

Questions and answers regarding Connecting Growers:

1. Why is HZPC starting the Connecting Growers programme?

The Connecting Growers programme is being introduced to ensure that more HZPC certificates are issued to active growers. For HZPC, it is important that most of its certificates are held by active growers to avoid the creation of a large gap between the interests of the grower, on the one hand, and those of the certificate holder, on the other.

HZPC can afford to bear the costs of this type of programme.

It is also in the interests of existing certificate holders that good connections are maintained between growers and that growers carry on growing for HZPC so that HZPC can, in turn, continue to expand.

2. Why adopt this approach? Can HZPC not force inactive growers or former growers to sell their certificates?

No, HZPC cannot force them to do so and does not want to do this either. Legally, it's very hard to distinguish between an inactive grower and an active one. A former grower may have a 1% share in the cultivation company but is legally still an active grower, even if his involvement is limited and he is not active on a day-to-day basis.

HZPC values the commitment of its former growers. In the past, there was a deliberate decision to allow former growers to hold certificates. According to the Articles of Association, a former grower is someone who no longer grows for an HZPC Holding B.V. company, a third party or themselves) This is valuable for former growers and HZPC.

3. How do you set the number of certificates to be issued per grower?

- a. In the winter, a growing company is contracted to grow a specific number of hectares of seed potatoes for an HZPC company, for the following harvest.
- b. The definitive report for the national inspection service for that acreage is the determining factor for the number of hectares for which certificates are issued to the growing company.
- c. HZPC buys certificates for a fixed amount. The number of certificates that is bought depends on the market rate and the supply.
- d. On the basis of the total number of hectares (=b) and the total number of certificates bought (=c), a number of certificates will be generated per cultivated hectare (this is a non-rounded figure).
- e. Every growing company receives a number of certificates according to a multiplication of the number of hectares (=b) times the number of certificates per hectare (=d). This figure is rounded to a whole number of certificates. HZPC decides the rounding rules.

4. Why only for EU growers?

HZPC is starting in the EU, where this programme is relatively easy to organise due to the existing legislation and regulations for trading in, and ownership of, share certificates. The EU is the region where the majority of the HZPC's seed potato acreage is located. Additionally, this is a region with an effective inspection system in place.

HZPC's intention is to include growers in the UK in this programme too as long as the programme can be executed within the UK's future legislation.

5. Is there a difference between an HZPC grower in the Netherlands or in another EU country?

No, this applies to all EU growers who grow for any of the companies within HZPC Holding B.V. In this respect, there will be no distinction between a STET grower and an HZPC grower.

- 6. Does the grower have to grow all the seed potatoes for an HZPC concern?**
No, it doesn't matter if the grower also grows for another trading house, or trades their own seed potatoes. What matters is the hectares that are contracted, before the season starts, to an HZPC Holding B.V. concern and which are then offered up for inspection.
- 7. Will this programme affect the price of the certificates?**
Yes, possibly. The fact that HZPC will become a buyer in the market will affect the market rate. The demand will be higher but the impact of this depends on the rate of supply.
- 8. Why is HZPC doing this now and not waiting until there is a higher or lower rate?**
The Connecting Growers programme is being implemented to stimulate the transfer of certificates from inactive to active growers. This is separate to the development of the certificates' market rate. Of course, this can only happen if there is an adequate supply of certificates. Supply has increased over the past few trading days.
- 9. Why doesn't HZPC just issue new certificates?**
The issue of new certificates would equate to a dilution of the dividend.
- 10. Does every grower have to take part?**
No, if a grower does not wish to receive certificates, he can choose not to. This grower will then not be compensated in another way. HZPC will actively ask growers whether they wish to take part in this scheme. HZPC must also obtain additional details from every growing company.
- 11. What happens if HZPC cannot buy these certificates?**
If, prior to the season, no or insufficient certificates can be bought for 1.5 million euros because the supply is inadequate or non-existent, then no certificates, or only the purchased certificates, will be divided over the cultivated hectares. In future years, no additional certificates will be bought to compensate for the quantity that was not bought.
- 12. Will this Connecting Growers programme continue over several years?**
Yes. HZPC intends to continue this programme for a period of 10 years, but we have the right to end it whenever we like.
The Supervisory Board for HZPC Holding B.V. will decide each year whether there is adequate capital for this programme. The Board of Vereniging HZPC shall make a decision on the share of the capital that is made available to the Supervisory Board. HZPC's long-term expectation is that the programme will usually be implemented.
After 3 years, the programme will be evaluated. If the impact has been negligible or insufficient, HZPC will decide to stop and/or change the programme.
- 13. Why per growing company and not per person?**
The seed potato contracts are drawn up for each growing company and not for each individual grower. That is why this system can only apply to growing companies. Every growing company is directly or indirectly in the hands of one or multiple person(s). HZPC must know who the UBOs (Ultimate Beneficial Owners) are per company.
If HZPC is not aware of the UBOs of a growing company, it cannot issue certificates to that company.
No single person, whether privately or via businesses, can own more than 1% of the total number of HZPC certificates. If one UBO from a growing company ends up with more than 1% as a result of this programme, this grower will have to sell the surplus during the next trading day.

14. What are the fiscal consequences if the grower wishes to receive the certificates privately?

HZPC can only issue the certificates to the growing company with which it has concluded a growing contract and not directly to the company owner. If the owner of the company wishes to transfer these to private ownership, they may do so. They will have to do this according to the existing rules, once they have received their certificates.

15. Can a grower own some of the certificates privately and some via their company?

Yes, that's fine. It is important that the total number of certificates that a grower owns privately, and those he owns as a UBO of the growing company, does not amount to over 1%. Nobody may directly or indirectly own more than 1% of the number of certificates.

16. When will a grower be issued with these certificates?

In the summer of the growing year, it will be clear how many hectares each growing company has contracted and offered up for inspection. From that moment, HZPC can issue the certificates. The aim is to organise this for all involved parties during the growing year, before the end of September.

17. When will HZPC buy certificates on the market?

HZPC will buy half of the certificates on the trading day in October/November and the other half on the trading day in May of the growing year. In June/July, the number of certificates that can be issued per hectare will be set. The certificates for shares will be added to the growing company's account by September and will be owned by the company before the trading day in October/November.

18. What happens if my potatoes are rejected?

This relates to the acreage that is contracted and offered up for inspection. If the potatoes are rejected during the growing season, the grower will still receive the certificates.

19. If a grower has not previously grown for an HZPC Holding company, can this grower still receive certificates in the first year?

Yes.

20. Are the certificates the same as the certificates that you can buy every year on the trading day?

Yes. These are the same certificates with similar rights and obligations. The certificates obtained can then be sold on the trading day, in line with market regulations.

21. If a grower stops growing for HZPC, do the certificates have to be sold?

The usual rules apply to any certificates obtained in this way. If the grower stops growing seed potatoes, the grower becomes a former grower and may retain the certificates. If the grower continues to grow seed potatoes but not for an HZPC company, the certificates must be sold according to market regulations.

22. Why does this not apply to ware potato growers?

HZPC has chosen to offer this programme to seed (potato) growers and not to ware (potato) growers. HZPC is primarily a seed potato company.

23. Every certificate holder can become a member of 'Vereniging HZPC'. Can a growing company also become a member of the 'Vereniging HZPC'?

Yes, that's fine. Members of the Association may only be natural and legal persons who own one or more Certificates in the Company. If the grower owns certificates privately, both the grower and the growing company can be members of the

Association. Every member has a voting right in the members' meeting according to the number of certificates that the member owns. This means that one grower could vote as an individual but also on behalf of their company.

None of these individual legal persons can hold a larger number of votes than the equivalent of 1% of the total number of issued certificates. When it comes to a natural person where the UBO is a member/legal person, the certificate for the corresponding member/legal person will be allocated to this natural person according to the percentage at which he participates in this legal person. If this natural person is also a member, the valid maximum of 1% applicable to him shall also apply to those certificates allocated to him.

24. Can a non-Dutch grower also become a member of the 'Vereniging HZPC'?

Yes, anyone who owns certificates can become a member of the Association, irrespective of their nationality.

25. Why should I give my IBAN number?

Because we want to be able to pay dividends. If you want to sell the certificates we can deposit the money into the right account.