



Knowledge grows

Pre-quarter information

2Q 2024



Key market prices and outside-in model

Market prices

		2023					2024				
		Feb	Mar	Apr	May	Avg 2Q23 ¹	Feb	Mar	Apr	May	Avg 2Q24 ¹
Fertilizers USD/ton, average of publications	Ammonia, FOB Arab Gulf	665	448	297	249	331	319	285	282	314	293
	Urea, FOB Arab Gulf (ex. US)	355	311	311	318	313	379	352	301	287	313
	CAN, CIF Germany	456	354	312	305	324	305	294	283	278	285
Gas prices¹ USD/MMBtu	TTF	16.9	14.0	13.6	9.9	14.8	8.2	8.5	9.1	9.9	8.6
	Henry Hub	2.4	2.3	2.1	2.1	2.3	1.7	1.5	1.6	2.1	1.6

Natural gas⁴: impact of spot price change (using 2 month lag)

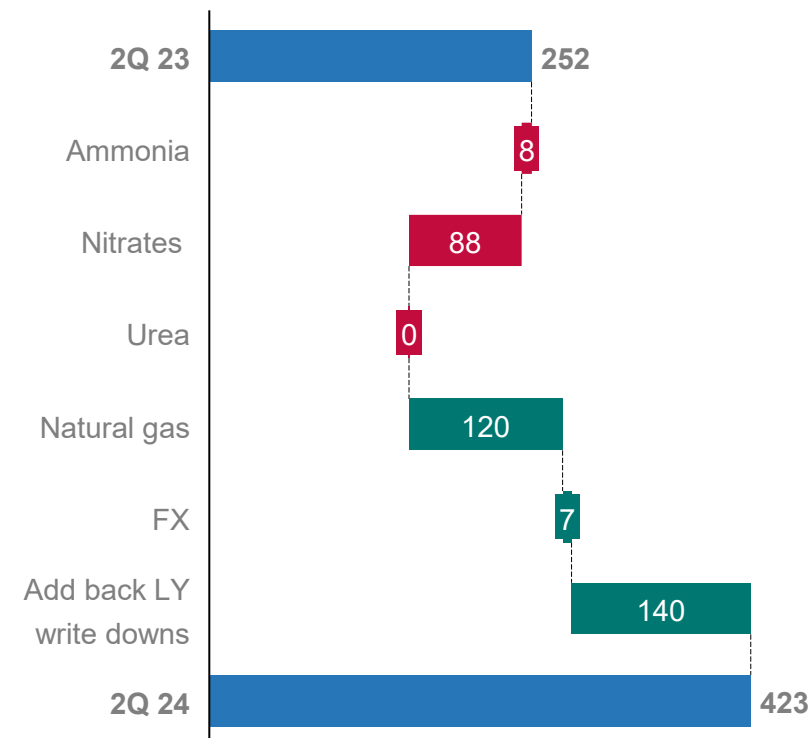
Gas cost guiding from 1Q24 based on forward curves: +120 MUSD (saving)
 Estimated impact of spot prices compared with forward curves: +0 MUSD (saving)
Updated gas cost guiding: +120 MUSD (saving)

		2Q23	2Q24	Change
Currencies No lag, Updated June 7th	USD per EUR	1.09	1.08	-0.01
	USD per NOK	0.09	0.09	0.00
	USD per BRL	0.20	0.19	-0.01



Outside-in estimate, volume neutral

MUSD, based on sensitivities^{1,2}



1) Average prices for the quarter are lagged one month, gas prices lagged 2 months
 2) From Yara.com: <https://www.yara.com/investor-relations/analyst-information/sensitivities/>
 3) Including nitrogen sensitivity in NPK. Phosphate and Potash not recommended to model on a quarter by quarter basis
 4) As part of the first quarter 2024 presentation, details for 2Q24 gas guiding was given on slide 22.

Key considerations

2Q23

- Curtailments: 17% of ammonia capacity and 10% of finished product capacity in Europe was curtailed in 2Q23
- Negative price development across main fertilizer commodities (urea, DAP, MOP) led to significant position losses and inventory write-downs
 - 140 MUSD inventory write downs
 - Directional +60% additional position losses
- Volume elements
 - Pick-up in European demand during 2Q23 following a late spring

2Q24

- Wet weather and delayed purchasing in Europe during 1Q24 indicated delayed spring season also this year
- Farmer incentives at healthy levels entering the quarter and just-in-time-buying patterns in recent seasons resulting in low stocks in value chain

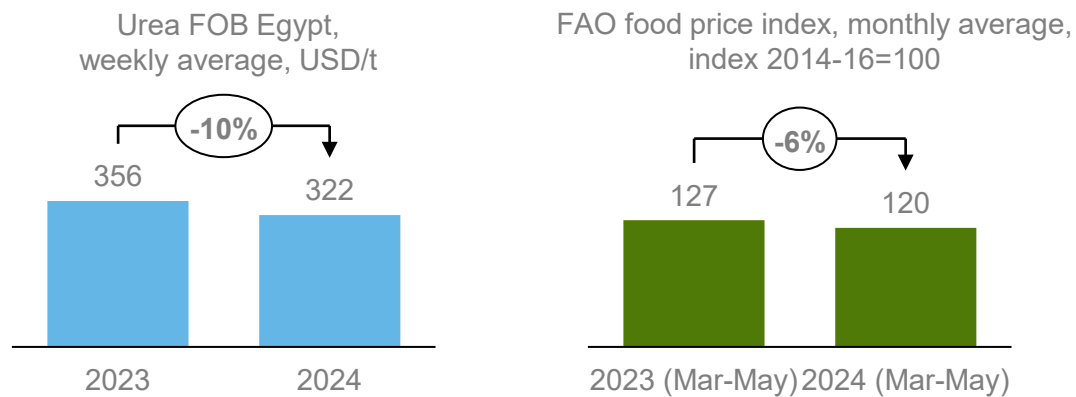


Market developments

Urea price developments 2Q 2024

- Early 2024 prices improved driven by just in time buying in the northern hemisphere, but since dropped to below USD 300/t. News of India cutting back on tendered volumes early April and anticipation of loosening export restrictions in China contributed to the decline
- Since early May urea prices have rebounded sharply, amid continued absence of urea exports from China, higher buying activity in key regions, and less-than-abundant supply in the global market
- Grain prices have moved higher, particularly wheat. Urea affordability is supported by lower urea prices and rising grain prices.

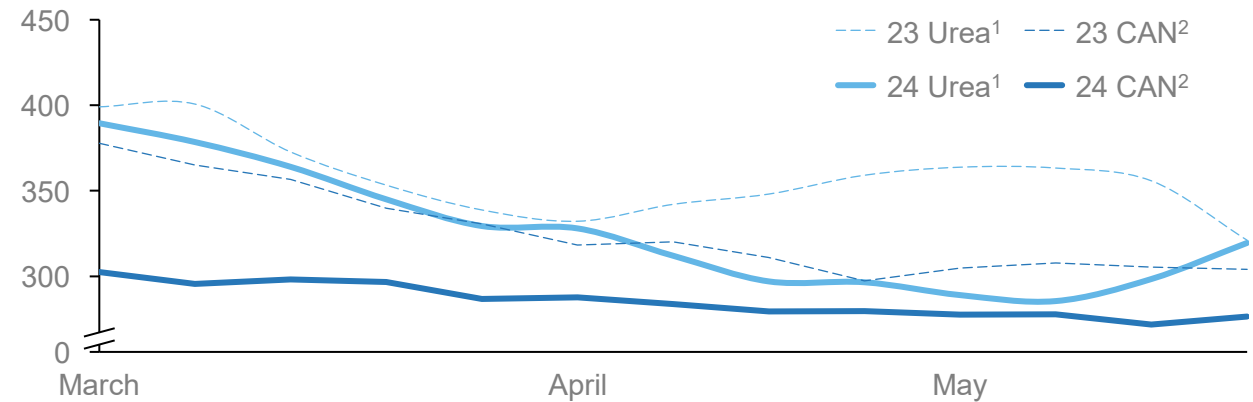
Urea affordability, average Mar-May



Regional developments

- At the end of 2Q the main application season is mostly completed in the northern hemisphere (Europe and US). Late season demand and improved fundamentals supported buying interest in Europe during the quarter.
- Other key regions (LatAm and Asia) outside main season for most of the quarter. In Latin America, imports to countries like Brazil, Argentina and Mexico are up year to date. In Southeast Asia, imports to Thailand has increased for both urea and NPKs (main season starts in 2Q). India has imported less so far in 2024 compared to last year, amid increased domestic production and significant urea stocks.

Price development, USD/t, weekly average





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