

OCI Global Completes Sale of IFCO to Koch Ag & Energy Solutions

- OCI Global (“OCI”) announces successful completion of the sale of 100% of its equity interests in Iowa Fertilizer Company LLC (“IFCO”) to Koch Ag & Energy Solutions (“KAES”)
- The transaction was valued at USD 3.6 billion on a cash free debt free basis and followed a competitive process
- The closing marks a significant milestone in OCI’s strategy to unlock value for shareholders

Netherlands, 29 August 2024 : OCI Global (Euronext: OCI), a leading global producer and distributor of hydrogen products is pleased to announce the successful closing of the divestment of 100% of its indirect interest in its large-scale US greenfield nitrogen fertilizer facility Iowa Fertilizer Company LLC, in Wever, Iowa to Koch Ag & Energy Solutions, signed on December 18, 2023, following the required regulatory and shareholder approvals.

The closing marks a significant milestone in OCI’s ongoing strategic value creation journey. The expected cumulative crystallization of approximately USD 9.5 billion gross cash proceeds from the recently announced sales of Fertiglobe, IFCO and OCI Clean Ammonia affords OCI significant flexibility to deliver on its capital allocation priorities, including deleveraging at a gross level as well as returning a meaningful quantum of capital to shareholders.

IFCO was the first greenfield nitrogen fertilizer plant built in the United States in over 25 years, and the largest private construction project in Iowa’s history, adding more than 3,500 jobs during the construction period. Since commissioning in April 2017, the facility has revitalized a core industry in the United States reflecting OCI’s continued investment in the plant’s ongoing development, and in the surrounding region’s distribution and logistics infrastructure to support the Midwest’s agriculture industry. OCI is confident that under KAES’s stewardship, IFCO will be well positioned for its next phase of growth.

For more information on the transaction, reference is made to the press release published on December 18, 2023.

Commenting on the announcement, **Nassef Sawiris, Executive Chairman of OCI** said : “The successful closing of the IFCO transaction is the latest example of OCI’s steadfast commitment to creating value for its shareholders. This milestone further reinforces OCI’s standing and record as a successful developer, operator and investor. Looking ahead, we will continue to deploy our distinctive knowledge, management expertise and entrepreneurial spirit into further value accretive ventures.”

Ahmed El Hoshy, CEO of OCI said: “We are exceptionally proud of OCI and the IFCO operating team’s remarkable achievements in converting a cornfield into a world-class global nitrogen facility and in revitalizing a core industry in the United States. KAES today is opportunely positioned both strategically and geographically to leverage and diversify its extensive platform, and to create significant opportunities to drive the facility’s future growth. We have been impressed by the entire KAES team throughout this process and wish them the best of luck in their onward journey.”

Advisors

Morgan Stanley & Co. International plc is serving as financial advisor to OCI on the transaction. Cleary Gottlieb Steen & Hamilton LLP is acting as its legal advisor.

-Ends-

Attachments

29082024181009_ifcokaesclosing_press_release.pdf

Supplied by © **EUROLAND IR**®

Terms of Service Cookie Policy

Anonymous (not verified)

OCI Global Completes Sale of IFCO to Koch Ag & Energy Solutions

<https://tools.euroland.com/tools/PressReleases/GetPressRelease/?ID=5748483&lang=en-GB&companycode=services5748483>

Thu, 08/29/2024 - 17:45

OCI