



GrupoFertiberia

**Issuer Global
Agrajes,
S.L.U.**

Interim Accounts Unaudited
consolidated quarterly financial
statements of the Parent

FERTIBERIA, S.A.R.L.

GrupoFertiberia

Consolidated Interim Report Q4

December 2020

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

Business

Grupo Fertiberia ("Fertiberia") is one of the main fertilizer and environmental solutions producers in the European Union, with a leading position in the Iberian Peninsula.

The company has 1,542 employees and is headquartered in Madrid. Its activity is focused on the production and commercialization of:

- Traditional and special fertilizers for all type of crops.
- Environmental solutions mainly for the abatement of greenhouse gases, especially in the industrial and transportation sectors.

Fertiberia operates 14 production plants and blending units located in Spain, Portugal and France, with a total production capacity of 5.5 million tons.

It has a strongly established distribution structure and brand recognition, with solid market shares in Southern Europe and the European Atlantic Coast. Fertiberia operates 18 warehouses with a storage capacity of 290,000t and it sells its products through a network of 10 commercial offices across Spain, Portugal and France.

Fertiberia has approximately 1,000 clients in 80 countries. The types of clients ranges from large wholesalers, cooperatives and farmers to industrial clients such as e.g. chemical companies.

The product portfolio comprises more than 520 different products, focused on a wide variety of fertilizers for the agricultural and gardening markets, as well as on environmental solutions such as Ad-Blue for the abatement of NOx emissions in the transportation sector.

Fertilizers are essential for the development of the food industry. With a growing world population with increasing dietary demands, the application of fertilizers guarantees the production of food in a context of continuously shrinking crop acreage. This implies a growing need for high agricultural yields.

The European fertilizer sector represents a volume of EUR 10.2bn, with a production of 18.1 million tons, a volume of investments of EUR 1.3bn and directly employing 75,800 people.

The fertilizer sector is undergoing changes such as an increased focus on efficiency and ESG initiatives that represent a great opportunity for Fertiberia as our strategy is focused towards the development of highly efficient and environmentally-friendly fertilizers and industrial solutions.

Fertiberia is clearly committed to decarbonizing its production processes, for which it is developing, in alliance with the leading renewable energy company Iberdrola, several innovative projects for the development and production of green ammonia.

Fertiberia's current strategic priorities are as follows:

- Clear focus and investment in ESG, EHS and compliance.
- Increased investments and R&D activity focused on:
 - The development of high value-add products that deliver high agronomic and environmental efficiency.
 - Operational and energy efficiency improvements in manufacturing assets.
- Operational excellence and cost savings.
- Strengthening of commercial networks for high value-add products.

Q4 and FY20 in brief

Fertiberia has demonstrated clear COVID-19 resilience. It has continued to operate at full capacity during the pandemic due to its critical role as a Government-nominated essential operator in the food supply chain.

Production and logistics suffered challenges, especially during the most critical lockdown periods, but fertilizer flows were properly protected allowing quasi-normal fertilizer trade. Only non-agricultural sales suffered declines, especially during the lockdown of non-essential activities in the spring.

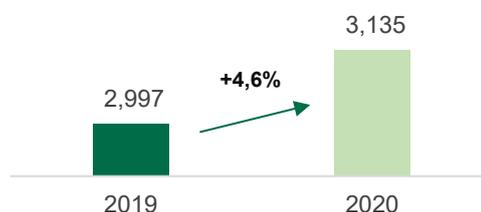
Global fertilizer consumption has been relatively stable during COVID, since agriculture is considered an essential part of the food value chain globally. However, there has been some minor impact in the fertilizer demand for higher value-added crops, as lockdowns have had a major impact on the hospitality and entertainment industries (hotels, restaurants, events, etc.). Against this backdrop, Fertiberia's total sales volumes have shown resilience during FY2020. Total sales volumes in FY2020 were to 3.135m tons, c.4.6% higher than the sales volumes of 2.997m tons in FY2019.

In terms of revenues, Fertiberia achieved net sales of EUR 672.9m vs. EUR 706.9m in FY2019. The decline of c.4.8% was mainly driven by lower net average selling prices, which declined by c.9% mainly due to lower commodity products prices.

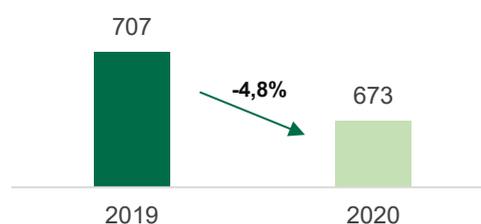
Fertiberia's consolidated Adjusted EBITDA amounted to EUR 71.6m in FY2020. This compares to an Adjusted EBITDA of EUR 63.0m in FY2019. The increase in profitability was mainly driven by the volumes increase of high value-add fertilizers and environmental solutions for NOx abatement.

Fertiberia's FY2020 reported EBITDA (after non-recurring items of EUR 13.9m) amounted EUR 57.7m. Out of the total of EUR 13.9m non-recurring items, EUR 9.8m are transaction costs related to the acquisition of Fertiberia by the private equity group Triton Partners in February 2020. The remainder consists of EUR 2.2m COVID-related one-off expenses and EUR 1.9m one-off expenses related to the issuance of new guarantee lines backing Fertiberia's long-term remediation project in the south of Spain (Huelva).

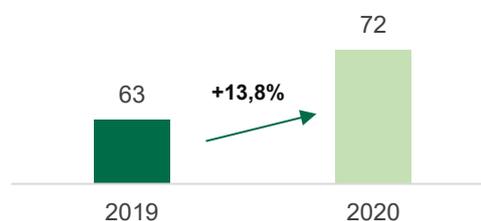
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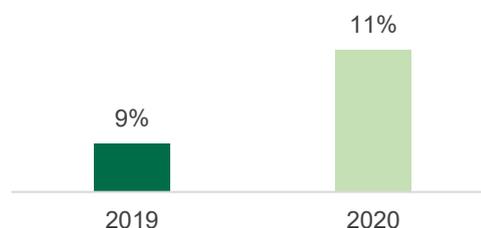
REVENUES IN MILLION €



ADJUSTED EBITDA IN MILLION €



ADJUSTED EBITDA MARGIN



Fertiberia's consolidated Adjusted¹ Net Result amounted to EUR +6.8m in FY2020. This compares to an Adjusted Net Loss of EUR -0.2m in FY2019. FY2020 reported Net Result of EUR -9.5m after non-recurring operational expenses and financial items linked to Triton's acquisition.

FY2020 cash-outs related to capital expenditures (Capex) amounted to EUR 25.0m, which is approximately EUR 9.2m higher than the FY2019 figure of EUR 15.8m. The increase is explained by the investments in long term planned turnarounds of the upstream ammonia & urea plants of Puertollano (year 2021) and Palos (year 2022), as well as by strategic growth investments of ASN in Avilés, Calcium Nitrate in Alverca (Portugal) and Potassium Nitrate in Cartagena.

Net Debt² evolution since TRITON's acquisition (February 2020) has reduced by EUR 7.4m (FY2020 EUR54.4m versus EUR 61.8m in February 2020), with a FY2020 Leverage Ratio³ of 0,76.

As of Q4 2020, the Group had 1,542 employees (1,492 full-time equivalent), with an average age of 44 years.

From a legal organizational perspective, it is worth mentioning that Fertiberia completed the merger between its legal entities Fertiberia S.A. and Global Galaor, S.L.U. as of December 2020.

¹ Adjusted Net Result excludes transaction related: non-recurring operational items in the amount of EUR 13,9m (net of taxes EUR 12,9m), and non-recurring financial/tax items net of taxes in the amount of EUR 3,4m.

² Net Debt definition as per Bond documentation. Includes "Long-term debts with credit institutions", "Short-term with credit institutions", "Discounted bill of exchange", and "Short-term other financial liabilities".

³ Calculated following EBITDA and Incurrence Test definitions as per Bond documentation.

Please note that Financial Statements (P&L and Balance Sheet as at FY2019 and December 2019, respectively) do not directly reconcile to Grupo Fertiberia's audited consolidated annual accounts as the Portuguese subsidiary ADP was classified as "Assets held for sale" (for the Balance Sheet) and as "Profit from the year from discontinued operations" (for the P&L) in the FY2019 Consolidated Annual Accounts. This is due to the corporate reorganization that was effectuated in February 2020 as part of Triton's acquisition). For this reason, Pro-forma figures are being presented in this document for FY2019 in order to make it comparable with FY2020 figures.

All figures are unaudited and hence potentially subject to changes. 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 2020 (unaudited)	1 January to 31 December 2019 (Pro-forma)
Net sales	672.902	706.938
COGS	(355.718)	(395.150)
Purchases and other supplies	(342.892)	(387.248)
Stock variation merchandise and other supplies	(12.826)	(7.902)
Other operating income	26.046	28.643
Personnel expenses	(84.920)	(86.218)
Other operating costs	(200.565)	(191.229)
D&A	(28.769)	(30.305)
OPERATING RESULT (EBIT)	28.977	32.679
Financial income	5.288	9.265
Financial expenses	(42.779)	(29.741)
Exchange losses/gains	(260)	963
Impairment of financial assets	(241)	(3.148)
Income from companies carried by the equity method	590	279
Loss on non-current investments	(311)	(10.622)
Other gains and losses	470	5.258
EARNINGS/LOSSES BEFORE TAXES	(8.266)	4.933
CIT expense	(1.241)	(5.129)
Net result	(9.506)	(196)
EBIT	28.977	32.679
EBITDA	57.745	62.984
NON-RECURRING ITEMS	13.898	-
ADJUSTED EBITDA	71.644	62.984



03

Interim unaudited consolidated statement of financial position

Condensed consolidated statement of financial position

(in €'000)	1 January to 31 December 2020 (unaudited)	1 January to 31 December 2019 (Pro-forma)
Total Non current assets	445.912	414.951
Goodwill	39.562	3.334
Intangible assets	90.715	39.261
Tangible assets	258.217	220.004
Long-term investments in group companies	0	1.802
investments accounted for using the equity method	679	368
Long-term receivables from Group companies	(0)	104.998
Long-term financial assets	16.229	18.835
Deferred tax assets	39.951	26.339
Other Non-current assets	560	10
Total current assets	267.380	463.442
Inventories	143.973	173.311
Short-term investments in group companies	-	-
Group trade receivables	-	-
Short-term receivables to Group companies	1	155.386
Trade and other receivables	89.788	77.366
Trade receivables	71.860	64.299
Public administrations	13.544	4.657
Personnel	128	127
Other trade receivables	4.256	8.283
Current financial assets	616	23.400
Other current assets	1.700	1.631
Cash and cash equivalents	31.302	32.348
Total Assets	713.292	878.393

(in €'000)	1 January to 31 December 2020 (unaudited)	1 January to 31 December 2019 (Pro-forma)
Total Equity	52.871	277.612
Equity	49.232	267.599
Share capital	58.626	54.452
Reserves	113	213.343
Cumulative result for the year	(9.506)	(196)
Prior year's losses	(0)	(0)
Minority Interest	295	6.872
Valuation Adjustments	(0)	(282)
Grants, donations and legacies received	3.343	3.423
Total non-current liabilities	461.467	107.330
Long-term provisions	45.981	43.957
Long term debts with credit institutions	80.897	214
Long term debts with credit institutions - accrued interests	4.337	-
Long-term finance lease liabilities	18.184	26.346
Long-term non-current financial liabilities	32.782	28.629
Shareholder Loan	247.780	-
Deferred tax liabilities	31.506	8.184
Total current liabilities	198.955	493.451
Short-term provisions	27.116	29.277
Discounted bill of exchange risk	4.638	7.007
Short-term debts with credit institutions	195	238.875
Short-term finance lease liabilities	10.073	10.857
Short-term other financial liabilities	12.701	10.422
Short-term commercial creditors from group companies	0	52.773
Short-term debt with group companies	(0)	0
Trade and other payables	142.336	132.908
Trade payables	97.191	113.434
Public administrations	8.731	12.766
Personnel	6.014	6.708
Other trade payables	30.400	-
Other current liabilities	1.897	11.332
Total Liabilities	713.292	878.393



04

Interim unaudited consolidated statement of cash flows

Condensed consolidated statement of cash flows

(in €'000)	1 January to 31 December 2020 (unaudited)	1 January to 31 December 2019 (Pro-forma)
EBITDA (normalized)	71.643	62.984
Normalizations (cash flow effective)	(13.898)	-
Adjustment IFRS	(11.329)	(10.742)
EBITDA (reported for cash flow)	46.416	52.242
Change in Inventory	21.111	7.758
Change in Trade receivables	14.681	19.547
Change in Prepayments paid to the suppliers	-	-
Change in Trade payables	(40.356)	(52.269)
Change in Prepayments received from customers	-	-
Change in other trade working capital	(15.779)	(5.097)
Change in TWC	(20.343)	(30.061)
Change in other WC (assets)	-	-
Change in other WC (liabilities)	-	-
Change in NWC	(20.343)	(30.061)
Interest paid	(22.373)	(27.407)
Interest received	-	311
Taxes	(7.094)	(3.520)
Cash from operations	(3.394)	(8.435)
Capex	(23.503)	(19.056)
Divestiture of assets / subsidiaries	(1.528)	3.133
Other Cash from Investing	(86.100)	85

(in €'000)	1 January to 31 December 2020 (unaudited)	1 January to 31 December 2019 (Pro-forma)
Cash Flow from Investing Activities	(111.131)	(15.838)
Borrowings/(payments) under revolving facility	(167.143)	-
Long-term debt (net)	(8.338)	14.832
Capital Lease	-	-
Shareholder loan	230.695	-
Capital Increase	58.614	-
Dividends Paid	8	-
Net cash used in financing activities	113.835	14.832
FX diff	(260)	963
Other, net	(96)	1.628
Net increase (decrease) in cash and equivalents	(1.046)	(6.850)

Grupo**Fertiberia**

For further information, please contact:

Juan I. Navarro

Tel.: (+34) 915866200

E-mail: juanignacio.navarro@Fertiberia.es

[grupo fertiberia.com](http://grupo.fertiberia.com) / fertiberia.com