Financial press release Paris, February 16, 2021

THIRD QUARTER 2020/2021 RESULTS

(as of December 31, 2020)

- **Q3 20/21 revenues up 2%, to €1,152 million, slightly negative trend of -1% over the first nine months of the financial year at current exchange rates**
- **Adjusted EBITDA up 11%, to €135 million in Q3 20/21 at current exchange rates, and to €373 million in the first nine months of the financial year**
- **The Group's cumulative recurring operating income (EBIT) of €98 million rose sharply compared to last year (-€82 million excluding non-recurring items) but remains at an insufficient level at 3.1% of revenues**
- **Debt leverage remains high at 4.8x despite the net debt decrease of €245 million over 12 months to €2,668 million at December 31, 2020, driven by the sugar business in Brazil**
- **Record-breaking crop in Brazil with 20.9 million tons of sugarcane crushed under good operational performance conditions**
- **Sugar beet crop in Europe heavily impacted by bio-aggressors, with yields by Tereos cooperative members 26% below the historical average**
- **Election of Gérard Clay as Chairman of the Supervisory Board at the December 18 General Meeting followed by the appointment of Philippe de Raynal as Chairman of the Management Board**
- **Launch of industrial and commercial audits to establish medium-term strategic and operational priorities, with results presented by this summer.**

Philippe de Raynal, Chairman of the Management Board of Tereos, said:
"The growing third quarter results reflect improving fundamentals in the sugar and alcohol markets, while starch business margins are still undergoing serious pressure. The new management team is focused on its three main business pillars with the aim of improving operational profitability and reducing debt. Our roadmap will thus be determined by the summer, based on assessment audits which are ongoing."

Gérard Clay, Chairman of the Supervisory Board of Tereos, underlined:
"Tereos is a Group with many strengths. Our priority is to restore the conditions that will enable us to develop the best value for our cooperative members' productions whilst raising the levels of confidence and transparency with our stakeholders. This requires higher profitability from our activities and the overhaul of our governance to fully express our cooperative status. The combination of improved competitiveness from our industrial and commercial activities and debt reduction will ensure the sustainability of our cooperative model and therefore of the future income of cooperative members."

1. GROUP FINANCIAL RESULTS

TEREOS Group € m	19/20 Q3	20/21 Q3	var (current forex)	var (constant forex)	19/20 YTD	20/21 YTD	var (current forex)	var (constant forex)
Revenues	**1,128**	**1,152**	2%	8%	**3,237**	**3,202**	-1%	4%
Adj. EBITDA	**122**	**135**	11%	34%	**233**	**373**	60%	85%
Adj. EBITDA margin	*10.8%*	*11.8%*			*7.2%*	*11.6%*		
Recurring Operating Income*	**31**	**31**	-1%	40%	**-82**	**98**	-	-
EBIT margin*	*2.7%*	*2.7%*			-	*3.1%*		

(*) EBIT adjusted for non-recurring items (€155 million in 19/20 and -€1 million in 20/21)

Volumes sold	19/20 Q3	20/21 Q3	var	19/20 YTD	20/21 YTD	var
Sugar & Sweeteners (k.tco)	**1,601**	**1,640**	2%	**4,764**	**4,790**	1%
Alcohol & Ethanol (k.m3)	**454**	**543**	20%	**1,121**	**1,191**	6%
Starch & Protein (k.tco)	**224**	**244**	9%	**831**	**824**	-1%
Energy (GWh)	**287**	**428**	49%	**1,052**	**1,494**	42%

The Group's consolidated **revenues** totaled €1,152 million in Q3 20/21, compared to €1,128 million in Q3 19/20, up 2% at current exchange rates (€3,202 million for the first nine months of 20/21, up 4% at constant exchange rates and down 1% at current exchange rates compared to €3,237 million at the end of December 19/20).
The Group's cumulative revenues for the first nine months of the financial year were driven by higher sales prices for sugar and alcohol/ethanol in local currency.

The Group's consolidated **adjusted EBITDA**[1] was €135 million in Q3 20/21, compared to €122 million in Q3 19/20, an increase of 11% at current exchange rates (€373 million for the first nine months of 20/21, up 85% at constant exchange rates and 60% at current exchange rates compared to €233 million at the end of December 19/20).
This increase in adjusted EBITDA for the first nine months of the financial year is led by the Sugar and Renewables Europe and Sugar and Renewables International divisions, which are benefiting from higher sugar and alcohol prices in Europe, while the Starch, Sweeteners and Renewables division has shown resilience in a European market whose margins have deteriorated.

The Group's consolidated **operating income** (EBIT) excluding non-recurring items totaled €98 million in the first nine months of 20/21 compared to -€82 million last year, driven by improved EBITDA and lower depreciations related to a weaker Brazilian real versus the euro.

[1] *See the definition of adjusted EBITDA in the Appendix.*

2. RESULTS BY DIVISION

SUGAR AND RENEWABLES EUROPE

In **France**, the sugar beet surface areas planted by Tereos' cooperative members increased by 3.5% in 2020 compared to the previous crop. However, the combined impacts of severe beet yellows virus and adverse weather conditions have significantly affected sugar beet yields in some regions. Tereos cooperative members lost yields of 26% on average compared to the average for the last five years. This loss remains marked by strong regional disparities. Despite a crop schedule that has had to adapt to this farming reality, plants have operated with an increasing level of performance compared to the previous crop.
In **Czech Republic,** attacks from bio-aggressors affected the yields.
In **Romania**, the higher level of surface areas harvested has offset disappointing sugar yields.

Revenues from the Sugar and Renewables Europe division totaled €441 million in Q3 20/21, compared to €447 million in Q3 19/20, down 1% at current exchange rates (€1,269 million for the first nine months of 20/21, up 7% at constant exchange rates and 6% at current exchange rates compared to €1,194 million at the end of December 19/20). The volume decline that began in the first half of the year as a result of the health crisis has intensified in the last quarter due to low yields in the 2020 crop. This decrease was partially offset by higher European sugar and ethanol prices compared to last year and by the momentum of the alcohol segment in the macroeconomic context.

Adjusted EBITDA for the division stood at €50 million in Q3 20/21, compared to €33 million in Q3 19/20, up 53% at current exchange rates (€148 million for the first nine months of 20/21, compared to €29 million at the end of December 19/20). Despite the impact of the health crisis on volumes sold and operating costs, the division's adjusted EBITDA benefited from improved sugar and alcohol/ethanol prices.

SUGAR AND RENEWABLES INTERNATIONAL

In **Brazil**, the crop that ended in mid-November posted a record 20.9 million tons of crushed sugarcane and increased sugar content compared to the previous year. The Group has achieved good levels of agricultural and industrial productivity through performance plans and investments made in recent years.
In **Reunion Island**, the lack of rain impacted cane volumes, with the loss of yields partially offset by better sugar content.
In **Mozambique**, volumes produced have increased as a result of operational progress.

Revenues from the Sugar and Renewables International division totaled €294 million in Q3 20/21, compared to €284 million in Q3 19/20, up 4% at current exchange rates and 35% at constant exchange rates (€674 million for the first nine months of 20/21, down 1% at current exchange rates and up 27% at constant exchange rates compared to €681 million at the end of December 19/20). This increase is driven by increased volumes of sugar, ethanol and energy sold as a result of the good Brazilian crop levels combined with a favorable price effect.

The division's **adjusted EBITDA** was €76 million in Q3 20/21, compared to €65 million in Q3 19/20, up 18% at current exchange rates and 59% at constant exchange rates (€174 million for the first nine months of 20/21, up 23% at current exchange rates and 63% at constant exchange rates compared to €141 million at the end of December 19/20). The division's adjusted EBITDA is driven by sales growth and operational cost optimization in Brazil.

STARCH, SWEETENERS AND RENEWABLES

Revenues from the Starch, Sweeteners and Renewables division totaled €365 million in Q3 20/21, compared to €359 million in Q3 19/20, up 2% at current exchange rates compared to last year (€1,068 million for the first nine months of 20/21, down 5% at current exchange rates compared to €1,124 million at the end of December 19/20). Revenues are driven by market share gains in Europe against a backdrop of tighter prices due to surplus production capacity and a sales mix impacted by the health crisis.

The division's **adjusted EBITDA** was €27 million in Q3 20/21, compared to €28 million in Q3 19/20, down 4% at current exchange rates compared to last year (€54 million for the first nine months of 20/21, down 9% at current exchange rates from €60 million at the end of December 19/20). The division's adjusted EBITDA was under strong pressure in a context of very slight decline in demand in Europe in addition to pressure on cereals prices. Internationally, both volumes sold and margins are on the rise.

3. NET FINANCIAL DEBT

Net financial debt at December 31, 2020 amounted to €2,668 million, compared to €2,558 million at March 31, 2020. Excluding readily marketable inventories (€578 million which can be converted into cash at any time), the Group's adjusted net debt amounted to €2,090 million as of December 2020. The Group's working capital requirement reached its high point at the end of December due to an industry-specific seasonality effect.

At the end of December 2020, the Group's financial security amounted to €756 million, consisting of €296 million in cash and cash equivalents and €460 million in undrawn portions of committed long-term credit lines.

The Group has continued to manage its financial profile since the start of the financial year by putting in place, in May 2020, a new financing line of US$105 million with a maturity of 5 years in Brazil as well as, on July 23, 2020, a new loan of €230 million benefiting from an 80% guarantee from the French state, with a maturity of up to 5 years, at Tereos' discretion.
Finally, on October 16, 2020, Tereos concluded a €300 million issue of senior unsecured notes with a 5-year maturity.
On the same date, the Group also signed a new revolving credit facility of €200 million, with a maturity that could extend to 2025, with a group of six banks with which Tereos has long-standing relationships.

With these operations, Tereos maintained its financial security, increased the average maturity of its gross debt and diversified its debt profile.
With its financial leverage still high at 4.8x, the Group will continue its deleveraging efforts.

Net financial debt at December 31, 2020 is broken down as follows:

Net Debt *31 December 2020 (€ m)*	31 Dec 2019	31 Dec 2020	Current	Non-current	Cash & Equivalents
Net Debt	**2,913**	**2,668**	555	2,409	-296
Net Debt excl. IFRS16	**2,788**	**2,554**	531	2,320	-296
Net Debt to EBITDA ratio	**9.1 x**	**4.8 x**			
Net Debt to EBITDA ratio excl. RMI 1	**7.1 x**	**3.7 x**			

(1) Readily Marketable Inventories of €578 million as end of Dec 2020 and €645 million as end of Dec 2019

4. OUTLOOK

The Group has made deleveraging a priority. In this context, a review of the asset portfolio is underway.

Exceptionally low sugar beet yields for the 2020 campaign, increasing pressure on margins in the Group's starch business in Europe, the depreciated level of the Brazilian real and uncertainty related to the health crisis should continue weighing on the Group's annual results and on the subsequent financial year. The Group is expecting its 2021/2022 adjusted EBITDA to be in the lower end of the previously communicated outlook (between €600 and 700[2] million).

In this context, the Group has committed to enhancing its cash management and is accelerating its efforts towards operational performance in order to improve the Group's competitiveness over the medium term.

About Tereos

With a long-term vision of valuing agricultural raw materials and developing quality products for the food, health and renewable energy sectors, Tereos is a leader in the sugar, alcohol and starch markets. The Group's commitments to society and the environment contribute to the company's performance in the long term while strengthening its contribution as a responsible player. The cooperative group Tereos is a union of more than 12,000 Cooperative members and has recognized know-how in the processing of beet, sugarcane, cereals, and potatoes. Through 48 industrial sites, a presence in 18 countries and the commitment of its 22 300 employees, Tereos supports its customers close to their markets with a broad and complementary range of products. In 2019-20, the Group posted €4.5 bn turnover.

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[2] *Range communicated at the occasion of the publication of the 19/20 annual results (June 12, 2019) and established based on (a) sugar prices in line with pre-COVID levels, i.e. European sugar prices of around €400 per metric ton and an NY11 index price between 13.0 and 14.0 USD cts/lb, (b) foreign exchange rates in line with average 2019/2020 rates, (c) crop yields in line with historical averages and (d) no changes in regulatory or tax matters.*

APPENDIX

A. DETAILED RESULTS BY DIVISION

Revenues by division € m	19/20 Q3	20/21 Q3	var (current forex)	var (constant forex)	19/20 YTD	20/21 YTD	var (current forex)	var (constant forex)
Sugar & Renewables Europe	447	441	-1%	-1%	1,194	1,269	6%	7%
Sugar & Renewables International	284	294	4%	35%	681	674	-1%	27%
Starch, Sweeteners & Renewables	359	365	2%	4%	1,124	1,068	-5%	-3%
Other (incl. Elim)	39	52	33%	-37%	238	190	-20%	-48%
Tereos Group	**1,128**	**1,152**	**2%**	**8%**	**3,237**	**3,202**	**-1%**	**4%**

Adjusted EBITDA by division € m	19/20 Q3	20/21 Q3	var (current forex)	var (constant forex)	19/20 YTD	20/21 YTD	var (current forex)	var (constant forex)
Sugar & Renewables Europe	33	50	53%	54%	29	148	405%	410%
Sugar & Renewables International	65	76	18%	59%	141	174	23%	63%
Starch, Sweeteners & Renewables	28	27	-4%	-2%	60	54	-9%	-9%
Other (incl. Elim)	-4	-19	-	-	2	-4	-	-
Tereos Group	**122**	**135**	**11%**	**34%**	**233**	**373**	**60%**	**85%**

Adjusted EBITDA *corresponds to net income before income tax, the share of income from equity affiliates, net financial income, depreciation and amortization, the impairment of goodwill, the gains resulting from acquisitions on favorable terms, and price supplements. It is also restated for changes in the fair value of financial instruments, inventories, and sale and purchase commitments, except for the portion of these items that relates to trading activities, fluctuations in the fair value of biological assets, the seasonal effect, and non-recurring items. The seasonal effect corresponds to the temporary difference in the recognition of depreciation charges and price supplements in the Group's financial statements according to IFRS and the Group's management accounts. Adjusted EBITDA before price supplements is not a financial indicator defined as a measure of financial performance by IFRS and may not be comparable to similar indicators referred to under the same name by other companies. Adjusted EBITDA is provided for additional information purposes and cannot be considered as a substitute for operating income or operating cash flow.*

B. MARKET EVOLUTION

WORLD SUGAR MARKET

NY11 prices continued to rise in the third quarter of 2020, peaking at $15.5 cts/lb at the end of December and averaging $14.6 cts/lb in the quarter (+14% compared to the same period last year). Year-to-date, the NY11 was $12.6 cts/lb for the period from April through December 2020, up 3% from last year.
The pressure on the NY11 is mainly related to the late grant of export subsidies to India in November, the delayed start of the crop in Thailand, and the uncertainty with the upcoming Brazilian crop due to the persistent drought in 2020. Moreover, strong Chinese and Indonesian demand supports the bullish movement of the NY11.
The markets anticipate continuing pressure on the NY11 in the medium term, in particular due to concerns about a possible decline in production in the 2020/21 crop (falling yields in India, Thailand, Europe and Central America combined with a risk of a deficit in the Brazilian crop, even in an optimal sugar mix scenario).

SUGAR EUROPE

The sugar beet crop is coming to an end in Europe and is resulting in a widespread decline in volumes and yields caused by bad weather conditions, attacks by bio-aggressors (especially the beet yellows virus in France) and a decline in harvested surface areas (-2.5% compared to last year). France and Britain recorded their worst yields of the decade.
Government measures taken to curb the Covid-19 health crisis have affected demand, which is down 4% in Q3 20/21 from last year, thereby somewhat easing the pressure on European prices. The European Union is again expected to be a net importer of sugar at 2.3 million tons over the next crop.
The average price of sugar was €381/metric ton in October 2020, an increase of €49/metric ton (+15%) compared to October 2019.

ETHANOL BRAZIL

Despite a drop in fuel consumption in the first nine months of the financial year (-10.4% compared to last year) directly related to the Covid-19 health crisis, ethanol prices continued to rise this quarter. The prospect of returning to normal post-Covid-19 activity and a mix favoring sugar in the next crop suggests that ESALQ prices will maintain their bullish trend. Uncertainties about the price of oil and the volatility of the Brazilian real could, however, curb this favorable projection for the Brazilian ethanol market.
Cumulatively over the first nine months of the financial year, prices thus averaged BRL 1.73/liter, down 2% compared to last year.

ETHANOL EUROPE

The European ethanol market continues to experience exceptional volatility due to health measures which strongly impact demand for biofuels. After a first quarter with a strong downward impact from the lockdown, T2 reached record levels in the second quarter (€808/m^3 in September 2020), with demand quickly returning to normal levels as a result of the economy being reopened while market supplies were scarce (production shifted to alcohol, lower production of sugar beet-based ethanol, insufficient imports). The increases in the second quarter subsequently compensated for the sharp drops in the previous quarter. Exceptional price levels continued until the end of October, when the market collapsed with the announcement of new lockdown measures. In cumulative terms over the last nine months, T2 averaged 607€/m^3, down 0.9% from last year.

Since the European market is structurally in deficit, prices will return to higher levels, which are expected as soon as lockdown measures end.

Cereals

Wheat: Prices continued to rise to levels of around €210/metric ton at the end of December. Adverse weather conditions in the Black Sea as well as persistent drought in Latin America and the North American plains support this bullish movement. Added to this is the very dynamic Chinese demand, especially for French wheat. Moreover, Russia, the world's largest wheat exporter, has introduced a quota system along with export tax of €25/ton, which could soon be raised to €50/ton. Over the last nine months, MATIF wheat has increased by 9% compared to the same period last year.

Corn: Corn prices have continued to rise in the wake of wheat difficulties and major disappointments over European crops. The European Union, in turn, is suffering both from bad weather and the recent import tax on US corn. Sustained Chinese demand supports the better outlook for corn. Cumulatively over the first nine months of the financial year, MATIF corn increased by 5% compared to last year and stood at around €198/metric ton at the end of December.