



GrupoFertiberia

Issuer Fertiberia Corporate, S.L.U.

Parent company's quarterly
unaudited interim
consolidated financial
statements

FERTIBERIA, S.A.R.L.

fertiberia.com

Grupo**Fertiberia**

Consolidated Interim Report Q4

February 2024

Fertiberia, S.A.R.L. (Parent), means Fertiberia SARL, a company incorporated under the laws of Luxembourg with company registration number B235262, which is the direct owner of 100.00 per cent. of the shares in the Issuer.

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01 | Management comments

Fertiberia's Vision

Fertiberia's vision is to spearhead the development of sustainable and high value-add crop nutrition and environmental solutions.

Crop nutrition solutions are necessary for the stability and growth of global food production and food security. The continued growth of the world's population, coupled with increasing demand for protein and vegetable-rich diets, is resulting in an ever-greater need for efficient crop nutrition solutions that support food production growth, especially against the current backdrop of decreasing crop acreage and the need to increase the yield of existing arable land.

Mission-critical industrial and environmental solutions help abate harmful emissions from different industries and businesses by turning them into vapor and water, thus contributing towards global sustainability goals.

Fertiberia is well-positioned as a key player in its market. Its main operations are located in Iberia (Spain and Portugal), an attractive market that combines a growing, high value-add agricultural sector with competitive renewable power and a robust infrastructure & logistics.

Fertiberia benefits from a strategically-located production and distribution footprint with ample seaborne access as well as from its wide expert know-how across the whole value chain.

Fertiberia is a first-mover in the green hydrogen and green ammonia transition, underpinned by its green ammonia facility in Puertollano and a compelling pipeline of additional projects. Fertiberia is a key enabler for the green hydrogen transition thanks to its strong strategic position as a key off-taker.

Business

Fertiberia is a European leader in sustainable specialty crop nutrition and mission-critical industrial and environmental solutions.

Headquartered in Madrid, it employed a total of 1,748 professionals as of December 2023.

Fertiberia's activities cover the following main areas:

Nitrogen Based Crop Nutrition and Environmental Solutions

Fertiberia provides advanced and sustainable nitrate-based crop nutrition solutions to support customers across the European agricultural sector.

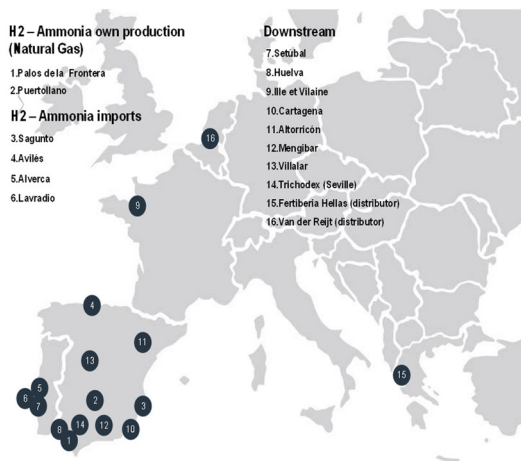
As part of its strategy in this area, Fertiberia is investing in a suite of highly differentiated liquid and solid crop nutrition solutions, including biologicals, biocontrol, biostimulants and micronutrients. These products are ideally suited for sustainable and high-precision agriculture, targeting both national and international markets focused on high value-added crops and high-tech agriculture.

As part of this activity, Fertiberia also produces and sells mission-critical industrial and environmental solutions to primarily abate greenhouse gas emissions, especially in the industrial and transportation sectors.

Green Hydrogen and Green Ammonia, including related infrastructure

Fertiberia currently accounts for a market share of approximately 30% of hydrogen (H₂) consumption in Spain and possesses strategic, highly-valuable assets for ammonia production, storage and logistics. Fertiberia's expertise in hydrogen and ammonia leverages its existing production and logistics assets, its unique position as key offtaker in privileged low-cost regions, and important strategic partnerships with emerging leaders in the clean hydrogen and ammonia ecosystem.

Fertiberia operates a network of 14 production and blending facilities located across Spain, Portugal and France. The Company has a further 10 logistics and distribution facilities spread across Spain, Portugal, France, Netherlands, Belgium and Greece.



Fertiberia has a large and diverse group of approximately 1,000 customers across c.80 countries. These range from large wholesale groups to cooperatives and farmers, as well as broader industrial clients who purchase Fertiberia's mission-critical industrial and environmental solutions.

The Company has achieved both high brand recognition and a solid market presence in Southern Europe, the UK & Ireland and the broader European Atlantic Coast thanks to its strategically-located production and distribution structure.

Fertiberia's vision is underpinned by its three key strategic pillars:

1. European leader in sustainable, high value-add crop nutrition & environmental solutions

Fertiberia is focused on offering a complete portfolio of sustainable, value-added crop nutrition programmes and environmental solutions.

Fertiberia's R&D programmes are focused on further expanding its portfolio in sustainable, specialty solutions such as biostimulants, micronutrients and foliar products.

This is combined with the strengthening of its direct sales force to support growth in specialty solutions, expanding its geographical reach and increasing its services to customers by using smart farming and

digital tools focused on increasing yields and efficiency.

2. A sustainable low carbon producer based on strategic, high-performing assets

Fertiberia is rolling out an ambitious operational excellence programme based on an exhaustive list of identified and validated initiatives designed to optimise its business in order to achieve more efficient and sustainable operations.

Fertiberia has already reduced its emissions by c.63% since 2010 and is committed to continue on this journey. Moreover, Fertiberia is the first major company in the crop nutrition sector to commit to achieving net-zero emissions by 2035.

3. Leading player in green hydrogen and green ammonia for the decarbonisation of agriculture, energy, transportation and other hard-to-abate sectors

Fertiberia's strategy seeks to grow in green hydrogen and green ammonia, supporting the decarbonisation of several sectors and positively contributing to the energy transition. Green hydrogen and green ammonia are not only expected to be used in the agricultural markets, but also in industries such as transportation, energy, metallurgy and chemicals.

Fertiberia aims to leverage its strategic position in Iberia and its industrial and commercial expertise to influence the development of the green ammonia market.

Fertiberia is currently a pioneer and leader in green hydrogen and ammonia and takes part in several European consortia in this sector. All of them are located in coveted locations: Spain, Sweden, and Norway, three of the markets with competitive renewable energy (solar photovoltaic, wind, and hydropower) in Europe.

Fertiberia started producing green ammonia on an industrial scale at its Puertollano plant in May 2022, becoming a pioneer globally.

Fertiberia unveiled a new line of products called Impact Zero, which are the world's first net-zero crop nutrition solutions made with green ammonia. Fertiberia continues to see significant level of interest from beverage and food companies as these net zero products represent a way to facilitate the decarbonisation of the food supply chain.

Compared to traditional fertilizers, the Impact Zero fertilizer achieves significantly higher nitrogen-use efficiency, providing the opportunity to use less fertilizer and potentially reduce applications and leaching.

Beyond its agronomic benefits, the key advantage of Impact Zero lies in its eco-friendly production process, which utilises green hydrogen. This leads to a reduction of approximately 3 tonnes of CO₂e per tonne of ammonia used, compared to conventional fertilizers.



Q4 2023 in brief

After a year of extraordinary price and margin hikes in 2022, the sector witnessed a market shift in 2023. This shift was characterized by sluggish demand and a substantial decline in prices. Customers deferred their purchases amid the descending price trend, leading to a ripple effect on nitrate prices and margins.

Companies in the sector have had to focus their efforts on inventory management, incurring significant losses due to inventories manufactured in the latter part of 2022 with high raw material prices. Production was affected by curtailments in some European plants, and companies have carried out write-offs of high amounts in inventories.

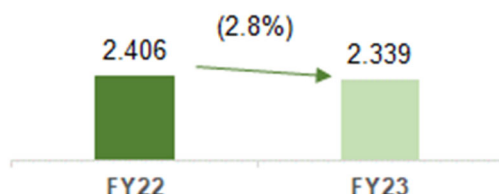
Fertiberia's overall deliveries have slightly decreased by -2.8%, while in terms of revenue, net sales decreased -36% in YTD December 2023 to €1,017m vs. €1,586m in YTD 2022, mainly on the back of significantly lower prices vs. 2022.

Fertiberia continues to move forward as planned with its growth strategy and its goal to become a fully sustainable European leader in crop nutrition solutions and green ammonia via decarbonised high-performance assets. Progress made in YTD 2023 included:

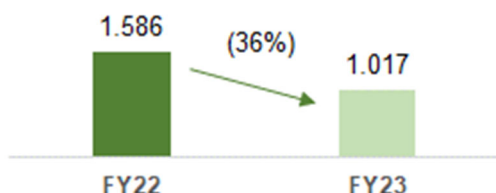
- The continued development of its strategy towards increasingly differentiated and efficient green products. Sales volumes of Specialty solutions accounted for 61% of total sales in 2023 (vs. 57% in 2022).
- Fertiberia's operational excellence and higher specialty growth programme has delivered €46m in additional earnings as of FY2023 since its inception. We continue to actively explore areas for further operational improvements as part of our core strategy.
- With regard to Fertiberia's Impact Zero program, Fertiberia signed agreement with Marks & Spencer and Bartholomews Agrifood. Starting from Spring 2024, Marks & Spencer's dedicated milk pool comprising 27 English and Welsh farms will adopt Fertiberia's Impact Zero products which will be exclusively distributed in the UK by Bartholomews.

This agreement adds to the existing ones with Heineken for fertilizing barley crops for low carbon beer production, and with PepsiCo for reducing emissions in potato farming using our Impact Zero line.

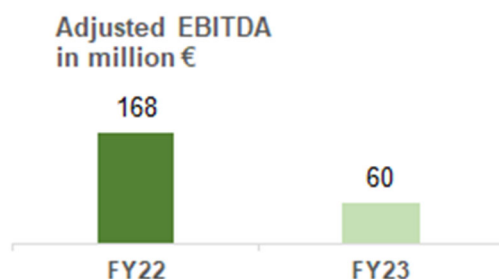
Sales Volumes
in kt



Revenues
in million €



Fertiberia's consolidated Adjusted EBITDA¹ for FY 2023 reached €60.4m, compared to an Adjusted EBITDA of €167.6m in FY 2022. The reported EBITDA¹ for FY 2023 was €57.1m compared to €149.5m in FY 2022.



The company has continued to focus on developing its operational excellence programme, diversifying towards higher value products that provide increased margins, managing inventory and implementing

measures that rely on its flexible asset footprint to preserve operational flexibility.

Fertiberia's consolidated Adjusted² Net Profit (Loss) amounted to €-12.2m in YTD December (€-14.8m after non-recurring operational items) compared to an Adjusted Net Profit of €+76.3m in YTD 2022 (€+62.8m after non-recurring operational items).

FY 2023 CAPEX (additions in Property, Plant and Equipment and variations of CAPEX suppliers) amounted to €53.7m compared to the YTD 2022 figure of €63.6m. Capital expenditure continues to be mainly focused on transformational investments in diversification toward increasingly differentiated green products, operational excellence and decarbonisation.

Despite a €19.4m reduction in Trade Working Capital in 2023, the Net Debt³ increased by €46.1m (reaching €182.7m in December 2023 compared to €136.7m in December 2022). The Leverage Ratio⁴ as per December 2023 stands at 3.71x.

¹ Inventories provision included.

² Adjusted net profit excludes non-recurring operational items in the amount of €3,353m (net of taxes €2,515m).

³ Net Debt definition as per bond documentation. Includes "Long-term bank borrowings", "Short-term bank borrowings", and "Discounted bills of exchange", excluding "Accrued Interests".

⁴ Calculated following EBITDA and Incurrence Test definitions as per bond documentation. Last Twelve Months Adjusted EBITDA amounted to €60.4m, €49.2m, excluding IFRS 16 adjustment.

All figures are unaudited and hence potentially subject to change. Figures are shown on a consolidated basis at Fertiberia, S.A.R.L. level and presented following IFRS criteria.



02

Interim unaudited consolidated statement of comprehensive income

Condensed consolidated statement of comprehensive income

(in €'000)	1 January to 31 December 2023 (unaudited)	1 January to 31 December 2022 (audited)
Net sales	1,016,781	1,586,239
COGS	(685,007)	(1,054,907)
Purchases and other supplies	(648,573)	(1,139,616)
Change in inventories of goods purchased for resale and other supplies	(36,434)	84,709
Other operating income	110,728	79,069
Personnel expenses	(112,793)	(101,125)
Other operating costs	(291,569)	(332,594)
Gain/(loss) on non-current investments	(252)	2
Other gains and losses	19,189	(27,173)
Depreciation & amortisation	(35,928)	(31,064)
OPERATING PROFIT (EBIT)	21,149	118,447
Financial income	791	37
Financial expenses	(51,647)	(38,792)
Gains/(losses) on exchange	(1,222)	4,387
Impairment of financial assets	-	1
Income from companies carried by the equity method	1,136	(11)
PROFIT/(LOSS) BEFORE TAXES	(29,793)	84,069
CIT expense	15,020	(21,308)
Net profit	(14,773)	62,761
EBIT	21,149	118,447
EBITDA	57,077	149,511
NON-RECURRING ITEMS	3,353	18,093
ADJUSTED EBITDA	60,430	167,604



03

Interim unaudited
consolidated balance
sheet

Condensed consolidated balance sheet

(in €'000)	31 December 2023 (unaudited)	31 December 2022 (audited)
Total non-current assets	575,019	529,338
Goodwill	42,883	40,790
Intangible assets	104,472	89,884
Tangible assets	360,540	342,127
Long-term investments in Group companies	-	-
Investments accounted for using the equity method	1,320	1,630
Long-term receivables from Group companies	-	-
Long-term financial assets	11,990	13,286
Deferred tax assets	52,472	39,620
Other non-current assets	1,342	2,001
Total current assets	509,318	580,689
Inventories	323,914	402,129
Short-term investments in Group companies	-	-
Group trade receivables	-	-
Short-term receivables from Group companies	-	-
Trade and other receivables	130,662	113,616
Trade receivables	96,280	101,235
Public administrations	19,108	8,717
Personnel	129	170
Other trade receivables	15,145	3,494
Current financial assets	1,046	1,100
Other current assets	4,989	3,668
Cash and cash equivalents	48,707	60,176
Total Assets	1,084,337	1,110,027

(in €'000)	31 December 2023 (unaudited)	31 December 2022 (audited)
Total Equity	117,634	150,501
Equity	114,131	136,033
Share capital	58,626	58,626
Reserves	70,278	14,646
Cumulative result for the year	(14,773)	62,761
Prior-year losses	-	-
Minority interest	547	547
Measurement adjustments	-	-
Grants, donations and bequests received	2,956	13,921
Total non-current liabilities	631,739	560,916
Long-term provisions	54,077	58,253
Long-term bank borrowings	230,582	174,235
Long-term bank borrowings – accrued interest	-	-
Long-term finance lease liabilities	28,472	16,412
Long-term financial liabilities	11,352	15,783
Shareholder loan	281,663	260,535
Deferred tax liabilities	25,593	35,698
Total current liabilities	334,964	398,610
Short-term provisions	94,944	81,178
Discounted bill of exchange risk	305	2,553
Short-term bank borrowings	567	20,051
Short-term bank borrowings – accrued interest	1,429	659
Short-term finance lease liabilities	11,024	7,901
Other short-term financial liabilities	4,518	4,568
Short-term trade payables to Group companies	-	-
Short-term payables to Group companies	-	-
Trade and other payables	212,081	270,425
Trade payables	189,529	240,100
Public administrations	9,555	16,487
Personnel	12,997	13,838
Other trade payables	-	-
Other current liabilities	10,096	11,275
Total Liabilities	1,084,337	1,110,027

A close-up photograph of several young green seedlings with two leaves each, growing out of dark brown soil. The seedlings are in various stages of growth, with some taller than others. The background is a soft, out-of-focus green, suggesting a natural environment. The lighting is bright, highlighting the vibrant green of the leaves and the texture of the soil.

04

Interim unaudited
consolidated cash flow
statement

Condensed consolidated cash flow statement

(in €'000)	1 January to 31 December 2023 (unaudited)	1 January to 31 December 2022 (audited)
EBITDA (normalised)	60,430	167,604
Normalisations (effective cash flow)	(3,353)	(18,093)
Adjustment IFRS	-	-
EBITDA (reported for cash flow)	57,077	149,511
Change in inventories	69,184	(148,421)
Change in trade receivables	2,850	40,799
Change in prepayments to suppliers	-	-
Change in trade payables	(42,862)	(24,749)
Change in prepayments received from customers	-	-
Change in other trade working capital	(9,761)	58,858
Change in TWC	19,411	(73,513)
Change in other WC (assets)	-	-
Change in other WC (liabilities)	-	-
Change in NWC	19,411	(73,513)
Interest paid	(25,630)	(17,976)
Interest received	933	537
Taxes	(8,038)	(17,691)
Cash flows from operating activities	43,753	40,868
Capex	(53,688)	(63,583)
<i>Additions in Property, Plant and Equipment</i>	<i>(45,264)</i>	<i>(54,983)</i>
<i>Variation of Capex suppliers</i>	<i>(8,424)</i>	<i>(8,600)</i>
Disposal of assets/ subsidiaries	-	-
Other cash from investing activities	(21,862)	(9,854)

(in €'000)	1 January to 31 December 2023 (unaudited)	1 January to 31 December 2022 (unaudited)
Cash flows from investing activities	(75,550)	(73,437)
Borrowings/(payments) under revolving facility	(20,459)	(18,531)
Long-term debt (net)	40,546	20,489
Capital lease	-	-
Shareholder loan	-	-
Capital increase	-	-
Dividends paid	-	-
Net cash used in financing activities	20,087	1,958
FX diff	(428)	(288)
Other, net	670	-
Net increase/decrease in cash and cash equivalents	(11,469)	(30,899)

Safe Harbour Statement

Disclaimer regarding forward-looking statements in the interim report

This interim report includes “Forward-looking Statements” that reflect Fertiberia’s current views with respect to future events and financial and operational performance.

These Forward-looking Statements may be identified by the use of forward-looking terminology, such as the terms “anticipates”, “assumes”, “believes”, “can”, “could”, “estimates”, “expects”, “forecasts”, “intends”, “may”, “might”, “plans”, “should”, “projects”, “will”, “would” or, in each case, their negative, or other variations or comparable terminology. These Forward-looking Statements are, as a general matter, statements other than statements as to historic facts or present facts and circumstances. They include statements regarding Fertiberia’s intentions, beliefs or current expectations concerning, among other things, financial strength and position of the Group, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to the Group’s future business development, financial performance, and the industry in which the Group operates.

Prospective investors in Fertiberia are cautioned that Forward-looking Statements are not guarantees of future performance and that the Group’s actual financial position, operating results and liquidity, and the development of the industry and potential market in which the Group may operate in the future, may differ materially from those made in, or suggested by, the Forward-looking Statements contained in this report. Fertiberia cannot guarantee that the intentions, beliefs, or current expectations upon which its Forward-looking Statements are based, will occur.

By their nature, Forward-looking Statements involve, and are subject to, known and unknown risks, uncertainties, and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the Forward-looking Statements. These Forward-looking Statements speak only as at the date on which they are made. Fertiberia undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral Forward-looking Statements attributable to Fertiberia or to persons acting on Fertiberia’s behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this report.

Grupo**Fertiberia**

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