sugar beet tops and tails.

We recognise the social challenges facing the environment and climate. Natural resources are coming under a great deal of pressure to continue meeting the needs of the growing world population. New solutions are required and we are convinced that we can provide them, thanks to the power of our crops. We understand the potential of plants and the endless opportunities they offer for a better future.

Cosun's Purpose

We contribute to a world filled with delicious, nutritious and circular products by working together to get the most out of our crops and doing what is best for current and future generations.

Our purpose is to unlock the full potential of plants and create smart and sustainable solutions for current and future generations.

We are in the middle of a change process. We firmly believe that responsible enjoyment of our food boosts wellbeing. But we can and will get more out of plants.

We work hard every day to build a plant-based future that does not deplete the earth. Plants offer endless opportunities for innovation and we are committed to extracting maximum value from our crops. We do this together with our growers and partners in the chain, and we are going to do it more in the future.

Working on the future

Cooperation and sustainability are written into our cooperative's DNA. Together, we are working on a future-proof sustainable chain.

Innovation in the fields

This starts with cultivation, where Cosun and the growers work together in the Groeikracht Cosun programme for profitable, innovative and sustainable arable farming.

Climate-neutral production

Our goal is a CO_2-neutral production process. We are working hard on energy savings, procuring green energy and producing our own renewable energy.

Sustainable growth

We are growing our existing activities and are broadening our portfolio to include more plant-based solutions.

Key figures
2024

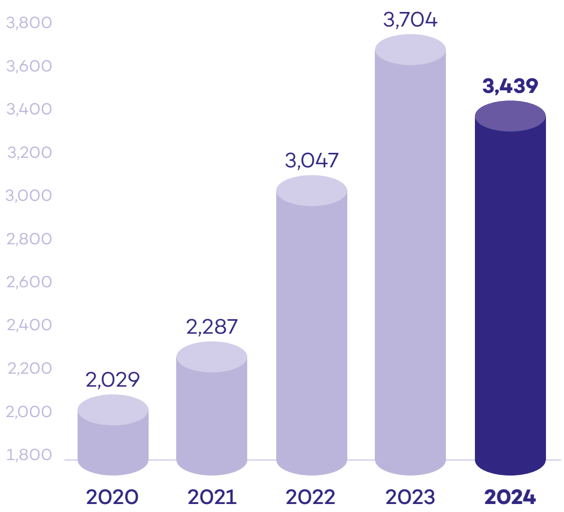
As a cooperative of Dutch beet growers, Cosun pays its members a beet price that is in part dependent on the results. The beet price is fully recognised in the profit and loss account as the cost of raw materials and consumables and, as a result, also affects the operating result and net result presented in this statement.

HIGHLIGHTS
(in EUR millions, unless otherwise stated)

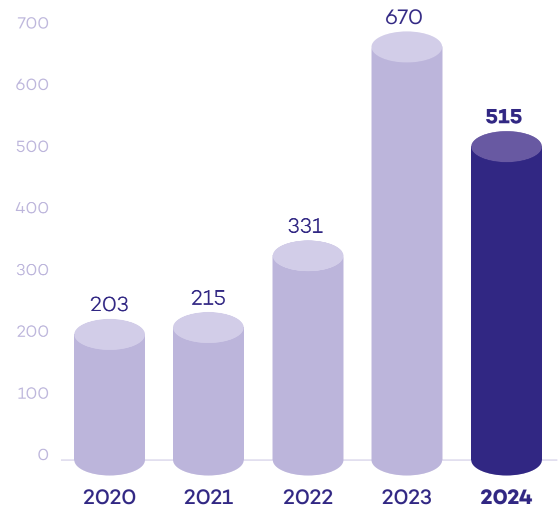
	2024	2023
Net turnover	3,439	3,704
Gross margin*	1,527	1,635
EBITDA (before members' bonus)	515	670
Operating profit	175	248
Net result	117	162
Investments	267	231
Group equity	1,630	1,508
Average beet yield**	3,272	5,891
Quota sugar beet price***	47.25	78.00
2024/2025 Members' bonus****	74	267

* Gross margin concerns the net turnover plus the change in stocks of finished products minus the costs of raw materials and consumables; normalised for the members' bonus.
** Average beet yield per hectare in the Netherlands (in EUR).
*** In EUR per tonne based on average sugar content and average extractability.
**** In 2022, we introduced a new system for calculating the members' bonus. The members' bonus for beet supplied during a season is based in part on the result for the financial year just closed and in part on the sugar result expected for the next year (the first quarter to the third quarter, inclusive). As a consequence, the beet price better reflects the results earned on the beet supplied.

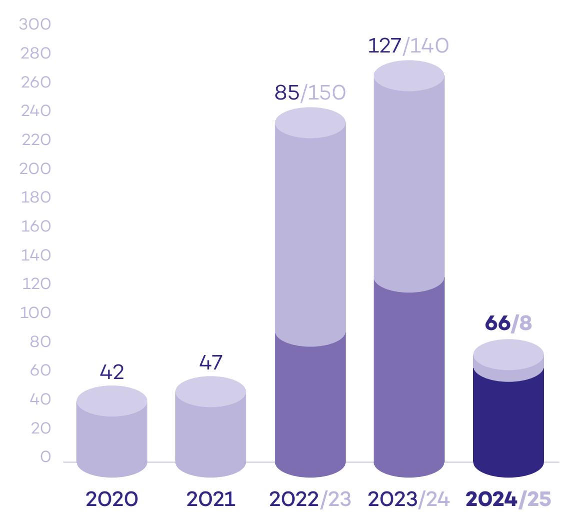
Net turnover
in EUR millions



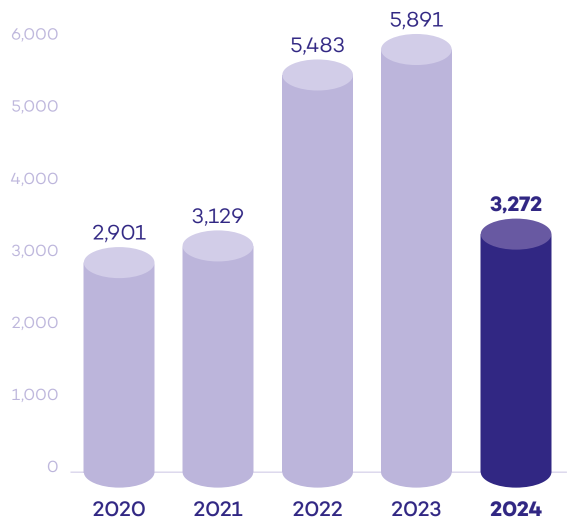
EBITDA (before members' bonus)
in EUR millions



Members' bonus
in EUR millions



Average yield per hectare
in EUR



PEOPLE

Average number of employees in FTEs

4,528

2023 **4,613**

Sickness absence (in percentages)

6.0

2023 **5.3**

Number of lost-time incidents (per 1,000 employees)

14

2023 **13**

FUTURE-PROOF SUSTAINABLE CHAIN

Water consumption (in m^3, per tonne of product)

3.1

2023 **2.7**

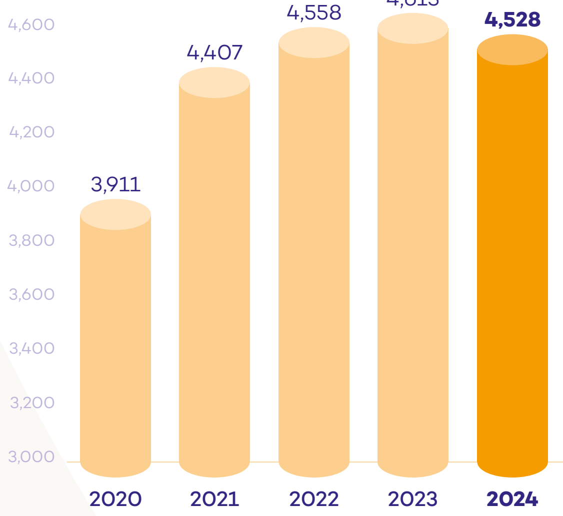
CO_2 emissions (scope 1 and scope 2, compared to 2018)

- 7%

2023 **- 7%**

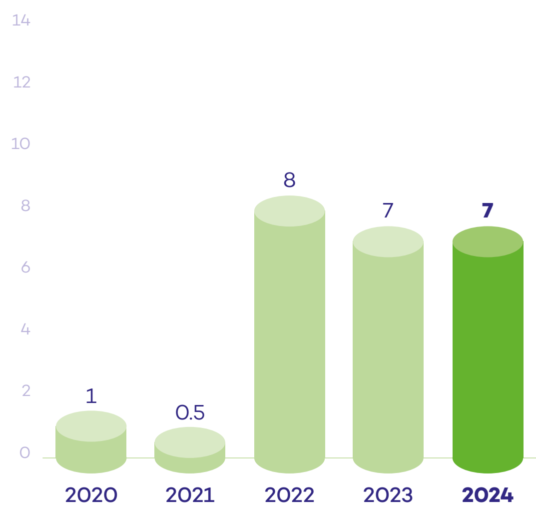
Number of employees

average FTEs



CO_2 emission reduction (scopes 1 + 2)

% compared to 2018



Board report

Letter from the Chairman and CEO

2024 was a year of ups and downs for Cosun. It was the year in which we looked back in celebration on 125 years of Cosun and the impressive development of our company. We also made good progress on our strategic priorities, but beet crop returns were disappointing. The dynamics were significant last year, with erratic political/geopolitical and macroeconomic developments. The weather had a major impact on our members' crop yields and crop returns, and the operating result presented a mixed picture. We anticipated these developments by reviewing the strategy to be pursued up to 2030. We are maintaining our course in this regard and have raised our ambitions for 2030. This is how we continue to build a future-proof Cosun and a healthy revenue model for our members.

Arwin Bos

Hans Meeuwis

Celebrating our 125th anniversary in 2024, we proudly looked back on our history marked by cooperation, entrepreneurship and innovation. These values are the bedrock of our success and the foundations of our future. A special highlight was winning the prestigious King William I Award in May 2024, recognition of 125 years of entrepreneurship that encourages the further implementation of our vision for the future.

Last year, we maintained our Unlock 25 strategy, which provides clear direction and lays down the priorities for our business activities.

The focus was on three strategic priorities. We are working on permanent performance improvement in our business groups, are building a future-proof sustainable chain and are focusing on profitable growth in our core areas: sugar beet, potatoes, co-products and plant-based ingredients for a sustainable lifestyle.

Impact of the world around us

Economic growth in Europe remained subdued in 2024 and consumer confidence was under pressure. High energy costs, persistent inflation and excessive regulatory pressure affected the competitiveness of the Netherlands and required greater attention at national level. Geopolitical tensions and changing trade relations contributed to increasing uncertainty in the European market. A growing imbalance in supply and demand put pressure on the European sugar market in 2024, driven in part by duty-free imports of sugar from Ukraine. Demand for our other products developed relatively positively. The trade treaty that the European Commission concluded with the Mercosur countries in late 2024 is a worrying development. The import of cheap agricultural products from these countries, which apply different standards, may undermine the competitive position of the Dutch agricultural sector. We are also increasingly feeling the effects of climate change, which has a major impact on agriculture, among other things. Harvests are deteriorating as floods become more and more severe and periods of drought last longer. This made last year a particularly difficult cultivation year for our members.

An appeal to politicians

The ongoing uncertainties emphasise the importance and the need for an acceleration of our course. For Cosun and its members, a healthy investment climate is of essential importance. This includes a level playing field, a competitive (energy) position, a well-equipped toolbox for our growers, and clear and realistic policies. Therefore, we are appealing to our policymakers to create this climate. Action must be taken now to provide prospects to the agricultural sector and to make the economy sustainable. Cooperation between the government, stakeholders and our sector remains key here. For instance, last year, Cosun and the Ministry of Climate Policy and Green Growth signed the letter of intent regarding the support needed for major CO_2 reduction measures at our production sites. The cooperative and the sector as a whole are also fully committed to getting water quality management in order.

To this end, Groeikracht Cosun rolled out the N-mineral programme in 2024, which we will develop in more detail in the coming year. We are in talks with the government to embed this approach in the 8th Nitrates Action Programme, which will take effect in 2027, and to obtain financial support in the transition period.

An operating result that shows a mixed picture

In 2024, the priority was to further improve underlying results, invest in growth and optimise our carbon footprint. We booked a solid operating result and financial position with a consolidated turnover of EUR 3,439 million and an EBITDA (before members' bonus) of EUR 515 million. Good progress was made on our strategic agenda, with a strong performance in our potato business and positive sales growth in our co-products and food ingredients. The decrease in the operating result compared to 2023, an exceptional year, was mainly caused by sharply decreasing sugar prices in the second half of the year and a normalisation of margins. Although, historically, Cosun has booked solid results, it was a disappointing year for our members. The combination of a sugar price that dropped sharply and historically low beet yields resulted in a beet price of EUR 47.25 and an average yield of EUR 3,272 per hectare. In most cases, this was insufficient to cover costs or achieve appropriate returns for our members. As we are well aware of this, we are not satisfied with the 2024 results. In addition to ongoing priorities, more measures were taken last year to structurally improve the result. Our increasing dependence on volatile markets stresses the importance of steering a course of further portfolio diversification and improving the underlying earning capacity.

Efficient sugar beet processing

The sugar beet season went well in terms of the processing in our factories, despite a challenging growing season with heavy rainfall at the start and the sometimes poor quality of the beet. The total yield of 75 tonnes of beet per hectare, with a sugar content of 16.3%, produced an average sugar yield of 12.2 tonnes per hectare. This is a disappointing yield for our growers and our cooperative. Cosun supports growers by providing cultivation advice and giving them opportunities for innovation, while IRS, the Institute for Sugar Beet Research, is conducting research to obtain better varieties and cultivation methods. Innovation and future-proofing are also focus points when it comes to production. For example, we are working on further energy reductions during sugar beet processing and on expanding the storage capacity for concentrated juice whilst also considering energy savings.

Unlock 30

Having adopted the Unlock 30 strategy update last year, we are maintaining our course and raising our ambitions for 2030. This is how we will achieve our goal of contributing to a better world with delicious, nutritious and circular plant-based products. By getting the most out of plants, for both current and future generations, we are building a solid, future-proof revenue model for our members and a Cosun that continues to make an impact. In 2025, the focus will be on implementing Unlock 30. Given the rising costs in the chain and the desired improvement of our members' earning capacity, the bar is being raised even higher.

We are placing a strong emphasis on cost and efficiency improvements, a future-proof sustainable chain and profitable growth in potato products, co-products and plant-based ingredients. The focus on talent and leadership development, the further improvement of the Cosun operating model, innovation and digitalisation remains important in this regard. The lightning-fast developments in automation, artificial intelligence and efficiency requirements call for additional investments in digitalisation.

A word of thanks

We would like to thank our members, colleagues and cooperation partners for their commitment and dedication and the results achieved in the past year. Their drive is key to steering a successful course. We look forward to working together again in 2025. Special thanks go to Ben van Doesburgh. As an external member of the Board for the past 14 years, Ben has played an important role within Cosun with great enthusiasm, expertise and commitment. We wish him all the best and success for the future. Marjolein Slappendel succeeded Ben. We wish Marjolein well in her role on the Board.

Arwin Bos Chairman of the Board	Hans Meeuwis CEO

Breda, 14 April 2025

125 years of Cosun - A milestone to celebrate!

Celebrating a special milestone on 8 and 9 June 2024 - our 125th anniversary - we invited colleagues, members and their families to the Cosun Festival. For two days, we enjoyed inspiring activities, delicious food and spectacular performances.

The festival marked not only our rich history, but also our forward-looking ambitions in terms of sustainability, innovation and collaboration.

CEO Hans Meeuwis looks back: ‘It was very special to celebrate this anniversary with everyone. Thank you to everyone who made this an unforgettable event.’

We proudly look back on 125 years of collaboration and innovation.

Strategy

We reviewed our Unlock 25 strategy in 2024. It was necessary to do this to respond to changing market conditions, technological developments and updated laws and regulations. By evaluating and redefining our course on some points, we ensure sustainable, profitable growth and are aiming for a long-term competitive advantage. We are focussing on efficiency, innovation and customer orientation to strengthen our market position, whilst considering both internal and external factors that affect our strategic priorities. This review allows us to remain agile and to perform to the best of our ability in a dynamic environment. We are maintaining our course but have raised the bar, which is necessary to secure a stable, future-proof revenue model and income for our members.

Purpose

Cosun's purpose is to contribute to a world filled with delicious, nutritious and circular products by working together to get the most out of our crops for current and future generations.

Cosun's mission is to secure a stable and future-proof revenue model and income for its members. This means that all of Cosun's decisions and activities must always contribute to:

- A future-proof beet price and members' bonus
- A balanced portfolio of plant-based products and more added value
- A future-proof sustainable chain
- A safe working environment
- Being a preferred partner for customers and employees
- Improving the return on invested capital

The strategic priorities remain:

1. To improve results in the short and medium terms
2. To realise profitable growth in our four core areas (sugar beet, potatoes, co-products and food ingredients)
3. To establish a future-proof sustainable chain

Improved results (Healthy Performance)

Improving the underlying result is and will remain our highest priority and is the basis for further growth. Despite the improvements seen last year, Cosun's underlying revenue model is still not good enough to realise an acceptable beet price and also achieve the growth we seek in established and new activities. We are therefore raising the bar and doing our utmost to implement our continuous improvement programme and in order to create more value from our current activities.

This will require us to raise our commercial execution to a higher level, optimise our logistics and supply chain, increase the efficiency of procurement and further minimise overheads and working capital.

In One Cosun, we are working in important expertise areas to create maximum value, effectiveness and the synergy we need to achieve our shared mission. The expertise areas include sustainability, innovation, safety and procurement.

Sustainable, profitable growth (Focused Growth)

Our focus is on profitable growth in four core areas:

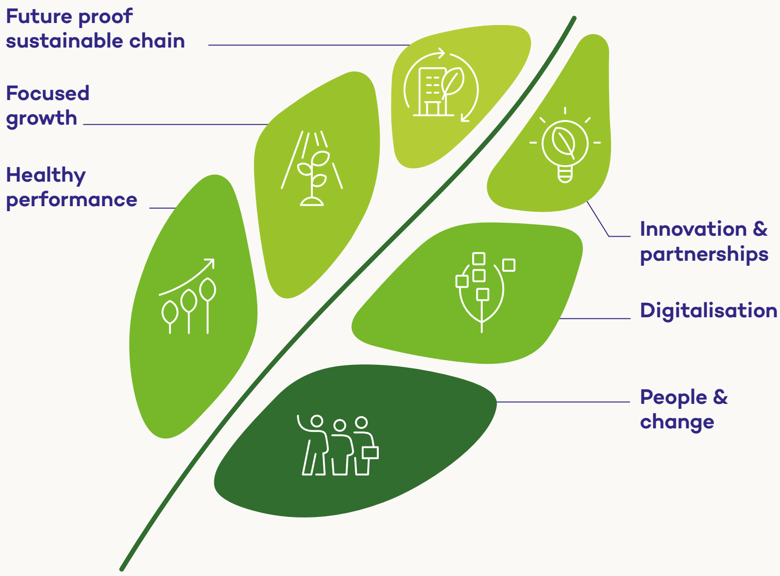
- Sustainability and cost leadership take centre stage in our sugar market activities, but we also focus on extracting maximum value from sugar beet.
- Profitable growth in potato products: geographic growth in Europe and Asia and growth in value-added products such as coated potato fries and potato snacks.

- Profitable growth in co-products: volume expansion in Europe and better valorisation and product diversification in animal feed, animal nutrition and human food ingredients.
- Food ingredients: clustering our activities in fibres, plant-based proteins and other plant-based alternatives in an ingredient platform. Trends in this new growth area were reaffirmed in the review of our Unlock 30 strategy. We will grow and expand our existing activities, create new products, innovate, and accelerate our growth by means of partnerships and acquisitions.

Future-Proof Sustainable Chain

Our sustainability strategy focuses on reducing our ecological footprint. We are investing in sustainable innovations, energy efficiency and the circular economy in order to future-proof our business operations. By working with growers, suppliers and customers, we are aiming for a responsible supply chain and sustainable growth. Measurable goals are key here, so that we can measure our progress. Initiatives such as 'Groeikracht Cosun' and a CO_2 reduction programme are helping us to achieve our goals.

We are aiming for maximum value creation for members, customers and other stakeholders, thereby creating a positive social impact. Below, we explain our goals for each strategic cornerstone and the measures we are taking to achieve them.



Strategic priorities

Healthy Performance
Improving our results.
Continuous improvement remains an important part of how we work. It provides our members with a good revenue model and gives Cosun the opportunity to grow further.

Focused Growth
Focus on profitable growth in value-added products that contribute to human and animal well-being and a sustainable lifestyle.
We do this in the four cornerstones of our portfolio:
• Sugar beet • Potatoes • Food ingredients • Co-products

Future-Proof Sustainable Chain
Future-proof and sustainable.
As a cooperative, we are perfectly positioned to lead the way in the transition to a future-proof, more sustainable agricultural chain.

What do we need? Our enablers.

People & Change
Our success stands or falls with our people. We encourage our people to unlock their full potential.

Digitalisation
The goal of digitalisation is to optimise processes, drive innovation and create value by using data and technology more efficiently.

Innovation & Partnerships
Innovation is an important cornerstone of our strategy. Collaboration allows us to increase our innovative strength.

How Cosun creates value

Business model

Cosun applies a sustainable, innovative and customer-oriented business model focused on creating value by means of efficient and transparent processes. We make the best use of natural resources and apply circular principles to minimise waste and reuse raw materials.

Our way of working combines traditional and innovative methods: from crop production by our farmers to the development of sustainable solutions for customers. Innovation, technology and digitalisation play a vital role in increasing efficiency and reducing our environmental impact.

In 2024, we started implementing the Sustainability Management System (SMS) and developed the 'Cosun One Model' for life cycle analysis (LCA) calculations. These initiatives support our sustainable growth strategy and provide measurable insights into our performance. Cosun remains committed to strengthening partnerships both within and beyond the agricultural sector with the aim of jointly making a positive contribution to a more sustainable future.

Stakeholders

- FINANCIERS
- MEMBERS
- EMPLOYEES
- SUPPLIERS
- BUSINESS PARTNERS
- NUTRITION AND HEALTH EXPERTS
- NON-GOVERN-MENTAL ORGANISATIONS (NGOS)
- GOVERN-MENT / REGULA-TORS
- CUSTOMERS
- CONSUMERS

Purpose: We contribute to a world with delicious, nutritious, and circular products by jointly making the most of our crops and doing the right thing for current and future generations.

Input

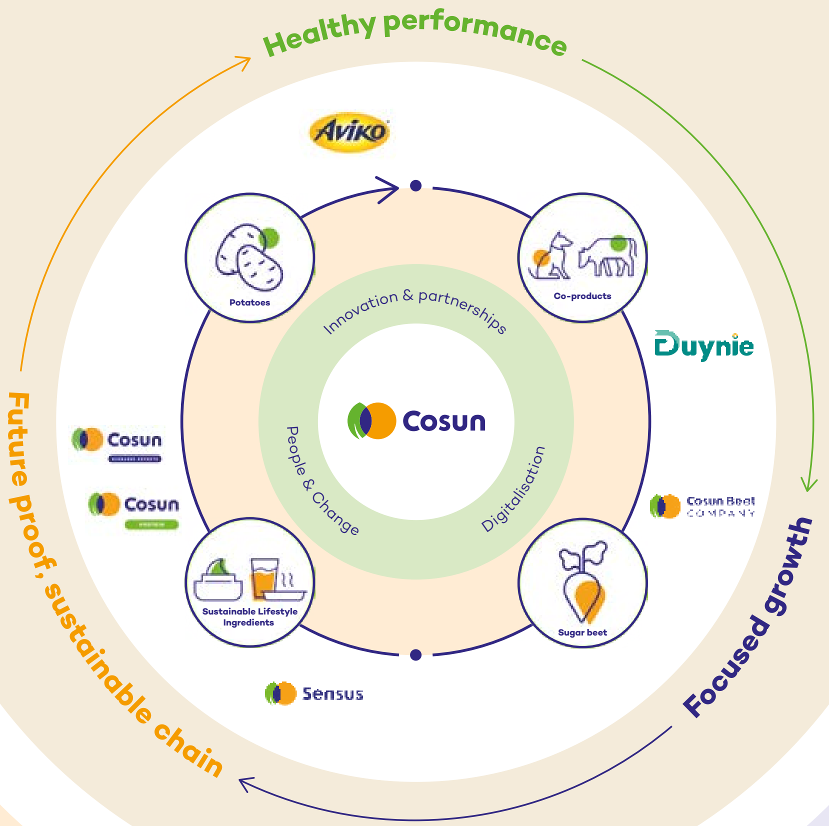
PEOPLE
4,528 FTE
7,984 members
10,700 growers
> 24,000 partners

KNOWLEDGE & EXPERTISE
EUR 23 million invested in research and innovation

GRONDSTOFFEN
11,300 ktonnes plant based resources, of which 223 ktonnes co-product
ca. 12.600 TJ energy, of which 17% green
7.8 million m^3 of water

PRODUCTLOCATIES
22 production facilities in 6 countries

FINANCIËN
EUR 1.6 billion equity
EUR 1.8 billion invested capital



Output & Outcomes

Future proof, sustainable chain

± 698 ktonnes scope 1 & 2 emissions
Reduction scope 3 emissions
Groeikracht Cosun
Circularity
Water

Healthy performance

Yield per hectare EUR 3,272
Beet price of EUR 47.25 per tonne
EUR 3.439 million turnover
EUR 29 million EBIT improvement from healthy performance improvement program

Focused growth

4% revenue growth health promoting & green alternatives

Double materiality matrix

In 2023, we conducted our first double materiality assessment in line with the requirements of the Corporate Sustainability Reporting Directive. Double materiality means that we identified our materiality along two axes: the impact axis, pertaining to Cosun's impact on people and the environment, and the financial axis, pertaining to the risks and opportunities faced by Cosun in terms of sustainability.

The results of this assessment form the basis for our strategy and decision-making on environmental issues, social entrepreneurship and good corporate governance. It also gives us a proper understanding of our material impact, risks and opportunities. To arrive at this assessment, we conducted extensive desk research, held internal workshops and collected up to date information from our stakeholders.

Preparations for the CSRD

Last year, we continued to prepare the organisation for the CSRD requirements. We conducted a gap analysis to see where we are and what we still need to do to meet the requirements.

As a result, the focus came to be on ensuring the availability and the good quality of the quantitative data needed. For some material themes, we will additionally have to establish our own KPIs (key performance indicators). We regularly report to the audit committee on the status of all these preparations. The next step is to update the materiality assessment in 2025. The results of this update will be shared and discussed with the Supervisory Board.

On 26 February 2025, the European Commission announced the Omnibus Regulation, a new legislative proposal aimed at simplifying existing sustainability reporting rules. The proposal has yet to be approved by the European Parliament and the European Council. Approval may result in the reporting timeline being extended from 2026 (for 2025) to 2028 and in the number of mandatory data points being reduced.

Double materiality matrix

A sweet token of our appreciation!

In the first half of March 2024, we put our growers in the limelight to let them know we appreciate their professionalism and cooperation. During the Sweet Meet, a lot of colleagues visited growers and handed them an anniversary tin filled with delicious Cosun syrup waffles.

The responses were heartwarming! Growers and colleagues alike enjoyed the special meetings, valuable conversations and inspirational insights gained on the arable farms.

We look back on a successful event that strengthened the connection between growers and colleagues. Curious to see the best moments? Watch the aftermovie now!

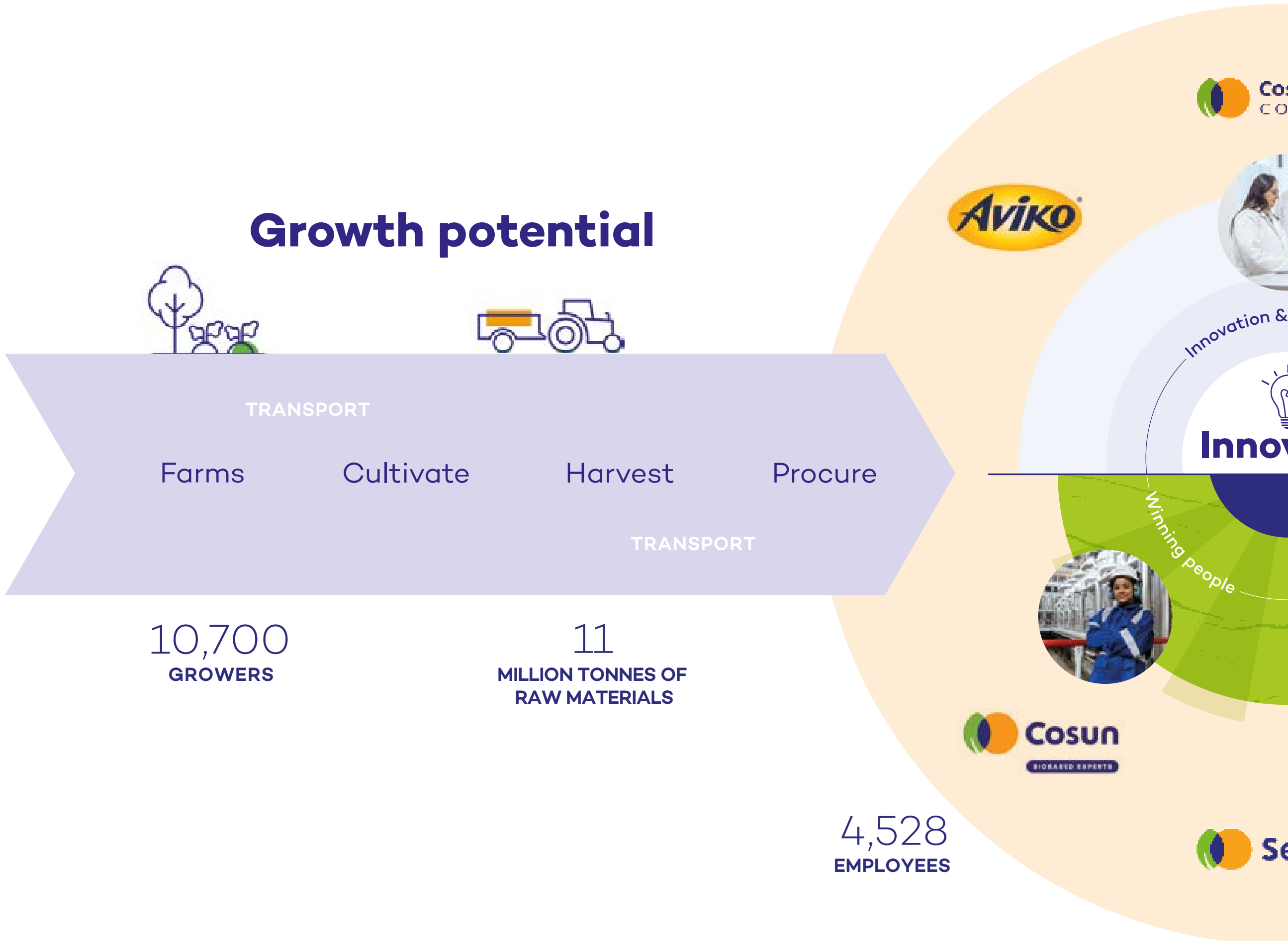
Cosun's value chain

At Cosun, we aim for a robust, flexible and sustainable value chain that enables us to respond efficiently to customer needs and market developments. We strengthen our supply chain and reduce our ecological footprint through continuous monitoring and process optimisation.

We focus on:

- **Standardisation and collaboration** with suppliers, health experts, employees, NGOs, financiers and regulatory authorities to increase efficiency and transparency.
- **Innovation and the circular use of crops** as the key to sustainable production and promoting the circular economy.
- **A safe and inspiring working environment** supported by best practices and continuous improvement.
- **Talent development and engagement** to remain a forward-looking and agile organisation.

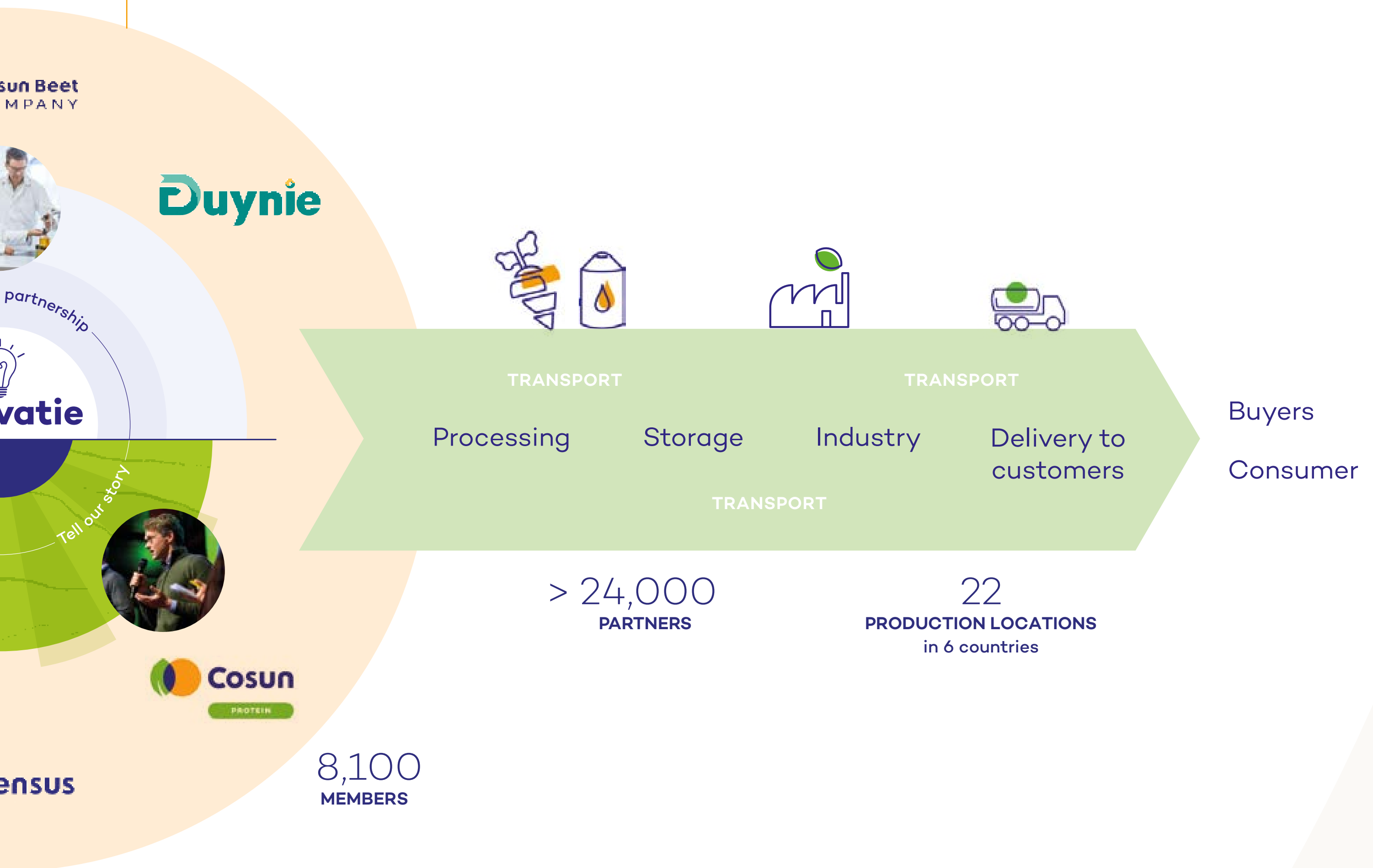
To mitigate climate change and to promote the circular use of crops, we are committed to innovation and collaboration.
By adding green and health-promoting alternatives to our product portfolio, we contribute to a sustainable future and strengthen our contribution to human and environmental health.



A safe and inspiring workplace for our employees remains a priority. To this end, we work closely with external parties/ consultants to implement best practices and to continuously improve. We also invest in developing and attracting talented individuals so that we remain an engaged and forward-looking organisation.

By further strengthening the cooperation with our partners, we improve both the quality and the transparency of our value chain whilst continuing to promote the circular economy.

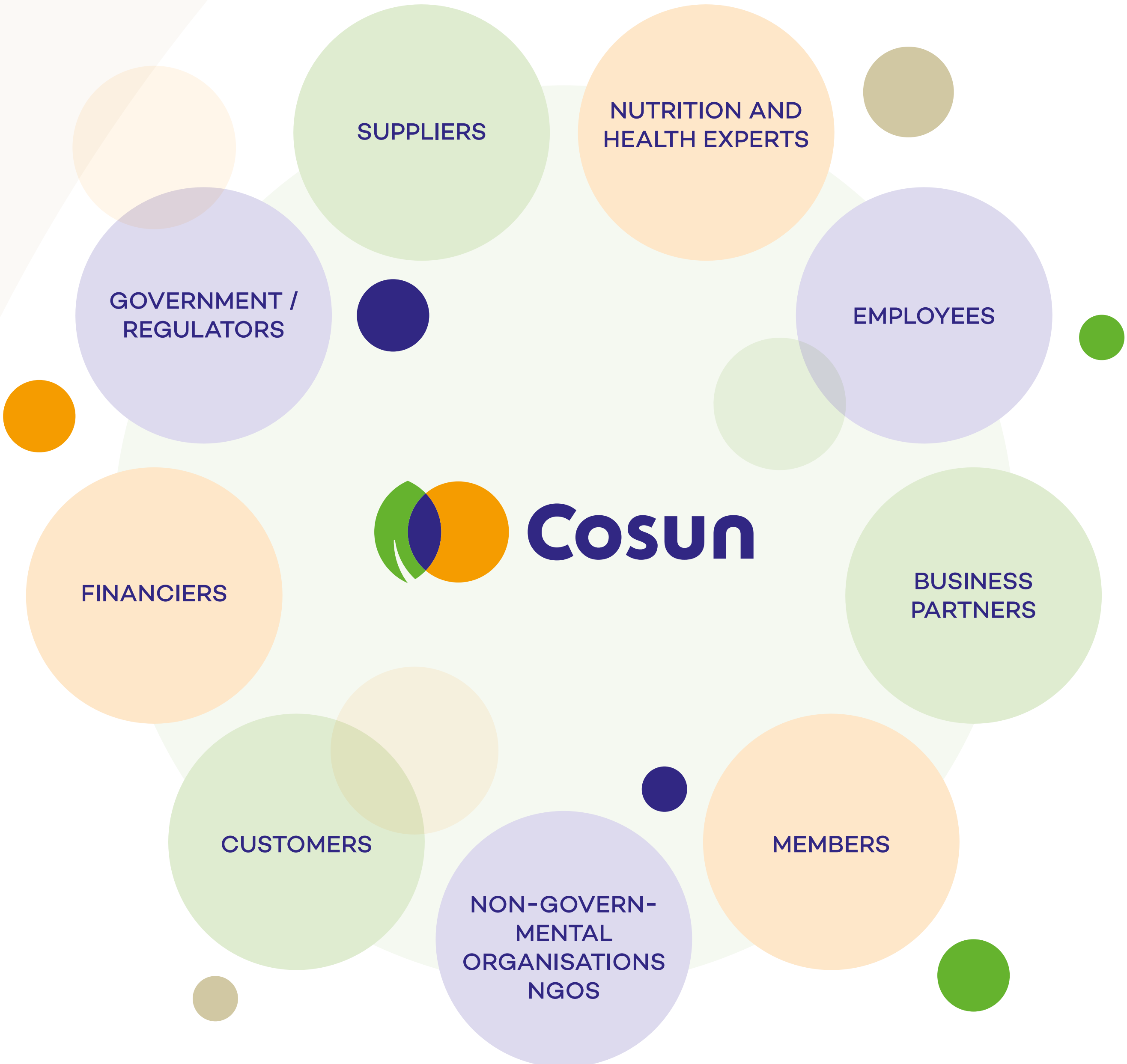
We contribute to a delicious, nutritious and circular world by working together to get the most out of our crops and by doing what is best for current and future generations



Stakeholder dialogue

We meet up with our stakeholders to identify and discuss the material themes and together we reflect on solutions to key sustainability challenges. The dialogues are part of our daily work and are held at various levels of the organisation. The outcomes enrich our strategy and policy.

In this regard, we seek an optimal balance that respects the diverse interests of our many stakeholders. Our most important stakeholders are shown in the following diagram.



Communication

At Cosun, we show who we are, what we do and most importantly why we do it, in order to connect with each other and with the world around us.

As a cooperative, we are alive to the importance of cooperation and are in continuous dialogue with our members and other stakeholders. We speak with stakeholders about their expectations and together reflect on solutions and preconditions for achieving our goals. The dialogues are part of our daily work and are held at various levels of the organisation. The outcomes enrich our strategy and policy.

Brand awareness survey

In 2023, we surveyed a representative group of the Dutch population to find out to what extent they know Cosun. Although the survey revealed that brand awareness is still quite low, it also showed that the themes to which Cosun is committed appeal to many people, such as the focus on green and healthy food, circular and innovative production and our supply chain collaboration. The outcomes underscore the importance of our communication strategy.

That is why Cosun launched a corporate media campaign in early 2025 with the goal of more actively showcasing the richness and strength of the sector, including Cosun's role. See below for more information about the campaign and the short film 'My First Harvest'.

Provision of information to the government

In collaboration with industry associations, Cosun is actively seeking to engage with the Dutch government and politicians to emphasise the importance of the sector. In this respect, we help the government and politicians to recognise the importance of stability, implementation capacity and ensuring a level international playing field.

For example, resolving grid congestion issues is critical if our business groups are to implement their sustainability plans. Our members also want to be able to execute their plans. The arable farming sector is working on numerous initiatives that offer great prospects for increased sustainability and future-proofing; we appeal to the government to build on the promising insights emerging from these initiatives.

Cosun launches a media campaign and a short film 'My First Harvest'

In early 2025, Cosun launched the short film 'My First Harvest', an inspiring story about collaboration, innovation and the plant-based future. The film is a tribute to the many generations of arable farmers who worked and who still work as passionate entrepreneurs to secure our food supply and reflects on the strength and richness of the sector. The launch of the film is part of Cosun's broader 'Make it with plants' campaign, which shows the endless possibilities that plants have to offer.

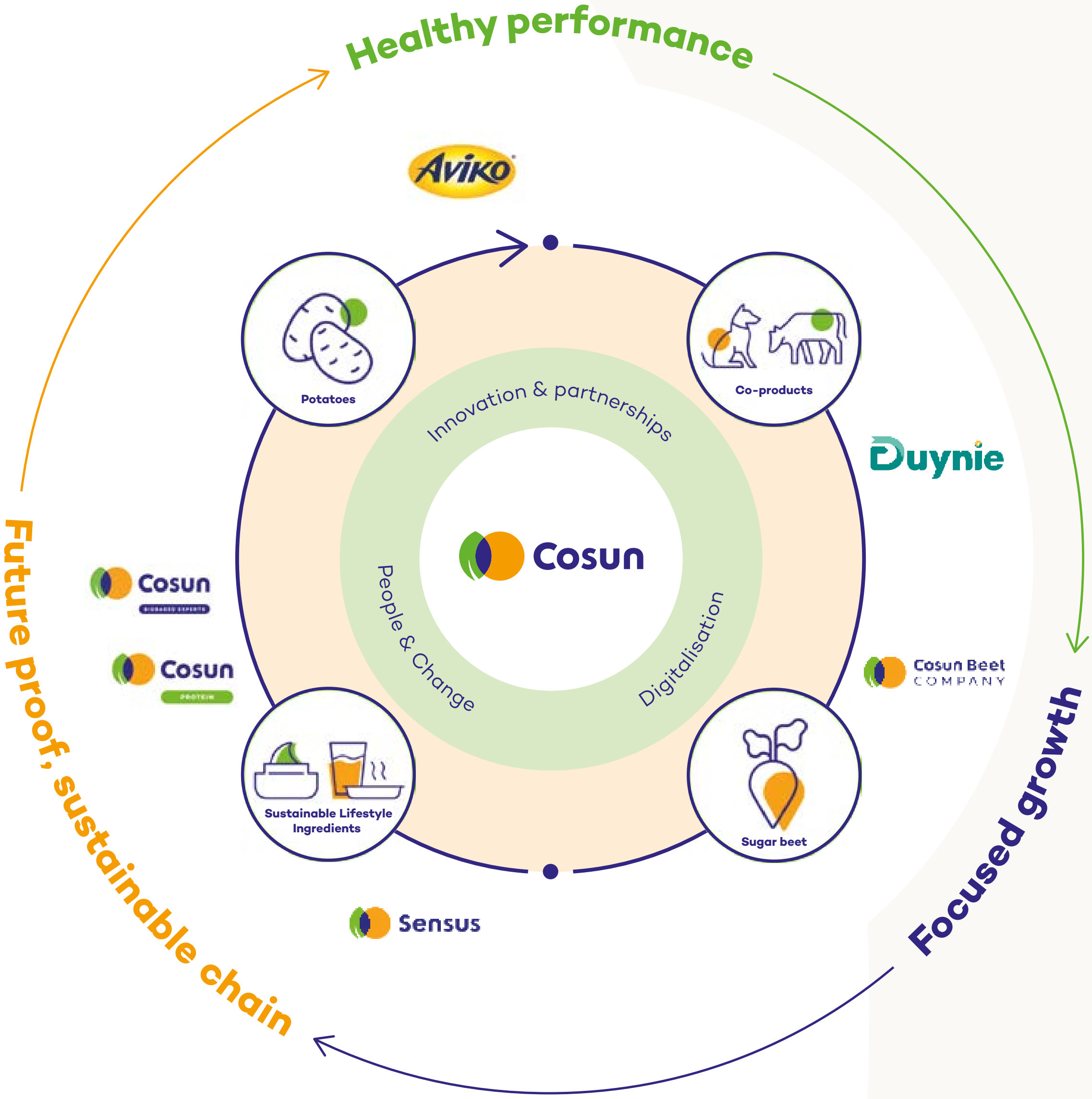
View it here

Cosun receives King William I Award

Appreciating this token of recognition of 125 years of resilient entrepreneurship, Cosun received the prestigious King William I Award in May. The jury had very kind words to say: 'We are very impressed with the strong, socially relevant transition Cosun has initiated from its traditional focus on sugar beet and potatoes.'

Results and impact in 2024

Through our strategy we are building and working on a relevant and future-proof Cosun based on clear choices, a good revenue model and a portfolio that matters. We are doing this for our generation and for future generations.



Healthy performance

Cosun invests in healthy performance, i.e. optimal use of our people, raw materials and consumables, resources and factories.

2024 results at a glance

€ 3,439
million turnover

€ 29 million
structural EBIT improvement

7.8
employee engagement score

Sugar beet price of
€ 47.25
per tonne

Structural improvement in results
Target for 2025
(relative to 2020) in millions of euros in EBIT
+100

Achieved in 2024
Structural improvement in the result in millions of euros
+29

Supply chain & overheads
Optimisation of procurement, storage and transportation costs and other elements.

Actual saving in 2024
(relative to 2023) in millions of euros
+20

Production
Optimisation of processes and higher efficiency and energy savings in our factories.

Actual saving in 2024
(relative to 2023) in millions of euros
+7

Commercial execution
Optimisation of the product portfolio and more value from co-products.

Actual saving in 2024
(relative to 2023) in millions of euros
+2

Improvement programme

We launched a performance improvement programme to achieve healthy performance, which focuses on four priorities:

- improving our commercial execution
- obtaining more value from the operation
- improving procurement
- optimising working capital

Various initiatives resulted in a structural improvement of EUR 29 million being achieved in 2024 compared to the previous year.

Improving our commercial execution

We seek to improve our commercial execution by extracting maximum value from our products and co-products. To use our residual streams even more effectively, we are exploring new markets for green and health-promoting products. We aim to grow in the dietary fibres, proteins and plant-based ingredients markets. Sales of these products have grown by 18% but margins are still lagging behind. We will focus on restoring results and further expanding our portfolio in the years to come.

Obtaining more value from the operation

We monitor and optimise our work processes by means of the Total Productive Maintenance 2.0 process, a method that allows us to closely monitor and continuously improve our processes in areas such as safety, energy efficiency and human resources. We perform measurements and share our knowledge in a structured way. The business groups use this knowledge to introduce improvements in the factories.

A case in point is Aviko's Upturn performance improvement project, an operation involving a review of the entire value chain, from potato delivery to processing, the product portfolio and logistics. Although still ongoing, the project has already led to great improvements. By optimising the length of fries, we can extract more value from the potatoes and further reduce our costs in the supply chain.

Improving procurement

A substantial proportion of our costs in the supply chain is procurement-related and falls into a number of main categories, such as raw materials and consumables, packaging, logistics and energy. Uncertainties in the supply chain, such as political instability, laws and regulations and climate change, are causing continued cost increases in nearly all categories. Energy costs fell slightly, but they remain at a persistently high level, and inflation is driving up costs even more.

In 2024, Procurement continued to build an improved procurement organisation to further mitigate the cost increases and to counter other risks and challenges. A category structure helps us strengthen our understanding of the main procurement categories and the associated, mitigating, future-proof activities. We also protect ourselves better now by means of contract management and we are able to respond more quickly and accurately because of the steps towards digitalisation that Procurement is now taking and will continue to build on.

The procurement improvements also help Cosun pursue its sustainability strategy. This means things like purchasing green energy, including Guarantees of Origin, and taking the first steps towards playing a significant role in the area of scope 3.

Optimising working capital

To finance our growth ambitions, we are aiming to optimise our working capital and borrowing capacity. Procurement and Finance are working on improvements and monitoring the impact of new developments to allow us to anticipate them in a timely manner.

Outlook

In 2025, we will continue the improvement programme, which includes the goal of a more efficient organisation and the optimisation of overheads. We also intend to extract even more value from our data by refining our digitalisation strategy. For example, we see opportunities in new technologies and want to explore the possibilities of artificial intelligence in more detail.

Both at corporate level and in the business groups, we are launching various initiatives to improve performance. Take Cosun Beet Company's V-RISE programme, for example: the business group has a comprehensive innovation programme in the works to make the Vierverlaten sugar factory more sustainable whilst also achieving savings. We will continue to work together with great enthusiasm to achieve our healthy performance ambitions.

Focused growth

'Focused growth' means that we focus on profitable growth in four core areas: sugar beet, potatoes, food ingredients and co-products.

Total turnover relative to 2023

- 265
(- 7%)

% total health-promoting and green turnover

4 %
(goal: 30% in 2030)

Investments in the growth of core areas in 2024

21 %

2024 results at a glance

Sugar
1,280
million turnover

Potatoes
1,647
million turnover

Co-products
394
million turnover

Other activities
119
million turnover

of which:

Health-promoting and green
142
million turnover

Sustainability and cost leadership in the sugar market

In the sugar market, Cosun focuses mainly on sustainability and cost leadership. Introducing measures aimed at a sustainable sugar chain from field to customer, Cosun contributes to the climate transition and responds to a growing demand for 'low-carbon' sugar. By extracting the maximum value from the sugar beet, we create added value in the supply chain. In that respect, Cosun aims to develop new products to complement the Food Ingredients portfolio or initiatives to increase the return on the side streams of sugar processing.

Initiatives involving bio-based applications were discontinued in 2024 given the limited development of these markets and the high risks. To remain the cost leader in the sugar market, we are rolling out a programme, focused on operational and commercial excellence, overheads and other cost savings, throughout the sugar business.

Expanding the production of fries and other potato products

Our investments and acquisitions over the past few years are bearing fruit in the potato products market. With factories in the Netherlands, Belgium, Germany, Poland and China, we are successfully serving the fast-growing markets in Europe and Asia. Our investments in the joint venture with Farm Frites in Poland and in China were successfully finalised. Although some downtrading (opting for cheaper products) was visible, Cosun has good opportunities for growth - of 4% annually - in this market.

The trends in potato prices were very erratic due to harvest issues and scarcity; the necessary price adjustments were passed on to the market.

Focus on Europe for co-products

For co-products, we are investing in an expansion of our position in the European market to extract proper value from our own co-products and those of our European partners in the animal feed and fermentation markets. The raw materials market, especially for grain, was at a high level and had a positive impact on the animal feed business. Local wet food is well-positioned from the perspective of circularity. We also serve the pet food market and starch market as we extract more value from co-products. For the starch market, we are increasingly focussing on further modifying and upgrading this co-product. Finally, we are making every effort to convert co-products into new, high-quality products to complement our Food Ingredient portfolio.

More clustering in the ingredients market

In the ingredients market, we are working hard to cluster our activities in fibres, plant-based proteins and other plant-based alternatives. Trends in this new growth area were reaffirmed in the review of our Unlock 30 strategy. The market for plant-based food ingredients continues to grow.

In the inulin market, we see that demand is again picking up. The earlier capacity expansion of the current factory allows for a rapid scale-up of production to meet this increased demand for inulin from chicory. The supply of chicory has been secured by adjusting contract terms.

The introduction of Tendra®, a fava protein isolate with high-quality functional properties, is progressing well. We are preparing for the further expansion of the production capacity for this ingredient.

By clustering our activities in fibres, plant-based proteins and other plant-based alternatives and by strengthening the organisation, we are laying a foundation for accelerated growth in this segment with a focus on mergers and acquisitions, partnerships and capacity expansion.

Future-proof sustainable chain

Our strategic cornerstone 'Future-proof sustainable chain' underpins our efforts in the area of sustainable farming and production. Although the challenges remain significant, 2024 was a fruitful year: we introduced inspiration farms, identified scope 3 supply chain emissions and accelerated our transition to green electricity. Cosun has now fully switched to green power for its activities in the European Union.

2024 results at a glance

CO_2 scope 1 and scope 2

-7 %

(relative to 2018)

CO_2 scope 1
664 Ktonnes

CO_2 scope 2
34 Ktonnes

Inspiration farms

+1

Up to and including 2024
3 inspiration farms realised

2025 target
4

Future-proof cultivation

At Cosun, we believe in a sustainable and profitable future for agriculture. That is why, as part of the Groeikracht Cosun programme, we are working on innovative solutions that contribute to future-proof cultivation. We do this by supporting growers in optimising their cultivation methods, sharing practical knowledge and translating research into concrete applications in the field.

As a sustainable supply chain can only be successful if it also remains economically attractive to our growers, we are making every effort to ensure that sustainability and a healthy revenue model go hand in hand. We encourage and support our members and growers in making the supply chain more sustainable, with a focus on soil health, more efficient use of natural resources and innovative farming techniques.

This is how, together, we create a resilient agricultural sector that is both ecologically and economically future-proof.

Clear knowledge database

In July, we launched a knowledge database on the programme website. In this knowledge database, we offer growers of potatoes, beet and chicory clear information on solutions to the challenges that growers face. What are the options and what are the advantages and disadvantages of these solutions? The knowledge database contains short texts with references to scientific research and practical research.

We brought the knowledge database to the attention of growers through the Cosun Magazine and the Groeikracht Cosun newsletter.

Incentive for potato cultivation

Under the umbrella of Groeikracht Cosun, business group Aviko, Rabobank and a group of potato growers are launching the 'Future-Proof Cultivation' programme with the following goals:

- improving soil health, water quality and biodiversity
- taking climate adaptation measures
- facilitating a sustainable revenue model

Aviko and Rabobank signed the relevant cooperation agreement on 17 October.

Inspiration farms

In 2024, an inspiration farm opened in Lelystad, Flevoland.

A new inspiration farm will open in Roswinkel, Drenthe, in March 2025. The inspiration farms are a Cosun initiative to promote knowledge sharing amongst growers. Small groups of growers meet on the farm a few times a year to attend demonstrations of innovative solutions and to exchange knowledge. They cover topics such as:

- weed control with less use of herbicides
- the use of crop protection agents that have a lower environmental impact
- the use of varieties that are resistant or less susceptible to pests and diseases

Once a year, the inspiration farms organise an afternoon of inspiration for a broader target audience, which is also attended by parties such as researchers and politicians. The goal is to explore promising solutions together, whilst also considering the snags.

In the next four years, participating growers can count on high-quality advice that relates to potato cultivation and also covers the cropping plan as a whole. They will also benefit from interest discounts for investments that contribute to future-proof cultivation, such as investments in mechanisation or precision agriculture, and they will receive a premium on top of the agreed contract prices per tonne of potatoes they deliver to Aviko. After the kick-off in 2024, 100 growers in four regions will participate in the programme in the 2025 cultivation year.

Large-scale soil survey

As regards soil and water quality, we are making every effort to reduce the risk of nitrate leaching into groundwater, as arable farming faces the major challenge of meeting the European nitrate standard of 50 milligrams per litre of groundwater by 2027. Under the Groeikracht Cosun programme, we offer growers tools to identify the nitrogen stocks in their fields and to take targeted measures where necessary.

We conduct soil surveys at a growing group of growers. In 2024, 900 growers signed up for 1,200 plots. Pre- and post-harvest samples were collected from all those plots. Participating growers receive not only insight into soil nitrate levels, but also plot-specific information on the fertilisation condition. Growers are showing great interest and we expect even more growers to participate in the survey in 2025. We welcome this development and have seen that government authorities also appreciate Cosun taking proactive action.

Ensuring healthy plants

Plant health is an important theme in addition to soil quality. We strive for healthy plants and aim to further reduce our environmental impact resulting from the use of crop protection agents. Our goal is 50% less use by 2030 compared to the 2015-2017 period.

Several techniques can help growers achieve this goal, such as mechanical weed control, the spot-spraying method and the deployment of plant varieties that are resistant or less susceptible to pests and diseases.

Becoming more sustainable is no easy feat. That is why Groeikracht Cosun organises knowledge sharing, demo days and incentive programmes to make it easier for growers to innovate. For instance, a number of chicory growers are taking advantage of the interest-free loan we offer them to purchase a FarmDroid, a machine for sustainably seeding and weeding chicory fields. After a pilot project with two growers, ten growers are now using this machine.

Increasing biodiversity

Biodiversity is another important factor for future-proof cultivation. BO Akkerbouw, the central platform and knowledge centre for arable farming in the Netherlands, worked with partners to develop the Arable Farming Biodiversity Monitor, an instrument that allows growers to check whether they are creating the right conditions for maintaining or restoring biodiversity. Biodiversity performance is measured using the following eight science-based indicators:

1. Percentage of rest crops in crop rotation
2. Organic matter balance
3. Nitrogen surplus
4. Environmental impact of crop protection agents
5. Percentage of ground cover
6. Carbon footprint
7. Nature and landscape management
8. Crop diversity

Many of these indicators touch on themes that are relevant within Groeikracht Cosun.

A group of more than one hundred arable farmers is the first to gain experience with these indicators, and Cosun is actively involved in this. Two pilot projects have been launched, one in the southwest of the Netherlands and one in the province of Drenthe.

We expect more and more arable farmers to start using the indicators and we are helping to enthuse arable farmers in this respect.

More sustainable fertilisation
Groeikracht Cosun will have to pay more attention to fertilisation in the future, as this makes a significant contribution to CO_2 emissions within scope 3 emissions. These emissions arise from both the production and the application of fertilisers. In 2024, we identified the supply of greener fertilisers currently available on the market. In 2025, we will demonstrate the use of these alternatives by applying them in practice on our inspiration farms. One of them is fertigation, a method whereby water and fertiliser are applied directly to the crops via drip hoses.

CO_2 reduction

Under the SCO_2RE+ programme, we are working to reduce our carbon footprint throughout Cosun. We are using this programme to bring together the knowledge, approach and progress monitoring of the different business groups. Based on the data collected and the reduction opportunities, we are continuously exploring where we can make the most effective reduction impact using the resources available to Cosun.

Our targets
The targets of the Paris Agreement guide our CO_2 reduction efforts. For scopes 1 and 2, we are aiming for a 45% net reduction in 2030 relative to 2021. With regard to scope 2, in 2024 we also set ourselves a worldwide target of switching completely to green energy procurement in 2025; this is a good step forward after having achieved this target within the EU. For scope 3, we are aiming to achieve a 30% reduction for our land-based activities, including our crops. For other activities, such as logistics or materials procurement, the target is 25%. Here, too, the scope 3 target is a reduction by 2030, but then with 2022 as the reference year. Scope 1 covers emissions from fuels we own or control, such as emissions from steam boilers and machinery in the factories and vehicles in our fleet. Scope 2 refers to emissions from purchased energy, such as electricity and heat. Scope 3 pertains to CO_2 emissions throughout the life cycle of products we buy, manufacture and/or sell.

At the end of 2024, we submitted our targets to the SBTi, the organisation that monitors whether we have adopted the right approach.

Results for 2024
Having introduced various measures, we are already making good progress towards achieving the reduction targets. We will highlight a few:

- An electric water heater at Aviko Rixona Venray provided a reduction of over 3 kilotonnes in 2024 and has the potential to achieve a reduction of 22 kilotonnes of CO_2 per year in the years ahead. Aviko Rixona Warffum also purchased an electric water heater and will put it into use in 2025.
- At both Cosun Beet Company and Aviko Rixona, we are making good progress on the fermentation projects for the production of green gas. Our ambition is to more than double the production capacity and to start supplying this green energy to our own factories as well.
- Cosun Beet Company added more details to the set up of the V-RISE project and added new elements. This extensive project aims to reduce CO_2 emissions at the Vierverlaten sugar factory by 40%. Investments in heat pumps and innovations in the evaporation and crystallisation process make this possible.

- In 2024 we developed several roadmaps for reducing scope 3 emissions, which we will implement in projects in 2025. Emission reductions in the cultivation and transportation of our raw materials and products is a focus point. The measures call for collaboration with growers, suppliers, customers and others in the supply chain.

In October 2024, Cosun signed a cooperation agreement with the Dutch government, known as an ‘Expression of Principles’, on customised arrangements. It serves as the basis for further contractual arrangements. The purpose of this collaboration is to implement major CO_2 reduction measures at the largest Dutch production sites, which will reduce emissions by approximately 70%. The government will support Cosun in various ways in these sizeable projects.

Outlook

Cosun has the plans, motivation and drive to achieve its goals. We are pleased with the good cooperation between the business groups and with partners in the chain. Partly because of the strengthened collaboration with the government, we are able to take steps faster to arrive at further measures to reduce CO_2 emissions.

Explanation of diagrams

In 2024, we refined the calculations of our scope 3 emissions to better line up with the Greenhouse Gas (GHG) Protocol categories. This resulted in a revision of the donut charts for 2022 and 2023. Whereas, in previous reports, we broke down the ‘Purchased goods’ category into purchased goods, services and cultivation, we now present it as a single overarching category ‘Purchased goods and services’. The share of emissions in the ‘Processing of sold products’ category has also become much smaller. Further analysis shows that many of these emissions are optional under the GHG Protocol because they are highly indirect and beyond our direct control. That is why they are not included in our baseline. With these adjustments, we aim to provide an even more accurate and transparent representation of our scope 3 footprint.

The enablers

Our success stands or falls with our people. That is why we pay a lot of attention to our human capital.

A safe working environment

Safety is a top priority at Cosun. All business groups are making every effort to reinforce awareness of safety. We are also strengthening central control at cooperative level to ensure a harmonised approach throughout the company.

Total Productive Maintenance (TPM) system

Around the globe, every Cosun factory safeguards safety using the Total Productive Maintenance (TPM) system. This systematic approach ensures that the factories continuously focus on safety and are constantly working on improvements. We monitor and support the factories at corporate level. We also organise cross-audits between business groups, where we visit each other's locations to keep learning from each other and to be able to make rapid adjustments where necessary.

Leadership training

The purpose of our Safety Leadership workshops is to raise safety awareness even more. Managers work on the skills they need to effectively call their teams to account when it comes to safety and to encourage them to take the right measures. In 2024 we started these training courses in four locations, and in 2025 some ten other locations will follow.

Cosun-wide campaign

To make everyone in Cosun aware of the importance of safety measures, we have also launched a Cosun-wide safety campaign to draw attention to the following three key issues:

1. Slips, trips & falls (prevention of common accidents such as slipping)
2. Take a step back (reflect on the risks immediately prior to the work)
3. Power of feed forward (the importance of reflection and calling each other to account when it comes to safe and unsafe behaviour)

Providing information, training, audits, interdisciplinary and international collaboration - we use all these tools to increase safety. Together we put our shoulders to the wheel to ensure a safe working environment everywhere and at all times.

Results in figures

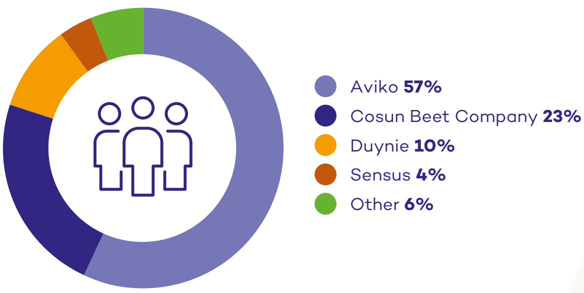
Sickness absenteeism rose from 5.3% in 2023 to 6.0% in 2024. This is equal to the national average calculated by Statistics Netherlands for the manufacturing industry. We took measures on preventive policy (keeping employees healthy), trained managers in counselling and deployed additional case managers to provide additional support. We remain committed to a healthy working environment for all.

The number of employees decreased from 4,613 full-time equivalents (FTEs) in 2023 to 4,528 FTEs in 2024. In 2024, 23% of the employees were female (2023: 22%) and 77% male (2023: 78%).

The number of training days per employee fell to 2.7 in 2024, down from 3.1 in 2023.

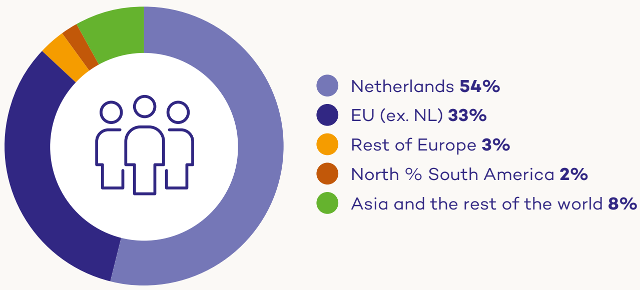
Number of employees per business group

in percentages



Number of employees per region

in percentages



Human Resources

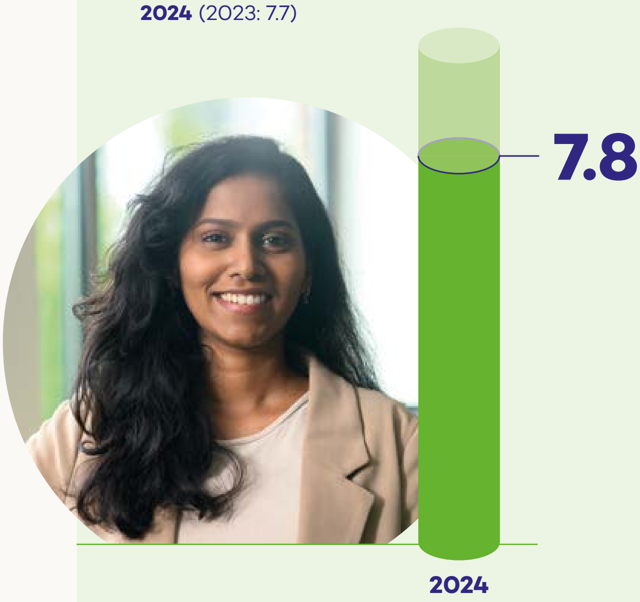
Our success stands or falls with our people. That is why we invest in many ways in attracting, retaining and motivating employees.

Measuring is key

Every year, we conduct an employee engagement survey to measure employee satisfaction and engagement and to identify areas for improvement. We are pleased with the 2024 results. With an average mark of 7.8, we have exceeded the benchmark. This is a great step towards our goal of being in the top 25% of best employers. Measuring is key, so we are also pleased with the dashboard we developed last year. The dashboard helps managers to properly monitor working conditions and work pressure throughout the year and to make adjustments where needed.

Employee engagement score

2024 (2023: 7.7)



A fresh perspective

We use many channels to ask employees to contribute ideas about the course we are pursuing at Cosun. Important bodies for this are the Works Councils, both the Central Works Councils and the business groups' Works Councils, and the Young Board. In 2024, we organised a day when all Works Councils met to exchange knowledge and experiences and to learn from each other; it was a fruitful meeting. New people joined the Young Board last year; a group of six young professionals are providing Cosun's Executive Board with a fresh perspective. They advise on policy both upon request and of their own accord.

Diversity, equality and inclusion

We believe in one Cosun where we embrace the diversity of our people and strive for equal opportunities and an inclusive culture. To emphasise this, we signed the SER Diversity Charter in 2024. In terms of gender equality, in 2024 we achieved the target of at least a 30% representation of women in senior management. Throughout the year, we worked to further develop our policy and communications and organised several awareness-raising activities for an inclusive culture, such as training courses on neurodiversity, cultural diversity and working with people with disabilities. More than 350 colleagues participated in these activities.

Gender diversity in senior management
2024 (2023: 27%)

Talent development
We invest in talent development at all levels of the organisation. We use a performance cycle that motivates employees and allows them to show a lot of initiative. In 2024, we comprehensively identified all potential: where is the talent and what are the development needs of colleagues in the organisation? Last year, we also continued developing leadership programmes for entry-level and experienced managers. Together with the Rotterdam School of Management, we are putting together a robust programme for this purpose. In line with this, we developed a leadership model that provides clarity on the competencies, assessments and training required for management positions. Last but not least, we developed a great mentoring programme: 65 pairs help each other: senior employees help entry-level workers, but young professionals also, and especially, bring their fresh perspective to help experienced employees. We call this reversed mentoring.

Connection
In 2024, growers and employees connected on several occasions. We organised a great two-day festival to celebrate our 125th anniversary. There was also the Sweet Meet, where employees visited growers with a tin of syrup waffles and had a good chat at the kitchen table. On top of that, at the end of the year there was the Youth Day with growers and employees up to 35 years old.

Recruitment and a sound induction programme
We invest heavily in recruitment because of the tight labour market. We show that we are an attractive employer and work closely with universities, universities of applied sciences and senior secondary vocational schools, offering students practical training to help them develop in their fields of expertise and prepare them for the labour market. We also ensure that we provide proper induction training for new employees and developed new guidelines for this in 2024.

In the years ahead, recruitment and employee development will continue to be a focus point. We want to maintain the tremendous engagement and enthusiasm we saw during our 125th anniversary. We continuously measure and promote employee engagement in a variety of ways and throughout the organisation.

Innovation

Cosun wants to lead the way with innovations that contribute to a sustainable world by developing new processes and sustainable ingredients. The Cosun Innovation Center has the relevant R&D expertise to fulfil Cosun's ambitions in terms of growth, sustainability, and process and energy efficiency. We add focus, accelerate promising innovations and work with various parties to achieve our Unlock ambitions partly through innovation.

Focus

Innovation supports the ambition to grow in fibres, plant-based protein and other plant-based alternatives as new technologies such as fermentation and enzymatic conversion are developed for Cosun. These technologies allow us to develop plant-based proteins and sugar substitutes from sugar or co-products. We do this through our own innovations but also by collaborating with and investing in scale-ups. For example, in 2024 we took an interest in Swiss scale-up Planetary SA, which produces mycoprotein from sugar. Together with Planetary SA, we are exploring ways to grow in this emerging market. We also invest in application knowledge. Ingredients such as Fidesse® from sugar beet, potato-based PotatoCheezz, inulin from chicory roots and Tendra® from field beans give structure, stability, flavour, juiciness and health benefits to numerous applications. Instead of wasting residual streams, we use them as raw materials for sustainable and healthy products.

Acceleration

Aiming to accelerate the completion of our food ingredient platform, we are collaborating with *start-ups*, *scale-ups* and other parties that already have a lot of knowledge in specific areas. A dedicated team within Cosun is charged with scouting and screening.

The Cosun Innovation Center also has a team of specialists that supports the business groups in identifying opportunities and the risks of innovations and accelerating their introduction to the market.

Finally, we encourage innovation by bringing together and supporting various internal and external parties. By liaising with knowledge institutions and academics and participating in public-private partnerships, we provide access to the latest research results and technological developments. We also invest in venture funds such as Peakbridge VC and Icos Capital. All this strengthens our knowledge position and enhances our innovative power.

Cosun Nutrition Center

The Cosun Nutrition Center is Cosun's knowledge centre for plant-based nutrition, which gathers knowledge on plant-based nutrition in relation to health and sustainability. We share this knowledge and participate in nutrition policy dialogues, not only within the cooperative, but also externally with various stakeholders. In doing so, we rely on scientific facts and the guidelines of independent advisory bodies. Our Scientific Council oversees this.

Protein transition

A major area of focus is research on plant-based alternatives and plant-based proteins: what opportunities do they offer for a healthier and more sustainable dietary pattern? For example, we are supporting research by Radboudumc on the effect that plant-based proteins have on muscle recovery. During the 2025 Nijmegen 4-Day Walk, we will examine the effects on participants of taking a mix of plant-based proteins, including fava protein (Tendra®).

We also collaborate on interdisciplinary projects, such as the Fascinating project. Within the theme of healthy and balanced nutrition, we are investigating how to translate a healthy diet into a sustainable agricultural system and what consumers' expectations are in this regard.

International network of experts

As Cosun operates around the globe, we gather knowledge from both the Netherlands and from abroad. What are the important new scientific insights and how are laws and regulations developing in the various countries? What is very useful in this regard is the international network of experts we established last year. Five professors from Europe, the US and China share relevant market knowledge with us and our Scientific Council.

Dialogue

In terms of communication with stakeholders, an important new theme is the (possible) effect of food processing on health. We also contribute our knowledge to a responsible social and scientific discussion on the possible introduction of a broad sugar tax and consumption tax on non-alcoholic beverages, including sugary drinks. We monitor the scientific findings, carefully set out our views and communicate them to key stakeholders.

Cosun Nutrition Center

Financial performance

Cosun's consolidated turnover dropped from EUR 3,704 million to EUR 3,439 million in 2024. The operating result fell by EUR 248 million to EUR 175 million in 2024, mainly driven by an imbalance between sugar supply and demand in Europe that resulted in a sharp decrease in the sugar price during 2024. The prices of high-quality ingredients and co-products were also lower, resulting in a normalisation of margins. The underlying results continued to improve, both through growth and through initiatives aimed at improving results. The beet price fell to EUR 47.25 per tonne for standard quality, driven by a low sugar result projected for the 2024 season.

Results

Cosun's consolidated turnover dropped from EUR 3,704 million to EUR 3,439 million in 2024. The 7% decrease was driven chiefly by the disposal of non-core activities in 2023. The volume trend is slightly positive, while the price trend presents a mixed picture. High sugar prices in Europe have reduced sugar sales, whilst the supply has increased due to imports, high levels of production and other factors. Prices for the sale of high-quality ingredients and circular residual products also showed a downward trend, resulting in lower margins. At EUR 175 million, the operating result was EUR 248 million lower in 2024. This is a solid result in a dynamic year. Exceptional items made a positive contribution of EUR 8 million to the operating result in 2024. This mainly involved the sale of land. In 2023, exceptional items made a negative contribution of EUR -/- 39 million due to divestments and a write-off related to the discontinuation of the development of the bio-based innovation Betafib.

The operating result before the members' bonus decreased by EUR 144 million to EUR 381 million. EBITDA before the members' bonus was EUR 515 million, equal to 15% of the turnover.

Despite the high result, the beet price fell from EUR 78.00 in 2023 to EUR 47.25 in 2024, mainly driven by a sharp decrease in the sugar result projected for the 2024 season.

A members' bonus of EUR 206 million will be recognised in the 2024 financial year, partly paid on the beet from the previous season (EUR 140 million) and partly related to the 2024 season (EUR 66 million). The net profit remaining for Cosun after the members' bonus was EUR 117 million (2023: EUR 162 million).

Amounts in € millions (unless otherwise stated)	2024	2023	Delta
Turnover	**3,439**	**3,704**	**- 265**
EBITDA before members' bonus	515	670	- 155
Operating result before members' bonus (including incidental items)	381	525	- 144
Incidental items in operating result	7	- 39	46
Members' bonus (portion for the financial year) charged to operating result	- 206	- 277	71
Operating result	**175**	**248**	**- 73**
Net result	**117**	**162**	**- 55**
Beet price (standard quality) EUR per tonne	**47.25**	**78.00**	**- 30.75**

Cosun Beet Company achieved a good result despite the turbulent year, driven mainly by high contracted sugar prices. These high sugar prices were underpinned by high world market prices in 2023, good demand for sugar and low stocks. Energy prices have normalised somewhat, but still remain at higher levels than before the war started in Ukraine.

The utilisation of co-products to generate renewable energy in the form of green gas led to a total production of 22 million m^3 of green gas in the Netherlands in 2024. This means that Cosun Beet Company continues to be one of the largest producers of green energy in the Netherlands.

Aviko made a substantial contribution to the operating result in 2024. The focus on growth areas in Europe and Asia continued. Further investments in new production lines were made in Poland and China. At the Venray factory, the expansion of the flake production capacity was finalised.

Despite higher inulin sales, Sensus experienced a difficult year due to a drop in sale prices and low inulin yields resulting from a wet spring.
In the longer term, the outlook for Sensus is positive. Expectations for the inulin market are positive due to trends such as sugar reduction, gut health (microbiome) and immunity.

Sales of the plant-based fava protein isolate Tendra® are developing positively, which makes it a good basis for a future broadening of Cosun's protein portfolio. The collaboration with scale-up Revyve, which produces protein from brewer's yeast, was intensified in 2024. An investment was also made in scale-up Planetary to further drive the development of sustainable and cost-effective food ingredients through fermentation.

Accelerating growth in plant-based ingredients remains a top priority, with a focus on organic growth, acquisitions and partnerships.

Duynie Feed's sales increased, driven strongly by its growth strategy in Europe. In addition to volume growth, extracting more value from residual streams is another priority. The construction of a separation unit for brewer's spent grain (which is split into protein and fibres) at the French Heineken factory in Mons-en-Baroeul commenced in 2023. The unit is expected to be put into use in 2026, after which a nutritional protein suitable for both human food and animal feed applications will be produced. To prepare the market for the introduction of this protein, a demo plant has been built in Nijmegen, where protein has been produced on a limited scale since 2024.

Financing

Cosun has flexible financing capacity of EUR 400 million in the form of a Revolving Credit Facility (RCF). The current RCF was renewed in 2019 with a term of five years with the option to extend for a further two years. The option has been exercised. The maximum drawdown on the RCF in 2024 was EUR 225 million; EUR 0 had been drawn down as at year end (last year: EUR 0). At the end of the first quarter of 2025, the RCF was renewed for a term of five years with the option to extend for a further two years.

To finance the Unlock 25 growth plans, additional financing of EUR 205 million was raised in 2022, for sustainability goals, in the form of an EU Private Placement and Schuldschein financing with a term of 1-8 years to serve as core financing alongside the RCF. Cosun comfortably satisfies the financing covenants.

Under the Cosun member loan programme, the members of Cosun can lend part of their beet delivery/business termination payments to the cooperative for a fixed term of between two and five years. This loan is subordinated.

In total, the members had lent approximately EUR 57 million at year end 2024. The new activity in Xilinhot, China, and Aviko's joint venture in Poland were financed in part locally, and largely through established banking relations. There was a net debt position of approximately EUR 54 million at year end.

Cash flow

Cosun generated a positive cash flow from operating activities of EUR 197 million in 2024 (2023: EUR 321 million). This decrease was mainly the outcome of a drop in the operating result; working capital was slightly higher. The negative cash flow from investment activities increased on balance due to higher investments in tangible fixed assets. In 2023, income was also generated from the divestments taking place at that time; no divestments were made in 2024. Cash flow from financing activities increased compared to 2024, and current liabilities to credit institutions were higher due to the lower operating result.

Investments

Investments in tangible and intangible assets amounted to EUR 267 million (2023: EUR 231 million).
Our investment priorities are:

- maintaining the factories (replacement investments and investments aimed at our 'licence to operate')
- investments aimed at expansion and growth
- energy-efficiency and sustainability investments
- investments in innovative developments, including new growth areas

We are investing in new technologies, including electric water heaters, heat pumps and mechanical vapour recompression, to meet the 2030 CO_2 reduction targets. Applications for the further expansion of connections to the electricity network are pending at several locations with a view to the future electrification of our factories.

Aviko is further expanding its potato processing capacity in China and Europe to respond to the growing global demand for fries and snacks. Two strategic investments - capacity expansion in Poland and in the Netherlands - were completed at the end of 2023. They contributed to organic growth throughout 2024. The addition of a new production line at the existing production location in Xilinhot, Inner Mongolia, will be completed in the first half of 2025.

Balance sheet

Total assets increased to EUR 2,728 million in 2024 (2023: EUR 2,705 million). The cash decreased to EUR 168 million. The profit for the year increased group equity to EUR 1,630 million (2023: EUR 1,508 million). Group equity as a percentage of total assets (solvency) came to 60% at the end of December 2024 and was thus higher than a year ago (2023: 56%). This means that the group retained its strong financial position.

Beet price

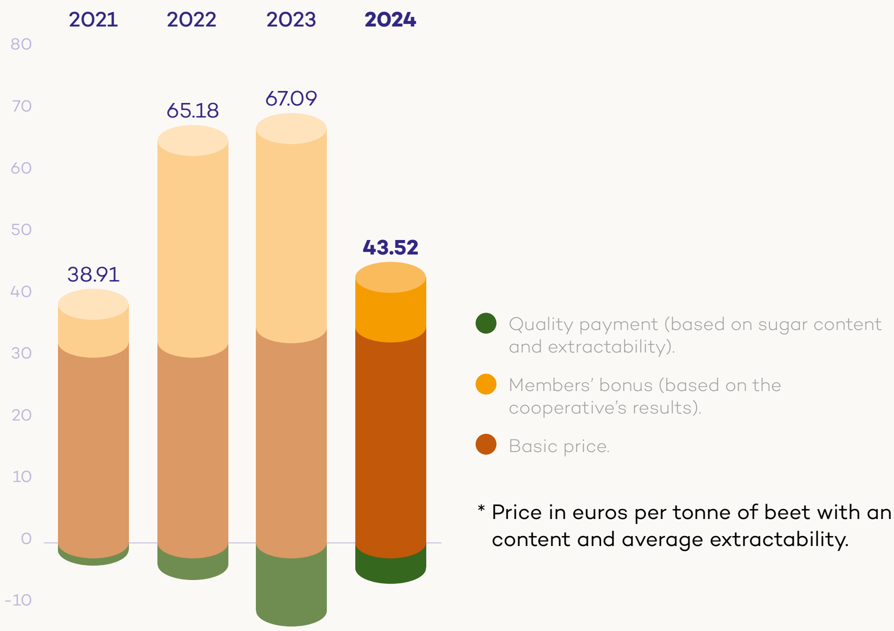
The members' bonus for the 2024 season has been set at EUR 74 million and will be paid as part of the quota beet price. A new system to calculate the members' bonus was introduced in 2022, which bases the members' bonus for the beet they supply partly on the result for the financial year just closed and partly on the sugar result projected for the next year. This improves the link between the bonus paid to members and the result actually earned on the beet supplied by the members.

The base price for quota beet was unchanged at EUR 35.00 per tonne. The members' bonus amounted to EUR 12.25 per tonne. On balance, the price paid to members for quota beet with a sugar content of 17% and an extractability rate of 91 was set at EUR 47.25. For beet with average extractability and average sugar content the members' quota beet price came to EUR 43.52 per tonne. In 2023, it had been EUR 67.09. At 6.5 million tonnes, the volume of beet processed in the Netherlands was lower than in previous years. The average sugar yield per hectare was lower than in 2023 (12.2 tonnes compared to 13.5 tonnes).

The average yield per hectare comes to EUR 3,272 (2023: EUR 5,891), which is a record low. This is due to a combination of the lower beet price and a low yield per hectare. (In some parts of the Netherlands, sowing started late due to the wet spring.) The return on beet farming is low and is under pressure from factors such as cost increases in the fields.

Quota beet price*

in EUR per tonne



* Price in euros per tonne of beet with an average sugar content and average extractability.

Prospects for 2025

The renewed Unlock 30 strategy was presented in early 2025. Cosun's mission is to unlock the full potential of plants and co-products. In doing so, Cosun is responding to the growing global demand for plant-based foods, food and animal feed ingredients, circular solutions and plant-based alternatives. This development goes hand in hand with the development of a future-proof sustainable chain and a good earnings model for members.

In 2025, the focus will be on implementing the renewed Unlock 30 strategy. Given the rising costs in the chain and the desired further improvement of our members' earning capacity, the bar is being raised, with a strong focus on cost and efficiency improvements, sustainability and profitable growth in the core segments (potato products, co-products and ingredients).

Some key cornerstones of Unlock 30 are:

- Further portfolio growth and diversification, including international growth in potato products, international expansion of circular co-products and a strong focus on the further development of a plant-based ingredients portfolio. A new division will be established for food ingredients, where additional efforts and investments in mergers and acquisitions (M&A) and partnerships will be made in addition to organic growth. The long-term goal is more risk diversification in the portfolio and more stability in earning capacity.
- Sustainability remains a top priority, with a focus on CO_2 reduction, more sustainable production processes and the further greening of the chain with a focus on water quality and plant health.
- Deployment of digitalisation, artificial intelligence and automation is a key part of the Cosun agenda heading towards 2030.

The expectation is that the (geo) political and economic environment will continue to be uncertain in the coming year. Predictability is decreasing, making adaptability even more important. The Netherlands' competitiveness is under pressure, which is also apparent to Cosun as a Dutch cooperative. Stability, prospects and a level playing field are indispensable for both Cosun and its members.
Cosun will continue to invest in strengthening its market position in its various segments in the year ahead.
We will do so by investing in organic growth, including efficiency gains and energy savings to meet our climate goals and innovation, and through strategic acquisitions where possible.

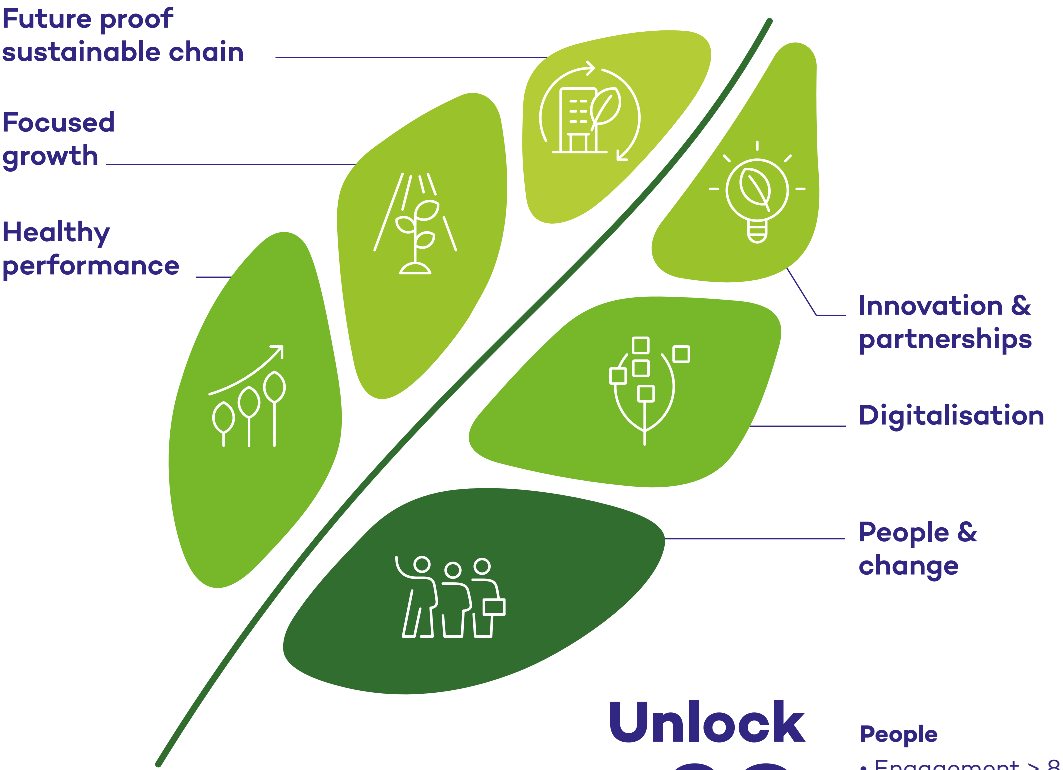
The sharp decrease in sugar prices in 2024 will affect the 2025 results. A greater focus on cost and efficiency improvements is required. Aviko's capacity expansions in Poland and China will be put into use in 2025. These will contribute to further profitable growth. We expect growth in sales of plant-based ingredients (fibres and proteins), but these activities will not yet contribute positively to the result in 2025. Sales of circular co-products will increase; in addition to volume growth, we also intend to create higher added-value applications for these co-products.

Cosun has a good financial basis. Financial stability and continuity are important guiding principles.

The company's solvency is good and its aim is and remains to be to maintain a healthy balance between equity and debt. This good solvency contributes to our resilience to economic fluctuations and allows us to finance future investments in a responsible way.

The company's liquidity position is good; we are continuing to manage this carefully with a focus on efficient working capital management and cost control. This allows us to meet our obligations in a timely manner whilst maintaining room for growth initiatives.

Cosun's continuity is still guaranteed by a solid financial basis and a strategic focus on sustainable growth. We are continuing to invest in innovation, operational efficiency and targeted market expansion so that we can continue to create value for our stakeholders in the long term as well. Despite external uncertainties, we are confident that our financial discipline will enable us to successfully execute our Unlock 30 strategy.



Unlock 30

People
- Engagement > 8
- Customers NPS > 50
- Safety

Financial ambitions
- Future-proof operating result
- Future-proof beet price
- Healthy ratios and room to grow, incl. M&A

Planet
- Reducing climate impact -45% CO_2 emissions
- Portfolio diversification 30%
- Future-proof cultivation:
  - Water & soil quality 2027 < 50 mg
  - Crop protection 2030 -50%

Report of the cooperative

We look back on last year with mixed feelings. Cosun itself had a good year thanks to a solid operating result. In the second half of the year, however, Cosun suffered from sharply decreasing sugar prices, which continued into 2025. This strongly impacts this year's beet price, causing it to drop significantly from previous years. Combined with historically low beet yields in farming, this leads to disappointing returns for our members that, in many cases, do not cover the costs. On top of this, many of our members again faced very challenging growing conditions in 2024. The designation of nutrient-contaminated areas ('NV areas') also has a major impact.

Here, we report on the activities of the Members' Council and Youth Council and inform you about the composition of the Board, Supervisory Board, Executive Board and Works Council. We also briefly discuss developments in the sugar market and the increased sustainability of cultivation. These themes are also discussed elsewhere in the Annual Report.

Members' Council

The Members' Council met on four occasions in 2024, in February, June, September and December. The following topics were discussed during these meetings: the performance of the Cosun business groups and progress on the Unlock 25 strategy, safety in the business groups, the development of our cultivated areas, Groeikracht Cosun, and innovations in and by our business groups. Particular attention was paid to the strategy review: the clear choices to maintain the course, raise the bar even higher and commit to further improving our results and growth in a number of selected areas by 2030.

The February 2024 Members' Council meeting in Nijkerk discussed the December 2023 estimate and expressed its support for the Board's decision on the beet price for the 2023 cultivation year. The security of raw materials and the associated study were also discussed in detail.

At the annual general meeting in June, the 2023 annual accounts were explained and approved, the auditor explained the audit approach for the 2023 annual accounts, and the Executive Board reported in detail on the performance of the business groups, the investments and divestments made and what these developments mean for our Unlock 25 strategy. The main outlines of the plans for the strategy up to 2030 were discussed and trends and developments in our markets and the world around us were explained. Also at this meeting, Freek Rijna was reappointed as an external member of the Board for a period of five years.

At the September Members' Council meeting, the performance of the business groups was also discussed as usual. PwC was also appointed as the new auditor at this meeting. It will conduct the audits under the articles of association from the 2025 financial year. Another agenda item: a few Members' Council members who had attended the General Cooperative Skills Course at training institute NICE reported on this. Finally, seated in rows of chairs facing each other, the members held lengthy discussions on a number of dilemmas relevant to the Unlock 30 strategy. The propositions covered extracting value from sustainability, investments in other regions, investments in (additional) sustainability measures and the accelerated development of food ingredients.

On 10 December, the Members' Council met at Kasteel de Vanenburg, where a dinner attended by partners of the participants marked the end of Cosun's 125th anniversary. The meeting featured an explanation of the approved strategic plans for the 2025-2030 period and strategy presentations per business unit. Then Cosun's short film 'My First Harvest' was shown, an inspiring story about collaboration, innovation and the plant-based future. The film is a tribute to the many generations of arable farmers who worked and who still work passionately to secure our food supply, thereby showing the strength and richness of the sector.

Youth Council

In 2024, three Youth Council members stepped down, two of whom moved on to the district committees. The Youth Council members participated in the district committee meetings every quarter. The chair, the secretary and two rotating members of the Youth Council also attended some of the Members' Council meetings and discussed a variety of matters. All Youth Council members were present at the September 2024 Members' Council and participated in the debate. They also held a number of meetings of their own and paid a few work visits. In the spring, they visited Duynie, where they were given a presentation on its history, activities and the pet food factory. A meeting on cultivation and technology followed in the summer, combined with a visit to an inspiration farm of a Members' Council member in Lelystad and the business of another Members' Council member in Flevoland. There is also close contact with youth councils of other cooperatives. For, instance, at the end of the year they welcomed FrieslandCampina's youth council at the Cosun innovation centre in Dinteloord. Finally, special mention should be made of the national Cosun Youth Day held on 15 November; an inspiring, interactive and above all sociable day attended by a total of almost 300 young people between the ages of 18 and 35.

Sustainability policy

Setting great store by sustainability, Cosun has established it as a separate cornerstone within its Unlock 25 strategy. It will remain a separate cornerstone in the reviewed strategy for the 2025-2030 period. It is a subject that is regularly on the agenda of the Board's meetings and is raised at all levels of management. The sustainability policy for the cooperative and the business groups is prepared at Executive Board level and it is adopted in consultation with the Board and the Supervisory Board (in its advisory role). This is a continuous process and sustainability is also a topic of discussion with the auditor, EY, partly in view of CSRD reporting. The subject of sustainability also comes up frequently in the Members' Council and the district meetings.

Cosun will continue to support its members in their transition towards sustainable, profitable farming. The Groeikracht Cosun programme will assist the members in this challenging task. A key component is the N-mineral measurements we offer our growers at no cost. In this regard, we give them insight into the situation on their farms as well as tools to further reduce nitrogen leaching. We will roll this programme out further in the Netherlands and are in full discussion within BO Akkerbouw and with the government to embed this approach in the 8th Nitrates Action Programme as an alternative to the general measures.

Sugar system

After a trend of higher sugar prices, we saw a sharp deterioration in the sugar market from mid-2024. Never before has the price of sugar plummeted so fast. We see that there was substantially more production in Europe, whilst demand was under pressure, partly due to the reduction of portions and products containing sugar. We are also still feeling the effects of duty-free imports of sugar from Ukraine, although the European Union has now imposed a temporary limit to protect its own economy. We ask the EU to continue and further tighten this limit.

The Board has set the members' bonus at a total of EUR 74 million for the 2024 cultivation year, equal to EUR 12.25 per tonne (converted to sugar beet) on top of the minimum price of EUR 35 per tonne (with a sugar content of 17% and an extractability rate of 91). Unfortunately, this beet price is a big step down from previous years. This is mainly the result of the fact that in the current system the beet price - as regards the payment for Cosun's sugar result - depends on Cosun Beet Company's result in the fourth quarter of 2024 and the first three quarters of 2025. It is regrettable that our results were limited during this period due to sugar prices falling dramatically.

Members and supply certificates

	As at 31 December 2024		As at 31 December 2023	
DISTRICT / SECTION	**Number of members**	**Number of supply certificates**	**Number of members**	**Number of supply certificates**
Zeeuwsch-Vlaanderen	648	399,892	659	398,263
Zeeland Midden	544	341,798	556	340,798
Zeeland Noord	301	215,171	297	215,826
Goeree-Overflakkee	177	153,249	180	153,249
West-Brabant	701	444,605	705	444,578
Zuid-Hollandse Eilanden	302	230,883	304	231,809
Holland Midden	191	133,592	201	146,825
Kop van Noord-Holland	376	291,144	378	293,688
Oostelijk Flevoland	297	340,044	300	339,752
Noordoostpolder	505	333,981	515	338,270
Zuidelijk Flevoland	121	160,303	122	160,559
Friesland	229	199,301	235	203,227
Groningen	973	1,009,036	979	995,770
Drenthe/Overijssel Noord	876	1,116,164	885	1,106,184
Overijssel Zuid/Gelderland	265	169,714	266	168,928
Maas en Meierij/Limburg Noord	406	242,537	416	245,285
De Kempen	273	204,698	288	205,576
Limburg Midden and De Peel	349	239,699	359	239,427
Limburg Zuid	450	315,807	461	315,704
Netherlands	**7,984**	**6,542,618**	**8,106**	**6,543,718**

We expect that a lower volume of sugar will be sold in 2025 and 2026. On this basis, the Board decided in August to lower the 2025 allocation percentage and set it at 100%. The allocation percentage for 2024 was 110%. We do not intend to expand our market, but we do intend to continue supplying our regular customers with beet sugar.

The sugar business is aiming to cultivate about 80,000 hectares of sugar in 2025, a reduction of about 7,000 hectares compared to last year. In the cooperative's interests, Cosun will hold its growers to the requirement to fulfil at least 85% of their supply obligation. If they are unable to do so, they must apply for an exemption in good time. If growers cannot give adequate reasons for not fulfilling their supply obligations, the Board can and will impose a sanction. Growers who have not fulfilled their supply obligations for several years may also receive a notice that their supply certificates will be revoked. Participation in the Unitip cultivation registration system has been compulsory since the 2018 season. By far the majority of the growers enter their data in the system punctually. Nearly all growers also fulfilled the Unitip requirements for the 2024 season. Growers who do not enter all their data on time or in full will not receive their final beet payment.

Governance report

Risk profile

Cosun is active in the agrifood sector and operates in a variety of markets in several countries. This involves a wide range of risks, including strategic, operational, financial and compliance-related risks. The emergence of sustainability risks and the implementation of the Corporate Sustainability Reporting Directive (CSRD) are important points of concern for our strategy, which focuses on further growth using sustainable, plant-based solutions. Our strategy focuses on the development of new product-market combinations, innovative projects and sustainable farming and processing techniques. In this respect, we limit the risks wherever possible but take advantage of opportunities.

Risk management strategy

Cosun recognises the importance of risk management for identifying relevant risks in a timely manner and for controlling them wherever possible and desirable. As we have adopted an integrated strategy in this regard, all business groups periodically identify, analyse and evaluate potential risks, considering both their likelihood and their impact.
Our risk management is based on the corporate governance code for cooperative enterprises (the NCR code). It is an iterative process aimed at identifying, quantifying and categorising risks. This process is essential for all the decisions we make within the organisation. The results form the basis for targeted actions to mitigate and control key risks where necessary.

In addition to risks, our strategy identifies opportunities in new plant-based products in response to trends in the market.

Our risk management process is based on the following cycle:

1. Our internal environment, the way in which responsibilities are allocated and the organisational culture.
2. Definition of the risk appetite.
3. Risk analysis and risk assessment.
4. Risk control, taking action where desirable and necessary to further control and/or mitigate risks that are not compatible with our risk appetite.
5. Risk control measures, reports and evaluations.

1 Internal environment
- Organisation and responsibilities
- Culture

2 Risk appetite
- Risk category

3 Risk analysis and risk assessment
- Strategic goals
- Operational goals
- Financial goals
- Compliance

4 Risk control
- Risk control measures

5 Control and evaluation
- Monitoring effectiveness
- Evaluation of risk management
- Letter of Representation
- Risk management reviews
- Improvement measures

Our approach to sustainability risks

The emergence of sustainability risks, such as climate change and the energy transition, requires specific attention. Cosun focuses on integrating these risks into all its business operations and aims to comply with the CSRD. Below, we explain our approach to every risk category.

Sustainability is intertwined with our strategy. We are implementing projects and initiatives to reduce our environmental impact, lower CO_2 emissions and optimise the supply chain. This approach contributes to our ambition to achieve sustainable growth and make a positive social impact.

Risk categories

Strategic risks

Our strategy focuses on sustainable growth and innovation. Climate change, regulations and changing consumer requirements call for constant adjustments.

Risk control measures

1. Climate change
   - Sustainability strategy: integrating climate goals into the business strategy
   - Climate risk analysis: identifying physical and transition risks and developing scenarios
   - Energy efficiency: investing in renewable energy sources and sustainable production methods
   - Supply chain management: collaborating with growers and other suppliers to increase sustainability and reduce risks
   - Innovation and product development: developing more sustainable products

2. Regulations
   - Stakeholder management: proactively collaborating with regulatory authorities and interest groups

3. Changing customer and consumer requirements
   - Market research: continuously responding to sustainability expectations
   - Communication on sustainability: communicating transparently about sustainable initiatives - product customisation: developing new products (or packaging) to meet new requirements

Operational risks

Controlling operational risks related to the security of raw materials, safety and climate change calls for a combination of preventive and reactive risk control measures.

Risk control measures

1. Security of raw materials:
   - Contractual arrangements: concluding long-term contracts to guarantee price and supply security
   - Sustainable procurement: investing in circular solutions

2. Safety
   - Safety protocols: strict compliance with health and safety and environmental regulations
   - Training and awareness: regular safety training for employees and suppliers
   - Monitoring and incident management: continuous risk assessment and rapid incident response
   - Technological solutions: using automation and sensors to detect risks at an early stage

3. Climate change
   - Sustainable supply chain management: collaborating with suppliers to reduce our CO_2 impact
   - Energy transition: investing in renewable energy and energy efficiency. Continuity planning: developing scenarios and contingency plans for climate-related disruptions

Financial risks

Sustainability risks may have financial consequences, such as higher costs, asset depreciation and reduced financing options. The key risks and the corresponding control measures are listed below.

1. Transition and regulatory risks

   Risks

   - Cost increase due to stricter environmental legislation and $CO2_{taxes}$
   - Limited access to financing due to more stringent sustainability criteria

   Risk control measures

   - Compliance with regulations
   - Investing in CO_2 reduction and energy efficiency to reduce future costs
   - Attracting sustainable financing, such as ESG loans

2. Physical risks arising from climate change

   Risks

   - Damage to assets or disruption of operations due to extreme weather
   - Higher insurance premium or limited cover

   Risk control measures

   - Developing good infrastructure
   - Investing in adaptation measures, such as water management

Compliance risks

Changes in regulations, including the CSRD, require constant compliance.

Risk control measures

- Active monitoring: proactive adaptation to regulations
- Sustainability reporting: developing transparent reporting on our performance and risks in accordance with the CSRD.

Internal environment

Within Cosun, we work according to the Cosun Principles, which guide our actions and which are periodically brought to the attention of employees. These principles are aimed at promoting a transparent culture in which employees are expected to be aware of and take responsibility for the risks that are part of their work. Targeted communication and training courses are used to continuously raise risk awareness. Cosun has an internal whistleblower scheme under which employees can report, anonymously if they wish, any cases that conflict with the Cosun Principles.

The primary responsibility for executing the risk management process lies with the management teams of the business groups within all group entities and with the Executive Board. Every year they sign a Letter of Representation (LOR) in respect of the entities for which they are responsible, in which they declare that they will act in accordance with the Cosun Principles and internal guidelines as well as the applicable laws and regulations.

Various group departments help the management teams develop, maintain and monitor the effectiveness of the risk management process. These departments support the development of internal control measures and policies. In addition, the periodic risk analysis and assessment is supported by the corporate department.

The group control department carries out periodic internal assessments of the internal and administrative control of group entities. The results and recommendations for improvement are reported to the managers of the group entity concerned and to the Executive Board. The treasury & risk management department sets frameworks for operational risks, which are subject to risk assessments. The Board has final responsibility for all aspects of risk management, while the Supervisory Board oversees the effectiveness of risk management, the internal control systems and the integrity and quality of the financial reporting.

Risk appetite

Our risk management and the related control measures are designed to strike a balance between entrepreneurship on the one hand and an acceptable risk profile on the other. They form the basis for assessing and bearing risks in order to achieve our strategic goals. The table below shows our risk appetite per risk category.

2024 was the third year in which we actively worked on the implementation of our new strategy, Unlock 25. This strategy focuses on 1) improving our financial results, 2) targeted growth in plant-based solutions, in part through extracting the maximum value from our crops and further plant-based innovations, and 3) a future-proof sustainable chain.

Risk category	Risk appetite					Note
	Very low	Low	Medium	High	Very high	
Strategic			● ● ●			• Medium: growth in established markets.
				● ● ● ●		• High: growth in new markets or with new products in new applications.
						Both with the right balance of risk and return.
Operational		● ●				• Low with regard to position management with a focus on awareness of potential risks.
			● ● ●			• Medium in other areas/issues, with the alignment of goals and related costs and a clear focus on profitability.
	●	● ●				• Very low to low with regard to employee safety and with regard to product and food safety. Also with a view to our reputation.
Financial control		● ●				• Low with regard to financing, interest rate and foreign exchange risks.
Compliance	●					• Very low with regard to compliance with laws and regulations.
	●					• Very low (zero tolerance) with regard to fraud risks.

An important aspect of our growth strategy is the development of new products for specific new markets. This growth strategy has a higher than average risk profile. Growth in our established markets has a lower risk profile overall. All our activities take account of our impact on the climate, the sustainability of farming and processing and the interests of all our stakeholders. We value an active dialogue and collaboration with stakeholders. Our plans for growth help us to achieve our long-term sustainability goals.

Our operational risk appetite varies from very low to low, especially for safety-related risks and the control of our buying and selling positions.

Our risk appetite is low when it comes to financial risks. We have a zero tolerance policy with regard to non-compliance with laws and regulations and fraud.

Risk analysis, assessment and control

We periodically analyse our risk exposure as part of our risk management process. We also monitor trends and developments that may present opportunities or that could impact our activities. In 2024, we introduced several additional and new measures in response to developments and events during that year.

Category	Events or trends with an impact in 2024	Additional control measures
Strategic	Sharp decrease in sugar price. Imbalance in supply and demand.	High levels of sugar production in 2024 and sugar imports (including from Ukraine) increased supply. The high sugar price has reduced demand in Europe, resulting in falling sugar prices. We can respond to market conditions by changing the amount of the allocation.
	High inflation and economic uncertainty put pressure on our sales.	The aim is to broaden the product portfolio; other parts of the product portfolio (including potato products and sugar) have proven to be reasonably recession-proof. Geographic distribution of production and growth in our sales.
	Attractiveness of our crops is under pressure from increased regulation, cost increases in cultivation (inflation) and the rising prices paid for alternative crops.	Our highest priority, as a key condition to securing our raw materials, is to improve profitability through our strategy so that we can pay a better price. Research into medium- and long-term security of our raw materials (potatoes, beet and chicory) was conducted and additional mitigating actions were determined. We use the Groeikracht programme to support growers in achieving sustainability goals and reducing cultivation risks.
Strategic sustainability	Increasing importance of sustainability and sustainability reporting (CSRD).	Sustainability is an integral part of our strategy. We maintain an active sustainability agenda with corresponding goals. Strengthening the organisation and project continuation to comply with the new regulations in a timely manner. No new material topics were identified in the double materiality analysis conducted in 2023; a DMA update will take place in early 2025.
Operational	Inflation increased in 2024 as well.	Cost increases passed on wherever possible to the market. Continued focus on the underlying improvement programme aimed at improving results.
	High number of safety incidents	In addition to the existing measures aimed at safe working practices, additional measures were taken, including external assessments.
	Generative AI	Providing guidelines for the responsible use of AI to minimise the risks associated with the use of AI.
Compliance	Need to report fraud risk in society's interests.	Fraud risk is an integral part of our risk management system. We have a zero tolerance policy in this regard. The group periodically evaluates potential fraud risks. Several generic control measures have been taken, including preventive ones, in the detection (including a speak-up system) and in the response. No significant fraud risks were detected.
	Cybersecurity and a general increase in cyber threats	Initiatives are launched periodically to raise awareness among employees and to promote a security-oriented mindset. We invest in our cyber defence capabilities and actively monitor risk trends.

Cosun periodically analyses its risk exposure. We also monitor trends and developments that present opportunities or can have a negative impact on our activities. The main risks and the risk control measures we took are shown in the table below.

RISK CATEGORY: STRATEGIC		
RISK	**DESCRIPTION OF THE RISK**	**RISK CONTROL MEASURES**
• Strong price fluctuations/fall in the sugar price.	Movements in sugar prices in the EU and on the world market have a major impact on Cosun's results. We follow the market in order to perform better than average.	• The business groups that make up the Cosun portfolio spread their activities across several raw materials and sales markets. • Continuous focus on product diversification, e.g. through innovation, to strengthen all activities in the portfolio. • Permanent focus on strengthening our (already strong) cost position through the industrial scale of processing. • Continuous focus on improving the cultivation of sugar beet.
• Failure to achieve further growth in profitability.	Sustainable and profitable growth underpins the continuity of our business and thus of our members. There is a risk that the drivers of our growth, such as world population growth, economic growth and the bio-based trend, develop less positively and thus the demand for our products does not develop as positively on the one hand and our growth plans (organic growth in established activities, development of new products and markets and acquisitions to strengthen our activities) are insufficiently profitable on the other.	• Spread of sales across different geographical markets and sales specifically targeted at growth markets. • Cooperation with partners and knowledge centres and in strategic alliances to develop new product/market combinations based on agricultural raw materials processed by the Cosun business groups. • Periodic review of the implementation and realisation of plans by the management teams of the business groups, Executive Board, Board and Supervisory Board as part of the planning & control cycle.
• Attractiveness of our crops to growers.	To secure sufficient raw materials in the long term it is of great importance that the growers earn an adequate return on the crops they grow and that we process. Inflation, pressure on the use of pesticides and herbicides and extreme weather conditions (e.g. drought necessitating irrigation) are increasing the costs of farming.	• Our strategy is to maximise the value of our crops and further optimise the yield together with our growers. • Study of medium- and long-term supply of raw materials (potatoes, sugar beet and chicory). • Through the Groeikracht Cosun programme, we are working on alternative farming techniques and sharing best practices.
• Changes in consumer food behaviour (health, sustainability). • Perception of sugar.	Our products meet the growing demand for sustainable and healthy plant-based food and our innovations are directed at developing new healthy and green products. But we are aware that the changing perception of sugar may lead to lower food sales in the future.	• Building on the dialogue with our stakeholders, we are working on relevant themes and on our sustainability strategy. We provide transparent and straightforward information on the nutritional value and sustainability of Cosun's products (e.g. through the Cosun Nutrition Center). • We are communicating our positive, sustainable, plant-based and circular Cosun vision better and more widely. We have started a public campaign: 'Make it with plants'. • We will continue to develop innovative, healthy and green ingredients. • Business development with partners with sugar replacing oil-based ingredients in non-food applications. • We take initiatives to enhance food safety in the supply chain in cooperation with customers and suppliers.

RISK CATEGORY: STRATEGIC		
• Climate change, energy transition.	Government measures (e.g. the Paris Climate Agreement) can have major consequences for our activities but we recognise their importance. Significant investments are needed to meet our sustainability goals. A level playing field is essential if we are to achieve our goals. Distortions in the form of high energy taxes, a surcharge on sustainable energy or local climate taxes that are higher than in other countries must be avoided.	• Scope 1 and scope 2 CO_2 reduction plans have been drawn up for each location. Operational plans include projects to cut energy consumption. Various plans are being implemented or have already been completed. In 2024, we refined the calculations of our scope 3 emissions and we aim to provide a more accurate and transparent representation of our scope 3 footprint. • We seek active dialogue with the government and involve our stakeholders in this.

RISK CATEGORY: OPERATIONAL		
RISK	**DESCRIPTION OF THE RISK**	**RISK CONTROL MEASURES**
• Employee and product safety.	Our employees run the risk of accidents. The risk of a major food safety incident is low but both the financial and reputational impact could be high.	• Focus on a safe working environment and safe working practices through training courses, physical measures, procedures, targets and reports. • Certification, track and trace systems and HACCP procedures. • Introduction and implementation of 10 Cosun safety rules.
• Volatility of agricultural and other raw material prices and energy prices.	Volatility in the price of (agricultural) raw materials is inherent to Cosun's seasonal activities, especially in terms of potatoes. Prices are highly reliant on harvesting conditions (surplus/shortage). A sharp rise in energy prices increases costs.	• Risks are appropriately controlled by means of position management. • Continuous focus on cost-efficient production to reduce energy consumption, transport movements and the use of packaging materials, combined with long-term price and volume agreements. • Higher energy costs and other cost increases passed on wherever possible to the market. • Policy to hedge (longer-term) energy costs.
• The influence of the weather on the availability and quality of raw materials (harvest risks).	Disappointing yields can lead to a shortage of raw materials and a fall in our sales. The quality of the raw materials may also influence our processing and production, and the growers' financial return.	• Spread of raw material procurement across several regions (also within countries) that grow sugar beet, potatoes and chicory roots. • Production facilities that are equipped to adapt their processes to variations in the quality of the raw materials they are to process. • Support and advice provided to growers by the group and industry associations for specific growing and weather conditions (e.g. spraying and uprooting advice for growers).

RISK CATEGORY: OPERATIONAL		
• Business continuity: factory/ cybercrime.	The risk of a major calamity and disruption to our business processes is limited/low but the impact could be very high.	• Specific risk management programmes, investments, inspections and maintenance to prevent calamities. • Insurance: Cosun has several general group insurance programmes to cover liability, product liability, fire, consequential loss, etc. The consequential loss programme insures assets at appraised value plus appropriate, asset-specific cover for consequential losses. The financial strength of the insurers is periodically reviewed. Depending on the size of the risk, cover is arranged with several insurers. • Cybercrime: the Cosun IT shared service centre is ISO 27001 certified and there are ongoing programmes to increase our resilience to cybercrime.

RISK CATEGORY: FINANCIAL CONTROL		
RISK	**DESCRIPTION OF THE RISK**	**RISK CONTROL MEASURES**
• Mismatch between buying and selling positions for raw materials and finished products.	Owing to the price volatility of our raw materials and products, open positions represent a risk. The nature of our business means we sometimes have to take long positions during the year.	• Frequent monitoring of buying and selling positions by senior managers of the business groups.
•Financing and interest rate risk.	It is important that we have secure long-term financing and always have a sufficient cash position. There is a limited risk that we are unable to meet our bank covenants. In view of our healthy balance sheet, this risk is highly improbable. Our debt position will rise as we implement our growth plans in the years ahead.	• In 2022, Cosun raised EUR 205 million in additional financing with a term of 3-10 years. This financing is linked to sustainability goals. The term of the EUR 400 million revolving credit facility (RCF) goes up to March 2026. The RCF renewal process was initiated in mid-2024. At the end of March 2025, the RCF was renewed for 5 years, with the option to renew it for another 2 years. • Cosun has a central treasury organisation that acts as an in-house bank. The financing and cash management of subsidiaries, with the exception of joint ventures, is organised at group level. • Loans are spread wherever possible over a select group of counterparties with a short-term rating of at least A2 or equivalent. • All Cosun's business groups report their cash flow forecasts for the coming 12 months every month to reduce the risk of unforeseen liquidity shortages.
• Foreign exchange risk.	The greater part of turnover is earned in the eurozone. The main currency exposure is concentrated on the US dollar, the Polish zloty and the British pound.	• Internal policy is to hedge the foreign exchange risks arising from operating and financing activities wherever possible by means of forward exchange contracts arranged by our central treasury organisation. Forward exchange contracts concluded as at 31 December 2024 are listed in note 12 of the notes to the consolidated accounts.

RISK CATEGORY: COMPLIANCE		
RISK	**DESCRIPTION OF THE RISK**	**RISK CONTROL MEASURES**
• Laws and regulations.	Abrupt changes in laws and regulations at European, national or local level can have consequences for Cosun and its business partners. Changes can relate to the environment, food safety, production processes and crop protection agents.	• We follow developments in current and future laws and regulations and take measures where necessary. • We try to influence the introduction of laws by holding active dialogue with the government, in cooperation with interest groups and industry associations where necessary. • Annual signing of an internal Letter of Representation declaring that activities have been conducted in accordance with internal guidelines and rules arising from laws and regulations.
• Tax risks.	Cosun is active in many countries. There is a risk of non-compliance with tax laws, for instance regarding transfer pricing in relation to corporate income tax or other taxes.	• Cosun seeks a transparent relationship with the tax authorities. For this purpose, Cosun has signed a horizontal supervision agreement with the Dutch tax authorities. • Activities are structured so that corporate income tax is coordinated centrally. The responsibility for VAT, payroll tax, social insurance contributions, etc. lies with the individual entities. The policy and related internal control procedures are periodically assessed. • Cosun publishes its tax policy on its website.

Controls, reports and evaluations

Risks are periodically considered in the reports prepared for the management boards of the business groups, the Executive Board, the Board and the Supervisory Board. Besides the risks and risk appetite, we also evaluate events and incidents that have occurred to determine whether the control measures are sufficiently effective and we take additional measures where necessary.

Recommendations arising from internal audit work are reported to and followed up by the Executive Board and the management boards of the business groups. The business groups' management boards report on their follow-up to the Executive Board and the Executive Board in turn reports to the Board and the Supervisory Board.
The Supervisory Board oversees the follow-up to the recommendations.

Corporate governance

To Cosun, corporate governance is the way in which it regulates relationships between the members of the cooperative, the Members' Council, the Board, the Supervisory Board, the Executive Board and the employees. Good entrepreneurship, integrity, respect, oversight, transparent reporting and accountability are the main pillars of Cosun's corporate governance policy. Cosun endorses and observes the Governance Code for Cooperatives of the Dutch Council for Cooperatives (*Nationale Coöperatieve Raad*; NCR).

Governance model

Cosun has a traditional governance model. Control of the cooperative lies with the members, in part through their election of the Board. On the principle that the members should have the final say, most members of the Board are also members of the cooperative. For the same reason, members of the cooperative also form a majority on the Supervisory Board. The external members of the Board and the Supervisory Board are nominated and appointed in recognition of their expertise and external networks. The Board has delegated the day-to-day management to the Chief Executive Officer of the Executive Board.

Board

The Board's primary task is to run the cooperative and manage the group. It has final responsibility for the development and implementation of the policy of both the cooperative itself and the business groups that make up Cosun. The Board consists of nine members, six of whom are also members of the cooperative and three are external members.

Supervisory Board

The Supervisory Board is charged with overseeing the Board's policy and the general affairs of the cooperative, its business and its group. It independently advises the Board and the Members' Council upon request and of its own accord.

The Supervisory Board has the cooperative's annual accounts audited by an external auditor, and the external auditor reports its findings to the Supervisory Board and the Members' Council. It has six members: four are members of the cooperative and two are external members.

Chief Executive Officer

The Chief Executive Officer manages the day-to-day performance of the cooperative and its business groups. The Chief Executive Officer is responsible for:

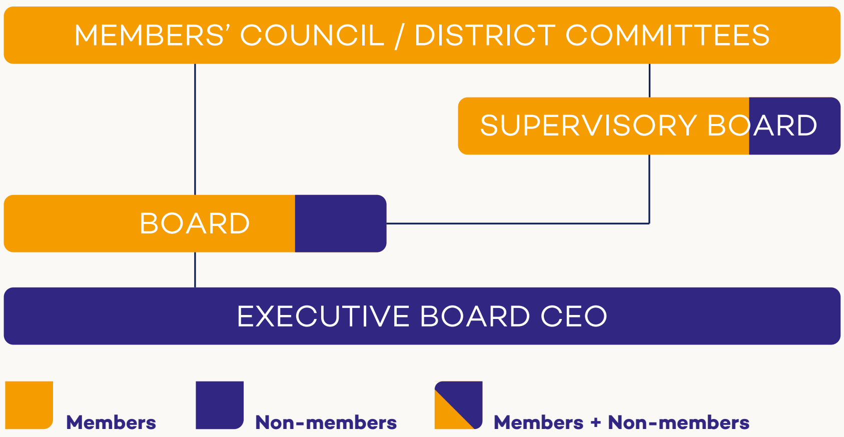
- the preparation and implementation of the group strategy adopted by the Board to achieve the operational and financial goals;
- the preparation and implementation of the internal risk management and control system for Cosun and the business groups;
- the day-to-day management of the Executive Board and the group organisation.

The Chief Executive Officer is mandated to take specific decisions.

Members' Council

The members of Cosun elect the management committees of the districts and sections in which their farms are located. All Cosun's district committees together make up the Members' Council. On a proposal from the Board, the Members' Council elects the members of the Board. On a proposal from the Supervisory Board, the Members' Council also elects the members of the Supervisory Board.

Governance structure of the cooperative



On a proposal from the Board, it adopts the annual report and accounts, the articles of association and the cooperative's regulations. It also acts as a sparring partner for the Board. The Members' Council has more than 60 members, all of whom are members of the cooperative.

Youth Council

The Youth Council consists of 15 members and serves as an incubator for management talent within the cooperative. It gives young members an important voice in the cooperative and it acts as a sounding board. The members of the Youth Council represent candidate members and young members. In consultation with local district and section managers, the Youth Council itself is responsible for succession when necessary.

Governance

More information about our governance can be found on the website, www.cosun.com, under About Cosun (Governance). The NCR Corporate Governance Code for Cooperatives is published on www.cooperatie.nl, under '2024 Code for Cooperatives'. Cosun complies with this Code. Although the NCR 2024 Code gave no cause to make any changes, Cosun periodically evaluates its corporate governance. In 2021, the various tiers of Cosun's governance structure carried out an intensive joint evaluation under the supervision of the NCR to examine all areas of the cooperative. The findings of that evaluation led to retention of the basic model, with adjustments to make better use of the Supervisory Board's expertise and to extend its mandate, to strengthen the Members' Council's role as an employer and to strengthen the links and cooperation among the governance tiers. The appointment of selection committees with representatives from the Members' Council for the appointment and reappointment of members of the Board and the Supervisory Board has led to a clear improvement in, and a contribution to the transparency of, the application, selection and (re-)election process. An evaluation carried out in early 2024 of the procedures of, and the procedures followed by, the selection committees also confirmed this. The various changes in the procedures have strengthened the governance function.

Sustainability

Sustainability topics are discussed in all management tiers. Preparations for this are made at Executive Board level. The Executive Board places these topics on the agenda for the Board's meetings and discusses them with it. The Board has consequently adopted the sustainability KPIs for the cooperative and the business groups and laid them down in Cosun's Unlock 30 strategy (formerly Unlock 25).

Sustainability KPIs are an integral part of this strategy. The Board has explained the sustainability strategy and policy to the Supervisory Board, which also approved the strategy. The Board and the Supervisory Board regularly discuss the progress on sustainability, the arrangements made in that regard and the reports, including the commitment to SBTi targets and the upcoming CSRD reporting. The Chief Executive Officer is responsible for the preparation and implementation of this part of Cosun's strategy.

In 2024, Cosun's commitment to reducing greenhouse gas emissions in its production processes was discussed at length by the various management bodies and significant investments were made in this area as part of a larger programme. Another point of focus was the sustainability of Cosun's cultivation, for which purpose the Groeikracht Cosun programme has been set up. The main themes of this programme are plant health (reducing the use of crop protection agents), soil and fertilisation (water quality), and climate and energy (reducing CO_2 emissions). Last year, many initiatives were launched to make progress on these themes. Several communications to our members (including Cosun Magazine) and growers' meetings addressed water quality and reducing nitrate leaching into groundwater. An initiative was also further rolled out to offer growers free soil sampling and tailored advice on how to reduce nitrate leaching even more. Cosun also set up a network of inspiration farms to inform and inspire growers, including on how to reduce the use of crop protection agents, for example by using weeding robots and through demonstrations on alternative ways to control weeds. A sustainable supply chain and cultivation challenges were also discussed with the Members' Council. It is clear that many improvements can still be made, and Cosun expressly sees a role for itself in supporting its growers in this regard in the years ahead as well.

On behalf of the Board,

Arwin Bos	Ger Evenhuis
Chairman	Vice-Chairman

Breda, 14 April 2025

Report of the Supervisory Board

The Supervisory Board is charged with overseeing the Board's policy and the general affairs of the cooperative, its business and its group. The Supervisory Board has an advisory role in respect of the Board and the Members' Council. It may give advice whenever it is requested, or whenever the Supervisory Board itself feels it should give advice. In fulfilling their duties, the Supervisory Board members act in the interests of all stakeholders.

For the proper performance of the supervisory duties, there is frequent contact between the Board and the Supervisory Board. There were a number of joint meetings including a joint visit to Aviko Rain. The Supervisory Board met independently on ten occasions. The Supervisory Board also attended Members' Council meetings and district meetings, and it attended the district committee meetings in June. At the June 2024 district committee meetings and Members' Council meeting, the Supervisory Board explained the 2023 annual accounts.

The Chairman of the Supervisory Board participated in the discussion with the Central Works Council.

At the meetings with the Board, the topics discussed included safety, the progress of the Unlock 25 strategy and the review that resulted in Unlock 30, the people agenda, financial performance, the new way of reporting on sustainability (integrated reporting according to the CSRD), the investment programme, innovation and the choices to be made regarding the direction of innovation, the roll-out of Groeikracht Cosun and uncertainty about the cultivated area and our raw material position.

Safety

The safety of our employees is paramount. This has long been promoted within the organisation and targeted programmes have been initiated for further improvement. Every meeting addresses safety, and the Supervisory Board closely monitors actions and efforts in this area.

The Supervisory Board also annually discusses social safety within Cosun and, in this context, the results of the Cosun 'Speak Up' policy.

Human resources

With regard to diversity, the Social and Economic Council has also set targets that large businesses in the Netherlands must meet. The Supervisory Board discussed the policy, the current situation and the desired situation.

As usual, Cosun's remuneration policy was also discussed with the Board last year. The Supervisory Board was asked to advise on a vacancy on the Executive Board.

Composition of the Board

In 2024, a member of the Board was re-elected. An external Board member has also announced that he will resign from his position before the end of his term of office once a suitable successor is found. Two selection committees were established under the direction of the Supervisory Board. The Members' Council reappointed Freek Rijna in 2024. A search was initiated to fill the vacant external Board member position, with the nominated candidate, Marjolein Slappendel, being appointed at the February 2025 Members' Council meeting.

Composition of the Supervisory Board

The composition of and allocation of duties within the Supervisory Board did not change in 2024. The Supervisory Board consists of Theo Koekkoek (internal member) as Chairman, Pieter van Maldegem (internal member) as Vice-Chairman and Edwin Michiels (internal member) as Secretary. The Supervisory Board also includes Liane den Besten (internal member) and external members Jacqueline Rijsdijk and Bas Alblas.

Audit committee

The Supervisory Board has an audit committee. In 2024, the Supervisory Board evaluated the audit committee's procedures and made improvements. The audit committee performs preparatory work for the Supervisory Board and is able to discuss topics in greater depth. In addition to general finances and controls, it also discusses CSRD reporting, risk management and fraud, as well as the tax position and treasury. The committee meets at least four times a year and is chaired by Liane den Besten, one of the Supervisory Board members. Bas Alblas, external member of the Supervisory Board, is also a member of the audit committee. Every audit committee meeting is attended by the CFO, the group controller, the auditor and a representative from the Board.

Financial performance

Cosun developed well as a group over the past year. The Supervisory Board was closely involved in the measures that led to the strategy review resulting in Unlock 30 and in a number of investment proposals. Sensus remains a point of concern. It requires a lot of extra attention from those involved and the Supervisory Board is closely monitoring developments. Other parts of the group also had a difficult year, partly due to disappointing harvests and decreasing sugar prices. Much attention is being paid to reducing the underlying cost structure, partly through centralisation, process improvements and digitalisation, to ensure that the group and its various business groups achieve good returns even in times of market pressure. The Supervisory Board also regularly discusses the risk management and fraud policy within the group.

Annual Report and Accounts

EY conducted the 2024 audit. Both through its audit committee and directly, the Supervisory Board had regular discussions with EY representatives about the management letter, the auditor's report for the year 2024 and the text of the audit opinion. In its capacity as group auditor, the auditor visited the Aviko fries business in Rain, among other places.

The Supervisory Board obtained a good impression of Cosun's financial performance. It also took note of the passages on risks, including fraud risks, in the risk section of the directors' report and agrees with the content and conclusions on this. The Supervisory Board approved the 2024 annual accounts at its meeting of 14 April 2025.

Appointment of a new auditor

In 2024, the process of selecting a new external auditor took place under the direction of Jacqueline Rijsdijk, member of the Supervisory Board. In addition to two Supervisory Board members, two Board members, the CFO and the group controller also served on the external auditor selection committee. In the end, on 18 September 2024, the Members' Council appointed PwC as the new auditor with effect from the 2025 financial year.

The Supervisory Board thanks EY for the many years of good cooperation, with the last audit year now being the 2024 financial year.

In conclusion

Just like 2023, 2024 was dominated by challenging conditions, both at our members' farms and within Cosun itself. All employees made every effort to add greater focus to our activities and introduce further improvements. They are also actively working on new applications of our members' wonderful products. All this gives great confidence for the future. The Supervisory Board thanks all employees for their work in 2024.

On behalf of the Supervisory Board,

Theo Koekkoek Chairman	Edwin Michiels Secretary

Breda, 14 April 2025

Members of the Board, Supervisory Board, Executive Board and Works Council

as at 31 December 2024

Board

Chairman	Arwin Bos	Nieuw-Vennep
Vice-Chairman	Ger Evenhuis	Schoonoord
Deputy Vice-Chairman	Ben van Doesburgh	Loenen a/d Vecht
Members	Adrie Bossers	Langeweg
	Maarten Heijne	Koewacht
	Marianne van den Hoek-Huijbregts	Dreischor
	Martine Hommes-Gesink	Lauwerzijl
	Bert Jansen	Rosmalen
	Freek Rijna	Den Dolder
Secretary	a.i. Caroline van Noordenne	

Supervisory Board

Chairman	Theo Koekkoek	Almkerk
Vice-Chairman	Pieter van Maldegem	Vierhuizen
Secretary	Edwin Michiels	Horst
Members	Bas Alblas	Breda
	Liane den Besten	Winterswijk-Ratum
	Jacqueline Rijsdijk	Leiderdorp

Executive Board

Chairman	Hans Meeuwis	CEO
Members	Maarten van Delst	Director, Aviko
	Jonathan Job	Director, Duynie Group
	Suzanne Jungjohann	Director, Human Resources
	Maaike van den Maagdenberg	Director, Corporate Development
	Paul Mesters	Director, Cosun Beet Company
	Mieke Philipsen	Director, Finance & Control

Central Works Council

Chairman	Fouad Ouled Ali	Cosun
Secretary	Rudi Hendriks	Cosun Innovation
Members	Johan van den Aarssen	Cosun Beet Company
	Ayhan Kayabasi	Aviko Rixona
	Chris Kooiman	Duynie
	Nico Krikken	Cosun Beet Company
	Henk Oostvogels	Sensus
	Elke van Uffel	Cosun Beet Company
	Meindert Visser	Aviko
	Jeanet Wubs	Aviko

More information is available at www.cosun.com under About Cosun – Corporate Governance. The website provides relevant personal details on the members, the principal and secondary positions they hold and – where applicable – the date of their appointment, term of office, eligibility for re-election, etc.

2024

Annual Accounts

Cosun

Consolidated balance sheet

(after profit appropriation; in EUR million)

	Notes	31-12-2024	31-12-2023
ASSETS			
Fixed assets			
Intangible fixed assets	(1)	67.8	69.9
Tangible fixed assets	(2)	1,157.7	1,041.9
Financial fixed assets	(3)	60.3	66.4
		1,285.8	**1,178.2**
Current assets			
Inventories	(4)	804.7	813.5
Trade and other receivables	(5)	470.1	491.3
Cash and cash equivalents	(6)	167.6	222.0
		1,442.4	1,526.8
Total assets		**2,728.2**	**2,705.0**
EQUITY AND LIABILITIES			
Group equity			
Capital and reserves	(7)	1,610.2	1,491.1
Minority interests	(8)	19.7	16.4
		1,629.9	**1,507.5**
Provisions	(9)	49.8	41.3
Non-current liabilities	(10)	171.8	296.3
Current liabilities	(11)		
Current liabilities to credit institutions and financing debt		171.5	29.9
Other current liabilities, accruals and deferrals		705.2	830.0
		876.7	**859.9**
Total equity and liabilities		**2,728.2**	**2,705.0**

Consolidated profit and loss account

(in EUR million)

FOR THE FINANCIAL YEAR	Notes	2024	2023
Net turnover	(14)	3,439.1	3,704.4
Changes in inventories of finished products		- 2.3	- 10.8
Other operating income	(15)	19.0	11.4
Total operating income		3,455.8	3,705.0
Cost of raw materials and consumables	(16)	2,115.9	2,335.7
Cost of outsourced work and other external costs	(17)	637.8	579.0
Wages and salaries	(18)	289.6	282.7
Social security charges	(18)	94.3	85.6
Amortisation and depreciation on intangible and tangible fixed assets	(1 - 2)	138.0	135.4
Impairments and other changes in value of tangible and intangible assets	(1 - 2)	0.3	9.8
Other operating expenses	(19)	4.8	29.3
Total operating expenses		3,280.7	3,457.5
Operating profit		175.1	247.5
Interest receivable and similar income		19.7	8.1
Interest payable and similar charges		- 26.3	- 23.6
Financial income and expense	(20)	- 6.6	- 15.5
Result from ordinary activities before taxation		**168.5**	**232.0**
Taxation	(21)	- 47.5	- 67.3
Share in results from participating interests		1.2	1.3
Result from ordinary activities after taxation		122.2	166.0
Minority interests		- 4.8	- 3.7
Net result		**117.4**	**162.3**

Consolidated cash flow statement

(in EUR million)

FOR THE FINANCIAL YEAR	Notes	2024	2023
Operating profit		175.1	247.5
Depreciation and amortisation		137.9	135.4
Other value adjustments		0.3	9.8
Gain/(loss) on disposal of intangible, tangible and financial fixed assets		8.2	- 44.8
Amortisation of negative goodwill		- 2.2	- 2.2
Changes in provisions	(23)	9.7	- 2.9
Changes in working capital (excluding cash and cash equivalents and short-term bank overdrafts)	(23)	- 49.0	37.9
Cash flow from business operations		**280.0**	**380.7**
Interest received / (paid)		- 9.1	- 14.1
Income tax received / (paid)		- 74.7	- 42.5
Dividends received / (paid)		1.2	1.3
Other movements		- 0.4	- 5.0
		- 83.0	- 60.3
Cash flow from operating activities		**197.0**	**320.4**
Investments in (in)tangible fixed assets		- 271.2	- 222.4
Proceeds from the sale of (in)tangible fixed assets		10.3	0.6
Changes in long-term receivables		- 3.7	- 61.9
Acquisition of group companies		1.2	- 8.0
Acquisition of non-consolidated participating interests		- 4.3	- 3.5
Proceeds from the sale of group companies		0.1	136.9
Cash flow from investing activities		**- 267.6**	**- 158.3**
Gross distribution under sugar beet payment regulations and business termination scheme	(30)	- 2.5	- 1.3
Changes in long-term liabilities	(23)	4.1	117.1
Changes in current liabilities to credit institutions and financing debt		14.6	- 197.4
Cash flow from financing activities		**16.2**	**- 81.6**
Changes in cash and cash equivalents		- 55.4	80.5
Cash and cash equivalents at the beginning of the year		222.0	141.5
Exchange and translation gains and losses on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the year		**167.6**	**222.0**

Notes to the consolidated annual accounts

(in millions EUR)

Translated financial statements

These Annual Accounts are an English translation of the original Dutch publication. In the event of textual inconsistencies between the English and the Dutch versions, the latter shall prevail.

General

Coöperatie Koninklijke Cosun U.A. (hereinafter: 'Cosun') has its registered office in Breda, the Netherlands. It is registered in the Chamber of Commerce under number 20028699. The group processes and prepares raw materials, mostly from agricultural sources, producing semi-manufactures for the international food and beverage industry and the food service industry (restaurants, caterers and wholesalers), and finished products that are sold to customers through retail outlets. The group also processes organic residual streams into, for instance, non-food applications, animal feed and bio-energy.

The activities are classified as follows:

- Sugar activities: sugar and bio-energy from residual currents (Cosun Beet Company).
- Potato activities: potato products, such as chilled, frozen and dried potato products and potato specialities (Aviko and Rixona).
- Sustainable lifestyle ingredients: inulin (Sensus), protein (Cosun Protein) and biobased products (Biobased Experts).
- Co-products: animal feed and starch (Duynie Group).

Going concern

These accounts and financial statements have been prepared on a going concern basis.

Applicable standards

The annual accounts have been prepared in accordance with the legal requirements as set out in Title 9, Book 2 of the Dutch Civil Code. For the cooperative profit and loss account, Cosun has availed itself of the exemption available under Section 402, Book 2 of the Dutch Civil Code.

Use of judgments, estimates and uncertainties

In accordance with generally accepted accounting principles, the preparation of the annual accounts involves the use of estimates and assumptions that influence the amounts disclosed. Actual results may differ from these estimates. There are no significant judgments, estimates, or uncertainties applicable.

Consolidation principles

The consolidated annual accounts include the financial data of Cosun and group companies controlled by the company. Group companies acquired during the year under review are included as from the date at which direct or indirect influence can be exercised on the commercial and financial policy. Account is also taken of financial instruments that give potential voting rights where they are of economic significance. Where financial instruments give potential voting rights that are not of economic significance, the respective third party interest is recognised as a commitment as at balance sheet date. The difference between the present value of the commitment and the classified third party interest is recognised as a direct change in group equity. Changes in the amount of the commitment are taken to group equity. The results of group companies sold are incorporated up to the moment the overriding control ended.

Intercompany payables, receivables and transactions, as well as profits already recognised on these within Cosun but not yet realised, are eliminated in the consolidated annual accounts. The group companies are consolidated in full with the third-party minority interest being presented separately. Joint ventures are consolidated proportionally.

List of participating interests

In accordance with Articles 379 and 414, Book 2 of the Dutch Civil Code, a list of data on group companies and other participating interests has been filed with the Chamber of Commerce.

Acquisitions and disposals

In 2024, Cosun made the following acquisitions and disposals:

- As of 21 February 2024, Cosun Strategic Ventures B.V. acquired an interest in PeakBridge Growth II SCA SICAV RAIF, and an additional investment was made on 12 December 2024, resulting in a total interest of 6.2% for 2024.
- As of 1 March 2024, Floating Photovoltaic Power Plant Dinteloord 1 B.V. was liquidated.
- On 15 May 2024, the 16.0% interest in FUMI Ingredients B.V. was transferred from Cosun Protein B.V. to Cosun Strategic Ventures B.V.
- On 15 May 2024, Cosun Strategic Ventures B.V. acquired an additional 3.1% of the shares in FUMI Ingredients B.V., increasing the total interest to 19.1%.
- On 1 October 2024, Duynie Ingredients B.V. merged with Novidon B.V.
- As of 26 December 2024, Aviko RUS LLC was liquidated.

In 2023, Cosun made the following acquisitions and disposals:

- On 13 January 2023, Martin Amberger Kartoffelverarbeitung Dolli-Werk Verwaltungs GmbH was wound up.
- On 20 March 2023, Aviko Norden AB sold 100% of the shares in Aviko Norden Fastighets AB.
- On 5 April 2023, Cosun Protein B.V. acquired 16% of the shares in FUMI Ingredients B.V.
- On 31 August 2023, Cosun Holding B.V. sold 100% of the shares in S.V.Z. Industrial Products B.V. SVZ's activities represented about 7.5% of the cooperative's turnover and 8% of its total assets in financial year 2022; in financial year 2023, SVZ still represented about 4.0% of the cooperative's turnover.
- On 10 November 2023, Aviko Holding B.V. sold 100% of the shares of 3N Produkter Aktiebolag.
- On 30 November 2023, Cosun Roosendaal Vastgoed 5 B.V., Van Gilse Kandijfabriek B.V., Cosun OG B.V. and B.V. Noord-Nederlandse Beetwortelsuikerfabriek were incorporated into Coöperatie Koninklijke Cosun U.A. by means of a merger.

Accounting policies

General

The accounting policies adopted for the valuation of assets and liabilities and determination of the result are based on the historical cost convention. Insofar as not stated otherwise, assets and liabilities are shown at nominal value. An asset is included in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be reliably measured.
A liability is included in the balance sheet if it is expected to result in an outflow from the entity of resources embodying economic benefits and the amount of the obligation can be measured with sufficient reliability. The income and expenses are accounted for in the period to which they relate. The annual accounts were prepared on 14 April 2025.

Policies for the translation of foreign currencies

The reporting currency and the functional currency of the annual accounts of Cosun is the euro (EUR). The costs and income arising from transactions in foreign currencies or monetary receivables and payables, are translated at the functional exchange rate on transaction date or the rate prevailing at balance sheet date respectively. Translation gains and losses are taken to the profit and loss account. The net investment in foreign participating interests is translated at the exchange rate prevailing at balance sheet date. Foreign currency profit and loss account items of foreign participating interests are translated at the average exchange rate. Translation gains and losses are taken directly to the statutory reserve for exchange rate differences as part of Cosun's group equity, less tax effects if applicable.

Third party goodwill arising from the acquisition of an operation outside the Netherlands and subsequent adjustments of the book value of assets and liabilities to fair value are recognised as assets and liabilities of the operation outside the Netherlands and are translated at the rate ruling as at balance sheet date.

Where a foreign operation is fully or partially sold, the respective amount is transferred from the reserve for translation differences to the other reserves. Translation gains and losses on long- term financing and financial instruments used to hedge exchange rate risks arising from foreign participating interests are treated accordingly.

Netting

Assets and liabilities are shown net of each other in the annual accounts only if and in so far as:
- there is a reliable legal instrument to net and simultaneously settle the assets and the liability, and
- there is a firm intention to settle the net amount or the two items simultaneously.

Financial instruments

The financial statements include the following primary financial instruments: loans granted, trade and other receivables, cash and cash equivalents, loans received, other financing commitments, trade payables and other payables. The financial statements also include derivative financial instruments (derivatives).

Primary financial instruments

Primary financial instruments are initially recognized at fair value which includes the attributable transaction costs. After initial recognition, primary financial instruments are carried at amortised costs using the effective interest method, less impairment losses. The effective interest method is used to recognize transaction costs in the profit and loss account. Loans granted and other receivables are restated if there is objective evidence of an impairment. The fair value of cash and cash equivalents is equal to their nominal value; cash and cash equivalents are freely available to Cosun unless stated otherwise.

Derivative financial instruments (derivatives)

Currency derivatives, interest derivatives and forward commodity transactions

Cosun uses derivatives to hedge the exchange rate, interest rate and price risk from balances and highly probable future sales and purchases. Forward exchange contracts, interest rate swaps, forward commodity contracts and other derivative financial instruments are used to hedge these risks. Derivatives are initially recognized at fair value. After initial recognition derivatives are stated at cost or lower fair market value unless cost price hedge accounting is applied. At initial recognition the cost price is equal to the fair value. Cosun applies cost price hedge accounting in order to simultaneously recognise both the results from changes in the value of the derivatives and the future transaction in the profit and loss account.

Cosun documents the following:

- the general hedging strategy, how hedges contribute to risk management objectives and the expected effectiveness of those hedges;
- the hedging instruments and positions hedged by the kind of hedge.

If derivatives qualify for cost price hedge accounting, they are recognised as follows:

- if the hedged item is recognised at cost price in the balance sheet, the derivative is also recognised at cost price;
- if the hedged item is not yet recognised in the balance sheet, neither is the derivative;
- if the hedged item leads to a primary financial instrument, the related profits or losses on the derivative not yet recognised in the result are recognised in the profit and loss account. These profits or losses are recognised in the same period(s) in which the primary financial instrument influences the result;
- Cosun periodically assesses the effectiveness of hedges. If the critical characteristics of a hedge and the hedged position are not or have not been equal to each other, this is an indication that part of the cost price hedge is ineffective;
- any ineffective part is calculated by means of the dollar offset method;
- profits or losses on the ineffective portion of the hedge are recognized directly in the profit and loss account, provided that, on a cumulative basis as at the balance sheet date, the ineffectiveness results in a loss;
- should the expected transaction no longer take place, and the derivative consequently no longer meets the conditions of cost price hedge accounting, or is sold, the cumulative profit or the cumulative loss is taken to the profit and loss account;
- profits or losses recognised on foreign currency translation of primary financial instruments are compensated for by changes in the value of foreign exchange contracts. The value of a forward exchange contract is the difference between the rate as at balance sheet date and the forward rate;
- the value of a forward exchange contract owing to a difference between the rate on the contract conclusion date and the contractual forward rate is amortised through the profit and loss account over the term of the forward exchange contract.

Intangible fixed assets

Goodwill is the excess of the purchase price and the fair value of the identifiable assets and liabilities of the acquired participating interest at the date of acquisition. Goodwill paid upon the acquisition of foreign group companies and subsidiaries is translated at the exchange rate applicable at the moment of acquisition. The capitalised goodwill is amortised according to the straight-line method over the estimated useful life, in general between 5 and 20 years.

Other tangible fixed assets (excluding CO_2 emission allowances) are carried at cost net of accumulated depreciation and other downward value adjustments. Other intangible assets are depreciated on a straight-line basis over their estimated useful lives, generally between three and five years. Cosun obtained CO_2 emission allowances at zero cost. The company has not recognized its surplus CO_2 emission allowances obtained for nothing. Cosun acquires emission allowances to meet future deficiencies. The acquired emission allowances are stated at cost and will be charged to the result at time of use.

Development costs (internally generated)

Development costs are capitalised if they meet the conditions set for them regarding their technical, commercial and financial feasibility. A legal reserve is formed equal to their balance sheet valuation. Development costs incurred to design a new product are written off on a straight-line basis over five years based on estimated useful economic life.

Tangible fixed assets

Land and buildings, machinery and equipment and other tangible fixed assets are stated at cost of purchase or manufacture, less accumulated depreciation and other downward value adjustments. Grants and subsidies are deducted from the cost of purchase or manufacture of the asset in question.

Depreciation is calculated as a percentage of the cost of acquisition or manufacture according to the straight-line method on the basis of useful life. Land, tangible fixed assets in production and prepayments are not depreciated. Changes over time regarding the depreciation method, useful life and/or residual value are recognised as changes in accounting estimates.

The cost of major maintenance is capitalised and written off in accordance with the component approach. All other maintenance costs are taken directly to the profit and loss account.

Financial fixed assets

Non-consolidated participating interests over whose financial and operating policies the group exercises significant influence are valued using the net asset value method. Under the net asset value method, participating interests are carried at the group's share in their net asset value plus its share in the results of the participating interests and its share of changes recognised directly in the equity of the participating interests as from the acquisition date, determined in accordance with the accounting policies disclosed in these financial statements, less its share in the dividend distributions from the participating interests. Account is also taken of financial instruments that give potential voting rights where they are of economic significance.

Where financial instruments give potential voting rights that are not of economic significance, the respective third party interest is recognised as an increase in the existing capital interest and as a commitment. The difference between the present value of the commitment and the increase in the existing capital interest is recognised as a direct change in group equity. Changes in the amount of the commitment are taken to group equity. The group's share in the results of the participating interests is recognised in the profit and loss account.

If and to the extent that the distribution of profits is subject to restrictions, these are included in a legal reserve. If the value of the participating interest under the net asset value method has become nil, this method is no longer applied, with the participating interest being valued at nil if the circumstances are unchanged. In connection with this, any long-term interests that, in substance, form part of the investor's net investment in the participating interest are included. A provision is formed if and to the extent that the company stands surety for all or part of the debts of the participating interest or if it has a constructive obligation to enable the participating interest to repay its debts.

A subsequently acquired share of the profit of the participating interest is recognised only if and to the extent that the accumulated share of the previously unrecognised loss has been compensated.

Following application of the net asset value method, the group determines whether an impairment loss has to be recognised in respect of the participating interest. At each reporting date, the group assesses whether there are objective indications of impairment of the participating interest. If any such indication exists, the group determines the impairment loss as the difference between the recoverable amount of the participating interest and its carrying amount, taking it to the profit and loss account.

Participating interests over whose financial and operating policies no significant influence is exercised are carried at cost less any impairment.

Results on transactions with and between non-consolidated participating interests carried at net asset value are accounted for on a pro rata basis. Results on transactions with and between participating interests carried at cost of acquisition are accounted for in full unless they are not realised.

Other long-term receivables are carried at amortised cost, less a provision deemed necessary for uncollectibility.

Impairment or value adjustment of fixed assets

Cosun recognises intangible, tangible and financial fixed assets in accordance with accounting policies generally accepted for financial reporting in the Netherlands. Pursuant to these policies, assets with a long life should be subject to an impairment test in the case of changes or circumstances arising that lead to the suspicion that the book value of the asset will not be recovered. The payback opportunities of assets in use are determined by comparing an asset's book value with the higher of present value of future net cash flows that the asset is expected to generate and direct realisable value. Where book value is higher, the difference is charged to the profit and loss account. Assets available for sale are valued at the lower of book value and fair market value, less selling costs.

At each balance sheet date, Cosun assesses whether there are indications that a previous impairment of a fixed asset no longer exists or has declined. Where such indications are present, the recoverable value of the asset or the cash-flow generating entity is determined. A previous impairment is reversed only if the assumptions used to determine recoverable value have changed since the previous impairment.

If it is established that an impairment recognized in the past no longer exists or has declined, the increase in the carrying amount of the asset is not recognized at a higher amount than the carrying amount that would have been recognized if the asset had not been impaired. Impairments of third-party goodwill are not reversed.

Inventories

Raw materials and consumables are carried at the lower of cost in accordance with the FIFO ('first in, first out') method. Finished products are valued on the basis of cost of manufacture, including the purchase costs of used raw materials and consumables and the other costs directly attributable to manufacture. In addition, part of the indirect costs over the period of manufacture is attributed to the cost of manufacture. Members' bonus is not included in the valuation of inventory. Goods for resale are valued at cost. Cost includes the purchase price plus additional related costs. Land designated as project development land is valued at the historical cost of acquiring the land and other costs, which are directly attributable to the development.
When valuing inventories, account is taken of any value adjustment occurring on the balance sheet date including, if applicable, the lower net realisable value.

Receivables

Short-term receivables that do not explicitly bear interest are initially measured at fair value and subsequently carried at amortised cost, less a provision for doubtful debts were necessary. Provisions are determined on the basis of individual assessment of the collectability of receivables.

Fair value

Fair value represents the amount for which an asset is traded or an obligation settled between properly informed independent parties prepared to enter into a transaction.

Amortised cost

Amortised cost is the amount at which a financial asset or financial liability is measured at initial recognition less repayments of the principal, plus or less the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, and less any reduction (effected directly or through a provision being formed) for impairment and doubtful debt.

Equity

Under Reporting Guideline 620 of the Guidelines for Annual Reporting in the Netherlands, that part of the paid up share capital that members can call on demand (2.0%) and the related inseparable obligation to settle (2.0%) the right to a business termination payment in accordance with article 5.1 of the sugar beet payment regulations are recognised in the consolidated accounts as liabilities. As a result the consolidated equity differs from the equity in the cooperative annual accounts.

In so far as members have outstanding claims under the sugar beet payment regulations, they are charged to equity upon payment. Under article 5.3 of the regulations, the Board has discretionary power, after consultation with the Supervisory Board and the Members' Council, not to approve payments not relating to business termination. The Board did not exercise this power in 2024 or 2023.

Standard payment regulations are in place for members who are issued supply certificates. The present value of outstanding payments is recognised as a receivable.

Minority interests

The third-party minority interests are valued at the third parties' share of the net asset value.

Provisions

A provision is recorded when:
- There is a present legal or constructive obligation as a result of a past event.
- A reliable estimate can be made.
- It is probable that an outflow of economic benefits will be required to settle the obligation.

If the time value has a material effect, provisions are carried at present value.

The discount rate applied for taxes is 3% to 3.5% (2023: 3.5%), depending on the durations and the actual market interest rates and specific risks of the obligation concerned. Movements in the provision due to the addition of interest are recognised as interest expense under financial expense.

Pensions and other deferred employee benefits

Dutch pension plans

The main principle is that the pension charge to be recognised for the reporting period should be equal to the pension contributions payable to the pension fund over the period. Insofar as the payable contributions have not yet been paid as at balance sheet date, a liability is recognised. If the contributions already paid exceed the payable contributions as at balance sheet date, a receivable is recognised to account for any repayment by the fund or settlement with contributions payable in future.

In addition, a provision is included as at balance sheet date for existing additional commitments to the fund and the employees, provided that it is likely that there will be an outflow of funds for the settlement of the commitments and it is possible to reliably estimate the amount of the commitments. The existence or non-existence of additional commitments is assessed on the basis of the administration agreement concluded with the fund, the pension agreement with the employees and other commitments to employees. The liability is stated at the best estimate of the present value of the anticipated costs of settling the commitments as at balance sheet date. For any surplus at the pension fund as at balance sheet date, a receivable is recognised if the company has the power to withdraw this surplus, if it is likely that the surplus will flow to the company and if the receivable can be reliably determined.

Foreign pension plans
Pension plans that are comparable in design and functioning to the Dutch pension system, having a strict segregation of the responsibilities of the parties involved and risk sharing between the said parties (company, fund and members) are recognised and measured in accordance with Dutch pension plans (see previous section). For foreign pension plans that are not comparable in design and functioning to the Dutch pension system, a best estimate is made of the commitment as at balance sheet date. This commitment should then be stated on the basis of an actuarial valuation principle generally accepted in the Netherlands.

Other deferred employee benefits
For other deferred employee benefits (such as jubilee) provisions are recorded. This provision is recorded at present value. The calculation of the present value is based on commitments, expected average remaining working period and age of the employees.

Negative goodwill
Given its long-term nature, negative goodwill is carried as a non-current liability. In so far as negative goodwill relates to foreseeable future losses or costs that were recognised in the acquisition plan and that can be reliably estimated, it is taken to the profit and loss account in proportion to the losses or costs as they are incurred. In so far as negative goodwill does not relate to foreseeable future losses, it is taken to the profit and loss account in proportion to the weighted average of the remaining life of the assets acquired.

Long-term lease obligations
Agreements are assessed as to whether they contain a lease on the basis of economic reality on the contract date.

Cosun as lessee
In case of financial lease (where the costs and benefits of the asset leased are borne entirely or almost entirely by the lessee) the leased asset and the associated debt on the date on which the agreement is entered into are recognised in the balance sheet at the lower of the asset's fair value at the date on which the agreement was entered into and the present value of the minimum lease payments. The initial direct costs borne by the lessee are included in the initial recognition of the asset. Lease payments are broken down into interest expense and repayment and the outstanding obligation, using a constant rate of interest over the remaining net obligation.

The capitalised asset leased is depreciated over the shortest period of the lease term or the useful life of the asset if there is no reasonable certainty that the lessee will become the owner at the end of the lease term.

In case of operational lease, lease payments are charged to the profit and loss account on a straight-line basis over the lease term.

Non-current liabilities
On initial valuation, non-current liabilities are recognised at fair value. If non-current liabilities are subsequently not recognised at fair value with changes in value being taken to the profit and loss account, directly attributable transaction costs are deducted from the fair value of the initial valuation.

After their initial valuation, non-current liabilities are recognised at amortised cost in accordance with the effective interest method. Profits or losses are taken to the profit and loss account immediately the liability is no longer included in the balance sheet via the amortisation process.

Current liabilities

On initial valuation, current liabilities are recognised at fair value. If current liabilities are subsequently not recognised at fair value with changes in value being taken to the profit and loss account, directly attributable transaction costs are deducted from the fair value of the initial valuation.

After their initial valuation, financial obligations arising from the trading portfolio are carried at fair value after deduction of transaction costs on alienation. Profits and losses arising from changes in fair value are taken to the profit and loss account.

After their initial valuation, other current liabilities are carried at amortised cost in accordance with the effective interest method. Profits or losses are taken to the profit and loss account immediately the liability is no longer included in the balance sheet via the amortisation process.

Financial assets and obligations no longer included in the balance sheet

A financial instrument is no longer included in the balance sheet if a transaction leads to all or nearly all rights to economic benefits and all or nearly all risks arising from a position have been transferred to a third party.

Determination of the result

Revenue

Net turnover concerns the income from goods and services delivered to third parties, less discounts awarded and turnover tax. Turnover is only recorded if there is reasonable assurance that future benefit will be accrued by the business and that such benefit can be estimated reliably. Income is recorded when the significant risk and rewards of ownership have been transferred to the buyer, receipt of the consideration is probable, and the associated costs and possible return of goods can be estimated reliably and there is no continuing involvement of the legal entity with the goods. Amounts received for own account are recognised as income. Amounts received for third parties are not recognised as income.

Transaction price

Income is recognised to the amount that Cosun expects to be entitled to in exchange for the transfer of promised goods or services. Where an agreement includes multiple performance obligations, the total transaction price is allocated to the performance obligations pro rata the value of the performance obligations.

Payments to buyers of goods and services

Payments made to buyers of goods and services are deducted from the transaction price, unless the payment to the buyer is made in exchange for a distinct good or service.

Operating grants

Operating grants are taken to the profit and loss account for the year in which the associated costs are incurred or the year in which the income for which a grant is awarded is foregone.

Costs

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognized if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met. Members receive a members' bonus for the beet they deliver. The members' bonus is recognised as cost of raw materials and consumables.

Wages, salaries and social security charges are recognized in the income statement according to the terms of employment to the extent they are due to either employees or the tax authorities.
The group recognizes an obligation if it has demonstrably committed paying a termination benefit or transition payment. If the termination is part of a reorganization, the group includes the costs of a termination benefit or transition payment in a provision for reorganization costs.

Interest is allocated to successive financial reporting periods in proportion to the outstanding principal. Period interest expenses and related expenses are recognized in the year in which they fall due.

Share in the results of participating interests

The share in the result of participating interests represents Cosun's share in the results of those participating interests (where the interest is carried at net asset value) or the dividend or other value adjustment received (where the interest is carried at cost of acquisition).

Taxes

Taxation on the result comprises both taxes payable and deductible in the short term and deferred taxes, taking account of tax facilities and non-deductible costs. No taxes are deducted from profits if and insofar as these can be offset against losses from previous years and a deferred tax asset had not been recognized. Taxes are deducted from losses if these can be offset against profits in previous years. In addition, taxes will be deducted if and insofar as it may be reasonably expected that losses can be offset against future profits.

Deferred tax assets, including off-settable tax losses, are stated in so far as it is deemed probable that they will be realised in future and are calculated on the basis of the tax rate applicable at the time at which they are expected to be realised.

In so far as valuations for tax purposes differ from the policies described in this section, a provision is formed for any resultant deferred tax liabilities, calculated at the tax rate applicable at the time are expected to be paid. Deferred taxes are carried at nominal value.

Deferred tax assets are netted against deferred tax liabilities if and in so far as the following criteria are satisfied:
- Cosun has a reliable legal instrument to set off the tax receivable for a year against the tax payable for that year; and
- Deferred taxes relate to profit tax levied by the same tax authority on the same taxable legal person or the same tax group.

Under Pillar Two, a new tax law is to be implemented according to which multinational groups with turnover of EUR 750.0 million or more pay an effective tax rate of at least 15.0% on their profits. Pillar Two has been ratified in the Netherlands and applies with effect from 31 December 2023. Cosun is subject to the new Pillar Two legislation. For certain entities within the group, a top-up tax is payable; this tax liability has been recognized as a current tax liability in the balance sheet as of 31 December 2024.

Cash flow statement

The cash flow statement has been prepared using the indirect method. Cash flows denominated in foreign currencies have been translated into euros at average exchange rates. Interest received and paid, dividends received and income tax received/paid are included under cash flows from (used in) operating activities.

The purchase of group companies and proceeds from sales of group companies are included under cash flow from (used in) investing activities, insofar as payment in cash has been made, net of cash and cash equivalents held by the group companies in question.

Notes to the consolidated annual accounts

(in EUR million)

(1) Intangible fixed assets

Movements in intangible fixed assets were as follows:

	GOODWILL	OTHER INTANGIBLE FIXED ASSETS	TOTAL
At cost as at 1 January 2024	280.8	55.7	336.5
Accumulated amortisation and other value adjustments as at 1 January 2024	225.8	40.8	266.6
BOOK VALUE AS AT 1 JANUARY 2024	**55.0**	**14.9**	**69.9**
Movements:			
- Investments	-	18.0	18.0
- Disposals	-	- 6.5	- 6.5
- Consolidations and deconsolidations	-	-	-
- Reclassification to tangible fixed assets	-	0.2	0.2
- Amortization	- 8.7	- 5.2	- 13.9
BOOK VALUE AS AT 31 DECEMBER 2024	**46.3**	**21.5**	**67.8**
At cost as at 31 December 2024	280.8	67.5	348.3
Accumulated amortisation and other value adjustments As at 31 December 2024	234.5	46.0	280.5

Goodwill

Acquired goodwill is written off in at least 5 years and at most 20 years. The term is determined for each transaction individually based on expected economic life. A period of 20 years applies to investments that have a strategic character and an expected economic useful life of at least 20 years.

Other intangible fixed assets

Other intangible fixed assets include software and licence fees and CO_2 allowances. Software and licence fees are amortised on a straight-line basis over a period of 3 to 5 years. CO_2 allowances are charged to the profit and loss account pro rata their actual use. The present value of the CO_2 allowances, including allowances acquired for no consideration, amounts to EUR 54.0 million (2023: EUR 55.1 million) and the book value to EUR 10.0 million (2023: EUR 2.6 million).

(2) Tangible fixed assets

Movements in tangible fixed assets were as follows:

	LAND AND BUILDINGS	MACHINERY AND EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	PREPAYMENTS AND IN PRODUCTION	NOT USED FOR OPERATIONS	TOTAL
At cost as at 1 January 2024	600.3	1,907.6	154.6	107.9	31.7	2,802.1
Accumulated depreciation and impairments as at 1 January 2024	317.6	1,304.8	117.1	-	20.7	1,760.2
BOOK VALUE AS AT 1 JANUARY 2024	**282.7**	**602.8**	**37.5**	**107.9**	**11.0**	**1,041.9**
Movements:						
- Investments	27.1	106.1	8.3	95.6	11.9	249.0
- Disposals	- 3.0	- 2.1	- 0.3	- 0.3	- 6.3	- 12.0
- Consolidations and deconsolidations	-	-	-	-	-	-
- Transfer	- 2.1	17.2	0.4	- 15.5	-	-
- Reclassification to intangible fixed assets	-	-	-	- 0.2	-	-0.2
- Depreciation	- 17.5	- 95.7	- 10.8	-	-	- 124.0
- Impairments and other value adjustments	-	-	-	- 0.3	-	-0.3
- Exchange differences	1.2	1.2	0.2	0.7	-	3.3
BOOK VALUE AS AT 31 DECEMBER 2024	**288.4**	**629.5**	**35.3**	**187.9**	**16.6**	**1.157.7**
At cost as at 31 December 2024	623.5	2,030.0	163.2	188.2	37.3	3,042.2
Accumulated depreciation and impairments as at 31 December 2024	335.1	1,400.5	127.9	0.3	20.7	1,884.5

	LAND AND BUILDINGS	MACHINERY AND EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	PREPAYMENTS AND IN PRODUCTION	NOT USED FOR OPERATIONS	TOTAL
At cost as at 1 January 2023	597.7	1,783.4	146.1	76.8	29.6	2,633.6
Accumulated depreciation and impairments as at 1 January 2023	300.4	1,211.9	105.2	-	20.7	1,638.2
BOOK VALUE AS AT 1 JANUARY 2023	**297.3**	**571.5**	**40.9**	**76.8**	**8.9**	**995.4**
Movements:						
- Investments	22.9	102.5	8.5	84.5	2.1	220.5
- Disposals	- 1.8	- 5.6	- 0.4	- 0.9	-	- 8.8
- Consolidations and deconsolidations	- 25.1	- 4.4	- 0.7	- 4.3	-	- 34.5
- Transfer	7.7	32.2	1.0	- 41.0	-	-
- Reclassification to intangible fixed assets	-	-	-	-	-	-
- Depreciation	- 17.2	- 91.4	- 11.6	-	-	- 120.2
- Impairments and other value adjustments	-	- 1.5	-	- 8.3	-	- 9.8
- Exchange differences	- 1.1	- 0.5	- 0.1	1.1	-	- 0.6
BOOK VALUE AS AT 31 DECEMBER 2023	**282.7**	**602.8**	**37.5**	**107.9**	**11.0**	**1,041.9**
At cost as at 31 December 2023	600.3	1,907.6	154.6	107.9	31.7	2,802.1
Accumulated depreciation and impairments as at 31 December 2023	317.6	1,304.8	117.1	-	20.7	1,760.2

The expected useful life and associated depreciation period is 10 to 40 years for the buildings, 10 to 20 years for the machinery and equipment and three to five years on average for the other tangible fixed assets. The insured value of the buildings, machinery, equipment and inventories is EUR 4.4 billion (2023: EUR 4.3 billion).

The group is the beneficial, not legal, owner of buildings with a book value of EUR 4.7 million (2023: EUR 5.2 million) and machinery and equipment with a book value of EUR 5.1 million (2023: EUR 6.9 million) under financial lease contracts.

(3) Financial fixed assets

Movements in financial fixed assets were as follows:

	PARTICI-PATING INTERESTS	RECEIVABLES FROM MEMBERS	DEFERRED TAX ASSETS	OTHER RECEIVABLES	TOTAL
Balance as at 1 January 2024	12.5	2.3	6.6	45.0	66.4
Movements:					
- Additions and issuances	4.3	1.5	0.8	3.6	10.2
- Repayments and releases	- 0.1	-	- 0.9	- 0.4	- 1.4
- Movements in favour of/ charged to the result	-	- 0.1	-	- 0.8	- 0.9
- Share in results of participating interests and dividend received	0.2	-	-	-	0.2
- Reclassified as short-term receivables / provisions	-	-	0.1	- 14.3	- 14.2
BALANCE AS AT 31 DECEMBER 2024	**16.9**	**3.7**	**6.6**	**33.1**	**60.3**

	PARTICI-PATING INTERESTS	RECEIVABLES FROM MEMBERS	DEFERRED TAX ASSETS	OTHER RECEIVABLES	TOTAL
Balance as at 1 January 2023	8.5	2.1	9.5	4.5	24.6
Movements:					
- Additions and issuances	3.5	1.4	0.7	61.1	66.7
- Repayments and releases	-	-	- 3.1	- 0.6	- 3.7
- Movements in favour of/ charged to the result	-	-	-	-	-
- Share in results of participating interests and dividend received	0.5	-	-	-	0.5
- Reclassified as short-term receivables / provisions	-	- 1.2	- 0.5	- 20.0	- 21.7
BALANCE AS AT 31 DECEMBER 2023	**12.5**	**2.3**	**6.6**	**45.0**	**66.4**

Participating interests

The participating interests relate, among other, to the non-consolidated interest in Aviko Kloosterboer Verpakkingen B.V. and in the Spanish potato specialities company Eurofrits, S.A. As significant influence can be exercised on these interests, they are stated based on net asset value.

The item participating interests also includes an interest in a start-up collaborative venture fund amounting to EUR 6.6 million, an interest in the start-up entity FUMI Ingredients B.V. amounting to EUR 5.2 million, and in 2024 an investment in PeakBridge Growth II S.C.A. SICAV-RAIF amounting to EUR 1.4 million. As no significant influence can be exercised over these interests, they are recognised at cost less any impairments in value.

Receivables from members

Non-interest-bearing receivables from members (EUR 3.6 million) relates to the net present value of the long- term portion of amounts still to be deposited for issued supply certificates (2023: EUR 2.3 million).

Deferred tax assets

The item deferred tax assets comprises the estimated value of available tax loss carry-forwards and timing differences between the valuation of assets for tax purposes and for accounting purposes. The full amount of the deferred tax asset EUR 0.6 million (2023: EUR 0.4 million) is expected to be settled within one year.

The tax loss carry-forwards, insofar as they are not included in the balance sheet under deferred tax assets, amounts to EUR 31.0 million gross (2023: EUR 6.6 million). To the extent that these losses cannot be carried forward, they will expire. In addition, no deferred tax asset has been recognised for a gross amount of EUR 27.8 million (2023: EUR 23.1 million) relating to the limitation on the depreciation of buildings.

Other receivables

In 2023, a loan with a variable interest rate was granted to SVZ International B.V. As of 2024, the principal amount is EUR 40.0 million (2023: EUR 60.0 million). This loan will be repaid over the next two years, of which EUR 15.0 million has been classified as a current asset. The other 'Other receivables' include a loan and equipment placed by Cosun and being repaid by suppliers in proportion to the products supplied.

(4) Inventories

	31-12-2024	31-12-2023
Finished products and goods for resale	703.5	705.8
Land	4.5	6.5
Raw materials and consumables	96.7	101.2
	804.7	**813.5**

Of the inventories EUR 31.5 million (2023: EUR 13.3 million) is stated at lower recoverable amount. The downward valuation charged to the profit and loss account amounts to EUR 17.0 million (2023: EUR 6.2 million).

The provision for obsolete inventories amounts to EUR 4.5 million (2023: EUR 4.1 million). The land included in inventory relates to grounds being developed for business park AFC Nieuw Prinsenland near Dinteloord.
The fair value of this land, depending on its quality and location, amounts to at least EUR 17.1 million.

Inventories with a carrying value of EUR 4.2 million (2023: EUR 12.9 million) have been pledged as security to a bank.

(5) Trade and other receivables

	31-12-2024	31-12-2023
Trade accounts receivable	329.0	357.8
Receivables from members	-	1.2
Income tax receivable	3.8	1.6
Other tax receivables	60.7	51.2
Other receivables, prepayments and accrued income	76.6	79.5
	470.1	**491.3**

Trade accounts receivable

Trade accounts receivable are carried net of a provision deemed necessary for uncollectibility. The provision for uncollectibility amounts to EUR 4.3 million (2023: EUR 6.1 million).

Other receivables, prepayments and accrued income

This item relates to amounts receivable of EUR 44.6 million (2023: EUR 35.0 million), margin calls of EUR 3.7 million (2023: EUR 3.5 million), the short-term portion of the loan granted to SVZ International B.V. of EUR 15.0 million (2023: EUR 20.0 million) and advance payments of EUR 13.3 million (2023: EUR 21.0 million).

(6) Cash and cash equivalents

An amount of EUR 4.9 million (2023: EUR 2.2 million) is not available on demand.

(7) Capital and reserves

For a breakdown of capital and reserves, please refer to the notes to the cooperative annual accounts.
The consolidated statement of total recognised gains and losses is as follows:

	2024	2023
Net result	117.4	162.3
Translation differences on foreign participating interests	3.8	- 0.7
Total result recognised by Cosun	**121.2**	**161.6**

(8) Minority interest

	2024	2023
Balance as at 1 January	16.4	18.2
Movements:		
- Share in results	4.8	3.7
- Capital movements and change in consolidation	1.2	-
- Dividend paid to minority interests and liquidation distributions	- 3.0	- 4.7
- Exchange differences and other movements	0.3	- 0.8
BALANCE AS AT 31 DECEMBER	**19.7**	**16.4**

The minority interest consists principally of third-party shares held in the potato processing factory Gansu Aviko Potato Processing Co. Ltd., Rain Biomasse Wärme GmbH, Eemshaven Sugar Terminal C.V. and Farm Frites Poland S.A..

(9) Provisions

	31-12-2024	31-12-2023
Deferred tax liabilities	8.2	9.4
Environmental and soil storage provisions	14.2	13.9
Pensions and other deferred employee benefits	16.0	15.9
Onerous contracts	10.5	2.0
Other provisions	0.9	0.1
	49.8	**41.3**

Of the provisions an amount of EUR 31.3 million (2023: EUR 33.9 million) has an expected term of more than one year.

Movements in provisions were as follows:

	DEFERRED TAX LIABILITIES	ENVIRONMENTAL AND SOIL STORAGE PROVISION	PENSIONS AND OTHER DEFERRED EMPLOYEE BENEFITS	ONEROUS CONTRACTS	OTHER PROVISIONS	TOTAL
Balance as at 1 January 2024	9.4	13.9	15.9	2.0	0.1	41.3
Movements:						
- Reclassification	0.1	-	-	-	-	0.1
- Change in discount rate	-	-	0.1	-	-	0.1
- Additions	0.3	6.3	2.8	10.5	0.9	20.8
- Withdrawals	- 1.6	- 5.8	- 2.1	- 0.1	-	- 9.6
- Mutation to profit and loss account	-	- 0.2	- 0.7	- 1.9	- 0.1	- 2.9
BALANCE AS AT 31 DECEMBER 2024	**8.2**	**14.2**	**16.0**	**10.5**	**0.9**	**49.8**

Movements recognised in the result mainly relate to the release of the respective provisions.

Deferred tax liabilities

The provision for deferred tax liabilities arises from the timing differences between fiscal and commercial profit determination. Of the deferred tax liabilities, EUR 6.6 million (2023: EUR 8.3 million) are long term in nature. The provision for deferred tax liabilities is carried at face value. No deferred tax liability was recognised for temporary differences relating to foreign group companies and joint ventures in the amount of EUR 2.4 million.

Environmental and soil storage provisions

Environmental provisions have been formed mainly for risks relating to the demolition of assets, obligations to dispose of tare soil and other environmental risks.

Pensions and other deferred employee benefits

Several pension plans and other deferred employee benefits apply within Cosun. The life-long pension plans for the employees of Cosun Holding B.V., Coöperatie Cosun (including Cosun Beet Company) and Sensus B.V. are administered by the Cosun occupational pension fund.

OCCUPATIONAL PENSION FUND	ESTIMATED COVERAGE AS AT 31-12-2024	BASIC FEATURES PENSION SYSTEM 31-12-2024
Pension fund Cosun	121.0	Average salary scheme

The policy funding ratio is 124.3%.

The occupational pension fund has conditional indexation for inactive employees.
The pension scheme is based on a fixed contribution and average salary with conditional indexation. Every year, the pension fund board decides the extent of adjustments to the pension entitlements of active members and the pension entitlements and pension benefits of inactive members. The annual accrual is a maximum of 1.875% of the pensionable earnings and depends on the contribution payable. The target accrual rate is 1.875%. Pensionable salary is capped at the fiscal maximum applicable for the year in question.

A number of schemes have also been implemented within an industrial-sector pension fund or own management (long service award and mortality schemes) by the company concerned. In the implementation of these various schemes, local legal frameworks are taken into account and the regulations are carried out as described in the terms and conditions of employment.

The main actuarial assumptions were:

	2024	2023
Discount rate	3.5%	3.5%
Future salary increases	2.4%	2.1%

The Cosun pension fund applies the AG2024 projection table (2023: projection table AG2022), adjusted for age and income- related correction factors based on the Sprenkels & Verschuren model as its mortality table.

The value as at acquisition date and subsequent development of the pension provision and pension assets of the former and current defined benefit pension schemes for the current and former personnel of the activities acquired from Pfanni GmbH & Co. OHG Stavenhagen has not been recognised in the balance sheet in so far as they relate to past service commitments. This is because the selling party has stood guarantor for these commitments by means of a collateral agreement.

Onerous contracts

The provision for onerous contracts relates to sales contracts where the cost of sales is higher than the selling price and fulfilment of the contract cannot be avoided.

Other provisions

Other provisions include a reorganisation / restructuring provision to an amount of EUR 0.9 million (2023: EUR 0.1 million).

The discount rate to calculate the future cash flows applied for is 3.0% to 3.5% depending on the terms (2023: 3.5%).

(10) Non-current liabilities

	31-12-2024	EFFECTIVE INTEREST RATE	31-12-2023	EFFECTIVE INTEREST RATE
Debts to institutional investors	78.0	2.8%	205.0	3.4%
Debts to credit institutions	34.7	4.1%	26.6	7.4%
Debts to members	33.4	4.6%	36.3	4.0%
Negative goodwill	10.2	-	12.4	-
Lease obligations	12.9	6.2%	13.0	6.5%
Other liabilities	2.6	0.0%	3.0	0.0%
	171.8		**296.3**	

Movements in non-current liabilities were as follows:

	DEBTS TO INSTITUTIONAL INVESTORS	DEBTS TO CREDIT INSTITUTIONS	DEBTS TO MEMBERS	NEGATIVE GOODWILL	LEASE OBLIGATIONS	OTHER LIABILITIES	TOTAL
As at 1 January 2024	205.0	26.6	36.3	12.4	13.0	3.0	296.3
Movements:							
- Additions	-	11.1	-	-	0.5	0.1	11.7
- Releases	-	- 3.6	- 2.9	-	- 1.3	- 0.5	- 8.3
- Reclassification	- 127.0	-	-	-	-	-	- 127.0
- Currency exchange rate differences	-	0.6	-	-	-	-	0.6
- Amortisation	-	-	-	- 2.2	0.7	-	- 1.5
AS AT 31 DECEMBER 2024	**78.0**	**34.7**	**33.4**	**10.2**	**12.9**	**2.6**	**171.8**

Debts to institutional investors

Debts to institutional investors consist entirely of loans contracted with Dutch, German, French, Spanish and American financial institutions. By year-end 2022, loans had been fully drawn: EUR 60.0 million in EU-PP and EUR 145.0 million in Schuldschein. The fair value of the EU-PP is EUR 73.6 million, while the fair value of the Schuldschein loan equals its nominal value. As at year-end, the loan maturities range between 1 and 8 years. Repayments on the Schuldschein loan are scheduled for 2025, 2027, and 2029, and on the EU-PP for 2030 and 2033. An amount of EUR 127.0 million of the Schuldschein loan has been reclassified to current liabilities to credit institutions and institutional investors. An amount of EUR 20.0 million has a maturity longer than 5 years. Interest payable on the Schuldschein loan is based on Euribor plus a surcharge; interest is payable on the EU PP at a fixed rate plus a surcharge. The main condition for the provision of these loans is a leverage ratio that net debt may not amount to more than 4 times EBITDA. Aviko B.V., Aviko Belgium N.V., Duynie Feed Nederland B.V., Duynie Ingrediënts B.V., Rixona B.V., Sensus B.V. and Cosun Beet Company GmbH & Co. KG stand guarantee for the debts arising from the Schuldschein loan and the EU PP. As at 31 December 2024, Cosun satisfied the agreed covenants.

Debts to credit institutions

Non-current liabilities to credit institutions have a remaining term of 1 to 5 years. The interest on the long-term liabilities to credit institutions is based on Euribor/Wibor/LPR plus a margin.

Debts to members

Debts to members relate to the members' loan programme introduced in 2015. Members of Cosun can loan to Cosun part of the payments which they receive from Cosun. The loan has a fixed interest rate and a term between 2 and 5 years. The loans are subordinated to other creditors. The fair value of these loans amounts to EUR 62.7 million.

Negative goodwill

The negative goodwill, relating to acquisitions is released to the result based on the weighted average remaining life of the acquired depreciable assets.

Lease obligation

This item relates chiefly to lease obligations in respect of a distribution centre, a groundwater treatment plant and a solar park. An amount of EUR 4.4 million has a term of more than 5 years.

Other liabilities

Other liabilities relates mainly to advance lease payments received. An amount of EUR 1.4 million has a term of more than five years.

(11) Current liabilities

	31-12-2024	31-12-2023
Debts to credit institutions	146.0	23.9
Financing debt	0.8	0.8
Debts to members	24.7	5.2
Total debts to credit institutions and financing debt	**171.5**	**29.9**
Payables to members	120.4	174.8
Payables to suppliers and trade creditors	327.3	349.7
Debts to participating interests	2.5	2.1
Corporation tax payable	26.5	50.9
Other taxes and social security charges payable	16.6	12.7
Other current liabilities and accruals	211.9	239.8
Total other current liabilities, accruals and deferrals	**705.2**	**830.0**

Debts to credit institutions and financing debt

Debts to credit institutions, institutional investors, and debts of a financing nature relate to the current portion with a term of up to one year of the respective financing arrangements.

The Revolving Credit Facility (RCF) with a banking syndicate amounts to EUR 400 million, with a term until March 2026. As at year end 2024, no drawdown was made under the Revolving Credit Facility (2023: EUR 0 million). Interest is based on Euribor plus a surcharge. The main condition for the provision of these loans is a leverage ratio that net debt may not amount to more than 4 times EBITDA. Aviko B.V., Aviko Belgium N.V., Duynie Feed Nederland B.V., Duynie Ingrediënts B.V., Rixona B.V., Sensus B.V. and Cosun Beet Company GmbH & Co. KG stand guarantee for the debts arising from the Revolving Credit Facility, the Schuldschein loan and the EU PP. As at 31 December 2024, Cosun satisfied the agreed covenants. An amount of EUR 127.0 million relating to the Schuldschein loan has been reclassified from non-current to current liabilities.

Debts to members

Debts to members of a financing nature relates to the current portion of the members' loan programme, amounting to EUR 24.7 million (2023: EUR 5.2 million). Debts to members included under other liabilities and deferrals relates to beet supplied and debt payable in respect of the members' bonus, amounting to EUR 120.4 million (2023: EUR 174.8 million).

Other liabilities accruals and deferrals

Other liabilities and deferrals relate to interest payable to an amount of EUR 0.7 million (2023: EUR 1.6 million), leave entitlements to an amount of EUR 35.3 million (2023: EUR 34.1 million), bonuses to an amount of EUR 5.7 million (2023: EUR 11.1 million), advance payments received to an amount of EUR 3.0 million (2023: EUR 3.1 million) and other costs payable to an amount of EUR 158.9 million (2023: EUR 204.1 million).

(12) Derivative financial instruments

General

Cosun's treasury policy is aimed at hedging exchange and interest rate risks as much as possible. The exchange rate risk on financing contracts in foreign currency regarding group companies is hedged by currency swaps. Cosun neither holds nor issues derivatives for trading purposes.

Exchange rate risk and liquidity risk

Periodically, liquidity budgets are drawn up. Liquidity risks are managed through interim monitoring and possibly adjusted. The group's currency risk also runs through sell and purchase transactions that take place in a local currency than the reporting currency of the group. To hedge this currency risk, the group has the policy to enter into forward exchange agreements.

The following table shows the contract volumes and fair market value of the contracts outstanding at 31 December all of which have been concluded with financial institutions with a short-term credit rating of A2 or higher.

	CONTRACT VOLUME 31-12-2024	BOOK VALUE 31-12-2024	FAIR MARKET VALUE 31-12-2024	CONTRACT VOLUME 31-12-2023	BOOK VALUE 31-12-2023	FAIR MARKET VALUE 31-12-2023
Forward exchange contracts and currency swaps:						
US dollar	- 142.5	- 0.9	- 7.1	- 103.5	0.2	1.6
Pound sterling	- 106.7	- 0.7	- 1.8	- 93.5	0.1	0.2
Polish zloty	7.0	0.1	0.1	9.6	0.1	0.4
Swedish crown	- 13.6	0.1	0.3	- 2.7	- 0.1	- 0.2
Australian dollar	- 2.5	-	-	- 5.5	0.2	0.3
Chinese yuan	-	-	-	26.4	-	- 0.1
Norwegian krone	- 1.0	-	-	-	-	-
TOTAL	**- 259.3**	**- 1.4**	**- 8.5**	**- 169.2**	**0.5**	**2.2**

The contract volume is the product of the contracted amount and applicable exchange rate as at the balance sheet date. The book value is the part of the contract volume for which the hedged position has resulted in a financial asset or financial liability and is carried as the difference between the exchange rate as at balance sheet date and the hedged exchange rate. The fair value reflects the total value of the contracts based on market conditions at the balance sheet date.

As in the previous year, the forward exchange contracts and currency swaps have mainly a term shorter than one year. The contract volume with a term longer than one-year amounts to EUR 13.4 million (2023: EUR 4.8 million).

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument fluctuate as a result of movements in market interest rates. Cosuns exposure due to fluctuations in market interest rates relates chiefly to the variable interest rate payable on Cosun long-term obligations. Cosun manages its interest rate risk by means of a balanced portfolio of loans with fixed and variable rates. Cosun has set itself the goal of holding 50% to 100% of its loans at fixed interest rates. To this end, the cooperative concludes interest rate swaps.

As at year end Cosun had several outstanding interest rate swaps. The interest rate swaps serve to hedge Cosuns exposure to interest rate and cash flow risks. The swaps have terms of between 4 and 6 years. The critical characteristics of the swap do not agree with those of the loan in part because the principal, interest rate and duration are not entirely consistent with each other. An explanatory note on this loan is given in the notes to non-current liabilities.

As at year end, Cosun had a quantitative ineffectivity measurement performed by comparing movements in the fair value of a hypothetical derivative (perfect match with the hedged position) with movements in the fair value of the derivative actually held in order to determine whether there was an ineffective part in the interest rate swap. The quantitative analysis of the hedge and the dynamic and timing of the investment forecast indicate that the hedge is effective.

Interest rate swaps have a positive fair value of EUR 14.4 million (2023: EUR 34.2 million) and a carrying value of nil (2023: nil). The fair value consists for EUR 3.7 million (2023: EUR 5.3 million) of the ineffective part of the hedge and for EUR 10.7 million (2023: EUR 28.9 million) of the effective part. As cost price hedging is applied and the interest rate swaps have a positive cumulative value, they are not recognised in the profit and loss account.

Price risk

	BOOK VALUE 31-12-2024	FAIR MARKET VALUE 31-12-2024	BOOK VALUE 31-12-2023	FAIR MARKET VALUE 31-12-2023
Commodity futures contracts	-	19.5	-	- 52.3
Listed futures contracts	-	4.5	-	- 0.8
Emission allowances	-	0.7	-	1.2

As in the previous year, most commodity futures contracts had a term of less than one year. Some of these contracts had not been exercised as at 31 December 2024. Margin calls of EUR 2.5 million apply to the listed futures contracts (2023: EUR 3.1 million).

Credit risk

Credit risks differ by country and individual counterparty and are managed by means of credit limits for each country and counterparty. The counterparty risk attaching to derivatives and other financial instruments is managed by means of contracts with financial institutions and counterparties with long-term ratings of at least A and short-term ratings of at least A2 or equivalent. There are no significant concentrations of credit risk within the group.

(13) Off balance sheet arrangements and obligations

Commitments securities provided

Financing agreements include negative pledges with pari passu clauses. A number of group companies have given security to credit institutions and tax authorities in the form of non-possessory pledges on inventories, machinery and business equipment, silent pledges on receivables and mortgages on a number of properties.

Claims

Cosun and/or its group companies are involved in a number of legal cases in connection with the group's ordinary activities. Although the outcome of these disputes cannot be predicted with any certainty, it is estimated – partly on the basis of legal advice – that the total obligations arising from these will not have any significant effect on the consolidated financial position. Provisions have been formed for all third party claims likely to be awarded for which the size of the potential settlement can be reasonably estimated.

Guarantees

Cosun has given guarantees to third parties to an amount of EUR 23.9 million (2023: EUR 42.2 million).

Long-term financial commitments

Long-term unconditional commitments have been entered into in respect of rent and operating lease.
The obligations ensuing from this amount to EUR 57.4 million (2023: EUR 26.5 million). The rental and lease instalments payable within one year amount to EUR 10.7 million (2023: EUR 10.6 million). Instalments payable after five years amount to EUR 19.7 million (2023: EUR 1.3 million). Contingent investment liabilities amount to EUR 71.1 million (2023: EUR 57.8 million).

(14) Net turnover

The break-down of net turnover per product group is as follows:

	2024	%	2023	%
Sugar activities	1,279.8	37.2	1,377.2	37.2
Potato activities	1,646.6	47.9	1,637.0	44.2
Co-products	393.7	11.4	445.0	12.0
Other activities	119.0	3.5	245.2	6.6
TOTAL	**3,439.1**	**100.0**	**3,704.4**	**100.0**

Net turnover per geographical region can be broken down as follows:

	2024	%	2023	%
The Netherlands	991.1	28.8	1,029.0	27.8
Rest of the EU	1,684.1	49.0	1,885.6	50.9
Rest of Europe	331.4	9.6	334.8	9.0
North and South-America	148.9	4.3	190.0	5.1
Rest of the world	283.6	8.3	265.0	7.2
TOTAL	**3,439.1**	**100.0**	**3,704.4**	**100.0**

(15) Other operating income

Other operating income includes book profits on the sale of assets to an amount of EUR 0.7 million (2023: EUR 0.6 million), reimbursements received for services to third parties, rental income and subsidies received to an aggregate amount of EUR 4.9 million (2023: EUR 3.3 million).

A portion of the other operating income in 2023 and 2024 was non-recurring. It related to the sale of parts of the site around the sugar factory in Roosendaal and land at AFC Nieuw Prinsenland, amounting to EUR 7.6 million (2023: EUR 0.1 million).

(16) Cost of raw materials and consumables

This item includes the cost of raw materials and consumables, purchased finished goods and production-related energy costs. Sugar beet purchases from members amounted to EUR 443.7 million (2023: EUR 481.9 million). This amount includes EUR 206.4 million payable as members' bonus (2023: EUR 277.1 million).

(17) Cost of outsourced work and other external costs

This expense item includes, among other things, rental costs, research costs, repair and maintenance costs, indirect energy costs, transport costs, office expenses, selling expenses, insurance costs and IT costs, insofar as such expenses are charged by third parties.

The total Research & Development costs, including employee costs, amounted to EUR 22.8 million (2023: EUR 21.2 million).

(18) Wages and salaries and social security charges

Wages and salaries

Wages and salaries amounted to EUR 289.6 million (2023: EUR 282.7 million). The increase is a direct result of the general wage cost developments.

Number of employees

Expressed in full-time equivalents, the average number of employees at Cosun during the 2024 financial year was 4,528 employees (2023: 4,613 employees). The employees were engaged in the following product groups (average number of employees):

	2024	2023
Sugar activities	1,022	967
Potato activities	2,587	2,542
Co-products	478	443
Other activities	441	661
TOTAL	**4,528**	**4,613**
Of whom employed outside the Netherlands	1,979	2,179

Social security charges

	2024	2023
Social security charges	55.1	50.2
Pension costs	39.2	35.4
	94.3	**85.6**

(19) Other operating expenses

Other operating expenses amounted to EUR 4.8 million. In 2023, other operating expenses were higher, as they included EUR 20.9 million relating to the sales results from the divestments of various entities (Aviko Norden, S.V.Z., 3N Produkter Aktiebolag and MijnVoer.nl). In addition, other operating expenses included a book gain of EUR 6.1 million on the sale of fixed assets.

(20) Financial income and expense

Financial income and expenses include interest on interest bearing receivables and debts.

(21) Taxation on results from ordinary activities

The corporate income tax disclosed in the profit and loss account amounts to EUR 47.5 million (2023: EUR 67.3 million) on a result of EUR 169.7 million (2023: EUR 233.3 million). The effective tax rate was 28.0% (2023: EUR 28.9%).

The difference from the nominal tax rate can be specified as follows:

	2024	%	2023	%
Profit before taxation	169.7		233.3	
Income tax based on Dutch tax rates	43.8	25.8	60.2	25.8
Effect of foreign tax rates	- 3.2	- 1.9	- 1.9	- 0.8
Non-deductible charges / permanent differences	0.2	0.1	12.3	5.3
Effect of change in rates, change in valuation of tax losses, assets or temporarily differences	8.4	5.0	- 3.1	- 1.3
Adjustment for prior periods	- 2.4	- 1.4	- 2.7	- 1.2
Other	-	-	2.5	1.1
Minimum Tax Act 2024 (Pillar Two)	0.7	0.4	-	-
TOTAL TAX BURDEN	**47.5**	**28.0**	**67.3**	**28.9**

The effect of (changes in) tax rates and the valuation of losses in 2024 is largely due to the non-valuation of losses in foreign entities. Non-deductible amounts / permanent differences mainly relate to the participation exemption, exempt profit components, and the amortisation of goodwill.

Pillar Two legislation is also applicable in other jurisdictions in which Cosun operates and became effective for financial years starting on or after 1 January 2024. An analysis was conducted to determine the impact of Pillar Two. Based on the financial information for 2024, Pillar Two income taxes amount to approximately 0.4% of the income tax expense of EUR 47.5 million, as included in the consolidated result for 2024. Cosun has established additional internal processes and procedures to meet the reporting requirements under the Pillar Two legislation.

(22) Fees of the auditor

The following fees have been charged by EY Accountants B.V., to the company, its subsidiaries and other consolidated companies, as referred to in article 2:382a (1 and 2) of the Dutch Civil Code.

In the year 2024 the following fees were charged to the company:

	EY ACCOUNTANTS B.V.	OTHER EY ACCOUNTANTS B.V.	TOTAL EY ACCOUNTANTS B.V.
Audit of the financial statements	0.8	0.4	1.2
Other assurance services	0.1	-	0.1
Tax advisory services	-	0.3	0.3
Other non-audit services	0.4	-	0.4
TOTAL	**1.3**	**0.7**	**2.0**

In 2023, the following fees were charged to the company:

	EY ACCOUNTANTS B.V.	OTHER EY ACCOUNTANTS B.V.	TOTAL EY ACCOUNTANTS B.V.
Audit of the financial statements	0.9	0.4	1.3
Other assurance services	0.1	-	0.1
Tax advisory services	-	0.4	0.4
Other non-audit services	0.1	-	0.1
TOTAL	**1.1**	**0.8**	**1.9**

The total audit fee is based on the total fee for the audit of the annual accounts for the financial year covered by the annual accounts, regardless of whether the work performed by the external auditor and the audit firm was carried out during that financial year.

(23) Cash flow statement

Movements in the cash flow statement can be derived largely from the movements in the relevant balance sheet items. The balance sheet movement and the cash flow statement movement of certain items are reconciled below:

	WORKING CAPITAL	PROVISIONS	LONG-TERM LIABILITIES
Balance as at 1 January 2024	474.8	- 41.3	- 296.3
Balance as at 31 December 2024	569.6	- 49.8	- 171.8
Balance sheet movements	- 94.8	8.5	- 124.5
Adjustments for:			
- Changes in income tax	26.6	1.2	-
- Investments and divestments of companies	-0.1	-	-
- Amortization of negative goodwill	-	-	2.2
- Price result	-	-	- 0.6
- Reclassification to current receivables from financial fixed assets	14.3	-	127.0
- Investment creditors unpaid	4.2	-	-
- Interest payable	0.8	-	-
CASH FLOW	**- 49.0**	**9.7**	**4.1**

(24) Subsequent events

In accordance with Article 42, paragraph 1 of the Articles of Association, the Board of Management decided on 29 January 2025 to distribute an amount of EUR 7.5 million (gross) charged to the financial year 2025.
This amount will be distributed among those who were members of the cooperative at the beginning of the financial year, as well as heirs who, as legal successors of a member, continued an ongoing supply agreement during the financial year. The distribution will be based on the quantity of beet supplied under the allocated supply certificates for the allocation year concerned, and in accordance with the method of payment laid down in the Sugar Beet Regulations.

As of the end of March 2025, the Revolving Credit Facility with a banking syndicate, amounting to EUR 400.0 million, was extended under comparable conditions for a period of five years, with the option to extend for an additional two years.

Cooperative balance sheet

(after profit appropriation; in EUR million)

	Notes	31-12-2024	31-12-2023
ASSETS			
Fixed assets			
Intangible fixed assets	(25)	20.5	18.3
Tangible fixed assets	(26)	302.1	255.9
Financial fixed assets	(27)	1,159.2	1,052.1
		1,481.8	1,326.3
Current assets			
Inventories	(28)	380.5	402.4
Trade and other receivables	(29)	360.0	375.2
Cash and cash equivalents		127.3	194.6
		867.8	972.2
Total assets		**2,349.6**	**2,298.5**
EQUITY AND LIABILITIES			
Shareholders' equity	(30)		
Capital		36.0	36.0
Share premium		32.3	32.3
Reserve for participating interests		27.2	19.1
Reserve for exchange differences		0.2	- 3.8
Statutory reserve		6.9	5.9
Other reserves		1,509.4	1,403.1
		1,611.9	1,492.6
Provisions	(31)	20.8	19.0
Non-current liabilities	(32)	123.2	253.3
Current liabilities	(33)		
Current liabilities to credit institutions and financing debt		127.5	0.4
Other current liabilities, accruals and deferrals		466.2	533.2
		593.7	533.6
Total equity and liabilities		**2,349.6**	**2,298.5**

Cooperative profit and loss account

(in EUR million)

FOR THE FINANCIAL YEAR	2024	2023
Cooperative result after taxation	50.4	69.3
Profit of participating interests after taxation	67.0	93.0
NET RESULT	**117.4**	**162.3**
APPROPRIATION OF PROFIT IN ACCORDANCE WITH ARTICLE 1 OF THE SUGAR BEET DELIVERY PAYMENT REGULATIONS		
Result of participating interests less dividends received	18.9	49.1
Cooperative result including dividends from participating interests	98.5	113.2

Notes to the cooperative annual accounts

(in EUR million)

General

Insofar as notes on items in the cooperative balance sheet and profit and loss account are not provided below, reference is made to the notes to the consolidated balance sheet and profit and loss account.

Accounting policies

The cooperative balance sheet and profit and loss account are prepared using the same accounting policies as applied for the consolidated balance sheet and profit and loss account.

(25) Intangible fixed assets

Movements in intangible fixed assets were as follows:

	GOODWILL	OTHER INTANGIBLE FIXED ASSETS	TOTAL
At cost as at 1 January 2024	174.6	4.0	178.6
Accumulated amortisation and other changes in value as at 1 January 2024	156.8	3.5	160.3
BOOK VALUE AS AT 1 JANUARY 2024	**17.8**	**0.5**	**18.3**
Movements:			
- Investments	-	10.3	10.3
- Divestments	-	- 2.8	- 2.8
- Consolidations and deconsolidations	-	-	-
- Amortisation	- 5.3	-	- 5.3
BOOK VALUE AS AT 31 DECEMBER 2024	**12.5**	**8.0**	**20.5**
At cost as at 31 December 2024	174.6	11.5	186.1
Accumulated amortisation and other changes in value as at 31 December 2024	162.1	3.5	165.6

(26) Tangible fixed asset

Movements in tangible fixed were as follows:

	LAND AND BUILDINGS	MACHINERY AND EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	PREPAYMENTS AND IN PRODUCTION	NOT USED FOR OPERATIONS	TOTAL
At cost as at 1 January 2024	177.3	652.9	36.7	32.0	9.8	908.7
Accumulated depreciation and other changes in value as at 1 January 2024	102.1	522.0	28.7	-	-	652.8
BOOK VALUE AS AT 1 JANUARY 2024	**75.2**	**130.9**	**8.0**	**32.0**	**9.8**	**255.9**
Movements:						
- Investments	4.7	71.3	2.6	3.9	11.9	94.4
- Disposals	-	-	-	-	- 6.4	- 6.4
- Consolidations and deconsolidations	-	-	-	-	-	-
- Depreciation	- 5.4	- 33.4	- 3.0	-	-	- 41.8
- Impairments and other changes in value	-	-	-	-	-	-
- Transfer	-	0.3	-	- 0.3	-	-
BOOK VALUE AT PER 31 DECEMBER 2024	**74.5**	**169.1**	**7.6**	**35.6**	**15.3**	**302.1**
At cost as at 31 December 2024	182.0	724.5	39.3	35.6	15.3	996.7
Accumulated depreciation and other changes in value as at 31 December 2024	107.5	555.4	31.7	-	-	694.6

	LAND AND BUILDINGS	MACHINERY AND EQUIPMENT	OTHER TANGIBLE FIXED ASSETS	PREPAYMENTS AND IN PRODUCTION	NOT USED FOR OPERATIONS	TOTAL
At cost as at 1 January 2023	171.1	620.9	33.6	9.5	7.8	842.9
Accumulated depreciation and other changes in value as at 1 January 2023	97.0	490.3	26.2	-	-	613.5
BOOK VALUE AS AT 1 JANUARY 2023	**74.1**	**130.6**	**7.4**	**9.5**	**7.8**	**229.4**
Movements:						
- Investments	1.4	29.2	3.0	30.8	2.0	66.4
- Disposals	-	-	-	- 0.3	-	- 0.3
- Consolidations and deconsolidations	0.9	- 0.2	-	-	-	0.7
- Depreciation	- 5.1	- 31.7	- 2.5	-	-	- 39.3
- Impairments and other changes in value	-	-	-	- 1.0	-	- 1.0
- Transfer	3.9	3.0	0.1	- 7.0	-	-
BOOK VALUE AT 31 DECEMBER 2023	**75.2**	**130.9**	**8.0**	**32.0**	**9.8**	**255.9**
At cost as at 31 December 2023	177.3	652.9	36.7	32.0	9.8	908.7
Accumulated depreciation and other changes in value as at 31 December 2023	102.1	522.0	28.7	-	-	652.8

(27) Financial fixed assets

	31-12-2024	31-12-2023
Participating interests in group companies	391.1	366.0
Receivables from group companies	737.6	642.1
Receivables from members	3.6	2.3
Deferred tax assets	0.9	0.5
Other receivables	26.0	41.2
	1,159.2	**1,052.1**

Movements in financial fixed assets were as follows:

	PARTICIPATING INTERESTS IN GROUP COMPANIES	RECEIVABLES FROM GROUP COMPANIES	RECEIVABLES FROM MEMBERS	DEFERRED TAX ASSETS	OTHER RECEIVABLES	TOTAL
Balance as at 1 January 2024	366.0	642.1	2.3	0.5	41.2	1.052.1
Movements:						
- Share in result of participating interests	69.1	-	-	-	-	69.1
- Additions and issuances	-	168.6	1.5	0.4	-	170.5
- Repayments and releases	-	- 73.1	- 0.1	-	- 0.2	- 73.4
- Dividend	- 48.1	-	-	-	-	- 48.1
- Exchange results	3.8	-	-	-	-	3.8
- Other movements	0.3	-	-	-	-	0.3
- Movements credited/debited to the result	-	-	- 0.1	-	-	- 0.1
- Reclassification to current	-	-	-	-	- 15.0	- 15.0
BALANCE AS AT 31 DECEMBER 2024	**391.1**	**737.6**	**3.6**	**0.9**	**26.0**	**1,159.2**

	PARTICIPATING INTERESTS IN GROUP COMPANIES	RECEIVABLES FROM GROUP COMPANIES	RECEIVABLES FROM MEMBERS	DEFERRED TAX ASSETS	OTHER RECEIVABLES	TOTAL
Balance as at 1 January 2023	329.1	591.3	2.1	0.8	1.4	924.7
Movements:						
- Share in result of participating interests	92.6	-	-	-	-	92.6
- Additions and issuances	-	51.0	1.5	1.0	60.2	113.7
- Repayments and releases	-	- 0.2	- 0.1	- 1.0	- 0.4	- 1.7
- Dividend	- 43.9	-	-	-	-	- 43.9
- Exchange results	- 0.6	-	-	-	-	- 0.6
- Other movements	- 11.2	-	-	-	-	- 11.2
- Movements credited/debited to the result	-	-	-	- 0.3	-	- 0.3
- Reclassification to current	-	-	- 1.2	-	- 20.0	- 21.2
BALANCE AS AT 31 DECEMBER 2023	**366.0**	**642.1**	**2.3**	**0.5**	**41.2**	**1,052.1**

Participating interests in group companies

Cosun Beet Company GmbH & Co. KG is a subsidiary of Coöperatie Koninklijke Cosun U.A. and is included in the consolidated financial statements of Royal Cosun as of 31 December 2023. Cosun Beet Company GmbH & Co. KG uses the exemption to prepare, audit and disclose the financial statement in accordance with article 264b German Commercial Code.

Receivables from group companies

As at year-end of 2024, the balance mainly related to long-term loans to Cosun Holding (EUR 475.0 million), Rixona Venray B.V. (EUR 30.0 million), Sensus B.V. (EUR 25.0 million), Duynie Holding (EUR 25.0 million), Aviko Holding B.V. (EUR 60.0 million), Aviko Belgium N.V. (EUR 80.0 million), Aviko Deutschland (EUR 15.0 million), Cosun Strategic Ventures (EUR 17.0 million), Duynie Ingredients (EUR 10.0 million) and Stichting IRS (EUR 0.5 million).

Receivables from members

The non-interest bearing receivables from members (EUR 3.6 million) relates to the present value of the long-term portion of amounts still to be deposited for issued supply certificates (2023: EUR 2.3 million).

Other receivables

In 2023, a loan with a variable interest rate was granted to SVZ International B.V. As at 2024, the principal amount is EUR 40.0 million (2023: EUR 60.0 million). This loan will be repaid over the next two years, of which EUR 15.0 million has been classified as current. The other receivables mainly relate to a loan and installations placed by Cosun, which are being repaid by suppliers based on the products delivered.

(28) Inventories

	31-12-2024	31-12-2023
Finished products and goods for resale	358.7	379.6
Land	4.5	6.5
Raw materials and consumables	17.3	16.3
	380.5	**402.4**

The land inventory relates to land under development for the AFC Nieuw Prinsenland business park in Dinteloord. The valuation of inventories, finished products and goods for resale takes account of slow moving stocks. The provision for slow moving stocks amounts to EUR 5.2 million (2023: EUR 0.6 million). Of the inventories, an amount of EUR 5.2 million (2023: EUR 0.6 million) was written down to lower net realisable value. In 2024, an amount of EUR 4.6 million (2023: EUR - / - 0.2 million) was charged to the profit and loss account.

(29) Trade and other receivables

	31-12-2024	31-12-2023
Trade accounts receivable	103.2	130.4
Receivables from group companies	191.5	179.9
Short-term portion of amount still to be paid up for issued shares	-	1.2
Income tax receivable	0.6	-
Other tax receivables	24.5	19.4
Advance payments	6.9	8.1
Amounts to be invoiced	7.1	8.5
Other receivables and accrued income	26.2	27.7
	360.0	**375.2**

(30) Capital and reserves

Issued capital and share premium

	SUPPLY CERTIFICATES	SHARE PREMIUM	TOTAL 2024	TOTAL 2023
Balance as at 1 January	36.0	32.3	68.3	68.3
Movements:				
- Issued supply certificates	1.5	-	1.5	1.3
- Redeemed and withdrawn supply certificates	- 1.5	-	- 1.5	- 1.3
BALANCE AS AT 31 DECEMBER	**36.0**	**32.3**	**68.3**	**68.3**

The total number of supply certificates in issue amounts to 6.542.618 (2023: 6.543.718), with a face value of EUR 5.50 per certificate. Under Reporting Guideline 620, EUR 1.8 million (2023: EUR 1.5 million) is recognised in the consolidated accounts as debt capital. The share premium reserve is recognised in full as paid-up capital for tax purposes.

Statutory reserves, other reserves and results

	RESERVE FOR PARTICIPATING INTERESTS	RESERVE FOR EXCHANGE DIFFERENCE	STATUTORY RESERVE	OTHER RESERVES	TOTAL 2024	TOTAL 2023
Balance as at 1 January	19.1	- 3.8	5.9	1,403.0	1,424.2	1,271.2
Movements:						
- Profit appropriation	-	-	-	117.4	117.4	162.3
- Paid to members	-	-	-	- 1.9	- 1.9	- 1.0
- Additions	-	-	-	-	-	-
- Withdrawals	-	-	-	- 0.1	- 0.1	-
- Other mutation	- 1.1	0.2	1.0	0.1	0.2	- 7.6
- Exchange differences	-	3.8	-	-	3.8	- 0.7
- Result of participation	9.2	-	-	- 9.2	-	-
BALANCE AS AT 31 DECEMBER	**27.2**	**0.2**	**6.9**	**1,509.3**	**1,543.6**	**1,424.2**

Reserve for participating interests

The reserve for participating interests is that part of movements in equity that are not freely disposable as from the moment of consolidation.

Statutory reserve

The statutory reserve has been formed for capitalised software costs.

Other reserves

Under article 46 of the Articles of Association, payments take place to members and contracted parties. Effective from January 2000, these payments are in accordance with the Sugar Beet Delivery Payment Regulations.
The payment amount depends on the average number of tonnes of sugar beets delivered, the average cooperative result including the dividend from participating interests per tonne of sugar beet for the seven previous financial years, and a factor per campaign. Payments are deducted from the other reserves.
The payment recognised in 2024 relates to the sugar beet supplied in the years to the end of 2023 in accordance with article 5.1 (i) of the sugar beet payment regulations.

If all members had claimed payments under the business termination regulations as at 31 December 2024, the total payment would have amounted to EUR 51.3 million (2023: EUR 37.4 million). In accordance with article 5.3 of the regulations, payment is subject to the approval of the Board.

Proposed profit appropriation

The net profit for 2023 (EUR 162.3 million) has been added to other reserves in accordance with the decision of the Board 28 March 2024.

In accordance with article 42, paragraph 3 of the Articles of Association, the Board intends to propose that EUR 117.4 million be added to other reserves. The annual accounts for 2024 have been prepared on the assumption that this proposal will be adopted.

Difference between consolidated and cooperative equity

Under Reporting Guideline 620 of the Guidelines for Annual Reporting in the Netherlands, that part of the paid up share capital that members can call on demand (2.0%) and the related inseparable obligation to settle (2.0%) the right to a business termination payment in accordance with article 5.3 of the sugar beet payment regulations are recognised in the consolidated accounts as liabilities. As a result the consolidated equity differs from the equity in the cooperative annual accounts.

	31-12-2024	31-12-2023
Consolidated capital and reserves	1,610.2	1,491.1
Debt capital UB (Reporting Guideline 620)	1.8	1.5
Direct movement on account of acquisitions	-	-
COOPERATIVE CAPITAL AND RESERVES	**1,611.9**	**1,492.6**

(31) Provisions

	31-12-2024	31-12-2023
Deferred tax liabilities	3.8	4.6
Pensions and other deferred employee benefits	7.0	7.1
Other provisions	10.0	7.3
	20.8	**19.0**

EUR 11.7 million (2023: EUR 12.7 million) of the provisions is long term in nature.

Movements in provisions were as follows:

	DEFERRED TAX LIABILITIES	PENSIONS AND OTHER DEFERRED EMPLOYEE BENEFITS	OTHER PROVISIONS	TOTAL
Balance as at 1 January 2024	4.6	7.1	7.3	19.0
Movements:				
- Change in discount rate	-	0.1	- 0.1	-
- Additions	-	0.6	8.1	8.7
- Withdrawals	- 0.8	- 0.8	- 5.1	- 6.7
- Release	-	-	- 0.2	- 0.2
BALANCE AS AT 31 DECEMBER 2024	**3.8**	**7.0**	**10.0**	**20.8**

Deferred tax liabilities

The provision for deferred tax liabilities has been formed for temporary differences in the recognition of profit for tax and financial reporting purposes. Of the deferred tax liabilities EUR 3.0 million (2023: EUR 3.9 million) is long term in nature and are carried at nominal value.

Other provisions

Other provisions include an environmental provision to an amount of EUR 7.8 million (2023: EUR 7.2 million) and a provision for loss-making contracts to an amount of EUR 2.2 million (2023: EUR 0.1 million).

(32) Non-current liabilities

	31-12-2024	EFFECTIVE INTEREST RATE	31-12-2023	EFFECTIVE INTEREST RATE
Debts to institutional investors	78.0	2.8%	205.0	3.4%
Lease obligations	11.4	6.2%	11.4	6.6%
Debts to members	33.4	4.6%	36.3	5.0%
Other liabilities	0.4	-	0.6	-
TOTAL NON-CURRENT LIABILITIES	**123.2**		**253.3**	

The item debts to members relates to the members' loan programme introduced by Cosun in 2015. The amount loaned bears interest, has a fixed term between 2 and 5 years and is subordinated to other creditors.
Lease obligations with a term of more than five years have been included to an amount of EUR 4.4 million. Other liabilities do not include amounts with a term of more than five years.

Debts to institutional investors

Debts to institutional investors consist entirely of loans contracted with Dutch, German, French, Spanish and American financial institutions. At year-end 2022, loans had been fully drawn in the form of an EU-PP for an amount of EUR 60.0 million and a Schuldschein for an amount of EUR 145.0 million. The fair value of the EU-PP loan amounts to EUR 73.6 million, while the fair value of the Schuldschein loan equals the nominal value.

At year-end, the maturities of the loans range from 1 to 8 years. Repayments on the Schuldschein loan are scheduled for 2025, 2027 and 2029, and on the EU-PP for 2030 and 2033. An amount of EUR 127.0 million of the Schuldschein loan has been reclassified to current liabilities. An amount of EUR 20.0 million has a remaining term of more than 5 years.

Interest on the Schuldschein loan is based on Euribor plus a margin. The main condition for the availability of these loans is a leverage ratio, stipulating that net debt may not exceed 4 times EBITDA. Aviko B.V., Aviko Belgium N.V., Duynie Feed Nederland B.V., Duynie Ingredients B.V., Rixona B.V., Sensus B.V., and Cosun Beet Company GmbH & Co. KG act as guarantors for the debts related to the Schuldschein loan and the EU-PP. The EU-PP loan carries a fixed interest rate. Cosun complies with all agreed covenants as at 31 December 2024.

Movements in non-current liabilities were as follows:

	DEBTS TO INSTITUTIONAL INVESTORS	LEASE OBLIGATIONS	DEBTS TO MEMBERS	OTHER LIABILITIES	TOTAL
As at 1 January 2024	205.0	11.4	36.3	0.7	253.4
Movements:					
- Additions	-	0.5	-	-	0.5
- Releases	-	- 1.1	- 2.9	- 0.3	- 4.3
- Reclassification	- 127.0	-	-	-	- 127.0
- Amortisation	-	0.6	-	-	0.6
AS AT 31 DECEMBER 2024	**78.0**	**11.4**	**33.4**	**0.4**	**123.2**

(33) Current liabilities

	31-12-2024	31-12-2023
Debts to credit institutions	127.5	0.4
Payables to group companies	131.8	155.7
Payables to members	145.1	180.0
Payables to suppliers and trade creditors	88.2	85.5
Other taxes and social security charges payable	14.6	26.3
Reserve for personnel obligations	18.5	18.6
Other current liabilities and accruals	68.0	67.0
TOTAL OTHER CURRENT LIABILITIES AND ACCRUALS	**466.2**	**533.1**

Debts to credit institutions

The debts to credit institutions and debts of a financing nature relate to the current portion with a maturity of up to 1 year of the respective financings. The Revolving Credit Facility with a banking syndicate amounts to EUR 400.0 million and runs until March 2026. As at year-end 2024, no drawdowns have been made under the Revolving Credit Facility (2023: EUR 0 million). Interest is based on Euribor plus a margin. The main condition for the availability of these loans is a leverage covenant, stipulating that net debt may not exceed 4 times EBITDA. Aviko B.V., Aviko Belgium N.V., Duynie Feed Nederland B.V., Duynie Ingredients B.V., Rixona B.V., Sensus B.V. and Cosun Beet Company GmbH & Co. KG act as guarantors for the debts related to the Revolving Credit Facility, the Schuldschein loan, and the EU-PP. As at 31 December 2024, Cosun complies with the agreed covenants. An amount of EUR 127.0 million relating to the Schuldschein loan has been reclassified from non-current to current liabilities.

Other liabilities and deferrals

Other liabilities and deferrals relate to other costs payable to an amount of 68.0 millon (2023: EUR 67.0 million).

(34) Off balance sheet commitments

Several liability and guarantees

Cosun has given guarantees to third parties to an amount of EUR 0.4 million (2023: EUR 27.5 million).

Long-term financial commitments

Long-term unconditional commitments have been entered into in respect of rental and operating lease instalments. The associated obligations amount to EUR 4.2 million (2023: EUR 4.3 million). The rental and lease instalments falling due within one year amount to EUR 1.6 million (2023: EUR 0.7 million). Instalments payable after five years amount to nil (2023: nil). Contingent investment liabilities amount to EUR 32.6 million (2023: EUR 5.5 million).

(35) Other information

The remuneration of members of the Board for the financial year, including pension costs as referred to in article 2:383 paragraph 1 of the Dutch Civil Code, amounted to EUR 0.8 million (2023: EUR 0.7 million) and that of the members of the Supervisory Board to EUR 0.1 million (2023: EUR 0.1 million). The remuneration was charged to the result.

(36) Subsequent events

In accordance with article 42, paragraph 1 of the Articles of Association, the Board decided on 29 January 2025 to charge EUR 7.5 million (gross) to the 2025 financial year. This amount will be distributed those persons who were members of the cooperative at the beginning of the financial year and to the heirs who continued an ongoing supply agreement as legal successor of a member during the financial year in question, such in accordance with the quantity of beet supplied by them on the allocated supply certificates during the allocation year concerned and in accordance with the method of payment laid down in the Sugar Beet Regulations.

As at the end of March 2025, the Revolving Credit Facility with a banking syndicate has been extended for an amount of EUR 400.0 million under comparable conditions for a period of five years, with an option to extend for an additional two years.

Board

Arwin Bos
Ger Evenhuis
Adrie Bossers
Maarten Heijne
Marianne van den Hoek-Huijbregts
Martine Hommes-Gesink
Bert Jansen
Freek Rijna
Marjolein Slappendel

Supervisory Board

Theo Koekkoek
Pieter van Maldegem
Bas Alblas
Liane den Bestens
Edwin Michiels
Jacqueline Rijsdijk

Breda, 14 april 2025

Other information

Provisions in the Articles of Association governing the appropriation of profit

The appropriation of the profit for the year is laid down in the Articles of Association (Article 42, paragraphs 1 to 4) as follows.

1. Between the start of the financial year concerned and the end of the then allocation year, the Board shall determine what amount for the financial year shall be distributed to those persons who were members of the cooperative at the beginning of the financial year and to the heirs who continued an ongoing supply agreement as legal successor of a member during the financial year in question, such in accordance with the quantity of beet supplied by them on the allocated supply certificates during the allocation year concerned and in accordance with the method of payment laid down in the Sugar Beet Regulations.
2. Before adopting the cooperative's result for a financial year, the Board shall decide on the amount to be distributed to those persons who were members at the end of the financial year concerned or who had ceased to be members during or at the end of that financial year and to the heirs who continued an ongoing supply agreement as legal successor to a member during that financial year, such in proportion to the beet supplied on members' supply certificates in the allocation year that commenced during the financial year concerned and in accordance with the method of payment laid down in the Sugar Beet Regulations. Acting on a proposal by the Board, the Members' Council may decide on a different distribution.
3. The net result for the financial year remaining after application of paragraphs 1 and 2 of this article shall be added to reserves.
4. The distributions referred to in paragraphs 1 and 2 of this article shall, in accordance with a decision by the Members' Council, be made in cash or in another form. Distribution in another form shall be recorded in a register kept for that purpose.

The following is an English translation of the independent auditor's report issued 14 April 2025

Independent auditor's report

To: the members and the supervisory board of Coöperatie Koninklijke Cosun U.A.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2024 INCLUDED IN THE ANNUAL REPORT

Our opinion

We have audited the financial statements 2024 included in the annual report of Coöperatie Koninklijke Cosun U.A., based in Breda.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Coöperatie Koninklijke Cosun U.A. as at 31 December 2024, and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- The consolidated and company balance sheet as at 31 December 2024
- The consolidated and company profit and loss account for 2024
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing.
Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

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

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

Information in support of our opinion

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

Our understanding of the company

Coöperatie Koninklijke Cosun U.A. (hereinafter: the cooperative, or, together with its consolidated subsidiaries, the group) is an international agricultural cooperative. The cooperative processes raw materials of mostly agricultural origin, such as sugar beets and potatoes, into products for the international food industry, catering industry and wholesalers or into end products for retail. In addition, the cooperative processes its agricultural residual flows. The cooperative has production locations and sales offices in the Netherlands, Belgium, Germany and China, among others.

We paid specific attention in our audit to a number of areas driven by the operations of the group and our risk assessment.

We determined materiality and identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error in order to design audit procedures responsive to those risks and to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Materiality

Materiality	€29 million (2023: €32 million).
Benchmark applied	1.9% of the gross margin (2023: 2% of the gross margin) As explained in the Key figures section of the annual report, the gross margin is the net turnover plus the change in stocks of finished products minus the costs of raw materials and consumables, adjusted for the members' bonus.
Explanation	The main users of the annual accounts are the members of the cooperative. From the members point of view, the focus is mainly on the level of the members' bonus. This members' bonus is directly related to the gross margin, which is stable through the years. The way in which we determined the materiality is consistent with the previous financial year.

We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the supervisory board that misstatements in excess of €1,450,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Coöperatie Koninklijke Cosun U.A. is at the head of a group of entities. These are organized into several business units, including: Aviko (potato activities), Duynie (animal feed and starch), Cosun Beet Company (sugar activities), and Sensus (inulin). The financial information of this group is included in the financial statements.

We are responsible for planning and executing the group audit to obtain sufficient and appropriate audit information regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the management, supervision, assessment, and evaluation of the audit work performed in the context of the group audit. We bear full responsibility for our audit opinion.

Based on our understanding of the group and its environment, the applicable reporting framework, and the internal control system of the group, we have identified and assessed risks of material misstatement in the financial statements and the significant accounts and disclosures. Based on this risk assessment, we determined the nature, timing, and extent of the audit procedures performed, including the entities or business units within the group (group components) where audit procedures are performed. In doing so, we considered the nature of the relevant events and circumstances that gave rise to the identified risks of material misstatement in the financial statements, the relationship these risks have with group components, as well as the materiality or financial significance of group components in relation to the group.

We conducted the audit work regarding fraud risks in close collaboration with our regional teams for the business units Aviko, Duynie, and Cosun Beet Company, and performed the work related to managing, supervising, assessing, and evaluating the work of auditors from group components. We communicated the audit procedures to be performed and identified risks through instructions to auditors of group components. We requested auditors of group components to communicate matters related to the financial information of the group component that are relevant for identifying and assessing risks.

The audit work for the Dutch group components that fall under the group audit was performed by EY Accountants B.V. The audits of the group components in scope abroad were conducted by foreign EY member firms.

This resulted in a coverage of 82% of revenues and 78% of total assets.

For other group components, we performed specific audit procedures and performed analytical procedures to confirm that our risk analysis and the scope of the group audit remained appropriate throughout the audit.

We assessed and evaluated the adequacy of the reports from the auditors of the group components and, where necessary, reviewed key working papers to address risks of material misstatement. For the Dutch group components Aviko, Cosun Beet Company, Duynie, and Sensus, we held planning meetings, meetings that were relevant given the circumstances, and attended closing meetings with the management of the group component. During these meetings, among other things, the planning, the procedures performed based on the risk analysis, findings, and observations were discussed. Any further audit procedures deemed necessary by the group auditor or the auditors of group components were determined and subsequently performed. Additionally, we reviewed the electronic audit file of the EY audit team in China. Through the aforementioned procedures at (group) components, combined with additional procedures at the group level, we obtained sufficient and appropriate audit evidence regarding the financial information of the group to provide an opinion on the financial statements.

Teaming, use of specialists

We ensured that the audit teams both at group and at component levels included the appropriate skills and competences which are needed for the audit of an international agricultural cooperative. We included specialists in the areas of IT audit, treasury, VAT- and income tax.

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

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Our audit response related to fraud risks

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

We refer to section Risk profile of the annual report for the (fraud) risk assessment of the board and section Report of the Supervisory Board of the annual report for supervisory boards' reflection on this (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct, Regulations for reporting (suspected) misconduct and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

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

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

We addressed the risks related to management override of controls, as this risk is present in all companies. For these risks we have performed procedures among others to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Use of judgments, estimates and uncertainties in the disclosures to the consolidated financial statements. We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition. We see this risk specifically on manual journal entries in revenue recognition for all product groups. We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk. We have paid specific attention to manual journal entries in revenues and selected these transactions with lower thresholds.

The following fraud risks identified did require significant attention during our audit.

Fraud risk valuation of inventory finished products	
Fraud risk	The calculation method of the valuation of finished products is complex and sensitive to errors due to the high number of components of which the cost of manufacturing consists and due to manual calculations. Management of the business groups can experience pressure to meet the budget and the profit forecast, and in addition there are (partly) result-related remunerations. Management is directly involved in the determination of the allocation of cost components to inventory finished products and can manipulate the result by incorrect or incomplete allocation of costs to the production in order to manipulate the operating result.
Our audit approach	We refer to the key audit matter Valuation of inventory finished products in which we address this fraud risk and describe our audit approach.

We considered available information and made enquiries of members of the board, executive board, legal, compliance, human resources and the supervisory board.

The fraud risks we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

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

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

We also inspected the confirmation letter of the legal department and we have been informed by the board that there has been no correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern

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

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

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

Our key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the supervisory board, however the key audit matters are not a comprehensive reflection of all matters discussed.

Compared to the previous year, we have made no relevant changes to the key audit matter.

Valuation of the inventory finished products	
Risk	DFinished products and goods for resale is the most extensive part of the account inventories. Finished products are valued at cost of production or lower realizable value. The production costs includes the purchase costs of raw materials, auxiliary material and other costs that are directly attributable to the manufacturing of finished products. In addition, part of the indirect costs over the period of production is attributed to the cost of production. We refer to the Accounting policies for the accounting policy on inventories and the disclosure thereon in note 4 Inventories of the financial statements. The calculation method of the valuation of finished products is complex and sensitive to errors due to the high number of components of which the cost of manufacturing consists and due to manual calculations. We also take into account the possibility that management overrides internal controls and other unauthorized ways of manipulation of the financial reporting process, as explained in section Our audit response related to fraud risks. We therefore concluded the valuation of the inventory finished products to be a key audit matter.
Our audit approach	Our audit procedures included evaluating the appropriateness of the company's accounting policies with respect to the valuation of inventories to determine whether they comply with Part 9 Book 2 of the Dutch Civil Code and DAS220 "Inventories". We further audited whether the methods used to determine the cost price or lower net realizable value are appropriate and applied consistently or, in case of changes in estimates, whether they are appropriate in the given circumstances. As part of our audit of the valuation of finished products, we verified with a lower testing threshold per allocated other cost item whether under accounting standards it is allowed to allocate these to the cost price, and verified the parameters set by management per allocated cost item individually. Furthermore, we verified the allocation of other costs over the manufacturing period to the cost of manufacturing with a lower testing threshold. We also verified the determination of the cost price for large stock items, by test of details on the costs used as the basis for the allocation to the inventory of finished products. Finally, we evaluated the extent to which the realizable value of the inventory of finished products is lower.
Key observations	The other costs allocated to the production costs and other costs are costs that are directly related to the manufacturing of finished goods or are allocated over the correct period. We consider the parameters used to be adequate and we consider the accounting principles for the valuation of inventories have been adequately applied.

REPORT ON OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

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

The board is responsible for the preparation of the other information, including the board report and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of the board and the supervisory board for the financial statements

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

As part of the preparation of the financial statements, the board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless the board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

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

Our responsibilities for the audit of the financial statements

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

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

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

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

- Audit procedures responsive to the risks identified, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion
- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication

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

We provide the supervisory board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the supervisory board, we determine the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Utrecht, 14 April 2025

EY Accountants B.V.

signed by W.H. Kerst

Appendices

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Overview map

Head offices and production locations in the Netherlands, Europe and Asia.