Fertiglobe

An ADNOC and OCI Company

Quarterly condensed consolidated interim financial statements

For the nine month period ended 30 September 2021

A vital catalyst for growth

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT

$ millions	Note	30 September 2021	31 December 2020
Assets			
Non-current assets			
Property, plant and equipment	(8)	2,981.6	3,172.0
Right-of-use assets		77.1	85.5
Goodwill	(9)	604.8	604.8
Trade and other receivables	(10)	0.3	0.3
Total non-current assets		**3,663.8**	**3,862.6**
Current assets			
Inventories		125.9	125.9
Trade and other receivables	(10)	486.4	273.9
Cash and cash equivalents	(11)	627.4	534.9
Total current assets		**1,239.7**	**934.7**
Total assets		**4,903.5**	**4,797.3**

The notes on pages 8 to 16 are an integral part of these quarterly condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION CONTINUED AS AT

$ millions	Note	30 September 2021	31 December 2020
Equity			
Share capital	(18) (20)	1,328.2	3,328.2
Reserves	(18)	(96.1)	(1,229.4)
Retained earnings	(18)	432.7	436.1
Equity attributable to owners of the Company		**1,664.8**	**2,534.9**
Non-controlling interest	(19)	532.2	527.5
Total equity		**2,197.0**	**3,062.4**
Liabilities			
Non-current liabilities			
Loans and borrowings	(13)	248.3	544.7
Lease obligations		75.4	80.9
Trade and other payables	(12)	17.3	15.9
Deferred tax liabilities		491.4	467.1
Total non-current liabilities		**832.4**	**1,108.6**
Current liabilities			
Loans and borrowings	(13)	322.9	125.8
Lease obligations		11.2	12.4
Trade and other payables	(12)	1,338.6	324.0
Provisions		136.8	155.4
Income tax payables	(14)	64.6	8.7
Total current liabilities		**1,874.1**	**626.3**
Total liabilities		**2,706.5**	**1,734.9**
Total equity and liabilities		**4,903.5**	**4,797.3**

The notes on pages 8 to 16 are an integral part of these quarterly condensed consolidated interim financial statements.

H. Badrawi (Board Member)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

$ millions	Note	Nine month period ended 30 September 2021	Nine month period ended 30 September 2020	Three month period ended 30 September 2021	Three month period ended 30 September 2020
Revenues	(17)	2,126.7	1,052.3	866.7	314.8
Cost of sales	(15)	(1,346.0)	(881.6)	(528.0)	(254.8)
Gross profit		**780.7**	**170.7**	**338.7**	**60.0**
Other income		-	-	-	1.5
Selling, general and administrative expenses	(15)	(72.4)	(66.1)	(27.4)	(24.8)
Other expenses		-	(0.6)	-	
Operating profit		**708.3**	**104.0**	**311.3**	**36.7**
Finance income	(16)	14.0	23.3	6.5	1.8
Finance cost	(16)	(34.9)	(32.3)	(11.0)	(16.8)
Net finance cost		**(20.9)**	**(9.0)**	**(4.5)**	**(15.0)**
Share of profit from equity-accounted investees (net of tax)		-	0.5	-	-
Profit before income tax		**687.4**	**95.5**	**306.8**	**21.7**
Income tax		(171.4)	(20.9)	(107.4)	(9.3)
Profit for the period		**516.0**	**74.6**	**199.4**	**12.4**
Other comprehensive income:					
Items that are or may be reclassified subsequently to profit or loss					
Foreign operations - foreign currency translation differences		(32.1)	(43.0)	(13.8)	0.5
Other comprehensive income, net of tax		**(32.1)**	**(43.0)**	**(13.8)**	**0.5**
Total comprehensive income		**483.9**	**31.6**	**185.6**	**12.9**
Profit attributable to:					
Owners of the Company		336.2	29.2	137.7	6.2
Non-controlling interest		179.8	45.4	61.7	6.2
Profit for the period		**516.0**	**74.6**	**199.4**	**12.4**
Total comprehensive income attributable to:					
Owners of the Company		319.5	7.3	130.4	6.5
Non-controlling interest		164.4	24.3	55.2	6.4
Total comprehensive income		**483.9**	**31.6**	**185.6**	**12.9**
Earnings per share (in USD)					
Basic earnings per share	(20)	0.040	0.004	0.017	0.001
Diluted earnings per share	(20)	0.040	0.004	0.017	0.001

The notes on pages 8 to 16 are an integral part of these quarterly condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER

$ millions	Note	Share capital	Reserves	Retained earnings	Equity attributable to owners of the Company	Non- controlling interest	Total equity
Balance at 1 January 2020		**3,328.2**	**(1,200.4)**	**491.5**	**2,619.3**	**365.9**	**2,985.2**
Profit for the period		-	-	29.2	29.2	45.4	74.6
Other comprehensive income		-	(21.9)	-	(21.9)	(21.1)	(43.0)
Total comprehensive income		**-**	**(21.9)**	**29.2**	**7.3**	**24.3**	**31.6**
Impact difference in profit sharing non-controlling interest		-	-	-	-	15.3	15.3
Dividends to shareholders		-	-	(89.7)	(89.7)	-	(89.7)
Balance at 30 September 2020		**3,328.2**	**(1,222.3)**	**431.0**	**2,536.9**	**405.5**	**2,942.4**
Balance at 1 January 2021		**3,328.2**	**(1,229.4)**	**436.1**	**2,534.9**	**527.5**	**3,062.4**
Profit for the period		-	-	336.2	336.2	179.8	516.0
Other comprehensive income		-	(16.7)	-	(16.7)	(15.4)	(32.1)
Total comprehensive income		**-**	**(16.7)**	**336.2**	**319.5**	**164.4**	**483.9**
Impact difference in profit sharing non-controlling interest		-	-	-	-	70.9	70.9
Share capital reduction	(18)	(2,000.0)	2,000.0	-	-	-	-
Dividends to non-controlling interest*		-	-	-	-	(181.8)	(181.8)
Non controlling interest acquisition	(19)	-	-	10.4	10.4	(48.8)	(38.4)
Dividends to shareholders	(18)	-	(850.0)	(350.0)	(1,200.0)	-	(1,200.0)
Balance at 30 September 2021		**1,328.2**	**(96.1)**	**432.7**	**1,664.8**	**532.2**	**2,197.0**

* Dividends to non controlling – Sorfert dividend: A dividend of DZD 24,246.6 million (USD 181.8 million based on a DZD exchange rate against the USD of 0.0075) was paid by Sorfert to Sonatrach on 13 August 2021, related to the financial years 2018-2020.

The notes on pages 8 to 16 are an integral part of these quarterly condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER

$ millions	Note	Nine month period ended 30 September 2021	Nine month period ended 30 September 2020
Profit for the period		**516.0**	74.6
Adjustments for:			
Depreciation and amortization		202.1	200.8
Interest income	(16)	(0.7)	(1.9)
Interest expense	(16)	31.9	22.5
Net foreign exchange gain and others	(16)	(10.3)	(11.6)
Share of profit of equity-accounted investees (net of tax)		-	(0.5)
Impact difference in profit-sharing non-controlling interest		70.9	15.3
Income tax expense		171.4	20.9
Changes in:			
Inventories		(2.8)	(52.8)
Trade and other receivables		(122.4)	97.9
Trade and other payables		4.6	29.6
Provisions		(18.2)	4.4
Cash flows:			
Interest paid		(27.3)	(50.9)
Interest received		0.7	1.1
Income taxes paid		(63.9)	(8.7)
Cash flows from operating activities		**752.0**	**340.7**
Investments in property, plant and equipment		(34.1)	(46.1)
Advances to shareholders	(10)	(93.6)	-
Dividends from equity accounted investees		-	0.6
Cash used in investing activities		**(127.7)**	**(45.5)**

The notes on pages 8 to 16 are an integral part of these quarterly condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS CONTINUED
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER

$ millions	Note	Nine month period ended 30 September 2021	Nine month period ended 30 September 2020
Proceeds from borrowings		9.7	34.6
Repayment of borrowings third parties	(13)	(97.4)	(162.3)
Acquisition of non controlling interest	(19)	(43.0)	-
Payment of lease liabilities		(6.5)	(5.3)
Lease obligations payment		(3.3)	(3.5)
Dividend to non controlling interest		(193.4)	-
Dividends paid to shareholders*	(18) (12)	(185.0)	(62.9)
Cash used in financing activities		**(518.9)**	(199.4)
Net cash flow		**105.4**	**95.8**
Net increase in cash and cash equivalents		105.4	95.8
Cash and cash equivalents at 1 January		534.9	424.6
Effect of exchange rate fluctuations on cash held		(12.9)	(27.0)
Cash and cash equivalents at 30 September		**627.4**	**493.4**

* Represent the paid portion of the approved dividends as per 30 September.

The notes on pages 8 to 16 are an integral part of these quarterly condensed consolidated interim financial statements.

NOTES TO THE QUARTERLY CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER

1. General

Fertiglobe plc ('Fertiglobe' or 'the Company') is a public company limited by shares pursuant to Abu Dhabi Global Markets (ADGM) Companies Regulations 2020. The Company was re-registered from a private limited company to a public limited company on 5 September 2021. The Company was previously established on 23 December 2018 as private company limited by shares under the name Fertiglobe Holding Limited.

The Company's registered office is located at 2475-2476, 20th floor, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, United Arab Emirates. The Company is registered in the ADGM commercial register under no. 000001911. The quarterly condensed consolidated interim financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as the 'Group').

The Group is consolidated by OCI ("ultimate Parent") that holds 58% of the shares and voting rights in the Company per 30 September 2021. After the listing of Fertiglobe on 27 October 2021, OCI. N.V ownership became 50% + one share of the total issued share capital, ADNOC 36.2% and the free float on the Abu Dhabi Securities Exchange ("ADX") is 13.8%.

The principal activity of the Group is the production and sale of nitrogen based products.

These quarterly condensed consolidated interim financial statements were approved and authorized for issuance on 7 November 2021 by the Board of Directors.

2. Basis of preparation and main events

2.1 General

The quarterly condensed consolidated interim financial statements for the period ended 30 September 2021 have been prepared in accordance with IAS 34 'Interim Financial Reporting' and do not include all the information and disclosures required in the annual financial statements. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2020. The quarterly condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2020 which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the requirements of the Abu Dhabi Global Market Companies Regulation of 2020.

The quarterly condensed consolidated interim financial statements as at and for the period ended 30 September 2021 are not audited and the quarterly condensed consolidated interim financial statements for the period ended 30 September 2020 were neither audited nor reviewed.

The Company's functional currency is the US Dollar ('USD'), attributed to that the functional currency of the Group's major foreign operations is the US Dollar ('USD'), the presentation currency of the Company is also the US dollar ('USD'). All values are rounded to the nearest tenth of a million (in millions of USD), except when stated otherwise.

2.2 Main events

Covid-19 impact

Based on the recent strong recovery of the market, we expect the pandemic will not impact the long term outlook of our business and the valuation of our assets. Global urea and ammonia prices have increased significantly in the first nine months of 2021.

Although the long-term effects of COVID-19 are still unclear, our current outlook is that our financial and operating performance remains solid. We have operated our business in a remote working environment and could continue to do so for an extended period of time, if necessary. Developments in each jurisdiction are being closely monitored and protocols are flexible to allow for rapid adjustments as needed. The resilience of our staff throughout the period gives all local management teams confidence to revert to a work-from-home policy again if needed, without interruptions to our operations and supply chain.

Fertiglobe IPO

On 27 October 2021, Fertiglobe plc was listed on the ADX under the ticker "FERTIGLB" and the International Securities Identification Numbering (Isin) code "AEF000901015".

The selling shareholders of the Company (OCI and ADNOC) sold 1.145 billion shares representing 13.8 % of the company's share capital. Immediately following the offering, total issued share capital of the Company is USD 1,328,211,028 consisting of 8,301,318,925 Shares of USD 0.16 each, of which 4,150,659,464 shares are owned by the OCI (representing 50% + one share of total issued share capital) and 3,005,077,450 shares are owned by ADNOC (representing 36.2% of total issued share capital).

3. Change in accounting policy

Except as described below, the accounting policies applied in these quarterly condensed consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2020.

The change in accounting policies will also be reflected in the Group's consolidated financial statements as at and for the year ending 31 December 2021.

The Group has initially adopted Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4, and IFRS 16 (the phase 2 amendments) from 1 January 2021.

The Group applied the Phase 2 amendments retrospectively. However, in accordance with the exceptions permitted in the Phase 2 amendments, including not providing additional disclosures for 2020. There is no impact on opening equity balances as a result of retrospective application.

NOTES TO THE QUARTERLY CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER (CONTINUED)

3. Change in accounting policy (continued)

Specific policies applicable from 1 January 2021 for interest rate benchmark reform

The phase 2 amendments provide practical relief from certain requirements in IFRS Standards. These reliefs relate to modifications of financial instruments and lease contracts triggered by a replacement of a benchmark interest rate in a contract with a new alternative benchmark rate.

If the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changes as a result of interest rate benchmark reform, then the Group updates the effective interest rate of the financial asset of finance liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- The change is necessary as a direct consequence of the reform; and
- The new basis for determining the contractual cash flows is economically equivalent to the previous basis (i.e. the basis immediately before the change).

If changes are made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, then the Group first updates the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. Subsequently, the Group applies the policies on accounting for modifications as set out above to the additional changes.

The amendments also provide an exception to use a revised discount rate that reflects the change in interest rate when remeasuring a lease liability because of a lease modification that is required by interest rate benchmark reform. There is no impact on opening equity balances as a result of retrospective application.

4. Seasonality of operations

Our product portfolio is diversified primarily by geography. The nitrogen fertilizer industry is inherently dependent on fundamental supply and demand drivers, including global population growth, crop yields, feedstock costs, and seasonality of crop planting and harvesting seasons. These and other long-term and short-term drivers result in cyclical nitrogen fertilizer pricing trends. The global sales mitigate the impact of any region's seasonal fluctuations.

5. Critical accounting judgment, estimates and assumptions

The preparation of the quarterly condensed consolidated interim financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that affect amounts reported in the quarterly condensed consolidated interim financial statements. The estimates and assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised or in the revision period and future periods, if the changed estimates affect both current and future periods.

Compared to the consolidated financial statements for the year ended 31 December 2020 there were no significant changes to the critical accounting judgements, estimates and assumptions that could result in significantly different amounts than those recognized in the consolidated financial statements, except for the Sorfert reinvestment case.

Sorfert tax exemption and reinvestment case

Due to communication received from the Algerian Tax Authorities late October 2021, Sorfert's management has reassesed its position related to the reinvestment case. Reference is made to note 14.

6. Other information

Significant rates

The following significant exchange rates applied during the period:

	Average as at 30 September 2021	Average as at 30 September 2020	Closing as at 30 September 2021	Closing as at 31 December 2020
Euro	1.1962	1.1246	1.1571	1.2225
Egyptian pound	0.0637	0.0631	0.0636	0.0635
Algerian dinar	0.0075	0.0080	0.0073	0.0076

Dividend policy

Fertiglobe is increasing its guidance for dividend payments from previously at least $200 million to at least $240 million for the second half of the year ended 31 December 2021 payable in April 2022. The final number will be determined in February 2022.

The final amount of the dividend for the financial year ended 31 December 2022 will depend on the trading environment. Based on the current market outlook, Fertiglobe expects to distribute a dividend of at least $400 million, with 50% of that dividend paid in October 2022 and 50% of that dividend paid in April 2023.

7. Financial risk and capital management

7.1 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Equity consists of ordinary shares, retained earnings, reserves and non-controlling interest of the Group. The Board of Directors monitors the return on equity as well as the level of dividends to ordinary shareholders. The Group is required by external financial institutions to maintain certain capital requirements compared to its debt.

NOTES TO THE QUARTERLY CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER (CONTINUED)

7. Financial risk and capital management (continued)

The Group's net debt to equity ratio at the reporting date was as follows:

$ millions	30 September 2021	31 December 2020
Loans and borrowings	571.2	670.5
Less: cash and cash equivalents	627.4	534.9
Net debt	**(56.2)**	**135.6**
Total equity	2,197.0	3,062.4
Net debt to equity ratio	**(0.03)**	**0.04**

7.2 Financial risk management

Categories of financial instruments:

Loans and receivables / payables at amortized cost in $ millions	30 September 2021	31 December 2020
Assets		
Trade and other receivables*	405.0	227.4
Cash and cash equivalents	627.4	534.9
Total	**1,032.4**	**762.3**
Liabilities		
Loans and borrowings	571.2	670.5
Trade and other payables**	1,342.2	327.5
Total	**1,913.4**	**998.0**

* Excluding prepayments and supplier advance payments

** Excluding employee benefits

The financial instruments have a gross contractual amount approximately equal to their fair value.

Interest rate benchmark reform:

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates (IBOR), with alternative nearly risk-free rates. The Group's main IBOR exposure at the reporting date is USD LIBOR on its loans. The alternative reference rate for LIBOR is the secured overnight financing rate (SOFR). The Group plans to finish the process of amending contractual terms in response to IBOR reform by the end of 2021.

8. Property, plant and equipment

$ millions	Land and buildings	Plant and equipment	Fixtures and fittings	Under construction	Total
Cost	298.7	5,427.9	43.2	46.5	5,816.3
Accumulated depreciation	(102.7)	(2,229.8)	(35.3)	-	(2,367.8)
At 1 January 2020	**196.0**	**3,198.1**	**7.9**	**46.5**	**3,448.5**
Movements in the carrying amount:					
Additions	5.1	24.0	1.9	35.5	66.5
Depreciation	(9.2)	(246.0)	(2.2)	-	(257.4)
Transfers	3.0	6.3	0.4	(9.7)	-
Effect of movement in exchange rates	(5.5)	(77.7)	(0.7)	(1.7)	(85.6)
At 31 December 2020	**189.4**	**2,904.7**	**7.3**	**70.6**	**3,172.0**
Cost	298.0	5,314.1	43.5	70.6	5,726.2
Accumulated depreciation	(108.6)	(2,409.4)	(36.2)	-	(2,554.2)
At 31 December 2020	**189.4**	**2,904.7**	**7.3**	**70.6**	**3,172.0**
Movements in the carrying amount:					
Additions	-	15.2	0.5	17.1	32.8
Depreciation	(6.7)	(185.5)	(1.5)	-	(193.7)
Transfers	-	1.9	-	(1.9)	-
Effect of movement in exchange rates	(2.0)	(26.5)	(0.1)	(0.9)	(29.5)
At 30 September 2021	**180.7**	**2,709.8**	**6.2**	**84.9**	**2,981.6**
Cost	294.6	5,276.2	43.5	84.9	5,699.2
Accumulated depreciation	(113.9)	(2,566.4)	(37.3)	-	(2,717.6)
At 30 September 2021	**180.7**	**2,709.8**	**6.2**	**84.9**	**2,981.6**

As at 30 September 2021, the Group has land with a carrying amount of USD 22.2 million (2020: USD 22.2 million).

In April 2021, during regular maintenance, a ship loader in Ruwais collapsed. The preliminary inspection report showed that the main components of the loader were severely impacted which put the ship loader in a halt position. An expense within cost of sales was recorded for the full net book value of the ship loader of USD 9.2 million. Management is currently investigating the recoverable amount of the asset including any potential insurance proceeds. The Company expects that the final exposure will be recorded in the fourth quarter.

NOTES TO THE QUARTERLY CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER (CONTINUED)

8. Property, plant and equipment (continued)

The additions of USD 32.8 million mainly relate to Sorfert (USD 7.8 million), Fertil (USD 8.9 million), EBIC (USD 3.2 million) and EFC (USD 11.9 million). The effect of movement in exchange rates in 2020 mainly relates to Sorfert, which has a different functional currency (Algerian dinar) than the Group's presentation currency. The Algerian dinar has depreciated by 3.9 % against the US dollar per September 2021 compared to 31 December 2020.

9. Goodwill

No impairment test was performed for goodwill in the period, as no impairment triggers were identified. The annual goodwill impairment test will be performed in the fourth quarter.

10. Trade and other receivables

$ millions	30 September 2021	31 December 2020
Trade receivables net	189.2	93.7
Trade receivables (net) from related parties (note 21)	0.3	9.1
Prepayments	50.8	25.1
Other tax receivables	99.7	92.1
Supplier advance payments	30.9	21.7
Other receivables - related parties* (note 21)	93.6	-
Other receivables net	22.2	32.5
Total	**486.7**	**274.2**
Non-current	0.3	0.3
Current	486.4	273.9
Total	**486.7**	**274.2**

* On 25 August 2021, the Company paid an advance dividend of USD 93.6 million to OCI and ADNOC in relation to the Sorfert dividend. This amount was ratified during the board meeting of 12 October 2021 and expected to be approved by Shareholders in November 2021.

11. Cash and cash equivalents

$ millions	30 September 2021	31 December 2020
Cash on hand	0.1	0.2
Bank balances	613.7	528.3
Restricted cash	13.6	6.4
Total	**627.4**	**534.9**

12. Trade and other payables

$ millions	30 September 2021	31 December 2020
Trade payables	44.4	99.6
Trade payables due to related parties (Note 21)	21.1	18.8
Other payables to related parties* (Note 21)	1,047.1	12.2
Amounts payable under the securitization program	37.7	9.8
Dividends payable to non controlling interests	4.1	12.3
Accrued expenses	159.4	160.1
Accrued interest	-	0.9
Employee benefits	13.7	12.4
Other payables	23.8	13.3
Deferred income	4.5	-
Other tax payable	0.1	0.5
Total	**1,355.9**	**339.9**

$ millions	30 September 2021	31 December 2020
Non-current	17.3	15.9
Current	1,338.6	324.0
Total	**1,355.9**	**339.9**

* The other payables include payable dividends of USD 426.3 million to ADNOC Fertilizers – Sole Proprietorship L.L.C. and USD 588.7 million to OCI Fertilizers BV, which was paid in full on 4 October 2021.

The carrying amount of 'Trade and other payables' approximates its fair value.

NOTES TO THE QUARTERLY CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER (CONTINUED)

13. Loans and borrowings

$ millions	30 September 2021	31 December 2020
At 1 January	**670.5**	**882.2**
Proceeds from loans	9.7	339.5
Redemptions of loans	(97.4)	(504.0)
Amortization of transaction costs / (bond) premiums	2.2	5.0
Incurred transaction costs	-	(5.3)
Effect of movement in exchange rates	(13.8)	(46.9)
At 30 September / 31 December	**571.2**	**670.5**
Non-current	248.3	544.7
Current	322.9	125.8
Total	**571.2**	**670.5**

The effect of movement in exchange rate mainly relates to DZD denominated loans, which are different from the Group's presentation currency.

The carrying amount of loans and borrowings approximates its fair value.

Fertiglobe completed new refinancing

On 16 August 2021, Fertiglobe obtained USD 1.4 billion unsecured financing as follows:

- USD 900 million bridge to bond facility loan for 18 months tenor, which is extendable for 6 months, then for an additional 6 months total combined tenor of 30 months, inclusive of extensions, with Interest rate of LIBOR +105 bps for the first 12 months increasing by 25 bps every 3 months thereafter. An accordion facility of USD 200 million was additionally built into the bridge to bond facility.
- USD 300 million Revolving Credit Facility maturing in 2026 at an interest rate of LIBOR +175bps

facility.

- The drawdown of the USD 900 million bridge loan and USD 200 million accordion is scheduled for 4 October 2021. Total transaction costs amounted to USD 10.0 million.

Fertiglobe will use USD 250 million of the bridge loan to repay the existing debt and use the remaining USD 850 million to pay a special dividend to its two shareholders.

The Company has given notice of prepayment to its creditors for borrowing amounting to USD 249.8 million and as result USD 206.7 million amount was reclassed from non-current liabilities and presented as part of current liabilities.

Covenants

In the event the Group would not comply with the covenant requirements, the loans would become immediately due. As per 30 September 2021 all financial covenants were met.

The external borrowings include change in control clauses that enable the lenders to call the financing provided.

14. Income tax payables

$ millions	30 September 2021	31 December 2020
Income tax payables - Current	64.6	8.7
Total	**64.6**	**8.7**

Sorfert tax exemption and reinvestment case

On 29 December 2020 the Large Multinationals Directorate of the Algerian Tax Authorities ("DGE") issued a letter to Sorfert in which its initial claim of DZD 7,296 million (USD 53.3 million) was maintained relating to the alleged non-compliance with the reinvestment obligations under a tax exemption as granted in 2014 by the Agency Nationale de Developpement de l'Investissement ("ANDI"). The DGE is of the opinion that Sorfert did not timely carry out the reinvestment obligations as required under ANDI exemption. As a result, the DGE required Sorfert to repay the full assumed tax benefit it enjoyed in relation herewith. On 1 February 2021, Sorfert appealed to this decision and as part of the appeal process made an initial payment of DZD 2,189 million (USD 16 million, which was recorded as income tax receivable).

On 31 October 2021, the appeal of Sorfert to the initial claim was rejected by the Internal Appeals Committee of the DGE (and the outstanding exposure of USD 37 million was increased with a 25% penalty). Although Sorfert is of the opinion that it has complied with its reinvestment obligations, the DGE applied a different interpretation of the reinvestment law. Since there is no detailed guidance on the interpretation, the ability to firmly assess the technical merits of this case is limited. Due to this lack of detailed guidance and negative outcome of the first appeal, management is currently of the opinion that when weighing all the current facts and circumstances and application of interpretive guidance of IFRIC 23, it has become probable that Sorfert will be required to settle the remainder of the disputed tax amount. As a result, the Company recorded an additional income tax payable of USD 45 million related to this case, further the tax receivable of USD 16 million has been impaired, resulting in a total income tax expense impact of USD 61 million.

Supported by its external advisors, Sorfert management will pursue the next instance of appeal as it continues to have the view that the grounds of the claim will be ruled as unfounded, as Sorfert has satisfied the intent and purpose of the reinvestment obligations under the ANDI regime.

NOTES TO THE QUARTERLY CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER (CONTINUED)

15. Development of cost of sales and selling, general and administrative expenses

Expenses by nature

$ millions	Nine month 30 September 2021	Nine month 30 September 2020	Three month 30 September 2021	Three month 30 September 2020
Raw materials and consumables and finished goods	868.6	437.5	361.5	103.7
Raw materials and consumables and finished goods - related party (Note 21)	157.7	137.5	63.2	48.7
Maintenance and repair	18.5	11.8	4.8	4.3
Employee benefit expenses	144.8	137.4	49.1	47.5
Depreciation and amortization	202.1	200.8	65.8	67.1
Consultancy expenses	6.1	4.5	2.9	1.1
Other	20.6	18.2	8.1	7.2
Total	**1,418.4**	**947.7**	**555.4**	**279.6**
Cost of sales	1,346.0	881.6	528.0	254.8
Selling, general and administrative expenses	72.4	66.1	27.4	24.8
Total	**1,418.4**	**947.7**	**555.4**	**279.6**

16. Net finance cost

$ millions	Nine month 30 September 2021	Nine month 30 September 2020	Three month 30 September 2021	Three month 30 September 2020
Interest income on loans and receivables	0.7	1.4	0.2	0.6
Interest income related parties (Note 21)	-	0.5	-	-
Foreign exchange gain	13.3	21.4	6.3	1.2
Finance income	**14.0**	**23.3**	**6.5**	**1.8**
Interest expense and other financing costs on financial liabilities measured at amortized cost	(29.3)	(19.7)	(9.6)	(12.9)
Interest expense related parties (Note 21)	(2.6)	(2.8)	(0.9)	(0.9)
Foreign exchange loss	(3.0)	(9.8)	(0.5)	(3.0)
Finance cost	**(34.9)**	**(32.3)**	**(11.0)**	**(16.8)**
Net finance cost recognized in profit or loss	**(20.9)**	**(9.0)**	**(4.5)**	**(15.0)**

17. Segment reporting

30 September 2021 $ millions	Production and marketing of own produced volumes	Third party trading	Other	Eliminations	Total
Total external revenues	**1,760.7**	**366.0**	**-**	**-**	**2,126.7**
Adjusted EBITDA**	909.3	7.1	(13.5)	-	902.9
Depreciation and amortization	(201.6)	-	(0.5)	-	(202.1)
Finance income	25.8	-	3.0	(14.8)	14.0
Finance cost	(29.2)	(1.3)	(19.2)	14.8	(34.9)
Income tax	(157.9)	(0.1)	(13.4)	-	(171.4)
Profit /(loss) for the period	**551.1**	**5.6**	**(40.7)**	**-**	**516.0**
Capital expenditures	31.9	-	0.9	-	32.8
Total assets	**4,605.5**	**41.2**	**256.8**	**-**	**4,903.5**

30 September 2020 $ millions	Production and marketing of own produced volumes	Third party trading	Other	Eliminations	Total
Total external revenues	**954.5**	**97.8**	**-**	**-**	**1,052.3**
Adjusted EBITDA**	319.3	(0.8)	(10.1)	-	308.4
Share of profit from equity-accounted investees (net of tax)	-	-	0.5	-	0.5
Depreciation and amortization	(200.8)	-	-	-	(200.8)
Finance income	48.5	0.1	2.2	(27.5)	23.3
Finance cost	(23.5)	(0.5)	(35.8)	27.5	(32.3)
Income tax	(16.9)	(0.1)	(3.9)	-	(20.9)
Profit /(loss) for the period	**123.2**	**(1.2)**	**(47.4)**	**-**	**74.6**
Capital expenditures*	66.4	-	0.1	-	66.5
Total assets*	**4,697.4**	**15.0**	**84.9**	**-**	**4,797.3**

* As at 31 December 2020

NOTES TO THE QUARTERLY CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER (CONTINUED)

17. Segment reporting (continued)

** Fertiglobe uses Alternative Performance Measures ('APM') to provide a better understanding of the underlying developments of the performance of the business. The APMs are not defined in IFRS and should be used as supplementary information in conjunction with the most directly comparable IFRS measures. Adjusted EBITDA is defined as EBITDA (total net profit before interest, income tax expenses, depreciation and amortization, foreign exchange gains and losses and income from equity accounted investees), adjusted for additional items and costs that management considers not reflective of our core operations.

18. Reserves and retained earnings

$ millions	Other reserves	Currency translation reserve	Total reserves	Retained earnings
At 1 January 2020	(705.5)	(494.9)	(1,200.4)	491.5
Profit for the period	-	-	-	74.3
Dividends to shareholders	-	-	-	(129.7)
Currency translation differences	-	(29.0)	(29.0)	-
At 31 December 2020	**(705.5)**	**(523.9)**	**(1,229.4)**	**436.1**
Share capital reduction	2,000.0	-	2,000.0	-
Profit for the period	-	-	-	336.2
Dividends to shareholders	(850.0)	-	(850.0)	(350.0)
Aquisition of non controlling shares	-	-	-	10.4
Currency translation differences	-	(16.7)	(16.7)	-
At 30 September 2021	**444.5**	**(540.6)**	(96.1)	432.7

Reduction of share capital
On 28 June 2021, the Company's Shareholders approved, through a special resolution, the reduction of the share capital from USD 3,328,211,028 to USD 1,328,211,028 by cancelling and extinguishing 2,000,000,000 ordinary shares in proportion to the number of shares held by each shareholder. Furthermore the Shareholders approved crediting the capital reduction to other distributable reserve as proposed on 28 June 2021 by the Company's Board of Directors. The par value per share remained 1 USD per share subsequent to the capital reduction.

Subdivision of ordinary shares
On 16 September 2021, the Company's Shareholders approved, through a special resolution, the subdivision of 1,328,211,028 ordinary shares with par value of USD 1.00 each in the share capital of the Company into 8,301,318,925 ordinary shares with a par value of USD 0.16 each.

Dividends to shareholders
On 31 March 2021, the Board of Directors approved the declaration of interim dividends to shareholders of USD 55 million, which have been paid in full, and on 28 June 2021 the declaration of USD 130 million, which have been paid in full. Both declarations have been approved by the Shareholders on 28 June 2021. An advance dividend of USD 93.6 million was paid on 25 August to OCI and ADNOC. On 12 September 2021, the Shareholders approved interim dividends of USD 165 million, which was paid out on 4 October 2021.

Special dividend
The Shareholders approved on 12 September 2021 the payment of a special dividend amounting to USD 850 million. This dividend was paid out to the Company's Shareholders on 4 October 2021.

19. Non-controlling interest

Acquisition of additional 15% Stake in EBIC
In August 2021, Fertiglobe agreed with a KBR-led consortium (NYSE: KBR), which includes Mitsubishi, JGC and Itochu, to buy their combined 15% stake in Egypt Basic Industries Corporation ("EBIC") for a total consideration of USD 43 million. This brings the Group stake in EBIC to 75%, further streamlining the Group's ownership structure. The consideration transferred of USD 43.0 million includes a KBR's claim related to unpaid dividends amounting to USD 4.6 million, hence the net consideration for the acquisition of NCI shares' in EBIC amount to USD 38.4 million.

The following table summarises the effect of the transaction on the Company's equity attributable to shareholders:

$ millions	30 September 2021
Carrying amount of NCI aquired	48.8
Consideration paid to NCI in cash	(38.4)
Effect on equity attributable to shareholders	**10.4**

NOTES TO THE QUARTERLY CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER (CONTINUED)

20. Earnings per share (Continued)

$ millions	Nine month 30 September 2021	Nine month 30 September 2020	Three month 30 September 2021	Three month 30 September 2020
i.Basic				
Net profit attributable to shareholders	336.2	29.2	137.7	6.2
Weighted average number of ordinary share (Basic)*	8,301.3	8,301.3	8,301.3	8,301.3
Basic earnings per ordinary share in USD	**0.040**	**0.004**	**0.017**	**0.001**
ii.Diluted				
Net profit attributable to shareholders	336.2	29.2	137.7	6.2
Weighted average number of ordinary shares (Basic)*	8,301.3	8,301.3	8,301.3	8,301.3
Diluted earnings per ordinary share in USD	**0.040**	**0.004**	**0.017**	**0.001**

* Given that the capital reduction, at the date of the transaction, adjusted the number of shares without a corresponding change in resources, such reduction in number of shares has been treated retrospectively, hence the weighted average number of share was adjusted effective from the beginning of 2020.

Weighted average number of ordinary shares calculation:

$ millions	30 September 2021	31 December 2020*
Issued ordinary shares at 1st January	8,301.3	3,328.2
Reduction of share capital (Note 18)	-	(2,000.0)
Subdivision of shares*	-	6,973.1
Ordinary shares outstanding	**8,301.3**	**8,301.3**

There are no potential dilutive shares.

*See note 18 - Subdivision of ordinary shares

21. Related party transactions

The following is a list of significant related party transactions and outstanding amounts as at 30 September 2021:

Related party $ millions	Relation	Revenue transactions during the period	Receivables outstanding at year end	Payables outstanding at year end	Net recharges	Interest income	Interest expense
OCI Fertilizer BV*	OCI Group	-	54.3	611.2		-	-
N-7 LLC	OCI Group	-	-	-	(13.5)	-	-
OCI Nitrogen	OCI Group	54.2	-	0.6		-	-
ADNOC	ADNOC	13.0	-	23.5	(113.3)	-	(2.6)
ADNOC Fertilizers – Sole Proprietorship L.L.C.*	ADNOC	-	39.3	426.3		-	-
ADNOC Refining	ADNOC	-	-	4.4	(29.5)	-	-
Other subsidiaries**		1.0	0.3	2.2	(1.4)	-	-
Total		**68.2**	**93.9**	**1,068.2**	**(157.7)**	**-**	**(2.6)**

* USD 54.3 million and USD 39.3 million represents the advance of dividend paid in 25 August to OCI and ADNOC.

** The list of other ADNOC and OCI group subsidiaries is disclosed in 2020 consolidated financial statements.

NOTES TO THE QUARTERLY CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER (CONTINUED)

21. Related party transactions (continued)

The following is a list of significant related party transactions and outstanding amounts as at 31 December 2020 for balance sheet positions and as at 30 September 2020 for profit or loss positions:

Related party $ millions	Relation	Revenue transactions during the period**	Receivables outstanding at year end***	Payables outstanding at year end***	Net recharges**	Interest income**	Interest expense**
OCI Nitrogen	OCI Group	29.8	7.8	0.8	0.5	-	-
N-7 LLC	OCI Group	12.2	-	-	-	-	-
ADNOC	ADNOC	-	-	24.2	(107.4)	-	(2.8)
ADNOC refining	ADNOC	-	-	4.3	(27.3)	-	-
other subsidiaries*		1.6	1.3	1.7	(3.3)	0.5	-
Total		**43.6**	**9.1**	**31.0**	**(137.5)**	**0.5**	**(2.8)**

* The list of other ADNOC and OCI group subsidiaries is disclosed in 2020 consolidated financial statements

** For the nine month period ended 30 September 2020

*** As at 31 December 2020

The Group leases land, office space and employee accommodation from Abu Dhabi National Oil Company (‘ADNOC’). The corresponding lease obligation amounts to USD 73.7 million as at 30 September 2021 (USD 79.6 million as at 31 December 2020).

22. Contingencies

There have been no significant changes in contingencies compared to the situation as described in the consolidated financial statements for the year ended 31 December 2020, excluding the EBIC free zone status case.

EBIC free zone status

On 20 April 2013, the Administrative Court ruled in favor of EBIC for the reinstatement of EBIC to its previous status as a free zone entity in Egypt. The General Authority for Investment and Free Zones (‘GAFI’) filed an appeal before the Administrative Court. In May 2021, the Administrative Court rendered its final ruling in favor of EBIC.

23. Subsequent events

ADX listing

On 27 October 2021, Fertiglobe plc was listed on the ADX under the ticker “FERTIGLB” and the International Securities Identification Numbering (Isin) code “AEF000901015”.

The selling shareholders of the Company (OCI and ADNOC) sold 1.145 billion shares representing 13.8 % of the company’s share capital. Immediately following the offering, total issued share capital of the Company is USD 1,328,211,028 consisting of 8,301,318,925 Shares of USD 0.16 each, of which 4,150,659,464 shares are owned by the OCI (representing 50% + one share of total issued share capital) and 3,005,077,450 shares are owned by ADNOC (representing 36.2% of total issued share capital).

Dividends

On 4 October 2021, the shareholders of the Company approved interim dividends for a total amount of USD 315 million (an additional USD 150 million compared to the USD 165 million that were already approved on 12 September 2021, the dividend was paid on 11 October 2021 to the shareholders).

Refinancing

On 4 October 2021, the bridge to bond facility was drawn down in full and USD 160 million was drawn down from the Revolving Credit Facility. The proceeds were used to repay the current EFC and Fertiglobe outstanding loans and to fund a special dividend of USD 850 million to Fertiglobe shareholders, which was paid out on 5 October 2021.

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Independent Auditors' Report on Review of Quarterly Condensed Consolidated Interim Financial Statements

To the Shareholders of Fertiglobe plc

Introduction

We have reviewed the accompanying 30 September 2021 quarterly condensed consolidated interim financial statements of Fertiglobe plc ("the Company") and its subsidiaries ("the Group"), which comprises:

- the condensed consolidated statement of financial position as at 30 September 2021;
- the condensed consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2021;
- the condensed consolidated statement of changes in equity for the nine-month period ended 30 September 2021;
- the condensed consolidated statement of cash flows for the nine-month period ended 30 September 2021; and
- notes to the quarterly condensed consolidated interim financial statements.

Management is responsible for the preparation and presentation of these quarterly condensed consolidated interim financial statements in accordance with IAS 34, *'Interim Financial Reporting'*. Our responsibility is to express a conclusion on these quarterly condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. A review of quarterly condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2021 quarterly condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with IAS 34, *'Interim Financial Reporting'*.

Other matter – comparative information

The condensed consolidated statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2020, the condensed consolidated statements of changes in equity and cash flows for the nine-month period then ended and the notes for the three-month and nine-month periods ended 30 September 2020 were neither reviewed nor audited.

KPMG Lower Gulf Limited

Richard Ackland
Registration Audit No.:1015
Abu Dhabi, United Arab Emirates
Date: 08 November 2021