



Knowledge grows



## Yara first-quarter report 2022

- Significant efforts to optimize operations amid supply disruptions and volatile market conditions
- Focus on maintaining supply to customers and securing continuity in food supply chain
- Overall margin improvement due to tight market situation, higher prices more than offset higher feedstock costs and lower deliveries
- 12.7% ROIC <sup>1)</sup>, above mid-cycle target of 10%

Yara's first-quarter net income was USD 947 million compared with USD 14 million a year earlier mainly reflecting higher selling prices which more than offset higher natural gas cost, in addition to currency translation gains. Excluding currency effects and special items, basic earnings per share was USD 3.2 compared with USD 0.8 per share in first quarter 2021.

### Highlights <sup>1)</sup>

| USD millions, except where indicated otherwise  | 1Q 2022 | 1Q 2021 |
|---|---------|---------|
| Revenue and other income  | 5,912   | 3,142   |
| Operating income  | 1,039   | 322     |
| EBITDA  | 1,323   | 586     |
| EBITDA excl. special items  | 1,346   | 585     |
| Net income  | 947     | 14      |
| Basic earnings per share <sup>2)</sup>  | 3.71    | 0.05    |
| Basic earnings per share excl. foreign currency translation and special items <sup>2)</sup> | 3.20    | 0.80    |
| Net cash provided by operating activities   | 315     | 558     |
| Net cash provided by / (used in) investing activities                                       | 242     | (193)   |
| Net debt/equity ratio   | 0.42    | 0.35    |
| Net debt/EBITDA excl. special items (last 12 months) ratio                                  | 0.94    | 1.26    |
| Average number of shares outstanding (millions)   | 254.7   | 261.2   |
| Return on invested capital (ROIC) <sup>3)</sup>   | 27.7 %  | 9.0 %   |

### Key statistics

|  | 1Q 2022      | 1Q 2021      |
|--|--------------|--------------|
| <b>Yara production (thousand tonnes) <sup>4)</sup></b>         |              |              |
| Ammonia  | 1,723        | 1,792        |
| Finished fertiliser and industrial products, excl. bulk blends | 4,863        | 5,160        |
| <b>Yara deliveries (thousand tonnes)</b>                       |              |              |
| Ammonia trade  | 443          | 458          |
| Fertiliser   | 6,102        | 6,854        |
| Industrial Product   | 1,805        | 1,767        |
| <b>Total deliveries</b>  | <b>8,351</b> | <b>9,079</b> |
| <b>Yara's Energy prices (USD per MMBtu)</b>                    |              |              |
| Global weighted average gas cost <sup>5)</sup>                 | 20.9         | 6.0          |
| European weighted average gas cost                             | 30.5         | 6.9          |

1) See page 31-37 for definitions, explanations and reconciliations of Alternative Performance Measures (APMs).

2) USD per share. Yara currently has no share-based compensation programs resulting in a dilutive effect on earnings per share.

3) Quarterly numbers annualized.

4) Including Yara share of production in equity-accounted investees, excluding Yara-produced blends.

5) Excluding Babrala.

## Variance analysis

| USD millions                                    | 1Q 2022 |
|---|---------|
| EBITDA 2022                                     | 1,323   |
| EBITDA 2021                                     | 586     |
| Reported EBITDA variance                        | 737     |
| Special items variance (see page 8 for details) | (24)    |
| EBITDA variance ex special items                | 761     |
| Volume/Mix                                      | (96)    |
| Margin  | 870     |
| Currency translation                            | 17      |
| Other   | (31)    |
| Total variance explained                        | 761     |

### First quarter

Yara's first-quarter EBITDA excluding special items was USD 761 million higher than a year earlier, mainly reflecting improved margins with higher selling prices which more than offset increased feedstock costs, lower deliveries and increased fixed costs.

### Europe

EBITDA excluding special items was USD 154 million higher than a year earlier, as higher prices more than offset increased feedstock costs and lower deliveries. Deliveries decreased 24%, mainly reflecting reduced demand and customers reluctant to take positions in the current price environment.

### Americas

EBITDA excluding special items was USD 374 million higher than a year earlier, mainly driven by higher nitrogen prices but limited energy cost increase, leading to strong production margins. Underlying fixed costs increased 11% partly due to inflationary pressure in Brazil, while total deliveries decreased 3% but with an increased share of premium products.

### Africa & Asia

EBITDA excluding special items was USD 80 million higher than a year earlier, mainly reflecting improved production

margins on ammonia. Total deliveries increased 3%, driven by higher deliveries of commodity fertilizers in Asia partly offset by lower premium products deliveries particularly in China where domestic prices are decoupled from global price dynamics.

### Global Plants & Operational Excellence (GPOE)

EBITDA excluding special items was USD 78 million higher than a year earlier, mainly due to increased production margins, as higher nitrogen and phosphate prices more than offset higher energy and raw material costs. Stable deliveries to other operating segments compared with last year.

### Clean Ammonia

EBITDA excluding special items was USD 35 million higher than a year earlier, mainly reflecting higher ammonia prices positively impacting margins. Total volumes were at the same level as last year.

### Industrial Solutions

EBITDA excluding special items was USD 113 million higher than a year earlier, mainly driven by strong performance in Brazil and increased market prices due to high gas costs and supply shortages due to sanctions on Russia and Belarus. Deliveries also increased by 3%.

## Production volumes

|                                | iQ 2022      | iQ 2021      |
|--------------------------------|--------------|--------------|
| Thousand tonnes                |              |              |
| Ammonia                        | 1,723        | 1,792        |
| Urea                           | 1,126        | 1,167        |
| Nitrate                        | 1,525        | 1,611        |
| NPK                            | 1,456        | 1,519        |
| CN                             | 458          | 398          |
| UAN                            | 229          | 219          |
| SSP-based fertiliser           | 67           | 234          |
| MAP                            | -            | 12           |
| <b>Total Finished Products</b> | <b>4,863</b> | <b>5,160</b> |

## Deliveries

| <b>Crop Nutrition deliveries</b>        | 1Q 2022      | 1Q 2021      |
|---|--------------|--------------|
| Thousand tonnes                         |              |              |
| Urea                                    | 1,378        | 1,369        |
| Nitrate                                 | 1,361        | 1,592        |
| NPK                                     | 2,078        | 2,449        |
| <i>of which Yara-produced compounds</i> | 1,397        | 1,648        |
| <i>of which blends</i>                  | 519          | 618          |
| CN                                      | 422          | 477          |
| UAN                                     | 303          | 383          |
| DAP/MAP/SSP                             | 102          | 147          |
| MOP/SOP                                 | 212          | 149          |
| Other products                          | 246          | 289          |
| <b>Total Crop Nutrition deliveries</b>  | <b>6,102</b> | <b>6,854</b> |

| <b>Europe deliveries</b>                | 1Q 2022      | 1Q 2021      |
|---|--------------|--------------|
| Thousand tonnes                         |              |              |
| Urea                                    | 184          | 293          |
| Nitrate                                 | 994          | 1,156        |
| NPK                                     | 590          | 924          |
| <i>of which Yara-produced compounds</i> | 557          | 872          |
| CN                                      | 93           | 137          |
| Other products                          | 370          | 412          |
| <b>Total deliveries Europe</b>          | <b>2,232</b> | <b>2,922</b> |

| <b>Americas deliveries</b>              | 1Q 2022      | 1Q 2021      |
|---|--------------|--------------|
| Thousand tonnes                         |              |              |
| Urea                                    | 618          | 630          |
| Nitrate                                 | 311          | 366          |
| NPK                                     | 1,154        | 1,115        |
| <i>of which Yara-produced compounds</i> | 595          | 425          |
| <i>of which blends</i>                  | 432          | 524          |
| CN                                      | 272          | 296          |
| DAP/MAP/SSP                             | 83           | 108          |
| MOP/SOP                                 | 181          | 119          |
| Other products                          | 172          | 247          |
| <b>Total deliveries Americas</b>        | <b>2,790</b> | <b>2,881</b> |
| <i>of which North America</i>           | 905          | 958          |
| <i>of which Brazil</i>                  | 1,483        | 1,465        |
| <i>of which Latin America ex Brazil</i> | 403          | 457          |

**Africa & Asia deliveries**

|   | 1Q 2022      | 1Q 2021      |
|---|--------------|--------------|
| Thousand tonnes                           |              |              |
| Urea                                      | 576          | 446          |
| Nitrate                                   | 56           | 70           |
| NPK                                       | 335          | 410          |
| <i>of which Yara-produced compounds</i>   | 245          | 350          |
| CN  | 57           | 45           |
| Other products                            | 57           | 81           |
| <b>Total deliveries Africa &amp; Asia</b> | <b>1,080</b> | <b>1,052</b> |
| <i>of which Asia</i>                      | 870          | 811          |
| <i>of which Africa</i>                    | 210          | 240          |

**Industrial Solutions deliveries**

|  | 1Q 2022      | 1Q 2021      |
|--|--------------|--------------|
| Thousand tonnes                              |              |              |
| Ammonia <sup>1)</sup>                        | 132          | 150          |
| Urea <sup>1)</sup>                           | 381          | 396          |
| Nitrate <sup>2)</sup>                        | 320          | 280          |
| CN   | 52           | 47           |
| Other products <sup>3)</sup>                 | 374          | 406          |
| Water content in industrial ammonia and urea | 546          | 487          |
| <b>Total Industrial Solutions deliveries</b> | <b>1,805</b> | <b>1,767</b> |

1) Pure product equivalents.

2) Including AN Solution.

3) Including sulphuric acid, ammonia and other minor products.

## Financial items

| USD millions  | 1Q 2022 | 1Q 2021 |
|---|---------|---------|
| Interest income   | 23      | 17      |
| Interest income and other financial income                    | 23      | 17      |
| Interest expense  | (58)    | (33)    |
| Net interest expense on net pension liability                 | (1)     | (1)     |
| Net foreign currency translation gain/(loss)                  | 223     | (256)   |
| Other   | 2       | (3)     |
| Interest expense and foreign currency translation gain/(loss) | 166     | (293)   |
| Net financial income/(expense)                                | 190     | (276)   |

The variance in financial items primarily reflects a net foreign currency translation gain of USD 223 million this quarter, compared with a net loss of USD 256 million in the same quarter a year ago.

Around two thirds of the net foreign currency translation gain this quarter stems from Yara's US dollar denominated debt positions as the US dollar depreciated around 1% against the Norwegian krone and around 14% against the Brazilian real. The remaining gain stems from internal funding positions in Brazilian real against the European euro and the Norwegian krone, partly offset by a loss on internal funding positions in European euro against the Norwegian krone.

In the same quarter a year ago, the reported loss stemmed primarily from the internal funding positions in European euro and Brazilian real against the Norwegian krone, while

the US dollar denominated debt positions generated only a minor net loss.

At the start of the second quarter, the US dollar denominated debt position generating currency effects in the income statement was approximately USD 2,600 million, with the exposure primarily towards the Norwegian krone.

Yara's accounting policy regarding foreign currency transactions is described on page 16 and in the integrated report for 2021 on pages 133 and 134.

The increase in interest expense compared with the same quarter a year ago reflects both higher floating interest rates and a higher portion of the gross debt established in Latin American countries. The average gross debt level was around the same level as last year.

## Income tax

The tax cost for first quarter 2022 was USD 284 million, giving an effective tax rate of 23%. The effective tax rate for

the first quarter 2021 was 70% mainly due to increased valuation allowances on tax assets in certain countries.

## Cash flow

Yara's operating cash flow in first quarter 2022 was USD 242 million lower than a year earlier, as a higher operating income was more than offset by an increase in operating capital. The increase in operating capital was driven by increased inventory and receivable values following higher

raw material costs and commodity prices. When adjusting for Salitre proceeds of USD 440 million received during the quarter, Yara's investing cash flow in the period increased by USD 5 million compared to a year earlier.

## Outlook

Yara's industry fundamentals are robust, as the twin challenges of resource efficiency and environmental footprint require significant transformations within both agriculture and the hydrogen economy. Yara's leading food solutions and ammonia positions are well placed to both address and create business opportunities from these challenges.

The war in Ukraine is having major impacts on both the food and fertilizer industries, with Russia and Ukraine both being significant in the global food value chain, representing a major portion of world's production and export of grains. Furthermore, Russia is one of the world's largest producers and exporters of essential crop nutrients and natural gas. The war has driven up global fertilizer and energy prices, including natural gas prices in Europe. Yara's direct investments in Russia and Ukraine are limited, but Yara has sourced phosphate, potash and ammonia from Russia, and purchases significant volumes of natural gas for its production in Europe. Yara has stopped all sourcing from suppliers linked to Russian sanctioned entities and persons, and is utilizing its global sourcing, production and distribution capabilities with the objective to keep supplying customers and secure continuity in food supply chains. Yara repeats its concern for global food security and calls on government action to protect food supply chains and decrease dependency on Russia.

As a result of the high gas prices Yara curtailed production at several of its European ammonia and urea facilities in early March, but these have resumed production as the margin situation improved. While raw material price increases in isolation are negative for Yara, higher end product prices create offsetting positive effects, as higher grain prices improve farmers' profitability and demand incentives for

agricultural inputs. Yara will continue to monitor the situation and adapt to market conditions going forward.

Based on current forward markets for natural gas (19 April) and assuming stable gas purchase volumes, Yara's gas cost for second and third quarter 2022 would be respectively USD 1150 million and USD 750 million higher than a year earlier. Gas costs may change depending on future spot gas prices and local terms. As part of Yara's long-term maintenance schedule, turnarounds are scheduled in Tringen (expected impact ~30 kt ammonia) and Belle Plaine (expected impact ~120 kt urea) in second and third quarter 2022.

Yara's financial situation is robust, with a net debt / EBITDA ratio of 0.94 and a net debt / equity ratio of 0.42 at the end of first quarter. An ordinary dividend for the 2021 fiscal year of NOK 30 per share has been proposed by the board to the Annual General Meeting in May. Including this the pro-forma net debt / EBITDA ratio at the end of first quarter is 1.17 and the pro-forma net debt / equity ratio is 0.59. Yara will consider further cash distributions in the coming quarters, in line with its capital allocation policy.

Industry consultant projections show increased global nitrogen capacity growth in 2022, however the outlook indicates a continued tight market, driven by high grain prices, supply disruptions and low global inventories. In Europe, nitrogen industry deliveries season to date in the 2021/22 season are estimated to be 17% behind a year earlier. Deliveries were slow in first quarter and are likely to end behind last year for the season as a whole. Although higher grain and oilseed prices provide stronger economic incentives for farmers, higher fertilizer prices have shifted optimum application rates somewhat lower.

## Special items

Yara defines “special items” as items in the results which are not regarded as part of underlying business performance for the period. These comprise restructuring related items, contract derivatives, impairments and other items which are not primarily related to the period in which they are recognized, subject to a minimum value of USD 5 million per

item within a 12-month period. “Contract derivatives” are commodity-based derivative gains or losses which are not the result of active exposure or position management by Yara. Together with impairments, these are defined as special items regardless of amount.

| USD millions  | Fixed cost effect |          | EBITDA effect |          | Operating income effect |            |
|---|-------------------|----------|---------------|----------|-------------------------|------------|
|   | 1Q 2022           | 1Q 2021  | 1Q 2022       | 1Q 2021  | 1Q 2022                 | 1Q 2021    |
| Restructuring cost                                      | (2)               | -        | (2)           | -        | (2)                     | -          |
| Impairment of non-current assets                        | -                 | -        | -             | -        | -                       | (4)        |
| Contract derivatives gain/(loss)                        | -                 | -        | (1)           | -        | (1)                     | -          |
| <b>Total Europe</b>                                     | <b>(2)</b>        | <b>-</b> | <b>(3)</b>    | <b>-</b> | <b>(3)</b>              | <b>(4)</b> |
| Salitre divestment                                      | (2)               | -        | (5)           | -        | (16)                    | -          |
| Provision related to closure of plant                   | 4                 | -        | 4             | -        | 4                       | -          |
| <b>Total Americas</b>                                   | <b>2</b>          | <b>-</b> | <b>(2)</b>    | <b>-</b> | <b>(12)</b>             | <b>-</b>   |
| Contract derivatives gain/(loss)                        | -                 | -        | (19)          | 1        | (19)                    | 1          |
| <b>Total Africa &amp; Asia</b>                          | <b>-</b>          | <b>-</b> | <b>(19)</b>   | <b>1</b> | <b>(19)</b>             | <b>1</b>   |
| <b>Total Global Plants &amp; Operational Excellence</b> | <b>-</b>          | <b>-</b> | <b>-</b>      | <b>-</b> | <b>-</b>                | <b>-</b>   |
| <b>Total Industrial Solutions</b>                       | <b>-</b>          | <b>-</b> | <b>-</b>      | <b>-</b> | <b>-</b>                | <b>-</b>   |
| Contract derivatives gain/(loss)                        | -                 | -        | 1             | -        | 1                       | -          |
| <b>Total Clean Ammonia</b>                              | <b>-</b>          | <b>-</b> | <b>1</b>      | <b>-</b> | <b>1</b>                | <b>-</b>   |
| <b>Total Other and Eliminations</b>                     | <b>-</b>          | <b>-</b> | <b>-</b>      | <b>-</b> | <b>-</b>                | <b>-</b>   |
| <b>Total Yara</b>                                       | <b>-</b>          | <b>-</b> | <b>(23)</b>   | <b>1</b> | <b>(33)</b>             | <b>(3)</b> |

Description and reconciliation of alternative performance measures are included on page 31-37.



### Variance analysis

In order to track underlying business developments from period to period, Yara's management also uses a variance analysis methodology ("variance analysis"), that involves the extraction of financial information from the accounting system, as well as statistical and other data from internal management information systems. Management considers the estimates produced by the variance analysis, and the identification of trends based on such analysis, sufficiently precise to provide useful data to monitor our business.

However, these estimates should be understood to be less than an exact quantification of the changes and trends indicated by such analysis.

The variance analysis presented in Yara's quarterly and annual financial reports is prepared on a Yara EBITDA basis including net income from equity-accounted investees. The volume, margin and other variances presented therefore include effects generated by performance in equity-accounted investees.

# Condensed consolidated interim statement of income

| USD millions, except share information                 | Notes | 1Q 2022            | 1Q 2021            | 2021               |
|--|-------|--------------------|--------------------|--------------------|
| Revenue from contracts with customers                  | 3     | 5,926              | 3,131              | 16,617             |
| Other income and commodity derivative gain/(loss)      | 5     | (15)               | 11                 | (9)                |
| <b>Revenue and other income</b>                        |       | <b>5,912</b>       | <b>3,142</b>       | <b>16,607</b>      |
| Raw materials, energy costs and freight expenses       |       | (4,416)            | (2,179)            | (12,803)           |
| Change in inventories of own products                  |       | 234                | 7                  | 668                |
| Payroll and related costs                              |       | (322)              | (309)              | (1,270)            |
| Depreciation and amortization                          | 8     | (247)              | (242)              | (984)              |
| Impairment loss  | 8     | (11)               | (4)                | (666)              |
| Expected and realized credit loss on trade receivables |       | (4)                | -                  | (6)                |
| Other operating expenses                               |       | (107)              | (92)               | (479)              |
| <b>Operating costs and expenses</b>                    |       | <b>(4,873)</b>     | <b>(2,820)</b>     | <b>(15,540)</b>    |
| <b>Operating income</b>                                |       | <b>1,039</b>       | <b>322</b>         | <b>1,068</b>       |
| Share of net income in equity-accounted investees      |       | 2                  | -                  | 23                 |
| Interest income and other financial income             |       | 23                 | 17                 | 64                 |
| Foreign currency translation gain/(loss)               |       | 223                | (256)              | (251)              |
| Interest expense and other financial items             |       | (57)               | (37)               | (164)              |
| <b>Income before tax</b>                               |       | <b>1,231</b>       | <b>46</b>          | <b>739</b>         |
| Income tax expense                                     |       | (284)              | (32)               | (355)              |
| <b>Net income</b>                                      |       | <b>947</b>         | <b>14</b>          | <b>384</b>         |
| <b>Net income attributable to</b>                      |       |                    |                    |                    |
| Shareholders of the parent                             |       | 944                | 13                 | 449                |
| Non-controlling interests <sup>2)</sup>                |       | 2                  | 1                  | (65)               |
| <b>Net income</b>                                      |       | <b>947</b>         | <b>14</b>          | <b>384</b>         |
| Basic earnings per share <sup>1)</sup>                 |       | 3.71               | 0.05               | 1.75               |
| <b>Weighted average number of shares outstanding</b>   | 2     | <b>254,725,627</b> | <b>261,154,877</b> | <b>256,789,744</b> |

1) Yara currently has no share-based compensation program resulting in a dilutive effect on earnings per share.

2) 2021: USD 67 million is related to non-controlling interests share of Yara Dallol.

# Condensed consolidated interim statement of comprehensive income

| USD millions  | Notes | 1Q 2022 | 1Q 2021 | 2021  |
|---|-------|---------|---------|-------|
| Net income  |       | 947     | 14      | 384   |
| <b>Other comprehensive income that may be reclassified to statement of income (net of tax)</b>                            |       |         |         |       |
| Currency translation adjustments  |       | 1       | (103)   | (132) |
| Hedge of net investments  |       | 6       | -       | (21)  |
| Net other comprehensive income/(loss) that may be reclassified to statement of income in subsequent periods, net of tax   |       | 7       | (103)   | (154) |
| <b>Other comprehensive income that will not be reclassified to statement of income in subsequent periods (net of tax)</b> |       |         |         |       |
| Currency translation adjustments <sup>1)</sup>  |       | 13      | 1       | (45)  |
| Net gain/(loss) on equity instruments at fair value through other comprehensive income                                    |       | -       | -       | 4     |
| Remeasurement gains/(losses) on defined benefit plans   | 9     | 37      | 101     | 170   |
| Net other comprehensive income that will not be reclassified to statement of income in subsequent periods, net of tax     |       | 50      | 102     | 129   |
| Total other comprehensive income, net of tax  |       | 57      | -       | (25)  |
| Total comprehensive income, net of tax  |       | 1,004   | 14      | 359   |
| <b>Total comprehensive income attributable to</b>   |       |         |         |       |
| Shareholders of the parent  |       | 1,003   | 13      | 425   |
| Non-controlling interests   |       | 1       | 1       | (66)  |
| Total   |       | 1,004   | 14      | 359   |

1) Currency translation adjustments that will not be reclassified to statement of income are related to entities with functional currency NOK as these are not classified as "foreign operations" to Yara International ASA.

# Condensed consolidated interim statement of changes in equity

| USD millions                           | Share Capital <sup>1)</sup> | Premium paid-in capital | Currency translation adjustments | Other reserves <sup>3)</sup> | Retained earnings | Reserve of disposal group held for sale | Attributable to share-holders of the parent | Non-controlling interests | Total equity |
|--|-----------------------------|-------------------------|----------------------------------|------------------------------|-------------------|---|---|---------------------------|--------------|
| Balance at 31 December 2020            | 64                          | (49)                    | (1,402)                          | (197)                        | 9,724             | -                                       | 8,141                                       | 79                        | 8,220        |
| Net income                             | -                           | -                       | -                                | -                            | 13                | -                                       | 13  | 1                         | 14           |
| Other comprehensive income, net of tax | -                           | -                       | (102)                            | -                            | 101               | -                                       | -   | -                         | -            |
| Total comprehensive income, net of tax | -                           | -                       | (102)                            | -                            | 114               | -                                       | 13  | 1                         | 14           |
| Long term incentive plan               | -                           | -                       | -                                | -                            | (2)               | -                                       | (2)   | -                         | (2)          |
| Treasury shares <sup>2)</sup>          | (1)                         | -                       | -                                | -                            | (259)             | -                                       | (260)                                       | -                         | (260)        |
| Balance at 31 March 2021               | 63                          | (49)                    | (1,503)                          | (196)                        | 9,578             | -                                       | 7,892                                       | 80                        | 7,972        |
| Net income                             | -                           | -                       | -                                | -                            | 437               | -                                       | 437   | (66)                      | 370          |
| Other comprehensive income, net of tax | -                           | -                       | (76)                             | (18)                         | 69                | -                                       | (24)  | -                         | (24)         |
| Total comprehensive income, net of tax | -                           | -                       | (76)                             | (18)                         | 506               | -                                       | 413   | (66)                      | 346          |
| Long term incentive plan               | -                           | -                       | -                                | -                            | 2                 | -                                       | 2   | -                         | 2            |
| Disposal group for sale                | -                           | -                       | 8                                | -                            | -                 | (8)                                     | -   | -                         | -            |
| Treasury shares <sup>2)</sup>          | -                           | -                       | -                                | -                            | 11                | -                                       | 11  | -                         | 11           |
| Dividends distributed                  | -                           | -                       | -                                | -                            | (1,214)           | -                                       | (1,214)                                     | (1)                       | (1,215)      |
| Balance at 31 December 2021            | 63                          | (49)                    | (1,571)                          | (214)                        | 8,883             | (8)                                     | 7,104                                       | 13                        | 7,116        |
| Net income                             | -                           | -                       | -                                | -                            | 944               | -                                       | 944   | 2                         | 947          |
| Other comprehensive income, net of tax | -                           | -                       | 16                               | 6                            | 37                | -                                       | 58  | (1)                       | 57           |
| Total comprehensive income, net of tax | -                           | -                       | 16                               | 6                            | 982               | -                                       | 1,002                                       | 1                         | 1,004        |
| Long term incentive plan               | -                           | -                       | -                                | -                            | 1                 | -                                       | 1   | -                         | 1            |
| Balance at 31 March 2022               | 63                          | (49)                    | (1,555)                          | (208)                        | 9,865             | (8)                                     | 8,107                                       | 14                        | 8,121        |

1) Par value NOK 1.70.

2) As approved by General Meeting 7 May 2021.

3) Other reserves include fair value reserve of financial assets at FVOCI, hedge of net investments, and cash flow hedges.

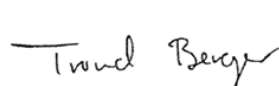
# Condensed consolidated interim statement of financial position

| USD millions  | Notes | 31 Mar 2022   | 31 Mar 2021   | 31 Dec 2021   |
|---|-------|---------------|---------------|---------------|
| <b>Assets</b>   |       |               |               |               |
| <b>Non-current assets</b>   |       |               |               |               |
| Deferred tax assets   |       | 485           | 495           | 504           |
| Goodwill  | 8     | 797           | 820           | 789           |
| Intangible assets other than goodwill                             | 8     | 129           | 147           | 132           |
| Property, plant and equipment                                     | 8     | 7,094         | 8,136         | 7,133         |
| Right-of-use assets   | 8     | 442           | 409           | 421           |
| Associated companies and joint ventures                           |       | 136           | 105           | 120           |
| Other non-current assets  |       | 499           | 379           | 476           |
| <b>Total non-current assets</b>                                   |       | <b>9,582</b>  | <b>10,489</b> | <b>9,574</b>  |
| <b>Current assets</b>   |       |               |               |               |
| Inventories   | 6     | 4,616         | 2,079         | 4,003         |
| Trade receivables   |       | 2,937         | 1,598         | 2,138         |
| Prepaid expenses and other current assets                         |       | 836           | 601           | 708           |
| Cash and cash equivalents   |       | 695           | 1,361         | 394           |
| Non-current assets and disposal group classified as held-for-sale | 4     | 19            | 5             | 454           |
| <b>Total current assets</b>                                       |       | <b>9,104</b>  | <b>5,644</b>  | <b>7,698</b>  |
| <b>Total assets</b>   |       | <b>18,685</b> | <b>16,133</b> | <b>17,272</b> |

# Condensed consolidated interim statement of financial position

| USD millions, except share information                               | Notes    | 31 Mar 2022   | 31 Mar 2021   | 31 Dec 2021   |
|--|----------|---------------|---------------|---------------|
| <b>Equity and liabilities</b>  |          |               |               |               |
| <b>Equity</b>  |          |               |               |               |
| Share capital reduced for treasury stock                             |          | 63            | 63            | 63            |
| Premium paid-in capital  |          | (49)          | (49)          | (49)          |
| <b>Total paid-in capital</b>   |          | <b>14</b>     | <b>14</b>     | <b>14</b>     |
| Other reserves   |          | (1,772)       | (1,700)       | (1,793)       |
| Retained earnings  |          | 9,865         | 9,578         | 8,883         |
| <b>Total equity attributable to shareholders of the parent</b>       |          | <b>8,107</b>  | <b>7,892</b>  | <b>7,104</b>  |
| Non-controlling interests  |          | 14            | 80            | 13            |
| <b>Total equity</b>  | <b>2</b> | <b>8,121</b>  | <b>7,972</b>  | <b>7,116</b>  |
| <b>Non-current liabilities</b>                                       |          |               |               |               |
| Employee benefits  | 9        | 364           | 482           | 399           |
| Deferred tax liabilities   |          | 449           | 404           | 443           |
| Long-term interest-bearing debt                                      | 7        | 3,067         | 3,349         | 3,089         |
| Other non-current liabilities  |          | 75            | 144           | 77            |
| Non-current provisions   |          | 246           | 287           | 283           |
| Non-current lease liabilities  |          | 334           | 314           | 321           |
| <b>Total non-current liabilities</b>                                 |          | <b>4,535</b>  | <b>4,981</b>  | <b>4,612</b>  |
| <b>Current liabilities</b>   |          |               |               |               |
| Trade and other current payables                                     | 10       | 3,306         | 1,516         | 3,188         |
| Prepayments from customers   |          | 942           | 495           | 634           |
| Current tax liabilities  |          | 284           | 139           | 166           |
| Short-term provisions  |          | 60            | 73            | 74            |
| Current portion of long-term debt                                    | 7        | 473           | 132           | 476           |
| Short-term interest-bearing debt                                     | 7        | 129           | 285           | 337           |
| Other current liabilities  |          | 716           | 430           | 549           |
| Current lease liabilities  |          | 115           | 110           | 104           |
| Liability associated with disposal group classified as held-for-sale | 4        | 4             | -             | 17            |
| <b>Total current liabilities</b>                                     |          | <b>6,029</b>  | <b>3,180</b>  | <b>5,544</b>  |
| <b>Total equity and liabilities</b>                                  |          | <b>18,685</b> | <b>16,133</b> | <b>17,272</b> |
| Number of shares outstanding   | 2        | 254,725,627   | 259,580,357   | 254,725,627   |

The Board of Directors and Chief Executive Officer  
Yara International ASA  
Oslo, 26 April 2022



Trond Berger  
Chair



Kimberly Mathisen  
Vice chair



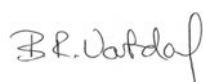
Adele Bugge Norman Pran  
Board member



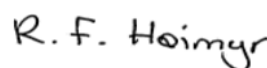
John Thuestad  
Board member



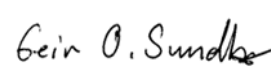
Rune Bratteberg  
Board member



Birgitte Ringstad Vartdal  
Board member



Ragnhild Flestrand Høimyr  
Board member



Geir O. Sundbø  
Board member



Håkon Reistad Fure  
Board member



Øystein Kostøl  
Board member



Svein Tore Holsether  
President and CEO

# Condensed consolidated interim statement of cash flows

| USD millions   | Notes | 1Q 2022      | 1Q 2021      | 2021           |
|--|-------|--------------|--------------|----------------|
| <b>Operating activities</b>  |       |              |              |                |
| Net income/(loss) before taxes   |       | 1,231        | 46           | 739            |
| <b>Adjustments to reconcile net income/(loss) to net cash provided by operating activities</b> |       |              |              |                |
| Depreciation and amortization  | 8     | 247          | 242          | 984            |
| Impairment loss  | 8     | 11           | 4            | 666            |
| (Gain)/loss on disposal of non-current assets  |       | 1            | (2)          | 9              |
| Net foreign currency translation loss/(gain)   |       | (223)        | 256          | 251            |
| Adjustment for finance income and expense  |       | 34           | 20           | 100            |
| Income taxes paid  |       | (134)        | (43)         | (350)          |
| Interest paid <sup>1)</sup>  |       | (43)         | (11)         | (166)          |
| Interest received  |       | 13           | 18           | 68             |
| Bank charges   |       | 4            | (4)          | (15)           |
| Other  |       | (21)         | (12)         | (36)           |
| <b>Working capital changes that provided/(used) cash</b>                                       |       |              |              |                |
| Trade receivables  |       | (752)        | (159)        | (743)          |
| Inventories  |       | (356)        | (6)          | (2,042)        |
| Prepaid expenses and other current assets  |       | (135)        | (14)         | (113)          |
| Trade and other payables   |       | 119          | 72           | 1,669          |
| Prepayments from customers   |       | 225          | 155          | 291            |
| Other interest-free liabilities  |       | 96           | (4)          | 95             |
| <b>Net cash provided by operating activities</b>   |       | <b>315</b>   | <b>558</b>   | <b>1,406</b>   |
| <b>Investing activities</b>  |       |              |              |                |
| Purchases of property, plant and equipment   |       | (180)        | (190)        | (809)          |
| Proceeds from sales of property, plant and equipment   |       | 3            | 1            | 15             |
| Cash flows from losing control of subsidiaries or other businesses                             | 4     | 440          | -            | -              |
| Cash flows used in obtaining control of subsidiaries or other businesses                       |       | -            | -            | (43)           |
| Net sales/(purchases) of short-term investments  |       | -            | -            | (1)            |
| Purchases of other long-term assets  |       | (23)         | (6)          | (49)           |
| Proceeds from sales of other long-term assets  |       | 2            | 3            | 14             |
| <b>Net cash provided by/(used in) investing activities</b>                                     |       | <b>242</b>   | <b>(193)</b> | <b>(874)</b>   |
| <b>Financing activities</b>  |       |              |              |                |
| Loan proceeds <sup>2)</sup>  | 7     | 4            | 11           | 451            |
| Principal payments <sup>2)</sup>   | 7     | (231)        | (174)        | (235)          |
| Payments of lease liabilities  | 7     | (36)         | (33)         | (142)          |
| Purchase of treasury shares  | 2     | -            | (169)        | (363)          |
| Dividends  | 2     | -            | -            | (1,214)        |
| Other cash transfers (to)/from non-controlling interests                                       |       | -            | -            | (1)            |
| <b>Net cash used in financing activities</b>   |       | <b>(263)</b> | <b>(365)</b> | <b>(1,504)</b> |
| <b>Foreign currency effects on cash and cash equivalents</b>                                   |       | <b>7</b>     | <b>(2)</b>   | <b>4</b>       |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                                    |       | <b>301</b>   | <b>(2)</b>   | <b>(968)</b>   |
| Cash and cash equivalents at beginning of period <sup>3)</sup>                                 |       | 397          | 1,365        | 1,365          |
| <b>Cash and cash equivalents at end of period <sup>3)</sup></b>                                |       | <b>699</b>   | <b>1,363</b> | <b>397</b>     |
| <b>Bank deposits not available for the use of other group companies</b>                        |       | <b>71</b>    | <b>29</b>    | <b>44</b>      |

1) Including interest on lease liabilities.

2) Loan proceeds and principal payments related to short-term borrowings for which maturity is three months or less, are presented net.

3) Excluded expected credit loss provisions on bank deposits.

# Notes to the interim financial statements

## General and accounting policies

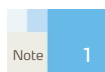
Yara (the Group) consists of Yara International ASA and its subsidiaries. Yara International ASA is a public limited company incorporated in Norway. The address of its registered office is Drammensveien 131, Oslo, Norway.

These unaudited, condensed consolidated interim financial statements consist of the Group and the Group's interests in associated companies and joint arrangements. They are prepared in accordance with International Accounting Standard 34 Interim Financial Reporting and should be read in conjunction with the annual consolidated financial statements in Yara's Integrated Report for 2021. The accounting policies applied are the same as those applied in the annual consolidated financial statements 2021.

As a result of rounding differences numbers or percentages may not add up to the total.

These condensed consolidated financial statements are presented in US dollars (USD) million, except when otherwise indicated. Individual financial statements of Yara

International ASA and its subsidiaries are prepared in the respective entities' functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of Yara International ASA is Norwegian kroner (NOK). In the individual financial statements, transactions in currencies other than the entity's functional currency are recognized by applying the exchange rate at the date of transaction. At the balance sheet date, monetary items denominated in foreign currencies are translated using the exchange rate at that date. The changes in value due to such foreign currency translations are recognized in the statement of income of the individual entity and reflected as "foreign currency translation gain/loss" in the consolidated statement of income for the Group. When preparing the consolidated financial statements, all items in the individual financial statements are translated into USD using the exchange rates at period end for statement of financial position items and monthly average exchange rates for statement of income items. Gains and losses derived from this translation are included in other comprehensive income as a separate component.



## 1 Judgments, estimates and assumptions

Yara faces risks and uncertainties which require management to make judgements, estimates and assumptions when preparing consolidated financial statements, and which may significantly differ from actual results and may lead to material adjustments to carrying amounts. The significant judgments, estimates and assumptions related to impairment of assets, tax assets and liabilities, pensions liabilities, Covid-19, climate change and joint arrangements as communicated in the consolidated financial statements as of 31 December 2021, also apply to these interim financial statements.

The Russian invasion of Ukraine from late February 2022 has brought increased geopolitical risks to global markets and business operations. The war is expected to have major impacts on both the food and fertilizer industries and has as of March 2022 impacted global energy, fertilizer and food prices and the availability of essential crop nutrients. These increased geopolitical risks could affect Yara in a number of ways and result in material adjustments to the carrying amounts of assets and

liabilities. As a result, Yara has in the preparation of these interim financial statements had an increased focus on inventory valuation, provisions for expected credit losses and identification of potential onerous contracts, as well as having a special focus on identifying the effects of import restrictions, sanctions, banking and logistical challenges. Judgments, estimates and assumptions communicated in the consolidated financial statements as of 31 December 2021 are reviewed in light of the new situation. Yara's direct investments in Russia and Ukraine are limited.

See Note 10 for the specific effects of the war in Ukraine to these financial statements. Future financial effects of the war are highly uncertain and cannot be reliably estimated. However, it is likely that future financial effects will be driven by further price volatility for raw materials and end products, and that any estimate will be subject to significant uncertainties. Yara will continue to monitor the situation and adapt to market conditions going forward.



## Note 2 Shares, dividend and share buy-back program

Yara International ASA will hold its Annual General Meeting on Tuesday 10 May. The Board proposes that a dividend of NOK 30.00 per share is paid for the financial year 2021, and that the existing share buy-back program is replaced by a new program, authorizing the Board to acquire up to 5% of Yara's shares before the next Annual General Meeting.

On 6 May 2021, the Annual General Meeting also authorized the Board of Directors to acquire up to 12,736,281 shares in the open market and from the Norwegian State. Shares may be purchased within a price range from NOK 10 to NOK 1,000. The shares shall be subsequently cancelled. Yara has renewed its agreement with the Norwegian State according to which the State's shares will be redeemed on a pro-rata basis to ensure the State's ownership is unchanged in the

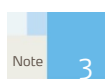
event of a cancellation of shares bought back. Yara has not purchased own shares under the 2021 buy-back program.

Under the 2020 buy-back program, Yara purchased 3,420,752 own shares in 2021 for a total consideration of NOK 1,398 million (USD 164 million) and 5,131,128 own shares in 2020 for a total consideration of NOK 1,823 million (USD 201 million). These shares were cancelled at the Annual General Meeting on 6 May 2021. Pursuant to the agreement with the Norwegian State, total equity attributable to the shareholders of the parent was reduced with an additional NOK 1,697 million (USD 192 million) for the redemption of 4,854,730 shares from the Norwegian State. The payment of the redemption was carried out in July 2021.

|  | Ordinary shares | Own shares  | Number of shares outstanding |
|--|-----------------|-------------|------------------------------|
| Total at 31 December 2020                              | 268,132,237     | (5,131,128) | 263,001,109                  |
| Treasury shares - share buy-back program <sup>1)</sup> | -               | (3,420,752) | (3,420,752)                  |
| Redeemed shares Norwegian State <sup>2)</sup>          | (4,854,730)     | -           | (4,854,730)                  |
| Shares cancelled <sup>2)</sup>                         | (8,551,880)     | 8,551,880   | -                            |
| Total at 31 December 2021                              | 254,725,627     | -           | 254,725,627                  |
| Total at 31 March 2022                                 | 254,725,627     | -           | 254,725,627                  |

1) As approved by the General Meeting 7 May 2020.

2) As approved by the General Meeting 6 May 2021.



## Operating segment information

Yara's operations comprises the following operating segments:

- Europe
- Americas
- Africa & Asia
- Global Plants & Operational Excellence
- Clean Ammonia
- Industrial Solutions

In addition, Yara has a global function - Farming Solutions. This function has a global mandate to drive the transformation of Yara's core crop nutrition business, developing both existing and new solutions including premium products, digital business, food value chain collaboration and climate-neutral solutions.

The regional segments (Europe, Americas, and Africa & Asia) operate in a fully integrated setup, comprising production, supply chain and commercial operations, producing and delivering Yara's existing fertilizer solutions in addition to commercializing and selling new offerings under the guidance of Farming Solutions.

The operating segments presented are the key components of Yara's business which are assessed, monitored and managed on a regular basis by Yara's Chief Executive Officer (CEO) as the Chief Operating Decision Maker.

The Global Plants & Operational Excellence segment operates Yara's largest and export-oriented production plants in Porsgrunn (Norway) and in Sluiskil (the Netherlands) and has a key role in driving operational

improvements, competence development and technical project execution across Yara's production system.

The Clean Ammonia segment contains Yara's ammonia trade and shipping activity that plays a vital role in Yara's production system as it allocates excess volume from producing plants and delivers ammonia to consuming plants in timely manner to ensure full production capacity utilization. In addition, the segment sources and trades ammonia externally. The segment is currently evaluating several new green and blue ammonia projects with the aim to serve growing markets for clean ammonia and add scale to the existing business.

Yara Industrial Solutions mainly provides nitrogen-based solutions and services across a wide range of industries including automotive, construction, waste handling and circular economy, chemicals, mining, and animal feed. The segment performs its activities through four global commercial units, Transport Reagents, Mining Applications, Base Chemicals, and Industrial Nitrates. These commercial units are backed by six dedicated production plants across Europe, Latin America, Africa and Asia. Yara Marine Technology activities have been moved from Industrial Solutions to Other and Eliminations from 2022. The comparative segment figures for 2021 have been restated accordingly. The Yara Group figures are unchanged.

| USD millions   | 1Q 2022      | 1Q 2021<br>Restated <sup>1)</sup> | 2021<br>Restated <sup>1)</sup> |
|--|--------------|-----------------------------------|--------------------------------|
| <b>External revenue from contract with customers</b> |              |                                   |                                |
| Europe   | 1,604        | 994                               | 3,885                          |
| Americas   | 2,010        | 1,036                             | 6,587                          |
| Africa & Asia  | 741          | 456                               | 2,384                          |
| Global Plants & Operational Excellence               | 15           | 10                                | 51                             |
| Clean Ammonia  | 461          | 165                               | 1,162                          |
| Industrial Solutions                                 | 1,084        | 447                               | 2,481                          |
| Other and Eliminations                               | 12           | 22                                | 67                             |
| <b>Total</b>   | <b>5,926</b> | <b>3,131</b>                      | <b>16,617</b>                  |
| <b>Internal revenue</b>                              |              |                                   |                                |
| Europe   | 331          | 150                               | 936                            |
| Americas   | 289          | 73                                | 628                            |
| Africa & Asia  | 190          | 84                                | 847                            |
| Global Plants & Operational Excellence               | 1,128        | 507                               | 2,771                          |
| Clean Ammonia  | 581          | 157                               | 1,155                          |
| Industrial Solutions                                 | 145          | 55                                | 270                            |
| Other and Eliminations                               | (2,665)      | (1,027)                           | (6,607)                        |
| <b>Total</b>   | <b>-</b>     | <b>-</b>                          | <b>-</b>                       |
| <b>Total revenue</b>                                 |              |                                   |                                |
| Europe   | 1,935        | 1,144                             | 4,822                          |
| Americas   | 2,299        | 1,110                             | 7,215                          |
| Africa & Asia  | 931          | 540                               | 3,231                          |
| Global Plants & Operational Excellence               | 1,143        | 518                               | 2,822                          |
| Clean Ammonia  | 1,042        | 322                               | 2,317                          |
| Industrial Solutions                                 | 1,229        | 502                               | 2,751                          |
| Other and Eliminations                               | (2,653)      | (1,005)                           | (6,540)                        |
| <b>Total</b>   | <b>5,926</b> | <b>3,131</b>                      | <b>16,617</b>                  |
| <b>Operating income<sup>2)</sup></b>                 |              |                                   |                                |
| Europe   | 275          | 118                               | 394                            |
| Americas   | 425          | 71                                | 303                            |
| Africa & Asia  | 78           | 18                                | 92                             |
| Global Plants & Operational Excellence               | 143          | 65                                | 125                            |
| Clean Ammonia  | 52           | 20                                | 93                             |
| Industrial Solutions                                 | 159          | 50                                | 170                            |
| Other and Eliminations                               | (93)         | (22)                              | (109)                          |
| <b>Total</b>   | <b>1,039</b> | <b>322</b>                        | <b>1,068</b>                   |
| <b>EBITDA <sup>2)</sup></b>                          |              |                                   |                                |
| Europe   | 342          | 190                               | 664                            |
| Americas   | 515          | 142                               | 991                            |
| Africa & Asia  | 107          | 47                                | 248                            |
| Global Plants & Operational Excellence               | 194          | 116                               | 570                            |
| Clean Ammonia  | 63           | 29                                | 131                            |
| Industrial Solutions                                 | 192          | 79                                | 288                            |
| Other and Eliminations                               | (92)         | (16)                              | (88)                           |
| <b>Total</b>   | <b>1,323</b> | <b>586</b>                        | <b>2,804</b>                   |
| <b>Investments <sup>3)</sup></b>                     |              |                                   |                                |
| Europe   | 26           | 35                                | 302                            |
| Americas   | 41           | 38                                | 174                            |
| Africa & Asia <sup>4)</sup>                          | (42)         | (45)                              | (1)                            |
| Global Plants & Operational Excellence               | 24           | 26                                | 191                            |
| Clean Ammonia  | 1            | 2                                 | 9                              |
| Industrial Solutions                                 | 22           | 13                                | 153                            |
| Other and Eliminations                               | 19           | (3)                               | 26                             |
| <b>Total</b>   | <b>91</b>    | <b>66</b>                         | <b>854</b>                     |

1) The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

2) For definition and reconciliation, see section "Alternative performance measures".

3) Investment comprises property, plant and equipment, intangible assets, equity-accounted investees and other equity investments. The figures presented are capitalized amounts and may deviate from cash flow from investing activities due to timing of cash outflows.

4) Q1 2022 includes USD 44 million reduction to decommissioning assets due to increase in discount rate (Q1 2021: USD 53 million, 2021: USD 50 million).

| USD millions, except where indicated otherwise              | 1Q 2022      | 1Q 2021<br>Restated <sup>1)</sup> | 2021<br>Restated <sup>1)</sup> |
|---|--------------|-----------------------------------|--------------------------------|
| <b>Net operating profit after tax (NOPAT) <sup>2)</sup></b> |              |                                   |                                |
| Europe  | 420          | 179                               | 302                            |
| Americas  | 557          | 297                               | 288                            |
| Africa & Asia   | 120          | 58                                | 74                             |
| Global Plants & Operational Excellence                      | 153          | 292                               | 94                             |
| Clean Ammonia   | 93           | 72                                | 70                             |
| Industrial Solutions  | 219          | 156                               | 136                            |
| Other and Eliminations                                      | (117)        | (28)                              | (62)                           |
| <b>Total</b>  | <b>1,445</b> | <b>1,025</b>                      | <b>903</b>                     |
| <b>Invested capital <sup>2)</sup></b>                       |              |                                   |                                |
| Yara <sup>3)</sup>  | 11,349       | 11,861                            | 11,363                         |
| Europe  | 2,560        | 2,378                             | 2,486                          |
| Americas  | 4,017        | 3,972                             | 3,954                          |
| Africa & Asia   | 1,888        | 2,063                             | 1,910                          |
| Global Plants & Operational Excellence                      | 1,476        | 1,993                             | 1,623                          |
| Clean Ammonia   | 400          | 342                               | 370                            |
| Industrial Solutions  | 1,200        | 1,047                             | 1,136                          |
| <b>ROIC <sup>2)</sup></b>                                   |              |                                   |                                |
| Yara <sup>3)</sup>  | 12.7 %       | 8.6 %                             | 7.9 %                          |
| Europe  | 16.4 %       | 7.5 %                             | 12.2 %                         |
| Americas  | 13.9 %       | 7.5 %                             | 7.3 %                          |
| Africa & Asia   | 6.3 %        | 2.8 %                             | 3.9 %                          |
| Global Plants & Operational Excellence                      | 10.4 %       | 14.7 %                            | 5.8 %                          |
| Clean Ammonia   | 23.3 %       | 21.1 %                            | 18.8 %                         |
| Industrial Solutions  | 18.2 %       | 14.9 %                            | 12.0 %                         |

1) The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

2) For definition and reconciliation, see section "Alternative performance measures". NOPAT, Invested Capital and ROIC are calculated on a 12-month rolling average basis.

3) A normalized operating cash requirement is employed in the ROIC calculation for Yara, but not for the segments. This effect explains the variance in ROIC, NOPAT and Invested Capital between Yara and the segments. For definition and reconciliation, see "Alternative performance measures" section for more information.

## Reconciliation of operating income to EBITDA

| USD millions                           | Operating income | Equity-accounted investees | Interest income and other financial income | Depreciation and amortization <sup>2)</sup> | Impairment loss <sup>3)</sup> | EBITDA       |
|--|------------------|----------------------------|--|---|-------------------------------|--------------|
| <b>1Q 2022</b>                         |                  |                            |  |   |                               |              |
| Europe                                 | 275              | 1                          | 1  | 66  | -                             | 342          |
| Americas                               | 425              | (1)                        | 19   | 61  | 11                            | 515          |
| Africa & Asia                          | 78               | -                          | 3  | 26  | -                             | 107          |
| Global Plants & Operational Excellence | 143              | -                          | -  | 51  | -                             | 194          |
| Clean Ammonia                          | 52               | -                          | -  | 12  | -                             | 63           |
| Industrial Solutions                   | 159              | 2                          | -  | 30  | -                             | 192          |
| Other and Eliminations                 | (93)             | -                          | -  | 1   | -                             | (92)         |
| <b>Total</b>                           | <b>1,039</b>     | <b>2</b>                   | <b>23</b>                                  | <b>247</b>                                  | <b>11</b>                     | <b>1,323</b> |
| <b>1Q 2021<sup>1)</sup></b>            |                  |                            |  |   |                               |              |
| Europe                                 | 118              | 1                          | -  | 67  | 4                             | 190          |
| Americas                               | 71               | (2)                        | 15   | 58  | -                             | 142          |
| Africa & Asia                          | 18               | -                          | 1  | 27  | 1                             | 47           |
| Global Plants & Operational Excellence | 65               | -                          | -  | 51  | -                             | 116          |
| Clean Ammonia                          | 20               | -                          | -  | 8   | -                             | 29           |
| Industrial Solutions                   | 50               | 1                          | -  | 27  | -                             | 79           |
| Other and Eliminations                 | (22)             | -                          | 1  | 4   | -                             | (16)         |
| <b>Total</b>                           | <b>322</b>       | <b>-</b>                   | <b>17</b>                                  | <b>242</b>                                  | <b>4</b>                      | <b>586</b>   |
| <b>2021<sup>1)</sup></b>               |                  |                            |  |   |                               |              |
| Europe                                 | 394              | 5                          | 1  | 270   | (6)                           | 664          |
| Americas                               | 303              | 15                         | 54   | 237   | 381                           | 991          |
| Africa & Asia                          | 92               | -                          | 3  | 110   | 44                            | 248          |
| Global Plants & Operational Excellence | 125              | -                          | -  | 203   | 242                           | 570          |
| Clean Ammonia                          | 93               | -                          | -  | 38  | -                             | 131          |
| Industrial Solutions                   | 170              | 3                          | 2  | 110   | 3                             | 288          |
| Other and Eliminations                 | (109)            | -                          | 4  | 16  | 2                             | (88)         |
| <b>Total</b>                           | <b>1,068</b>     | <b>23</b>                  | <b>64</b>                                  | <b>984</b>                                  | <b>666</b>                    | <b>2,804</b> |

1) The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

2) Including amortization of excess value in equity-accounted investees.

3) Including impairment loss on excess value in equity-accounted investees.

## Disaggregation of external revenues by nature

| USD millions                           | Fertilizer and chemical products | Freight/ insurance services | Other products and services | Total         |
|--|----------------------------------|-----------------------------|-----------------------------|---------------|
| <b>1Q 2022</b>                         |                                  |                             |                             |               |
| Europe                                 | 1,554                            | 33                          | 17                          | 1,604         |
| Americas                               | 1,972                            | 35                          | 3                           | 2,010         |
| Africa & Asia                          | 727                              | 12                          | 2                           | 741           |
| Global Plants & Operational Excellence | 4                                | -                           | 11                          | 15            |
| Clean Ammonia                          | 443                              | 16                          | 1                           | 461           |
| Industrial Solutions                   | 1,021                            | 40                          | 23                          | 1,084         |
| Other and Eliminations                 | -                                | -                           | 12                          | 12            |
| <b>Total</b>                           | <b>5,721</b>                     | <b>137</b>                  | <b>68</b>                   | <b>5,926</b>  |
| <b>1Q 2021<sup>1)</sup></b>            |                                  |                             |                             |               |
| Europe                                 | 951                              | 32                          | 11                          | 994           |
| Americas                               | 1,006                            | 28                          | 2                           | 1,036         |
| Africa & Asia                          | 449                              | 6                           | 1                           | 456           |
| Global Plants & Operational Excellence | 2                                | -                           | 8                           | 10            |
| Clean Ammonia                          | 148                              | 16                          | 1                           | 165           |
| Industrial Solutions                   | 403                              | 33                          | 11                          | 447           |
| Other and Eliminations                 | -                                | -                           | 21                          | 22            |
| <b>Total</b>                           | <b>2,960</b>                     | <b>115</b>                  | <b>56</b>                   | <b>3,131</b>  |
| <b>2021<sup>1)</sup></b>               |                                  |                             |                             |               |
| Europe                                 | 3,732                            | 103                         | 50                          | 3,885         |
| Americas                               | 6,410                            | 168                         | 9                           | 6,587         |
| Africa & Asia                          | 2,330                            | 49                          | 5                           | 2,384         |
| Global Plants & Operational Excellence | 16                               | -                           | 35                          | 51            |
| Clean Ammonia                          | 1,093                            | 62                          | 7                           | 1,162         |
| Industrial Solutions                   | 2,290                            | 144                         | 47                          | 2,481         |
| Other and Eliminations                 | 4                                | -                           | 62                          | 67            |
| <b>Total</b>                           | <b>15,876</b>                    | <b>526</b>                  | <b>215</b>                  | <b>16,617</b> |

1) The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

Disaggregation of external revenues by geographical area <sup>1)</sup>

| USD millions                           | Europe       | Brazil       | Latin America ex. Brazil | Asia         | North America | Africa     | Total         |
|--|--------------|--------------|--------------------------|--------------|---------------|------------|---------------|
| <b>1Q 2022</b>                         |              |              |                          |              |               |            |               |
| Europe                                 | 1,570        | -            | 9                        | 3            | 1             | 21         | 1,604         |
| Americas                               | -            | 1,014        | 352                      | -            | 643           | -          | 2,010         |
| Africa & Asia                          | -            | -            | -                        | 537          | -             | 204        | 741           |
| Global Plants & Operational Excellence | 15           | -            | -                        | -            | -             | -          | 15            |
| Clean Ammonia                          | -            | 88           | 11                       | 151          | 210           | -          | 461           |
| Industrial Solutions                   | 664          | 206          | 60                       | 30           | 51            | 73         | 1,084         |
| Other and Eliminations                 | 8            | -            | -                        | 4            | -             | -          | 12            |
| <b>Total</b>                           | <b>2,257</b> | <b>1,309</b> | <b>432</b>               | <b>725</b>   | <b>905</b>    | <b>298</b> | <b>5,926</b>  |
| <b>1Q 2021 <sup>2)</sup></b>           |              |              |                          |              |               |            |               |
| Europe                                 | 971          | -            | 2                        | 7            | -             | 13         | 994           |
| Americas                               | -            | 498          | 208                      | -            | 330           | -          | 1,036         |
| Africa & Asia                          | -            | -            | -                        | 337          | -             | 119        | 456           |
| Global Plants & Operational Excellence | 10           | -            | 1                        | -            | -             | -          | 10            |
| Clean Ammonia                          | -            | 36           | 6                        | 66           | 58            | -          | 165           |
| Industrial Solutions                   | 256          | 91           | 27                       | 19           | 20            | 34         | 447           |
| Other and Eliminations                 | 15           | -            | -                        | 6            | -             | -          | 22            |
| <b>Total</b>                           | <b>1,252</b> | <b>625</b>   | <b>244</b>               | <b>435</b>   | <b>408</b>    | <b>166</b> | <b>3,131</b>  |
| <b>2021 <sup>2)</sup></b>              |              |              |                          |              |               |            |               |
| Europe                                 | 3,755        | -            | 16                       | 61           | 1             | 52         | 3,885         |
| Americas                               | -            | 3,821        | 1,262                    | -            | 1,504         | -          | 6,587         |
| Africa & Asia                          | -            | -            | -                        | 1,651        | -             | 733        | 2,384         |
| Global Plants & Operational Excellence | 47           | -            | 4                        | -            | -             | -          | 51            |
| Clean Ammonia                          | 6            | 186          | 44                       | 472          | 453           | -          | 1,162         |
| Industrial Solutions                   | 1,397        | 546          | 141                      | 87           | 121           | 188        | 2,481         |
| Other and Eliminations                 | 41           | -            | -                        | 24           | 1             | -          | 67            |
| <b>Total</b>                           | <b>5,247</b> | <b>4,553</b> | <b>1,467</b>             | <b>2,295</b> | <b>2,080</b>  | <b>973</b> | <b>16,617</b> |

1) Disaggregation by geographical area is based on customer location.

2) The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations.

## Note 4 Non-current assets and disposal group held-for-sale

On 1 August 2021, Yara signed a Share Purchase Agreement with EuroChem to sell its Salitre phosphate mining project in Brazil. The transaction was completed on 22 February 2022.

The assets and liabilities of the Salitre mining project were classified as a disposal group held-for-sale and presented on separate lines within *Current assets* and *Current Liabilities* in the consolidated statement of financial position for 2021.

Upon signing of the agreement, the recoverable value of the Salitre assets was determined to be lower than their carrying amount, and the total impairment charge in 2021 was USD 337 million. The charge continued to be sensitive to USD/BRL currency development up until

close of the transaction on 22 February 2022. The impairment charge recognized in the first quarter of 2022 is USD 10 million, recognized on the line *Impairment loss* in the Statement of Income. The settlement of the transaction led to a loss of USD 5 million, which is recognized in the Statement of Income as *Other operating expenses*.

At completion, Yara received a cash consideration of USD 452 million. Net cash proceeds after deducting for cash in the business that is disposed is USD 440 million and is presented on the line *Cash flows from losing control of subsidiaries or other businesses* in the Condensed consolidated interim statement of cash flows.

All amounts are included in the Americas segment.

The major classes of assets and liabilities held-for-sale at 31 December 2021 were the following:

| USD millions  | Salitre | Other | Total |
|---|---------|-------|-------|
| Intangible assets other than goodwill                             | 2       | -     | 2     |
| Property, plant and equipment                                     | 375     | 22    | 397   |
| Inventories   | 19      | -     | 19    |
| Prepaid expenses and other current assets                         | 37      | -     | 37    |
| Non-current assets and disposal group held-for-sale               | 433     | 22    | 454   |
| Non-current provisions  | 7       | -     | 7     |
| Trade and other current payables                                  | 2       | 8     | 10    |
| Liabilities directly associated with disposal group held-for-sale | 9       | 8     | 17    |



## Note 5 Specifications

### Other income and commodity derivative gain/(loss)

| USD millions                            | 1Q 2022     | 1Q 2021   | 2021       |
|---|-------------|-----------|------------|
| Sale of white certificates              | 2           | 3         | 13         |
| Insurance and other compensations       | -           | 6         | 14         |
| Supplier settlement                     | -           | -         | 37         |
| Commodity based derivatives gain/(loss) | (19)        | 1         | (90)       |
| Other                                   | 3           | 1         | 16         |
| <b>Total</b>                            | <b>(15)</b> | <b>11</b> | <b>(9)</b> |

## Note 6 Inventories

| USD millions                | Europe       | Americas     | Africa & Asia | Global Plants & Operational Excellence | Clean Ammonia | Industrial Solutions | Other and Eliminations | Total        |
|-----------------------------|--------------|--------------|---------------|--|---------------|----------------------|------------------------|--------------|
| <b>31 Mar 2022</b>          |              |              |               |  |               |                      |                        |              |
| Finished goods              | 697          | 783          | 559           | 164                                    | -             | 167                  | (225)                  | 2,146        |
| Work in progress            | 52           | 1            | 1             | 46                                     | -             | 16                   | -                      | 117          |
| Raw materials               | 164          | 1,468        | 32            | 77                                     | 179           | 144                  | (11)                   | 2,052        |
| Spare parts                 | 93           | 60           | 29            | 73                                     | -             | 48                   | -                      | 301          |
| <b>Total 31 Mar 2022</b>    | <b>1,006</b> | <b>2,312</b> | <b>621</b>    | <b>360</b>                             | <b>179</b>    | <b>376</b>           | <b>(236)</b>           | <b>4,616</b> |
| Write-down, closing balance | (7)          | (6)          | (5)           | (2)                                    | -             | (5)                  | 3                      | (24)         |
| <b>31 Mar 2021</b>          |              |              |               |  |               |                      |                        |              |
| Finished goods              | 357          | 415          | 304           | 56                                     | -             | 75                   | (95)                   | 1,113        |
| Work in progress            | 21           | 1            | 1             | 12                                     | -             | 12                   | -                      | 46           |
| Raw materials               | 78           | 419          | 26            | 31                                     | 35            | 41                   | (2)                    | 628          |
| Spare parts                 | 92           | 57           | 27            | 73                                     | -             | 43                   | -                      | 292          |
| <b>Total 31 Mar 2021</b>    | <b>547</b>   | <b>892</b>   | <b>359</b>    | <b>173</b>                             | <b>35</b>     | <b>170</b>           | <b>(97)</b>            | <b>2,079</b> |
| Write-down, closing balance | (10)         | (5)          | (3)           | (1)                                    | -             | (6)                  | 1                      | (22)         |
| <b>31 Dec 2021</b>          |              |              |               |  |               |                      |                        |              |
| Finished goods              | 606          | 622          | 473           | 165                                    | -             | 165                  | (174)                  | 1,857        |
| Work in progress            | 54           | 1            | 1             | 35                                     | -             | 39                   | -                      | 130          |
| Raw materials               | 133          | 1,272        | 24            | 78                                     | 121           | 102                  | (9)                    | 1,722        |
| Spare parts                 | 92           | 57           | 28            | 72                                     | -             | 44                   | 2                      | 294          |
| <b>Total 31 Dec 2021</b>    | <b>885</b>   | <b>1,952</b> | <b>526</b>    | <b>350</b>                             | <b>121</b>    | <b>350</b>           | <b>(181)</b>           | <b>4,003</b> |
| Write-down, closing balance | (11)         | (48)         | (7)           | (4)                                    | -             | (5)                  | 35                     | (42)         |

## Note 7 Interest-bearing debt and financial instruments at fair value

### Contractual payments on long-term interest-bearing debt

| USD millions                           | Debentures <sup>1)</sup> | Bank Loans | Other LT loans | Total        |
|--|--------------------------|------------|----------------|--------------|
| 2023                                   | -                        | 30         | -              | 30           |
| 2024                                   | 179                      | 181        | -              | 360          |
| 2025                                   | -                        | 30         | 21             | 51           |
| 2026                                   | 740                      | 30         | -              | 771          |
| Thereafter                             | 1,853                    | -          | 2              | 1,854        |
| <b>Total</b>                           | <b>2,772</b>             | <b>272</b> | <b>23</b>      | <b>3,067</b> |
| Current portion                        | 278                      | 196        | -              | 473          |
| <b>Total including current portion</b> | <b>3,050</b>             | <b>467</b> | <b>23</b>      | <b>3,540</b> |

1) Yara International ASA is responsible for the entire amount.

At 31 March 2022, the fair value of the long-term debt, including the current portion, is USD 3,501 million and the carrying value is USD 3,540 million. During the quarter, the difference between fair value and carrying value decreased from USD 205 million higher than the carrying value to USD 39 million lower as higher long-term risk-free rates and wider credit spreads led to higher discount rates applied in the calculation of fair value.

There have been no significant changes in Yara's long-term interest-bearing debt profile during the first quarter.

Yara's USD 1,100 million long-term revolving credit facility remains undrawn. A further USD 1,130 million is available through unused short-term credit facilities with various banks.

### Reconciliation of liabilities arising from financing activities

| USD millions                                       | 31 Dec 2021  | Cash flows   | Non-cash changes                  |                           |                            |                    |                  | 31 Mar 2022  |
|--|--------------|--------------|-----------------------------------|---------------------------|----------------------------|--------------------|------------------|--------------|
|  |              |              | Additions and lease modifications | Foreign exchange movement | Amortization <sup>1)</sup> | Other              | Reclassification |              |
| Long-term interest-bearing debt                    | 3,089        | (15)         | -                                 | (2)                       | -                          | (12) <sup>2)</sup> | 7                | 3,067        |
| Short-term interest-bearing debt                   | 337          | (212)        | -                                 | 4                         | -                          | -                  | -                | 129          |
| Current portion of long-term debt                  | 476          | -            | -                                 | 4                         | -                          | -                  | (7)              | 473          |
| Lease liabilities                                  | 425          | (36)         | 59                                | 1                         | -                          | -                  | -                | 449          |
| <b>Total liabilities from financing activities</b> | <b>4,326</b> | <b>(263)</b> | <b>59</b>                         | <b>8</b>                  | <b>-</b>                   | <b>(12)</b>        | <b>-</b>         | <b>4,118</b> |

1) Amortization of transaction cost.

2) Value changes on interest rate swaps designated as hedging instruments.

## Financial instruments at fair value at end of period with corresponding gains and losses in the period

| USD millions  | 1Q 2022 | 1Q 2021 | 2021  |
|---|---------|---------|-------|
| Equity instruments  | 39      | 17      | 34    |
| Derivatives, net  | (270)   | (23)    | (154) |
| Financial liabilities   | (17)    | (45)    | (27)  |
| Financial instruments at fair value in the statement of financial position at end of period | (248)   | (51)    | (147) |
| USD millions  | 1Q 2022 | 1Q 2021 | 2021  |
| Gains and (losses) from financial instruments at fair value recognized in:                  |         |         |       |
| Consolidated statement of income  | (109)   | 28      | (65)  |
| Consolidated statement of comprehensive income  | 2       | -       | 1     |
| Total   | (108)   | 28      | (64)  |

There has been no transfer between levels of the fair value hierarchy used in measuring the fair value in the period.

## Note 8 Non-current assets

| USD millions   | Property, plant and equipment (PP&E) |                                 | Goodwill | Intangible assets other than goodwill | Right-of-use assets |
|--|--------------------------------------|---------------------------------|----------|---------------------------------------|---------------------|
|  | PP&E other than AuC                  | Assets under construction (AuC) |          |                                       |                     |
| <b>Carrying value</b>  |                                      |                                 |          |                                       |                     |
| <b>YTD 2022</b>  |                                      |                                 |          |                                       |                     |
| Balance at 1 January 2022  | 6,553                                | 581                             | 789      | 132                                   | 421                 |
| Additions and lease modifications <sup>1)</sup>  | (20)                                 | 86                              | -        | 3                                     | 57                  |
| Disposals  | 2                                    | -                               | -        | -                                     | -                   |
| Transfers  | 41                                   | (30)                            | -        | -                                     | -                   |
| Depreciation and amortization  | (200)                                | -                               | -        | (9)                                   | (38)                |
| Impairment loss  | (9)                                  | (2)                             | -        | -                                     | -                   |
| Foreign currency translation gain/(loss)   | 88                                   | 5                               | 7        | 3                                     | 2                   |
| Balance at 31 March 2022   | 6,454                                | 640                             | 797      | 129                                   | 442                 |
| <sup>1)</sup> Additions to PP&E other than AuC in 1Q 2022 is USD 24 million. The net amount includes USD 44 million reduction to decommissioning assets related to buildings. This is due to increase in discounting rate. |                                      |                                 |          |                                       |                     |
| <b>YTD 2021</b>  |                                      |                                 |          |                                       |                     |
| Balance at 1 January 2021  | 6,991                                | 1,588                           | 831      | 157                                   | 430                 |
| Additions and lease modifications  | (25)                                 | 87                              | -        | 4                                     | 23                  |
| Disposals  | (6)                                  | -                               | -        | -                                     | -                   |
| Transfers  | 91                                   | (91)                            | -        | -                                     | -                   |
| Depreciation and amortization  | (199)                                | -                               | -        | (11)                                  | (33)                |
| Impairment loss  | (1)                                  | (4)                             | -        | -                                     | -                   |
| Foreign currency translation gain/(loss)   | (196)                                | (99)                            | (11)     | (4)                                   | (11)                |
| Balance at 31 March 2021   | 6,655                                | 1,481                           | 820      | 147                                   | 409                 |
| <b>2021</b>  |                                      |                                 |          |                                       |                     |
| Balance at 1 January 2021  | 6,991                                | 1,588                           | 831      | 157                                   | 430                 |
| Additions and lease modifications  | 449                                  | 343                             | 7        | 40                                    | 146                 |
| Disposals  | (41)                                 | (4)                             | -        | (8)                                   | -                   |
| Transfers  | 440                                  | (846)                           | -        | (1)                                   | 6                   |
| Depreciation and amortization  | (800)                                | -                               | -        | (42)                                  | (141)               |
| Impairment loss  | (201)                                | (468)                           | (31)     | (6)                                   | -                   |
| Reversal of impairment loss  | 31                                   | 10                              | -        | -                                     | -                   |
| Foreign currency translation gain/(loss)   | (314)                                | (42)                            | (18)     | (7)                                   | (20)                |
| Balance at 31 December 2021  | 6,553                                | 581                             | 789      | 132                                   | 421                 |

### Leases expensed in the period

Leases expensed in the quarter amounts to USD 14 million (2021: USD 11 million), and refers to leases with variable payments, leases of low value, or leases of short term.

## Note 9 Employee benefits

Defined benefit obligations have been remeasured at the end of first quarter using revised financial assumptions. Following an increase in yield on high quality corporate bonds, the discount rate for pension plans in Norway and within the Euro zone was increased by 0.6 to 0.8 percentage points, depending on duration. Other financial assumptions were revised where deemed appropriate, including an increase in expected long term inflation of 0.2 percentage points. Plan asset values were also remeasured to reflect

market value at the end of the first quarter. The UK pension plan remains at a carrying amount of zero due to an unrecognized surplus funding position.

The net remeasurement gain of the first quarter was recognized as a decrease in net liability of USD 48 million and a positive effect in other comprehensive income of USD 37 million (after tax).

## Note 10 Effects of the war in Ukraine

Import restrictions, as well as several rounds of new sanctions, have been implemented by the EU, UK, US and other countries following Russia's invasion of Ukraine. This has restricted, and will likely continue to restrict, trade with Russian counterparties, both due to sanctions imposed on entities and individuals, and due to banking and logistical challenges.

Yara has historically sourced phosphate, potash and ammonia from Russia, and purchases significant volumes of natural gas for its production in Europe. Yara has stopped all sourcing from suppliers linked to Russian sanctioned individuals, and is utilizing its global sourcing, production and distribution capabilities with the objective to keep supplying customers and secure continuity in food supply chains.

Yara has received claims for damages from suppliers that are linked to Russian sanctioned individuals. Based on the Group's assessment of these claims, no provisions have

been recognized.

Accounts payables to companies linked to Russian sanctioned individuals amount to USD 227 million as of 31 March 2022, of which USD 112 million were due at the same date. Future settlements are dependent on the development in sanction regulations. The timing of cash outflow is therefore highly uncertain.

As a result of the high gas prices, Yara curtailed production at several of its European ammonia and urea facilities in early March, but these have resumed production as the margin situation improved.

While raw material price increases in isolation are negative for Yara, higher end-product prices create offsetting positive effects, as higher grain prices improve farmers' profitability and demand incentives for agricultural inputs.

# Quarterly historical information

## EBITDA

| USD millions                           | 1Q 2022      | 4Q 2021<br>Restated <sup>1)</sup> | 3Q 2021<br>Restated <sup>1)</sup> | 2Q 2021<br>Restated <sup>1)</sup> | 1Q 2021<br>Restated <sup>1)</sup> |
|--|--------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Europe                                 | 342          | 159                               | 145                               | 169                               | 190                               |
| Americas                               | 515          | 277                               | 283                               | 289                               | 142                               |
| Africa & Asia                          | 107          | 23                                | 90                                | 89                                | 47                                |
| Global Plants & Operational Excellence | 194          | 141                               | 145                               | 168                               | 116                               |
| Clean Ammonia                          | 63           | 16                                | 41                                | 46                                | 29                                |
| Industrial Solutions                   | 192          | 38                                | 65                                | 106                               | 79                                |
| Other and Eliminations                 | (92)         | 15                                | (18)                              | (68)                              | (16)                              |
| <b>Total</b>                           | <b>1,323</b> | <b>669</b>                        | <b>750</b>                        | <b>799</b>                        | <b>586</b>                        |

<sup>1)</sup> The comparative segment figures for 2021 have been restated due to a change in the structure of Yara's internal organization. The change impacts Yara Industrial Solutions and Other and Eliminations

## Results

| USD millions, except share information                | 1Q 2022 | 4Q 2021 | 3Q 2021 | 2Q 2021 | 1Q 2021 |
|---|---------|---------|---------|---------|---------|
| Revenue and other income                              | 5,912   | 5,032   | 4,486   | 3,947   | 3,142   |
| Operating income                                      | 1,039   | 148     | 121     | 477     | 322     |
| EBITDA  | 1,323   | 669     | 750     | 799     | 586     |
| Net income attributable to shareholders of the parent | 944     | 41      | (143)   | 539     | 13      |
| Basic earnings per share                              | 3.71    | 0.16    | (0.56)  | 2.10    | 0.05    |

# Alternative performance measures

Yara makes regular use of certain non-GAAP financial alternative performance measures (APMs), both in absolute terms and comparatively from period to period. The APMs used are the following:

- Operating income
- EBITDA
- EBITDA excluding special items
- Return on invested capital (ROIC)
- Premium generated
- Fixed cost
- Net operating capital (days)
- Net interest-bearing debt
- Net debt / equity ratio
- Net debt / EBITDA excluding special items ratio
- Basic earnings per share excluding currency and special items

Definitions and explanations for the use of these APMs are described below, including reconciliations of the APMs to the most directly reconcilable line item, subtotal or total presented in the financial statements.

## Operating income

Operating income is directly identifiable from Yara's consolidated statement of income and is considered key information in order to understand the Group's financial performance. It provides performance information which covers all activities which normally are to be considered as "operating". Share of net income in equity-accounted investees is however not included.

## EBITDA

Earnings before interest, tax, depreciation and amortization (EBITDA) is used for providing consistent information on Yara's operating performance and debt servicing ability. Such a measure is relative to other companies and frequently used by securities analysts, investors and other stakeholders. EBITDA, as defined by Yara, includes operating income, share of net income in equity-accounted investees, interest income and other financial income. It excludes depreciation, amortization and impairment loss, as well as amortization of excess values in equity-accounted investees. Yara's definition of EBITDA may differ from that of other companies.

## EBITDA excluding special items

EBITDA excluding special items is used to better mirror the underlying performance in the reported period, adjusting for items which are not primarily related to the period in which they are recognized. Yara defines "special items" as items in the results which are not regarded as part of underlying business performance for the period. These comprise restructuring related items, contract derivatives, impairments and other items which are not primarily related to the period in which they are recognized, subject to a minimum value of USD 5 million per item within a 12-month period. "Contract derivatives" are commodity-based derivative gains or losses which are not the result of active exposure or position management by Yara. Together with impairments, these are defined as special items regardless of amount. See section "Special items" on page 8 for details on special items.

## Reconciliation of operating income to EBITDA excluding effect of special items

| USD millions   | 1Q 2022 | 1Q 2021 | Apr 2021–<br>Mar 2022 | Apr 2020–<br>Mar 2021 | 2021  |
|--|---------|---------|-----------------------|-----------------------|-------|
| Operating income   | 1,039   | 322     | 1,785                 | 1,250                 | 1,068 |
| Share of net income in equity-accounted investees                    | 2       | -       | 25                    | 13                    | 23    |
| Interest income and other financial income                           | 23      | 17      | 70                    | 65                    | 64    |
| Depreciation and amortization <sup>1)</sup>                          | 247     | 243     | 988                   | 931                   | 984   |
| Impairment loss <sup>2)</sup>  | 11      | 4       | 672                   | 39                    | 666   |
| Earnings before interest, tax and depreciation/amortization (EBITDA) | 1,323   | 586     | 3,541                 | 2,298                 | 2,804 |
| Special items included in EBITDA <sup>3)</sup>                       | 23      | (1)     | 111                   | (56)                  | 87    |
| EBITDA, excluding special items                                      | A 1,346 | 585     | 3,652                 | 2,242                 | 2,891 |

1) Including amortization of excess value in equity-accounted investees.

2) Including impairment loss on excess value in equity-accounted investees.

3) See section "Special items" for details on special items.

## Special items per operating segment included in EBITDA

| USD millions  | 1Q 2022   | 1Q 2021    | 2021      |
|---|-----------|------------|-----------|
| Europe  | 3         | -          | 13        |
| Americas  | 2         | -          | (15)      |
| Africa & Asia   | 19        | (1)        | 83        |
| Global Plants & Operational Excellence                      | -         | -          | (4)       |
| Clean Ammonia   | (1)       | -          | (1)       |
| Industrial Solutions  | -         | -          | 9         |
| Other and Eliminations                                      | -         | -          | 2         |
| <b>Total special items included in EBITDA <sup>1)</sup></b> | <b>23</b> | <b>(1)</b> | <b>87</b> |

1) See section "Special items" for details on special items.

## EBITDA per operating segment, excluding special items

| USD millions   | 1Q 2022      | 1Q 2021    | 2021         |
|--|--------------|------------|--------------|
| Europe   | 345          | 191        | 677          |
| Americas   | 516          | 142        | 975          |
| Africa & Asia  | 126          | 46         | 331          |
| Global Plants & Operational Excellence               | 194          | 116        | 566          |
| Clean Ammonia  | 63           | 28         | 130          |
| Industrial Solutions                                 | 192          | 79         | 297          |
| Other and Eliminations                               | (92)         | (16)       | (86)         |
| <b>EBITDA, excluding special items <sup>1)</sup></b> | <b>1,346</b> | <b>585</b> | <b>2,891</b> |

1) See section "Special items" for details on special items.

## Reconciliation of net income to EBITDA

| USD millions                                | 1Q 2022      | 1Q 2021    | 2021         |
|---|--------------|------------|--------------|
| Net income                                  | 947          | 14         | 384          |
| Income taxes                                | 284          | 32         | 355          |
| Interest expense and other financial items  | 57           | 37         | 164          |
| Foreign currency translation (gain)/loss    | (223)        | 256        | 251          |
| Depreciation and amortization <sup>1)</sup> | 247          | 243        | 984          |
| Impairment loss <sup>2)</sup>               | 11           | 4          | 666          |
| <b>EBITDA</b>                               | <b>1,323</b> | <b>586</b> | <b>2,804</b> |

1) Including amortization of excess value in equity-accounted investees.

2) Including impairment loss on excess value in equity-accounted investees.

## ROIC

Return on invested capital (ROIC) is defined as Net Operating Profit After Tax (NOPAT) divided by average invested capital calculated on a 12-months rolling average basis. NOPAT is defined as operating income excluding amortization and impairment of intangible assets other than goodwill, plus interest income from external customers, minus tax cost calculated on the previous mentioned items with a 25% flat rate, and plus net income from equity-accounted investees. Average invested capital is defined as

total current assets excluding cash and cash equivalents, plus a normalized cash level of USD 200 million, minus total current liabilities excluding short-term interest-bearing debt and current portion of long-term debt, plus property, plant and equipment, plus right-of-use assets, plus goodwill and plus equity-accounted investees.

NOPAT and average invested capital are defined and reconciled as components in the reporting of ROIC as an APM. They are not considered to be separate APMs.



## Reconciliation of operating income to net operating profit after tax

| USD millions                                       |       | 1Q 2022 | 1Q 2021 | Apr 2021–<br>Mar 2022 | Apr 2020–<br>Mar 2021 | 2021  |
|--|-------|---------|---------|-----------------------|-----------------------|-------|
| Operating income                                   |       | 1,039   | 322     | 1,785                 | 1,250                 | 1,068 |
| Amortization and impairment of intangible assets   |       | 9       | 11      | 46                    | 45                    | 47    |
| Interest income from external customers            |       | 20      | 15      | 63                    | 55                    | 58    |
| Calculated tax cost (25% flat rate) on items above |       | (267)   | (87)    | (473)                 | (337)                 | (293) |
| Share of net income in equity-accounted investees  |       | 2       | -       | 25                    | 13                    | 23    |
| Net operating profit after tax (NOPAT)             | B     | 803     | 261     | 1,445                 | 1,025                 | 903   |
| Annualized NOPAT                                   | C=Bx4 | 3,213   | 1,044   |                       |                       |       |
| 12-month rolling NOPAT                             | C     |         |         | 1,445                 | 1,025                 | 903   |

## Reconciliation of net income to net operating profit after tax

| USD millions                                     |       | 1Q 2022 | 1Q 2021 | Apr 2021–<br>Mar 2022 | Apr 2020–<br>Mar 2021 | 2021  |
|--|-------|---------|---------|-----------------------|-----------------------|-------|
| Net income                                       |       | 947     | 14      | 1,317                 | 823                   | 384   |
| Amortization and impairment of intangible assets |       | 9       | 11      | 46                    | 45                    | 47    |
| Interest income from external customers          |       | 20      | 15      | 63                    | 55                    | 58    |
| Interest income and other financial income       |       | (23)    | (17)    | (70)                  | (65)                  | (64)  |
| Interest expense and other financial items       |       | 57      | 37      | 184                   | 149                   | 164   |
| Foreign currency translation (gain)/loss         |       | (223)   | 256     | (228)                 | 198                   | 251   |
| Income tax, added back                           |       | 284     | 32      | 607                   | 158                   | 355   |
| Calculated tax cost (25% flat rate)              |       | (267)   | (87)    | (473)                 | (337)                 | (293) |
| Net operating profit after tax (NOPAT)           | B     | 803     | 261     | 1,445                 | 1,025                 | 903   |
| Annualized NOPAT                                 | C=Bx4 | 3,213   | 1,044   |                       |                       |       |
| 12-month rolling NOPAT                           | C     |         |         | 1,445                 | 1,025                 | 903   |

## Reconciliation of invested capital and ROIC calculation

| USD millions                                  |       | 1Q 2022 | 1Q 2021 | Apr 2021–<br>Mar 2022 | Apr 2020–<br>Mar 2021 | 2021    |
|---|-------|---------|---------|-----------------------|-----------------------|---------|
| Total current assets as reported              |       | 9,104   | 5,644   | 9,104                 | 5,644                 | 7,698   |
| Cash and cash equivalents as reported         |       | (695)   | (1,361) | (695)                 | (1,361)               | (394)   |
| Normalized level of operating cash            |       | 200     | 200     | 200                   | 200                   | 200     |
| Total current liabilities as reported         |       | (6,029) | (3,180) | (6,029)               | (3,180)               | (5,544) |
| Short-term interest-bearing debt as reported  |       | 129     | 285     | 129                   | 285                   | 337     |
| Current portion of long-term debt as reported |       | 473     | 132     | 473                   | 132                   | 476     |
| Current lease liabilities as reported         |       | 115     | 110     | 115                   | 110                   | 104     |
| Property, plant and equipment as reported     |       | 7,094   | 8,136   | 7,094                 | 8,136                 | 7,133   |
| Right-of-use assets as reported               |       | 442     | 409     | 442                   | 409                   | 421     |
| Goodwill as reported                          |       | 797     | 820     | 797                   | 820                   | 789     |
| Equity-accounted investees as reported        |       | 133     | 103     | 133                   | 103                   | 117     |
| Adjustment for 3-months/12-months average     |       | (155)   | 346     | (413)                 | 565                   | 27      |
| Invested capital                              | D     | 11,608  | 11,642  | 11,349                | 11,861                | 11,363  |
| Return on invested capital (ROIC)             | E=C/D | 27.7 %  | 9.0 %   | 12.7 %                | 8.6 %                 | 7.9 %   |

## Premium generated

Yara reports the measure Premium Generated to provide information on its commercial performance for selected Premium Products, reflecting Yara's ability to grow premium offerings and to generate a positive price premium compared with alternative commodity products. The brief definition of Premium Generated is total tonnage of delivered Premium NPKs and straight Nitrate fertilizers, multiplied by their

associated price premiums. NPK premium is defined as Yara's average realized price for Premium NPKs benchmarked against a comparable and theoretically calculated blend of global nitrogen (N), phosphorus (P) and potassium (K) prices, adjusted for variable bagging costs and logistical costs. The blend model is calculated using Urea Prilled FOB Black Sea, DAP FOB North Africa, and MOP

FOB Vancouver / SOP FOB West Europe for the respective main nutrients. These commodity prices are derived from external publications. Costs for content of secondary and micro nutrients in Yara deliveries are deducted for comparability. The Nitrate premium is defined as Yara's average sales price for straight nitrates versus the comparable value of urea. Comparability is achieved through adjusting the measures for relevant freight components and

nitrogen content, such that both are represented in a theoretical delivered CIF bulk Germany value of CAN 27%. The urea reference applied is Urea Granular FOB Egypt, and the measure is adjusted for sulphur content. The measurement includes estimates and simplified assumptions, however, it is considered to be of sufficient accuracy to assess the premium development over time.

### Reconciliation of Premium generated

| USD millions   |       | Apr 2021–<br>Mar 2022 | 2021  |
|--|-------|-----------------------|-------|
| Revenues <sup>1)</sup> from premium NPKs and straight nitrates |       | 6,130                 | 5,318 |
| Adjustments to revenues <sup>2)</sup>                          |       | (652)                 | (615) |
| Adjusted revenues as basis for premium generated               | F     | 5,478                 | 4,703 |
| Benchmark revenue for premium generated <sup>3)</sup>          | G     | 5,098                 | 4,422 |
| Calculated premium generated                                   | H=F–G | 380                   | 280   |

1) IFRS revenues, ref. Yara Integrated Report 2021 page 138, Note 2.1 Revenue from contracts with customers.

2) Adjustments for logistical and bagging costs, incoterms, sulphur content, and homogenization of nutrient content (for nitrates).

3) Value of commodity fertilizers adjusted by nutrient content, secondary and micro nutrients in NPK, cost of coloring and incoterms. The commodity prices are derived from the external publications Fertecon, Fertilizer Week, Profercy, The Market and FMB.

### Yara Improvement Program (YIP)

Yara has established a corporate program to drive and coordinate existing and new improvement initiatives, the Yara Improvement Program. At its Capital Markets Day on 26 June 2019, Yara launched an extended version of this program which distinguishes between three defined pillars; a) higher production returns and lower variable costs, b) leaner cost base, and c) smarter working capital management. At the same time, Yara moved to reporting operational metrics on underlying value drivers to provide information on project performance to management, and which Yara also considers to be relevant for external stakeholders. The operational metrics are reported on a rolling 12-months basis and include:

- production volume (kt),
- energy efficiency (Gj/T),
- fixed cost (USD millions), and
- net operating capital (days).

The fixed cost and the net operating capital measures represent financial alternative performance measures and are defined below.

Fixed cost is defined as the subtotal "Operating costs and expenses" in the consolidated statement of income minus

variable product cost (raw materials, energy, freight), other variable operating expenses, depreciation, amortization and impairment loss. The reported amounts are adjusted for items which are not considered to be part of underlying business performance for the period (see section "Special items" for details on special items), currency effects, as well as items which relate to portfolio and structural changes. The currency effects are calculated by converting from local currency to reporting currency using baseline exchange rates as of 2018.

Net operating capital days are reported on a 12-months average basis and is defined as the net of credit days, inventory days and payable days. Credit days are calculated as trade receivables, adjusted for VAT payables, relative to total revenue and interest income from customers. Inventory days are calculated as the total inventory balance relative to product variable costs. Payable days are calculated as trade payables adjusted for payables related to investments, relative to supplier related operating costs and expenses.

As Yara Improvement Program performance measures are presented to report on the progress towards Yara's strategic goals, previous calendar year is considered to represent the relevant comparatives.

## Reconciliation of operating costs and expenses to fixed cost

| USD millions  | Apr 2021–<br>Mar 2022 | 2021     |
|---|-----------------------|----------|
| Operating costs and expenses                                      | 17,592                | 15,540   |
| Variable part of Raw materials, energy costs and freight expenses | (13,529)              | (11,508) |
| Variable part of Other operating expenses                         | (43)                  | (37)     |
| Depreciation and amortization <sup>1)</sup>                       | (988)                 | (984)    |
| Impairment loss <sup>2)</sup>                                     | (672)                 | (666)    |
| Currency effects (using baseline exchange rates as of 2018)       | 211                   | 184      |
| Special items within fixed cost                                   | (42)                  | (42)     |
| Fixed cost  | 2,528                 | 2,487    |

1) Including amortization of excess value in equity-accounted investees.

2) Including impairment loss on excess value in equity-accounted investees.

## Reconciliation of Net operating capital days

| USD millions  |                 | Apr 2021–<br>Mar 2022 | 2021    |
|---|-----------------|-----------------------|---------|
| Trade receivables as reported                               |                 | 2,937                 | 2,138   |
| Adjustment for VAT payables                                 |                 | (207)                 | (133)   |
| Adjustment for 12-months average                            |                 | (874)                 | (383)   |
| Adjusted trade receivables (12-months average)              | I               | 1,856                 | 1,621   |
| Revenue from contracts with customers                       |                 | 19,412                | 16,617  |
| Interest income from external customers                     |                 | 59                    | 54      |
| Total revenue and interest income from customers            | J               | 19,471                | 16,671  |
| Credit days   | $K=(I/J) * 365$ | 35                    | 35      |
| Inventories as reported                                     |                 | 4,616                 | 4,003   |
| Adjustment for 12-months average                            |                 | (1,285)               | (1,202) |
| Inventories (12-months average)                             | L               | 3,331                 | 2,801   |
| Raw materials, energy costs and freight expenses            |                 | 14,145                | 12,136  |
| Fixed product costs and freight expenses external customers |                 | (1,771)               | (1,753) |
| Product variable costs                                      | M               | 12,374                | 10,383  |
| Inventory days  | $N=(L/M) * 365$ | 98                    | 98      |
| Trade and other payables as reported                        |                 | 3,306                 | 3,188   |
| Adjustment for other payables                               |                 | (239)                 | (164)   |
| Adjustment for payables related to investments              |                 | (87)                  | (162)   |
| Adjustment for 12-months average                            |                 | (736)                 | (1,004) |
| Trade payables (12-months average)                          | O               | 2,244                 | 1,857   |
| Operating costs and expenses                                |                 | 17,592                | 15,540  |
| Depreciation and amortization                               |                 | (988)                 | (984)   |
| Impairment loss   |                 | (672)                 | (666)   |
| Other non-supplier related costs                            |                 | (459)                 | (668)   |
| Operating costs and expenses, adjusted                      | P               | 15,472                | 13,222  |
| Payable days  | $Q=(O/P) * 365$ | 53                    | 51      |
| Net operating capital days                                  | $R=K+N-Q$       | 80                    | 83      |

### Capital structure measures

Yara reports the Group's net interest-bearing debt, net debt / equity ratio and net debt / EBITDA excluding special items ratio to provide information on the Group's financial position as references to the targeted capital structure as communicated in Yara's financial policy. In addition, Yara's reporting of net interest-bearing debt highlights key development factors which supplement the consolidated statement of cash flows. Net interest-

bearing debt is defined by Yara as cash and cash equivalents and other liquid assets, reduced for short-term and long-term (including current portion) interest-bearing debt, and lease liabilities. The net debt / equity ratio is calculated as net interest-bearing debt divided by shareholders' equity plus non-controlling interests. The Net Debt / EBITDA ratio is calculated as net interest-bearing debt divided by EBITDA excluding special items on a 12-months rolling basis.

### Net interest-bearing debt

| USD millions                      |   | 31 Mar 2022 | 31 Dec 2021 |
|-----------------------------------|---|-------------|-------------|
| Cash and cash equivalents         |   | 695         | 394         |
| Other liquid assets               |   | 2           | 2           |
| Short-term interest-bearing debt  |   | (129)       | (337)       |
| Current portion of long-term debt |   | (473)       | (476)       |
| Short-term lease liabilities      |   | (115)       | (104)       |
| Long-term interest-bearing debt   |   | (3,067)     | (3,089)     |
| Long-term lease liabilities       |   | (334)       | (321)       |
| Net interest-bearing debt         | S | (3,421)     | (3,930)     |

### Net debt / equity ratio

| USD millions              |       | 31 Mar 2022 | 31 Dec 2021 |
|---------------------------|-------|-------------|-------------|
| Net interest-bearing debt | S     | (3,421)     | (3,930)     |
| Total equity              | T     | (8,121)     | (7,116)     |
| Net debt / equity ratio   | U=S/T | 0.42        | 0.55        |

### Net debt / EBITDA excluding special items ratio

| USD millions                                     |         | 31 Mar 2022 | 31 Dec 2021 |
|--|---------|-------------|-------------|
| Net interest-bearing debt                        | S       | (3,421)     | (3,930)     |
| EBITDA, excluding special items (last 12 months) | A       | 3,652       | 2,891       |
| Net debt / EBITDA excluding special items ratio  | V=(S)/A | 0.94        | 1.36        |

### Basic earnings per share excluding currency and special items

Basic earnings per share (EPS) excluding currency and special items is an adjusted EPS measure which mirrors the underlying performance in the reported period by adjusting for currency effects and items which are not primarily related to the period in which they are recognized.

This APM represent net income after non-controlling interests, excluding foreign currency translation gain/loss and special items after tax, divided by average number of shares outstanding in the period. The tax effect on foreign currency and special items is calculated based on relevant statutory tax rate for simplicity.

### Earnings per share

| USD millions, except earnings per share and number of shares                              |                   | 1Q 2022     | 1Q 2021     | 2021        |
|---|-------------------|-------------|-------------|-------------|
| Weighted average number of shares outstanding   | W                 | 254,725,627 | 261,154,877 | 256,789,744 |
| Net income attributable to shareholders of the parent                                     | X                 | 944         | 13          | 449         |
| Foreign currency translation gain/(loss)  | Y                 | 223         | (256)       | (251)       |
| Tax effect on foreign currency translation  | Z                 | (65)        | 61          | 61          |
| Non-controlling interest share of foreign currency translation (gain)/loss, net after tax | AA                | -           | -           | -           |
| Special items within income before tax <sup>1)</sup>                                      | AB                | (33)        | (3)         | (751)       |
| Tax effect on special items   | AC                | 6           | 1           | 91          |
| Special items within income before tax, net after tax                                     | AD=AB+AC          | (28)        | (2)         | (659)       |
| Non-controlling interest's share of special items, net after tax                          | AE                | -           | -           | (84)        |
| Net income excluding currency and special items   | AF=X-Y-Z+AA-AD+AE | 814         | 210         | 1,215       |
| Basic earnings per share  | AG=X/W            | 3.71        | 0.05        | 1.75        |
| Basic earnings per share excluding foreign currency translation and special items         | AH=AF/W           | 3.20        | 0.80        | 4.73        |

1) See section "Special items" for details on special items.





Yara International ASA  
Drammensveien 131  
NO-0277 Oslo, Norway  
Tel: +47 24 15 70 00

[www.yara.com](http://www.yara.com)