

Summary

FRN Yara International ASA Senior Unsecured Open
Bond Issue 2021/2026

NO0011146391



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Summaries are made up of disclosure requirements due to Article 7 in the REGULATION (EU) 2017/1129 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 June 2017.

A - INTRODUCTION AND WARNINGS

Warning	This summary should be read as introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.
The Bonds	ISIN: NO0011146391 - FRN Yara International ASA Senior Unsecured Open Bond Issue 2021/2026.
The Issuer	Yara International ASA is a public limited company incorporated in Norway on 10 th November 2003 and regulated by the Norwegian Companies Act and supplementing Norwegian laws and regulations. The Company is registered in the Norwegian Companies Registry with registration number 986 228 608 and LEI code 213800WKOUWXWFJ5Z514. The legal name of the Issuer is Yara International ASA, and its registered business address is Drammensveien 131, 0277 Oslo, Norway.
The Offeror	Not applicable. There is no offeror, the Prospectus has been produced in connection with listing of the bonds at Oslo Børs. The Issuer is going to ask for admission to trading on a regulated market.
Competent Authority Approving the Prospectus.	The Financial Supervisory Authority of Norway (Norwegian: <i>Finanstilsynet</i>), with registration number 840 747 972 and registered address at Revierstredet 3, 0151 Oslo, Norway, and with telephone number +47 22 93 98 00 has reviewed and on 10.03.2022, approved the Prospectus.

B - KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?	
Corporate Information	Yara International ASA is a public limited company incorporated in Norway on 10 th November 2003 and regulated by the Norwegian Companies Act and supplementing Norwegian laws and regulations. The Company is registered in the Norwegian Companies Registry with registration number 986 228 608 and LEI code 213800WKOUWXWFJ5Z514. Website: www.yara.com
Principal activities	Yara is an integrated food solutions company with an industrial portfolio. Yara's knowledge, products, and solutions grow customers' businesses profitably and responsibly, while protecting the earth's resources, food, and environment. Yara's business activities are carried out within six operational segments: Europe, Americas, Africa & Asia, Global Plants & Operational Excellence, Clean Ammonia and Industrial Solutions.
Major Shareholders	The Government of Norway owns 36.2% of Yara's shares, held by the Ministry of Trade, Industry and Fisheries.
Key managing directors	Svein Tore Holsether - President and Chief Executive Officer

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	Thor Giæver - EVP & Chief Financial Officer Lars Røsæg - EVP, Corporate Development & Deputy CEO Mónica Andrés Enríquez - EVP, Europe Solveig Hellebust - EVP, People, Process and Digitalization Pål Hestad - EVP, Global Plants & Operational Excellence Fernanda Lopes Larsen - EVP, Africa & Asia Chrystel Monthean - EVP, Americas Kristine Ryssdal - EVP & General Counsel		
Statutory auditor	The Company's auditor is Deloitte AS, Dronning Eufemias gate 14, Postboks 221 Sentrum, 0103 Oslo, Norway.		
What is the key financial information regarding the Issuer?			
<u>Yara International ASA</u>			
	<i>Parent</i>	<i>Group</i>	<i>Group</i>
INCOME STATEMENT	2020	2020	2021
Audit status	audited	audited	unaudited
Currency and unit	NOK million	USD million	USD million
Revenue and other income	2 322	11 728	16 607
Net income	15 690	690	384
BALANCE SHEET			
Net financial debt (long term debt plus short term debt plus leases minus cash)	20 402	2 930	3 930
CASH FLOW STATEMENT			
Cash flow from operating activities	10 414	2 047	1 406
Cash flow from investment activities	8 662	248	(874)
Cash flow from financing activities	(9 775)	(1 228)	(1 504)
What are the key risk factors that are specific to the Issuer?			
Most material key risk factors	<p><u>Investments and integration</u></p> <p>The Company is an integrated food solutions company and has an ambition to grow profitably, through broadening its core business model. It also aims at developing new business areas and new revenue streams, such as enabling a hydrogen economy, while driving sustainable performance on its core business. A challenge will be to prioritize and manage a high number of initiatives to allocate enough management attention and resources to ensure proper execution of new transformation initiatives, to transform these into revenue generating businesses, and at the same time with the same resources, keep momentum on operations and running the business (transform vs. perform). More generally, investments poses a risk of not being able to capture operational and financial benefits and synergies.</p> <p><u>Currency risk</u></p> <p>Prices of the Company's most important products and raw materials are either directly denominated or determined in US dollars. A weakening U.S. dollar against other currencies can adversely affect the Company's results of operations. Further, there is a country risk exposure with focus on transfer risk for certain high-risk countries.</p> <p><u>Nitrogen commodity fertilizer prices</u></p> <p>A large part of the Company's business consists of sales of fertilizer products used in agriculture. Demand for food and fertilizer, swings in</p>		

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	<p>agricultural prices along with changes in global and regional fertilizer production capacity could significantly impact the Company’s profitability.</p> <p><u>Cyber risk</u> Unauthorized remote access to digital industrial control systems may have potential impact that reaches from an undesired plant shut-down, up to critical conditions causing significant safety and reliability risks, financial and reputational damage. Ransomware is the main identified thread for cyber risk.</p> <p><u>Production reliability</u> The Company’s production may be interrupted due to unreliability and irregularities that may result in lost volumes and revenues. Production unreliability and irregularities may be a result of lack of resources with sufficient capacity and competence, insufficient systematic maintenance on regular basis, ageing plants and production equipment, and failure to meet targets on major maintenance stops. Production stops may also be caused due to process safety accidents or mishandling involving hazardous substances that could cause severe damage or injury to property, the environment and human health. Production stops may lead to disruption of supplies and markets.</p> <p><u>Health and safety</u> The Company’s production sites are large industrial plants, and many of the Company’s raw materials, intermediates and products are classified as substances dangerous to the health. Such a working environment contains various potential occupational health and safety risks to employees and contractors working on site.</p> <p><u>Regulatory framework</u> There is an increasing trend of stricter governmental regulations impacting both production economics and application of fertilizer related both to the environmental aspects and safety related aspects of handling and applying fertilizer.</p> <p><u>Natural gas and other raw materials</u> The pricing and availability of natural gas across regions is a strategic factor for the Company. The Company also purchases phosphate rock, energy, chemicals, ammonia and potash from a limited number of suppliers with limited alternatives. There can be no assurance that the Company’s supply of natural gas and other essential raw materials will not be delayed or interrupted and the availability and prices of natural gas and other raw materials may be negatively affected.</p> <p><u>Supply chain</u> The Company faces internal and external risks, in the production, industrial and crop nutrition part of the supply chain. Bottlenecks and inefficiencies in the planning, procurement, transport, handling or delivery of products may affect the Company’s ability to honour its commitments and could negatively impact the Company’s performance.</p>
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C - KEY INFORMATION ON THE SECURITIES

<i>What are the main features of the securities?</i>	
Description of the securities, including ISIN	ISIN: NO0011146391. Senior Unsecured Open Bond Issue with floating rate. Issue Date: 10 November 2021. Maturity Date: 10 November 2026. Initial Bond Issue is NOK 1 150 000 000, and Initial Nominal Amount of each Bond is NOK 1 000 000 each and among themselves pari passu ranking. Issue Price: 100%. The Bonds are floating rate bonds; 3 months NIBOR + 0.64% p.a.
Rights attached to the securities	<p>The Bond Terms have been entered into between the Issuer and the Bond Trustee. The Bond Terms regulate the Bondholder's rights and obligations in relation to the issue. The Bond Trustee enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms.</p> <p>Upon the occurrence of a Change of Control Triggering Event, each Bondholder shall have the right to require that the Issuer repurchases its Bonds (a "Put Option") at a price of 101 % of par plus accrued and unpaid interest.</p>
Status of the bonds and security	The Issuer's payment obligations under these Bond Terms shall rank ahead of all subordinated payment obligations of the Issuer and the Bond shall rank pari passu between themselves and will rank at least pari passu with all other obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application). The Bonds are unsecured.
<i>Where will the securities be traded?</i>	
Admission to trading	The Bonds will be applied for listing on Oslo Børs as soon as possible after the prospectus has been approved by the Norwegian FSA.
<i>What are the key risks that are specific to the securities?</i>	
Most material key risks	<p><u>Credit risk</u> Credit risk is the risk that the Issuer fails to make the required payments under the Bonds.</p> <p><u>Liquidity risk</u> There is a risk that no efficient or liquid market will develop for the bonds. Lack of demand for the bonds may result in a loss for bondholders.</p> <p><u>Market risk</u> There is a risk that the value of the Bonds will decrease due to the change in market conditions. No market-maker agreement is entered into in relation to this bond issue, and the liquidity of the Bonds will at all times depend on the market participants view of the credit quality of the Issuer as well as established and available credit lines.</p>

D - KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKED

<i>Under which conditions and timetable can I invest in this security?</i>	
Terms and conditions for the offer	Not applicable. The Bonds have not been subject to a public offer, the Bonds are already issued and settled.
<i>Why is the Prospectus being produced?</i>	
Admission to trading	The Prospectus is produced in connection with listing of the Bonds on the Oslo Børs.
Use of proceeds	The Issuer will use the net proceeds - NOK 1 150 000 000 - from the issuance of the Bonds for its general corporate purposes and refinancing of existing debt.

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Material conflicts of interest	There is no interest, nor conflicting interests that is material to the issue.
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