



Press Release

Regulated information

The connection to the world of sustainable tropical agriculture

Interim statement of the SIPEF group as per 30 September 2025 (9m/25)

SIPEF Group heading for record performance in 2025

- SIPEF recorded a total Crude Palm Oil (CPO) production of 117 565 tonnes for Q3 of 2025, reflecting a 28.1 % increase compared to the same period in 2024. This growth was driven by an increase in Fresh Fruit Bunches (FFB) and improved oil extraction rates across both Indonesia and Papua New Guinea.
- Banana production in Q3 increased by 3.1% year-on-year, supported by the maturing of recently developed areas.
- Palm oil markets remain favourable from a historical perspective and prices fluctuated between USD 950 and USD 1 100 per tonne on the Malaysian MDEX.
- The Group realised net sales prices for CPO of more than 12.5% above the level of the first nine months of 2024, with 84% of its budgeted palm oil volumes sold at an average ex-mill gate price of USD 961 per tonne
- Palm oil production over 2025 is expected to come in around 430 000 tonnes, barring exceptional weather conditions.
- With 84% of expected palm oil production sold and the prospect of continued favourable market prices, the result of the period – share of the Group – is projected to range between USD 115 million and USD 125 million for 2025.
- The Group remains on course to finish 2025 with a positive net financial position as it executes its investment programme of approximately USD 100 million.
- SIPEF enhances sustainability transparency with greenhouse gas (GHG) accounting and Science Based Target Initiative alignment.
- SIPEF Joins the Palm Oil Collaboration Group (POCG) and High Conservation Value Network (HCVN).

1. Group production

Group production								
2025 (in tonnes)	Own	Third parties	Q3/25	YoY%	Own	Third parties	YTD Q3/25	YoY%
Palm oil	99 074	18 490	117 565	28.13%	269 184	56 440	325 624	22.18%
Bananas	12 628	0	12 628	3.09%	38 606	0	38 606	3.30%
2024 (in tonnes)	Own	Third parties	Q3/24		Own	Third parties	YTD Q3/24	
Palm oil	78 485	13 270	91 756		222 201	44 301	266 502	
Bananas	12 250	0	12 250		37 372	0	37 372	

SIPEF delivered a strong third quarter, with fresh fruit bunches (FFB) increased by 19.9% compared to last year, lifting the year-to-date FFB to 14.8%. Crude palm oil (CPO) production increased by 28.1% in Q3 and is 22.2% higher year-to-date. The improvement reflects the maturing hectares in South Sumatra and a solid execution in Indonesia, as well as the recovery in Papua New Guinea after the volcano eruption in November 2023. All supported by higher mill throughput with an increased Group oil-extraction rate of 23.8% for the quarter (vs +22.6% last year).

By the end of September, the Group's Indonesian palm oil production increased by 20.3% compared to the previous year. And with the ongoing efficiency improvements at the Indonesian palm oil extraction mills, the Oil Extraction Rate (OER) increased from 22.4% last year to 23.2% by the end of Q3 2025, or an increase of 3.6% in OER compared to the same period last year.

North Sumatra delivered on a solid quarter. On mineral soils, third-quarter FFB increased 2.6% compared to last year, taking the year-to-date improvement to 3.6%. Early-season rains supported the crop, although a June dry spell delayed ripening and July until September stayed hot and dry until showers returned late in the quarter. Up to date the cumulative rainfall remained 8.5% below the 10-year average and 5.8% below 2024. On the organic soils, production increased 0.2% in Q3, but year-to-date was 0.1% lower, reflecting lingering water deficits from late 2023–2024 and impacted by the June–August dryness this year. Although the CPO production increased by 23.9 % year-to-date due to improved oil extraction rate and milling efficiencies as well as the contribution of the Citra Sawit Mandiri (CSM) crop to the Umbul Mas Wisesa group (UMW) mill (representing 20.6 % of the total UMW group FFB productions)

The Agro Muko plantations in Bengkulu are showing good progress with the conversion of the rubber to palm, which has been completed, and the palm replanting programme firmly on track. The FFB production increased in Q3 with 9.9% compared to last year and the year-to-date FFB productions with 13.4% compared to last year, which was helped by favourable early-year rains and stronger fruit set in key estates. The number of bunches was also up (+16% year-to-date) and showing a good average bunch weight in line with expectations.

South Sumatra recorded a marked increase in the third quarter, with the own FFB production increasing by 26.4% against last year and year-to-date +28.6%. Also, with the own CPO output well above the same period last year (+36.2% year-to-date). The improvement reflects a larger mature area, good fruit set and a higher average bunch weight, supported by favourable August rainfall that exceeded both last year and the 10-year norm, helping to ripen the crop towards the quarter-end. Year-to-date, the region is materially ahead of 2024, and the operational focus remains on water management and milling throughput to carry the momentum into Q4.

In Papua New Guinea, Hargy Oil Palms' recovery accelerated in Q3. Own-crop FFB rose 60.5% compared to the same period last year and smallholder production increased with 34.7%. The total FFB production increased with 18.7% against last year. At Navo plantations, the rebound from the 2023 volcanic eruption continued but a temporary male-flowering phase is still evident and may temper Q4 output, with further improvement expected early next year. Although Bakada plantation maintained its strong momentum with FFB up 21.1% year-to-date as well as the Hargy plantations improved, with year-to-date FFB 10.1% higher compared to last year. Although cumulative rainfall remained below the five-year average, its timing supported ripening, field access, and crop evacuation.

Own Crude palm oil (CPO) production at Hargy Oil Palms strengthened significantly in Q3 2025, up 73.8% year on year from the same quarter of 2024. Year to date, CPO output stood at 65 956 tonnes, representing a 26.7% increase compared with the same period last year. The palm oil extraction rate at Hargy averaged 24.8% in Q3, compared with 23.0% in the same quarter of 2024, translating into a 7.8% improvement. For the year to date, extraction rates reached 24.7%, up from 23.3% last year. The consistent recovery in production following last year's volcanic disruptions as well as the efficiency upgrades in the mills contributed to the improved oil yields. The total CPO production increased with 26.1% compared to last year.

Banana production in Côte d'Ivoire maintained strong momentum in the third quarter, increasing by 3.1% compared with last year, bringing year-to-date output to 3.3% above 2024 levels. Akoudié continued to lead growth, with production up 68% in the quarter and 67.8% year-to-date, reflecting completed planting and stable agronomic practices. Azaguié also delivered strong results, rising 25.8% in Q3 on the back of good yields and favourable local conditions.

Agboville and Motobé remained below last year quarter, down 26.6% and 43.3% respectively, following a period of drier weather and slower plant development. By end-June, rainfall was already 200 millimetres below average, widening to 300 millimetres by September compared with the ten-year average. The dry period required more irrigation, while unusually cool temperatures in July and August further slowed growth and reduced bunch weights. Conditions improved in September with warmer weather and some rainfall, supporting a rebound in vegetative growth and fruit weight. Production at Motobé was also temporarily affected by the decision to fallow roughly 40% of the area to enhance soil health and future yields. Despite these climatic and operational challenges, export volumes to the European Union (EU) and United Kingdom (UK) rose by 5.5% year on year by end-September, and fruit quality is good reflecting strong field and post-harvest management.

2. Markets

Average market prices

In USD/tonne		YTD Q3/25	YTD Q3/24	YTD Q4/24
Palm oil (CPO)	MDEX*	982	851	906
Palm oil (CPKO)	CIF Rotterdam**	1 874	1 233	1 381
Bananas	CFR Europe***	873	820	807

* Bursa Malaysia Derivative Exchange price data

** Oil World Price Data

*** CIRAD Price Data (in EUR)

Palm oil markets demonstrated strong resilience through the first nine months of 2025. In the early part of the year, sentiment was supported by Indonesia's phased rollout of the B40 biodiesel mandate from 1 January, which bolstered domestic consumption and provided a price floor amid global macroeconomic uncertainty. Some price pressure emerged later in the second quarter as the initial optimism moderated.

In the third quarter, palm oil stocks followed the typical seasonal pattern of accumulation after the production peak, while prices remained competitive relative to soybean oil. Market sentiment shifted decisively following the US announcement of higher biodiesel blending levels for 2026, which lifted the entire vegetable oil complex. Biodiesel demand growth has become a major driver of total consumption, with Brazil raising its blending rate and Indonesia confirming plans to advance from the B40 biodiesel blend to B50 in 2026.

Despite peak palm oil production, prices rallied sharply, with benchmark CPO futures on the Bursa Malaysia Derivatives (MDEX/BMD) climbing from around USD 950 per tonne to the USD 1 050 –1 100 per tonne range.

Alongside these supportive fundamentals, European policy developments remained an area of close attention. The industry continues to monitor the implementation timeline and compliance implications of the EU Deforestation Regulation (EUDR), which remains a source of uncertainty for procurement and supply chain planning heading into year-end.

Another factor shaping market sentiment has been the Indonesian government's recent acceleration of efforts to restructure and reallocate plantation areas found to be non-compliant with land regulations. Many of these areas have been placed under the management of PT Agrinas Nusantara, a state-owned institution.

Palm kernel oil (PKO) also remained firm in the third quarter, maintaining a clear discount to coconut oil (CNO) and sustained strong oleochemical demand. In September, CPKO CIF Rotterdam prices ranged between USD 1 950 –2 150 per tonne, compared with CNO at USD 2 500 –2 800 per tonne, providing a favourable spread for PKO in lauric blends. On the demand side, China's PKO imports remained robust throughout 2025, supported by healthy oleochemical activity, while supply conditions stayed relatively tight.

In the third quarter, the EU banana market was stable. Arrivals of Latin American (dollar-zone) fruit remained low and shipments from Africa increased. Caribbean supply eased in line with seasonal patterns but stayed above normal levels. Demand was quiet despite the planned promotions, and the ripening plant flows were uneven due to economic and political factors. Inventories edged up slightly yet remained contained and the conditions supported overall market stability.

2.1. Projected production

For the remainder of 2025, Indonesian production is expected to remain solid with North Sumatra to continue with steady performance in mineral soils offsetting slower recovery in organic soil areas. In Bengkulu, earlier dryness is still weighing on the production, but newly mature blocks are helping to stabilise output. South Sumatra is likely to progress as young maturing areas continue to contribute. Overall, field conditions point to a gradual improvement into late Q4 and a good outlook for 2026.

In Papua New Guinea, production remains ahead of expectations and continues to recover steadily. Both plantation and smallholder supplies are performing well, supported by good field conditions and efficient crop evacuation. Hargy and Barema are expected to maintain stable output throughout the remainder of the year, while Navo and Bakada may see a slight easing as fruiting patterns to normalise. The outlook for the final quarter will depend on how the wet season sets in. If rainfall arrives in a balanced way, not too heavy but sufficient and well distributed, it should continue to support ripening and harvesting, allowing the recovery trend to hold through year-end.

Annual CPO production is expected to come in around 430 000 tonnes, depending on how the wet season develops. Further improvements are anticipated in both oil extraction rates and palm kernel output over the final months of the year. Overall, 2025 is shaping up to be a strong agronomic year for the SIPEF group, reflecting solid field performance and consistent crop quality.

Banana flowering remains encouraging, with year-to-date flower counts about 3% higher than last year. However, the period's unfavourable weather has kept the average bunch weight below normal. As a result, SIPEF is on track to finish the year with volumes roughly in line with expectations and with promising prospects looking at market conditions and finalising its expansion.

2.2. Future evolution of markets

After a period of stock-building in the third quarter, the near-term outlook appears moderately supportive. Malaysia's inventories, which peaked in September, are expected to decline toward year-end as seasonal production slows and festive-season exports pick up — particularly to India, where August imports reached a 13-month high thanks to a price advantage.

Looking further ahead, attention is turning to the impact of higher biodiesel mandates in the US, Indonesia, and Brazil for 2026. These policies are expected to outpace global growth in vegetable oil production. Palm oil output is forecast to register only modest growth next year, with much depending on the performance of global oilseed crops.

In the US, farmers have been hit by the ongoing trade tensions with China and are closely watching the outcome of upcoming trade talks between the two governments.

Weather remains another key swing factor. Forecasters are maintaining a La Niña watch into the fourth quarter, which could alter rainfall patterns and yields. Historically, La Niña conditions have tended to benefit palm oil production, though they may negatively affect crops in Latin America. Given how climate patterns are shifting, this will require close monitoring.

Overall, after passing the peak production period, market fundamentals point to a solid price outlook. If underlying fundamentals continue to hold, the outlook is favourable. SIPEF expects a stable and resilient price environment going forward.

The global banana output so far was lagging in 2025 due to social disruptions in Panama and climate-related pressures across several origins. Demand remains resilient as bananas are affordable and a healthy choice with the demand for sustainable and Fairtrade segments continuing to expand. Consumers increasingly prefer

sustainably sourced fruit, challenging retailers to balance affordability with ethical sourcing. Importers are diversifying origins to manage phytosanitary risk from Fusarium wilt (TR4), a fungus which is spreading in South America as well as the logistics volatility. In Europe, consumption is expected to remain broadly stable, while prices are likely to be firm through Q4 and into year-end as supply stays tight.

2.3. Projected Results

In a continuously strong palm oil market with high price levels, SIPEF has so far been able to sell 84.0% of its budgeted palm oil volumes at an average ex-mill gate price of USD 961 per tonne, including premiums for sustainability and origin. At the same time last year, SIPEF had contracted 82.0% of volumes at an average ex-mill gate price of USD 854 per tonne equivalent.

To date, 100% of the budgeted volumes in Papua New Guinea have been sold at an average ex-mill gate price of USD 1 114 per tonne, while 76.0% of the Indonesian volumes have been sold at an average ex-mill gate price of USD 865 per tonne. In Indonesia, selling prices continue to reflect the combined export tax and levy determined monthly by the government, currently amounting to USD 223 per tonne. Given the uncertainty in determining the reference price for palm oil, which forms the basis for the imposed tax and levy, most available palm oil volumes in Indonesia are marketed on a monthly basis.

The principal cost components influencing the unit cost of palm oil – personnel, fertilisers, fuel and transport – remained largely stable during the first nine months of the year. The ongoing depreciation of local currencies against the USD has helped to neutralise inflation-driven wage adjustments across the Group, keeping the overall cost structure well contained. Although total costs have increased in line with higher output and the progressive maturation of planted areas, the effect of stronger productions, particularly in South Sumatra and Papua New Guinea, resulted in a 5.4% year-on-year decrease in the unit production cost. This downward trend is expected to persist for the remainder of the year, supported by continued solid production.

Plantations J. Eglin maintained stable profitability under the Group's long-standing strategy of securing annual fixed-price contracts with European buyers, which shields the banana segment from short-term volatility in international markets.

With palm oil prices continuing at elevated levels and higher output across all producing regions, SIPEF remains on course for a record financial year. The result of the period – share of the Group – is projected to range between USD 115 million and USD 125 million.

In addition to the possible price effects of the palm oil markets mentioned earlier, the final recurring result will also remain sensitive to a range of factors, including the realisation of forecasted production growth in Indonesia and Papua New Guinea, the stability of the Indonesian export policy framework, and the trajectory of production cost development in the final quarter of the year.

2.4. Cash flow and expansion

Throughout 2025, the Group continues to focus its investments on the further expansion of its operations in South Sumatra, where the development of 1 454 hectares of new oil palm plantations is progressing as planned. These developments include the related infrastructure needed to bring the newly planted areas to full maturity over the coming years. Simultaneously, infrastructure improvements are under way at Dendymarker, where the extensive replanting programme – covering more than 10 000 hectares – has now been completed.

In Musi Rawas, the total planted area reached 20 427 hectares by the end of September 2025, fully aligned with the Roundtable on Sustainable Palm Oil (RSPO) New Planting Procedures. Of this total, 18 152 hectares are directly managed by the Group, while 2 275 hectares are allocated to plasma smallholders. Combined with

Dendymarker, the South Sumatra operations now extend over 30 668 hectares, of which 25 068 hectares (81.7%) are classified as young mature. With this expansion, South Sumatra now represents around 29.0% of SIPEF's Indonesian palm oil production.

Replanting activities elsewhere continue according to schedule. In North Sumatra and Bengkulu, an additional 2 437 hectares have been converted from legacy rubber to palm oil cultivation. Routine replanting across all estates remains ongoing, with the UMW group continuing its initial replanting cycle. Further replanting is also being carried out in Papua New Guinea, North Sumatra, and Agro Muko outside the rubber conversion areas. These initiatives form part of SIPEF's long-term strategy to maintain a sustainable production base and secure future yields from its ageing plantations.

Capital expenditures further include the continuation of the Group's palm oil mill modernisation programme. Major projects for the year comprise the installation of methane capture systems at the Dendymarker Indah Lestari and Agro Muara Rupit mills, preparatory works for the Navo mill, and ongoing upgrades to processing facilities at Hargy Oil Palms Ltd in Papua New Guinea. Additional investments in new washing stations are planned at the North Sumatra and Bengkulu mills, underscoring SIPEF's continued commitment to high product quality standards.

The total investments for 2025 are expected to amount to approximately USD 100 million. Together with the already paid out dividend in 2025, the total investments are projected to be fully financed through the Group's operating cash flows. Consequently, SIPEF anticipates maintaining a positive net financial position by year-end, reflecting both the robustness of its balance sheet and the Group's continued financial discipline.

3. Sustainability

3.1. SIPEF enhances sustainability transparency with greenhouse gas (GHG) accounting and Science Based Target Initiative alignment

As part of its ongoing commitment to continuous improvement, SIPEF has aligned its greenhouse gas (GHG) accounting and target setting methodology to the GHG protocol, the highest industry standard for measuring and reporting GHG-emissions. This underscores SIPEF's ongoing commitment to maintain compliance with regulatory requirements under the European Corporate Sustainability Reporting Directive (CSRD). The 2030 GHG reduction targets are now divided into a 42% reduction in Energy and Industry Emissions (E&I) and a 30.3% reduction in Forest, Land and Agriculture (FLAG) emissions.

Achieving SIPEF's emission reduction targets will require continued investments in circular technologies, regenerative agriculture, and nature-based solutions. SIPEF's current trajectory places the Group among the leaders in its industry.

3.2. SIPEF Joins the Palm Oil Collaboration Group (POCG) and High Conservation Value Network (HCVN)

In Q3 2025, SIPEF strengthened its commitment to sustainable palm oil production by joining the Palm Oil Collaboration Group (POCG) and the High Conservation Value Network (HCVN). Through these memberships, SIPEF contributes to multi-stakeholder initiatives that promote responsible production, knowledge-sharing, and innovation across the sector. HCV Network is a global network that promotes the High Conservation Value (HCV) Approach, a methodology to identify and protect nature and local livelihoods in development sites.

The Palm Oil Collaboration Group (POCG) brings together companies from every stage of the palm oil supply chain to accelerate effective implementation of No Deforestation, No Peat Expansion, No Exploitation (NDPE) commitments. SIPEF is actively collaborating with these organisations to continue to innovate and improve

our work on conservation and landscape community development and conservation projects in both Papua New Guinea and Indonesia.

Translation: this press release is available in Dutch and English. The Dutch version is the original; the other language version is a free translation. We have made every reasonable effort to avoid any discrepancies between the different language versions. However, should such discrepancies exist, the Dutch version will take precedence.

Schoten, 16 October 2025

For more information, please contact:

* P. Meekers, managing director (Mobile +32 471 11 27 62)

* B. Cambré, chief financial officer

Tel.: +32 3 641 97 00

investors@sipef.com

www.sipef.com (section "investors")

SIPEF is a Belgian agro-industry group listed on Euronext Brussels and specialised in the – as sustainable certified - production of tropical agricultural commodities, primarily crude palm oil and palm products. These labour-intensive activities are consolidated in Indonesia, Papua New Guinea and Côte d'Ivoire and are characterised by broad stakeholder involvement, which sustainably supports the long-term investments.