



GrupoFertiberia

Issuer Fertiberia Corporate, S.L.U.

Parent company's quarterly
unaudited interim
consolidated financial
statements

FERTIBERIA, S.A.R.L.

Grupo**Fertiberia**

Consolidated Interim Report Q3

September 2023

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 lead the development of green hydrogen and green ammonia in Europe to decarbonise agriculture and other "hard-to-abate" sectors and to continue spearheading the development of sustainable and high value-add crop nutrition solutions.

Fertiberia is well-positioned as a key player in green hydrogen and green ammonia. Its main operations are located in Iberia, an attractive market that combines low-cost renewable power and a robust energy and logistics infrastructure with a growing, high value-added agricultural sector.

Fertiberia also benefits from a unique position thanks to its strategically-located production and distribution infrastructure, its expert know-how across the whole value chain and its significant deep-water access into Europe.

Fertiberia boasts a first-mover advantage in the green hydrogen and green ammonia transition, underpinned by its green ammonia facility in Puertollano – the world's first on an industrial scale – as well as by 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

Grupo Fertiberia ("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 1,679 professionals as of December 2022.

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.

Fertiberia's 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's activities cover the following areas:

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. The company is actively developing an ambitious project pipeline in green hydrogen and green ammonia, thereby securing first-mover advantage whilst contributing to global decarbonization efforts. This strategy leverages Fertiberia's expertise in hydrogen and ammonia, its existing production and logistics assets, its unique position as key off-taker in privileged low-cost regions, and important strategic partnerships with emerging leaders in the clean hydrogen and ammonia ecosystem.

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.

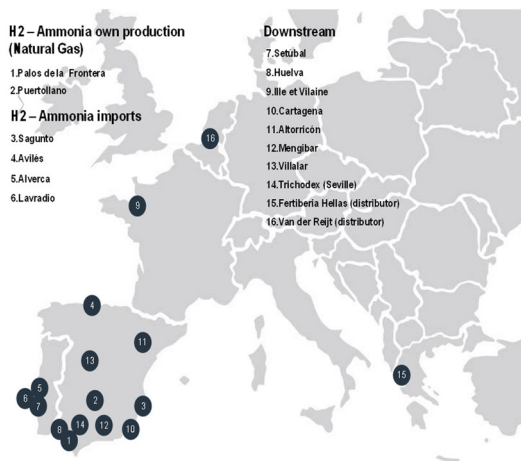
Nitrogen Based Crop Nutrition Solutions

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

Highly-Specialized Crop Nutrition Solutions

Fertiberia offers a comprehensive range 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.

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 solutions)

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

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 through the use of smart

farming and digital tools focused on increasing yields and efficiency.

In pursuit of its ambition to become a global company through the development of high value-add products with a minimal environmental footprint, in June Fertiberia completed the acquisition of the company Van de Reijt, adding a renowned fertilizer wholesaler with logistics assets in Belgium and the Netherlands, with more than 150 years of history and nearly €160 million in revenue last year.

Van de Reijt operates two waterfront bulk terminals, one close to Breda in the Netherlands and another in Grobbendonk in Belgium, enabling it to efficiently serve not only customers from Benelux, but also customers in Germany.

This acquisition follows the completion of the integration of Trichodex, a specialty biological solutions business acquired in 2022, which benefits from a strong R&D team and advanced products based on patented bioprocesses that select microorganisms that are optimal for producing bioactive components that improve crop protection and yield.

Fertiberia has further reinforced its international presence with the recent commencement of operations in the Greek and Balkan markets through its subsidiary, Fertiberia Hellas. The goal is for Fertiberia Hellas to establish itself as a prominent brand among farmers in the Greek and Balkan regions, capitalising on the unique and innovative solutions for Mediterranean crops developed by Grupo Fertiberia. These solutions hold significant potential in optimising agricultural yield and enhancing environmental performance for crops in these markets.

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 continuing 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 invest and 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 lead the development of the green hydrogen market.

Fertiberia is currently a pioneer and world leader in the development of green hydrogen and ammonia and takes part in the main European consortia associated with the production of green hydrogen. All of them are located in coveted locations: Spain, Sweden, and Norway, three of the markets with the most 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 the first company worldwide to achieve this.

Fertiberia has unveiled a new line of products called Impact Zero, which are the world's first net-zero crop nutrition solutions made with green ammonia. Following the product's launch, Fertiberia has noted a 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.

In this regard, Fertiberia, Marks & Spencer, and Bartholomews Agrifood signed an agreement, demonstrating their commitment to low-impact farming. 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.

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.

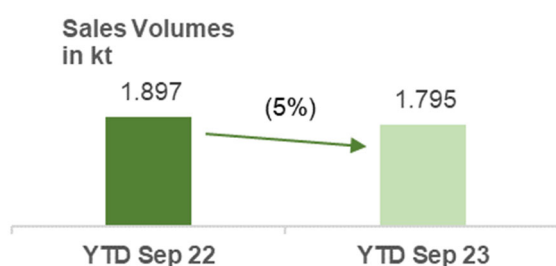


Q3 2023 in brief

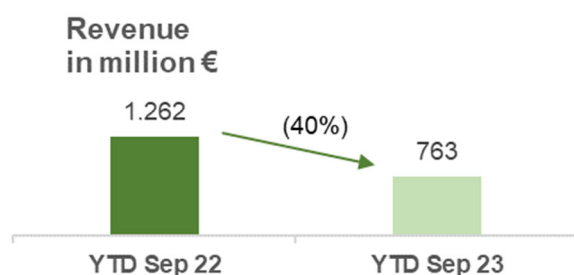
The market trend that began in Q4 2022 comprising slow demand coupled with a very meaningful decline in prices continued during Q1 and Q2 2023, with customers postponing their purchases amid the falling price trend, which has had a ripple effect on nitrate prices and margins.

This situation has improved in Q3 and Fertiberia has demonstrated improvements in profitability and cash flow, as evidenced by the working capital and net debt reduction compared to the YTD figures as of June.

Fertiberia's overall deliveries have decreased YTD by 5%, which was attributed to customers delaying their orders due to the downward price trend. Production was also impacted by curtailments in some plants.



In terms of revenue, net sales decreased -40% in YTD September 2023 to €763m vs. €1,262m in YTD 2022, mainly on the back of significantly lower prices vs. 2022.



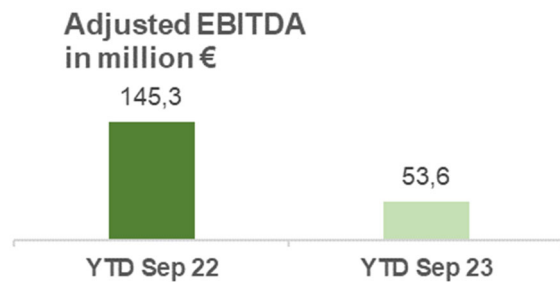
Fertiberia continues to move forward as planned with its growth strategy and its goal to become a fully sustainable European leader in crop nutrition solutions and green ammonia via decarbonised high-performance assets. Progress made in YTD 2023 included:

- The development of its transformational diversification agenda towards increasingly differentiated green products that are highly efficient both in agronomic and environmental terms and that also generate higher margins with lower earnings volatility. Sales volumes of Specialty solutions accounted for 61% of total sales in YTD September 2023 (vs. 58% in YTD 2022).
- Fertiberia's operational excellence programme delivered recurring savings of €41.6m as of LTM September 2023.
- Further advances in its decarbonisation and green hydrogen economy efforts, with the operation since May 2022 of the world's first industrial-scale Green Ammonia plant in Puertollano, manufacturing the Impact Zero new range of emissions-free crop nutrition solutions produced with green hydrogen.

¹Inventories provision included

Q3 has improved compared to the first half of the year, with an Adjusted EBITDA generation in Q3 totalling €24.7m versus the cumulative €28.9m generated H1 2023.

Fertiberia's consolidated Adjusted EBITDA¹ for YTD September reached €53.6m, compared to an Adjusted EBITDA of €145.3m in the same period of 2022. The reported EBITDA¹ for YTD 2023 was €52.0m compared to €133.0m in YTD September 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 Adjusted¹ Net Profit (Loss) amounted to €-5.7m in YTD September (€-6.8m after non-recurring operational items) compared to an Adjusted Net Profit of €+67.7m in YTD 2022 (€+58.4m after non-recurring operational items).

YTD 2023 CAPEX (additions in Property, Plant and Equipment and variations of CAPEX suppliers) amounted to €42.4m, in line with the YTD 2022 figure of €43.3m. Capital expenditure continues to be mainly focused on transformational investments in diversification toward increasingly differentiated green products, operational excellence and decarbonisation.

From a cash generation perspective, Q3 has also shown positive results, achieving a €27.6m reduction in the Trade Working Capital figure compared to Q2.

Net Debt² has improved during Q3, with a reduction of €25.9m compared to Q2 (€185m in September compared to €210.9m in June).

On a YTD basis, Net Debt² during 2023 increased by €48.3m (September 2023 to €185.0m versus €136.7m in December 2022). The Leverage Ratio³ as per September 2023 stands at 2.89x.

¹ Adjusted net profit excludes non-recurring operational items in the amount of €1,563m (net of taxes €1,172m).

² Net Debt definition as per bond documentation. Includes "Long-term bank borrowings", "Short-term bank borrowings", and "Discounted bills of exchange", excluding "Accrued Interests".

³ Calculated following EBITDA and Incurrence Test definitions as per bond documentation. Last Twelve Months Adjusted EBITDA amounted to €73.8m, €64.0m, excluding IFRS 16 adjustment.



02

Interim unaudited consolidated statement of comprehensive income

Condensed consolidated statement of comprehensive income

| (in €'000) | 1 January to 30 September 2023 (unaudited) | 1 January to 30 September 2022 (unaudited) (restated ¹) |
|--|--|--|
| Net sales | 763,199 | 1,261,909 |
| COGS | (518,037) | (821,034) |
| Purchases and other supplies | (454,455) | (840,072) |
| Change in inventories of goods purchased for resale and other supplies | (63,582) | 19,038 |
| Other operating income | 88,719 | 56,248 |
| Personnel expenses | (82,662) | (76,202) |
| Other operating costs | (218,113) | (266,985) |
| Gain/(loss) on non-current investments | (250) | 2 |
| Other gains and losses | 19,140 | (20,947) |
| Depreciation & amortisation | (26,506) | (22,732) |
| OPERATING PROFIT (EBIT) | 25,490 | 110,259 |
| Financial income | 661 | 517 |
| Financial expenses | (36,734) | (28,585) |
| Gains/(losses) on exchange | (176) | 137 |
| Impairment of financial assets | - | 1 |
| Income from companies carried by the equity method | - | - |
| PROFIT/(LOSS) BEFORE TAXES | (10,759) | 82,329 |
| CIT expense | 3,913 | (23,918) |
| Net profit | (6,846) | 58,411 |
| EBIT | 25,490 | 110,259 |
| EBITDA | 51,996 | 132,991 |
| NON-RECURRING ITEMS | 1,563 | 12,355 |
| ADJUSTED EBITDA | 53,559 | 145,346 |

(1) Restatements refer to:

- Administrative authorisation process to restore the phosphogypsum ponds in Huelva completed during H1 2023, with works expected to begin during 2023. In order to adapt the cost of the initial project to the latest technical requirements raised during the authorisation process, the Fertiberia Group recognised an environmental provision of €11.9m in December 2022.
- An inventory provision of €31.2m was recognised in December based on a conservative working capital management policy.

The effect of both provisions is presented in equal parts in each quarter of 2022, so as to ensure a true and fair view.



03

Interim unaudited
consolidated balance
sheet

Condensed consolidated balance sheet

| (in €'000) | 30 September 2023 (unaudited) | 31 December 2022 (audited) |
|---|-------------------------------------|-------------------------------|
| Total non-current assets | 552,557 | 529,338 |
| Goodwill | 40,950 | 40,790 |
| Intangible assets | 89,816 | 89,884 |
| Tangible assets | 356,661 | 342,127 |
| Long-term investments in Group companies | - | - |
| Investments accounted for using the equity method | 1,973 | 1,630 |
| Long-term receivables from Group companies | - | - |
| Long-term financial assets | 22,512 | 13,286 |
| Deferred tax assets | 39,035 | 39,620 |
| Other non-current assets | 1,610 | 2,001 |
| Total current assets | 474,790 | 580,689 |
| Inventories | 281,441 | 402,129 |
| Short-term investments in Group companies | - | - |
| Group trade receivables | - | - |
| Short-term receivables from Group companies | - | - |
| Trade and other receivables | 121,736 | 113,616 |
| Trade receivables | 88,420 | 101,235 |
| Public administrations | 18,167 | 8,717 |
| Personnel | 207 | 170 |
| Other trade receivables | 14,942 | 3,494 |
| Current financial assets | 1,103 | 1,100 |
| Other current assets | 10,332 | 3,668 |
| Cash and cash equivalents | 60,178 | 60,176 |
| Total Assets | 1,027,347 | 1,110,027 |

| (in €'000) | 30 September 2023 (unaudited) | 31 December 2022 (audited) |
|---|----------------------------------|-------------------------------|
| Total Equity | 145,993 | 150,501 |
| Equity | 129,174 | 136,033 |
| Share capital | 58,626 | 58,626 |
| Reserves | 77,394 | 14,646 |
| Cumulative result for the year | (6,846) | 62,761 |
| Prior-year losses | - | - |
| Minority interest | 547 | 547 |
| Measurement adjustments | - | - |
| Grants, donations and bequests received | 16,212 | 13,921 |
| Total non-current liabilities | 651,152 | 560,916 |
| Long-term provisions | 65,547 | 58,253 |
| Long-term bank borrowings | 244,965 | 174,235 |
| Long-term bank borrowings – accrued interest | - | - |
| Long-term finance lease liabilities | 17,440 | 16,412 |
| Long-term financial liabilities | 15,174 | 15,783 |
| Shareholder loan | 276,299 | 260,535 |
| Deferred tax liabilities | 31,727 | 35,698 |
| Total current liabilities | 230,262 | 398,610 |
| Short-term provisions | 66,414 | 81,178 |
| Discounted bill of exchange risk | (351) | 2,553 |
| Short-term bank borrowings | 527 | 20,051 |
| Short-term bank borrowings – accrued interest | 1,301 | 659 |
| Short-term finance lease liabilities | 7,033 | 7,901 |
| Other short-term financial liabilities | 4,649 | 4,568 |
| Short-term trade payables to Group companies | - | - |
| Short-term payables to Group companies | - | - |
| Trade and other payables | 139,192 | 270,425 |
| Trade payables | 116,927 | 240,100 |
| Public administrations | 9,590 | 16,487 |
| Personnel | 12,675 | 13,838 |
| Other trade payables | - | - |
| Other current liabilities | 11,497 | 11,275 |
| Total Liabilities | 1,027,347 | 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 being taller and more developed than others. The background is a soft, out-of-focus green, suggesting a natural outdoor setting. 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 30 September 2023 (unaudited) | 1 January to 30 September 2022 (unaudited) |
|---|---|--|
| EBITDA (normalised) | 53,559 | 145,346 |
| Normalisations (effective cash flow) | (1,563) | (12,355) |
| Adjustment IFRS | - | - |
| EBITDA (reported for cash flow) | 51,996 | 132,991 |
| Change in inventories | 126,350 | (67,710) |
| Change in trade receivables | 18,983 | (42,507) |
| Change in prepayments to suppliers | - | - |
| Change in trade payables | (115,745) | 47,128 |
| Change in prepayments received from customers | - | - |
| Change in other trade working capital | (27,477) | 29,654 |
| Change in TWC | 2,111 | (33,435) |
| Change in other WC (assets) | - | - |
| Change in other WC (liabilities) | - | - |
| Change in NWC | - | - |
| Interest paid | (18,794) | (12,338) |
| Interest received | 814 | 496 |
| Taxes | (11,465) | (4,143) |
| Cash flows from operating activities | 24,662 | 83,571 |
| Capex | (42,401) | (43,284) |
| <i>Additions in Property, Plant and Equipment</i> | <i>(33,910)</i> | <i>(37,630)</i> |
| <i>Variation of Capex suppliers</i> | <i>(8,491)</i> | <i>(5,654)</i> |
| Disposal of assets/ subsidiaries | - | - |
| Other cash from investing activities | (22,131) | (11,658) |

| (in €'000) | 1 January to 30 September 2023 (unaudited) | 1 January to 30 September 2022 (unaudited) |
|---|--|--|
| Cash flows from investing activities | (64,532) | (54,942) |
| Borrowings/(payments) under revolving facility | (21,740) | (3,117) |
| Long-term debt (net) | 61,675 | 23,120 |
| Capital lease | - | - |
| Shareholder loan | - | - |
| Capital increase | - | - |
| Dividends paid | - | - |
| Net cash used in financing activities | 39,935 | 20,003 |
| FX diff | (176) | 137 |
| Other, net | 113 | 2 |
| Net increase/decrease in cash and cash equivalents | 2 | 48,771 |

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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