Fertiglobe
An ADNOC Company

Fertiglobe Reports Q3 2024 Results

Highlights:

- Fertiglobe reported Q3 2024 revenues of $496 million (-6% Y-o-Y), adjusted EBITDA of $176 million (-12% Y-o-Y) and adjusted net profit attributable to shareholders of $31 million (-25%% Y-o-Y). 9M 2024 revenues, adjusted EBITDA and adjusted net profit attributable to shareholders were $1,543 million (-13% Y-o-Y), $496 million (-31%Y-o-Y), and $135 million (-48% Y-o-Y), respectively.
- Q3 2024 and 9M 2024 reported net profit attributable to shareholders was impacted by a $37 million and $48 million provision related to potential changes in Sorfert's gas pricing set-up (from Nov-2023 to Sep-2024). Notwithstanding potential adjustments, all-in costs in Algeria remain competitive with the rest of the group and globally.
- Fertiglobe's Q3 2024 own-produced sales volume fell 7% Y-o-Y, driven by planned and unplanned shutdowns, while 9M 2024 own-produced sales volumes were down marginally by 2% Y-o-Y to 4.2 million tons. Adjusted for the impact of one-off external events in 2024, own-produced sales volumes in Q3 2024 and 9M 2024 would have been up 2.1% and 5.0% Y-o-Y on a controllable basis, respectively.
- Following ADNOC's completed acquisition, Fertiglobe is set to play a key role within ADNOC's ecosystem as the primary vehicle for low-carbon ammonia growth. Fertiglobe will consolidate ADNOC's existing and future low-carbon ammonia projects at cost and when ready for startup, creating a world-class low-carbon ammonia platform. This includes ADNOC's equity stakes in:
  - Two low-carbon ammonia projects in the UAE, including the existing 1 mtpa project under construction, where Fertiglobe's ownership is set to almost double, and an additional 1 mtpa project in the Pre-FEED stage
  - The 1 mtpa low-carbon ammonia project in Baytown, Texas (35%-owned by ADNOC) in partnership with ExxonMobil
- On a consolidated basis, these projects would add ~2.4 mtpa, more than doubling Fertiglobe's net ammonia capacity of 1.6 mtpa and increasing its total capacity to ~9.0 mtpa of net ammonia and urea.
- Fertiglobe continues to progress on its cost optimization targets (92% implemented as of Q3 2024 on a run rate basis) and its Manufacturing Improvement Plan (MIP) and is on-track to realize $150 million in collective additional EBITDA by the end of 2025[1].
- Fitch upgrades Fertiglobe's credit rating to 'BBB' from 'BBB-', due to its strategic importance to ADNOC, potentially supporting a more favourable funding cost structure going forward.
- Fertiglobe paid $2.42 billion in dividends since its IPO, demonstrating its commitment to returning value to shareholders, supported by a robust balance sheet and healthy cash generation capacity.
- **Market outlook:** The short-term outlook for nitrogen fertilizers remains favorable, driven by tight markets, and record low urea Chinese exports. The longer-term outlook continues to be supported by improving demand from new and existing applications, coupled with limited supply additions.

Abu Dhabi, UAE – November 11, 2024: Fertiglobe (ADX: FERTIGLB),the world's largest seaborne exporter of urea and ammonia combined, the largest nitrogen fertilizer producer in the Middle East and North Africa region, and ADNOC's low-carbon ammonia platform, reported Q3 2024 revenue of $496 million, with adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA) of $176 million, and adj. net profit attributable to shareholders of $31 million.

[1] Compared to 2023, at unchanged prices

Ahmed El-Hoshy, CEO of Fertiglobe, commented:

"Following ADNOC's recent acquisition of a majority stake in Fertiglobe, we are excited to announce that ADNOC will transfer its 35% equity interest in the Baytown Texas low-carbon ammonia project in the US, along with the two low-carbon ammonia UAE projects, to Fertiglobe, positioning us as the world's largest low-carbon ammonia producer by 2029. ADNOC's stakes in the three projects will be transferred to Fertiglobe at cost and when ready for start-up, leading to an immediate contribution to earnings upon transfer, concurrent with any funding requirements, improving project returns and preserving the Company's balance sheet during the development and construction phase. The addition of the US project to Fertiglobe's portfolio, subject to its expected FID in 2025, represents a major milestone, as it transforms us into a low-carbon ammonia growth platform with global reach and the ability to advantageously serve emerging demand centres across all locations. These milestones underscore how this transaction reinforces Fertiglobe's low-carbon ammonia growth ambitions, complementing its established leadership in nitrogen products, supported by ADNOC's full hydrogen value chain and carbon capture and sequestration (CCS) expertise.

Fertiglobe continues to progress its value enhancement initiatives in line with its goal to improve free cash generation across market cycles. We are pleased to have implemented 92% of our $50 million cost optimization run-rate savings target as of September 2024 and are on track to meet the full target by year-end. In addition, the Manufacturing Improvement Plan (MIP) is in on plan to unlock $100 million in incremental annual EBITDA by the end of 2025 compared to 2023, with improvements focused on production and energy efficiency. While we have already taken meaningful steps in this journey, the impact on volumes was muted by external events, including gas and power supply fluctuations in Egypt and Algeria, in addition to planned turnarounds during the period. Excluding the impact of external factors impacting our operations, our Q3 2024 and 9M 2024 own-produced sales volumes would have been up 2.1% and 5.0% Y-o-Y, whilst adjusted EBITDA would have been $211 million (+6% Y-o-Y) and $564 million (-21% Y-o-Y) in Q3 2024 and 9M 2024, respectively, reflecting higher operating rates. Looking ahead, the impact of such fluctuations should be reduced, supported by improving energy efficiency levels at our plants in Egypt, and the commissioning of a new boiler in Algeria, limiting our reliance on the external power grid.

Supported by a disciplined capital allocation policy and our commitment to deliver strong returns to shareholders, Fertiglobe has returned a total of $2.42 billion to shareholders since IPO, including the recently distributed H1 2024 dividend of $150 million. Leveraging Fertiglobe's strategic industry positioning and ADNOC's integrated energy ecosystem, we are well placed to unlock the full potential of our product portfolio globally, while continuing to balance disciplined growth with dividend distribution to maximize shareholder value creation. We look forward to sharing a detailed value creation and growth strategy update during our Capital Markets Day in Q1 2025, with the date yet to be announced.

I would like to extend my appreciation to the Fertiglobe team whose commitment to safety and excellence is instrumental in our transformation into a leading global enterprise with vast potential as we enter a new chapter in our journey."

Dividends and capital structure

As of 30 September 2024, Fertiglobe reported a net debt position of $957 million, implying consolidated net debt / LTM adjusted EBITDA of 1.2x, which allows the company to balance future growth opportunities and dividend pay-out, supported by robust free cash generation and a healthy balance sheet. Fertiglobe remains committed to creating shareholder value, leveraging active cost optimization and manufacturing improvement initiatives to bolster cash flow generation and maintain a robust balance sheet. Including the H1 2024 dividend of $150 million paid in October 2024, Fertiglobe distributed a total of $2.42 billion in dividends since its IPO in 2021.

In October 2024, Fitch upgraded Fertiglobe's credit rating to 'BBB' from 'BBB-', due to its strategic importance to ADNOC, potentially supporting a more favourable funding cost structure going forward. Earlier in the year, Fitch and S&P announced placing Fertiglobe on a Ratings Watch Positive (RWP) and CreditWatch Positive, respectively, on the majority stake acquisition by ADNOC, with the expectation to raise Fertiglobe's credit rating by (at least) one notch following completion of the transaction, while Moody's upgraded its outlook to positive from stable. In 2022, Fertiglobe achieved investment grade credit ratings by S&P (BBB-), Moody's (Baa3) and Fitch (BBB-), supported by an attractive cash flow profile and a prudent financial policy.

Value enhancement initiatives: Cost savings & Manufacturing Improvement Plan (MIP)

In 2023, Fertiglobe launched an initiative to further optimize its cost structure and reinforce its top-quartile cash cost positioning, targeting $50 million in recurring annualized savings by the end of 2024, of which 92% is implemented as at September 2024, realizing $46 million in cost savings. Key focus areas include enhancements to the operating model, improvements in logistical capabilities and optimized operational cost and spend, maximizing efficiencies. In addition, Fertiglobe's MIP remains on track to deliver operational and cost efficiencies, leading to incremental annual EBITDA of at least $100 million by the end of 2025, compared to 2023 levels.[1]

Market Outlook

The short-term outlook for nitrogen fertilizers remains favorable, driven by tight markets, and record low urea Chinese exports. The longer-term outlook continues to be supported by improving demand from new and existing applications, coupled with limited supply additions for greenfield projects.

Ammonia

- In Q3 2024, ammonia export availability from key production hubs was reduced by gas shortages in Egypt and Trinidad, and power outages in Algeria, driving a 20% Q-o-Q increase in CFR NWE prices to ~$550/t. In the short-term, markets are expected to be firm on continued delays to the start-up of new merchant ammonia supply, reduced exports, the start of the US application season, demand pick-up at major import markets, and elevated TTF gas prices. Collectively, these dynamics are expected to support relative price stability and a broad global trade recovery in ammonia following two years of prolonged contraction.
- Russian and US exports are set to grow on the commissioning of the Black Sea terminal in Taman, which may see exports of c.1.5 mt in 2025, and the start-up of the Gulf Coast Ammonia (GCA) project.
- Phase 2 of Europe's Carbon Border Adjustment Mechanism (CBAM) in 2026 is also catalyzing growing interest in decarbonization opportunities within the existing fertilizers and chemicals value chains. The increase in European carbon costs will support a rise in global ammonia and fertilizer prices, given Europe's position as a global marginal ammonia producer.
- Longer term, emerging applications for low-carbon ammonia in power generation, maritime fuels, as a hydrogen carrier, as well as to decarbonize existing uses, are driving accelerated growth with incremental demand expected to reach ~24 mt by 2032, more than doubling the traded ammonia market today.

Urea

- Despite limited buying activity due to the summer holiday season, poor weather conditions across several markets and weaker crop prices at the beginning of Q3 2024, sentiment started to improve in September 2024, with a positive response to Indian tender activity and overall tight availability, supporting prices. This led to FOB Egypt urea prices rising 11% Q-o-Q to $357/t in Q3 2024, with prices reaching ~$400/t in Oct-2024, before softening in the last week.
  - In India, domestic sales in 9M 2024 improved Y-o-Y, supported by heavy monsoon rains, declining urea stocks and limited DAP availability, due to the approaching Rabi season. Despite higher local production, India issued two consecutive tenders in July and August 2024, which secured a total of 1.5 mt of urea, tightening urea availability into October 2024, and most recently a 1 mt tender due on November 11th for delivery before year-end, supporting the market.
  - China remained absent from the market this year, with urea exports reaching all-time lows at 0.3 mt in 9M 2024, vs. 2.8 mt in 2023. The government is prioritizing the build of stocks for the commercial reserve at a low price, which will likely see China remaining out of the market into H1 2025.
- Short-term, the market is expected to be balanced, supported by China's absence from export markets, anticipated Indian tender activity, and the approaching spring demand for Europe, Latin America and Australia.
- Long-term, demand growth of 13.1 mt is expected to materially outpace capacity growth of 9.9 mt by 2029.

[1] Based on 2023 prices.

Project overview

Low-carbon hydrogen and ammonia project in Baytown, Texas, USA

- This project is ADNOC's JV with ExxonMobil, where ADNOC's equity stake of 35% will be transferred to Fertiglobe at cost when ready for start-up
- Contingent on supportive government policy and necessary regulatory permits, the project's capacity is 1 billion cubic feet (bcf) daily of low-carbon hydrogen (~98% CO2 removed) and 1 mtpa of low-carbon ammonia
- The Final Investment Decision (FID) on the project is expected in 2025 with anticipated start-up in 2029

1mtpa low-carbon ammonia project, UAE

- A preliminary Life Cycle Assessment study estimates that Phase 1 of the plant will produce 50% lower-carbon intensity ammonia compared to conventional ammonia. In the second stage, this plant will further reduce its carbon intensity via capturing and sequestrating carbon dioxide emissions.
- Construction started in Q3 2024, and operations are expected to commence in 2027.
- With the investment focused on back-end ammonia, leveraging existing infrastructure and off the fence feedstock and utilities, the project enjoys robust double-digit IRR.
- Fertiglobe owns a 30% stake in the overall project and will consolidate ADNOC's stake at cost when ready for start-up, taking its ownership to 54%. The remaining ownership is divided among TA'ZIZ and a consortium of local investors, GS Energy Corporation, and Mitsui & Co., Ltd.
- Fertiglobe's current 30% equity contribution is estimated at $30-35 million and the company is entitled to a proportional offtake of the project's production, due to increase following ADNOC's stake contribution.

Additional 1mtpa low-carbon ammonia project, UAE

- Project is currently undergoing Pre-FEED studies with Fertiglobe closely involved in its development until FID and potential start of commercial operations.
- ADNOC's 100% equity stake in the project will be transferred to Fertiglobe at cost when ready for start-up.

Egypt Green Hydrogen

- In 2021, Fertiglobe, together with its partners agreed to develop, build, own and operate a 100 MW electrolyser facility to produce renewable hydrogen to be used as feedstock for the production of renewable ammonia at Fertiglobe's existing ammonia facilities in Ain Sokhna, Egypt.
- The project will be powered by about 270 MW of solar and wind power capacity and deliver approximately 13,000 tons of renewable hydrogen and up to 74,000 tons of renewable ammonia annually.
- In July 2024, Fertiglobe was chosen as the winning bidder in first-of-its-kind H2Global auction for up to €397 million, securing supply of renewable ammonia out of Egypt at a delivered price of €1,000 per ton until 2033. Fertiglobe looks to maximize its netback supported by freight and logistics cost optimization.
- H2Global award provides critical demand and pricing support to help Fertiglobe and the Egypt Green Hydrogen consortium reach FID on the project in H1 2025, with planned production in 2027.
- Limited capex and double-digit project IRR's as Fertiglobe is utilizing its existing back-end ammonia infrastructure.
- The electrolyzer project is jointly owned by Scatec (45%), Fertiglobe (19.5%), Orascom Construction (19.4%), The Sovereign Fund of Egypt (13.6%) and the Egyptian Electricity Transmission Company (2.5%).

Consolidated Financial Results at a Glance[1]

Financial Highlights

$ million unless otherwise stated	Q3 2024	Q3 2023	% Δ	9M 2024	9M 2023	% Δ
Revenue	**495.6**	**525.1**	(6%)	**1,543.2**	**1,770.3**	(13%)
Gross profit	79.3	153.8	(48%)	376.0	597.3	(37%)
Gross profit margin	*16.0%*	*29.3%*		*24.4%*	*33.7%*	
Adjusted EBITDA	**175.5**	**199.0**	(12%)	**496.0**	**714.5**	(31%)
Adjusted EBITDA margin	*35.4%*	*37.9%*		*32.1%*	*40.4%*	
EBITDA	**108.8**	**191.8**	(43%)	**478.3**	**704.3**	(32%)
EBITDA margin	*22.0%*	*36.5%*		*31.0%*	*39.8%*	
Adjusted net profit attributable to shareholders	**31.1**	**41.2**	(25%)	**134.6**	**260.5**	(48%)
Reported net (loss)/profit attributable to shareholders	(10.4)	39.5	(126%)	120.2	254.4	(53%)
Earnings per share ($)						
Basic (loss)/earnings per share	(0.001)	0.005	(126%)	0.014	0.031	(54%)
Diluted (loss)/earnings per share	(0.001)	0.005	(126%)	0.014	0.031	(54%)
Adjusted earnings per share	0.004	0.005	(19%)	0.016	0.031	(48%)
Earnings per share (AED)						
Basic (loss)/earnings per share	(0.005)	0.017	(126%)	0.051	0.113	(54%)
Diluted (loss)/earnings per share	(0.005)	0.017	(126%)	0.051	0.113	(54%)
Adjusted earnings per share	0.015	0.017	(14%)	0.059	0.113	(48%)
Free cash flow	**(60.8)**	**126.4**	(148%)	**164.6**	**457.7**	(64%)
Capital expenditure	49.7	33.1	50%	93.9	80.3	17%
Of which: Maintenance Capital Expenditure	36.9	28.8	28%	71.7	70.5	2%

	30 Sep 24	31 Dec 23	% Δ
Total Assets	4,424.1	4,625.8	(4%)
Gross Interest-Bearing Debt	1,625.6	1,665.1	(2%)
Net Debt	956.9	905.3	6%

	Q3 2024	Q3 2023	% Δ	9M 2024	9M 2023	% Δ
Sales volumes ('000 metric tons)						
Fertiglobe Product Sold	1,361	1,470	(7%)	4,179	4,247	(2%)
Third Party Traded	18	40	(55%)	235	353	(33%)
Total Product Volumes	**1,379**	**1,510**	(9%)	**4,414**	**4,600**	(4%)

[1] Unaudited

Operational Highlights

Operational Performance Highlights:

- 12-month rolling recordable incident rate to 30 September 2024 of 0.05 incidents per 200,000 manhours.
- Fertiglobe's total own-produced sales volumes were down 7% to 1,361kt in Q3 2024 vs Q3 2023, driven by:
  - 6% lower ammonia own-produced sales volumes of 305kt in Q3 2024 compared to 323kt in Q3 2023, and
  - An 8% Y-o-Y decline in urea own-produced sales volumes to 1,056kt in Q3 2024 compared to 1,144kt in Q3 2023.
- Excluding the impact of external factors impacting our operations, Fertiglobe's Q3 2024 own-produced sales volumes would be up 2.1% Y-o-Y.
- Third-party traded volumes decreased 55% Y-o-Y to 18kt in Q3 2024, compared to 40kt in Q3 2023.
- Total own-produced and traded third party volumes of 1,379kt were down 9% in Q3 2024 compared to Q3 2023.
- Fertiglobe's total own-produced sales volumes were down 2% to 4,179kt in 9M 2024 vs 9M 2023, driven by:
  - 8% higher ammonia own-produced sales volumes of 918kt in 9M 2024 compared to 849kt in 9M 2023, offset by
  - A 4%% Y-o-Y decline in urea own-produced sales volumes to 3,260kt in 9M 2024 compared to 9M 2023 due to turnarounds.
- Excluding the impact of external factors impacting our operations, Fertiglobe's 9M 2024 own-produced sales volumes would be up 5.0% Y-o-Y, reflecting higher operating rates.
- Third party traded volumes decreased 33% Y-o-Y to 235kt in 9M 2024 compared to 353kt in 9M 2023.
- Total own-produced and traded third party volumes of 4,414kt were down 4% in 9M 2024 compared to 9M 2023.

Product sales volumes

Sales volumes ('000 metric tons)	Q3 2024	Q3 2023	% Δ	9M 2024	9M 2023	% Δ
Own Product						
Ammonia	305	323	*(6%)*	918	849	*8%*
Urea	1,056	1,144	*(8%)*	3,260	3,388	*(4%)*
DEF	-	3	*n/m*	1	10	*n/m*
Total Own Product Sold	**1,361**	**1,470**	***(7%)***	**4,179**	**4,247**	***(2%)***
Third-Party Traded						
Ammonia	-	32	*(100%)*	84	141	*(41%)*
Urea	18	8	*125%*	151	212	*(29%)*
Total Traded Third-party Product	**18**	**40**	***(55%)***	**235**	**353**	***(33%)***
Total Own Product and Traded Third-party	**1,379**	**1,510**	***(9%)***	**4,414**	**4,600**	***(4%)***

Benchmark prices[1]

			Q3 '24	Q3 '23	% Δ	9M 2024	9M 2023	% Δ	Q2 '24	% Δ
Ammonia	NW Europe, CFR	$/mt	**549**	**419**	31%	**499**	**498**	0%	**459**	20%
Ammonia	Middle East, FOB	$/mt	**357**	**310**	15%	**335**	**394**	(15%)	**307**	16%
Granular Urea	Egypt, FOB	$/mt	**357**	**422**	(15%)	**350**	**389**	(10%)	**321**	11%
Granular Urea	Middle East, FOB	$/mt	**338**	**380**	(11%)	**333**	**347**	(4%)	**305**	11%
Natural gas	TTF (Europe)	$ / mmBtu	**11.7**	**10.6**	10%	**10.1**	**12.9**	(22%)	**10.0**	17%
Natural gas	Henry Hub (US)	$ / mmBtu	**2.2**	**2.7**	(17%)	**2.2**	**2.6**	(15%)	**2.3**	(4%)

1 Source: CRU, MMSA, ICIS, Bloomberg

In Q3 2024, the ammonia Middle East benchmark price was up 15% Y-o-Y, while the urea Egypt benchmark price was down 15%. Compared to Q2 2024, the ammonia Middle East benchmark was up 16%, while the urea Egypt benchmark price was up by 11%.

Segment overview Q3 2024

$ million	Production and marketing of own produced volumes	Third party trading	Other	Total
Total revenues	488.4	7.2	-	495.6
Gross profit	79.3	-	-	79.3
Operating profit	58.6	-	(20.5)	38.1
Depreciation & amortization	(69.9)	-	(0.8)	(70.7)
EBITDA	**128.5**	**-**	**(19.7)**	**108.8**
Adjusted EBITDA	**187.4**	**-**	**(11.9)**	**175.5**

Segment overview Q3 2023

$ million	Production and marketing of own produced volumes	Third party trading	Other	Total
Total revenues	511.0	14.1	-	525.1
Gross profit	155.0	(1.2)	-	153.8
Operating profit	130.9	0.5	(12.1)	119.3
Depreciation & amortization	(70.7)	(1.2)	(0.6)	(72.5)
EBITDA	**201.6**	**1.7**	**(11.5)**	**191.8**
Adjusted EBITDA	**208.2**	**1.7**	**(10.9)**	**199.0**

Segment overview 9M 2024

$ million	Production and marketing of own produced volumes	Third party trading	Other	Total
Total revenues	1,451.5	91.7	-	1,543.2
Gross profit	374.6	1.4	-	376.0
Operating profit	314.2	1.4	(46.3)	269.3
Depreciation & amortization	(206.6)	-	(2.4)	(209.0)
EBITDA	**520.8**	**1.4**	**(43.9)**	**478.3**
Adjusted EBITDA	**529.6**	**1.4**	**(35.0)**	**496.0**

Segment overview 9M 2023

$ million	Production and marketing of own produced volumes	Third party trading	Other	Total
Total revenues	1,623.8	146.5	-	1,770.3
Gross profit	596.5	0.8	-	597.3
Operating profit	534.7	0.8	(40.0)	495.5
Depreciation & amortization	(203.1)	(2.9)	(2.8)	(208.8)
EBITDA	**737.8**	**3.7**	**(37.2)**	**704.3**
Adjusted EBITDA	**746.5**	**3.7**	**(35.7)**	**714.5**

Financial Highlights

Summary results

In Q3 2024, consolidated revenue decreased by 6% to $496 million compared to Q3 2023, mainly driven by lower sales volumes and urea prices. Meanwhile, adjusted EBITDA declined by 12% Y-o-Y to $176 million in Q3 2024 compared to $199 million in Q3 2023. Q3 2024 adjusted net profit attributable to shareholders was $31 million compared to an adjusted net profit attributable to shareholders of $41 million in Q3 2023.

Reported EBITDA was $109 million in Q3 2024, compared to $192 million in Q3 2023, impacted by a provision of $87 million (since gas pricing set-up expiry in November 2023 until September 2024) related to potential changes in the Algerian gas pricing setup, of which only $28 million is attributable to Q3 2024. On a net profit basis, the provision amounts to $37 million in Q3 2024 (of which $12 million is attributable to the quarter). This led to a reported a net loss attributable to shareholders of $10 million in Q3 2024 compared to a net profit attributable to shareholders of $40 million in Q3 2023.

In 9M 2024, consolidated revenue decreased by 13% to $1,543 million compared to 9M 2023. Meanwhile, adjusted EBITDA declined by 31% Y-o-Y to $496 million in 9M 2024 compared to 9M 2023. 9M 2024 adjusted net profit attributable to shareholders was $135 million compared to an adjusted net profit attributable to shareholders of $261 million in 9M 2023.

Reported EBITDA was $478 million in 9M 2024, compared to $704 million in 9M 2024, impacted by a provision of $112 million related to Algeria. On a net profit basis, the provision amounts to $48 million in 9M 2024, leading to reported net profit attributable to shareholders of $120 million in 9M 2024 compared to $254 million in 9M 2023.

Consolidated statement of income

$ million	Q3 2024	Q3 2023	9M 2024	9M 2023
Net revenue	**495.6**	**525.1**	**1,543.2**	**1,770.3**
Cost of sales	(416.3)	(371.3)	(1,167.2)	(1,173.0)
Gross profit	**79.3**	**153.8**	**376.0**	**597.3**
Other income	-	0.3	-	1.9
SG&A	(41.2)	(34.8)	(106.7)	(103.6)
Other expense	-	-	-	(0.1)
Adjusted EBITDA	**175.5**	**199.0**	**496.0**	**714.5**
EBITDA	**108.8**	**191.8**	**478.3**	**704.3**
Depreciation & amortization	(70.7)	(72.5)	(209.0)	(208.8)
Operating profit	**38.1**	**119.3**	**269.3**	**495.5**
Finance income	3.4	4.2	11.6	9.9
Finance expense	(34.4)	(31.8)	(103.2)	(84.5)
Net foreign exchange gain / (loss)	0.6	10.0	(2.0)	(7.2)
Net finance costs	**(30.4)**	**(17.6)**	**(93.6)**	**(81.8)**
Net (loss)/profit before tax	**7.7**	**101.7**	**175.7**	**413.7**
Income tax	(27.0)	(32.5)	2.0	(47.3)
Net (loss)/profit	**(19.3)**	**69.2**	**177.7**	**366.4**
Non-Controlling Interest	8.9	(29.7)	(57.5)	(112.0)
Net (loss)/profit attributable to shareholders	**(10.4)**	**39.5**	**120.2**	**254.4**
Adjusted net profit attributable to shareholders	**31.1**	**41.2**	**134.6**	**260.5**

Reconciliation to Alternative Performance Measures

Adjusted EBITDA

Adjusted EBITDA is an Alternative Performance Measure (APM) that intends to give a clear reflection of underlying performance of Fertiglobe's operations. The main APM adjustments at the EBITDA level relate to the movement in provisions, cost optimization program, pre-operating expenditures related to projects during the period, as well as the provision related to potential changes in the Sorfert gas pricing setup pertaining to prior periods.

Reconciliation of reported operating income to adjusted EBITDA

$ million	Q3 2024	Q3 2023	9M 2024	9M 2023	Adjustment in P&L
Operating profit as reported	**38.1**	**119.3**	**269.3**	**495.5**	
Depreciation and amortization	70.7	72.5	209.0	208.8	
EBITDA	108.8	191.8	478.3	704.3	
APM adjustments for:					
Movement in provisions	-	-	1.4	2.1	*Cost of sales*
Cost optimization program	2.2	6.6	8.8	6.6	*Cost of sales and SG&A expense*
Pre-operating expenditures related to projects	5.8	0.6	6.3	1.5	*SG&A expense*
Change in estimate related to Sorfert gas pricing accrual[1]	57.5	-	-	-	*Cost of sales*
Seperation costs	1.2	-	1.2	-	*SG&A expense*
Total APM adjustments	**66.7**	**7.2**	**17.7**	**10.2**	
Adjusted EBITDA	**175.5**	**199.0**	**496.0**	**714.5**	

1 The Q3 adjustments relate to the Sorfert gas change in estimates relating to prior periods.

Adjusted net profit attributable to shareholders

At the net profit level, the main APM adjustments relate to the impact on non-cash foreign exchange gains and losses on USD exposure, other financial expense, as well as related impacts on non-controlling interest and tax.

Reconciliation of reported net profit to adjusted net profit

$ million	Q3 2024	Q3 2023	9M 2024	9M 2023	Adjustment in P&L
Reported net (loss)/profit attributable to shareholders	**(10.4)**	**39.5**	**120.2**	**254.4**	
Adjustments for:					
Adjustments at EBITDA level	66.7	7.2	17.7	10.2	
Change in estimate related to Sorfert gas pricing accrual[1]	2.2	-	-	-	*Finance expense*
Impairment of PP&E and accelerated depreciation	1.3	-	1.3	-	*Impairment*
Forex loss/(gain) on USD exposure	2.4	(10.9)	1.5	0.4	*Net finance costs*
Other financial expense	-	-	1.7	-	*Finance expense*
NCI adjustment / uncertain tax positions	(30.4)	7.0	(5.6)	(2.9)	*Uncertain tax positions / minorities*
Tax effect of adjustments	(0.7)	(1.6)	(2.2)	(1.6)	*Taxes*
Total APM adjustments at net profit level	**41.5**	**1.7**	**14.4**	**6.1**	
Adjusted net profit attributable to shareholders	**31.1**	**41.2**	**134.6**	**260.5**	

1 The Q3 adjustments relate to the Sorfert gas change in estimates relating to prior periods.

Free Cash Flow and Net Debt

Free cash flow before growth capex amounted to $(61) million in Q3 2024, compared to $126 million in Q3 2023, reflecting performance for the quarter, dividends paid to non-controlling interests and withholding tax, working capital inflows including the impact of the retroactive Sorfert gas pricing accrual, and net interest payments. In 9M 2024, free cash flow before growth capex amounted to $165 million, compared to $458 million in 9M 2023.

Total cash capital expenditures including growth capex were $50 million in Q3 2024 compared to $33 million in Q3 2023, of which $37 million was related to maintenance capital expenditures, compared to $29 million in the same period last year.

In 9M 2024, total cash capital expenditures including growth capex were $94 million compared to $80 million in 9M 2023, of which $72 million was related to maintenance capital expenditures, compared to $71 million in the same period last year.

Reconciliation of EBITDA to Free Cash Flow and Change in Net Debt

$ million	Q3 2024	Q3 2023	9M 2024	9M 2023
EBITDA	**108.8**	**191.8**	**478.3**	**704.3**
Working capital	77.2	5.1	80.3	(1.7)
Maintenance capital expenditure	(36.9)	(28.8)	(71.7)	(70.5)
Tax paid	(8.8)	(14.2)	(37.2)	(47.0)
Net interest paid	(27.1)	(28.4)	(83.0)	(55.2)
Lease payments	(6.4)	(6.8)	(18.1)	(17.7)
Dividends paid to non-controlling interests and withholding tax	(164.0)	-	(198.1)	(83.1)
Ecremage	(3.6)	7.7	14.1	28.6
Free Cash Flow	**(60.8)**	**126.4**	**164.6**	**457.7**
Reconciliation to change in net debt:				
Growth capital expenditure	(12.8)	(4.3)	(22.2)	(9.8)
Other non-operating items	(2.0)	(12.1)	8.9	1.0
Net effect of movement in exchange rates on net debt	0.2	(15.1)	(0.1)	(5.7)
Dividend to shareholders	-	-	(200.0)	(700.0)
Other non-cash items	(0.9)	(0.6)	(2.8)	(2.0)
Net Cash Flow in Net Debt	**(76.3)**	**94.3**	**(51.6)**	**(258.8)**

Investor and Analyst Conference Call

On 11 November 2024 at 3:00 PM UAE (11:00 AM London, 6:00 AM New York), Fertiglobe will host a conference call for investors and analysts. To access the call please dial:

International:	+44 20 3481 4247
UAE:	+9718 0003 111 285
UK:	+44 20 3481 4247 / Toll free: +44 800 260 6466
United States:	+1 (646) 307 1963 / Toll Free: +1 (800) 715 9871

Passcode: 9792184

Participants may also join via the webcast. Please pre-register and join here.

About Fertiglobe:

Fertiglobe is the world's largest seaborne exporter of urea and ammonia combined, and an early mover in sustainable ammonia. Fertiglobe's production capacity comprises of 6.6 million tons of urea and merchant ammonia, produced at four subsidiaries in the UAE, Egypt and Algeria, making it the largest producer of nitrogen fertilizers in the Middle East and North Africa (MENA), and benefits from direct access to six key ports and distribution hubs on the Mediterranean Sea, Red Sea, and the Arab Gulf. Headquartered in Abu Dhabi and incorporated in Abu Dhabi Global Market (ADGM), Fertiglobe employs more than 2,700 employees. Fertiglobe is listed on the Abu Dhabi Securities Exchange ("ADX") under the symbol "FERTIGLB" and ISIN "AEF000901015. To find out more, visit: www.fertiglobe.com

For additional information, contact:

Fertiglobe Investor Relations:

Rita Guindy
Director
Email: rita.guindy@fertiglobe.com

investor.relations@fertiglobe.com

For additional information on Fertiglobe:

www.fertiglobe.com