

Yara delivers strong cash flow in lower margin environment

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Oslo, 20 October 2023: Third-quarter EBITDA excl. special items¹ was USD 396 million, compared with USD 1,001 million a year earlier. Net income was USD 2 million (USD 0 per share) compared with USD 402 million (USD 1.57 per share) in third quarter 2022.

The main elements of the third-quarter results are:

- EBITDA down 62% due to reduced margins
- Operating cash flow of 1 BUSD primarily due to operating capital release
- European nitrate price negatively impacted by long order book at start of 3Q
- Supportive fundamentals for full season but uncertain phasing of deliveries

"Third-quarter results are impacted by strong price declines compared to last year, as the nitrogen industry continues to operate in a lower margin environment. Although agricultural fundamentals are supportive, nitrogen markets remain sensitive to geopolitical and commodity market volatility," said Svein Tore Holsether, President and Chief Executive Officer at Yara.

"War, geopolitical instability, and the climate crisis are having major impacts on food security. It is therefore even more important to safeguard Europe's strategic autonomy in within food and fertilizer, and to accelerate the green transition of European agriculture and industry," said Holsether.

Nitrogen markets saw significant volatility in the third quarter, with the start of the new northern hemisphere season. The quarter began with swift nitrogen price responses to positive market news, with both improved demand and tighter supply. Demand softened in the mid-quarter as urea prices declined and European customers were reluctant to take further positions early in the new season.

Although the season for the European nitrogen industry is off to a slower start than in previous years, fundamentals for the full season are supportive. Agricultural conditions are favourable, and industry consultants forecast increased cereal production in 2023/24, despite drought in several regions earlier this year. Although fertilizer affordability reduced during the quarter, it is still above historical averages, and optimal application rates are up compared to the 22/23 season. However, as normal at this stage of the season, phasing of deliveries is uncertain and there is risk of new nitrogen curtailments if slow European demand continues. The energy transition, climate crisis and food security are top priorities globally. With its leading food solutions and ammonia positions, Yara is uniquely positioned to drive these transformations.

Link to report, presentation and webcast 20th October at 12:00 CEST:
<https://www.yara.com/investor-relations/latest-quarterly-report/>

1) For definition and reconciliation of Alternative Performance Measures, see APM section in 3Q report, page 33.

Note on Alternative performance measures: Alternative performance measures are defined, explained and reconciled to the Financial statements in the APM section of the Quarterly report on pages 33-39.

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This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act. This stock exchange announcement was published by Maria Gabrielsen, Head of Investor Relations, at [Yara International ASA](#), on 20 October 2023 at 08:00 CEST.

About Yara

Yara grows knowledge to responsibly feed the world and protect the planet. Supporting our vision of a world without hunger and a planet respected, we pursue a strategy of sustainable value growth, promoting climate-friendly crop nutrition and zero-emission energy solutions. Yara's ambition is focused on growing a nature positive food future that creates value for our customers, shareholders and society at large and delivers a more sustainable food value chain.

To achieve our ambition, we have taken the lead in developing digital farming tools for precision farming and work closely with partners throughout the food value chain to improve the efficiency and sustainability of food production. Through our focus on clean ammonia production, we aim to enable the hydrogen economy, driving a green transition of shipping, fertilizer production and other energy intensive industries.

Founded in 1905 to solve the emerging famine in Europe, Yara has established a unique position as the industry's only global crop nutrition company. We operate an integrated business model with around 17,000 employees and operations in over 60 countries, with a proven track record of strong returns. In 2022, Yara reported revenues of USD 24 billion.

www.yara.com

This information is subject to the disclosure requirements pursuant to Section 5-12 the Norwegian Securities Trading Act

Attachments

- Yara 3Q 2023 Presentation
- Yara 3Q 2023 Report

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