

Q1 2020 Results

Raviv Zoller

President & CEO

May 12, 2020



Important Legal Notes

Disclaimer and Safe Harbor for Forward-Looking Statements

The information contained herein in this presentation or delivered or to be delivered to you during our presentation does not constitute an offer, expressed or implied, or a recommendation to do any transaction in ICL Group Ltd. ("ICL Group" or "Company") securities or in any securities of its affiliates or subsidiaries.

This presentation and/or other oral or written statements made by ICL Group during its presentation or from time to time, may contain forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and other applicable securities laws. Whenever words such as "believe," "expect," "anticipate," "intend," "plan," "estimate", "predict" or similar expressions are used, the Company is making forward-looking statements. Such forward-looking statements may include, but are not limited to, those that discuss strategies, goals, financial outlooks, corporate initiatives, existing or new products, existing or new markets, operating efficiencies, or other non-historical matters.

Because such statements deal with future events and are based on ICL Group's current expectations, they could be impacted or be subject to various risks and uncertainties, including those discussed in the "Risk Factors" section and elsewhere in our Annual Report on Form 20-F for the year ended December 31, 2019, and in subsequent filings with the Tel Aviv Securities Exchange (TASE) and/or the U.S. Securities and Exchange Commission (SEC). Therefore actual results, performance or achievements of the Company could differ materially from those described in or implied by such forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions, it can provide no assurance that expectations will be achieved. Except as otherwise required by law, ICL Group disclaims any intention or obligation to update or revise any forward-looking statements, which speak only as of the date hereof, whether as a result of new information, future events or circumstances or otherwise. Readers, listeners and viewers are cautioned to consider these risks and uncertainties and to not place undue reliance on such information.

Certain market and/or industry data used in this presentation were obtained from internal estimates and studies, where appropriate, as well as from market research and publicly available information. Such information may include data obtained from sources believed to be reliable, however ICL Group disclaims the accuracy and completeness of such information which is not guaranteed. Internal estimates and studies, which we believe to be reliable, have not been independently verified. We cannot assure that such data is accurate or complete.

Included in this presentation are certain non-GAAP financial measures, such as adjusted operating income, adjusted EBITDA, adjusted net income, adjusted EPS, segment EBITDA and free cash flow, designed to complement the financial information presented in accordance with IFRS because management believes such measures are useful to investors. These non-GAAP financial measures should be considered only as supplemental to, and not superior to, financial measures provided in accordance with IFRS. Please refer to our Q1 2020 press release for the quarter ended March 31, 2020 and the appendix to this presentation for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with IFRS.

Q1 2020 Highlights

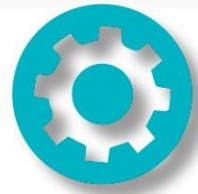
- **Diversity of business** softened impact of low commodity prices
 - Achieved operating income of \$132 million, EBITDA⁽¹⁾ of \$250 million and operating cash flow of \$166 million
 - **Record** business and financial performance of Industrial Products
 - **Strong performance** in phosphate specialties
- **Limited impact from COVID-19 pandemic**, although more significant impact is expected in the near-term
- **Record first quarter potash production** at the Dead Sea following the completion of facilities upgrade in Q4 2019
- **Well positioned financially** with over \$1.1 billion of available liquidity
- **Dividend of about \$30 million** approximately 50% of \$60 million net income recorded in the quarter, reflects ICL's commitment to shareholders return and balanced capital allocation

(1) Adjusted EBITDA is a non-GAAP financial measure. See appendix to this presentation for reconciliation table

Impact of COVID-19



- Safety of employees is top priority
 - Safety measures implemented in all company sites
 - Immediate delivery of medical and protective equipment to ICL sites globally
 - Donating medical and protective equipment as well as services to local communities
-

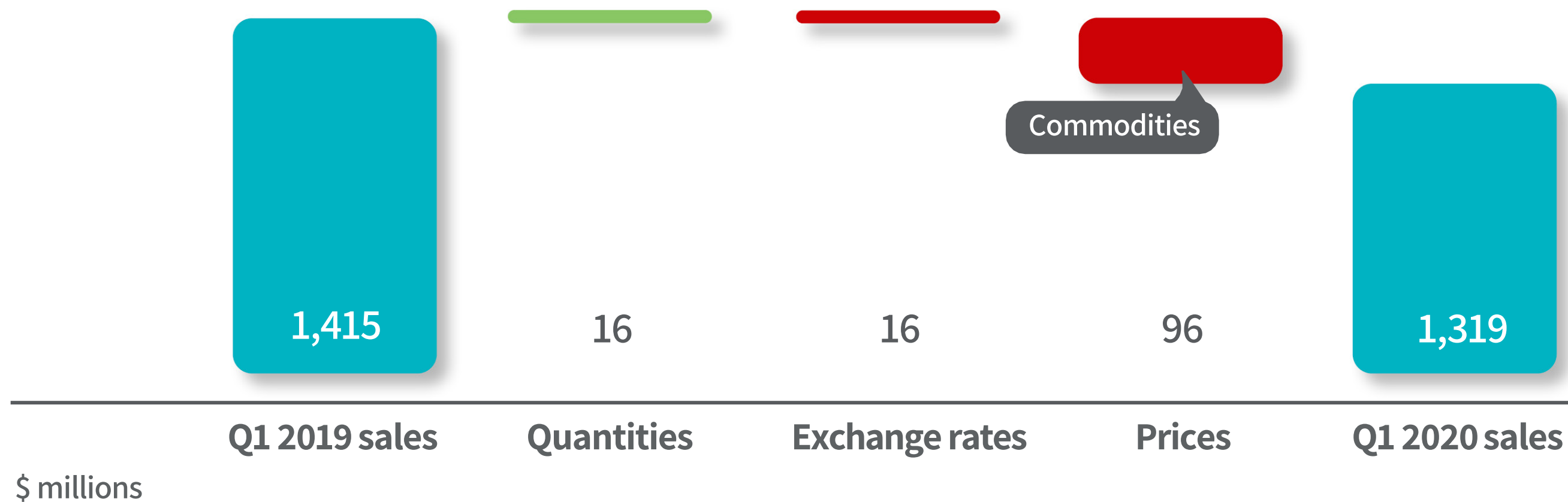


- Limited impact on operations; all sites are operational
 - Experience acquired in China implemented in all sites globally
 - Iberpotash (Spain) and ICL Boulby (UK) operating at 50-70% and gradually ramping up
-



- Strong liquidity of over \$1.1 billion in cash and available credit facilities
 - Very limited impact on Q1 2020 financials
 - Some impact expected in the near term
 - Efficiency and cost reduction measures to mitigate COVID-19 impact
-

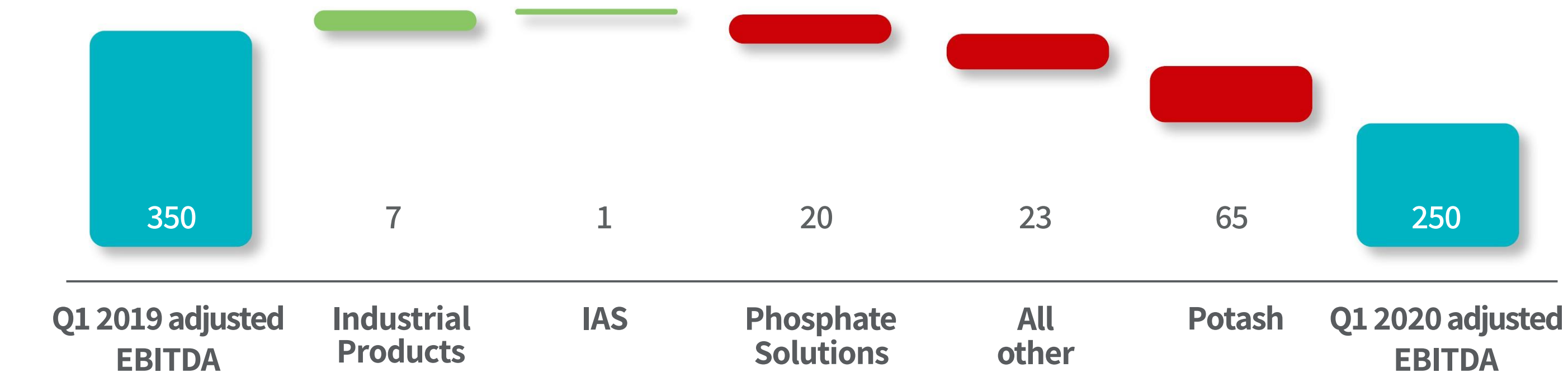
Higher Volumes Offset by **Commodity Prices**



Numbers may not add due to rounding and set offs

Higher Volumes Offset by **Commodity Prices**

Adjusted EBITDA Segment Contribution



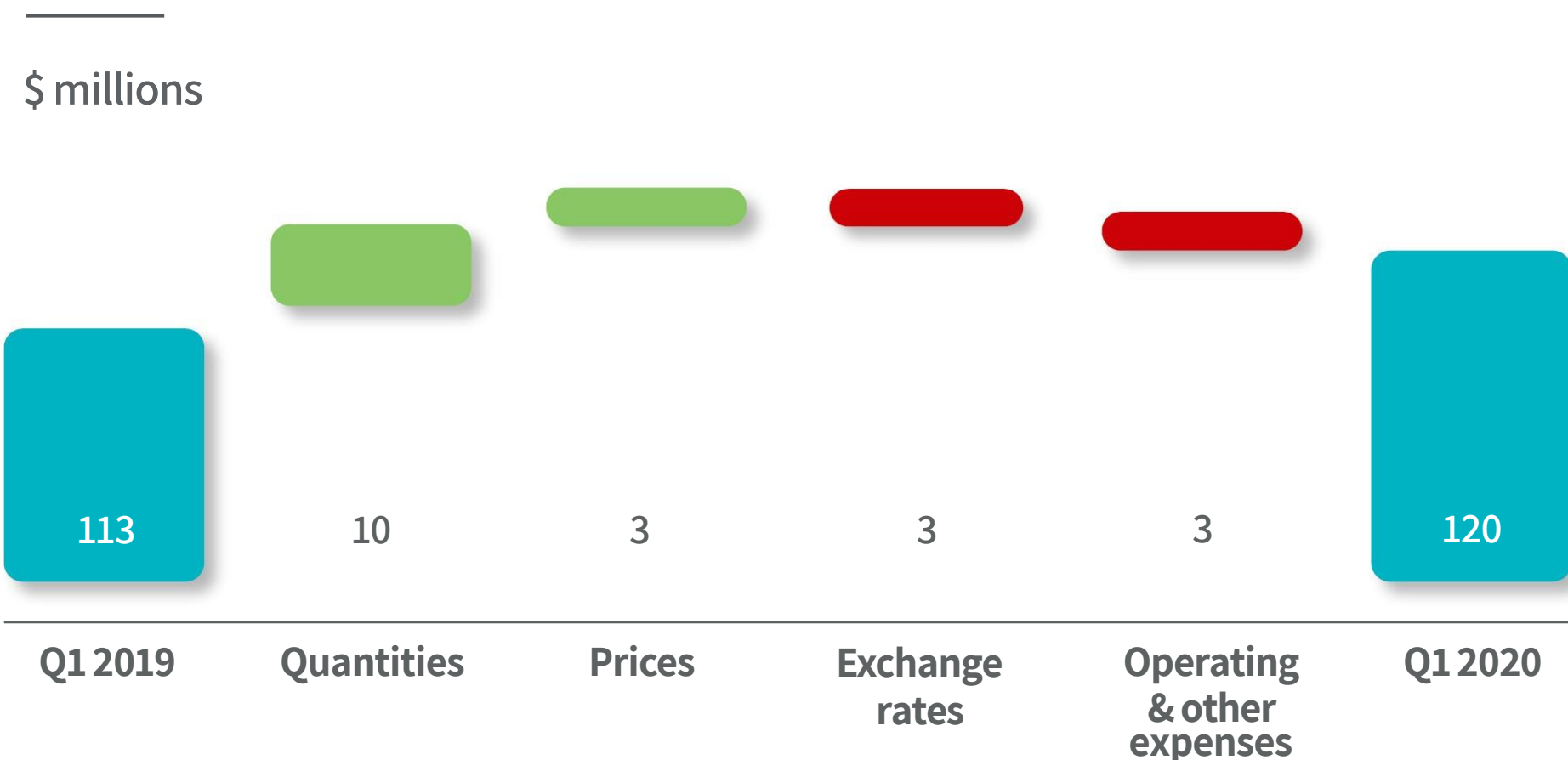
\$ millions

Numbers may not add due to rounding and set offs
Adjusted EBITDA is a non-GAAP financial measure. See appendix to this presentation for reconciliation tables.

Industrial Products Business Performance



SEGMENT EBITDA ⁽¹⁾



Achieved record quarterly operating income driven by strong sales in most products

Higher sales of specialty minerals due to high demand for food and pharma applications

Signed additional long-term contracts with Asian customers

(1) Segment EBITDA is a non- GAAP financial measure and is the segment profit net of depreciation and amortization. See appendix to this presentation for reconciliation tables.



Potash Business Performance

SEGMENT EBITDA⁽¹⁾

\$ millions



(1) Segmented EBITDA is a non-GAAP financial measures and is segment profit net of depreciation and amortization . See appendix to this presentation for reconciliation tables.

Facilities upgrade in Q4 2019 resulted in record first quarter potash production at the Dead Sea

Average realized price dropped \$44 per tonne compared to Q1 2019

Polysulphate production of 177 thousand tonnes, an increase of 34% over Q1 2019

Potash production in Spain resumed after about three weeks of shutdown and is currently at 60% capacity and ramping up

Post quarter signing of potash supply contracts with our customers in China for 910 thousand tonnes and an option for additional 490 thousand tonnes

Phosphate Solutions

Business Performance



SEGMENT EBITDA⁽¹⁾

\$ millions



(1) Segmented EBITDA is a non-GAAP financial measure. See appendix to this presentation for reconciliation tables.
Segment profit net of depreciation and amortization

Continued focus on Phosphate Specialties growth partially compensated for a 30% decline in commodity phosphate prices

Solid performance for YPH JV in China despite impact of COVID-19

Strong demand for phosphate fertilizers reflected in higher sales volumes

Strong demand for food and other phosphate specialties

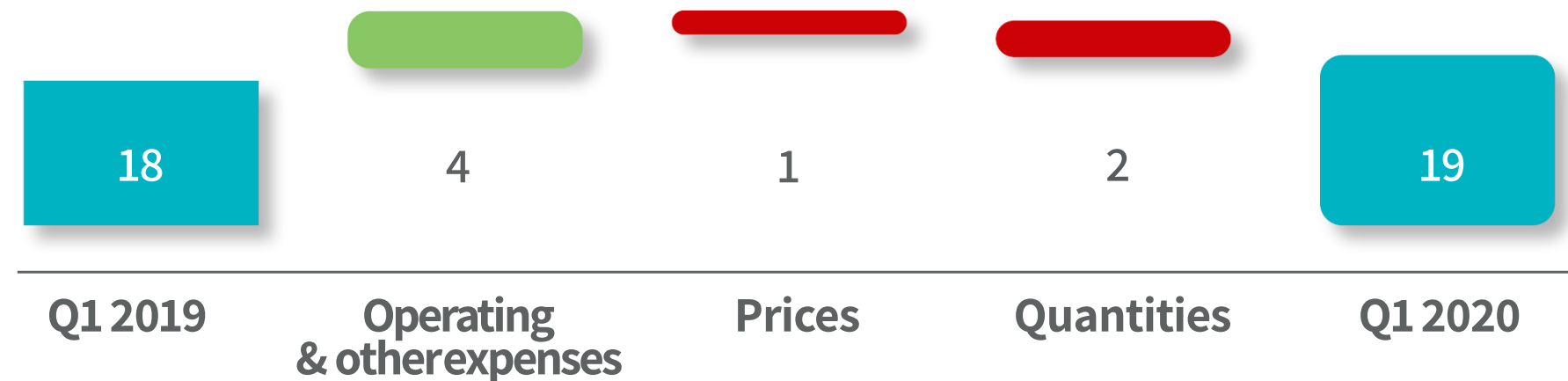
Post quarter divestment of Hagesud following strategic decision to divest low synergy businesses

IAS Business Performance



SEGMENT EBITDA⁽¹⁾

\$ millions



Stable business and financial performance

Decrease in sale of third-party products contributed to value over volume strategy

Continued sales growth in emerging markets

Completed acquisition of US-based precision agriculture company, Growers Holdings, Inc.

(1) Segmented EBITDA is a non-GAAP financial measure. See appendix to this presentation for reconciliation tables.
Segment profit net of depreciation and amortization

Summary & Outlook

- All of ICL's manufacturing facilities are up and running; ICL Iberia and ICL UK expected ramp-up to full production by the end of Q2.
- Impact of COVID-19 will mainly be reflected in a near-term decline in demand for clear brine fluids and some flame retardants
- Commodity prices are expected to remain low in the near-term. Potash prices are expected to rise following signing of potash supply contract to China
- Agricultural season is in full swing, and there is good demand for our commodity and specialty fertilizers
- Specialty phosphate businesses outlook remains solid. Strategic focus on value-added specialty business provides stability amid weaker commodity environment
- Strength of balance sheet provides stability and flexibility to continue to execute strategic initiatives and capture opportunities

Kobi Altman

CFO

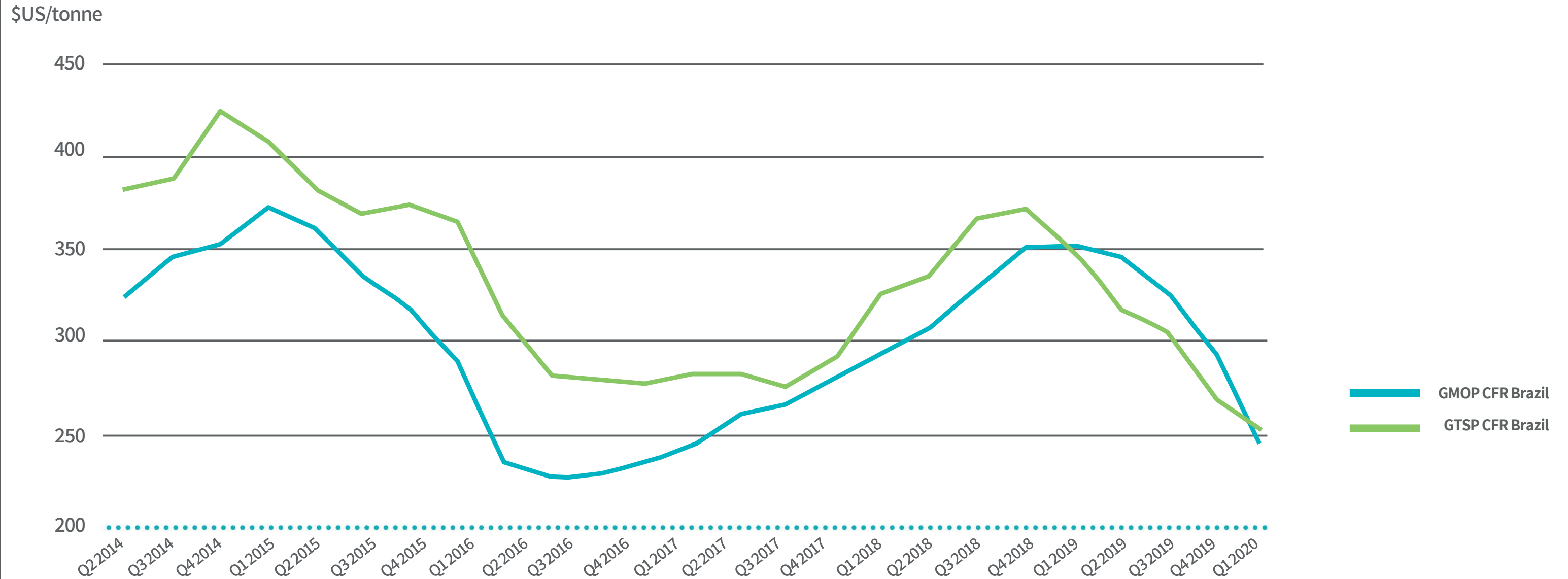


Key Financial Metrics

\$ millions	Q1 2020	Q1 2019	% change	Q4 2019	% change
Sales	1,319	1,415	(7%)	1,106	19%
Operating income	132	227	(42%)	88	50%
Adjusted EBITDA ⁽¹⁾	250	350	(29%)	201	24%
Net income	60	139	(57%)	48	25%
EPS <small>(Presented in US \$)</small>	0.05	0.11	(55%)	0.04	25%
Operating cash flow	166	173	(4%)	212	(22%)

1.Adjusted EBITDA is a non-GAAP financial measure. See appendix to this presentation for reconciliation tables.

Commodity Cycle Near Trough Levels



Source: CRU Fertilizer Historical Prices April 30 2020

Finance Expenses

\$ millions

	Q1 2020	Q1 2019
Liabilities ⁽¹⁾	2,684	2,820
Interest rate	4.0%	4.2%
Interest expenses	26	30
Interest capitalization	(5)	(4)
Interest expenses, net	21	26
Total hedging transactions, balance sheet revaluation & other	44	(7)
Interest & exchange rate impact on long-term liabilities of leasing and employees	(13)	16
Net financial expenses	52	35

Exchange rate impact (\$ million)	Q1'20 vs. Q1'19	Main currency
Sales	(16)	Depreciation of the Euro against the US\$
Operating income	(12)	Appreciation of ILS against the US\$

Numbers may not add due to rounding
1. Average liabilities during the given quarter

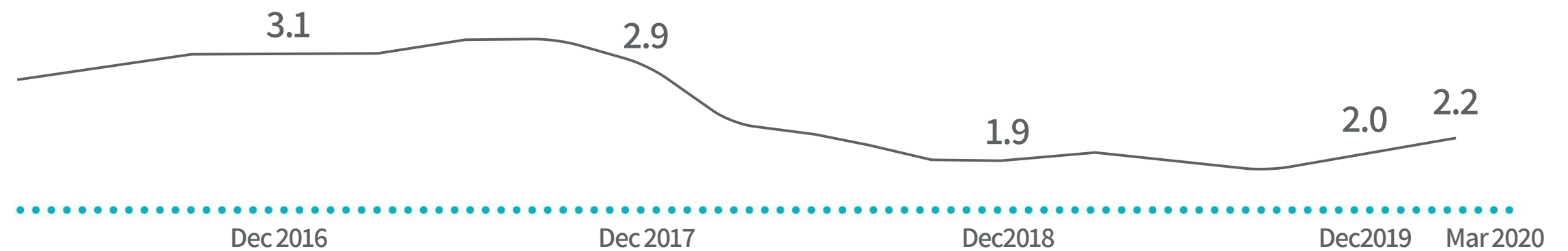
Solid Liquidity and debt structure

Total cash balance as of March 31, 2020 amounts to \$524 million

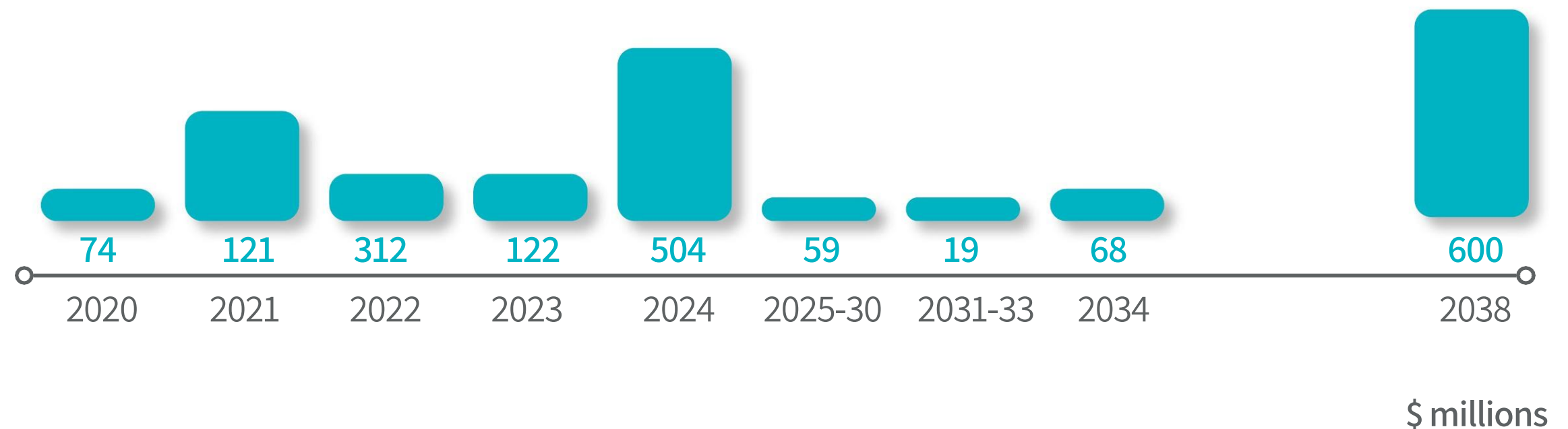
Available credit facilities as of March 31, 2020 amounts to \$590 million

Gross debt as of March 31, 2020: \$2.6bn⁽²⁾

Net Debt/EBITDA ratio⁽¹⁾



Loans maturities⁽³⁾



1. Net debt to adjusted EBITDA is calculated as short term credit + long term debt & debentures – cash & cash equivalents – short term investments & deposits, divided by last twelve months adjusted EBITDA.

Adjusted EBITDA is a non-GAAP measure. See reconciliation table in the appendix for this presentation

2. Not including ~\$300 million leasing liability due to implementation of IFRS16 accounting standard

3. Excluding securities and credit facilities

Key Takeaways

DIVERSE, RESILIENT BUSINESS

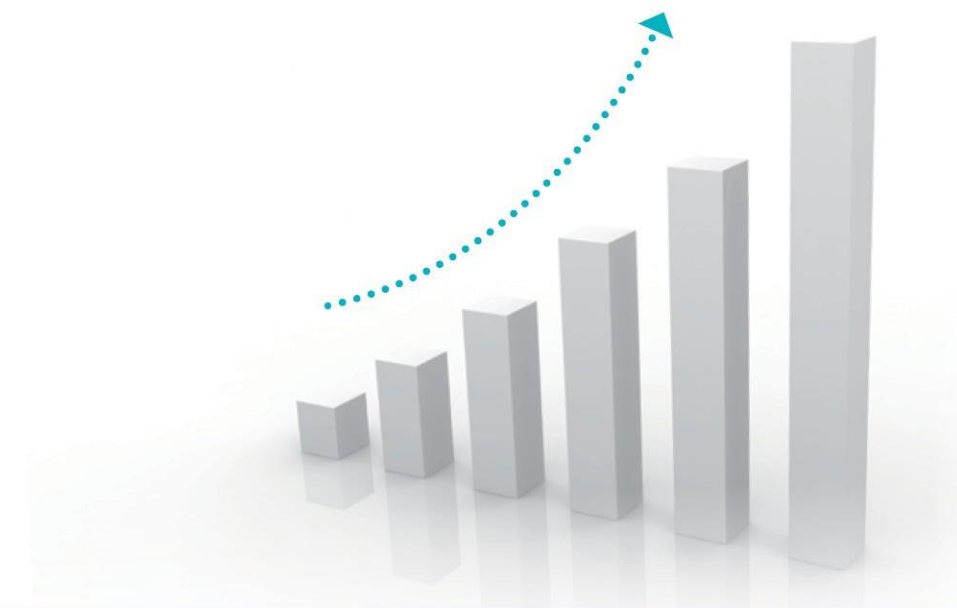
Differentiated business model and growth of specialty products provides a strong foundation

POSITIVE LONG-TERM OUTLOOK

Expectations for improving commodity price environment and continued growth of specialty business despite short-term headwinds

FINANCIAL STRENGTH

Significant liquidity profile and no significant near-term principal repayments ensures flexibility to manage and opportunistically grow the business

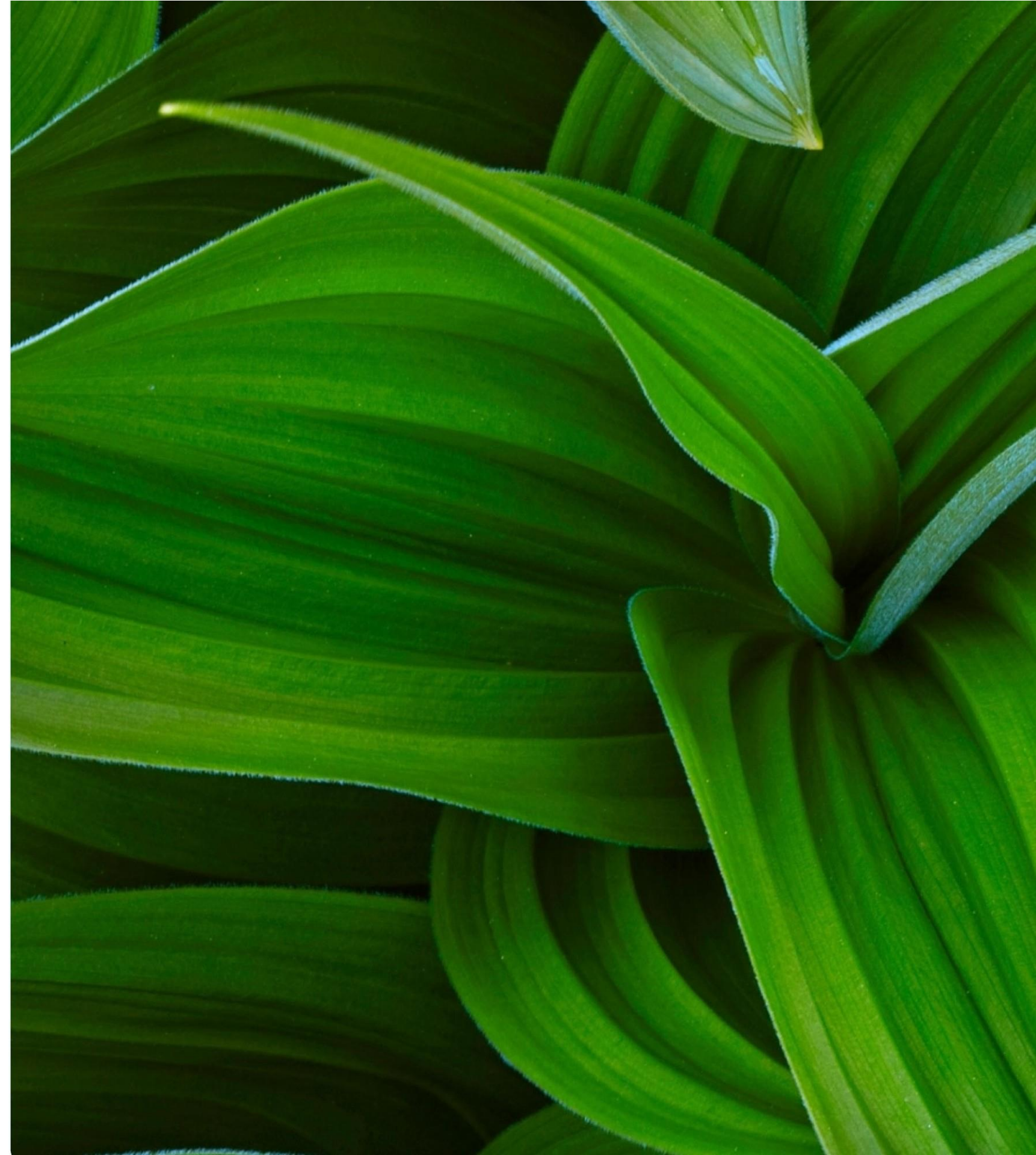


The background of the entire image is a close-up photograph of green leaves, likely from a plant like a lily or iris. The leaves are long, lanceolate, and have prominent parallel veins. They are layered and curved, creating a sense of depth and texture. The lighting is soft, highlighting the edges and veins of the leaves.

THANK
YOU

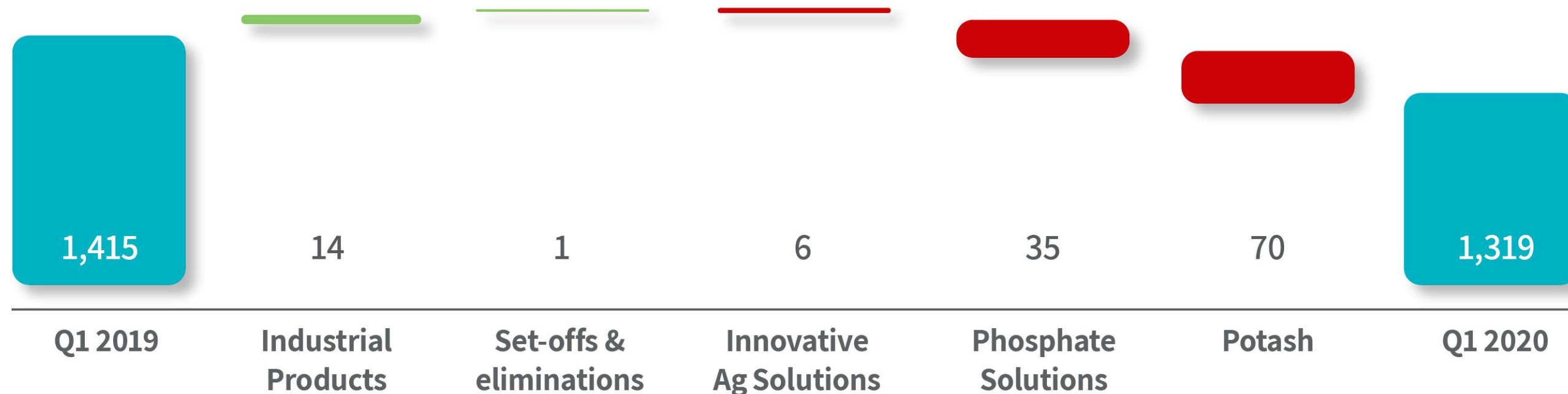
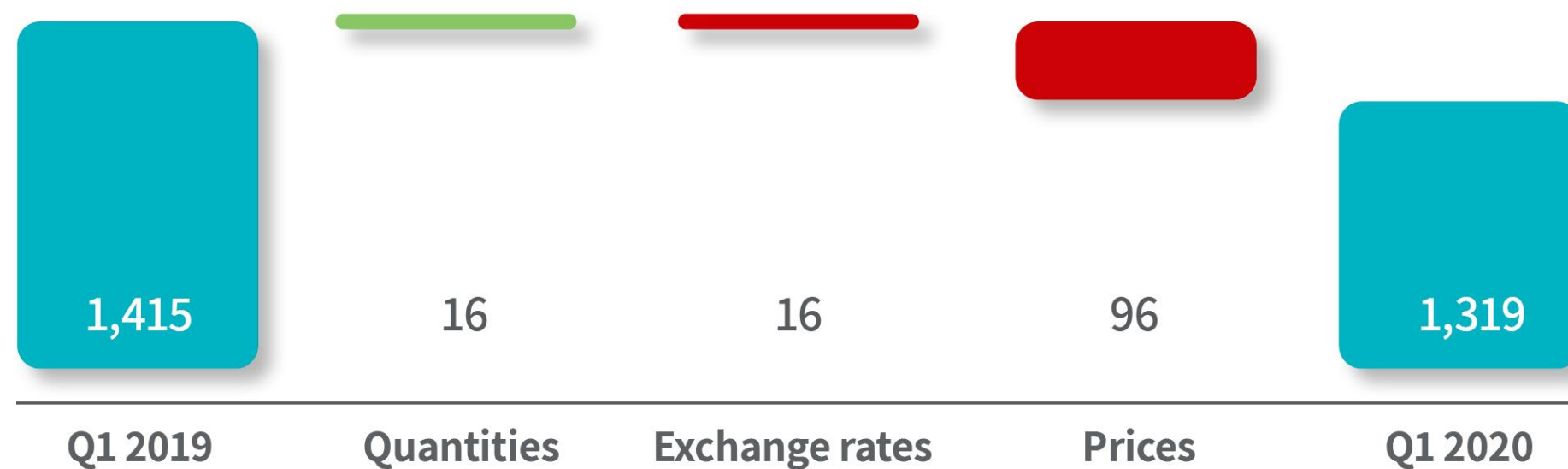
Aicl

APPENDIX



Q1 2020 sales

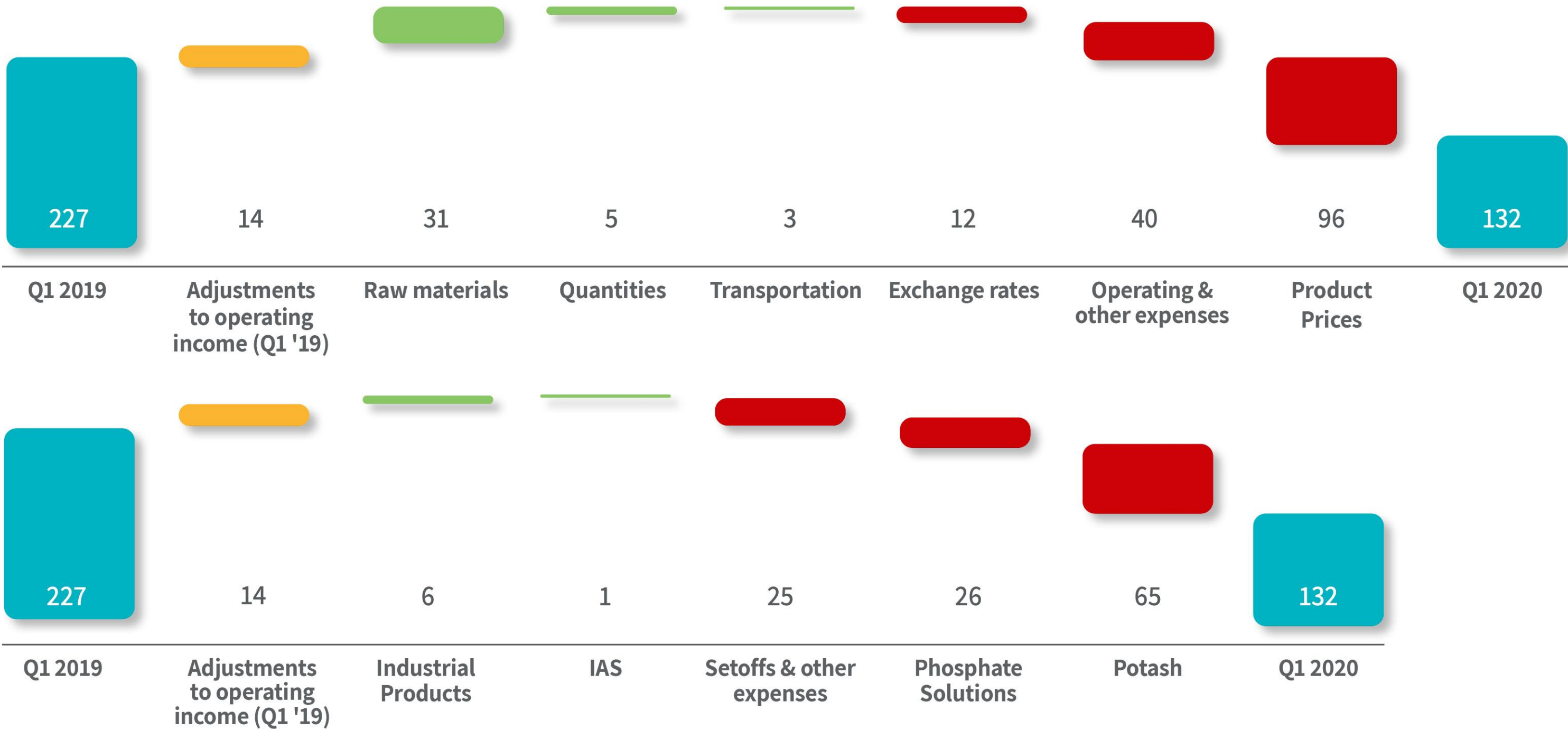
\$ millions



Numbers may not add due to rounding and set offs.

Q1 2020 Operating Income

\$ millions

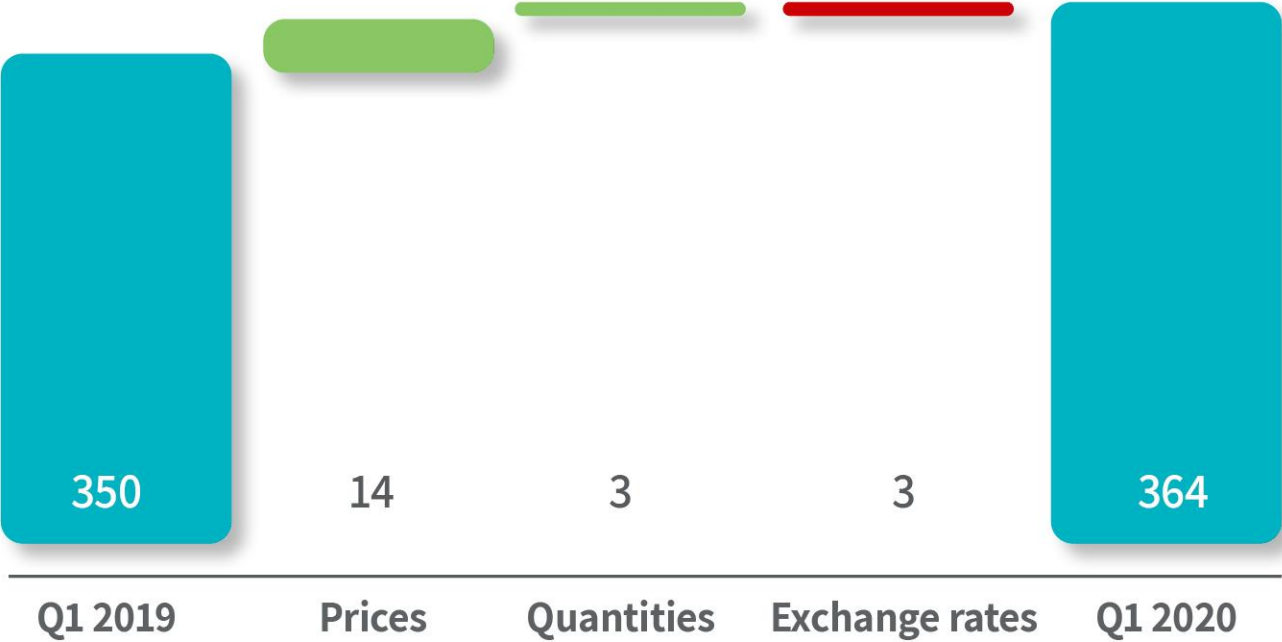


Numbers may not add due to rounding and set offs.

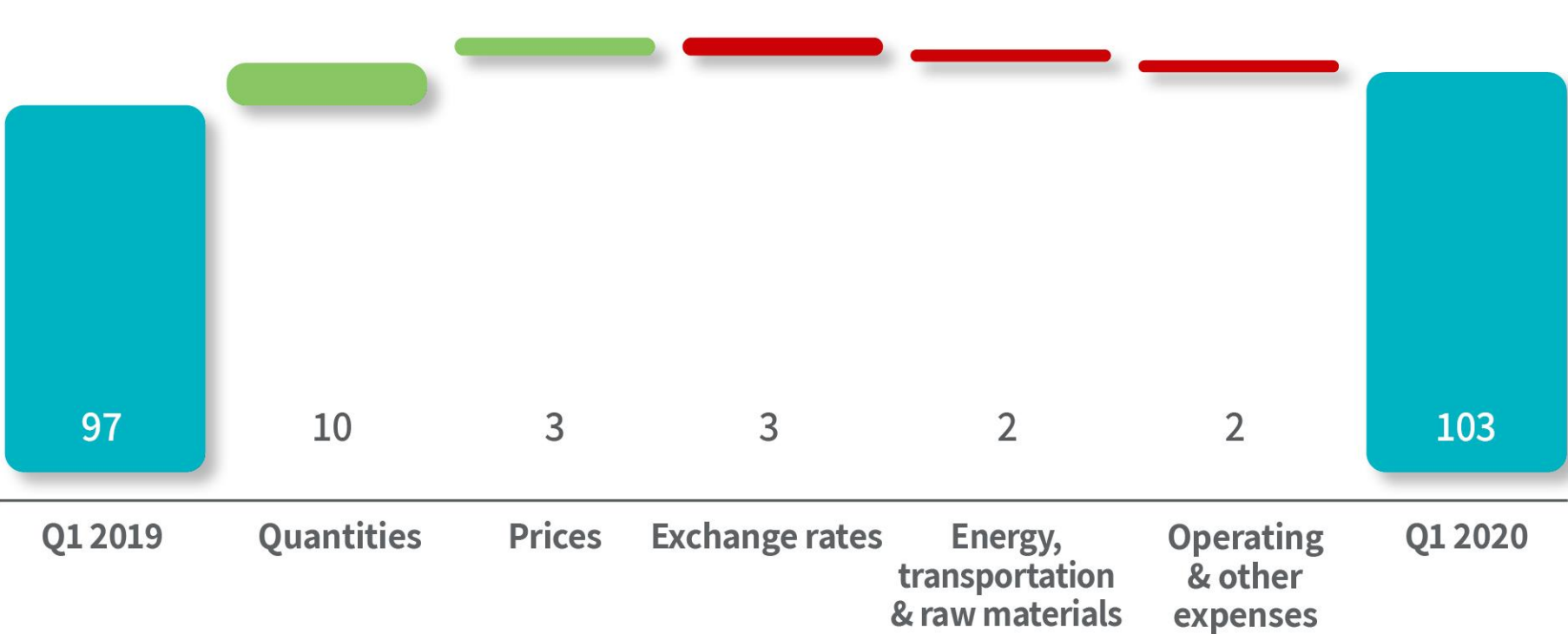
Q1 2020 Industrial Products Sales and Segment Profit Analysis

\$ millions

SEGMENT SALES



SEGMENT PROFIT

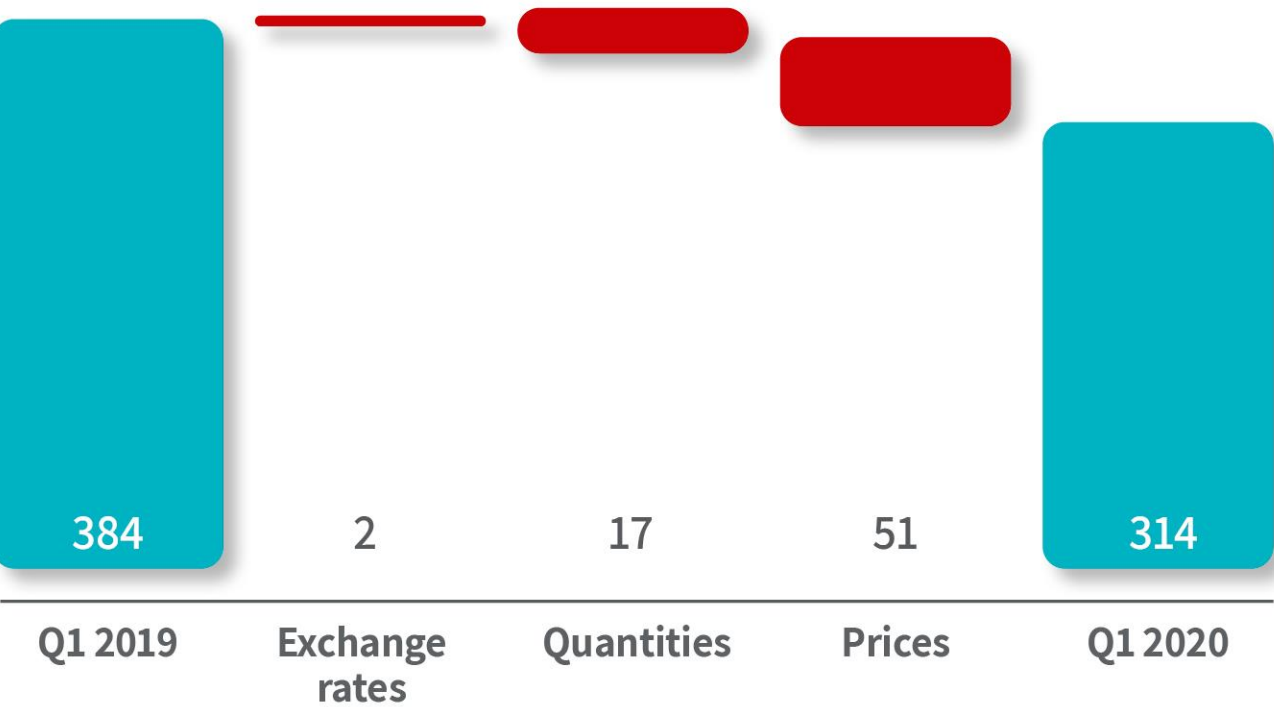


Numbers may not add due to rounding and set offs.

Q1 2020 Potash Sales and Segment Profit Analysis

\$ millions

SEGMENT SALES



SEGMENT PROFIT



Numbers may not add due to rounding and set offs.

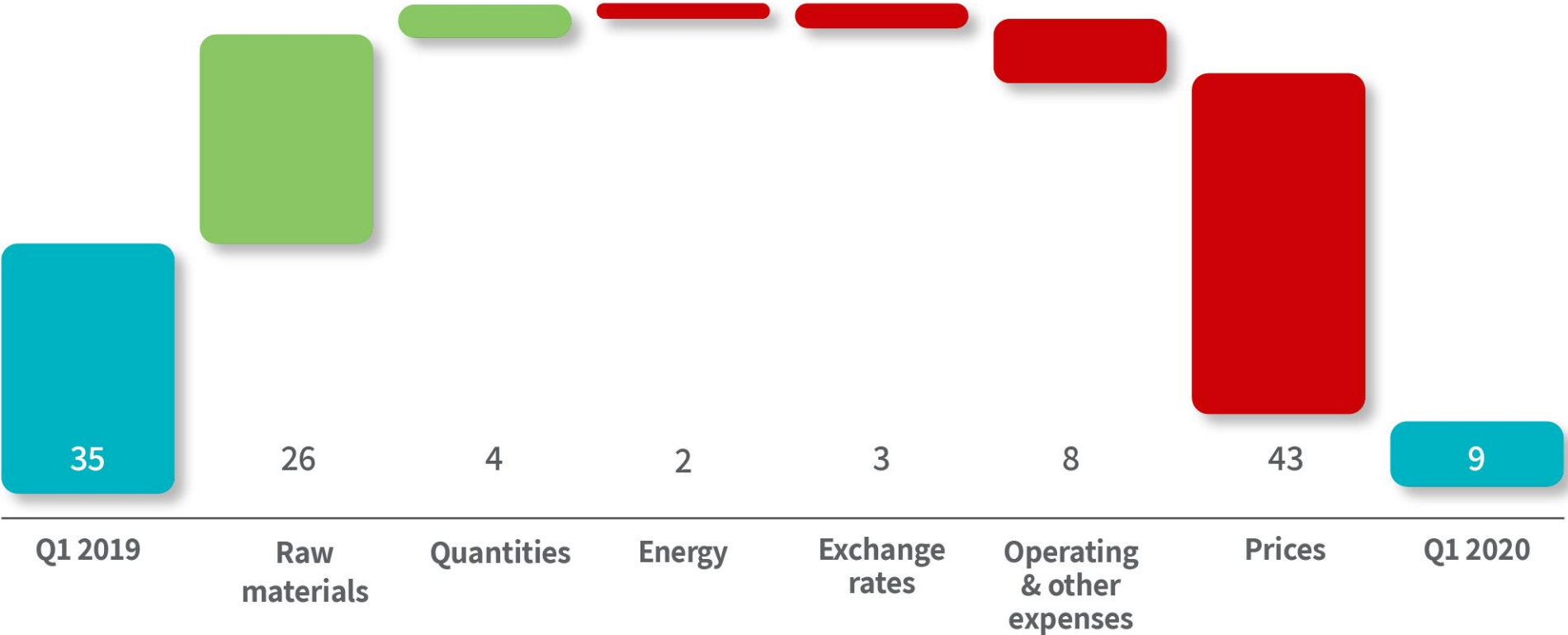
Q1 2020 Phosphate Solutions Sales and Segment Profit Analysis

\$ millions

SEGMENT SALES



SEGMENT PROFIT

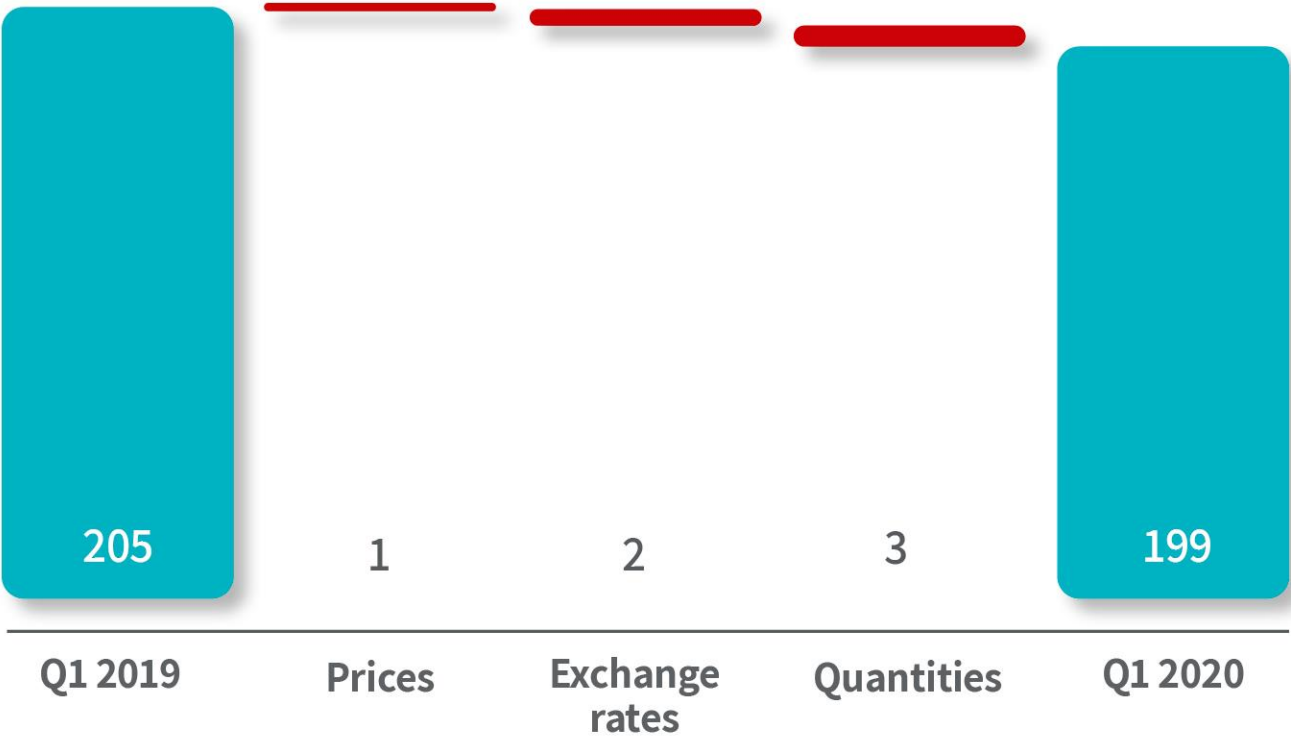


Numbers may not add due to rounding and set offs.

Q1 2020 Innovative Ag Solutions Sales and Segment Profit Analysis

\$ millions

SEGMENT SALES



SEGMENT PROFIT



Numbers may not add due to rounding and set offs.

Effective Tax Rate

\$ millions	Q1 2020	Q1 2019
Adjusted income before tax ⁽¹⁾	81	206
Normalized tax rate	21%	21%
Normalized tax expenses	17	44
Carryforward losses not recorded for tax purposes	2	1
Exchange rate impact and other items	1	9
Adjusted tax expenses	20	54
Adjusted Effective tax rate	25%	26%
Tax adjustments	-	(3)
Reported provision for income taxes	20	51

See calculation in the appendix of this presentation

Reconciliation Tables (1/2)

\$ millions

Calculation of adjusted income before tax

Q1 2020

Q1 2019

Adjusted operating income⁽¹⁾

132

241

Finance expenses

(52)

(35)

Share in earnings (losses) of equity-accounted investees and adjustments to financial expenses

1

-

Adjusted income before tax

81

206

Calculation of segment EBITDA	Industrial Products		Potash		Phosphate Solutions		IAS	
	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019	Q1 2020	Q1 2019
Segment profit	103	97	14	79	9	35	14	13
Depreciation & Amortization	17	16	39	39	49	43	5	5
Segment EBITDA	120	113	53	118	58	78	19	18

Numbers may not add due to rounding

See detailed reconciliation table in the Q1 2020 PR

Reconciliation Tables (2/2)

\$ millions

Calculation of adjusted EBITDA	Q1 2020	Q4 2019	Q3 2019	Q2 2019	FY 2019	FY 2018	FY 2017	FY2016
Net income attributable to the shareholders of the Company	60	48	130	158	475	1,240	364	(122)
Depreciation and Amortization	118	113	110	109	443	403	390	401
Financing expenses, net	52	25	32	37	129	158	124	132
Taxes on income	20	15	35	46	147	129	158	55
Adjustments ⁽¹⁾	-	-	-	(10)	4	(766)	23	585
Adjusted EBITDA	250	201	307	340	1,198	1,164	1,059	1,051
Adjusted EBITDA	250	201	307	340	1,198	1,160	904	968

Calculation of Net debt to adjusted EBITDA ⁽²⁾	Q1 2020	FY 2020	FY 2018	FY 2017	FY 2016
Net debt	2,435	2,410	2,212	3,037	3,268
Adjusted EBITDA	1,098	1,198	1,164	1,059	1,051
Net debt to adjusted EBITDA	2.2	2.0	1.9	2.9	3.1

Numbers may not add due to rounding

1. See detailed reconciliation table “Adjustments to reported operating and net income (Non-GAAP)” in the corresponding quarters’ PR and 6-K

2. Last 4 quarters EBITDA

Non-GAAP Financial Measures

We disclose in this Quarterly Report non-IFRS financial measures titled, adjusted operating income, adjusted net income attributable to the Company's shareholders, adjusted EBITDA, adjusted EPS and free cash flow. Our management uses such non-GAAP measures to facilitate operating performance comparisons from period to period and present free cash flow to facilitate a review of our cash flows in periods. We calculate our adjusted operating income by adjusting our operating income to add certain items, as set forth above and in the reconciliation table "Adjustments to reported operating and net income". Certain of these items may recur. We calculate our adjusted net income attributable to the Company's shareholders by adjusting our adjusted operating income, net income attributable to the Company's shareholders to add certain items, as set forth above and in the reconciliation table "Adjustments to reported operating and net income (Non-GAAP)" in the accompanying press release, excluding the total tax impact of such adjustments and adjustments attributable to the non-controlling interests. We calculate our adjusted EBITDA by adding back to the adjusted operating income the depreciation and amortization. Adjusted EPS is calculated as adjusted net income divided by weighted-average diluted number of ordinary shares outstanding as provided in the reconciliation table under "Calculation of Adjusted EPS". We calculate our segment EBITDA by adding back to our segment profit the depreciation and amortization for each segment. We calculate our free cash flow as our cash flows from operating activities net of our purchase of property, plant, equipment and intangible assets, and adding Proceeds from sale of property, plant and equipment and dividends from equity-accounted investees during such period as presented in the reconciliation table under "Calculation of free cash flow". You should not view adjusted operating income, adjusted net income attributable to the Company's shareholders, adjusted EPS or adjusted EBITDA as a substitute for operating income or net income attributable to the Company's shareholders determined in accordance with IFRS, adjusted EPS as a substitute for EPS or free cash flow as a substitute for, cash flows from operating activities and cash flows used in investing activities, and you should note that our definitions of adjusted operating income, adjusted net income attributable to the Company's shareholders, adjusted EBITDA and free cash flow may differ from those used by other companies. However, we believe that such non-GAAP measures provide useful information to both management and investors by excluding certain expenses that management believes are not indicative of our ongoing operations. In particular for free cash flow, we adjust our Capex to include any Proceeds from sale of property, plant and equipment because we believe such amounts offset the impact of our purchase of property, plant, equipment and intangible assets. We further adjust free cash flow to add Dividends from equity-accounted investees because receipt of such dividends affects our residual cash flow. Free cash flow does not reflect adjustment for additional items that may impact our residual cash flow for discretionary expenditures, such as adjustments for charges relating to acquisitions, servicing debt obligations, changes in our deposit account balances that relate to our investing activities and other non-discretionary expenditures. Our management uses these non-IFRS measures to evaluate the Company's business strategies and management's performance. We believe that these non-IFRS measures provide useful information to investors because they improve the comparability of the financial results between periods and provide for greater transparency of key measures used to evaluate our performance. We present a discussion in the period-to-period comparisons of the primary drivers of changes in the company's results of operations. This discussion is based in part on management's best estimates of the impact of the main trends in its businesses. We have based the following discussion on our financial statements. You should read the following discussion together with our financial statements.

visit us at www.icl-group.com



THANK
YOU

The AICL logo, featuring a stylized white triangle icon followed by the letters "AICL" in a bold, white, sans-serif font.