



Quarterly Report Q1 2023

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Quarterly condensed consolidated financial statements

For the three-month period
ended 31 March 2023
(unaudited)

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Consolidated statement of financial position

As at

\$ millions	Note	31 March 2023	31 December 2022
Assets			
Non-current assets			
Property, plant and equipment	(8)	5,376.9	5,391.1
Right-of-use assets		264.4	240.2
Goodwill and other intangible assets	(9)	493.4	491.5
Trade and other receivables		74.4	61.7
Equity-accounted investees		495.2	522.3
Financial assets at fair value through other comprehensive income		24.5	18.8
Deferred tax assets	(14)	64.5	81.3
Total non-current assets		6,793.3	6,806.9
Current assets			
Inventories		449.1	421.4
Trade and other receivables		695.8	820.2
Income tax receivables	(14)	3.0	5.6
Cash and cash equivalents		2,460.8	1,717.0
Total current assets		3,608.7	2,964.2
Total assets		10,402.0	9,771.1

Consolidated statement of financial position continued

As at

\$ millions	Note	31 March 2023	31 December 2022
Equity			
Share capital		5.6	5.6
Share premium		5,261.7	5,261.7
Reserves		(432.6)	(442.7)
Retained earnings		(2,569.9)	(2,500.9)
Equity attributable to owners of the Company		2,264.8	2,323.7
Non-controlling interests		2,153.6	2,016.0
Total equity		4,418.4	4,339.7
Liabilities			
Non-current liabilities			
Loans and borrowings	(10)	3,145.7	2,572.3
Lease obligations		240.4	227.5
Trade and other payables	(11)	163.4	114.1
Provisions	(16)	14.0	13.9
Deferred tax liabilities	(14)	447.0	485.3
Total non-current liabilities		4,010.5	3,413.1
Current liabilities			
Loans and borrowings	(10)	370.6	303.4
Lease obligations		59.3	48.6
Trade and other payables	(11)	1,200.5	1,284.3
Provisions	(16)	107.3	130.3
Income tax payables	(14)	235.4	251.7
Total current liabilities		1,973.1	2,018.3
Total liabilities		5,983.6	5,431.4
Total equity and liabilities		10,402.0	9,771.1

The notes on pages 9 to 17 are an integral part of these condensed consolidated financial statements.

Consolidated statement of profit or loss and other comprehensive income

For the period ended 31 March

\$ millions	Note	Three-month period ended 31 March 2023	Three-month period ended 31 March 2022
Revenue	(15)	1,371.3	2,327.8
Cost of sales	(12)	(1,173.9)	(1,464.3)
Gross profit		197.4	863.5
Other income		5.3	4.6
Selling, general and administrative expenses	(12)	(103.0)	(78.4)
Other expenses		-	-
Operating profit		99.7	789.7
Finance income	(13)	72.3	72.2
Finance cost	(13)	(127.8)	(85.6)
Net finance cost		(55.5)	(13.4)
Income from equity-accounted investees (net of tax)		(26.0)	62.9
Profit before income tax		18.2	839.2
Income tax	(14)	17.7	(140.0)
Net profit		35.9	699.2
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss			
Movement in hedge reserve		6.3	16.8
Movement in hedge reserve equity-accounted investees		(1.6)	-
Currency translation differences		14.7	(31.9)
Currency translation differences from equity-accounted investees		0.6	(1.1)
Items that will not be reclassified to profit or loss			
Changes in the fair value of financial assets at fair value through other comprehensive income		5.7	2.6
Other comprehensive income, net of tax		25.7	(13.6)
Total comprehensive income		61.6	685.6
Net profit attributable to owners of the Company		(71.7)	409.7
Net profit attributable to non-controlling interests		107.6	289.5
Net profit		35.9	699.2
Total comprehensive income attributable to owners of the Company		(61.6)	417.2
Total comprehensive income attributable to non-controlling interests		123.2	268.4
Total comprehensive income		61.6	685.6
Basic earnings per share (in USD)		(0.341)	1.952
Diluted earnings per share (in USD)		(0.341)	1.942

Consolidated statement of changes in equity

For the period ended 31 March

\$ millions	Share capital	Share premium	Reserves	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance at 1 January 2022	5.6	6,316.3	(384.0)	(3,938.9)	1,999.0	1,509.2	3,508.2
Net profit	-	-	-	409.7	409.7	289.5	699.2
Other comprehensive income	-	-	7.5	-	7.5	(21.1)	(13.6)
Total comprehensive income	-	-	7.5	409.7	417.2	268.4	685.6
Impact difference in profit sharing non-controlling interests	-	-	-	-	-	60.3	60.3
Dividend to non-controlling interests	-	-	-	-	-	(104.9)	(104.9)
Treasury shares sold / delivered	-	-	4.4	(4.4)	-	-	-
Treasury shares acquired	-	-	(0.2)	-	(0.2)	-	(0.2)
Sale of shares in OCI Methanol Group	-	-	-	221.4	221.4	7.8	229.2
Share-based payments	-	-	-	2.2	2.2	-	2.2
Balance at 31 March 2022	5.6	6,316.3	(372.3)	(3,310.0)	2,639.6	1,740.8	4,380.4
Balance at 1 January 2023	5.6	5,261.7	(442.7)	(2,500.9)	2,323.7	2,016.0	4,339.7
Net profit	-	-	-	(71.7)	(71.7)	107.6	35.9
Other comprehensive income	-	-	10.1	-	10.1	15.6	25.7
Total comprehensive income	-	-	10.1	(71.7)	(61.6)	123.2	61.6
Impact difference in profit sharing non-controlling interests	-	-	-	-	-	14.4	14.4
Share-based payments	-	-	-	2.7	2.7	-	2.7
Balance at 31 March 2023	5.6	5,261.7	(432.6)	(2,569.9)	2,264.8	2,153.6	4,418.4

The notes on pages 9 to 17 are an integral part of these condensed consolidated financial statements.

Consolidated statement of cash flows

For the period ended 31 March

\$ millions	Note	Three-month period ended 31 March 2023	Three-month period ended 31 March 2022
Net profit		35.9	699.2
Adjustments for:			
Depreciation, amortization and impairment	(12)	149.4	146.0
Interest income	(13)	(5.7)	(2.7)
Interest expense	(13)	46.9	43.9
Net foreign exchange (gain) / loss and others	(13)	14.3	(27.8)
Share in income of equity-accounted investees		26.0	(62.9)
Equity-settled share-based payment transactions		2.7	2.2
Impact difference in profit-sharing non-controlling interests		14.4	60.3
Income tax expense	(14)	(17.7)	140.0
Changes in:			
Inventories		(25.1)	(178.5)
Trade and other receivables		113.7	(190.0)
Trade and other payables	(11)	(38.0)	168.3
Provisions	(16)	(5.5)	1.9
Cash flows:			
Interest paid		(17.4)	(17.3)
Lease interest paid		(2.4)	(2.1)
Interest received		5.5	2.6
Income tax paid	(14)	(19.8)	(57.4)
Cash flow from operating activities		277.2	725.7
Investments in property, plant and equipment and intangible fixed assets	(8)	(156.5)	(51.4)
Proceeds from sale of property, plant and equipment	(8)	1.7	-
Investment in financial assets		(9.0)	-
Cash flow used in investing activities		(163.8)	(51.4)

Consolidated statement of cash flows continued

For the period ended 31 March

\$ millions	Note	Three-month period ended 31 March 2023	Three-month period ended 31 March 2022
Proceeds from borrowings	(10)	610.6	0.2
Repayment of borrowings	(10)	(148.7)	(552.3)
Payment of lease obligations		(13.4)	(7.6)
Purchase of treasury shares		-	(0.2)
Newly incurred transaction costs / call premium	(10)	(12.9)	(0.4)
Dividends paid to non-controlling interests		-	(66.7)
Proceeds from the sale of shares in OCI Methanol Group		-	375.0
Fees related to the sale of shares in OCI Methanol Group		-	(1.3)
Settlement FX derivatives	(13)	(0.5)	2.6
Cash flows from / (used in) financing activities		435.1	(250.7)
Net cash flow		548.5	423.6
Net increase in cash and cash equivalents		548.5	423.6
Cash and cash equivalents at start of period		1,717.0	1,197.3
Effect of exchange rate fluctuations on cash held		3.9	(30.0)
Cash and cash equivalents at end of period		2,269.4	1,590.9
Cash and cash equivalents in statement of financial position		2,460.8	1,759.0
Bank overdraft repayable on demand		(191.4)	(168.1)
Cash and cash equivalents in statement of cash flows		2,269.4	1,590.9

The notes on pages 9 to 17 are an integral part of these condensed consolidated financial statements.

Notes to the quarterly condensed consolidated financial statements

For the period ended 31 March

1. General

OCI N.V. ('OCI Global', 'OCI' or 'Company') was established on 2 January 2013 as a public limited liability company incorporated under Dutch law, with its head office located at Honthorststraat 19, Amsterdam, the Netherlands. OCI is registered in the Dutch commercial register under no. 56821166 dated 2 January 2013. The quarterly condensed consolidated financial statements comprise the financial statements of the Company, its subsidiaries (together referred to as the 'Group') and the Group's interests in associates and joint ventures.

OCI N.V. is a global producer and distributor of hydrogen products providing fertilizers, fuels, and feedstock to agricultural, transportation, and industrial customers around the world.

2. Basis of preparation

The quarterly condensed consolidated financial statements for the period ended 31 March 2023 have been prepared according to the same accounting policies as our most recent annual financial statements 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 2022. The quarterly condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2022 which have been prepared in accordance with IFRS, as adopted by the European Union.

These quarterly condensed consolidated financial statements have not been audited or reviewed by our external auditor.

3. Summary of material accounting policies

The accounting policies applied over the three-month period ended 31 March 2023 are consistent with those applied in the consolidated financial statements for the year ended 31 December 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

IFRS standards and interpretations thereof not yet in force which may apply to the future Group's consolidated financial statements are being assessed for their potential impact.

Currently there are no standards and interpretations not yet effective that would have a significant impact on the Group.

4. Seasonality of operations

Our product portfolio is diversified primarily by industry and 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. Supply and demand dynamics in the industrial chemicals industries in which we operate, including industrial ammonia, methanol, and melamine, are more evenly distributed throughout the year, thereby contributing to stability in sales volumes. The global sales and diversified product mix - both as fertilizers and chemical products - mitigate the impact of any one product or region's seasonal fluctuations.

5. Critical accounting judgment, estimates and assumptions

The preparation of the financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that affect amounts reported in the condensed consolidated 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 2022 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 financial statements.

With respect to financial instruments, there has not been any reclassification between categories of financial instruments compared to the consolidated financial statements for the year ended 31 December 2022. The objectives and policies of financial risk and capital management are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2022.

Notes to the quarterly condensed consolidated financial statements continued

For the period ended 31 March

6. Significant rates

The following significant exchange rates applied during the period:

	Average during the three-month period ended 31 March 2023	Average during the three-month period ended 31 March 2022	Closing as at 31 March 2023	Closing as at 31 December 2022
Euro	1.0730	1.1220	1.0839	1.0711
Egyptian pound	0.0334	0.0623	0.0325	0.0404
Algerian dinar	0.0073	0.0071	0.0074	0.0073

7. Financial risk and capital management

7.1 Financial risk management

Categories of financial instruments:

31 March 2023 \$ millions	Note	Loans and receivables / payables at amortized cost	Derivatives at fair value	Financial assets at fair value through other comprehensive income
Assets				
Trade and other receivables		743.7	26.5	-
Financial assets at fair value through other comprehensive income		-	-	24.5
Cash and cash equivalents		2,460.8	-	-
Total		3,204.5	26.5	24.5
Liabilities				
Loans and borrowings	(10)	3,516.3	-	-
Trade and other payables	(11)	1,158.7	205.2	-
Total		4,675.0	205.2	-

31 December 2022 \$ millions	Note	Loans and receivables / payables at amortized cost	Derivatives at fair value	Financial assets at fair value through other comprehensive income
Assets				
Trade and other receivables		859.0	22.9	-
Financial assets at fair value through other comprehensive income		-	-	18.8
Cash and cash equivalents		1,717.0	-	-
Total		2,576.0	22.9	18.8
Liabilities				
Loans and borrowings	(10)	2,875.7	-	-
Trade and other payables	(11)	1,220.3	178.1	-
Total		4,096.0	178.1	-

The Group has several financial instruments carried at fair value. For derivative financial instruments, the fair value is calculated within hierarchy category level 2. Financial assets at fair value through other comprehensive income recognized as level 1 is USD 1.7 million (2022: USD 2.2 million), the investment in the Infrastructure and Growth Capital Fund of USD 1.0 million (2022: USD 1.5 million) was recognized as level 2 as the valuation is partially derived from listed shares. The investment in Notore Chemical Industries of USD 21.8 million (2022: USD 15.1 million) is recognized as level 3.

Notore was listed on the Nigerian Stock Exchange in 2018, however due to the lack in trading volumes the investment is still valued within the hierarchy category level 3 based on published financial statements.

In 2023 and 2022, there were no transfers between the fair value hierarchy categories. The carrying amounts of financial assets and liabilities carried at amortized cost (loans and borrowings, trade and other receivables and trade and other payables) approximate their fair values.

For a general description of the risks related to financial instruments, reference is made to the 2022 consolidated financial statements.

Notes to the quarterly condensed consolidated financial statements continued

For the period ended 31 March

7.2 Gas hedging

The Group enters into gas hedges in order to hedge future gas price levels over a certain period of time. The Group uses derivatives (basis swaps, index swaps and options) in order to do so and does not apply hedge accounting on these instruments, therefore all fair value changes related to these financial instruments are recognized in profit or loss. Where there is no past practice of being net cash-settled, fixed price gas contracts and month-ahead swaps are accounted for under the 'own use' exemption.

The outstanding gas hedges in MMBtu for our US and NL operations as at 31 March 2023 for the years 2023 - 2029 are:

- Flat priced contracts: 298.9 million (2022: 181.0 million)
- Options (delta equivalent): 12.2 million (2022: 7.3 million)
- Basis swaps: nil (2022: 0.9 million)

7.3 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. Capital consists of ordinary shares, retained earnings and non-controlling interests of the Group. The Board of Directors monitors the return on capital 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.

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

\$ millions	Note	31 March 2023	31 December 2022
Loans and borrowings	(10)	3,516.3	2,875.7
Less: cash and cash equivalents		2,460.8	1,717.0
Net debt		1,055.5	1,158.7
Total equity		4,418.4	4,339.7
Net debt to equity ratio		0.24	0.27

8. Property, plant and equipment

\$ millions	Land and buildings	Plant and equipment	Fixtures and fittings	Under construction	Total
Cost	748.6	9,208.8	73.8	147.8	10,179.0
Accumulated depreciation	(209.1)	(4,380.3)	(46.1)	-	(4,635.5)
At 1 January 2022	539.5	4,828.5	27.7	147.8	5,543.5
Additions	38.9	42.2	2.6	310.4	394.1
Disposals	(1.7)	(1.1)	0.1	(2.2)	(4.9)
Depreciation	(29.0)	(495.0)	(5.9)	-	(529.9)
Impairment	-	(22.3)	-	-	(22.3)
Transfers	0.4	193.8	1.0	(195.2)	-
Reclassification	-	32.5	-	(1.1)	31.4
Asset retirement obligation	-	-	(6.3)	-	(6.3)
Movement in exchange rates	0.4	(10.7)	(1.1)	(3.1)	(14.5)
At 31 December 2022	548.5	4,567.9	18.1	256.6	5,391.1
Cost	778.6	9,371.6	67.8	256.6	10,474.6
Accumulated depreciation	(230.1)	(4,803.7)	(49.7)	-	(5,083.5)
At 31 December 2022	548.5	4,567.9	18.1	256.6	5,391.1
Additions	0.3	5.0	1.1	102.6	109.0
Disposals	-	(1.3)	-	(0.7)	(2.0)
Depreciation	(6.9)	(126.4)	(1.0)	-	(134.3)
Impairment	-	(0.5)	-	-	(0.5)
Transfers	2.3	84.3	1.0	(87.6)	-
Reclassification	-	-	-	-	-
Movement in exchange rates	0.7	11.4	0.2	1.3	13.6
At 31 March 2023	544.9	4,540.4	19.4	272.2	5,376.9
Cost	782.6	9,470.6	69.1	272.2	10,594.5
Accumulated depreciation	(237.7)	(4,930.2)	(49.7)	-	(5,217.6)
At 31 March 2023	544.9	4,540.4	19.4	272.2	5,376.9

Impairment of USD 0.5 million in 2023 (31 December 2022: USD 12.8 million) is related to the impairment loss of BioMCN. Reference is made to note 12.

Notes to the quarterly condensed consolidated financial statements continued

For the period ended 31 March

9. Goodwill and other intangible assets

The Company has assessed its goodwill balances for indications of impairment, inclusive of the recent decline in market prices. Based on the assessment performed, no impairment indicators were identified and as a result, no impairment test was performed. The annual goodwill impairment test will be performed in the fourth quarter.

10. Loans and borrowings

\$ millions	31 March 2023	31 December 2022
At 1 January	2,875.7	3,800.8
Proceeds from loans	1,510.6	1,073.0
Repayment / proceeds from bank overdraft facility	191.4	(354.8)
Repayment and redemption of loans and borrowings	(1,048.7)	(1,587.8)
Newly incurred transaction costs / (bond) premiums	(12.9)	(2.5)
Amortization of transaction costs / (bond) premiums	1.4	28.1
Effect of movement in exchange rates	(1.2)	(81.1)
At 31 December	3,516.3	2,875.7
Non-current	3,145.7	2,572.3
Current	370.6	303.4
Total	3,516.3	2,875.7

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

Covenants

Certain loan agreements include financial covenants. As at 31 March 2023 all financial covenants were met. In the event the respective borrowing companies would not comply with the covenant requirements, its loans would become immediately due.

Refinancing Fertiglobe

On 4 January 2023, Fertiglobe executed the drawdown of USD 900 million from the 2022 Term Loan Facility. The proceeds were directly received by the agent and were used to repay the existing Bridge Loan Facility in full. The Bridge Loan Facility is no longer available following this settlement. This is a material non-cash transaction during the period.

Bond issuance OCI N.V.

On 16 March 2023, OCI N.V. completed a bond offering consisting of USD 600 million senior unsecured fixed rate notes due 2033 as part of a USD 2 billion global medium term program. The notes bear interest at a fixed rate coupon of 6.7% per annum. The notes are senior unsecured obligations of the Company and are guaranteed by IFCo. Interest will be payable semi-annually. The proceeds from the offering will be used for general corporate purposes of the Group.

Notes to the quarterly condensed consolidated financial statements continued

For the period ended 31 March

11. Trade and other payables

\$ millions	31 March 2023	31 December 2022
Trade payables	225.0	273.7
Trade payables due to related parties	77.8	142.4
Amounts payable under the securitization agreement	142.2	177.4
Accrued dividend to non-controlling interests	102.8	102.8
Other payables	70.0	77.8
EUA liabilities	2.6	36.7
Employee benefit liabilities	13.8	14.1
Accrued expenses	373.5	345.9
Accrued interest	40.2	12.6
Customer advance payment / deferred revenue	109.2	69.1
Other tax payable	4.2	4.5
Derivative financial instruments	202.6	141.4
Total	1,363.9	1,398.4
Non-current	163.4	114.1
Current	1,200.5	1,284.3
Total	1,363.9	1,398.4

Accrued dividend to non-controlling interests

Accrued dividend to non-controlling interests mainly relates to the minimum dividend liability recorded in 2022, as a result of the 15% sale of OCI Methanol Group. The Company has agreed with the buyers a yearly guaranteed dividend for the period 2022-2025. In 2023, no dividends were paid to OCI Methanol Group minority shareholders, resulting in a dividend payable of USD 102.5 million as at 31 March 2023.

Derivative financial instruments

Derivative financial instruments consist of commodity gas hedges contracts in order to hedge future gas price levels. The fair value of these contracts amounts to USD 202.6 million as at 31 March 2023 (31 December 2022: USD 141.4 million). All derivatives included in trade and other payables are classified in the fair value hierarchy level 2.

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

\$ millions	31 March 2023	31 March 2022
Raw materials and consumables and finished goods	889.7	1,212.4
Maintenance and repair	69.2	44.2
Employee benefit expenses	122.2	106.2
Depreciation, amortization and impairment	149.4	146.0
Consultancy expenses	13.4	10.4
Other	33.0	23.5
Total	1,276.9	1,542.7
Cost of sales	1,173.9	1,464.3
Selling, general and administrative expenses	103.0	78.4
Total	1,276.9	1,542.7

The decrease in raw materials and consumables and finished goods is primarily driven by the relatively high gas prices for the three-month period ended 31 March 2022.

Depreciation, amortization and impairment includes an impairment loss of USD 0.5 million related to BioMCN for the three-month period ended 31 March 2023 (31 March 2022: USD 6.5 million).

Notes to the quarterly condensed consolidated financial statements continued

For the period ended 31 March

13. Net finance cost

\$ millions	31 March 2023	31 March 2022
Interest income and other financing income on loans and receivables	5.7	0.5
Derivatives gain	-	2.2
Foreign exchange gain	66.6	69.5
Finance income	72.3	72.2
Interest expense and other financing costs on financial liabilities measured at amortized cost	(46.9)	(43.9)
Foreign exchange loss	(80.9)	(41.7)
Finance cost	(127.8)	(85.6)
Net finance cost recognized in profit or loss	(55.5)	(13.4)

The increase in foreign exchange gains and losses is driven by the depreciation of the Egyptian Pound and Euro against the US Dollar.

Foreign exchange gains driven by intercompany loans have impacted the profit and loss statement in the first quarter of 2022, as these loans had been dedesignated from the net investment hedge of foreign operations. From July 2022 onwards these loans are not expected to be settled in the near future as a result of which the accounting treatment of the related foreign exchange gains or losses are recognised in other comprehensive income, instead of profit or loss.

14. Income taxes

The Group's consolidated effective tax rate in respect of continuing operations for the three-month period ended 31 March 2023 was -97.3% (for the three-month period ended 31 March 2022: 16.7%). The change in effective tax rate was caused mainly by the following factors:

- A key item that positively impacted the Q1 2023 effective tax rate is the devaluation of the Egyptian pound, resulting in a tax benefit of USD 35.1 million.
- The above mentioned positive impact was partially offset by an increase in valuation allowance. The increase in valuation allowance is mainly related to IFCo and disclosed below.
- The before mentioned effect was partially offset by the fact that the profits generated by the export activities of Sorfert and EBIC in the three-month period ended 31 March 2023 represent a relatively higher share of profit before tax compared to 2022, resulting in a higher contribution of income not subject to tax in the effective tax rate.

Derecognition of IFCo Iowa state tax credits

Due to the decline in commodity market prices in Q1 2023, it was determined that it is more likely than not that the Iowa state investment tax credits could not be utilized before they expire. The derecognition will result in an increase of tax expense of USD 76.2 million. For interim reporting purposes, the derecognition of the deferred tax asset is factored in the estimated annualized effective tax rate and apportioned to the quarters based on the distribution of earnings throughout the year.

As a result of this calculation, an amount of USD 10.8 million was derecognized in Q1 2023 and the remaining balance of USD 65.4 million will be derecognized in the remaining part of the year.

Notes to the quarterly condensed consolidated financial statements continued

For the period ended 31 March

15. Segment reporting

31 March 2023 \$ millions	Methanol US ¹	Methanol Europe	Nitrogen US	Nitrogen Europe	Fertiglobe	Other ²	Eliminations	Total
Total revenues	137.6	110.1	277.8	280.8	693.7	-	(128.7)	1,371.3
EBITDA ³	(97.8)	49.2	64.0	(48.2)	295.2	(26.7)	13.4	249.1
Adjusted EBITDA ³	(28.9)	49.2	89.4	(60.2)	297.3	(24.0)	13.4	336.2
Income from equity-accounted investees	-	-	-	1.5	-	-	(27.5)	(26.0)
Depreciation, amortization and impairment	(42.7)	(0.6)	(38.4)	(18.4)	(67.4)	(1.5)	19.6	(149.4)
Finance income	8.0	0.5	6.0	4.7	29.9	39.6	(16.4)	72.3
Finance expense	(17.4)	(1.4)	(18.9)	(6.6)	(70.7)	(37.4)	24.6	(127.8)
Income tax (expense) / income	28.8	(12.3)	(16.9)	18.4	1.8	(1.8)	(0.3)	17.7
Net profit	(121.1)	35.4	(4.2)	(48.6)	188.8	(27.8)	13.4	35.9
Equity-accounted investees	-	-	-	49.1	-	0.2	445.9	495.2
Capital expenditures non-current assets	5.2	0.6	17.7	13.1	15.0	58.8	(1.4)	109.0
Total assets	1,650.1	116.9	2,082.0	763.0	5,442.1	906.1	(558.2)	10,402.0

¹ Including ammonia at OCIB.

² Including OCI Clean Ammonia LLC. OCI Clean Ammonia LLC is identified as an operating segment, but due to the pre-operating phase aggregation criteria are not yet met.

³ OCI N.V. 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. The definition of the APM and a detailed reconciliation between the APM and the most directly comparable IFRS measure can be found in section 'Other information'.

Notes to the quarterly condensed consolidated financial statements continued

For the period ended 31 March

15. Segment reporting continued

31 March 2022 \$ millions	Methanol US ¹	Methanol Europe	Nitrogen US	Nitrogen Europe	Fertiglobe	Other	Eliminations	Total
Total revenues	257.5	135.1	453.7	553.3	1,184.8	-	(256.6)	2,327.8
EBITDA ²	192.1	9.9	152.6	76.0	619.6	(27.0)	(87.5)	935.7
Adjusted EBITDA ²	134.9	9.9	152.6	76.3	624.6	(27.0)	(1.2)	970.1
Income from equity-accounted investees	-	-	-	2.1	-	-	60.8	62.9
Depreciation, amortization and impairment	(37.0)	(9.0)	(37.5)	(18.2)	(62.0)	(1.3)	19.0	(146.0)
Finance income	2.1	-	0.1	4.4	35.8	40.8	(11.0)	72.2
Finance expense	(7.5)	0.2	(22.5)	(6.0)	(36.3)	(31.6)	18.1	(85.6)
Income tax (expense) / income	(22.1)	(0.4)	(17.7)	(14.6)	(90.0)	5.1	(0.3)	(140.0)
Net profit	127.6	0.7	75.0	43.7	467.1	(14.0)	(0.9)	699.2
Equity-accounted investees	-	-	-	42.9	-	0.2	520.2	563.3
Capital expenditures non-current assets	84.1	8.3	1.3	6.7	9.1	1.9	(73.0)	38.4
Total assets	1,617.6	115.9	2,634.1	854.1	5,428.1	165.1	(520.1)	10,294.8

¹ Including ammonia at OCIB.

² OCI N.V. 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. The definition of the APM and a detailed reconciliation between the APM and the most directly comparable IFRS measure can be found in section 'Other information'.

Notes to the quarterly condensed consolidated financial statements continued

For the period ended 31 March

16. Provisions, contingent assets and liabilities

There have been no significant changes, other than changes in exchange rates, in provisions, contingent assets and liabilities compared to the situation as described in the consolidated financial statements for the year ended 31 December 2022.

17. Commitments

There have been no significant changes in capital commitments and the related projects compared to the situation as described in the consolidated financial statements for the year ended 31 December 2022, except for the following:

Low carbon ammonia plant

On 13 February 2023, Fertiglobe plc initiated the procurement phase for the low carbon ammonia plant in the UAE. Fertiglobe's share of costs is expected to be 30%, following the creation of the company and the novation of the EPC contract to it. The total capital commitments per 31 March 2023 amount to USD 138.2 million.

Blue ammonia plant

On 27 February 2023, OCI Clean Ammonia LLC signed a contract for the construction activities to build the blue ammonia plant in Texas, with production expected in Q1 2025. The total capital commitments per 31 March 2023 amount to USD 584.2 million.

18. Subsequent events

Issue of compensation shares

On 5 April 2023, a total number of 285,643 shares were issued following the vesting of OCI's employee share plans on 7 and 14 February 2023. Such issuance was done for the sole purpose of fulfilling the obligations under the employee share plans.

Fertiglobe Revolving Cash Facility ('RCF')

On 11 April 2023, Fertiglobe executed the drawdown of USD 500 million from the Revolving Cash Facility. The remaining available facility is USD 100 million.

Fertiglobe interim dividend distribution

On 11 April 2023, Fertiglobe shareholders approved dividends of USD 700 million related to the second half of the year ended 31 December 2022. These dividends were approved by the Board on 13 February 2023 and paid on 17 April 2023.

OCI interim dividend distribution

On 18 April 2023, OCI confirmed a record date of 21 April 2023 for its semi-annual interim cash distribution for the H2 2022 period, following the expiry of a statutory two-month creditor opposition period without any objections. Shareholders of OCI as of close of trading on 21 April 2023 received a cash payment of EUR 3.50 per share on 26 April 2023.

Other information

Alternative Performance
Measures (APM)

Alternative Performance Measures (APM)

OCI presents certain financial measures when discussing OCI's performance, that are not measures of financial performance under IFRS. These non-IFRS measures of financial performance (also known as non-GAAP or alternative performance measures) are presented because management considers them important supplemental measures of OCI's performance and believes that similar measures are widely used in the industry in which OCI operates. OCI believes that an understanding of its financial performance is enhanced by reporting the following APMs:

- EBITDA
- Adjusted EBITDA
- Adjusted net profit / (loss)
- Free cash flow

EBITDA, adjusted EBITDA, adjusted net profit / (loss) and free cash flow are supplemental measures of financial performance that are not required by, or presented in accordance with, IFRS. Therefore, EBITDA, adjusted EBITDA, adjusted net profit / (loss) and free cash flow should be viewed as supplemental but not as a substitute for measures presented in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, which are determined in accordance with IFRS.

External stakeholders should not consider EBITDA, adjusted EBITDA, adjusted net profit / (loss) and free cash flow (a) as an alternative to operating profit or profit before taxation (as determined in accordance with IFRS) as a measure of our operating performance, and (b) as an alternative to any other measure of performance under IFRS. Because not all companies define adjusted EBITDA, EBITDA, adjusted net profit / (loss) and free cash flow in the same way, these measures may not be comparable to similarly titled measures used by other companies.

Definitions and explanations of the use of the APMs are described below. Reconciliations of the APMs to the most directly reconcilable line item are presented on the following pages.

EBITDA

EBITDA is defined as the total net profit before interest, income tax expenses, depreciation and amortization, foreign exchange gains and losses and income from equity accounted investees.

Adjusted EBITDA

Adjusted EBITDA is defined as EBITDA, adjusted for additional items and costs that management considers not reflective of our core operations.

Adjusted net profit / (loss)

Adjusted net profit / (loss) is the total net profit / (loss), adjusted for additional items and costs that management considers not reflective of our core operations.

Free cash flow

Free cash flow (FCF) reflects an additional way of viewing our liquidity that we believe is useful to our investors and is defined as cash flow reflecting the EBITDA for the year, change in working capital, maintenance capital expenditure, taxes paid, cash interest paid, lease payments, dividends from equity accounted investees, dividends paid to non-controlling interests and adjustment for other non-cash items.

Reconciliation of operating profit to adjusted EBITDA for the three-month period ended:

\$ millions	31 March 2023	31 March 2022
Operating profit	99.7	789.7
Depreciation, amortization and impairment	149.4	146.0
EBITDA	249.1	935.7
APM adjustments	87.1	34.4
Adjusted EBITDA	336.2	970.1

Alternative Performance Measures (APM) continued

APM adjustments at EBITDA level for the three-month period ended:

\$ millions	31 March 2023	31 March 2022
Natgasoline	11.8	37.1
Unrealized (gain) / loss on natural gas hedging	64.0	(16.5)
Unrealized (gain) / loss on EUA derivatives	(2.8)	0.2
Provisions and other	14.1	13.6
Total APM adjustments at EBITDA level	87.1	34.4

The main APM adjustments at EBITDA level relate to:

- Natgasoline is not consolidated and an adjustment of USD 11.8 million was made for OCI's 50% share in the plant's EBITDA in 2023. Natgasoline's contribution to adjusted EBITDA in 2022 was USD 37.1 million.
- The unrealized results on natural gas hedge derivatives of USD 64.0 million in 2023 and USD (16.5) million in 2022 relate to hedging activities at OCI Beaumont, IFCo and in the Netherlands.
- The unrealized results on EUA derivatives of USD (2.8) million in 2023 and USD 0.2 million in 2022 relate to the unrealized gain on EUA hedges at OCIN.
- Other adjustments of USD 14.1 million in 2023 and USD 13.6 million in 2022 mainly relates to movements in provisions related to ongoing litigation and claims and other adjustments.

Reconciliation of reported net profit / (loss) to adjusted net profit / (loss) for the three-month period ended:

\$ millions	31 March 2023	31 March 2022
Reported net profit / (loss) attributable to owners of the Company	(71.7)	409.7
Adjustments at EBITDA level	87.1	34.4
Add back: Natgasoline EBITDA adjustment	(11.8)	(37.1)
Result from associate (change in unrealized gas hedging Natgas)	11.6	(49.3)
Forex (gain) / loss on USD exposure	(4.3)	(32.2)
Expenses related to refinancing	-	0.9
Accelerated depreciation and impairments of PP&E	1.4	6.5
Recognition of valuation allowance	10.8	-
Non-controlling interests adjustment / uncertain tax positions	(25.9)	15.2
Tax effect of adjustments	(12.4)	6.1
Total APM adjustments at net profit / (loss) level	56.5	(55.5)
Adjusted net profit / (loss) attributable to owners of the Company	(15.2)	354.2

Alternative Performance Measures (APM) continued

The main APM adjustments at net profit / (loss) level relate to:

- The adjustment on result from associate of USD 11.6 million in 2023 and USD (49.3) million in 2022 mainly relates to the unrealized results on natural gas hedge derivatives at Natgas.
- FX impact of USD (4.3) million in 2023 and USD (32.2) million in 2022 relates to the foreign exchange gains or losses on loans and borrowings and related instruments on USD exposure carried at entities which do not have USD as functional currency.
- Refinancing expenses of USD 0.9 million in 2022 relates to early redemption costs and accelerated amortization at OCI N.V.
- Accelerated depreciation and impairments of PP&E of USD 1.4 million in 2023 mainly relates to the impairment of BioMCN. Accelerated depreciation of USD 6.5 million in 2022 fully relates to the impairment of BioMCN.
- Recognition of valuation allowance of USD 10.8 million in 2023 is related to the valuation allowance recognized at IFCo.
- Non-controlling interests adjustment of USD (25.9) million in 2023 and USD 15.2 million in 2022 is mainly related to the calculated profit attributable to non-controlling interests on all APM adjustments.
- Tax effect of adjustments of USD (12.4) million in 2023 and USD 6.1 million in 2022 is related to the calculated tax effect of all APM adjustments.

Free cash flow

\$ millions	31 March 2023	31 March 2022
Cash flow from operating activities	277.2	725.7
Maintenance capital expenditure	(103.3)	(44.2)
Lease payments	(13.4)	(7.6)
Dividends paid to non-controlling interests	-	(66.7)
Other non-operating items	(9.7)	2.1
Free cash flow	150.8	609.3