

Press Release¹

2020 RESULTS:

- Sales : MEUR 202.6 (MEUR 218.2 in 2019)
 - Operating profit before depreciation and amortization (EBITDA) : MEUR +1.1 (MEUR 0.6 in 2019)
 - Operating result (EBIT): MEUR -21.2 (MEUR -5.5 in 2019)
 - Net loss for the period : MEUR -25.6 (MEUR -7.9 in 2019)
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The strong results during the first quarter of 2020, could not be continued during the rest of the year. The main reasons were the market conditions being more and more competitive with the pressure of the vertically integrated competitors, the unfavourable cost position of the Rosier Group and supply issues with key raw materials. On the positive side, there was no lost time accident in 2020.

The following trends were observed during the year:

- Europe: the same trend as in 2019 was observed: strong performance in South-West Europe, whereas in other areas the market situation was less favourable.
- Export: the Company consolidated its positions except in the Americas.
- Specialties: volumes have remained at the level of the last three years.

The lack of profitability during the past years and the continued deviation in 2020 of the financial performance of Rosier Group against the budget, notwithstanding the significant efforts to adapt the strategy and the detailed cost containment efforts, qualifies as a triggering event for an impairment test.

Rosier recovered in 2017 after a difficult 2016 and continued its efforts to optimize the operating expenses throughout 2017 and the years thereafter.

Throughout 2018 Rosier did not succeed in keeping up the 2017 performance due to increasingly difficult market conditions of drought and expanding and fierce competition.

Rosier adapted its strategy and, as from May 2019, set up its own commercial organisation focussing on a niche market approach. This approach resulted in an improvement in the 2019 results versus

¹ Also available at www.rosier.eu under « Financial informations »

2018. Notwithstanding these improvements, however, 2020 ended up with an operational loss of MEUR 21.2 (including an impairment charge on property plant and equipment of MEUR 17.52).

Rosier Group estimated results can be summarised as follow:

- The operating result before amortization and depreciation (EBITDA) is estimated at MEUR 1.1.
- The impairment test resulted in a recoverable amount based on the value in use, which is MEUR 17.52 lower than the carrying amount of the Rosier Group. Therefore, the property, plant and equipment of MEUR 39.95 will be impaired by MEUR 17.52 in 2020.
- After deduction of operating costs, including amortization and depreciation, the operating result (EBIT) ends in loss of MEUR 21.2 compared to a loss of MEUR 5.5 in 2019.
- The deficit financial result over the period of MEUR 1.2 is mainly composed of borrowing costs.
- Following a careful analysis of the possibilities of future recovery of the losses carried forward, a tax charge of MEUR 3.0 had to be recognized.
- After financial charges and taxes, the result for the period shows a deficit of MEUR 25.6, against a loss of MEUR 7.9 for the year 2019.

The key figure are as follows:

EUR thousand	2020	2019
Operating revenues	203.773	219.984
<i>of which: Sales</i>	202.556	218.236
<i>Other operating revenues</i>	1.218	1.748
Operating expenses	-224.946	-225.477
<i>of which: depreciation and amortization</i>	-22.289	-6.133
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	1.116	640
Operating profit (EBIT)	-21.173	-5.493
Net financial income	-1.231	-769
Profit before tax	-22.404	-6.262
Income tax	-3.190	-1.590
Net profit for the period	-25.594	-7.852

EUR per share	2020	2019
Net earnings per share	-100,37	-30,79
EBIT	-83,03	-21,54
EBITDA	4,38	2,51
Gross dividend	0,00	0,00

The consolidated results, as summarised above, were approved by the Board of Directors on 22 February 2021.

Transactions with related companies

Rosier has successfully secured additional financial support from its majority shareholder Borealis AG. Two long-term loans of EUR 25 million each have been extended on February 26, 2021.

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.

Extension of the maturity date of the long term financing contracts until the 30 June 2022

- Related undertakings: Borealis A.G.
- Date of decision: 26 February 2021
- Transaction date: 26 February 2021
- 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 30 June 2022. 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 those amendments.

Statement from the Statutory Auditor:

The statutory auditor, PwC Réviseurs d'Entreprises SRL, represented by Peter Van den Eynde, has confirmed that the audit, which is substantially complete, has not to date revealed any material misstatement in the draft consolidated accounts, and that the accounting data reported in the press release is consistent, in all material respects, with the draft accounts from which it has been derived.

Outlook

No event likely to significantly affect the Company's position at 31 December 2020 arose since the financial year end.

The Group has defined the following objectives for 2021:

- Strengthen its Granular market share in Europe.
- Consolidate sustainably its positions in certain areas of the world.
- Grow the Specialties business based on a new product line.

2021 shareholders' agenda

- Publication of 2020 annual report: 30 April
- Annual General Meeting: 17 June at 10.30 am

On behalf of the Board of Directors,

Willy Raymaekers
Chairman and CEO of Rosier Group