Pioneering
green solutions

Annual Report
2024/2025

Contents

* The contents marked with an asterisk have not been audited by the auditor of the financial statements.

Group key figures

[in EUR millions]

Results of operations	1. HY 2024/2025	2. HY 2024/2025	2024/2025	1. HY 2023/2024	2. HY 2023/2024	2023/2024
Revenue	751.6	828.2	1,579.8	908.9	749.1	1,658.0
EBITDA	14.3	0.0	14.2	74.9	46.7	121.6
EBITDA margin (%)	1.9	0.0	0.9	8.2	6.2	7.3
EBIT	−15.9	−102.3	−118.2	50.3	19.3	69.6
Net result for the period	−26.4	−111.5	−137.9	22.6	−2.5	20.1
Basic earnings per share (EUR)	−0.42	−1.75	−2.17	0.36	−0.04	0.31
Diluted earnings per share (EUR)	−0.41	−1.75	−2.16	0.35	−0.04	0.31

Operational statistics	1. HY 2024/2025	2. HY 2024/2025	2024/2025	1. HY 2023/2024	2. HY 2023/2024	2023/2024
Production (biodiesel, bioethanol, in tonnes)	600,425	601,435	1,201,860	570,701	587,989	1,158,690
Production (biomethane, in MWh)	559,685	630,654	1,190,339	519,132	581,052	1,100,184
Utilisation Biodiesel/Bioethanol (%) [1]	79.5	79.7	79.6	75.6	77.9	76.7
Utilisation Biomethane (%) [1]	56.5	63.7	60.1	52.4	58.7	55.6
Investments in property, plant and equipment	61.9	63.1	125.0	98.9	80.6	179.5
Number of employees [2]	1,521	1,458	1,458	1,376	1,395	1,395

Continued on next page

[1] For the financial years 2024/2025 and 2023/2024 the annual production capacity of the production plants was as follows: biodiesel: 710 thousand tonnes; bioethanol: 800 thousand tonnes; biomethane: 1,980 GWh.
[2] At the balance sheet date.

Net asset position	31.12.2024	30.06.2025	31.12.2023	30.06.2024
Net debt	97.0	164.0	13.6	32.9
Equity	903.9	746.3	929.0	928.2
Equity ratio (%)	64.7	58.2	69.3	67.4
Balance sheet total	1,397.9	1,283.1	1,340.9	1,377.8

Financial position	1. HY 2024/2025	2. HY 2024/2025	2024/2025	1. HY 2023/2024	2. HY 2023/2024	2023/2024
Operating cash flow	6.2	7.7	13.9	53.4	63.4	116.8
Operating cash flow per share (EUR)	0.10	0.12	0.22	0.84	1.01	1.83
Cash and cash equivalents [1]	100.5	74.7	74.7	142.5	132.6	132.6

[1] At the balance sheet date; includes amounts held in segregated accounts.

Segment key figures

[in EUR millions]

Biodiesel	1. HY 2024/2025	2. HY 2024/2025	2024/2025	1. HY 2023/2024	2. HY 2023/2024	2023/2024
Revenue	439.6	454.6	894.2	572.9	414.6	987.5
EBITDA	52.0	37.6	89.6	74.2	39.9	114.1
EBIT	46.2	29.9	76.1	68.5	34.3	102.8
Production (tonnes)	326,078	293,172	619,250	321,844	315,439	637,283
Utilisation (%) [1]	91.9	82.6	87.2	90.7	95.6	89.8
Number of employees [2]	250	257	257	221	240	240

Bioethanol/Biomethane	1. HY 2024/2025	2. HY 2024/2025	2024/2025	1. HY 2023/2024	2. HY 2023/2024	2023/2024
Revenue	304.4	367.7	672.1	328.5	328.0	656.5
EBITDA	–36.9	–40.3	–77.2	–2.2	4.7	2.5
EBIT	–58.9	–132.4	–191.3	–18.9	–14.8	–33.7
Production (tonnes)	274,347	308,263	582,610	248,857	272,550	521,407
Production (MWh)	559,685	630,654	1,190,339	519,132	581,052	1,100,184
Utilisation Bioethanol (%) [1]	68.6	77.1	72.8	62.2	68.1	65.2
Utilisation Biomethane (%) [1]	56.5	63.7	60.1	52.4	58.7	55.6
Number of employees [2]	723	689	689	700	669	669

Other	1. HY 2024/2025	2. HY 2024/2025	2024/2025	1. HY 2023/2024	2. HY 2023/2024	2023/2024
Revenue	18.3	16.8	35.1	15.1	16.5	31.6
EBITDA	–0.9	2.7	1.8	2.9	2.2	5.1

[1] For the financial years 2024/2025 and 2023/2024 the annual production capacity of the production plants was as follows: biodiesel: 710 thousandtonnes; bioethanol: 800 thousand tonnes; biomethane: 1,980 GWh.
[2] At the balance sheet date.

Letter to our shareholders

Dear shareholders,

The financial year 2024/2025 was a challenging year for Verbio. It was a year characterised by geopolitical, economic and regulatory uncertainties. These challenges have driven us to take a close look, to review our strategy and our projects, and ultimately to pursue our course further with renewed resolution. In doing so we have laid important groundwork for a future in which renewable energies and green chemicals are indispensable. We consider the current regulatory developments to be positive and urgently needed.

GHG quota prices too low once again in 2024/2025

Unfortunately, the unfavourable conditions for us – particularly on the German market – did not improve sufficiently in the reporting period. The implementation of RED II has increased the demand for advanced biofuels, but the administrations in Brussels and Berlin have not found any effective means of combating the ongoing certificate fraud. The consequence of this was that prices for GHG quotas fell, and remained too low in the financial year 2024/2025.

Unfortunately, these problems continue to exist; the market is still not free of fraud. A lack of official controls and tracking options in the course of RED II implementation has made false declarations on sustainability certificates possible. This has led to inflated figures for CO_2 savings, distortions of competition and a loss of trust throughout the industry. The amendment of the 38th BImSchV in November 2024 was an important step, but it remained ineffective due to the false certificates still on the market. This disturbs the investment climate and fair pricing, and it penalises honest quality suppliers who comply with the regulations – like Verbio.

Ethanol line in Nevada on track

Despite the start of production of our ethanol line in Nevada (Iowa, USA) in the previous year, we also suffered setbacks in North America. Technical problems forced us to stop the ramp-up of ethanol production in order to adjust the processes again, temporarily dampening our expectations – and therefore also your expectations.

It is pleasing that we are now back on track in Nevada. The progress there makes me very optimistic; we expect that the plant will develop as planned in the coming quarters, and it remains a central component of our internationalisation strategy.

Internal measures for greater operational efficiency

As a passionate skier, I know that you not only need to be physically fit for off-piste skiing, but also highly focussed and flexible. Snow conditions, visibility and terrain can change quickly. There is no signposted route, and you constantly have to make decisions, assess risks and react to changes. It is important not to lose your head; you

Claus Sauter
Chief Executive Officer

have to know where you are, what skills you have and where dangers lurk. The same applies to our market.

In view of the current market conditions, we took proactive measures in the second half of the financial year to strengthen our competitiveness, secure our ability to act and further improve our operational efficiency. These measures were:

- step-by-step and prioritised investment planning,
- organisational adjustments, and
- targeted job reductions.

These decisions were not easy for us. However, economic success requires strategic discipline and rapid adaptation to changing circumstances. I have often emphasised that I see this flexibility as one of Verbio's strengths.

The financial year in figures

In January 2025 we had to make a significant downward revision to our earnings before interest, taxes, depreciation and amortisation (EBITDA) forecast – a step that reflected the reality of the market and the unexpected technical quality problems at our plant in Nevada. We left the net debt forecast unchanged, which emphasises the effectiveness of our liquidity strategy.

At EUR 14.2 million, our EBITDA at the end of the financial year was below the most recently communicated forecast, primarily due to the difficult market conditions and to non-recurring effects. Net debt totalled EUR 164 million, which was within the forecast range.

Verbio produced a total of 1.2 million tonnes of biodiesel and bioethanol in the financial year 2024/2025, setting a new record once again. Production of biomethane was also at a new record level, totalling 1.190 GWh. The higher capacity utilisation for bioethanol and biomethane was primarily due to the plant in Nevada, where production has risen continuously since the beginning of the year. This enabled us to significantly increase the CO_2 savings potential of our products by around 1.1 million tonnes to 5.5 million tonnes in the past financial year.

Group revenue in the financial year 2024/2025 totalled EUR 1,580 million, slightly lower than the sales revenue generated in the previous year. EBITDA fell to EUR 14.2 million. The declining trend is due in particular to lower profit margins for bioethanol and biomethane as a result of declining GHG premiums and, in addition, due to write-downs on inventories. Despite increased ethanol and biomethane production volumes, EBITDA in the Bioethanol/Biomethane segment in North America remained at the previous year's level due to the poor market situation for bioethanol in North America. One-off repair costs in Nevada and write-downs on the remaining quantities of straw for processing into biomethane had an additional negative impact on earnings.

The Group operating result (EBIT) was a negative EUR 118 million, also significantly lower than in the comparative period. Higher depreciation and amortisation primarily related to the impairment write-down recognised on the straw biomethane plant in Nevada. The reported result for the period was a negative EUR 138 million.

RED III as an opportunity

The planned implementation of RED III in Germany is of great importance. We warmly welcome the strong focus on fraud prevention. The continuation of the GHG quota until 2040 creates planning security for investment decisions, and the expansion to more transport sectors will increase the demand for CO_2 savings. However, there is still potential for further optimisation. Together with other industry representatives, we have already signalled which points of the European directive should be tightened up in the German implementation in order to effectively overcome the weaknesses of RED II.

Overall, the update of the RED provides a good basis for improving climate protection. With our business model and with the further adjustments to our strategy, we are in a favourable position to benefit from the opportunities that arise.

Global developments – new impetus for our strategy

This also applies to our positioning in other markets. In the USA, the Inflation Reduction Act (IRA) provides for tax support mechanisms for low-emission fuels produced in the USA and for the capture and storage of CO_2, among other things. Although individual details of the specific design are still open, the basic direction with a clear focus on improved greenhouse gas savings through the use of biofuels is clear and opens up attractive prospects. At the same time, ethanol plays a role in many trade deals. Exports of ethanol from the USA should increase. Blending quotas are being expanded worldwide. India currently blends 20 percent first-generation bioethanol into petrol, and is aiming to increase this proportion further. Canada or, more precisely, the provinces of Ontario and British Columbia are also pursuing a blending quota for domestic biofuels in order to strengthen their producers. That is also helpful for us. These are exciting developments for our international projects.

New demand, new markets

The global demand for biomethane is growing, regardless of government programmes in road transport. Industrial customers, energy suppliers and transport companies rely on renewable raw materials for defossilisation. Local availability, price stability and security of supply are crucial here. Under these conditions, biofuels will also become increasingly interesting for military equipment. This opens up new potential. In addition, the International Maritime Organisation (IMO) is promoting, among other things, the use of BioLNG to reduce greenhouse gas emissions in shipping. Verbio is very well positioned here with its international portfolio. Furthermore, the molecule CH_4 (biomethane) is versatile and can be converted into other renewable energy sources such as biomethanol or renewable hydrogen.

The geopolitical tensions seen in recent years have exposed the vulnerability of global supply chains and centralised energy systems. This promotes demand for sustainable, regionally available renewable energy and carbon sources that offer security of supply, independence and stability. For our production, which is based on regional value creation and climate-friendly technologies, it creates corresponding market opportunities.

We are also strengthening our resilience to market and political turbulences by further diversifying our portfolio of products. With bio-based chemicals, we are expanding our product portfolio in a targeted manner and increasing our added value.

Strategy with a sense of proportion – focus, discipline and realisation power

We remain on course for the new financial year: We operate our business flexibly and practically, with organisational efficiency and stricter capital discipline. We make investments cautiously in stages, and we take care to strengthen our cash flows in a sustainable manner.

International expansion continues to be based on the criteria of regulatory environment, availability of raw materials and demand potential. The investments in Nevada have been completed; now it is all about optimising the plant's capacity utilisation and bringing our products to market. This will enable us to achieve further growth without having to make additional investments. We are continuing to invest in the site at South Bend (Indiana, USA) on a progressive basis.

We are expanding our product range in a strategic manner. In this way, we are broadening the value added and opening up new market segments. This applies in particular to our ethenolysis technology for the production of renewable chemicals. The ground-breaking ceremony for the associated catalyser production in Hungary was an important step; plant construction in Bitterfeld is progressing rapidly.

In the new financial year, we will continue to make targeted changes to develop our organisation further – towards a structure that increases efficiency, promotes technology transfer (e.g. through rotating experts in plant development) and strengthens local partnerships.

Responsibly optimistic into the new year 2025/2026

Developments in both the USA and Europe will have decisive effects on earnings in the financial year 2025/2026. In Europe the normalisation of conditions in the biofuels market, supported by the implementation of fraud prevention measures, should improve earnings markedly. In North America the ramp-up of the plant in Nevada, in particular, should have a clearly positive effect compared to the previous year.

Based on expected sales, raw materials and energy price levels, the targeted production capacity utilisation as well as the current uncertainties, the Management Board expects to achieve an EBITDA for the financial year 2025/2026 in the high double-digit million range and, accordingly, significantly higher than in the previous year. The improved result and lower investments are expected to lead to a moderate reduction in net financial debt compared with the previous year.

Among other things, this reflects the fact that some of the Group's funds will remain tied up in inventories due to the political decision to suspend the right to offset brought-forward surplus GHG quotas in the obligation years 2025 and 2026. The surpluses accumulated until 2024 will be available again from 2027.

In light of this and the Group's significantly lower operating result in 2024/2025, the Management Board and Supervisory Board of Verbio SE will propose to the annual general meeting on December 5, 2025 that the distribution of a dividend be suspended, and that accumulated retained earnings shall be carried forward to the next financial year.

This exceptional departure from our dividend policy reflects the unusual circumstances. We maintain our target of making reliable dividend payments, and aim to return to at least the usual level in the medium term.

An outlook – and a thank you

Dear shareholders, the coming year will also be challenging. However, we are prepared. We have learnt lessons, made adjustments, created lean structures and positioned ourselves strategically. With capital discipline, innovative power and operational strength, we look to the future as a solid business with good earnings potential.

You have accompanied us on this journey. I would like to thank you for your loyalty, your trust and your willingness to continue on this path with us, even when the ground is uneven. With our strength and your perseverance, we continue on our course for growth and earnings.

Yours, Claus Sauter

Verbio SE Chief Executive Officer

Report from the Supervisory Board

Dear shareholders,

The results reflect the difficult industry conditions, which are characterised by market distortions as a result of cases of fraud involving manipulated sustainability certificates, as well as the technical challenges posed by the quality problems experienced at the plant in the USA. Regulatory uncertainties, trade conflicts and geopolitical crises also had a significant impact on earnings performance. Although Group sales of EUR 1,580 million were only slightly lower than in the previous year, EBITDA fell significantly to EUR 14 million and the result for the period to a negative EUR 138 million. The measures that we have initiated – including strict cost control, an organisational streamlining and investment planning focused on a small number of strategically relevant projects – have laid the foundations for a positive earnings trend.

Overall, Verbio has proven to be resilient compared to the rest of the industry and continues to set standards with its technology portfolio. The focus in the financial year 2024/2025 continued to be on the strategic expansion of the product portfolio and access to new international markets – key steps to strengthen the basis for long-term, crisis-proof growth. Despite rigorous cost control, the Group has made targeted investments in forward-looking projects in the USA and Germany. In this way, Verbio is expanding its production capacities for advanced biofuels and speciality chemicals and at the same time driving forward technological developments. One example of this is the ongoing construction of the world's first ethenolysis plant, which not only emphasises Verbio's technological expertise, but also sets technological standards in the industry.

Together with the Management Board, we are continuing to monitor the economic and political environment closely and will introduce additional measures if necessary to ensure the sustainable and successful development of the business. The Supervisory Board will continue to actively support and advise the Management Board's strategy of growth and internationalisation in the new financial year, and will carefully review all key decisions in the interests of the Company.

Cooperation between the Supervisory and Management Boards

Good corporate governance and supervision are associated with a trusting relationship between the Management and Supervisory Boards, working together in the interest of the Company and its shareholders. Verbio's Supervisory and Management Boards have a shared objective of increasing the value of the business on a sustainable and long-term basis.

In the financial year 2024/2025 the members of the Verbio SE Supervisory Board have performed the tasks imposed on them by law, by the articles of association and by internal rules of procedure, discharging these duties in full and with the utmost care. The reporting obligations of the Management Board and the requirement to issue a catalogue of transactions requiring prior approval are legal requirements, and the detailed application of these requirements is set out in the Company's internal rules of procedure for the Management Board to follow.

Alexander von Witzleben
Chairman of the Supervisory Board

We have provided support to the Management Board on a regular basis, in particular concerning the management and strategic development of the Company; we have regularly made ourselves available to provide advice; we have accompanied and carefully supervised the Board's governance of the business on a continuous basis; and we have analysed in depth the development of and market perspectives for synthetic and biomass-based products and components in general and for Verbio SE in particular. The Supervisory Board was involved, in a direct and timely manner, in all decisions of fundamental importance for the Company or matters in which it should be consulted in accordance with the law, the articles of association and internal rules of procedure. When necessary, in matters requiring its urgent attention the board was able to approve resolutions using written circulation procedures. Due to the regular, timely and comprehensive provision of information by the Management Board, the Supervisory Board was able to perform its supervisory and advisory role effectively at all times. Verbal reports made by the Management Board in our meetings were supported by comprehensive and relevant written documents provided to each member of the Supervisory Board on a timely basis in advance of each meeting, so that the members of the Supervisory Board had sufficient opportunity to form a critical assessment of the reports and the proposed resolutions submitted by the Management Board and to contribute their own proposals. The Supervisory Board was able to assure itself of the lawful, appropriate and proper conduct of the Company's corporate governance.

The collaboration between the Supervisory Board and the Management Board was characterised by an intensive and open discourse at all times. We were provided with comprehensive information in good time and on a regular basis, both orally and in writing, regarding all matters of importance for the Company and the Group, in particular concerning business trends, business planning, fundamental questions regarding the Company's business and sustainability strategy, the profitability of the business and the course of business, as well as the risk situation including financial and non-financial risk management, the internal audit and relevant compliance and sustainability matters. In addition, the Management Board reported on transactions that were of particular significance to the Company's profitability or liquidity. The Management Board provided detailed information on variances between the course of business and the business plans and objectives. The reasons for the variances, as well as the measures taken in response to them, were discussed in depth with the Supervisory Board. The reporting obligations under Art. 9 (1) c) ii) of the Council Regulation (EC) No 2157/2001 of October 8, 2001 on the Statute for a European Company (SE) (SE Regulation), together with § 90 (1) and (2) of the German Stock Corporation Act (Aktiengesetz – AktG) and the German Corporate Governance Code (Deutscher Corporate Governance Kodex – DCGK), have been met in full.

The Supervisory Board was in regular contact with the Management Board in addition to the fixed meeting dates, and was kept informed on a continuous basis regarding the current course of business and concerning significant transactions, particularly in view of the geopolitical crises and trade conflicts as well as the consequences of the cases of fraud involving falsely declared biodiesel imports. In addition, between the meeting dates in the reporting period I have been involved in regular discussions with members of the Management Board, in particular with the Chief Executive Officer. I kept the Supervisory Board informed of these discussions.

On the basis of the comprehensive reporting provided by the Management Board, we are convinced that the business of the Company and the Group was conducted in a lawful, proper and economic manner, and we saw no need to use our audit rights provided for under Art. 9 (1) c) ii) SE Regulation together with § 111 (2) AktG.

Meetings and resolutions of the Supervisory Board

In the financial year 2024/2025 the Supervisory Board held four ordinary meetings with members attending in person. In addition, the Supervisory Board held three extraordinary meetings by means of video conference in which issues that could not be delayed until the date of the next regular meeting of the Supervisory Board were discussed and decided upon. In addition, on two occasions decisions were made by written circulation procedures on the basis of proposals put forward by the Management Board. All members of the Supervisory Board were present at all meetings.

The meetings of the Supervisory Board were largely held with the participation of the Management Board. However, the agenda of the Supervisory Board's meetings includes, as a recurring item, a "Private meeting" topic under which the Supervisory Board discusses matters for which it is appropriate that the board meets without the presence of the members of the Management Board – for example, when personnel matters concerning the Management Board and matters concerning structure and organisation are discussed. The Supervisory Board made use of this practice in the financial year 2024/2025. Topics discussed at all regular Supervisory Board meetings were reports from the Management Board regarding the current business situation and the development of the Company, the political environment for biofuels, the current market situation, and the net assets, financial position and results of operations of the Group and its segments, as well as the status of investment and growth projects. In addition, the meetings include a risk report containing information on risk positions associated with market price changes, as well as the effects on the associated reporting and risk management system.

Furthermore, the Supervisory Board has examined Verbio SE's foreign business activities and their associated opportunities and risks in an intensive and critical manner. It has kept itself informed on the progress of the foreign projects and international business divisions in each of its Supervisory Board meetings. The strategy followed by the Management Board in these activities continues to receive our support.

In addition to addressing the standard agenda matters discussed at each regular Supervisory Board meeting as described above, attention is drawn to the following significant issues discussed by the Supervisory Board in the reporting period, presented here in summary form.

In its first regular Supervisory Board meeting in the financial year 2024/2025, held on September 19, 2024, the Management Board presented its budget planning for the financial year 2024/2025. This was approved without reservation by the Supervisory Board. In addition, we also dealt with the profitability of Verbio SE and the Verbio Group in accordance with § 90 (1) No. 2 AktG, approved the non-financial statement in accordance with § 315b of the German Commercial Code (Handelsgesetzbuch – HGB), and discussed corporate governance issues. In this meeting the Supervisory Board and the Management Board jointly issued the statutory statement on corporate governance in accordance with § 161 AktG and the corporate governance report, including the declaration of conformity. Also at this meeting discussions were held concerning the audit and the explanations provided on the draft annual financial statements prepared by the Management Board and the draft Verbio SE consolidated financial statements. The auditor responsible for the audit of the annual and consolidated financial statements participated in the meeting and reported on the key matters addressed in the audit and on the results of their audit. The Supervisory Board determined the forecast for the financial year 2024/2025 based on the draft consolidated financial statements. In addition, the audit report of the Supervisory Board to the annual general meeting, prepared in accordance with § 171 (2) AktG was approved.

A further topic was the resolution on determining the variable compensation of the Management Board in accordance with the employment contracts of the members of the Management Board. Other issues discussed at this meeting included the approval of an investment application relating to the biomethane plant in Nevada (Iowa, USA) and the authorisation to increase previously approved investment applications. In addition, the Supervisory Board set the date for the annual general meeting 2025, discussed the current status of the new remuneration system for the Management Board and the further course of action, determined future measures for the outstanding issues from the most recent efficiency review and amended the rules of procedure for the Management Board. An extraordinary meeting was held via video conference on October 16, 2024, at which the Management Board remuneration system, in effect from July 2025, was approved and the agenda for the annual general meeting on December 6, 2024 was adopted. Following the meeting, the Management Board remuneration system was revised again with regard to individual key figures, so that the Supervisory Board adopted the revised Management Board remuneration system by circulation procedure on October 18, 2024, following which it was submitted to the annual general meeting for approval.

At the ordinary meeting on November 5, 2024 the Supervisory Board approved the extension of the trust agreement between Verbio SE and Sauter Verpachtungsgesellschaft mbH.

The ordinary meeting on February 5, 2025 was held in Bitterfeld. In the morning the Supervisory Board received internal training on the topics of catalysts and their areas of application, the catalyst production process, ethenolysis technology and the sterol production process. At the subsequent Supervisory Board meeting, the Supervisory Board approved the financial calendar for the financial year 2025/2026 and approved XiMo Kft.'s investment expansion for the construction of a plant to manufacture catalysts for ethenolysis. Furthermore, the Supervisory Board approved the conclusion of the cash pooling agreements between VERBIO North America Holdings Corporation and its subsidiaries as well as a related loan increase. The status of the new Management Board employment contracts was also discussed, together with the next steps to be taken.

The extraordinary meeting on April 8, 2025 was held by video conference. Issues discussed at the meeting were a calculation model for the STI and LTI in accordance with the new remuneration system, the amendment of the model Management Board employment contract, the approval of the increase in the cash pooling agreement between Verbio SE and Verbio Zörbig GmbH and the approval of the extension of the investment application for the LNG plant.

At the ordinary meeting on May 6, 2025 the Supervisory Board dealt with the preliminary business planning for 2025/2026, adopted the amendment to the rules of procedure for the Management Board, and approved a capital increase at Verbio International AG and the capital changes at Verbio India Private Limited proposed by the Management Board.

One further extraordinary meeting was held by video conference on June 24, 2025. At this meeting, the Supervisory Board appointed all members of the Management Board for a further five years beyond June 30, 2025. Stefan Schreiber's appointment, which originally ended on June 30, 2027, was terminated prematurely for this purpose. Claus Sauter remains Chief Executive Officer. The Supervisory Board also dealt with the latest amendments to the Management Board employment contracts and discussed the current status of the targets to be assigned to the members of the Management Board as part of the new remuneration system. Another item on the agenda was the resolution on the sale of the shares held by Daniela Sauter in Verbio Agrar GmbH to Verbio SE. The Supervisory Board has approved this proposed resolution.

The Supervisory Board passed two resolutions by circular resolution in the financial year 2024/2025. In addition to the above-mentioned resolution on October 18, 2024 regarding the Management Board remuneration system, approval was given on December 20, 2024 for the conclusion of the first supplementary agreement to the Management Board employment contract with Prof. Dr. Oliver Lüdtke regarding his activities for Verbio in the USA.

Formation of committees

In accordance with the articles of association the Verbio SE Supervisory Board consists of three members, which means that it is of an appropriate size to ensure that it is able to discuss and make resolutions on all matters in the presence of the entire board. With the exception of the audit committee, once again no sub-committees were formed in the financial year 2024/2025. As a result, all matters except those addressed by the audit committee were addressed during the plenary sessions of the Supervisory Board.

Audit committee

In accordance with Art. 9 (1) c) ii) SE Regulation together with § 107 (4) AktG, the Supervisory Board of a public interest entity as defined in § 316a sentence 2 HGB is required to establish an audit committee. If a Supervisory Board consists of only three members, that board is also regarded as the audit committee. Accordingly, in accordance with the legal requirements, as Verbio SE's Supervisory Board consists of three persons the Supervisory Board is also the audit committee. The members of the audit committee elected Ulrike Krämer, member of the Supervisory Board, as Chair of the audit committee for the period of her election as a member of the Supervisory Board; she abstained from voting on her election. Ulrike Krämer and Alexander von Witzleben are considered independent financial experts in the sense of Art. 9 (1) c) ii) SE Regulation together with § 100 (5) AktG. Ulrike Krämer has specific knowledge and experience in the application of financial reporting principles and systems of internal control and risk management. She is also familiar with the audit of financial statements.

The Supervisory Board, in its role as audit committee, held a total of seven meetings, of which four were held as a physical presence event and three were held by video conference. All members of the audit committee were present at all of the meetings held.

At the virtual meeting held on July 4, 2024 the Chair of the audit committee reported to the audit committee on her communication with the auditor Grand Thornton AG on May 14, 2024 and June 5, 2024. The representatives of the auditing company present at the meeting reported on the current status of the audit of the annual financial statements and the key findings to date.

On September 16, 2024 the Chair of the audit committee reported on her meeting with Grant Thornton AG on August 21, 2024 and the results of the audit of the annual and consolidated financial statements. The significant results of the audit of the annual and consolidated financial statements were then discussed in advance with the participation of the auditor's representatives.

Following this, on September 19, 2024, again in the presence of the auditor and in advance of the meeting held to approve the financial statements, the audit committee examined in detail the draft annual financial statements prepared by the Management Board and the draft consolidated financial statements, the management report and the integrated combined Group management report (hereafter referred to as the Group management report) – which for the first time included the non-financial Group report – the dependency report and the Management Board's proposal for the appropriation of profits. On the basis of Ulrike Krämer's report, particularly in relation to the quality of the audit of the financial statements, and her recommendation as Chair of the audit committee contained therein, the Supervisory Board approved the resolutions described above on September 19, 2024. The audit committee also examined the independence of the auditor. This meeting also addressed the internal audit department's audit report on the compliance management system as well as the Group's risk management reporting.

At its meeting on November 5, 2024 the results and findings of the IT audit conducted by the auditor of the annual financial statements for 2023/2024 were discussed in greater detail. In addition, the quarterly statement for the period ended September 30, 2024 was discussed. Updates on the status of ESG and risk management were also discussed.

At the meeting on February 5, 2025 the adoption of the half-yearly report as at December 31, 2024 and the resolution on re-tendering the audit engagement from the financial year 2025/2026 onwards were discussed. The audit committee also received regular reports on the topics of internal audit, compliance and risk management.

The scheduled discussion with the auditor concerning the annual financial statements for 2024/2025 was held on March 25, 2025.

The meeting held on May 6, 2025 was concerned with discussing and approving the quarterly statement for the period ended March 31, 2025. At this meeting the audit committee also dealt with the report on risk management and the audit report on the ESG strategy, and approved the non-audit services pre-approval catalogue with regard to various audit services provided by Grant Thornton AG Wirtschaftsprüfungsgesellschaft.

Annual general meeting

The annual general meeting held in the financial year 2024/2025 took place on December 6, 2024 in virtual format without the physical presence of shareholders. The annual general meeting was, in accordance with the articles of association, chaired by Alexander von Witzleben, Chairman of the Supervisory Board. We would like to take this opportunity to thank our shareholders once again for their participation.

Conflicts of interest

The members of the Supervisory Board are expected to disclose any conflicts of interest without delay. In compliance with the relevant recommendation of the German Corporate Governance Code, the Supervisory Board reports to the annual general meeting on any conflicts of interest arising and how these are managed.

In the financial year 2024/2025 no conflicts of interest affecting members of the Management or Supervisory Boards were noted which would have required disclosure to the Supervisory Board in accordance with recommendations E.1 and E.2 of the German Corporate Governance Code and which would have needed to be reported to the annual general meeting in this report.

None of the members of the Supervisory Board hold executive or advisory positions as a board member or a consultancy role with what the Company considers to be major competitors of Verbio. No contracts were entered into with members of the Supervisory Board that required a resolution of the Supervisory Board.

Corporate governance

The term "corporate governance" refers to corporate management that is transparent and aimed at generating long-term added value. The Supervisory Board follows the principles set out in the German Corporate Governance Code.

The Supervisory Board and the Management Board place great emphasis on ensuring good corporate governance. This includes the Supervisory Board dealing with the corporate governance requirements applying to German listed companies on a regular and comprehensive basis, in particular the requirements under the German Stock Corporation Act and the revised German Corporate Governance Code (DCGK) in the version dated April 28, 2022.

Accordingly, the Supervisory Board has again considered the recommendations and suggestions of the German Corporate Governance Code in the financial year 2024/2025. On July 8, 2025 the Management and Supervisory Boards of Verbio SE updated their declaration of conformity dated September 19, 2024 by issuing a precautionary declaration of deviation from recommendation B.4 of the DCGK, in which it was explained that Management Board member Stefan Schreiber was reappointed early. Verbio SE believes that there are special circumstances that justify the early reappointment. In particular, the new remuneration structure adopted by the annual general meeting, which is to apply equally to all members of the Management Board from July 1, 2025, as well as strategic considerations, make it necessary at the current time to take measures to ensure personnel continuity within the Management Board. This declaration was made in order to avoid any legal uncertainty. Verbio SE intends to comply with recommendation B.4 in future concerning (re)appointments of members of the Management Board. The Management Board reports jointly with the Supervisory Board annually on Verbio SE's system of corporate governance. In its meeting held to approve the annual financial statements on September 22, 2025, as part of the resolution on the statement on corporate governance the Supervisory Board approved a resolution on the regular submission of the declaration of conformity. This was made accessible on the Company's website without delay. With the exceptions of the matters which we have explained in the latest declaration, all the recommendations of the code in its current version have and will continue to be complied with.

Information on Verbio SE's corporate governance can be found in the joint Management and Supervisory Board statement on corporate governance. The statement on corporate governance is available for inspection on the Company's website.

Remuneration report

The Management and Supervisory Boards have prepared a remuneration report for the financial year 2024/2025 in accordance with Art. 9 (1) c) ii) SE Regulation together with § 162 AktG. The remuneration report was examined by the auditor in accordance with Art. 9 (1) c) ii) SE Regulation together with § 162 (3) AktG to determine whether the disclosures required by law pursuant to Art. 9 (1) c) ii) SE Regulation together with § 162 (1) and (2) AktG were present in the report. The auditor has confirmed that the remuneration report, in all significant respects, contains the information required under Art. 9 (1) c) ii) SE Regulation in conjunction with § 162 (1) and (2) AktG. The remuneration report will be submitted to the annual general meeting of the Company for endorsement in accordance with Art. 9 (1) c) ii) SE Regulation together with § 120 a (4) AktG.

Efficiency audit

In accordance with recommendation D.12 of the German Corporate Governance Code, the Verbio SE Supervisory Board performs audits of the efficiency of its work, including its cooperation with the Management Board, at regular intervals in the form of a self-evaluation procedure, using a comprehensive company-specific checklist (efficiency audit). The checklist addresses significant issues such as cooperation with the Management Board, the preparation and conduct of meetings, the scope and content of documentation, and the timeliness and appropriateness of information provided, in particular with respect to issues concerning financial reporting, compliance and audits of financial statements, ESG as well as controlling and risk management.

The Supervisory Board audited and evaluated the efficiency of its work most recently in June/July 2023. The results of the audit were presented to the Supervisory Board and were subject to discussion and confirm the professional and constructive cooperation within the Supervisory Board and with the Management Board. The results also confirm that the board has an efficient system for organising and holding its meetings and that it is appropriately provided with information.

Training and further education measures

Supervisory Board members participate in such training and further education measures as are necessary for them to perform their duties under their own responsibility, with appropriate support being provided for these measures by the Company when necessary. The members of the Supervisory Board are kept informed on a regular basis concerning current literature and they keep themselves informed by means of self-study and participation in various online seminars.

In addition, the members of the Supervisory Board keep themselves informed about matters relevant to their Supervisory Board duties by, among other things, subscribing to online magazines, sources of technical information and newsletters.

Members of the Supervisory Board and Management Board

There have been no changes in the composition of the Supervisory Board in the financial year 2024/2025.

Accordingly, the members of the Supervisory Board remain as follows:

- Alexander von Witzleben (Chairman of the Supervisory Board)
- Ulrike Krämer (Vice-Chair of the Supervisory Board)
- Dr. Klaus Niemann

Christian Doll is available as a replacement member.

Ulrike Krämer and Dr. Klaus Niemann are not members of any other statutory Supervisory Boards or any comparable domestic or foreign supervisory committees.

In the Supervisory Board's assessment, the current composition of the board meets the objectives set out in the competence profile defined in the financial year 2023/2024 in full.

The following persons were members of the Verbio SE Management Board in the reporting period:

- Claus Sauter (Chief Executive Officer)
- Prof. Dr. Oliver Lüdtke (Deputy Chief Executive Officer)
- Theodor Niesmann
- Bernd Sauter
- Stefan Schreiber
- Olaf Tröber

There were amendments to the allocation of responsibilities to the individual members of the Management Board in the financial year 2024/2025. A summarised presentation of the departments and responsibilities can be found in the "Executive bodies of the Company" section of the annual report.

Audit of the annual and consolidated financial statements

At the Company's annual general meeting held on December 6, 2024 Grant Thornton AG Wirtschaftsprüfungsgesellschaft, Leipzig was reappointed to audit the annual and consolidated financial statements of Verbio SE for the financial year 2024/2025.

The audit committee has obtained a declaration of independence from Grant Thornton AG in accordance with Art. 6 (2) of Regulation (EU) No 537/2014 (EU Auditors' Regulation). This is dated August 22, 2024.

The audit engagement was issued by the Supervisory Board on January 7, 2025 in accordance with the resolution approved at the annual general meeting.

Grant Thornton AG Wirtschaftsprüfungsgesellschaft, Leipzig has audited the annual financial statements of Verbio SE prepared by the Management Board in accordance with the German Commercial Code (Handelsgesetzbuch – HGB) for the financial year from July 1, 2024 to June 30, 2025, together with the management report for the financial year from July 1, 2024 to June 30, 2025, and has issued an unqualified audit opinion thereon. The consolidated financial statements of Verbio SE for the financial year from July 1, 2024 to June 30, 2025 and the Group management report were prepared in compliance with § 315e HGB in accordance with International Financial Reporting Standards (IFRS) as applicable in the European Union. The auditor issued an unqualified audit opinion on both the consolidated financial statements and the Group management report.

The documents concerning the financial statements and the audit reports issued by the auditor were provided in good time to the Supervisory Board for inspection in its role as audit committee. In its meeting held on September 15, 2025 the audit committee discussed the results of the audit with the auditor in detail, and thereafter in its meeting held on September 22, 2025 it discussed the financial statements, reports and the proposal on the appropriation of profits, and audited them to assess, in particular, their legality, compliance and appropriateness. The auditor reported on the scope, focus and key findings of their audit. In particular, the auditor provided explanations on the Group's and the Company's net assets, financial position and results of operations, and made themselves available to the audit committee to provide additional information as required. The auditor also found that the Management Board had taken the measures required by § 91 (2) AktG. The objective of these measures is to recognise risks that could present a threat to the continued existence of the Company on a timely basis. With regard to the internal control system, the auditor reported that this is implemented in many of Verbio SE's processes and is being further developed on an ongoing basis. After performing our own audit and holding discussions on all documents in the audit committee, the Supervisory Board has determined that there are no objections to the results of the audit performed by the Company's auditor, and has endorsed the financial statements of Verbio SE and the consolidated financial statements for the Group prepared by the Management Board for the year ended June 30, 2025. The annual financial statements of Verbio SE have therefore been adopted.

The audit committee has examined the proposal for the application of accumulated retained earnings submitted by the Management Board. In doing so, particular account has been taken of Verbio SE's and the Group's liquidity, tax aspects, and the financial position and results of operations, as well as the medium-term investment plans. In addition, the proposal was examined in the light of the dividend policy as well as the interests of shareholders. Following its review, the Supervisory Board agrees with the Management Board's proposal to the annual general meeting to suspend the dividend in view of the financial and operating results achieved in this financial year and to carry forward the accumulated retained earnings to the next financial year. This measure serves to strengthen the Company's available liquidity.

Dependency report

As in previous years, in the financial year 2024/2025 the Management Board again drew up a report on relationships with affiliated companies for Verbio SE as a group company in accordance with Art. 9 (1) c) ii) SE Regulation together with § 312 AktG. In this report, the Management Board declared that Verbio SE had received fair consideration for the transactions entered into with affiliated companies described therein – taking account of the circumstances known at the date that the transactions were entered into – and that measures subject to reporting requirements were neither undertaken nor omitted in the financial year.

The auditor of the financial statements has audited the report on relationships with affiliated companies and issued an unqualified audit opinion as shown below:

"Following our statutory audit and evaluation we confirm that:

- the information stated in the report is correct, and
- the consideration provided by the Company in exchange under the transactions described in the report was not excessive."

Both the report on the relationships with affiliated companies and the audit report thereon were made available to the Supervisory Board on a timely basis. Both reports were discussed in detail following the auditor's report presented in person at the meeting held on September 22, 2025.

After performing a thorough audit of its own of the report on relationships with affiliated companies in the financial year 2024/2025, taking account of the audit findings of the auditor concerning the report's completeness and accuracy, the audit committee has concluded that there are no objections to the closing remarks of the Management Board in the dependency report on relationships with affiliated companies.

Group sustainability reporting

With the entry into force of the CSR Directive Implementation Act (CSR-Richtlinie-Umsetzungsgesetz – CSR-RUG) and the associated reporting obligations, Verbio SE, as the parent company of the Verbio Group, is required to prepare a non-financial Group statement in accordance with § 315b, 315c in conjunction with § 289c to 289e German Commercial Code (Handelsgesetzbuch – HGB). This will be published as part of the integrated Group management report. In this report, Verbio SE presents selected non-financial information by reference to the international sustainability standards issued by the Global Reporting Initiative (GRI). The Supervisory Board, in its role as audit committee, performed a thorough examination of the sustainability statement for the Group, prepared in accordance with § 315b together with § 289b HGB by the Company as part of the integrated Group management report, and audited and discussed it in detail, together with the Management Board, in its meeting held on September 22, 2025. Accordingly, the Supervisory Board has met its audit obligation under Art. 9 (1) c) ii) SE Regulation together with § 171 (1) sentence 4 AktG concerning the Company's non-financial Group statement on corporate social responsibility. No objections were identified.

In contrast to the previous financial year, the Group sustainability statement for the financial year 2024/2025 was not subject to a voluntary limited assurance engagement by Grant Thornton AG Wirtschaftsprüfungsgesellschaft, meaning that the non-financial Group statement was approved by the Supervisory Board at the meeting held to approve the financial statement on September 22, 2025 on the recommendation of audit committee Chair Ulrike Krämer.

Closing comments

The Supervisory Board is aware that the sustained success of Verbio SE is due in particular to the commitment, dedication and performance of its employees. They are the foundation of the Company's success; with their expertise, their motivation and their daily commitment, they have made a decisive contribution to Verbio's continued success and forward-looking approach.

The Supervisory Board would like to express its special thanks and great appreciation to all employees, the management teams of the subsidiaries and the Management Board for their commitment and outstanding performance in the financial year 2024/2025. We would also like to thank our customers and business partners, whose trust and support have made an important contribution to our joint success. Our special thanks also go to our shareholders for their continued trust and long-term support.

Finally, on behalf of the entire Supervisory Board, I would like to thank all members of the Management Board for their consistently constructive, reliable and open cooperation and for their significant commitment in the financial year 2024/2025. We expressly welcome the strategic course that has been adopted, and will continue to support the Management Board in the current financial year 2025/2026 with advice, support and a critical eye in the interests of the Company's long-term success.

Verbio SE

Leipzig, September 22, 2025

For the Supervisory Board

Alexander von Witzleben
Chairman of the Supervisory Board

The Verbio share

Verbio SE's shares are listed in the regulated market in the Prime Standard segment of the German stock exchange (ticker: VBK) and are traded on the electronic securities trading platform Xetra, among others.

The share at a glance

Ticker:	VBK
Ticker Bloomberg (Xetra):	VBK GY
Ticker Reuters (Xetra):	VBKG.DE
ISIN:	DE000A0JL9W6
Market segment:	Regulated market (Prime Standard)
Designated Sponsor:	mwb Fairtrade Wertpapierhandelsbank AG
Number of shares:	63,715,479
Type:	Ordinary shares
Nominal value per share:	EUR 1.00

	2024/2025	2023/2024
Closing share price * (June 30, 2025; June 28, 2024)	EUR 12.22	EUR 17.44
52-week high (Xetra)*	EUR 19.99	EUR 45.84
52-week low (Xetra)*	EUR 7.14	EUR 16.50
Market capitalisation (basis: closing share price Xetra)	EUR 778.6 million	EUR 1.11 billion
Free float	27.90 percent	27.25 percent
Earnings per share (basic/diluted)	EUR −2.17/−2.16	EUR 0.31/0.31
Operating cash flow per share	EUR 0.22	EUR 1.83
Book value per share	EUR 11.71	EUR 14.55

* Xetra closing share price.

The year on the stock market

2. Calendar half-year 2024

In the second half of 2024 global stock markets were influenced by a variety of economic, geopolitical and political factors, and as a result markets were characterised by volatility overall. Inflation rates in the US and Europe continued to fall in the second half of 2024.

From the summer of 2024 there was a significant decline on the stock markets. The Dow Jones lost over 1,000[1] points at times, the Nasdaq fell by 5.7 percent and the Japanese Nikkei 225 recorded its biggest daily loss since 1987 with a drop of 12.8 percent. This was triggered, among other things, by weak US labour market data and concerns that the US Federal Reserve could react too late to an impending recession. The primaries for the US presidential election and uncertainty about the economic policy direction under a possible new president also had a negative effect on investors' appetite for risk.

Donald Trump's subsequent re-election had a noticeable impact on the financial markets, both in the short term and in specific sectors. Reactions varied depending on the region and sector. The US stock markets reacted positively immediately; the S&P 500[2] and the Russell 2000 rose by 1 percent and over 2 percent respectively. Financial and energy stocks benefited in particular, driven by expectations of tax cuts and deregulation.

[1] Welt
[2] Share price, volume, indices, other economic and stock market data: Bloomberg

In a European comparison, the German stock market achieved a positive performance at the end of the year. While the DAX rose by 8.1[1] percent, the Euro Stoxx 600 fell by 1.1 percent. Among other things, the break-up of the coalition government provided a boost, which initially aroused optimism among investors, combined with hopes of deregulation and further economic stimulus. In December, the DAX exceeded the 20,000 point mark for the first time. The US S&P 500 was at the top end with a gain of 6.9 percent, while the British FTSE 250 closed the second half of 2024 with a gain of 1.9 percent.

1. Calendar half-year 2025

The start to the first half of the 2025 stock market year continued to be characterised by high volatility, triggered primarily by the trade conflicts resulting from the imposition of the US government's punitive tariffs, which led to heavy falls in share prices worldwide. The S&P 500 fell by up to 12 percent at times and the Nasdaq by as much as around 23 percent since the beginning of the year. This was the strongest correction in years. It was only after diplomatic pressure that the suspension of tariffs in April 2025 led to an easing of the situation and a significant recovery on the stock markets.

At the same time, the European Central Bank cut interest rates several times in the face of falling inflation, which gave European equities in particular a tailwind. The DAX rose by over 20 percent in the first half of the year, while the EuroStoxx 50 increased by more than 14 percent – significantly more than the US S&P 500 index, for example, which rose by around 5 percent.

Another driver was the significant loss of the US dollar, which fell by over 10 percent in the first half of the year – the biggest half-year loss for over 50 years. This benefited gold in particular, but also import-orientated European companies.

Despite ongoing geopolitical risks such as the war in Ukraine and the tense conflict in the Middle East, the markets proved surprisingly resilient overall. Only the price of oil reacted with significant volatility.

The Verbio share in the financial year 2024/2025

The Verbio share started the financial year 2024/2025 on July 1, 2024 with an opening price of EUR 17.88 per share on the Xetra exchange. On the final day of trading in June 2025 the share closed with a price of EUR 12.22. As a result the Verbio share was down 31.7 percent over the period. This puts the share performance in line with the sector, as Verbio's peer companies also suffered significant falls.

After the summer months of 2024, in which the share recorded only a few major fluctuations, the stock market price fell continuously over the course of the last calendar quarter of 2024 and ended the first half of the financial year (July 1 to December 31, 2024) down 33.8 percent. The share thus particularly reflected difficult market conditions, uncertain regulatory framework conditions as well as a negative earnings trend.

On January 15, Verbio adjusted its existing EBITDA forecast for the financial year 2024/2025 due to technical quality problems at the plant in Nevada, (Iowa, USA) and the unexpectedly slow recovery of GHG quota prices. The prices for GHG quotas had come under pressure since 2023 as a result of massive cases of fraud involving supposedly advanced biodiesel from Asia, among other things, which had led to market distortions. The original forecast was revised downwards, from a range between EUR 120 million and EUR 160 million to a mid-double-digit million figure. With the publication of the nine-month results on May 13, 2025 the Management Board specified the forecast indicating that EBITDA for the financial year 2025 would be at the lower end of the forecast range. The expectation for net financial debt at the end of the financial year remained unchanged at a maximum of EUR 190 million.

The second half of the financial year (January 2 to June 30, 2025) started with share price losses as a result of the forecast adjustment. Although there were occasional short-term upward movements during this period, a noticeable recovery only began in the second half of June with the publication of the draft for the implementation of RED III. At the end of the financial year, the Company's market capitalisation was still below the balance sheet equity despite the positive development.

The share price high for the financial year 2024/2025 was EUR 19.99 on August 19, 2024, and the low for the same period was EUR 7.14 on April 7, 2025.

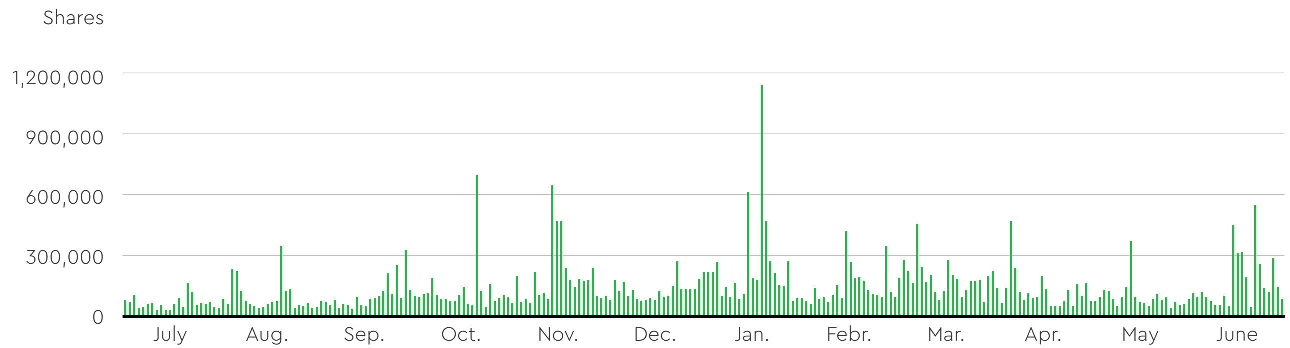
In the first half of the financial year 2024/2025, an average of 117,930 shares were traded per day on Xetra; in the second half of the financial year the trading volume rose by approximately 39 percent to 163,420 shares per day. The daily average number of shares traded over the financial year as a whole was 140,608 shares.

[1] Share price, volume, indices, other economic and stock market data: Bloomberg

The Verbio share: Share performance and trading volume from July 1, 2024 to June 30, 2025

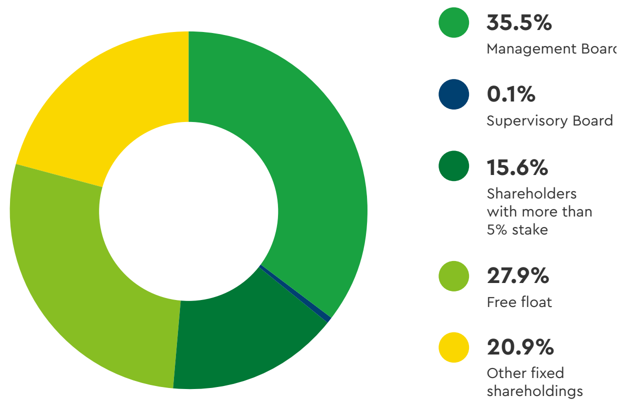
Development of the Verbio stock performance compared to SDAX (indexed) from July 1, 2024 to June 30, 2025

[1] Verbio was included in the SDAX until June 23, 2025



Trading volume (Xetra)
from July 1, 2024 to June 30, 2025 (in number of shares)

Shareholder structure at June 30, 2025



For Verbio SE the member state of origin is Germany, and the reporting thresholds for changes in significant shareholdings set out in § 33 and § 34 of the German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) apply. Verbio SE has received two reports of changes to significant holdings in the Company during the reporting period. These related to the transfer of shares held by Pollert Holding GmbH & Co. KG to Theophanu Stiftung G & G Pollert. As this is a company controlled by Dr. Georg and Dr. Gabriele Pollert, the voting rights notifications were made via the aforementioned private individuals. Pollert Holding GmbH & Co. KG is a party to the Verbio SE pool agreement. Information on reportable transactions in the Company's voting share capital is provided in the Investor Relations/Corporate Governance section of the Company's website www.verbio.de.

Capital markets

Analyst coverage

Six analyst firms issued detailed studies and provided up-to-date short analyses of Verbio SE over the course of the financial year 2024/2025. Kepler Chevreux started coverage in May 2024, while Jefferies International Ltd. initiated coverage in July 2023. Deutsche Bank, Hauck & Aufhäuser Investment Banking and EQUI.TS GmbH also reported on Verbio. Stifel Europe ceased coverage in summer 2024 and ended its business activities in Frankfurt and Zurich in May 2025, and mwb Research AG resumed coverage in August 2024 with a buy recommendation.

These analyses are prepared independently by the analysts at the respective companies based on publicly available information. The reports issued by the analyst firms represent their own opinions, assessments and recommendations, and are not subject to any influence or control by Verbio SE.

Communication with capital markets

In its communication with capital market participants, Verbio has a policy of treating all capital market participants equally. Accordingly, we always publish information that is up to date, consistent, transparent and relevant to the share price on a timely basis, using both an electronic distribution system and the Verbio SE website.

The Investor Relations section of the website www.verbio.de provides interested capital market participants with relevant information, including financial reports, stock market information, analyst recommendations and important financial dates, as well as information about the annual general meeting and details of the Company's corporate governance. Obligatory capital market communications such as ad hoc reports and corporate news are also provided there on a timely basis in both German and English. Notifications concerning voting rights in accordance with § 33 et seq. WpHG and disclosures of managers' transactions in accordance with Article 19 of the Market Abuse Regulation (managers' transactions/directors' dealings) are also made available on the website. Interested parties can register and add themselves to a distribution list on the Investor Relations section of the Verbio website to receive capital market news on a regular basis via email. In addition, regular press, analysts' and investor conferences (held as telephone conferences/webcasts) are convened when quarterly, half-year and annual reports are released.

Further, the investor relations department makes itself available to existing and potential institutional and private investors as well as financial analysts for an exchange of information via personal meetings or electronic calls. Verbio provides regular corporate news updates on the www.verbio.de website, as well as via the Group's social media channels on Facebook, YouTube and Instagram. Further, Claus Sauter, the Chairman of Verbio's Management Board, gives his opinion on current political developments, background issues and market conditions in his blog and podcast #strohclever (www.strohklug.de). Verbio also provides information to interested investors in the form of interviews, technical publications and presentations about the development of the business, and by participating in industry events and discussions at conferences about market developments, the regulatory environment and its impact on the biofuels sector.

Over the course of the financial year the Company participated in a series of investor conference events and held a large number of individual and group meetings with interested analysts and investors in order to answer any questions arising, in particular concerning the Company's strategy and future growth prospects. These events were increasingly held as physical presence events, complemented by virtual media formats. The financial calendar, with all the important dates for the financial year 2025/2026, can be found on the last page of this annual report and in the Investor Relations section of the Company's website (www.verbio.de).

Annual general meeting and dividends

Annual general meeting 12/2024

On December 6, 2024 Verbio held its annual general meeting for the financial year 2024/2025 in virtual form; it was its first annual general meeting in the legal form of an SE.

Shareholders representing 49,419,004 ordinary shares and the same number of voting rights (voting proxy representatives and electronic votes) were represented at the meeting (77.66 percent of the Company's total share capital).

The Management and Supervisory Boards answered shareholders' questions and presented information on business developments, corporate strategy and the legal environment, as well as on market trends. The agenda included, among other things, the appropriation of net profit, the discharge of the Management and Supervisory Boards as well as the approval of the remuneration report and the new "Remuneration System 2025", which applies from July 2025. A vote was also held on the appointment of Grant Thornton AG Wirtschaftsprüfungsgesellschaft, Leipzig, as auditor of the annual and consolidated financial statements for the financial year 2024/2025. The appointment as auditor of the sustainability report was made as a precautionary measure and subject to the condition precedent that the Company is legally obliged to prepare a sustainability report for the financial year in question and to appoint an auditor for this purpose. The law has not yet been implemented, so the condition has not materialised.

All of the resolutions proposed by management were approved with the necessary majority by the voting proxy representatives or by electronic voting. The Management and Supervisory Boards of Verbio SE take the voting results as an indication of the trust that the Company's shareholders have in the Company's management. Details of the voting results and further information on the annual general meeting held in December 2024 are provided in the Investor Relations section of the Company's website www.verbio.de. The annual general meeting for the financial year 2025/2026 will be held on December 5, 2025 in Leipzig.

Dividends

The Management and Supervisory Boards of Verbio SE aim to provide a consistent dividend stream under a dividend policy that is intended to reflect a fair arrangement between the interests of shareholders on the one hand and the financing needed for the growth of the business on the other. This is intended to provide shareholders with a reasonable dividend in order to share in the Company's success. At the same time, it is also in the interests of shareholders to ensure that the Company maintains a solid equity base, high credit worthiness, and that it has sufficient cash to finance its operating activities as well as to take advantage of expansion opportunities for the sustainable development of the business. Accordingly, Verbio SE's Management and Supervisory Boards make a careful examination of their dividend proposals every year, taking the interests of both the Company and its shareholders into account.

In EUR	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Earnings per share (basic)	0.84	1.01	1.48	4.99	2.08	0.31	–2.17
Dividend per share	0.20	0.20	0.20	0.20	0.20	0.20	0.0 [1]
Dividend distribution (in millions)	12.6	12.6	12.6	12.7	12.7	12.7	0.0

[1] Proposed suspension of the dividend subject to approval at the annual general meeting in December 2025.

Dividend payment of EUR 0.20 per share for the financial year 2023/2024

The separate financial statements of Verbio SE prepared in accordance with HGB reported a profit for the financial year 2023/2024 of EUR 80,617,793.39, with an accumulated retained profit of EUR 915,448,714.35. The Management and Supervisory Boards had proposed the payment of a dividend of EUR 0.20 per qualifying share to the annual general meeting held on December 6, 2024, resulting in the payment of dividends totalling EUR 12,727,639.60 with EUR 902,721,074.75 transferred to retained earnings.

The Verbio SE annual general meeting held on December 6, 2024 approved the resolution proposed by the Management and Supervisory Boards to pay its shareholders a dividend of EUR 0.20 per qualifying share for the financial year 2023/2024. This represents a dividend yield of 1.15 percent based on the closing price of the Verbio share of EUR 17.44 at June 28, 2024.

Proposed dividend for the financial year 2024/2025

In the reporting year 2024/2025, as a consequence of the still ongoing market distortions due to the massive cases of fraud involving misdeclared biodiesel imports and technical quality problems in the USA plant, which led to a negative contribution to earnings, as well as regulatory uncertainties, Verbio has generated a financial and operating result which is significantly lower than in the previous year. Accordingly, the boards of Verbio SE have agreed to propose to the annual general meeting to be held on December 5, 2025 that the dividend be suspended and that the accumulated retained earnings shall be carried forward. This measure strengthens the Group's freely available liquidity, while some of the funds remain tied up in inventories due to the political decision to suspend the right to offset brought-forward surplus GHG quotas in the obligation years 2025 and 2026. The surpluses accumulated until 2024 will be available again from 2027. Subject to approval by the annual general meeting, this represents the first suspension of a dividend payment, which has been maintained at EUR 0.20 per qualifying share since 2016/2017.

Combined Group management report

* The contents marked with an asterisk were not included in the information subject to audit by the auditor.

Combined Group management report

for the financial year from July 1, 2024 to June 30, 2025

Combined Verbio Group and Verbio SE management report for the financial year from July 1, 2024 to June 30, 2025

(GRI 2-1)
Verbio SE is a stock exchange listed European Company (Societas Europaea, SE). Verbio SE's shares are listed in the regulated market in the Prime Standard segment of the German stock exchange (ticker: ISIN DE000A0JL9W6) and are traded on the electronic securities trading platform Xetra, among others.

About this report

This combined Group management report contains information on both the Verbio Group (hereafter also referred to as "Verbio" or "the Verbio Group") and on the parent holding company Verbio SE (hereafter also referred to as "Verbio SE" or "the Company"). Unless stated otherwise, statements made in this document relate to the Group as a whole.

This management report is published in German (the original version) and in English (a non-binding and unaudited translation) and is available in both languages on the Company's website at www.verbio.de.

In addition to financial reporting, this report includes significant non-financial information in accordance with the CSR Directive Implementation Act (CSR-Richtlinie-Umsetzungsgesetz – CSR-RUG) to present the relationships between economic, ecological and social factors. This non-financial reporting is prepared for the Group. For this purpose, selected non-financial information is presented by reference to the guidelines on international sustainability standards issued by the Global Reporting Initiative (GRI). The contents of the non-financial Group statement are not included in the scope of the audit of the annual and consolidated financial statements performed by Grant Thornton AG Wirtschaftsprüfungsgesellschaft.

[The passages that relate to either non-financial information or contents that are not typically included in a management report and are not audited are marked with an asterisk in the table of contents and with square green brackets in the text. For information that is both part of the non-financial information and in addition is also typically included in a management report, the corresponding GRI standards are stated in brackets.]

The referencing technique is based on the European Sustainability Reporting Standards (ESRS).

1. Fundamentals of the Group

1.1 Business model

(GRI 2-6)
With our innovative technologies we are shaping the social and industrial transformation toward climate neutrality and ecological production. In our Verbio biorefineries we convert raw materials and waste products from local agriculture into climate-friendly fuels, local green energy and renewable products for chemicals and agriculture. We supply the animal feed and foodstuff industries with high-value components made from sustainably-generated biomass. We combine global growth with commercial success. We assume social responsibility for climate protection, and contribute to security of supply since biomass is always available, and accordingly the supply of renewable energy sources and chemicals is secured.

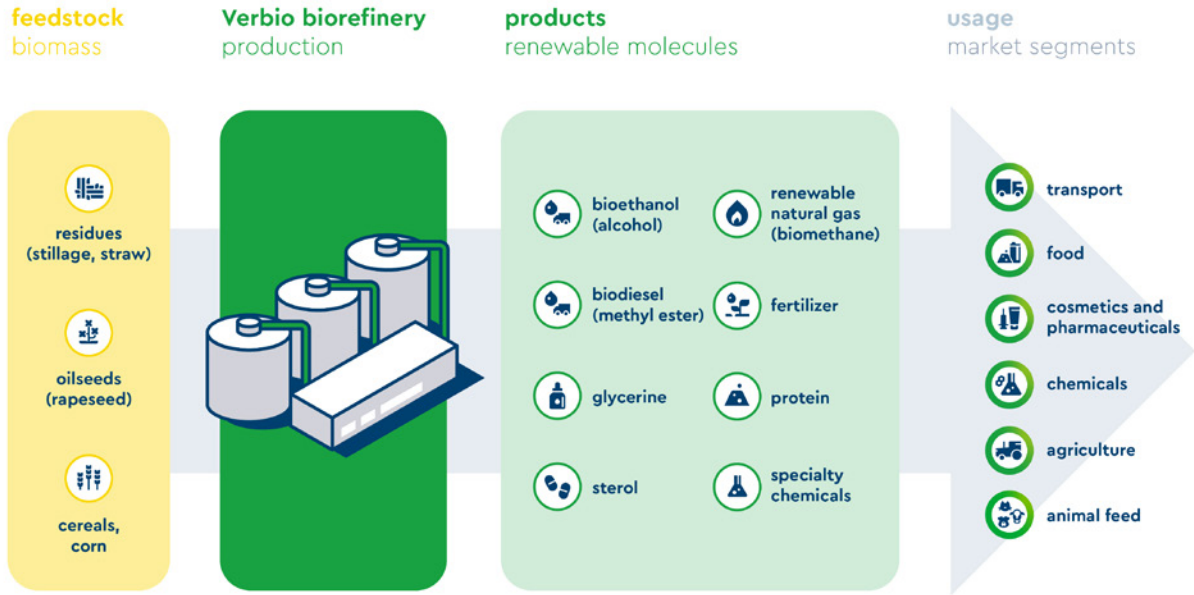
Verbio is a global business with production at its German locations in Zörbig and Bitterfeld (both in Sachsen-Anhalt), Schwedt/Oder (Brandenburg) and Pinnow (Brandenburg), as well as foreign subsidiary companies in India (Chandigarh, Punjab), USA (South Bend, IN, and Nevada, IA), Canada (Welland, Ontario) and Hungary (Budapest).

Verbio now markets renewable molecules as biodiesel and bioethanol in Europe and North America, while biomethane is used as a fuel and for heat and power generation in Europe, the USA and India. Pharmaglycerin and sterols are also marketed worldwide.

Verbio also sees further future applications for its core bioethanol, rapeseed oil methyl ester and biomethane products as a result of the increasing trend towards defossilisation in other sectors such as, for example, the chemicals, steel and cement industries, as well as in the air and shipping transport sectors.

The technologies used are based on Verbio's own expertise. The Group's plant and processes are subject to ongoing development and improvements in order to optimise existing production, and at the same time to increase added value by driving forward the manufacturing of new high-value biogene products from the raw materials used in the production processes. These projects include, for example, investment in the construction of an ethenolysis plant for the production of renewable chemicals. This also includes Verbio's wholly-owned subsidiary XiMo, a high-tech company in the organic chemistry sector with a particular focus on the development and marketing of metathesis catalysts.

Our business model



1.1.1 Segments and product portfolio

The business activities of Verbio are grouped into three segments: Biodiesel, Bioethanol/Biomethane, and Other. We convert sustainable biomass into green molecules for use in a wide range of applications. Thanks to our innovative biorefinery concept, which is characterised by optimal use and maximum yield of the raw material input and a system of closed cycles, we increase the energy and CO_2 efficiency of our plants compared to conventional plants and improve land efficiency in agriculture. In our biorefineries, we process raw and residual materials from regional agriculture. Co-products from our production processes are transformed into high-quality inputs for the food, cosmetic and pharmaceutical industries, as well as animal feed and fertilisers (refer to the table presenting Verbio's product and service portfolio). Verbio thus creates alternatives to fossil fuels and conventional feedstuffs and fertilisers, and at the same time strengthens regional agriculture.

	Biodiesel				Bioethanol/Biomethane				Other
	Biodiesel	**(Pharma-)Glycerine**	**Sterocellent™ (phytosterols)**	**Olefin metathesis catalysts (XiMo)**	**Bioethanol**	**Biomethane**	**Animal feed, e.g. Verbio Proti Flow, Verbio Grain Pro**	**Fertiliser from renewable sources**	**Logistics and Trading**
Raw material	Mainly domestic rapeseed oil and waste materials	Crude glycerine (based on domestic rapeseed oil)	Domestic rapeseed oil	Molybdenum, tungsten and ruthenium	Mainly domestic grain	Stillage (a residual material from bioethanol production), straw	Stillage	Stillage, straw	Logistics: Execution of transport and logistics tasks for Verbio Group companies and third party companies Trading: physical product and derivative trading
End markets	Oil industry, fleet operators and agriculture (B100)	Cosmetics and pharmaceuticals, food	Cosmetics and pharmaceuticals, food	Renewable chemicals, aromas and fragrances, plastics, agrochemicals, pharmaceuticals	Oil industry	Fleet operators and end consumers through Verbio's own fuel retail network, third-party providers of filling stations, heating and power	Agriculture	Agriculture	Logistics: Miscellaneous Trading: Oil industry
Highlights	**Biodiesel delivers > 70% CO_2 savings** compared to fossil diesel, a major contributor to decarbonising transport	(Pharma-)glycerine, a valuable by-product of biodiesel production, contributes to circular resource use: 99.7% purity; kosher and halal tested; Hazard Analysis and Critical Control Points (HACCP) and ISO-22000 certified	Sterols contribute to circular resource use and enable health-promoting applications in food and pharma: 100% non-GMO, vegan, kosher, halal; food safety according to HACCP	The highly active, proprietary molybdenum- and tungsten-based olefin metathesis catalysts from XiMo enable cleaner, more selective chemical synthesis with minimal waste enabling new green chemical processes	**Approx. 80% CO_2 savings** compared to fossil gasoline, a major contributor to decarbonising transport	**Approx. 90% CO_2 savings** compared to fossil diesel and gasoline, by-products (liquid and humus fertilisers)	EU positive list for feed, and certified according to the QS GmbH/PDV guidelines for the feed industry	Fertiliser is recovered as a valuable by-product during biomethane production, reducing waste, lowering emissions from synthetic fertiliser use, and closing nutrient loops in agriculture	Certified in accordance with GMP+ B4 since 2004 for safe feed transport, embedded in a broader logistics operation – with vehicles largely powered by BioCNG and BioLNG to reduce transport emissions

The Verbio product and service portfolio

Further information is available in the "Green Solutions" section of the Company's website www.verbio.de.

1.2 Group structure at June 30, 2025

(GRI 2-1, 2-9)
Verbio SE has a dual management and control structure consisting of a Management Board and a Supervisory Board. Verbio is governed in accordance with the requirements of Council Regulation (EC) No 2157/2001 of October 8, 2001 on the statute for a European Company (SE) (SE Regulation), the German Stock Corporation Act as well as the German Corporate Governance Code (Deutscher Corporate Governance Kodex – DCGK) in their respective current versions. The Management and Supervisory Boards of Verbio are both equipped with independent competences; they work together to manage and supervise our business, and their working relationship is a close and trusting one. Their common objective is to create a sustained increase in the value of the Company for shareholders.

As at June 30, 2025 the Management Board of Verbio SE consisted of six members, carrying joint responsibility for managing the business of the Company with the objective of generating sustainable value creation. The Management Board does this under its own responsibility and in the interest of the Company. The Supervisory Board has provided the Management Board with rules of procedure that, in addition to a catalogue of transactions requiring approval, also define the areas of responsibility that are assigned to individual members of the Management Board.

The departmental responsibilities are described in the "Executive bodies of the Company" section of this annual report. Further information about the corporate bodies, their working methods, the process for nominating and selecting members and their remuneration is, among other things, available in the Verbio SE articles of association, the rules of procedure of the Supervisory Board, the statement on corporate governance, and the remuneration report, as well as on the Company's website in the section "Group" under "Management and Supervisory Board" (see also the reference list on page 70).

Verbio SE's legal headquarters in Zörbig is responsible for contract administration, invoicing and incoming invoice control for raw materials. Verbio SE is the parent company of the Verbio Group. Part of the Group's administration is based in Leipzig, where, in addition to indirect central functions such as accounting, controlling and treasury, parts of sales and procurement, project development and plant construction are also located.

1.2.1 Scope of consolidation

(GRI 2-2)
In addition to Verbio SE itself, the significant entities in Verbio Group at the balance sheet date were as follows:

- VERBIO Bitterfeld GmbH, Bitterfeld-Wolfen/OT Greppin, hereinafter referred to as "VEB"
- VERBIO Zörbig GmbH, Zörbig, hereinafter referred to as "VEZ"
- VERBIO Schwedt GmbH, Schwedt/Oder, hereinafter referred to as "VES", "VES (D)" (Biodiesel segment) or "VES (E)" (Bioethanol segment)
- VERBIO Pinnow GmbH, Pinnow, hereinafter referred to as "VEP"
- VERBIO Chem GmbH, Zörbig; hereinafter referred to as "VChem"
- VERBIO Retail GmbH, Zörbig; hereinafter referred to as "VRetail"
- VERBIO Agrar GmbH, Zörbig, hereinafter referred to as "VAgrar"
- VERBIO Logistik GmbH, Zörbig, hereinafter referred to as "VLogistik"
- VERBIO Polska Sp. z o.o., Stettin (Poland), hereinafter referred to as "VPL"
- VERBIO India Private Limited, Chandigarh (India), hereinafter referred to as "VEI"
- VERBIO North America LLC, Stamford, Connecticut (USA), hereinafter referred to as "VNA"
- VERBIO Nevada LLC, Nevada, Iowa (USA), hereinafter referred to as "VEN"
- VERBIO Diesel Canada Corporation, Welland, Ontario (Canada), hereinafter referred to as "VDC"
- XiMo Kft., Budapest (Hungary), hereinafter referred to as "XiMo"
- South Bend Ethanol LLC, South Bend, Indiana (USA), hereinafter referred to as "SBE"
- Verbio International AG, Carouge, GE (Switzerland), hereinafter referred to as "VInternational"

Verbio SE also has further shareholdings in other companies. A detailed listing of the subsidiaries included in the consolidated financial statements and the sustainability report can be found in note 2.2 to the consolidated financial statements, "Scope of consolidation".

1.3 Vision and strategy

Verbio is following a long-term plan which is aimed at generating sustainable success. To do this we focus on responsible behaviour, innovative solutions and a coherent strategy that will enable us to retain our stable and successful positioning in the future. We combine global growth with commercial success and assume social responsibility for climate protection.

Our identity as a strategic pioneer. Our common values are firmly anchored in our daily activities and are a decisive factor of our culture. These include, in particular:

- Curiosity
- Flexibility
- Determination
- A down-to-earth attitude
- Enthusiasm
- Agility
- Cost leadership
- Sustainability

A targeted strategy for growth and internationalisation. Our strategic orientation is based on experience, and on comprehensive analyses of our markets, the competitive environment, as well as the commercial, ecological and social conditions. We observe trends and short-term developments on an ongoing basis in order to anticipate the associated opportunities and risks.

In a world of growing energy insecurity – supported by social and political pressure – conditions are emerging worldwide for a more comprehensive defossilisation of our industrial society. We are addressing this by expanding and internationalising the production and marketing of renewable molecules, having been able to prove the scalability of our technologies and our business model over recent years.

In the financial year 2024/2025 we sharpened our priorities and further developed the structures necessary to address these. We once again increased our production volumes in Germany and abroad during the reporting period. Despite initial challenges during the ramp-up of the ethanol line at the combined ethanol and biomethane plant in Nevada (Iowa, USA), Verbio was able to successfully stabilise production by the end of the financial year. In addition we have driven forward the construction of the world's first large-scale ethenolysis plant. With our renewable chemicals we are able to enter the world's third-largest industrial sector as a market.

At the same time we are strengthening our position along the value-added chain. As a producer of versatile, renewable molecules, we have a differentiated product portfolio and strong marketing expertise (regulatory expertise and market knowledge). We are simultaneously making use of and building on our expertise by expanding our trading business. In addition, in Germany we have made investments in expanding our value-added chain and are constructing our own BioCNG und BioLNG filling station infrastructure, which has in the past been a bottleneck in the value chain. With the expansion of our sales channels we strengthen our flexibility, resilience and independence from local influences.

Proprietary technology strengthens competitive position. Today we benefit from flexible manufacturing plant structures, the closed-loop system concept, efficient processes and a high level of flexibility regarding the use of raw materials. It is our objective to invest in the further optimisation of existing plant and equipment and production processes in order to make our production even more resource-efficient, and to make further improvements in the greenhouse gas (GHG) footprint of our products. By establishing new technology concepts to make use of more co-products, we are able to increase our competitiveness by developing new, climate-friendly products and entering new sales markets.

We are expanding our biomass derivatives product portfolio and generating additional value from our biomass, for example with the use of renewable chemicals and high-value proteins. In the financial year 2024/2025 we commenced construction of the catalyst production facility in Hungary. This plant of our subsidiary XiMo will produce the catalysts for our ethenolysis plant in Bitterfeld, which is also under construction. Verbio Protein GmbH also reached an important milestone with the successful commissioning of the extraction and drying process. This represents a further significant step towards maximising the raw material utilisation of the biorefinery in Zörbig, and lays the foundation for the marketing of high-purity protein products. In addition we continue work on the further development of technologies to manufacture basic and speciality chemical products from raw materials containing starch.

Human resources development increases competitiveness. Recruitment and development are critical success factors for the implementation of our strategy and in the pursuit of our long-term growth objectives. We aim to maintain and build on our role as a green tech pioneer with appropriately qualified staff. Accordingly, Verbio places a high value on encouraging entrepreneurial thinking and activity. At Verbio we give our employees business responsibility – which is both a promise and an obligation.

Greenhouse gas savings for our customers. We focus on the use of internally-developed innovative process and production technologies, high quality, and maximising the CO_2 efficiency of the products we manufacture. The basis for all of our business activities and investments is meeting strict sustainability criteria in the production of biofuels throughout the entire value-added chain, from the procurement of raw materials, through production and up to the sale of biofuels and co-products. In order to offer convincing low carbon dioxide solutions for others, we need to demonstrate significant advances in reducing our own emissions. We want to achieve climate-neutrality (Scope 1 + Scope 2) by 2035. For example, we are increasingly making use of CNG/LNG powertrains for long-distance goods transport purposes, and we are currently in the process of successively converting our fleet of trucks to low-carbon powertrains. At the end of the financial year 2024/2025, the fleet consisted of just under 170 tractor units, 88 percent of which have already been converted to CNG or LNG drive systems and which are primarily fuelled with BioCNG and BioLNG from our own production.

Detailed information on our strategy and objectives in the area of sustainability are provided from page 62 in our non-financial Group statement.

1.4 Management system and performance indicators

Verbio's business dealings are aimed at generating profitable growth as well as technology and cost leadership in the biofuels manufacturing sector and in the manufacturing of renewable molecules for applications in industry. This forms the basis on which the significant key performance indicators are determined.

The key performance indicator that we use to monitor earnings at Group level is earnings for the period before interest, income taxes, depreciation, amortisation and impairment reversals (EBITDA). In addition, analyses of gross margins (revenue, changes in inventories less cost of materials and energy), EBIT (operating result for the period before interest and income taxes) and production-specific key data, such as production quantities and the associated capacity utilisation, are also used. Segment-specific targets are set for all the key figures described above.

The effective and efficient management of capital is a key component of our Group's integrated controlling system. This primarily comprises the management of liquidity, equity and borrowed capital, as well as currency and interest rate management. The significant key performance indicator used for this purpose is the measurement of net financial assets (net cash) or, respectively, net financial liabilities (net debt; cash and cash equivalents less borrowings). Another significant success factor is the strict control of investments. At Verbio, this means making an assessment of each individual project, taking into consideration the respective amortisation period and its strategic importance.

The Group's corporate-wide management and generation of reports using planning, expected and actual data is based on a reliable and meaningful financial and controlling information system.

Increasing the value of the business is a key performance indicator, and accordingly this is also anchored in the system of remuneration for the Management Board. For example, it rewards an increase in the share price, and therefore provides an incentive for success-based sustainable management of the Company in the interests of all shareholders.

1.5 Research and development

Verbio's research and development (R&D) departments make an important contribution to increasing our competitiveness and to the expansion of our business by developing innovative production technologies and transferring them to large-scale use, and by providing continuous further development and optimisation of existing production processes and plants.

For this reason, targeted research and development activities have been driven forward over recent financial years. Existing processes were further developed and optimised with short- to medium-term time horizons. At the centre of this is improving the greenhouse gas balance, i.e. reducing CO_2 emissions, and resource efficiency. In addition, we are initiating new research projects on an ongoing basis to enable us to maintain our success in new market segments, for example in chemicals and agriculture. Our participation in joint projects with public and private research institutes and universities also plays an integral role in our research and development work. Prof. Dr. Oliver Lüdtke, a member of our Management Board, has been an active lecturer at the Hamburg University of Technology since 2019.

In the financial year 2024/2025, our Operational Excellence teams focussed heavily on optimising our plants in the USA. Together with the production teams, they accelerated the ramp-up of the plants and successfully optimised the efficiency of the plant already in service in terms of yield and consumption. Our Operational Excellence teams consist of experts in process technologies, automation, construction, biotechnology, maintenance and chemistry. They not only check the efficiency parameters of our plants on a daily basis, but also support our plant teams on site and work very closely with our R&D teams as required.

The knowledge and flexibility of our Operational Excellence and R&D teams, together with the respective production teams, ensure the rapid implementation of best practice solutions in our plants worldwide, as well as the timely implementation of innovations.

In total, the Group spent EUR 6.3 million (2023/2024: EUR 5.7 million) on research and development in the financial year 2024/2025. Group-wide, an average of 52 people (2023/2024: 42) were employed in R&D departments. An average of 39 people were employed in the Operational Excellence team (2023/2024: 36).

1.5.1 Research and development in the Biodiesel segment

The processes used in the Biodiesel segment are subject to an ongoing process of optimisation. Our R&D department in the segment works very closely with the production department in order to maintain and, where possible, extend our competitive lead in the production of biodiesel.

Further progress was made in the financial year 2024/2025 on the construction of the world's first ethenolysis plant at the Bitterfeld site. This plant is based on a metathesis process developed by the R&D department for the production of innovative and sustainable basic chemicals derived from rapeseed methyl ester. Commissioning is planned for mid-2026.

In addition Verbio has continued work on developing a process to manufacture natural tocopherols, which are present in small quantities in the vegetable oils processed by Verbio. Tocopherols (vitamin E) are used in the food and animal feed industries, among others.

The R&D team provided sample quantities of high-quality natural tocopherol concentrates and base chemicals for both projects, which were produced in pilot plants at the Company's own technical centre. The samples serve to open up the market for these new product flows.

XiMo, a Group subsidiary company, is performing basic research into the development of metathesis catalysts and their applications as well as performing basic process research into how these metathesis catalysts can be manufactured on an industrial scale. The results of this development work are being incorporated in the design of a new plant to manufacture catalysts on an industrial scale. The production plant is being built at the Gödöllő site in Hungary and is currently under construction. Commissioning is planned for mid-2026.

1.5.2 Research and development in the Bioethanol/ Biomethane segment

One area in the focus of our R&D work, in cooperation with the Operational Excellence teams, is to make continuous improvements in the production processes used in our biorefineries. With this, our biorefineries concentrate on making the most efficient possible use of the input raw materials. The high levels of integration of the individual elements throughout our entire biorefineries place heavy demands on the stability of the processes.

In the financial year 2024/2025 our R&D teams have continued to drive forward development work to benefit our biorefineries, focussing on efficiency in the use of raw materials. This includes the testing and evaluation of different process additives to increase the yield. Another focus was on transferring best practices from the biorefineries to the American plants in Nevada (Iowa) and South Bend (Indiana) and developing new process steps to improve the efficiency of our plants in the USA. Verbio Protein GmbH also reached an important milestone in the financial year 2024/2025 with the successful commissioning of the extraction and drying process. This represents a further significant step towards maximising the raw material utilisation of the biorefinery in Zörbig, and lays the foundation for the marketing of high-purity protein products.

1.6 Employees

As of June 30, 2025 the Verbio Group employed a total of 1,458 employees (June 30, 2024: 1,395 employees), of whom 636 were staff (June 30, 2024: 640 staff), 726 were production employees (June 30, 2024: 712 production employees), 29 were apprentices (June 30, 2024: 20 apprentices), 32 were employees in "mini-job" arrangements (June 30, 2024: 17 in "mini-job" arrangements) and 27 were employees on short-term contracts (June 30, 2024: 6 on short-term contracts).

As of June 30, 2025 Verbio SE employed a total of 241 employees, including 6 members of the Management Board (June 30, 2024: 232 employees, including 6 members of the Management Board). The average annual number of employees was 249 and 6 members of the Management Board (annual average 2023/2024: 226 employees and 6 members of the Management Board).

Detailed information on the employee numbers and statistics is provided from page 86 in the section "Social information – Own workforce" in our non-financial Group statement.

2. Economic report

2.1 Macroeconomic and sector-specific environment

The macroeconomic environment in the financial year 2024/2025 remained largely characterised by military conflicts and geopolitical crises. The second half of the year saw an increase in international trade conflicts, to which the economies involved reacted with varying degrees of resilience.

The US economy was robust overall in the reporting period, even if consumer spending and industrial production lost some momentum in the first half of 2025. The decline in inflation – with support from falling crude oil prices – had a stabilising effect, while the fluctuating US tariffs, particularly in the trade conflict with China, continued to fuel uncertainty.

These developments led to a mixed situation in the eurozone. Although the region was still benefiting from the frontloading of exports to the USA at the start of 2025, consumer demand remained subdued overall. The US tariffs on EU and Chinese goods had a negative impact on exports and continue to dampen growth in Germany and Europe.

In Germany domestic demand also remained subdued, not least due to economic policy uncertainties and restrained investment. In addition, the transformation process towards a CO_2-neutral economy requires considerable adaptation efforts in almost all sectors.

Heavy goods traffic declined over the reporting period, reflecting the subdued industrial activity.

As a result of the implementation of the Renewable Energy Directive II (RED II), EU countries have specific objectives and targets for the use of biofuels in the transport sector, so that tax incentives and binding blending obligations and the greenhouse gas emissions (GHG) quota contribute to supporting the market for biofuels. In Germany, one of the largest markets for biofuels in Europe, the GHG quota was increased by 1.25 percentage points to 10.6 percent in January 2025. The oil industry is under an obligation to reduce greenhouse gas emissions – based on the annual total volume of petrol and diesel fuels sold – via the use of biofuels, electricity in electro mobility, electricity-based fuels and biogene liquid gas. The targets for 2022 and 2023 were massively over-fulfilled due to market distortions caused by a flood of biodiesel imports – including misdeclared imports – and cases of fraud in upstream emission reduction (UER) projects in China. The cases of UER fraud resulted in the German cabinet's decision on November 13, 2024 to amend the German Regulation on the Determination of Further Provisions for the Reduction of Greenhouse Gases from Fuels (Verordnung zur Festlegung weiterer Bestimmungen zur Treibhausgasminderung bei Kraftstoffen). The amendment suspends the carry-forward of GHG quota surpluses for the years 2025 and 2026, which means that those subject to quotas must physically fulfil their obligations and cannot meet them – as was previously the case – by the use of surpluses accrued in periods up to and including 2024. In doing so, in the years 2025 and 2026 the companies subject to quota obligations may make use of quotas generated by their own activities and quotas generated by third parties not subject to quota obligations. Quota-obligated parties can apply to carry over surpluses from 2024 and 2025 to 2027 by application. These temporary transitional regulations led to a significant drop in prices to below EUR 70 per tonne of CO_2 savings in 2024. In contrast, a moderate increase has already been observable for 2025 against the backdrop of expected shortages.

Positive impetus for climate protection and the biofuels market could result from the planned implementation of the European Renewable Energy Directive III (RED III). The German government's draft for the national implementation of RED III of June 19, 2025 explicitly refers to fraud prevention for the first time. This demonstrates the political determination to combat unfair trade practices in the biofuels industry. With the draft of a comprehensive amendment to the Biofuel Sustainability Regulation of August 15, 2025 concrete measures have been proposed to prevent fraud, in particular by abolishing the possibility of recognising incorrect sustainability certificates on the basis of good faith.

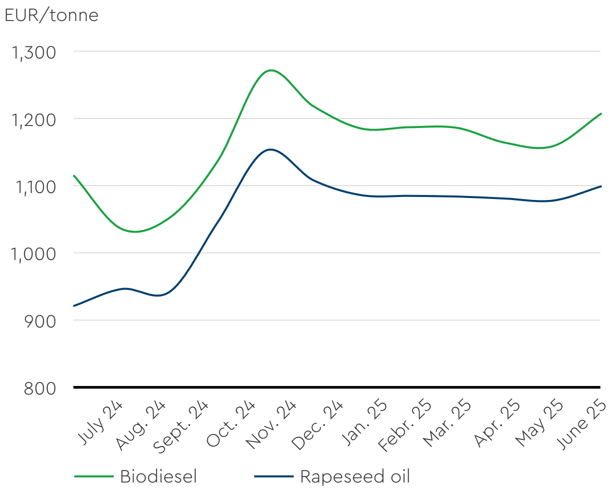
In North America the demand for renewable fuels is determined by the Renewable Fuel Standard (RFS) together with the Renewable Volume Obligations (RVOs) determined annually by the EPA. The volume commitments were announced on June 14, 2023 for 2024 and 2025 as well as with retrospective effect for 2023, which led to greater planning certainty in the years 2024 and 2025, at least for certain types of biofuel.

The different systems for the obligatory use of biofuels in Europe and worldwide result in uneven patterns of demand and supply, and accordingly in the potential for arbitrage, which is important for the development of local biofuels production. We examine the economics of biofuels production in detail below. As Verbio biomethane is largely manufactured from residual materials from the production of bioethanol, the Group reports biodiesel separately and bioethanol and biomethane on a combined basis. A summary presentation of price trends is presented in tabular format at the end of this section.

Biodiesel market: The German biodiesel market proved to be challenging in the period from mid-2024 to mid-2025. Demand fell noticeably compared to the previous year, due to economic weakness, lower mileage and new cases of fraud. For example, according to our own research, fossil diesel was falsely marketed as HVO100 and UCO imports from China declared as food waste were processed into specially subsidised biodiesel, as the CO_2 savings from this are counted twice towards the GHG quota. Declining biodiesel imports from China and falling domestic production were therefore only able to support biodiesel spreads to a limited extent.

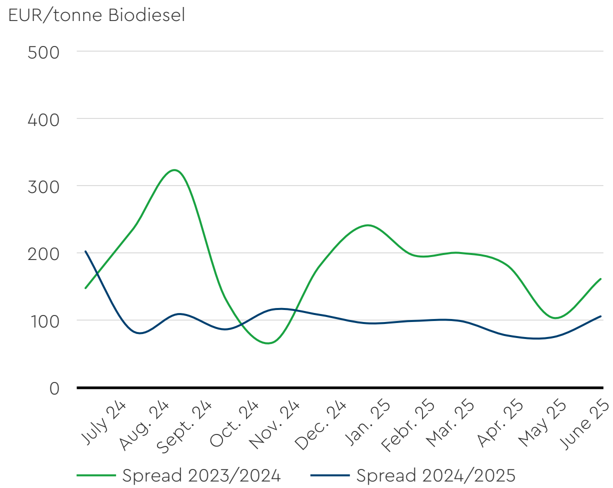
Biodiesel production in North America almost came to a standstill during the period under review. Although many plants in the USA were still producing at full speed at the end of 2024 in order to benefit from the expiring Blender's Tax Credit (BTC), production largely ceased from the beginning of 2025. Only integrated plants remained active and had limited volumes booked for the first quarter.

Price trends for biodiesel in Europe (July 2024–June 2025)



Biodiesel – Price in EUR/tonne   Rapeseed oil – Price in EUR/tonne

Spread trend in Europe year-on-year



Spread = Biodiesel price vs. rapeseed oil price per tonne of biodiesel

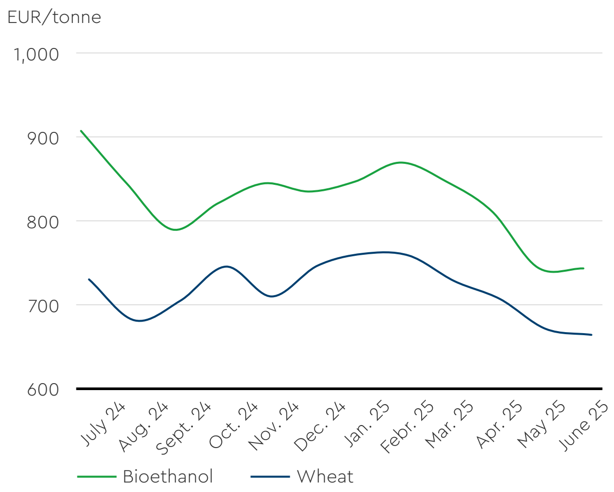
The reason for the ongoing production shutdown was massive economic and political uncertainty. A lack of clarity regarding tax incentives such as BTC and PTC, as well as unclear specifications within the framework of the Renewable Fuel Standard (RFS), resulted in a low willingness to buy and in poor margins. In the first half of 2025, the new US administration under President Trump initially left key questions about the regulatory course and potential trade restrictions – for example, towards Canada – unanswered. This not only had a negative impact on US production, but also on the Canadian market. In contrast, the renewable diesel sector showed initial signs of stabilisation on the production side in mid-2025. Volumes rose slightly, while there was little change in the margin situation – which indicates an increase in confidence in future market and subsidy conditions.

Bioethanol market: The demand for ethanol in Europe proved to be robust in the period from mid-2024 to mid-2025. This was primarily driven by increased blending mandates and the introduction of E10 in further countries, such as Poland. Ethanol also remained an attractive blending component in Germany due to its favourable price level. Accordingly, it can be assumed that the quota obligated parties have only moderately reduced their blending by the end of 2024, resulting in further growth in the long-term surplus of GHG quotas. Despite stable demand, bioethanol prices remained at a subdued level overall. Continued high production in Europe and extensive imports, particularly from the USA, prevented any noticeable price increases. At the same time, commodity prices, particularly for wheat, did not fall to the extent that would have been necessary to relieve the burden on producers. As a result, spreads remained narrow compared to the previous year.

US bioethanol production rose slightly in the reporting period, but remained characterised by overcapacity. Despite an increase in exports, margins did not improve. Most production plants remained in operation, but operated with narrow margins. A good corn harvest ensured stable commodity prices, but high production capacity utilisation kept margins under pressure.

At the same time, the US government under Donald Trump pushed ahead with new trade initiatives to open up export markets for US ethanol. Tariff reductions in Vietnam and an agreement with the United Kingdom created new sales opportunities.

Price trends for bioethanol in Europe (July 2024–June 2025)

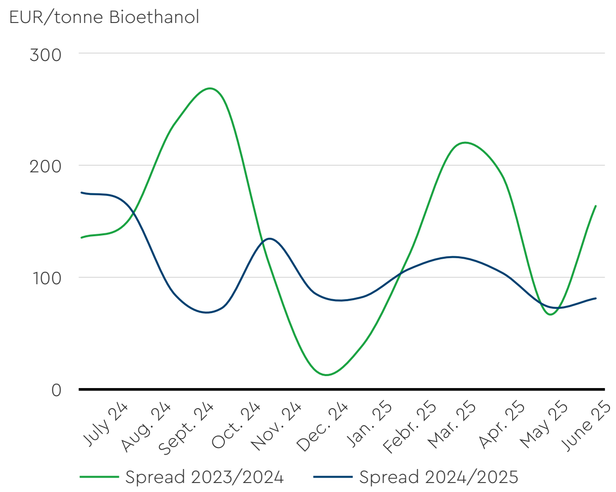


Bioethanol – Price in EUR/tonne Wheat – Price in EUR/tonne

Biomethane market: Biomethane production in Germany increased further between mid-2024 and mid-2025. In the transport sector, the switch from fossil natural gas to biomethane was largely completed, so that currently the demand in existing applications is met. Further growth in the transport sector is possible in principle, but depends on an increase in the number of CNG and LNG vehicles. In addition, there are sales opportunities in shipping, heat supply, the European transport sector and abroad, which German producers have already partially tapped into.

The US transport sector remained a key area of application for biomethane in the reporting period. However, the growth in production met with stagnating utilisation in CNG transport, resulting in a structural oversupply.

Spread trend in Europe year-on-year



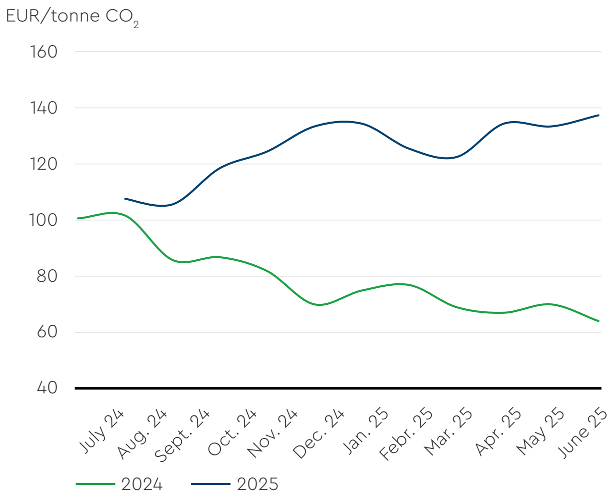
Spread = Bioethanol price vs. wheat price per tonne of bioethanol

The consequence was that the D3-RIN price fell to around USD 2.25 and thus reached the long-term average level. The market also reacted to growing speculation about a possible credit waiver for 2025, as it was increasingly considered unlikely that the specified RVO targets would be met. There were also uncertainties regarding the regulatory framework for 2026, which put further pressure on the price.

There continues to be a growing interest in biomethane from outside the transport sector, in the so-called "voluntary markets".

GHG quota: Imports of what is suspected to be misdeclared biodiesel from China and the resulting availability of supposedly cost-effective CO_2 savings led, among other things, to a significant increase in the quota surplus to around 6 million tonnes of CO_2 for the 2023 quota year. The quota surplus therefore corresponds to more than 30 percent of the quota obligation for 2024.

Price trends for GHG quotas (July 2024–June 2025)



The large GHG quota surplus led to a dramatic fall in prices: Since the publication of the draft paper suspending the carry forward of quota surpluses, demand for GHG quotas for 2024 has almost completely collapsed – an expected effect, as over-fulfilled quotas in the year 2024 can no longer be carried over to the following year. The surpluses built up until 2024 will not be available again until 2027. Accordingly, in 2025 and 2026 quota holders can therefore only utilise quotas generated in these years, which led to a slight recovery in prices in the first half of 2025. With the German government's draft for the national implementation of RED III of June 19, 2025, the GHG quota price rose further to EUR 150/ tonne of CO_2 savings as of June 30, 2025.

Price development year-on-year (FY 2023/2024 – FY 2024/2025)

Prices of selected raw materials and products	Q1 2023/2024	Q2 2023/2024	Q3 2023/2024	Q4 2023/2024	2023/2024	Q1 2024/2025	Q2 2024/2025	Q3 2024/2025	Q4 2024/2025	2024/2025
Crude oil (Brent; USD/barrel)	86	83	82	85	84	79	74	75	67	74
Diesel fuel FOB Rotterdam (EUR/tonne)	808	774	752	718	763	652	632	662	556	626
Biodiesel (FAME-10 RED; EUR/tonne)	1,197	1,105	1,096	1,155	1,139	1,069	1,210	1,188	1,179	1,160
Rapeseed oil (EUR/tonne)	966	966	876	998	951	967	1,097	1,082	1,088	1,057
Petrol fuel FOB Rotterdam (EUR/tonne)	819	698	752	801	768	685	632	673	594	647
Ethanol USA (CBOT; EUR/cbm)	525	531	526	530	528	520	535	543	524	530
Bioethanol (T2 German Specs; EUR/cbm)	749	705	638	707	700	673	661	677	612	656
Wheat (MATIF; EUR/tonne)	235	228	206	228	224	214	222	227	206	217
Corn (CBOT; EUR/tonne)	180	174	158	162	169	140	157	177	157	158
Natural Gas TTF Day 1 (EUR/MWh)	33	41	27	32	33	35	43	47	36	40
Natural Gas Henry Hub Day Ahead (EUR/MWh)	9	9	7	7	8	7	8	14	10	10

2.2 Business report and the Group's position

2.2.1 Results of operations

(GRI 201)

Verbio once again set a new production record, manufacturing 1,201.9 thousand tonnes of biodiesel and bioethanol in the financial year 2024/2025 compared with 1,158.7 thousand tonnes in the previous financial year 2023/2024. This represents a capacity utilisation of 79.6 percent (2023/2024: 76.7 percent). In addition, 1,190.3 GWh of biomethane was produced in the financial year 2024/2025 (2023/2024: 1,100.2 GWh). With a production capacity of 1,980.0 GWh (2023/2024: 1,980.0 GWh), the plant capacity utilisation was 60.1 percent compared to 55.6 percent in the financial year 2023/2024. The higher capacity utilisation for bioethanol and biomethane was primarily due to the plant in Nevada (Iowa, USA), where production has risen continuously since the beginning of the year.

The Group's sales revenues for 2024/2025 totalled EUR 1,579.8 million (2023/2024: EUR 1,658.0 million), slightly lower than the revenues generated in the previous year. The decline in revenue is primarily attributable to the biodiesel unit in Welland (Canada) as production volumes were reduced as planned due to the difficult market environment as a result of regulatory changes in the USA. There was also a reduction in the use of biodiesel merchandise in Europe.

EBITDA fell to EUR 14.2 million (2024/2025: EUR 121.6 million). The negative trend is due in particular to lower profit margins for bioethanol and biomethane as a result of declining GHG premiums and, in addition, due to write-downs on inventories. Despite higher yields, the start-up costs in North America remained at the previous year's level due to the poor market situation for bioethanol in North America. One-off repair costs in Nevada (USA) and write-downs on the remaining quantities of straw for processing into biomethane had an additional negative impact on earnings.

The Group operating result (EBIT) totalled EUR −118.2 million, also significantly lower than in the comparative period in the previous year (2023/2024: EUR 69.6 million). Higher depreciation and amortisation primarily related to the impairment write down of EUR 65.6 million recognised for assets used for the straw biomethane plant in Nevada (USA) and the scheduled depreciation of the combined ethanol and biomethane plant commissioned in Nevada (USA). The net result after current and deferred taxes of EUR −3.2 million (2023/2024: EUR 40.1 million) amounted to EUR −138.0 million (2023/2024: EUR 20.1 million). Based on the result for the period, earnings per share (basic and diluted) were EUR −2.17 and EUR −2.16 respectively (2023/2024: EUR 0.31 and EUR 0.31 respectively).

The reporting on the business and earnings development of the individual segments is found in the section "Segment reporting".

2.2.2 Trends in individual income and expense categories

Other operating income of EUR 16.9 million (2023/2024: EUR 11.2 million) primarily includes grants and the release to income of deferred investment grants of EUR 4.1 million (2023/2024: EUR 1.1 million), income from electricity and energy tax rebates of EUR 3.8 million (2023/2024: EUR 3.2 million) and proceeds from insurance claims (EUR 1.3 million; 2023/2024: EUR 0.1 million).

The cost of raw materials and consumables used totalled EUR 1,400.5 million (2023/2024: EUR 1,315.4 million). Taking account of changes in inventory of unfinished and finished goods, the gross margin decreased to EUR 207.9 million (2023/2024: EUR 317.3 million).

Employee benefit expenses in the financial year 2024/2025 amounted to EUR 106.7 million (2023/2024: EUR 107.5 million), at the same level as in the previous year. The average personnel cost per employee decreased by approximately 5 percent. The employee benefit expense ratio (as a proportion of revenue, change in inventories and own work capitalised) was 6.6 percent, at the same level as in the previous financial year (2023/2024: 6.6 percent).

Other operating expenses amounted to EUR 126.2 million in the reporting period (2023/2024: EUR 108.9 million) and primarily included the costs of repair and maintenance, outgoing freight costs and other selling costs, the cost of insurances and contributions, legal and consultancy costs, and motor vehicle costs. Within this total, increases in expenses were recorded primarily for repairs and maintenance costs, as well as for outgoing freight and other selling expenses, while there was a slight fall in other expenses included in this total compared to the previous year.

Depreciation and amortisation in the financial year 2024/2025 (EUR 132.4 million; 2023/2024: EUR 52.0 million) include an unscheduled impairment write-down of EUR 65.6 million recorded against assets used in the VEN straw biomethane plant and scheduled amortisation of right-of-use assets of EUR 10.2 million (2023/2024: EUR 8.7 million). Depreciation of property, plant and equipment increased from EUR 42.9 million in the previous year to EUR 55.6 million, in particular as a result of the commissioning of the ethanol and biomethane plant in Nevada, USA at the end of the previous financial year.

The finance result presented amounted to EUR −16.5 million (2023/2024: EUR −9.3 million) and included finance income of EUR 1.2 million (2023/2024: EUR 1.3 million), offset by finance costs of EUR 17.7 million (2023/2024: EUR 10.6 million). The finance result includes interest expenses for lease liabilities of EUR 1.4 million (2023/2024: EUR 1.0 million). However, the significant increase in financing expenses is primarily due to the average increase in borrowings in the financial year 2024/2025 as well as expenses similar to interest and exchange rate losses from the measurement of financial instruments not allocated to operating activities.

The lower income tax expense of EUR −3.2 million (2023/2024: EUR 40.1 million) corresponds to the lower profit before tax. The effective tax rate was −2.4 percent (2023/2024: 66.6 percent) in the financial year 2024/2025, which is at the expected rate. The negative tax rate is due to the uneven spread of the taxable results among the various tax jurisdictions. For further information on the income taxes, please refer to the information provided in the notes to the consolidated financial statements under 5.11 "Income tax expense".

2.3 Net assets and financial position

The balance sheet total amounted to EUR 1,283.1 million at June 30, 2025 (June 30, 2024: EUR 1,377.8 million). On the assets side, the reduction in the balance sheet total was primarily due to the reduction in property, plant and equipment as a result of the impairment write-down recognised. There was also an overall decrease in current assets. On the liabilities side, the increase is primarily reflected in current liabilities as a result of short-term borrowing drawdowns.

2.3.1 Non-current assets

Non-current assets decreased by EUR 70.0 million and amounted to EUR 724.0 million at the balance sheet date (June 30, 2024: EUR 794.0 million). With additions to property, plant and equipment of EUR 125.0 million, the change was primarily due to increased scheduled depreciation of EUR 55.6 million (2023/2024: EUR 42.9 million), the impairment write down recognised on assets used at the VEN straw biomethane plant in the amount of EUR 65.6 million, and disposals with residual carrying amounts of EUR 10.8 million. Investments in property, plant and equipment primarily relate to the expansion of capacity for advanced biodiesel and bioethanol, the expansion of the filling station infrastructure, and product diversification through ethenolysis in Germany. The investments also include the expansion of the US locations totalling EUR 26.9 million. Non-current right-of-use assets held under leasing arrangements increased by EUR 1.1 million to EUR 28.9 million compared to the previous year (2023/2024: EUR 27.8 million), while other non-current assets decreased significantly due to the reversal of a payment on account originally made for the purchase of raw materials (EUR 0.7 million; June 30, 2024: EUR 34.1 million).

2.3.2 Current assets

Current assets amounted to EUR 559.1 million at June 30, 2025 (June 30, 2024: EUR 583.8 million), a decrease of EUR 24.7 million compared to the previous year.

There was an increase in the level of inventories compared to the previous year (June 30, 2025: EUR 275.7 million; June 30, 2024: EUR 244.9 million). The increase in inventories compared to June 30, 2024 was primarily a result of higher quantities of finished goods (June 30, 2025: EUR 207.2 million; June 30, 2024: EUR 179.6 million). In the case of finished products, the GHG quotas from biomethane and BioLNG in particular increased, with the GHG quotas relating to the obligation year 2024 now being carried forward to 2027 due to regulatory changes. On the other hand, merchandise increased (June 30, 2025: EUR 15.2 million; June 30, 2024: EUR 8.1 million), this primarily includes purchased inventories of biomethane at both Verbio SE and VNA.

Trade receivables fell compared to the previous year (June 30, 2025: EUR 109.0 million; June 30, 2024: EUR 119.0 million), which was primarily due to the lower level of prices for biodiesel and bioethanol compared to the end of the previous financial year.

By contrast, derivatives have increased to EUR 32.0 million as at June 30, 2025 (June 30, 2024: EUR 21.3 million). This increase is mainly due to a higher inventory of free-standing derivatives for sales transactions from trading (EUR 27.3 million; June 30, 2024: EUR 3.2 million) for significantly higher nominal volumes. Derivatives on the assets side of the balance sheet are offset by derivatives with a similar value on the liabilities side.

In addition, there was an increase in other current financial assets (EUR 34.0 million; June 30, 2024: EUR 17.9 million). This included, in particular, an increase in cash and cash equivalents held in segregated accounts (EUR 19.1 million; June 30, 2024: EUR 9.4 million), whereby part of this amount represented deposits for collateral (EUR 8.7 million) for margin calls.

Cash and cash equivalents fell significantly from EUR 123.2 million to EUR 64.4 million at the end of the financial year, due to the decline in cash flows from operations while investments made for growth purposes were still at a high level. Further information on changes to cash and cash equivalents is provided in the disclosures on the statement of cash flows (see section 2.3.6 "Cash flows").

2.3.3 Equity

Equity at the balance sheet date was EUR 746.3 million (June 30, 2024: EUR 928.2 million). The equity ratio amounted to 58.2 percent, lower than at the previous year's balance sheet date (June 30, 2024: 67.4 percent).

2.3.4 Non-current liabilities

Non-current liabilities increased by EUR 7.5 million, from EUR 234.5 million at June 30, 2024 to EUR 242.0 million at June 30, 2025. This includes an increase in non-current loans (EUR 187.0 million; June 30, 2024: EUR 152.1 million), offset by a significant decrease as a result of the reclassification of other non-current liabilities to current liabilities in connection with repurchase agreements (EUR 0.1 million; June 30, 2024: EUR 19.6 million). For further information on the repurchase agreements, please refer to the information provided in the notes to the consolidated financial statements under 6.4.5 "Other non-current financial liabilities".

2.3.5 Current liabilities

Current liabilities increased compared to the end of the previous financial year (June 30, 2025: EUR 294.8 million; June 30, 2024: EUR 215.1 million), primarily due to the increase in current borrowings (EUR 51.7 million; June 30, 2024: EUR 13.4 million) and the increase in derivatives (June 30, 2025: EUR 31.8 million; June 30, 2024: EUR 9.5 million).

2.3.6 Cash flows

Cash flows from operating activities for the reporting period totalled EUR 13.9 million, significantly lower than in the previous year (2023/2024: EUR 116.8 million). With a significantly lower result for the period, this was primarily driven by the increase in inventories of EUR 30.8 million (2023/2024: decrease in inventories of EUR 15.4 million), a decrease in other financial and non-financial liabilities of EUR 9.1 million (2023/2024: an increase of EUR 8.3 million) and the increase in interest paid (EUR 14.9 million; 2023/2024: EUR 8.7 million). By contrast, there were positive cash flow effects from the significantly lower increase in trade receivables compared to the previous year (EUR 1.1 million; 2023/2024: EUR 18.1 million), the effect of non-cash changes in derivatives (EUR 11.2 million; 2023/2024: a decrease in cash and cash equivalents amounting to EUR 10.4 million) and the income taxes refunded in the financial year (EUR 2.1 million; 2023/2024: income taxes paid of EUR 54.0 million).

Cash outflows from investment activities in the reporting period 2024/2025 totalled EUR 120.1 million (2023/2024: EUR 144.9 million). These primarily consisted of payments made for investments in property, plant and equipment (EUR 131.8 million; 2023/2024: EUR 170.4 million), in particular to finance the capacity expansion for advanced biodiesel and bioethanol, the expansion of the filling station infrastructure, and product diversification through ethenolysis in Germany, as well as for the expansion of the plants in the USA.

Cash flows from financing activities for the reporting period amounted to EUR 49.9 million (2023/2024: EUR −19.5 million). This was due to drawdowns of financial liabilities totalling EUR 222.5 million (2023/2024: EUR 219.9 million), of which EUR 148.5 million (2023/2024: EUR 217.3 million) were subsequently repaid. The dividend payments (EUR 12.7 million; 2023/2024: EUR 12.7 million) are also included in this total.

In addition, the cash flows from financing activities in the financial year 2024/2025 were affected by cash outflows for payments of lease liabilities of EUR 11.4 million (2023/2024: EUR 9.5 million).

As a result, including the effect of currency exchange rate changes, cash funds fell by EUR 58.8 million in the period from July 1, 2024 to June 30, 2025. The cash funds reported in the balance sheet at June 30, 2025 totalled EUR 64.4 million, after EUR 123.2 million at the end of the previous financial year.

2.3.7 Net debt

Bank and other loans of EUR 238.8 million (June 30, 2024: EUR 165.5 million) were offset by cash balances of EUR 64.4 million (June 30, 2024: EUR 123.2 million) and other cash balances held in segregated accounts totalling EUR 10.3 million (June 30, 2024: EUR 9.4 million), with the result that the Group has net debt of EUR 164.0 million at the balance sheet date (June 30, 2024: net debt of EUR 32.9 million).

2.3.8 Investments

Investments totalling EUR 125.9 million were made in the financial year 2024/2025 (2023/2024: EUR 180.2 million), which almost entirely comprised payments for property, plant and equipment (EUR 125.0 million; 2023/2024: EUR 179.5 million). Additions to property, plant and equipment included EUR 79.3 million invested in expansion and diversification projects in Germany, including the ethenolysis plant, as well as the expansion of capacities for advanced biodiesel and the filling station infrastructure. In addition, EUR 26.9 million was invested in the expansion of the US plants.

The focus of the investment activities in the individual segments are described in the segment reporting on the individual Biodiesel and Bioethanol/Biomethane segments.

2.3.9 Segment reporting – Biodiesel

Biodiesel	2024/2025	2023/2024
Production capacity (tonnes)	710,000	710,000
Production (tonnes)	619,250	637,283
Utilisation (%)	87.2	89.8
Number of employees	257	240

Biodiesel production reached 619.3 thousand tonnes in the financial year 2024/2025 (2023/2024: 637.3 thousand tonnes). The overall capacity utilisation rate was 87.2 percent, after 89.8 percent in the previous year. The development of the production and capacity utilisation figures is attributable to the biodiesel plant in Welland (Canada), which was shut down as planned between December and March due to the difficult market environment as a result of regulatory changes in the USA. Purchase and sales contracts that guaranteed a high level of production capacity utilisation have been in place again since March 2025. There was a further increase in biodiesel production in Germany.

The decline in production volumes in Canada and a lower use of third-party goods in the blending of various biodiesel varieties in Germany resulted in a decrease in total sales to 677.2 thousand tonnes sold, compared to 736.4 thousand tonnes in the previous year.

As a result, revenues generated in the Biodiesel segment in the financial year 2024/2025 totalled EUR 894.2 million, following EUR 987.5 million in the financial year 2023/2024. In addition to lower sales volumes for biodiesel, the decline in sales revenues is also due to lower GHG quota revenue.

The cost of raw material and consumables used totalled EUR 733.4 million after EUR 783.0 million in the previous year, reflecting in particular the lower production volumes in Canada and the reduction in procurement of goods from third parties. However, purchase prices for rapeseed oil in Europe were higher than in the previous year. Taking into consideration the change in inventories, gross margin fell by 21 percent compared to the previous year, from EUR 187.9 million to EUR 148.9 million.

Personnel expenses in the financial year 2024/2025 amounted to EUR 32.2 million (2023/2024: EUR 31.2 million).

Other operating expenses amounted to EUR 33.7 million (2023/2024: EUR 33.4 million). The EBITDA for the Biodiesel segment totalled EUR 89.6 million (2023/2024: EUR 114.1 million), which was largely due to the lower gross margin. The income recorded for commodity forward contracts amounted to EUR 0.8 million (2023/2024: an expense of EUR 13.3 million).

Investments in property, plant and equipment in the Biodiesel segment in the financial year 2024/2025 totalled EUR 44.7 million (2023/2024: EUR 25.5 million), primarily consisting of the construction of the large-scale ethenolysis plant based on rapeseed methyl ester for the production of renewable molecules for the chemical industry and the expansion of advanced biodiesel capacities.

2.3.10 Segment reporting – Bioethanol/Biomethane

Bioethanol	2024/2025	2023/2024
Production capacity (tonnes)	800,000	800,000
Production (tonnes)	582,610	521,407
Utilisation bioethanol (%)	72.8	65.2

Biomethane	2024/2025	2023/2024
Production capacity (MWh)	1,980,000	1,980,000
Production (MWh)	1,190,339	1,100,184
Utilisation biomethane (%)	60.1	55.6
Number of employees	**689**	**669**

In the financial year from July 1, 2024 to June 30, 2025 production of bioethanol totalled 582.6 thousand tonnes (2023/2024: 521.4 thousand tonnes), a new record level. The production of biomethane was also at a new record level in the financial year 2024/2025, totalling 1,190 GWh (previous year: 1,100 GWh). The higher production volumes led to improved capacity utilisation, which was primarily due to the continuous increase in production at the plant in Nevada (USA) since the beginning of the year. In Germany, ethanol production in particular also reached a new high as a result of expansion measures.

In total, the Bioethanol/Biomethane segment generated revenues of EUR 672.1 million in 2024/2025 (2023/2024: EUR 656.5 million), representing a slight increase compared to the previous year. The main reasons for the positive development were the increased production and sales volumes for bioethanol and biomethane, which more than compensated for the lower ethanol sales prices in both Europe and North America as well as lower GHG premiums and GHG quota prices.

The cost of raw material and consumables used increased compared to the previous year more than proportionately to the change in revenues, increasing to EUR 660.3 million (2023/2024: EUR 525.9 million), with the consequence that after taking the change in inventories into account, segment gross margin fell significantly to EUR 52.3 million after EUR 122.0 million in the previous year. With lower sales prices, stable grain prices in Europe and the write-down of biomethane volumes due to lower GHG quota prices had a significant negative impact.

Other operating income in this segment increased by EUR 4.4 million in the reporting period, rising to EUR 13.1 million (2023/2024: EUR 8.7 million) primarily due to higher grants and the release of deferred investment grants.

Personnel expenses amounted to EUR 61.6 million (2023/2024: EUR 67.1 million). The provisions recognised for variable compensation payable for the financial year 2024/2025 were lower as a result of the significantly lower result for the year.

Other operating expenses totalled EUR 84.8 million, compared to EUR 82.1 million in the financial year 2023/2024. These primarily include outward freight, maintenance expenses, other taxes and miscellaneous other operating expenses. Additional maintenance expenses at VEN are offset by declining maintenance expenses in Europe.

The segment EBITDA for the financial year 2024/2025 fell to EUR −77.2 million in comparison with EUR 2.5 million in the financial year 2023/2024, primarily due to the significantly lower gross margin in Europe. Despite higher yields, the start-up costs in North America remained at the previous year's level due to the poor market situation for bioethanol in North America. One-off repair costs in Nevada (USA) and write-downs on the remaining quantities of straw for processing into biomethane had an additional negative impact on earnings.

In total, EUR 74.1 million (2023/2024: EUR 148.8 million) was invested in property, plant and equipment in this segment. This primarily relates to investments in connection with the optimisation of existing plants in Germany. The investments in the bioethanol/biomethane segment also include the expansion of the US sites VEN and SBE.

2.3.11 Other

In the financial year 2024/2025 the Other segment generated revenues – primarily from transport and logistics services – totalling EUR 35.1 million (2023/2024: EUR 31.6 million). The reported segment EBITDA also includes the result from trading activities and amounts to EUR 1.8 million (2023/2024: EUR 5.1 million).

2.4 Verbio SE disclosures

In Germany, sales of Verbio products and the procurement of the necessary raw materials for their production are carried out by Verbio SE. The products are manufactured by the Group's subsidiaries at the Group's German locations in Zörbig, Bitterfeld, Schwedt/Oder and Pinnow.

The annual financial statements of Verbio SE are prepared in accordance with the financial reporting requirements set out in the German Commercial Code (Handelsgesetzbuch – HGB) and the German Stock Corporation Act (Aktiengesetz – AktG). The statement of profit or loss is prepared in accordance with the total cost method.

2.4.1 Verbio SE results of operations

Verbio SE statement of profit or loss prepared in accordance with HGB (condensed)

In EUR million	2024/2025	2023/2024
Revenue	1,406.0	1,356.3
Changes in inventories of finished goods and work in progress	14.5	24.9
Other operating income	11.3	9.4
Raw material and consumables used	–1,315.8	–1,206.6
Personnel expenses	–28.5	–28.9
Amortisation and depreciation of intangible assets and property, plant and equipment	–1.4	–1.5
Other operating expenses	–59.9	–77.7
Operating result	**26.1**	**75.9**
Finance and investment result	**–108.5**	**41.3**
Income taxes	–8.2	–36.6
Net result for the period	**–90.6**	**80.6**

Verbio SE reports a result of EUR –90.6 million for the financial year 2024/2025 (2023/2024: EUR 80.6 million). From an operating point of view, this change compared to the previous year is primarily due to significantly lower gross margins for both the Bioethanol/Biomethane and Biodiesel segments.

The revenues of EUR 1,406.0 million (2023/2024: EUR 1,356.3 million) were primarily generated from sales to third parties. With production of biodiesel and bioethanol totalling 852.7 thousand tonnes, production volumes in the German plants exceeded the production levels of the previous year (2023/2024: 800.9 thousand tonnes). For biomethane, production slightly exceeded the record level of production achieved in the previous year with 989 GWh (2023/2024: 967 GWh). The effect of higher volumes on sales revenues in the financial year 2024/2025 were offset by other factors, in particular by the lower average prices for bioethanol and the lower GHG premiums.

Other operating income amounted to EUR 11.3 million (2023/2024: EUR 9.4 million) and primarily included income from internal recharges of EUR 2.4 million (2023/2024: EUR 1.1 million) as well as realised gains on derivatives of EUR 6.4 million (2023/2024: EUR 6.6 million).

The cost of raw materials and consumables used totalled EUR 1,315.8 million (2023/2024: EUR 1,206.6 million). The increase is primarily due to higher production volumes coupled with higher rapeseed oil prices. Overall, due to the negative trend for sales prices in both segments and taking account of the change in inventories, the gross margin fell to EUR 104.6 million (2023/2024: EUR 174.6 million).

Personnel expenses expense amounted to EUR 28.5 million (2023/2024: EUR 28.9 million), whereby expenses per employee fell slightly with a small increase in the average number of employees. The provisions recognised for variable compensation payable for the financial year 2024/2025 were lower as a result of the significantly lower result for the year.

Other operating expenses amounted to EUR 59.9 million (2023/2024: EUR 77.7 million) and primarily consisted of outgoing freight expenses of EUR 26.6 million (2023/2024: EUR 25.9 million), expenses from realised derivatives of EUR 2.3 million (2023/2024: EUR 23.7 million), as well as expenses for internal recharges of EUR 11.5 million (2023/2024: EUR 9.8 million).

The finance and investment result (EUR −108.5 million; 2023/2024: EUR 41.3 million) includes the results of subsidiaries transferred to the Company of EUR −114.7 million (2023/2024: EUR 35.7 million). In addition, it also includes other interest and similar income amounting to EUR 11.3 million (2023/2024: EUR 11.9 million) and interest and similar expenses (2024/2025: EUR 5.0 million; 2023/2024: EUR 6.2 million), primarily representing income and expenses for Group internal financing. The results absorbed from subsidiaries include an expense for the write-down of the investment in VNAH by VRenew amounting to EUR 90.7 million. In addition, exchange rate losses on the intra-Group loans granted by VFinance had a significant impact on the finance and investment result, with compensation being due for a loss absorption of EUR 31.9 million (2023/2024: results absorbed of EUR 14.8 million).

2.4.2 Verbio SE net assets and financial position

Verbio SE balance sheet prepared in accordance with HGB (condensed)

In EUR million	2024/2025	2023/2024
Assets		
Intangible assets	1.0	1.0
Property, plant and equipment	2.0	2.1
Financial assets	728.3	765.6
Fixed assets	**731.2**	**768.7**
Inventories	342.2	333.5
Trade receivables	89.3	89.4
Receivables from affiliated companies	264.8	236.4
Other assets	21.3	44.0
Cash-in-hand and balances at banks	26.1	54.9
Current assets	**743.7**	**758.3**
Prepaid expenses	**0.8**	**0.5**
Total assets	**1,475.7**	**1,527.5**

Equity and liabilities		
Equity	**1,058.1**	**1,159.4**
Provisions	**32.1**	**42.4**
Liabilities to banks	102.7	115.4
Payments received on account of orders	0.4	0.0
Trade payables	74.0	67.1
Liabilities to affiliated companies	175.0	96.3
Other liabilities	33.4	47.0
Liabilities	**385.5**	**325.8**
Total equity and liabilities	**1,475.7**	**1,527.5**

2.4.3 Fixed assets

Verbio SE's fixed assets at the balance sheet date totalled EUR 731.2 million (June 30, 2024: EUR 768.7 million) which are covered in full by equity. Financial assets of EUR 728.3 million (June 30, 2024: EUR 765.6 million) represent the largest item. Further, fixed assets includes intangible fixed assets in the form of patents, licences and software totalling EUR 1.0 million (June 30, 2024: EUR 1.0 million) and property, plant and equipment of EUR 2.0 million (June 30, 2024: EUR 2.1 million). The change in financial assets is mainly due to the repayment of VRenew's equity and the lower utilisation of internal financing at Verbio SE by VFinance.

2.4.4 Current assets

Current assets fell by EUR 14.6 million, from EUR 758.3 million to EUR 743.7 million. The most significant decreases were recorded in other assets (EUR 21.3 million; June 30, 2024: EUR 44.0 million) and cash funds (EUR 26.1 million; June 30, 2024; EUR 54.9 million). Further information on changes to cash funds is provided in the disclosures on the financial position. The decrease in other assets is primarily attributable to the lower amount of funds held in segregated accounts (security deposits) (EUR 2.5 million; June 30, 2024: EUR 7.2 million) as well as lower receivables for income tax refunds. Trade receivables (EUR 89.3 million; June 30, 2024: EUR 89.4 million) were unchanged compared to the balance sheet date at the end of the previous financial year.

2.4.5 Equity

Equity at the balance sheet date was EUR 1,058.1 million (June 30, 2024: EUR 1,159.4 million). As a result of the reported result for the financial year 2024/2025 of EUR −90.6 million (2023/2024: EUR 80.6 million), the retained earnings of EUR 915.4 million from the previous year and the dividend paid (EUR 12.7 million), the Company reports retained earnings of EUR 812.1 million at June 30, 2025.

The equity ratio of 71.7 percent remains at a high level (June 30, 2024: 76.0 percent).

2.4.6 Provisions

Provisions amounted to EUR 32.1 million (June 30, 2024: EUR 42.4 million), representing a fall of EUR 10.3 million compared to the previous year. This was primarily due to lower other provisions (EUR 31.5 million; June 30, 2024: EUR 41.3 million). The reduction is largely due to other provisions for the assumption of GHG quotas in the amount of EUR 13.4 million (June 30, 2024: EUR 19.7 million).

2.4.7 Liabilities

The liabilities reported (June 30, 2025: EUR 385.5 million; June 30, 2024: EUR 325.8 million) have increased compared to the previous year. This increase is largely due to the increase in liabilities to affiliated companies (June 30, 2025: EUR 175.0 million; June 30, 2024: EUR 96.3 million) and the increase in trade payables (June 30, 2025: EUR 74.0 million; June 30, 2024: EUR 67.1 million). Liabilities to affiliated companies include EUR 144.2 million for obligations to absorb losses (June 30, 2024: EUR 58.9 million).

However, liabilities to banks decreased as a result of timing factors around the reporting date (EUR 102.7 million; June 30, 2024: EUR 115.4 million).

2.4.8 Verbio SE financial position

Verbio SE statement of cash flows prepared in accordance with HGB (condensed)

In EUR million	2024/2025	2023/2024
Cash funds at the beginning of the period	**54.9**	**112.2**
Cash flows from operating activities	25.2	63.0
Cash flows from investing activities	−28.8	−90.0
Cash flows from financing activities	−25.2	−30.2
Cash funds at the end of the period	**26.1**	**54.9**

The cash funds available for short-term use decreased from EUR 54.9 million to EUR 26.1 million in the financial year 2024/2025. There was a significant decrease in cash flows from operating activities (EUR 25.2 million; 2023/2024: EUR 63.0 million). The main reasons for this are the lower result for the period (2024/2025: EUR −90.6 million; 2023/2024: EUR 80.6 million), the significantly lower decrease in inventories (2024/2025: EUR 8.6 million; 2023/2024: EUR 33.4 million) and the significantly lower increase in the trade payables balance (2024/2025: EUR 6.9 million; 2023/2024: EUR 25.8 million).

The cash flow from investing activities (EUR −28.8 million; 2023/2024: EUR −90.0 million) reflects a lower level of investing activities within the Group compared to the previous year. The reductions in financial liabilities of EUR 12.5 million and the dividend payment of EUR 12.7 million in particular contributed to a negative cash flow from financing activities of EUR −25.2 million (2023/2024: a negative cash flow of EUR −30.2 million).

2.4.9 Overall statement on the net assets, financial position and results of operations of Verbio SE and the Verbio Group and comparison of actual and forecast business developments

Earnings in the financial year 2024/2025 were severely impacted overall by the ongoing cases of fraud in the market for sustainability certificates and their effects on market conditions, as well as delays in the ramp-up of the plant in Nevada (Iowa, USA), coupled with a difficult market environment for biofuels in North America. At EUR 14.2 million, Group EBITDA was significantly below the original planning prepared for the financial year 2024/2025, while net debt of EUR 164.0 million was within the original forecast range. The forecast published in September 2024 indicated an EBITDA within a range of around EUR 120 million to EUR 160 million. For net debt the Company expected a net financial debt position at the end of the financial year 2024/2025 not exceeding EUR 190 million. The original forecast for EBITDA at the end of the financial year was corrected to a revised EBITDA forecast in the mid double-digit million range in an announcement on January 15, 2025, due to technical quality problems at the plant in Nevada, and the unexpectedly sustained pressure on ethanol and GHG quota prices. The original forecast for net debt was retained. With the publication of the results for the first nine months of the financial year the Management Board firmed up its guidance to indicate that EBITDA was likely to be at the lower end of the range indicated, due to the weakness of the market environment. On August 6 it was announced that the lower end of the range would not be achieved.

The net assets and financial position continue to be stable, and are appropriate to finance the future activities of Verbio SE and the Verbio Group.

The Management Board and the Supervisory Board of Verbio SE will propose to the annual general meeting to be held on December 5, 2025 that the distribution of a dividend shall be suspended, and that the remaining balance of retained profits shall be carried forward. This measure strengthens the Group's freely available liquidity, while some of the funds remain tied up in inventories due to the political decision to suspend the right to offset brought-forward surplus GHG quotas in the obligation years 2025 and 2026. The surpluses accumulated until 2024 will be available again from 2027.

3. Forecast, risk, and opportunities report

3.1 Forecast report

The following outlook report applies equally to Verbio SE and to the Verbio Group.

The following report provides the outlook of the Verbio Management Board regarding the future course of the business, and describes the expected development of significant economic and industry-specific conditions. It represents the knowledge of the Management Board at the time of its preparation, acknowledging that actual developments may differ significantly either positively or negatively from this outlook, due to the occurrence of risks and opportunities as described in the risk and opportunity report.

Economic momentum in Germany and Europe as a whole is likely to remain rather subdued in the financial year 2025/2026. Although there may be signs of a slight economic improvement, the growth forecasts are still below the historical average. Economic uncertainty is exacerbated by geopolitical tensions and structural challenges.

In addition to the economic framework conditions, the will to transform towards climate-friendly technologies is of decisive importance for the future development of the market. A key driver here is likely to be the implementation of the revised Renewable Energy Directive RED III, which sets new standards across Europe for the expansion of renewable energies and the defossilisation of the transport sector. In summer 2025, Germany presented a draft for national implementation that emphasises, among other things, the improvement of fraud prevention in the area of sustainability certification. The abolition of double counting should also contribute to more realistic pricing from 2026 and stabilise the market mechanisms. At the same time, the final effectiveness of these measures remains to be seen as the draft has still to pass through the parliamentary process. Supplementary adjustments to the biofuel and biomass power sustainability regulations have already been initiated. Implementation is also progressing at different speeds in neighbouring countries.

In the USA, the Environmental Protection Agency (EPA) published a proposal for the Renewable Volume Obligations (RVO's) within the framework of the Renewable Fuel Standard (RFS) for 2026 and 2027 in June 2025. Some of the planned volume targets for 2026 provide for a significant increase compared to previous years. At the same time, the One Big Beautiful Bill Act (OBBBA) was passed, a comprehensive legislative package that reorganises the tax framework for clean fuels. The extension of the Clean Fuel Production Credit (Section 45Z) until the end of 2029 is particularly relevant. These changes strengthen the position of US producers and could also have an impact on international trade in biofuels in the medium term.

The financial year 2025/2026 marks a phase of regulatory realignment in Europe and the USA. The implementation of RED III will provide new impetus for the expansion of renewable energies and the establishment of advanced biofuels. For companies in the biomass derivatives sector, this presents both challenges and significant opportunities.

3.1.1 Market developments

Biodiesel market: Developments in the biodiesel market in Germany and Europe in 2025/2026 are expected to be mixed. Rapeseed oil remains a key raw material of strategic importance, as it is needed to compensate for the lower physical stability of other input materials such as used cooking oils or animal fats. A stable to slightly lower price level for rapeseed oil could improve the competitiveness of biodiesel production. At the same time, regulatory uncertainty is causing volatility in the market environment.

A key factor in the current market development in North America is the regulatory reorganisation in the USA, which has seen the switch from the Blenders Tax Credit to the Production Tax Credit. The associated requirements have fundamentally changed the profitability of North American biodiesel/HVO producers and have already led to production stoppages in several plants. The planned increase in RFS mandates from 2026 by the EPA and protective measures at provincial level in Canada, such as blending quotas for locally manufactured biofuels, are counteracting this development and are intended to support domestic production.

Bioethanol market: Demand for ethanol is expected to remain solid in the reporting period, as it continues to be a cost-effective blending component. Overall, the European market is tight: Brazil is not competitive at the current price level, and with the planned abolition of double counting of GHG savings from advanced biofuels in Germany, imports of advanced ethanol are also likely to fall significantly. The supply gap could be closed mainly by supplies from the USA. However, there are several limiting factors for US exports to Europe. With the introduction of the 45Z credit, US producers could be incentivised to retain low-emission ethanol, which would reduce the quantities available for export to Europe. Other restrictive aspects include loading capacities, certification requirements, product quality, import duties and regulatory adjustments. The European grain market – particularly in Germany – is entering the 2025/2026 marketing season with high harvest expectations and stable production figures.

While domestic demand for ethanol in the USA is expected to decline slightly in 2026, rising blending quotas and climate targets in markets such as Canada, the United Kingdom and India will open up attractive export opportunities. At the same time, the expected record corn harvest and the resulting price pressure should strengthen margins and the competitiveness of production. In the USA a typical seasonality in margins can also be assumed, with higher sales in the summer months and weaker phases in winter.

Biomethane market: The demand for biomethane in the transport sector in 2025/2026 will be supported by the growth of the CNG fleet, particularly in the commercial sector. In the BioLNG sector, on the other hand, the realisation of the potential remains limited as the willingness to invest in LNG vehicles and infrastructure continues to be cautious. The development of the GHG quota remains decisive for economic efficiency.

At the same time there are additional sales opportunities in shipping, heat supply, the European transport sector and exports. The FuelEU Maritime Regulation offers new opportunities in the maritime sector in particular, but monetisation depends heavily on the eligibility of GHG reductions and the usability of certificates.

For 2025/2026 the North American biomethane market in the transport sector is expected to show stable demand at a high level, driven by regulatory programmes such as the RFS and LCFS. However, growth is slowing down as the fleet conversion is well advanced and new investments in vehicles and infrastructure are being made only hesitantly. At the same time, the voluntary market is becoming increasingly important. Companies and utilities are increasingly making use of long-term biomethane purchase agreements to defossilise non-electrifiable applications. The voluntary market is developing into a new growth driver and offers stable monetisation opportunities beyond the regulated transport market.

GHG quota: The Management Board expects GHG quota prices to recover in 2025, and particularly in 2026. The planned national implementation of the RED III Directive will result in an increase in the reduction targets. At the same time, the double counting of certain biofuels will be abolished, which should increase the real demand for effective GHG quotas. The suspension of the transferability of quota surpluses from previous years reduces the available supply and, in our view, should have a stabilising effect on prices. In addition, stricter certification requirements should lead to a market shakeout that strengthens the demand for reliably certified GHG quotas. Overall, these factors suggest a recovery in the price levels compared to the previous year and increasing market tension in the further course of the obligation years 2025 and 2026. However, uncertainties remain as the regulatory adjustments are still at the draft stage.

3.1.2 Future development of the Verbio Group

In view of the defossilisation targets in transport and the newly created markets in industry, a significant growth in the market for low-carbon raw materials and products can be expected. Verbio plans to play an active part in this market growth with its international expansion and by optimising its existing production capacity, as well as with the construction of new capacity for manufacturing various different renewable molecules in the form of green- and brownfield investments.

The successful commissioning of the bioethanol/biomethane plant in Nevada (Iowa, USA) represents a significant milestone for Verbio. Production is now set to be fully ramped up in the course of the financial year 2025/2026 after technical problems caused a delay during the financial year 2024/2025. Measures have been implemented at South Bend (Indiana, USA) since 2023 that led to a sustainable increase in production availability. The process of converting the plant to a combined ethanol and biomethane production plant has begun, and will be implemented on a step-by-step basis. In the medium term this will not only result in an increase in production capacity, but will also make it possible to achieve synergy effects and efficiency gains.

In Germany, Verbio plans to make improvements to the efficiency and flexibility of the existing plants on an ongoing basis.

In addition, Verbio is investing in a production plant to manufacture speciality chemicals for use in the chemical industry using vegetable oils and rapeseed oil methyl ester as raw materials. These products will increase the diversity of Verbio's product portfolio and end markets, and are intended to secure the sustainable profitability of the Group. The expansion of the Group's trading activities will also contribute to this.

These targeted investments, expansions and diversification measures put Verbio in an optimal position to profit from the transformation of markets and the defossilisation targets.

3.1.3 Overall assessment of the expected development

Developments in both the USA and Europe will have decisive effects on earnings in the financial year 2025/2026. In Europe the normalisation of conditions in the biofuels market, supported by the implementation of fraud prevention measures, should improve earnings.

In the Bioethanol/Biomethane segment, the ramp-up of the plant in Nevada (Iowa) should have a positive effect on earnings compared to the previous year thanks to higher production volumes in North America, taking into account the typical seasonality. In Europe ethanol spreads are expected to be slightly lower than in the previous year, reflecting the historical market average, as capacity utilisation will increase over the year as a whole. Biomethane production is also set to increase further, meaning that the 1 TWh threshold will be surpassed in Europe for the first time, having narrowly been missed in the financial year 2024/2025. With regard to the development of GHG quota prices, a key driver for the segment, the Management Board expects a recovery compared to the previous year, although uncertainties remain as the regulatory adjustments are currently still at the draft stage.

In the Biodiesel segment, the Management Board expects capacity utilisation in Europe to remain high for the financial year 2024/2025, which has already begun. The Management Board bases the spreads on historical market spreads that are below the spreads achieved in the financial year 2024/2025. Canadian biodiesel production is expected to run at high capacity utilisation, particularly in spring and summer 2026. Due to regulatory and political uncertainties, the Management Board expects margins to be lower than in the same period in the previous year, as production in Canada was still operating under better conditions in the first half of the previous year.

The level of the Group's revenue is not only dependent on the production and sales volumes; it is also very much dependent on the market prices of raw materials and biofuels, and on the volume of trading transactions for biogene fuels entered into on a case-by-case basis. Based on expected sales, raw materials and energy price levels, the targeted production capacity utilisation as well as the current uncertainties, the Management Board expects to achieve an EBITDA for the financial year 2025/2026 in the high double-digit million range and, accordingly, significantly higher than in the previous year. The improved result and lower investments are expected to lead to a moderate reduction in net financial debt compared with the previous year.

3.2 Risk report

3.2.1 Risk strategy and policies

Verbio's commercial success is affected, among other things, by the smooth and continuous ramp-up, operation and expansion of its production facilities, optimal raw material procurement logistics and sales, and the quality of the products it manufactures, including the greenhouse gas savings achieved. Additional critical factors affecting the success of its business operations are the trends in raw material and sales prices and associated achievable production margins, as well as the conditions in the economy as a whole, and the statutory quota, regulatory and energy tax policy environment. All of these processes and influencing factors are subject to opportunities and risks that are capable of affecting Verbio's existence, its growth and its corporate success.

Verbio recognises that entrepreneurial activity aimed at economic success is inevitably associated with risks. Verbio is also aware that risks are an integral part of any business activity, and that taking risks often goes hand in hand with opportunities for earnings and growth. Nevertheless, the Company adheres to the principle that no action or decision should create a foreseeable risk to the Company's ability to continue as a going concern. Ensuring the stability of the business and its continuity is of the highest priority.

In accordance with § 91 (2) AktG the Management Board has created and implemented a Group-wide early risk warning system in order to ensure that risks that could affect the ability of the Company to continue as a going concern are identified on a timely basis. The risk early warning system set up in accordance with these requirements is both appropriate and functional for this purpose.

Verbio SE, as the parent of the Verbio Group, is, for all significant purposes, subject to the same opportunities and risks as the Verbio Group.

3.2.2 Organisation of the risk management

The Management Board has overall responsibility for the risk management system. The Global Risk Consolidation department is responsible for the organisation of the risk management process. It is responsible for ensuring that the process is implemented on an ongoing basis, for its coordination, and for making continuous improvements to the process. It achieves the latter by re-examining the risk management system methodology at least once annually. The objective is that the risk management framework should take account of current legislation, standards and internal business demands, and that identified improvements are taken into account.

To ensure comprehensive risk coverage, Verbio has appointed at least one risk owner in the central areas of the Group and in the operating subsidiaries in Germany and in foreign countries. These persons are responsible for the recording and monitoring of risks. Materiality thresholds for risk reporting are defined by the Management Board and approved by the Supervisory Board. These thresholds can be adjusted over time in the event of changes in the reference values, taking account of changes to net assets, financial position and results of operations.

The risk owner reports to the Global Risk Consolidation department at least once every half-year on the dates determined, making use of a standardised risk register. At the end of the second half-year of a Verbio financial year, a risk inventory is performed between the Global Risk Consolidation department and the respective risk owner to analyse and measure new risks as well as risks already identified in a structured manner. This ensures Group-wide risk identification, assessment, management and communication. This also includes sustainability aspects resulting from environmental, social and corporate governance (ESG) issues.

Further, Verbio uses other instruments to identify and manage risks. These include a unified and process-orientated quality management system (QMS), a compliance management system, the systematic implementation of work safety practices, and systematic complaints management.

The Management and Supervisory Boards are informed about new or changed risks on a quarterly basis. The reports are based on the risk reports from the risk registers of the central units within the Group and the operationally active subsidiaries in Germany and in foreign countries.

In addition to periodic risk reporting, there is an ad hoc reporting process to enable suitable countermeasures to be initiated on a timely basis. An immediate, informal report must be made to the Management Board and/or Global Risk Consolidation in the event that risks that exceed the defined thresholds of the risk early warning system arise suddenly. This rule applies independently of the periodic risk reporting frequency and the formal reporting structures.

3.2.3 Risk identification

Verbio identifies risk in a systematic and consistent manner using a standardised risk register. Based on the recommendations of the Accounting Standards Committee of Germany regarding the reporting of risks set out in the German Accounting Standard No. 20, Verbio has performed a categorisation into subareas as follows: Market and sales, procurement, environment, taxes and commercial law, production and technology, financing and treasury, legal rules and regulations, IT and human resources.

In addition to identifying the risks, the risk register should also describe countermeasures that have already been implemented and/or that are planned to mitigate the underlying risk. For planned risk mitigation measures, the expected date of implementation must be recorded and a person responsible for implementation must be named.

3.2.4 Risk measurement

The likelihood of occurrence and the potential range of financial loss should be assessed for all risks on a consistent basis. Measures already implemented to limit risks are taken account of based on a net measurement approach.

The probability of occurrence indicates how likely it is that a certain risk event will occur within the next 12 months. This also takes into account whether the risk can occur on multiple occasions within this period. The following categorisation is applied:

Probability of occurrence	Description
x ≤ 5%	Very unlikely
5% < x ≤ 25%	Rather unlikely
25% < x ≤ 50%	Rather likely
x > 50%	Very likely

The possible loss range indicates the extent of loss to be expected if the risk materialises within the next 12 months. The measurement should be based on the deviation from the planned cash position and/or the result for the period. This is therefore a measurement of net risks affecting liquidity or earnings.

As a rule, it is not possible to precisely forecast the financial loss when a risk occurs. Accordingly, the risk owner must therefore specify a range of possible scenarios in the risk register: the minimum loss (best case), the most probable loss (realistic case), and the maximum loss (worst case).

A modification factor is applied to take account of the uncertainty associated with the estimate of each risk. If a risk is assessed as very reliable, the loss distribution is closer to the most probable scenario. In cases where uncertainty is higher, the maximum loss scenario is attributed a heavier weighting.

Based on this the potential loss is simulated by statistical means. The following categorisation is applied:

Potential extent of damage	Description
Low	x ≤ EUR 1 million
Medium	EUR 1 million < x ≤ EUR 5 million
High	EUR 5 million < x ≤ EUR 15 million
Very high	x > EUR 15 million

3.2.5 Risk aggregation

The primary objective of the risk aggregation, in addition to determining the relative significance of the individual risks, is to determine Verbio's total risk position. For this purpose Verbio has developed a Monte Carlo simulation model using a software application. Based on 100,000 simulation runs, an overall scope of risk is determined using the net risks identified and compared with the planned cash position and earnings for the period.

Based on the results of the simulation, there are no recognisable risks that threaten the ability of Verbio and its subsidiaries to continue as a going concern as of the balance sheet date. No new findings have arisen as at the date the consolidated financial statements were prepared.

3.2.6 Individual risks

The most significant and other selected individual risks for the Verbio Group that could affect the net assets, financial position and results of operations from today's perspective are presented and described below. If changes have occurred compared to the previous year, these are noted in brackets.

Compared to the previous year, a new risk from trading activities was included in connection with Verbio International AG, which was founded in the previous year. In view of the current interest rate environment, the interest rate risk is no longer considered to be significant.

Corporate risk	Probability of occurrence	Potential extent of damage
Market and sales		
Sales-side risks	Very likely	Very high
Sales risks associated with the Biofuel Sustainability Regulation and the Federal Emissions Protection Act	Rather unlikely	Medium
Procurement		
Risks of raw material purchasing	Rather likely	High
Environment		
Risks due to contaminated sites and other building, land and environmental risks	Very unlikely	Low
Extreme weather conditions	Rather unlikely	Medium
Tax and commercial law		
Risks of non-compliance with ongoing tax obligations	Rather unlikely	Low
Transfer price risks	Rather unlikely	Medium
Risks from tax audits	Rather likely	Low
Production and technology		
Production and technology risks	Rather likely	Very high
Financing and treasury		
Financial and liquidity risks	Rather unlikely (Very unlikely)	Medium
Currency risks	Rather unlikely	Medium
Risks arising from trading activities	Rather likely	High
Risks from derivatives	Rather likely (Rather unlikely)	Medium
Credit and default risks	Rather unlikely	Medium
Risks from impairment of assets	Rather unlikely	Low
Legal rules and regulations		
Regulatory risks	Rather likely	High
Risks from legal disputes	Rather unlikely	Low
Compliance risks	Very unlikely	Low
IT		
Failure of IT applications	Rather likely	High
Human resources		
Risks from human resources management	Rather likely	Low

3.2.6.1 Market and sales

3.2.6.1.1 Sales-side risks

A significant sales and margin risk for Verbio results from the use of what are likely to be re-declared biofuels. The main part of the fraud with biofuels was and is the re-declaration of fresh vegetable oils or used cooking oils, classifying them into higher-value waste categories. Starting in the fourth quarter of the calendar year 2022 Verbio saw massive imports of such advanced biofuels from Asia. The EU responded in August 2024 by imposing anti-dumping duties on Chinese biodiesel and HVO imports. As a result, imports of Chinese biodiesel and HVO have fallen significantly. However, some of these goods are now exported to Europe as raw materials instead of as finished products. There are also other ways of circumventing the punitive tariffs. For example, these can be circumvented by means of a mass balance between duty paid and duty unpaid goods. Further, fraud is no longer limited to imports from Asia, but has spread to other sources.

With regard to risks associated with the GHG quotas contained in inventories, please refer to note 4 "Significant judgemental decisions, estimates and assumptions" and note 6.2.1 "Inventories" in the notes to the consolidated financial statements.

The German government's draft for the national implementation of the Renewable Energy Directive (RED III) of June 19, 2025 explicitly refers to fraud prevention for the first time. This demonstrates the political determination to combat unfair trade practices in the biofuels industry. Accordingly, Verbio remains optimistic that we will see a return to fair market conditions. In addition, with the comprehensive amendment to the Biofuel Sustainability Regulation of August 15, 2025 concrete measures have been proposed to prevent fraud, in particular by abolishing the possibility of recognising invalid sustainability certificates on the basis of good faith.

In the USA, there are currently political and regulatory uncertainties in connection with Renewable Volume Obligations (RVOs) and Small Refinery Exemptions (SRE), as well as the planned implementation of new subsidy mechanisms such as the 45Z Production Tax Credit. Delayed or unfavourable decisions or delays in implementation could have a negative impact on market conditions and the planning security of Verbio's activities in North America.

3.2.6.1.2 Sales risks associated with the Biofuel Sustainability Regulation and the Federal Emissions Protection Act

Since 2015, the Federal Emissions Protection Act (Bundes-Immissionsschutzgesetz – BImSchG) no longer requires the bringing to market of defined quantities of biofuels by use of an energetic-based quota, but instead requires the reduction of greenhouse gas emissions – in 2025 by 10.6 percent – through the use of biofuels or other greenhouse gas reduction measures (greenhouse gas reduction quota or GHG quota).

Biofuels can only count towards the biofuels GHG quota provided they have been produced and brought to market in accordance with the provisions of the Biofuel Sustainability Regulation (Biokraftstoff-Nachhaltigkeitsverordnung – Biokraft-NachV). Verbio matches raw material and sales quantities on an ongoing basis and maintains control over the balance of volumes at all times as part of its regular contract controlling procedures. In addition, this is examined by the certification authority in annual audits performed under the Biofuel Sustainability Regulation.

In addition to using biofuels, there are other ways of fulfilling the GHG quota. Accordingly, there is a risk on the sales side that the oil industry will also be able to partially achieve its greenhouse gas reduction obligations by using other methods, which can result in a reduction in the conventional demand for biofuels. These include the possibility of crediting the use of electricity-based mobility (since 2018; amendment to the 38th BImSchV, December 8, 2024), the use of co-processed biogenic oils in oil refineries (since 2024; amendment to the 37th BImSchV, March 14, 2024), as well as the use of upstream emissions reductions (UERs) (since 2020; Regulation on the Inclusion of Upstream Emission Reductions in the Greenhouse Gas Quota (Verordnung zur Anrechnung von Upstream-Emissionsminderungen auf die Treibhausgasquote – UERV), January 22, 2018). However, following the discovery of numerous cases of fraud in UER projects in foreign countries, these projects have been phased out as a fulfilment option for the GHG quota by amendment to the 36th BImSchV of May 22, 2024. Eligibility for these credits ended with the year 2024. In 2025, only UER projects that have already been applied for by a specified deadline may be credited for this purpose.

In principle, Verbio is countering the sales risks arising from the Biofuel Sustainability Regulation and the Federal Emissions Protection Act by investing more heavily in the USA, thereby diversifying sales channels and serving other national markets. In addition, Verbio is investing in expanding the value-added chain so that conventional biofuel molecules can contribute to GHG savings in other ways and in other industries.

3.2.6.2 Procurement

3.2.6.2.1 Risks of raw material purchasing

Verbio's results of operations are extremely dependent on the availability and prices of the raw materials used. For biodiesel this is predominantly vegetable oil; for bioethanol it is grain.

Generally, the raw materials needed for production purposes are purchased on an ongoing basis as and when sales contracts are entered into. This reduces the risk of price changes and the associated volume for which hedging is required.

Procuring raw materials under short-term contracts carries the risk of being exposed to potential physical supply limitations.

Verbio carefully observes current market trends. Notable changes are reported without delay, and appropriate risk limitation measures taken. Possible financial consequences are currently assessed as high in view of the volatility of the market prices for commodities.

3.2.6.3 Environment

3.2.6.3.1 Risks due to contaminated sites and other building, land and environmental risks

Verbio is exposed to the risk that the land and buildings it owns could be affected by pollution, soil contamination or other harmful substances. Currently there are no decontamination or monitoring obligations.

3.2.6.3.2 Extreme weather conditions

(GRI 201-2)

Climate change and associated extreme weather conditions affect the quality, availability and supply chains for raw materials from agricultural sources. In particular, droughts or heatwaves could result in damage to growth in agricultural raw materials. In addition, extreme weather events could lead to delays in the delivery of products should rail networks be damaged by flooding or storms or should shipping lanes be restricted due to flooding or strong currents.

Verbio is taking various countermeasures to mitigate these risks. The observation of the market plays a central role in this, in that planning alternative supply routes and adapting the procurement strategy in good time in response to weather events enable bottlenecks to be avoided. Another important countermeasure is the diversification of distribution channels. By using a variety of transportation methods, such as road, rail and waterways, Verbio can respond more flexibly to weather events and utilise alternative routes if particular supply channels are affected. In addition, the Group aims to ensure that it has adequate inventories of raw materials, consumables and finished goods, taking account of current market environment conditions. The use of proactive planning and adapting to changing environmental conditions is aimed at strengthening the resilience of supply chains in the face of climate-related risks.

3.2.6.4 Taxes and commercial law

3.2.6.4.1 Risks of non-compliance with ongoing tax obligations

Verbio is exposed to the risks that it fails to fulfil tax legislation in full or fails to fulfil obligations in compliance with the respective legislation, particularly with respect to energy taxes, sales taxes and income taxes, due to the multiple layers and complexity of the tax regulations. Risks arise in this connection with transactions with foreign companies and our own operations abroad in view of the higher complexity involved.

Verbio counters this risk by monitoring developments in tax legislation on an ongoing basis, with the use of internal tax compliance measures, and by taking external advice in particularly complex situations and in special cases relating to issues concerning foreign countries.

3.2.6.4.2 Transfer price risks

Legal demands on tax compliance and the international nature of Verbio's business activities result in an increased risk associated with determining and documenting transfer prices between Verbio's Group companies. The significant risks include the provision of loan facilities to Group companies (in particular the interest rates charged thereon), industrial franchise agreements, as well as the sale of raw materials from the USA to Europe.

Verbio has established an appropriate and uniform system of transfer price documentation in order to meet the requirements. The international tax department has been expanded in order to strengthen the Group's internal expertise and enable it to manage transfer price risks effectively. Advice is obtained from external consultants in particularly complex situations to ensure that up-to-date rules are taken into account and tried-and-tested approaches are in place.

3.2.6.4.3 Risks from tax audits

Verbio is exposed to the risk that it may be required to make retrospective tax payments as a result of external tax audits. In view of Verbio's rapid growth, the probability of such an event is currently assessed to be rather likely. Currently, beyond the amounts already recognised as liabilities or provisions in the consolidated financial statements, there are no known issues that could result in significant demands for retrospective tax payments.

3.2.6.5 Production and technology

3.2.6.5.1 Production and technology risks

The continued success of the Verbio Group is driven by the Group's highly competitive technologies. On the basis of the technology standards already achieved for large-scale production of biofuels (biodiesel, bioethanol and biomethane) the Verbio Group is positioned well, and also has the process know-how to implement further ongoing and coherent programmes for the further development and optimisation of the current production processes. The production of biofuels is exposed to the risk that entirely different and more efficient production and process technologies could arise suddenly, and that the operation of existing plants could, as a result, no longer be possible in such a way that their operating costs may be covered. The continual expansion and optimisation of co-production manufacturing is one of the significant drivers of Verbio's competitiveness, but at the current time these co-products cannot yet guarantee that we will be able to operate our plants profitably should there no longer be sales channels for the biofuel products.

The production plants are state-of-the-art or are currently in the process of being modernised, as is the case for example in South Bend (USA). In addition, the plants are maintained on a regular basis. Accordingly, from the viewpoint of the Company's management, environmental risks are minimised to the greatest extent possible. Nevertheless, potential environmental damage is insured through environmental liability insurance. All plants are insured against natural disasters by property and business interruption insurance loss cover (including cover for ongoing costs). There is also third party liability insurance to cover losses incurred by third parties arising from Verbio SE's ongoing operations. Plant construction is exposed to supplier risks, which can affect both quality and timing. These include the risks of low-quality materials, production errors and delivery delays. These risks can be reduced by careful selection of suppliers, effective contract management and the performance of regular quality controls.

3.2.6.6 Financing and treasury

3.2.6.6.1 Financing and liquidity risks

In the opinion of the Management Board, at the date of the preparation of the risk report there are no identifiable financing or liquidity risks that could threaten the ability of the Company to continue as a going concern. As is the case in other companies the occurrence of such risks cannot be ruled out with absolute certainty, despite comprehensive monitoring. In view of the lower liquidity reserve compared to the previous year, the probability of occurrence has been reassessed from "very unlikely" to "rather unlikely".

As at the balance sheet date, Verbio had cash and cash equivalents totalling EUR 64.4 million and available credit lines of EUR 64.0 million.

A negative business performance could lead to a reduction in growth investments or the need for additional financing requirements that would have to be covered by equity or debt capital measures. In such a case, there would be a risk that refinancing would not be possible or only possible on unfavourable conditions. An additional risk arises from financing instruments that are linked to certain contractual obligations (covenants). These include compliance with a minimum equity ratio as a key performance indicator. As at the balance sheet date the agreed minimum equity ratio was complied with, with a sufficient gap compared to the contractually agreed threshold. Verbio monitors the covenants on an ongoing basis and fulfils its reporting obligations to financing partners.

In order to counter financing and liquidity risks at an early stage, Verbio pursues the overriding goal of having sufficient cash and cash equivalents at all times to ensure ongoing business operations without restriction. In addition to medium-term financial planning, short-term liquidity management on a weekly and monthly basis plays a central role. For further details we refer to notes 10.2.1 "Credit risks" and 10.2.2 "Liquidity risks" in the notes to the consolidated financial statements.

3.2.6.6.2 Currency risks

Verbio is exposed to foreign currency risks due to its international business activities.

In particular, this includes the translation risk arising from the conversion of subsidiaries' financial statements prepared in foreign currencies into the Group currency, the euro. The translation risk relates in particular to the translation of assets, liabilities and earnings at the respective closing rate and the presentation of equity at the historical rate in the consolidated financial statements. The associated translation differences, in particular from currency differences between the euro and the US dollar, are recognised in the currency translation reserve. These effects do not affect balances of cash and cash equivalents, but can influence the reported equity ratio and related key figures.

We do not hedge these translation risks. However, we continuously monitor exchange rate developments and carry out sensitivity analyses to assess the potential impact on earnings, equity and key figures.

The Verbio Group is exposed to currency risks associated with procurement and price hedging for its purchasing and sales. These arise in particular when purchases and/or sales are made in a currency other than the respective functional currency. This currency risk is minimised with the help of an ongoing assessment of exchange rate expectations using appropriate financial instruments, in particular by the netting of cash inflows and outflows denominated in foreign currencies.

In view of the rather limited overall impact of translation risk and the volume of other operating purchases and sales processed in foreign currencies, the probability of occurrence for currency risks is classified as "rather unlikely". Possible consequences for the statement of profit or loss are considered "medium" overall. For further details we refer to note 10.2.3 "Market risks" in the notes to the consolidated financial statements.

3.2.6.6.3 Risks arising from trading activities

We trade in commodities and finished goods using physical and financial instruments in order to optimise commercial margins. Although trading can increase profitability, it also entails market risks, including the possibility of significant losses due to unfavourable price movements.

To minimise these risks, we operate within a defined framework that includes guidelines and procedures, reporting structures and continuous monitoring of market risk positions. Risk indicators such as Value at Risk (VaR) are used together with supplementary analysis tools. In addition, the maximum acceptable loss is monitored by the use of a drawdown limit. In the event of high losses, appropriate control measures are implemented, including the reduction of all trading positions to minimise risk.

In addition, a changing regulatory environment poses a compliance risk. Incorrect or delayed implementation of new or amended regulations can lead to penalties. We counter this risk by monitoring legal developments and adapting our processes accordingly. For further details we refer to note 10.2.3 "Market risks" in the notes to the consolidated financial statements.

3.2.6.6.4 Risks from derivatives

The risks from derivatives depend on the risk structure of the individual derivatives. The derivatives used by the Verbio Group belong to different risk groups and are used to hedge both raw material purchases and sales contracts, as well as to hedge interest rate and currency risks. For this purpose, hedging transactions are concluded for individual underlying transactions and specifically assigned to those transactions. There is exposure to the underlying risk of hedging and underlying transactions, and, in connection with certain price developments, there is a risk that resulting payment obligations cannot be fulfilled in spite of available cash reserves and trading facilities.

The price change risks on the procurement and sales side in the Biodiesel and Bioethanol/Biomethane segments are hedged based on market estimates made by the Management Board and within ranges defined by the Management Board, using effective and ineffective derivatives on relevant exchanges such as NYMEX, ICE, CBOT and Euronext.

Through the use of derivative contracts, a production margin in the respective segment is fixed on a forward basis to the extent possible. Nevertheless, it cannot be excluded that in spite of the use of hedging instruments, undesirable market developments may lead to negative effects on results. The timing and chronological order in which the underlying transactions and the hedging transactions are entered into may also lead to deviations. Due to the year-on-year increase in the trading volume of derivatives and the associated greater complexity, the probability of occurrence was reassessed from "rather unlikely" to "rather likely".

The Group-wide risk management procedures implemented are aimed at minimising these risks. For further details we refer to note 9 "Disclosures on financial instruments" in the notes to the consolidated financial statements.

3.2.6.6.5 Credit and default risks

Credit and default risks are primarily associated with a deterioration in the economic situation of suppliers, customers or other contracting parties of the Company. As a result, there is a risk of partial or complete loss of contractually agreed payments or services, and additionally of impairment losses due to a deterioration of creditworthiness.

In order to minimise the risk of default the payment behaviour of debtors is monitored on a continuous basis, and additionally customer-specific credit insurance is obtained and internal creditworthiness assessments are carried out. The risk management procedures implemented are aimed at minimising these risks.

3.2.6.6.6 Risks from impairment of assets

The carrying amounts of individual non-current assets are subject to changes in market and business conditions and thereby also to changes in their values in use. Individual impairment tests are performed in accordance with IAS 36 if there are indications of an impairment of property, plant and equipment.

In particular, when the assumptions underlying the planning prove to be inaccurate, it cannot be ruled out that write-downs with profit or loss effect may be made in future against the carrying value of non-current assets by amounts which may be up to their entire carrying amount, with an effect on Verbio's net assets, financial position and results of operations. However, the additional financial effects of such write-downs are assessed to be minor. For further information, please refer to notes 4 "Significant judgemental decisions, estimates and assumptions" and 6.1.2 "Property, plant and equipment" in the notes to the consolidated financial statements.

3.2.6.7 Legal rules and regulations

3.2.6.7.1 Regulatory risks

Verbio is subject to multiple political and regulatory framework conditions at the national, European and international levels, changes in which can have direct effects on the Company's results of operations.

In addition, changes in political or economic environments, in particular in larger EU countries and in countries with major agricultural production volumes such as the USA, Canada, China, India, Brazil, Malaysia or Indonesia, could have a direct impact on Verbio's activities. The current US administration and its customs policy, which may also have an impact on the price stability of global biofuel markets, should be emphasised here in particular. The price trend continues to be strongly influenced by several unresolved factors, including the delayed publication of the RFS RVOs for the years 2025 to 2027, the pending finalisation of the 45Z tax credits (in connection with the "One Big Beautiful Bill" legislative package) and the ongoing uncertainty in connection with customs negotiations. Realistically, it cannot be assumed that these key influencing factors will be clarified in the short term.

Regulatory risks are countered by Verbio through memberships in various industry associations that represent the interests of the biofuel industry at the national and also at the European and international levels. In addition, the Company's regular, intensive and direct dialogue with political decision-making bodies and decision makers represents the core element of Verbio's political activities.

The reform of the Renewable Energy Directive (RED III), which affects the German GHG quota, officially came into force in October 2023. On June 19, 2025 the Federal Ministry for the Environment published an initial draft bill for transposition into German law. The changes are due to come into force on January 1, 2026. Verbio will involve itself this process in a constructive manner, both as a Company and in our role as a member of the interested organisations in which we participate.

Among other things, the draft emphasises the need to improve fraud prevention. Verbio views this as fundamentally positive. However, it remains to be seen whether the measures contained therein will lead to a rapid and effective fight against fraud in the import of biofuels.

Overall, we see the further development of the GHG quota contained in the draft as an opportunity. The planned reduction of the upper limit for biofuels from cultivation mass (first generation) to 3 percent by 2030 represents a moderate sales risk in the German market. However, this is a German solo effort. No such reduction is planned in the majority of EU member states. There, the upper limits are closer to the requirements of RED III, which only prescribes a limit for the use of cultivated biomass of 7 percent or the percentage sales level of 2020 plus 1 percentage point. In addition, a possible decrease in demand for first generation biofuels in the transport sector in Germany will be offset by an increase in demand for green molecules in other sectors, such as the chemical industry. Since RED II there has been an obligatory minimum quota for advanced second generation biofuels, and this has been increased and widened in scope under RED III. This generates additional market opportunities for Verbio as a leading manufacturer of biomethane based on straw and stillage waste.

3.2.6.7.2 Risks from legal disputes

Verbio aims to minimise potential risks from legal disputes by, among other things, ensuring in advance that contracts are carefully examined and precisely worded. There are no significant risks arising from legal disputes at the current time.

3.2.6.7.3 Compliance risks

Violations of laws and regulations to which Verbio is subject as a global company can lead to penalties and fines and cause considerable reputational damage. The compliance management system (CMS) supports in complying with legal regulations and implementing internal company guidelines and ethical standards to which Verbio commits itself. The Verbio Code of Conduct forms the basis of business conduct for all employees. This includes not only communicating its contents, for example as a fixed component of onboarding for new employees, but also the ongoing instruction of specialist departments on topics that concern compliance matters. As a member of the UN Global Compact, Verbio is committed to respecting and upholding human rights and fighting corruption.

3.2.6.8 IT

3.2.6.8.1 Failure of IT applications

IT risks can affect the results of business operations if there are restrictions in the availability and confidentiality of data and the integrity of information systems.

Verbio has taken appropriate measures to minimise the consequences of such IT risks on the results of operations. Primarily these measures include ensuring regular data back-ups, the availability of redundant IT infrastructure, the use of systems to monitor and give early warning of cyber-attacks, vulnerability audits performed by third parties, ensuring employee awareness, and regular audits of security guidelines and processes.

Despite the relevant mitigation measures, the financial consequences of a failure of IT applications essential for the operational and strategic management of the Company are assessed as "high". This is due to the fact that cyber criminals are continuously becoming more effective and professional, among other things due to the use of artificial intelligence. Accordingly, also the likelihood of such an event is assessed as "rather likely".

3.2.6.9 Human resources

3.2.6.9.1 Risks from human resources management

There is a risk of the loss of key personnel and a general increase in staff turnover. This can result in performance losses and delays in decision-making processes.

Verbio has developed appropriate strategies to strengthen loyalty and minimise the potential impact on the business result. This includes a performance-related remuneration system and a structured, annual evaluation process that identifies individual development needs and enables targeted further training measures.

3.3 Report on opportunities

3.3.1 Opportunities of raw material purchasing

Verbio follows a "multi-feedstock strategy", which means that it is possible to produce biodiesel and bioethanol using various different raw materials, dependent on what is being offered at the most advantageous purchasing conditions on the agricultural markets. This can result in price advantages and therefore competitive advantages. Verbio is in a position to convert plant and equipment to use different raw materials at short notice. Expanding the use of side streams of vegetable oil production increases the use of alternative raw materials and thus reduces dependence on pure vegetable oil. Agricultural raw materials are traded internationally and are generally available in sufficient quantities at all times.

3.3.2 Sales-side opportunities

Increased demand for biofuels is expected not only in Germany, but across the entire EU.

It can be observed that ever more countries are introducing E10 as a standard fuel for use in petrol-based engines as part of the process of implementing RED II, and that they are replacing or complementing the energetic-based biofuels quotas with greenhouse gas quotas. This increases the demand for ethanol and for low emission fuels.

With the implementation of RED III separate quotas for advanced biofuels will be introduced in all EU member states, which will likely lead to a boost in demand for this new biofuels category. Verbio can make use of market opportunities quickly, in particular through the use of the advanced biofuel biomethane, either by constructing further Verbio-owned BioCNG and BioLNG filling stations or by supplying existing filling stations in the network infrastructure.

In addition, inventories of crude oil and oil products have been at historically low levels for more than a year, with the result that there are hardly any reserves and prices could rise sharply in the event of widespread supply bottlenecks as a result of geopolitical disruptions. As demand for fossil fuels increases, so does the competitiveness of biofuels.

For the US bioethanol sector, international growth opportunities arise in particular from the political pressure to open up new sales markets. At the same time, there is a global structural trend towards higher blending rates. Countries such as India are pushing ahead with ambitious quota regulations and have already introduced E20 (20 percent ethanol blend) to the fuel market.

3.3.3 Regional and regulatory opportunities

The scope and level of ambition of climate policy targets are increasing worldwide, which is boosting demand for biofuels and CO_2 savings. Their use is increasingly extending to other modes of transport such as shipping and aviation. In addition to RED III, the following measures should be emphasised in particular:

- The EU FuelEU Maritime Regulation: Greenhouse gas reduction quota for shipping from 2025
- Net Zero Framework of the IMO (International Maritime Organisation): Greenhouse gas reduction quota from 2028
- The EU ReFuelEU Regulation: Blending quota for renewable fuels in aviation from 2025
- CORSIA of the ICAO (International Civil Aviation Organisation): Compensation system, mandatory from 2027

In addition, large parts of the economy, such as the German Association of the Automotive Industry (Verband der Automobilindustrie e.V. – VDA), are rethinking the energy transition: away from a one-sided focus on electricity and towards a so-called molecular transition, in which biofuels in particular play a central role alongside e-fuels.

At the time of preparing this report, there are a number of other regulatory measures on the agenda that, if implemented, potentially represent opportunities for Verbio.

We consider the measures for the further development of the GHG quota and the explicit reference to the need to prevent fraud contained in the German government's draft for the implementation of RED III to be positive. Updating the GHG quota until 2040 creates long-term planning security. The demand for CO_2 savings is also increasing as a result of the expansion to other transport sectors while the GHG quota remains the same.

While the introduction of the 45Z tax credits, as proposed in the budget reconciliation, is expected to have a positive impact on Verbio, the regulatory process – including the publication of guidance by the IRS and the need to have production pathways approved – is likely to delay the effectiveness of these credits by 12 to 24 months.

On August 8, 2025 the provincial government of Ontario decided to introduce mandatory domestic targets for biofuels as part of the Cleaner Transportation Fuels (CTF) Regulation. In future, at least 75 percent of the renewable content blended into diesel fuel must be sourced from Canadian production; for the remaining period of the compliance year 2025, the quota is set at a lower rate of 25 percent due to the short implementation period. The full 75 percent target will apply annually from 2026. The measure is limited in time and is intended to strengthen the competitiveness of domestic biodiesel production – particularly in response to the US 45Z subsidy regulations. Despite the resistance from the obligated companies, which makes a delayed implementation until 2026 likely, Canadian production sites – including the Verbio plant in Welland, Ontario – are expected to benefit from the new requirement.

The political course in India is increasingly in favour of promoting the BioCNG sector. Adjusting the price structure creates new revenue potential. At the same time, state-supported measures such as the liquefaction of BioCNG and the expansion of direct grid connections open up significantly better marketing opportunities. On the raw materials side, support programmes also ensure more efficient collection and safeguarding of biogenic residues. In addition, the legal basis is being revised to make by-products such as fermentation residues more usable. All in all, the result is an improved market environment that will sustainably strengthen the future viability of BioCNG in India.

3.3.5 Production and technology opportunities

All plant construction activities are combined in the Engineering, Procurement and Construction (EPC) department, and the competences needed to optimise production plants are concentrated in the Operational Excellence (OE) department. This arrangement enables efficient and cost-optimised implementation of investment projects, ensuring that the latest findings from the optimisation of our production processes are also taken into account in the planning of new construction projects.

Verbio's production plants are primarily designed using the Group's own process expertise and are technically state-of-the-art or are in the process of being transformed into state-of-the-art plants, as is the case at South Bend (USA). The optimisation of the plants by the OE division is intended to ensure that the systems continue to be at the forefront of technology in the future.

The production plants are positioned well with respect to their energy balance. All plants and production processes are optimised further on an ongoing basis, which leads on the one hand to a significant reduction in energy usage, and on the other hand to higher or optimised yields. In addition to the optimisation of existing plants, Verbio sees market opportunities in the development of production processes which enable high-value co-products to be manufactured making use of the raw materials used for manufacturing its biofuels. Examples of such co-products include glycerine and sterols, which are already being produced and which will in future be complemented with speciality chemicals for the chemical industry and with high-value proteins for the animal feed and foodstuff industries.

Further, Verbio makes use of the know-how that it has accumulated in previous years to contribute to new projects such as the straw biomethane plants and the biorefinery plants in South Bend and Nevada (both in the USA).

3.3.6 Financial opportunities

Verbio's stock exchange listing gives the Company access to the capital market, enabling it to generate financial resources to reduce indebtedness or to finance growth.

3.4 Overall assessment of the risks and opportunities by the Company's management

Verbio consolidates and aggregates all risks reported by the Group's various divisions and functions in accordance with its risk management guidelines.

The results of the overall measurement of all of the risks described give no indication that current risks, considering the likelihood of their occurrence and their effects, could, either individually or in the aggregate, endanger the Company's ability to continue as a going concern.

The Company's management is convinced that the earnings power of Verbio provides a solid basis for its future business development and provides the necessary resources to pursue the opportunities offered to the Group and successfully confront the challenges from the mentioned risks in and beyond the financial year 2025/2026.

4. Other reporting obligations

4.1 Internal control system

Verbio's internal control system defines Group-wide minimum standards for the design of internal controls in business processes both centrally and at the Group's subsidiary companies. For this purpose a Group-wide model was developed which provides clear guidelines on the scope and implementation of controlling activities and their measurement. A risk control matrix has been implemented to provide a comprehensive documentation and management of the internal control system. The Management Board has overall responsibility for the internal control system.

The objective of the internal control system is, among other things, to identify and mitigate process risks which could be an obstacle to the preparation of annual and consolidated financial statements and the (Group) management report in accordance with the relevant frameworks. The implementation of these controls should ensure that reliable annual and consolidated financial statements are prepared.

The central organisation and the extensive standardisation of the IT programmes used, in particular the planning and consolidation tools and the continuously improved business intelligence interface, ensure the clear assignment of responsibilities in accounting, Group financing and controlling, and appropriate controls are designed to ensure or facilitate risk management, control and compliance. Also, all tasks associated with the preparation of the consolidated financial statements, such as consolidation measures, the reconciliation of intercompany balances and the reporting requirements are clearly assigned, and the processes in the internal control system are clearly defined.

4.2 Supervision of the effectiveness of the risk management and internal control systems

The Management Board has implemented internal monitoring systems to supervise the appropriateness and effectiveness of the risk management and internal control systems. An important component of this is the performance of independent supervisory tasks and audits by the Internal Audit department. Any weaknesses and improvement recommendations are noted and addressed to those responsible for the respective processes for resolution. In doing so there is a targeted tracking of results to ensure that recommended measures have been implemented effectively.

The risk management system implemented by the Group and the system of internal control are integrated in many of Verbio SE's processes and optimised on an ongoing basis. On the basis of this reporting and taking account of the reports issued by Internal Audit, the Management Board has no indications that the risk management system and the internal control system in their respective entirety are not appropriate and not effectively aligned with Verbio SE's risk situation.

Here it should be noted that even a very carefully designed risk management and internal control system cannot provide absolute assurance that all relevant risks are identified on a timely basis and can be mitigated by appropriate measures and internal controls.

4.3 Statement on corporate governance

The statement on corporate governance, issued in accordance with § 315d HGB in connection with § 289f HGB, is published in the Investor Relations section of the Verbio SE website https://www.verbio.de/en/investor-relations/corporate-governance/.

In addition to providing a description of the Management and Supervisory Boards' working methods, the statement includes the corporate governance report, the declaration of conformity in accordance with § 161 AktG, and relevant disclosures regarding significant corporate governance practices.

4.4 Closing remarks of the report issued by the Management Board on relationships with affiliated companies

Verbio SE, and its subsidiaries as dependent companies, have prepared a dependence report in accordance with § 312 AktG. Under the circumstances known to the Management Board at the time of undertaking the transactions, Verbio SE and its subsidiaries received appropriate consideration for every transaction listed in the dependence report on its relationships with affiliated companies. No measures were undertaken or omitted in the interests of, or at the instigation of, the controlling company or one of its affiliated companies.

4.5 Takeover disclosures in accordance with § 315a HGB

The following information relates to the corporate legal structure and other legal relationships. It should allow a better overview of the Company and any obstacles to a takeover.

Following a capital increase registered at the commercial register on November 25, 2024, the subscribed capital (share capital) of Verbio SE consists of 63,715,479 no-par bearer shares. Each share grants the holder the same rights and grants one vote in the general shareholders' meeting. All shares entitle the holder to dividend payments in full; dividend payments are made in euros.

Restrictions on voting rights of shares could result from provisions of the German Stock Companies Act. Thus, under certain circumstances, shareholders are subject to a voting prohibition (§ 136 AktG). Furthermore, the Company has no voting rights on its treasury shares (§ 71b AktG). The old/founder shareholders have entered into a voting trust agreement, requiring their voting rights to be exercised on a pooled basis. In the meantime the pool has been extended to include further shareholders. There are no further restrictions of voting rights or share transfer restrictions. Special rights or control authority are not connected to the pooling relationship. A new pooling contract was agreed in the financial year 2023/2024. The shareholders who have joined as members of the new voting rights pool are also subject to requirements to exercise their voting rights on a pooled basis. The pooling contract most recently agreed in the financial year 2023/2024 could not be cancelled earlier than July 5, 2025, and extends automatically in each case by six months if it is not cancelled with a three-month notice period before the conclusion of its term. In addition, a sub-pool contract has been in existence since April 5, 2019 between the Sauter siblings who are members of the pool, under which an agreement has been made to exercise their voting rights within the pool in a uniform manner. The sub-pool contract was last amended on February 27, 2023. As at the June 30, 2025 balance sheet date the arrangements under the pool voting agreement bind the votes of 67.12 percent of the total voting capital.

Claus Sauter and Bernd Sauter, both members of the Management Board, have direct holdings in Verbio SE in excess of 10 percent. By means of direct entities they hold a total of 34.79 percent of the outstanding shares.

The provisions regarding the appointment and dismissal of members of the Management Board, as well as for making changes to the articles of association, are in accordance with the statutory requirements (§ 84, § 179 AktG) in conjunction with § 7, § 14 and § 20 of the articles of association.

Under a shareholders' resolution approved at the annual general meeting of shareholders held on February 4, 2022 the Management Board is authorised, subject to the approval of the Supervisory Board, to increase the share capital by means of issuing additional no-par bearer shares in exchange for cash or non-cash contributions on one or more occasions until February 3, 2027. Following partial use of this authorisation the approved capital currently totals EUR 31,059,969.00 (authorised capital 2022).

The Management Board is empowered, subject to the approval of the Supervisory Board, to exclude existing shareholders' subscription rights for shares issued in exchange for contributions in kind of up to an amount of EUR 12,636,726.00, which represents 20 percent of the share capital at the date of the resolution. This also applies to the use of the authorised capital to fulfil purchase obligations or purchase rights for the Company's shares based on agreements made or to be made with members of the Company's Management Board under Management Board remuneration agreements. This type of share issue is dependent on a prior election being made by the Supervisory Board to exercise its option under the current remuneration rules that the share-based remuneration shall not be settled in cash but shall be fulfilled by the issue of shares, or on it having created a new form of share-based remuneration.

The general shareholders' meeting on February 2, 2024 authorised the Management Board until February 1, 2029 to purchase treasury shares of up to 10 percent of the capital shares at that time, on one or more occasions. The shares may be purchased with the use of derivatives. The authorisation is not to be used for the purpose of trading in treasury shares.

The powers of the Management Board to issue or repurchase shares are comprehensively described and governed in the respective authorisations resolved by the general shareholders' meeting.

In the event of an early termination of Management Board activity resulting from a change in control, members of the Management Board have a one-off special right of termination, and, on exercising this right, a claim for a termination payment that is calculated by capitalisation of the expected total remuneration for the remaining contract term. This amount may not, however, exceed the amount of three years' remuneration, two years in the case of the Chief Financial Officer, consisting of the fixed and variable contractual components. The Company does not have any loss compensation agreements with employees.

5. Non-financial Group statement

5.1 General information

GRI 2-2 to 2-5

This non-financial Group statement provides a summary of all the significant developments relating to sustainability at Verbio SE, as the parent company of the Verbio Group, in the financial year 2024/2025. In addition to information on environmental, economic and social issues, the non-financial Group statement also deals with ethical aspects such as the observance of human rights, corruption and competitive behaviour.

With the entry into force of the CSR Directive Implementation Act (CSR-Richtlinie-Umsetzungsgesetz – CSR-RUG) and the associated reporting obligations, Verbio SE, as the parent company of the Verbio Group, is required to prepare a non-financial Group statement in accordance with § 315b, 315c in conjunction with § 289c to 289e German Commercial Code (Handelsgesetzbuch – HGB).

The reporting period is from July 1, 2024 to June 30, 2025. The report contents and data for the non-financial key figures are updated annually. The reference date for all data and facts was June 30, 2025. Figures have been rounded in accordance with normal commercial practice; rounding differences may occur.

The scope of consolidation for sustainability reporting corresponds to that of financial reporting (see note 2.2 in the notes to the consolidated financial statements in the annual report 2024/2025). Any exceptions are explained in the relevant data.

The non-financial Group statement is prepared with reference to the Global Reporting Initiative (GRI) guidelines for sustainability reporting.

The selection of content to be reported is based on the results of the materiality analysis 2022/2023, which is carried out in accordance with the double materiality approach. The contents are examined to ensure they are up to date and amended where necessary. Details on the results of this quantitative methodology can be found in the section "Our materiality analysis".

The Supervisory Board examined the sustainability report as part of its supervisory and monitoring activities and formed its own opinion.

5.1.1 ESG management at Verbio

GRI 2-12 to 2-14, 2-16 to 2-18, 2-25

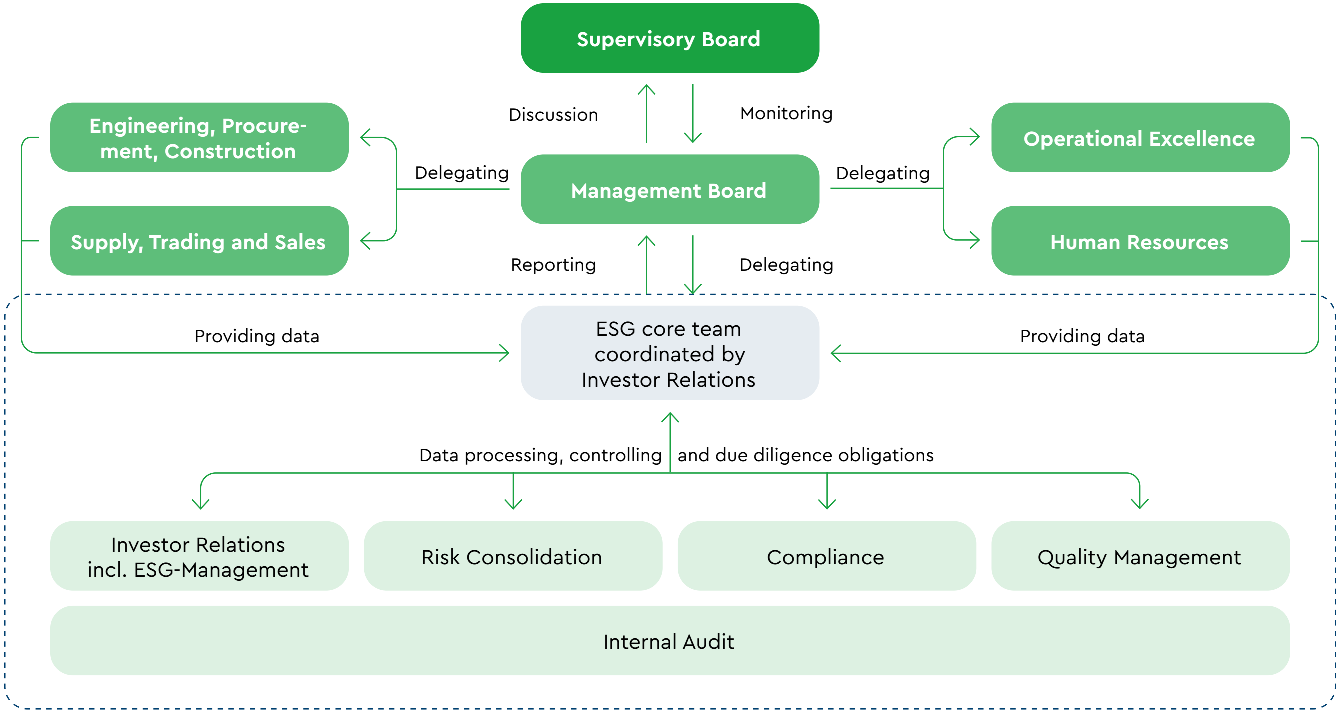
The Supervisory Board has the necessary expertise in the area of ESG to monitor the measures taken by the Management Board and provide it with advice. The regular self-evaluations performed by the Supervisory Board as well as the ongoing examinations of the competence requirements ensure that this board, taken as a whole, has the necessary qualifications and knowledge to exercise supervision over sustainability issues. The Vice-Chair of the Supervisory Board, the Chief Executive Officer and the Chief Financial Officer (CFO) are responsible for introducing and promoting sustainability issues at meetings of the Supervisory Board. The Management Board ensures that strategic decisions are taken in agreement with the Supervisory Board. It sets out the Company's ongoing focus on sustainability by defining the Company's mission and vision as part of Verbio's core corporate philosophy and providing the strategic framework, guidelines and objectives that reflect Verbio's commitment to sustainable action. In addition, the Management Board monitors the due diligence processes used to determine and manage the Company's impact on the economy, environment and society. This proactive approach is also designed to ensure that the Company meets its responsibilities to its stakeholders and society as a whole.

ESG activities at Verbio follow a decentralised approach in which all administrative departments involved in the control and due diligence processes, which also form the Corporate Governance Working Group, coordinate their activities and use synergies to assess the Company's impacts, risks and opportunities. The CFO is also informed directly about the organisational, strategic and substantive work of this Corporate Governance Working Group at regular information and reporting meetings. On occasions when this results in information and reporting obligations for the entire Management Board or the Supervisory Board, the entire Management Board and Supervisory Board are also informed accordingly. A further series of planned and ad hoc meetings convened during the course of the financial year enable close cooperation between the departments and the Company's management, and thus faster and more efficient processing of the tasks to be performed. Established control mechanisms are shaped and formulated in particular by the recurring risk inventory, the ESG materiality analysis, the design of the internal control system and internal audit, compliance work, and also by reporting to the Management and Supervisory

Boards. The purpose and aim of all these control mechanisms is to identify critical issues in order to counteract them promptly and comprehensively, with both preventive and reactive measures. Management carefully reviews the cumulative results of the control and due diligence teams in order to formulate appropriate measures, guidelines or targets where necessary.

In addition to the specialist departments presented in the chart, which are the focus of Verbio's sustainability activities, other departments, including Marketing, Controlling and Accounting, also support ESG activities and ESG reporting in particular. In principle, ESG is a collaborative task in which the various areas contribute to a common goal with the involvement of external stakeholders.

Collaboration of the Company's departments for the purposes of ESG activities



The Supervisory Board and the Management Board are responsible for the examination and the approval of the information included in the non-financial Group statement. This includes content that has been identified using the control mechanisms and which is considered material to the Company's business and its stakeholders.

The governance processes covering sustainability are being formalised on an ongoing basis and integrated into the business planning.

5.1.2 Strategy

5.1.2.1 Statement on sustainable development strategy

GRI 2-22

As a provider of environmentally friendly solutions and technologies for biofuels, sustainability is a fundamental component of Verbio's business model. Verbio's forward-looking business model is characterised by flexibility and enables the Company to react as quickly as possible to changes and their impact on the environment and society.

Sustainability takes precedence in the procurement of raw materials. Verbio's biofuels are a testament to this commitment, as they reduce CO_2 emissions by more than 90 percent in some cases compared to conventional fossil fuels. An overview of Verbio's product and service portfolio and the CO_2-savings potential offered by its respective products is provided in the "Segments and product portfolio" section. Verbio itself plans to achieve climate neutrality in its direct operations (Scope 1 and 2) by 2035.

The findings from the materiality and risk analysis, the compliance management system and the employee surveys serve as a basis for ensuring that the Company keeps up to date with its social impact and with changing requirements (see further information in the "Materiality analysis" and "Forecast, risk and opportunity report" sections). For example, the hybrid working guidelines introduced in 2023 are a result of this, and demonstrate the ongoing development of internal guidelines. A diverse workforce enriches the corporate culture, promotes progress and opens up a large number of perspectives (see the section "Own workforce" for an overview of the diversity of employees). The Company is particularly committed to the community around its own locations by supporting initiatives such as donations, grants and sponsorship projects with a long-term impact.

5.1.2.2 Declaration of commitment to principles and practices

GRI 2-23 to 2-24

Our standards of responsible corporate governance are derived from our corporate values, the relevant laws and the international guidelines to which we are committed. We take account of these standards in our Corporate Commitment Policies and in our internal rules. This includes principles that apply across the whole Company as well as specific standards and processes applicable to individual departments or locations.

We commit ourselves and our suppliers to comply with internationally recognised labour and social standards. Our voluntary commitment includes labour standards as set out in the United Nations (UN) Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the International Labour Organization (ILO). In addition, we have been a member of the United Nations Global Compactsince 2022, and we are committed to complying with the principles set out therein.

The Group-wide Code of Conduct adopted by the Management Board is binding for all employees, Management Board members and managing directors, and provides clear rules of conduct in the areas of corruption, fair competition, the ban on insider trading, money laundering, respect for human rights, but also on topics such as data protection and information security. The Supplier Code of Conduct sets out what we expect from our suppliers in terms of human rights, health and safety, business integrity and environmental protection. With the Statement on Respect for Human Rights, Verbio is publicly committed to respecting internationally recognised human rights and the ILO core labour standards. Taken together, the Code of Conduct, the Supplier Code of Conduct and the Statement on Respect for Human Rights complete the Group's Corporate Commitment Policies. The Corporate Commitment Policies are available for inspection at any time both internally and publicly on the Verbio website, and are available in various languages.

Further internal standards are defined in a range of guidelines, procedures and work instructions. We inform and train our employees on all important rules that affect them. The contents of Verbio's internal standards are made accessible via, for example, links on the intranet, the eLearning training portal, at the start of employment, and upon request at any time. Managers are responsible for their implementation and compliance in their respective areas of responsibility.

If necessary, we review our internal guidelines and procedural instructions and adapt them to any changes in the legal requirements. We monitor regulatory developments carefully – for example, the EU Directive on due diligence obligations in respect of human rights.

With our Procedure for whistleblowing system we affirm our intention to maintain and strengthen a corporate culture in which employees feel empowered to report any incidents and contraventions of compliance requirements. The procedure describes the process of how we investigate reported misconduct while maintaining confidentiality and protecting whistleblowers.

In March 2025 we conducted in-depth compliance training for certain specialists and managers on the topic of corruption.

5.1.2.3 Stakeholder dialogue

GRI 2-29

The management of Verbio engages in open and constructive exchange with its regional, national and global stakeholders. This includes all key influence groups that are directly or indirectly affected by Verbio's activities and have (legitimate) interests or expectations in the outcomes of the Group's economic, social or sustainability-related actions.

By making its decisions and actions transparent to stakeholders, management enhances acceptance of its business activities, better perceives social trends and developments, and is able to consider different interests and needs appropriately. Additionally, the ESG team also analyses the expectations of key stakeholders in order to identify significant sustainability aspects through a "materiality analysis". The "materiality analysis" serves as an important tool through which stakeholders can directly engage in the (further) development of the sustainability strategy (see "Our materiality analysis").

Verbio has established the following formats for regular exchange with its internal and external stakeholders:

Overview of the most important formats used by Verbio

Stakeholder groups	Formats
Employees	• Intranet • Employee events • Employee meetings with information on business figures and corporate development • Employee surveys • Employee/target agreement meetings • Corporate website and social media channels (LinkedIn, Facebook, Instagram, YouTube, Xing)
Business partners	• News on the verbio.de websites • Social media channels (LinkedIn, Facebook, Instagram, YouTube, Xing) • Trade fairs and conferences • Interviews and articles in the regional, business and technical press • #strohklug podcast and blog by CEO Claus Sauter • ESG reporting on rating agencies' platforms such as EcoVadis and CDP (at customer request)
Capital markets	• News, ad hoc announcements, the Company's articles of association, rules of procedure for the Supervisory Board, annual reports, half-yearly financial reports and quarterly statements, and corporate presentations in the "Investor Relations" section of the website. • Investor conferences • Earnings calls • One-on-one meetings with analysts and investors • Annual general meeting • Investor calls • Announcements in the financial calendar • Publications in the Federal Gazette • Social media channel (LinkedIn) for company news • #strohklug podcast and blog by CEO Claus Sauter

Stakeholder groups	Formats
Media	• Press releases • News on the verbio.de websites • Social media channels (LinkedIn, Facebook, Instagram, YouTube, Xing) • #strohklug podcast and blog by CEO Claus Sauter • Annual financial statements press conference • Direct exchange • Interviews • Visits to the factories
Local communities	**Municipal authorities:** • Exchange on construction projects • Information to local residents • Support in the form of donations • News on the verbio.de websites **Community involvement:** • Engagements in the form of sponsorship, for example Verbio's sponsorship of Martin Schulz, Olympic paratriathlete.
Civil society organisations	• Public networking events • Trade associations and committee meetings • Guest posts and comments

5.1.3 Our materiality analysis

GRI 3, 2-13

Verbio carried out a comprehensive materiality analysis based on the principle of double materiality in the financial year 2022/2023. This approach involved a dual assessment of sustainability issues, from the perspective of impact materiality (inside-out perspective), which measures Verbio's impact on the economy, the environment and society, and the perspective of financial materiality (outside-in perspective), which takes into account the financial impact on the Company.

In a first step a list of various sustainability topics was drawn up, encompassing ecological, social and economic aspects and based on the GRI topic standards, industry-relevant sustainability considerations and insights from Verbio's analysis from the previous year. The second step consisted of two analyses – a cross-company impact analysis, and a materiality survey among stakeholders.

The impact analysis (inside-out and outside-in perspective) was conducted to understand the effects and dependencies of the previously identified sustainability issues on and caused by Verbio. Both positive and negative impacts were assessed on the basis of double materiality.

Actual or potential impacts were also identified along the entire value chain. The impacts were determined on the basis of their severity (scale, scope and remediable character of the negative impact), their likelihood of occurrence, and their financial materiality. Subsequently, prioritisation was carried out at an aggregated level, based on impact materiality and financial significance for Verbio.

With the help of a survey addressed to the most important stakeholder groups, the findings and expectations of the respondents with regard to Verbio's ecological, social and economic performance were recorded. The response rate among the external stakeholders surveyed (including banks, investors, industry associations, suppliers and customers) was around 42 percent, and among Verbio employees the response rate was 32 percent within the groups surveyed. In a third step, potential gaps in the findings of the impact analysis and the stakeholder expectations were discussed by the ESG officer and representatives of the Management Board.

During the reporting period, the results of the 2022/2023 materiality analysis were reviewed in collaboration with the Management Board at the highest level. Issues that were not previously considered material were reassessed to determine whether their relevance to the Company had changed. The results of the ongoing materiality analysis in accordance with the ESRS framework have been incorporated into these discussions.

The cumulative findings of the impact analysis, the materiality survey and the gap analysis were used as inputs to the materiality matrix. Any topic that was deemed to be of "high" or "very high" priority in terms of financial materiality and/or impact materiality was considered material to Verbio. There were no changes to the results from the previous year.

Materiality matrix

Outside-in perspective: Impact of sustainability aspects on business activities	Medium	High	Very high
Very high		• 205 Anti-corruption • 301 Input materials • 408 Child labour • 409 Forced or compulsory labour • 418 Protection of customer data	• 201 Economic performance • 302 Energy • 305 Emissions • 417 Marketing and labelling
High	• 207 Taxes • 407 Freedom of association and collective bargaining • 416 Customer health and safety	• 206 Anti-competitive behaviour • 403 Occupational safety and health	• 202 Market presence • 303 Water and sewerage • 306 Waste • 308 Environmental assessment of suppliers • 401 Employment • 402 Employee-employer relationship • 404 Education and training
Medium	• 411 Rights of indigenous peoples • 410 Security practices • 415 Political contributions	• 304 Biodiversity • 406 Non-discrimination • 413 Local communities • 414 Social assessment of suppliers	• 203 Indirect economic impact • 204 Procurement practices • 405 Diversity and equal opportunities

Inside-out perspective: Impact of business activities on sustainability aspects

GRI 201-2

The management proactively addresses climate-related risks and opportunities with regard to Verbio's economic performance. Given its specialisation in reducing greenhouse gas emissions, the Group's business model offers clear potential for promoting climate change mitigation – without ignoring climate-related risks.

The potential opportunities include:

- Regulatory requirements for CO_2 reduction are boosting demand for emission-reducing fuels – an area in which Verbio already generates a large proportion of its sales.
- Regional and sector-specific regulations, for example in India or the shipping industry, are opening up new markets for innovative solutions such as straw biomethane plants.
- Economic developments such as rising energy prices and CO_2 costs increase the cost advantage and competitiveness of biofuels.

Potential environmental risks affecting Verbio (including those arising from business relationships) include:

- New alternative mobility concepts as a measure against global warming could lead to liquid and gaseous biofuels becoming less important.
- Climate change and associated extreme weather conditions could have an effect on the quality and availability of agricultural commodities or restrict supply and distribution routes (road, rail and water).
- Verbio is exposed to the risk that the land and buildings it owns could be affected by pollution, soil contamination or other harmful substances. Currently there are no decontamination or monitoring obligations.

Verbio is taking various countermeasures to mitigate these risks. As part of its procurement activities Verbio also assesses the performance of its suppliers and logistics partners on an ongoing basis. On the basis of the impact analysis and in the assessment of the management of Verbio there are no reportable non-financial risks which, under application of the net method taking account of risk mitigation measures, meet the materiality criteria in accordance with § 289c No. 3 and 4 HGB.

Information incorporated by reference

The following sustainability-related information has been included by reference to other parts of this management report, the current consolidated financial statements, or the notes to the consolidated financial statements or to other specified documents:

Reference overview

Global Reporting Initiative (GRI)	Description	Reference to	Page/Section
GRI 2-1	Organisational profile	Annual report 2024/2025, combined Group management report	Introduction 1.2 Group structure at June 30, 2025
GRI 2-2	Entities included in the organisation's sustainability reporting	Annual report 2024/2025, combined Group management report, annual report 2024/2025, notes to the consolidated financial statements	1.2.1 Scope of consolidation 2.2 Scope of consolidation
GRI 2-6	Activities, value chain and other business relationships	Annual report 2024/2025, combined Group management report	1.1 Business model
GRI 2-9	Governance structure and composition	Statement on corporate governance for the financial year 2024/2025	p. 2 (para. 1–6), p. 3 (para. 1–7), p. 4 (para. 2–5), p. 5 (para. 1–6), p. 6 (para. 1–5), p. 7 (para. 5), p. 9 (table), p. 10 (para. 5–7), p. 11 (para. 2–5), p. 12 (para. 1–4)
		Annual report 2024/2025, combined Group management report	1.2 Group structure at June 30, 2025
GRI 2-10	Nomination and selection of the governance bodies	Statement on corporate governance for the financial year 2024/2025	p. 2 (para. 1), p. 3 (paras. 1–3, 7), p. 4 (para. 3–6), p. 5 (para. 1–7), p. 6 (para. 1–6), p. 7 (para. 1–7), p. 8 (para. 1–5), p. 11 (para. 2–5), p. 12 (para. 1–6)
GRI 2-11	Chair of the highest governance body	Statement on corporate governance for the financial year 2024/2025	p. 12 (para. 1–6)
		Annual report 2024/2025, Other information	Executive bodies of the Company
GRI 2-15	Conflicts of interest	Statement on corporate governance for the financial year 2024/2025	p. 4 (para. 3), p. 7 (para. 5), p. 12 (para. 1–3)
GRI 2-18	Evaluation of the performance of the governance bodies	Statement on corporate governance for the financial year 2024/2025	p. 10 (para. 8), p. 11 (para. 1)
GRI 2-19	Remuneration policies for the governance bodies	Remuneration report 2024/2025	p. 3 (para. 1.2 Basic principles of the Verbio SE system of remuneration for members of the Management Board) p. 17 (para. 1.2 Basic principles of the Verbio SE system of remuneration for members of the Supervisory Board)
		Statement on corporate governance for the financial year 2024/2025	p. 16 (para. 3–4), p. 17 (para. 1)
GRI 2-25	Procedures for eliminating negative effects	Statement on corporate governance for the financial year 2024/2025	p. 17 (para. 6), p. 18 (para. 1–6)
GRI 2-26	Mechanisms for seeking advice and for raising concerns	Statement on corporate governance for the financial year 2024/2025	p. 18 (para. 5–6)
GRI 2-27	Compliance with laws and regulations	Statement on corporate governance for the financial year 2024/2025	p. 17 (para. 6), p. 18 (para. 1)
GRI 201-1	Economic output (direct economic value generated and distributed)	Annual report 2024/2025, combined Group management report	2.2.1 Results of operations
GRI 201-2	Environmental risks Extreme weather conditions	Annual report 2024/2025, combined Group management report	3.2.6.3.2 Extreme weather conditions

Reference overview – all documents are available, among other places, on the Company's website (www.verbio.de).

5.2 Environmental information

5.2.1 Regulatory disclosures in accordance with the EU Taxonomy

The EU Taxonomy Regulation is part of the 2019 European Green Deal and is intended to fulfil several functions. It aims to increase investment in sustainability, provide certainty to investors, protect private investors from greenwashing, and support companies in becoming greener by promoting a uniform understanding of sustainable activities. In accordance with the EU Taxonomy Regulation and the delegated acts adopted in connection therewith, Verbio reports on taxonomy-eligible economic activities and on the taxonomy alignment of its economic activities (hereinafter referred to as "economic activities" or "activities") for the financial year 2024/2025 just ended.

5.2.1.1 Determination of EU taxonomy eligibility

The eligibility analysis used to identify economic activities within the Verbio Group that are eligible for taxonomy purposes involved a multi-stage screening approach. First, Verbio's main economic activities were recorded and then assigned to taxonomy-eligible activities using the descriptions of activities in the Delegated Regulations (EU) 2021/2139, (EU) 2023/2485, (EU) 2023/2486 and (EU) 2022/1214. This first step was subjected to a validation process using a bottom-up approach in which the Group's capital expenditure, operating expenditure and revenue were analysed and allocated to the identified taxonomy-eligible economic activities. The economic activities 4.13 "Manufacture of biogas and biofuels for use in transport and of bioliquids" (Verbio), 6.6 "Freight transport services by road" (VERBIO Logistik GmbH) and 7.7 "Acquisition and ownership of buildings" were classified as taxonomy-eligible in accordance with the EU Taxonomy Regulation. Based on the economic activity descriptions set out in the EU Directive 2021/2139, Verbio's economic activities clearly contribute to the climate change mitigation environmental objective. Other economic activities, for example the manufacturing of high-value ingredients for the animal feed and foodstuff industries and sustainable products for the chemicals industry are, based on our current assessment, not included in the EU Taxonomy Regulation and are therefore not taxonomy-eligible.

5.2.1.2 Determination of EU taxonomy alignment

In addition to preparing an eligibility analysis, from 2022 companies covered by the reporting obligations are also required to determine the taxonomy alignment of identified taxonomy-eligible economic activities. In doing so, an examination is performed to determine whether an economic activity makes a significant contribution to at least one of the six environmental objectives, does not do damage to any of the environmental objectives "Do no significant harm" ("DNSH"), and complies with minimum social standards. The project team has analysed the technical screening criteria set out in Annexes 1 and 2 of the delegated act on climate change mitigation and climate change adaptation supplementing Regulation (EU) 2020/852, and compared them to the identified activities described above.

At Verbio the production of biofuels is carried out in accordance with the criteria set out in Article 29 (2) to (7) of Directive (EU) 2018/2001. Both low-quality grains and oils (first-generation biofuels) and waste and residues (second generation biofuels) are used for production. The technical screening criteria exclude low-quality grains and oils from taxonomy alignment (No. 1 of the substantial contribution to climate change mitigation of the economic activity 4.13) despite the fact that these raw materials are certified as sustainable under RED II. Accordingly, only second generation biofuels are potentially taxonomy-aligned. At Verbio this primarily includes the entire biomethane production volume, as well as the biodiesel volumes that are manufactured from waste materials. Verbio performed a climate risk and vulnerability analysis in the reporting period. The taxonomy alignment of economic activities 4.13, 6.6 and 7.7 cannot yet be confirmed for the financial year 2024/2025, as the technical assessment criteria could not be adequately demonstrated due to insufficient documentation.

5.2.1.3 Reporting on revenue, capital expenditures and operating expenditure in accordance with the EU taxonomy

In accordance with the requirements of Article 8 of Regulation (EU) 2020/852, reporting shall be carried out for the three key performance indicators (KPIs): revenue, capital expenditure (CapEx), and operating expenditure (OpEx). They were prepared in accordance with the EU Taxonomy Regulation (EU) 2021/2178 of July 6, 2021. The amendments to Regulation (EU) 2021/2178 in the Taxonomy Regulation (EU) 2023/2486 of June 27, 2023 were taken into account.

Taxonomy-eligible revenue (the numerator) corresponds to the share of revenues from products or services in total Group revenues after deduction of energy taxes (the denominator). The numerator primarily includes the revenues generated from the sale of bioethanol/biomethane totalling EUR 628.2 million and revenue from biodiesel of EUR 836.1 million. The numerator also includes revenue from the transportation of goods (EUR 15.0 million) and from the ownership of buildings (EUR 0.3 million). The total Group revenues in the denominator amount to EUR 1,579.8 million. A detailed analysis is presented in the notes to the consolidated financial statements (note 9, "Segment reporting"). The slight increase in the proportionate share of taxonomy non-eligible revenue is a result of a larger than proportionate growth in sales of co-products, which are not classified for taxonomy purposes.

The share of taxonomy-eligible capital expenditures (the numerator) represents the proportionate share of additions to property, plant and equipment (EUR 96.7 million for biofuels, EUR 5.8 million for freight transport), leasing expenses and right-of-use assets (EUR 12.0 million for biofuels; EUR 0.3 million for freight transport) associated with taxonomy-eligible economic activities. The denominator consists of the total sum of all capital expenditures, consisting of EUR 125.0 million for additions to property, plant and equipment, leasing arrangements and right-of-use assets (EUR 13.2 million) and additions to acquired intangible assets (EUR 0.9 million). There are no internally generated intangible assets. The decline in taxonomy-eligible capital expenditure compared to the previous year is primarily due to a lower level of investments in property, plant and equipment and in leasing expenses.

The increase in the proportion of taxonomy non-eligible capital expenditure is due to investments in property, plant and equipment for the manufacturing of speciality chemicals.

Due to interpretation uncertainties the numerator for taxonomy-eligible operating expenditure is defined as follows: the share of the direct, non-capitalised costs of research and development (EUR 0.7 million for biofuels), repair and maintenance of property, plant, and equipment (EUR 41.2 million for biofuels; EUR 0.7 million for freight transport), training and further education costs (EUR 0.2 million for biofuels) and non-capitalised leasing expenses (EUR 0.8 million for biofuels) as a proportion of the total amounts incurred for this operating expenditure. The total amounts of expenditure for research and development, maintenance and repair of plant and equipment, training and further education costs and leasing expenses (denominator) were EUR 5.9 million for research and development costs, EUR 42.5 million for maintenance and repair of plant and equipment, EUR 0.6 million for training and further education costs and EUR 1.4 million for leasing expenses.

The ratio in the breakdown of operating expenses into taxonomy-eligible and non-taxonomy-eligible does not show any significant changes compared to the same period of the previous year.

Double-counting in the key figures is avoided by basing the figures on the Group's accounting, financial controlling and Group accounting systems and by an unambiguous allocation of taxonomy-eligible and taxonomy-aligned turnover, capital expenditure and operating expenditure to one taxonomy-eligible or taxonomy-aligned economic activity, respectively.

For the reasons described above, there is no taxonomy-aligned revenue, capital expenditure or operating expenditure.

EU taxonomy indicators: 2024/2025 Revenue

	FY 2024–2025			Criteria for a substantial contribution						DNSH [1] criteria									
Economic activities	**Code**	**Revenue**	**Revenue share, FY 2024–2025**	**Climate change mitigation**	**Adaptation to climate change**	**Water and marine resources**	**Circular economy**	**Environmental pollution**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Adaptation to climate change**	**Water and marine resources**	**Circular economy**	**Environmental pollution**	**Biodiversity and ecosystems**	**Minimum level of protection**	**Taxonomy-eligible share of revenue 2023–2024**	**Category (enabling activities)**	**Category (transitional activities)**
		In EUR million	**%**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
A. Taxonomy-eligible activities																			
A.1 Taxonomy-aligned																			
Taxonomy-aligned revenue (A.1)		**0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**		
of which enabling activities		0	0.0	–	–	–	–	–	–	–	–	–	–	–	–	_	0.0	E	
of which transitional activities		0	0.0	–						–	–	–	–	–	–	_	0.0		T
A.2 Taxonomy-eligible but non-aligned activities																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Production of biofuels	CCM 4.13./ CCA 4.13.	1,464.3	92.7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								94.6		
Freight transport	CCM 6.6./ CCA 6.6.	15.0	1.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.9		
Acquisition and ownership of buildings	CCM 7.7./ CCA 7.7	0.3	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		

Continued on next page

FY 2024–2025				Criteria for a substantial contribution						DNSH[1] criteria									
Economic activities	Code	Revenue	Revenue share, FY 2024–2025	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biodiversity and ecosystems	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biodiversity and ecosystems	Minimum level of protection	Taxonomy-eligible share of revenue 2023–2024	Category (enabling activities)	Category (transitional activities)
		In EUR million	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Revenue taxonomy-eligible, but non-aligned activities (A.2)[2]		**1,479.6**	**93.7**	**100.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**95.5**		
Total (A.1 + A.2)		**1,479.6**	**93.7**	**100.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**95.5**		
B. Taxonomy non-eligible activities																			
Revenue taxonomy non-eligible activities		**100.3**	**6.3**																
Total (A + B)		**1,579.8**	**100.0**																

Y = Yes, taxonomy-eligible activity and taxonomy-aligned with the relevant environmental objective; N = No, taxonomy-eligible activity but not taxonomy-aligned with the relevant environmental objective; N/EL = "Not Eligible", activity not taxonomy-eligible for the relevant environmental objective; EL = "Eligible", taxonomy-eligible activity for the relevant objective (also applies to the following tables)

1) Do no significant harm.

2) Reference source: 8 Segment reporting.

EU taxonomy indicators: 2024/2025 Capex

Economic activities	Code	Absolute capital expenditure	CapEx – Share	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biodiversity and ecosystems	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biodiversity and ecosystems	Minimum level of protection	Taxonomy-eligible CapEx share FY 2023/2024	Category (enabling activities)	Category (transitional activities)
	FY 2024–2025			Criteria for a substantial contribution						DNSH[1] criteria									
		In EUR million	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy-eligible activities																			
A.1 Taxonomy-aligned																			
Taxonomy-aligned CapEx (A.1)		**0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	–	–	–	–	–	–	–	–		
of which enabling activities		0	0.0	–	–	–	–	–	–	–	–	–	–	–	–	_	0.0	E	
of which transitional activities		0	0.0	–						–	–	–	–	–	–	_	0.0		T
A.2 Taxonomy-eligible but non-aligned activities																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Production of biofuels	CCM 4.13./ CCA 4.13.	108.7	78.1	EL	N/EL	N/EL	N/EL	N/EL	N/EL								84.5		
Freight transport	CCM 6.6./ CCA 6.6.	6.1	4.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.5		
Acquisition and ownership of buildings	CCM 7.7./ CCA 7.7	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		

Continued on next page

		FY 2024–2025		Criteria for a substantial contribution						DNSH [1] criteria									
Economic activities	Code	Absolute capital expenditure	CapEx – Share	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biodiversity and ecosystems	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biodiversity and ecosystems	Minimum level of protection	Taxonomy-eligible CapEx share FY 2023/2024	Category (enabling activities)	Category (transitional activities)
		In EUR million	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
CapEx taxonomy-eligible but non-aligned activities (A.2) [2]		**114.8**	**82.5**	**100.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**87.0**		
Total (A.1 + A.2)		**114.8**	**82.5**	**100.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**								**87.0**		
B. Taxonomy non-eligible activities																			
CapEx taxonomy non-eligible activities		**24.4**	**17.5**																
Total (A + B)		**139.2**	**100.0**																

[1] Do no significant harm.
[2] Reference source: Notes to the consolidated financial statements: 6.1.1 Intangible assets, 6.1.2 Property, plant and equipment, 6.1.3 Right-of-use assets under leasing arrangements.

EU taxonomy indicators: Operating expenditure 2024/2025

		FY 2024–2025		Criteria for a substantial contribution						DNSH [1] criteria									
Economic activities	**Code**	**Absolute operating expenditures**	**Taxonomy-eligible CapEx – share**	**Climate change mitigation**	**Adaptation to climate change**	**Water and marine resources**	**Circular economy**	**Environmental pollution**	**Biodiversity and ecosystems**	**Climate change mitigation**	**Adaptation to climate change**	**Water and marine resources**	**Circular economy**	**Environmental pollution**	**Biodiversity and ecosystems**	**Minimum level of protection**	**Taxonomy-eligible OpEx – share FY 2023/2024**	**Category (enabling activities)**	**Category (transitional activities)**
		In EUR million	**%**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y;N; N/EL**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**Y/N**	**%**	**E**	**T**
A. Taxonomy-eligible activities																			
A.1 Taxonomy-aligned																			
Taxonomy-aligned OpEx (A.1)		**0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**		
of which enabling activities		0	0.0	–	–	–	–	–	–	–	–	–	–	–	–	_	0.0	E	
of which transitional activities		0	0.0	–						–	–	–	–	–	–	_	0.0		T
A.2 Taxonomy-eligible but non-aligned activities																			
				EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL	EL;N/EL										
Production of biofuels	CCM 4.13./ CCA 4.13.	43.0	85.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								84.6		
Freight transport	CCM 6.6./ CCA 6.6.	0.8	1.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.8		
Acquisition and ownership of buildings	CCM 7.7./ CCA 7.7	0.0	0.0	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0		

Continued on next page

		FY 2024–2025		Criteria for a substantial contribution						DNSH[1] criteria									
Economic activities	Code	Absolute operating expenditures	Taxonomy-eligible CapEx – share	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biodiversity and ecosystems	Climate change mitigation	Adaptation to climate change	Water and marine resources	Circular economy	Environmental pollution	Biodiversity and ecosystems	Minimum level of protection	Taxonomy-eligible OpEx – share FY 2023/2024	Category (enabling activities)	Category (transitional activities)
		In EUR million	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Operating expenditure on taxonomy-eligible, but non-aligned activities (A.2) [2]		43.8	86.8	100.0	0.0	0.0	0.0	0.0	0.0								86.4		
Total (A.1 + A.2)		43.8	86.8	100.0	0.0	0.0	0.0	0.0	0.0								86.4		
B. Taxonomy non-eligible activities																			
Operating expenditure on taxonomy non-eligible activities		6.6	13.2																
Total (A + B)		50.4	100.0																

1) Do no significant harm.
2) Reference source: Notes to the consolidated financial statements 6.1.1 Intangible assets (research and development), 5.7 Other operating expenses.

Revenue share/total revenue

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0	93.7
CCA	0	93.7
WTR	0	0
CE	0	0
PPC	0	0
BIO	0	0

CapEx-share/total CapEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0	82.5
CCA	0	82.5
WTR	0	0
CE	0	0
PPC	0	0
BIO	0	0

OpEx-share/total OpEx

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0	86.8
CCA	0	86.8
WTR	0	0
CE	0	0
PPC	0	0
BIO	0	0

Verbio is not involved in any economic activity in connection with the generation of energy from fossil gas or nuclear power. Therefore, notification forms 2 to 5 in accordance with Delegated Regulation (EU) 2022/1214 of March 9, 2022 are not completed. The notification form 1 is shown below:

Notification Form 1 Nuclear energy and fossil gas related activities

	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
	Fossil gas related activities	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

5.2.2 Use of resources and circular economy

GRI 301 to 306

Verbio's resource management, which is geared towards resource efficiency and the circular economy, primarily uses sustainable and renewable raw materials, including a significant proportion of residual materials. This approach is validated by rigorous audits to obtain REDcert and ISCC certifications. The following sections describe Verbio's approach to resource management in more detail.

5.2.2.1 Energy

GRI 302

The volume of energy consumed by Verbio is primarily driven by the quantities of biofuels produced, and on the utilisation of its production facilities. Energy efficiency and the associated reduction in CO_2 emissions are an established and significant part of our business model. A distinction between renewable and non-renewable energy sources has not been made in the non-financial Group statement, but will be published on our corporate website for the first time for the current financial year.

The specific energy consumption at Verbio's production locations increased sharply in the reporting year. The production volume of bioethanol and biomethane has increased significantly in absolute terms and in the overall mix. These products are significantly more energy-intensive than biodiesel production; in addition the plant in Nevada (Iowa, USA) is still in the start-up phase.

Further, the specific energy consumption of South Bend, (SBE, Indiana, USA) is significantly higher compared to Verbio's existing biorefineries, which are designed on the basis of our own process expertise. Energy requirements will continue to be significantly higher in the future until the switch to a biorefinery that combines bioethanol and biomethane. Currently, SBE produces dried distiller grains with solubles (DDGS) using a process which is significantly more energy-intensive.

Verbio consistently pursues the goal of continuously reducing specific energy consumption in all areas. Energy teams in all business units analyse energy consumption and develop action plans for the efficient use of available energy sources. The basis for targeted efficiency measures is the energy management system according to DIN EN ISO 50001 and DIN 16247–1, which has been established in all business units in Germany for several years. Beyond compliance with statutory, approval-related, and other requirements, Verbio strives to implement economic energy efficiency measures in all business units. These measures are identified and assessed in production processes, office complexes, the vehicle fleet, workshops and warehouses on an ongoing basis. They include energy efficiency upgrades made during general maintenance work as well as process optimisation. The annual energy

Overview of energy consumption within the organisation

	Units	2024/2025	2023/2024	+/− % 2023/2024–2024/2025
Total energy consumption	MWh	2,241,480	1,849,912	+21.2
Quantity of biofuels produced (bioethanol, biodiesel, biomethane)	MWh	11,924,427	11,569,487	+3.1
Specific energy consumption per unit of biofuel manufactured	MWh/MWh	0.188	0.160	+6.9

reports of the holding and production plants summarise the measures taken to reduce energy consumption and are independently evaluated in Germany through the annual DIN EN ISO 50001 audit in a multisite procedure.

A significant contribution to CO_2-neutral freight transport is the gradual conversion of the VERBIO Logistik GmbH fleet to vehicles powered by CNG and LNG. These trucks are primarily fuelled with biomethane (BioCNG and BioLNG) from Verbio's in-house production facility. In addition to a 90 percent reduction in CO_2 emissions, particulate matter and nitrogen oxide emissions are also significantly reduced compared to diesel trucks. At the end of the financial year 2024/2025, 88 percent of Verbio's truck fleet consisted of vehicles powered by low-carbon alternatives. This marks an increase of 7 percentage points compared to the 81 percent in the previous reporting period. To enable the refuelling of trucks and CNG-powered pool passenger cars with Verbio's own BioCNG, Verbio has its own CNG and LNG filling stations at its Schwedt and Zörbig locations, among others. Verbio leverages its experience with CNG- and LNG-powered vehicles to engage with other transport companies interested in nearly CO_2-free logistics systems. In addition, Verbio makes use of an optimised and sustainable rail transport network to avoid the transport of empty wagons and to reduce the use of trucks further.

5.2.2.2 Water resources

GRI 303

Verbio strives for low water consumption, especially in all production processes but also in all other business units. The supply of drinking and industrial water comes from public networks, wells and private water supplies. The data provided on the next page is primarily based on measurements using water meters.

With the exception of the South Bend site, wastewater from the production facilities is not discharged directly into bodies of water, but is first transferred to suitable wastewater treatment plants where it is treated in accordance with legal requirements. In South Bend, discharge takes place both into wastewater treatment plants and directly into surface waters. The majority of SBE's water requirements are covered by groundwater. In addition, water is withdrawn in excess of the Company's own requirements. The aim is to keep the groundwater level permanently below the ground surface and thus prevent flooding in neighbouring residential areas (see page 82). The part of the water abstraction that is used for cooling purposes or to lower the groundwater level is channelled into a municipal pond after use. From there, it reaches a river via a ditch.

Verbio does not treat the discharged water itself, but monitors the discharge to ensure compliance with legal regulations and to prevent environmental pollution. As at the other sites, process water from South Bend is discharged into a wastewater treatment plant.

Overview of water consumption

Water consumption	Units	2024/2025	2023/2024	+/– % 2023/2024–2024/2025
Water consumption (abstraction – discharge), total	m^3	3,039,669	2,661,038	+14
Specific water consumption per unit of biofuel manufactured	Litres/MWh	254.9	230.0	+9.8

Overview of water abstraction

Water abstraction	Units	2024/2025	2023/2024	+/– % 2023/2024–2024/2025
Groundwater	m^3	6,967,465	7,709,152	–9.6
Third-party water	m^3	2,168,283	1,811,963	+19.7
Total water abstraction	m^3	9,135,748	9,521,114	–4.0
Quantity of biofuel produced (bioethanol, biodiesel, biomethane)	MWh	11,924,427	11,569,487	+3.1
Specific water abstraction per quantity of biofuel produced	Litres/MWh	766.1	823.0	–6.9

Overview of wastewater discharges

Wastewater discharge	Units	2024/2025	2023/2024	+/– % 2023/2024–2024/2025
Directly discharged water	m^3	5,195,334	5,974,068	–13.0
Indirectly discharged water	m^3	900,744	886,008	+1.7
Total volume of wastewater discharged	m^3	6,096,078	6,860,076	–11.1
Specific wastewater discharged per unit of biofuel manufactured	Litres/MWh	511.2	592.9	–13.8

Including its own requirements, SBE withdraws 6,796,391 m^3. Last year, water abstraction and wastewater discharge were only recognised proportionately in the tables due to the lowering of the groundwater table as flood protection for residential areas. This year's figures are included in full. The groundwater abstraction is not measured precisely, but extrapolated over the running time of the pumps. The real water abstraction is not exactly reflected on the basis of this calculation method and there can be significant fluctuations over the course of the year. The calculation methodology was updated (calculation based on a standard value) in order to depict water abstraction and water consumption on a more realistic basis. This results in adjusted figures for the previous year (groundwater abstraction 2023/2024 as reported in the previous year: 923,484 m^3; groundwater abstraction 2023/2024 as restated in 2024/2025: 7,709,152 m^3; direct water discharge 2023/2024 as reported in the previous year: 5,306 m^3; direct water discharge 2023/2024 as restated in 2024/2025: 5,974,068 m^3).

5.2.2.3 Biological diversity and ecological systems

GRI 304

Verbio's products are certified in accordance with international standards such as REDcert in Germany, and ISCC in Nevada (USA) as well as Lehragaga, India, (biomethane generated from straw), which are among the highest standards for sustainable sourcing. Verbio's production facilities are not located in protected areas or areas of high biodiversity value, but are primarily situated on industrial and commercial land. Verbio does not occupy protected or renatured habitats. In accordance with the German Federal Emissions Protection Act (Bundes-Immissionsschutzgesetz – BlmSchG) Verbio conducts an environmental impact assessment with the support of external service providers when the Company wishes to expand an existing operating unit or establish a new one. Whether such an expansion is approved depends on the results of the assessment by the relevant authority. In addition, environmental impact assessments are performed at all international Verbio locations in accordance with national and regional requirements. Due to the nature of Verbio's product portfolio and production facilities, there are no impacts in the form of forest loss or forest damage.

5.2.2.4 Emissions

GRI 305

Verbio reports on direct (Scope 1) and indirect (Scope 2) CO_2 emissions following the standards of the GHG Protocol. Scope 2 emissions are calculated using the "location-based" method. They are determined on the basis of the average emission factors of the electricity grid, irrespective of individual electricity contracts. This approach represents the actual consumption through procurement from regional electricity grids. It thus reflects the influence of local electricity generation and its CO_2 impact. Scope 2 CO_2 emissions were also calculated using the market-based method for the first time in the financial year 2024/2025. In contrast to the "location-based" method, this approach takes into account the electricity supplier's electricity mix. In addition, Verbio is continuing the process already initiated of defining factors for GHG emissions that occur beyond its own site boundaries along the value chain (Scope 3) and examining their materiality. The emissions of raw material suppliers are already largely defined today due to the legal framework (RED II; Biokraft-NachV) and are included in Verbio's CO_2 handprint. Scope 3 emissions for the material categories were calculated for the first time for the financial year. Scope 3 emissions and Scope 2 "market-based" emissions are published separately on our corporate website. It is planned that these will be audited and included in the non-financial Group statement from the next financial year. The emission factors for previous financial years were updated as part of the CO_2 footprinting process. As a result the amended Scope 1 and 2 emissions were as follows: (Scope 1: direct CO_2 emissions 2023/2024 as reported in the previous year: 294,723 tonnes; direct CO_2 emissions 2023/2024 as restated in 2024/2025: 234,191 tonnes; Scope 2: indirect CO_2 emissions 2023/2024 as reported in the previous year: 95,453 tonnes; indirect CO_2 emissions 2023/2024 as restated in 2024/2025: 220,580 tonnes).

The CO_2 handprint includes the Group's own emissions generated in production processes in addition to the emissions generated by suppliers of raw materials. Accordingly it is an indicator of the sustainability impact of Verbio's products. It quantifies the reduction in CO_2 emissions resulting from the use of Verbio's biofuels instead of fossil fuels in the activities of other market participants. The Company strives to save as much CO_2 as possible through its business activities in order to offset CO_2 emissions caused by the economic activities of other market participants (see table on page 84: Overview of direct and indirect CO_2 emissions and table on page 84: Reduction in emissions compared to the previous year).

Overview of direct and indirect CO_2 emissions

	Units	2024/2025	2023/2024	+/– % 2023/2024–2024/2025
Direct CO_2 emissions – Scope 1	t CO_2	271,832	234,191	+16.1
Indirect CO_2 emissions – Scope 2	t CO_2	266,428	220,580	+20.8
Total emissions – Scopes 1 and 2	t CO_2	538,260	454,770	+18.4
Specific emissions per quantity of biofuel produced	t CO_2/GWh	45.1	39.3	+14.8

Reduction in emissions compared to the previous year

CO_2 Handprint [1]	Units	2024/2025	2023/2024	+/– %
Emissions reduction	t CO_2	–5,509,150	–4,437,243	–24.2

In doing so the Company expresses its direct contribution to climate change mitigation which it achieves as a direct result of its products. Verbio's biofuels achieve CO_2 savings of more than 70 percent compared to petrol or diesel. With the volume of biofuels it has produced and traded in the reporting period 2024/2025 the Company saves approximately 5.5 million tonnes of CO_2 for its customers and thereby makes a significant contribution to the defossilisation of fuels in the transport sector. This represents a further increase of over 20 percent compared tothe previous year's figure.

Verbio does not produce, import or export any ozone-depleting substances in tonnes of CFC-11 equivalent (chlorofluorocarbons). The Company complies with all required limits in accordance with the permits issued to it. These cover nitrogen oxides, sulphur oxides, persistent organic pollutants (POPs), volatile organic compounds (VOCs), hazardous air pollutants (HAPs) and particulate matter (PM).

5.2.2.5 Waste

GRI 306

As a matter of principle, Verbio strives for a "zero waste policy". The growth in production activities at its new facilities has led to increased waste generation in recent years. However, Verbio uses insights from previous plant start-ups to optimise its waste management. In addition, the Verbio's IT department is proactively involved in digitalising and automating paper-based procedures to reduce the consumption of paper and printing materials. Responsible recycling of hardware at the end of its life cycle is ensured through partnerships with competent service providers. Unavoidable waste is properly recycled and disposed of.

With the Verbio circular model based on self-developed technologies, the Company, and to a limited extent third parties, recycles the majority of non-hazardous waste. This "waste" primarily consists of stillage, a residual material from bioethanol production and feedstock for biomethane production, as well as mucilage and fatty acids for biodiesel production.

In the reporting year the recycling rate was 99.1 percent (previous year: 99.2 percent). Consequently, the goal of a closed loop production cycle was once again achieved in the financial year 2024/2025. For waste that must be disposed of, Verbio collaborates with reliable companies and specialist firms.

[1] The negative figures stand for the reduction of CO_2.

Overview of waste recycling

	Units	2024/2025	2023/2024	+/− % 2023/2024–2024/2025
Total waste	Tonnes	1,156,469	1,157,976	−0.1
Waste recycled by Verbio/third parties	Tonnes	1,146,252	1,148,355	−0.2
Forwarded for disposal	Tonnes	10,217	9,620	+6.2
Recycling quota	%	99.1	99.2	−0.1

The total volume of waste generated by the German and international locations and the vehicle fleet in the financial year 2024/2025 amounted to 1,156 thousand tonnes. The Group's administrative units are not yet included in the reported data, as a data basis for estimating the values has yet to be defined. The majority of this waste (1,146 thousand tonnes) was used as a direct material for the production of biomethane and biodiesel. The method for collecting waste data has been updated. The figures for the previous year have been amended retrospectively (total volume of waste as reported in the previous year: 1,310 thousand tonnes; total volume of waste as restated in 2024/2025: 1,158 thousand tonnes; total volume of waste recycled by third parties or by Verbio as reported in the previous year: 1,300 thousand tonnes; total volume of waste recycled by third parties or by Verbio as restated in 2024/2025: 1,148 thousand tonnes).

Disposal of waste and waste diverted from disposal

Waste disposal	Units	2024/2025	2023/2024	+/− % 2023/2024–2024/2025
Hazardous waste	Tonnes	224	55	+308.2
Non-hazardous waste	Tonnes	9,992	9,565	+4.5
Total waste	Tonnes	10,217	9,620	+6.2
Specific waste recycling per quantity of biofuel produced	Kg/tonne	8.0	7.8	+2.1

Waste diverted from disposal	Units	2024/2025	2023/2024	+/− % 2023/2024–2024/2025
Waste recycled by Verbio or by third parties	Tonnes	1,146,252	1,148,355	−0.2
Hazardous waste for recycling at Verbio	Tonnes	21,979	20	+109,795
Non-hazardous waste for recycling	Tonnes	1,124,273	1,148,335	−2.1
Specific waste recycling per quantity of biofuels produced	Kg/tonne	876.9	930.0	−6.1

5.3 Social information

5.3.1 Own workforce

The management of Verbio promotes an open working culture and a positive environment in order to attract, develop and retain the best talent over the long term. These framework conditions enable our employees to unleash their full potential and at the same time strengthen the entire Group. In the course of Verbio's internationalisation, diversity issues are playing an increasingly important role; they are being documented by the HR department, among other things, in feedback meetings, identified as potential areas for improvement and successively translated into action plans. For the purposes of transparency and continuity, we have only included employee groups subject to social security contributions and full-time employees in the definition of employees. This means that the following employee groups are not included for this purpose: interns, trainees, pensioners, expats and employees in "mini-job" arrangements.

5.3.1.1 Employment

GRI 2-7 to 2-8, 2-19 to 2-21, 401 to 402

As of June 30, 2025 the Verbio Group employed a total of 1,458 employees. A total of 300 jobs were re-filled or created in the financial year 2024/2025. A total of 279 employees left the Company during or between the reporting periods (including 6 persons who retired). The turnover rate of the German Verbio companies (Verbio SE, VERBIO Schwedt GmbH, VERBIO Zörbig GmbH, VERBIO Bitterfeld GmbH, VERBIO Pinnow GmbH, VERBIO Agrar GmbH, VERBIO Logistik GmbH, VERBIO Protein GmbH, VERBIO Retail GmbH and VERBIO Chem GmbH) was 14.5 percent (2023/2024: 7.9 percent), and approximately 17.0 percent for Verbio worldwide (2023/2024: 15.4 percent). Verbio aligns the compensation structure with customary and market-based compensation structures in the respective regions in which it operates. These are determined based on regional collective agreements and external market analyses, and are embedded in a fair and performance-oriented system of remuneration with fixed salary levels determined by qualifications and roles for lower hierarchy levels, and market-based salaries for middle and upper hierarchies. The ratio of the highest annual basic salary to the median salary of all employees of Verbio's German companies (employees in an employment relationship; for part-time employees, a full-time equivalent was used) is as follows:

- for the highest salary (including members of the Management Board):
  11.5-fold (2023/2024: 11.7-fold),
- for the highest salary (excluding members of the Management Board): 7.2-fold (2023/2024: 7.4-fold).

No harvest workers were included in new hires or departures as they were only employed temporarily for a few months.

Overview of the main employment figures – regional statistics

New hires	2024/2025	2023/2024
Germany	169	175
Rest of Europe [1]	18	15
North America	99	180
India	14	27
Total	300	397
Leavers		
Germany	158	74
Rest of Europe [1]	13	3
North America	96	117
India	12	17
Total	279	211

[1] The "Rest of Europe" in the table above refers to the locations in Poland, Hungary, and Switzerland.

Overview of the main employment figures – age statistics (Germany)

New hires by age	2024/2025 (in %)	2023/2024 (in %)
Under 30	23.1	18.9
30–50	61.5	64.0
Over 50	15.4	17.1
Leavers by age		
Under 30	15.8	20.3
30–50	61.4	51.4
Over 50	22.8	28.4

Overview of the main employment figures – gender statistics (Germany)

New hires by gender	2024/2025 (in %)	2023/2024 (in %)
Male	79.9	84.0
Female	20.1	16.0
Leavers by gender		
Male	84.8	86.5
Female	15.2	13.5

The entry-level salaries of all Verbio companies and positions in Germany are above the applicable minimum wage of EUR 12.41 per hour (from January 1, 2024) and EUR 12.82 per hour (from January 1, 2025). Entry-level salaries for all positions are also above the local minimum wage in the Group's foreign subsidiaries. The principle of pay equality is observed both in foreign and German entities. Influencing factors such as local markets and specific shortages of skilled labour are validated additively and examined as part of global job levelling.

In addition to their fixed base salary, Verbio employees receive variable compensation. Depending on the remuneration group, this is made up of various components such as the Company's success, competences and target achievement. Also depending on the remuneration group, payment is made monthly (for blue-collar and administrative employees) or once annually (for specialists and managers). The total amount of variable compensation components paid monthly across the entire Group was approximately EUR 1.2 million in the financial year 2024/2025 (2023/2024: approximately EUR 1.1 million). The total amount of the one-off payments for the financial year 2024/2025, which will be paid in October 2025, is expected to be approximately EUR 3.5 million (financial year 2023/2024: approximately EUR 7.2 million).

In addition to the basic salary and remuneration system the Company's occupational pension scheme is an integral part of Verbio's remuneration. This is offered at all German as well as most foreign locations (with the exceptions of Poland and India). The Company makes an annual employer-funded contribution to a retirement savings system. For part-time employees, the contribution is made proportionally. Additionally, employees in Germany have the option to make their own contributions to the Company pension scheme through salary conversion, which is supplemented by Verbio with an additional 15 percent. In the financial year 2024/2025, Verbio paid a total of EUR 593,000 into the Company pension scheme for employees (2023/2024: approximately EUR 549,000). In North America, Hungary, Switzerland and India, Verbio supports its employees with additional private health insurance to ensure that they receive comprehensive healthcare.

In accordance with the legal requirements, severely disabled employees in Germany receive five days of special leave per year. Verbio employs a total of 17 severely disabled persons in Germany (2023/2024: 11). Parental leave can be taken by both mothers and fathers. In Germany, during the reporting period 14 fathers and 10 mothers took parental leave (2023/2024: 18 fathers and 7 mothers). All employees who returned from parental leave in the financial year 2023/2024 were employed by Verbio during the reporting period. In Verbio's foreign companies, five fathers were on parental leave during the reporting period (2023/2024: two fathers).

To support employees with small children, in Germany and Poland Verbio contributes to childcare fees. The subsidy paid totalled approximately EUR 90,000 in the reporting period (2023/2024: approximately EUR 116,177). Additionally, at German locations Verbio contributes to the cost of a "job travel ticket" to encourage the use of public transportation for commuting, thus making an active contribution to environmental protection. Currently, 205 employees are using this programme (2023/2024: 174).

Since April 2021 every employee has been able to lease a "Job bike" (German: "Jobrad") – a bicycle of their choice with a value of up to EUR 5,000 as a measure to promote health for Verbio employees. This offer is available to all employees on permanent contracts who have been employed by Verbio for at least one year. Currently, 108 employees are using this programme (2023/2024: 111). This is consistent with Verbio's corporate philosophy of reducing CO_2 emissions. Additionally, Verbio offers basic membership or contributes to extended membership options for a fitness studio (Urban Sports Club for the Leipzig, Bitterfeld and Zörbig locations, FitINN in Schwedt) for interested employees. This offer is currently being utilised by 169 employees. Accordingly, the number of users has risen slightly compared to the previous year (2023/2024: 143).

To support the recruitment of new employees, Verbio also offers the "Employees recruit employees" campaign. Under this programme, employees receive a bonus when they refer a future employee to Verbio, if this results in a hire. In the reporting period, approximately EUR 22,350 was paid out for 18 new hires (2023/2024: 22 new hires and approximately EUR 26,900). In 2023 Verbio introduced a hybrid working model, including a policy thereon, enabling flexible working hours and locations. This is also aimed at promoting a better work-life balance. Verbio also adheres to applicable rules regarding minimum notice periods for operational changes at the local level. In addition, there are regular staff meetings, information on the intranet and an elected staff committee to inform employees about developments that affect them.

New employee anniversary bonus arrangements were introduced from July 1, 2024 in order to thank Verbio's long-term employees. Verbio paid anniversary bonuses under these arrangements totalling EUR 36,000 to 60 employees who had been with the Company for 10 or 20 years.

5.3.1.2 Occupational health and safety in the workplace

GRI 403

Verbio attaches great importance to protecting the health of all our employees. Our objective is to ensure a safe and healthy working environment at our sites and for employees working on foreign assignments through an effective occupational health and safety organisation and preventive healthcare in all Verbio subsidiaries.

The managing directors at the respective plants are responsible for occupational health and safety as well as environmental protection in close cooperation with the occupational safety specialists. The Human Resources department is kept up to date on occupational health and safety statistics and measures. Managers set an example to their employees by fulfilling their duties and responsibilities with regard to occupational safety, and receive active support from the respective officer functions in order to improve the safety culture and ensure compliance with legal requirements.

A number of occupational safety guidelines, procedures and work instructions are in force at our sites, which contain requirements that apply to our employees. These managed documents are administered in the Company's intranet and are re-examined on a regular basis. The interaction between the IT solution provided by "umwelt-online" and our inventory register of permits for domestic production sites is used to check applicable laws and ancillary provisions. Our qualified operating officers monitor ongoing compliance in day-to-day business.

In subsidiaries with more than 20 employees, quarterly meetings are held by the occupational health and safety committee, which is made up of the occupational doctor, the occupational safety specialist (internal or external), the safety officers and the responsible members of management. Other representatives from other departments (e.g. Human Resources) take part as required. One of the core tasks of the health and safety committee is to analyse the accident situation in the respective location. This forms the basis for deriving suitable measures after incidents and making continuous improvements to the safety level.

Hazard identification, risk assessment and investigation of incidents are carried out at all Verbio sites. As part of our commitment to safety and to the health of our employees, we have implemented a comprehensive and systematic approach to hazard identification, risk assessment and incident investigation. This approach is a central component of our occupational health and safety work and is based on the principles of continuous improvement, prevention and proactive risk avoidance. The format may vary depending on whether the subsidiary is an administrative unit or an operational unit to ensure that it meets the specific requirements of the respective unit.

5.3.1.2.1 Hazard identification

Hazard identification is the first step in our occupational safety process. We follow a multi-stage approach for the production units and the larger administrative offices:

Regular hazard assessments: We carry out regular hazard assessments in our operating areas. These assessments are performed by internal safety teams and external experts (e.g. with support from the relevant occupational doctors) to ensure an objective analysis. The assessments take into account all relevant aspects, including physical, chemical, biological and ergonomic risks.

Employee participation: We actively encourage our employees to participate in hazard identification. Our internal reporting system enables employees to report potential hazards or unsafe working conditions on an anonymous basis. We also hold regular training courses and workshops to raise awareness of occupational safety and encourage employees to actively contribute to hazard identification. New employees are provided with training on relevant occupational health and safety topics relating to the Company and their individual workplace from the start of their employment. The respective training courses are designed by our qualified occupational safety specialists in cooperation with the supervisors of the departments. In Germany this also takes place via our eLearning platform, and other formats are used for international subsidiaries, such as training courses with external companies tasked with supporting occupational health and safety management. Temporary employees are instructed on safety-relevant topics and informed about new developments in occupational health and safety before starting work. The objective is to ensure that employees are adequately suited to their work and equipped with the necessary personal protective equipment. Employees of external companies are provided with instruction before starting work on our plant premises. Our communication channels are designed to promote an open and transparent culture of dialogue. We use various media, such as the intranet, emails and team meetings, to share information and ensure that all employees are informed about issues that are relevant for day-to-day business purposes. Through these measures, we raise awareness of health and safety and promote a proactive attitude among our employees, which ultimately leads to a safer and healthier working environment.

Site visits and audits: In addition to performing risk assessments, we carry out regular safety inspections and audits to examine compliance with safety standards and identify potential hazards on site. These inspections are carried out both by our occupational safety specialists and by external experts. Employees in the departments, safety officers and managers are actively involved in this process.

5.3.1.2.2 Risk assessment

Risk assessment is a decisive step in quantifying the identified hazards and developing appropriate risk mitigation measures. Our approach includes the following steps for production and larger administrative units:

Risk categorisation: The risks identified are divided into different categories based on the likelihood of occurrence and the potential impact. We use a risk matrix that enables a clear visualisation of the risks for this purpose.

Prioritisation of risks: The identified risks are prioritised using the risk categorisation. High-risk situations are addressed immediately, while lower risks are dealt with in a longer-term risk mitigation plan.

Development of measures: We develop specific risk mitigation measures for the risks identified. These measures can be of a technical nature, such as the introduction of safety devices or the improvement of technical work processes. In addition, training and awareness-raising measures (for example in our eLearning system) are offered to employees in order to increase safety awareness and promote safety-conscious behaviour.

5.3.1.2.3 Investigation of incidents

The investigation of incidents is an essential part of our approach to continuous improvement in occupational safety. We follow a structured process for production and larger administrative units, as described below. In smaller units, incidents are reported directly to superiors.

Reporting of incidents: All accidents at work and safety-related incidents must be reported immediately. Our employees are required to document incidents without delay in order to ensure prompt investigation. This is done via a managed document in order to simplify the accident reporting process and obtain the relevant information as quickly as possible.

Cause analysis: Following an incident we carry out a detailed root cause analysis, which also includes consideration of human, technical and organisational factors. For example, we use the fishbone diagram technique to identify the causes.

Documentation and reporting: The results of the investigation are documented. This documentation includes not only the causes, but also the measures taken to prevent similar incidents in the future.

Feedback loop: The findings from the incident investigations are incorporated into our continuous improvement processes. We use this information to revise our security procedures and adapt training courses. In addition, all employees are regularly informed of the results of incident investigations in order to raise safety awareness throughout the Company.

5.3.1.2.4 Preventative occupational medical care at Verbio

As part of our commitment to the health and well-being of our employees, we have established occupational health services tailored to the specific needs of our workforce. They provide medical advice to both employer and employees on all health protection issues. Advice from external occupational doctors or health facilities is an important component in our holistic approach to work-related health risks. Their work is dedicated to the interface between profession and work on the one hand, and people and their individual state of health on the other. These services include regular occupational health check-ups, preventive measures to promote well-being (e.g. flu vaccinations) and advice on ergonomics in the workplace.

These measures are aimed at ensuring that our employees work in a safe and healthy working environment, which not only improves their individual quality of life but also promotes productivity and satisfaction within the Company. As part of mandatory, optional and desired preventive examinations, work-related health risks can be avoided or identified at an early stage and, if necessary, their consequences treated in order to maintain the long-term employability of our employees.

We evaluate the effectiveness of our occupational health check-ups on an ongoing basis, and adapt them to the changing demands of our employees' activities.

Regular health campaigns, such as vaccinations offered by the occupational doctors and the promotion of sports programmes (e.g. Urban Sports Club) aim to create a supportive working environment in which our employees receive the resources and support they need to stay healthy and productive.

Reportable accidents are accidents that lead to at least one day of work lost following the date of the accident. Accidents occurring during the commute to work and back are not included in the number of reportable accidents.

Occupational accidents

	2024/2025	2023/2024
Accidents	22	23
Fatalities	0	0
LTIF [1]	1.8	2.0

[1] Frequency of reportable occupational accidents/200,000 working hours.

5.3.1.3 Education and training

GRI 404

At June 30, 2025 Verbio had a total of 35 apprentices (June 30, 2024: 24) learning their trade as chemistry technicians, laboratory chemists, electronic automation engineers, industrial mechanics, vehicle mechatronics technicians, office management assistants and truck drivers. A total of three chemistry technicians successfully completed their training during the reporting period. All three apprentices who completed their training were taken on at the end of the programme. In order to ensure high quality standards in its training programmes, Verbio works together with vocational training centres in the respective regions in which it operates (German Verbio companies). There were no apprentices in the foreign subsidiaries in the reporting period.

In addition to apprenticeship training schemes Verbio places a high value on the development of its employees by providing further education and training measures. In the reporting period, a total of 615 training sessions were conducted in Germany (2023/2024: 337 sessions). This figure relates exclusively to external specialist seminars, training and further education. In addition, Verbio offers a large number of annually recurring specialist training courses, such as training in internal transport, first-aid training and fire safety training; including training provided by eLearning, Verbio held over 1,000 training courses in the reporting year. Human resources development measures such as coaching and training are also offered as required. For example, managers at the German locations took part in a management skills training course to improve their leadership skills.

This offering is complemented by an extensive eLearning programme, primarily used for training in occupational safety, compliance and the Code of Conduct. If there are changes in the areas described and general work instructions, these are made available to employees. In addition, new regulations and work instructions such as new regulations on working hours, notification of absences or changes to the signature regulations are also made available here. These training courses are integrated as standard in the onboarding process for every new employee and are obligatory. In addition, Verbio supports part-time degree programmes. During the reporting period, 6 employees (2023/2024: 8 employees) were in part-time training programmes supported by Verbio. In Europe 42 employees participated in English or German language courses to acquire or improve the language skills required for their respective positions. The implementation of personnel development measures is still being developed at the foreign locations, with a concept on intercultural competence being developed and implemented as a pilot training programme during the reporting period. In the USA an eLearning tool is already being used for compliance training.

In order to keep Verbio innovative and competitive, the continuous development of employees and the Group's managers in particular is of fundamental importance.

Employees are supported in their professional and personal development in line with their needs and situation by organising training courses, seminars, coaching and further training.

The following section summarises the projects of the financial year 2024/2025:

Pioneering green leadership: Verbio supports managers in successfully mastering the challenges of today – and working together to make teams strong for the future.

The six-month learning journey as a blended learning format is designed to specifically strengthen the role of leadership personalities. It is based on a Verbio leadership competency model and combines practice-orientated learning methods with sound scientific knowledge. The learning journey is accompanied by individual coaching sessions and peer case consultations to ensure the highest possible level of practical transfer. 12 employees took part in the learning journey.

Leading in projects: Due to the high number of projects undertaken at Verbio, this learning journey is offered to project managers in order to strengthen their role in the project work, particularly with regard to the technical management responsibilities associated with project teams. The blended learning format extends over a period of around six months, with peer case consultations also forming an integral part of this process. 7 employees took part in the learning journey.

Verbio also implemented various team workshops in the areas of CFO organisation, Legal, Investor Relations, Human Resources and Treasury. Further training and coaching on the topics of "Remote leadership" and "Intercultural competence" were also implemented.

Feedback is provided to employees and managers in annual employee appraisal meetings. All employees receive a performance assessment during these discussions. In the period from July to November 2024 employee appraisal meetings were held with a total of 663 employees (61.0 percent of the 1,087 employees employed in Germany as of November 30, 2024) at the Group's German locations, and 393 meetings were held with employees at international locations (70.3 percent of the 559 employees at that date). The goal is to have a feedback discussion with all employees annually and derive measures from these meetings to promote their further personal and professional development. The non-achievement of a target rate of 100 percent was, as in the previous year, due to the large number of new hires made over the past 12 months, as for these employees appraisal meetings are not held during their employee probationary period. All employees who are employed as drivers also do not have an appraisal meeting.

Performance assessments apply to both employees eligible for bonus awards and employees with monthly bonuses. In addition, employee appraisal meetings also include discussions of further personal and professional development and evaluations of the results of measures completed. For new employees who are not yet eligible for bonuses an orientation discussion is conducted, during which a professional onboarding plan is created.

5.3.1.4 Diversity and equal opportunities

GRI 405

At Verbio all employees have equal rights, regardless of their ethnic background, age, gender, sexual identity, religion, political beliefs, national or social origin, or other factors. For this reason Verbio focusses on promoting a diverse employee structure as part of its human resources management. At the same time, the Company ensures that all employees have equal opportunities, including equal compensation. Among the 1,087 employees in Germany, 274 employees (25.2 percent) come from other nations (233 from Europe, 20 from India, 4 from the Lebanon, 4 from Syria, 3 from Egypt, 2 from Brazil and 1 each from the USA, Iran, Indonesia, China, Kazakhstan, Colombia, Peru and Vietnam). The integration of international employees is supported, particularly with the provision of German language courses. If necessary for work purposes, employees have the opportunity to take business English courses during working hours. A total of 7 employees completed a total of 618 units of German language training in the reporting period.

Diversity among Verbio employees

	Age	Male	in %	Female	in %	Total	Total in %
Germany	Under 30	103	72.5	39	27.5	142	13.1
	30–50	519	79.8	131	20.2	650	59.8
	Over 50	249	84.4	46	15.6	295	27.1
		871	80	216	19.9	1,087	100.0
USA	Under 30	64	85.3	11	14.7	75	21.8
	30–50	152	78.4	42	21.6	194	56.4
	Over 50	59	78.7	16	21.3	75	21.8
		275	80	69	20	344	100
India	Under 30	36	97.3	1	2.7	37	25.9
	30–50	96	93.2	7	6.8	103	72.0
	Over 50	3	100.0	0	0.0	3	2.1
		135	94	8	6	143	100
Rest of Europe[1]	Under 30	3	42.9	4	57.1	7	9.7
	30–50	27	56.3	21	43.8	48	66.7
	Over 50	9	52.9	8	47.1	17	23.6
		39	54	33	46	72	100

[1] The “Rest of Europe” in the table refers to the locations in Poland, Hungary, and Switzerland.

The proportion of women among all the employees in the entire group is currently 19.8 percent (2023/2024: 19.6 percent), while in Germany it is 19.9 percent (2023/2024: 19.9 percent). The average age of Verbio's employees worldwide is 41.5 years (June 30, 2024: 41.0). Pay equality is a given at Verbio. Compensation levels are solely based on an employee's qualifications, their contribution and the role that they fulfil within the Company. For lower-level employees the amounts are determined based on wage bands which are derived from qualification groups, and in specialist and management positions salaries are determined based on the internal levelling system and relevant external benchmarks.

The age structure as of June 30, 2025 was as follows:

Verbio implements the law for the equal participation of women and men, which has been in effect since May 1, 2015, as follows.

Supervisory Board: At its meeting on May 6, 2022 the Supervisory Board of Verbio SE renewed the resolution passed in May 2017 for a 33 percent proportion of women on the Supervisory Board, and set an implementation deadline of June 30, 2027. Since the Supervisory Board consists of one female and two male members, this goal has been achieved.

Management Board: The members of the Management Board and their responsibilities are determined by the Supervisory Board. The Management Board currently consists of six male members. The Supervisory Board is responsible for ensuring diversity in the appointment of the Management Board, and for setting a target for the proportion of women. The Supervisory Board is of the opinion that Verbio's success reflects that the current management team has proved its competence. The current members of the Management Board have been appointed to office until June 30, 2030. The members of the Management Board are convinced that diverse perspectives and backgrounds enrich the work of the Verbio Management Board. However, diversity, according to the Charter of Diversity (Charta der Vielfalt), is expressed in multiple dimensions, of which gender and gender identity are just one aspect. The Supervisory Board is encouraged to actively seek and consider female applicants in its deliberations when selecting new Management Board members. The average age of the members of the Management Board was 57.3 years at June 30, 2025.

First management level: The Management Board pays attention to diversity when filling leadership positions, taking into account the Company's positioning and industry structure. On July 1, 2022 the Management Board set a target of 25 percent for the proportion of women in the management level below the Management Board by June 30, 2027, which was achieved as of June 30, 2025 with the proportion being 34.5 percent (2023/2024: 27.3 percent); these figures include only positions with staff responsibility employed by Verbio at June 30, 2025. The average age in this level is 44.2 years (2023/2024: 44 years).

5.3.1.5 Non-discrimination

GRI 406

Unequal treatment or disparagement on the basis of gender, ethnic origin, religion or belief, disability, sexual orientation or age are not tolerated at Verbio. These principles apply across the entire business. Employees who experience possible incidents of discrimination can report them to their supervisor, the compliance department (through various reporting channels, such as the whistleblower system) or the Human Resources department. The substance of the complaint is examined, and the complainant is informed of the outcome. If necessary, appropriate consequences are taken, including actions under employment law. Within the scope of application of the General Equal Treatment Act (Allgemeines Gleichbehandlungsgesetz – AGG), all managers are familiarised with the AGG through eLearning training and have communicated the key content to their employees.

5.3.1.6 Associations and collective bargaining

GRI 407, 2-30

In accordance with our Code of Conduct and Supplier Code of Conduct, we respect the rights of our own employees and those of our suppliers and business partners to join or form an employee organisation of their choice.

No restrictions on the rights of employees in exercising freedom of association or engaging in collective bargaining were identified in the reporting period. Verbio clearly communicates in its Supplier Code of Conduct that freedom of association is an important part of its business dealings.

5.3.1.7 Child, forced or compulsory labour

GRI 408 to 409

Verbio is committed to fair working conditions that respect human rights. The Company has made it clear in its Code of Conduct and Supplier Code of Conduct that it does not tolerate any form of child, forced or compulsory labour. The Handbook of HR Compliance Guidelines of VERBIO India states that, in accordance with legal regulations, no under-age person (under 18 years of age) or forced or compulsory labourers may be employed at the production site in India. These guidelines are publicly available, communicated unambiguously to all employees, and subject to monthly random checks by the Human Resources department and site security staff on location. If, despite these measures, employees notice any violations, they are required to inform the Human Resources department for appropriate action. During the reporting period no violations of child labour, forced labour or compulsory labour were reported at Verbio or partners of Verbio.

5.3.2 Local communities and value added chain

5.3.2.1 Local communities

GRI 202 to 204, 413, 2-28

Verbio addresses the direct and indirect impacts of its business activities on its stakeholder groups and on the environment. The investments being made, the consistent expansion of the operating units, and the research and development efforts support the transition to a post-fossil economy. Furthermore, the Company contributes to social well-being by promoting local livelihoods and addressing regional environmental problems. In the various regions, Verbio strikes a balance between local and international recruitment, thus promoting both regional livelihoods and the integration of global talent. In Germany, where 8 new managers were hired, 100 percent were already resident in the respective region, demonstrating Verbio's local commitment. Four new managers were also hired or promoted in the United States, all of whom are based in the US region.

As the value of Verbio's products depends heavily on their sustainability and CO_2 efficiency, the Company seeks to use sustainable raw materials that are sourced locally wherever possible. In Europe Verbio sources all chemical raw materials, production aids and additives from manufacturers or suppliers who are certified in accordance with REACH. This procurement strategy empowers local communities and fosters social cohesion and integration. It also helps to build relationships and trust between the Company and the community. Manufacturing processes are designed to generate maximum yields and minimise the consumption of energy and consumables. Verbio places great emphasis on considering the impact on local communities, such as noise and odour emissions from production facilities. To mitigate any adverse effects stemming from noise emissions, specific zones within the plants are designated for noise-producing processes and sound dampening structures are erected. If necessary, noise reduction measures are taken as early as the planning phase, or measures such as silencers or administrative measures such as restricting rail and vehicle operations are taken to maintain noise levels. Hearing protection is provided for personnel working on the construction site in areas with high noise exposure. Additionally, VERBIO Zörbig has made significant strides in reducing odour pollution by integrating regenerative thermal oxidation systems in its operations. Where necessary, closed material handling systems and machine enclosures – especially for fermentation and waste processing – are also used to avoid emissions.

In Northern India, Verbio has played a pivotal role in addressing a pressing issue: once every six months, farmers there burn straw from rice or wheat as there is no alternative way of disposing of the material. This practice results in environmental damage, and is a cause of health problems. Verbio's innovative solution is to purchase the straw from the farmers and use it to manufacture biomethane, as a sustainable alternative fuel, and biofertiliser. Consequently, this not only reduces smog and health hazards but also creates additional sources of income for the local population while increasing tax revenues, thereby benefiting society as a whole.

Verbio's regional and international cooperation with a large number of organisations, associations and networks contributes to advancing progress towards the post-fossil age. These are as follows.

At the national level in Germany:

- Pro Brandenburg e. V.
- VEA – Bundesverband der Energie-Abnehmer e. V. (Federal Association of Energy Consumers)
- Bundesgütegemeinschaft Kompost e. V. (Federal Compost Association)
- Bund der Steuerzahler Sachsen-Anhalt e. V. (German Taxpayers Association, Saxony-Anhalt)
- Arbeitsgemeinschaft Qualitätsmanagement Biodiesel e. V. (Biodiesel Quality Management Association)
- Unternehmervereinigung Uckermark e. V. (Entrepeneurs' Association of Uckermark)
- Innovation Campus Metropolregion Berlin Stettin e. V.
- Maritime Plattform e. V. (Maritime Platform Association)
- Verband für Alternative Proteinquellen e. V. (Association for Alternative Protein Sources)
- CNG-Club e. V.
- Bildungszentrum Wolfen-Bitterfeld e. V. (Training Centre Wolfen-Bitterfeld)
- DLG e. V. (German Agricultural Society)
- AFM+E Außenhandelsverband für Mineralöl und Energie e. V. (Foreign Trade Association for Petroleum and Energy in Germany)
- Uniti Bundesverband mittelständiger Mineralölunternehmen e. V. (Federal Association of Medium-sized Mineral Oil Companies)
- EBB – European Biodiesel Board
- ePURE – European Renewable Ethanol
- Farm Europe
- Renewable Carbon Initiative
- UN Global Compact

North America:

- American Biogas Council
- Ames Chamber of Commerce

- Ames Economic Development Commission
- Iowa Renewable Fuels Association
- National Grain and Feed Association
- Nevada Economic Development Council
- Niagara Industrial Association
- Welland/Pelham Chamber of Commerce
- The Coalition for Renewable Natural Gas

India:

- Indian Federation of Green Energy

Verbio's commitment to local communities goes beyond its core activities and includes initiatives such as donations, grants and sponsorship projects. In general, where possible, Verbio supports sustainable projects which have a long-term impact. During the reporting period, support was provided to schools, day-care centres, clubs/associations and volunteer fire brigades, among others.

5.3.2.2 Value added chain

GRI 308, 414

Our Supplier Code of Conduct sets out what we expect from our suppliers in terms of human rights, health and safety, business integrity and environmental protection. The Supplier Code of Conduct is based on the UN Guiding Principles on Business and Human Rights. It is part of the central compliance framework (Corporate Commitment Policies) and defines the requirements for our business dealings. These requirements cover a wide range of human rights topics, including occupational health and safety, equal opportunities, fair remuneration, freedom of association and collective bargaining as well as the exclusion of child and forced labour. Any violation of the principles and requirements of the Supplier Code of Conduct is Supplier Code of Conduct is considered a breach of contract by the supplier. In the event of a breach, Verbio takes proportionate measures appropriate to the seriousness of the breach and the remedies available. We reserve the right to review compliance with the Supplier Code of Conduct through internal and external audits and to terminate individual or all contractual relationships without notice.

Otherwise, supplier selection is for the most part based on established quality management processes, including regular assessments and audits following the DIN ISO 9001 standard. Environmental aspects are integrated into internal supplier audits, which also help to maintain product quality and, if necessary, allow conscientious and transparent adjustments to be made.

No contraventions of the social and environmental standards set out in the Supplier Code of Conduct were reported or became known to the Company in the reporting period.

5.3.2.3 Customer health and safety

GRI 416

Verbio accepts full responsibility that its products – provided they are correctly used – are not a risk for humans, animals or the environment. To continuously ensure product quality and safety, Verbio has implemented an integrated quality management system throughout the entire value chain. All products undergo regular inspections and assessments to provide Verbio's customers with a high level of safety and reinforce their trust in the products.

The foundation for this is compliance with statutory requirements and with internal standards over and above these standards. For the German entities, Verbio's high quality standards are certified annually by an external company in accordance with DIN EN ISO 9001:2015. Customer and supplier audits, as well as regular internal audits in various company areas, also help to monitor product quality and allow it to be adjusted conscientiously and transparently as needed.

Particular quality management attention is given to by-products of biodiesel and bioethanol production, which are sold to customers as food additives or animal feed. Continuous risk analyses are part of Verbio's quality assurance, as is continuous product sampling. Product and safety data sheets, as well as customer information, are available for all products. Customers are informed about the correct use and potential risks of our products. Incoming customer complaints and claims are promptly evaluated and used for the continuous improvement of product quality and safety. During the reporting period, no violations related to the health and safety impacts of products and services were reported.

5.3.2.4 Marketing and labelling

GRI 417

All Verbio products are labelled in accordance with legal requirements. Sales specifications, product and safety data sheets, as well as various manufacturer declarations, provide information on ingredients and handling. Products traded as animal feed are labelled regarding their origin, composition and use. Products that are supplied for use in the food industry are additionally identified as vegan, free of genetically modified material, kosher and halal, i.e. as being suitable for consumption by people of the Jewish or Muslim faiths respectively. The relevant third-party certification has been obtained for this purpose. The products also provide information on their proper disposal. Verbio has not become aware of any contraventions concerning product and service information, labelling, marketing or communication during the reporting period.

5.3.2.5 Protection of customer data

GRI 418

Verbio's business operations depend on functioning and secure processes for processing the data of customers, employees, suppliers, other interest groups and the Company's own data in accordance with the legal requirements for data protection and information security. Verbio's ongoing efforts to strengthen information security are based on international security standards. The protective measures strategy ensures the confidentiality, availability and integrity of the data and includes technical and organisational protective measures. The Plan-Do-Check-Act (PDCA) cycle forms the backbone of the continuous monitoring and improvement systems for these protective measures. By applying the PDCA cycle consistently, Verbio ensures that information security measures are not only effectively implemented, but also monitored and improved on an ongoing basis. This enables us to react flexibly to new threats and constantly raise security standards at Verbio. During the reporting period, no complaints related to any breaches of the protection or loss of customer data were reported. In the financial year 2024/2025, no other data protection violations were identified.

5.4 Governance information

GRI 205 to 207

As a global business, we have recognised that we must set very strict requirements for our compliance management system. Accordingly, we are working on adapting our compliance management system to international challenges and implementing it throughout the Group on an ongoing basis. The Global Compliance department is therefore responsible for drawing up the relevant compliance guidelines and, in particular, the Corporate Commitment Policies. Other compliance-related topics such as data protection, including the respective internal guidelines, are the responsibility of the relevant departments.

5.4.1 Corruption

GRI 205

As a responsible group of companies Verbio is committed to addressing corruption through prevention. This includes all measures that enable compliance with internal requirements and contribute to the clarification of any suspicions. The Code of Conduct for employees addresses the handling of corruption and conveys the fundamental values for conducting business at Verbio. The internal guidelines on the prevention of corruption were completely revised in the reporting year. Following on from this, in March 2025 internal in-depth training on corruption prevention was offered and carried out for certain specialists and managers across the Group. In addition, we expect all our suppliers to comply with our Supplier Code of Conduct, which prohibits all forms of corruption and bribery. No incidents of corruption were reported or known about in the reporting period.

5.4.2 Anti-competitive practice

GRI 206

During the reporting period there were no legal proceedings pending for anti-competitive conduct or the formation of cartels and monopolies.

5.4.3 Tax concept

GRI 207

Verbio pursues the principle of paying the taxes due in each country on the basis of the legal regulations applicable in the respective countries. The Company has an interest in paying appropriate taxes in the countries in which it operates. This is essential to make public funding available for necessary investments in education, infrastructure and social standards, as well as funding to promote innovation. Verbio complies with all the relevant tax regulations and requirements of the respective countries concerning tax submission, documentation, disclosure and examination.

Internal policies determine the responsibilities and authorities for tax-related matters. The central tax department of Verbio SE (Global Accounting and Tax), which reports to the Management Board member responsible for the Group's finances (CFO), is responsible for all tax-related issues.

The internal guidelines, systematic internal controls and documentation requirements ensure that Verbio complies with its tax obligations in each country in which it operates. Tax professionals employed by Verbio must possess relevant knowledge and receive ongoing training to meet compliance requirements. Tax risks are reported and monitored within the framework of the risk management system to enable adequate assessment and control. External advisers are also engaged to assist in decision-making processes for complex matters.

Verbio does not engage in artificial tax arrangements without business substance. Tax evasion and tax fraud are unacceptable and will not be tolerated. The subsidiaries in the respective countries are necessary for business activities in these countries. Tax optimisation aligns with business needs, and taxation is in line with the respective value chains.

The Company places great importance on trustworthy and transparent communication with the tax authorities, as this foundation can help to reduce tax risks or avoid tax disputes.

Verbio's tax expenses amounted to EUR 3.2 million in the financial year 2024/2025. Of this amount, EUR 8.4 million was attributable to current taxes, and EUR −5.2 million to deferred taxes. The taxes for the financial year 2024/2025, amounting to EUR 3.2 million, were distributed among the following countries as follows:

- Germany (EUR 3.8 million);
- Poland (EUR 0.1 million);
- USA (EUR 0.0 million);
- Canada (EUR −0.5 million);
- India (EUR 0.0 million);
- Hungary (EUR 0.0 million);
- Switzerland EUR −0.2 million)

Verbio's Group tax rate was 29.9 percent in the financial year 2024/2025 (2023/2024: 29.8 percent). In countries outside Germany, lower tax rates apply for the most part.

The effective tax rate for the Group in the financial year 2024/2025 was −2.4 percent, which is lower than the Group tax rate. The main reason for this is the non-capitalisation of deferred taxes on tax losses incurred, as the requirements for the recognition of deferred tax assets were not met under IFRS.

For the financial year 2023/2024, Verbio SE has submitted country-by-country reporting to the relevant tax authorities in Germany in accordance with legal requirements.

Zörbig, September 22, 2025

Claus Sauter
Chief Executive Officer

Prof. Dr. Oliver Lüdtke
Deputy Chief Executive Officer

Theodor Niesmann
Management Board

Bernd Sauter
Management Board

Stefan Schreiber
Management Board

Olaf Tröber
Management Board

Consolidated financial statements (IFRS)

Consolidated statement of comprehensive income

for the period from July 1, 2024 to June 30, 2025

EUR (thousands)	01.07.2024–30.06.2025	01.07.2023–30.06.2024	Notes
1. Revenue	1,579,832	1,658,034	3.15/5.1
2. Changes in inventories of finished goods and work in progress	28,574	–25,255	
3. Own work capitalised	7,576	7,173	5.2
4. Other operating income	16,910	11,234	5.3
5. Raw material and consumables used	–1,400,482	–1,315,422	5.4
6. Employee benefits expense	–106,700	–107,461	5.5
7. Other operating expenses	–126,221	–108,932	5.7
8. Changes in the value of financial assets and liabilities	–569	1,636	5.8/9.4.3
9. Result from commodity forward contracts	15,317	616	5.9
10. EBITDA	**14,237**	**121,623**	
11. Depreciation, amortisation and impairment of non-current assets	–132,421	–52,031	3.2/3.3/3.4/3.5/5.6/6.1.1/6.1.2/6.1.3
12. Operating result (EBIT)	**–118,184**	**69,592**	
13. Finance income	1,161	1,300	3.17/5.10/9.4
14. Finance costs	–17,741	–10,622	3.17/5.10/9.4
15. Finance result	**–16,580**	**–9,322**	**3.17/5.10/9.4**
16. Result before tax	**–134,764**	**60,270**	

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EUR (thousands)	01.07.2024–30.06.2025	01.07.2023–30.06.2024	Notes
17. Income tax expense	–3,183	–40,125	2.3/3.6/5.11
18. Net result for the period	**–137,946**	**20,145**	
Result attributable to shareholders of the parent company	–138,011	19,960	6.3.3
Result attributable to non-controlling interests	65	185	6.3.7
Income and expenses recognised directly in equity:			
Items that may be reclassified subsequently to profit and loss:			
Translation of foreign operations	–33,002	3,047	6.3.5
Fair value remeasurement of cash flow hedges	–425	5,338	6.3.4
Deferred taxes recognised directly in equity	143	–1,501	
19. Income and expenses recognised directly in equity	**–33,284**	**6,884**	
20. Total comprehensive result	**–171,231**	**27,029**	
Total comprehensive result attributable to shareholders of the parent company	–171,296	26,844	
Result attributable to non-controlling interests	65	185	6.3.7
Basic earnings per share (EUR)	**–2.17**	**0.31**	**3.18/6.3.6**
Diluted earnings per share (EUR)	**–2.16**	**0.31**	**3.18/6.3.6**

Consolidated balance sheet

as at June 30, 2025

EUR (thousands)	30.06.2025	30.06.2024	Notes
Assets			
A. Non-current assets			
I. Intangible assets	1,533	1,302	3.2/3.5/6.1.1
II. Property, plant and equipment	690,144	728,193	3.3/3.5/6.1.2
III. Right-of-use assets under leasing arrangements	28,948	27,802	3.4/6.1.3
IV. Financial assets	1,160	1,540	3.8/6.1.4/9.2
V. Other non-current assets	743	34,120	3.8/6.1.5
VI. Deferred tax assets	1,472	1,009	3.6/5.11/5.12
Total non-current assets	**724,000**	**793,966**	
B. Current assets			
I. Inventories	275,720	244,872	3.7/6.2.1
II. Trade receivables	108,950	119,014	3.8/6.2.2/9.2/9.4/10.2
III. Derivatives	31,970	21,341	3.9/6.2.3/9.3
IV. Other current financial assets	33,971	17,912	3.8/6.2.4/9.2
V. Current tax receivables	13,974	26,089	3.6
VI. Other current assets	30,080	31,375	3.8/6.2.5
VII. Cash and cash equivalents	64,405	123,186	3.11/6.2.6
Total current assets	**559,070**	**583,789**	
Total assets	**1,283,070**	**1,377,755**	

Continued on next page

EUR (thousands)		30.06.2025	30.06.2024	Notes
Equity and liabilities				
A.	**Equity**			
I.	Share capital	63,716	63,638	6.3.1
II.	Capital reserve	507,485	503,482	6.3.2
III.	Retained earnings	197,679	347,862	6.3.3
IV.	Reserve for cash flow hedges	1,963	2,245	6.3.4
V.	Translation reserve	−24,554	8,448	6.3.5
Equity attributable to owners of the parent		**746,289**	**925,675**	
VI.	Non-controlling interests	0	2,541	6.3.7
Total equity		**746,289**	**928,216**	
B.	**Non-current liabilities**			
I.	Borrowings	173,413	152,080	3.14/6.4.1/9.2/10.2.3
II.	Lease liabilities	21,213	20,667	3.4/6.4.2
III.	Non-current provisions	2,052	187	3.13/6.4.3
IV.	Investment grants	28,570	33,745	3.12/6.4.4
V.	Other non-current financial liabilities	33	19,645	3.14/6.4.5/9.2
VI.	Deferred tax liabilities	3,087	8,142	3.6/5.11/5.12/6.4.6
Total non-current liabilities		**228,369**	**234,466**	

Continued on next page

EUR (thousands)		30.06.2025	30.06.2024	Notes
C.	**Current liabilities**			
I.	Borrowings	65,364	13,437	3.14/6.4.1/9.2
II.	Lease liabilities	8,868	8,012	3.4/6.4.2/6.5.1
III.	Trade payables	127,882	126,394	3.14/6.5.2/9.2
IV.	Derivatives	31,799	9,517	3.9/6.5.3/9.3
V.	Other current financial liabilities	46,558	43,216	3.14/6.5.4/9.2
VI.	Current tax payable	1,198	2,796	3.6/6.5.5
VII.	Current provisions	6,092	293	3.13/6.5.6
VIII.	Investment grants	2,175	2,454	3.12/6.4.4
IX.	Other current liabilities	18,477	8,954	3.14/6.5.7
Total current liabilities		**308,413**	**215,073**	
Total equity and liabilities		**1,283,070**	**1,377,755**	

Consolidated statement of cash flows

for the period from July 1, 2024 to June 30, 2025

EUR (thousands)	01.07.2024–30.06.2025	01.07.2023–30.06.2024	Notes
Net result for the period	**–137,946**	**20,145**	
Income tax expense	3,183	40,125	5.11
Finance result	16,580	9,322	5.10/9.4
Depreciation, amortisation and impairment of non-current assets	132,421	52,031	5.6/6.1.1/6.1.2/6.1.3
Non-cash expenses for share-based remuneration	3,780	1,613	6.3
Other non-cash income and expenses	5,444	6,078	
Gain on disposal of property, plant and equipment	491	277	
Release of investment grants	–2,533	–1,073	5.3/6.4.4
Non-cash changes in derivative financial instruments	11,229	–10,377	6.2.3/9.3
Increase (previous year: decrease) in inventories	–30,848	15,406	3.7/6.2.1
Increase in trade receivables	–1,115	–18,072	3.8/6.2.2
Decrease in other assets and other current financial assets	17,809	46,704	6.2.4/6.2.5
Increase (previous year: decrease) in provisions	7,666	–2,014	6.4.3/6.5.6
Increase in trade payables	8,478	9,689	6.5.2
Decrease (previous year: increase) in other financial and non-financial liabilities	–9,123	8,319	6.4.5/6.5.4/6.5.5/6.5.7
Interest paid	–14,850	–8,680	
Interest received	1,096	1,300	
Income taxes received (previous year: paid)	2,126	–54,018	
Cash flows from operating activities	**13,885**	**116,775**	
Acquisition of intangible assets	–1,191	–796	
Acquisition of property, plant and equipment	–131,841	–170,359	

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EUR (thousands)	01.07.2024–30.06.2025	01.07.2023–30.06.2024	Notes
Proceeds from sale of property, plant and equipment	1,416	1,131	
Proceeds from investment grants	11,181	24,744	
Proceeds from the repayment of loans	380	380	
Cash flows from investing activities	**–120,056**	**–144,900**	
Dividends paid	–12,728	–12,703	6.3.3
Repayment of borrowings	–148,500	–217,251	
Proceeds from borrowings	222,469	219,880	
Repayment of lease liabilities	–11,365	–9,455	6.4.2
Cash flows from financing activities	**49,876**	**–19,529**	
Net change in cash funds	–56,295	–47,654	
Effects of exchange rate changes on cash funds	–2,486	534	
Cash funds at the beginning of the period	123,186	170,306	
Cash funds at the end of the period	**64,405**	**123,186**	**6.2.6**

Consolidated statement of changes in equity

for the period from July 1, 2024 to June 30, 2025

EUR (thousands)	Notes	Share capital	Capital reserve	Retained earnings	Reserve for cash flow hedges (other comprehensive income)	Reserve for currency translation adjustments (other comprehensive income)	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
July 1, 2023		**63,517**	**501,540**	**340,605**	**–1,592**	**5,401**	**909,471**	**2,356**	**911,827**
Currency translation adjustments	2.4/6.3.5	0	0	0	0	3,047	3,047	0	3,047
Fair value remeasurement of cash flow hedges	6.3.4/9.3.3	0	0	0	5,338	0	5,338	0	5,338
Deferred tax on cash flow hedges	9.3.3	0	0	0	–1,501	0	–1,501	0	–1,501
Income and expenses recognised directly in equity		**0**	**0**	**0**	**3,837**	**3,047**	**6,884**	**0**	**6,884**
Net profit for the period		0	0	19,960	0	0	19,960	185	20,145
Comprehensive result for the period		**0**	**0**	**19,960**	**3,837**	**3,047**	**26,844**	**185**	**27,029**
Dividend payments	6.3.3	0	0	–12,703	0	0	–12,703	0	–12,703
Capital increase from contributions in kind	6.3.1/6.3.2	121	1,942	0	0	0	2,063	0	2,063
June 30, 2024		**63,638**	**503,482**	**347,862**	**2,245**	**8,448**	**925,675**	**2,541**	**928,216**

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EUR (thousands)	Notes	Share capital	Capital reserve	Retained earnings	Reserve for cash flow hedges (other comprehensive income)	Reserve for currency translation adjustments (other comprehensive income)	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
July 1, 2024		**63,638**	**503,482**	**347,862**	**2,245**	**8,448**	**925,675**	**2,541**	**928,216**
Currency translation adjustments	2.4/6.3.5	0	0	0	0	–33,002	–33,002	0	–33,002
Fair value remeasurement of cash flow hedges	6.3.4/9.3.3	0	0	0	–425	0	–425	0	–425
Deferred tax on cash flow hedges	9.3.3	0	0	0	143	0	143	0	143
Income and expenses recognised directly in equity		**0**	**0**	**0**	**–282**	**–33,002**	**–33,284**	**0**	**–33,284**
Net result for the period		0	0	–138,011	0	0	–138,011	65	–137,946
Comprehensive result for the period		**0**	**0**	**–138,011**	**–282**	**–33,002**	**–171,296**	**65**	**–171,231**
Dividend payments	6.3.3	0	0	–12,728	0	0	–12,728	0	–12,728
Capital increase from contributions in kind	6.3.1/6.3.2	78	4,003	0	0	0	4,081	0	4,081
Changes in entities included in the consolidation		0	0	556	0	0	556	–2,606	–2,050
June 30, 2025		**63,716**	**507,485**	**197,679**	**1,963**	**–24,554**	**746,289**	**0**	**746,289**

Notes to the consolidated financial statements

for the financial year from July 1, 2024 to June 30, 2025

1 Information about the Company

Verbio SE (hereinafter also "Verbio" or "the Company"; until November 30, 2023: VERBIO Vereinigte BioEnergie AG) is a public stock exchange listed company. The Verbio Group (hereinafter "Verbio" or "the Verbio Group"), consisting of Verbio SE (the parent) and its consolidated subsidiaries (see note 2.2 "Scope of consolidation"), is engaged in the production and distribution of fuels and finished products manufactured using organic raw materials.

Verbio SE is registered in the commercial register of the district court in Stendal under the number HRB 33567. The Company's registered office is at 06780 Zörbig, Thura Mark 18. The Company maintains business facilities at 04109 Leipzig, Ritterstraße 23 (Oelßner's Hof). These consolidated financial statements, which provide an exemption in accordance with § 315e HGB, are published in the German Company Register (Unternehmensregister) and on the Company's website (www.verbio.de).

2 Consolidated financial statements

2.1 Basis of preparation of the consolidated financial statements

The consolidated financial statements were prepared in compliance with the International Financial Reporting Standards issued by the International Accounting Standards Board (IFRS/IAS), as well as with the Interpretations of the International Financial Reporting Interpretations Committee/Standing Interpretations Committee (IFRIC/SIC), as adopted with mandatory effect in the European Union (EU) as of the balance sheet date. The consolidated financial statements are presented in euros (EUR). All amounts are presented in thousands of euros (EUR thousand) unless otherwise stated. Figures have been rounded in accordance with commercial practice; rounding differences may occur.

In accordance with IAS 1, the statement of comprehensive income has been prepared using the total cost method; the balance sheet is presented based on maturities. In order to improve the clarity of the presentation of the financial statements, certain items in the statement of comprehensive income and in the balance sheet have been combined; these are explained in the notes.

The consolidated financial statements were prepared on the basis of amortised acquisition and manufacturing/construction costs or net realisable value, where appropriate, with the exception of derivative financial instruments which are measured at fair value.

The consolidated financial statements have been prepared under the assumption that the business is a going concern.

Knowledge and events in the financial year 2024/2025 and thereafter through to September 22, 2025 were taken into account in the preparation of the consolidated financial statements. These also include, in particular, macroeconomic trends and the impacts of climate change.

The macroeconomic environment in the financial year 2024/2025 remained largely characterised by military conflicts and geopolitical crises. The second half of the year saw an increase in international trade conflicts, to which the economies involved reacted with varying degrees of resilience. The US economy was robust overall in the reporting period, even if consumer spending and industrial production lost some momentum in the first half of 2025. The decline in inflation – with support from falling crude oil prices – had a stabilising effect, while the fluctuating US tariffs, particularly in the trade conflict with China, continued to fuel uncertainty. These developments led to a mixed situation in the eurozone. Although the region was still benefiting from the frontloading of exports to the USA at the start of 2025, consumer demand remained subdued overall. The US tariffs on EU and Chinese goods had a negative impact on exports and continue to dampen growth in Germany and Europe. In

Germany domestic demand also remained subdued, not least due to economic policy uncertainties and restrained investment. The direct impact of these developments on Verbio is rather limited.

Imports of what is suspected to be misdeclared biodiesel from China and the resulting availability of supposedly cost-effective CO_2 savings led, among other things, to a significant increase in the quota surplus to around 6 million tonnes of CO_2 for the 2023 quota year. The quota surplus therefore corresponds to more than 30 percent of the quota obligation for 2024.

The large GHG quota surplus led to a dramatic fall in prices: Following the publication of a draft paper suspending the carry forward of quota surpluses, demand for GHG quotas for 2024 almost completely collapsed – an expected effect, as over-fulfilled quotas in 2024 can no longer be carried over to the following year. The surpluses built up until 2024 will not be available again until 2027. Accordingly, in 2025 and 2026 quota holders can therefore only utilise quotas generated in these years, which led to a slight recovery in prices in the first half of 2025. This had a significant impact on Verbio in the financial year 2024/2025. The 2024 GHG quotas that have not yet been sold are still recognised in the balance sheet and are measured at their lower net realisable value, which is below their manufacturing cost. A further consequence was lower cash inflows from the sale of GHG quotas.

In addition, the last two financial years prior to the financial year 2024/2025 were characterised by a significantly higher rate of inflation and, as a result, also by higher levels of interest rates. In the meantime, the inflation rate has largely normalised and interest rates are on a downward trend. As Verbio continued to be financed from its own equity resources to a comparatively large extent in the financial year, the level of interest rates had a limited effect on earnings.

In addition, there were some massive fluctuations in the US dollar exchange rate, particularly in the second half of the financial year. These did not have a major effect on earnings from operations as a large majority of Verbio deliveries are invoiced in the respective local national currencies and the functional currency of the Group. One significant consequence of exchange rate fluctuations was the effect on net investments in foreign operations, which are recognised directly in equity, with a negative impact on the currency translation reserve. This also led to lower Group equity and a lower equity ratio.

Over the past two years, there has been a sharp rise in energy costs in Europe, which has now levelled off at a high level. This is reflected in continued high levels of material costs compared to financial years prior to 2022/2023.

Verbio has performed an analysis of the possible impact of climate change on the consolidated financial statements. Verbio's business model is based on manufacturing climate-friendly fuels which generate high levels of CO_2 savings. In order to offer credible low-carbon solutions for others, Verbio aims to achieve climate neutrality (Scope 1 + Scope 2) by 2035. In doing so Verbio plans to make a contribution to avoiding the use of fuels that have a damaging effect on the climate, and to addressing the need for the economy and society to modify their behaviour. Nevertheless, climate change also presents Verbio with challenges, such as increased risks associated with extreme weather events that could have a damaging effect on our property, plant and equipment and on our procurement sources.

2.2 Scope of consolidation

(GRI 2–2)

In addition to Verbio SE, the parent Company of the Group, the following companies which represent Verbio SE's material shareholdings at June 30, 2025 were included in the consolidated financial statements.

The 10.65 percent shareholding in VERBIO Agrar GmbH still held by third parties was acquired by Verbio SE in the financial year. Following the acquisition of this shareholding VERBIO Agrar and its subsidiary, VERBIO Logistik GmbH, are now wholly owned subsidiary companies of Verbio SE.

Name of company	Location	Shareholding	Consolidation method
VERBIO Bitterfeld GmbH (VEB)	Bitterfeld-Wolfen/OT Greppin, Germany	100.00%	Fully consolidated
VERBIO Zörbig GmbH (VEZ)	Zörbig, Germany	100.00%	Fully consolidated
VERBIO Schwedt GmbH (VES)	Schwedt/Oder, Germany	100.00%	Fully consolidated
VERBIO Protein GmbH (VProt)	Zörbig, Germany	100.00%	Fully consolidated
VERBIO India GmbH	Zörbig, Germany	100.00%	Fully consolidated
VERBIO Finance GmbH (VFinance)	Zörbig, Germany	100.00%	Fully consolidated
Lüneburger Lager- und Agrarhandelsgesellschaft mbH	Lüneburg, Germany	100.00%	Fully consolidated
VERBIO Agrar GmbH (VAgrar)	Zörbig, Germany	100.00%	Fully consolidated
VERBIO Logistik GmbH (VLogistik)	Zörbig, Germany	100.00%	Fully consolidated
VERBIO Polska Sp. z o.o. (VPL)	Szczecin, Poland	100.00%	Fully consolidated
VERBIO Hungary Trading Kft.	Budapest, Hungary	100.00%	Fully consolidated
VERBIO India Private Limited (VEI)	Chandigarh, India	100.00%	Fully consolidated
VERBIO Pinnow GmbH (VEP)	Pinnow, Germany	100.00%	Fully consolidated
VERBIO Renewables GmbH (VRenew)	Zörbig, Germany	100.00%	Fully consolidated
VERBIO Poland GmbH (formerly VERBIO Leuna GmbH)	Zörbig, Germany	100.00%	Fully consolidated
XIMO Kft. (XiMo)	Budapest, Hungary	100.00%	Fully consolidated
VERBIO Nevada LLC (VEN)	Nevada/Iowa, USA	100.00%	Fully consolidated
VERBIO North America Holdings Corp. (VNAH)	Stamford/Connecticut, USA	100.00%	Fully consolidated
VERBIO North America LLC (VNA) (formerly: VERBIO North America Corp.)	Stamford/Connecticut, USA	100.00%	Fully consolidated
VERBIO Diesel Canada Corp. (VDC)	Toronto/Ontario, Canada	100.00%	Fully consolidated
VERBIO Agriculture LLC (VEA) (formerly: VERBIO Farm Services LLC)	Nevada/Iowa, USA	100.00%	Fully consolidated
VERBIO Retail GmbH (VRetail)	Zörbig, Germany	100.00%	Fully consolidated
VERBIO Brazil GmbH (VBrazil)	Zörbig, Germany	100.00%	Fully consolidated
VERBIO Baltic Sp. z o. o. (VBaltic)	Szczecin, Poland	100.00%	Fully consolidated
VERBIO 1 GmbH	Zörbig, Germany	100.00%	Fully consolidated
VERBIO Chem GmbH	Zörbig, Germany	100.00%	Fully consolidated
VERBIO Werbkowice Sp. z o.o.	Szczecin, Poland	100.00%	Fully consolidated
South Bend Ethanol LLC (SBE)	South Bend/Indiana, USA	100.00%	Fully consolidated
Verbio International AG	Carouge (GE), Switzerland	100.00%	Fully consolidated

There have been no other changes to the scope of consolidation and to shareholdings. VERBIO Hungary Trading Kft., VERBIO Brazil GmbH, VERBIO 1 GmbH, VERBIO Baltic Sp. z o.o. and VERBIO Werbkowice Sp. z o.o. have no active business operations; these companies are shelf companies or companies in a start-up phase.

All companies included in the consolidated financial statements are hereinafter referred to as "Verbio" or "the Verbio Group".

2.3 Consolidation principles

The financial statements of the domestic and foreign subsidiaries included in the consolidated financial statements are prepared using uniform accounting and measurement policies. The capital consolidation is performed using the acquisition method, under which the acquisition costs at the time of purchase of the investment are compared to the fair value of the (proportionally) acquired assets, liabilities and contingent liabilities. Expenses and income, as well as receivables and payables between consolidated companies, are eliminated. Gains and losses on inter-company transactions are eliminated on consolidation. Deferred taxes are determined in accordance with the balance-sheet-oriented approach in accordance with IAS 12.

2.4 Foreign currency translation

The consolidated financial statements are presented in euro (EUR), the functional currency of Verbio SE.

Transactions denominated in foreign currencies are translated into the functional currency of the respective entity at the spot rate applicable on the date of initial recognition. Monetary assets and liabilities denominated in foreign currencies are remeasured into the functional currency of the respective company at the spot rate applicable at each balance sheet date. All differences arising from the translation of monetary items are recognised in profit or loss.

The assets and liabilities of companies with a functional currency other than the euro are translated into euros for consolidation purposes at the rate applicable at the balance sheet date. Equity transactions are converted at the historical exchange rate at the date of the transaction. Income and expenses are converted at average rates for the period. Income and expenses resulting from translation differences arising on consolidation are recognised directly in equity in the reserve for translation adjustments.

The following currency exchange rates have been used in the preparation of these consolidated financial statements:

1 EUR	Closing rate		Average rate	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
USD	0.8532	0.9341	0.9189	0.9244
PLN	0.2357	0.2321	0.2345	0.2279
INR	0.0099	0.0112	0.0108	0.0111
HUF	0.0025	0.0025	0.0025	0.0026

3 Summary of accounting policies

3.1 Changes in accounting policies

The accounting policies applied are consistent with those applied in the previous year, with the exception of the changes described below.

The following new and amended standards and interpretations were required to be applied by the Group for the first time with effect from July 1, 2024:

- Amendments to IFRS 16 "Leasing" – Lease Liability in a Sale and Leaseback
- Amendments to IAS 1 "Presentation of Financial Statements" – Classification of Liabilities with Covenants as Current or Non-current and Non-current Liabilities with Covenants
- Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures" – Supplier Finance Arrangements

The implementation of new standards and interpretations and amendments to existing accounting standards and interpretations applicable to the Group for the first time from July 1, 2024 have had no effect on Verbio's financial statements.

3.2 Intangible assets

Intangible assets purchased by the Verbio Group are measured at acquisition cost less accumulated scheduled amortisation and any accumulated impairment losses.

Scheduled amortisation is recorded in the income statement under the heading "Depreciation and amortisation" on a straight-line basis over the expected useful lives of the respective assets. The expected useful lives for other intangible assets range from three to five years.

3.3 Property, plant and equipment

Property, plant and equipment are measured at acquisition or construction costs less accumulated scheduled depreciation and, where applicable, accumulated impairment losses. Capitalised production costs for internally generated property, plant and equipment include all costs directly attributable to the construction process, as well as an appropriate portion of production-related overheads. Production-related overheads include manufacturing-related depreciation and an appropriate portion of administrative expenses. In addition, acquisition or construction costs include the expected cost for the retirement of those assets for which there is an asset retirement obligation.

In the financial year 2024/2025, for the first time, borrowing costs have been recognised with acquisition or production costs in accordance with IAS 23 as, unlike in previous years, the additional volume of borrowing was attributable to the construction of the qualifying assets. The borrowing costs capitalised represent a proportionate share of interest incurred on general borrowings calculated on the basis of a weighted average interest rate; the reported borrowing costs reported as an expense are reduced by the amounts capitalised.

Scheduled depreciation is recorded in the income statement on a straight-line basis over expected useful lives. The expected useful lives were as follows.

Useful lives of property, plant and equipment	As at 30.06.2025
Buildings	33 to 50 years
Technical equipment and machinery	8 to 18 years
Office furniture and equipment	3 to 12 years

Newly constructed plants reach their full capacity utilisation only after a prolonged ramp-up phase. However, scheduled depreciation is recorded on a straight-line basis immediately from the date on which saleable products are manufactured.

In addition, certain spare parts are recorded within property, plant and equipment. No depreciation is recorded on these spare parts until they are placed into service. The spare parts are recorded as other operating expenses at the date on which the parts are installed, unless they represent separate components of the respective assets.

3.4 Leasing arrangements

At the date when a contract is entered into an assessment is made of whether the contract is, or contains, a leasing arrangement. This is the case when the contract includes the right to control the use of an identified asset for a specific period of time in exchange for payment. In assessing whether a contract contains the right to control an identified asset, Verbio applies the definition of a leasing arrangement set out in IFRS 16. At the beginning of the leasing arrangement an assessment is made of whether any purchase, extension or termination options included in the arrangement will be exercised.

Verbio is exclusively a lessee, with the exception of the lease of one plot of land in Zörbig in which it is a lessor. At the commencement of a lease arrangement Verbio records an asset for the right-of-use asset and a lease liability. The right-of-use asset is initially recognised at acquisition cost, which is identical to the initial measurement of the lease liability. Subsequently the right-of-use asset is amortised on a straight-line basis from the commencement of the lease until the end of the lease term. In addition, the right-of-use asset is subject to impairment allowances, if necessary, and to adjustments in some specific circumstances on recognition of remeasurements of the lease liability.

The lease liability is recognised at the present value of the agreed lease payments, discounted at the rate implicit in the lease arrangement, or, if the implicit rate cannot be determined readily, using Verbio's incremental borrowing rate of interest. In most cases Verbio uses this incremental borrowing rate of interest for discounting purposes. To determine its incremental borrowing rate of interest Verbio obtains interest rates from various external sources of financing, and adjusts these for certain factors to reflect the terms of the lease, the specific payment terms for the lease asset, and the nature of the leased asset.

The lease liability is measured at amortised cost in accordance with the effective interest method. It is remeasured when future lease payments change by reference to an index or as a result of a change in (interest) rates, when Verbio changes its estimates of future payments under a residual value guarantee, or when Verbio changes its assumptions concerning the exercise of a purchase, extension or termination option. An adjustment to the carrying value of the right-of-use asset is made to reflect the change in the lease liability on remeasurement.

Verbio has elected not to record right-of-use assets and lease liabilities for leasing arrangements for low value assets (below EUR 10 thousand) or for short-term (less than one year) leasing arrangements. Verbio recognises the lease payments under these leasing arrangements as an expense on a straight-line basis over the lifetime of the respective lease arrangements.

To the extent that any current lease contracts were entered into before July 1, 2019, Verbio has applied the modified retrospective approach for the transition to IFRS 16 and is continuing the lease agreements accordingly. The carrying values of the right-of-use assets are amortised over the periods up until the end of the respective lease contracts; the lease liability is measured at amortised cost in accordance with the effective interest method.

3.5 Impairment of non-current assets

Non-current intangible assets, as well as property, plant and equipment, are tested for impairment if there are external or internal indications that the assets may be impaired, such as significant deviations from business planning or significant under-utilisation of plant and equipment.

An impairment loss is recorded if the carrying value of an asset or a cash-generating unit is higher than the recoverable amount at the balance sheet date. The recoverable amount for this purpose is the higher of the fair value less costs to sell and the value in use, whereby the value in use represents the present value of the future cash flows expected to be derived from the asset or cash-generating unit.

If there are indications that impairment write-downs of assets recognised in prior periods are no longer required or the impairment has decreased in amount, an appropriate write-up is recognised.

3.6 Income taxes

The income tax expense includes current and deferred taxes. Current and deferred taxes are recognised in the income statement, with the exception of the tax effects recognised on items recorded directly in equity.

Current tax receivables and payables for the current period are measured at the amount in which a refund from the tax authority or a payment to the tax authority is expected. The calculation of the amount is based on the tax rates and tax laws that are in effect at the balance sheet date or which will be applicable shortly thereafter.

Deferred taxes are determined on the basis of the balance-sheet-oriented approach. Under this method, deferred taxes are calculated on temporary differences which arise between the IFRS carrying values of assets and liabilities and their tax values. In addition, deferred tax assets are recognised on tax losses carried forward. Deferred taxes are measured at the tax rate that is applicable at the time the temporary differences are expected to reverse and the tax losses are expected to be used, respectively. For this purpose, the tax rates used are those in effect or announced at the balance sheet date.

Deferred tax assets are only recorded to the extent that offsetting deferred tax liabilities are available or it is probable that future taxable income will be available against which the deferred tax asset can be offset.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to set off current tax assets against income tax liabilities and the deferred taxes relate to taxes of the same taxable entity with the same taxation authority.

If there is uncertainty regarding the treatment of income tax matters, assumptions are made for the purposes of recognising and measuring the tax item – for example whether an assessment shall be made separately for the issue or in combination with the assessment of other uncertainties, whether a probable or an expected value shall be used for the uncertainty, and whether there has been a change compared to the previous period. The risk of whether the uncertain position will be discovered is not relevant for accounting purposes. The accounting treatment followed is based on the assumption that the tax authorities will examine the issue in question, and that they will be in possession of all information relevant to the matter.

3.7 Inventories

Inventories are measured at the lower of acquisition or production costs and net realisable value. This also applies to GHG quotas. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. In the case of impairment of inventories a write-down to the net realisable value is made, and the lower net realisable value is recorded. The inventories of the Trading division, which is part of the Other segment, are measured exclusively at fair value.

Acquisition costs represent the purchase price, less purchase price deductions, plus costs incurred in order to bring the inventories to their present location and condition. Acquisition costs are determined by the weighted average method. Production costs comprise direct costs of materials and direct production costs, as well as overheads that are incurred in order to bring the inventories to their present location and condition. Idle capacity costs are eliminated in determining production costs. In the event that more than one product is created from a single production process, the allocation of the production costs to the individual products is carried out according to an allocation formula based on the relationship between the sales prices of the respective end products. For this purpose Verbio makes the assumption that, in addition to the pure (chemical) fuel, the production of biofuels also indirectly results in independently marketable greenhouse gas savings (GHG quotas) as a result of the production process. For intermediate products, the allocation is based on appropriate technical parameters.

3.8 Financial assets and other assets

Financial assets are held within a business model whose objective is achieved by holding those assets to collect the contractual cash flows associated with the assets. The contractual terms of these financial assets give rise to cash flows on specified dates that are solely payments of principal and interest on the principal amount.

Financial assets and other assets are initially recognised at fair value. Subsequent to initial recognition they are recognised at amortised cost using the effective interest method. The amortised costs are reduced by impairment allowances. Interest income, currency gains and losses, impairments and reversals of impairments are recognised in profit or loss. Allowances are recognised on individual balances or for groups of receivables with comparable default risk profiles. Where there is concrete information that indicates that a balance is non-collectable, a write-off of the related receivables and assets is made.

3.9 Derivatives

The Verbio Group uses derivative financial instruments such as exchange-traded futures, options, swaps and OTC contracts to hedge against raw material price risks, interest rate risks and currency risks. In addition, purely trading transactions in futures entered into by the Trading division using separate trading books without reference to production are classified as financial derivatives. These trading transactions are forward delivery contracts that can, in principle, also be fulfilled by physical delivery of the goods. The contracts are entered into to achieve trading margins or for speculative reasons, and are generally fulfilled by corresponding offsetting contracts or net settlement in cash. In addition, these forward delivery contracts can also be hedged using derivative financial instruments in the form of securities transactions.

The derivative financial instruments are recognised at fair value at the time a contract is entered into and are remeasured at fair value in subsequent periods. Derivative financial instruments are recognised as financial assets if their fair value is positive, and as financial liabilities if their fair value is negative. Expenses and income are recognised in the position "Result from commodity forward contracts" on a uniform basis.

We have provided detailed explanations of the derivatives, in particular of the accounting and measurement policies applied, in note 9 "Disclosures on financial instruments".

Verbio has forward fixed-price supply contracts for the purchase of raw materials for use in production which meet the definition of derivatives (IFRS 9, Appendix A) and which are accounted for in accordance with the "own use exemption" (IFRS 9.2.4 and 9.2.5). These contracts are not within the scope of IFRS 9, but rather are handled as pending procurement contracts. Information on hedging transactions and hedging relationships is also provided in note 9 "Disclosures on financial instruments".

For financial instruments held in trust by Verbio as trustee, where the contractual arrangements provide for all risks and rewards to be transferred in full to the trustor, the financial instruments are not attributable to Verbio and are, accordingly, not recognised in the balance sheet. We refer to note 10.2.1 for information about current risks.

3.10 Term deposits

Term deposits are not available for use on a daily basis. They are held until their respective maturity dates. These deposits have an original maturity period (term to maturity when the deposits are made) exceeding three months. Term deposits are measured at their amortised acquisition cost.

3.11 Cash and cash equivalents

Cash and cash equivalents comprise cash holdings and cash at banks, and are measured at nominal value. Included in cash and cash equivalents are cash holdings and cash at banks that have an original term of three months or less. Currency balances which are restricted as collateral for utilised guaranteed credit lines and for bank loans granted are also shown under cash and cash equivalents. However, cash and cash equivalents which are held in segregated accounts as collateral security for the initial and variation margin are reported within other financial assets.

3.12 Investment grants

In accordance with the accounting option available under IAS 20, investment grants are deferred on the liability side of the balance sheet and are released to income over the average useful lives of the assets for which the grants and subsidies have been received. The release to income is presented within other operating income, which is included in EBITDA. Investment grants are recognised in the balance sheet if there is reasonable assurance that the relevant Group company will fulfil the conditions related to the grant award, and that the grants will be received.

3.13 Provisions

Provisions are recognised if there is a present obligation to a third party resulting from a past event which is expected to result in a future outflow of economic resources from the entity and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the amount required to fulfil the obligation. Provisions for obligations that will not result in an outflow of resources within the next twelve months are recognised as of the balance sheet date at the discounted settlement amount, taking into account the effect of expected cost increases. The settlement amount is discounted using rates that reflect market rates of interest for liabilities carrying equivalent risk.

3.14 Financial liabilities and other liabilities

Financial liabilities are initially recognised at fair value. The financial liabilities of the Verbio Group comprise trade payables and other liabilities, overdrafts, loans and derivative financial instruments.

With the exception of derivative financial assets, subsequent to initial recognition financial liabilities are carried at amortised acquisition cost. Further information on derivative financial instruments is provided in note 3.9. The amortised acquisition cost of non-current financial liabilities is determined using the effective interest rate method.

3.15 Revenue

The Verbio Group recognises revenue from the sale of goods as soon as a customer obtains control of the goods in accordance with IFRS 15. The customer obtains control over the goods as soon as the goods are delivered to the location as agreed in the specific sales contract and have been accepted there by the customer, or, as applicable, at the time the customer has collected the goods ex works. For biomethane sales, control is transferred to the customer when the risk is transferred, based on the terms of the agreement. In the case of GHG quota sales, control is transferred with the economic transfer of the respective GHG quotas to the customer. At that date invoices are raised, the majority of which are payable within 30 days. If, in individual cases, payment in advance is agreed, the goods are transferred shortly after receipt of payment; in this case the invoice is also issued at the time the customer collects the goods. The sale of biomethane as a fuel is subject to separate marketing systems for the sale of the physical product and the sale of the greenhouse gas savings associated with the biomethane respectively. Here, contracts are entered into with different customers for each of the two components, with the agreed prices for each component recognised as revenue.

Revenues are reported net of sales reductions where applicable. For standard products, however, no discounts are applied to the contractually agreed prices, and no bonus points or customer loyalty programmes are offered.

For contracts in which the purchase of raw materials and the sale of the goods produced from them are linked, an examination is performed to determine whether revenue is generated from the sale of the goods or whether the transaction is a contract processing service arrangement. In the case of a contract processing service arrangement, revenue is only recognised for the contract processing service provided.

Revenue for services is recognised in the period in which the services are rendered. Services primarily concern transport services and contract processing arrangements. Transport services represent individual transport services which are invoiced as separate transactions. Accordingly an allocation of the consideration received is not required.

If, as part of a sale and repurchase agreement, Verbio is obliged or entitled to repurchase the asset (e.g. under a forward transaction or purchase option), the customer – even if physically in possession of the asset – does not obtain control over the asset, as the customer has only limited rights to determine the use of and obtain, to a significant extent, the remaining benefits from the use of the asset. In such cases Verbio does not recognise revenue from the transaction and recognises the contract as a financing agreement. Accordingly, the asset continues to be recognised and a financial liability is recognised for each item of consideration received from the customer. The difference between the consideration received from the customer and the consideration to be paid to the customer is recognised as an interest expense (and if applicable as administrative or holding costs) in instalments over the period until repurchase.

3.16 Employee benefits

Obligations for short-term benefits payable to employees are recognised as an expense at the time the associated employee service is provided. A liability is recorded for the expected amount payable if the Group has a current legal or de facto obligation on the basis of work performed by an employee and the obligation can be estimated reliably.

Share-based remuneration payable to members of the Management Board and other employees is recognised at the fair value of the award on the grant date as an expense, with a corresponding increase in equity, over the period of time in which the members of the Management Board acquire a vested right to the shares.

Obligations for contributions to defined contribution plans are recognised as an expense at the time the associated work is performed.

3.17 Finance result

Finance income and finance expenses are recorded in the appropriate period in accordance with the effective interest method. In addition to finance income and finance costs, the finance result also includes write-downs on non-current financial assets, gains and losses from the measurement of financial instruments that are not allocated to operating activities, as well as income from the disposal of financial instruments.

3.18 Earnings per share

Earnings per share is calculated in accordance with IAS 33. The basic earnings per share is calculated by dividing the earnings for the period attributable to the shareholders of the parent Company by the weighted average number of shares outstanding. The diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding for the dilution effect of the potential ordinary shares.

3.19 Standards that have been issued but which are not yet mandatory

As of the date of publication of the consolidated financial statements, additional IFRSs and IFRICs have been issued by the IASB, some of which have not yet been endorsed by the EU and are not required to be adopted until a date subsequent to the balance sheet date. We present below only those standards/interpretations that can reasonably be expected to be applicable to Verbio in future periods. Verbio intends to apply these standards when their application becomes mandatory. Unless otherwise stated, the application of these standards is mandatory for financial years commencing on or after January 1, 2025.

- IFRS 18 "Presentation and Disclosure in Financial Statements" (on or after January 1, 2027)
- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" – Lack of Exchangeability
- Annual Improvements to IFRS Standards – Volume 11 (on or after January 1, 2026)
- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments – Disclosures": Amendments to the Classification and Measurement of Financial Instruments (on or after January 1, 2026)
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (on or after January 1, 2027)
- Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures": Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (mandatory date of initial application still open)

IFRS 18 will replace IAS 1 "Presentation of Financial Statements". The new standard introduces the following key new requirements:

- Companies will be required to categorise all income and expenses in the income statement into five categories: the operating category, the investing category, the financing category, the income tax category and the discontinued operations category. Companies will also be required to present a newly defined subtotal "Operating result". The Group's net profit for the period will not change.
- Certain entity-specific performance indicators (so-called management-defined performance measures, MPMs) will be disclosed in a separate note in the financial statements.
- The new standard introduces improved guidelines for grouping information within the financial statements.

In addition, all companies will be required to use the operating result as the starting point for the statement of cash flows if they present cash flows from operating activities using the indirect method.

Verbio is currently evaluating the potential impact of the new IFRS 18 standard, particularly with regard to the structure of the consolidated statement of profit and loss, the consolidated statement of cash flows and the additional disclosure requirements for MPMs. However, based on preliminary estimates the changes will not have an effect on the significant key figures used by Verbio for management purposes.

No significant changes to the financial statements of Verbio are expected as a result of the application of the other new standards and interpretations mentioned above. There may be changes made to the disclosure notes as a result of the implementation of some of the new standards and interpretations listed above.

4 Significant judgemental decisions, estimates and assumptions

The preparation of the consolidated financial statements in accordance with IFRS requires the use of judgement and assumptions and the making of estimates. These affect the carrying amounts of assets and liabilities, the disclosure of contingent liabilities and other commitments as of the balance sheet date, and the presentation of expenses and income.

Estimates and assumptions

The most important assumptions made concerning future events, as well as other main sources of estimation uncertainty as of the balance sheet date for which there is a heightened risk that a significant adjustment of the carrying amounts of assets and liabilities will be required in the next financial year, are explained below.

Identifying impairments and impairment reversals of non-current assets

If there are indications that an impairment may have occurred, we perform an impairment test in accordance with IAS 36. We refer to note 3.5. If there are indications that impairment write-downs of assets recognised in prior periods are no longer required or the impairment has decreased in amount, an appropriate write-up is recognised. The assumptions and estimates made are based on the cash flow forecasts in the Company's business plans and the discount factor (WACC), whereby the cash flows are significantly affected by:

- an assumed recovery in the GHG quota revenues generated compared to the financial year 2024/2025 (cash-generating unit Bioethanol Germany)
- a forecast increase in capacity utilisation up to full capacity (cash-generating units VERBIO India and VEN Bioethanol/Biomethane Stillage)
- a reduced short- to medium-term earnings potential as a result of changed external market conditions for cellulose-based fuels (cash-generating unit VEN Straw Biomethane)
- the lengths of the respective planning horizons

The business plans for the individual cash-generating units take account of the circumstances existing at the time of the preparation of the consolidated financial statements and developments in the industry-specific environment and their effects on the future development of the businesses. Detailed information on plant, property, plant and equipment is provided in note 6.1.2.

Net realisable value of inventories

Impairment write-downs with effect on profit and loss totalling EUR 5,709 thousand have been made against the calculated manufacturing cost of inventories of finished goods to adjust the carrying values to their estimated recoverable amounts. The estimates and assumptions made which affect finished goods inventories primarily relate to the expected revenue to be earned from biodiesel, bioethanol and biomethane as well as from the sale of GHG quotas. The latter in turn affects the measurement of inventories of biomethane and GHG quotas (June 30, 2025: EUR 189,511 thousand). Measurements of the loss-free amounts at the balance sheet date were based on observable estimates of market prices at June 30, 2025. Due to the fact that contracts for the GHG quotas for the calendar year 2025 will typically, and largely, not be entered into until the first half of 2026, and in view of the fact that their prices have proved to be very volatile, actual future revenue received may differ from the amounts estimated. However, the GHG quotas still available for the calendar year 2024 can only be used for the obligation year 2027. Accordingly, the market price estimates observable as at June 30, 2025 for the obligation year 2027 were used as, from Verbio's perspective, these represent the best indicator for price development or estimate of the realisable net selling price. Due to the considerable uncertainties regarding the price development for GHG quotas up to 2027 and beyond, the sales proceeds generated may, in future, also deviate from the current estimates.

Sale and repurchase agreements for GHG quotas

Verbio has sold GHG quotas from the obligation year 2024 under sale and repurchase agreements, and is repurchasing corresponding GHG quotas for the obligation year 2027. It is Verbio's view that sales and purchase agreements should be considered on a combined basis, so that the purchase agreements relating to the GHG quotas, expressed in tonnes of CO_2 savings, represent buy-back agreements for the sales agreements. The repurchase agreements are in respect of assets that are essentially the same as the assets originally sold. The sales contracts therefore do not result in revenue within the meaning of IFRS 15 as Verbio is under an obligation to repurchase the GHG quotas. The GHG quota asset from the obligation year 2024, which can be used for the obligation year 2027, will continue to be recognised accordingly by Verbio as inventory.

Estimation matters with less significant effects were as follows:

Derivatives and hedging relationships

There are risks associated with Verbio's operating business resulting from changes in prices of raw materials which will be purchased under future procurement transactions, as well as a price change risk in connection with sales transactions, as these are subject to significant market price fluctuations. These risks are in part managed by the use of derivatives. For accounting purposes, Verbio differentiates between stand-alone derivatives and derivatives which are matched in hedging relationships. Derivatives allocated to a hedging relationship are held for current and future procurement transactions.

All derivative financial instruments held at the balance sheet date are measured at their respective fair values. Stand-alone derivatives are always classified as "at fair value through profit and loss". Changes in the fair values of derivatives which are designated as hedge transactions are recorded in equity without affecting profit or loss for the period of the hedging relationship. The assessment and documentation of the hedging relationship requires the application of estimates and assumptions and, accordingly, has a significant influence on the financial statements.

Default risks of trade receivables and payments on account

The default risk of trade receivables and payments on account is primarily affected by the individual characteristics of the respective customers and suppliers. The respective creditworthiness was monitored.

Taxes

The assumptions and estimates made relate to the realisation of future tax relief. The amount of recognised deferred taxes on deductible tax losses carried forward is based on estimates that are highly dependent on future levels of income. The estimates made may therefore differ from the actual amounts that will be realised in later periods. The effects of necessary changes in assumptions and estimates are recognised at the time they become known. The estimates are based on circumstances existing at the time of the preparation of the consolidated financial statements and the expected future development of the industry-specific environment as it affects the future business development of the Verbio Group.

Deferred tax assets on deductible temporary differences and tax losses carried forward are only recognised to the extent that deferred tax liabilities are available against which they can be offset, or where it is probable that future taxable income will be available against which the deferred tax assets can be offset.

5 Notes to the individual items in the consolidated statement of comprehensive income

5.1 Revenue

Revenue wholly comprises revenue from contracts with customers (EUR 1,579,832 thousand; 2023/2024: EUR 1,658,034 thousand). Revenues are presented net of energy taxes of EUR 15,389 thousand (2023/2024: EUR 9,570 thousand).

We refer to the segment reporting (see note 8 "Segment reporting") for an analysis of revenue by category.

As permitted under IFRS 15, no disclosures are made of any remaining outstanding performance obligations at June 30, 2025 or June 30, 2024 since these have an expected maturity of one year or less.

5.2 Own work capitalised

Own work capitalised amounted to EUR 7,576 thousand (2023/2024: EUR 7,173 thousand) and represents the production costs of technical plant and equipment manufactured internally. See note 3.3 "Property, plant and equipment" for information on the scope of these costs.

5.3 Other operating income

Other operating income comprises the following items:

EUR (thousands)	2024/2025	2023/2024
Investment grants released to income	4,070	1,073
Reimbursements of electricity and energy tax	3,834	3,217
Insurance compensation	1,338	127
Out-of-period income	1,299	2,002
Gains on the disposal of property, plant and equipment	564	298
Release of provisions and other liabilities	452	2,027
Income from rentals and leases	190	431
Miscellaneous other operating income	5,162	2,186
Other operating income	**16,910**	**11,234**

5.4 Raw material and consumables used

The cost of materials was as follows:

EUR (thousands)	2024/2025	2023/2024
Raw material and merchandise biodiesel	682,306	713,769
Raw material and merchandise bioethanol and biomethane	544,323	431,679
Consumables	53,294	46,912
Change in provisions for onerous contracts	5,885	–392
Other	13,569	15,742
Total raw material, consumables and supplies and purchased goods	**1,299,377**	**1,207,709**
Energy costs	80,937	67,524
Transport services	6,867	5,133
Other	13,302	35,056
Expenses for purchased services	**101,106**	**107,713**
Raw material and consumables used	**1,400,482**	**1,315,422**

5.5 Employee benefits expense

EUR (thousands)	2024/2025	2023/2024
Wages and salaries	82,305	79,948
Variable remuneration and employee bonuses	5,807	11,050
IFRS 2 – bonuses for members of the Management Board and other employees	3,495	1,543
Wages and salaries	**91,607**	**92,541**
Compulsory social security	12,392	12,852
Pension expense	1,428	1,670
Employee accident insurance association	1,273	398
Total social security expenses	**15,093**	**14,920**
Employee benefits expense	**106,700**	**107,461**

Statutory social security costs include the employer's share of statutory pension scheme contributions totalling EUR 7,388 thousand (2023/2024: EUR 4,355 thousand). In addition, Group companies have made contributions of EUR 1,428 thousand (2023/2024: EUR 1,670 thousand) to defined contribution schemes, including, among others, contributions to pension funds.

As of June 30, 2025 the Group had 1,458 employees (June 30, 2024: 1,395 employees), of whom 636 were salaried employees (June 30, 2024: 640 salaried employees), 726 were production employees (June 30, 2024: 712 production employees), 29 were apprentices (June 30, 2024: 20 apprentices), 32 were employees in "mini-job" arrangements (June 30, 2024: 17 employees in "mini-job" arrangements), 27 were employees on short-term contracts (June 30, 2024: 6 on short-term contracts) and 8 were in arrangements for part-time early retirement.

In the financial year 2024/2025 the Group had an average of 1,502 employees (2023/2024: 1,369 employees), of whom 656 were salaried employees (2023/2024: 619 salaried employees), 755 were production employees (2023/2024: 708 production employee), 32 were apprentices (2023/2024: 25 apprentices), 27 were part-time employees in "mini-job" arrangements (2023/2024: 11 employees in "mini-job" arrangements), 30 were employees on short-term contracts (2023/2024: 6 on short-term contracts) and 2 were employees in arrangements for part-time early retirement.

5.6 Depreciation, amortisation and impairment of non-current assets

Depreciation, amortisation and impairment of non-current assets consists of amortisation of intangible assets of EUR 956 thousand (2023/2024: EUR 391 thousand), scheduled depreciation of property, plant and equipment of EUR 55,674 thousand (2023/2024: EUR 42,923 thousand) and amortisation of assets under leasing arrangements of EUR 10,240 thousand (2023/2024: EUR 8,717 thousand). In addition, impairment write-downs on non-current assets relating to the Bioethanol segment were recognised amounting to EUR 65,551 thousand.

We provide further information on depreciation, amortisation and impairment of non-current assets in note 6.1.1 "Intangible assets", note 6.1.2 "Property, plant and equipment", and note 6.1.3 "Right of use assets under leasing arrangements".

5.7 Other operating expenses

Other operating expenses comprises the following items:

EUR (thousands)	2024/2025	2023/2024
Repairs and maintenance	41,659	32,078
Outgoing freight and other selling expenses	34,656	23,720
Insurances and dues	8,727	10,429
Other personnel costs	4,815	3,487
IT costs	4,485	3,809
Motor vehicle costs	3,768	3,988
Legal and consultancy costs	2,930	4,858
Travel costs	2,458	2,794
Other administrative costs	1,922	1,867
Rents and leases	1,436	2,226
Miscellaneous other operating expenses	19,365	19,677
Other operating expenses	**126,221**	**108,932**

5.8 Changes in value of financial assets and liabilities

This item primarily includes losses resulting from changes in value of financial instruments of EUR 569 thousand (2023/2024: primarily income of EUR 1,636 thousand). These largely result from the effects of changes in currency exchange rates for receivables in US dollars between the date of initial recognition and the date of their realisation, as well as the foreign currency measurement of financial instruments measured at acquisition cost.

A detailed analysis of impairment losses on financial assets is presented in note 9.4.3 "Information regarding allowances for credit losses on financial assets".

5.9 Result from commodity forward contracts

The result from the measurement of and closing-out of forward contracts for which hedge accounting could not be applied totalled EUR 15,317 thousand (2023/2024: EUR 615 thousand). Of this, EUR 14,908 thousand (2023/2024: EUR 6,175 thousand) was attributable to the Trading business unit. In contrast, where hedge accounting is applied, the gains and losses on the forward contracts are initially recognised in equity and subsequently reclassified to revenues or cost of materials, as appropriate, on the final realisation of the underlying hedged transactions.

5.10 Finance result

EUR (thousands)	2024/2025	2023/2024
Finance income	1,161	1,300
Finance costs	–17,741	–10,622
Finance result	**–16,580**	**–9,322**

Further information on the composition of finance income and finance costs is provided in note 9.4 "Other disclosures required by IFRS 7".

Finance costs include expenses from the measurement of financial assets and liabilities of EUR 3,905 thousand and an amount of EUR 1,411 thousand from the interest accrued on lease liabilities recognised in accordance with IFRS 16 (2023/2024: EUR 1,032 thousand).

5.11 Income tax expense

The income tax expense comprises the following:

EUR (thousands)	2024/2025	2023/2024
Current tax expense	–8,373	–37,729
Deferred tax income (previous year: expense)	5,190	–2,397
Income tax expense	**–3,183**	**–40,126**

Income tax expenses include tax expenses of EUR 485 thousand (2023/2024: income of EUR 1,136 thousand) for current taxes attributable to earlier periods. For the calculation of domestic deferred taxes a corporation tax rate of 15.0 percent (2023/2024: 15.0 percent) plus the solidarity surcharge of 5.5 percent (2023/2024: 5.5 percent) and the trade tax rate of 14.07 percent applicable to the parent Company (2023/2024: 13.93 percent) was applied. After considering the solidarity surcharge and the effective trade tax rate, the applicable tax rate is 29.90 percent (2023/2024: 29.76 percent). The trade tax rate relevant for domestic companies ranged from 11.2 percent to 16.1 percent. The tax rates applicable to foreign companies ranged from 9.00 to 27.82 percent.

The significant differences between the expected and actual income tax expense for the reporting period and for the comparative period are explained below.

EUR (thousands)	2024/2025	2023/2024
Result before taxes	–134,764	60,270
Income tax rate	29.90%	29.76%
Expected income tax	**40,294**	**–17,936**

The difference between the expected and reported income tax expense was due to the following effects:

EUR (thousands)	2024/2025	2023/2024
Expected income tax	**40,294**	**–17,936**
Change in unrecognised deferred taxes	–33,603	–20,035
Difference in tax rates	–6,017	–2,744
Tax free income and non-deductible expenses	–4,199	1,921
Effects relating to prior periods	–882	–603
Other differences	1,224	–729
Reported income tax	**–3,183**	**–40,126**

The change in unrecognised deferred taxes is primarily due to non-recognition of deferred tax assets on tax losses generated in the financial year 2024/2025 in the USA and India.

The deferred tax assets and liabilities in the consolidated balance sheet result from tax losses carried forward, and from temporary differences between the carrying values reported in the IFRS consolidated financial statements and the tax carrying values of the following assets and liabilities.

EUR (thousands)	Deferred tax assets		Deferred tax liabilities		Total	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024
Intangible assets	0	33	0	0	0	33
Property, plant and equipment	960	1,281	8,380	4,708	–7,420	–3,427
Leasing	7,010	9,088	7,736	11,172	–726	–2,084
Inventories	0	0	409	2,736	–409	–2,736
Receivables	0	73	170	172	–170	–99
Derivatives	4,609	2,613	5,767	5,476	–1,158	–2,863
Other provisions	4,322	98	0	0	4,322	98
Liabilities	792	81	22	2	770	79
Loss carryforwards	3,176	3,865	0	0	3,176	3,865
	20,869	**17,132**	**22,484**	**24,266**	**–1,615**	**–7,134**
Netted	–19,397	–16,117	–19,397	0	0	0
Net deferred taxes	**1,472**	**1,015**	**3,087**	**24,266**	**–1,615**	**–7,134**

The change in the recognised deferred tax balances results from changes affecting profit or loss totalling EUR 5,190 thousand (2023/2024: EUR –2,393 thousand) and changes recognised directly in equity of EUR 143 thousand (2023/2024: EUR –1,501 thousand). The changes recognised directly in equity result from changes in the value of derivatives which are recognised only in equity. A deferred tax income of EUR 6,065 thousand (2023/2024: EUR 144 thousand) resulted from the creation and reversal of temporary differences.

As of June 30, 2025 there were unrecognised deferred tax liabilities totalling EUR 130 thousand (2023/2024: EUR 290 thousand) on temporary differences of EUR 436 thousand (2023/2024: EUR 995 thousand) in connection with shareholdings in subsidiary companies; these were not recognised because Verbio SE can control the reversal of the corresponding timing differences and their reversal will not take place in the foreseeable future.

No deferred tax assets are recognised on trade tax losses carried forward of EUR 7,882 thousand (2023/2024: EUR 8,362 thousand) and corporation tax losses of EUR 12,392 thousand (2023/2024: EUR 12,827 thousand) (both in Germany) as their utilisation is currently not sufficiently assured. In addition, no deferred tax assets are recognised on tax losses carried forward of EUR 179,135 thousand (2023/2024: EUR 168,789 thousand) in other countries as it is not sufficiently certain that they will be utilised. The deferred tax losses carried forward on which deferred tax assets are not recognised can be carried forward indefinitely.

The recognition of tax losses carried forward which were unrecognised in previous periods resulted in a reduction of deferred tax expenses of EUR 282 thousand.

No expense for current tax was incurred arising from German or foreign minimum tax laws for the financial year.

Verbio does not expect the regulations on global minimum taxation to have a significant impact on income taxes in the coming years, as Verbio can make use of the safe harbour regulations in most jurisdictions. In July 2025, the so-called growth booster was adopted, which led to significant changes in German tax law. Deferred tax items are expected to decrease in the next financial year due to the lower tax rates.

5.12 Other comprehensive income

The deferred tax recorded in other comprehensive income concerns the tax effects of cash flow hedges.

6 Notes to the individual items in the consolidated balance sheet

6.1 Non-current assets

6.1.1 Intangible assets

The intangible assets primarily include acquired software.

The movements in intangible assets in the financial year 2024/2025 included additions of EUR 891 thousand (2023/2024: EUR 709 thousand), the effects of changes in currency exchange rates of EUR –37 thousand (2023/2024: EUR 4 thousand), reclassifications from property, plant and equipment of EUR 333 thousand (2023/2024: EUR 40 thousand) and amortisation of EUR 956 thousand (2023/2024: EUR 391 thousand), resulting in a balance of EUR 1,533 thousand at June 30, 2025 (June 30, 2024: EUR 1,302 thousand). The acquisition cost of other intangible assets at June 30, 2025 amounted to EUR 5,915 thousand (June 30, 2024: EUR 4,748 thousand); their carrying values are after deduction of accumulated amortisation totalling EUR 4,382 thousand (June 30, 2024: EUR 3,446 thousand).

Research and development

The statement of comprehensive income includes expenses for research and development costs of EUR 6,330 thousand (2023/2024: EUR 5,660 thousand). In the creation of intangible assets the research phase cannot be separated from the development phase, and accordingly the costs of internal projects are treated as if they were wholly incurred in the research phase and are recorded as expenses.

6.1.2 Property, plant and equipment

Property, plant and equipment include properties, property rights, buildings, technical equipment and machinery, other equipment, factory and office equipment, and construction in progress.

The changes in property, plant and equipment in the period from July 1, 2024 to June 30, 2025 were as follows:

EUR (thousands)	Land, land rights and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Construction in progress	Total
Acquisition costs as of July 1, 2024	74,105	801,985	55,593	218,021	1,149,704
Additions	272	22,141	6,090	96,517	125,020
Reclassifications	4,906	114,964	2,028	–122,236	–338
Disposals	511	3,716	2,973	6,476	13,676
Currency effects	–1,673	–30,565	–688	–2,430	–35,356
Acquisition costs as of June 30, 2025	**77,098**	**904,809**	**60,051**	**183,396**	**1,225,354**
Accumulated depreciation as of July 1, 2024	27,820	361,832	31,679	179	421,510
Additions	2,279	110,892	8,054	0	121,225
Disposals	45	752	2,075	0	2,873
Currency effects	123	4,147	382	0	4,652
Accumulated depreciation as of June 30, 2025	**29,931**	**467,825**	**37,276**	**179**	**535,210**
Carrying amount as of July 1, 2024	46,285	440,153	23,914	217,842	728,194
Carrying amount as of June 30, 2025	**47,168**	**436,984**	**22,775**	**183,217**	**690,144**

Construction in progress includes EUR 116,364 thousand attributable to plant construction projects for the construction of plants in Germany, including the liquefaction plant for biomethane and the construction of an ethenolysis plant to manufacture renewable chemicals. A further EUR 12,194 thousand is attributable to the expansion of the filling station network in Germany. In addition, borrowing costs were capitalised for the first time. The amounts capitalised totalled EUR 2,272 thousand and were based on an average interest rate of 4.44 percent.

The changes in property, plant and equipment in the period from July 1, 2023 to June 30, 2024 were as follows:

EUR (thousands)	Land, land rights and buildings	Technical equipment and machinery	Other equipment, factory and office equipment	Construction in progress	Total
Acquisition costs as of July 1, 2023	61,480	608,510	46,610	257,449	974,050
Additions	4,346	3,409	6,692	165,006	179,453
Changes to the consolidated Group	0	0	0	0	0
Reclassifications	8,168	190,451	2,886	-201,550	-44
Disposals	6	4,249	649	3,608	8,511
Currency effects	117	3,863	54	722	4,757
Acquisition costs as of June 30, 2024	**74,105**	**801,985**	**55,593**	**218,021**	**1,149,704**
Accumulated depreciation as of July 1, 2023	25,862	328,846	24,180	179	379,067
Additions	1,956	33,040	7,926	0	42,922
Reclassifications	0	0	0	0	0
Disposals	6	351	446	0	803
Currency effects	-8	-297	-21	0	-326
Accumulated depreciation as of June 30, 2024	**27,820**	**361,832**	**31,679**	**179**	**421,510**
Carrying amount as of July 1, 2023	35,618	279,664	22,430	257,270	594,982
Carrying amount as of June 30, 2024	**46,285**	**440,153**	**23,914**	**217,842**	**728,193**

There were again indications of a possible impairment of property, plant and equipment at a total of three cash-generating units in the financial year 2024/2025. As a result of this and in view of the fact that Verbio's market capitalisation fell below the carrying amount of the Group's equity from the second quarter of 2024/2025, the cash-generating units Bioethanol/Biomethane Germany, Bioethanol North America VEN and Biomethane VERBIO India were subjected to impairment tests. Verbio assumes that the emergence of the book value–market value gap is due to the current developments affecting these cash-generating units. Conversely, there were no indicators that impairment write-downs recorded in previous periods are no longer required or that such impairments have decreased.

Review of property, plant and equipment at the cash-generating unit Bioethanol Germany
In the financial year 2024/2025, Verbio performed a review of property, plant and equipment attributable to the cash-generating unit Bioethanol Germany due to unrealised planned results, the changed framework conditions for the marketing of the 2024 GHG quotas, and the development of GHG quota prices up to the end of the financial year 2024/2025.

The impairment test for the cash generating unit Bioethanol Germany was prepared based on a calculation of the recoverable amount, whereby the recoverable amount was determined on the basis of the value in use of the affected assets. This is a level 3 measurement.

The cash flow forecasts are based on the business plans for 2025/2026 approved by the Management and Supervisory Boards, together with the business plans approved by the Management Board for the two subsequent financial years 2026/2027 and 2027/2028. For the financial years thereafter the planning is rolled forward, based on assumptions made concerning the trend for significant inputs to the business planning through to the financial year 2039/2040 (updated estimate concerning the use of the plants). Following an increase in the gross margin in the first six years, a decline in the gross margin is expected. The average EBITDA for the years 2027/2028 to 2030/2031 is approximately EUR 60 million and is significantly affected by an anticipated substantial increase in GHG quota revenues as of the balance sheet date compared to the past financial year. For the purpose of the impairment testing no account was taken of earnings contributions from second generation biofuels (advanced biofuels in the sense of the EU regulation) beyond the period covered by the business planning. While these currently already contribute a significant proportion of value added generated, their inclusion would only result in a higher result, and accordingly they are not relevant for the purposes of the impairment testing. Based on developments in the German Bioethanol business unit, no significant reinvestments were assumed from the third year onwards. The existing plant was assumed to have a remaining useful life which ends at the end of the financial year 2039/2040. It was assumed that at the end of the remaining useful life net current assets would be sold, only insignificant residual values would be generated from property, plant and equipment, and certain winding-up costs would be incurred.

The cash flows were estimated net of taxes and interest and discounted using an interest rate that reflects an after-tax risk-adjusted cost of capital. The after-tax interest rate for discounting purposes at June 30, 2025 was 7.94 percent. The underlying assumptions made in determining the interest rate used for discounting purposes were based on many years of experience, taking account of sector-specific comparative figures.

No impairment write-downs were recognised for the Bioethanol Germany cash-generating unit as a result of this examination.

A 17 per cent reduction in expected quota revenues would result in an average 34 per cent lower EBITDA in the years 2027/2028 to 2030/2031, but would not yet lead to impairment. An increase in the interest rate by 2 percentage points would also not lead to impairment.

Review of property, plant and equipment at the Bioethanol North America VEN cash-generating unit

Due to changed external market conditions for cellulose-based fuels in conjunction with investment expenditure exceeding the planned level, it was decided to discontinue operations for a group of assets in their current form. As a result, a full impairment loss of EUR 65.6 million was recognised on a group of assets used to produce straw biomethane belonging to the Bioethanol North America VEN cash-generating unit.

In addition, Verbio carried out a review of the property, plant and equipment of the cash-generating unit Bioethanol North America VEN in the financial year 2024/2025 due to the delay in the commissioning of the plant, the additional commissioning costs and the lower current capacity utilisation, taking into account the impairment write downs already recognised for the aforementioned group of non-current assets.

Impairment tests on the cash generating unit Bioethanol North America VEN were prepared based on a calculation of the recoverable amounts, whereby the recoverable amounts were determined on the basis of the value in use of the affected assets. This is a level 3 measurement.

The cash flow forecasts were based on the business plans for 2025/2026 approved by the Management and Supervisory Boards, together with the business plans approved by the Management Board for the subsequent financial years 2026/2027 through to 2029/2030. For the financial years thereafter the planning is based on assumptions made concerning the trend for significant inputs to the business planning through to the financial year 2039/2040. Following the ramp-up phase of the plant until the financial year 2029/2030, an average EBITDA of approximately USD 29 million is expected in the subsequent financial years, which is significantly influenced by a full capacity utilisation of the plant. In the years 2030/2031 to 2038/2039 a utilisation of the tax losses carried forward and an annual increase in the efficiency of the plant of 1 percent is taken into account. For periods subsequent to 2039/2040, it is assumed that the plant will continue to be operated thereafter without further limitation of its useful life, subject to a balanced level of investment and depreciation and a growth factor of 1 percent.

The cash flows were estimated net of taxes and interest and discounted using an interest rate that reflects an after-tax risk-adjusted cost of capital. The after-tax interest rate for discounting purposes at June 30, 2025 was 8.57 percent. The underlying assumptions made in determining the interest rate used for discounting purposes were based on many years of experience, taking account of sector-specific comparative figures.

As a result of this review, no further impairment was recognised for the cash-generating unit Bioethanol North America VEN beyond the impairment write downs already recognised for individual assets used to produce straw biomethane.

If, in the long term, full capacity utilisation of the plants is not achieved and capacity utilisation were to be reduced to approximately 80 percent of the planned values, this would lead to 36 percent reduction in average EBITDA in the years 2030/2031 to 2034/2035 and an impairment write-down of around USD 51 million. Were EBITDA 19 percent lower in the years 2030/2031 to 2034/2035 the carrying values and value in use of the property, plant and equipment would be approximately equal. An increase in the interest rate of 2 percentage points would lead to an impairment write-down of approximately USD 7 million.

Review of property, plant and equipment at the Biomethane VERBIO India cash-generating unit
Verbio performed further examinations of the property, plant and equipment of the cash-generating unit Biomethane VERBIO India in the financial year 2024/2025 due to the current lower than planned levels of capacity utilisation and the negative earnings contributions in the financial year just ended.

The impairment test on the cash generating unit Biomethane VERBIO India was prepared based on a calculation of the recoverable amounts, whereby the recoverable amounts were determined on the basis of the value in use of the affected assets. This is a level 3 measurement.

The cash flow forecasts were based on the business plans for 2025/2026 approved by the Management and Supervisory Boards, together with the business plans approved by the Management Board for the two subsequent financial years 2026/2027 and 2027/2028. For the financial years thereafter the planning was rolled forward based on certain assumptions made concerning the trends for significant inputs to the business planning through to the financial year 2038/2039, the final year considered for this purpose. Following the ramp-up phase of the plant through to the 2027/2028 financial year, an average EBITDA of approximately EUR 8 million will be generated in the subsequent financial years, which is significantly influenced by full capacity utilisation of the plant in parallel with ensuring the marketing of the products generated. It was assumed that only insignificant residual values will be generated from property, plant and equipment at the end of their respective expected remaining useful lives, that net current assets would be sold generating proceeds of approximately EUR 2.2 million, and that certain insignificant winding-up costs will be incurred.

No impairment write-downs were recognised for the VERBIO India cash-generating unit as a result of this examination.

If, in the long term, full capacity utilisation of the plant and equipment is not achieved and capacity utilisation were to be reduced to approximately 80 percent of the planned values, this would lead to a 25 percent lower average EBITDA in the years 2028/2029 to 2032/2033 and no impairment write-down would be required. An increase in the interest rate of 2 percentage points would also not result in an impairment write-down.

6.1.3 Right of use assets under leasing arrangements

Verbio holds assets under leases. These primarily consist of land, storage facilities, offices (presented as "Right-of-use assets for land, land rights and buildings") and tank wagons and motor vehicles (presented as "Right-of-use assets for other equipment, factory and office equipment").

Expenses of EUR 1,436 thousand have been recorded for short-term lease arrangements and for lease arrangements for low-value assets in the financial year (2023/2024: EUR 2,226 thousand) in the statement of profit or loss. Of this, EUR 899 thousand (2023/2024: EUR 1,738 thousand) were attributable to short-term leases and EUR 537 thousand (2023/2024: EUR 488 thousand) to low-value leasing arrangements.

The movements on right-of-use assets held under leasing arrangements were as follows in the period from July 1, 2024 to June 30, 2025:

EUR (thousands)	Right-of-use assets for land, land rights and buildings	Right-of-use assets for other equipment, factory and office equipment	Total
Acquisition costs as of July 1, 2024	21,668	24,104	45,773
Additions	2,607	10,637	13,244
Disposals	2,298	4,607	6,905
Reclassifications	23	–23	0
Currency effects	–188	–947	–1,135
Acquisition costs as of June 30, 2025	**21,812**	**29,164**	**50,977**
Accumulated depreciation as of July 1, 2024	5,611	12,360	17,971
Additions	2,705	7,535	10,240
Disposals	1,870	3,802	5,672
Reclassifications	18	–18	0
Currency effects	–98	–412	–510
Accumulated depreciation as of June 30, 2025	**6,366**	**15,663**	**22,029**
Carrying amount as of July 1, 2024	16,058	11,745	27,802
Carrying amount as of June 30, 2025	**15,447**	**13,502**	**28,948**

The movements on right-of-use assets held under leasing arrangements were as follows in the period from July 1, 2023 to June 30, 2024:

EUR (thousands)	Right-of-use assets for land, land rights and buildings	Right-of-use assets for other equipment, factory and office equipment	Total
Acquisition costs as of July 1, 2023	21,207	18,457	39,664
Additions	1,344	9,515	10,858
Disposals	705	4,064	4,769
Reclassifications	–79	79	0
Currency effects	–98	118	20
Acquisition costs as of June 30, 2024	**21,668**	**24,104**	**45,773**
Accumulated depreciation as of July 1, 2023	3,363	8,951	12,314
Additions	2,641	6,077	8,717
Disposals	383	2,713	3,096
Reclassifications	5	–5	0
Currency effects	–15	50	35
Accumulated depreciation as of June 30, 2024	**5,611**	**12,360**	**17,971**
Carrying amount as of July 1, 2023	17,844	9,506	27,350
Carrying amount as of June 30, 2024	**16,058**	**11,745**	**27,802**

The right-of-use assets for other equipment, factory and office equipment primarily relate to leased tank wagons to optimise rail logistics for purchasing and sales purposes.

6.1.4 Non-current financial assets

The non-current financial assets (EUR 1,160 thousand; June 30, 2024: EUR 1,540 thousand) primarily consist of the non-current portion of a loan (EUR 1,160 thousand; June 30, 2024: EUR 1,540 thousand). We refer to note 9.2 "Categories of financial assets and financial liabilities" for information on measurement of this item.

6.1.5 Other assets

Other non-current assets reported in the previous year primarily included payments on account for supplies of raw materials. Verbio made payments on account totalling USD 47.4 million in connection with a long-term supply agreement for raw materials. This supply contract was cancelled in the financial year 2024/2025 and the outstanding prepayment was repaid.

6.2 Current assets

6.2.1 Inventories

EUR (thousands)	30.06.2025	30.06.2024
Raw materials, consumables and supplies, gross	53,286	53,994
Allowances	−3,066	0
Raw materials, consumables and supplies	**50,221**	**53,994**
Work in progress, gross	3,043	3,161
Allowances	0	0
Work in progress	**3,043**	**3,161**
Finished goods, gross	247,627	214,304
Allowances	−40,383	−34,674
Finished goods	**207,244**	**179,630**
Merchandise, gross	18,586	8,087
Allowances	−3,373	0
Merchandise	**15,213**	**8,087**
Inventories	**275,720**	**244,872**

Inventories with a carrying value of EUR 108,392 thousand (June 30, 2024: EUR 185,999 thousand) are carried at their acquisition and production cost. Further inventories with a carrying value of EUR 167,328 thousand (June 30, 2024: EUR 58,873 thousand) are carried at their lower net realisable value.

Finished goods largely consist of biomethane and GHG quotas. Inventories of finished goods with a carrying amount of EUR 128,619 thousand (June 30, 2024: EUR 85,728 thousand), although transferred to third parties under civil law, are still attributable in economic terms to Verbio. Of the GHG quotas included in inventories of finished goods, quotas with a value of EUR 111,997 thousand can only be used for the obligation year 2027, meaning that these GHG quotas can only be expected to be realised in the financial year 2027/2028.

The impairment tests performed on the carrying values of inventories resulted in impairment write-downs totalling EUR 46,822 thousand (June 30, 2024: EUR 34,674 thousand) recorded to write down inventories to lower market or net realisable values. The additional allowances against finished and unfinished goods are reported in the statement of comprehensive income within "Change of finished and unfinished goods", and amount to EUR 5,709 thousand (2023/2024: EUR 19,557 thousand); write-downs of raw materials, consumables and supplies are reported within "Raw material and consumables used" and result in an increase in the cost of materials of EUR 6,439 thousand (2023/2024: a decrease in the cost of materials of EUR 1,822 thousand).

Contractually agreed delivery obligations for GHG quotas for the second half of the calendar year 2025 were also used to determine the net realisable value amounts. Current market prices and other quotations were also used.

6.2.2 Trade receivables

Trade receivables amounted to EUR 108,950 thousand at the balance sheet date (June 30, 2024: EUR 119,014 thousand) and are presented net of impairment allowances of EUR 570 thousand (June 30, 2024: EUR 1,268 thousand).

Allowances of EUR 0 thousand were recognised in the financial year (2023/2024: EUR 0 thousand); the expense is included in "Impairment losses on financial assets".

Allowances of EUR 698 thousand were utilised (2023/2024: EUR 15 thousand).

All the receivables have a remaining term of up to one year.

6.2.3 Derivatives

Information on the Group's derivative financial assets with a carrying value of EUR 31,970 thousand at June 30, 2025 (June 30, 2024: EUR 21,341 thousand) is provided in note 9.3, "Derivatives".

6.2.4 Other current financial assets

Other current financial assets comprise the following:

EUR (thousands)	30.06.2025	30.06.2024
Cash held in segregated accounts	19,072	9,424
Deferral of realised and unrealised results on forward contracts	7,780	490
Collateral security and security deposits	3,111	3,750
Creditor accounts with debit balances	696	250
Loans to other companies	483	480
Miscellaneous other financial assets	2,827	3,517
Other financial assets	**33,971**	**17,912**

6.2.5 Other assets

Other non-financial assets comprise the following:

EUR (thousands)	30.06.2025	30.06.2024
Value added tax and other receivables from tax authorities	13,153	9,662
Payments on account	8,190	12,132
Reimbursements of electricity and energy tax	5,984	5,649
Deferred expenses	2,498	3,250
Grants and investment allowances	175	175
Miscellaneous other assets	80	507
Other non-financial assets	**30,080**	**31,375**

6.2.6 Cash and cash equivalents

Cash and cash equivalents include unrestricted cash and cash equivalents of EUR 64,405 thousand (June 30, 2024: EUR 123,186 thousand).

The unrestricted cash and cash equivalents primarily include balances at banks of EUR 64,396 thousand (June 30, 2024: EUR 123,182 thousand).

6.3 Equity

6.3.1 Share capital

The movements in equity in the period are presented in the statement of changes in equity.

The Company's share capital is EUR 63,715,479 at the June 30, 2025 balance sheet date (June 30, 2024: EUR 63,638,198.00) and is divided into 63,715,479 no-par shares registered in the name of the holders. Ownership of the shares entitles the holders to exercise voting rights at the annual general meeting and the right to participate in dividend distributions, provided that a distribution is approved.

Under a shareholders' resolution approved at the annual general meeting of shareholders held on February 4, 2022, the Management Board is authorised, subject to the approval of the Supervisory Board, to increase the share capital with the issue of new shares in exchange for cash and/or non-cash contributions on one or more occasions until January 30, 2027 by a total of EUR 31,592 thousand (authorised capital). The previous authorised capital was cancelled under the same resolution.

The Management Board is empowered, subject to the approval of the Supervisory Board, to exclude existing shareholders' subscription rights for shares issued in exchange for contributions in kind of up to an amount of EUR 12,637 thousand. This also covers the use of the authorised capital to fulfil purchase obligations or purchase rights for the Company's shares based on agreements made or to be made with members of the Company's Management Board under Management Board remuneration agreements. Existing shareholders are entitled to subscription rights when shares are issued in exchange for cash contributions. However, the Management Board is authorised, subject to the consent of the Supervisory Board, to exclude shareholders' subscription rights if the issue price is not significantly below the stock market price of shares in the Company of the same class.

The Management Board is also authorised, subject to the approval of the Supervisory Board, to exclude the subscription rights of the shareholders in order to issue new shares of up to a proportional amount of EUR 500,000.00 to employees of Verbio SE or its affiliated companies.

The Management Board is empowered, subject to the approval of the Supervisory Board, to exclude existing shareholders' rights for fractional share amounts.

In addition, subject to the approval of the Supervisory Board, the Management Board may make further specifications concerning share rights and conditions for the issuance of shares.

The Supervisory Board is authorised to revise the wording of Article 4 of the articles of association consistent with the utilisation of the authorised capital, and, in the event that the authorised capital is not or is not completely utilised by January 30, 2027, to make amendments subsequent to its expiry.

The above was registered at the commercial register of the Company on February 15, 2022.

The general shareholders' meeting on February 2, 2024 authorised the Management Board until January 31, 2029 to purchase treasury shares of up to 10 percent of the capital shares at that time, on one or more occasions. The authorisation is not to be used for the purpose of trading in treasury shares. The powers of the Management Board to issue or repurchase shares are comprehensively described and governed in the authorisation resolved by the general shareholders' meeting.

The issue of a total of 638,198 new shares in the previous financial year and 77,281 new shares in the financial year 2024/2025 was primarily in connection with the payment of long-term bonus awards to the Management Board for which the Supervisory Board had decided that the payment would be made by the issue of shares instead of by cash settlement. The capital increase 2024 was registered at the commercial register on April 16, 2024. The capital increase for the financial year 2025 was registered at the commercial register on December 12, 2024.

6.3.2 Capital reserve

The capital reserve primarily resulted from the creation of the Verbio Group under the 2006 business combination to the extent that acquisition costs were not recorded in share capital. Of this, an amount of EUR 177,803 thousand is subject to restricted use under German company law. The reserve was reduced in 2006 by EUR 49,900 thousand as a result of a share capital increase from the Company's own resources. The excess of the proceeds of the initial public offering over the nominal amount of the capital increase in 2006 was added to the capital reserve (EUR 175,500 thousand). Set off against this was the cost of the initial public offering, which was recorded as a reduction of the capital reserve in accordance with IAS 32.37.

EUR 4,021 thousand was added to the capital reserve in 2010. The amount represents the difference between the book value and the fair value of own shares acquired as a component of the purchase price paid for the shareholding in VERBIO Agrar in 2010.

An additional amount of EUR 8,012 thousand was added to the capital reserve in the financial year 2020/2021. This represented the excess of the value of the shares allocated, insofar as it exceeded the nominal amounts of the share capital of the shares issued, at the date of the resolution by the Supervisory Board to replace the long-term bonus cash award with the issue of shares.

The capital reserve was increased by EUR 3,701 thousand in the financial year 2021/2022, by EUR 2,652 thousand in the financial year 2022/2023, by EUR 1,942 thousand in the financial year 2023/2024, and by EUR 4,003 thousand in the financial year 2024/2025. These amounts represent the excess of the value of the shares allocated in the financial years 2021/2022, 2022/2023, 2023/2024 and 2024/2025 over their respective nominal share capital amounts.

6.3.3 Retained earnings and appropriation of profit

Distributions to the shareholders of Verbio SE are resolved based on the annual financial statements of Verbio SE, which are prepared under the requirements of the German commercial code. The Management Board and the Supervisory Board of Verbio SE will propose to the annual general meeting to be held on December 5, 2025 that the distribution of a dividend shall be suspended, and that the remaining balance of retained profits shall be carried forward. This measure strengthens the Group's freely available liquidity, while some of the funds remain tied up in inventories due to the political decision to suspend the right to offset brought-forward surplus GHG quotas in the obligation years 2025 and 2026. The surpluses accumulated until 2024 will be available again from 2027.

The retained earnings in the consolidated financial statements in the financial year 2024/2025 decreased as a result of the negative Group result attributable to owners of the parent Company (EUR 138,011 thousand), taking account of the dividend paid for the previous year (EUR 12,728 thousand, EUR 0.20 per qualifying share). No potential income tax consequences arise from the dividends paid to shareholders. Following all changes in the financial year, retained earnings total EUR 197,679 thousand at June 30, 2025.

6.3.4 Reserve for cash flow hedges

The other reserves include the effective portion of the cumulative change in fair value measurements of forward commodity contracts that qualify as cash flow hedges, to the extent that these transactions had not yet been realised by June 30, 2025.

6.3.5 Reserve for translation adjustments

We refer to note 2.4 "Foreign currency translation" for information about the amounts recorded in this item. The reported item is primarily related to Verbio's net US dollar investments in the US subsidiary companies. While items presented in the balance sheet and the statement of profit and loss are translated at the respective closing or average rates, respectively, the equity components are translated at historical rates. The currency translation reserve fell from EUR 8,448 thousand to EUR −24,554 thousand compared to the previous year's reporting date, primarily as a result of the depreciation of the US dollar in the second half of the financial year 2024/2025.

6.3.6 Earnings per share

Verbio SE has 63,715,479 no-par shares with an arithmetic nominal value of EUR 1 each. The Group result attributable to the shareholders of the parent Company for the financial year 2024/2025 amounts to EUR −138,011 thousand (2023/2024: EUR 19,960 thousand).

The number of shares at the end of the financial year 2024/2025 totalled 63,715,479 (June 30, 2024: 63,638,198). Following the capital increase the weighted average number of shares outstanding during the reporting period was 63,628,871. The basic result per share amounts to EUR −2.17 (2023/2024: EUR 0.31).

The expected issue of new shares as a component of the remuneration of the Management Board gives rise to potential ordinary shares, with the result that the basic earnings per share differs from the diluted earnings per share. With 302,767 potentially diluting ordinary shares, the diluted earnings per share amounts to EUR −2.16 per share.

	2024/2025	2023/2024
Outstanding shares on June 30, 2025 and 2024	63,715,479	63,638,198
Average number of shares outstanding as at the balance sheet date	63,628,871	63,542,067
Number of potential shares on June 30, 2025 and June 30, 2024	302,767	176,115
Result attributable to shareholders of the parent company (in EUR thousands)	−138,011	19,960
Basic earnings per share in EUR	**−2.17**	**0.31**
Diluted earnings per share in EUR	**−2.16**	**0.31**

6.3.7 Non-controlling interests

Non-controlling interests represent third-party interests in VAgrar and its subsidiaries. At the end of the financial year 2024/2025 Verbio increased its stake in VAgrar to 100 percent by acquiring the remaining shares and is now the sole shareholder.

EUR (thousands)	2024/2025	2023/2024
Revenue (without group eliminations)	41,642	39,069
Net result for the period	610	1,733
Result attributable to non-controlling interests	**65**	**185**

EUR (thousands)	2024/2025	2023/2024
Cash flows from operating activities	7,199	5,814
Cash flows from investing activities	−7,195	−5,820
Cash flows from financing activities	0	0
Net change in cash funds	**4**	**−6**

6.4 Non-current liabilities

6.4.1 Borrowings

Bank loans and other loans totalled EUR 238,777 thousand as of the June 30, 2025 balance sheet date (June 30, 2024: EUR 165,517 thousand). These are classified as follows (current and non-current portions):

EUR (thousands)	30.06.2025	Within one year	Non-current	Maturity	Interest p. a. in %	Payment modality
Promissory note	17,500	0	17,500	29.04.2030	4.75	Due on maturity
Promissory note	12,000	0	12,000	27.04.2028	4.63	Due on maturity
Promissory note	72,500	0	72,500	27.04.2028	Euribor + 1.40	Due on maturity
Bank loan	20,000	20,000	0	04.07.2025	Euribor + 1.15	Due on maturity
Bank loan	31,000	31,000	0	30.03.2026	€STR + 1.0	Due on maturity
Bank loan	35,000	0	35,000	31.03.2027	Euribor + 0.95	Due on maturity
Bank loan	50,000	13,636	36,364	30.06.2028	4.9	Deferred quarterly
Other loans	74	25	49	30.06.2026	n/a	n/a
Interest accrued on loans	703	703			n/a	n/a
Total	**238,777**	**65,364**	**173,413**			

The bank loans and other loans as of June 30, 2024 are presented below in their current and non-current components:

EUR (thousands)	30.06.2024	Within one year	Non-current	Maturity	Interest p. a. in %	Payment modality
Promissory note	12,500	12,500	0	03.07.2024	0.9	Due on maturity
Promissory note	17,500	0	17,500	29.04.2030	4.75	Due on maturity
Promissory note	12,000	0	12,000	27.04.2028	4.63	Due on maturity
Promissory note	72,500	0	72,500	27.04.2028	Euribor + 1.40	Due on maturity
Bank loan	50,000	0	50,000	30.06.2028	4.90	Deferred quarterly
Other loans	108	28	80	30.06.2025	n/a	n/a
Interest accrued on loans	909	909	0		n/a	n/a
Total	**165,517**	**13,437**	**152,080**			

Details of the risks from changes in interest rates are presented in note 10.2.3 "Market risks".

6.4.2 Lease liabilities

The movements on the long- and short-term lease liabilities in the financial year 2024/2025 and 2023/2024 were as follows:

EUR (thousands)	Lease liabilities for land, land rights and buildings	Lease liabilities for other equipment, factory and office equipment	Total
Present value as at July 1, 2024	16,698	11,981	28,679
Additions	2,607	10,636	13,243
Disposals	387	860	1,247
Lease payments	3,041	8,325	11,366
Interest accrued on lease liabilities	510	901	1,411
Currency effects	–141	–499	–640
Present value as at June 30, 2025	**16,246**	**13,834**	**30,080**

EUR (thousands)	Lease liabilities for land, land rights and buildings	Lease liabilities for other equipment, factory and office equipment	Total
Present value as at July 1, 2023	18,296	9,655	27,951
Additions	1,311	9,509	10,820
Disposals	334	1,379	1,713
Lease payments	2,938	6,517	9,455
Interest accrued on lease liabilities	450	581	1,031
Currency effects	–88	132	45
Present value as at June 30, 2024	**16,698**	**11,981**	**28,679**

The lease liabilities mature as follows:

	Remaining contractual payments			
EUR (thousands)	**Within one year**	**1–5 years**	**After 5 years**	**Total**
Lease liabilities at June 30, 2025	8,873	13,867	7,340	30,080

	Remaining contractual payments			
EUR (thousands)	**Within one year**	**1–5 years**	**After 5 years**	**Total**
Lease liabilities at June 30, 2024	7,814	12,763	8,102	28,679

6.4.3 Non-current provisions

The Group has non-current provisions of EUR 2,052 thousand at June 30, 2025 (June 30, 2024: EUR 187 thousand) which includes provisions of EUR 1,700 thousand for dismantling obligations for LNG/CNG filling stations built on third-party land.

6.4.4 Investment grants

The movements on the deferred investment grants reserve in the period from July 1, 2024 to June 30, 2025 were as follows:

EUR (thousands)	Investment allowances	Tax credit	Total
July 1, 2024	651	35,548	36,199
Additions	0	0	0
Release in current period	–324	–2,208	–2,532
Disposals	0	0	0
Currency effects	0	–2,922	–2,922
June 30, 2025	**327**	**30,418**	**30,745**
Thereof current:	124	2,051	2,175
Thereof non-current:	203	28,367	28,570

In the financial year 2023/2024 Verbio received tax credits for the investment made in the VEN biomethane plant in the USA under Sec. 48 of the Inflation Reduction Act (IRA). In doing so Verbio took the opportunity to sell this tax credit to a third party. Verbio has taken the decision to classify the tax credit as an investment grant from the start. This resulted in the recognition of investment grants totalling EUR 30,418 thousand at June 30, 2025.

The movements on the deferred investment grants reserve in the period from July 1, 2023 to June 30, 2024 were as follows:

EUR (thousands)	Investment allowances	Tax credit	Total
July 1, 2023	1,353	0	1,353
Additions	0	35,922	35,922
Release in current period	–702	–374	–1,076
Disposals	0	0	0
June 30, 2024	**651**	**35,548**	**36,199**
Thereof current:	209	2,245	2,454
Thereof non-current:	442	33,303	33,745

The release of the deferred investment grants and subsidies is made through the income statement. Details are provided in note 5.3 "Other operating income".

6.4.5 Other non-current financial liabilities

Other non-current financial liabilities amounted to EUR 33 thousand as at the reporting date (June 30, 2024: EUR 19,645 thousand). The amount reported in the previous year's financial statements primarily consisted of the non-current portions of repurchase agreements. These represent payments received from sales transactions under civil law.

6.4.6 Deferred tax liabilities

Information on deferred taxes is provided in note 5.11 "Income tax expense".

6.5 Current liabilities

6.5.1 Lease liabilities

Lease liabilities included within current liabilities amounting to EUR 8,868 thousand (June 30, 2024: EUR 8,012 thousand) represent the short-term components of the total amounts due under lease liabilities described in note 6.4.2 in the disclosures on non-current liabilities.

6.5.2 Trade payables

Trade payables at the balance sheet date amount to EUR 127,882 thousand (June 30, 2024: EUR 126,394 thousand). All of the trade payables are due for payment in less than one year.

6.5.3 Derivatives

Information on the Group's derivative financial liabilities with a carrying value of EUR 31,799 thousand at June 30, 2025 (June 30, 2024: EUR 9,517 thousand) is provided in note 9.3, "Derivatives".

6.5.4 Other current financial liabilities

The other current financial liabilities primarily include repurchase agreements, current liabilities for amounts payable to employees and liabilities arising on forward contracts.

EUR (thousands)	30.06.2025	30.06.2024
Repurchase agreements	18,729	14,800
Non-recurring payments to employees	7,823	11,295
Deferral of realised losses on forward contracts	6,916	3,794
Wages and salaries	3,514	3,906
Holiday pay accruals	2,097	2,646
Receivable accounts with credit balance	99	489
Outstanding invoices	40	191
Miscellaneous current liabilities	7,340	6,095
Other current financial liabilities	**46,558**	**43,216**

The repurchase agreements are payments received from civil law sales transactions in which repurchase agreements for the same quantities of end products were concluded at the same time and the economic ownership of the assets in question remained with Verbio with the result that these quantities continue to be recognised in Verbio's inventory. The difference between the purchase and sales contracts is regarded as interest and storage costs, and is recognised as an expense on a pro rata basis over the period until repurchase.

6.5.5 Income tax liabilities

The movements on tax liabilities in the financial years 2024/2025 and 2023/2024 were as follows:

EUR (thousands)	01.07.2024	Utilisation	Release	Addition	Reclassifi-cation	Currency effects	30.06.2025
Trade tax	622	135	430	583	0	0	640
Corporation tax	2,174	1,202	578	198	0	–34	558
Current tax payable	**2,796**	**1,337**	**1,008**	**781**	**0**	**–34**	**1,198**

EUR (thousands)	01.07.2024	Utilisation	Release	Addition	Reclassifi-cation	Currency effects	30.06.2024
Trade tax	706	125	0	12	29	0	622
Corporation tax	1,277	95	197	1,214	–29	4	2,174
Current tax payable	**1,983**	**220**	**197**	**1,230**	**0**	**4**	**2,796**

6.5.6 Current provisions

Current provisions at June 30, 2025 and June 30, 2024 included the following:

EUR (thousands)	01.07.2024	Utilisation	Release	Addition	Currency effects	30.06.2025
Expected losses on pending sales and purchase contracts	166	0	0	5,885	0	6,051
Other provisions	127	87	46	47	0	41
Provisions	**293**	**87**	**46**	**5,932**	**0**	**6,092**

EUR (thousands)	01.07.2023	Utilisation	Release	Addition	Currency effects	30.06.2024
Expected losses on pending sales and purchase contracts	558	558	0	166	0	166
Repayment obligations from energy and electricity price cap arrangements	1,500	0	1,500	0	0	0
Other provisions	272	165	0	23	–2	127
Provisions	**2,330**	**723**	**1,500**	**189**	**–2**	**293**

6.5.7 Other current liabilities

Other current liabilities comprise the following:

EUR (thousands)	30.06.2025	30.06.2024
Value added tax	12,331	4,110
Energy tax	1,710	1,260
Wage and church tax	737	2,286
Social security contributions	671	440
Payments received on account	366	14
Miscellaneous current liabilities	2,663	845
Other current liabilities	**18,477**	**8,954**

7 Notes to the consolidated statement of cash flows

Cash funds as reported in the balance sheet include cash and cash equivalents of EUR 64,405 thousand (2023/2024: EUR 123,186 thousand), whereby these balances do not include any amounts subject to restrictions concerning their use.

The cash flows from operating activities for the reporting period totalled EUR 13,885 thousand (2023/2024: EUR 116,775 thousand), significantly lower than in the previous year. In addition to the lower result for the period, this was a result of the increase in inventories of EUR 30.8 million (2023/2024: decrease in inventories of EUR 15.4 million), a decrease in other financial and non-financial liabilities of EUR 9.1 million (2023/2024: an increase of EUR 8.3 million) and the increased interest paid (EUR 14.9 million; 2023/2024: EUR 8.7 million).

In contrast, there were positive effects on operating cash flows from the significantly lower increase in trade receivables compared to the previous year (EUR 1.1 million; 2023/2024: EUR 18.1 million), the effect of non-cash changes in derivatives (EUR 11.2 million; 2023/2024: a non-cash changes effect of decreasing cash and cash equivalents amounting to EUR 10.4 million) and the income taxes refunded in the financial year (EUR 2.1 million; 2023/2024: income taxes paid of EUR 54.0 million).

The cash flow from investing activities of EUR −120,056 thousand (2023/2024: EUR −144,900 thousand) is primarily driven by payments made for investments in property, plant and equipment of EUR 131,842 thousand (2023/2024: EUR 170,359 thousand).

The cash flows from financing activities were significantly higher than in the previous year and amounted to EUR 49,876 thousand (2023/2024: EUR −19,529 thousand). In addition to payments for lease liabilities of EUR 11,365 thousand (2023/2024: EUR 9,455 thousand) and dividend payments, the cash flows from financing activities primarily consisted of drawdowns of new financial liabilities amounting to EUR 222,469 thousand (2023/2024: EUR 219,880 thousand) and repayments of financial liabilities of EUR 148,500 thousand (2023/2024: EUR 217,251 thousand). A dividend payment of EUR 0.20 per share was approved for the financial year 2023/2024 at the annual general meeting held on December 6, 2024 (financial year 2022/2023: EUR 0.20 per share). The payment of the dividend resulted in a cash outflow from financing activities of EUR 12,728 thousand (2023/2024: EUR 12,703 thousand), with a corresponding reduction in the retained earnings reported in the balance sheet.

The acquisition of non-controlling interests resulted in a liability of EUR 2,050 thousand (non-cash financing transaction).

The cash flows of liabilities for financing activities in the financial year 2024/2025 and in the previous year were as follows:

			Non-cash changes		
EUR (thousands)	**01.07.2024**	**Cash flows**	**Additions/ disposals**	**Accrued interest**	**30.06.2025**
Non-current financial liabilities	152,080	26,783	–13,636	8,186	173,413
Current financial liabilities	13,437	37,396	13,636	894	65,364
Lease liabilities	28,679	–11,365	11,356	1,411	30,081
	194,196	**52,814**	**11,356**	**10,491**	**268,858**

			Non-cash changes		
EUR (thousands)	**01.07.2023**	**Cash flows**	**Additions/ disposals**	**Accrued interest**	**30.06.2024**
Non-current financial liabilities	114,500	44,926	–12,500	5,154	152,080
Current financial liabilities	47,518	–47,490	12,500	909	13,437
Lease liabilities	27,950	–9,454	9,152	1,031	28,679
	189,968	**–12,018**	**9,152**	**7,094**	**194,196**

8 Segment reporting

The risks and returns of the Group are primarily those of the Group's business segments. The Verbio Group consists of the segments Biodiesel, Bioethanol/Biomethane and Other, in line with the Group's internal organisation and management structure. The Other segment is a collective segment that includes the Group's Trading and Transport and Logistics business units.

No segmentation on a geographical basis is made as this is not primarily used for the Verbio Group's internal management purposes.

8.1 Segments according to internal corporate management

For internal management purposes, sales revenue is presented net of energy taxes of EUR 15,389 thousand (2023/2024: EUR 9,570 thousand). The Biodiesel and Bioethanol/Biomethane segments generate sales revenue from the sale of goods. In the Other segment, revenue is generated through the rendering of transport services. The accounting principles used in the preparation of the segment reporting and for the purposes of reporting transactions between reportable segments are identical to those used by the Group as a whole in preparing its consolidated financial statements.

Of the total investments in property, plant and equipment amounting to EUR 125,020 thousand in the financial year 2024/2025, a total of EUR 33,126 thousand were made in foreign production locations.

The acquisition costs of segment assets that are expected to be utilised for more than one reporting period amounted to EUR 125,020 thousand in the financial year 2024/2025 (2023/2024: EUR 179,453 thousand).

The Verbio Group generated revenue from deliveries of goods and services to foreign countries (primarily Europe and North America) of EUR 670,554 thousand in the reporting period (2023/2024: EUR 723,145 thousand).

Revenue of EUR 264,176 thousand (2023/2024: EUR 313,921 thousand) was generated in North America. It should be noted that a change in the structure of the purchase and sales contracts between December 2023 and October 2024 had a significant impact on sales revenues for Biodiesel North America. A significant proportion of property, plant and equipment (June 30, 2025: EUR 221,465 thousand; June 30, 2024: EUR 319,323 thousand) is located in North America.

Sales revenue with one (2023/2024: two) external customer(s) amounted to more than 10 percent of total revenue in the reporting period; the sales revenue with this customer totalled EUR 240,240 thousand (2023/2024: two customers totalling EUR 381,420 thousand). Of this total, revenue of EUR 199,464 thousand (2023/2024: EUR 277,866 thousand) is attributable to the Biodiesel segment and revenue of EUR 40,776 thousand (2023/2024: EUR 103,554 thousand) is attributable to the Bioethanol/Biomethane segment.

Segment reporting for the period from July 1, 2024 to June 30, 2025

Segment revenues and results

EUR (thousands)	Biodiesel		Bioethanol/Biomethane		Other	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024
External revenues	894,191	987,472	670,624	655,563	15,017	14,999
Revenues with other segments	0	0	1,489	951	20,033	16,623
Changes in inventories of finished goods and work in progress	−11,945	−16,597	40,519	−8,658	0	0
Own work capitalised	3,893	2,187	3,577	4,864	106	123
Other operating income	2,845	2,507	13,101	8,677	1,196	562
Raw material and consumables used	−733,364	−782,953	−660,324	−525,863	−16,374	−13,674
Employee benefits expense	−32,214	−31,247	−61,582	−67,123	−12,904	−9,091
Other operating expenses	−33,734	−33,383	−84,816	−82,140	−19,847	−4,426
Changes in the value of financial assets and liabilities	−858	−653	622	2,289	−334	0
Result from commodity forward contracts	780	−13,278	−370	13,893	14,908	0
Segment EBITDA	**89,594**	**114,056**	**−77,158**	**2,454**	**1,801**	**5,114**
Depreciation, amortisation and impairment of non-current assets	−13,488	−11,259	−114,117	−36,178	−4,815	−4,595
Segment EBIT	**76,106**	**102,797**	**−191,275**	**−33,724**	**−3,015**	**520**
Finance income	685	743	431	557	45	0
Finance costs	−7,873	−4,160	−9,853	−6,462	−15	0
Result before tax	**68,919**	**99,380**	**−200,697**	**−39,629**	**−2,985**	**520**

Reconciliation of segment revenues and results

EUR (thousands)	Total all segments		Inter-segment revenues, expenses and other adjustments		Group	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024
External revenues	1,579,832	1,658,034	0	0	1,579,832	1,658,034
Revenues with other segments	21,522	17,574	–21,522	–17,574	0	0
Changes in inventories of finished goods and work in progress	28,574	–25,255	0	0	28,574	–25,255
Own work capitalised	7,576	7,173	0	0	7,576	7,173
Other operating income	17,143	11,746	–233	–512	16,910	11,234
Raw material and consumables used	–1,410,062	–1,322,490	9,580	7,068	–1,400,482	–1,315,422
Employee benefits expense	–106,700	–107,461	0	0	–106,700	–107,461
Other operating expenses	–138,396	–119,950	12,175	11,018	–126,221	–108,932
Changes in the value of financial assets and liabilities	–569	1,636	0	0	–569	1,636
Result from commodity forward contracts	15,317	616	0	0	15,317	616
Segment EBITDA	**14,237**	**121,624**	**0**	**0**	**14,237**	**121,624**
Depreciation, amortisation and impairment of non-current assets	–132,421	–52,031	0	0	–132,421	–52,031
Segment EBIT	**–118,184**	**69,592**	**0**	**0**	**–118,184**	**69,592**
Finance income	1,161	–1,300	0	0	1,161	1,300
Finance costs	–17,741	–10,622	0	0	–17,741	–10,622
Result before tax	**–134,764**	**60,270**	**0**	**0**	**–134,764**	**60,270**

Segment assets

EUR (thousands)	Biodiesel		Bioethanol/Biomethane		Other		Group	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Intangible assets	873	549	657	753	3	0	1,533	1,302
Right-of-use assets under leasing arrangements	11,944	10,221	16,792	17,581	213	0	28,948	27,802
Property, plant and equipment	129,542	95,251	546,345	619,417	14,257	13,525	690,144	728,193
Inventories	94,467	53,751	180,961	190,868	292	253	275,720	244,872
Trade receivables	61,530	60,550	45,668	56,800	1,752	1,665	108,950	119,014
Other assets and other financial assets	31,938	14,903	33,891	69,673	125	371	65,954	84,947
Derivatives	17,891	10,764	14,078	10,576	0	0	31,970	21,341
Segment assets	**348,185**	**245,988**	**838,391**	**965,670**	**16,642**	**15,813**	**1,203,219**	**1,227,471**

Segment liabilities

EUR (thousands)	Biodiesel		Bioethanol/Biomethane		Other		Group	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Lease liabilities	12,424	10,535	17,436	18,144	221	0	30,081	28,679
Investment grants	7,714	144	22,944	35,968	87	87	30,745	36,199
Non-current provisions	81	46	1,966	136	5	5	2,052	187
Trade payables and other current provisions	57,785	49,531	74,695	75,586	1,494	1,571	133,974	126,687
Other non-current and current financial liabilities and other current liabilities	18,116	11,188	45,830	56,980	1,122	3,424	65,068	71,591
Derivatives	16,648	8,477	15,152	1,040	0	0	31,799	9,517
Segment liabilities	**112,768**	**79,922**	**178,023**	**187,852**	**2,928**	**5,087**	**293,719**	**272,860**

Reconciliation of segment assets and liabilities

EUR (thousands)	Group	
	30.06.2025	30.06.2024
Segment assets	1,203,219	1,227,471
Deferred taxes	1,472	1,009
Current tax receivable	13,974	26,089
Cash and cash equivalents	64,405	123,186
Total assets	**1,283,070**	**1,377,755**
Segment liabilities	293,719	272,860
Bank loans and other loans	238,777	165,517
Other tax liabilities	1,198	2,796
Other non-current financial liabilities	0	224
Deferred taxes	3,087	8,142
Total liabilities	**536,782**	**449,539**

Investments

EUR (thousands)	Biodiesel		Bioethanol/Biomethane		Other		Group	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024
Investments (excluding leasing)	**44,680**	**25,538**	**74,094**	**148,752**	**7,136**	**5,873**	**125,911**	**180,162**

9 Disclosures on financial instruments

9.1 General information

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity. The financial instruments of the Group can be differentiated between financial instruments originated by the Group and derivative financial instruments.

IFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit and loss (FVTPL). The classification of financial assets under IFRS 9 is based on the business model of the Company used to manage financial assets and on the contractual cash flow characteristics of the instruments.

Financial instruments originated by the Group on the assets side of the balance sheet are primarily trade receivables, other financial assets, and cash and cash equivalents, and are classified as "at amortised cost". The so-called "simplified approach" (IFRS 9.5.5.15) is used to measure trade receivables. Other financial assets are measured using what is known as the "general approach" (IFRS 9.5.5.1).

Instruments originated by the Group classified as liabilities are primarily the reported amounts of financial liabilities, trade payables and other financial liabilities. The financial instruments on the equity and liabilities side of the balance sheet are also classified as "at amortised cost".

Included in derivative financial instruments are instruments used to hedge price risks relating to procurement and sales transactions. Derivative financial instruments are recognised and measured at their fair value upon acquisition on the trading date. Subsequent to initial recognition they are remeasured to fair value. Financial instruments in the form of forward commodity contracts used to hedge purchasing prices on the procurement market (see note 9.3.1 A) and to hedge inventories already purchased (see note 9.3.1 B) qualify as cash flow or fair value hedges, and accordingly they have been classified as "Derivatives within hedging relationships".

The subsequent remeasurement of derivatives within a hedging relationship used to hedge cash flows (cash flow hedges) are recorded at "fair value through other comprehensive income" directly in equity (within other reserves). This reserve is released with profit and loss effect as soon as the hedged raw material purchases are recorded in the income statement or, if applicable, when the cash flows of the underlying transaction are no longer highly probable.

Derivatives which are not or were not used for hedging relationship purposes (see notes 9.3.2 C. and D.) are stand-alone derivatives, and as a result are always classified as at "fair value through profit or loss". Accordingly, gains or losses resulting from their subsequent remeasurement will be, or have been, respectively, recognised with profit or loss effect in the consolidated statement of comprehensive income under the heading "Result from commodity forward contracts".

9.2 Categories of financial assets and financial liabilities

The fair values and carrying amounts of financial instruments are presented below by class of financial instruments as defined by IFRS 7. The carrying amounts represent their fair values.

Assets

Measurement	At amortised cost		At fair value				Total	
Measurement category			FVTPL		FVOCI			
EUR (thousands)	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Trade receivables	108,950	108,950	0	0	0	0	108,950	108,950
Other non-current and current assets	35,131	35,131	0	0	0	0	35,131	35,131
Derivatives [1]	0	0	27,595	27,595	4,375	4,375	31,970	31,970
Cash and cash equivalents, term deposits	64,405	64,405	0	0	0	0	64,405	64,405
Total at June 30, 2025	**208,486**	**208,486**	**27,595**	**27,595**	**4,375**	**4,375**	**240,456**	**240,456**
Trade receivables	89,763	89,763	0	0	0	0	89,763	89,763
Other non-current and current assets	19,452	19,452	0	0	0	0	19,452	19,452
Derivatives [1]	0	0	11,375	11,375	9,966	9,966	21,341	21,341
Cash and cash equivalents, term deposits	123,186	123,186	0	0	0	0	123,186	123,186
Total at June 30, 2024	**232,401**	**232,401**	**11,375**	**11,375**	**9,966**	**9,966**	**253,742**	**253,742**

[1] Derivative financial instruments used in hedge accounting are recognised directly in equity but do not represent a separate category of financial assets and liabilities.

Equity and liabilities

Measurement	At amortised cost		At fair value				Total	
Measurement category			**FVTPL**		**FVOCI**			
EUR (thousands)	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Borrowings	238,777	239,994	0	0	0	0	238,777	239,994
Trade payables	127,882	127,882	0	0	0	0	127,882	127,882
Other financial liabilities	46,591	46,591	0	0	0	0	46,591	46,591
Derivatives [1]	0	0	30,194	30,194	1,605	1,605	31,799	31,799
Total at June 30, 2025	**413,250**	**414,467**	**30,194**	**30,194**	**1,605**	**1,605**	**445,049**	**446,266**
Borrowings	165,517	165,347	0	0	0	0	165,517	165,347
Trade payables	126,394	126,394	0	0	0	0	126,394	126,394
Other financial liabilities	62,861	62,861	0	0	0	0	62,861	62,861
Derivatives [1]	0	0	2,745	2,745	6,772	6,772	9,517	9,517
Total at June 30, 2024	**354,772**	**354,602**	**2,745**	**2,745**	**6,772**	**6,772**	**364,289**	**364,119**

[1] Derivative financial instruments used in hedge accounting are recognised directly in equity but do not represent a separate category of financial assets and liabilities.

9.2.1 Measurement in the individual measurement categories

a. The fair values of derivatives in the measurement categories "Held for trading financial instruments" and "Derivatives within hedging relationships" were determined using the mark-to-market method based on prices quoted on an exchange or market prices.

b. The fair values of the "loans and receivables" and "other financial liabilities" measured at amortised acquisition cost are as follows:

ba. The fair values of trade receivables and other current and non-current financial assets are equal to the respective nominal values of the assets after deduction of any necessary allowances; these balances include no non-interest-bearing or low-interest loans or receivables with a remaining term of more than one year.

bb. The fair value of cash and cash equivalents is equal to their nominal values.

bc. The fair values of the fixed interest borrowings are determined using a valuation model, making use of the original interest rate spread and the current risk-free rate of interest.

bd. The fair values of all other liabilities included in the measurement category "other financial liabilities" are equal to their repayment amounts; these balances include no non-interest-bearing or low-interest liabilities with a remaining term of more than one year.

9.3 Derivatives

The derivative assets and liabilities presented at their respective fair values and their underlying nominal volumes were as follows at the June 30, 2025 and June 30, 2024 balance sheet dates:

EUR (thousands)	Nominal volume	Derivative assets = derivatives with positive market values	Derivative assets = derivatives with negative market values
Stand-alone derivatives			
Non-trading derivatives			
Purchase transactions	68,834 tonnes	284	9
Sale transactions	1,600 tonnes	16	0
Trading derivatives			
Purchase and sales transactions	18,347 tonnes	27,295	30,185
Derivatives in hedging relationships			
Cash flow hedge	69,400 tonnes	4,375	1,605
Derivatives as at June 30, 2025		**31,970**	**31,799**

EUR (thousands)	Nominal volume	Derivative assets = derivatives with positive market values	Derivative assets = derivatives with negative market values
Stand-alone derivatives			
Non-trading derivatives			
Purchase transactions	38,483 tonnes	482	0
Sale transactions	44,741 tonnes	7,410	2,152
Trading derivatives			
Purchase and sales transactions	114,246 tonnes	3,214	593
Derivatives in hedging relationships			
Cash flow hedge			
	45,600 tonnes	9,966	6,772
Fair value hedge			
Commodity forward contracts for grain	15,749 tonnes	269	0
Derivatives as at June 30, 2024		**21,341**	**9,517**

The fair values of the derivatives are based on the mark-to-market method. The fair values of the Group's derivative financial assets (EUR 31,970 thousand; June 30, 2024: EUR 21,341 thousand) and derivative financial liabilities (EUR 31,799 thousand; June 30, 2024: EUR 9,517 thousand) are classified as Level 2 measurements in the fair value hierarchy at June 30, 2025 and June 30, 2024 respectively.

- Level 1: Quoted prices on an active market (not adjusted) for identical assets or liabilities
- Level 2: Directly observable (as price) or indirect (derived from price) inputs for the asset or liability, other than quoted Level 1 price inputs
- Level 3: Inputs applied to the asset or liability that are not based on observable market data (non-observable input data)

As in the previous year, there were no reclassifications between the individual hierarchy levels used to classify fair value measurements in the financial year 2024/2025. Should a fair value measurement require reclassification, the reclassification would be effected at the end of the financial year.

9.3.1. Description of significant derivatives held and used as hedging instruments at the balance sheet date

A. Forward contracts for vegetable oil (assets: EUR 4,375 thousand; liabilities: EUR 1,605 thousand).

Under the responsibility of risk management personnel, derivatives in the form of purchased forward contracts (forwards) are used to hedge the price of rapeseed oil, a raw material. The underlying hedged transactions are the purchases and, respectively, highly probable purchases of vegetable oil; the hedging instrument is the purchase of forward contracts; and the risk being hedged is the risk of price increases that could result in a negative effect on the profit margin. The objective is to hedge the price of at least 75 percent of the vegetable oil purchases needed for production purposes approximately three months prior to delivery. For production in North America, prices of vegetable oil are fixed for certain periods and for up to 100 percent of the volumes required. The effectiveness of the cash flow hedges for vegetable oils using forward contracts is measured prospectively using the critical term match method. A 100 percent effectiveness can be assumed as the hedging instrument and the underlying transactions are entered into with identical parameters. Accordingly, with the exception of a default risk premium, no ineffectiveness is expected, and there are no amounts which need to be recognised immediately in profit or loss to reflect hedging ineffectiveness.

In the month of purchase, which is the scheduled or unscheduled occurrence of the underlying transaction, the results of the hedging transaction recognised in equity are recognised initially as a basis adjustment in inventories and thereafter offset within cost of materials on consumption. The amount transferred from equity to profit or loss in connection with cash flow hedge accounting in the reporting period amounted to EUR 8,880 thousand (2023/2024: EUR 5,134 thousand) and is shown in the statement of comprehensive income under "Raw material and consumables used". There were no ineffective portions requiring recognition at the balance sheet date.

B. Commodity forward contracts for grain

In the financial year 2023/2024 derivatives in the form of futures were concluded on a commodity futures exchange to hedge inventories of grain. The positive market value of these derivatives in the previous financial year amounted to EUR 269 thousand. The inventory hedged under these arrangements represented a quantity of grain that had already been purchased; its value was hedged against fluctuations in prices using the commodity forward sales contracts as hedging instruments. The measurement of the underlying transactions was recorded in profit or loss within cost of materials. There were no such hedging transactions as at June 30, 2025.

9.3.2 Description of the Group's significant stand-alone derivatives

C. Stand-alone derivatives from procurement and sales transactions (non-trading)

At June 30, 2025 the Group had derivatives from procurement and sales transactions with a positive market value of EUR 300 thousand and derivatives with a negative market value of EUR 9 thousand (June 30, 2024: derivatives with a positive market value of EUR 7,892 thousand and derivatives with a negative market value of EUR 2,152 thousand).

D. Stand-alone derivatives from procurement and sales transactions (trading)

As at the balance sheet date, there were derivatives from physical purchase and sale transactions classified as derivatives (bioethanol trading transactions), ethanol futures, biodiesel swaps and other purchase and sale transactions with a positive market value of EUR 27,295 thousand (June 30, 2024: EUR 3,214 thousand) and negative market values of EUR 30,185 thousand (June 30, 2024: EUR 593 thousand). The trading transactions were entered into to generate margins in different markets or for speculation purposes.

9.3.3 Change in equity

The effects on equity of the hedging transactions entered into in the financial year 2024/2025 and the previous year are presented below:

EUR (thousands)	Commodity forward contracts for vegetable oil	Total
July 1, 2024	**3,195**	**3,195**
Recognition in profit and loss (cost of materials)	−8,880	−8,880
Change in fair value measurement	8,455	8,455
Balance at June 30, 2025	**2,770**	**2,770**
Add: deferred taxes		−807
		1,963

EUR (thousands)	Commodity forward contracts for vegetable oil	Total
July 1, 2023	**−2,143**	**−2,143**
Recognition in profit and loss (cost of materials)	5,134	5,134
Change in fair value measurement	204	204
Balance at June 30, 2024	**3,195**	**3,195**
Add: deferred taxes		−950
		2,245

In the financial year 2024/2025, in analogy to the previous year, the reclassification to cost of materials of hedge transactions to hedge the purchase of vegetable oils was preceded by the recording of a basis adjustment to inventories as recycling of gains and losses initially recognised in other comprehensive income (OCI).

9.3.4 Realisation of the underlying and hedging transactions

The following table shows when the cash flow hedges will affect cash flows and when they are expected to impact profit or loss.

EUR (thousands)	Carrying amount	Expected cash flows	Up to 6 months	6 to 12 months
June 30, 2025				
Realisation of the underlying and hedging transactions				
Commodity forward contracts				
Cash outflows for vegetable oil purchases		126,632	118,726	7,906
Effect on profit or loss				
Commodity forward contracts				
Asset vegetable oil purchases	4,375	4,375	3,962	413
Liabilities vegetable oil purchases	1,605	1,605	1,549	56

EUR (thousands)	Carrying amount	Expected cash flows	Up to 6 months	6 to 12 months
June 30, 2024				
Realisation of the underlying and hedging transactions				
Commodity forward contracts				
Cash outflows for vegetable oil purchases		141,503	117,726	23,777
Effect on profit or loss				
Commodity forward contracts				
Asset vegetable oil purchases	6,772	6,772	6,742	30
Liabilities vegetable oil purchases	9,966	9,966	9,337	629

9.4 Other disclosures required by IFRS 7

9.4.1 Information on income and expense positions

The following table shows the net result of financial assets and financial liabilities summarised by measurement category:

	Interest result			Other finance result		Subsequent measurement			
EUR (thousands)	Interest income	Interest expense	Expenses similar to interest	Currency and exchange rate gains	Currency and exchange rate losses	Reversals of impairments and impairment write-downs (changes in the value of financial assets and liabilities)	Currency gains and losses (changes in the value of financial assets and liabilities)	Use of derivatives (result from forward contracts)	Total
2024/2025									
Financial assets measured at amortised cost	814	0	0	347	0	193	–767	0	587
Financial assets measured at fair value:									
Financial instruments held for trading purposes	0	0	0	0	0	0	0	95,798	95,798
Financial liabilities measured at fair value:									
Financial instruments held for trading purposes	0	0	0	0	0	0	0	–80,481	–80,481
Other non-current and current liabilities	0	–9,004	–4,404	0	–4,252	0	0	0	–17,660
Total	**814**	**–9,004**	**–4,404**	**347**	**–4,252**	**193**	**–767**	**15,317**	**–1,756**

	Interest result			Other finance result		Subsequent measurement			
EUR (thousands)	Interest income	Interest expense	Expenses similar to interest	Currency and exchange rate gains	Currency and exchange rate losses	Reversals of impairments and impairment write-downs (changes in the value of financial assets and liabilities)	Currency gains and losses (changes in the value of financial assets and liabilities)	Use of derivatives (result from forward contracts)	Total
2023/2024									
Financial assets measured at amortised cost	1,300	0	0	0	0	–596	1,636	0	2,340
Financial assets measured at fair value:									
Financial instruments held for trading purposes	0	0	0	0	0	0	0	53,095	53,095
Financial liabilities measured at fair value:									
Financial instruments held for trading purposes	0	0	0	0	0	0	0	–52,479	–52,479
Other non-current and current liabilities	0	–10,622	0	0	0	0	0	0	–10,622
Total	**1,300**	**–10,622**	**0**	**0**	**0**	**–596**	**1,636**	**616**	**–7,666**

Write-down reversals and write-downs of loans and receivables of EUR 193 thousand (June 30, 2024: EUR –596 thousand) primarily consisted of the release of specific allowances recorded against other financial assets.

The amount for the previous year includes allowances and impairment write-downs of loans and receivables totalling EUR –810 thousand. No impairment allowances or write-downs on loans and receivables were recognised in the financial year 2024/2025.

Gains (EUR 347 thousand) and losses (EUR 4,252 thousand) that can be allocated to financing activities were reclassified to the finance result for the first time in the financial year 2024/2025.

9.4.2 Information on collateral

The other financial assets include cash and cash equivalents held in segregated accounts with a carrying value of EUR 19,072 thousand (June 30, 2024: EUR 9,424 thousand), whereby part of this amount represent deposits for collateral (EUR 8.7 million) against margin calls.

9.4.3 Information regarding allowances for credit losses on financial assets

Verbio generally measures the impairment allowances recorded against trade receivables in accordance with IFRS 9 at an amount equal to the lifetime expected credit losses. The so-called "simplified approach" (IFRS 9.5.5.15) is applied. Verbio uses this approach in order to measure the default risks, and calculates the expected credit loss (ECL) as the total amount of all possible default events over the expected lifetime of the receivables.

For the purposes of measuring trade receivables the Group calculates, as a first step, an impairment matrix at each balance sheet date, which is based on the historical default rate and calculates the future probability of default (so-called "stage 2"). In doing so, account is taken of expected differences between various different Verbio customer groups.

The following table shows the actual credit losses over time in relation to the total amount of trade receivables:

EUR (thousands)	Historical loss rate in %	Gross carrying amount, 30.06.2025	Limited credit-worthiness
Oil companies	0.00	47,553	No
Processing and trading companies	0.00	43,313	No
Energy utilities	0.00	12,569	No
Farmers	0.00	166	No
Transport businesses	0.00	637	No
Other	0.77	4,712	No
		108,950	

In cases where there are objective indications of a potential impairment, an examination is performed to determine whether an impairment has occurred (so-called "stage 3"). An impairment allowance is recorded to reduce the net book value of a trade receivable when the Group does not have a justified expectation that the receivable will be collected in full or in part. In doing so, the classification of a receivable as overdue does not necessarily mean that an impairment allowance will be recorded.

The allowances made relate to the risk of credit losses on trade receivables and other current assets. The movements on the allowances in the financial year 2024/2025 were as follows:

EUR (thousands)	01.07.2024	Addition	Release	Utilisation	Currency effect	30.06.2025
Allowances						
Trade receivables	1,268	0	0	698	0	570
Other current financial assets	1,395	0	100	0	0	1,295
Allowances	**2,663**	**0**	**100**	**698**	**0**	**1,865**

EUR (thousands)	01.07.2023	Addition	Release	Utilisation	Currency effect	30.06.2024
Allowances						
Trade receivables	1,250	0	0	15	33	1,268
Other current financial assets	1,595	0	200	0	0	1,395
Allowances	**2,845**	**0**	**200**	**15**	**33**	**2,663**

Receivables are derecognised at the time that the probability of non-collection is likely.

10 Financial risks and risk management, capital management

10.1 Organisation

In addition to its operating risks, the Verbio Group sees itself exposed to credit risks, liquidity risks and market risks that arise from the use of financial instruments within the course of its normal operating activities. The Company has established a clear functional organisation for the risk control process.

Accordingly, as part of a risk-oriented and future-directed management approach, Verbio SE has developed and installed a risk management system for the Group. The implementation of a functional risk management system is seen as part of the general responsibility of the Company's management. Individual risks defined in advance are monitored on a continuous basis using early warning indicators, and are included in half-yearly reporting to the risk manager by management of the subsidiaries. As planned, a detailed annual risk inventory was carried out in the financial year 2024/2025. No changes were made to the risk evaluations compared to the previous year. A detailed risk management manual is available.

Responsibilities are clearly assigned to the organisational units that form part of the risk management process as follows:

Management Board

The risk management process starts with the Management Board, which, in the course of overall management based on risk-bearing capacity, provides a clear definition of the strategy, the types of transactions and the acceptable and unacceptable risks, as well as the allowable total risk.

Risk management

Risk management is responsible for the active management and supervision of risks. Risk is reduced via risk limitation measures and is controlled by compliance with limits.

Risk controlling

Through risk controlling, the Group-wide identification, measurement and evaluation of all risks is carried out in a uniform manner. Risk controlling monitors the compliance of internal limits by measuring the risks and the utilisation of limits.

Supervisory Board

The Supervisory Board carries out a control function relating to all measures dealing with risk limitation and risk management within the Company.

For further information on the Group-wide risk management system, please refer to the information provided in the Group management report under "Opportunity and risk report".

10.2 Risk groups

In addition to operating risks, in conducting its business operations the Verbio Group is subject to a number of financial risks such as credit risks, liquidity risks and market risks, which are described below.

10.2.1 Credit risks

Credit risk results from the deterioration of the economic situation of customers or other contracting parties of the Company. As a result, there is a risk of partial or complete loss of contractually agreed payments or services, and additionally a decrease in the value of financial instruments due to a deterioration of creditworthiness.

There are default risks associated with all financial instruments recorded as assets; the carrying amount of the financial assets represents the maximum risk of default. Allowances are recorded to the extent that there are indications of individual risks on individual financial instruments. There is no potential for offsetting of derivatives.

Maximum risk of default
The maximum risk of default associated with financial assets, without considering possible collateral security held or other credit enhancements (e.g. netting agreements), is as follows:

EUR (thousands)	30.06.2025	30.06.2024
Trade receivables	108,950	119,014
Other non-current and current assets	35,131	19,452
Derivatives	31,970	21,341
Cash and cash equivalents, term deposits	64,405	123,186
	240,456	**282,993**

In order to reduce credit and default risks, credit risk assessments are made and individual internal ratings are made for new and existing customers at the beginning of the business relationship and at regular intervals thereafter. Credit risk assessments, internal ratings and forward-looking information are used to determine credit limits for supplies to individual customers; these may only be exceeded for good reason and provided that the excess is approved.

In order to minimise the risk of non-collection of trade receivables further, certain receivables are insured using trade credit insurance. At the balance sheet date the Group had trade credit insurance policies whereby the insurer guarantees a maximum sum of EUR 15.0 million (June 30, 2024: EUR 15.0 million) for all damages in each insurance year. Large customers are excluded from this agreement.

Trade receivables amounting to EUR 30,729 thousand (June 30, 2024: EUR 26,063 thousand) were insured under these policies at June 30, 2025.

In addition, the General Terms and Conditions include reservation-of-title clauses for all products sold.

Concentration of credit risks

Credit risks relating to trade receivables are primarily attributable to the following customer groups and regions (the respective carrying amounts represent the respective credit risk):

Concentration by customer groups

EUR (thousands)	30.06.2025	30.06.2024
Oil companies	47,553	60,710
Processing industries (in particular oil mills and pharmaceutical companies) and trading companies	43,313	34,438
Energy utilities	12,569	5,805
Farmers	166	223
Transport businesses	637	1,388
LNG-/CNG filling – stations/retail	1,489	2,721
Other	3,223	11,503
	108,950	**116,788**

Concentration by regions

EUR (thousands)	30.06.2025	30.06.2024
Germany	32,720	52,580
Europe	56,564	34,500
North America	9,380	20,944
Other foreign	10,286	10,990
	108,950	**119,014**

Receivables in Europe amounting to EUR 43,572 thousand are primarily in the Netherlands, Poland, Denmark, the Czech Republic, France and Switzerland.

The Company monitors its concentration of credit risk on a business unit basis as well as by region.

Ageing analysis

The table below provides an overview of the age structure of unimpaired assets measured at amortised cost as of the June 30, 2025 and June 30, 2024 balance sheet dates based on their maturity dates.

EUR (thousands)	Carrying amount	Thereof at the balance sheet date						
		Not impaired and not overdue	Not impaired and not overdue in the following age categories (in days)					
			Less than 30	Between 30 and 60	Between 61 and 90	Between 91 and 180	Between 181 and 360	More than 360
June 30, 2025								
Trade receivables	108,950	95,172	8,961	2,080	2,304	208	0	225
Other non-current and current financial assets	35,131	35,131	0	0	0	0	0	0
	144,081	**130,303**	**8,961**	**2,080**	**2,304**	**208**	**0**	**225**
June 30, 2024								
Trade receivables	119,014	101,803	15,507	627	722	70	33	252
Other non-current and current financial assets	19,452	19,452	0	0		0	0	0
	138,466	**121,255**	**15,507**	**627**	**722**	**70**	**33**	**252**

Based on many years of experience with the Group's customers, the credit risk assessments performed at regular intervals, and taking into account the trade credit insurance cover, the default risk associated with balances which are in excess of 30 days overdue is not assumed to be significantly heightened.

10.2.2 Liquidity risks

Liquidity risk, in a narrow sense, is the risk that the Company could find itself in a position where it does not have adequate funds to settle its ongoing payment obligations. Payment obligations result primarily from investment activities, trade payables for goods and services, interest payments and loan repayments, margin calls in connection with futures contracts, and tax liabilities.

In order to counter liquidity risks at an early stage, Verbio pursues the overriding goal of having sufficient cash and cash equivalents at all times to ensure ongoing business operations without restriction. In addition to medium-term financial planning, short-term liquidity management on a weekly and monthly basis plays a central role.

The central treasury department has primary responsibility for the management of liquidity.

It receives the required information from subsidiaries via regular reporting procedures, enabling it to generate a liquidity profile. All financial assets, financial liabilities and expected cash flows from planned transactions are included.

The Company uses the yearly and weekly liquidity planning as well as sensitivity analyses to manage its liquidity risk.

A large portion of the liquidity required by the business is ensured by working capital management.

In the opinion of the Management Board, at the date of the preparation of the risk report there are no identifiable liquidity risks that could threaten the ability of the Company to continue as a going concern. As is the case in other companies the occurrence of such risks cannot be ruled out with absolute certainty, despite comprehensive monitoring.

The following tables present an analysis of the remaining maturities of all contractually agreed financial liabilities as of June 30, 2024 and June 30, 2025:

EUR (thousands)	Carrying amount	Up to 30 days	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
June 30, 2025						
Non-derivative financial liabilities [1]						
Borrowings	238,777	20,703	0	44,661	173,413	0
Trade payables	127,882	122,539	5,014	307	22	0
Lease liabilities	30,081	739	1,479	6,654	13,867	7,342
Other financial liabilities	46,591	27,862	0	18,729	0	0
	443,331	**171,843**	**6,493**	**70,351**	**187,302**	**7,342**
Derivative financial liabilities						
Derivatives in hedging relationships	1,605	75	982	548	0	0
Derivatives without hedging relationships	30,194	9,352	11,327	9,414	101	0
	31,799	**9,427**	**12,309**	**9,962**	**101**	**0**
Financial liabilities	**475,130**	**181,270**	**18,802**	**80,313**	**187,403**	**7,342**

[1] Incl. future interest payments.

EUR (thousands)	Carrying amount	Up to 30 days	1 to 3 months	3 months to 1 year	1 to 5 years	More than 5 years
June 30, 2024						
Non-derivative financial liabilities [1]						
Borrowings	165,517	13,437	0	0	134,580	17,500
Trade payables	126,394	124,752	107	1,535	0	0
Lease liabilities	28,679	651	1,302	5,861	12,763	8,102
Other financial liabilities	62,861	28,640	0	14,800	19,421	0
	383,451	**167,480**	**1,409**	**22,196**	**166,764**	**25,602**
Derivative financial liabilities						
Derivatives in hedging relationships	6,772	3,712	1,980	1,080	0	0
Derivatives without hedging relationships	2,745	933	1,327	485	0	0
	9,517	**4,645**	**3,307**	**1,565**	**0**	**0**
Financial liabilities	**392,968**	**172,125**	**4,716**	**23,761**	**166,764**	**25,602**

[1] Incl. future interest payments.

Information on financial liability ratios
There are no indications of any matters that would indicate a payment delay or contract violation in respect of the financial liabilities totalling EUR 475,130 thousand at June 30, 2025 (June 30, 2024: EUR 392,968 thousand). Interest and loan repayment obligations on all non-derivative financial liabilities totalling EUR 443,331 thousand (June 30, 2024: EUR 383,451 thousand) have been serviced according to schedule.

10.2.3 Market risks

Market risks arise from potential changes in risk factors that lead to a lowering of the market value of transactions containing these risk factors. General risk factors relevant for the Company are currency risks, risks from changes in interest rates and commodity price risks.

Currency risks
Verbio is exposed to foreign currency risks due to its international business activities.

In particular, this includes the translation risk arising from the conversion of subsidiaries' financial statements prepared in foreign currencies into the Group currency, the euro. The translation risk relates in particular to the translation of assets, liabilities and earnings at the respective closing rate and the presentation of equity at the historical rate in the consolidated financial statements. The associated translation differences, in particular from currency differences between the euro and the US dollar, are recognised in the currency translation reserve. These effects do not affect balances of cash and cash equivalents, but can influence the reported equity ratio and related key figures (see note 6.3.5 "Reserve for translation adjustments").

The Verbio Group is exposed to currency risks associated with procurement and price hedging for its purchasing and sales. The currency risk is minimised with the help of an ongoing review of exchange rate expectations and the use of appropriate financial instruments. In the financial year under report this was primarily achieved by netting of foreign currency receipts and disbursements.

The Verbio Group is primarily exposed to currency risks in US dollars (USD), Indian rupees (INR), Polish zloty (PLN), and, to a smaller extent, in Hungarian Forint (HUF). Given the long-term nature of the investments made in the USA, Canada and India, the currency risks associated with those investments are not considered relevant at the current time. The currency risks in the Polish Zloty are regarded as not significant for operating activities.

In the financial year 2024/2025 sales invoices denominated in foreign currencies (in USD, HUF and CNY) were issued in the eurozone with an amount equivalent to EUR 101,273 thousand (2023/2024: EUR 141,562 thousand). Payments against these invoices are made into accounts denominated in the respective foreign currency. Trade receivables denominated in foreign currencies (in USD, HUF and CNY) in the eurozone totalled EUR 18,597 thousand at June 30, 2025 (June 30, 2024: EUR 15,586 thousand).

Risks from changes in interest rates
The Company is largely financed by equity. External loan finance raised to supplement this is based on both fixed and variable interest rate agreements. Interest rate risks result only from instruments with variable interest rates. On the assets side, they consist of bank balances, while on the liabilities side they consist of the utilisation of variable-interest promissory note loans in the amount of EUR 102,000 thousand and current credit lines in the amount of EUR 136,777 thousand. No derivative financial instruments were entered into to hedge against the risks from changes to interest rates. However, Verbio monitors interest rate developments on an ongoing basis and enters into appropriate hedging measures if necessary. In the past financial year there was a decline in the interest rate levels relevant to Verbio. Based on current estimates, interest rates are not expected to rise in the current financial year 2025/2026. There were no loans denominated in foreign currencies as of the balance sheet date.

Commodity price risks
Derivatives were entered into to manage price risks in procurement and sales and to hedge/optimise margins in the biofuels production business.

Risks of price changes arise primarily through the procurement of raw materials and the sale of end products. Price risks are hedged using appropriate financial instruments based on reviews of market price expectations performed on a continuous basis. In the reporting year, futures and swaps were utilised as hedging instruments.

The sensitivity of the valuations of derivatives is discussed below.

- Sensitivity of the value of the derivatives in hedging relationships to changes in the price of rapeseed oil

  A decrease (increase) in the market price of EUR 25/tonne at the June 30, 2025 balance sheet date would result in an improvement (deterioration) of the equity total of EUR 1,735 thousand. This analysis has been performed using a consistent approach to that used in the previous year. The sensitivity represents the effect on equity on the assumption that all other conditions remain unchanged.

- Sensitivity of the value of derivatives not used in hedging relationships to changes in the price of ethanol

  A decrease (increase) in the market price of EUR 25/tonne at the June 30, 2025 balance sheet date would result in an improvement (deterioration) of both the result for the period and equity amounting to EUR 2,845 thousand.

- Sensitivity of the value of derivatives which are not used in hedging relationships to changes in the price of biodiesel

  A decrease (increase) in the market price of EUR 25/tonne at the June 30, 2025 balance sheet date would result in an improvement (deterioration) of both the result for the period and equity amounting to EUR 340 thousand.

- Sensitivity of the value of derivatives which are not used in hedging relationships to changes in the price of wheat

  A decrease (increase) in the market price of EUR 25/tonne at the June 30, 2025 balance sheet date would result in an improvement (deterioration) of both the result for the period and equity amounting to EUR 500 thousand.

- Sensitivity of the value of derivatives in open trading transactions not used in hedging relationships to changes in the price of ethanol

  A decrease (increase) in the market price of EUR 25/tonne at the June 30, 2025 balance sheet date would result in an improvement (deterioration) of both the result for the period and equity amounting to EUR 1,689 thousand.

10.2.4 Other risks

As part of its risk management, Verbio also monitors other risks to which the Group is exposed.

In addition, in considering the overall presentation of risks, the regulatory and political environment should be noted. A change in the existing climate protection goals of the EU and the Federal Government as well as the underlying regulatory implementation, especially the Biomass Sustainability Regulation (BioNachV), could have a significant effect on Verbio's results.

10.3 Capital management

Verbio's capital management is primarily aimed at ensuring the sustained financial flexibility of the Group. Verbio SE develops guidelines for effective capital management based on the strategic objectives of the business. The focus is on a long-term increase in the value of the business in the interests of investors, customers and employees.

The objective is to strengthen the profitability of the Verbio Group through efficiency increases in production and procurement, as well as on the sales side. In order to achieve this, management focusses on the operating and financial risks and also on the Group's financial flexibility. This also applies to cash flow generation.

A further goal for the Verbio Group is to maintain a strong capital base, in order to finance future growth when the political environment regarding biofuels allows competitive growth. However, there is no explicit target figure. Verbio's equity (which equals managed capital in the sense of IAS 1.135) as of June 30, 2025 amounts to EUR 746,289 thousand (June 30, 2024: EUR 928,216 thousand), which represents an equity ratio of 58.2 percent (June 30, 2024: 67.4 percent). Debt capital amounted to EUR 536,782 thousand (June 30, 2024: EUR 449,539 thousand).

Verbio has financing instruments that are subject to certain contractual obligations (covenants). These include, among other things, compliance with a minimum equity ratio as a key performance indicator. As at the balance sheet date, the agreed minimum equity ratio was complied with, with a sufficient gap compared to the contractually agreed threshold. Verbio monitors the covenants on an ongoing basis and fulfils its reporting obligations to financing partners. Verbio SE is not subject to any capital requirements under its articles of association.

11 Other disclosures

11.1 Contingent liabilities and future payment obligations

11.1.1 Government grants and subsidies

In the financial year 2024/2025 Verbio recognised investment grants in the USA totalling EUR 30.4 million resulting from the sale of tax credits awarded under Sec. 48 of the Inflation Reduction Act (IRA). Repayment obligations and further payment obligations amounting to a maximum of EUR 42.7 million (USD 50.0 million) could arise should Verbio fail to comply with the terms of the tax credits and of the agreement to sell the tax credits.

11.1.2 Other contingent liabilities

There are contingent liabilities in connection with a trust agreement with Sauter Verpachtung concerning the derivatives held as trustee at June 30, 2025 totalling EUR 696 thousand (June 30, 2024: EUR 138 thousand). Verbio generated income of EUR 71 thousand from the management of the assets held as trustee in the financial year 2024/2025 (2023/2024: EUR 122 thousand). No provisions are recorded in view of the creditworthiness and the collateral security provided.

11.1.3 Guarantee credits and other collateral arrangements

Verbio entered into (and subsequently amended) a security deposit insurance contract dated May 11, 2015 with an insurance company in Germany. Under this agreement a EUR 25,000 thousand guarantee credit line for customs duties was made available to Verbio. An amount of EUR 24,929 thousand has been drawn down under this guarantee credit line as of June 30, 2025 (June 30, 2024: EUR 19,145 thousand).

In addition, a further contract to enter into guarantee agreements has been in place with BNP since April 10, 2024. The line is for an amount of EUR 2,000 thousand, of which EUR 186 thousand has been utilised as at the balance sheet date.

VEI entered into a guarantee line of credit dated May 2, 2019 with an Indian bank. The facility, available for general guarantee purposes, was reduced from INR 75,000 thousand (EUR 915 thousand) to INR 25,000 thousand (EUR 305 thousand) on October 29, 2021. An amount of INR 3,000 thousand (EUR 30 thousand) has been drawn down under this facility as of June 30, 2025.

11.1.4 Litigation

There are no open litigation issues that present a significant risk to Verbio at June 30, 2025.

11.1.5 Purchase commitments

Commitments under open purchase orders are those typical for normal operations.

11.1.6 Purchase commitments for investments in property, plant and equipment

The Verbio Group has commitments under open purchase orders for investments in property, plant and equipment totalling EUR 32,148 thousand at June 30, 2025 (June 30, 2024: EUR 48,500 thousand).

11.2 Disclosures concerning related persons and entities

11.2.1 Overview of related persons and entities

The following persons, groups of persons and entities are related parties of Verbio in the reporting period:

a. Shareholders of Verbio SE who are members of a shareholders' sub-pool based on contractual agreements (ultimate controlling party within the definition of IAS 24.13). In addition to Claus and Bernd Sauter, who are members of the Management Board, Daniela Sauter is also a member of the sub-pool arrangement.

b. Persons holding key management positions:

- Claus Sauter (member of the Management Board of Verbio SE)
- Bernd Sauter (member of the Management Board of Verbio SE)
- Prof. Dr. Oliver Lüdtke (member of the Management Board of Verbio SE)
- Theodor Niesmann (member of the Management Board of Verbio SE)
- Stefan Schreiber (member of the Management Board of Verbio SE)
- Olaf Tröber (member of the Management Board of Verbio SE)
- Alexander von Witzleben (member of the Supervisory Board of Verbio SE)
- Ulrike Krämer (member of the Supervisory Board of Verbio SE)
- Dr. Klaus Niemann (member of the Supervisory Board of Verbio SE)

c. Related companies:

Related companies are companies which can be controlled by natural persons who are members of the share sub-pool arrangement or by persons holding key management positions.

11.2.2 Presentation of the relationships with key management personnel

The members of the Management Board received remuneration from Verbio SE totalling EUR 6,582 thousand in the financial year 2024/2025 (2023/2024: EUR 5,759 thousand). This included fixed remuneration of EUR 3,568 thousand (2023/2024: EUR 3,568 thousand), variable remuneration of EUR 2,924 thousand (2023/2024: EUR 2,127 thousand) and other remuneration of EUR 90 thousand (2023/2024: EUR 67 thousand). Of the total remuneration, EUR 4,077 thousand (2023/2024: EUR 3,616 thousand) represents short-term payable remuneration and EUR 2,505 thousand is in the form of share-based remuneration (2023/2024: EUR 2,143 thousand).

The members of the Supervisory Board received ongoing remuneration of EUR 203 thousand for their Supervisory Board activities in the financial year 2024/2025 (2023/2024: EUR 203 thousand), as well as compensation for expenses of EUR 4 thousand (2023/2024: EUR 6 thousand). This wholly consists of short-term payable remuneration.

11.2.3 Presentation of relationships with companies in which pool members and key management members have a participating interest

Rental contracts
A rental agreement for commercial property was entered into between Verbio SE and Oelßner's Hof GmbH & Co. KG with effect from November 1, 2014. Under this agreement, together with the five amendments thereto, Verbio SE has rented office space from Oelßner's Hof GmbH & Co. KG. The rental agreement ended on November 30, 2024 and continues for a further year at the end of the fixed rental period unless cancelled by either party with a notice period of six months prior to expiry. A rental charge of EUR 23 thousand was agreed until October 2021. Following further contract amendments, among other things for an increase in the rented floorspace, the monthly amounts payable were EUR 28 thousand for the period from November 2021 to April 2022 and EUR 30 thousand from May 2022, with additional amounts payable for overhead and heating costs. The rental expenses (excluding property overhead expenses) incurred by Verbio SE under this contract in the financial year 2024/2025 totalled EUR 360 thousand (2023/2024: EUR 360 thousand).

Contract for the administration of hedging arrangements (trust agreement) with Sauter Verpachtung GmbH
On May 5, 2015 Sauter Verpachtungsgesellschaft mbH and Verbio SE entered into a contract for the administration of forward contracts on commodity exchanges. For this purpose, Verbio SE acts as trustee and is obliged to enter into and administer hedging transactions for the raw material inventories and forward raw material purchases and sales on behalf of Sauter Verpachtungsgesellschaft.

It was agreed that Sauter Verpachtungsgesellschaft shall recompense Verbio SE for all internal and external costs resulting from its activities as trustee. The internal costs are based on the trading volume by transaction, and are charged at EUR 0.10 per tonne.

The contract commenced on September 1, 2014 and has been extended until December 31, 2026 in the course of a series of subsequent contract amendments. The management remuneration, including all bonus payments, accruing to Claus Sauter due to his work as member of the Management Board is provided as security for all Verbio SE's costs arising under this contract.

Share purchase agreement
On June 26, 2025, Verbio SE acquired shares in Verbio Agrar GmbH from Daniela Sauter. Following this transaction the Company owns 100 percent of the shares in Verbio Agrar GmbH directly and indirectly via its subsidiaries.

The purchase price of the shares in Verbio Agrar GmbH amounted to EUR 2,050 thousand. The purchase price had not yet been paid as at the reporting date of June 30, 2025 and was recognised as a liability.

11.2.4 Summary of business relationships with related-party companies

The following table summarises revenues and expenses from transactions with related-party companies of the Verbio Group:

EUR (thousands)		Revenue/Income		Expense (transaction volume)	
Contract partner	**Transaction**	**2024/2025**	**2023/2024**	**2024/2025**	**2023/2024**
Alois Sauter Landesproduktengroßhandlung GmbH & Co. KG	Other deliveries and services	0	0	0	2
Sauter Verpachtungsgesellschaft mbH	Grain sales/purchase	0	0	4,492	3,993
	Transport services	67	93	2,510	2,365
	Other deliveries and services	376	701	232	124
Landwirtschaftsgesellschaft mbH "Neukammer"	Other deliveries and services	19	2	0	0
Farma Redlo Sp. z o.o.	Grain sales/purchase	0	0	93,320	62,997
	Other deliveries and services	11	0	67	0
Oelßner's Hof GmbH & Co.KG	Office rental	0	0	453	443
	Other deliveries and services	0	0	5	20
Farma Serwis Sp. z o.o.	Transport services	401	0	0	0
	Other deliveries and services	464	805	56	19
Umwelt und Energie GmbH	Other deliveries and services	15	0	0	213
Farma Polska	Grain sales/purchase	0	0	0	234
Farma Baltyk	Grain sales/purchase	0	0	0	0
Farma Kantreck	Grain sales/purchase	0	0	0	204
Farma Smolecin	Grain sales/purchase	0	0	0	0
Farma Grzezno	Grain sales/purchase	0	0	0	212
Farma Poblocie	Grain sales/purchase	0	0	0	840
Farma Konarzewo	Grain sales/purchase	0	0	0	0
Agrowid	Grain sales/purchase	0	0	0	1,497
Agrorol	Grain sales/purchase	0	0	0	38
FG	Grain sales/purchase	0	0	0	889
Tuczrol	Grain sales/purchase	0	0	0	212
Spelta Duo	Grain sales/purchase	0	0	0	497
Spelta Unos	Grain sales/purchase	0	0	0	474

11.2.5 Summary presentation of receivables and payables of all Verbio companies with companies in which sub-pool members or key management members hold interests

The following table shows the receivables and payables balances recorded by Group companies resulting from transactions with related-party companies as of June 30, 2025 and June 30, 2024:

	Farma Serwis Sp. z o.o.		Landwirtschafts-gesellschaft mbH "Neukammer"		Sauter Verpachtungs-gesellschaft mbH		Farma Redlo Sp. z o.o.		Farma Polska		Farma Poblocie Sp. z o.o.		Oelßner's Hof GmbH	
EUR (thousands)	**30.06.25**	**30.06.24**	**30.06.25**	**30.06.24**	**30.06.25**	**30.06.24**	**30.06.25**	**30.06.24**	**30.06.25**	**30.06.24**	**30.06.25**	**30.06.24**	**30.06.25**	**30.06.24**
Verbio SE														
Receivables	25	29	0	0	332	54	0	0	0	0	0	0	0	0
Liabilities	0	0	0	0	486	1,186	3,479	0	0	0	0	0	0	2
VES														
Receivables	0	0	0	0	0	5	0	0	0	0	0	0	0	0
Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
VEZ														
Receivables	0	0	0	0	0	3	0	0	0	0	0	0	0	0
Liabilities	0	0	0	0	1	0	0	0	0	0	0	0	0	0
VLogistik														
Receivables	93	19	0	0	5	22	0	0	0	0	0	0	0	0
Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
VAgrar														
Receivables	16	0		5	0	1	0	0	0	0	0	0	0	0
Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0
VPL														
Receivables	0	0	0	0	0	0	0	0	0	0	0	8	0	0
Liabilities	0	12	0	0	0	0	0	1,662	0	5	0	0	0	0
Total														
Receivables	**134**	**48**	**0**	**5**	**337**	**84**	**0**	**0**	**0**	**0**	**0**	**8**	**0**	**0**
Liabilities	**0**	**12**	**0**	**0**	**487**	**1,186**	**3,479**	**1,662**	**0**	**5**	**0**	**0**	**0**	**2**

11.3 Audit fees

The fees for auditing services that will be charged by Grant Thornton AG, Wirtschaftsprüfungsgesellschaft, as auditor of the consolidated financial statements (2023/2024: Grant Thornton AG Wirtschaftsprüfungsgesellschaft) in the financial year 2024/2025 are expected to total EUR 828 thousand (2023/2024: EUR 423 thousand) and fees for other attestation services are expected to total EUR 48 thousand (2023/2024: EUR 41 thousand). These amounts have been charged to expenses. Of the fees for auditing services, expenses totalling EUR 177 thousand relate to the audit of the annual and consolidated financial statements for the previous financial year.

The audit services provided primarily consist of audit work to perform the audit of the annual and consolidated financial statements of Verbio SE. Fees for auditing services also include services provided in connection with non-statutory audits amounting to EUR 6 thousand (2023/2024: EUR 54 thousand), which represent non-statutory non-audit services.

The other attestation services include the provision of attestations in connection with capital increases in exchange for non-cash contributions, attestations required in connection with statutory energy requirements, audits in accordance with § 162 (3) AktG, and attestations in connection with the German Professional Drivers' Qualification Regulation for Heavy Goods Transport (Berufszugangsverordnung für den Güterkraftverkehr – GBZuGV), and accordingly represent statutory non-audit services. In the reporting year 2023/2024 this included costs of EUR 33 thousand for the limited assurance audit of the non-financial Group statement, which is part of the integrated management report (no audit service in the reporting year 2024/2025), which constitutes a non-statutory non-audit service.

11.4 Members of the Company's executive bodies

Disclosures of the remuneration paid to the members of the Management and Supervisory Boards and a description of the remuneration system structure are presented in a remuneration report which is published as a separate document in accordance with Art. 9 (1) lit. c) ii) of the Regulation on the Statute for a European company (SE) together with § 162 AktG.

Members of the Management Board of Verbio SE in the financial year 2024/2025 were:

- Claus Sauter, CEO, Chairman, Leipzig
- Prof. Dr. Oliver Lüdtke, CTO Bioethanol/Biomethane, Vice-Chairman of the Management Board, Markkleeberg
- Bernd Sauter, COO Europe, Leipzig
- Theodor Niesmann, CTO Biodiesel, Plant Construction and Human Resources, Leipzig
- Stefan Schreiber, COO Global Trading and Corporate Affairs, Mühltal-Trautheim
- Olaf Tröber, CFO, Leipzig

Members of the Supervisory Board of Verbio SE in the financial year 2024/2025 were:

- Alexander von Witzleben, Dipl.-Kaufmann, Erlenbach ZH, Switzerland (Chairman of the Supervisory Board),
  - Executive President of the Board of Directors, Arbonia AG, Arbon, Switzerland
  - President of the Board of Directors, Feintool International Holding AG, Lyss, Switzerland
  - Member of the Supervisory Board, Siegwerk Druckfarben AG & Co. KGaA, Siegburg
  - Member of the Board of Directors, KAEFER Management SE, Bremen
  - Member of the Board of Directors, Innoviz Technologies Ltd., Nitzba, Israel
- Ulrike Krämer, Certified Auditor and Certified Tax Advisor, Ludwigsburg
  (Vice-Chair of the Supervisory Board, Chair of the Supervisory Board's audit committee)
- Dr. rer. nat. Klaus Niemann, Dipl.-Chemiker, Obenhausen (member of the Supervisory Board)

11.5 Disclosures in accordance with IFRS 2 on share-based remuneration

The variable remuneration for members of the Management Board partially concerns long-term bonus awards which generally consist of cash-settled bonus payments based on fictional shares. However, the Supervisory Board may, for each year, decide to replace monetary payments and instead issue shares to the members of the Management Board corresponding to the monetary payment (share-based remuneration with a fulfilment option for the Company). Based on decisions made by the Supervisory Board to issue new shares in the financial years 2023/2024 and 2024/2025 to meet obligations under the long-term bonus arrangements (fictional shares FY 2018/2019 and 2019/2020), 84,271 new shares were issued in the financial year 2023/2024 and 24,551 new shares were issued in the financial year 2024/2025. In both financial years a corresponding increase in capital was recorded.

Due to the awards being settled in the form of a share issue instead of by making cash payment, the long-term bonus has been classified as a so-called "equity-settled-plan" from the date of the initial decision to make the payment in the form of shares. The fictional shares FY 2021/2022 to 2024/2025 have been measured using a Black-Scholes option price model, and the resulting expense has been recognised directly in equity. An expense of EUR 1,305 thousand for the fictional shares FY 2024/2025 which relate to the financial year 2024/2025 (2023/2024: fictional shares FY 2023/2024: EUR 943 thousand) has been recognised directly in equity.

The fair values of the financial instruments were determined using level 2 measurements. This was based on the historical volatility of the Verbio share. No account was taken of dividends as, based on past experience, these do not have a significant influence on the measurements. However, contractually agreed upper-limits for the amounts of cash awards were taken into account.

The valuation inputs used to measure the long-term bonus for members of the Management Board are shown in the table below:

Shareholding in Verbio SE in %	Fictional shares FY 2021/2022 07/2021–06/2025	Fictional shares FY 2022/2023 07/2022–06/2026	Fictional shares FY 2023/2024 07/2023–06/2027	Fictional shares FY 2024/2025 07/2024–06/2028
Average share price in EUR on award date	59.81	36.56	17.44	12.22
Number of potential shares	16,453	32,383	58,845	120,919
Volatility	61.43%	58.70%	58.37%	55.55%
Interest rate	1.538	3.596	3.031	2.075
Fair value of fictional shares on recognition in equity (in EUR)	39.50 to 44.22	28.54 to 33.57	14.25 to 16.29	9.19 to 11.03
Share issue date	October 15, 2025	October 15, 2026	October 15, 2027	October 15, 2028

A loyalty bonus was awarded to "old" members of the Management Board totalling EUR 1,200 thousand for the financial year 2024/2025. Half of the loyalty bonus will be paid in the form of shares. The expense for this half of the loyalty bonus, amounting to EUR 600 thousand, has been recognised in equity. In addition, three members of the Management Board were awarded a bonus of EUR 489 thousand each (totalling EUR 1,468 thousand) in recognition of outstanding performance in the past financial year. The bonus is awarded in shares, and accordingly the resulting expense has also been recognised as an increase in equity. An actuarial process is not applied in measuring the fair value of this remuneration programme in view of its short-term nature. 44,730 new shares were issued in the financial year 2024/2025 in respect of the share-based component of the loyalty bonus for the previous year (financial year 2023/2024: 28,721 new shares). For the other half of the loyalty bonus the "old" members of the Management Board have a fulfilment option (share-based remuneration with fulfilment option for the counterparty). For this share of the bonus payment a liability has been assumed for the nominal amount of the award. Accordingly the expense of EUR 600 thousand for the financial year 2024/2025 is presented within other current financial liabilities at June 30, 2025.

The share-based remuneration for members of the Management Board recognised with profit or loss effect as an expense in comprehensive income (personnel expense) in the financial year amounted to EUR 3,373 thousand (2023/2024: EUR 1,543 thousand).

In addition, a further EUR 407 thousand (2023/2024: EUR 389 thousand) was recognised in equity representing short- and long-term bonus entitlements of other employees which have been or will be fulfilled in shares. A total of 8,000 new shares were issued in the financial year 2024/2025 for this purpose (financial year 2023/2024: 8,000 new shares).

11.6 Shareholdings in Verbio SE reportable under § 33 (1) of the Securities Trading Act (WpHG)

Verbio SE has received two reports of changes to significant holdings in the Company during the reporting period. These related to the transfer of shares held by

Pollert Holding GmbH & Co. KG to Theophanu Stiftung G & G Pollert. As this is a company controlled by Dr Georg and Dr Gabriele Pollert, the voting rights notifications were made via the aforementioned private individuals. Pollert Holding GmbH & Co. KG is a party to the pool agreement.

11.7 Declaration of conformity in accordance with § 161 of the German Stock Corporation Act (AktG)

The declaration on the German Corporate Governance Code as required by § 161 AktG is published annually in September on the Company's website (www.verbio.de) and is made available on a permanent basis.

11.8 Events subsequent to the balance sheet date

There were no reportable events subsequent to the balance sheet date.

11.9 Use of exemptions available under § 264 (3) HGB and § 264b HGB

The following subsidiaries have taken advantage of an option under § 264 (3) and § 264b of the German Commercial Code (Handelsgesetzbuch – HGB) providing for an exemption from the statutory requirement for corporations to prepare, and to have audited and published, annual financial statements and a management report:

- VERBIO Bitterfeld GmbH, Bitterfeld-Wolfen/OT Greppin, Germany
- VERBIO Zörbig GmbH, Zörbig, Germany
- VERBIO Schwedt GmbH, Schwedt/Oder, Germany
- VERBIO Finance GmbH, Zörbig, Germany
- VERBIO Pinnow GmbH, Pinnow, Germany
- VERBIO Renewables GmbH, Zörbig, Germany
- VERBIO Protein GmbH, Zörbig, Germany
- VERBIO India GmbH, Zörbig, Germany
- VERBIO Chem GmbH, Zörbig, Germany
- VERBIO Retail GmbH, Zörbig, Germany
- VERBIO Brazil GmbH, Zörbig, Germany
- VERBIO 1 GmbH, Zörbig, Germany
- VERBIO Poland GmbH, Zörbig, Germany.

11.10 Approval for publication

The Management Board of Verbio SE approved these IFRS consolidated financial statements to be submitted to the Supervisory Board on September 22, 2025. The Supervisory Board has the responsibility to examine the consolidated financial statements and state whether they are approved by them.

Zörbig, September 22, 2025

Claus Sauter
Chief Executive Officer

Prof. Dr. Oliver Lüdtke
Deputy Chief Executive Officer

Theodor Niesmann
Management Board

Bernd Sauter
Management Board

Stefan Schreiber
Management Board

Olaf Tröber
Management Board

Affirmation of the legal representatives

We affirm that to the best of our knowledge, and in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and that the Group management report includes a fair presentation of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Zörbig, September 22, 2025

Claus Sauter
Chief Executive Officer

Prof. Dr. Oliver Lüdtke
Deputy Chief Executive Officer

Theodor Niesmann
Management Board

Bernd Sauter
Management Board

Stefan Schreiber
Management Board

Olaf Tröber
Management Board

Reproduction of the independent auditor's report

Independent auditor's report

To Verbio SE, Zörbig

Report on the audit of the consolidated financial statements and of the combined Group management report

Audit opinions

We have audited the consolidated financial statements of Verbio SE, Zörbig and its subsidiaries (the Group), which comprise the consolidated balance sheet as at June 30, 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from July 1, 2024 to June 30, 2025, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the combined Group management report of Verbio SE, Zörbig, for the financial year from July 1, 2024 to June 30, 2025. In accordance with German legal requirements we have not audited the content of those parts of the combined Group management report specified in the "Other information" section of our audit report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) (hereafter "IFRS Accounting Standards") as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e paragraph 1 HGB and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at June 30, 2025 and of its financial performance for the financial year from July 1, 2024 to June 30, 2025 and

- the accompanying combined Group management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined Group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined Group management report does not cover the parts of the combined Group management report listed in the "Other information" section of our audit report.

Pursuant to section 322 paragraph 3 sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined Group management report.

Basis for the audit opinions

We conducted our audit of the consolidated financial statements and of the combined Group management report in accordance with section 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer – IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the combined Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined Group management report.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from July 1, 2024 to June 30, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, we do not provide a separate audit opinion on these matters.

In our view, the key audit matters were as follows.

1. Measurement of property, plant and equipment

2. Measurement of GHG quotas and biomethane reported within inventories

We have structured our presentation of these key audit matters as follows:

1. The financial statement risk
2. Audit approach
3. Reference to applicable disclosures

1. Measurement of property, plant and equipment

1. The financial statement risk
In its consolidated financial statements Verbio SE reports property, plant and equipment at the balance sheet date amounting to EUR 690 million (previous year: EUR 728 million). The carrying amounts of property, plant and equipment represent 54 percent of the balance sheet total (previous year: 53 percent). Accordingly, the carrying amounts recorded for this position are of significant importance to the Company's financial position.

The Company performs an examination annually to determine whether impairment write-downs or reversals of write-downs made in previous periods are necessary, based on a two-step process. In the first step, an examination is performed to determine whether there are any indicators that an impairment write-down is required for the individual cash generating units. In the second step, for those units for which such indicators have been identified, the recoverable amounts of the cash-generating units are determined and compared with the carrying amounts currently recorded for the respective assets. The recoverable amount is the higher of the fair value less costs to sell and the value in use of the cash-generating unit. If the carrying amount is above the recoverable amount, an impairment write down is required. The Company determines the value in use of cash-generating units using the discounted cash flow method.

The impairment testing of the cash-generating units is complex and based on a series of assumptions that have a significant influence on the determination of whether an impairment write-down is required. The assumptions to be made about the forecast of future cash flows in the detailed planning period, the utilisation rates and growth rates assumed for subsequent periods, and the cost of capital are therefore highly judgemental. As a result, the process is subject to significant estimation uncertainty, and there is a risk for the consolidated financial statements that necessary impairment write-downs as at the reporting date are not determined appropriately. For this reason this matter was of particular importance to our audit.

2. Audit approach
As part of our audit we first obtained an understanding of the planning process and the impairment testing process implemented at Verbio SE and performed an analysis to determine potential risks of error. Following this, we obtained an understanding of the controls relevant to the process and made an assessment of their design and implementation.

We satisfied ourselves of the appropriateness of the methodology used and the internal and external sources of information used to identify indications of impairment. For cash-generating units deliberately selected under consideration of their risk, we examined the sources of information used, assessing their relevance and reliability.

Our audit also covered the determination of the recoverable amounts of cash-generating units selected under consideration of their risk. For this purpose we examined whether the measurement methodology was based on the relevant measurement principles and whether the arithmetical accuracy of the calculation is ensured. In addition, we examined the forecasts of cash flows in the detailed planning period to determine whether the expected development is consistent with the planning for 2025/2026 approved by the Supervisory Board and the updated planning for 2025/2026 derived from this and approved by management, and whether it is based on appropriate and reasonable assumptions. We discussed the detailed planning and the most significant assumptions for subsequent periods, such as the assumed capacity utilisation rates and growth rates, in detail with those responsible for planning and assessed the plausibility of the assumptions.

With the involvement of our internal valuation specialists, we have assessed the derivation of the cost of capital and its components, in particular by examining the appropriateness of the peer group, by comparing selected market data used, determined under consideration of the respective risk, with external evidence and by verifying the arithmetical accuracy of the model. In addition, we assessed the discount rate used by management by comparing it with our own expected value.

Our audit procedures did not lead to any reservations concerning the measurement of property, plant and equipment.

3. Reference to applicable disclosures
The statutory disclosures on the measurement of property, plant and equipment and on impairments are presented in note 3.3 “Property, plant and equipment”, note 3.5 “Impairment of non-current assets” and note 6.1.2 “Property, plant and equipment” to the consolidated financial statements.

2. Measurement of biomethane and GHG quotas reported within inventories

1. The financial statement risk
In its consolidated financial statements Verbio SE reports inventories at the balance sheet date of which EUR 190 million (previous year: EUR 163 million) are attributable to the inventories of biomethane and GHG quotas. The GHG quotas represent the reductions of greenhouse gases harmful to the climate that will be achieved as a result of the products being manufactured by Verbio SE compared to the use of fossil fuels. The GHG quotas arise as an independent right which can be marketed by the Company as soon as the distributor, within the meaning of section 37a et seq. of the Federal Emissions Protection Act (Bundes-Immissionsschutzgesetz – BImSchG) and the Biofuel Sustainability Regulation, records the GHG quotas contained in the biomass it procures in Nabisy, the national recording system maintained by the Federal Office for Agriculture and Food (Bundesanstalt für Landwirtschaft und Ernährung – BLE). The carrying amounts of finished goods and merchandise represent 17 percent (previous year: 14 percent) of the balance sheet total, of which 15 percent are attributable to the inventories of biomethane and GHG quotas. Accordingly, the inventories of biomethane and GHG quotas are of significant importance to the Group's asset position.

Despite the continuous increase in mandatory quota obligations for fuel distributors (particularly oil companies), and the decision to suspend the right to carry forward surpluses accumulated until 2024 until the obligation year of 2027, a sharp fall in the price of GHG quotas below production costs was observed during the financial year due to supply surpluses.

The determination of the net realisable value used to calculate the lower of acquisition or manufacturing cost and net realisable value of the inventories requires the exercise of a high level of judgement, since the market prices of biomethane and GHG quotas at the balance sheet date cannot be measured by reference to directly observable data, but must be derived from comparable observable information.

This means that there is a risk that the biomethane and GHG quotas have been incorrectly measured in the consolidated financial statements. For this reason this matter was of particular importance to our audit.

2. Audit approach
As part of our audit we obtained an understanding of the process used by the Company to determine the net realisable value of inventories of biomethane and GHG quotas, and performed an analysis to determine potential risks of error. Following this, we obtained an understanding of the controls relevant to the process and made an assessment of their design and implementation.

We examined the determination of the net realisable value of inventories of biomethane and GHG quotas and made an assessment of the plausibility of the assumptions made. We have satisfied ourselves as to the appropriateness of the derivation of the net realisable value on the basis of external information and have verified the calculation and methodological implementation used to determine the net realisable values.

Our audit procedures did not lead to any reservations concerning the measurement of the inventories of biomethane and GHG quotas reported within finished goods.

3. Reference to applicable disclosures
The statutory disclosures on the determination of the net realisable value and impairment write-downs of inventories of biomethane and GHG quotas are presented in note 3.7 "Inventories", note 4 "Significant judgements, estimates and assumptions" and in note 6.2.1 "Inventories" in the notes to the consolidated financial statements.

Other information

The Management Board, as the Company's executive directors, and the Supervisory Board respectively, are responsible for the other information. The other information comprises:

- the report from the Supervisory Board,
- the information in the combined Group management report which is marked as content not subject to the audit,
- the statement on corporate governance pursuant to section 289f and section 315d HGB referred to in the combined Group management report,
- the section on "Supervision of the effectiveness of the risk management and internal control systems" contained in the combined Group management report,
- the affirmation of the legal representatives
- the non-financial Group statement pursuant to section 315b HGB contained in the combined Group management report, and
- the remaining parts of the annual report 2024/2025,
- but not the consolidated financial statements, not the combined Group management report information audited for content, and not our audit opinion thereon.

The Management Board and the Supervisory Board are responsible for the declaration pursuant to section 161 of the German Stock Corporation Act (Aktiengesetz – AktG) on the German Corporate Governance Code (Deutscher Corporate Governance Kodex – DCGK), which forms part of the statement on corporate governance included in the "Other reporting obligations" section of the combined Group management report. Otherwise the Management Board is responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined Group management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in so doing, to consider whether the other information:

- is materially inconsistent with the consolidated financial statements, with the Group combined management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and Supervisory Boards for the consolidated financial statements and the combined Group management report

The Management Board is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e paragraph 1 HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the Management Board is responsible for such internal control as it has determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group's ability to continue as a going concern. It is also responsible for disclosing, as applicable, matters related to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Management Board is responsible for the preparation of the combined Group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Management Board is responsible for such arrangements and measures (systems) as it considers necessary to enable the preparation of a combined Group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined Group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and the combined Group management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the combined Group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined Group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the combined Group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined Group management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the combined Group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the internal controls of the Group or these arrangements and measures.

- Evaluate the appropriateness of accounting policies used by the Management Board and the reasonableness of estimates made by the Management Board and related disclosures.

- Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined Group management report or, if such disclosures are inadequate, to modify our respective audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to section 315e paragraph 1 HGB.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming audit opinions on the consolidated financial statements and on the combined Group management report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinions.

- Evaluate the consistency of the combined Group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by management in the combined Group management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the Management Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters discussed with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance of the electronic rendering of the consolidated financial statements and the combined Group management report prepared for publication purposes in accordance with section 317 paragraph 3a HGB

Assurance opinion

We have performed assurance work in accordance with section 317 paragraph 3a HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the combined Group management report (hereinafter the "ESEF documents") contained in the electronic file KA_529900W51PINCF-FALS96–2025–06–30–0-de.zip with the hash value 142380c8a9bb05c5ff5398843dac67712dafb37232a3e-5e2e45bbf4554f4d835, calculated with SHA256 and prepared for publication purposes complies in all material respects with the requirements of section 328 paragraph 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the combined Group management report into the ESEF format, and therefore relates neither to the information contained within these renderings nor any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the combined Group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements for the electronic reporting format pursuant to section 328 paragraph 1 HGB.

Beyond this assurance opinion and our audit opinions on the accompanying consolidated financial statements and the accompanying combined Group management report for the financial year from July 1, 2024 to June 30, 2025 contained in the "Report on the audit of the consolidated financial statements and of the combined Group management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the assurance opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the combined Group management report, contained in the file identified above, in accordance with section 317 paragraph 3a HGB and the IDW Assurance Standard: Audit of the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 Paragraph 3a HGB (IDW AuS 410 (06.2022)). Our responsibility in accordance therewith is further described in the "Auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1 issued by the Institute of Public Auditors in Germany (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Management Board and the Supervisory Board for the ESEF documents

The Company's Management Board is responsible for the preparation of the ESEF documents, including the electronic renderings of the consolidated financial statements and the combined Group management report, in accordance with section 328 paragraph 1 sentence 4 item 1 HGB, and for the tagging of the consolidated financial statements in accordance with section 328 paragraph 1 sentence 4 item 2 HGB.

In addition, the Management Board of the Company is responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to section 328 paragraph 1 HGB.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of section 328 paragraph 1 HGB. We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of section 328 paragraph 1 HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of the internal controls relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited combined Group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL), in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as Group auditor by the shareholders' meeting held on December 6, 2024. We were engaged by the Chair of the audit committee on January 7, 2025. We have been the Group auditor of Verbio SE, Zörbig without interruption since the financial year 2021/2022.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter – use of the auditor's report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited combined Group management report as well as the audited ESEF documents. The consolidated financial statements and the combined Group management report converted to the ESEF format – including the versions to be published in the Federal Gazette – are merely electronic reproductions of the audited consolidated financial statements and the audited combined Group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German public auditor responsible for the engagement

The German public auditor responsible for the engagement is Ludwig Hinze.

Leipzig, September 22, 2025

Grant Thornton AG
Wirtschaftsprüfungsgesellschaft

Sebastian Haas	Ludwig Hinze
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Other information

Executive bodies of the Company

(GRI 2-11)

Management Board

Claus Sauter
Founder and Chief Executive Officer (CEO)

Responsible for Business Development & Sustainability, Business Strategy and M&A, Global Market Risk, Global Human Resources, the Specialties business unit and for India and North America.

Prof. Dr. Oliver Lüdtke
Chief Technology Officer (CTO) and Deputy CEO

Responsible for Research & Development for Bioethanol and Biomethane as well as Operational Excellence, and acts as Head of Production North America and HSE North America.

Theodor Niesmann
Chief Technology Officer (CTO)

Responsible for Research & Development for Biodiesel, Engineering, Procurement & Construction and HSE Europe. He also acts as Head of Production Europe.

Bernd Sauter
Chief Operating Officer (COO) Europe

Responsible for the administrative management of the European production sites and administrative departments (Regional Human Resources, Finance, Regional Procurement Trading and Sales as well as Quality Management), and responsible for Global Legal, VERBIO Agrar and VERBIO Logistik.

Stefan Schreiber
Chief Operating Officer (COO) Global Trading and Corporate Affairs

Responsible for Global Trading, Global Marketing & Communications, Global Governmental & Regulatory Affairs and Global Analytics. The Middle Office in Geneva also reports to him.

Olaf Tröber
Chief Financial Officer (CFO)

Responsible for the Global Treasury, Global Controlling, Global and European Accounting & Tax, Global Insurance, Internal Auditing, Enterprise Risk Consolidation, Investor Relations & ESG, IT Europe and Information Security departments. He is also responsible for Global Compliance.

Supervisory Board

Alexander von Witzleben
Chairman of the Supervisory Board

- President of the Board of Directors, Arbonia AG, Arbon, Switzerland
- Member of the Supervisory Board, Siegwerk Druckfarben AG & Co. KGaA, Siegburg
- Member of the Administrative Board, Kaefer SE & Co. KG, Bremen
- Chairman of the Supervisory Board of PVA TePla AG, Wettenberg (until August 30, 2024)
- Member of the Board of Directors, Innoviz Technologies Ltd., Nitzba, Israel

Ulrike Krämer
Vice-Chair of the Supervisory Board

German Certified Public Auditor and German Certified Tax Advisor, Ludwigsburg

Dr. Klaus Niemann
Member of the Supervisory Board

- Chemist, Oberhausen
- Shareholder and Managing Director, Reftec consult, Oberhausen

Technical glossary

0–9

45Z Tax credit

The 45Z tax credit is part of US tax law and is intended to promote the production of clean fuels. It grants manufacturers of qualified low-carbon fuels a credit per gallon (approx. 1.8 litres) and aims to reduce greenhouse gas emissions. The amount of the credit depends on the carbon intensity (CI) of the fuel.

A

Advanced biofuels

> Second generation biofuels

Arbitrage

Arbitrage describes the strategy of making use of price differences for raw materials, intermediate products or end products in various markets or regions in order to reduce costs or maximise profits. This can be done by simultaneously buying in a cheaper market and selling or using in a more expensive market, or by relocating production to lower-cost regions to take advantage of price disparities. Arbitrage helps to stabilise prices on efficient markets by balancing out differences in supply and demand conditions.

B

B100

> Biodiesel

Backwardation

Backwardation (or "Inverse market") describes a specific price situation on forward markets. This occurs when the immediate purchase price of an underlying asset (e.g. a commodity) is higher than its future price.

BImSchV

The Regulations on the Implementation of the Federal Emissions Protection Act (Verordnungen zur Durchführung des Bundes-Immissionsschutzgesetzes – BImSchV) are legal instruments in the Federal Republic of Germany used primarily to provide protection against environmental damage from air pollution and excessive noise. They are issued on the basis of the Federal Emissions Protection Act by the Federal Ministry for the Environment.

Biodiesel

Biodiesel is a biosynthetic fuel used in a manner similar to mineral diesel fuels. In Europe, it is usually created by the transesterification of rapeseed oil with methanol (rapeseed methyl ester). Biodiesel can be used as a mix with mineral diesel oil, or in modified engines in its pure form, known as B100.

Bioethanol

In chemical terms, bioethanol is an alcohol which is manufactured in a fermentation process from plants rich in starch and sucrose. Ethanol-based fuels are now used throughout the world as a source of biogenic energy for internal combustion engines. In Germany, filling stations offer E10 (with up to 10 percent bioethanol) and Super E5 (with 5 percent bioethanol).

Biofuel Sustainability Regulation (Biokraft-NachV)

The German Biofuel Sustainability Regulation (Biokraft-Nachhaltigkeitsverordnung – Biokraft-NachV) and the German Biomass Electricity Sustainability Regulation (Biomassestrom-Nachhaltigkeitsverordnung – BioSt-NachV) together transpose the EU Renewable Energy Directive 2009/28/EC and the EU directive 2018/2001 into German law.

Biofuels

Liquid or gaseous fuels produced from biomass are known as "biofuels" – for example, bioethanol, biodiesel, biomethane and vegetable oil. They are primarily used for combustion engines in mobile and stationary applications.

Biofuel quota

From the start of 2015 the energetic quota has been replaced by the net greenhouse gas reduction (GHG) quota.

> Greenhouse gas reduction quota

BioLNG

> LNG

Biomass

Biomass refers to stored solar energy in the form of energy crops, wood or residues such as straw, biowaste or manure. Electricity, heat and fuel can be obtained from solid, liquid and gaseous biomass.

Biomass derivatives

Biomass derivatives are substances, materials or energy sources that are obtained from biomass. These products can be used in industry, agriculture and energy supply.

Biomethane

The term biomethane refers to biogas processed to the standard of natural gas. As part of the natural gas processing the raw gases, produced by fermentation and saturated with steam, are largely purified from water, CO_2 and hydrogen sulphide before being conditioned and compressed and fed into the natural gas network. The chemical structure of biomethane is identical to natural gas, and in addition to being used to generate electricity and heat it can also be used as a biofuel (CNG) for natural gas-powered vehicles or used in the chemical industry.

Biorefinery

The biorefinery concept developed by Verbio is based on the closed loop circuits system and the use of whole plants in the biofuel production process. Combining biomethane, bioethanol, animal foodstuff and manure production enables 40 percent higher energy yield from raw materials used compared to existing bioethanol plants, with energy consumption approximately 40 percent lower in these integrated production plants. Additionally, the CO_2 savings amount to up to 90 percent compared to petrol over the entire value-added chain.

BLE

> Bundesanstalt für Landwirtschaft und Ernährung (The German Federal Agency for Agriculture and Food).

Blender's Tax Credit (BTC)

The Blender's Tax Credit (BTC), which expired on December 31, 2024, was a tax credit of USD 1 per gallon for biodiesel and renewable diesel blended with fossil fuels. It was aimed at blenders who mixed such biofuels with fossil fuels in the USA. In January 2025, the BTC was replaced by the 45Z Clean Fuel Production Credit (CFPC), which now benefits producers of low-emission fuels instead.

Brownfield/greenfield investments

A brownfield investment is when existing production facilities are purchased or leased. In contrast to brownfield investments, a greenfield investment involves the construction of new property, plant and equipment on previously undeveloped land – a "greenfield site", so to speak.

BTC

> Blender's Tax Credit

Bundesanstalt für Landwirtschaft und Ernährung (BLE)

The German Federal Agency for Agriculture and Food (Bundesanstalt für Landwirtschaft und Ernährung – BLE) is a German Federal authority. The BLE is responsible for implementing national policies, it is supervised by the Federal Ministry of Food and Agriculture (Bundesministerium für Ernährung und Landwirtschaft – BMEL).

By-products

By-products are products that can be marketed and sold but are in fact manufactured as a technical side-effect of a different, primary production process, or which result from the use of intelligent technologies to enable the better use of raw materials. At Verbio, by-products include feed, fertiliser, phytosterols and pharmaceutical glycerine which are generated as by-products during the manufacturing of biodiesel and bioethanol/biomethane.

C

Carbon dioxide (CO_2)

CO_2 is produced by the combustion of carbon-based material. It serves as a starter material for the creation of plant biomass using photosynthesis. The combustion of biomass only releases as much CO_2 as was previously captured during the growth cycle. Carbon dioxide is the most significant greenhouse gas.

CBOT

The Chicago Board of Trade (CBOT), founded in 1848, is the oldest futures exchange in the world and part of the CME Group.

Cellulosic RINs (D3-Rins)

According to the definitions provided in the Clean Air Act, a "cellulosic biofuel" is a renewable fuel derived from cellulose, hemicellulose or lignin from renewable biomass and that has lifecycle greenhouse gas emissions that are at least 60 percent less than the baseline lifecycle greenhouse gas emissions. RINs (Renewable Identification Numbers) are credits that are used to fulfil the RVO requirements and which serve as the "currency" for the RFS programme. D3-RINs, also known as cellulosic RINs, are used as credits for "cellulosic biofuels". These include, for example, biomethane manufactured from straw.

> RFS and RVO

CFC-11 equivalent

CFC-11 (trichlorofluoromethane) is one of the most common chlorofluorocarbon compounds that endanger the ozone layer and are considered greenhouse gases. The ozone depletion potential is measured as the equivalent of the ozone-depleting gas CFC-11; the reference unit is therefore in kilos of CFC-11 equivalent.

CO_2

> Carbon dioxide

CO_2 handprint

The CO_2 handprint was created in contrast to the CO_2 footprint, which measures the negative impact on the climate. The handprint, on the other hand, shows the positive contribution to reducing CO_2 emissions. Verbio makes a positive contribution to CO_2 reduction, for example, through our climate-friendly biofuels, which help to avoid emissions in the transport sector.

Commodities

The term for raw materials or goods traded on a commodities exchange. These include non-metallic commodities such as cocoa, sugar, grain etc. as well as metallic commodities that are traded on a corresponding exchange.

Compressed natural gas (CNG)

Natural gas as a fuel, in gas form, is injected into natural gas vehicles under high pressure in special pressure tanks. In comparison with petrol and diesel, natural gas has the advantage of burning more cleanly, a higher octane rating and a higher energy content. The combustion of CNG is almost free of fine particulate matter and nitrogen oxide. In Germany CNG fuel benefits from tax incentives.

Covenants

Covenants are contractual agreements or clauses in loan agreements that stipulate certain obligations for the borrower and serve to reduce risk.

Credit waiver

In this context, credit waiver refers to a possible waiver or relaxation of state obligations to include certain quantities of biofuels (e.g. cellulose-based fuels) in the fuel mix – i.e. a waiver of compliance with the RVO targets.

CSRD

The CSRD (Corporate Sustainability Reporting Directive) is the European Commission's directive which requires enterprises to publish information on the sustainability of their business activities and subject this information to an external audit (verification).

D

D3-RINs

> Cellulosic RINs

Decarbonisation/defossilisation

Decarbonisation refers to shifts in the economy, particularly in relation to energy use, which have the goal of further reducing fossil CO_2 emissions. To achieve this, actions and processes which emit CO_2 are replaced with processes that minimise or compensate for these emissions. Decarbonisation is a key tool for climate protection and a main pillar of the transition to sustainable energy. The long-term goal is a carbon-neutral economy.

Decarbonisation quota

> Greenhouse gas reduction quota

Dried distiller grains with solubles (DDGS)

Dried distiller grains with solubles describes a starch-based grain product which results from the operation of a bioethanol production plant. It is created after drying stillage, a by-product of bioethanol production. The dried stillage can be pelleted after the drying process. The storable feed produced in this way is known as DDGS.

Due diligence

Sustainability due diligence is the process by which a company identifies and prevents actual and potential impacts of its activities on the environment and people, and explains how it deals with such impacts. Due diligence is an ongoing practice that responds to or can initiate change. The result of the sustainability audit is incorporated into the assessment of a company's material impacts, risks and opportunities.

E

E10

E10 is a petrol fuel which contains 10 percent (by volume) bioethanol and 90 percent (by volume) petrol. This fuel has been available at filling stations in Germany since January 1, 2011.

Emission

The term "emission" can cover any type of discharge of solid, fluid or gaseous material, as well as noise, smells, rays or vibrations, into the environment. Mostly this term is used to refer to pollutants (exhaust gases, exhaust fumes, wastewater, solid or fluid waste, electro-smog, radioactivity etc.) produced by industrial activity.

Environmental Protection Agency (EPA)

The EPA is the state agency responsible for environmental protection in the USA.

ESG

The abbreviation ESG stands for "Environmental, Social and Governance". These criteria are used to assess the sustainable and ethical practices of companies and are crucial for corporate governance and investment decisions. ESG covers three central topics: Environmental aspects, social responsibility and corporate governance, all of which are important for assessing the sustainability of companies.

ESRS

The European Sustainability Reporting Standards (ESRS) regulate the details of sustainability reporting by companies in the European Union. The European Financial Reporting Advisory Group (EFRAG) was commissioned by the European Commission to develop the ESRS.

Ethanol

Ethanol, also called ethyl alcohol, belongs to the alcohol family and is in a narrow sense a synonym for alcohol. Ethanol is the main product of alcoholic fermentation and the primary component of spirits and potable alcohol. It is used as a fuel additive (bioethanol) and on its own as a fuel, as well as in the chemical and pharmaceutical industries.

Ethenolysis

Ethenolysis is a chemical process in which terminal olefins are degraded. In chemical terms, it is a cross metathesis.

Euribor

The Euro Interbank Offered Rate (Euribor) is a reference interest rate for time deposits in euros in the interbank business, which has been calculated on bank working days since January 1, 1999 for terms of one, two and three weeks and twelve monthly terms of one month to twelve months.

Euronext

Euronext is an international stock exchange which combines the Amsterdam, Brussels, Dublin, Lisbon, Milan, Oslo and Paris stock markets. It has its headquarters in Amsterdam. The shares of the operating company Euronext N.V. are traded on all of the stock markets that it operates.

F

Fatty acid methyl ester (FAME)

Fatty acid methyl ester (FAME) is manufactured by trans-esterification of fats or oils (triglycerides) with methanol. Today, fatty acid methyl ester is primarily used to manufacture biodiesel and can be used in its pure form as fuel, or combined in any quantity with conventional diesel fuels. The most common fatty acid methyls used in biodiesel production are soya oil methyl esters (SME, primarily used in North and South America and imported into Europe), rapeseed methyl ester (RME, primarily used in central Europe), palm oil methyl ester (PME, primarily from Indonesia) and methyl ester obtained from animal fats (FME).

First generation biofuels

First generation biofuels are all fuels produced from either oil-yielding crops or plants containing starch and sucrose. Oil-yielding crops are processed by pressing and subsequent esterification to create diesel fuels. A typical example is biodiesel. Bioethanol is produced by fermentation of plants containing starch and sucrose, such as grain, sugar beet or sugar cane.

Fossil fuels

Fossil energy is obtained from fuels which were created from waste products from dead plants and animals in geological prehistoric times. These materials include brown coal, black coal, peat, natural gas and crude oil. Fossil fuels include natural gas/CNG as well as diesel and petrol, which are manufactured from crude oil.

G

German Accounting Standards Committee (Deutsches Rechnungslegungs Standards Committee e. V. – DRSC)

The DRSC was founded as a standards development organisation in 1998 and has since functioned as the supporting organisation for expert committees. The core tasks of the DRSC are the development of recommendations for the implementation of consolidated accounting standards, advisory activities related to planned changes to accounting legislation at the national and EU levels, preparing interpretations of international accounting standards in accordance with § 315e (1) of the German Commercial Code (Handelsgesetzbuch – HGB), and improving the quality of accounting.

GHG Protocol

> Greenhouse Gas Protocol

GHG quota

> Greenhouse gas reduction quota

Greenfield investments

> Brownfield/greenfield investments

Greenhouse gases

In addition to methane, nitrogen dioxide and CFCs, carbon dioxide is the most important anthropogenic greenhouse gas. The rise in the concentration of greenhouse gases in the atmosphere is responsible for climate change. The main sources of CO_2 emissions include the energy supply, industry and the transport sector.

Greenhouse Gas Protocol (GHG Protocol)

The Greenhouse Gas Protocol is a private, transnational set of standards for accounting and reporting on greenhouse gas emissions for use by companies and increasingly for the public sector (carbon accounting).

Greenhouse gas reduction quota (GHG quota)

Since January 1, 2015 Germany has been the first country in the world to institute a so-called GHG quota for biofuels. Fulfilment of the quota is based exclusively on a maximum level of CO_2 savings. This climate protection instrument obliges the mineral oil industry to introduce more renewable energies into the transport sector and thereby reduce climate-damaging greenhouse gas emissions. The GHG quota to be met in Germany has been 10.6 percent since January 2025 and is set to rise to 25 percent by 2030.

Greenwashing

Greenwashing refers to attempts by organisations to achieve a "green image" through communication, marketing and individual measures without having systematically anchored corresponding measures in their operational business.

GRI

The Global Reporting Initiative (GRI) is a recognised provider of guidelines for the preparation of sustainability reports by large companies, small and medium-sized enterprises (SMEs), governments and non-governmental organisations. The GRI guidelines are intended to support sustainable development worldwide and at the same time provide companies, governments, investors, employees and the interested public with comparable decision-making and orientation aids.

H

Hedge

A hedge is a hedging strategy to limit financial risks, in particular those arising from exchange rate fluctuations, interest rate changes or commodity price movements.

HVO100

HVO100 stands for fuels made from 100 percent HVO.

Hydrogenated or Hydrotreated vegetable oils (HVO)

HVOs are vegetable oils which are converted to hydrocarbons by means of a catalytic reaction with hydrogen (hydrogenation). In this process, the properties of vegetable oils are changed to resemble those of fossil fuels (in particular diesel fuels), so that vegetable oils can be used as additives or as substitutes for fossil fuels.

I

ICE

The Intercontinental Currency Exchange (ICE), or Intercontinental Exchange for short, is an exchange operator based in Atlanta, Georgia, USA, which specialises among other things in the electronic trading of options and futures in electricity, energy and agricultural commodities as well as in emissions.

Inflation Reduction Act (IRA)

The Inflation Reduction Act (IRA) is a billion-dollar investment programme in the US, which, in addition to enacting measures to combat climate change and realign US business towards the use of renewable energies, also provided for comprehensive changes to tax regulations under President Biden's government. Under the Trump administration the programme was partially suspended, but the core measures, namely tax incentives for low-emission fuels and CO_2 storage with a clear focus on greenhouse gas savings through biofuels, were re-enacted with the "One Big Beautiful Bill", even though parts of the measures are still to be finalised.

ISCC

The abbreviation ISCC stands for the International Sustainability & Carbon Certification. It is a globally recognised system for the certification of sustainability and greenhouse gas emissions. The certification takes into account ecological and social aspects of biomass production.

L

LFCS

> Low Carbon Fuel Standard

Liquefied natural gas (LNG)

LNG, like CNG, is made from fossil natural gas and can be used to fuel passenger vehicles, heavy goods vehicles, buses and ships using combustion engines designed for CNG technology. For shipping purposes, natural gas is converted to liquid form under high pressure and cold temperatures. LNG can be used as a fuel in particular for shipping and heavy goods vehicles transportation over long distances as converting it into liquid form increases the volume which can be held in tanks, which extends the fuel range significantly compared to CNG.

Low Carbon Fuel Standard (LFCS)

The Low Carbon Fuel Standard is a guideline aimed at increasing the proportion of fuels with lower carbon intensity in transportation and reducing carbon dioxide emissions. In California, the LCFS is an important measure for meeting greenhouse gas emission reduction targets.

LTIF

Lost Time Injury Frequency (LTIF) describes the accident frequency rate (accidents per 1 million working hours) during the reporting period.

M

Margin call

A margin call is a request by a broker or bank to an investor to pay additional capital or collateral into a margin account. This happens when the value of the account falls below a certain threshold – the so-called maintenance margin.

MATIF

The French International Financial Futures Exchange (Marché à Terme International de France – MATIF) is a European futures exchange founded in Paris in 1986. Since then the MATIF has become a part of NYSE Euronext. Futures for wheat, corn and rapeseed are traded on the MATIF, among other commodities. Rapeseed meal, rapeseed oil and urea and ammonium nitrate solution (UAN), a liquid fertiliser, can also be traded. The MATIF is the most important leading exchange and the reference trading platform for German and European farmers.

Metathesis

Metathesis is one of the most important reactions in organic chemistry. With the help of specific catalysts, it makes it possible to synthesise new molecule combinations and, as a result, create new chemical raw materials and active ingredients. The scientists Yves Chauvin, Richard Schrock and Robert Grubbs were awarded a Nobel Prize in Chemistry for groundbreaking discoveries in this subject.

Monte Carlo simulation

The Monte Carlo simulation (also known as the MC simulation or Monte Carlo method) is a process used in stochastic and probability theory that uses repeated random sampling experiments to obtain a numerical distribution.

Multi-feedstock

The term "multi-feedstock" describes a production facility which can be used with a range of raw materials. Verbio plants are multi-feedstock capable for bioethanol and biodiesel manufacturing purposes, and make use of the best priced materials available in the market at the time.

Multisite procedure

The multisite procedure is a sampling procedure that allows a representative picture to be obtained from a small number of selected audit sites.

N

Net zero

Net zero is a climate target for companies with the objective of achieving net zero greenhouse gas emissions by a specific date. It is similar to a climate neutrality target, but in some aspects it is more ambitious. Net zero means achieving a balance between the volume of emissions created and the volume of emissions withdrawn from the atmosphere in order to reduce global warming.

New York Mercantile Exchange (NYMEX)

The New York Mercantile Exchange (NYMEX) is the world's largest commodities futures exchange.

O

Olefin

Olefin is a generic term used in particular in the petrochemical industry for all acyclic and cyclic hydrocarbons with one or more carbon-carbon double bond, with the exception of aromatic compounds.

One Big Beautiful Bill Act (OBBB or OBBBA)

The One Big Beautiful Bill Act, officially H.R. 1 of the 119th Congress, is a comprehensive legislative package passed in July 2025 under the Trump administration, which provides for far-reaching changes in the areas of national debt, health insurance and immigration, as well as extensive tax changes. Among other things, the OBBB clearly sets itself apart from the energy policy focus of the IRA. While the IRA placed a strong emphasis on the comprehensive promotion of wind, solar energy and electromobility, the OBBB focusses on biofuels and technologies for carbon capture and storage, which are specifically strengthened through tax incentives.

Over the counter (OTC)

Also known as off-market trading, this refers to transactions between market participants which are not conducted on the stock market or on other trading platforms.

P

Pharmaceutical glycerine

Pharmaceutical glycerine refers to a product synthesised by the purification and distillation of raw glycerine. It is used in the chemical and pharmaceutical industries. Glycerine is a by-product of biodiesel production.

Production Tax Credit (PTC)

Production Tax Credit (PTC) is a US subsidy model for the expansion of renewable energies that is based on tax credits.

R

Rapeseed methyl ester

Rapeseed methyl ester (also referred to as rapeseed oil methyl ester) is a mixture of methyl esters consisting of saturated and unsaturated fatty acids with 16 to 18 carbon atoms. Through the chemical reaction of refined rapeseed oil with methanol, rapeseed methyl ester is obtained as a clear, low-viscosity, flammable liquid that is insoluble in water.

REACH

The REACH Regulation is an EU chemicals regulation that came into force on June 1, 2007. REACH is the abbreviation for Registration, Evaluation, Authorisation and Restriction of Chemicals.

RED, RED II, RED III

> Renewable Energy Directive

REDcert

REDcert provides certification systems for sustainable biomass, biofuels and liquid biofuels (REDcert-EU).

Refining

Refining is a technical process for cleaning, processing, separating and/or concentrating raw materials, foodstuffs and technical products.

Renewable energies

Renewable energies such as solar power, wind energy or hydroelectric power are – in contrast to fossil fuels – available in unlimited amounts. The renewable energy available for use is classified into heat, electricity and fuel.

Renewable Energy Directive (RED)

The Renewable Energy Directive (RED) is a central element of European energy policy, which aims to promote the use of renewable energies. The third version, known as RED III, was adopted on October 18, 2023 and came into force on November 20, 2023. It replaces the previous Directive (EU) 2018/2001 (RED II) and sets new, more ambitious targets for the expansion of renewable energies in the EU. The directive should be transposed into national law in the member states by May 2025. A draft for this has been available in Germany since mid-June 2025.

The RED III Directive (EU 2023/2413) aims to increase the share of renewable energies in the EU to at least 42.5 percent by 2030 and to speed up the approval process for renewable energy projects.

Renewable Fuel Standard (RFS)

The Renewable Fuel Standard (RFS) is a United States federal programme in which fuels sold in the USA must contain a minimum volume of renewable fuels. The RFS was created with the Energy Policy Act in 2005 and expanded and prolonged with the Energy Independence and Security Act of 2007 (EISA).

Renewable Identification Numbers (RINs)

Renewable Identification Numbers (RINs) are credits that certify compliance with the Renewable Fuel Standard (RFS) in the United States. They are assigned to batches of biofuels to track their production, use and trade.

Renewable Volume Obligation (RVO)

RVOs are volume obligations for producers of renewable fuels issued by the Environmental Protection Agency (EPA) in the USA.

Repurchase agreement

Repurchase agreements are contracts in which a lender transfers assets belonging to it to a borrower in return for payment of an amount, and in which it is simultaneously agreed that the assets must (or can) be transferred back to the lender at a later date in return for payment of the amount received or another amount agreed in advance.

RFS

> Renewable Fuel Standard

RINs

> Renewable Identification Numbers

RVO

> Renewable Volume Obligation

S

Scope 1

Scope 1 emissions are emissions from sources which are directly under the responsibility of an enterprise or controlled by it. These include emissions from energy sources at the premises of the enterprise, such as natural gas, fuels, coolants, as well as emissions from the use of heating boilers and ovens. They are under the responsibility of an enterprise or controlled by it. Scope 1 emissions also include emissions from an enterprise's vehicle fleet (e.g. passenger vehicles, delivery vehicles, heavy goods vehicles, helicopters for hospitals).

Scope 2

Scope 2 emissions are indirect greenhouse gas emissions from energy that is procured by an enterprise – for example, electricity, steam, district heating and cooling which are generated outside the enterprise but are consumed by it. For example, if electricity purchased by a utility is generated by a third-party entity, the resulting emissions are considered indirect emissions.

Scope 3

Scope 3 emissions are all other indirect emissions that occur in the value-added chain of the reporting company.

SDGs

> Sustainable Development Goals

Second generation biofuels

Second generation biofuels use surplus or waste plants that are not used for food production and are not created by intensive agricultural production. In contrast to conventional biofuels, these have the added advantage that no additional agricultural land is required, greenhouse gas emissions are significantly lower compared to conventional biofuels, and they do not compete with the production of foodstuffs.

Segregated accounts

Cash and cash equivalents held in segregated accounts are cash balances that are subject to restrictions or that are deposited as collateral security, for example for derivatives.

Small Refinery Exemptions (SRE)

U.S. Environmental Protection Agency (EPA) waivers for small refineries under the Renewable Fuel Standard (RFS), granted under certain economic hardship conditions.

Spread

In general, spread means the difference between two prices of related contracts or products in the commodities market, for example between the price of the raw material (e.g. corn, rapeseed oil) and the price of a product made from it (e.g. ethanol, biodiesel).

Sterols

Sterols (also Phytosterols) is the name given to a group of chemical compounds that are part of the sterol category and which are found in plants. Phytosterols are fat-accompanying substances that, among other things, are used as dietary supplements and have the effect of reducing cholesterol levels in humans.

Sustainability

The concept of sustainability describes the use of a regenerative system in such a way that the main properties of the system are preserved, and in which stocks are replenished in a natural manner.

Sustainability criteria

Biofuels which are used to achieve the objectives of the Renewable Energy Directive and biofuels benefiting from national support schemes must fulfil certain criteria in order to prove their ecological sustainability. These criteria are referred to as sustainability criteria. Examples of sustainability criteria are the minimum reduction targets set for greenhouse gases and the protection of areas with high biological diversity. The criteria are catalogued in the Biofuel Sustainability Regulations.

Sustainable Development Goals (SDGs)

The 17 Sustainable Development Goals (SDGs) are political objectives of the United Nations (UN) that are intended to ensure worldwide sustainable development at an economic, social and ecological level.

Swap

A swap is a derivative financial instrument between two parties in which future cash flows are exchanged on the basis of an underlying asset, interest rate or exchange rate over a fixed period of time. These financial derivatives are primarily used to manage interest rate, currency or credit risks or to optimise financing costs. Swaps are agreed individually between the parties (OTC – over the counter).

T

The German Corporate Governance Code (Deutscher Corporate Governance Kodex – DCGK)

The German Corporate Governance Code presents essential statutory regulations concerning the management and supervision of German listed companies, and contains internationally and nationally recognised standards of good and responsible corporate governance in the form of recommendations and suggestions.

Tocopherols

Tocopherols are fat-soluble vitamins (vitamin E and vitamin E-like substances) consisting of a chroman ring and an isoprenoid side chain. Tocopherols are used in the foodstuff industry, among other things.

U

UN Global Compact (UNGC)

The UN Global Compact (or United Nations Global Compact) is a worldwide agreement between companies and the UNO to provide a framework to make globalisation more social and environmentally friendly. For this purpose the UNGC issued ten principles for the social and environmentally friendly shaping of globalisation.

Upstream Emission Reduction (UER)

UER describes the reduction of all emissions generated along the fuel production value chain in the raw material extraction, transportation and processing production stages. In January 2018 the German government issued the UER Regulation (Upstream-Emissionsminderungs-Verordnung – UERV) which enables upstream emission reductions to be counted from the 2020 commitment year. This means that the reduction of these emissions can be credited as greenhouse gas savings on fossil fuels brought to market in Germany, even if they are produced in a completely different geographical location in the world and a reduction has an impact on the climate at that location.

No new UERs will be authorised from 2025. Accordingly, oil companies can only fulfil their statutory climate protection requirements to a very limited extent with CO_2 reduction projects abroad.

Used cooking oil (UCO)

Used cooking oil is a sustainable raw material that is produced from by-products of the food industry. Among other things, it is used to produce biodiesel.

V

Voluntary markets

Voluntary markets refers to the market for biomethane that is not based on obligatory requirements in the transport sector.

GRI-standard index

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			2-11 Chair of the highest governance body		70
			2-12 Role of the highest governance body in overseeing the management of impacts		62–63
			2-13 Delegation of responsibility for the management of impacts	The ESG team, supervised by the highest management body, is responsible for the management of impacts.	62–63, 67
			2-14 Role of the highest governance body in sustainability reporting		62–63
			2-15 Conflicts of interest		70
			2-16 Submission of critical concerns		62–63
			2-17 Accumulated knowledge of the highest governance body		62–63

UNGC	GRI Standard	Specification	Publication	Reference	Folio
			2-18 Evaluation of the performance of the highest governance body		62–63, 70
			2-19 Remuneration policies		70, 86–89
			2-20 Procedure for determining remuneration		86–89
			2-21 Ratio of total annual remuneration		86
1–10		4. Strategy, policies and practices	2–22 Statement on sustainable development strategy		64
1–8, 10			2-23 Declaration of commitment to principles and practices		64–65
			2-24 Inclusion of the declaration of commitment to principles and practices		64–65
10			2-25 Procedures for eliminating negative effects	The respective sections of the report include explanations on the measures taken to eliminate negative effects.	62–63, 70
1–2, 10			2-26 Mechanisms for seeking advice and for raising concerns		70, 91–92
1–2, 8, 10			2-27 Compliance with laws and regulations	Information on compliance with laws and regulations is provided throughout the respective sections of the report.	64–65, 70
			2-28 Membership in associations and interest groups		95–96
		5. Stakeholder engagement	2-29 Approach to stakeholder engagement		65–67
3			2-30 Collective agreements		94
7, 8	GRI 3: Material topics	Disclosures on material topics	3-1 Procedure for determining material topics		67
			3-2 List of material topics		68
1–10			3-3 Management of material topics	The impacts of specific topics are reported in the respective relevant sections throughout the report.	
	GRI 201	Economic performance	201-1 Direct economic value generated and distributed		70
7–9			201-2 Financial implications and other risks and opportunities for the organisation due to climate change		69–70
			201-3 Liabilities for defined benefit pension plans and other pension plans		88

UNGC	GRI Standard	Specification	Publication	Reference	Folio
			201-4 Financial support from public authorities	This information is regarded as not significant for disclosure purposes.	
6	GRI 202	Market presence	202-1 Ratio of the standard starting salary broken down by gender to the local statutory minimum wage		88
6			202-2 Proportion of senior executives recruited from the local community		94–95
7–8	GRI 203	Indirect economic impact in 2016	203-1 Infrastructure investments and subsidised services		94–96
			203-2 Significant indirect economic effects		94–96
8	GRI 204	Procurement practices	204-1 Share of expenditure on local suppliers	The report describes the Company's procurement practices, but does not include data on the "Share of expenditure on local suppliers".	64, 94–96
10	GRI 205	Anti-corruption	205-1 Permanent establishments that have been audited for corruption risks		97
10			205-2 Communication and training on anti-corruption policies and procedures		91–92, 97
10			205-3 Confirmed incidents of corruption and measures taken		97
10	GRI 206	Anti-competitive practice	206-1 Legal proceedings arising from anti-competitive behaviour, antitrust and monopoly formation		97
	GRI 207	Taxes	207-1 Tax concept		97–98
10			207-2 Tax governance, control and risk management		97–98
			207-3 Stakeholder engagement and management of tax concerns		97–98
			207-4 Country-by-country reporting		97–98
8	GRI 301	Materials	301-1 Materials used by weight or volume		80
8			301-2 Recycled raw materials used		80, 84–85
			301-3 Reused products and their packaging materials	Disclosures on "packaging materials" are not material for Verbio.	84–85
7, 8	GRI 302	Energy	302-1 Energy consumption within the organisation		80–81
8			302-2 Energy consumption outside the organisation		80–81

UNGC	GRI Standard	Specification	Publication	Reference	Folio
8			302-3 Energy intensity		80–81
8, 9			302-4 Reduction of energy consumption		80–81
8, 9			302-5 Reducing energy requirements for products and services		80–81
7, 8	GRI 303	Water and wastewater	303-1 Water as a shared resource		81–83
7, 8			303-2 Dealing with the effects of water recirculation		81–83
8			303-3 Water abstraction		81–83
8			303-4 Water recirculation		81–83
8			303-5 Water consumption		81–83
8, 9	GRI 304	Biodiversity	304-1 Owned, leased and managed business sites located in or adjacent to protected areas and areas of high biodiversity value outside protected areas		83
8			304-2 Significant impacts of activities, products and services on biodiversity		83
			304-3 Protected or renatured habitats		83
			304-4 Species on the International Union for Conservation of Nature (IUCN) Red List and on national lists of protected species that have their habitat in areas affected by business activities	We currently do not have complete documentation on the affected species and therefore cannot disclose any in-formation.	
7, 8	GRI 305	Emissions	305-1 Direct GHG emissions (Scope 1)		83–84
7, 8			305-2 Indirect energy-related GHG emissions (Scope 2)		83–84
			305-3 Other indirect GHG emissions (Scope 3)		83–84
8			305-4 Intensity of greenhouse gas emissions		83–84
7–9			305-5 Reduction of greenhouse gas emissions		83–84
8, 9			305-6 Emissions of ozone-depleting substances		83–84
8, 9			305-7 Nitrogen oxides (NO_x), sulphur oxides (SO_x) and other significant air emissions		83–84
8, 9	GRI 306	Wastewater and waste	306-1 Waste generation and significant waste-related impacts		84–85
8, 9			306-2 Management of significant waste-related impacts		84–85
8, 9			306-3 Waste generated		84–85
8			306-4 Waste diverted from disposal		84–85

UNGC	GRI Standard	Specification	Publication	Reference	Folio
8, 9			306-5 Waste forwarded for disposal		84–85
8	GRI 308	Supplier environmental assessment	308-1 New suppliers screened against environmental criteria		96
8			308-2 Negative environmental impacts in the supply chain and measures taken		96
6	GRI 401	Employment	401-1 New hires and employee turnover		86–89
6			401-2 Occupational benefits offered only to full-time employees and not to temporary or part-time employees		86–89
6			401-3 Parental leave		86–89
3	GRI 402	Employee-employer relationship	402-1 Minimum notice period for operational changes		66, 86–89
	GRI 403	Occupational safety and health	403-1 Occupational health and safety management system		89–91
			403-2 Hazard identification, risk assessment and incident investigation		89–91
			403-3 Occupational health services		89–91
			403-4 Employee involvement, consultation and communication on occupational health and safety		89–90
			403-5 Employee training on occupational health and safety		89
			403-6 Promoting the health of employees		89–91
			403-7 Prevention and mitigation of occupational health and safety impacts directly related to business relationships		89–91
			403-8 Employees covered by an occupational health and safety management system		89–91
			403-9 Work-related injuries		91
			403-10 Work-related illnesses		91
	GRI 404	Education and training	404-1 Average number of hours spent on education and training per year per employee	The exact statistics were not reported as they are classified as not material. Currently it is being examined whether it is appropriate to publish these statistics in next year's report.	91–92

UNGC	GRI Standard	Specification	Publication	Reference	Folio
			404-2 Employee skills improvement programmes and transitional assistance		91–92
			404-3 Percentage of employees who receive a regular assessment of their performance and professional development		91–92
6	GRI 405	Diversity and equal opportunities	405-1 Diversity in governance bodies and among employees		93–94
6			405-2 Ratio of women's basic salary and remuneration to men's basic salary and remuneration		93–94
6	GRI 406	Non-discrimination	406-1 Incidents of discrimination and remedies taken		94
2, 3	GRI 407	Freedom of association and collective bargaining	407-1 Operations and suppliers where the right to freedom of association and collective bargaining may be threatened		94
2, 5	GRI 408	Child labour	408-1 Operations and suppliers at significant risk of incidents of child labour		94
2, 4	GRI 409	Forced or compulsory labour	409-1 Operations and suppliers at significant risk of incidents of forced or compulsory labour		94
1, 8	GRI 413	Local communities	413-1 Operations with local community involvement, impact assessments and support programmes		66, 94–96
1, 9			413-2 Business activities with significant and potential negative impacts on local communities		94–96
1–6, 10	GRI 414	Social evaluation of suppliers	414-1 New suppliers screened on the basis of social criteria		96
1–6, 10			414-2 Negative social impacts in the supply chain and measures taken		96
7, 8	GRI 416	Customer health and safety	416-1 Assessment of the health and safety impacts of different categories of products and services		96
			416-2 Violations related to the impact of products and services on health and safety		96
7	GRI 417	Marketing and labelling	417-1 Requirements for product and service information and labelling		97
			417-2 Violations related to product and service information and labelling		97
			417-3 Violations related to marketing and communication		97
	GRI 418	Protection of customer data	418-1 Substantiated complaints regarding the breach of the protection of customer data and the loss of customer data		97

Financial calendar

November 12, 2025	Quarterly statement for the period ended September 30, 2025 (Q1 2025/2026)
December 5, 2025	Annual general meeting of Verbio SE (In-person event)
February 12, 2026	Half-year financial report for the period ended December 31, 2025 (1 HY 2025/2026)
May 13, 2026	Quarterly statement for the period ended March 31, 2026 (Q3 2025/2026)
September 24, 2026	Annual report 2025/2026 for the year ended June 30, 2026 (FY 2025/2026) Financial statement press and analysts' conference

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Forward-looking statements

The annual report includes various statements concerning forecasts, expectations and information that relate to the future development of the Verbio Group and Verbio SE. These statements are based on current assumptions and estimates and may be associated with known and unknown risks, uncertainties and contingencies. Actual developments and results, as well as the financial and net asset position, the development or performance of the Company may therefore differ significantly from the expressed expectations and assumptions. Such differences may be due, among other things, to market fluctuations, changes in worldwide market prices for raw materials as well as financial markets and exchange rates, changes in national and international laws and directives, fundamental changes in the economic and political climate, geopolitical conflicts, pandemics, tariffs and embargoes, changes in interest rates or changes in the Company's corporate strategy. Verbio neither intends nor assumes any separate obligation to ensure that forward-looking statements are achieved, updated or adapted to future events and developments.

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