Nufarm Limited
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18 May 2023

The Manager
Company Announcements Office
ASX
Level 4
20 Bridge Street
SYDNEY NSW 2000

ELECTRONIC LODGEMENT

Dear Sir/Madam

FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31 MARCH 2023

In accordance with the listing rules, the following documents are attached for immediate release to the market:

- Appendix 4D
- Directors' Report
- Operating and Financial Review
- Half Year Financial Statements

Nufarm will conduct an investor briefing on the 2023 half year results at 10am AEST today. The briefing will be audio webcast live at https://webcast.openbriefing.com/nuf-hyr-2023/

This announcement has been released simultaneously to the New Zealand Stock Exchange.

Authorised for lodgement by

K Hall

Kate Hall
Group General Counsel and Company Secretary
Nufarm Limited

Interim financial report incorporating Appendix 4D

Nufarm Limited and its controlled entities
For the six months ended 31 March 2023, under Listing Rule 4.2A

Nufarm
Grow a better tomorrow

Appendix 4D

Nufarm Limited
ABN 37 091 323 312

INTERIM FINANCIAL REPORT FOR THE 6 MONTHS ENDED 31 MARCH 2023

This statement includes the consolidated results for Nufarm Limited group for the 6 months ended 31 March 2023 compared with the 6 months ended 31 March 2022.

1. Results for announcement to the market

Trading results	6 months ended 31 March 2023 $000	6 months ended 31 March 2022 $000	Movement $000	%
Revenue from ordinary activities	1,954,578	2,165,553	(210,975)	(9.7)%
Profit/(loss) from ordinary activities after tax attributable to members				
- before material items	142,310	133,178	9,132	6.9%
- after material items	149,042	98,717	50,325	51.0%

2. Dividends and distributions

Dividends to shareholders	Interim dividend 31 March 2023	Interim dividend (prior year) 31 March 2022	Full year dividend (prior year) 30 September 2022
Amount per security	5 cents	4 cents	6 cents
Franked amount per security at 30%	nil	nil	nil
Amount per security of foreign source	5 cents	4 cents	6 cents
Dividend			
Date payable	9 June 2023	17 June 2022	9 December 2022
Record date for entitlement	26 May 2023	27 May 2022	25 November 2022

The dividend reinvestment plan (DRP) will be made available to shareholders for the interim dividend. Directors have determined that the issue price will be calculated on the volume weighted average price of the company's ordinary shares on the ASX over the 10-day period commencing on 22 May 2023 and ending on 2 June 2023. The last election date for shareholders who are not yet participants in the DRP, is Monday, 29 May 2023.

Nufarm Step-up securities distribution	Distribution rate (%)	Total amount ($000)
15 April 2021	4.01	5,013
15 October 2021	4.00	5,029
15 April 2022	3.97	4,963
17 October 2022	4.86	6,055
17 April 2023 (distributed subsequent to the 6 months ended 31 March 2023)	7.37	9,227

3. Other summary data

Metric	31 March 2023	31 March 2022
Net tangible assets per ordinary share	A$2.95	A$2.61
Staff employed	2,969	2,737

4. Entities where control was lost during the period

Entities	Date
Nufarm Africa SARLAU	29th November 2022

5. Details of equity accounted investees

Entity	31 March 2023	31 March 2022
Seedtech Pty Ltd	25.00%	25.00%
Leshan Nong Fu Trading Co., Ltd	35.00%	35.00%
Crop.zone GmbH	14.77%	11.56%

6. Commentary

Additional Appendix 4D disclosure requirements and further information including commentary on significant features of the operating performance, results of segments, trends in performance and other factors affecting the results for the current period are contained in the interim financial report for the 6 months ended 31 March 2023. The condensed consolidated financial statements contained within the interim financial report for the 6 months ended 31 March 2023, on which this report is based, have been reviewed by KPMG.

Directors' Report

In accordance with a resolution of the Board of Directors (the Board), the directors present their report on the consolidated entity (Nufarm Limited) consisting of Nufarm Limited and the entities it controlled at the end of or during the 6 months ended 31 March 2023.

Directors

Directors who held office during the 6 months ended 31 March 2023 and until the date of this report are as follows:

Director	Period of directorship
John Gillam	Chair since 24 September 2020, director since 31 July 2020
Gordon Davis	Director since 31 May 2011
Peter Margin	Director since 3 October 2011
Marie McDonald	Director since 22 March 2017
Lynne Saint	Director since 18 December 2020
David Jones	Director since 23 June 2021
Alexandra Gartmann	Director since 23 September 2022
Greg A Hunt	Managing Director since 5 May 2015 and Chief Executive Officer since February 2015

Results and review of operations

Information on the operations and the results of those operations for Nufarm Limited during the 6 months ended 31 March 2023 is set out on pages 5 to 11 as the Operating and Financial Review, accompanying this Directors' report.

Events subsequent to reporting date

On 17 April 2023 a distribution was paid by Nufarm Finance (NZ) on the Nufarm Step-Up Securities. The distribution rate was 7.37% resulting in a gross distribution of $9.227 million.

An interim dividend of five cents per share, totalling $19.0 million, was declared on 18 May 2023 and will be paid on 9 June 2023 (2022: four cents per share).

Auditors' independence declaration

A copy of the Auditors' independence declaration is on page 4 and forms part of this report.

Rounding of amounts

Nufarm Limited is a company of the kind referred to in the Australian Securities and Investments Commission Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and issued pursuant to section 341(1) of the *Corporations Act 2001*. As a result, amounts in this report and the accompanying financial report have been rounded to the nearest thousand dollars, unless otherwise indicated.

This report is made on 18 May 2023 in accordance with a resolution of the Directors.

John Gillam
Chair
18 May 2023

Greg Hunt
Managing Director and Chief Executive Officer
18 May 2023

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Nufarm Limited

I declare that, to the best of my knowledge and belief, in relation to the review of Nufarm Limited for the half-year ended 31 March 2023 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and

ii. no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

KPMG

Chris Sargent
Partner

Melbourne
18 May 2023

Operating and Financial Review

Group results

This Operating and Financial Review includes financial information based on financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and reviewed by KPMG. Non-IFRS measures including underlying EBIT and underlying EBITDA are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to review. All amounts are in Australian dollars unless otherwise specified.

Summary financial results	6 months ended 31 March 2023 $000	6 months ended 31 March 2022 $000	Change %
Revenue	1,954,578	2,165,553	(10)%
Revenue excluding Corporate revenue	1,954,578	1,982,147	(1)%
Gross profit	613,440	573,491	7 %
Gross profit margin	31.4 %	26.5%	490 bps
Gross profit margin excluding Corporate revenue	31.4 %	28.9%	245 bps
Underlying gross profit	609,175	593,532	3 %
Underlying gross profit margin	31.2 %	27.4%	376 bps
Underlying gross profit margin excluding Corporate revenue	31.2 %	29.9%	122 bps
Underlying SG&A	(364,172)	(357,798)	(2)%
Research and development expenses	(20,840)	(17,115)	(22)%
Underlying EBITDA	315,977	329,773	(4)%
Underlying EBIT	227,890	221,684	3 %
Operating profit / (loss)	235,131	184,659	27 %
Underlying net external interest	(32,330)	(28,189)	(15)%
Foreign exchange gains / (losses)	(3,557)	(1,669)	large
Underlying net financing costs	(35,887)	(29,858)	(20)%
Net financing costs	(35,887)	(55,630)	35 %
Underlying net profit / (loss) after tax	142,310	133,178	7 %
Underlying effective tax rate	25.9 %	30.6%	(469)bps
Net profit / (loss) after tax	149,042	98,717	51 %
Statutory effective tax rate	25.2 %	23.5%	170 bps
Basic earnings per share - excluding material items (cents)	36.2	34.1	2 cps
Basic earnings per share (cents)	38.0	25.0	13 cps
Total dividend per share declared in respect of period (cents)	5.0	4.0	1 cps

Earnings

Favourable seasonal conditions and relatively high grain prices generated strong demand for Nufarm crop protection products and seed technologies. This was somewhat offset by softening demand following record high prices achieved in the first half of FY22 due to supply uncertainty. This resulted in revenue reducing 10% to $2.0 billion relative to the comparative period while operating profit increased by 27% to $235 million.

Non-operating corporate revenue (representing sales to Sumitomo Chemical Company Ltd under supply agreements following the South American operations divestment) ceased during the prior year. Excluding this corporate revenue, revenue declined 1% to $2.0 billion.

Gross profit for the period was $613 million, which included material items of $4 million. Excluding the impacts of the material items and non-operating corporate revenue, underlying gross profit margin increased to 31.2% relative to the prior comparative period of 29.9%.

Net profit after tax increased 51% to $149 million. This movement helped to lift basic earnings per share to 38 cents. Excluding material items, basic earnings per share rose 2 cents per share to 36 cents.

Underlying EBITDA of $316 million decreased by $14 million, representing a decline of 4% for the period. The underlying gross profit increase was offset by growth in expenditures for seed technologies to support its growth trajectory. Further increases in underlying selling, general and administration costs (underlying SG&A) were largely due to increases in freight and warehousing expenditure associated with increased inventory volumes and travel expenditure. Research and development expenditure increased by $4 million as compared to the prior comparative period.

Depreciation and amortisation expense of $88 million was $20 million lower than the prior comparative period primarily driven by regulatory phase-outs in Europe and delayed capex spend.

Underlying net external interest increased by $4 million to $32 million largely reflecting benefits of the refinancing of the high yield bond during the first half of the prior year, offset by increases in base rates and debt levels.

Net foreign exchange losses were $4 million. This outcome reflects the group's targeted foreign currency exposure risk mitigation program to assist in the management of foreign exchange risk.

The statutory effective tax rate was 25.2%. Excluding material items, the underlying effective tax rate is 25.9%.

Underlying net profit after tax increased 7% to $142 million.

Cash flow

Cash flow results	6 months ended 31 March 2023 $000	6 months ended 31 March 2022 $000	Change %
Underlying net operating cash flow	(557,592)	(60,735)	large
Net operating cash flow - material items	(926)	(4,283)	(78.4)%
Total net operating cash flow	(558,518)	(65,018)	large
Underlying net investing cash flow	(104,488)	(61,663)	69.5 %
Net investing cash flow - material items	-	-	n/a
Total net investing cash flow	(104,488)	(61,663)	69.5 %
Total underlying net operating and investing cash flow	(662,080)	(122,398)	large
Total net operating and investing cash flow	(663,006)	(126,681)	large

The group's total net operating and investing cash flow for the 6 months ended 31 March 2023 was a cash outflow of $663 million.

Underlying net operating cash flow was a $558 million outflow. Operating cash flow generation is highly correlated with changes in Net Working Capital and underlying EBITDA.

The Net Working Capital movement is a significant factor in driving 1H23 operating cash flow outcomes. This reflects the seasonality in working capital which results in net cash consumption in the first half of the financial year and net cash generation in the second half of the financial year and the group taking the decision to make a strategic inventory investment towards the end of financial year 2022 together with higher than normal receivable collections in 2H22. Net cash outflow from investing activities increased 69% with the majority of the increase due to investment in plant and equipment and further development of our intellectual property. The group allocated an additional $16 million for strategic investments including the acquisition of the Sonic crop spraying equipment business and an additional investment in Enko.

Balance Sheet Management

Financial position	As at 31 March 2023 $000	As at 31 March 2022 $000	Change %
Net debt	1,040,157	493,577	large
Net working capital	1,706,744	1,140,288	49.7 %
ANWC/sales excluding external corporate (%)	33.2%	29.8%	338 bps
ANWC/sales (%)	33.2%	27.4%	583 bps
Leverage - (includes lease liabilities)	2.4	1.1	large
Gearing %	30.8%	18.9%	1,190 bps
ROFE - total group	8.3 %	9.5 %	(124)bps

Net debt has increased 111% to $1 billion. The Average net working capital to sales (ANWC/sales (%)) ratio of 33.2% remained below the target range of between 35-40%. The increase in working capital reflects increases in receivables due to normal seasonality in sales together with higher than normal collections in 2H22 and seasonal inventory purchases to ensure supply to our customers and phasing of sales between 1H23 and 2H23, particularly in North America. Management continues to manage working capital via a range of actions and considerations including demand forecasts, customer terms, supplier negotiations and effective stock management.

Statutory core leverage was 2.4x at 31 March 2023 which was an increase on the prior comparative period with the increase in working capital impacting debt levels.

Return on funds employed (ROFE) decreased to 8.3%, with the improvement in underlying EBIT being offset by higher funds employed reflecting the increase in working capital.

Capital Management

In FY21, we completed a review of our capital structure and capital management principles with the aim of maintaining a robust and durable capital structure and clear guidelines for the application of free cashflow generated from business operations.

Our financing arrangements aim to ensure we have the required financial resilience to withstand adverse trading cycles without experiencing undue balance sheet stress.

During the half, it was announced that Nufarm has entered into a five-year A$800 million revolving Asset Based Lending credit facility (the ABL Facility) secured against trade receivables and inventory located in Australia, the United States and Canada. A smaller A$150 million Liquidity Facility (the Liquidity Facility) has also been established to sit alongside the ABL Facility to assist in the ongoing funding of Nufarm's working capital requirements. Concurrently, the existing syndicated bank facility (SFA) and group receivables securitisation facility were both wound up with amounts drawn under those existing facilities settled via proceeds obtained under the new facilities.

Complementing the US$350 million Senior Unsecured Notes which were issued in January 2022 and due in January 2030, the ABL Facility will deliver considerable benefits to Nufarm's capital structure, transitioning Nufarm to a covenant-lite financing structure and extending the duration of the group's debt maturity profile. An ABL facility provides a less restrictive and more flexible financial covenant regime.

Nufarm's new working capital debt facilities are important components underpinning a flexible and durable capital structure that will provide greater financial resilience across operating cycles and variable trading conditions. The extended term of the group's working capital debt facilities demonstrates confidence by relationship lenders in Nufarm's strong balance sheet position, strategic direction and future growth aspirations.

Dividend

As part of our review of the capital management framework, the Board has adopted a dividend policy to align dividend payments to free cash flow generation, subject to the balance sheet meeting our target leverage range of 1.5x – 2.0x and there being insufficient growth opportunities. Nufarm's dividend policy ensures appropriate focus on cash generation, especially net working capital management, and greater focus on maintaining an appropriate capital structure for the group.

In considering the application of this policy any reference to free cash flow should be assessed through an appropriate historical and forecast cycle, to take into consideration fluctuations in net working capital and planned investment. Similarly, target leverage is considered on an annualised basis.

The Board has determined to pay an unfranked interim dividend of 5 cents per share. The interim dividend will be paid on 9 June 2023 to the holders of all fully paid shares in the company as at the close of business on 26 May 2023. The dividend reinvestment plan (DRP) will be made available to shareholders for the interim dividend. Directors have determined that the issue price will be calculated on the volume weighted average price of the company's ordinary shares on the ASX over the 10-day period commencing on 22 May 2023 and ending on 2 June 2023. The last election date for shareholders who are not yet participants in the DRP, is 29 May 2023.

Review of operations

Nufarm's business has two main reporting segments, crop protection and seed technologies. Crop protection is focused on major agricultural markets in Asia Pacific (APAC), Europe and North America. Seed technologies operates in more than 30 countries across the globe.

Revenue - Underlying

($000s)	6 months ended 31 March 2023 $000	6 months ended 31 March 2022 $000	Change $'000	Change %
Crop protection				
APAC	546,076	580,713	(34,637)	(6)%
North America	678,861	718,550	(39,689)	(6)%
Europe	498,255	497,985	270	0%
Total Crop protection	**1,723,192**	**1,797,248**	**(74,056)**	**(4)%**
Seed Technologies - global	231,386	184,899	46,487	25%
Corporate	-	183,406	(183,406)	(100)%
Nufarm Group	**1,954,578**	**2,165,553**	**(210,975)**	**(10)%**

EBITDA - Underlying

($000s)	6 months ended 31 March 2023 $000	6 months ended 31 March 2022 $000	Change $'000	Change %
Crop protection				
APAC	71,030	98,784	(27,754)	(28)%
North America	85,526	93,405	(7,879)	(8)%
Europe	125,532	118,188	7,344	6%
Total Crop protection	**282,088**	**310,377**	**(28,289)**	**(9)%**
Seed Technologies - global	61,848	46,024	15,824	34%
Corporate	(27,959)	(26,628)	(1,331)	5%
Nufarm Group	**315,977**	**329,773**	**(13,796)**	**(4)%**

EBIT - Underlying

($000s)	6 months ended 31 March 2023 $000	6 months ended 31 March 2022 $000	Change $'000	Change %
Crop protection				
APAC	63,903	90,180	(26,277)	(29)%
North America	69,343	78,145	(8,802)	(11)%
Europe	81,344	50,467	30,878	61%
Total Crop protection	**214,590**	**218,792**	**(4,201)**	**(2)%**
Seed Technologies - global	41,772	29,957	11,815	39%
Corporate	(28,472)	(27,065)	(1,407)	5%
Nufarm Group	**227,890**	**221,684**	**6,207**	**3%**

APAC

Revenue of $546 million decreased 6% relative to the prior comparative period with a change in the supply and demand dynamics from a prior period environment of supply constraints leading to higher pricing and demand, to a current period environment of available supply and price uncertainty.

Despite this, the segment has delivered continued momentum from successful product launches and a favourable product mix delivering higher margin percentages.

Overall, the segment delivered a strong result for the half despite the softening in pricing of certain key molecules.

North America

Revenue of $679 million decreased 6% relative to the prior comparative period, driven by lower demand for foundational products. Demand for other, higher margin, products remained high, and the favourable product mix enabled the segment to mitigate the impacts of the lower demand for foundational products. The change in supply dynamics from the prior corresponding period has resulted in customer buying patterns shifting to a just-in-time or in-season approach, resulting in reduced demand for lower margin foundational products for the period. Operating costs have increased primarily due to inflationary effects as well as increases in warehousing costs due to increased inventory levels, partially offset by outbound freight cost favourability accompanying the lower sales volumes.

Overall, the segment has delivered underlying EBITDA of $86 million, which is 8% below the prior comparative period.

Europe

Revenue of $498 million was in line with the prior comparative period. Working together with growers and channel partners, sales performance has been strong in our core crop segments with supply constraints easing, despite dry conditions through southern European markets and the impact of the phasing out of specific products compared to the prior corresponding period. Revenue growth has been achieved despite €17m lost from sales of products which were phased out in FY22.

Operating costs are consistent with the prior comparative period, with increases due to inflationary pressures on wages, energy and supply chain costs, offset by a reduction in depreciation and amortisation following regulatory phase outs completed in FY22 and delayed capex spend.

Overall, the segment has performed strongly with EBITDA of $126 million, up 6% vs the prior comparative period.

Seed Technologies

The Seed Technologies segment deals in the sale of seeds and seed treatment products, together with the sale of oil products into aquaculture and bioenergy markets, and the licensing of certain seed technology intellectual property. Revenue of $231 million increased 25% relative to prior comparative period. Increased revenue from seed sales reflected stronger demand for hybrid canola varieties in Australia, South America and Canada; sorghum in Brazil, USA and other international markets; and sunflower in key global markets.

Underlying EBITDA of $62 million was up 34% on the prior comparative period. The strong segment result represents broad based growth across the seed technology platforms.

In February 2022, we entered into a strategic ten-year offtake and market development agreement with bp that will see bp, or its affiliates, purchase Nuseed Carinata Oil that it plans to process or sell into growing markets. In January 2023, seed technologies delivered its first shipment of carinata grain to be processed prior to delivery of carinata oil to bp under this agreement. The agreement enables our patented hybrid carinata to be used as a sustainable lower-carbon feedstock in the production of emissions reducing fuels of the future. It also supports significant expansion and the generation of high economic returns on investment in respect of our carinata assets and its continued development.

In April 2023, the Norwegian Scientific Committee for Food and Environment recommended allowing Seed Technologies' patented Omega3 Canola to be used as part of the feedstock mix for the Norwegian aquaculture market. Public consultations on the subject have closed with final recommendations expected within calendar year 2023. The Norwegian aquaculture market represents the largest in the world and therefore this presents a significant opportunity.

Outlook

Assuming normal seasonal conditions and on a constant currency basis, Nufarm is continuing to plan for modest underlying EBITDA growth in FY23.

The outlook for grain prices remains positive and improved seasonal conditions in most key grain producing regions continues to support strong demand for seed and crop protection products.

The elevated inventory position at 31 March 2023 is expected to unwind in 2H23. Leverage is anticipated to return to within or below the targeted range of 1.5 – 2.0 times net debt to underlying EBITDA in 2H23. Active ingredient pricing volatility has eased into 1H23 however higher manufacturer inventories may lead to some margin pressure in 2H23. New product introductions, improved product mix and a higher contribution from Seed Technologies will provide an offset. There continues to be uncertainty and volatility in relation to the broader global political and macroeconomic environment. These uncertainties have the potential to quickly change market dynamics and increase the competitive environment across all regions.

Material items

Individually material items are those items where their nature, including the expected frequency of the events giving rise to them, and/or amount is considered material to the consolidated financial report. Such items included within the group's profit for the period are detailed below.

Transactions related to Russia and Ukraine

During the 6 months ended 31 March 2023, the group has continued to assess the recoverability of assets, primarily receivables and inventories, in respect of the group's operations in Russia and Ukraine. The group was able to recover certain outstanding receivables which had not been previously anticipated during the 6 months ended 31 March 2023 and has continued to operate in Ukraine to support growers in this country. In balancing these factors, together with the continued operational risks due to the ongoing war between Russia and Ukraine, the group reversed a pre-tax expense of $7.2 million of previously recognised expenses pertaining to receivables and inventories.

During the 6 months ended 31 March 2022, the group assessed the recoverability of assets, primarily trade receivables and inventories, in respect of the group's operations in Russia and Ukraine and has recognised a pre-tax expense of $38.1 million following this assessment.

Deferred tax adjustments

During the prior corresponding period, the group recognised previously unrecognised tax losses as a result of improved financial performance and outlook for the group.

Debt refinancing costs

During the prior corresponding period the group refinanced its high yield bond and incurred costs related to early redemption call premium and accelerated amortisation of deferred debt establishment transaction costs.

Transactions related to South American business disposal – onerous contract provision reversal

During the period ended 31 July 2020 the group entered into a supply agreement contract signed as part of the disposal of the South American business that subsequently became onerous, as disclosed in material items for that period. During the 6 months ended 31 March 2022 market conditions in relation to the terms of the contract have improved. During the prior corresponding period the group has assessed that the full provision will no longer be required and it has therefore been reversed. The contract has expired as at March 2022.

IFRS and Non-IFRS financial information

Nufarm results are reported under International Financial Reporting Standards (IFRS) including underlying EBIT and underlying EBITDA which are used to measure segment performance. This release also includes certain non-IFRS measures including underlying net profit after tax and Gross profit margin. These measures are used internally by management to assess the performance of our business, make decisions on the allocation of our resources and assess operational management. Non-IFRS measures have not been subject to review.

The following notes explain the terms used throughout the operating and financial review:

(1) Underlying EBIT is earnings before net finance costs, taxation and material items. Underlying EBITDA is underlying EBIT before depreciation and amortisation. We believe that underlying EBIT and underlying EBITDA provide useful information, but should not be considered as an indication of, or an alternative to, profit / (loss) for the period as an indicator of operating performance or as an alternative to cash flow as a measure of liquidity.

(2) Underlying EBITDA is used to reflect the underlying performance of Nufarm's operations. Underlying EBITDA is reconciled to operating profit below.

Operating profit reconciliation	6 months ended 31 March 2023 $000	6 months ended 31 March 2022 $000	Change %
Underlying EBITDA	315,977	329,773	(4)%
add Depreciation and amortisation excluding material items	(88,087)	(108,089)	(19)%
Underlying EBIT	227,890	221,684	3%
Material items impacting operating profit	7,241	(37,025)	(120)%
Operating profit	235,131	184,659	27%

(3) Non-IFRS measures are defined as follows:

Term	Definition
Gross profit margin	Gross profit as a percentage of revenue
Underlying gross profit	Gross profit less material items
Underlying gross profit margin	Underlying gross profit as a percentage of revenue
Underlying SG&A	Sales, marketing and distribution expenses plus General and administrative expenses less material items
Underlying EBIT	Earnings before net financing costs, taxation less material items
Underlying EBITDA	Underlying EBIT before depreciation and amortisation less material items
Underlying net external interest	Financial income, plus interest expense – external, plus interest expense - amortisation of debt establishment transaction costs, plus lease liability – interest expense, less material items.
Underlying net financing costs	Net financing costs less material items
Underlying net profit after tax	Profit/(loss) for the period attributable to the equity holders of Nufarm Limited less material items
Underlying income tax benefit/(expense)	Income tax benefit/(expense) excluding material items
Underlying effective tax rate	Underlying income tax benefit/(expense) divided by underlying net profit after tax
Net debt	Current loans and borrowings, plus non-current loans and borrowings, plus cash and cash equivalents
Net working capital	Current trade and other receivables, plus inventories less current trade and other payables
Average net working capital	Net working capital measured at each month end as an average
ANWC/sales (%)	Average net working capital as a percentage of rolling 12 months revenue
ANWC/sales excluding external corporate (%)	Average net working capital as a percentage of rolling 12 months revenue excluding non-operating corporate revenue
Leverage	Net debt / rolling 12 months underlying EBITDA
Interest coverage ratio	Rolling 12 months underlying EBITDA / rolling 12 months net external interest
Gearing %	Net debt / (net debt plus equity)
Return on funds employed (ROFE)	12 months rolling underlying EBIT divided by the average of opening and closing funds employed (total equity plus net debt)
Underlying net operating cash flow	Net cash from operating activities excluding material items cash flows
Underlying net investing cash flow	Net cash from investing activities excluding material items cash flows

Condensed consolidated statement of profit or loss and other comprehensive income

For the 6 months ended 31 March 2023

	Note	Consolidated 6 months ended 31 Mar 2023 $000	Consolidated 6 months ended 31 Mar 2022 $000
Revenue	5	1,954,578	2,165,553
Cost of sales		(1,341,138)	(1,592,062)
Gross profit		613,440	573,491
Other income		4,166	3,184
Sales, marketing and distribution expenses		(258,774)	(263,009)
General and administrative expenses		(102,422)	(111,773)
Research and development expenses		(20,840)	(17,115)
Share of net profits/(losses) of equity accounted investees	10	(439)	(119)
Operating profits/(losses)		235,131	184,659
Financial income		1,725	1,042
Financial expenses excluding foreign exchange gains/(losses)		(34,055)	(55,003)
Net foreign exchange gains/(losses)		(3,557)	(1,669)
Net financial expenses		(37,612)	(56,672)
Net financing costs	9	(35,887)	(55,630)
Profit/(loss) before income tax		199,244	129,029
Income tax (expense)/benefit		(50,202)	(30,312)
Profit/(loss) for the period		149,042	98,717
Attributable to:			
Equity holders of the group		149,042	98,717

The condensed consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

Condensed consolidated statement of profit or loss and other comprehensive income

For the 6 months ended 31 March 2023

	Note	Consolidated 6 months ended 31 Mar 2023 $000	Consolidated 6 months ended 31 Mar 2022 $000
Profit/(loss) for the period		149,042	98,717
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss, net of income tax:			
Foreign exchange translation differences for foreign operations		66,769	(98,932)
Effective portion of changes in fair value of cash flow hedges		(228)	(500)
Effective portion of changes in fair value of net investment hedges		-	6,293
Items that will not be reclassified to profit or loss:			
Actuarial gains/(losses) on defined benefit plans		1,430	12,633
Gains/(losses) due to changes in fair value of other investments		(1,188)	(142)
Income tax on share based payment transactions		50	797
Other comprehensive profit/(loss) for the period, net of income tax		66,833	(79,851)
Total comprehensive profit/(loss) for the period		215,875	18,866
Attributable to:			
Equity holders of the group		215,875	18,866
Earnings per share			
Basic earnings/(loss) per share	15	38.0	25.0
Diluted earnings/(loss) per share	15	37.6	24.9

The amounts recognised directly in equity are disclosed net of tax.

The condensed consolidated statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

Condensed consolidated balance sheet

As at 31 March 2023

	Note	Consolidated 31 Mar 2023 $000	30 Sep 2022 $000	31 Mar 2022 $000
Current assets				
Cash and cash equivalents	13	347,641	585,702	460,726
Trade and other receivables		1,185,177	550,251	1,245,635
Inventories		1,787,850	1,602,457	1,181,850
Current tax assets		7,454	19,251	11,157
Assets held for sale	7	8,998	3,438	3,438
Total current assets		3,337,120	2,761,099	2,902,806
Non-current assets				
Trade and other receivables		3,382	3,778	1,103
Investments in equity accounted investees	10	6,294	6,462	5,305
Other investments		60,858	54,850	4,101
Deferred tax assets		179,811	164,801	165,450
Property, plant and equipment		509,130	475,331	426,344
Intangible assets		1,217,767	1,192,777	1,131,758
Total non-current assets		1,977,242	1,897,999	1,734,061
TOTAL ASSETS		5,314,362	4,659,098	4,636,867
Current liabilities				
Trade and other payables		1,266,283	1,290,012	1,287,197
Loans and borrowings	13	94,122	269,169	365,156
Employee benefits		31,320	30,595	29,303
Current tax payable		32,096	10,773	20,607
Provisions		5,985	6,878	8,187
Total current liabilities		1,429,806	1,607,427	1,710,450
Non-current liabilities				
Payables		35,908	28,827	5,428
Loans and borrowings	13	1,293,676	662,701	589,147
Deferred tax liabilities		151,910	146,141	137,071
Employee benefits		61,347	61,281	70,560
Total non-current liabilities		1,542,841	898,950	802,206
TOTAL LIABILITIES		2,972,647	2,506,377	2,512,656
NET ASSETS		2,341,715	2,152,721	2,124,211
Equity				
Share capital		1,839,037	1,837,228	1,836,461
Reserves		106,744	42,751	4,720
Retained earnings		149,002	25,810	36,098
Equity attributable to equity holders of the group		2,094,783	1,905,789	1,877,279
Other securities		246,932	246,932	246,932
TOTAL EQUITY		2,341,715	2,152,721	2,124,211

The condensed consolidated balance sheet is to be read in conjunction with the attached notes.

Condensed consolidated statement of cash flows

For the 6 months ended 31 March 2023

	Note	Consolidated 6 months ended 31 Mar 2023 $000	Consolidated 6 months ended 31 Mar 2022 $000
Cash flows from operating activities			
Profit/(loss) for the period - after tax		149,042	98,717
Adjustments for:			
Tax expense/(benefit)		50,202	30,312
Net finance expense		32,330	53,961
Depreciation and amortisation		88,087	111,900
Other		637	362
Movements in working capital items:			
(Increase)/decrease in receivables		(634,531)	(433,595)
(Increase)/decrease in inventories		(185,393)	(205,688)
Increase/(decrease) in payables		(28,954)	354,012
Exchange rate change on foreign controlled entities working capital items		15,237	(18,133)
Cash generated from/(used in) operations		(513,343)	(8,152)
Interest received		1,725	1,042
Interest paid		(29,974)	(39,954)
Taxes paid		(16,926)	(17,954)
Net operating cash flows		(558,518)	(65,018)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		142	360
Payments for plant and equipment	11	(50,190)	(26,785)
Payments for other investments, associates or joint ventures		(7,730)	(1,781)
Purchase of a business, net of cash acquired		(7,790)	-
Payments for acquired intangibles and major product development expenditure	12	(38,920)	(33,457)
Net investing cash flows		(104,488)	(61,663)
Cash flows from financing activities			
Debt establishment transaction costs		(17,475)	(10,726)
Proceeds from borrowings		791,405	262,639
Repayment of borrowings including redemption costs		(313,942)	(331,453)
Lease liability payments		(12,624)	(10,332)
Distribution to other securities holders	14	(6,055)	(5,029)
Dividends paid	14	(22,483)	(15,195)
Net financing cash flows		418,826	(110,096)
Net increase/(decrease) in cash and cash equivalents		(244,180)	(236,777)
Cash at the beginning of the period		585,702	724,215
Exchange rate fluctuations on foreign cash balances		6,119	(26,712)
Cash and cash equivalents at period end date	13	347,641	460,726

The condensed consolidated statement of cash flows is to be read in conjunction with the attached notes.

Condensed consolidated statement of changes in equity

For the 6 months ended 31 March 2023

	Attributable to equity holders of the group							
Consolidated	Share capital $000	Translation reserve $000	Capital profit reserve $000	Other reserve $000	Retained earnings $000	Total $000	Other securities $000	Total equity $000
Balance at 1 October 2021	1,835,888	61,161	33,627	204	(56,349)	1,874,531	246,932	2,121,463
Profit/(loss) for the period from continuing operations	-	-	-	-	98,717	98,717	-	98,717
Other comprehensive income								
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	12,633	12,633	-	12,633
Foreign exchange translation differences	-	(98,932)		-	-	(98,932)	-	(98,932)
Gains/(losses) on cash flow hedges taken to equity	-	-	-	(500)	-	(500)	-	(500)
Gains/(losses) on net investment hedges taken to equity	-	-	-	6,293	-	6,293	-	6,293
Gains/(losses) due to changes in fair value of other investments	-	-	-	(142)	-	(142)	-	(142)
Income tax on share based payment transactions	-	-	-	797	-	797	-	797
Total comprehensive income/(loss) for the period	-	(98,932)	-	6,448	111,350	18,866	-	18,866
Transactions with owners, recorded directly in equity								
Employee share award entitlements and share issuances	573	-	-	2,212	-	2,785	-	2,785
Dividends paid to shareholders	-	-	-	-	(15,195)	(15,195)	-	(15,195)
Dividend reinvestment plan	-	-	-	-	-	-	-	-
Distributions to other security holders	-	-	-	-	(3,708)	(3,708)	-	(3,708)
Balance at 31 March 2022	1,836,461	(37,771)	33,627	8,864	36,098	1,877,279	246,932	2,124,211
Balance at 1 October 2022	1,837,228	(6,335)	33,627	15,459	25,810	1,905,789	246,932	2,152,721
Profit/(loss) for the period from continuing operations	-	-	-	-	149,042	149,042	-	149,042
Other comprehensive income								
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	1,430	1,430	-	1,430
Foreign exchange translation differences	-	66,769	-	-	-	66,769	-	66,769
Gains/(losses) on cash flow hedges taken to equity	-	-	-	(228)	-	(228)	-	(228)
Gains/(losses) on net investment hedges taken to equity	-	-	-	-	-	-	-	-
Gains/(losses) due to changes in fair value of other investments	-	-	-	(1,188)	-	(1,188)	-	(1,188)
Income tax on share based payment transactions	-	-	-	50	-	50	-	50
Total comprehensive income/(loss) for the period	-	66,769	-	(1,366)	150,472	215,875	-	215,875
Transactions with owners, recorded directly in equity								
Employee share award entitlements and share issuances	1,809	-	-	(1,410)	-	399	-	399
Dividends paid to shareholders	-	-	-	-	(22,483)	(22,483)	-	(22,483)
Dividend reinvestment plan	-	-	-	-	(337)	(337)	-	(337)
Distributions to other security holders	-	-	-	-	(4,460)	(4,460)	-	(4,460)
Balance at 31 March 2023	1,839,037	60,434	33,627	12,683	149,002	2,094,783	246,932	2,341,715

The amounts recognised directly in equity are disclosed net of tax.
The condensed consolidated statement of changes in equity is to be read in conjunction with the attached notes.

Condensed notes to the consolidated interim financial statements

1 Reporting entity

Nufarm Limited (the 'company') is a company domiciled in Australia. The condensed consolidated interim financial statements of the company as at and for the 6 months ended 31 March 2023 comprise the company and its subsidiaries (together referred to as the 'group' and individually as 'group entities') and the group's interest in associates and jointly controlled entities.

The annual consolidated financial statements of the group as at and for the period ended 30 September 2022 are available from the company's registered office at 103-105 Pipe Road, Laverton North, Australia or at http://www.nufarm.com/investor-centre/

2 Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with AASB 134 Interim Financial Reporting, the Corporations Act 2001 and IAS 134 Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the group as at and for the period ended 30 September 2022.

Changes to significant accounting policies are described in note 3.

These condensed consolidated interim financial statements were approved by the Board of Directors on 18 May 2023.

(b) Rounding of amounts

Amounts in these financial statements have, unless otherwise indicated, been rounded to the nearest thousand dollars.

3 Significant accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the group's consolidated financial statements as at and for the year ended 30 September 2022. A number of new standards were effective from 1 October 2022 but they do not have a material effect on the group's financial statements.

(a) Impact of new accounting standards and interpretation and changes in accounting policies

(i) New and amended accounting standards and interpretations adopted from 1 October 2022

A number of new interpretations and amendements apply for the first time during the 6 months ended 31 March 2023 however do not have a material impact on the financial statements of the company. The company has not early adopted any new standards, interpretations or amendments that have been issued but are not yet effective

(ii) New and revised Australian Accounting Standards and Interpretations on issue but not yet effective

There are no standards that are not yet effective that would be expected to have a material impact on the group in the current or future reporting periods.

4 Estimates and judgements

The preparation of the condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, except as noted below, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the period ended 30 September 2022.

(a) Russia and Ukraine conflict

The group has carefully considered the effect of the Russian and Ukrainian conflict in preparing its condensed consolidated interim financial statements for the 6 months ended 31 March 2023. Where applicable, the group has incorporated judgements, estimates and assumptions specific to the impact of the conflict in determining the amounts recognised. This was done based on conditions existing at balance sheet date, recognising that an element of uncertainty still exists.

5 Operating segments

Segment information is presented in respect of the group's key operating segments. The operating segments are based on the group's management and internal reporting structure.

Operating segments
The group operates predominantly along two business lines, being crop protection and seed technologies.

The crop protection business deals in the manufacture and sale of crop protection products used by farmers to protect crops from damage caused by weeds, pests and disease. It is managed by major geographic segments, being Australia, New Zealand and Asia (together "APAC"), Europe and North America.

The seed technologies business deals in the sale of seeds and seed treatment products, together with the sale of oil products into aquaculture and bioenergy markets, and the licensing of certain seed technology intellectual property. The seed technologies business is managed on a worldwide basis.

Information regarding the results of each operating segment is included below. Performance is measured based on underlying EBITDA, as defined on following page, as included in the internal management reports that are reviewed by the group's CEO. Underlying EBITDA is used to measure performance as management believes that such information is the most relevant in evaluating the results of each segment. Segment revenue is based on the geographic location of customers.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The non-operating corporate segment comprises mainly corporate expenses, and unallocated interest-bearing loans, borrowings and corporate assets. From April 2020, the non-operating corporate segment revenue represents revenue earned on delivering products under a two year supply agreement with Sumitomo Chemical Company Ltd as the purchaser of the group’s South American business, that was divested in April 2020.

5 Operating segments (continued)

6 months ended 31 Mar 2023 Operating Segments	Crop protection APAC $000	Crop protection Europe $000	Crop protection North America $000	Crop protection Total $000	Seed Technologies Global $000	Non Operating Corporate $000	Group Total $000
Revenue							
Total segment revenue	546,076	498,255	678,861	1,723,192	231,386	-	1,954,578
Results							
Underlying EBITDA [(a)]	71,030	125,532	85,526	282,088	61,848	(27,959)	315,977
Depreciation & amortisation excluding material items	(7,127)	(44,188)	(16,183)	(67,498)	(20,076)	(513)	(88,087)
Underlying EBIT [(a)]	**63,903**	**81,344**	**69,343**	**214,590**	**41,772**	**(28,472)**	**227,890**
Material items included in operating profit (refer note 6)							7,241
Material items included in net financing costs (refer note 6)							-
Total material items (refer note 6)							7,241
Net financing costs (excluding material items)							(35,887)
Profit/(loss) before tax							**199,244**

6 months ended 31 Mar 2022 Operating Segments	Crop protection APAC $000	Crop protection Europe $000	Crop protection North America $000	Crop protection Total $000	Seed Technologies Global $000	Non Operating Corporate $000	Group Total $000
Revenue							
Total segment revenue	580,713	497,985	718,550	1,797,248	184,899	183,406	2,165,553
Results							
Underlying EBITDA (a)	98,784	118,188	93,405	310,377	46,024	(26,628)	329,773
Depreciation & amortisation excluding material items	(8,604)	(67,721)	(15,260)	(91,585)	(16,067)	(437)	(108,089)
Underlying EBIT (a)	**90,180**	**50,467**	**78,145**	**218,792**	**29,957**	**(27,065)**	**221,684**
Material items included in operating profit (refer note 6)							(37,025)
Material items included in net financing costs (refer note 6)							(25,772)
Total material items (refer note 6)							(62,797)
Net financing costs (excluding material items)							(29,858)
Profit/(loss) before tax							**129,029**

(a) Underlying EBIT is earnings before net finance costs, taxation and material items. Underlying EBITDA is Underlying EBIT, before depreciation, amortisation and material items.

As at 31 Mar 2023 Operating Segments	Crop protection APAC $000	Crop protection Europe $000	Crop protection North America $000	Crop protection Total $000	Seed Technologies Global $000	Non Operating Corporate $000	Group Total $000
Assets							
Segment assets	839,703	1,661,322	1,569,773	4,070,798	778,195	389,219	5,238,212
Assets held for sale	8,998	-	-	8,998	-	-	8,998
Equity accounted & other investments	1,871	3,641	-	5,512	1,168	60,472	67,152
Total assets	850,572	1,664,963	1,569,773	4,085,308	779,363	449,691	5,314,362
Liabilities							
Segment liabilities	516,756	342,672	351,596	1,211,024	142,196	1,619,427	2,972,647
Total liabilities	516,756	342,672	351,596	1,211,024	142,196	1,619,427	2,972,647

As at 30 Sep 2022 Operating Segments	APAC $000	Europe $000	North America $000	Total $000	Seed Technologies Global $000	Non Operating Corporate $000	Group Total $000
Assets							
Segment assets	745,488	1,273,606	1,320,015	3,339,109	618,741	636,498	4,594,348
Assets held for sale	3,438	-	-	3,438	-	-	3,438
Equity accounted & other investments	2,165	3,514	-	5,679	1,188	54,445	61,312
Total assets	751,091	1,277,120	1,320,015	3,348,226	619,929	690,943	4,659,098
Liabilities							
Segment liabilities	683,743	246,898	375,211	1,305,852	68,131	1,132,394	2,506,377
Total liabilities	683,743	246,898	375,211	1,305,852	68,131	1,132,394	2,506,377

As at 31 Mar 2022 Operating Segments	APAC $000	Europe $000	North America $000	Total $000	Seed Technologies Global $000	Non Operating Corporate $000	Group Total $000
Assets							
Segment assets	714,261	1,387,861	1,208,509	3,310,631	607,309	706,083	4,624,023
Assets held for sale	3,438	-	-	3,438	-	-	3,438
Equity accounted & other investments	1,992	2,674	-	4,666	995	3,745	9,406
Total assets	719,691	1,390,535	1,208,509	3,318,735	608,304	709,828	4,636,867
Liabilities							
Segment liabilities	326,167	274,207	315,472	915,846	97,576	1,499,234	2,512,656
Total liabilities	326,167	274,207	315,472	915,846	97,576	1,499,234	2,512,656

5 Operating segments (continued)

Geographical information - revenue by location of customer

	Revenue	
	6 months ended 31 Mar 2023 $000	6 months ended 31 Mar 2022 $000
United States of America	551,752	604,812
Australia	457,795	417,962
Rest of world [b]	945,031	1,142,779
Total	1,954,578	2,165,553

(b) Other than Australia and the United States of America sales to other countries are individually less than 10% of the group's total continuing revenues.

6 Individually material income and expense items

Individually material items are those items where their nature, including the expected frequency of the events giving rise to them, and/or amount is considered material to the condensed consolidated interim financial statements. Such items included within the group's profit for the period are detailed below.

	Consolidated		Consolidated	
	6 months ended 31 Mar 2023 $000 pre-tax	6 months ended 31 Mar 2023 $000 after-tax	6 months ended 31 Mar 2022 $000 pre-tax	6 months ended 31 Mar 2022 $000 after-tax
Material items by category:				
Deferred tax asset recognition	-	-	-	20,119
Debt refinancing costs	-	-	(25,772)	(18,767)
Transactions related to South American business disposal	-	-	1,080	1,080
Transactions related to Russia and Ukraine	7,241	6,732	(38,105)	(36,893)
Total	7,241	6,732	(62,797)	(34,461)

31 March 2023 Material items

Transactions related to Russia and Ukraine

During the 6 months ended 31 March 2023, the group has continued to assess the recoverability of assets, primarily trade receivables and inventories, in respect of the group's operations in Russia and Ukraine. The group was able to recover certain outstanding receivables which had not been previously anticipated during the 6 months ended 31 March 2023, and has continued to operate in Ukraine to support growers in this country. In balancing these factors, together with the continued operational risks due to the ongoing war between Russia and Ukraine, the group reversed a pre-tax expense of $7.241 million of previously recognised expenses pertaining to receivables and inventories.

31 March 2022 Material items

Deferred tax adjustments

Recognition of previously unrecognised tax losses as a result of improved financial performance and outlook for the group.

Debt refinancing costs

During the period the group refinanced its high yield bond and incurred costs related to early redemption call premium and accelerated amortisation of deferred debt establishment transaction costs.

Transactions related to South American business disposal – onerous contract provision reversal

During the period ended 31 July 2020 the group entered into a supply agreement contract signed as part of the disposal of the South American business that subsequently became onerous, as disclosed in material items for that period. During the 6 months ended 31 March 2022 market conditions in relation to the terms of the contract have improved. The group has assessed that the provision will no longer be required and it has therefore been fully reversed. The contract has expired as at March 2022.

Transactions related to Russia and Ukraine

During the 6 months ended 31 March 2022, the group has assessed the recoverability of assets, primarily trade receivables and inventories, in respect of the group's operations in Russia and Ukraine and has recognised a pre tax expense of $38.1 million following this assessment.

6 Items of material income and expense (continued)

Material items are classified by function as follows:

6 months ended 31 March 2023 $000	Cost of sales	Selling, marketing and distribution expense	General & administrative expense	Net financing costs	Total Pre-tax
High yield bond refinancing	-	-	-	-	-
Transactions related to South American business disposal	-	-	-	-	-
Transactions related to Russia and Ukraine	4,265	-	2,976	-	7,241
Total material items	4,265	-	2,976	-	7,241
Total material items included in operating profit	4,265	-	2,976	-	7,241

6 months ended 31 March 2022 $000	Cost of sales	Selling, marketing and distribution expense	General & administrative expense	Net financing costs	Total Pre-tax
High yield bond refinancing	-	-	-	(25,772)	(25,772)
Transactions related to South American business disposal	-	-	1,080	-	1,080
Transactions related to Russia and Ukraine	(20,041)	-	(18,064)	-	(38,105)
Total material items	(20,041)	-	(16,984)	(25,772)	(62,797)
Total material items included in operating profit	(20,041)	-	(16,984)	-	(37,025)

Material items impacting cash flows are as follows:

6 months ended 31 March 2023

	Underlying $000	Material items $000	Total group $000
Cash flows from operating activities			
Net operating cash flows	(557,592)	(926)	(558,518)
Cash flows from investing activities			
Net investing cash flows	(104,488)	-	(104,488)
Cash flows from financing activities			
Net financing cash flows	418,826	-	418,826
Net operating, investing and financing cash flows	(243,254)	(926)	(244,180)

6 months ended 31 March 2022

	Underlying $000	Material items $000	Total group $000
Cash flows from operating activities			
Net operating cash flows	(60,735)	(4,283)	(65,018)
Cash flows from investing activities			
Net investing cash flows	(61,663)	-	(61,663)
Cash flows from financing activities			
Net financing cash flows	(91,108)	(18,988)	(110,096)
Net operating, investing and financing cash flows	(213,506)	(23,271)	(236,777)

7 Assets held for sale

During the period ended 31 July 2020 the group announced a group wide preformance improvement program, relating to asset rationalisation and organisational restructuring. As part of this program, the manufacturing operations of the Raymond Road site in Laverton Australia, forming part of the APAC segment, were closed. During the 6 months ended 31 March 2022 the group approved the sale of the Raymond Road site and entered into a sales agreement. The timing of the settlement has been extended in accordance with the terms of the agreement, but is still expected to be settled within the next 12 months from 31 March 2023.

	As at 31 Mar 2023 $000	As at 30 Sep 2022 $000	As at 31 Mar 2022 $000
Land and buildings	8,998	3,438	3,438
Total assets held for sale	8,998	3,438	3,438

8 Business combinations and acquisition of non-controlling interests

On 8 November 2022, the group announced that it had entered into an agreement to purchase Sonic Boomsprays (Sonic) a Western Australian owned and operated sprayer manufacturer. The acquisition of Sonic follows the expansion of Croplands' Adelaide manufacturing site and will mean the company has additional capacity and operating efficiencies to meet the needs of growers across Australia.

The acquisition included a cash consideration of $4.8 million paid on the acquisition date. Since acquisition date, Sonic has contributed $0.378 million to the group's operating profit.

	Preliminary acquisition fair value $000
Acquiree's net assets at acquisition date	
Net identifiable assets and liabilities	3,205
Goodwill on acquisition	1,595
Cash consideration paid	4,800
Total consideration	4,800

Total goodwill of $1.595 million from the business combination is attributable mainly to the synergies expected to be achieved from integrating Sonic into the group's existing business.

9 Finance income and expense

	6 months ended 31 Mar 2023 $000	6 months ended 31 Mar 2022 $000
Other financial income	1,725	1,042
Financial income	1,725	1,042
Interest expense - external	(28,046)	(24,043)
Interest expense - amortisation of debt establishment transaction costs	(2,265)	(8,097)
Debt redemption costs	-	(18,988)
Lease liability - interest expense	(3,744)	(3,875)
Net foreign exchange gains/(losses)	(3,557)	(1,669)
Net financial expenses	(37,612)	(56,672)
Net financing costs	(35,887)	(55,630)

10 Investments accounted for using the equity method

The group accounts for investments in associates and joint ventures using the equity method. The group had the following individually immaterial associates and joint ventures during the period:

	Nature of relationship	Country	Balance date date of associate	Ownership and voting interest As at 31 Mar 2023	Ownership and voting interest As at 30 Sep 2022	Ownership and voting interest As at 31 Mar 2022
Seedtech Pty Ltd	Associate (1)	Australia	31 December	25.00%	25.00%	25.00%
Leshan Nong Fu Trading Co., Ltd	Joint Venture (2)	China	31 December	35.00%	35.00%	35.00%
Crop.zone GmbH	Associate (3)	Germany	31 December	14.77%	14.77%	11.56%

	Carrrying amount As at 31 Mar 2023 $000	Carrrying amount As at 30 Sep 2022 $000	Carrrying amount As at 31 Mar 2022 $000	Share of profit/(loss) 6 months ended 31 Mar 2023 $000	Share of profit/(loss) 12 months ended 30 Sep 2022 $000	Share of profit/(loss) 6 months ended 31 Mar 2022 $000
Seedtech Pty Ltd	808	808	663	-	144	-
Leshan Nong Fu Trading Co., Ltd	1,871	2,164	1,991	(293)	3	(119)
Crop.zone GmbH	3,615	3,490	2,651	(146)	(239)	-
	6,294	6,462	5,305	(439)	(92)	(119)

(1) Seedtech is a company that offers services to the seed industry such as cleaning, packaging, distribution and storage of seeds.

(2) Leshan Nong Fu Trading is a joint venture in which the group has joint control and a 35 percent ownership interest. The joint venture is focused on sales and marketing of formulated crop protection products in the Chinese domestic market. It is structured as a separate vehicle. In accordance with the agreement under which Leshan Nong Fu Trading was established, the investors in the joint venture have agreed to make capital contributions in proportion to their ownership interests to make up any losses up to a maximum amount of RMB 100 million ($21.739 million). This commitment has not been recognised in these condensed consolidated financial statements.

(3) Crop.zone is an Agtech start-up which provides electrophysical solutions to replace chemical herbicides in select market segments. The 14.77 per cent investment in Crop.zone is equity accounted as Nufarm has additional powers under its shareholders agreement such that it is able to exert significant influence over the operations of crop.zone.

11 Property, plant and equipment

Acquisition and disposals

During the 6 months ended 31 March 2023, the group acquired assets with a cost of $58.622 million (31 March 2022: $39.894 million), which included $7.939 million of additional right-of-use assets (31 March 2022: $13.109 million), and $0.493 million of assets acquired as part of a business combination (refer note 8) (31 March 2022: nil).

Assets with a book value of $0.104 million were disposed of during the 6 months ended 31 March 2023 (31 March 2022: $2.140 million), which included $0.084 million of right-of-use assets (31 March 2022: $2.012 million).

Capital commitments

The group had contractual obligations to purchase plant and equipment for $16.239 million at 31 March 2023 (31 March 2022: $15.925 million).

12 Intangible assets

Acquisition and disposals

During the 6 months ended 31 March 2023, the group acquired computer software intangible assets with a cost of $0.385 million (31 March 2022: $0.661 million), capitalised development cost intangibles with a cost of $39.746 million (31 March 2022: $32.622 million), and other intangible assets with a cost of $1.595 million (31 March 2022: $0.174 million). The acquired assets included $2.806 million of assets acquired as part of a business combination (refer note 8) (31 March 2022: nil).

Intangible assets with a book value of $0.261 million were disposed of during the 6 months ended 31 March 2023 (31 March 2022: $1.314 million).

Impairment testing for cash-generating units containing goodwill

The carrying amounts of the group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

For the purposes of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit'). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

As at 31 March 2023, having regard to the performance of the group for the period and the outlook compared to those used in impairment tests performed in prior periods, the group is satisfied that there are no impairment indicators that would require a formal impairment test to be performed.

Europe cash generating unit

At 30 September 2022 the group used a value in use (VIU) methodology to estimate the recoverable amount of the Europe cash generating unit (CGU). At that time the value in use of the Europe CGU was determined to be higher than its carrying amount and no impairment loss was recognised in that period. While management has determined that no indicators of impairment exist as at 31 March 2023, any future adverse movement in a key assumption including discount rates, terminal growth rates, or projected Europe cash flows, in the absence of other factors, may lead to impairment.

13 Net debt

	31 Mar 2023 $000	30 Sep 2022 $000	31 Mar 2022 $000
Current			
Bank loans - secured	18,567	239,526	336,825
Bank loans - unsecured	62,427	15,033	13,021
Deferred debt establishment costs	(5,842)	(3,964)	(2,113)
Lease Liabilities	18,970	18,574	17,423
Loans and borrowings - current	94,122	269,169	365,156
Non current			
Bank loans - secured	656,426	-	-
Bank loans - unsecured	568	398	244
Senior unsecured notes	523,325	537,634	468,165
Deferred debt establishment costs	(21,703)	(8,371)	(8,251)
Lease Liabilities	125,567	123,288	120,498
Other loans - unsecured	9,493	9,752	8,491
Loans and borrowings - non current	1,293,676	662,701	589,147
Cash and cash equivalents	(347,641)	(585,702)	(460,726)
Net cash and cash equivalents	(347,641)	(585,702)	(460,726)
Net debt	1,040,157	346,168	493,577

	31 Mar 2023 $000	30 Sep 2022 $000	31 Mar 2022 $000
Accessible			
Bank loan facilities and senior unsecured notes	1,579,948	1,302,559	1,370,909
Other facilities	9,493	9,752	8,491
Total financing facilities	1,589,441	1,312,311	1,379,400
Utilised			
Bank loan facilities and senior unsecured notes	1,261,313	792,591	818,255
Other facilities	9,493	9,752	8,491
Total financing facilities	1,270,806	802,343	826,746

Financing facilities

Refer to the section entitled "Liquidity Risk" in note 16 for detail regarding the group's financing facilities.

14 Capital and reserves

Share capital	Group Number of ordinary shares 31 Mar 2023	Number of ordinary shares 30 Sep 2022	Number of ordinary shares 31 Mar 2022
Opening balance for period	380,168,745	379,907,116	379,907,116
Issue of shares	305,285	261,629	112,040
Closing balance for period	380,474,030	380,168,745	380,019,156

The group does not have authorised capital or par value in respect of its issued shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

During the period the following shares were issued:
- On 25 November 2022, 188,868 shares at $5.95 were issued under employee incentive plans
- On 9 December 2022, 59,890 shares at $6.06 were issued under the Dividend Reinvestment Plan.
- On 21 February 2023, 56,527 shares at $5.69 were issued under the Global Share Plan.

Dividends

	Consolidated Cents per share	Total amount $000	Payment date
Proposed and unrecognised at reporting date			
Interim dividend (unfranked) [(a)]	5.0	19,024	9 Jun 2023
6 months ended 31 March 2023			
Paid final dividend (unfranked)	6.0	22,483	9 Dec 2022
Year ended 30 Sep 2022			
Paid interim dividend (unfranked)	4.0	15,199	17 Jun 2022
Paid final dividend (unfranked)	4.0	15,200	17 Dec 2021

The company operates a Dividend Reinvestment Plan (DRP) under which eligible holders of ordinary shares are able to reinvest all or part of their dividend payments into additional fully paid Nufarm Limited shares.

(a) Estimated interim dividend payable, subject to variations in the number of shares up to the record date.

Distributions

Nufarm step-up securities The following distributions were paid by Nufarm Finance (NZ) Ltd:	Consolidated Distribution rate	Total amount $000	Payment date
Distributed post 31 March 2023			
Distribution	7.37%	9,227	17 Apr 2023
6 months ended 31 March 2023			
Distribution	4.86%	6,055	17 Oct 2022
Year ended 30 Sep 2022			
Distribution	3.97%	5,072	19 Apr 2022
Distribution	4.00%	5,029	15 Oct 2021

The distribution on the Nufarm Step-up Securities reported in the equity movement schedule has been reduced by the tax benefit on the gross distribution, giving an after-tax amount of $4.460 million (6 months ended 31 March 2022: $3.708 million).

15 Earnings per share

	Consolidated 6 months ended 31 Mar 2023 $000	Consolidated 6 months ended 31 Mar 2022 $000
Net profit/(loss) for the period	149,042	98,717
Net profit/(loss) attributable to equity holders of the group	149,042	98,717
Other securities distributions (net of tax)	(4,460)	(3,708)
Earnings/(loss) used in the calculations of basic and diluted earnings per share	144,582	95,009
Subtract/(add back) items of material income/(expense)	6,732	(34,461)
Earnings/(loss) excluding items of material income/(expense) used in the calculation of underlying earnings per share	137,850	129,470

For the purposes of determining basic and diluted earnings per share, the after-tax distributions on Other Securities are deducted from net profit.

	Number of shares 31 Mar 2023	Number of shares 31 Mar 2022
Weighted average number of ordinary shares used in calculation of basic earnings per share	380,348,157	379,734,005
Weighted average number of ordinary shares used in calculation of diluted earnings per share	384,094,818	381,738,524

There have been no conversions to, calls of, or subscriptions for ordinary shares or issues of ordinary shares since the reporting date and before the completion of these condensed consolidated interim financial statements.

	Cents per share 6 months ended 31 Mar 2023	Cents per share 6 months ended 31 Mar 2022
Earnings per share		
Basic earnings per share	38.0	25.0
Diluted earnings per share	37.6	24.9
Underlying earnings per share (excluding items of material income/expense - see note 6)		
Basic earnings per share	36.2	34.1
Diluted earnings per share	35.9	33.9

16 Financial risk management and financial instruments

Financial risk management

The group's financial risk management objectives and policies are consistent with those disclosed in the 30 September 2022 consolidated financial statements as at, and for the 6 months ended, 31 March 2023.

Currency risk

The group may use financial instruments to manage specifically identified foreign currency risks including derivative instruments such as foreign exchange contracts, cross currency interest rate swaps and options, and non-derivative instruments such as foreign currency debt instruments. The group may designate select financial instruments for hedge accounting where it is deemed appropriate to do so.

The group may also use financial instruments to manage foreign currency translation risk arising from the group's net investments in foreign currency subsidiary entities. These financial instruments may be designated as net investment hedges for hedge accounting purposes. The group does not hold any net investment hedges at the reporting date.

Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Sales and operating profit are seasonal and are weighted towards the months of January to June each calendar year reflecting the planting and growing cycle in Australia, North America and Europe. This seasonal operating activity results in seasonal working capital requirements.

Principally, the group sources liquidity from cash generated from operations, and where required, external bank facilities. Working capital fluctuations due to seasonality of the business are supported by the short-term funding available from the group's working capital debt facilities.

Debt facilities

As at 31 March 2023, the key group facilities include a five year $800 million revolving asset based lending credit facility maturing in November 2027 (30 September 2022: group trade receivables securitisation facility with a maximum seasonal limit of $500 million; 31 March 2022: $500 million), a US$350 million senior unsecured notes offering maturing in January 2030 (30 September 2022: US$350 million; 31 March 2022: US$350 million) and a two year standby liquidity facility of $150 million maturing in November 2024 (30 September 2022: a senior secured bank facility (SFA) of $440 million; 31 March 2022: $490 million).

On 15 November 2022 Nufarm entered into a five year $800 million revolving asset based lending credit facility (ABL) secured against trade receivables and inventory located in Australia, the United States and Canada. Concurrently, a two year $150 million standby liquidity facility (SLF) secured against tangible assets in Australia, the United States, Canada and New Zealand was entered into. The ABL and SLF replaced the $500 million group trade receivables securitisation facility and the senior secured bank facility (SFA). The ABL and SLF facilities provide the group with flexibility to align drawings with changes in working capital and other cash requirements.

Availability under the ABL will be limited at any time to the lesser of the global borrowing base and the ABL facility limit ($800 million). The global borrowing base fluctuates on a monthly basis relative to the advance rates against trade receivables and inventory, ineligibility criteria and the inclusion of a provision for general reserves in Australia, the United States and Canada. As at 31 March 2023, the global borrowing base was in excess of the ABL facility limit of $800 million.

The ABL facility is governed by terms and conditions that are customary for a secured facility of this size, and as at 31 March 2023 Nufarm was in compliance with all conditions.

16 Financial instruments (continued)

Liquidity risk (continued)

Debt facilities (continued)

On 27 January 2022 the group completed the refinancing of the US$ 475 million senior unsecured notes due in April 2026 ("the 2026 notes"). The 2026 notes were redeemed from investors in February 2022 through the issuance of US$350 million senior unsecured notes due in January 2030 with a fixed coupon of 5.00% ("the 2030 notes"). The 2030 notes were issued under a dual tranche structure by Nufarm Australia Ltd (US$105 million) and Nufarm Americas Inc (US$245 million).

The SLF is designed to provide the group access to committed funding to cover peak working capital requirements, and is governed by terms and conditions that are customary for a secured facility of this size. The guarantor group is consistent across the ABL, the 2030 notes and SLF.

The majority of debt facilities that reside outside the ABL facility, the 2030 notes and SLF are regional working capital facilities, primarily located in Europe, which at 31 March 2023 totalled $116.115 million (30 September 2022: $112.372 million; 31 March 2022: $134.727 million). A parent guarantee is provided to support working capital facilities in Europe.

At 31 March 2023, the group had access to debt of $1,589 million under the ABL, the 2030 notes, SLF and with other lenders (30 September 2022: the group had access to debt of $1,312 million under the 2030 notes, SFA, group trade receivables securitisation facility and with other lenders; 31 March 2022: $1,379 million) .

Trade finance

The liquidity of the group is influenced by the terms suppliers extend in respect of purchases of goods and services. The determination of terms provided by suppliers is influenced by a variety of factors including supplier's liquidity. Suppliers may engage financial institutions to facilitate the receipt of payments for goods and services from the group, which are often referred to as supplier financing arrangements. The group is aware that trade payables of $188.611 million at 31 March 2023 (30 September 2022: $367.639 million; 31 March 2022: $349.387 million) are to be settled via such arrangements in future periods. In the event suppliers or financial institutions cease such arrangements the liquidity of the group's suppliers may be affected. If suppliers subsequently seek to reduce terms on group's purchases of goods and services in the future, the group's liquidity will be affected.

Further to the above, to support the liquidity of the group and reduce the credit risk relating to specific customers, trade receivables held by the group may be sold to third parties. The sales (or factoring) of receivables to third parties would generally be on a non-recourse basis, whereby the group may incur a financing expense at the time of the sale. The group derecognises trade receivables where the terms of the sale allows for derecognition. At 31 March 2023 the group had no derecognised trade receivables held by third parties (30 September 2022: nil; 31 March 2022: nil).

Fair values

All financial assets and financial liabilities, other than derivatives and investments held through other comprehensive income, are initially recognised at the fair value of consideration paid or received, net of transaction costs as appropriate and subsequently carried at fair value or amortised cost, as indicated in the following tables. Derivatives are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured at their fair value.

The financial assets and liabilities are presented by class in the tables below at their carrying values, which generally approximate to the fair values. In the case of the centrally managed fixed rate debt not swapped to floating rate totalling $523.325 million (30 September 2022: $537.634 million; 31 March 2022: $468.165 million), the fair value at 31 March 2023 is $459.919 million (30 September 2022: $451.156 million; 31 March 2022: $462.570 million).

16 Financial instruments (continued)

Fair values (continued)

Consolidated 31 Mar 2023	Note	Carried at fair value through profit or loss $000	Derivatives used for hedging $000	Financial assets / liabilities at amortised cost $000	Financial assets / liabilities at FVOCI $000	Total $000
Cash and cash equivalents	13	-	-	347,641	-	347,641
Trade and other receivables excluding derivatives		-	-	1,180,556	-	1,180,556
Other investments		-	-	387	60,471	60,858
Forward exchange contracts:						
Assets		8,003	-	-	-	8,003
Liabilities		(21,379)	-	-	-	(21,379)
Trade and other payables excluding derivatives		-	-	(1,273,967)	-	(1,273,967)
Secured bank loans	13	-	-	(674,993)	-	(674,993)
Unsecured bank loans	13	-	-	(62,995)	-	(62,995)
Senior unsecured notes	13	-	-	(523,325)	-	(523,325)
Other loans	13	-	-	(9,493)	-	(9,493)
Lease liabilities	13	-	-	(144,537)	-	(144,537)
		(13,376)	-	(1,160,726)	60,471	(1,113,631)

Consolidated 30 Sep 2022	Note	Carried at fair value through profit or loss $000	Derivatives used for hedging $000	Financial assets / liabilities at amortised cost $000	Financial assets / liabilities at FVOCI $000	Total $000
Cash and cash equivalents	13	-	-	585,702	-	585,702
Trade and other receivables excluding						-
derivatives		-	-	529,295	-	529,295
Other investments		-	-	405	54,445	54,850
Forward exchange contracts:						
Assets		24,734	-	-	-	24,734
Liabilities		(11,254)	-	-	-	(11,254)
Trade and other payables excluding derivatives		-	-	(1,297,880)	-	(1,297,880)
Secured bank loans	13	-	-	(239,526)	-	(239,526)
Unsecured bank loans	13	-	-	(15,431)	-	(15,431)
Senior unsecured notes	13	-	-	(537,634)	-	(537,634)
Other loans	13	-	-	(9,752)	-	(9,752)
Lease liabilities	13	-	-	(141,862)	-	(141,862)
		13,480	-	(1,126,683)	54,445	(1,058,758)

16 Financial instruments (continued)

Fair values (continued)

Consolidated 31 Mar 2022	Note	Carried at fair value through profit or loss $000	Derivatives used for hedging $000	Financial assets / liabilities at amortised cost $000	Financial assets / liabilities at FVOCI $000	Total $000
Cash and cash equivalents	13	-	-	460,726	-	460,726
Trade and other receivables excluding derivatives		-	-	1,224,731	-	1,224,731
Other investments		-	-	356	3,745	4,101
Forward exchange contracts:						
Assets		22,005	-	-	-	22,005
Liabilities		(14,641)	-	-	-	(14,641)
Trade and other payables excluding derivatives		-	-	(1,277,986)		(1,277,986)
Secured bank loans	13	-	-	(336,825)	-	(336,825)
Unsecured bank loans	13	-	-	(13,265)	-	(13,265)
Senior unsecured notes	13	-	-	(468,165)	-	(468,165)
Other loans	13	-	-	(8,492)	-	(8,492)
Lease liabilities	13	-	-	(137,921)	-	(137,921)
		7,364	-	(556,841)	3,745	(545,732)

16 Financial instruments (continued)

Fair values (continued)

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: Based on quoted prices (unadjusted) in active markets for identical financial assets and 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); and

Level 3: Based on inputs not observable in the market using appropriate valuation models, including discounted cash flow modelling and comparable company transactions .

	Consolidated			
	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
31 Mar 2023				
Derivative financial assets[1]	-	8,003	-	8,003
Other investments[2]	-	-	60,471	60,471
	-	8,003	60,471	68,474
Derivative financial liabilities[1]	-	(21,379)	-	(21,379)
	-	(21,379)	-	(21,379)

	Consolidated			
	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
30 Sep 2022				
Derivative financial assets[1]	-	24,734	-	24,734
Other investments[2]	-	-	54,445	54,445
	-	24,734	54,445	79,179
Derivative financial liabilities[1]	-	(11,254)	-	(11,254)
	-	(11,254)	-	(11,254)

	Consolidated			
	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
31 Mar 2022				
Derivative financial assets[1]	-	22,005	-	22,005
Other investments[2]	-	-	3,745	3,745
	-	22,005	3,745	25,750
Derivative financial liabilities[1]	-	(14,641)	-	(14,641)
	-	(14,641)	-	(14,641)

There have been no transfers between levels in either the 6 months ended 31 March 2023 or the 6 months ended 31 March 2022.

Valuation techniques used to derive fair values

(1) Derivative financial assets and liabilities include forward exchange contracts which are valued using market data including spot foreign exchange rates and forward rates at balance sheet date to determine fair value.

(2) Other investments include the group's strategic investments which primarily consist of unlisted private investments. The fair value of these investments are determined using valuation techniques such as discounted cashflow models, comparable company analysis and recent capital seeding rounds to determine fair value. The group has used a recent capital seeding round, from November 2022, to determine the fair value of its investment in Enko Chem.

17 Contingent assets and liabilities

Obligations may arise in the future due to currently unknown lawsuits and claims including those pertaining to product liability, safety and health, environmental and tax matters which may be instituted or asserted against the group. While the amounts claimed may be substantial, the ultimate liability cannot now be determined because of the considerable uncertainties that existed at balance date. Nonetheless, it is possible that results of the group's operations or liquidity in a particular period could be materially affected by such claims.

18 Subsequent events

On 17 April 2023 a distribution was paid by Nufarm Finance (NZ) on the Nufarm Step-Up Securities. The distribution rate was 7.37% resulting in a gross distribution of $9.227 million.

A interim dividend of 5 cents per share, totalling $19.024 million, was declared on 18 May 2023 and will be paid on 9 June 2023 (2022: 4 cents per share).

No other matters or circumstances have arisen in the interval between 31 March 2023 and the date of this report that, in the opinion of the directors, have or may significantly affect the operations, results or state of affairs of the group in subsequent accounting periods.

Directors' declaration

In the opinion of the directors of Nufarm Limited (the company):

(a) the financial statements and notes set out in this report are in accordance with the Corporations Act 2001 including:

(i) giving a true and fair view of the group's financial position as at 31 March 2023 and of its performance for the six months ended on that date; and

(ii) complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting,* the Corporations Regulations 2001 and IAS 34: *Interim Financial Reporting*

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:

Dated at Melbourne this 18th day of May 2023

JC Gillam
Director

GA Hunt
Director

Independent Auditor's Review Report

To the shareholders of Nufarm Limited

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying ***Interim Financial Report*** of Nufarm Limited.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Nufarm Limited does not comply with the *Corporations Act 2001*, including:

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

The ***Interim Financial Report*** comprises:

- The Condensed Consolidated Balance Sheet as at 31 March 2023
- The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Changes in Equity and Condensed Consolidated Statement of Cash Flows for the six months ended on that date
- Notes 1 to 18 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

The ***Group*** comprises Nufarm Limited (the Company) and the entities it controlled at the half-year's end or from time to time during the half-year.

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 Financial Report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and 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 these requirements.

KPMG

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Company are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim 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 Interim Financial Report does not comply 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 *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of the Interim 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.

KPMG

KPMG

Chris Sargent
Partner

Melbourne
18 May 2023