SIPEF

Analyst presentation

August 13, 2026

Summary

SIPEF AT A GLANCE

Belgium
Headquarters
1919

USD 570 million
Total sales in FY2025

More than
24.000
employees

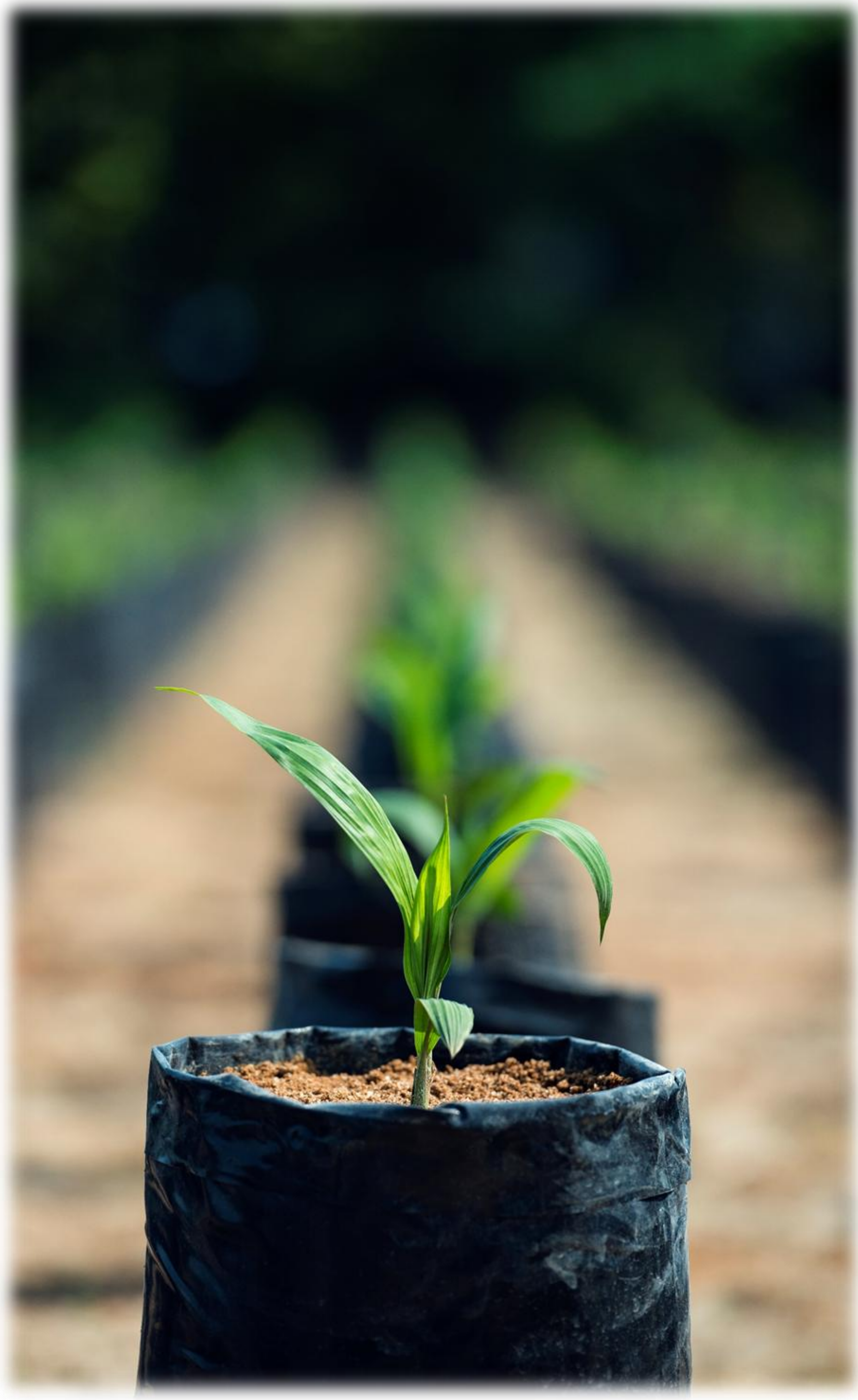
More than
52.000 T
of bananas

More than
440 000 T
of CPO

Listed on the
EURONEXT
stock exchange

100%
RSPO COMPLIANT

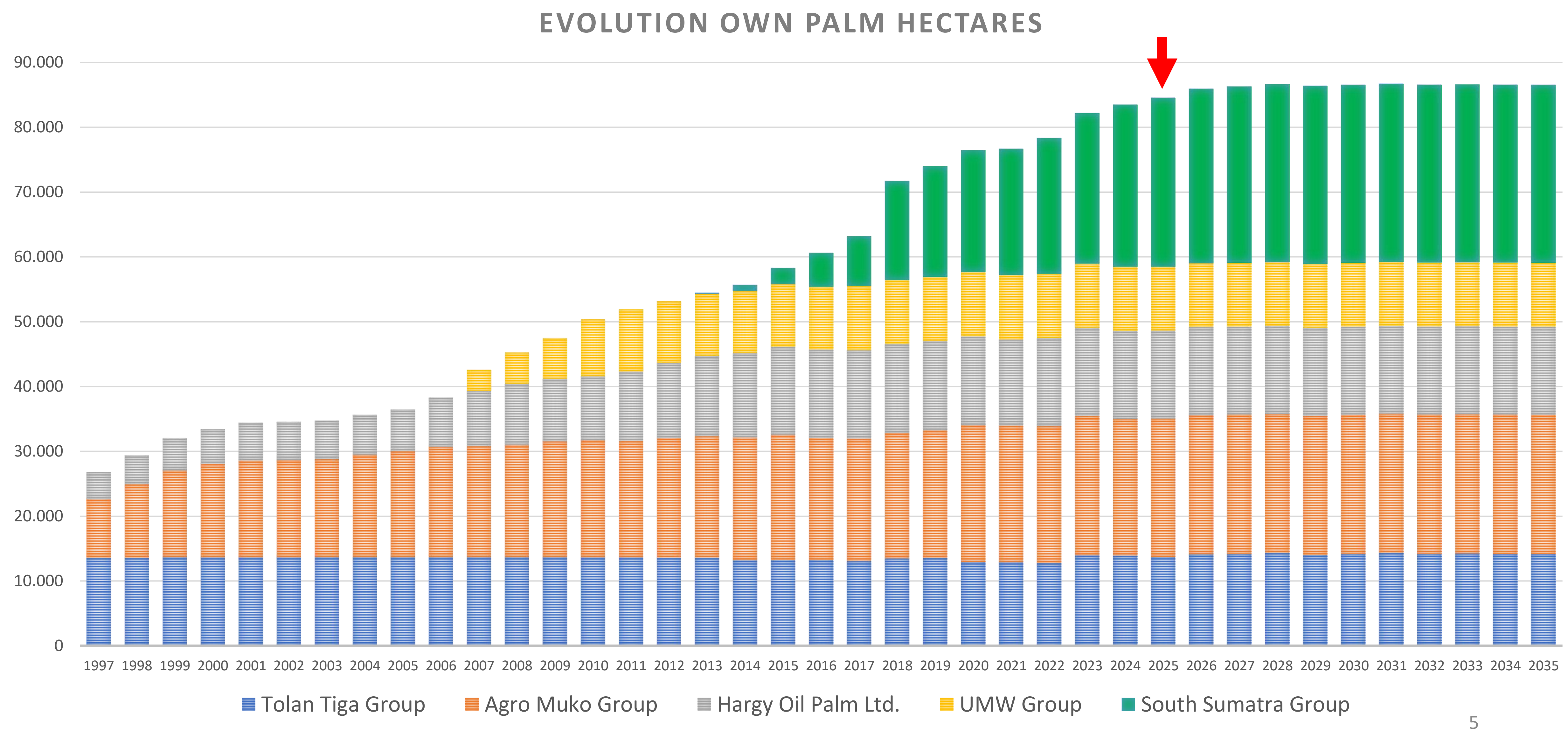
9.8 years
Young average age profile



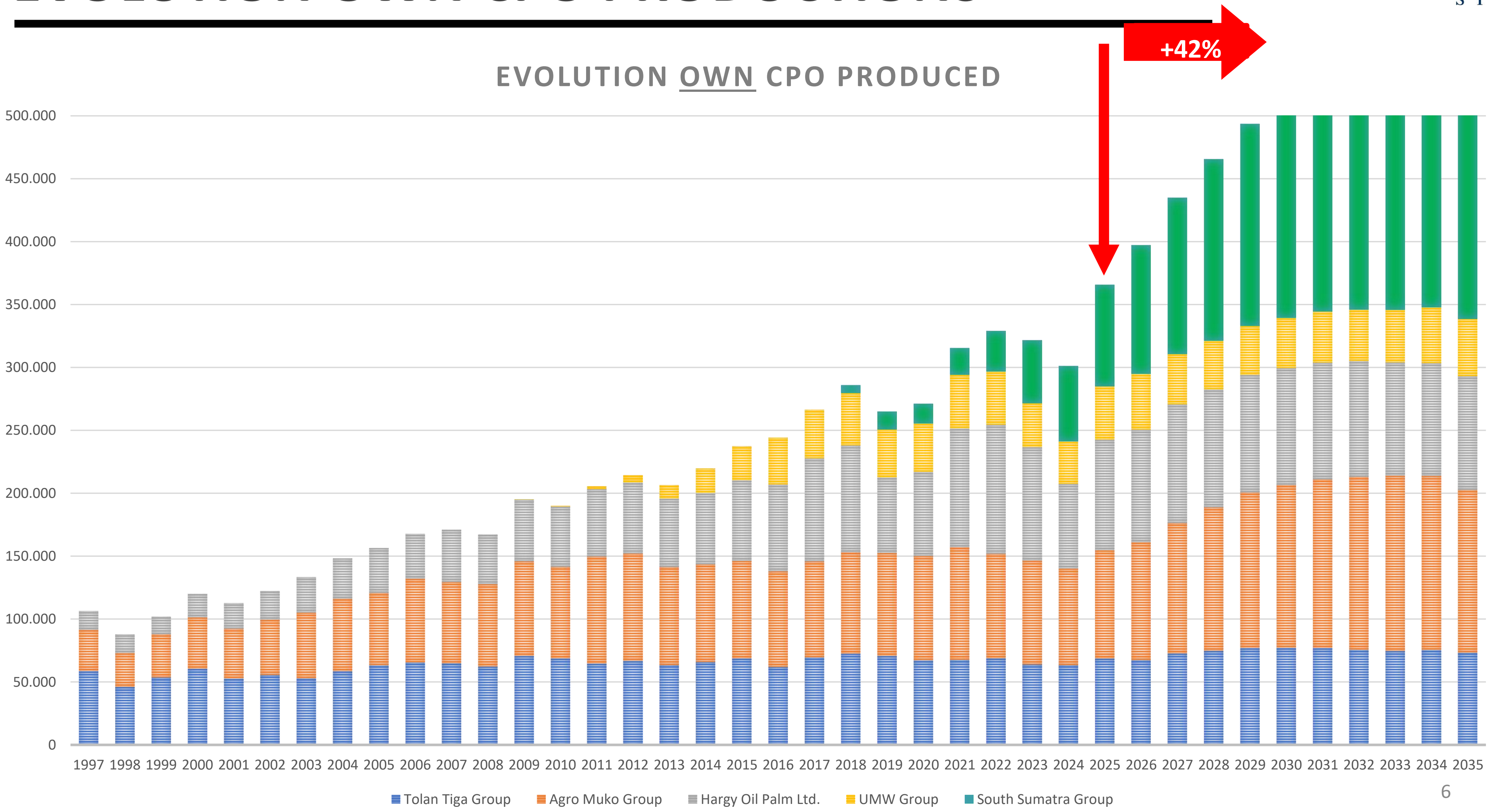
PLANTED HECTARES PER 31 DECEMBER 2025

2025	Indonesia	PNG	Côte d’Ivoire	Hectares 100%
Palm	71.026	13.550	0	84.576
Bananas	0	0	1.238	1.238
Total planted	**71.026**	**13.550**	**1.238**	**85.814**

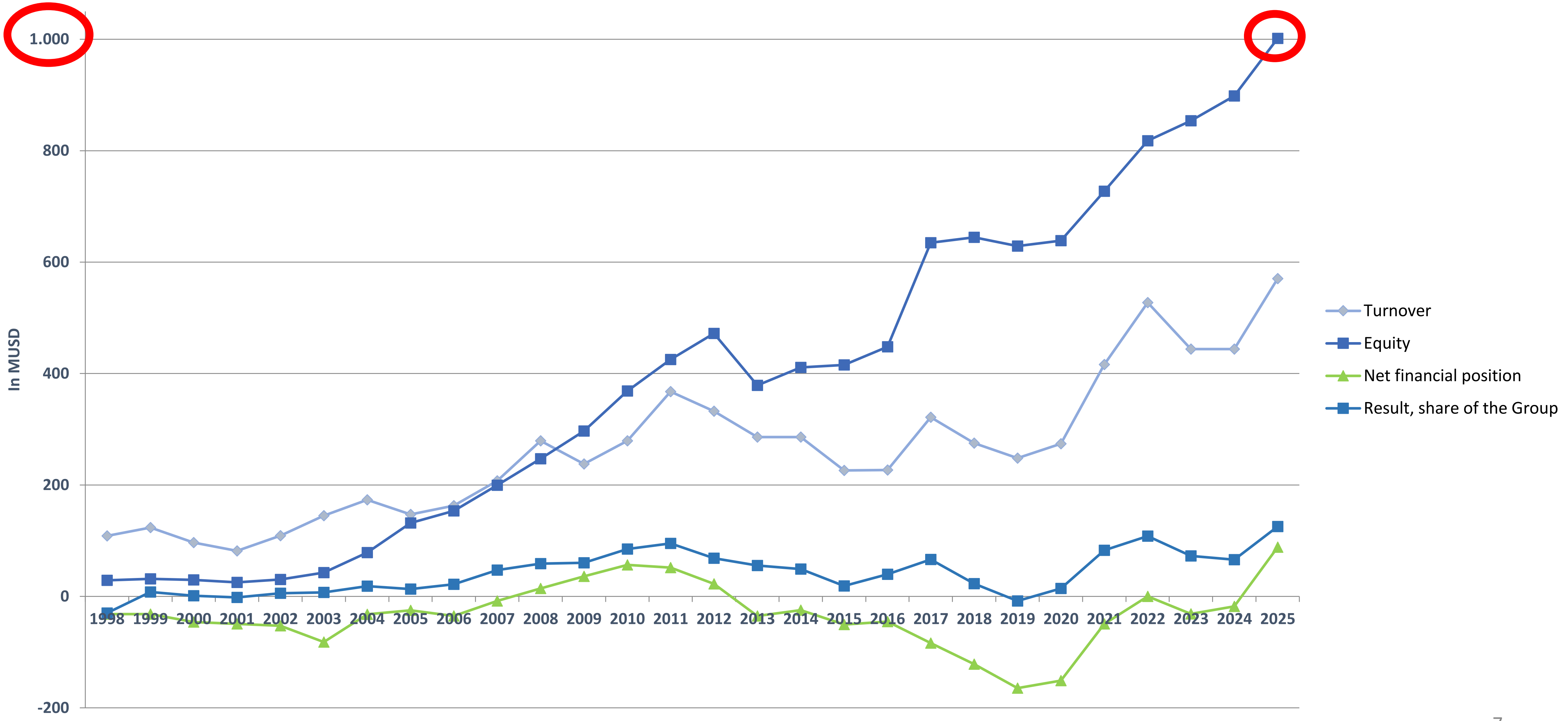
EVOLUTION PLANTED HECTARES PALM



EVOLUTION OWN CPO PRODUCTIONS



EVOLUTION TURNOVER - EQUITY – NFP - RESULT



Summary

Strong El Niño; effects will extend into 2027

WMO expects a strong event in H2 2026; local rainfall remains the key operational variable.

What El Niño is

• Persistent warming of the central and eastern equatorial Pacific.

• It shifts atmospheric circulation and rainfall; it is not a uniform global drought.

• Event strength does not mechanically determine the impact at each country.

Timing of the risk

H2 2026

Weather signal

El Niño strengthens. Indonesia’s dry season and a positive IOD raise downside rainfall risk.

Late 2026 / Q1 2027

Stress accumulates

Soil moisture and estate-level rainfall determine biological impact; forward prices may react.

2027

Output response

Lagged effects move into FFB and CPO volumes; this is the principal production-risk window.

Forecast confidence is high; the location, duration and severity of plantation-level rainfall deficits are not.

El Niño creates risks across the oil complex

Palm and soybean exposure is significant, but South American rainfall effects can pull in opposite directions on soybean.

Oil	Direct exposure	Likely 2026–27 effect	Market read-through
Palm	**High downside**	South-East Asian rainfall deficits can reduce FFB yields with a lag.	Delayed biological response and limited short-term supply flexibility can tighten CPO.
Soybean	**High / two-sided**	US: broadly neutral, although late-season heat or dryness remains a regional risk. Central/northern Brazil faces downside risk, while Argentina and southern Brazil may benefit from additional rainfall.	A major swing factor: losses can compound palm tightness; gains can offset it.
Rapeseed / canola	Regional	Australia and India carry downside risk; Europe and Canada are less consistently linked.	Local crop losses could reinforce tightening; acreage response can moderate it.
Sunflower	Lower / indirect	ENSO linkage is weaker; Black Sea weather and trade remain more important.	Main channel is substitution rather than a consistent direct yield shock.

Scarce palm & soy → switching demand → higher prices across the whole vegetable oil complex

Palm production responds with a lag

Drought affects both current bunch development and the pipeline of future bunches.

1
Dryness / heat
Rainfall deficit and higher evaporative demand during 2026.

2
Water stress
Soil moisture falls; fruit set, bunch filling and plant development are affected.

3
FFB impact
Bunch weight may weaken sooner; bunch-number effects emerge later.

4
CPO impact
The full production effect is most likely to become visible during 2027.

Two biological channels

Nearer term

Lower bunch weight, fruit set and extraction-rate volatility.

Longer term

Inflorescence sex ratio, abortion and bunch number affect future harvests.

6–24 months

Indicative lag from stress to material palm and oilseed supply consequences.

Impact on plantation depends on rainfall timing, soil water storage, palm age, nutrition and field management.

Lower volume can coincide with higher prices

The earnings read-through is therefore not one-sided.

Volume headwind

• 2026 rainfall deficits can reduce 2027 FFB and CPO production.

• Impact depends on where and when dry conditions occur - not only on the El Niño index.

• Estate conditions and mitigation may dampen or defer the effect.

Price tailwind

• Vegetable oil supply risk tightens the global vegetable-oil balance.

• Food and biodiesel users switch towards soy, rapeseed and sunflower oil, lifting the complex.

• Prices can adjust before the physical shortage becomes visible.

SIPEF framing

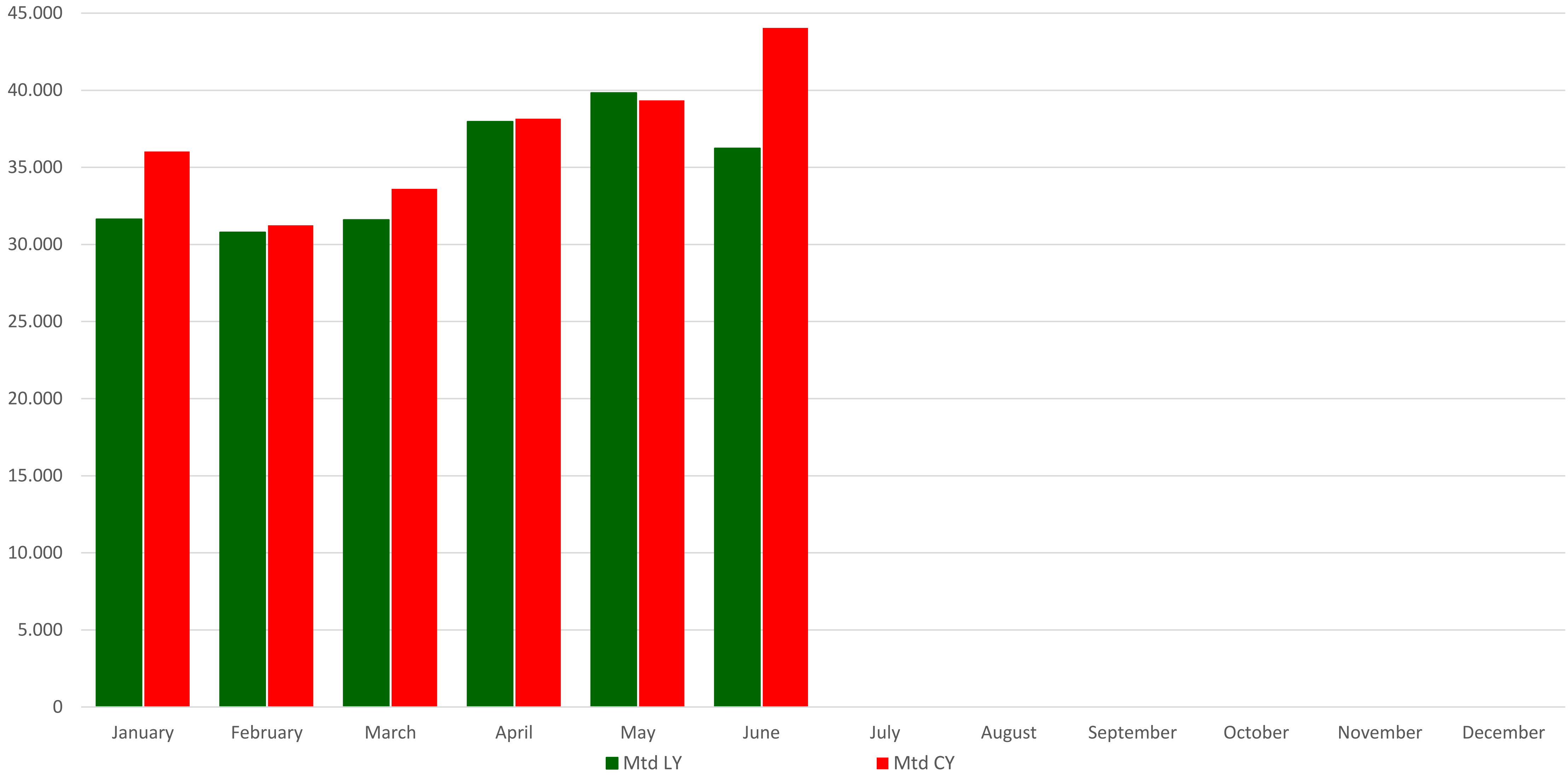
Production impact is expected mainly in 2027; price support may arrive earlier. Net earnings depend on price uplift versus volume loss.

Summary

GROUP PRODUCTIONS – CRUDE PALM OIL

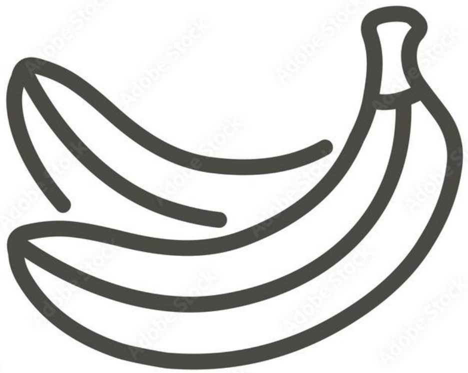
Palm Oil	Jun-26	Jun-25	Variance
Own			
Tolan Tiga Group	29 615	30 509	-2,9%
Umbul Mas Wisesa Group	18 456	19 843	-7,0%
Agro Muko Group	42 825	42 655	0,4%
South Sumatra Group	44 750	33 687	32,8%
Hargy Oil Palms	47 726	43 415	9,9%
Total own	**183 373**	**170 110**	**7,8%**
Outgrowers			
Tolan Tiga Group	1 034	844	22,6%
Umbul Mas Wisesa Group	92	89	3,9%
Agro Muko Group	1 430	1 776	-19,4%
South Sumatra Group	8 997	5 460	64,8%
Hargy Oil Palms	27 504	29 782	-7,6%
Total outgrowers	**39 058**	**37 950**	**2,9%**
Total Palm Oil	**222 431**	**208 060**	**6,9%**
Indonesia	*147 201*	*134 862*	*9,1%*
PNG	*75 230*	*73 198*	*2,8%*

MONTHLY GROUP PRODUCTIONS – CPO 2026



GROUP PRODUCTIONS – BANANAS

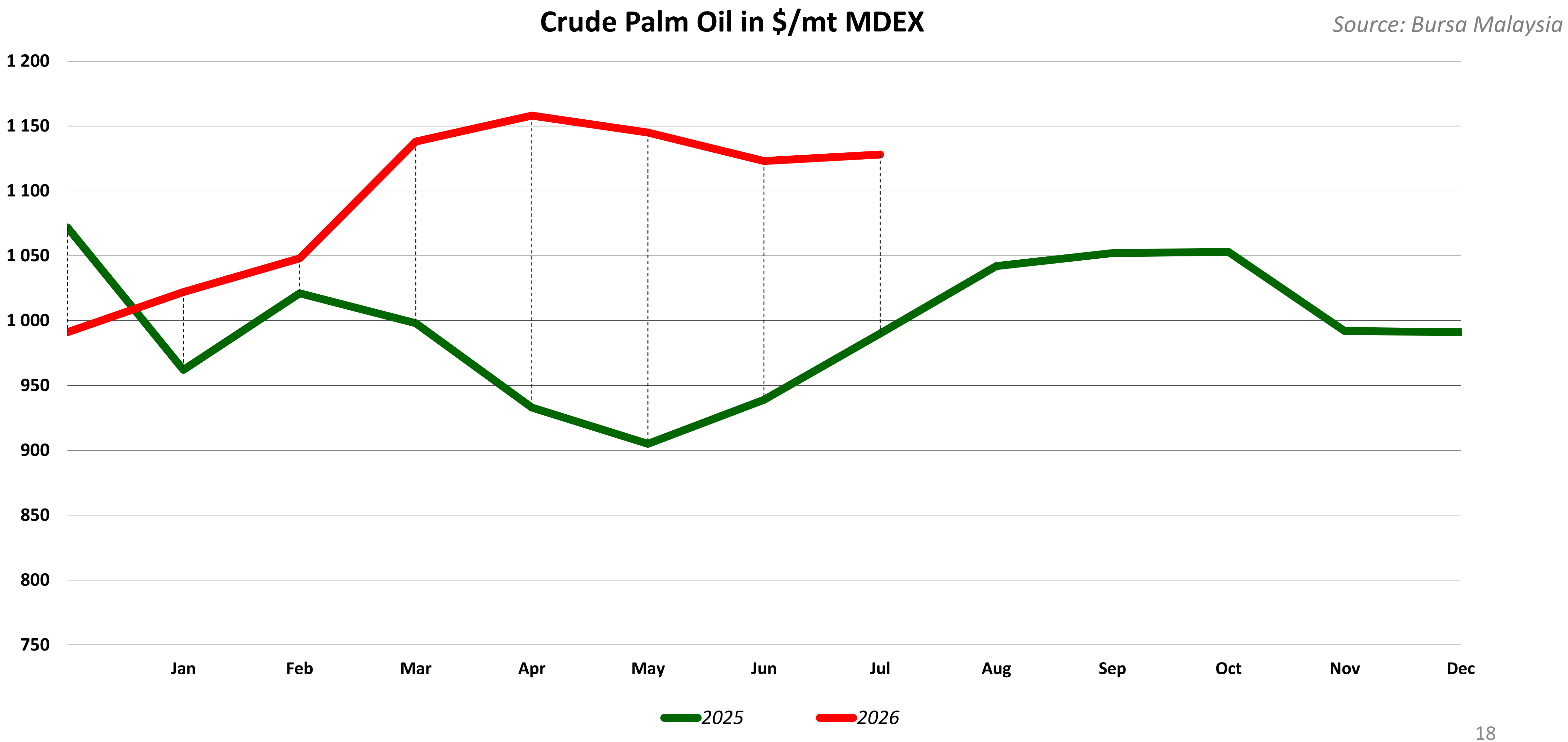
Bananas	Jun-26	Jun-25	Variance
Azaguie	6 433	5 935	8,40%
Agboville	4 941	3 538	39,64%
Motobé	2 984	3 040	-1,85%
Lumen	7 866	8 639	-8,95%
Akoudié	6 205	4 825	28,60%
Total Bananas	**28 429**	**25 977**	**9,44%**



BULL AND BEAR

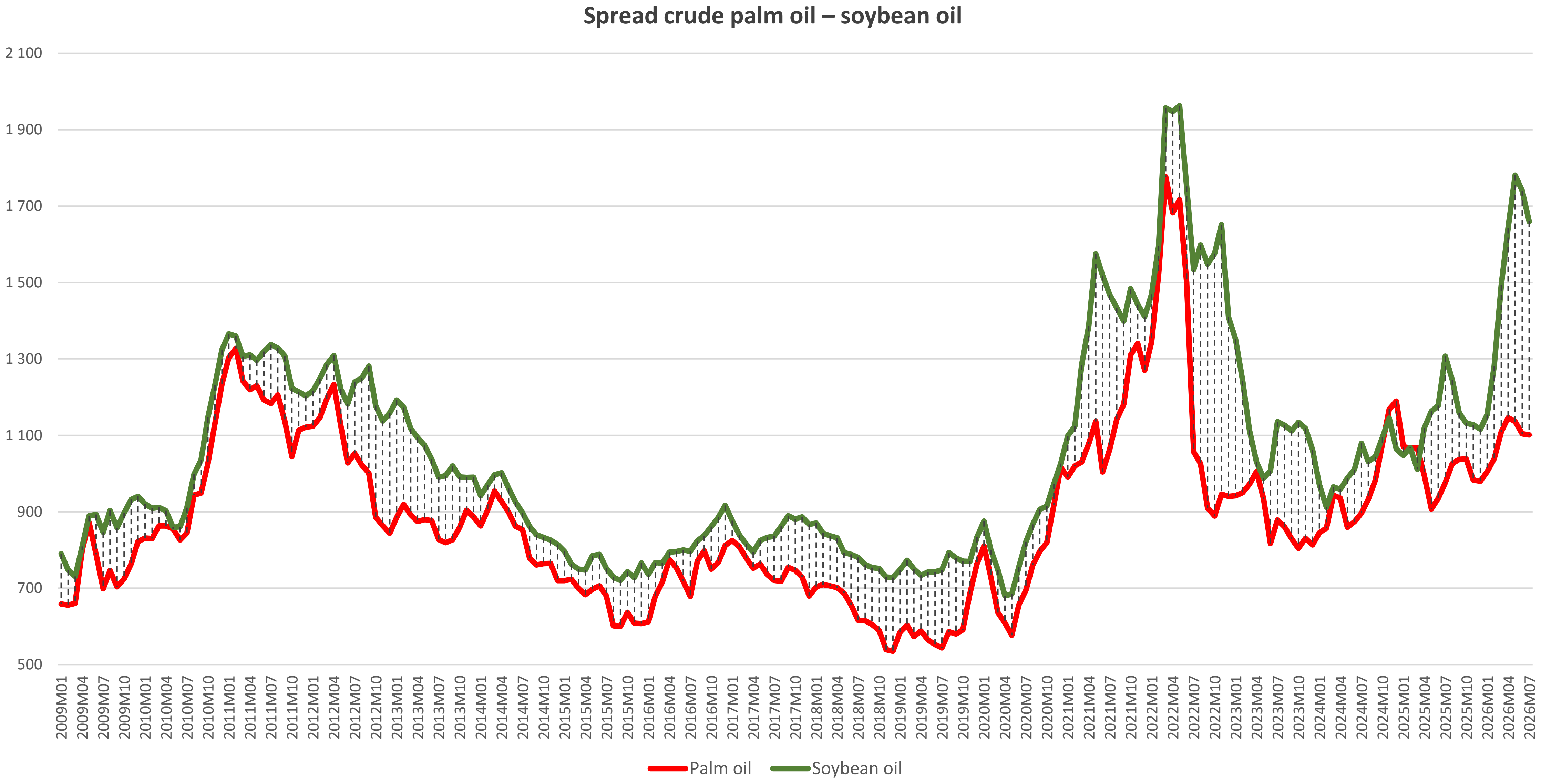
MDEX	Rating	Bullish inputs	Bearish inputs
Palm Oil **Aug 1.115** **Sept 1.140** **Oct 1.150** **Nov 1.160** **Dec 1.170** **JFM 1.180**	Friendly Long Term	- War in Iran and Ukraine/Russia: petro and particularly gasoil rally supports biodiesel. - Increased biodiesel mandates, Indo B50, Brasil B17, Malaysia B15/20 and others… - US bean oil bullish with biodiesel mandate ratified for 2026 and 2027. Imports required. - Rapeseed oil supported by German biodiesel and lack of imports. - Despite good sun and rape see crops in Russia and Ukraine, exports are limited due to vessels bombing. - **Strong El Nino later in 2026… "Godzilla!"** - Heat wave in EU; crop damage. - 2027 production outlook; could see decrease. - Expect building strategic reserves. - Land seizures, government intervention on exports, delayed replanting, increased potential biodiesel, potential rationing fertilizer usage due to cost and Godzilla El Nino could create a blockbuster story.	- Indonesian new export regulation, unclarity creates uncertainty…will last till early 2027. - Local market has recovered but remains a discount due to relative poor export demand. - As current situation on export is AS-IS, not so much panic to export all out. - Production is better than expected. - No real signs of drought yet, no haze alarms. - Consumers in wait and see mode in swing countries like India, Pakistan for palm, but have covered already in bean oil. - EU consumers poorly covered and unclear about 2027 policies. - South American bean oil is currently the anchor. - Price rationalization in food demand. - Malaysian stocks relatively high, Indo moderate.

CPO PRICES 2025 – 2026



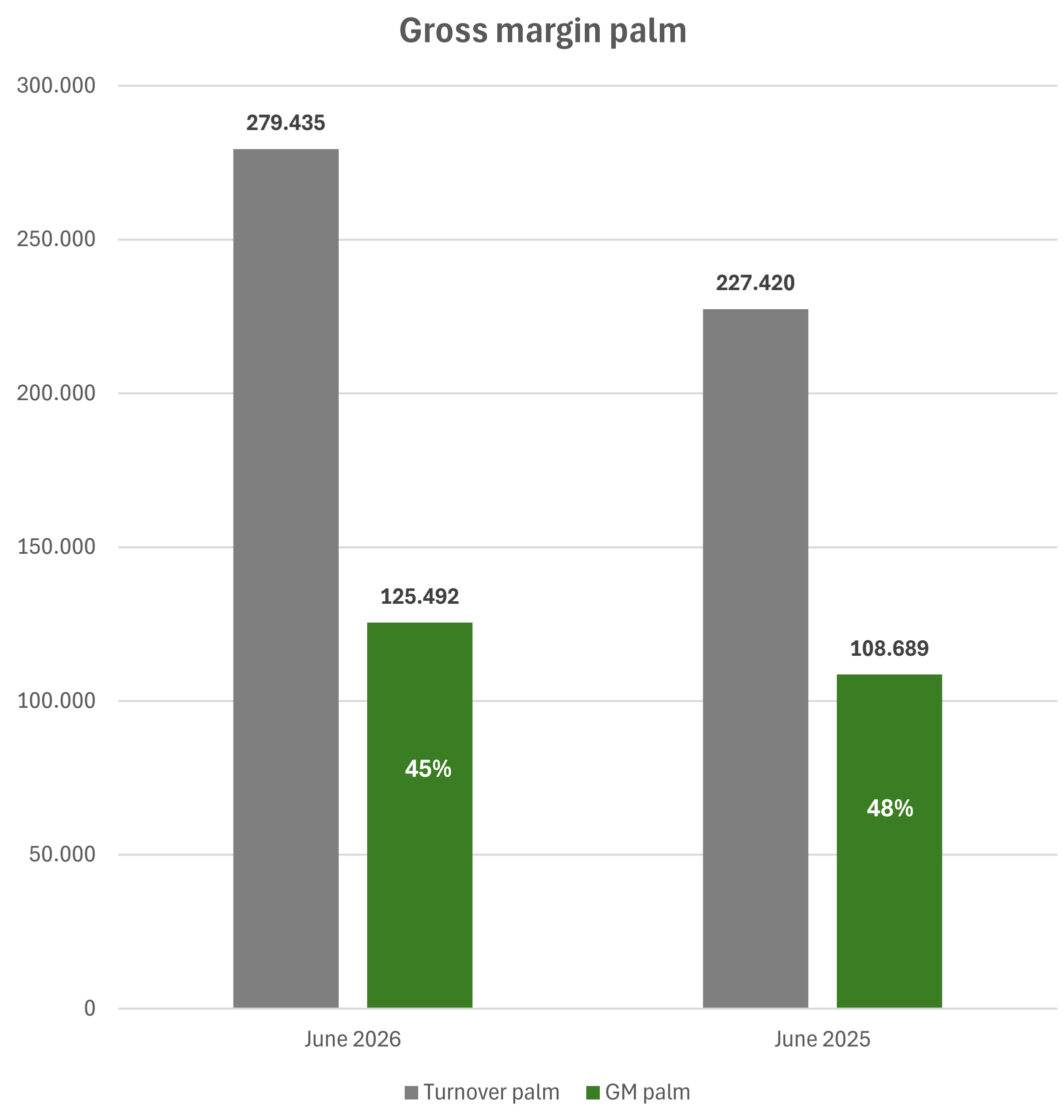
SPREAD CPO – SOYBEAN OIL

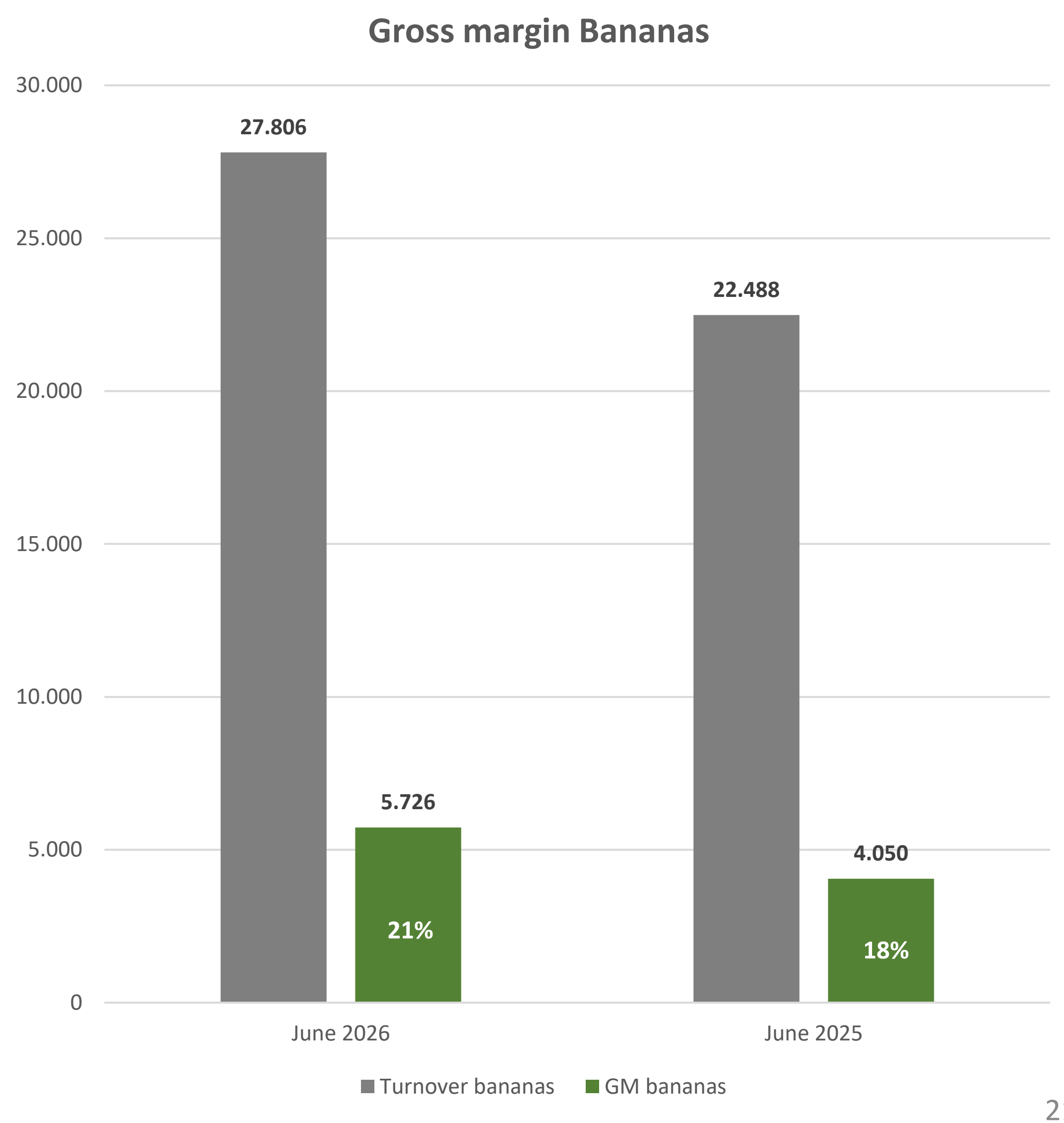
Source: Worldbank



Summary

JUNE 2026 GROSS MARGIN IN KUSD





PROFIT AND LOSS STATEMENT – JUNE 2026 (1/2)

KUSD		June '26	June '25	Difference
Gross margin	Palm	125.492	108.689	16.803
	Bananas	5.726	4.050	1.676
G&A including corporate		-30.655	-26.411	-4.244
Other operating		-1.535	-1.687	152
Operating result		**99.028**	**84.641**	**14.387**

PROFIT AND LOSS STATEMENT – JUNE 2026 (2/2)

KUSD	June '26	June '25	Difference
Operating result	**99.028**	**84.641**	**14.387**
Finance income/charges	1.453	-407	1.860
Exchange	-5.002	4.587	-9.589
Financial result	**-3.549**	**4.180**	**-7.729**
Profit before tax	**95.479**	**88.821**	**6.658**
Tax	-27.182	-27.063	-119
Profit after tax	**68.297**	**61.757**	**6.540**
Associated companies	-1.253	-983	-270
Profit for the period (recurring)	**67.044**	**60.775**	**6.270**
Fair value adjustment PT Melania	-4.121	0	-4.121
Profit for the period (non-recurring)	**62.923**	**60.775**	**2.148**
Group share	60.150	57.718	2.431
Minority interests	2.773	3.056	-283

BALANCE SHEET – JUNE 2026

In KUSD (management presentation)	30/06/2026	31/12/2025
Biological assets (depreciated costs) - bearer plants	332 278	334 813
Goodwill	104 782	104 782
Other fixed assets	476 491	475 732
Receivables > 1 year	37 359	40 234
Assets held for sale	986	5 108
Net current assets, net of cash	43 025	56 446
Net cash position	124 489	88 362
Total net assets	**1 119 410**	**1 105 478**
Shareholders' equity, group share	1 011 549	1 001 584
Non controlling interest	44 384	41 610
Provisions and deferred tax liabilities	63 477	62 284
Total net liabilities	**1 119 410**	**1 105 478**

CASH FLOW– JUNE 2026

In KUSD (management presentation)	30/06/2026	30/06/2025
Cash flow from operating activities before change in net working capital	126 322	108 928
Change in net working capital	- 37 347	- 21 252
Income taxes paid	- 25 556	- 12 867
Cash flow from operating activities after tax	**63 419**	**74 810**
Acquisitions intangible and tangible assets	- 30 983	- 35 011
Financing plasma advances	- 3 565	- 3 688
Repayment plasma advances	4 145	3 713
Selling price of PP&E and financial assets (PT Melania)	- 700	- 1 332
Free cash flow	**32 316**	**38 491**
Other financing activities	667	- 10 435
Net movement in investments, cash and cash equivalents	**32 983**	**28 056**

VALUE PER HECTARE

Sensitivity 30/06/2026	
Stock price @	USD per hectare
60,00	7.269
70,00	8.762
80,00	10.255
90,00	11.748
100,00	13.241
110,00	14.734

BOOKVALUE PER HECTARE = 10 831 USD/Ha

Summary

FINALIZING ONGOING EXPANSIONS

INNOVATION THROUGH DEVELOPMENT OF HIGH-YIELDING F1 HYBRID SEEDS

TARGETING PREMIUM MARKETS WITH HIGH-QUALITY LOW-CONTAMINANT PALM OIL

ONGOING SUSTAINABILITY COMMITMENTS

COMMUNITY ENGAGEMENT

NEW PROJECTS

Strategic projects

Early Adoptors

❖ Introducing or trialing new technologies; improving production quality

- Chloride reduction: Installation of washing plants in all remaining Indonesian mills in 2026.
- Carbon reductions: Installation of biogas CNG and methane capturing installations in 4 mills in Indonesia & PNG.

Innovation

❖ Developing new seeds, products or methodologies: R&D boosting the resilience of future crops

- Development of the F1 hybrids
- Set to commercialize by 2029
- First testing results are promising

Strategic projects

1
Agronomic & operational innovation

Deeper understanding of the drivers of plantation performance through better use of operational data.

Benchmark production against rainfall, sunshine, climate conditions and fertiliser application.

Separate external factors from underlying agronomic performance; identify further yield improvement.

VBS / Verdant work addresses one element of this broader question.

2
Mechanisation, robotics & technologies

Apply new technologies within plantation operations.

Linked board discussion: robotics and drones (A. Delen), precision application of inputs and granular field-level fertiliser data (N. Thompson), sensors and AI-based grading (Management), engagement with major agri-machinery providers (G. Stellari).

3
Product differentiation & premium value

Identify opportunities to differentiate SIPEF's products and generate additional premiums.

Continue exploring downstream value creation, gradually and with limited initial risk.

Consistent with the Chairman's tolling-first approach: use existing capacity before committing capital.

Summary

PROSPECTS – 13/08/2026

❖ Production

- Steady production outlook for the remainder of the year but weather remains important
- Group palm oil productions expected to be around **470.000 tonnes**
  - Indonesia expected to be in line with projections
  - PNG expected to remain above target
- Group banana productions expected be around 55.000 tonnes.

❖ Markets

- Ongoing conflict Middle East continues to influence day-to-day movements
- Underlying market fundamentals remains supportive for veg oils
- Emergence El Niño likely and impact expected in Q4 and extending into 2027
- 2026/2027 El Niño could rank amongst more severe episodes in last decades
- Early signs of dry conditions already visible across parts of Asia
- Continued growth in biodiesel offtake and food conception expected
- High-price environment expected to continue going forward
- Banana demand expected to recover as European holiday season comes to an end → market conditions expect to improve during second half of the year

PROSPECTS – 13/08/2026

❖ Results

- 70% of the projected palm oil volume sold at USD 1 007 per tonne EMG
  - PNG 93% at 1 200 USD/tonne EMG
  - Indonesia 60% at 875 USD/tonne EMG
- Sales prices continue to be impacted by local export levy/taxes in Indonesia.
- Banana productions continue with fixed-price contracts in 2026 → no impact from market fluctuations
- Unit production cost remain well under control but impacted by increase of key input costs (fuel/fertilizer)
- Local (wage) inflation offset by devaluation local currencies (PGK/IDR) against USD.
- **SIPEF on track for a new record year**! But impact of El Niño still hard to predict…

❖ Cash flow and expansion

- Completion of development final 706 Ha in South Sumatra
- Conversion rubber estates to oil palm in NS and Bengkulu is nearing completion
- Replanting programmes ongoing with 12 547 Ha classified as immature within the Group
- Strategic investments in value creation to exceed 18.8 million USD with investments in CPO washing plants, biogas plants and other sustainability and quality related projects
- Design new PK crushing plant in Bengkulu progressing
- CAPEX expected to be between 100 – 120 MUSD fully financed from operating cashflow
- **Net financial position expected to improve compared to December 2025**

CERTIFIED SUSTAINABLE™ PALM OIL
RSPO

SIPEF