

HALF-YEAR RESULTS

Sales: € 108.1 million (€ 90.3 million in 1st half of 2018)
Operating result (EBIT): € -1.7 million (€ -5.9 million in 1st half of 2018)
Result for the period: € -1.5 million (€ -4.8 million in 1st half of 2018)

General context

Rosier Group had to face the following key challenges during the first half of 2019:

- Granular fertilizer sales in Europe increased sharply by 45% compared to the same period in 2018: historically we have to go back to 2015 to see a higher level than today.
- In export deliveries outside Europe, despite the commercial policy put in place based on the differentiation of our products, sales fell by 17% compared to 2018, which was a historically excellent year. Competition from Northern Europe and North Africa is important in our African markets. The financial situation of some countries is catastrophic and does not provide enough financial guarantees and comfort to deliver our products.
- In Specialties, sales reached a low level never seen in the last 10 years, especially in Europe.
- The month of June was devoted to the maintenance of our granulators in Sas van Gent and in Moustier, we are replacing the granulator.

All these factors had a significant impact on our activities and results during the first half of 2019:

- § Sales for the first half of 2019 amounted to € 108.1 million, up 20% compared to 2018, for which the turnover amounted to € 90.3 million
- § The other operating revenues totalled to € 0.8 million (€ 1.4 million in 2018): it included various rebilled expenses for services provided.
- § Following the increase in both business and production activities, operating expenses increased by € 12.2 million (excluding depreciation and impairments).
- § After deducting operating expenses, including depreciation and impairments of € 2.6 million (€ 1.9 million in 2018), the operating result (EBIT) represents a loss of € 1.7 million (mainly due to the last two months of the semester); the operating result for the first half year of 2018 was a loss of € 5.9 million.

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§ After financial expenses and income taxes, the net result for the period is a loss of € 1.5 million (- € 6.1/share), compared with a negative result of € 4.8 million (€ -18.8/share) in the first half of 2018.

No event likely to significantly affect the situation of Rosier Group as of 30 June 2019 has subsequently occurred since the end of the period.

The comparative half-year results and consolidated statements of the Group's financial position are as follows:

a) Half-year results

In € thousands	HY1 2019	HY1 2018
Operating revenues	108.943	91.764
<i>of wich : Sales</i>	108.098	90.342
<i>Other operating revenues</i>	845	1.422
Operating expenses	(110.620)	(97.695)
Operating profit/loss (EBIT)	(1.676)	(5.931)
Net financial expense	(316)	(74)
Profit/(loss) before tax	(1.992)	(6.004)
Income tax	447	1.223
Net profit for the period	(1.545)	(4.781)

in € / share	HY1 2019	HY1 2018
EBITDA	3,53	(15,78)
EBIT	(6,57)	(23,26)
Net profit for the period	(6,06)	(18,75)

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b) Consolidated statements of financial position:

In € thousands	30-06-19	31-12-18	2019/2018
<u>ASSETS</u>			
Net non-current assets	37.100	36.149	
Right of use	1.091	-	
Deferred tax assets	5.634	5.187	
Other non-current assets	1	1	
Total non-current assets	43.826	41.337	6,02%
Inventories	56.521	49.636	
Current tax receivable	300	-	
Trade receivables	43.033	43.559	
Other receivables	1.704	2.910	
Cash and cash equivalents	312	58	
Total current assets	101.870	96.163	5,94%
TOTAL ASSETS	145.696	137.500	5,96%
<u>EQUITY</u>			
Share capital	2.748	2.748	
Reserves and retained earnings	35.485	37.030	
Total equity	38.233	39.778	-3,88%
<u>LIABILITIES</u>			
Employee benefits	1.324	1.468	
Lease liability	856	-	
Interest-bearing loans and borrowings	25.000	25.000	
Total non-current liabilities	27.180	26.468	2,69%
Current tax liability	80	252	
Interest-bearing loans and borrowings	54.284	21.027	
Trade payables	20.550	45.475	
Lease liability	240	-	
Other liabilities	3.939	3.711	
Passives on contracts	1.190	788	
Total current liabilities	80.283	71.254	12,67%
Total liabilities	107.463	97.722	9,97%
TOTAL EQUITY AND LIABILITIES	145.696	137.500	5,96%

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Outlook

The new trade policy implemented in Europe from 1 May should bring the first positive elements during the 2019/2020 campaign.

In light of the information available to us during the drafting of this press release, the second half of the year is anticipated to be marked by:

- High productions levels in our three granulation plants;
- Deliveries in Europe are expected to continue to recover;
- Deliveries outside Europe should resume the growth of 2018;
- Continued efforts to restore Specialty business all over the world;
- Continuation of the fixed fee optimization program and implement initiatives to reduce variable costs.

Considering all these elements, and with caution, the operating result for the year 2019 is expected to be positive. The combined effects of the measures taken in 2019 should bring more significant results from 2020, provided market conditions do not deteriorate.

Half-year financial report

In accordance with the Royal Decree of 14 November 2007, the Group publishes a half-year financial report. This will be available by 26 July at the latest on the Rosier website (www.rosier.eu) under the heading 'Financial information'. This document can also be obtained on request by phoning + 32 69 87 15 31.

Financial calendar

- Publication of annual results 2019: 21 February 2020
- Release of annual report 2019: 30 April 2020
- General meeting 2020: 18 June, 10.30 am

Statement from PwC, statutory auditor to the Company

The statutory auditor, PwC Réviseurs d'Entreprises represented by Peter Van den Eynde, has confirmed that the procedures related to its limited review in accordance with ISRE2410 on the interim financial information as of June 30th, 2019, adopted by the Board, have been completed. The accounting data reported in the press release is consistent, in all material respects, with the interim financial information from which it has been derived.

Willy Raymaekers
Chairman and CEO of the Rosier Group

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