

28th of February 2023

Regulated information – Inside information

PRESS RELEASE

2022 Financial Results

The Rosier Group has improved its operational result compared to previous years, and this has succeeded despite several challenges it had to face:

- The war in Ukraine led to a steep increase in the price of natural gas and its derivatives (Ammonia, Ammonium Nitrate, Ammonium Sulphate,...). Supply of raw materials from Russia and Belarus was subject to an embargo and alternative supply sources needed to be developed. The European fertiliser market was heavily under supplied due to the ban on imports from Russian producers. All this has led to increased raw material costs which were offset by a sharp increase in fertiliser product prices. At the end of the year, gas prices returned to a more normal level.
- In addition, NASC supply difficulties due to technical problems encountered by our main supplier, forced us to modify our production schedules and use alternative raw materials for NASC to continue to produce.

Rosier Group's estimated results can be summarised as follow:

- The operating result before amortization and depreciation (EBITDA) is kEUR 131 ;
- No triggering events were identified by management of potential further impairment, neither a potential reversal of past impairment on fixed assets.
- The financial result includes a revenue corresponding to a change in estimate in the decontamination provision for the Sas van Gent site ;
- After the deduction of operating costs, including amortization and depreciation, the operating result (EBIT) ends in a loss of MEUR 2,755 compared to a loss of MEUR 36,749 in 2021;
- After financial charges and taxes, the result for the period shows a profit of KEUR 825, against a loss of MEUR 36,930 for the year 2021.

The key figures are as follows:

Consolidated statement of comprehensive income

EUR thousands	2022	2021
Operating revenues	248.367	234.993
Revenue	246.270	233.800
Other operating revenues	2.096	1.193
Operating expenses	- 251.122	- 271.742
Supplies and raw materials	- 201.746	- 181.952
General expenses	- 33.036	- 39.972
Personnel expenses	- 16.845	- 17.431
Amortisation and amounts written off	- 2.886	- 27.625
Provisions	3.891	- 4.211
Other operating expenses	- 500	- 551
Operating profit	- 2.755	- 36.749
EBITDA	131	- 9.125
Financial income	4.224	378
Financial expense	- 997	- 1.180
Profit before tax	471	- 37.551
Income tax	354	621
Profit of the period	825	- 36.930
Other comprehensive income - items that will not be reclassified to profit or loss	571	362
Defined benefit plan actuarial gains (losses)	761	482
Income tax on other comprehensive income	- 190	- 120
Total comprehensive income for the period	1.396	- 36.568
Profit for the period attributable to :		
Owners of the Company	825	- 36.930
Total comprehensive income attributable to :		
Owners of the Company	1.396	- 36.568
<u>Earnings per share</u>		
Number of shares at year end	3.005.000	255.000
Basic and diluted earnings per share (in Eur) (1)	0,98	-144,82

(1) based on weighted average number of shares during 2022

The consolidated results, as summarised above, were approved by the Board of Directors on the 27th of February 2023.

Transactions with related companies

- 1) Reference is made to the extraordinary general meeting's decision of 16 June 2022 to proceed with the transactions proposed as part of the rescue package offered by Borealis AG, Rosier SA's controlling shareholder, including the recapitalization of the company through a capital increase by contribution in kind by Borealis AG (the Capital Increase) of (i) its receivables under the following shareholder loans that Borealis AG (as lender) entered into with Rosier SA (as borrower): (A) the EUR 25 million intercompany loan agreement dated 16 July 2020 (effective as from 22 July 2020), and (B) the EUR 25 million intercompany loan agreement dated 16 July 2020 (effective as of 28 August 2020) and (ii) a portion of the receivables under the current account between Borealis Financial Services NV and Rosier SA (receivables now owned by Borealis AG) (the Current Account).

In line with this decision of the extraordinary general meeting, Rosier SA confirms that the Capital Increase has been completed on 29 July 2022 as established by the board of directors of Rosier SA before a notary public. The implementation of the Capital Increase has occurred simultaneously with the entry into a new committed unsecured intra-group financing facility of up to EUR 15 million between Borealis AG (as lender) and Rosier SA (as borrower) to be repaid ultimately by 31 July 2023, unless refinanced earlier (see also press releases of 17 May and 16 June 2022 for further details).

As a result of the Capital Increase, Borealis AG holds 98.09% of the share capital of Rosier SA and has therefore the right to launch a "naked" squeeze-out offer pursuant to applicable Belgian takeover regulations and to delist Rosier SA from Euronext Brussels. In this context, reference is made to Borealis AG's press release of 10 June 2022 in which it announces its intention to launch a squeeze-out offer.

The conclusions of the written advice of the Committee of Independent Directors were as follows: "Assignment and entering into the Assignment Agreement, (and, as such, approving that Borealis AG will, with effect from the date of the Closing, no longer have any obligations under the Facility Agreement considering the change of ownership resulting from the Yildirim Transaction) is in the case at hand to the advantage and in the interest of the Company, in particular, considering that it will ensure continuation in the financing of the Company at the same terms and conditions, and, in this manner, further safeguard the Company's liquidity position and ability to continue as a going concern until the maturity date of the Facility Agreement. In addition, the Assignment is considered a reasonable proposal and in line with market practice given that, as of Closing, Borealis AG will no longer be a shareholder of the Company but that Yildirim will be the new majority shareholder instead. Consequently, the Committee further concludes that the proposed approval of the Assignment and the entry into the Assignment Agreement is in line with the Company's strategic policy and is not of the nature to cause manifestly abusive disadvantages to the Company, in view of this policy pursued by the Company.

Therefore, the Committee decides to issue a positive advice in relation to the approval of the Assignment and the entry into the Assignment Agreement."

- 2) On 22 September 2022, Rosier entered into a side letter to the Supply Agreement to amend and clarify certain terms of the Supply Agreement for NASC with Borealis LAT GmbH (see press release of 27 September 2022).

The conclusions of the written advice of the Committee of Independent Directors were as follows: "The Committee has assessed the envisaged Side Letter in the light of the criteria included in article 7:97 of the BCCA and concluded that the expected advantages of the Side Letter exceed the expected disadvantages thereof, which leads to the conclusion that the Side Letter is to the advantage and in the interest of the Company.

The Side Letter is in line with the Company's strategic policy and is not manifestly unreasonable and the Committee affirms its positive advice in relation to the Side Letter."

Shareholding

On 26 September 2022, Borealis AG and YILDIRIM Group's YILFERT Holding announced that they signed a binding agreement for the acquisition of Borealis' shares in Rosier SA. The closing of the acquisition of Borealis' shares in Rosier SA is subject to certain regulatory approvals and Borealis concluding the squeeze-out. Borealis currently holds 98.09% of Rosier SA shares and has previously announced its intention to launch a squeeze-out offer for the remaining Rosier shares. However, Borealis and Yildirim have agreed on 7 November that the transaction will be closed upon the regulatory approvals being received, and that Yildirim will as soon as possible after such closing launch a mandatory takeover bid followed by a squeeze-out for the remaining Rosier shares at a price of EUR 20 per share, in accordance with article 53 of the Belgian Royal Decree on Public Takeover Bids. Borealis will accordingly not launch a squeeze-out offer.

Statement from the Statutory Auditor:

The statutory auditor, PwC Réviseurs d'Entreprises SRL, represented by Peter D'hondt, 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.

Subsequent events

On 2 January, Borealis AG announced that the Yildirim Transaction has been completed. As a result of the Closing, Yilfert Benelux B.V. (a member of the YILDIRIM Group) is the Company's new majority shareholder, holding 98.09% of all issued and outstanding shares of the Company. Pursuant to Borealis AG's press release of 8 November 2022, Yildirim will launch a mandatory takeover bid followed by a squeeze-out for the remaining Rosier shares at a price of EUR 20 per share, in accordance with article 53 of the Belgian Royal Decree on Public Takeover Bids.

In the context of the Closing, the Board members, who were acting as a representative of Borealis AG on the Board, have each resigned from their respective functions as directors in the Company, with effect as from the occurrence of the Closing. It concerns the following (resigning) Board members: Mr Robin Koopmans, Mr Benoît Taymans and Mr Peter Leitner.

With effect as from the Closing, the following Yildirim representatives have been appointed as new directors of the Company by means of co-optation (pursuant to article 7:88, §1 of the Belgian Code of Companies and Associations (the BCCA) and article 13 of the Company's articles of association): Mr Özer Öz, Mr Evren Öztürk and Mr Orçun Gökalp. Mr Özer Öz has been appointed as new chairman of the Board. Mr Willy Raymaekers will continue exercising his function as a director and, as a CEO and managing director of the Company following the Closing but this, as from Closing, through his management company "Raywil BV".

Going concern

On 27th of February 2023, the Board of Rosier SA received a letter of support from Yilfert Benelux BV and Yildirim International Investment Holding BV stating an "unconditional and irrevocable financial support to the Rosier SA to ensure the development of its activities and its ability to continue operating as a going concern in the foreseeable future until the General Assembly to be held in June 2024". As a result, the annual results of 2022 will be published on a going concern basis.

The Group has defined the following objectives for 2023:

- Strengthen its Granular market share in Europe and the export area.
- Improve its cost position by fully utilising the synergies with the Yildirim Group.
- Grow the Specialties business based on the introduction of a new product line.

2023 shareholders' agenda

Publication of 2022 annual report: 29th of April 2023

Annual General Meeting: 15th of June at 10.30 am

In the name of the Board of Directors

Willy Raymaekers
President and CEO of Rosier Group