

OCI Global Announces Agreement for the Sale of its Clean Ammonia Project in Beaumont, Texas to Woodside Energy

- OCI Global (“OCI”) has entered into a binding equity purchase agreement for the sale of 100% of its equity interests in OCI’s 1.1 million metric tonnes Clean Ammonia project under construction in Beaumont, Texas (“OCI Clean Ammonia” or the “Project”), (the “Transaction”) to Woodside Energy Group Ltd (“Woodside”), following a competitive process.
- Purchase price consideration of USD 2.35 billion on a cash-free, debt-free basis (“Purchase Price”).
- OCI will be fully responsible for delivering a fully staffed and operational facility by completion of the Project. The total scope of the Project includes certain infrastructure and utilities required for a second line.
- The Transaction is subject to customary closing conditions and receipt of OCI shareholder approval and is expected to close later this year.

Netherlands, 5 August 2024 : OCI Global (Euronext: OCI), a leading global producer and distributor of hydrogen products today announced that it has reached an agreement for the sale of 100% of its equity interests in its Clean Ammonia project under construction in Beaumont, Texas (“OCI Clean Ammonia” or the “Project”), to Woodside Energy Group Ltd (“Woodside”) for a total consideration of USD 2.35 billion on a cash-free and debt-free basis (the “Transaction”).

Transaction details

- Under the proposed Transaction, Woodside will acquire 100% of the equity interests in OCI Clean Ammonia. Woodside will pay 80% of the Purchase Price to OCI at closing of the Transaction, with the balance of the Purchase Price payable at Project Completion, defined as completion of the plant according to certain agreed terms and conditions.
- OCI will continue to manage the construction, commissioning and startup of the facility and will continue to direct the contractors until the Project is fully staffed and operational, at which point it will handover to Woodside.
- The Transaction is expected to close in H2 2024, subject to satisfaction of customary closing conditions and receipt of OCI shareholder approval. OCI’s Board of Directors has approved the Transaction and has recommended that its shareholders approve the Transaction.

OCI Clean Ammonia

OCI Clean Ammonia is the world’s first large-scale, low-carbon intensity (“CI”) hydrogen-based greenfield ammonia facility, which began engineering in late 2021, construction in December 2022, and is expected to produce first ammonia in 2025. Offering first-mover advantages including superior construction terms and favorable tax incentives, the Project is a unique collaboration between OCI and Linde that integrates Linde’s low CI hydrogen production and carbon capture technology with OCI’s ammonia production, storage and transportation infrastructure. In addition, Linde has contracted with ExxonMobil the CO₂ transportation and sequestration infrastructure. The Project in its first phase will result in the capture and sequestration of 1.7 million metric tonnes per year of CO₂ for OCI that would otherwise have been released to the atmosphere.

OCI Clean Ammonia is anticipated to meet blue ammonia specifications by any standard announced to date. It is the only blue ammonia facility under construction globally, capable of producing 1.1 million metric tonnes per year of blue ammonia in its first phase, with the necessary infrastructure and utilities in place to double that capacity in its existing plot plan. This design philosophy and oversized infrastructure is expected to provide significant savings on budget and timeline for the ‘plug and play’ second line over any newbuild projects of similar nature. Permitting for the second line has been submitted and is expected to be received by year-end.

Nassef Sawiris, Executive Chairman of OCI commented: “We are exceptionally proud to have put in motion on a global scale the first FID’d blue ammonia project, with first production expected in less than a year from now. This pioneering investment will contribute to the global availability of low-carbon intensity ammonia, with significant potential to reduce carbon emissions in hard-to-abate sectors, including existing markets in fertilizer and industrial sectors, as well as in new applications in power and shipping. We are confident that in

Woodside we have found the rightful custodian for this landmark asset and its talented employees. Under Woodside's leadership, OCI Clean Ammonia will play a vital role in the global energy transition, delivering new energy products and lower carbon services to reduce Woodside's customers' emissions globally."

Ahmed El Hoshy, CEO of OCI commented: "I would like to thank the entire OCI team for helping to develop and build such a ground-breaking project. We are confident that Woodside, as future owner and operator of OCI Clean Ammonia, will add significant value to this peerless collaboration. We look forward to working closely with the Woodside management team to fully complete the facility in the coming months, and to ensure continuity and successful stewardship through closing and beyond."

Hassan Badrawi, CFO of OCI commented: "Reflecting upon our thirty-year track record as an investor, developer and operator, we are extremely proud of the journey OCI has undertaken thus far, across sectors, across geographies, continuously deploying our DNA into the creation of successful projects."

Morgan Stanley & Co. International plc is serving as financial advisor to OCI on the Transaction. A&O Shearman and Vinson & Elkins are acting as OCI's legal advisors.

A conference call for investors and analysts will be hosted on Monday, 5 August 2024 at 12:00 BST / 07:00 ET / 13:00 CET. Details of the call are available on the Company's website at www.oci-global.com.

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

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Attachments

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