Appendix 4D

Half-Year Report

Incitec Pivot Limited

ABN 42 004 080 264

Financial half-year ended	**Previous financial half-year ended**
(current period)	(previous corresponding period)
31 March 2023	31 March 2022

Results for announcement to the market

Extracts of the Incitec Pivot Limited results for the financial half-year ended 31 March 2023				**A$ mill**
Revenues from ordinary activities	up	A$ mill 506.8 (19.9%)	to	3,055.1
Net profit for the period attributable to members of Incitec Pivot Limited	down	A$ mill 30.5 (7.9%)	to	353.6
Profit after tax excluding individually material items attributable to members of Incitec Pivot Limited	down	A$ mill 22.2 (5.8%)	to	361.9
Revenues from continuing ordinary activities	up	$A mill 387.7 (17.5%)	to	2,606.6
Net profit from continuing operations for the period attributable to members of Incitec Pivot Limited	down	$A mill 160.5 (55.5%)	to	128.8
Profit after tax from continuing operations excluding individually material items attributable to members of Incitec Pivot Limited	down	$A mill 152.2 (52.6%)	to	137.1

Dividends	**Amount per security cents**	**Franked amount per security cents**
Current period		
Interim dividend	10.0	6.0
Previous corresponding period		
Interim dividend	10.0	10.0
Year end dividend – 2022		
Final dividend	17.0	17.0

Record date for determining entitlements to the interim dividend: 16 June 2023

Payment date of interim dividend: 4 July 2023

The Dividend Reinvestment Plan remains suspended until further notice and will not be in operation for the 2023 interim dividend.

	Current period	**Previous corresponding period**
Net tangible asset backing per ordinary security	$1.58	$1.33

Net tangible assets include the right-of-use assets recognised under AASB 16 *Leases.*

For the profit commentary and any other significant information needed by an investor to make an informed assessment of Incitec Pivot Limited's results please refer to the accompanying Incitec Pivot Limited Profit Report.

Additional Appendix 4D disclosure requirements can be found in the notes to Incitec Pivot Limited's half-year financial report and the half-year Directors' report.

The information should be read in conjunction with Incitec Pivot Limited's 30 September 2022 Annual Financial Report.

Current period		*Previous corresponding period*	
Conduit foreign income component:		**Conduit foreign income component:**	
Interim dividend		Interim dividend	
Ordinary	4.0	Ordinary	nil
		Final dividend	
		Ordinary	nil

HALF-YEAR CONSOLIDATED FINANCIAL REPORT

Contents

DIRECTORS' REPORT

The Directors of Incitec Pivot Limited present their report together with the financial report for the half-year ended 31 March 2023 and the auditor's review report thereon.

Directors

The Directors of the Company during the financial half-year and up to the date of this report are:

Name and qualifications	Period of directorship
Non-executive directors	
B Kruger BEc	Appointed as a director on 5 June 2017 and appointed Chairman on 1 July 2019
B Brook BCom, BAcc, FCA, MAICD	Appointed as a director on 3 December 2018
G Robinson Bsc (Hon), MBA, MAICD	Appointed as a director on 25 November 2019
X Liu PhD (Extractive Metallurgy), BEng (Extractive Metallurgy), GAICD, FAusIMM, FTSE	Appointed as a director on 25 November 2019
G Biltz BChE, MBA, NACD.DC	Appointed as a director on 1 December 2020
T Dwyer BJuris (Hons), LLB (Hons), GAICD	Appointed as a director on 20 May 2021
J Ho BSc (Math), BCom (First Class Honours & University Medal)	Appointed as a director on 6 March 2023
M Carroll BAgSc, MBA, FAICD	Appointed as a director on 6 March 2023
Executive director	
J Johns B.S. Chemical Engineering, *magna cum laude*	Appointment as Managing Director & CEO commenced on 15 November 2017

Review of operations

A review of the operations of Incitec Pivot Limited (IPL) and its controlled entities (collectively the 'Group') during the half-year ended 31 March 2023 is contained in the accompanying Incitec Pivot Limited Profit Report.

Sale of Waggaman facility

In March 2023, the Group reached an agreement for the sale of its ammonia manufacturing facility located in Waggaman, Louisiana, USA (WALA) to CF Industries Holdings Inc (CF) for a total value of US$1.675b.

The Group also secured a 25-year ammonia supply agreement with CF for up to 200,000 short tonnes of ammonia per annum at producer cost to support the Dyno Nobel Americas explosives business.

The supply agreement has been assigned a preliminary value of US$425m which will offset from the proceeds, resulting in expected net cash proceeds after tax of US$837m.

As a result of the agreement, IPL retains access to 25% of the equivalent WALA volumes and associated financial and strategic benefits. The profit margin on the 200,000 short tonnes previously reported as part of the WALA result will transfer to the DNA Explosives business.

The divestment remains subject to US anti-trust regulatory clearance.

As a result of the agreement, the assets and liabilities directly attributable to Waggaman have been reclassified to held-for-sale and the earnings presented as attributable to discontinued operations. Refer to note 10 of the financial statements for the earnings, cashflows and balance sheet of the Waggaman discontinued operations.

On market share buy-back

As previously announced, in line with the Group's Capital Allocation Framework, IPL intends to undertake an on-market share buyback of up to $400m. The Group has sufficient cash reserves and committed bank facilities to complete the buyback. The exact amount and timing of share purchases remains dependent on regulatory requirements and market conditions. IPL intends to conduct the share buyback during available trading windows and expects to complete the program by around the end of this calendar year.

Events subsequent to reporting date

Capital management

Since the end of the half-year, in May 2023 the directors determined to pay an interim dividend for the Company of 10.0 cents per share, 60% franked, to be paid on 4 July 2023 (refer to note 8 in the half-year financial report).

Perdaman offtake agreement

In April 2023, Incitec Pivot Fertilisers (IPF) confirmed that the previously disclosed urea offtake arrangement with Perdaman Chemicals and Fertilisers Pty Ltd (PCF) is now unconditional with PCF obtaining financing for construction of the new Karratha urea plant. Under the offtake arrangement, IPF has agreed to take up to 2.3m tonnes of urea per annum from the new plant for a 20-year period. Offtake will commence once the plant is fully commissioned with PCF advising that this is expected to be from mid-2027. Pricing under the Offtake Agreement is expected to deliver a competitively priced product, providing an at-scale platform for potential growth in recurring earnings for IPF.

IPL provides a parent company guarantee of IPF's obligations under the Offtake Agreement.

Moranbah gas agreement

In May 2023, IPL announced entry into a new long-term gas supply agreement for the Moranbah ammonium nitrate plant. The agreement with wholly owned subsidiaries of Queensland Pacific Metals Ltd (QPM) is conditional on QPM's successful completion of the acquisition of the Moranbah Gas Project (MGP).

The new gas supply agreement will commence in April 2026 following expiry of the current gas supply agreement and continue until at least March 2033, with an option to extend the agreement until March 2037. The new agreement is expected to sustain the long-term competitive advantage of IPL's Moranbah ammonium nitrate plant.

IPL will provide financial support to QPM in the form of a gas prepayment facility of up to $80m and will also provide QPM with a corporate guarantee until February 2025 to guarantee performance of contracts related to gas supply and transport required for QPM to acquire the MGP.

The arrangements include a full security package under which IPL's gas supply and funding agreements are secured against the gas producing assets of MGP, including the petroleum tenements. The gas supply and funding agreements with QPM are interdependent and conditional upon (amongst other things) QPM's completion of the MGP acquisition and completion of IPL's confirmatory due diligence to enable IPL's decision to consent to the assignment to QPM of its existing gas supply agreement.

The agreements with QPM are expected to complete mid calendar year, subject to satisfaction of these conditions.

Other than the matters reported above, as at the date of this report, the directors are not aware of any significant matter or circumstance that has arisen since 31 March 2023 that has affected or may affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent years, which has not been covered in this report.

Lead Auditor's Independence Declaration

The lead auditor's independence declaration is set out on page 5 and forms part of the Directors' report for the half-year ended 31 March 2023.

Rounding

The Group is of a kind referred to in ASIC Legislative Instrument, ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission dated 24 March 2016 and, in accordance with that Legislative Instrument, the amounts shown in this report and in the accompanying half-year financial report have been rounded off, except where otherwise stated, to the nearest one hundred thousand dollars.

This report is made in accordance with a resolution of Directors.

Signed on behalf of the Board.

Brian Kruger
Chairman

Melbourne, 17 May 2023

Jeanne Johns
Managing Director & CEO

Melbourne, 17 May 2023

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The Board of Directors
Incitec Pivot Limited
Level 8, 28 Freshwater Place
Southbank Victoria 3006

17 May 2023

Dear Board Members

Auditors Independence Declaration to Incitec Pivot Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Incitec Pivot Limited.

As lead audit partner for the review of the half year financial report of Incitec Pivot Limited for the half year ended 31 March 2023, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

A T Richards
Partner
Chartered Accountants

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 March 2023

	Notes	March 2023 $mill	March 2022 $mill
Continuing operations			
Revenue	(5)	**2,606.6**	2,218.9
Financial and other income	(5)	**37.8**	18.2
Share of profit of equity accounted investments		**23.7**	18.0
Operating expenses			
Changes in inventories of finished goods and work in progress		**77.0**	356.3
Raw materials and consumables used and finished goods purchased for resale		**(1,451.7)**	(1,290.3)
Employee expenses		**(434.3)**	(349.0)
Depreciation and amortisation		**(161.6)**	(153.1)
Financial expenses		**(76.3)**	(46.0)
Purchased services		**(130.9)**	(102.1)
Repairs and maintenance		**(108.3)**	(95.0)
Outgoing freight		**(167.9)**	(145.4)
Lease payments		**(15.6)**	(12.1)
Other expenses		**(35.1)**	(24.1)
Profit before income tax		**163.4**	394.3
Income tax expense		**(34.8)**	(105.1)
Profit for the half-year from continuing operations		**128.6**	289.2
Discontinued operations			
Profit for the period from discontinued operations	(10)	**224.8**	94.8
Profit for the half-year		**353.4**	384.0
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss			
Actuarial (loss)/gain on defined benefit plans		**(4.6)**	14.3
Income tax relating to items that will not be reclassified subsequently to profit or loss		**1.2**	(4.2)
		(3.4)	10.1
Items that may be reclassified subsequently to profit or loss			
Fair value gain on cash flow hedges		**17.5**	31.6
Cash flow hedge loss transferred to profit or loss		**38.7**	10.3
Exchange differences on translating foreign operations		**(98.0)**	(160.7)
Net gain on net investment hedges		**22.9**	32.3
Income tax relating to items that may be reclassified subsequently to profit or loss		**(17.1)**	(12.4)
		(36.0)	(98.9)
Other comprehensive income for the half-year, net of income tax		**(39.4)**	(88.8)
Total comprehensive income for the half-year		**314.0**	295.2
Profit attributable to:			
Members of Incitec Pivot Limited from continuing operations		**128.8**	289.3
Members of Incitec Pivot Limited from discontinued operations		**224.8**	94.8
Non-controlling interest		**(0.2)**	(0.1)
Profit for the half-year		**353.4**	384.0
Total comprehensive income attributable to:			
Members of Incitec Pivot Limited from continuing operations		**168.9**	308.5
Members of Incitec Pivot Limited from discontinued operations [(i)]		**145.3**	(13.2)
Non-controlling interest		**(0.2)**	(0.1)
Total comprehensive income for the half-year		**314.0**	295.2
Earnings per share			
Basic (cents per share)	(6)	**18.2**	19.8
Diluted (cents per share)	(6)	**18.2**	19.7
Earnings per share from continuing operations			
Basic (cents per share)	(6)	**6.6**	14.9
Diluted (cents per share)	(6)	**6.6**	14.8

(i) The total comprehensive income attributable to members of Incitec Pivot Limited from discontinued operations includes the impact of exchange differences on translating Waggaman operations during the period.

Consolidated Statement of Financial Position

As at 31 March 2023

	Notes	March 2023 $mill	September 2022 $mill
Current assets			
Cash and cash equivalents	(12)	**344.4**	763.5
Trade and other receivables		**601.8**	756.6
Inventories		**1,059.3**	993.6
Other assets		**117.7**	111.4
Other financial assets	(13)	**5.0**	29.2
Assets classified as held for sale	(10)	**2,179.5**	–
Total current assets		**4,307.7**	2,654.3
Non-current assets			
Trade and other receivables		**22.0**	28.7
Other assets		**45.1**	35.9
Other financial assets	(13)	**6.3**	8.1
Equity accounted investments		**376.3**	379.4
Property, plant and equipment		**3,009.8**	4,246.9
Right-of-use lease assets		**206.5**	221.0
Intangible assets		**2,338.5**	3,281.4
Deferred tax assets		**16.1**	8.0
Total non-current assets		**6,020.6**	8,209.4
Total assets		**10,328.3**	10,863.7
Current liabilities			
Trade and other payables		**1,022.8**	1,393.4
Lease liabilities		**42.1**	42.1
Interest bearing liabilities	(12)	**20.4**	21.1
Other financial liabilities	(13)	**2.0**	57.6
Provisions		**144.0**	166.7
Current tax liabilities		**65.5**	144.4
Liabilities directly associated with assets classified as held for sale	(10)	**72.3**	–
Total current liabilities		**1,369.1**	1,825.3
Non-current liabilities			
Trade and other payables		**15.4**	23.0
Lease liabilities		**188.0**	203.8
Interest bearing liabilities	(12)	**1,676.8**	1,690.9
Other financial liabilities	(13)	**70.7**	95.0
Provisions		**161.4**	170.6
Deferred tax liabilities		**551.8**	552.9
Retirement benefit obligation		**19.2**	12.5
Total non-current liabilities		**2,683.3**	2,748.7
Total liabilities		**4,052.4**	4,574.0
Net assets		**6,275.9**	6,289.7
Equity			
Issued capital		**3,806.2**	3,806.2
Reserves		**8.1**	41.7
Retained earnings		**2,461.7**	2,441.7
Non-controlling interest		**(0.1)**	0.1
Total equity		**6,275.9**	6,289.7

Consolidated Statement of Cash Flows

For the half-year ended 31 March 2023

	Notes	March 2023 $mill	March 2022 $mill
		Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities			
Profit after tax for the half-year		**353.4**	384.0
Adjusted for non-cash items			
Net finance cost		**72.6**	45.8
Depreciation and amortisation		**172.7**	183.2
Share of profit of equity accounted investments		**(23.7)**	(18.0)
Net gain on sale of property, plant and equipment		**(6.8)**	–
Non-cash share-based payment transactions		**2.4**	1.7
Income tax expense		**113.7**	138.4
Changes in assets and liabilities			
Decrease/(Increase) in receivables and other operating assets		**74.5**	(185.2)
Increase in inventories		**(85.6)**	(388.5)
Decrease in payables, provisions and other operating liabilities		**(276.5)**	(139.2)
		396.7	22.2
Adjusted for cash items			
Dividends received		**18.4**	3.4
Interest received		**4.1**	0.6
Interest paid		**(67.8)**	(42.8)
Income tax paid		**(203.8)**	(62.8)
Net cash flows from operating activities		**147.6**	(79.4)
Cash flows from investing activities			
Payments for property, plant and equipment and intangibles		**(227.1)**	(160.8)
Proceeds from sale of property, plant and equipment		**14.2**	0.7
Payments towards investment in joint arrangement		**-**	(2.7)
Receipts from/payments for settlement of net investment hedge derivatives		**-**	0.9
Net cash flows from investing activities		**(212.9)**	(161.9)
Cash flows from financing activities			
Repayments of borrowings	(12)	**(5.7)**	(2.7)
Dividends paid to members of Incitec Pivot Limited		**(330.2)**	(161.2)
Lease liability payments		**(20.1)**	(21.2)
Realised market value (losses)/gains on derivatives		**-**	(3.9)
Purchased shares for IPL employees		**-**	(1.5)
Net cash flows from financing activities		**(356.0)**	(190.5)
Net decrease in cash and cash equivalents held		**(421.3)**	(431.8)
Cash and cash equivalents at the beginning of the half-year		**763.5**	651.8
Effect of exchange rate fluctuation on cash and cash equivalents held		**2.2**	(4.7)
Cash and cash equivalents at the end of the half-year	(12)	**344.4**	215.3

The above Consolidated Statement of Cash Flows includes cash flows from both continuing and discontinuing operations. Refer to Note 10 for the cash flows relating to discontinued operations.

Consolidated Statement of Changes in Equity

For the half-year ended 31 March 2023

	Issued capital $mill	Cash flow hedging reserve $mill	Share-based payments reserve $mill	Foreign currency translation reserve $mill	Fair value reserve $mill	Retained earnings $mill	Non-controlling interest $mill	Total equity $mill
Balance at 1 October 2021	3,806.2	(63.4)	29.3	(154.9)	(19.7)	1,771.1	–	5,368.6
Profit for the half-year	–	–	–	–	–	384.1	(0.1)	384.0
Total other comprehensive income for the half-year	–	29.5	–	(128.4)	–	10.1	–	(88.8)
Dividends paid	–	–	–	–	–	(161.2)	–	(161.2)
Purchased shares for IPL employees	–	–	(1.5)	–	–	–	–	(1.5)
Share-based payment transactions	–	–	1.7	–	–	–	–	1.7
Balance at 31 March 2022	3,806.2	(33.9)	29.5	(283.3)	(19.7)	2,004.1	(0.1)	5,502.8
Balance at 1 October 2022	**3,806.2**	**(76.4)**	**23.4**	**114.4**	**(19.7)**	**2,441.7**	**0.1**	**6,289.7**
Profit for the half-year	**–**	**–**	**–**	**–**	**–**	**353.6**	**(0.2)**	**353.4**
Total other comprehensive income for the half-year	**–**	**39.1**	**–**	**(75.1)**	**–**	**(3.4)**	**–**	**(39.4)**
Dividends paid	**–**	**–**	**–**	**–**	**–**	**(330.2)**	**–**	**(330.2)**
Share-based payment transactions	**–**	**–**	**2.4**	**–**	**–**	**–**	**–**	**2.4**
Balance at 31 March 2023	**3,806.2**	**(37.3)**	**25.8**	**39.3**	**(19.7)**	**2,461.7**	**(0.1)**	**6,275.9**

Cash flow hedging reserve

This reserve comprises the cumulative net change in the fair value of the effective portion of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Share-based payments reserve

This reserve comprises the fair value of rights recognised as an employee expense under the terms of the Long Term Incentive Plans.

Foreign currency translation reserve

Exchange differences arising on translation of foreign controlled operations are taken to the foreign currency translation reserve. The relevant portion of the reserve is recognised in the profit or loss when the foreign operation is disposed of. Refer to Note 10 for other comprehensive income relating to the net assets classified as held for sale.

The foreign currency translation reserve is also used to record gains and losses on hedges of net investments in foreign operations.

Fair value reserve

This reserve represents the cumulative net change in the fair value of equity instruments. The annual net change in the fair value of investments in equity securities (including both realised and unrealised gains and losses) is recognised in other comprehensive income.

Non-controlling interest

This represents equity interest outside the Incitec Pivot Limited Group.

Notes to the half-year Consolidated Financial Report

For the half-year ended 31 March 2023

1. Basis of preparation

Incitec Pivot Limited (the **Company**, or **IPL**) is a company incorporated and domiciled in Australia. This half-year Consolidated Financial Report includes the financial statements of the Company and its subsidiaries and the Group's interest in joint arrangements and associates (collectively the **Group**) as at, and for, the half-year ended 31 March 2023.

The half-year Consolidated Financial Report is a general purpose Financial Report which has been prepared in accordance with the requirements of the Australian *Corporations Act 2001* and accounting standards applicable in Australia, including *AASB 134 Interim Financial Reporting*.

This half-year Consolidated Financial Report does not include all the notes of the type normally included in the Annual Financial Report. Accordingly, this report is to be read in conjunction with the Annual Financial Report for the year ended 30 September 2022 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure obligations set out in the ASX listing rules.

As a result of the Waggaman sale agreement, the assets and liabilities directly attributable to Waggaman have been reclassified to held-for-sale and the earnings presented as attributable to discontinued operations. Refer to note 10 of the financial statements for the earnings, cash flow and balance sheet of the Waggaman operations. Where applicable, comparative disclosures have been reclassified for consistency with the current period.

The Annual Financial Report of the Group for the year ended 30 September 2022 is available on Incitec Pivot Limited's website, www.incitecpivot.com.au, or upon request from the Company's registered office at Level 8, 28 Freshwater Place, Southbank Victoria 3006, Australia.

This half-year Consolidated Financial Report was approved by the Board of Directors on 17 May 2023.

The Group is of a kind referred to in ASIC Legislative Instrument, ASIC Corporations *(Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission dated 24 March 2016 and, in accordance with that Legislative Instrument, the amounts shown in this report have been rounded off, except where otherwise stated, to the nearest one hundred thousand dollars.

Global economic challenges

Various global challenges including inflation, the war in Russia/Ukraine, global supply chain disruption and tighter global financial conditions, continue to pose future uncertainties. To date, the negative impact on IPL Group results has not been significant and no structural changes that impact the longer term operations and cash flows have been identified.

2. Summary of accounting policies

The accounting policy pertaining to the classification of costs associated with the nonrecourse receivable purchasing agreement was amended during the half-year ended 31 March 2023. These costs have been classified as financing costs to better reflect the nature of the costs incurred, whereas in prior years the costs were classified as operating costs. Prior period results have not been restated on the basis of materiality.

All other accounting policies applied by the Group in the half-year Consolidated Financial Report are the same as those applied by the Group in its Annual Financial Report as at, and for, the year ended 30 September 2022.

The Group adopted any amendments to Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that are relevant to its operations and effective for the current half-year. The adoption of these revised Standards and Interpretations did not have a material impact on the Group's results.

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 March 2023 reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods or on foreseeable future transactions.

3. Critical accounting estimates and judgements

Impairment of assets

The Group performs annual impairment testing as at 30 September for intangible assets with indefinite useful lives. More frequent reviews are performed for indicators of impairment of all the Group's assets, including operating assets. The identification of impairment indicators involves management judgement. When an indicator of impairment is identified, a formal impairment assessment is performed. The recoverable amounts of IPL's CGUs, being Fertilisers APAC, DNAP, DNA and Titanobel exceeded their carrying amounts at 30 September 2022. No impairment indicators were identified since this date.

Sensitivity analyses of the recoverable amounts of the Group's CGUs, considering reasonable change scenarios relating to key assumptions, are included in the Annual Financial Report for the year ended 30 September 2022 and remain relevant at 31 March 2023.

Notes to the half-year Consolidated Financial Report

For the half-year ended 31 March 2023

4. Segment report

The Group operates a number of strategic divisions that offer different products and services and operate in different markets. For reporting purposes, these divisions are known as reportable segments. The results of each segment are reviewed monthly by the executive management team (the chief operating decision makers) to assess performance and make decisions about the allocation of resources.

Description of reportable segments

Asia Pacific

Fertilisers Asia Pacific (**Fertilisers APAC**): manufactures and sells fertilisers in Eastern Australia and the export market. It also manufactures, imports and sells industrial chemicals to the agriculture and specialist industries.

Dyno Nobel Asia Pacific (**DNAP**): manufactures and sells industrial explosives and related products and services to the mining industry in the Asia Pacific region, Turkey and France.

Asia Pacific Eliminations (**APAC Elim**): represents elimination of sales and profit in stock arising from Fertilisers APAC sales to DNAP.

Americas

Dyno Nobel Americas (**DNA**): manufactures and sells industrial explosives and related products and services to the mining, quarrying and construction industries in the Americas (USA, Canada, Mexico and Chile) and initiating systems to businesses in Australia, Turkey and South Africa. It also manufactures and sells industrial chemicals to the agriculture and specialist industries.

Group eliminations/Corporate

Group Eliminations (**Group Elim**): represents elimination of sales and profit in stock arising from intersegment sales at an arm's length transfer price.

Corporate: costs include all head office expenses that cannot be directly or reasonably attributed to the operation of any of the Group's businesses.

Reportable segments – financial information

	Asia Pacific				Americas					
31 March 2023	**Fertilisers APAC $mill**	**DNAP $mill**	**APAC Elim $mill**	**Total $mill**	**DNA $mill**	**Group Elim $mill**	**Corporate[i] $mill**	**Total Continuing Operations $mill**	**Discontinued Operations $mill**	**Consolidated Group $mill**
Revenue from external customers	1,036.8	748.5	(16.0)	1,769.3	865.3	(28.0)	–	2,606.6	448.5	3,055.1
Share of profit of equity accounted investments	–	6.1	–	6.1	17.6	–	–	23.7	–	23.7
EBITDA[ii]	161.1	128.7	–	289.8	142.6	0.2	(23.6)	409.0	315.3	724.3
Depreciation and amortisation	(53.4)	(49.4)	–	(102.8)	(55.9)	0.2	(3.1)	(161.6)	(11.1)	(172.7)
EBIT[iii]	107.7	79.3	–	187.0	86.7	0.4	(26.7)	247.4	304.2	551.6
Net interest expense										(72.6)
Income tax expense										(117.3)
Profit after tax										361.7
Non-controlling interest										0.2
Individually material items (net of tax)										(8.3)
Profit after tax attributable to members of IPL										**353.6**
Segment assets	2,067.5	2,889.4	–	4,956.9	2,813.1	–	362.7	8,132.7	2,179.5	10,312.2
Segment liabilities	(730.6)	(366.0)	–	(1,096.6)	(806.8)	–	(1,535.0)	(3,438.4)	(62.2)	(3,500.6)
Net segment assets[iv]	1,336.9	2,523.4	–	3,860.3	2,006.3	–	(1,172.3)	4,694.3	2,117.3	6,811.6
Deferred tax balances										(535.7)
Net assets										**6,275.9**

(i) Corporate assets and liabilities include the Group's interest bearing liabilities and derivative assets and liabilities.

(ii) Earnings Before Interest, related income tax expense, Depreciation and Amortisation.

(iii) Earnings Before Interest and related income tax expense.

(iv) Net segment assets exclude deferred tax balances.

Notes to the half-year Consolidated Financial Report

For the half-year ended 31 March 2023

31 March 2022	Asia Pacific Fertilisers APAC $mill	DNAP $mill	APAC Elim $mill	Total $mill	Americas DNA $mill	Group Elim $mill	Corporate[i] $mill	Total Continuing Operations $mill	Discontinued Operations $mill	Consolidated Group $mill
Revenue from external customers	962.9	517.0	(11.4)	1,468.5	768.8	(18.4)	–	2,218.9	329.4	2,548.3
Share of profit of equity accounted investments	–	6.9	–	6.9	11.1	–	–	18.0	_	18.0
EBITDA[ii]	306.4	121.2	–	427.6	182.0	1.0	(17.8)	592.8	158.6	751.4
Depreciation and amortisation	(49.5)	(42.1)	–	(91.6)	(58.7)	–	(2.8)	(153.1)	(30.1)	(183.2)
EBIT[iii]	256.9	79.1	–	336.0	123.3	1.0	(20.6)	439.7	128.5	568.2
Net interest expense										(45.8)
Income tax expense										(138.4)
Profit after tax										384.0
Non-controlling interest										0.1
Profit after tax attributable to members of IPL										**384.1**
30 September 2022										
Segment assets	2,000.7	2,878.2	–	4,878.9	3,705.4	–	848.9	9,433.2	1,422.5	10,855.7
Segment liabilities	(1,122.2)	(326.5)	–	(1,448.7)	(913.2)	–	(1,633.3)	(3,995.2)	(25.9)	(4,021.1)
Net segment assets[iv]	878.5	2,551.7	–	3,430.2	2,792.2	–	(784.4)	5,438.0	1,396.6	6,834.6
Deferred tax balances										(544.9)
Net assets										**6,289.7**

(i) Corporate assets and liabilities include the Group's interest bearing liabilities and derivative assets and liabilities.

(ii) Earnings Before Interest, related income tax expense, Depreciation and Amortisation.

(iii) Earnings Before Interest and related income tax expense.

(iv) Net segment assets exclude deferred tax balances.

Geographical information – secondary reporting segments

The Group operates in two principal countries being Australia and the USA.

In presenting information on the basis of geographical information, revenue is based on the geographical location of the entity making the sale. Assets are based on the geographical location of the assets.

31 March 2023	Australia $mill	USA $mill	Other/Elim $mill	Continuing Operations $mill	Discontinued Operations (USA) $mill	Consolidated $mill
Revenue from external customers	**1,598.4**	**692.2**	**316.0**	**2,606.6**	**448.5**	**3,055.1**
31 March 2022						
Revenue from external customers	1,419.1	625.1	174.7	2,218.9	329.4	2,548.3

31 March 2023	Australia $mill	USA $mill	Other/Elim $mill	Consolidated $mill
Non-current assets other than financial assets and deferred tax assets	**3,526.3**	**2,057.2**	**414.7**	**5,998.2**
Trade and other receivables	**398.0**	**124.7**	**101.1**	**623.8**
30 September 2022				
Non-current assets other than financial assets and deferred tax assets	3,544.2	4277.8	371.3	8,193.3
Trade and other receivables	378.2	255.6	151.5	785.3

Notes to the half-year Consolidated Financial Report

For the half-year ended 31 March 2023

5. Revenue and other income

	March 2023 $mill	March 2022 $mill
Revenue		
External sales from continuing operations	**2,606.6**	2,218.9
External sales from discontinued operations	**448.5**	329.4
Total revenue	**3,055.1**	2,548.3
Financial income		
Interest income	**4.1**	0.6
Other income		
Royalty income and management fees	**18.0**	14.8
Net gain on sale of property, plant and equipment	**6.8**	–
Other income from continuing operations	**8.9**	2.8
Total financial and other income from continuing operations	**37.8**	18.2
Other income from discontinued operations	**0.3**	0.1

Seasonality of operations

Earnings (and cash inflows) are biased to the second half of the financial year and are significantly influenced in the Fertilisers business by the Australian winter planting season which is dependent upon autumn and early winter rainfall, and in the Explosives business by the wet season in Queensland, Australia and the North American winter.

6. Earnings per share

	March 2023 $mill	March 2022 $mill
Earnings used in the calculation of earnings per share attributable to ordinary shareholders		
Profit from continuing operations attributable to ordinary shareholders	**128.8**	289.3
Profit from discontinued operations attributable to ordinary shareholders	**224.8**	94.8
Individually material items after income tax	**8.3**	–
Profit attributable to ordinary shareholders	**361.9**	384.1

	Number	Number
Weighted average number of ordinary shares used in the calculation of basic earnings per share	**1,942,225,029**	1,942,225,029
Weighted average number of ordinary shares used in the calculation of diluted earnings per share	**1,946,217,891**	1,945,599,830

	March 2023 Cents per share	March 2022 Cents per share
Basic earnings per share		
Continuing operations including individually material items	**6.6**	14.9
Discontinued operations	**11.6**	4.9
Total basic earnings per share	**18.2**	19.8
Diluted earnings per share		
Continuing operations including individually material items	**6.6**	14.8
Discontinued operations	**11.6**	4.9
Total diluted earnings per share	**18.2**	19.7
Excluding individually material items		
Basic earnings per share	**18.6**	19.8
Diluted earnings per share	**18.6**	19.7

7. Individually material items

Profit after tax includes the following expenses whose disclosure is relevant in explaining the financial performance of the Group:

	Gross $mill	Tax $mill	Net $mill
Demerger cost [(1)]	11.9	(3.6)	8.3
Total individually material items	**11.9**	**(3.6)**	**8.3**

(1) Individually Material Items for the half reflects the Demerger related costs of $11.9m pre-tax, mainly comprising of IT transition costs which continue to ensure day one readiness for the proposed demerger.

8. Dividends

Dividends paid or announced by the Company in respect of the half-year ended 31 March were:

	March 2023 $mill	March 2022 $mill
Ordinary shares		
Final dividend of 8.3 cents per share, 14 percent franked, paid 16 December 2021	–	161.2
Final dividend of 17.0 cents per share, 100 percent franked, paid 21 December 2022	330.2	–
Total ordinary share dividends	**330.2**	161.2

Since the end of the half-year, the directors have determined to pay an interim dividend of 10.0 cents per share, 60% franked, to be paid on 4 July 2023. The total dividend payment will be $194.2 million.

The financial effect of this dividend has not been recognised in the half-year Consolidated Financial Report and will be recognised in subsequent Financial Reports.

9. Issued capital

Issued capital as at 31 March 2023 amounted to $3,806.2m (1,942,225,029 ordinary shares).

Notes to the half-year Consolidated Financial Report

For the half-year ended 31 March 2023

10. Discontinued operations

In March 2023, the Group reached an agreement for the sale of its ammonia manufacturing facility located in Waggaman, Louisiana, USA (WALA) to CF Industries Holdings Inc (CF) for a total value of US$1.675b.

The Group also secured a 25-year ammonia supply agreement with CF for up to 200,000 short tonnes of ammonia per annum at producer cost to support the Dyno Nobel Americas explosives business.

The supply agreement has been assigned a preliminary value of US$425m which will offset from the proceeds, resulting in expected net cash proceeds after tax of US$837m.

As a result of the agreement, IPL retains access to 25% of the equivalent WALA volumes and associated financial and strategic benefits. The profit margin on the 200,000 short tonnes previously reported as part of the WALA result will transfer to the DNA Explosives business. The divestment remains subject to US anti-trust regulatory clearance.

The results of Waggaman and the detail of the operating assets and liabilities held for sale are presented below:

	March 2023 $mill	March 2022 $mill
Profit for the period from discontinued operations		
Revenue	**448.5**	329.4
Financial and other income	**0.3**	0.1
Expenses	**(145.1)**	(201.4)
Profit before income tax	**303.7**	128.1
Income tax	**(78.9)**	(33.3)
Profit for the half-year from discontinued operations	**224.8**	94.8

	March 2023 $mill	March 2022 $mill
Cash flows from/(used in) discontinued operations		
Net cash flows from operating activities	**293.5**	143.5
Net cash from investing activities	**(34.5)**	(7.9)
Net cash from financing activities	**(0.2)**	(0.1)
Total cash flows from discontinued operations	**258.8**	135.5

The cumulative foreign currency translation reserve gain attributable to the Waggaman assets classified as held for sale is $225.7m at the end of March 2023. This balance will be released to the consolidated statement of profit or loss and other comprehensive income upon completion of the sale along with future foreign currency translation reserve movements prior to completion date.

	March 2023 $mil
Assets held for sale	
Trade and other receivables	**53.1**
Inventories	**9.0**
Property, plant and equipment	**1,230.7**
Right-of-use asset	**9.2**
Intangible assets (1)	**877.2**
Other assets	**0.3**
Total assets held for sale	**2,179.5**
Liabilities directly associated with assets classified as held for sale	
Trade and other payables	**46.1**
Lease liabilities	**9.8**
Provisions	**16.4**
Total liabilities directly associated with assets classified as held for sale	**72.3**

(1) As the Waggaman assets contributed to the future cashflows of the DNA CGU, which includes goodwill, a relative share of that goodwill has been reallocated to the assets held for sale and will be included as part of the gain or loss on sale if the sale is approved.

Notes to the half-year Consolidated Financial Report

For the half-year ended 31 March 2023

11. Joint arrangements and associates

Name of entity	Ownership interest
Joint ventures	
Incorporated in USA [1]	
Buckley Powder Co.	50%
IRECO Midwest Inc.	50%
Wampum Hardware Co.	50%
Western Explosives Systems Company	50%
Warex Corporation	50%
Warex, LLC	50%
Warex Transportation, LLC	50%
Vedco Holdings, Inc.	50%
Virginia Explosives & Drilling Company, Inc.	50%
Austin Sales, LLC	50%
Virginia Drilling Company, LLC	50%
DetNet Americas, Inc.	50%
Incorporated in Canada [1]	
Qaaqtuq Dyno Nobel Inc. [3]	49%
Dene Dyno Nobel (DWEI) Inc. [4]	49%
Incorporated in Australia [2]	
Queensland Nitrates Pty Ltd	50%
Queensland Nitrates Management Pty Ltd	50%
Incorporated in South Africa	
DetNet South Africa (Pty) Ltd [1]	50%
Sasol Dyno Nobel (Pty) Ltd [5]	50%
Incorporated in Mexico [1]	
DNEX Mexico, S. de R.L. de C.V.	49%
Explosivos de la Region Lagunera, S.A. de C.V.	49%
Explosivos de la Region Central, S.A. de C.V.	49%
Nitro Explosivos de Ciudad Guzmán, S.A. de C.V.	49%
Explosivos y Servicios Para la Construcción, S.A. de C.V.	49%
Incorporated in France [1]	
Newcomat SARL	10%
Incorporated in New Caledonia [1]	
Katiramona Explosifs SAS	50%
Incorporated in Mongolia [1]	
Titanobel Mongolia LLC	49%
Nitrosibir Mongolia LLC	49%
Incorporated in Nigeria [1]	
Titanobel & Dynatrac Limited	55%

Name of entity	Ownership interest
Associates	
Incorporated in USA [1]	
Maine Drilling and Blasting Group	49%
Independent Explosives	49%
Maine Drilling and Blasting, Inc.	49%
MD Drilling and Blasting, Inc.	49%
Incorporated in Canada [1]	
Labrador Maskuau Ashini Ltd	49%
Innu Namesu Ltd	49%
Incorporated in French Guiana [1]	
Guyanexplo Société en Nom collectif	35%

Joint operations

IPL has a 50% interest in an unincorporated joint operation with Central Petroleum Limited for the development of gas acreage in Queensland, Australia, which commenced in the 2018 financial year.

(1) These entities have a 31 December financial year end. For the purpose of applying the equity method of accounting, the unaudited financial information through to 31 March 2023 has been used.

(2) These entities have a 30 June financial year end. For the purpose of applying the equity method of accounting, the unaudited financial information through to 31 March 2023 has been used.

(3) Due to legal requirements in the Canadian Northwest Territories, the Group cannot own more than 49 percent of shares in Qaaqtuq Dyno Nobel Inc. However, under the joint venture agreement, the Group is entitled to 75 percent of the profit of Qaaqtuq Dyno Nobel Inc.

(4) Due to legal requirements in the Canadian Northwest Territories, the Group cannot own more than 49 percent of shares in Dene Dyno Nobel (DWEI) Inc. However, under the joint venture agreement, the Group is entitled to 100 percent of the profit of Dene Dyno Nobel (DWEI) Inc.

Notes to the half-year Consolidated Financial Report

For the half-year ended 31 March 2023

12. Net debt

The Group's net debt comprises the net of interest bearing liabilities, cash and cash equivalents, and the fair value of derivative instruments economically hedging the foreign exchange rate and interest rate exposures of the Group's interest bearing liabilities at the reporting date. The Group's net debt at the reporting date is analysed as follows:

	March 2023 $mill	September 2022 $mill
Interest bearing liabilities	**1,697.2**	1,712.0
Cash and cash equivalents	**(344.4)**	(763.5)
Fair value of derivatives	**64.8**	87.7
Net debt	**1,417.6**	1,036.2

The above Net debt table includes both continuing and discontinuing operations. Refer to Note 10 for further information in relation to discontinued operations.

Interest bearing liabilities

The Group's interest bearing liabilities comprise the following at the reporting date:

	March 2023 $mill	September 2022 $mill
Current		
Loans from joint ventures	**20.4**	21.1
	20.4	21.1
Non-current		
Other loans	**24.3**	28.0
Fixed interest rate bonds	**1,652.5**	1,662.9
	1,676.8	1,690.9
Total interest bearing liabilities	**1,697.2**	1,712.0

Fixed Interest Rate Bonds

The Group has on issue the following fixed interest rate bonds:

» USD500m of Notes as a private placement in the US market. USD250m has a fixed rate semi-annual coupon of 4.03 percent and matures in October 2028 and USD250m has a fixed rate semi-annual coupon of 4.13 percent and matures in October 2030.

» HKD560m 7 year bond as a private placement in the Regulation S debt capital market. The bond has a fixed rate annual coupon of 4.13 percent and matures in February 2026.

» AUD431.3m 7 year bond on issue in the Australian debt capital market. The bond was issued in March 2019 for AUD450m and reduced by AUD18.7m as a result of the buy-back in November 2020. The bond has a fixed rate semi-annual coupon of 4.30 percent and matures in March 2026.

» USD305.7m 10 year bond on issue in the Regulation S debt capital market. The bond was issued in August 2017 for USD400m and reduced by USD94.3m as a result of the buy-back in November 2020. The bond has a fixed rate semi-annual coupon of 3.95 percent and matures in August 2027.

Bank Facilities

The Group holds committed Syndicated Term facility domiciled in Australia and consisting of two tranches: Tranche A has a limit of AUD490m and Tranche B has a limit of USD200m. The facility matures in April 2024.

As at 31 March 2023, the Group has committed undrawn financing facilities of $788.2m.

Tenor of interest bearing liabilities

The Group's average tenor of its drawn interest bearing liabilities at 31 March 2023 is 4.9 years (September 2022: 5.4 years) and the average tenor of its total debt facilities is 3.7 years (September 2022: 4.2 years).

The table below includes detail on the movements in the Group's interest bearing liabilities for the half-year ended 31 March 2023:

		Cash flow	Non-cash changes		
	1 October 2022 $mill	Repayments of borrowings $mill	Foreign exchange movement $mill	Funding costs & fair value adjustments $mill	31 March 2023 $mill
Current					
Loans from joint ventures	21.1	(0.1)	(0.6)	–	20.4
Non-current					
Other loans	28.0	(5.6)	1.9	–	24.3
Fixed interest rate bonds	1,662.9	–	(38.8)	28.4	1,652.5
Total liabilities from financing activities	**1,712.0**	**(5.7)**	**(37.5)**	**28.4**	**1,697.2**
Derivatives held to hedge interest bearing liabilities	87.7	–	3.3	(26.2)	64.8
Debt after hedging	**1,799.7**	**(5.7)**	**(34.2)**	**2.2**	**1,762.0**

Notes to the half-year Consolidated Financial Report

For the half-year ended 31 March 2023

13. Financial instruments

Fair value

The fair value of the Group's financial assets and liabilities is calculated using a variety of techniques depending on the type of financial instrument as follows:

» The fair value of financial assets and financial liabilities traded in active markets (such as equity securities and fixed interest rate bonds) is the quoted market price at the reporting date.

» The fair value of financial assets and financial liabilities not traded in active markets is calculated using discounted cash flows. Future cash flows are calculated based on observable forward interest rates and foreign exchange rates.

» The fair value of forward exchange contracts, interest rate swaps, cross currency interest rate swaps, commodity swaps and forward contracts is calculated using discounted cash flows, reflecting the credit risk of various counterparties. Future cash flows are calculated based on the contract rate, observable forward interest rates and foreign exchange rates.

» The fair value of option contracts is calculated using the contract rates and observable market rates at the end of the reporting period, reflecting the credit risk of various counterparties. The valuation technique is consistent with the Black-Scholes methodology and utilises Monte Carlo simulations.

» The fair value of commodity swaps and commodity forward contracts is calculated using their quoted market price, where available. If a quoted market price is not available, then fair value is calculated using discounted cash flows. Future cash flows are estimated based on the difference between the contractual price and the current observable market price, reflecting the credit risk of various counterparties. These future cash flows are then discounted to present value.

» The nominal value less expected credit losses of trade receivables and payables are assumed to approximate their fair values due to their short term maturity.

Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

» Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

» Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

» Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

March 2023	Level 1 $mill	Level 2 $mill	Level 3 $mill
Derivative financial assets	–	11.3	–
Derivative financial liabilities	–	(72.7)	–

September 2022	Level 1 $mill	Level 2 $mill	Level 3 $mill
Derivative financial assets	–	37.3	–
Derivative financial liabilities	–	(152.6)	–

Fair value of financial assets and liabilities carried at amortised cost

Cash and cash equivalents, trade and other receivables, and trade and other payables are carried at amortised cost which equals their fair value. Interest bearing liabilities are carried at amortised cost – refer to note 12. The fair value of the interest bearing financial liabilities at 31 March 2023 was $1,694.0m (September 2022: $1,655.0m) and was based on the level 2 valuation methodology.

14. Trade working capital facilities

Trade receivables

To manage cash inflows which are impacted by seasonality and demand and supply variability, the Group has a nonrecourse receivable purchasing agreement to sell certain receivables to an unrelated entity in exchange for cash. As at 31 March 2023, receivables totalling $163.0m (30 September 2022: $94.9m & 31 March 2022: $86.6m) had been sold under this arrangement. The receivables were derecognised upon sale as substantially all risks and rewards associated with the receivables passed to the purchaser.

Trade and other payables

To manage the cash flow conversion cycle on some products procured by the Group, and to ensure that suppliers receive payment in a time period that suits their business model, the Group offers some suppliers the opportunity to use supply chain financing. At 31 March 2023, the balance of the supply chain finance program was $109.7m (30 September 2022: $173.1m & 31 March 2022: $178.2m). The Group evaluates supplier arrangements against a number of indicators to assess if the payable continues to have the characteristics of a trade and other payable or should be classified as borrowings. These indicators include whether the payment terms exceed customary payment terms in the industry. At 31 March 2023, the Group has assessed that, on balance, the payables subject to supplier financing arrangements did not meet all of the characteristics to be classified as borrowings and accordingly the balances remained in trade and other payables.

15. Contingencies

There have been no significant changes to other contingent liabilities disclosed at 30 September 2022.

16. Events subsequent to reporting date

Capital management

Since the end of the half-year, in May 2023 the directors determined to pay an interim dividend for the Company of 10.0 cents per share, 60% franked, to be paid on 4 July 2023 (refer to note 8 in the half-year financial report).

Perdaman offtake agreement

In April 2023, IPF confirmed that the previously disclosed urea offtake arrangement with Perdaman Chemicals and Fertilisers Pty Ltd (PCF) is now unconditional with PCF having obtained financing for construction of the new Karratha urea plant. Under the offtake arrangement, IPF has agreed to take up to 2.3m tonnes of urea per annum from the new plant for a 20-year period. Offtake will commence once the plant is fully commissioned with PCF advising that this is expected to be from mid-2027. Pricing under the Offtake Agreement is expected to deliver a competitively priced product, providing an at-scale platform for potential growth in recurring earnings for IPF.

IPL provides a parent company guarantee of IPF's obligations under the Offtake Agreement.

Moranbah gas agreement

In May 2023, IPL announced entry into a new long-term gas supply agreement for the Moranbah ammonium nitrate plant. The agreement with wholly owned subsidiaries of Queensland Pacific Metals Ltd (QPM) is conditional on QPM's successful completion of the acquisition of the Moranbah Gas Project (MGP).

The new gas supply agreement will commence in April 2026 following expiry of the current gas supply agreement and continue until at least March 2033, with an option to extend the agreement until March 2037. The new agreement is expected to sustain the long-term competitive advantage of IPL's Moranbah ammonium nitrate plant.

IPL will provide financial support to QPM in the form of a gas prepayment facility of up to $80m and will also provide QPM with a corporate guarantee until February 2025 to guarantee performance of contracts related to gas supply and transport required for QPM to acquire the MGP.

The arrangements include a full security package under which IPL's gas supply and funding agreements are secured against the gas producing assets of MGP, including the petroleum tenements. The gas supply and funding agreements with QPM are interdependent and conditional upon (amongst other things) QPM's completion of the MGP acquisition and completion of IPL's confirmatory due diligence to enable IPL's decision to consent to the assignment to QPM of its existing gas supply agreement.

The agreements with QPM are expected to complete mid calendar year, subject to satisfaction of these conditions.

Other than the matters reported above, as at the date of this report, the directors are not aware of any significant matter or circumstance that has arisen since 31 March 2023 that has affected or may affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent years, which has not been covered in this report.

Directors' Declaration

The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the Company and the Group will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached consolidated financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors

Brian Kruger
Chairman

Melbourne, 17 May 2023

Jeanne Johns
Managing Director & CEO

Melbourne, 17 May 2023

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Deloitte.

Independent Auditor's Review Report to the Members of Incitec Pivot Limited

Conclusion

We have reviewed the half-year financial report of Incitec Pivot Limited (the "Company") and its subsidiaries (the "Group"), which comprises the consolidated statement of financial position as at 31 March 2023, the consolidated statement profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration as set out on pages 6 to 19.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 31 March 2023 and of its performance for the half-year ended on that date; and

b) complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001.*

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity.* Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Half-year Financial Report* section of our report. We are independent of the Group in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Deloitte.

Auditor's Responsibility for the Review of the Half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 March 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, 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 Australian Auditing Standards 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

A T Richards
Partner
Chartered Accountants
Melbourne, 17 May 2023

T Ludeman

Terry Ludeman
Partner
Chartered Accountants
Melbourne, 17 May 2023