



# Press release

Casablanca, May 17, 2022

## OCP Reports First Quarter 2022 Earnings.

**-- Higher Prices and Streamlined Cost Structure Yield Record Results --**

OCP S.A. ("OCP" or the "Company"), a global leader in the fertilizer industry, today reported results for the first quarter ended March 31, 2022.

### FIRST QUARTER 2022 KEY FIGURES

- Revenues reached MAD 25,328 million (US\$ 2.67 billion), up from MAD 14,288 million (US\$ 1.59 billion) in the same period last year.
- EBITDA amounted to MAD 11,603 million (US\$ 1.23 billion), ahead of 5,336 million (US\$ 596 million) in the first quarter of 2021.
- EBITDA margin expanded to 46% from 37% in the prior year period.
- Capex disbursements amounted to MAD 2,988 million (US\$ 315 million) compared to MAD 1,750 million (US\$ 196 million) in Q1 2021.

### OPERATING AND FINANCIAL PERFORMANCE

Record results achieved by OCP in 2021 have continued in the first quarter of 2022, driven by strong market conditions and operating efficiencies. The Russia-Ukraine conflict has exacerbated the tight supply/demand situation in the phosphate market and has pushed prices even higher. Additionally, phosphate price increases have been supported by rising raw material costs, particularly ammonia and sulfur.

2022 first quarter revenue growth reflected higher year-over-year selling prices across all product categories, which more than offset lower volumes. Revenue reached MAD 25,328 (US\$ 2.67 billion), a considerable increase from MAD 14,288 million (US\$ 1.59 billion) reported in the year-ago period.

Gross profit for the period amounted to MAD 15,888 million (US\$ 1.68 billion), ahead of MAD 9,267 million (US\$ 1.03 billion) a year earlier, as the robust pricing environment mitigated the impact of higher input costs, mainly sulfur and ammonia. The gross profit margin remained strong at 63% compared to 65% in 1Q 2021.

OCP's first quarter EBITDA rose by 117% year over year to reach MAD 11,603 million (US\$ 1.23 billion), up from MAD 5,336 million (US\$ 596 million) in the year-ago period, thanks to significantly higher revenues and continued operating efficiencies. EBITDA margin expanded to a record 46%, compared with 37% a year earlier.

Capital expenditures were MAD 2,988 million (US\$ 315 million) in the first quarter of 2022, compared with MAD 1,750 million (US\$ 196 million) disbursed in the similar 2021 period.

## **SUMMARY AND OUTLOOK**

OCP's first quarter performance represented substantial year-on-year growth and supports the Group's positive outlook for 2022. Robust market conditions, representing underlying global demand as well as tight supply conditions and rising raw material prices are expected to continue to support high prices.

OCP expects to increase volumes in 2022 by approximately 10% to serve customers in high-growth markets where it has established leading share positions. Additionally, OCP continues to invest in environmental and social programs to ensure its positive impact on worldwide food security.

## **CONFERENCE CALL**

In line with OCP's quarterly communications program, management will not be hosting a conference call to discuss the first quarter 2022 financial results. Regular quarterly conference calls will resume as of the second quarter of 2022. Institutional buyers, bondholders, securities analysts and market makers seeking further clarification on first quarter 2022 results are invited to contact Mrs. Ghita LARAKI, Investor Relations at [g.laraki@ocpgroup.ma](mailto:g.laraki@ocpgroup.ma)

## **ABOUT OCP**

OCP is the largest phosphate producer in the world and a leading global fertilizer player, backed by a century of production history. OCP has exclusive access to the world's largest phosphate rock reserve base. It is one of the lowest cost producers of phosphate rock in the industry and has become a leading player in production and trade volumes across the phosphate value chain. OCP employs approximately 20,000 people and contributes to regional development through its mining and fertilizer operations, and through its sustainability program.

For more information visit: [www.ocpgroup.ma](http://www.ocpgroup.ma)