Knowledge grows

Yara International ASA 2024 fourth-quarter results

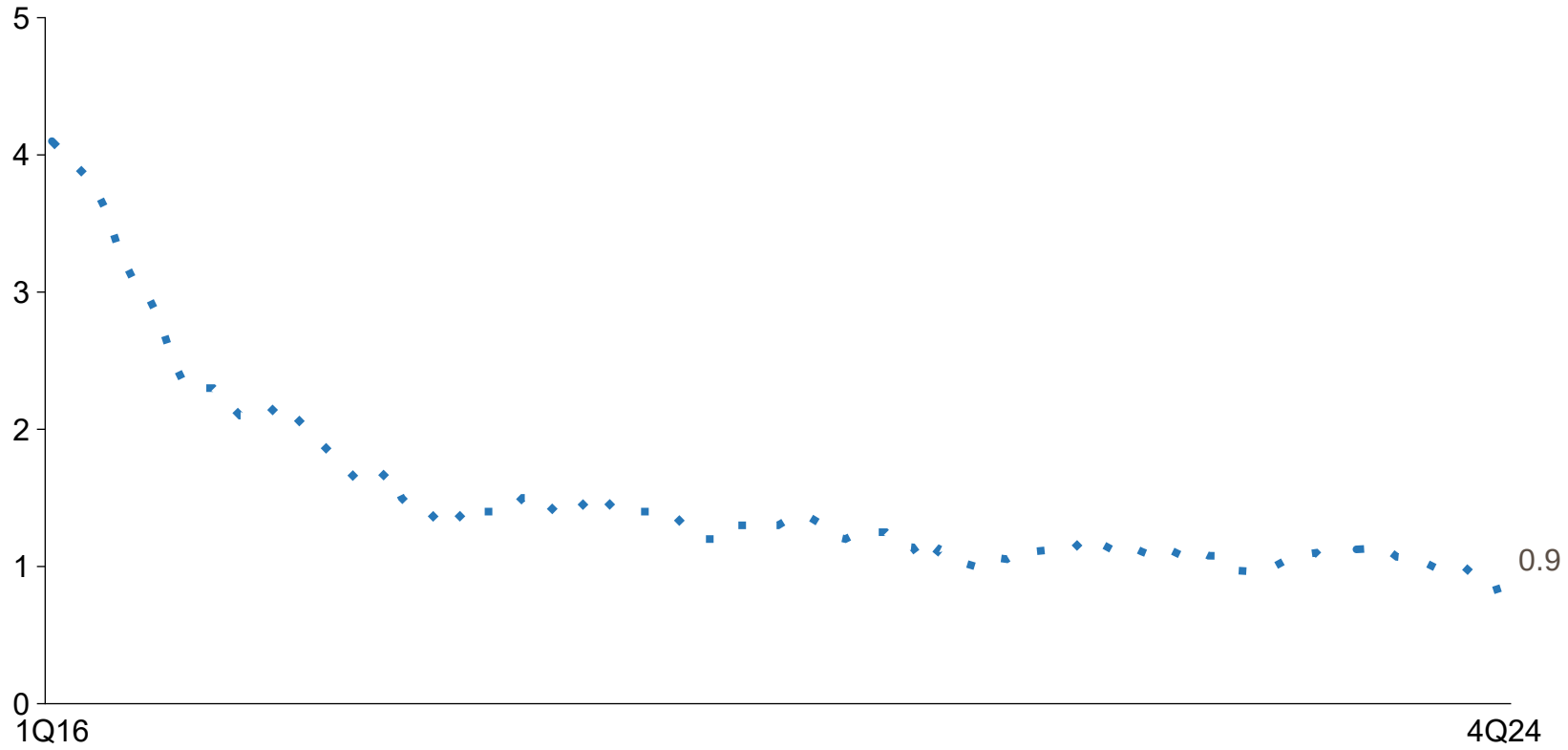
7 February 2025

Cautionary note

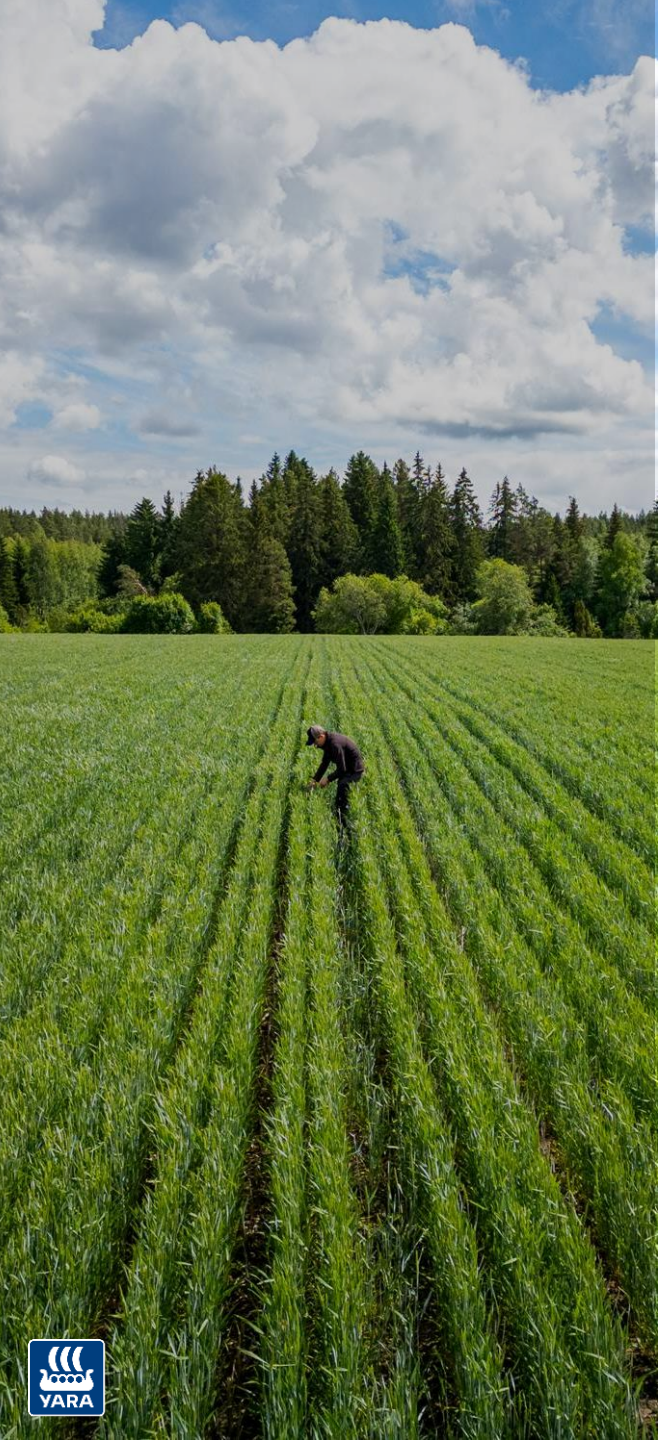
This presentation contains forward-looking information and statements relating to the business, financial performance and results of Yara and/or industry and markets in which it operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "aims", "anticipates", "believes", "estimates", "expects", "foresees", "intends", "plans", "predicts", "projects", "targets", and similar expressions. Such forward-looking statements are based on current expectations, estimates and projections, reflect current views with respect to future events, and are subject to risks, uncertainties and assumptions. Forward-looking statements are not guarantees of future performance, and risks, uncertainties and other important factors could cause the actual business, financial performance, results or the industry and markets in which Yara operates to differ materially from the statements expressed or implied in this presentation by such forward-looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecasted results will be achieved, and you are cautioned not to place any undue reliance on any forward-looking statements.

All time low TRI

TRI[1] (12-month rolling)



1) Total Recordable Injuries per 1 million working hours



Strong operational performance in 4Q

4Q 2024

Record production[1] and safety performance, and delivering on cost improvements

EBITDA[2] of 519 MUSD with lower prices, but improving markets into 2025

NOK 5 per share annual dividend proposed

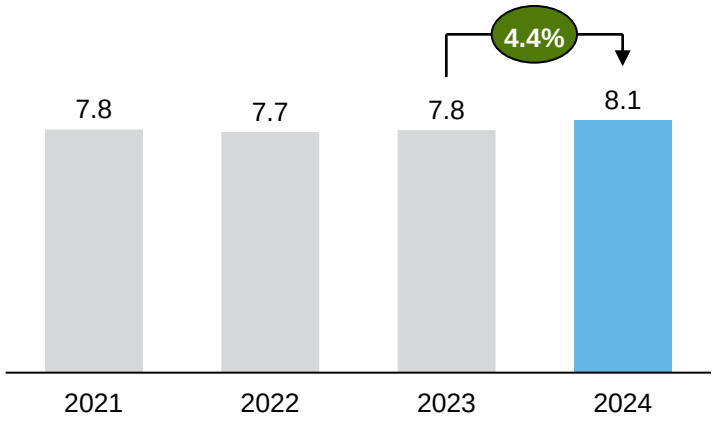
Top priority is increasing free cash flow[3] and shareholder returns

1) YIP production performance excluding Montoir
2) EBITDA excl. special items. For definition and reconciliation see APM section in the 4Q report, pages 26-34
3) Net cash provided by operating activities minus net cash used in investment activities as presented in the cash flow statement, page 13 in the 4Q report

A record year in production

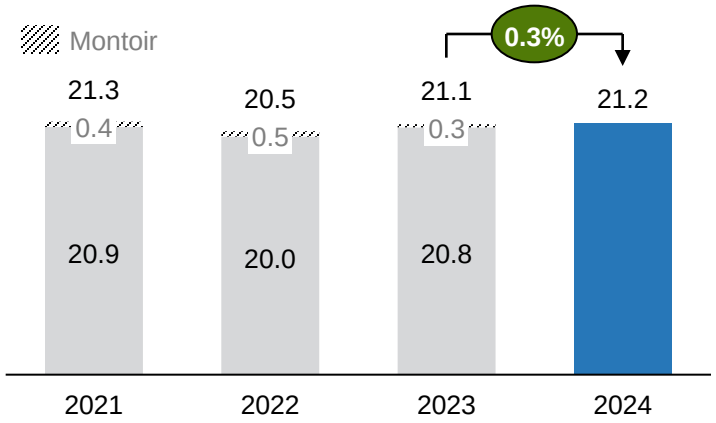
Ammonia production, YIP terms[1] (mt)

- All time high production levels
- Improved performance and reliability driven by operational performance and more stable operating environment



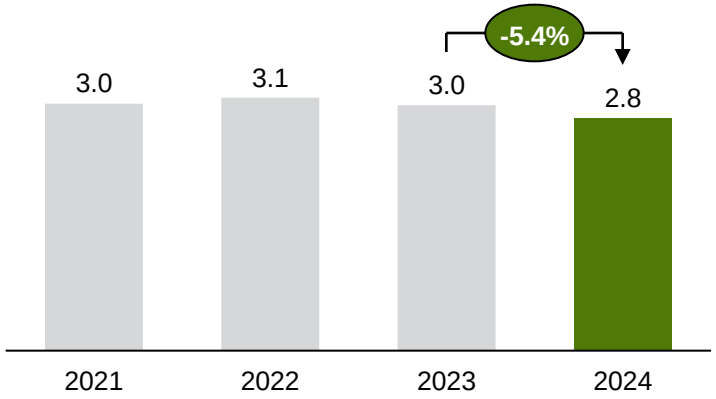
Finished product production, YIP terms[1] (mt)

- All time high production levels when adjusting for Montoir
- Strong performance across several priority plants, especially on nitrates and NPK



GHG emission intensity (t CO_2e/tN)

- Reduced GHG emission intensity following successful project implementation.
- On track to reach 2025 target of 2.7 t CO_2e/tN



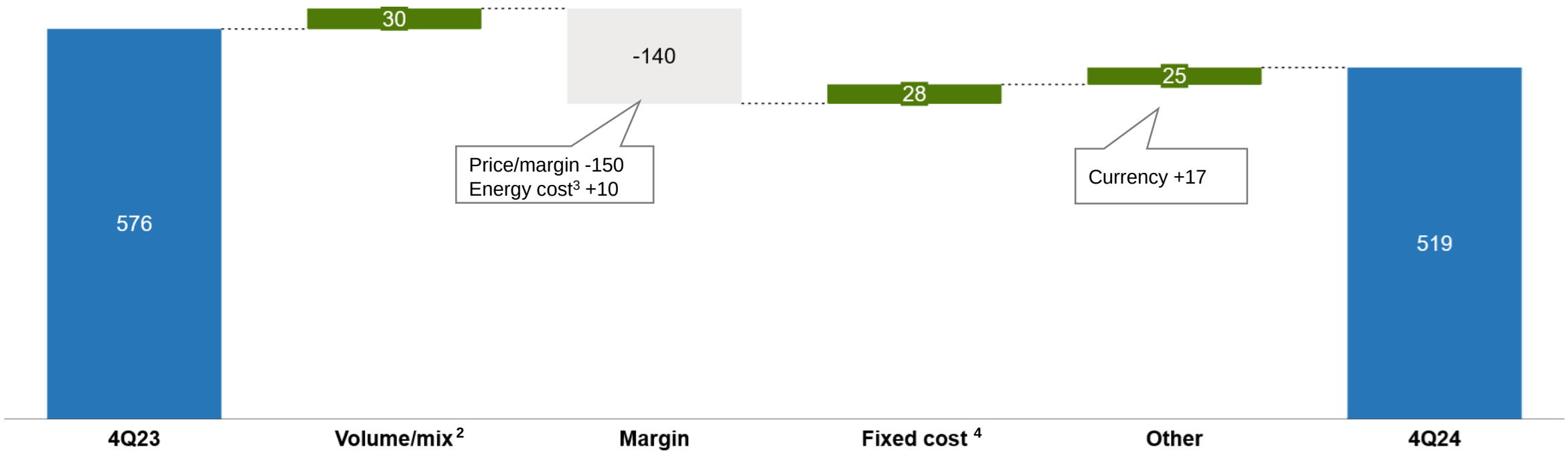
Strong production performance supports margins by:

- ✓ Better energy efficiency – translates in lower production costs
- ✓ Improved GHG emission intensity leads to lower EU ETS costs
- ✓ Average payback period of GHG emission intensity investments of 3 years

1) Adjusted for portfolio changes. Major planned maintenance and market-driven curtailments added back.

Increased deliveries and cost improvements partly offset lower margins

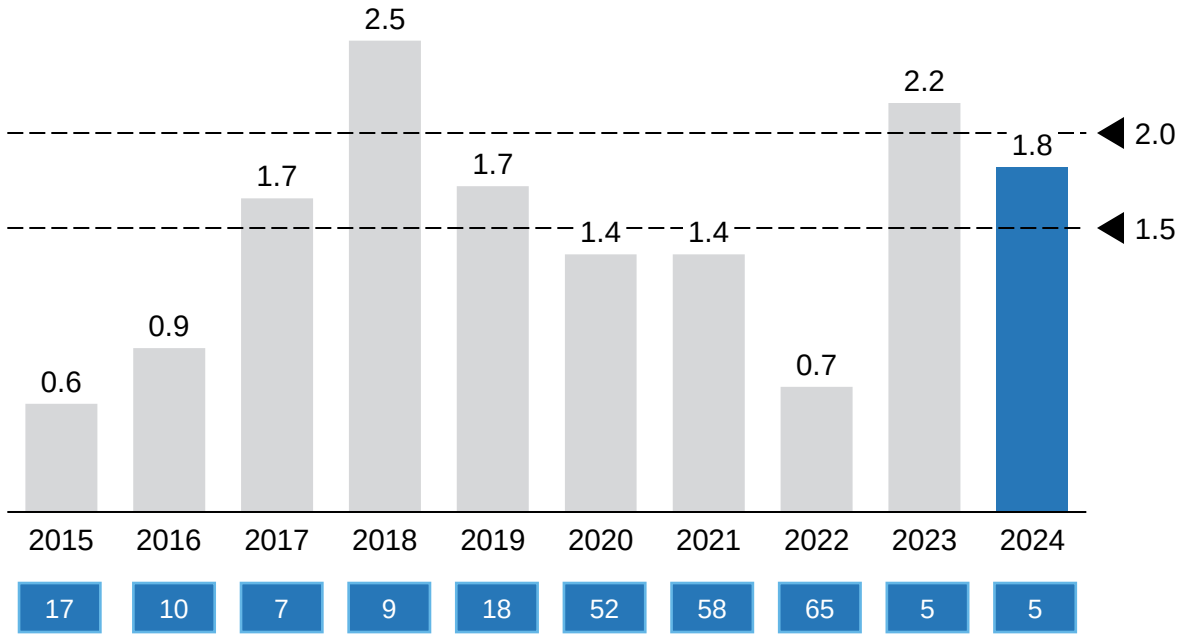
EBITDA excl. special items (MUSD)[1]



1) EBITDA excl. special items. For definition and reconciliation see APM section in the 4Q report, pages 26-34.
2) Volume effect calculated as change in volume vs 4Q 23 per product multiplied by margin per product in 4Q 24. Margin calculated as residual
3) Energy cost variance calculated by multiplying gas price differential with last year's gas consumption
4) Excluding currency translation effects

Proposed dividend NOK 5 per share

Net Debt/EBITDA excl. Special Items[1]



Dividend and buy-back in NOK per share[3]

Comments

- For 2024 the Yara Board proposes an ordinary dividend of NOK 5 per share
- Yara's overall objective to maintain BBB/Baa2 credit rating from S&P/Moody's, with a targeted mid- to long-term net debt/EBITDA[1] range of 1.5-2.0, FFO/net debt[2] at 0.4-0.5 and a net debt/equity[1] ratio below 0.60
- In line with its capital allocation policy, Yara has delivered significant cash returns to shareholders, totalling 198 NOK per share over the last five years
- Yara's financial position is set to strengthen with actions to increase free cash flow and sustainable profitability
- Yara will consider further cash distributions, in line with its capital allocation policy

1) For definition and reconciliation see Alternative Performance Measures (APM) section of the 4Q report, pages 26-34.
2) Funds from operations/net debt = cash from operations excluding change in working capital / net interest-bearing debt. Included as key metric for credit rating agencies to monitor capital structure in line with target.
3) Share buybacks included in the year of purchase, including the corresponding pro-rata redemption of shares from the Norwegian state

Maximizing long-term shareholder value is the sole driver for Yara's capital allocation

Yara's strategic focus

Improve earnings in core business
- Fixed cost and capex optimization
- Portfolio optimization

Value-accretive growth
- Low-cost & low-carbon ammonia
- Premium growth

Key prioritities

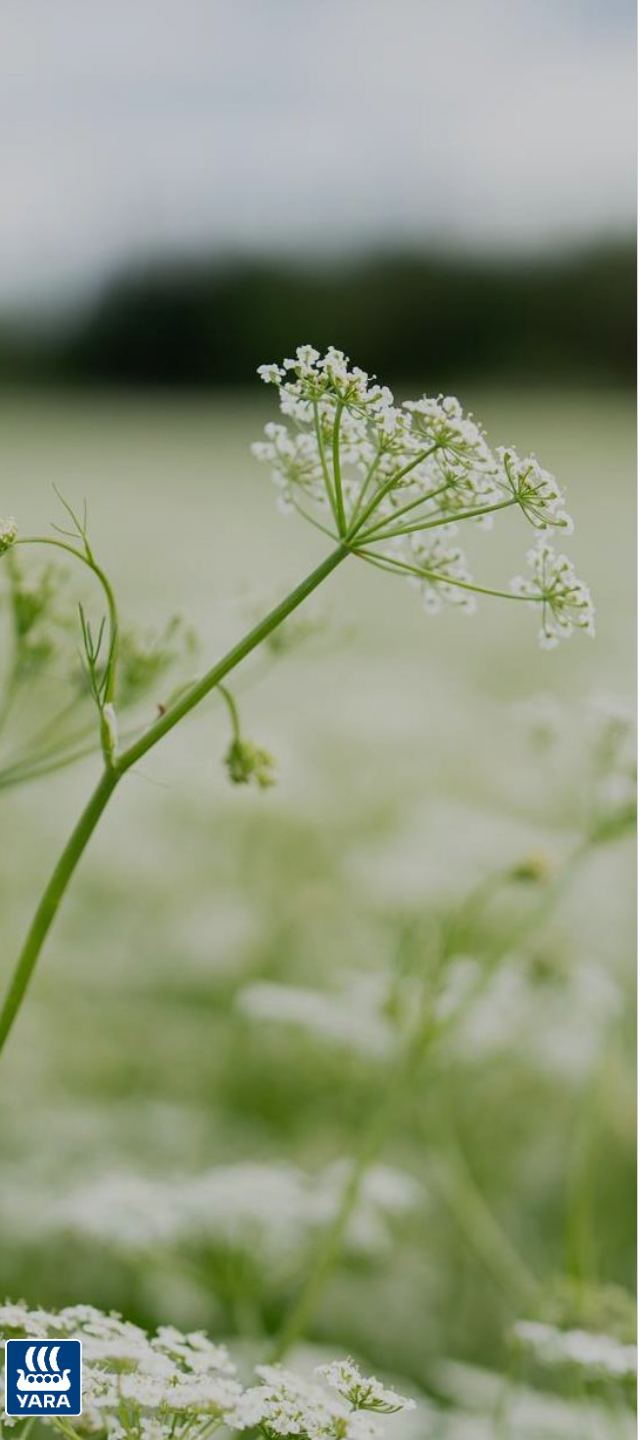
(irrespective of growth projects)

- Deliver increased returns in core business through
  - cost and capex optimization
  - scaling down lower-return assets, markets and activities
- Grow free cash flow and free up capital through product and portfolio optimization including potential divestments

Large-scale growth projects

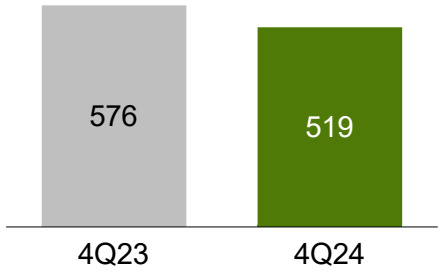
(will need excellent strategic fit, strong shareholder value creation and sound funding)

- For large-scale growth projects, Yara will utilize multiple funding levers to enable flexibility and cost efficiency through the project funding period and market cycle
- Yara has access to and will explore equity partnerships in different potential structures

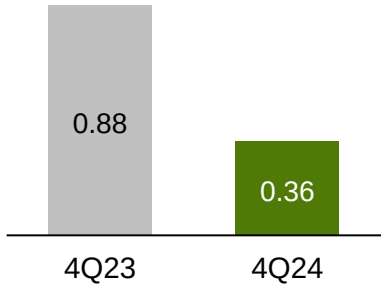


Financial performance

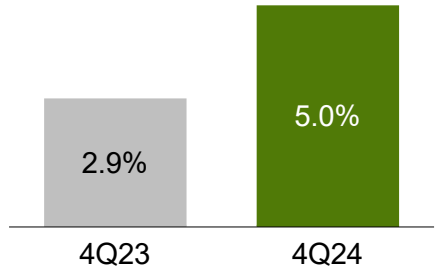
EBITDA excl. special items[1]
(MUSD)



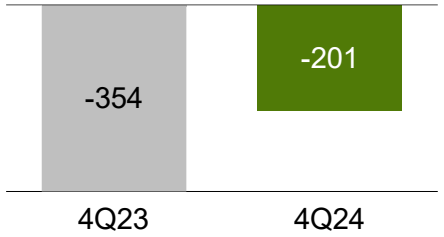
EPS excl. currency and special items[1]
(USD per share)



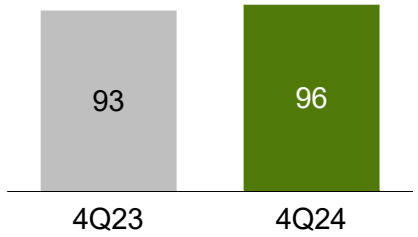
ROIC[1]
(12-month rolling, %)



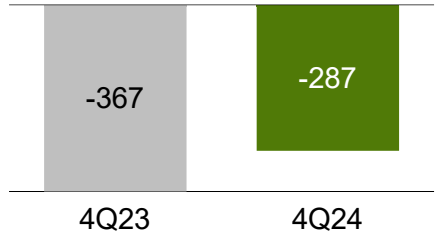
Change in net operating capital[2]
(MUSD)



Cash from operations[3]
(MUSD)



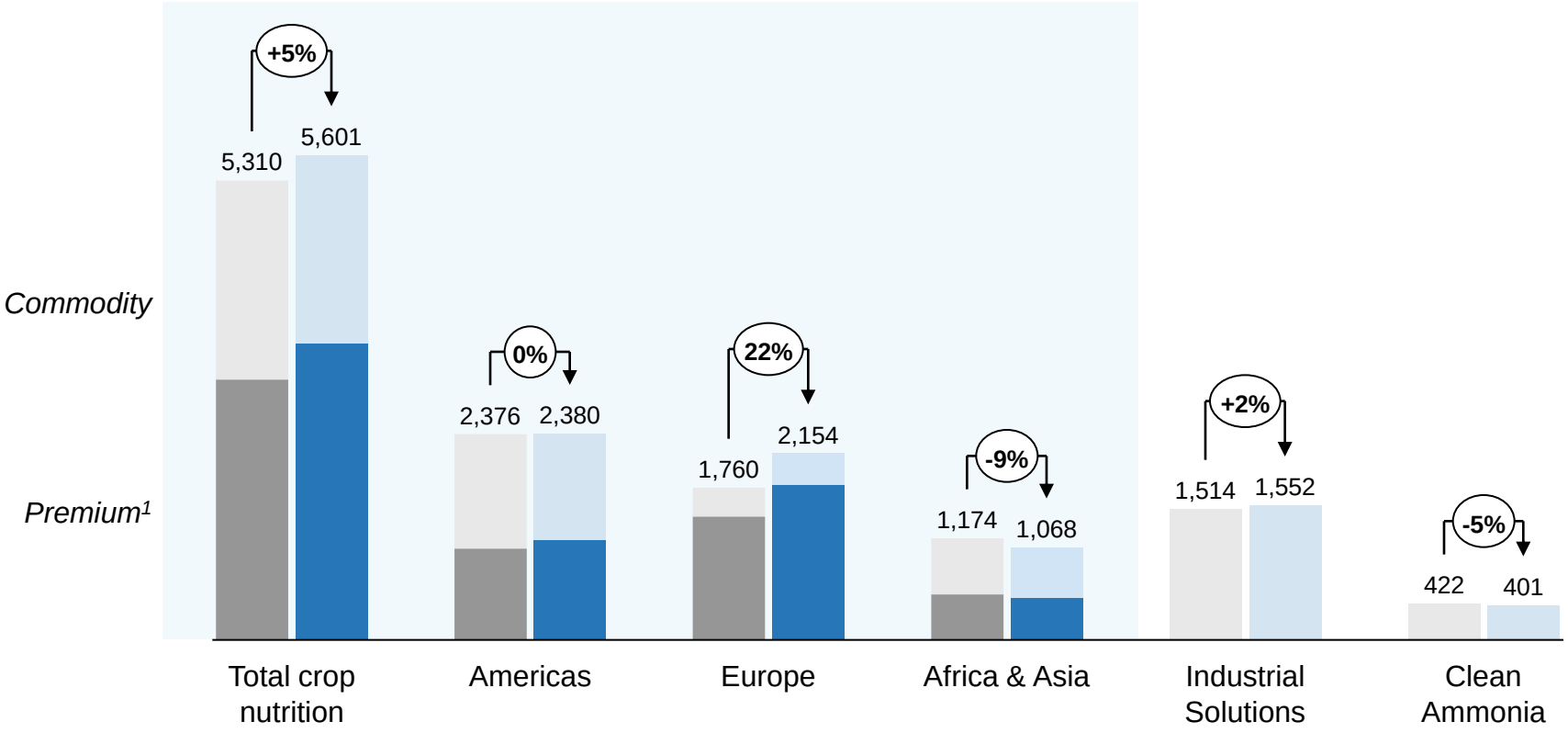
Investments (net)[4]
(MUSD)



1) For definition and reconciliation, see the APM section in the 4Q report on pages 26-34
2) Change in net operating capital as presented in the cash flow statement, page 13 of 4Q report
3) Net cash provided by operating activities as presented in the cash flow statement, page 13 of 4Q report
4) Net cash used in investing activities as presented in the cash flow statement, page 13 of 4Q report

Increased premium product deliveries

External deliveries 4Q 2023 vs 4Q 2024, in kt



Comments

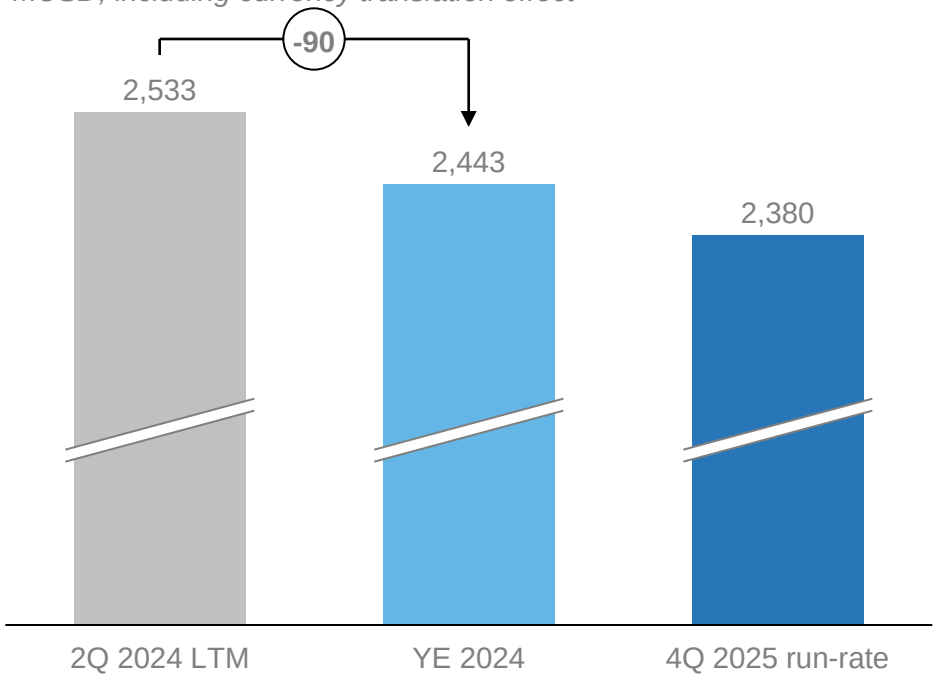
- Increased nitrate and NPK deliveries in Europe
- Lower deliveries in Africa and Asia driven by lower commodity trade volumes

1) Premium defined as differentiated N, NPK, CN, fertigation products and YaraVita

Delivering on cost reduction program

Fixed cost excluding special items, L12M[1]

MUSD, including currency translation effect



Good progress with 90 MUSD cost reduction since launch, including:
~20 MUSD from divestments
~25 MUSD currency effects

Early cost improvements achieved from first wave-savings on external cost, and Norway voluntary process carried out during quarter

Implementation of next phase of FTE reduction initiated in 1Q - 2025 with estimated restructuring cost of ~130 MUSD for 2025 and full savings impact expected to be gradually phased mid- to end-year 2025

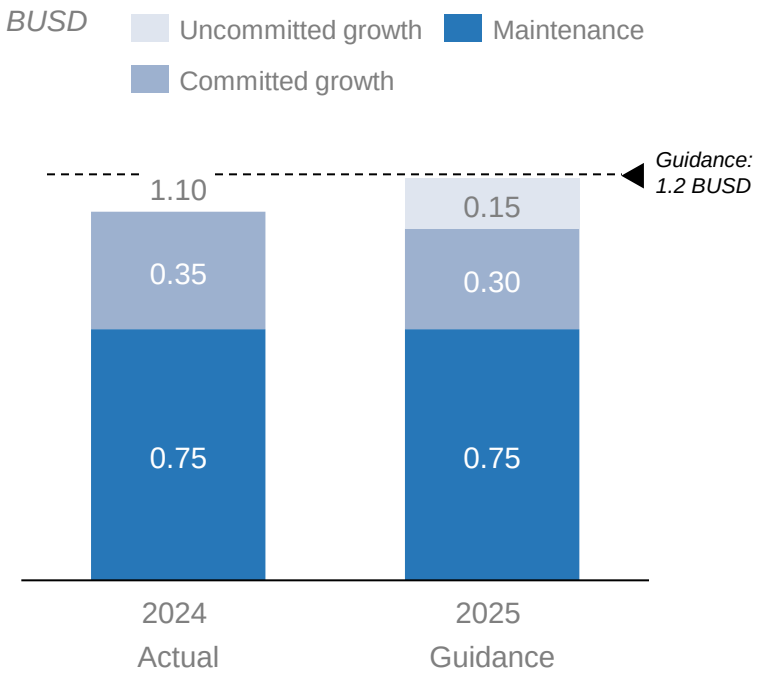
Longer-term target under development in 2025

Further cash release & value generation opportunities continuously assessed

1) Fixed costs excluding special items. Run-rate will be reported as fixed costs for the quarter, annualized (incorporating seasonality). For definition and reconciliation of Fixed cost, see APM section in the 4Q report, pages 26-34

Strict capital discipline, repositioning capex towards higher-return investments

2024 capex in line with target

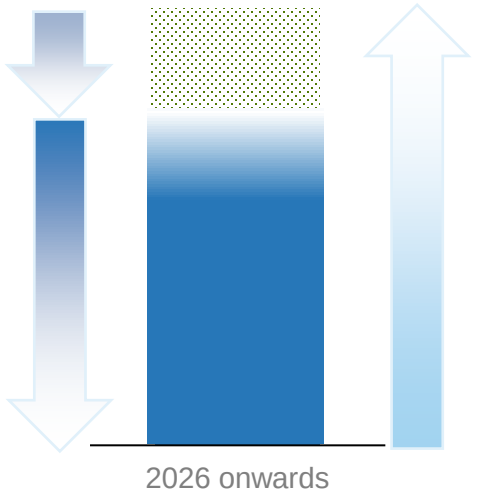


Capex prioritization towards higher-return investments

Growth capex restricted pre-FID for US projects (approx. 300 MUSD/year)

Yearly maintenance capex approx. 800-900 MUSD with current asset portfolio

Plant portfolio review will further optimize maintenance capex

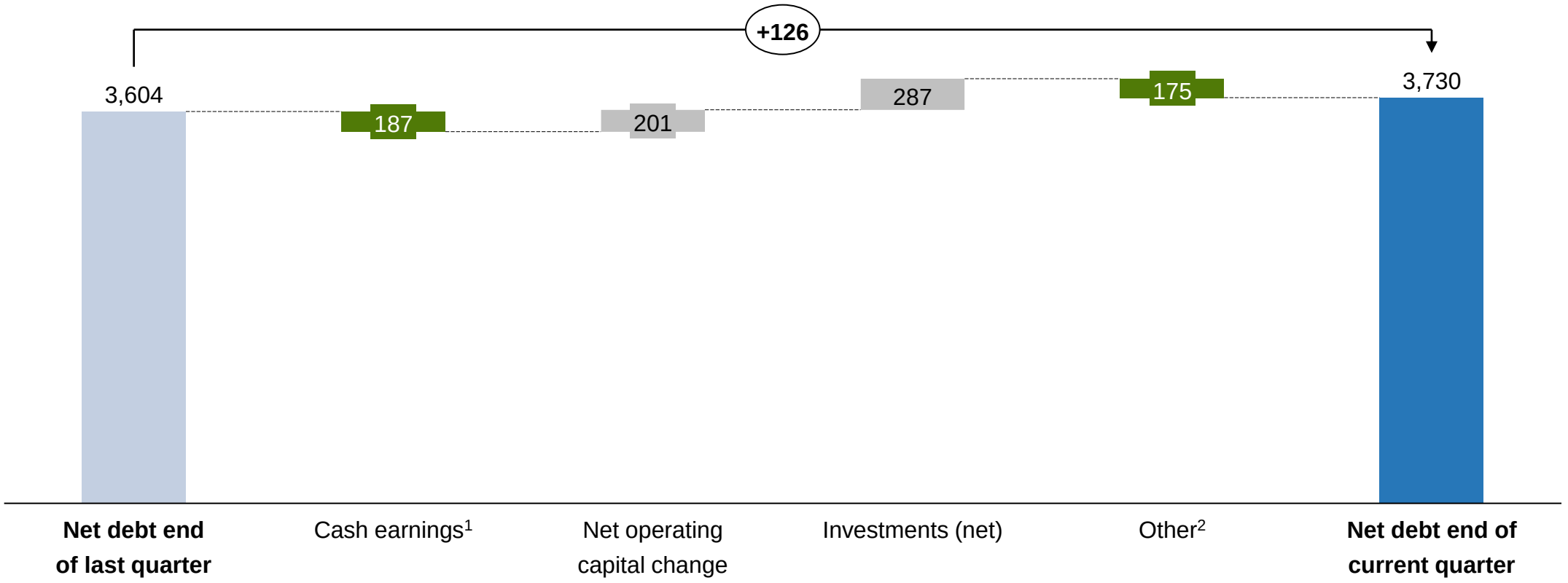


Optimization of maintenance and growth capex will maximize funding capacity for value-accretive growth.

If positive FID of large-scale US project(s), capex would be incurred 2026/27-2030

Net debt increase following seasonal build-up of operating capital

Net interest-bearing debt: 4Q development (MUSD)



1) Operating income plus depreciation and amortization, write downs, minus tax paid, net gain/(loss) on disposals, net interest expense, and bank charges
2) Other mainly related to non-cash effect from recognition of pension plan assets in the Netherlands, currency effect and leasing

Full year condensed statement of income

	2024	2023	Variance
Revenue and other income	13 934	15 627	-1 693
Raw materials, energy costs and freight expenses	(10 200)	(11 445)	1 245
Change in inventories of own products	70	(650)	721
Payroll and related costs	(1 543)	(1 399)	(144)
Depreciation and amortization	(1 047)	(1 018)	(30)
Impairment loss	(82)	(220)	138
Expected and realized credit loss on trade receivables	(9)	(9)	0
Other operating costs and expenses	(437)	(495)	58
Operating costs and expenses	(13 248)	(15 236)	1 988
Operating income	686	392	294
Share of net income/(loss) in equity-accounted investees	19	1	18
Interest income and other financial income	55	79	(24)
Foreign currency exchange gain/(loss)	(321)	(32)	(289)
Interest expense and other financial items	(259)	(249)	(10)
Income before tax	180	191	(10)
Income tax expense	(165)	(136)	(29)
Net income/(loss)	15	54	(39)
Basic earnings per share	0.05	0.19	
Weighted average number of shares outstanding	254 725 627	254 725 627	

Comments

- Lower revenues and variable costs reflect lower prices for both finished products and raw materials
- 244 MUSD impact from special items, of which 180 MUSD non-cash pension fund buy-out and impairments[1]
- Currency loss of USD 321 million reflects non-cash translation loss on US debt positions, partly offset by gains on internal positions in other currencies than USD
- High effective tax rate as tax losses in some countries are not recognized as deferred tax assets due to uncertainty of recoverability

1) Before tax

Condensed statement of financial position

	31 Dec 2024	31 Dec 2023	Variance
Assets			
Total non-current assets	9 294	9 814	(520)
Total current assets	5 700	6 213	(512)
Total assets	14 994	16 027	(1 033)
Equity and liabilities			
Total equity	7 003	7 570	(567)
Total non-current liabilities	4 874	4 743	131
Total current liabilities	3 117	3 714	(597)
Total equity and liabilities	14 994	16 027	(1 033)

Comments

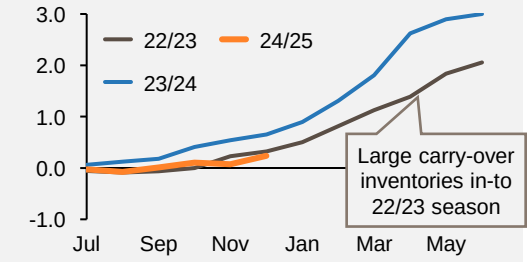
- Lower non-current assets mainly reflect currency translation, as most functional currencies in Yara have depreciated against US dollar
- Lower current assets mainly reflect lower trade receivables and lower cash and cash equivalents
- Lower equity reflects a 2024 currency translation loss and dividend payment

Strong nitrogen fundamentals going in to 2025

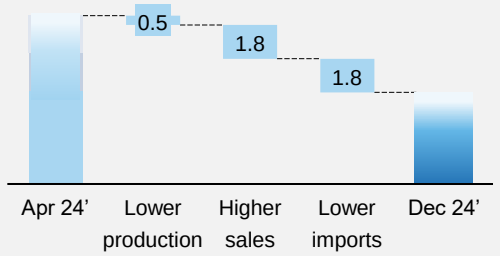
Key supply and demand drivers

Supportive market development going into main application season in the northern hemisphere

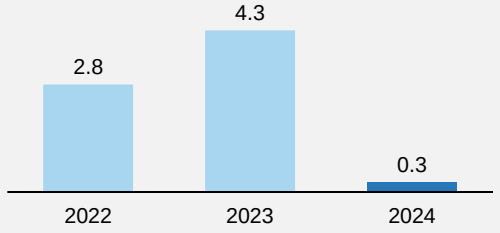
US net nitrogen imports[1]
Million tons nitrogen



Indian urea stock development[2]
Million tons urea

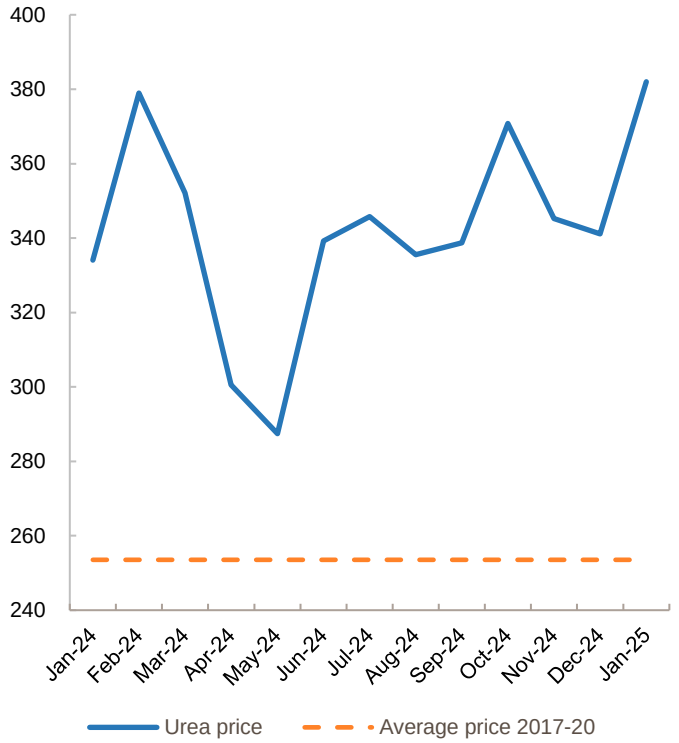


Chinese urea exports[3]
Million tons urea



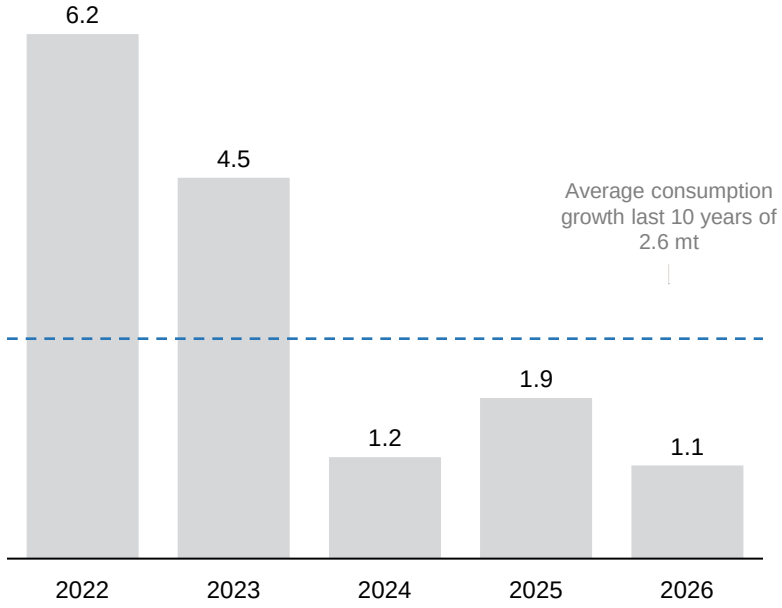
Urea price[4] development, USD/t

Demand-driven urea market with pricing above historical averages



Capacity additions, million tons

Limited urea capacity additions[5]

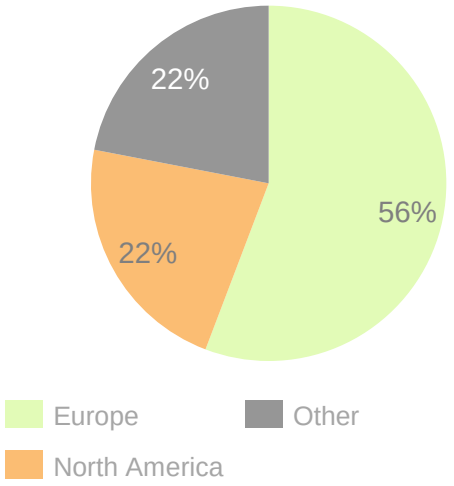


1) Source: TFI
2) Source: FAI, Argus, Profercy, GTA
3) Source: GTA
4) Average monthly price Urea FOB Arab Gulf ex. US
5) See appendix slide 32 for further information on urea capacity additions

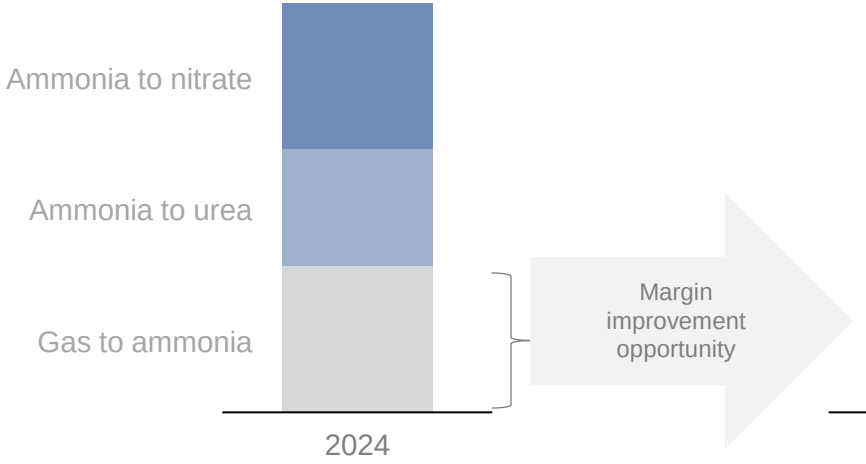
Gas to nitrates is Yara's core: low-cost ammonia would strengthen returns in core business

Yara's geographically diversified ammonia production is core to integrated nitrogen margins[1]

Location of Yara's ammonia production[2]

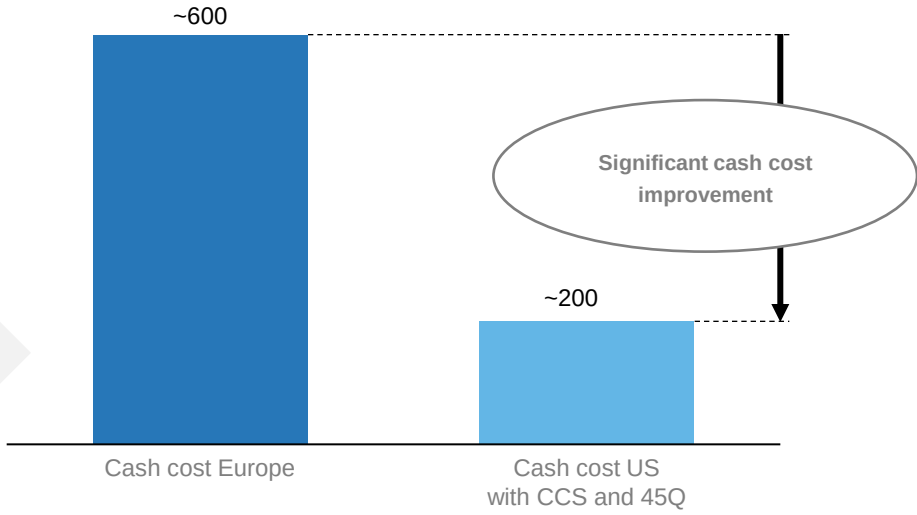


Yara's nitrogen upgrading margins
Illustrative based on capacities and average N-content



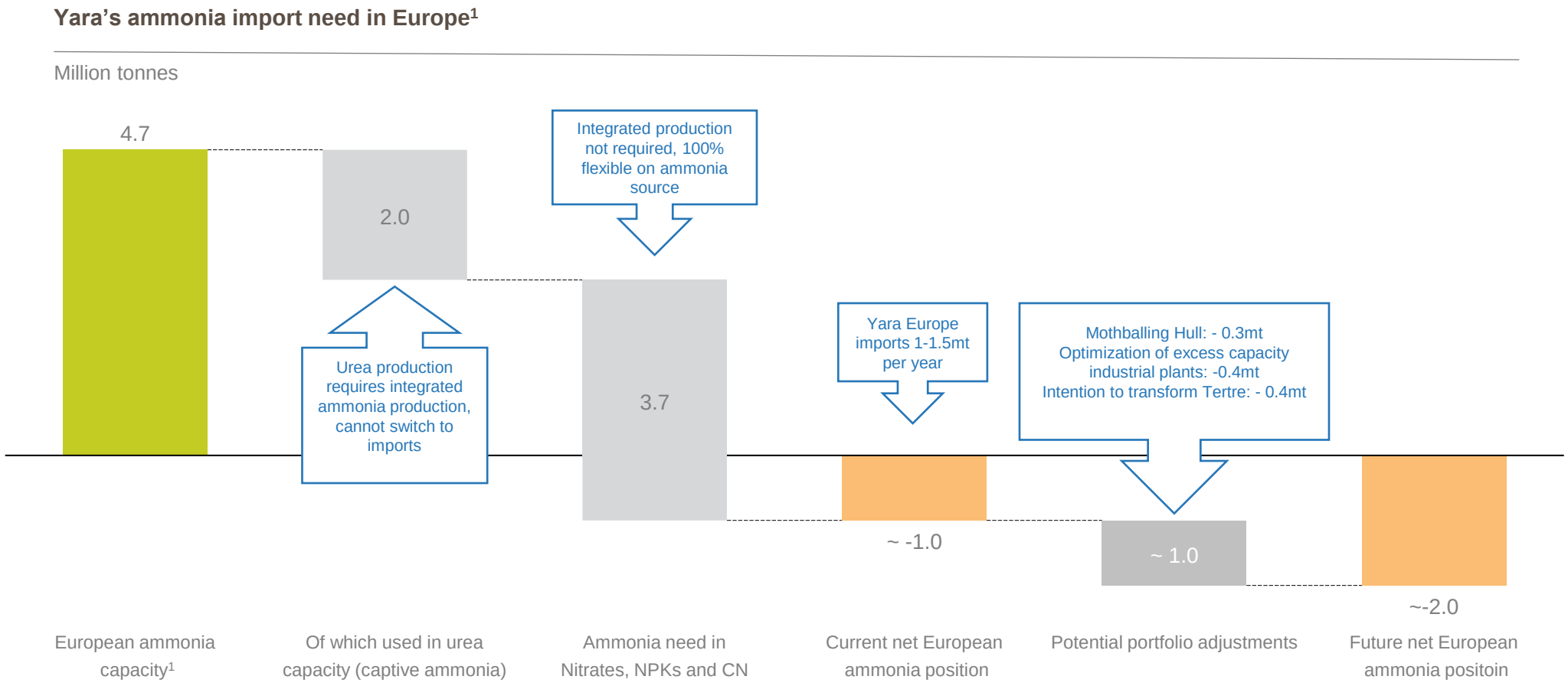
Large-scale, low-cost production would improve Yara's ammonia cost curve position

Illustrative cash cost calculation[3], USD/t



1) Calculated based on production capacities, average nitrogen contents and 2024 yearly average prices
2) Calculated based on Yara annual production capacity. North America including capacity in US, Canada and Trinidad. Other is Yara's capacity outside of North America and Europe
3) 2034 cash cost, assuming full impact of CO_2 cost in Europe

Significant ammonia offtake and margin improvement opportunity in Europe

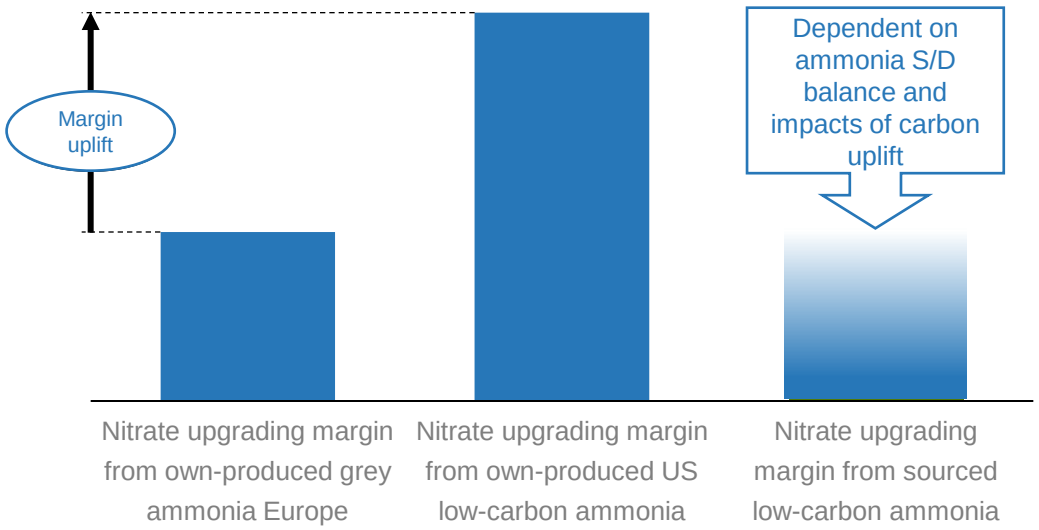


1) Calculations based on production capacities and avg N contents: urea (46%), UAN (30%), Nitrates (30%), NPK (20%) and CN (15.5%)

Optimizing sourcing and improving nitrate margins with low-cost ammonia

Nitrate cash cost margins more than double when upgraded from own-produced low-cost ammonia

Illustrative example of nitrate margins[1] in mid-2030s, USD/t CAN (27N)

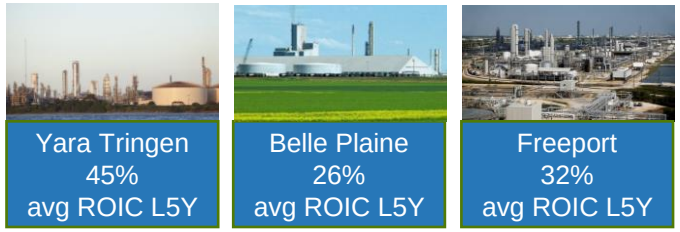


- Annual European ammonia requirement of 2.2 million tonnes ammonia, well within YCA import capacity of ~3 million tonnes
- Security of supply needed to maximize nitrate margin opportunity
- Own-produced low-carbon ammonia enables both competitive feedstock costs and decarbonization margin
- Yara seeks to optimize low-cost & low-carbon ammonia portfolio based on value creation, with access to competitive product being a key value driver

1) Cash cost calculation

Yara will use its competitive edge within ammonia to select growth path solely based on shareholder returns

Strong Yara shareholder return track record on ammonia investments



Yara Tringen	Belle Plaine	Freeport
45%	26%	32%
avg ROIC L5Y	avg ROIC L5Y	avg ROIC L5Y

- **Unique position to deliver global ammonia projects with the highest value creation**
- Yara has evaluated and rejected a high number of projects due to insufficient returns
- Yara has shown restraint in investing in green ammonia with unclear return profile, including shelving Porsgrunn full-scale green hydrogen, and Sluiskil green hydrogen with Ørsted

Yara is the strongest partner for any ammonia project, for existing demand and new markets

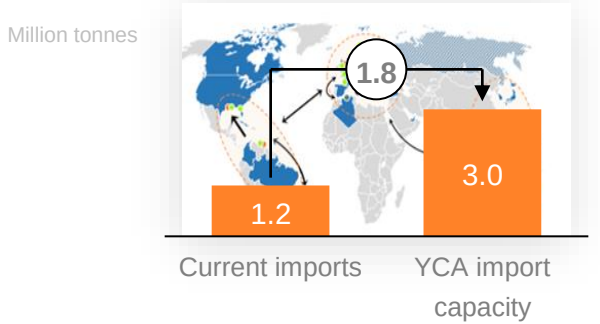
>20%
Market share of merchant/traded ammonia in 2021[1]

#18
Terminal access in key locations[3]

#12
Owned and leased purpose-built ammonia vessels

- **Ammonia is core to Yara**
- Unique midstream position and worlds 2nd largest ammonia producer
- 110 years in the nitrogen market
- Unrivalled position to understand and develop entire clean ammonia value chain – a pre-requisite to successfully develop ammonia projects

Yara's scale and flexibility creates unrivalled resilience



- Yara's scale and flexibility increases resilience to regulatory uncertainty
- ✓ Significant off-take need in Europe (>2mt) for low-cost ammonia projects
- Most new projects will not pass FID without firm off-take – and Yara is the only player than can credibly offer long-term off-take for a large-scale ammonia project

Progress to future-proof core operations and increase shareholder returns

	Current baseline	Reduce cost and capex	Portfolio optimization	Value-accretive ammonia growth	Premium growth	Market conditions
		Focus on core operations and high-return assets Strict capital discipline	Asset portfolio review Divestment of non-core assets	Low-cost & low-carbon ammonia portfolio (own-produced and sourced)	Premium over volumes Low-carbon product premiums	Tightening nitrogen supply CO_2-tax yields European margin opportunities
Progress	Strong production performance and premium deliveries. Actions to grow returns further remains key priority	Cost reduction program on track, with a 90 MUSD fixed cost reduction since launch. Further structural actions starting execution during 1Q25	Ongoing optimization progressing: – Hull ammonia plant mothballed – Montoir repurposing – Intention to transform Tertre ammonia – Divestment of Cameroon, Yara Marine, Ivory Coast, West Sacramento terminal, Liquid NPK Brazil	Upstream projects maturing towards FID in 1H 2026	Increased premium deliveries and strong premium generation	Improving urea pricing, strong nitrogen fundamentals with further tightening expected

Appendix

Knowledge grows

Driving sustainable performance with an integrated scorecard

People

Yara KPI	2021	2023	2024	2025 target
Strive towards zero accidents, TRI	1.0	1.1	0.9	<1.0
Engagement Index[1]	79%	77%	76%	Top quartile
Diversity and inclusion index[1]	77%	75%	75%	Top quartile
Female senior managers[2]	29%	32%	32%	40%

1) Measured annually
2) Status per end of the quarter

Planet

Yara KPI	2021	2023	2024	2025 target
GHG emissions, intensity, t CO2e/t N	3.0	3.0	2.8	2.7
GHG emissions, scope 1+2[1], CO2e	-4%	-16%	-13%	-30%
Digitized hectares[2], mHa	N/A	23	24	150
MSCI rating	A	AA	A	A

1) GHG absolute emissions scope 1+2 target is for 2030 with a 2019 baseline
2) Cropland with digital farming user activity within defined frequency parameters

Profit

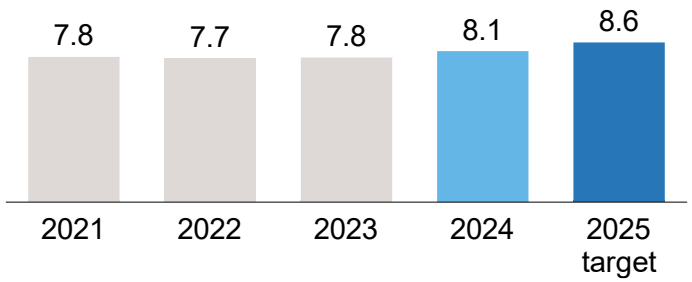
Yara KPI	2021	2023	2024	2025 target
Ammonia Production[1], mt	7.8	7.8	8.1	8.6
Finished Fertilliser Production[1], mt	21.3	21.1	21.2	22.5
Premium generated[2], MUSD	113	1,881	1,415	N/A
Operating capital days[3]	83	105	108	92
Capital return (ROIC[3])	7.9%	2.9 %	5.0%	>10%
Fixed costs[3], MUSD	2,303	2,513	2,443	~2,380

1) YIP performance
2) For reconciliation and definition of premium generated, see the APM section of the 4Q report on pages 26-34
3) Alternative performance measures are defined, explained, and reconciled to the financial statements in the APM section of the 4Q report on pages 26-34

Record production and safety performance

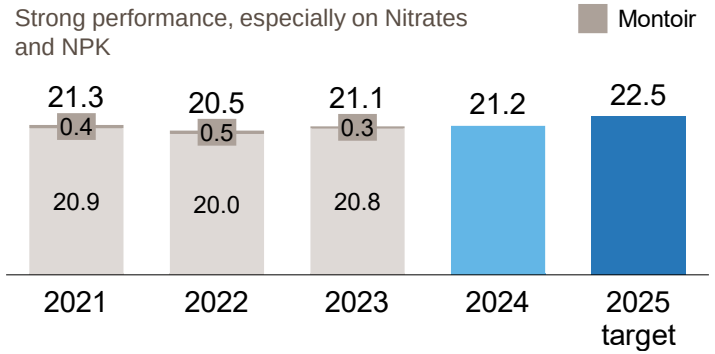
Ammonia production[1] (mt)

Improved performance and reliability across most plants



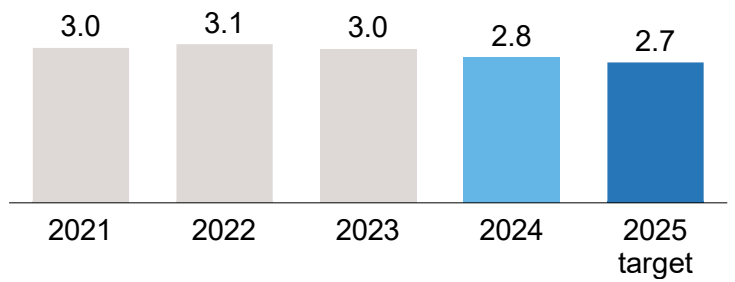
Finished product production[1] (mt)

Strong performance, especially on Nitrates and NPK



GHG emission intensity (t CO2e/tN)

Reduced GHG emission intensity following successful project implementation. On track to reach 2025 target.

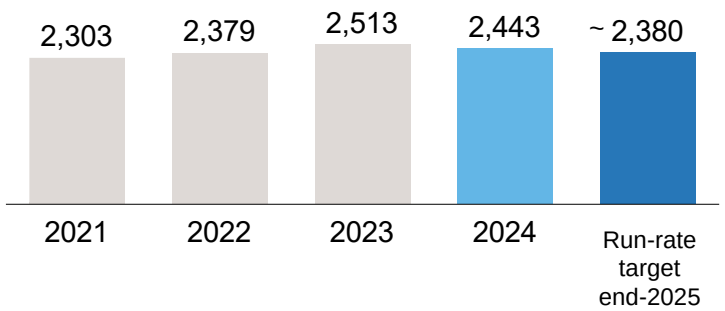


Fixed cost[2] and capex[3] guidance (MUSD)

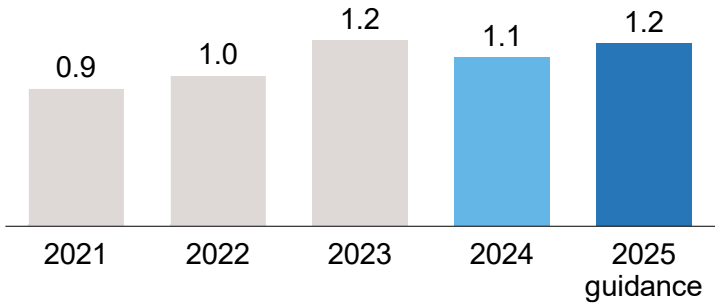
Strict resource prioritization towards high-return assets and value-accretive growth opportunities

Cost and capex reductions progressing according to plan

Fixed costs, MUSD

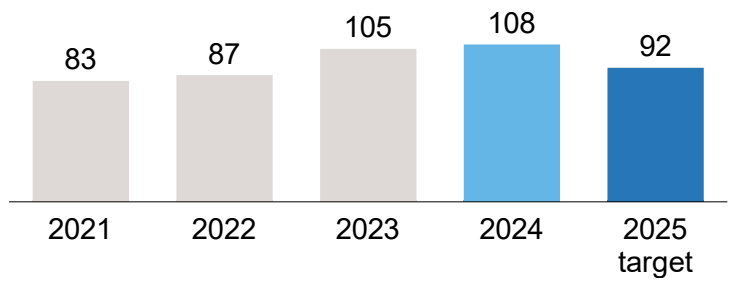


Capex, BUSD



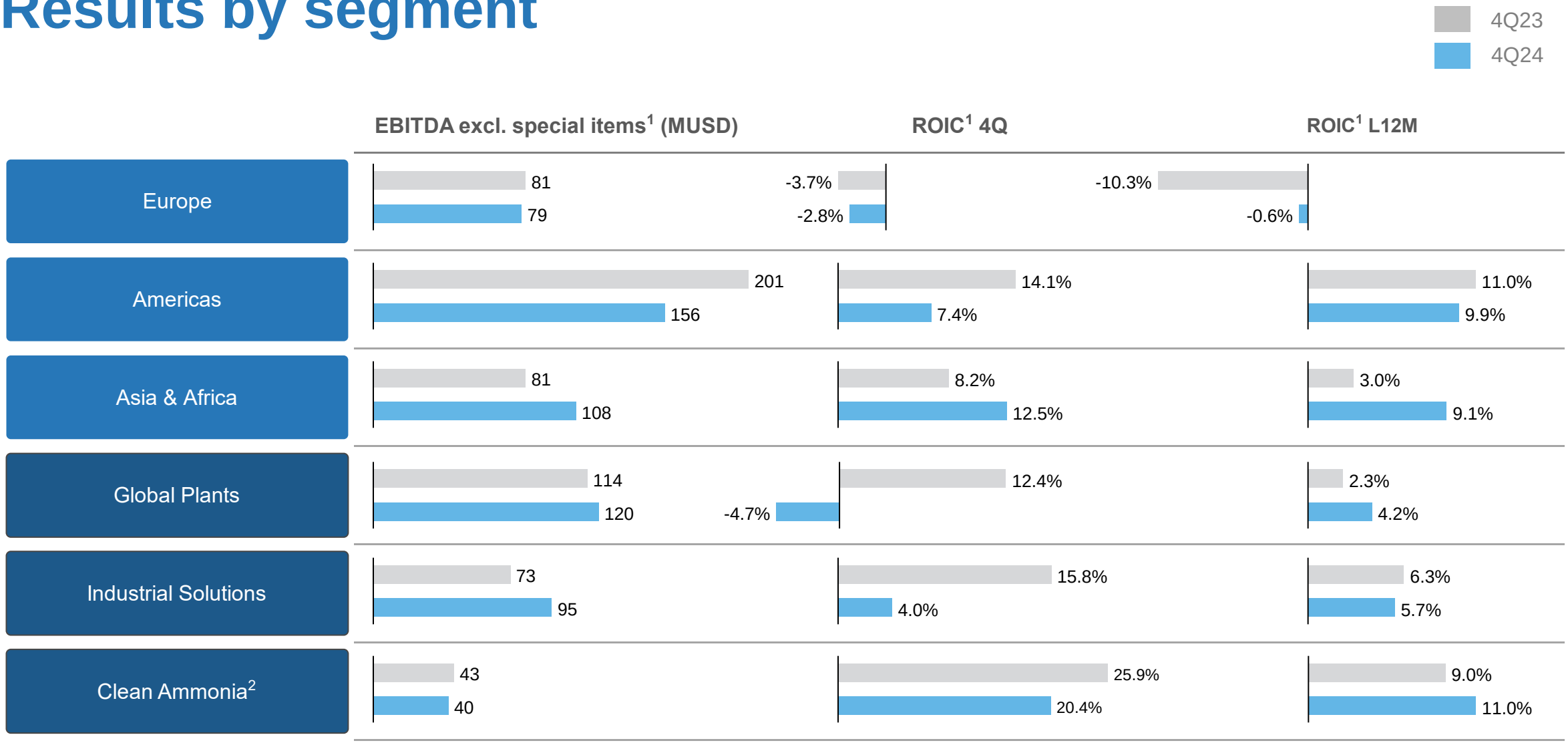
Operating capital[4] (Days)

Increase in operating capital days following higher inventory levels



1) Target and actual volumes adjusted for portfolio changes
2) For definition and reconciliation of Fixed cost, see APM section in the 4Q report, pages 26-34
3) Capex is defined as a cash outflow from investing activities as presented in the cash flow statement, pages 26-34 of the 4Q report
4) Operating capital excluding prepayments from customers. For definition and reconciliation of Operating capital days, see the APM section of the 4Q report, pages 26-34

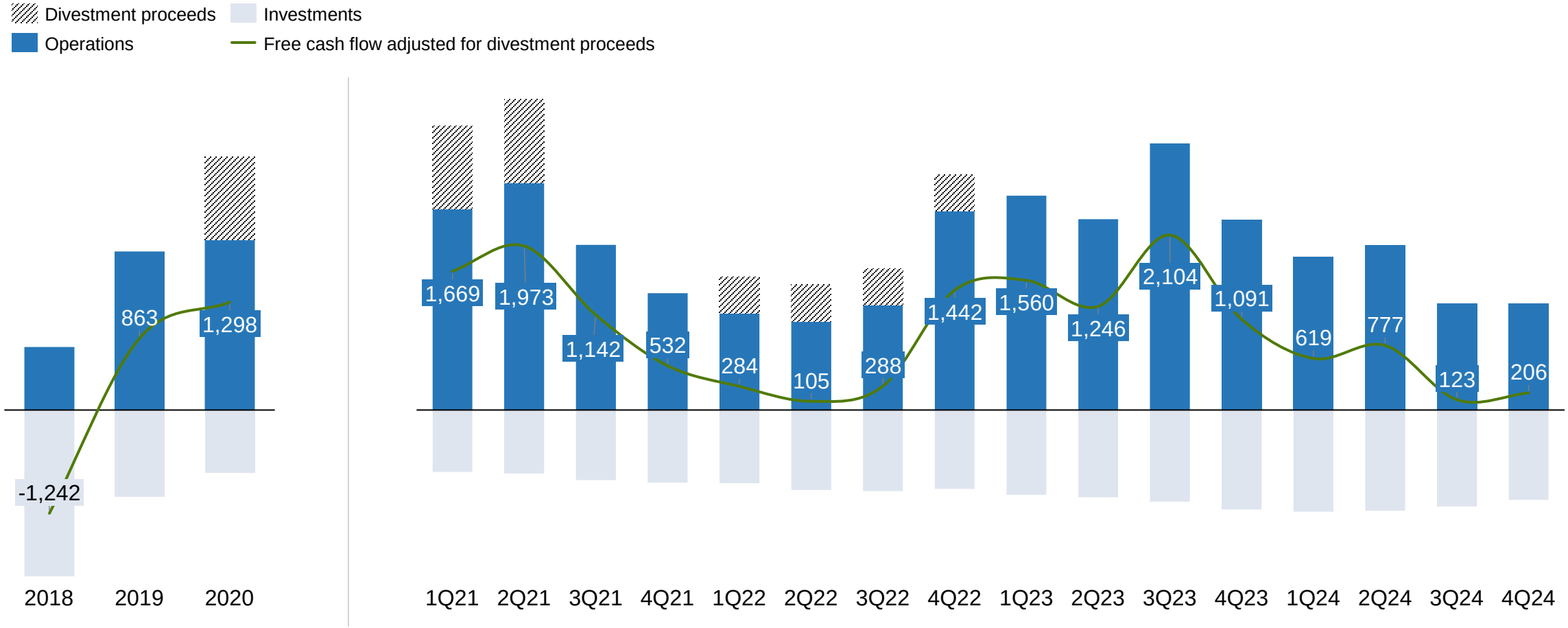
Results by segment



1) For definition and reconciliation, see the APM section in the 4Q report on pages 26-34
2) Clean Ammonia EBITDA and ROIC include ~3 MUSD in project costs related to US Blue ammonia projects in 4Q (~ 22 MUSD for the full year). Project cost include costs directly attributable to the projects including internal hours and external spend.

Free cash flow

Free cash flow before financing activities[1,2]

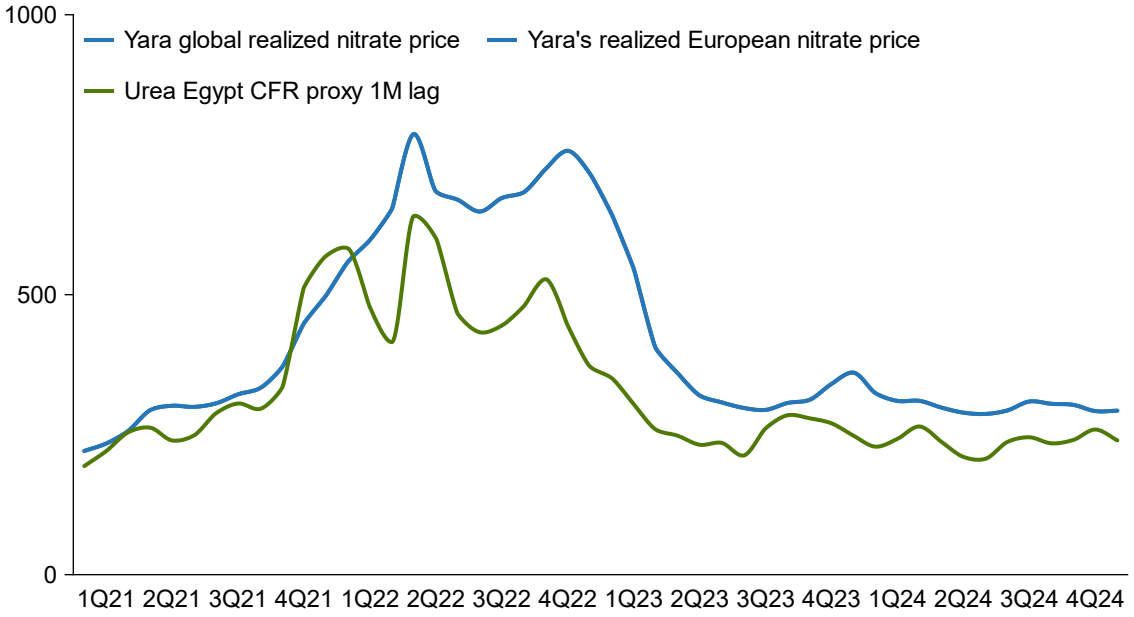


1) Net cash provided by operating activities minus net cash used in investment activities as presented in the cash flow statement, pages 26-34 in the 4Q report
2) L12M, MUSD

Nitrate and NPK premiums

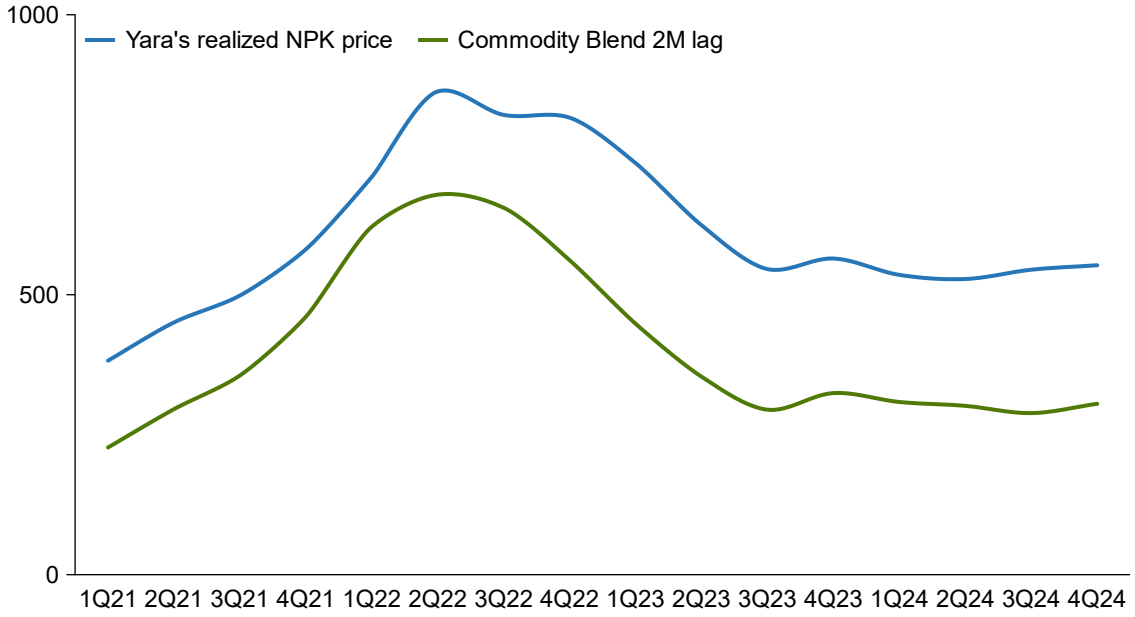
Nitrate premium above urea[1]

USD/t (CAN27 equivalents)



NPK premium above commodity blend[2]

USD/t (NPK average grade equivalents)

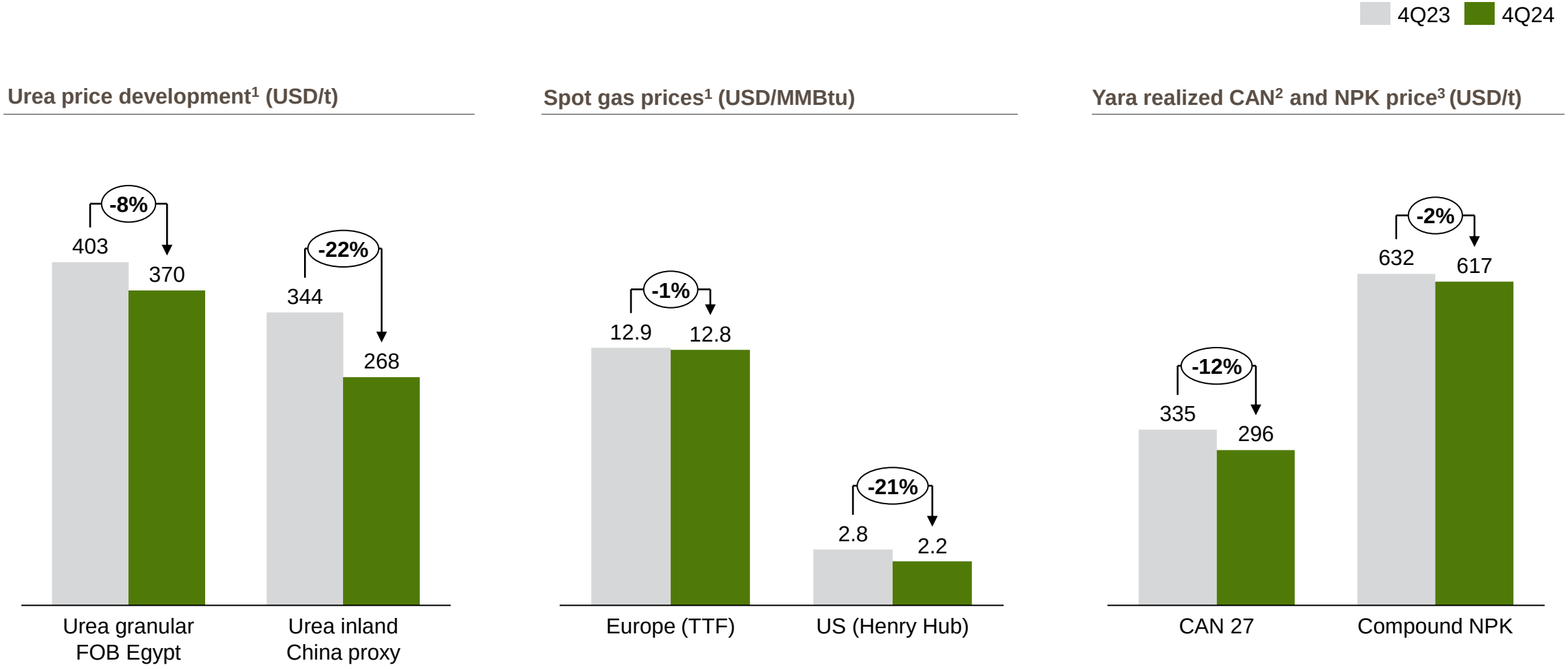


- Premiums and P&L margins correlate over a longer time horizon but can differ substantially shorter-term
- Position (exposure) effects due to the time lag from sourcing of raw materials to production and delivery will impact the actual margin

Source: Fertilizer Market publications

1) Yara's realized European nitrate price in CIF inland Germany terms. Urea Egypt CFR proxy (CIF inland Germany), with 1 month time lag.
2) Yara's realized average grade 18-11-13, excluding trading volumes. Commodity blend calculated from MOP, DAP and Urea with two months lag on market prices. Commodity blend do not include nitrate premium.

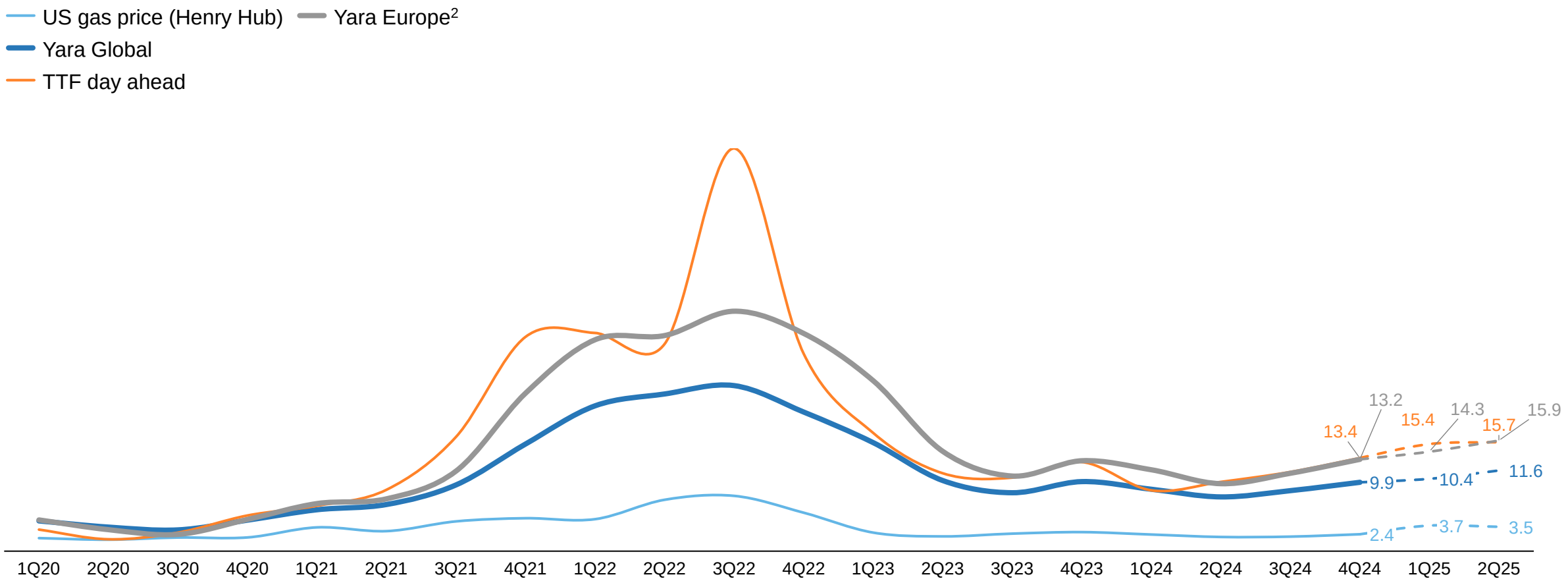
Key product price development



1) Source: BOABC, CFMW, Fertilizer publications, Argus. 1-month lag applied, as a proxy for realized prices (delivery assumed 1 month after order)
2) Yara's realized European nitrate price, CAN 27 CIF Germany equivalent ex. Sulfur costs (Middle East reference)
3) Yara's realized global compound NPK price (average grade)

Energy cost

Quarterly averages for 2020 – 4Q 2024 with forward prices[1] for 1Q 2025 and 2Q 2025



Source: Yara, Argus
1) Dotted lines denote forward prices as of 29 January 2025, market prices (HH and TTF) are not lagged
2) Yara Global restated from 2Q 2018 to include Cubatão gas cost, Babrala excluded, and updated Yara gas cost methodology from 1Q20

Details of energy cost actuals and estimate 1Q 2025 and 2Q 2025

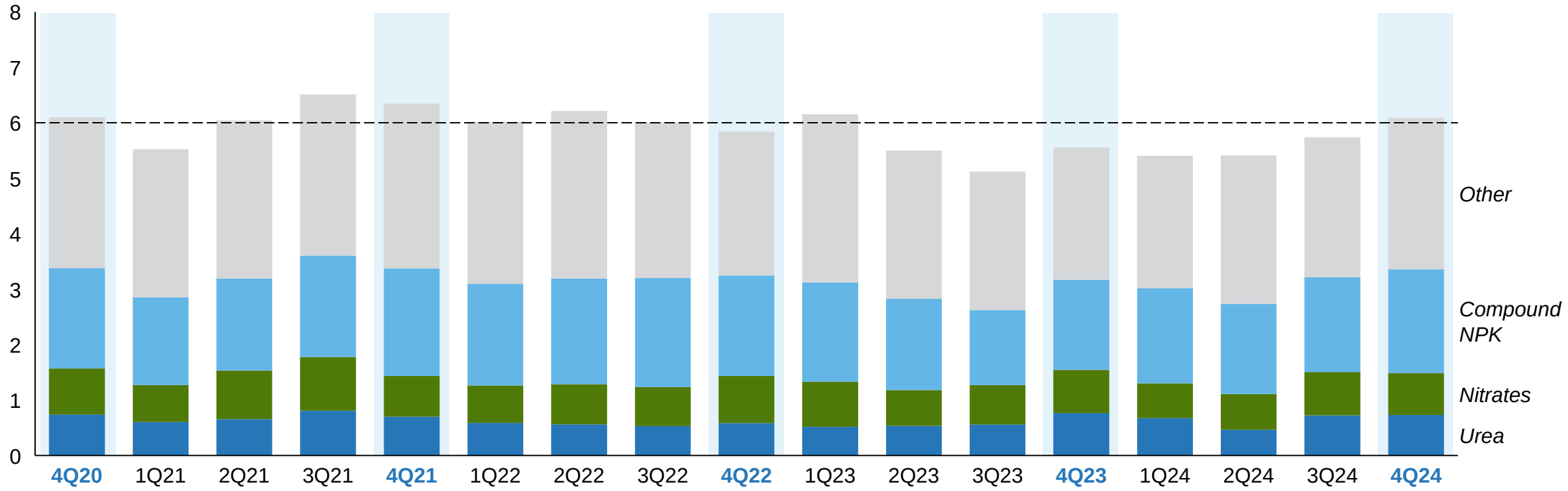
Europe		1Q24	2Q24	3Q24	4Q24	1Q25 estimations based on forward prices	2Q25 estimations based on forward prices
Average gas cost	*USD/MMbtu*	*11.7*	*9.7*	*11.2*	*13.2*	*14.3*	*15.9*
Gas consumption[1]	*Million MMBtu*	*29.3*	*34.2*	*35.3*	*31.5*	*29.3*	*34.2*
European gas cost	*USD millon*	*343*	*331*	*394*	*416*	*418*	*543*

Yara Global[2]		1Q24	2Q24	3Q24	4Q24	1Q25 estimations based on forward prices	2Q25 estimations based on forward prices
Average gas cost	*USD/MMbtu*	*8.9*	*7.8*	*8.7*	*9.9*	*10.4*	*11.6*
Gas consumption[1]	*Million MMBtu*	*54.4*	*58.9*	*59.8*	*56.3*	*54.4*	*58.9*
Global gas cost	*USD millon*	*486*	*459*	*522*	*558*	*565*	*683*

1) Gas consumption in 1Q 2025 & 2Q 2025 estimate based on actual consumption and production volumes in 1Q 2024 & 2Q 2024. Actual consumption could deviate from this due to curtailments or other factors
2) Excluding Babrala

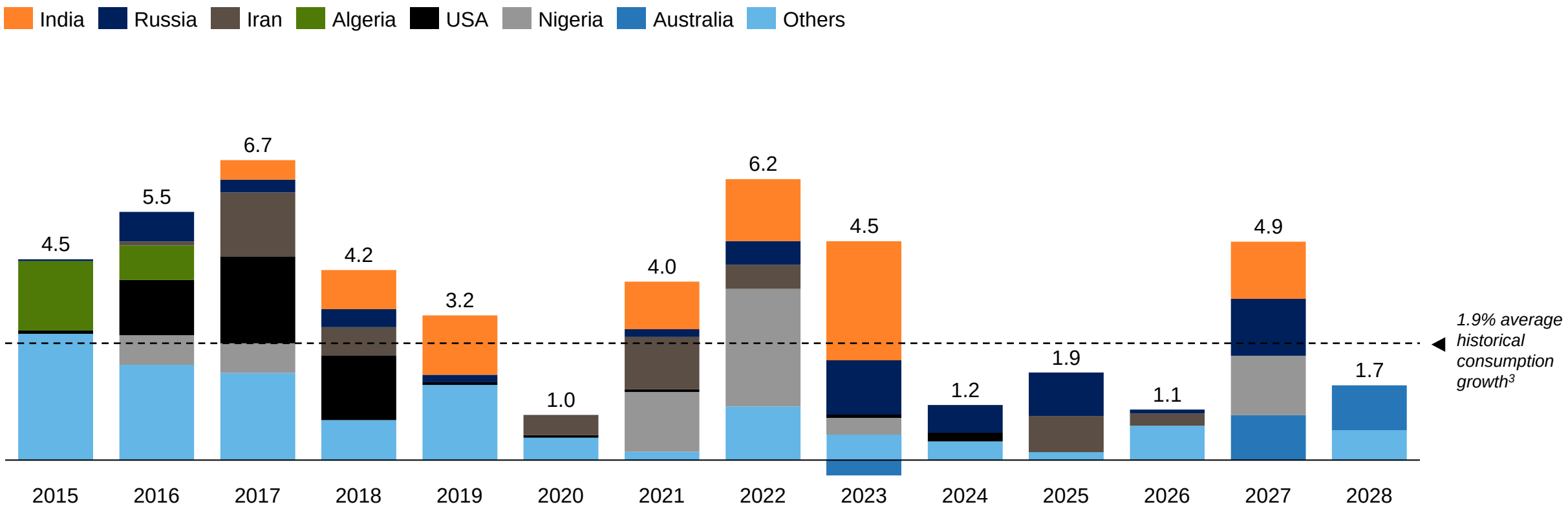
Yara inventories

Fertilizer - finished products inventory development in mt



Peak of urea capacity additions is behind us

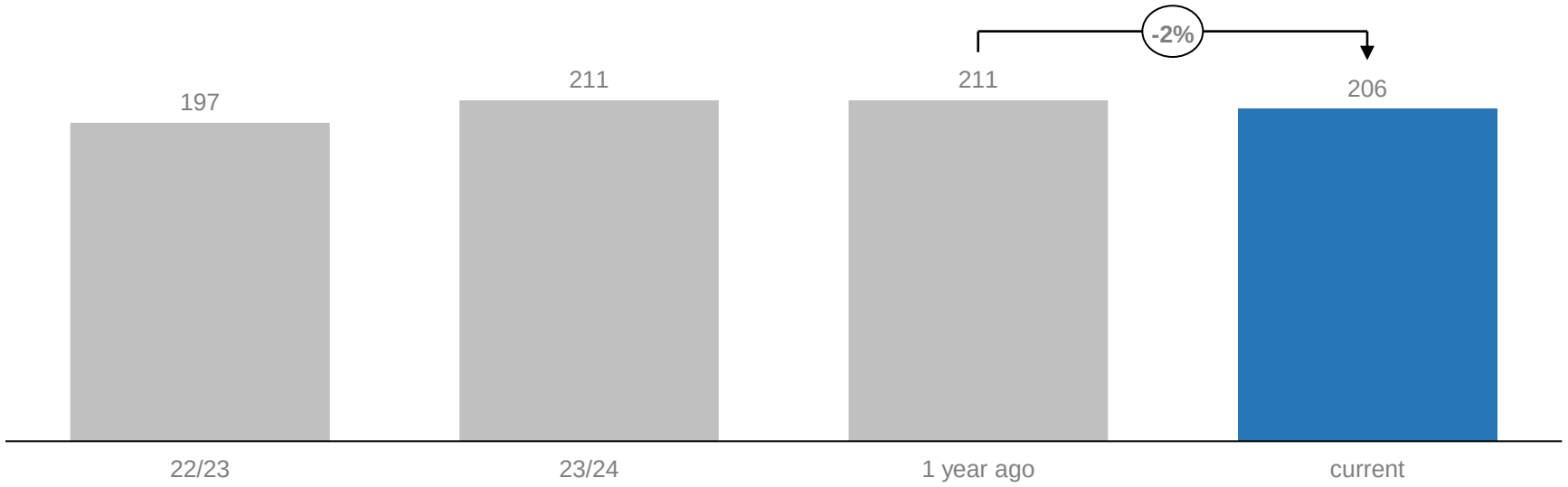
Global urea capacity additions ex. China [1,2] (mt)



1) Source: CRU December 2024
2) Future Urea projects assessed as “probable” or “firm” by CRU. Majority of these projects have yet to begin construction. Several projects under development scheduled for completion after 2026, including in Australia and Russia, with unclear timing
3) Growth calculated based on last 10 years up to 2023, equal to ~2.6 mt/year, from 2023 baseline (IFA) of 136.6 mt (global production + China trade). Trend growth rate held back by supply restrictions in 2021 and 2022

Farmer incentives: wheat example

Optimal nitrogen application[1,2]
kg/ha



	22/23	23/24	1 year ago[3]	current[3]
Wheat price[4] (USD/t)	309	242	238	240
CAN price[5] (USD/t)	561	315	302	350
Optimal nitrogen application (kg/ha)	197	211	211	206
Grain yield (t/ha)	9.50	9.57	9.58	9.55
Farmer revenue above nitrogen cost (USD/ha)	2,525	2,071	2,043	2,025

1) Fertilizer handbook page 68, https://www.yara.com/siteassets/investors/057-reports-and-presentations/other/2022/fertilizer-industry-handbook-2022.pdf/
2) Company research based on field trials with winter wheat
3) As of week 4, 2025
4) Source. Paris wheat futures, MATIF
5) Source: CAN CFR Inland Germany. Average of publication prices

Alternative performance measures

Alternative performance measures are defined, explained and reconciled to the Financial statements in the APM section of the 4Q report on pages 26-34


YARA
Knowledge grows