MINUTES **draft**

Meeting:	**General Meeting of Members of Vereniging HZPC**
Date:	November 20, 2025
Location:	Joure/online
Reference:	EdV/jm
Present:	approx. 65**5** depositary receipt holders (including approx. 24 online participants)

1. Opening

The Chair opens the meeting and welcomes everyone, in particular Ms Marlous Booijink, the new CFO. The Chair highlights the marked differences between seasons. The 2024–2025 financial year brought good yields and good prices and marked a milestone for HZPC. The 2025–2026 financial year appears to represent a reset for the potato sector. Prices for potatoes for French fry processing are extremely low, potentially affecting the seed potato trade. The reality is that production of potatoes for French fry processing is shifting. Supplying specific varieties for this will be a challenge for HZPC. World leaders have a major influence, while Europe continues to lead in various areas. Ther is increasing demand for available space, and growers are facing a wave of cost increases. Furthermore, the drive for control appears to be endless. Dutch seed potato production is facing a resurgence of potato leafroll virus. Breeding resistant varieties will be a challenge. Stolbur and phytoplasmas also pose threats. HZPC is now a company with revenue exceeding € 500 million and 1 million tonnes of traded product, including licensed volumes. A hybrid variety has meanwhile been registered in Kenya. The acquisition of IPM, with revenue of over €40 million and 1,800 ha of seed potato production in Ireland, Scotland and the Netherlands, has expanded the business. During the past financial year, the Board oversaw investments in the Aurora project. It was also involved in the negotiations with IPM and discussed the strategy for 2025–2030. Considerable attention was devoted to Captin's communications. Growers can receive assistance with onboarding. The Board was in regular contact with the Supervisory Board. It also discussed the internal organization and Aurora with the auditor. Unlike in previous years, ballot papers have not been distributed in advance of this meeting. Should a vote be required, ballot papers will be distributed.

4. Announcements

There are no announcements.

3. Introduction of the new CFO, Ms. M. Booijink

Ms. Booijink introduces herself and outlines her career, including positions at companies such as Friesland Campina, DSM and Pandrix. She has been CFO of Royal HZPC Group since 1 August and has also participated in negotiations with IPM since joining.

5. Presentation of the annual reports for the 2024/2025 financial year by Ms M. Booijink, CFO

5a. Annual report of Royal HZPC Group B.V. and explanatory notes

The 2024–2025 financial year was a good year. Ms. Booijink also experienced this as an HZPC grower. HZPC reached the milestone of 1 million tonnes through seed potato sales and licensing. Total revenue was approximately €526 million. A large proportion of seed potatoes fell within the seed-size grades, and the percentage sold was historically high at 97%. Growers received a high average payment price of € 62.32. The strong profit also enabled a high net dividend of €10.90 to be paid.

Seed potato and licensed volumes are increasing. Physical sales are rising slightly, while licensed volumes have increased substantially, particularly in India, Russia, South Africa and Australia. Operating expenses have increased significantly. The provision for doubtful debts

has also risen considerably. HZPC has made deliveries to Cuba, but there is a risk that payment for these deliveries will not be received.
Now that the ERP system has gone live in several business units, Aurora costs can no longer be capitalized. Additional costs have also been incurred compared with last year for further development of certain components, enabling the Netherlands and France to go live in the summer of 2026. Costs can then be reduced again.

Total net profit amounts to €17.1 million before the Connecting Growers program, under which HZPC distributes depositary receipts to active growers. An amount of €1.5 million was paid for this. This meant that €15.6 million was available for dividend distribution,

Return on equity has increased substantially as a result of the strong 2024–2025 results, reaching a historic high. The net return per depositary receipt is 21.86 (a dividend yield per share of almost 9%). The dividend has been set at €10.90, also a historic high, representing a payout of 50%, compared with two-thirds in previous years. In consultation with the Supervisory Board and the Board, a 50% payout was chosen to strengthen the balance sheet and liquidity position, partly in view of the acquisition of IPM. HZPC remains within its bank covenant limits and has room for further growth. Purpose of the acquisition of IPM: seeking to strengthen the balance sheet and liquidity position. Bank covenants: HZPC remains within these limits and has room for further growth.

HZPC must comply with increasingly stringent laws and regulations. HZPC closely monitors its trade with high-risk countries such as Iraq and Sudan, as well as Russia.

The explanation of the annual report gives rise to no questions.

5b. Annual report Association HZPC and explanatory notes
The balance sheet includes a dividend item. Royal HZPC Group makes an amount available to Vereniging HZPC for this purpose. The income statement includes organizational costs and costs relating to Captin.

Depositary receipt holders: a slight decrease of 13 compared with the previous year, due to deaths or cessation of business activities.

2. Minutes General Meeting Members of Association HZPC held on 21 November 2024
The minutes are approved and adopted without amendment.

6. Explanation dividend by the Chair of the Board
The Supervisory Board has decided to make €8.5 million available for potential dividend distribution. This represents 50% of profit. The Board understands the Supervisory Board's considerations and will distribute the dividend on the depositary receipts, subject to withholding dividend tax, considering business continuity, the acquisition of IPM and compliance with bank covenants. A depositary receipt holder asks whether other sources of working capital have also been explored. Depositary receipt holders previously shared the financial burden of the substantial investments in the Aurora project, partly at the expense of the dividend. Now that HZPC has achieved good results, every depositary receipt holder should also benefit through the dividend, although the current dividend is good.
The Chair acknowledges that substantial investments have been made and that further investments in Aurora will follow. The Aurora budget was approved in stages by the Supervisory Board and the Board. There is no turning back. An ERP system is essential and will deliver cost savings and profit in the future. The Board would also have preferred a different situation, but the Aurora project will now be brought to a successful conclusion. The opportunity to acquire IPM arose. Various financing options were available. A deliberate decision was made not to seek participation from depositary receipt holders. Funding can be obtained at favorable interest rates within the bank covenants. Choosing a different approach

would also have entailed costs in the longer term, at very different, higher interest rates. This would not have supported a consistent approach, which is considered desirable.
The increased working capital requirement also relates to the rise in the VAT rate from 9% to 21%. Growers are paid in June, and VAT is reclaimed in July after the annual accounts have been finalized. Working capital remains a point of attention, and efforts are being made to keep the requirement as low as possible.

7a. Approval financial statements of Vereniging HZPC for the 2024/2025 financial year
The Chair notes that the members have received an explanation of the financial statements. He proposes that the financial statements be approved and asks whether any members present object or wish to hold a written ballot on this item. There are no objections and no request for a ballot. The members therefore approve the financial statements of Vereniging HZPC for 2024–2025.

7b. Discharge of the Board
The Chair proposes that the members grant discharge to the Board for its management during the 2024–2025 financial year. None of the members present objects or requests a written ballot on this matter. The proposal is therefore adopted, and the Board is granted discharge. The Board expresses its thanks.

8. Appointment registered auditor of Vereniging HZPC for the 2025/2026 financial year
The Board proposes appointing EY Accountants in Groningen as the registered auditor of Vereniging HZPC. The meeting approves the proposed appointment of EY.

9. Consideration proposal by the Board of Vereniging HZPC to reappoint the following Board members:

a. Mr. R.P. Smith of Terheijden
b. Mr. E.P. de Vries of Kantens
c. Mr. M.H.G. Wijtten of De Cocksdorp.

No alternative candidates have been nominated. The meeting approves the reappointment of these three gentlemen for a new term. On behalf of the other reappointed Board members as well, the Chair expresses his thanks for the support and confidence. He also announces that the retirement schedule will be amended. The current schedule would result in several Board members stepping down simultaneously, which is considered undesirable.

10. Opportunity to cast votes
There is no need for a vote.

Break

11. Voting results
No vote was held.

12. Review of the past and current financial years by Mr. H. Huistra
Important developments took place during the 2024–2025 financial year. The organization has been restructured and made flatter, particularly in the Netherlands and Europe. The composition of several management teams has changed. The strategy for 2030 was presented in the spring of 2025, building on the existing foundations. The new ERP system has been implemented in Germany and Poland. Preparations were also made for the acquisition of IPM. Mr. Ton is responsible for Europe and exports of physical seed potatoes, including STET. Mr. Verveld is responsible for the rest of the world, including licensing. IPM will report directly to Mr. Huistra for the next few years. The commercial organizational structure now comprises EMENA, North America, South America, and Central and Southern Africa. In India, HZPC has a minority interest in a joint venture. Activities in China mainly

concern licensing. HZPC is and will remain an organization of and for growers. The 2024–2025 season was a record year, with high grower payment prices and a good dividend payment. For 2025–2026, increasing the acreage of protected varieties is important. The percentage sold as seed potatoes remains a challenge. Slightly more acreage has already been allocated in the Netherlands. Small steps forward are also being made in Germany, France and England. Acreage in Poland has increased substantially.

Strategy 2030: the vision and mission have not changed. HZPC aims to stimulate the development of responsible food for the world's population and inspire the global potato value chain with innovative products and services. Three brands are used as routes to market: HZPC, STET and IPM.

Royal HZPC Group uses three business models: seed potato trading; growth in licensing; and Hybrid True Potato Seed (from 2027). A first hybrid variety has now been registered, and hybrid breeding can provide an advantage by enabling faster market entry with better varieties in certain regions. For example, the problem of potato leafroll can be addressed more quickly.

HZPC focuses on four core markets: traditional fresh, retail fresh, French fries and crisps. Diversification and balance are important, and these markets can reinforce one another.

The Dutch market is crucial. Progress is also being made there in developing new varieties. Some markets are more difficult to reach from the Netherlands. These markets could, for example, be supplied from South Africa, through local partners or the company's own sales teams.

Important internal pillars for HZPC include a stronger focus on collaboration, retaining cultural differences while increasing interaction. Good examples already exist between STET and HZPC. Collaboration with IPM can also generate synergies. Another pillar is accelerating growth in Africa, Asia and the Americas in a controlled manner. The third pillar is collaboration with growers and customers. Partnerships are being established with larger customers, and the sector teams have been reintroduced.

Royal HZPC Group aims to be a leader and innovator in R&D. HZPC can achieve success through the largest data-driven *marker-assisted* breeding program and by accelerating the introduction and growth of sustainable varieties. Hybrid breeding is used to accelerate variety development. NOVA is the name of HZPC's new generation of potato varieties developed through hybrid breeding. An introductory video is shown.

Investments focus on growing trade in protected varieties. In addition to organic growth, part of this growth may come from targeted acquisitions. Increasing the volume of HZPC varieties grown under licence is another growth objective: local production for local markets.

The Sector Business Teams focus on the entire value chain. Introducing new varieties and achieving growth remain challenging, particularly with global partners in French fries and crisps. These small teams are tasked with accelerating such introductions.

This will be a challenging year. For the first time, large quantities of ware potatoes are available at low prices almost worldwide. This affects seed potato markets. Exports to more distant markets have made a good start.
Prices for unprotected varieties are structurally lower than those for protected varieties. HZPC is maintaining firm pressure on prices. Negotiations with the French fry industry are ongoing. Contracts with some parties are still in force.

One of the major internal challenges is the Aurora program: the implementation of a new ERP system. The investments involved is substantial. The old system is vulnerable, while the new system provides a solid foundation for the future. Another challenge is pressure on margins, making a focus on an appropriate cost ratio important. Mr. Huistra expects this year to help accelerate sales of protected varieties. Royal HZPC Group remains focused on seed potatoes. Ware potato activities have therefore been discontinued. Furthermore, the integration of IMP into Royal HZPC Group will be carried out during this financial year.

13. Presentation IPM Potato Group Ltd. by Hans Huistra
IPM Potato Group Limited was founded in 1950, is headquartered in Dublin and is one of the largest exporters of Scottish seed potatoes. It has contracted approximately 2,000 ha across Ireland, the United Kingdom, the Netherlands and France. IPM is a profitable company and achieved a healthy operating result in the 2024–2025 financial year. Its result consistently exceeds €3 million. It markets approximately 50 varieties, including Java, Buster, Fidelity and Eternity, and has 40 employees in various countries, including Kenya. IPM has outsourced breeding to Teagasc, a semi-public agricultural research institute. The program began with the Cara variety. The original breeding focus was on robust varieties for North Africa, the Mediterranean region and the Middle East. The current program focuses on varieties for new markets, segments and challenges.

Mr. Huistra sees opportunities for IPM to contribute to Royal HZPC Group's profitability in the future. He highlights:

- IPM's good results.
- The additional acreage contributed by IPM.
- Scotland as an export hub, strengthening exports and the retail market.
- A stronger position in the United Kingdom.
- Progress in breeding through the addition of IPM genetics.

14. Any other business and responses to questions submitted in writing
No questions have been submitted, and there are no questions from the floor or in the chat.

15. Close
On behalf of Vereniging HZPC, the Chair urges depositary receipt holders who have not yet fully completed the Captin onboarding process to do so as soon as possible. He also draws attention to the possibility of transferring depositary receipts outside the exchange to an eligible person. Further information is available at www.hzpc.com.The Chair thanks Mr. Huistra and Ms. Booijink for their presentations and closes the meeting at approximately 21:30 hrs.