

OCI Announces Agreement for the Sale of Fertiglobe to ADNOC

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- OCI announces the sale of its 50% stake in Fertiglobe (ADX: FERTIGLB) to Abu Dhabi National Oil Company P.J.S.C. (“ADNOC”) for a total consideration of USD 3.62 billion, fully exiting and monetizing its entire equity stake
- AED 3.20 per share purchase price represents an 8% premium to Fertiglobe’s undisturbed price [1] and a 25% premium to the price at IPO
- OCI may participate in future nitrogen market upside through a two-year future earn-out mechanism linked to free cash flow metrics and commodity pricing
- OCI and ADNOC enter into an agreement to explore global strategic collaboration on future joint investments in decarbonization and product distribution across North America and Europe

Netherlands, 15 December 2023 : OCI Global (Euronext: OCI) today announced the sale of its 50% stake in Fertiglobe (ADX: FERTIGLB) (“Fertiglobe”) to Abu Dhabi National Oil Company P.J.S.C. (“ADNOC”), fully exiting and monetizing its entire equity stake. Following completion of the transaction, ADNOC’s shareholding in Fertiglobe will increase to 86.2% while the free float traded on the Abu Dhabi Securities Exchange (“ADX”) will remain at 13.8%.

The purchase price paid of AED 3.20 per share represents an 8% premium to Fertiglobe’s undisturbed price ¹ and a 25% premium to the price at Initial Public Offering (“IPO”). The purchase consideration additionally includes a two-year earn-out mechanism linked to free cash flow metrics and commodity pricing that may allow OCI to participate in future nitrogen market upside. OCI will convene an extraordinary general meeting of shareholders to request approval of the transaction in due course. All documents for the meeting will be made available at www.oci-global.com and at the meeting. The transaction is expected to close in 2024, subject to regulatory conditions and anti-trust approvals.

Separately, ADNOC and OCI have today announced a roadmap to explore opportunities for global strategic collaboration on future joint investments including but not limited to, development projects outside the Middle East in decarbonization and product distribution across North America and Europe. This roadmap builds upon the collaborative and successful partnership between ADNOC and OCI formed with the creation of Fertiglobe in 2019 and demonstrated by its successful landmark initial public offering (“IPO”) in 2021.

Headquartered in Abu Dhabi, Fertiglobe was formed as a strategic partnership between OCI and ADNOC in September 2019, with a subsequent listing on the ADX in 2021. The value-added partnership created a first-mover innovative export platform with best-in-class cash conversion metrics throughout the commodity cycle. Fertiglobe today is the world’s largest seaborne exporter of ammonia. Since the IPO, Fertiglobe has returned \$2.065 billion of dividends to shareholders and has been one of the best performers on the ADX on a Total Shareholder Return basis of more than 50%.

Today’s transaction marks a transformative step for OCI and part of a multi-faceted strategic review aimed at unlocking value for shareholders. To date, OCI’s market valuation has not ascribed any value to the differentiated proposition of Fertiglobe’s strategically located assets, and the transaction underscores OCI’s commitment to reducing OCI’s HoldCo discount and crystallising value for its shareholders on a sum of the parts basis. The transaction materially deleverages OCI and provides flexibility for meaningful capital returns.

Nassef Sawiris, Vice Chairman of Fertiglobe and Executive Chairman of OCI commented: “Today marks a pivotal juncture in Fertiglobe’s journey with ADNOC, which began in 2018. Within the ADNOC Group, I am confident that Fertiglobe has found its optimal long-term home, and that with ADNOC’s continued support and guidance, significant value creation and exciting growth opportunities lie ahead. OCI looks forward to continuing to explore collaboration opportunities with ADNOC in the form of the global strategic alliance announced today, which will focus on value accretive growth projects outside the Middle East. Finally, with my private investment office NNS Group (“NNS”), I am pleased to announce that we will be investing in Fertiglobe, demonstrating NNS’s deep conviction and continued belief in the material value creation that lies ahead for Fertiglobe under ADNOC’s stewardship.”

Ahmed El Hoshi, CEO of OCI and CEO of Fertiglobe commented: “We are incredibly proud of Fertiglobe’s achievements since IPO and want to thank all the Fertiglobe employees who have contributed to this success. Today’s transaction is testament to their efforts and marks a strategic natural evolution in Fertiglobe’s journey to independence from OCI, and OCI’s journey to create long-term sustainable value for all its stakeholders. This transaction enhances OCI’s

capacity to pursue value accretive opportunities in the energy transition space, whilst maintaining our commitment to an investment grade profile. Further, we look forward to exploring future cooperation opportunities with Fertiglobe and to continued collaboration with our long-standing partner ADNOC in the decarbonization and energy transition areas.”

Hassan Badrawi, CFO of OCI commented: “OCI continues to affirm its commitment to creation of value for our shareholders throughout its journey, underpinned by a prudent financial policy. With such meaningful proceeds, we will benefit from significant flexibility to tackle future opportunities, return capital to shareholders and maintain our investment grade profile.”

Cleary Gottlieb Steen & Hamilton LLP is acting as legal advisor to OCI.

A conference call for investors and analysts will be hosted on Monday 18 December. Details will be published on our website.

[1] Close price as of 11 December 2023

This press release contains information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

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About OCI Global

We are a global leader in nitrogen, methanol and hydrogen, driving forward the decarbonization of the energy-intensive industries that shape, feed and fuel the world. OCI’s production capacity spans four continents and comprises approximately 16.8 million metric tons per year of hydrogen-based products including nitrogen fertilizers, methanol, biofuels, diesel exhaust fluid and melamine. OCI has more than 4,000 employees, is headquartered in the Netherlands and listed on Euronext in Amsterdam.

Learn more about OCI at www.oci-global.com . You can also follow OCI on LinkedIn.

About Fertiglobe

Fertiglobe is the world’s largest seaborne exporter of urea and ammonia combined, and an early mover in sustainable ammonia. Fertiglobe’s production capacity comprises of 6.6 million tons of urea and merchant ammonia, produced at four subsidiaries in the UAE, Egypt, and Algeria, making it the largest producer of nitrogen fertilizers in the Middle East and North Africa (MENA), and benefits from direct access to six key ports and distribution hubs on the Mediterranean Sea, Red Sea, and the Arab Gulf. Headquartered in Abu Dhabi and incorporated in Abu Dhabi Global Market (“ADGM”), Fertiglobe employs more than 2,700 employees and was formed as a strategic partnership between OCI Global (“OCI”) and ADNOC. Fertiglobe is listed on the Abu Dhabi Securities Exchange (“ADX”) under the symbol “FERTIGLB” and ISIN “AEF000901015. To find out more, visit: www.fertiglobe.com .

About ADNOC

ADNOC is a leading diversified energy and petrochemicals group wholly owned by the Emirate of Abu Dhabi. ADNOC’s objective is to maximize the value of the Emirate’s vast hydrocarbon reserves through responsible and sustainable exploration and production to support the United Arab Emirates’ economic growth and diversification. To find out more, visit: www.adnoc.ae .

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[1] Close price as of 11 December 2023

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Attachments

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<https://tools.euroland.com/tools/PressReleases/GetPressRelease/?ID=4486173&lang=en-GB&companycode=services4486173>

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Mergers, Acquisitions and Disposals

OCI