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20 May 2021

The Manager
Market Announcements Office
Australian Securities Exchange
4th Floor, 20 Bridge Street
SYDNEY NSW 2000

ELECTRONIC LODGEMENT

Dear Sir or Madam

Nufarm Limited - Financial results for the half-year ended 31 March 2021

In accordance with the Listing Rules, I enclose the following for immediate release to the market:

1. Appendix 4D – Half-Year Report;
2. Directors' Report;
3. Half-Year Results and Operations Review: and
4. Half-Year Financial Report,

for the half-year ended 31 March 2021.

Nufarm will conduct an investor briefing on the half-year results at 10am AEST. The briefing will be audio webcast live, you can register at https://edge.media-server.com/mmc/p/a8hi4a5o.

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

Authorised for lodgement by:

Fiona Smith
Company Secretary

Half-year report incorporating Appendix 4D

Nufarm Limited and its controlled entities
For the six months ended 31 March 2021, under Listing Rule 4.2A

Grow a better tomorrow

Results for announcement to the market

Appendix 4D

Following the divestment of the South American crop protection businesses on 1 April 2020 Nufarm changed financial year-end to better align reporting periods with key sales periods and enable improved comparison with industry peers. This statement includes the consolidated results for Nufarm Limited Group for the 6 months ended 31 March 2021 compared with the 6 months ended 31 January 2020. All amounts are in Australian dollars unless otherwise specified.

1. Results for announcement to the market

Trading results	6 months to 31 March 2021 $000	6 months to 31 January 2020 $000	Movement $000	Movement %
Continuing Operations				
Revenue from ordinary activities	1,649,647	901,155	748,492	83.1%
Profit/(loss) from ordinary activities after tax attributable to members				
- before material items	60,362	(114,453)	174,815	(152.7)%
- after material items	58,889	(159,524)	218,413	(136.9)%
Discontinued operations				
Revenue from ordinary activities	-	575,790	(575,790)	(100%)
Profit/(loss) from ordinary activities after tax attributable to members				
- before material items	-	29,259	(29,259)	(100%)
- after material items	-	37,789	(37,789)	(100%)
Total Group				
Revenue from ordinary activities	1,649,647	1,476,945	172,702	11.7%
Profit/(loss) from ordinary activities after tax attributable to members				
- before material items	60,362	(85,194)	145,556	(170.9)%
- after material items	58,889	(121,735)	180,624	(148.4)%

2. Dividends and distributions

Dividends to shareholders	Amount per share (cents)	Franked amount per share (cents)
Interim dividend paid for period ended 31 January 2020	-	-
Final dividend paid for period ended 31 July 2020	-	-
Final dividend paid for period ended 30 September 2020	-	-
Interim dividend paid for period ended 31 March 2021	-	-

No interim dividend will be paid for the period 31 March 2021.

Nufarm Step-up securities distribution	Distribution rate (%)	Total amount ($000)
15 October 2019	5.67	7,138
15 April 2020	4.85	6,102
15 October 2020	4.15	5,216
15 April 2021	4.01	5,013

Preference securities distribution	Distribution rate (%)	Total amount ($000)
31 October 2019	6.00	1,458
31 January 2020	6.00	1,475
1 April 2020	6.00	962

3. Other summary data

Metric	31 March 2021	31 January 2020
Gearing ratio (net debt/net debt + equity)	20.2%	43.0%
Net tangible assets per ordinary share	A$2.22	A$1.77
Staff employed	2,729	3,375

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 half-year ended 31 March 2021.

Directors

Directors who held office during the half-year ended 31 March 2021 and until the date of this report are as follows:

Director	Period of directorship
John C Gillam	Chairman since 24 September 2020, Director since 31 July 2020
Anne B Brennan	Director since 2011, retired 18 December 2020
Gordon R Davis	Director since 2011
Frank A Ford	Director since 2012
Peter M Margin	Director since 2011
Marie E McDonald	Director since 2017
Lynne D Saint	Director since 18 December 2020
Toshikazu Takasaki	Director since 2012
Greg A Hunt	Managing Director and Chief Executive Officer since 2015

Results and review of operations

Information on the operations and the results of those operations for Nufarm Limited during the half-year is set out on pages 3 to 9 of the Operating and Financial Review accompanying this Directors' report.

Events Subsequent to Reporting Date

On 15 April 2021 a distribution was paid by Nufarm Finance (NZ) on the Nufarm Step-Up Securities. The distribution rate was 4.01% resulting in a gross distribution of $5.013 million.

Shares

The equity attributable to equity holders of Nufarm Limited as at 31 March 2021 was $1,837 million.

Auditors' independence declaration

A copy of the Auditors' independence declaration is on page 2 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 20 May 2021 in accordance with a resolution of the Directors.

John C Gillam
Chairman
20 May 2021

Greg A Hunt
Managing Director
20 May 2021

Auditors' independence declaration

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 2021 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
20 May 2021

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Operating and Financial Review

Group results

Following the divestment of the South American crop protection businesses on 1 April 2020 Nufarm changed its financial year-end to better align reporting periods with key sales periods and enable improved comparison with industry peers. 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, including a comparison with the six-month period ending 31 January 2020 (statutory comparative period). Non-IFRS measures and pro-forma comparatives for the six months ended 31 March 2020 have also been provided for additional insight to performance. Information is presented on a continuing operations basis unless otherwise specified. Non-IFRS measures and pro-forma figures have not been subject to audit or review. All amounts are in Australian dollars unless otherwise specified.

Summary financial results (continuing operations unless specified)	6 months ended 31 Mar 2021 $000	Proforma 6 months ended 31 Mar 2020 $000	6 months ended 31 Jan 2020 $000	Change 31 Mar 2021 vs 31 Mar 2020 %
Revenue	1,649,647	1,374,280	901,155	20 %
Revenue excluding Corporate revenue	1,573,637	1,374,280	901,155	15 %
Gross profit	462,531	365,173	242,420	27 %
Underlying SG&A	(335,521)	(360,078)	(348,754)	7 %
Underlying EBITDA	233,623	107,267	(5,639)	large
Underlying EBIT	130,387	7,714	(104,452)	large
Operating profit / (loss)	128,773	(28,342)	(131,469)	n/a
Net external interest	(28,563)	(36,998)	(36,153)	23 %
Foreign exchange gains / (losses)	(2,776)	(20,442)	(7,385)	86 %
Net financing costs	(31,339)	(57,440)	(43,538)	45 %
Underlying net profit / (loss) after tax	60,362	n/a	(114,453)	n/a
Net profit / (loss) after tax	58,889	n/a	(159,524)	n/a
Statutory effective tax rate	39.6 %	n/a	8.8 %	n/a
Basic earnings per share - excluding material items (cents)	14.9	n/a	(34.6)	n/a
Basic earnings per share (cents)	14.5	n/a	(44.2)	n/a
Total dividend per share declared in respect of period (cents)	-	n/a	-	n/a
ROFE - total group	6.3%	1.7%	4.5%	455 bps

Earnings

Underlying EBITDA improved significantly in the first half with increased revenue, higher gross profit margins and reduced costs contributing to a $239 million turnaround relative to the statutory comparative period and growth of 118% relative to the 31 March comparative period.

Improved seasonal conditions and commodity prices generated strong demand for Nufarm crop protection products and seed technologies. This resulted in revenue growth of 75% (excluding Corporate revenue) relative to the statutory reporting period and 15% relative to the 31 March comparative period. Negative currency translation impacts reduced reported revenue by 8% relative to the 31 March comparative period.

Gross profit margin increased from 27% to 29% (excluding Corporate revenue) with higher margins in Europe and APAC driving the majority of the improvement.

Underlying selling, general and administration (SG&A) costs reduced by $25m with the global performance improvement program contributing approximately $10 million from cost reduction projects which are expected to deliver sustainable, continuing benefits. Favourable currency translation also contributed to the reduction. Lower discretionary expenditure due to COVID-19 restrictions helped offset increased logistics costs and early stage research and development costs.

The global performance improvement program is expected to achieve a run rate of approximately $25 million in SG&A cost reduction projects by the end of the current financial year.

Depreciation and amortisation expense of $103 million included a positive currency translation benefit of approximately $5 million relative to the 31 March comparative period. The underlying increase in expense related primarily to increased amortisation of Seed Technologies intellectual property following commercialisation (including Omega 3-Canola).

Net external interest costs reduced considerably on the prior year reflecting both lower average net debt balances following the disposal of the South American crop protection businesses and a strengthening in the AUD/USD exchange rate which reduced interest costs on the Company’s US dollar denominated high yield bonds.

Foreign exchange losses reduced to $3 million, reflecting reduced currency volatility, particularly in Eastern Europe, and the implementation of a targeted hedging program to reduce foreign exchange exposures in this region.

The effective tax rate of 40% reflects the impact of a number of individual countries not recognising deferred tax assets on tax losses incurred during the period ended 31 March 2021. Tax losses incurred in these countries have not contributed to taxation credits in 1H21 however they remain available to the Group for use in future periods. The effective tax rate for FY21 is expected to increase further relative to 1H21 as a result of the expected skew in full year earnings toward the first half of the financial year.

Net profit after tax increased to $59 million from a loss relative to the statutory comparative period, lifting basic earnings per share to 14.5 cents. Return on Funds Employed improved to 6.3%, with the increase in underlying EBIT contributing to the improvement.

Cash flow

Cash flow results	6 months ended 31 Mar 2021 $000	6 months ended 31 Jan 2020 $000	Change %
Underlying net operating cash flow	62,511	(7,155)	large
Underlying net operating cash flow - discontinued operations	-	(180,453)	(100)%
Underlying net operating cash flow - total group	62,511	(187,608)	large
Underlying net investing cash flow	(53,969)	(95,562)	44 %
Underlying net investing cash flow - discontinued operations	-	(4,913)	(100)%
Underlying net investing cash flow - total group	(53,969)	(100,475)	46 %
Underlying free cash flow	8,542	(102,717)	large
Underlying free cash flow - total group	8,542	(288,083)	large

Free cash generation continued to improve with higher operating cash flows and reduced investing cash flows contributing to underlying free cash flow of $9 million for the half.

Operating cash flows increased $70 million relative to the statutory comparative period, due in large part to the improvement in underlying earnings.

Cash used for investing activities reduced significantly on the statutory comparative period which included expenditure relating to construction of the Greenville formulation facility in the USA. It is likely that capital expenditure for the full year will be lower than previous guidance of $180 million due to changes in the phasing of expenditure.

Balance Sheet Management

Financial position	As at 31 Mar 2021 $000	Proforma as at 31 Mar 2020 $000	As at 31 Jan 2020 $000	Change %
Net debt (total group)	526,380	1,877,104	1,707,133	-69%
Net working capital (continuing operations)	1,115,846	1,594,150	1,176,556	-5%
ANWC/sales excluding external corporate (%)	37.2 %	48.2%	50.9%	(1,373)bps
ANWC/sales (%)	35.0 %	48.2%	50.9%	(1,592)bps
Disclosed leverage - total group	1.42	n/a	4.68	-70%
Disclosed interest coverage ratio - total group	7.45	n/a	3.33	large
Disclosed gearing % - total group	20.2 %	n/a	43.0 %	(2,284)bps

The Group's financial position strengthened during the period with the balance sheet comfortably accommodating the traditional seasonal peak in net working capital.

The reduction in net debt reflects the sale of the Company's South American crop protection businesses on 1 April 2020. Net debt has also been favourably impacted by currency translation.

Average net working capital / sales (excluding Corporate sales) improved to 37.2% with normalisation of seasonal conditions and strong management focus bringing this metric back within the targeted range of 35% to 40%. Improving working capital efficiency across all regions remains a key focus.

Dividend

Directors determined that no interim dividend would be declared. A review of the Company's capital management policy will be completed during the second half of the financial year.

Review of operations

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

Revenue - Underlying

($000s)	Mar-21 6 months	Proforma Mar-20 6 months	Movement	Jan-20 6 months	Movement
Crop protection					
Australia and New Zealand	*340,882*	*261,744*	*79,138*	*170,174*	*170,708*
Asia	*92,674*	*86,581*	*6,093*	*72,721*	*19,953*
APAC	433,556	348,325	85,231	242,895	190,661
North America	517,759	504,629	13,130	384,489	133,270
Europe	478,186	416,034	62,152	227,021	251,165
Total Crop protection	***1,429,501***	***1,268,988***	***160,513***	***854,405***	***575,096***
Seed Technologies - global	144,136	105,292	38,844	46,750	97,386
Corporate	76,010	-	76,010	-	76,010
Nufarm Group	**1,649,647**	**1,374,280**	**275,367**	**901,155**	**748,492**
Discontinued operations	-	442,422	(442,422)	575,790	(575,790)
Nufarm Group	**1,649,647**	**1,816,702**	**(167,055)**	**1,476,945**	**172,702**

EBITDA - Underlying

($000s)	Mar-21 6 months	Proforma Mar-20 6 months	Movement	Jan-20 6 months	Movement
Crop protection					
Australia and New Zealand	*48,616*	*17,167*	*31,449*	*1,202*	*47,414*
Asia	*19,616*	*15,789*	*3,827*	*11,524*	*8,092*
APAC	68,232	32,956	35,276	12,726	55,506
North America	32,922	28,577	4,345	16,135	16,787
Europe	119,984	52,747	67,237	(10,116)	130,100
Total Crop protection	***221,138***	***114,280***	***106,858***	***18,745***	***202,393***
Seed Technologies - global	37,104	17,353	19,751	2,372	34,732
Corporate	(24,619)	(24,366)	(253)	(26,756)	2,137
Nufarm Group	**233,623**	**107,267**	**126,356**	**(5,639)**	**239,262**
Discontinued operations	-	28,085	(28,085)	71,221	(71,221)
Nufarm Group	**233,623**	**135,352**	**98,271**	**65,582**	**168,041**

EBIT - Underlying

($000s)	Mar-21 6 months	Proforma Mar-20 6 months	Movement	Jan-20 6 months	Movement
Crop protection					
Australia and New Zealand	*41,239*	*8,367*	*32,872*	*(7,802)*	*49,041*
Asia	*18,480*	*13,507*	*4,973*	*9,282*	*9,198*
APAC	59,719	21,874	37,845	1,480	58,239
North America	15,951	12,553	3,398	295	15,656
Europe	58,415	(7,956)	66,371	(70,481)	128,896
Total Crop protection	***134,085***	***26,471***	***107,614***	***(68,706)***	***202,791***
Seed Technologies - global	22,298	6,742	15,556	(7,875)	30,173
Corporate	(25,996)	(25,499)	(497)	(27,871)	1,875
Nufarm Group	**130,387**	**7,714**	**122,673**	**(104,452)**	**234,839**
Discontinued operations	-	23,180	(23,180)	66,232	(66,232)
Nufarm Group	**130,387**	**30,894**	**99,493**	**(38,220)**	**168,607**

APAC

Underlying EBITDA of $68 million was 436% higher than the statutory comparative period and 107% up on the 31 March comparative period with higher revenues, improved gross profit margin in Australia and New Zealand and lower SG&A costs in Asia driving the improvement.

Revenue increased 78% relative to the statutory comparative period and 24% relative to the 31 March comparative period. Strong volume growth was driven by easing of drought conditions in Australia and Indonesia, with channel restocking and tight industry supply conditions which had the effect of generating sales earlier than usual as customers sought to ensure product availability for the coming season.

The Australia and New Zealand business generated EBITDA of $49 million, with improved seasonal conditions, better commodity prices and tight industry supply generating strong early demand. Increased sales of Nufarm branded crop protection products and Croplands spraying equipment contributed to a positive product mix, lifting gross margin and earnings. Contribution from recent product launches including Crucial®, Terrad'or® and Saracen® also contributed to improved margins.

The Asia businesses generated EBITDA of $20 million, with increased sales volumes and reduced SG&A costs more than offsetting the impact of unfavourable currency translation.

Closure of the Raymond Road insecticide and fungicide manufacturing facility in Australia is expected to occur at the end of the current calendar year.

Europe

Underlying EBITDA increased to $120 million compared to a loss of $10 million in the statutory comparative period. Compared to the 31 March comparative period, underlying EBITDA increased 127% (135% in Euros), with higher revenues and gross profit margin and reduced SG&A costs contributing to the outcome.

Revenues increased 111% relative to the statutory comparative period, and 15% relative to the 31 March comparative period. In Euros, revenues were up 18% on the 31 March comparative period, largely in line with volume growth of 16%. Sales performance in Germany, the UK, Baltic markets and parts of Eastern Europe was particularly strong with improved seasonal and trading conditions in these countries. Revenues also benefitted from increased sales of bromoxynil and beta-cyfluthrin which are in extended sell-out periods as they are phased out of the market.

Gross profit margins improved with reduced customer rebates (1H20 included a rebate adjustment relating to FY19), an easing in certain raw material costs and increased production volumes which improved manufacturing cost recoveries. Positive product mix also contributed to the improved margins, with lower volumes of non-branded product sales into industrial markets and increased sales of differentiated products from the Century and Surf range.

Regional SG&A costs were lower, with the performance improvement program delivering an estimated $7 million of sustainable earnings improvement relative to the 31 March comparative period (this amount is included within the $10 million group performance improvement program savings). An increase in freight and logistics costs relating to increased volumes, COVID-19 disruption and the Brexit transition was more than offset by lower discretionary spending costs due largely to COVID-19 restrictions. The run rate from the performance improvement program in Europe is expected to be ~$15 million by the end of the current financial year.

Manufacture of 2,4-D synthesis at the Linz manufacturing facility ceased in March 2021. Financial benefits from the closure are expected to begin to be realised from FY22 as existing stock levels are utilised.

North America

Underlying EBITDA increased 104% on the statutory comparative period and 15% relative to the 31 March comparative period. In US Dollars, underlying EBITDA increased 32% relative to the 31 March comparative period, with improved volumes and reduced discretionary expenditure driving the improvement.

Revenues increased 35% relative to the statutory comparative period, and 3% relative to the 31 March comparative period. In US Dollars, revenue increased 14% relative to the 31 March comparative period with strong commodity prices underpinning demand growth for crop protection products. Good customer support flowing from the successful commissioning of the Greenville manufacturing plant last year contributed to the strong performance. Sales into the turf and ornamental market benefited from a normalisation in demand relative to the prior year, which was negatively impacted by COVID-19.

Gross profit margins were in line with the prior year with improved product mix offsetting a competitive pricing environment.

Freight and logistics cost increases were partially offset by a reduction in discretionary expenditure due to COVID-19 restrictions limiting travel and product promotional activities.

Seed Technologies

The seed technologies segment includes sales of seed and downstream products managed by the Nuseed business and seed treatment products.

Underlying EBITDA of $37 million improved significantly on both the statutory comparative period ($2 million) and the 31 March comparative ($17 million) with higher sales and gross profit margins the primary drivers of the improvement.

Revenues increased 208% on the statutory comparative period and 37% on the 31 March comparative period with good volume growth from new hybrid seed varieties, product launches for Omega-3 Canola and Carinata, and a return to more normal seasonal conditions in Australia driving significantly higher endpoint royalty income in Australia. Seed treatment sales also increased with higher sales in the US and Europe.

Margin improvement resulted from a more profitable product mix, with the increased share of hybrid canola in Australia and stronger sales of higher margin sorghum and sunflower products in USA and South America. European sunflower sales and margin were adversely impacted by COVID-related delays to cross-border shipments.

The change in corporate reporting periods results in the majority of Nuseed's full year earnings now falling within the first half of the financial year.

The COVID-related reduction in food service demand for salmon has resulted in lower than anticipated full year sales of Aquaterra® (Nuseed's Omega-3 Canola oil) to Chilean aquaculture customers. This is despite positive feedback and repeat orders from existing customers and continued new customer demand. Previous expectations of generating a positive EBITDA contribution from Aquaterra® sales in FY21 are not expected to be realised. Nuseed expects to have adequate supply of oil to serve new customers as the market recovers and accordingly, has paused commercial plantings in 2021.

Results from the first human clinical trial for Nutriterra® were received during the half, confirming the product's safety and efficacy as a novel plant-based source of total omega-3 nutrition. The results of this trial will support ongoing discussions relating to the commercialisation of Nutriterra®.

Despite unusual drought and frost conditions in Argentina during the cover crop season, Nuseed successfully scaled-up production of its proprietary Carinata oilseed cover crop. Carinata is a non-food biofuel feedstock with certified industry leading greenhouse gas reduction. It also provides high protein non-GMO meal for livestock feed. Carinata grain produced during FY20 was delivered to off-take partner Saipol in Europe for processing, where it is marketed under the Renewable Energy Directive regulatory framework.

Outlook

Given the unusually strong early demand for products, particularly in APAC and Europe, earnings are expected to be significantly weighted to the first half of the financial year. For the full FY21 financial year, the Group is projecting:

- Net external interest costs (excluding foreign exchange gains and losses) in the range of $55 million to $60 million (assuming AUD/USD exchange rate of 76 cents)
- Depreciation and amortisation of approximately $210 million (assuming an AUD/USD exchange rate of 76 cents)
- Capital expenditure likely to be lower than previous guidance of $180 million due to phasing in timing of expenditure
- A number of individual countries have significant deferred tax assets available to reduce future taxation liabilities. It is expected that any tax losses incurred in these countries will not contribute to taxation credits in FY21. This is expected to result in the Group's effective tax rate being higher than the half year effective tax rate of 40%.

Basis of preparation of selected pro-forma financial information for non-statutory reporting periods ('pro-forma')

The pro-forma financial information presented in this report has been measured using the accounting policies of the Group in place at 1 October 2020 other than, where indicated, the AASB 16 Leases accounting standard. In this respect, the adoption of the revision to lease accounting as described in the 31 July 2020 annual report has been adopted, except where indicated (for instance "Pre leases" or "No lease adj"). The information is presented on a continuing basis and adopts certain non-IFRS measures of the group, defined herein. The pro-forma information does not provide information regarding material items or tax due to the inherent complications arising to reliably measure statutory measures on a continuing basis, at a point in time in a financial year that had not been subject to review or audit. The pro-forma information has not been subject to review or audit.

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 audit or review.

The following notes explain the terms used throughout this profit release:

(1) Underlying EBIT is earnings before net finance costs, taxation and material items. Underlying EBITDA is underlying EBIT before depreciation and amortisation of $233.623 million gain for the half year ended 31 March 2021 and ($5.639) million loss for the half year ended 31 January 2020 on a continuing basis. 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 EBIT is used to reflect the underlying performance of Nufarm's operations. Underlying EBIT is reconciled to operating profit below on a continuing basis.

Summary financial results	6 months ended 31 Mar 2021 $000	6 months ended 31 Jan 2020 $000
Underlying EBIT	130,387	(104,452)
Material items impacting operating profit	(1,614)	(27,017)
Operating profit	128,773	(131,469)

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

Term	Definition
Underlying EBIT	Earnings before net financing costs, taxation and material items
Underlying EBITDA	Underlying EBIT before depreciation and amortisation
Underlying net profit after tax	Profit / (loss) for the period attributable to the equity holders of Nufarm Limited excluding material items
Underlying SG&A	Sales, marketing and distribution expenses plus general and administrative expenses plus research and development
Net external interest	Comprises other financial income, interest expense – external / amortisation of debt establishment transaction costs and lease expense – finance charges as presented in note 9 to the 31 March 2021 Nufarm Limited interim financial report
ROFE	12 months rolling underlying EBIT divided by the average of opening and closing funds employed (total equity plus net debt)
Net debt	Total debt less cash and cash equivalents
Net working capital	Current trade and other receivables, non-current trade receivables/trade finance receivables and inventories less current trade and other payables
Underlying net operating cash flow	Net cash from operating activities excluding material items
Underlying net investing cash flow	Net cash from investing activities excluding material items
Underlying free cash flow	Net cash from operating activities excluding material items plus net cash from investing activities excluding material items
Average net working capital	Net working capital measured at each month end as an average over the last 12 months
Average net working capital / sales (excl corporate sales)	Average net working capital as a percentage of 12 months rolling revenue (excluding corporate segment revenue)
Disclosed leverage	Net debt / rolling 12 months underlying EBITDA
Disclosed interest coverage ratio	Rolling 12 months underlying EBITDA / rolling 12 months net external interest
Disclosed gearing %	Net debt / (net debt plus equity)

Condensed consolidated statement of profit or loss and other comprehensive income

For the 6 months ended 31 March 2021

	Note	Consolidated 6 months to 31 Mar 2021 $000	6 months to 31 Jan 2020 $000
Continuing operations			
Revenue	6	1,649,647	901,155
Cost of sales		(1,187,116)	(658,735)
Gross profit		462,531	242,420
Other income		3,255	2,082
Sales, marketing and distribution expenses		(237,825)	(232,894)
General and administrative expenses		(79,649)	(127,292)
Research and development expenses		(19,661)	(15,585)
Share of net profits/(losses) of equity accounted investees	10	122	(200)
Operating profits/(losses)		128,773	(131,469)
Financial income		748	1,104
Financial expenses excluding foreign exchange gains/(losses)		(29,311)	(37,257)
Net foreign exchange gains/(losses)		(2,776)	(7,385)
Net financial expenses		(32,087)	(44,642)
Net financing costs	9	(31,339)	(43,538)
Profit/(loss) before income tax		97,434	(175,007)
Income tax (expense)/benefit		(38,545)	15,483
Profit/(loss) for the period from continuing operations		58,889	(159,524)
Discontinued operation			
Profit from discontinued operation, net of tax	8	-	37,789
Profit/(loss) for the period		58,889	(121,735)
Attributable to:			
Equity holders of the group		58,889	(121,735)

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 2021

	Note	Consolidated 6 months to 31 Mar 2021 $000	6 months to 31 Jan 2020 $000
Profit/(loss) for the period from continuing operations		58,889	(159,524)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss, net of income tax:			
Foreign exchange translation differences for foreign operations		(37,954)	12,314
Effective portion of changes in fair value of cash flow hedges		(47)	233
Effective portion of changes in fair value of net investment hedges		9,255	(4,185)
Items that will not be reclassified to profit or loss:			
Actuarial gains/(losses) on defined benefit plans		8,564	(3,487)
Income tax on share based payment transactions		306	(537)
Other comprehensive income for the period, net of income tax from continuing operations		(19,876)	4,338
Total comprehensive income for the period from continuing operations		39,013	(155,186)
Profit from discontinued operation, net of tax		-	37,789
Total comprehensive income for the period		39,013	(117,397)
Attributable to:			
Equity holders of the group		39,013	(117,397)
Earnings per share			
Basic earnings/(loss) per share	15	14.5	(34.2)
Diluted earnings/(loss) per share	15	14.5	(34.3)
Earnings per share - Continuing			
Basic earnings/(loss) per share	15	14.5	(44.2)
Diluted earnings/(loss) per share	15	14.5	(44.2)

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 2021

	Note	31 Mar 2021	Consolidated 30 Sep 2020	31 Jan 2020
		$000	$000	$000
Current assets				
Cash and cash equivalents	13	500,673	423,914	316,727
Trade and other receivables		1,200,912	859,035	1,113,629
Inventories		999,483	1,046,929	1,302,293
Current tax assets		19,134	22,593	29,675
Assets held for sale	8	-	-	1,118,847
Total current assets		2,720,202	2,352,471	3,881,171
Non-current assets				
Trade and other receivables		1,350	3,119	3,315
Investments in equity accounted investees		2,332	2,259	1,835
Other investments		1,282	394	415
Deferred tax assets		122,522	141,731	194,234
Property, plant and equipment	11	410,866	436,685	492,496
Intangible assets	12	1,239,359	1,328,906	1,592,695
Total non-current assets		1,777,711	1,913,094	2,284,990
TOTAL ASSETS		4,497,913	4,265,565	6,166,161
Current liabilities				
Bank overdraft	13	-	-	2,257
Trade and other payables		1,084,549	861,030	1,239,366
Loans and borrowings	13	282,463	234,313	588,504
Employee benefits		15,955	16,703	14,223
Current tax payable		23,056	11,113	15,192
Provisions		24,940	33,557	17,926
Liabilities held for sale	8	-	-	326,400
Total current liabilities		1,430,963	1,156,716	2,203,868
Non-current liabilities				
Payables		5,686	5,995	5,256
Loans and borrowings	13	744,590	795,808	1,433,099
Deferred tax liabilities		136,110	148,146	142,322
Employee benefits		96,367	112,165	116,626
Total non-current liabilities		982,753	1,062,114	1,697,303
TOTAL LIABILITIES		2,413,716	2,218,830	3,901,171
NET ASSETS		2,084,197	2,046,735	2,264,990
Equity				
Share capital		1,835,220	1,834,934	1,834,934
Reserves		48,158	74,679	(240,485)
(Accumulated losses)/retained earnings		(46,113)	(109,810)	326,609
Equity attributable to equity holders of the group		1,837,265	1,799,803	1,921,058
Other securities		246,932	246,932	343,932
TOTAL EQUITY		2,084,197	2,046,735	2,264,990

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 2021

	Note	Consolidated 6 months to 31 Mar 2021 $000	6 months to 31 Jan 2020 $000
Cash flows from operating activities			
Profit/(loss) for the period - after tax		58,889	(121,735)
Adjustments for:			
Tax expense/(benefit)		38,545	(4,389)
Net finance expense		28,562	46,617
Depreciation & amortisation		103,236	103,803
Inventory write down		6,415	7,898
Other		39	14
Movements in working capital items:			
(Increase)/decrease in receivables		(340,105)	(127,805)
(Increase)/decrease in inventories		41,031	(352,178)
Increase/(decrease) in payables		160,880	318,856
Exchange rate change on foreign controlled entities working capital items		(8,058)	(38,148)
Cash generated from/(used in) operations		89,434	(167,067)
Interest received		748	4,766
Interest paid		(26,529)	(47,947)
Taxes paid		(9,782)	(8,014)
Net operating cash flows		53,871	(218,262)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		601	617
Payments for plant and equipment	11	(13,125)	(55,623)
Payments for acquired intangibles and major product development expenditure		(41,445)	(45,469)
Net investing cash flows		(53,969)	(100,475)
Cash flows from financing activities			
Share issue proceeds (net of costs)		-	-
Debt establishment transaction costs		(1,243)	(574)
Proceeds from borrowings		276,906	866,449
Repayment of borrowings		(169,386)	(724,819)
Lease liability payments		(8,528)	(10,871)
Distribution to other securities holders	14	(5,216)	(10,071)
Dividends paid	14	-	-
Net financing cash flows		92,533	120,114
Net increase/(decrease) in cash and cash equivalents		92,435	(198,623)
Cash at the beginning of the period		423,914	505,687
Exchange rate fluctuations on foreign cash balances		(15,676)	7,406
Cash and cash equivalents at period end date	13	500,673	314,470

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 2021

Consolidated	Share capital $000	Translation reserve $000	Capital profit reserve $000	Other reserve $000	Retained earnings $000	Total $000	Other securities $000	Non-controlling interest $000	Total equity $000
	Attributable to equity holders of the group								
Balance at 1 August 2019	1,834,594	(270,302)	33,627	(12,833)	460,016	2,045,102	343,932	-	2,389,034
Profit/(loss) for the period from continuing operations	-	-	-	-	(121,735)	(121,735)	-	-	(121,735)
Profit/(loss) for the period from discontinued operations	-	-	-	-	-	-	-	-	-
Other comprehensive income									
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	(3,487)	(3,487)	-	-	(3,487)
Foreign exchange translation differences for disposal groups	-	-	-	-	-	-	-	-	-
Foreign exchange translation differences	-	12,314	-	-	-	12,314	-	-	12,314
Gains/(losses) on cash flow hedges taken to equity	-	-	-	233	-	233	-	-	233
Gains/(losses) on net investment hedges taken to equity	-	-	-	(4,185)	-	(4,185)	-	-	(4,185)
Income tax on share based payment transactions	-	-	-	(537)	-	(537)	-	-	(537)
Total comprehensive income/(loss) for the period	-	12,314	-	(4,489)	(125,222)	(117,397)	-	-	(117,397)
Transactions with owners, recorded directly in equity									
Employee share award entitlements and share issuances	340	-	-	1,198	-	1,538	-	-	1,538
Dividends paid to shareholders	-	-	-	-	-	-	-	-	-
Dividend reinvestment plan	-	-	-	-	-	-	-	-	-
Distributions to other security holders	-	-	-	-	(8,185)	(8,185)	-	-	(8,185)
Preference securities redeemed	-	-	-	-	-	-	-	-	-
Balance at 31 January 2020	1,834,934	(257,988)	33,627	(16,124)	326,609	1,921,058	343,932	-	2,264,990
Balance at 1 October 2020	1,834,934	46,796	33,627	(5,744)	(109,810)	1,799,803	246,932	-	2,046,735
Profit/(loss) for the period from continuing operations	-	-	-	-	58,889	58,889	-	-	58,889
Other comprehensive income									
Actuarial gains/(losses) on defined benefit plans	-	-	-	-	8,564	8,564	-	-	8,564
Foreign exchange translation differences	-	(37,954)	-	-	-	(37,954)	-	-	(37,954)
Gains/(losses) on cash flow hedges taken to equity	-	-	-	(47)	-	(47)	-	-	(47)
Gains/(losses) on net investment hedges taken to equity	-	-	-	9,255	-	9,255	-	-	9,255
Income tax on share based payment transactions	-	-	-	306	-	306	-	-	306
Total comprehensive income/(loss) for the period	-	(37,954)	-	9,514	67,453	39,013	-	-	39,013
Transactions with owners, recorded directly in equity									
Employee share award entitlements and share issuances	286	-	-	1,919	-	2,205	-	-	2,205
Dividends paid to shareholders	-	-	-	-	-	-	-	-	-
Dividend reinvestment plan	-	-	-	-	-	-	-	-	-
Distributions to other security holders	-	-	-	-	(3,756)	(3,756)	-	-	(3,756)
Balance at 31 March 2021	1,835,220	8,842	33,627	5,689	(46,113)	1,837,265	246,932	-	2,084,197

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 report

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 2021 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 comparative period is presented as at and for the 6 months ended 31 January 2020 due to a change in financial year for the group.

The consolidated annual financial statements of the group as at and for the period ended 30 September 2020 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 2020.

Changes to significant accounting policies are described in note 3.

These condensed consolidated interim financial statements were approved by the Board of Directors on 20 May 2021.

(b) Rounding of amounts

Amounts in this financial report 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 period ended 30 September 2020. A number of new standards are effective from 1 October 2020 but they do not have a material effect on the group's financial statements.

The changes in accounting policies are also expected to be reflected in the group's consolidated financial statements as at and for the year ending 30 September 2021. Amendments made to existing standards that are not yet effective are not expected to result in a material effect on the group’s financial position or its performance.

In April 2021, the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a final agenda decision, "Configuration or Customisation Costs in a Cloud Computing Arrangement". The decision discusses whether configuration or custom expenditure relating to cloud computing arrangements is able to be recognised as an intangible asset and if not, over what time period the expenditure is expensed. The Group’s accounting policy has historically been to capitalise costs related to computing arrangements as intangible assets in the consolidated balance sheet. The adoption of this agenda decision could result in a reclassification of these intangible assets to either a prepaid asset in the consolidated balance sheet and/or an expense in the statement of comprehensive income, impacting both the current and/or prior periods presented. The Group has not adopted this IFRIC agenda decision in the interim financial report. The impact of the change is not reasonably estimable as the Group has yet to commence its assessment of the impact of the IFRIC agenda decision. The Group expects to adopt this IFRIC agenda decision in its annual financial statements for the year ending on 30 September 2021.

4 Estimates and judgements

The preparation of the interim financial report 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, 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 2020.

5 Financial risk management

The group's financial risk management objectives and policies are consistent with that disclosed in the consolidated financial statements as at and for the period ended 30 September 2020.

The group holds a number of derivative contracts to manage its exposure to foreign currency and interest rate risk. A selection of these derivative contracts are designated and accounted for as net investment, cash flow and fair value hedges as at 31 March 2021.

The movement in the foreign currency translation reserve relates to the translation differences from converting the net assets of overseas subsidiaries from their functional currencies to the presentation currency of the group, which is Australian dollars.

6 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. During the 6 months ended 31 January 2020 the majority of the former geographic segment of Latin America was classified as a discontinued operation (refer note 8). The remaining Latin American operations (Mexico) are now managed via the North America segment along with the USA and Canada.

The seed technologies business deals in the sale of seeds and seed treatment products. 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, interest-bearing loans, borrowings and corporate assets. For the six months ended 31 March 2021 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.

6 Operating segments (continued)

6 months ended 31 Mar 2021 Operating Segments	APAC $000	Europe $000	North America $000	Total $000	Seed Technologies Global $000	Non Operating Corporate $000	Group Total $000
Revenue							
Total segment revenue	433,556	478,186	517,759	1,429,501	144,136	76,010	1,649,647
Results							
Underlying EBITDA [(a)]	68,232	119,984	32,922	221,138	37,104	(24,619)	233,623
Depreciation & amortisation excluding material items	(8,513)	(61,569)	(16,971)	(87,053)	(14,806)	(1,377)	(103,236)
Underlying EBIT [(a)]	**59,719**	**58,415**	**15,951**	**134,085**	**22,298**	**(25,996)**	**130,387**
Material items included in operating profit (refer note 7)							(1,614)
Total material items (refer note 7)							(1,614)
Net financing costs (excluding material items)							(31,339)
Profit/(loss) before tax							**97,434**

6 months ended 31 Jan 2020 Operating Segments	APAC $000	Europe $000	North America $000	Total $000	Seed Technologies Global $000	Non Operating Corporate $000	Continuing Total $000	Discontinued operation Total $000	Group Total $000
Revenue									
Total segment revenue	242,895	227,021	384,489	854,405	46,750	-	901,155	575,790	1,476,945
Results									
Underlying EBITDA [(a)]	12,726	(10,116)	16,135	18,745	2,372	(26,756)	(5,639)	71,221	65,582
Depreciation & amortisation excluding material items	(11,246)	(60,365)	(15,840)	(87,451)	(10,247)	(1,115)	(98,813)	(4,989)	(103,802)
Underlying EBIT [(a)]	**1,480**	**(70,481)**	**295**	**(68,706)**	**(7,875)**	**(27,871)**	**(104,452)**	**66,232**	**(38,220)**
Material items included in operating profit (refer note 7)							(27,017)		
Total material items (refer note 7)							(27,017)		
Net financing costs (excluding material items)							(43,538)		
Profit/(loss) before tax							**(175,007)**		

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

As at 31 Mar 2021 Operating Segments	APAC $000	Europe $000	North America $000	Total $000	Seed Technologies Global $000	Non Operating Corporate $000	Group Total $000
Segment assets	710,396	1,663,036	999,790	3,373,222	585,146	539,545	4,497,913
Segment liabilities	546,064	285,842	317,550	1,149,456	81,712	1,182,548	2,413,716

As at 30 Sep 2020 Operating Segments	APAC $000	Europe $000	North America $000	Total $000	Seed Technologies Global $000	Non Operating Corporate $000	Group Total $000
Segment assets	682,783	1,565,962	906,288	3,155,033	533,215	577,317	4,265,565
Segment liabilities	484,197	288,218	222,089	994,504	30,572	1,193,754	2,218,830

As at 31 Jan 2020 Operating Segments	APAC $000	Europe $000	North America $000	Total $000	Seed Technologies Global $000	Non Operating Corporate $000	Total $000	Held for Sale $000	Group Total $000
Segment assets	567,354	2,063,337	1,165,100	3,795,791	557,352	694,171	5,047,314	1,118,847	6,166,161
Segment liabilities	537,203	348,619	453,940	1,339,762	55,254	2,179,755	3,574,771	326,400	3,901,171

6 Operating segments (continued)

Geographical information - revenue by location of customer

	Revenue	
	6 months to 31 Mar 2021 $000	6 months to 31 Jan 2020 $000
United States of America	442,402	321,381
Australia	342,423	130,416
Rest of world (b)	864,822	449,358
Total continuing operations	1,649,647	901,155
Brazil - discontinuing	-	502,038
Rest of world - discontinuing	-	73,752
Total	1,649,647	1,476,945

(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.

7 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 consolidated interim financial report. Such items included within the group's profit for the period are detailed below.

	Consolidated		Consolidated	
	6 months to 31 Mar 2021 $000 pre-tax	6 months to 31 Mar 2021 $000 after-tax	6 months to 31 Jan 2020 $000 pre-tax	6 months to 31 Jan 2020 $000 after-tax
Material items by category:				
Asset rationalisation and restructuring	(1,351)	(1,210)	(5,215)	(5,215)
Legal costs	(263)	(263)	(8,640)	(8,640)
South American business disposal				
- other associated net expenses	-	-	(13,162)	(14,337)
Net tax assets write-off	-	-	-	(8,349)
Total	(1,614)	(1,473)	(27,017)	(36,541)
Material items from continuing operations	(1,614)	(1,473)	(27,017)	(45,071)
Material items from discontinuing operations	-	-	-	8,530

7 Individually material income and expense items (continued)

31 March 2021 Material items

Asset rationalisation and restructuring

Expenses continue to be incurred on the group wide performance improvement program, relating to asset rationalisation and organisational restructuring.

Legal costs

During the period the group incurred additional legal costs associated with the enforcement of Omega-3 canola trademark and patent matters.

31 January 2020 Material items

Asset rationalisation and restructuring

A performance and improvement program commenced in the ANZ businesses during the year ended 31 July 2019 across all functions. This includes assessing the organisational structure and facilities. As at 31 January 2020 restructuring initiatives have begun to be implemented.

Legal costs

During the prior period the group incurred additional legal costs associated with the enforcement of Omega-3 canola trademark and patent matters.

South American business disposal

On 30 September 2019, the group publicly announced the decision of its Board of Directors to divest its shares in certain entities, that together, comprise the majority of the Latin American crop protection segment and the South American seed treatment business (together known as the South American business).

As at 31 January 2020, one-off transaction costs to effect the disposal of $13.162 million have been incurred. These include, but are not limited to, advisor fees and separation costs. Additionally costs amounting to $8.452 million were incurred during the period as the group advanced a debt restructuring alongside the sale of the South American business. This initiative was focused on strengthening Nufarm's balance sheet, but was ceased post the announcement of the divestment.

Net tax asset write-off

The group assessed recognised and unrecognised deferred taxation assets and determined that certain amounts previously recognised in the balance sheet should be derecognised, and that certain amounts not previously recogised in the balance sheet should be recognised, reflecting changing expectations of the geographic distribution of assessable income. The net impact of the assessment is a reduction in the carrying value of the group's deferred taxation assets of $8.349 million.

7 Items of material income and expense (continued)

Material items are classified by function as follows:

6 months ended 31 March 2021 $000	Cost of sales	Selling, marketing and distribution expense	General & administrative expense	Net financing costs	Total Pre-tax
Continuing Operations					
Legal costs	-	-	(263)	-	(263)
Asset rationalisation and restructuring	-	-	(1,351)	-	(1,351)
Total material items	-	-	(1,614)	-	(1,614)
Total material items included in operating profit	-	-	(1,614)	-	(1,614)

6 months ended 31 January 2020 $000	Cost of sales	Selling, marketing and distribution expense	General & administrative expense	Net financing costs	Total Pre-tax
Continuing Operations					
Legal costs	-	-	(8,640)	-	(8,640)
Asset rationalisation and restructuring	-	-	(5,215)	-	(5,215)
South American business disposal	-	-	(13,162)	-	(13,162)
Total material items	-	-	(27,017)	-	(27,017)
Total material items included in operating profit	-	-	(27,017)	-	(27,017)

Material items impacting cash flows are as follows:
6 months ended 31 March 2021

	Underlying $000	Material items $000	Total group $000
Cash flows from operating activities			
Net operating cash flows	62,511	(8,640)	53,871
Cash flows from investing activities			
Net investing cash flows	(53,969)	-	(53,969)
Net operating and investing cash flows	8,542	(8,640)	(98)

6 months ended 31 January 2020

	Underlying continuing $000	Material items continuing $000	Discontinued operations $000	Total group $000
Cash flows from operating activities				
Net operating cash flows	(7,155)	(30,654)	(180,453)	(218,262)
Cash flows from investing activities				
Net investing cash flows	(95,562)	-	(4,913)	(100,475)
Net operating and investing cash flows	(102,717)	(30,654)	(185,366)	(318,737)

8 Discontinued operation

On 1 April 2020, the group completed the divestment of certain entities that, together, comprise the majority of the Latin American crop protection segment and the South American seed treatment business (together known as the South American business).

	6 months to 31 Jan 2020 $000
Results of discontinued operation	
Revenue	575,790
Cost of sales	(430,589)
Gross profit	145,201
Net operating expenses	(78,969)
Operating profit/(loss)	66,232
Net financing costs	(17,349)
Profit/(loss) before tax	48,883
Income tax benefit/(expense)	(11,094)
Profit/(loss) from discontinued operation	37,789
Attributable to:	
Equity holders of the group	37,789
Basic earnings per share (cents)	10.0
Diluted earnings per share (cents)	9.9

Cash flows from discontinued operation	6 months to 31 Jan 2020 $000
Net proceeds used in operating activities	(180,453)
Net proceeds from investing activities	(4,913)
Net cash flow for the period	(185,366)

8 Discontinued operation (continued)

At 31 January 2020, the disposal group was comprised of the following assets and liabilities:

	As at 31 Jan 2020 $000
Trade and other receivables	587,410
Inventories	270,227
Current tax assets	13,067
Other investments	17
Deferred tax assets	64,672
Property plant and equipment	39,884
Intangible assets	143,570
Total assets held for sale	1,118,847
Trade and other payables	296,540
Employee benefits	3,644
Current tax liabilities	4,590
Deferred tax liabilties	16,791
Loans and borrowings - lease liabilities	4,835
Total liabilities held for sale	326,400
Net assets held for sale	792,447

9 Finance income and expense (from continuing operations)

	6 months to 31 Mar 2021 $000	6 months to 31 Jan 2020 $000
Other financial income	748	1,104
Financial income	748	1,104
Interest expense - external	(24,190)	(31,177)
Interest expense - amortisation of debt establishment transaction costs	(1,608)	(2,227)
Lease expense - finance charges	(3,513)	(3,853)
Net foreign exchange gains/(losses)	(2,776)	(7,385)
Net financial expenses	(32,087)	(44,642)
Net financing costs	(31,339)	(43,538)

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 of associate	As at 31 Mar 2021	Ownership and voting interest As at 30 Sep 2020	As at 31 Jan 2020
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%

	Carrying amount			Share of profit/(loss)		
	As at 31 Mar 2021 $000	As at 30 Sep 2020 $000	As at 31 Jan 2020 $000	6 months ended 31 Mar 2021 $000	2 months ended 30 Sep 2020 $000	6 months ended 31 Jan 2020 $000
Seedtech Pty Ltd	549	549	451	-	-	-
Leshan Nong Fu Trading Co., Ltd	1,783	1,710	1,384	122	(48)	(200)
	2,332	2,259	1,835	122	(48)	(200)

(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, if required, or at the latest within 5 years after incorporation, up to a maximum amount of RMB 100 million ($20.040 million). This commitment has not been recognised in this consolidated financial report.

11 Property, plant and equipment

Acquisition and disposals

During the six months ended 31 March 2021, the group acquired assets with a cost of $18.828 million (two months ended 30 September 2020: $6.843 million; six months ended 31 January 2020: $38.306 million), which included $5.702 million of additional right-of-use assets.

Assets with a book value of $1.781 million were disposed of during the six months ended 31 March 2021 (two months ended 30 September 2020: $0.172 million; six months ended 31 January 2020: $0.477 million), which included $1.234 million of right-of-use assets.

Capital commitments

The group had contractual obligations to purchase plant and equipment for $13.194 million at 31 March 2021 (30 September 2020: $4.943 million; 31 January 2020: $6.195 million).

12 Intangible assets

Acquisition and disposals

During the six months ended 31 March 2021, the group acquired computer software intangible assets with a cost of $0.587 million (two months ended 30 September 2020: $3.771 million; six months ended 31 January 2020: $7.147 million), capitalised development cost intangibles with a cost of $33.973 million (two months ended 30 September 2020: $14.106 million; six months ended 31 January 2020: $33.162 million), and other intangible assets with a cost of $6.885 million (two months ended 30 September 2020: $0.237 million; six months ended 31 January 2020: $5.160 million).

Intangible assets with a book value of $0.241 million were disposed of during the six months ended 31 March 2021 (two months ended 30 September 2020: $0.038 million; six months ended 31 January 2020: $0.159 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 2021, 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.

ANZ cash generating unit

At 31 July 2018 the group used a fair value less cost to dispose (FVLCD) methodology to estimate the recoverable amount of the ANZ cash generating unit (CGU). At that time the carrying value of the ANZ CGU was determined to be higher than its recoverable amount and an impairment loss was recognised in that period. While management has determined that no indicators of impairment exist as at 31 March 2021, any future adverse movement in a key assumption including discount rates, terminal growth rates, or projected ANZ cash flows, in the absence of other factors, may lead to further impairment.

Europe cash generating unit

At 31 July 2020 the group used a fair value less cost to dispose (FVLCD) methodology to estimate the recoverable amount of the Europe cash generating unit (CGU). At that time the carrying value of the Europe CGU was determined to be higher than its recoverable amount and an impairment loss was recognised in that period. While management has determined that no indicators of impairment exist as at 31 March 2021, 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 further impairment.

13 Net debt

	31 Mar 2021 $000	30 Sep 2020 $000	31 Jan 2020 $000
Current			
Bank loans - secured	257,216	208,156	269,730
Bank loans - unsecured	11,039	10,161	300,406
Deferred debt establishment costs	(2,772)	(2,229)	(2,841)
Lease Liabilities	16,980	18,225	20,203
Other loans - unsecured	-	-	1,006
Loans and borrowings - current	282,463	234,313	588,504
Non current			
Bank loans - secured	-	-	417,218
Bank loans - unsecured	85	388	95,009
Brazil unsecured notes	-	-	69,969
Senior unsecured notes	623,360	667,322	709,485
Deferred debt establishment costs	(6,309)	(7,216)	(8,367)
Lease Liabilities	119,122	126,395	136,902
Other loans - unsecured	8,332	8,919	12,883
Loans and borrowings - non current	744,590	795,808	1,433,099
Cash and cash equivalents	(500,673)	(423,914)	(316,727)
Bank overdraft	-	-	2,257
Net cash and cash equivalents	(500,673)	(423,914)	(314,470)
Net debt	526,380	606,207	1,707,133

	31 Mar 2021 $000	30 Sep 2020 $000	31 Jan 2020 $000
Accessible			
Bank loan facilities and senior unsecured notes	1,475,287	1,541,028	2,293,184
Other facilities	8,332	8,919	13,889
Total financing facilities	1,483,619	1,549,947	2,307,073
Utilised			
Bank loan facilities and senior unsecured notes	891,700	886,027	1,861,817
Other facilities	8,332	8,919	13,889
Total financing facilities	900,032	894,946	1,875,706

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 2021	Number of ordinary shares 30 Sep 2020	Number of ordinary shares 31 Jan 2020
Opening balance for period	379,694,706	379,694,706	379,639,334
Issue of shares	58,889	-	55,372
Closing balance for period	379,753,595	379,694,706	379,694,706

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.

On 8 February 2021, 58,889 shares at $4.85 were issued under the Global Share Plan.

Dividends

No dividends have been declared.

Distributions

Nufarm Step-up Securities

The following distributions were paid by Nufarm Finance (NZ) Ltd:	Distribution rate	Consolidated Total amount $000	Payment date
6 months ended 31 Mar 2021			
Distribution	4.15%	5,216	15 Oct 2020
		5,216	
6 months ended 31 Jan 2020			
Distribution	5.67%	7,138	15 Oct 2019
		7,138	

The distribution on the Nufarm Step-up Securities reported on the equity movement schedule has been reduced by the tax benefit on the gross distribution, giving an after-tax amount of $3.756 million (6 months ended 31 January 2020: $5.252 million).

Sumitomo preference securities

The following distributions were paid by Nufarm Investment Pty Ltd:	Distribution rate	Consolidated Total amount $000	Payment date
6 months ended 31 Mar 2021			
Distribution	n/a	n/a	n/a
6 months ended 31 Jan 2020			
Distribution	6.00%	1,475	31 Jan 2020
Distribution	6.00%	1,458	31 Oct 2019
		2,933	

15 Earnings per share

	Consolidated 6 months to 31 Mar 2021 $000	6 months to 31 Jan 2020 $000
Net profit/(loss) for the period from continuing operations	58,889	(121,735)
Net profit/(loss) attributable to equity holders of the group	58,889	(121,735)
Other securities distributions (net of tax)	(3,756)	(8,185)
Earnings/(loss) used in the calculations of basic and diluted earnings per share	55,133	(129,920)
Net profit/(loss) for the period from discontinued operations, net of tax	-	37,789
Earnings/(loss) used in the calculations of basic and diluted earnings per share from continuing operations	55,133	(167,709)
Subtract/(add back) items of material income/(expense) from continuing operations (refer note 6)	(1,473)	(36,541)
Earnings/(loss) excluding items of material income/(expense) used in the calculation of underlying earnings per share from continuing operations	56,606	(131,168)

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 2021	31 Jan 2020
Weighted average number of ordinary shares used in calculation of basic earnings per share	379,704,737	379,643,848
Weighted average number of ordinary shares used in calculation of diluted earnings per share	380,728,525	380,614,488

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 this interim financial report.

	Cents per share 6 months to 31 Mar 2021	6 months to 31 Jan 2020
Earnings per share for continuing and discontinued operations		
Basic earnings per share		
From continuing operations	14.5	(44.2)
From discontinuing operations	-	10.0
	14.5	(34.2)
Diluted earnings per share		
From continuing operations	14.5	(44.2)
From discontinuing operations	-	9.9
	14.5	(34.3)
Underlying earnings per share (excluding items of material income/expense - see note 6) from continuing operations		
Basic earnings per share	14.9	(34.6)
Diluted earnings per share	14.9	(34.6)

16 Financial instruments

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 trade receivable securitisation facility.

Debt facilities

As at 31 March 2021, the key group facilities include a group trade receivables securitisation facility, a US$475 million senior unsecured notes offering maturing in April 2026 (30 September 2020: US$475 million; 31 January 2020: US$475 million), and a senior secured bank facility of $490 million (30 September 2020: $555 million; 31 January 2020: $695 million).

The US$475m senior unsecured notes are due in April 2026 with a fixed coupon component of 5.75% ("2026 notes"). The 2026 notes were issued under a dual tranche structure by Nufarm Australia Ltd (US$266 million) and Nufarm Americas Inc (US$209 million).

On 31 January 2021 $65m million of the group's senior secured bank facility (SFA) expired, reducing the limit to $490 million. Under the facility agreement $20 million expires on 31 January 2022, $50 million expires on 30 June 2022 and $420 million expires on 31 October 2022 (30 September 2020: $85 million is due in January 2021, and $470 million is due in January 2022; 31 January 2020: $100 million is due in April 2020, $125 million is due in January 2021, and $470 million is due in January 2022). The SFA includes covenants of a type normally associated with facilities of this kind, and the group was in compliance with these covenants. The facility was undrawn at 31 March 2021 (30 September 2020: facility was undrawn; 31 January 2020: drawn to $474.890 million).

16 Financial instruments (continued)

Liquidity risk (continued)

Debt facilities (continued)

On 23 August 2011, Nufarm executed a group trade receivables securitisation facility. The facility provides funding that aligns with the working capital cycle of the group. The facility limit varies on a monthly basis to reflect the cyclical nature of the trade receivables being used to secure funding under the program. The monthly facility limit is set at $500 million for three months of the financial year, $400 million for one month of the financial year, $350 million for four months of the financial year, $300 million for two months of the financial year and $250 million for two months of the financial year (30 September 2020 and 31 January 2020: facility limit is set to $500 million for three months of the financial year, $400 million for one month of the financial year, $350 million for four months of the financial year, $300 million for two months of the financial year and $250 million for two months of the financial year).

The majority of debt facilities that reside outside the notes, SFA and the group trade receivables securitisation facility are regional working capital facilities, primarily located in Europe, which at 31 March 2021 totalled $122.277 million (30 September 2020: $129.299 million; 31 January 2020: $638.699 million).

At 31 March 2021, the group had access to debt of $1,475 million (30 September 2020: $1,541 million; 31 January 2020: $2,293 million) under the notes, SFA, group trade receivables securitisation facility and with other lenders.

A parent guarantee is provided to support working capital facilities in Europe and the notes.

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 $237.853 million at 31 March 2021 (30 September 2020: $198.139 million; 31 January 2020: $232.535 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.

To support the liquidity of the group and reduce the credit risk relating to specific customers, trade receivables held by the group are sold to third parties. The sales (or factoring) of receivables to third parties is primarily done on a non-recourse basis, and the group incurs 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 2021 the group estimates $5.651 million (30 September 2020: $10.639 million; 31 January 2020: $86.255 million of which $5.589 million related to continuing operations) of derecognised trade receivables were being held by third parties. For clarity, the group trade receivables securitisation facility, noted above, has terms which does not allow the group to derecognise these trade receivables.

Fair values

All financial assets and financial liabilities, other than derivatives, 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 tables below. 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.

16 Financial instruments (continued)

Fair values (continued)

Consolidated
31 Mar 2021

	Carrying value $000	Fair value $000
Cash and cash equivalents	500,673	500,673
Trade and other receivables excluding derivatives	1,192,313	1,192,313
Forward exchange contracts:		
Assets	9,949	9,949
Liabilities	(7,484)	(7,484)
Interest Rate Swaps:		
Assets	-	-
Liabilities	-	-
Trade and other payables excluding derivatives	(1,082,751)	(1,082,751)
Secured bank loans	(257,216)	(257,216)
Unsecured bank loans	(11,124)	(11,124)
Senior unsecured notes	(623,360)	(642,060)
Other loans	(8,332)	(8,332)
Lease liabilities	(136,102)	(136,102)
	(423,434)	(442,134)

Consolidated
30 Sep 2020

	Carrying value $000	Fair value $000
Cash and cash equivalents	423,914	423,914
Trade and other receivables excluding derivatives	856,174	856,174
Forward exchange contracts:		
Assets	5,980	5,980
Liabilities	(6,098)	(6,098)
Interest Rate Swaps:		
Assets	-	-
Liabilities	-	-
Trade and other payables excluding derivatives	(860,927)	(860,927)
Secured bank loans	(208,156)	(208,156)
Unsecured bank loans	(10,549)	(10,549)
Senior unsecured notes	(667,332)	(678,166)
Other loans	(8,919)	(8,919)
Lease liabilities	(144,620)	(144,620)
	(620,533)	(631,367)

16 Financial instruments (continued)

Fair values (continued)

Consolidated

31 Jan 2020	Carrying value $000	Fair value $000
Cash and cash equivalents	316,727	316,727
Trade and other receivables excluding derivatives	1,112,351	1,112,351
Forward exchange contracts:		
Assets	4,593	4,593
Liabilities	(11,409)	(11,409)
Interest Rate Swaps:		
Assets	-	-
Liabilities	-	-
Trade and other payables excluding derivatives	(1,233,213)	(1,233,213)
Bank overdraft	(2,257)	(2,257)
Secured bank loans	(686,948)	(686,948)
Unsecured bank loans	(395,415)	(395,415)
Brazil unsecured notes	(69,969)	(69,969)
Senior unsecured notes	(709,485)	(684,653)
Other loans	(13,889)	(13,889)
Lease liabilities	(157,105)	(157,105)
	(1,846,019)	(1,821,187)

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

	Consolidated			
31 Mar 2021	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Derivative financial assets	-	9,949	-	9,949
	-	9,949	-	9,949
Derivative financial liabilities	-	(7,484)	-	(7,484)
	-	(7,484)	-	(7,484)

	Consolidated			
30 Sep 2020	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Derivative financial assets	-	5,980	-	5,980
	-	5,980	-	5,980
Derivative financial liabilities	-	(6,098)	-	(6,098)
	-	(6,098)	-	(6,098)

	Consolidated			
31 Jan 2020	Level 1 $000	Level 2 $000	Level 3 $000	Total $000
Derivative financial assets	-	4,593	-	4,593
	-	4,593	-	4,593
Derivative financial liabilities	-	(11,409)	-	(11,409)
	-	(11,409)	-	(11,409)

There have been no transfers between levels in either the 6 months ended 31 March 2021, the 2 months ended 30 September 2020 or the 6 months ended 31 January 2020.

Valuation techniques used to derive fair values

The fair value of financial instruments that are not traded in an active market (for example, over–the–counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices or dealer quotes for similar instruments.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

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 Nufarm's operations or liquidity in a particular period could be materially affected by such claims.

Brazilian taxation proceedings

Following the sale of the Brazilian business to Sumitomo in April 2020, Nufarm retains a contingent liability in respect of certain pre-sale tax assessments that are being challenged and other potential tax liabilities.

As at 31 March 2021, the total contingent liability relating to future potential tax liabilities in Brazil is $9.456 million. The group considers that it is not probable that a liability will arise in respect of these cases.

Other

Other than identified above, as at 31 March 2021 there have been no significant changes to the contingent assets or liabilities disclosed at 30 September 2020.

18 Subsequent events

On 15 April 2021 a distribution was paid by Nufarm Finance (NZ) on the Nufarm Step-Up Securities. The distribution rate was 4.01% resulting in a gross distribution of $5.013 million.

No matters or circumstances have arisen in the interval between 31 March 2021 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

1 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 2021 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 20th day of May 2021

JC Gillam
Director

GA Hunt
Director

Independent Auditor's Review Report

To the shareholders of Nufarm Limited

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 2021 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 2021
- 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 the Code.

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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 30 September 2020 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 an 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
20 May 2021