

February 18, 2026

EGF Agriculture Operations Update:

We are currently 65% sliced in the RRV. There are approximately 4.3 million tons remaining to slice, of the total tons remaining, 400,000 of those tons are non-ventilated beets in wings. The recent warm weather coupled with stretching our wing beets out into late February, due to the large crop, has caused poorer beet quality than we would like to see. We are getting them sliced and the wing quality is not completely terrible, but we were hoping for better. In the next 8 to 10 days, we will be transitioned into ventilated beets and quality will surely improve.

We have been discarding some beets to keep the factory slice rates as high as possible. While I am unsure of the total number of discards in the RRV, it is very minimal at this point. Most of the beets we have discarded are pockets of poor-quality beets and not whole sections of piles. A load or two of very poor-quality beets will cause major disruptions in factory slice and sugar recovery so we are not taking a cautious approach. It has been a challenge to achieve the right blend for the factories at a couple of piling site locations, but we are working through it.

Trucking has gone well in the EGF district all year. Even if it appears that we are behind at times, we have been on a good schedule for transporting beets. With the large crop things just take a bit longer and our storage strategies are stretched out further than we would like. Trucking in the RRV has been overall good this year, we started falling behind a bit towards the end of the year due to the storms and cold weather, so we did add several contracted trucks in order to stay on schedule. Some of those trucks were end dumps so we could stockpile some beets in our yards to stay out of ventilated beets and others are pulling Transystems trailers from the Drayton district down to Hillsboro.

We were able to get the ventilated beets frozen early and reach colder than normal temperatures. However, this warm weather has us on edge. The ventilated beets are fine but warm days in February surely speed up the thawing process. This year, we covered a total of 41 piles in the RRV, completing that work on February 14th. Covering 41 piles in 24 days might be some sort of world record and this timing was ideal as we did get them covered before most of this recent warm weather, so that is a good thing. We plan to get into tarped piles by mid-March and into insulated piles early in April. Once the wing beets are gone later this month we will start reloading un-tarped ventilated frozen beets. In

addition, we are setting up pillow tarps and refrigeration in all 12 RRV beet storage sheds this year.

Ag capital bids have been released. Most of our work this summer will focus on concrete repair. This coming summer, we will also be installing ventilation in Oslo and O'Meara, along with the passive ventilation being converted to forced ventilation in St. Thomas. These ventilation projects will help us manage future storage losses and will continue over the next several years, so expect to see more ventilation at our piling sites in the coming years.

As always, call if you have any questions.

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