

Press release¹

2020 results:

- **Turnover: MEUR 108.5 (MEUR 108.1 in 2019)**
 - **Operating profit (EBIT): MEUR 0.2 (MEUR -1.7 in 2019)**
 - **Profit/loss for the period: MEUR -0.7 (MEUR -1.5m in 2019)**
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The key challenges Rosier Group had to face during the first half of 2020 are the following:

- The application of health requirements at its sites following the COVID-19 pandemic in order to guarantee the health of its employees, the safety of our processes and the maintenance of its activity;
- Demand for granular fertilisers in Europe increased by 9%, compared with the same period in 2019.
- Sales of granulated fertilisers outside Europe at the same level compared with 2019.
- In the Specialities segment, sales fell by 10% compared with the same period in 2019, but the margins are equivalent to 2019.
- June was devoted to the maintenance of the granulation units in Sas van Gent and Moustier.

Our financial results from the first half of 2020 are:

- Turnover in the first half of 2020 was €108.5 million, up 0.4% from 2019 (€108.1 million).
- The other operating profits total €0.8 million (€0.8 million in 2019): it included various recurring invoices.
- Operating expenses decreased by €1.5 million (excluding depreciation and write downs) which was mainly due to a decrease in supplies and raw materials.

¹ Also available on the website www.rosier.eu under the heading "Financial information"

- After deducting operating expenses, including depreciation and write downs of €2.6 million (€2.6 million in 2019), the operating profit (EBIT) was a profit of €0.2 million; the operating profit for the first half of 2019 was a loss of €1.7 million.
- After financial expenses and income taxes, the net result for the period was a loss of €0.7 million (-€2.76/share), compared with a negative income of €1.5 million (-€6.06/share) in the first half of 2019.

No event likely to significantly affect Rosier Group's position on 30 June 2020 has occurred since the end of the period.

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

- Half-year results

In € thousands	HY1 2020	HY1 2019	2020/2019
Operating revenues	109.276	108.943	
<i>of wich : Sales</i>	108.494	108.098	0,37%
<i>Other operating revenues</i>	782	845	
Operating expenses	(109.100)	(110.620)	
Operating profit/loss (EBIT)	176	(1.676)	-110,52%
Net financial expense	(403)	(316)	27,42%
Profit/(loss) before tax	(227)	(1.992)	-88,63%
Income tax	(478)	447	
Net profit for the period	(704)	(1.545)	-54,42%

in € / share	HY1 2020	HY1 2019	2020/2019
EBITDA	10,85	3,53	207,38%
EBIT	0,69	(6,57)	-110,52%
Net profit for the period	(2,76)	(6,06)	-54,42%

The consolidated results as summarised above were fixed by the Board of Directors on 22 July 2020.

- Consolidated statements of financial position:

In € thousands	30/06/2020	31/12/2019	2020/2019
<u>ASSETS</u>			
Net non-current assets	38.197	38.671	
Right of use	1.305	1.039	
Deferred tax assets	3.334	3.812	
Other non-current assets	1	1	
Total non-current assets	42.837	43.523	-1,57%
Inventories	48.946	44.160	
Current tax receivable	300	300	
Trade receivables	38.166	45.740	
Other receivables	2.008	2.462	
Cash and cash equivalents	509	65	
Total current assets	89.929	92.727	-3,02%
TOTAL ASSETS	132.766	136.249	-2,56%
<u>EQUITY</u>			
Share capital	2.748	2.748	
Reserves and retained earnings	27.744	28.448	
Total equity	30.492	31.196	-2,26%
<u>LIABILITIES</u>			
Employee benefits	2.221	2.345	
Lease liability	620	-	
Interest-bearing loans and borrowings	0	496	
Total non-current liabilities	2.841	2.841	0,01%
Current tax liability	-	-	
Interest-bearing loans and borrowings	66.727	63.119	
Trade payables	27.902	33.627	
Lease liability	712	567	
Other liabilities	2.725	2.760	
Passives on contracts	1.366	2.140	
Total current liabilities	99.433	102.213	-2,72%
Total liabilities	102.274	105.053	-2,65%
TOTAL EQUITY AND LIABILITIES	132.766	136.249	-2,56%

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Outlook

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

- Fully available production capacity for our three production units;
- Deliveries in Europe that are expected to continue to grow;
- Export deliveries that are expected to reach a level comparable to that of 2019;
- The implementation of a new strategy for specialities following a redefinition of the group's position in this market;
- The continuation of the fixed cost optimisation programme and the implementation of initiatives to reduce variable costs.
- Continuation of the programme to improve working capital requirements.

In view of all these factors, we can cautiously expect that the operating result for 2020 should be positive.

As the group's activities are classified by various government authorities as crucial, the COVID-19 crisis is unlikely to significantly influence the financial results of the Rosier group, given its current development.

In addition, the future outlook and the way in which the Rosier Group was impacted by the first wave of the pandemic did not lead us to consider COVID-19 as an indication of impairment as of 30 June 2020.

The renewal of our 18-month long-term borrowings from Borealis AG guarantees that the Group's business will continue.

Transactions made with related companies

Two transactions with related companies were made during the Board of Directors' meeting of 22 July 2020. The details of these transactions are set out below in accordance with the Law of 28 April 2020 transposing Directive (EU) 2017/828 of the European Parliament.

- Renewal of a €25 million loan for a period of 18 months
 - Related undertakings: Borealis A.G.
 - Date of decision: 22 July 2020
 - Transaction date: 22 July 2020
 - Transaction value: Euribor rate of 6m (with a floor of 0) + Spread of 202 basis points
 - Decision: The Committee of Independent Directors that made this assessment to the Board of Directors: 'The financing contracts will cover Rosier SA's needs until at least 31 December 2021. The interest rate is based on a market index. The margin is not unusual and is in line with market rates. The fact that Rosier SA is part of the Borealis group explains the need to comply with this group's financial policy. The conditions proposed by Borealis for extending the contract with better than market conditions are reasonable and should be kept by Rosier.'

The Board decided to enter into this 18-month loan.

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Conclusion of the Auditor's report, PwC:

In conclusion, we declare that our audit has not revealed anything that could have a significant influence on the accuracy of the data mentioned in the opinion of the Committee of Independent Directors of 22 July 2020 and in the minutes of the Board of Directors' meeting held on the same date.

Half-year financial report

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

2020 shareholders agenda

- Publication of annual results 2020: 26 February 2021
- Release of annual report 2020: 30 April 2021
- General meeting 2021: 17 June, 10.30 am

Statement from PwC, statutory auditor to the Company

The statutory auditor, PwC Réviseur d'Entreprises, has confirmed that its work on the limited review, conducted pursuant to ISRE standard 2410, of the condensed consolidated interim financial statements on 30 June 2020 has been substantially completed and that the accounting information included in the press release is, in all material respects, consistent with the said financial statements from which it is taken.

On behalf of the Board of Directors.

Willy Raymaekers

Chairman and CEO of Rosier Group