



OCP S.A.

**SUMMARY OF THE INFORMATION PACK RELATING TO THE
IMPLEMENTATION OF THE COMMERCIAL PAPER PROGRAM**

Program Implementation Date: September 21, 2022

Issue Program Ceiling: MAD 7,500,000,000

Par Value: MAD 100,000

Advisory Body



Placement Body



Subscription restricted to investors listed in this note and prohibited in the United States and to any person resident in the United States.

Approval of the Moroccan Capital Markets Authority (AMMC)

In accordance with the provisions of the AMMC circular taken in application of Article 17 of Dahir 1-95-3 dated Chaabane 24, 1425 (January 26, 1995) promulgating Law 35-94 relating to certain negotiable debt securities, as amended and supplemented, this note relates to OCP's commercial paper issue program.

Registered by the AMMC on 09/21/2022 under the reference EN/EM/023/2022, this note constitutes only a part of the Program's Information Package.

The Information Package consisting of this note and the Reference Document registered by the AMMC on 09/21/2022 under the reference EN/EM/022/2022, was approved by the AMMC on 09/21/2022 under the reference VI/EM/028/2022.

DISCLAIMER

The Moroccan Capital Markets Authority (AMMC = *Autorité Marocaine du Marché des Capitaux*) approved on September 21, 2022 an Information Package consisting of a Securities Note and a Reference Document, relating to the implementation of the commercial paper program.

The AMMC-approved Information Package is available at any time at OCP head office, on the latter's website <https://www.ocpgroup.ma/fr/Capital-Market-Documentation>, and from its financial advisor. It is also available within a maximum period of 48 hours from order-collecting institutions.

The Information Package is made available to the public on AMMC website www.ammc.ma.

This document was translated by LISSANIAT SARL under the joint responsibility of the said translator and OCP SA. In the event of any discrepancy between the contents of this summary and the AMMC-approved Information Package, only the approved Information Package will prevail.



Part I. PRESENTATION OF THE OPERATION



I. OVERALL CHARACTERISTICS OF THE OPERATION

In accordance with the provisions of article 15 of law No. 35-94 promulgated by Dahir No. 1-95-3 of Shaban 24, 1415 (January 26, 1995) and the Order of the Minister of Finance and Foreign Investments No. 2560-95 of Jumada I 13, 1416 (October 9, 1995) relating to Negotiable Debt Securities (TCN), the Company issues to the public interest-bearing commercial paper in representation of a debt claim for a period up to one year. Ceiled at MAD 7,500,000,000, this issue program was authorized by the Board of Directors meeting held on March 15, 2022. The said meeting gave all powers, with the right of sub-delegation, to Chief Executive Officer, to define the characteristics of each issue carried out under this program.

To this end, the Company issues interest-bearing commercial paper to the public in representation of a debt claim for a period up to one year.

In accordance with the provisions of Article 15 of Law No. 35-94 promulgated by Dahir No. 1-95-3 of Shaban 24, 1415 (January 26, 1995) and with the Order of the Minister of Finance and Foreign Investments No. 2560-95 of October 9, 1995 relating to negotiable debt securities, the Company has drawn up, with the advisors, this Information Package relating to its activity, its economic and financial situation and its issue program.

Pursuant to Article 17 of Act no. 35-94, and for as long as the commercial paper is in circulation, the Information Package will be updated annually within 45 days after the Company's Ordinary General Meeting of Shareholders convened to approve the financial statements for the last financial year.

In accordance with Article 1.59 of AMMC Circular No. 03/19 of February 20, 2019 relating to financial operations and information, the note relating to the Company's commercial paper issue program will be updated within fifteen (15) days prior to the effective date of any change to the characteristics of said program. An immediate update of the Information Package will be made following any new event likely to have an impact on the evolution of the securities' value or the successful completion of the issue program.

II. OBJECTIVES OF THE OPERATION

The purpose of this commercial paper program is to:

- Meet the Group's one-off cash requirements generated by variations in working capital requirements during the year;
- optimize the Group's financing costs; and
- diversify the Group's financing sources.

III. PROGRAM'S TARGET INVESTORS

The investors targeted by the issues carried out under the commercial paper program are natural or legal persons, whether resident or non-resident.

It is nevertheless understood that under no circumstances and at no time may the commercial paper issued be offered, sold or resold in the United States or to persons resident in the United States.

IV. CHARACTERISTICS OF THE COMMERCIAL PAPER TO BE ISSUED

The characteristics of the commercial paper to be issued are as follows:

Nature of securities	Dematerialized Negotiable Debt Securities registered with the Central Depository (Maroclear) and registered in an account with the authorized affiliates.
Legal form	Bearer Commercial Paper.
Issue ceiling	MAD 7,500,000,000

Maximum number of securities	75,000
Par value per unit	MAD 100,000
Maturity	Between 10 days and 12 months.
Vesting date	On settlement date.
Ranking	The rank is similar to an ordinary debt incurred by the company.
Interest rate	Determined for each issue based on market conditions.
Interests	Accrued.
Coupon payment	<i>In fine</i> , i.e. at the maturity of each paper.
Securities marketability	By mutual agreement (OTC). There are no restrictions imposed by the terms of issue on the free marketability of these commercial paper.
Principal repayment	<i>In fine</i> , i.e. at the maturity of each paper.
Assimilation clause	There is no assimilation of commercial paper with securities from a previous issue.
Guarantee	OCP's commercial paper is not subject to any specific guarantee.

V. SUBSCRIPTION PERIOD

Each time the Group expresses a need of cash, Attijariwafa Bank and Banque Centrale Populaire will proceed to the opening of the subscription period at least 72 hours before the vesting date.

VI. IDENTIFICATION OF SUBSCRIBERS

Placement bodies must make sure that the subscriber belongs to one of the categories defined below. For this purpose, they must obtain a copy of the document which proves this identification and attach it to the subscription form.

For each category of subscribers, the identification documents to be produced are as follows:

Categories	Documents to attach
Associations	Photocopy of the articles of association and photocopy of the filing receipt.
Minor children	Photocopy of the page of the family record book certifying the child's date of birth
Incapacitated adults	Any document proving incapacity, at the discretion of the Placement Syndicate.

UCITS under Moroccan law	<p>Photocopy of the approval decision mentioning the thing which shows that it belongs to this category and in addition:</p> <ul style="list-style-type: none"> • For Mutual Investment Funds (FCP = <i>Fonds Communs de Placement</i>), the deposit certificate number at the court clerk's office; • For open-ended investment companies (SICAV = <i>Sociétés d'Investissement à Capital Variable</i>), trade register number.
Moroccan and foreign legal entities	Form of entries in the trade register or equivalent.
Non-resident and non-Moroccan natural persons	Photocopy of the passport pages containing the identity of the person as well as the issue and maturity dates of the document.
Resident and non-Moroccan natural persons	Photocopy of the residency card.
Moroccan resident natural persons and Moroccans residing abroad	Photocopy of the national identity card.
Qualified domestic investors (excluding UCITS)	Photocopy of the trade register including the corporate purpose demonstrating that they belong to this category, and/or any other document justifying the status of qualified investor.

VII. SUBSCRIPTION TERMS AND CONDITIONS

OCP undertakes, before each issue, to put at the investors' disposal (before the opening of the subscription period) a document detailing the issue methods and containing the elements listed in Article 1.60 of Circular No. 03/19, as amended and supplemented, relating to AMMC financial operations and information.

The placement institutions are bound to collect subscription orders from investors, by means of firm and irrevocable subscription forms, at the closing of the subscription period, according to the model attached in Annex. These subscription forms, considered firm and irrevocable at the closing of the subscription period, must be filled in and signed by subscribers. Attijariwafa Bank is in charge of centralizing subscriptions collected by Attijariwafa Bank and Banque Centrale Populaire. Attijariwafa Bank is in charge of processing subscription orders and rejecting applications not respecting the methods set out in the Information Package. Subscriptions will be accepted and registered as and when they are confirmed in writing by Attijariwafa Bank or Banque Centrale Populaire and this until reaching the issue ceiling. All subscriptions will be made in cash, whatever the category of subscribers:

- Subscriptions on behalf of minors whose age is less than or equal to 18 years are authorized provided that they are made by the father, mother, tutor or legal representative of the minor. The placement body is required to obtain a copy of the page of the family record book showing the date of birth of the minor child and to attach it to the subscription form. In this case, movements are made either to an account opened in the name of the minor child, or to the securities or cash account opened in the name of the father, mother, tutor or legal representative;
- Subscriptions on behalf of an incapacitated person of full age are authorized provided they are made by the father, mother, tutor or legal representative of the incapacitated person of full age. The placement body is bound to obtain any document proving the incapacity, at the discretion of the placement syndicate member, and to attach it to the subscription form. In this case, movements are carried out either on an account opened in the name of the incapacitated person of full age, or on the securities or cash account opened in the name of the father, the mother, the tutor or the legal representative;
- Subscriptions on behalf of third parties are authorized provided that a power of attorney duly signed and legalized by the principal is presented. The placement bodies are bound to obtain a copy of this power of attorney and to attach it to the subscription form. The subscribed securities

must, moreover, be referred to a securities account in the name of the third party concerned, which can be moved only by the latter, except in case of existence of a power of attorney;

- A power of attorney for a subscription can in no case allow the opening of an account for the principal. Also, the opening of an account must be done in the presence of its holder according to the legal or regulatory provisions in force;
- Every subscription form must be signed by the subscriber or their representative. The placement bodies must make sure, prior to the acceptance of a subscription, that the subscriber has the financial capacity to honor his commitments. The placement bodies will freely determine the terms of the financial guarantee requested from subscribers, which can be a deposit in cash, in securities, a guarantee. For qualified investors, no cover will be required for the subscription;
- Investors may place multiple orders with the placement bodies. Orders are cumulative. Subscribers' attention is drawn to the fact that all orders may be satisfied totally or partially according to the availability of securities; and
- In the case of a portfolio management mandate, the manager can only subscribe on behalf of the client whose portfolio they manage by presenting a power of attorney duly signed and legalized by their principal, or the management mandate if it contains an express provision to this effect. Management companies are exempted from presenting these documents for the UCITS they manage.

All subscription orders not complying with the above conditions will be null and void and are irrevocable after the closing of the subscription period.

VIII. ALLOCATION TERMS

The allocation of commercial paper will be made on the closing date of the subscription period by Attijariwafa Bank, designated as co-leader in charge of the Program centralization in the presence of OCP and Banque Centrale Populaire.

It will be proceeded, on the closing day of the subscription period at 6.30 p.m., at the Company's registered office, to the allocation according to the method defined below.

Requests expressed and not rejected will be served until the maximum amount of the issue is reached.

The allocation of the Company's commercial paper will be made according to the French auction method, i.e. all the subscriptions retained will be served at a rate corresponding to the number of basis points limit.

The orders will be consolidated and ordered in ascending order of the number of additional basis points proposed in relation to the lower limit of the spread interval. Orders with the lowest number of additional basis points will be allocated first.

For subscribers having expressed an application with a number of basis points equal to the number of basis points limit, they will be served pro rata to their application if the number of available securities is inferior to the one requested, and up to their application if the number of available securities is equal to the number requested.

If the number of shares to be allocated, according to the pro rata rule, is not a whole number, the number of shares will be rounded down to the lower unit. The fractional shares will be allocated by increments of one commercial paper per subscriber, with priority given to the highest applications. The pro rata rule being determined by the ratio:

“Quantity offered / Quantity requested at the rate limit”

At the end of the allocation session, an allocation report (detailed by subscription category) will be drawn up by Attijariwafa Bank, as centralizing body. The allocation will be declared and recognized as "final and irrevocable" as soon as the said report is signed by the Company and Banque Centrale Populaire.

The subscription period may be closed by anticipation with the agreement of the Company as soon as the placement of the totality of the issue will have been carried out.

IX. SETTLEMENT/DELIVERY ARRANGEMENTS

Subscription payments will be made by transmission, on the vesting date, of delivery orders against payment (LCP MAROCLEAR) by Attijariwafa Bank, in its capacity of managing institution of securities.

The securities are payable in cash in one instalment.

X. INFORMATION COMMITMENT TO AMMC

OCP undertakes to communicate to AMMC at the end of each issue, the characteristics of the issued commercial paper (maturity, par interest rate, vesting date, maturity date) as well as the placement results of the commercial paper by category of subscriber.

XI. PLACEMENT BODIES AND FINANCIAL INTERMEDIARIES

Type of financial intermediary	Name	Address
Advisory Body	Upline Corporate Finance	162 Boulevard d'Anfa, Angle Rue Molière - Casablanca
Placement Bodies	Attijariwafa Bank	2, Boulevard Moulay Youssef - Casablanca
	Banque Centrale Populaire	101 Bd Mohamed Zerktouni - Casablanca
Institution providing financial services for securities	Attijariwafa Bank	2, Boulevard Moulay Youssef - Casablanca

Banque Centrale Populaire holds directly 0.10% of OCP's share capital and indirectly 3.18% through its companies Infra Maroc Capital and Socinvest. Upline Corporate Finance is also a 100% subsidiary of Banque Centrale Populaire.



Part II. ABOUT THE ISSUER

I. GENERAL INFORMATION

Corporate name	OCP SA
Registered Office	2, Rue Al Abtal, Hay Erraha, Casablanca
Telephone	05.22.23.00.25
Fax	05.22.22.17.53
Website	www.ocpgroup.ma
Legal form	Public limited company governed by the laws and regulations in force, in particular by dahir No. 1-96-124 of rabii II 14, 1417 promulgating law 17-95 relating to public limited companies, as amended and supplemented by laws 81-99, 23-01, 20-05, 78-12, 19-20, and 20-19
Date of incorporation	Office Chérifien des Phosphates: August 7, 1920 OCP SA: Law No. 46-07 promulgated on February 26, 2008 transforms the Office Chérifien des Phosphates into a public limited company
Term	The term of the company is set at 99 years as of April 1, 2008, except in the event of early dissolution or extension provided for in the articles of association or by law.
Trade register number	Casablanca, 40 327
Financial year	From January 1 to December 31
Share capital	As of June 30, 2022, OCP SA's share capital amounts to MAD 8,287,500,000 divided into 82,875,000 registered shares of MAD 100 each, all of the same class and fully paid up
Consultation of legal documents	The articles of association, the minutes of the General Meetings and the auditors' reports can be consulted at OCP SA headquarters: 2, Rue Al Abtal, Hay Erraha, Casablanca
Corporate purpose	<p>According to Article 2 of the Articles of Association, the purpose of the Company is:</p> <ul style="list-style-type: none"> ▪ the exercise of the monopoly for the research and exploitation of phosphates granted to the State in application of article 6 of the Dahir of Rejeb 9, 1370 (April 16, 1951) bearing mining regulations and more generally in accordance with the provisions of law 46-07; ▪ all activities, operations and services, of any nature whatsoever, directly or indirectly related to the exploitation, the valorization and/or the marketing as well as to the promotion and the development, both in Morocco and abroad, of phosphates and their derivatives; ▪ more generally, all operations or structuring of financial, commercial, industrial, real estate, securities or other operations directly or indirectly related in whole or in part to the corporate purpose described above and to any similar or related purpose likely to facilitate or favor the development of the Company and of its activity; ▪ all this directly or indirectly, on its own behalf or on behalf of third parties, either alone or with third parties, by way of the creation of new companies of any form, contribution, partnership, subscription, purchase of securities or corporate rights, merger, alliance, joint venture or the taking or granting of leasehold or management rights to any property or rights, or otherwise, subject to the limitations imposed by law, both in Morocco and abroad.
List of applicable legislation	<p>Due to its legal form and the fact that its majority shareholder is the Moroccan State, OCP SA is governed by Moroccan law and, in particular, by:</p> <ul style="list-style-type: none"> ▪ Law No. 17-95 relating to public limited companies promulgated by Dahir No. 1-96-124 of August 30, 1996, as amended and supplemented by Law 20-05, Law 78-12, Law 81-99, Law 23-01, Law 19-20 and Law 20-19; ▪ Law No. 69-00 relating to the financial control of the State over public companies and other bodies; ▪ Law No. 02-12 relating to the appointment to higher functions in application of the provisions of articles 49 and 92 of the Constitution, promulgated by Dahir No. 1-12-20 of Shaban 27, 1433 (July 17, 2012);

- Law No. 39-89, as amended and supplemented by Law No. 34-98, authorizing the transfer of public enterprises to the private sector.

Due to its activity, OCP SA is governed by:

- Law No. 46-07 transforming the Office Chérifien des Phosphates into a public limited company, promulgated by Dahir No. 1-08-15 of 26 February 2008. Article 2 of this law stipulates that OCP SA's main purpose is to exercise the monopoly that the law grants to the State for the research and exploitation of phosphates, in particular, in application of Article 6 of the Dahir of Rejeb 9, 1370 (April 16, 1951) on mining regulations.
- Dahir dated Rejeb 9, 1370 (April 16, 1951) relating to mining regulations;
- Dahir dated Safar 24, 1337 (November 30, 1918) relating to the temporary occupations of the public domain;
- Dahir No. 1-95-154 rabii I 18, 1416 (August 16, 1995) promulgating the law No. 10-95 on water (O.B. September 20, 1995).
- Dahir No. 1-03-61 of Rabii I 10, 1424 (May 12, 2003) promulgating the law No. 13-03 relating to the fight against air pollution (O. B. of June 19, 2003).
- Dahir No. 1-06-153 of Shawal 30, 1427 (November 22, 2006) promulgating the law No. 28-00 on waste management and disposal. (O.B. No. 5480 of December 7, 2006).
- Dahir No. 1-03-60 of Rabii I 10, 1424 (May 12, 2013) promulgating the law No. 12-03 relating to environmental impact studies (O.B. of June 19, 2003).
- Dahir No. 1-14-09 of Joumada I 4, 1435 (March 6, 2014) promulgating the framework law No. 99-12 on the national charter for the environment and sustainable development. (O.B. No. 6240 of March 20, 2014).
- Dahir dated Shawal 3, 1332 (August 25, 1914) on the regulation of unhealthy, inconvenient or dangerous establishments (B.O. September 7, 1914).

Due to its public offering, OCP SA is subject to all the legal and regulatory provisions relating to public offering, in particular:

- Law No 44-12 relating to public offerings and the information required from legal entities and organizations making public offerings;
- Law 43-12 relating to the AMMC;
- The General Regulation of the Moroccan Capital Market Authority;
- Law No 19-14 relating to the Stock Exchange, brokerage companies and financial investment advisers;
- The General Rules of the Stock Exchange approved by the Order of the Minister of Economy and Finance No 2208-19 of July 3, 2019;
- Dahir No 1-96-246 of January 9, 1997, promulgating Act No 35-96 relating to the creation of a central depository and the institution of a general regime for the registration in accounts of certain securities (amended and supplemented by Act No 43-02);
- The General Regulations of the Central Depository approved by Order of the Minister of Economy and Finance No. 932-98 of April 16, 1998 and amended by Order of the Minister of Economy, Finance, Privatization and Tourism No. 1961-01 of October 30, 2001 and Order No. 77-05 of March 17, 2005;
- Circular 03/19 of the Moroccan Capital Market Authority relating to financial operations and information, as amended and completed by circular 02/20;
- The AMMC circulars;
- Dahir 1-95-03 of January 26, 1995 promulgating the law No 35-94 relating to certain negotiable debt securities and the decree of the Ministry of Finance and External Investments No 2560-95 of October 9, 1995 relating to negotiable debt securities.

Competent court in case of dispute

Commercial Court of Casablanca

Applicable tax regime

OCP SA is subject to corporate income tax according to the normal scale - marginal rate currently 31% - and to VAT.

Considering its activity (mining and exporting company), OCP SA also benefits from a taxation at the reduced rate of 20% on the mining and exporting part of its activity.

II. BRIEF ACTIVITY DESCRIPTION

Moroccan phosphates are exploited under an exclusive agreement with a public establishment created in August 1920, the Office Chérifien des Phosphates, which became OCP Group in 1975. On March 1, 1921, the extraction and processing activity started in Boujniba, in the Khouribga region.

In 1965, with the commissioning of Maroc Chimie in Safi, the Group also became an exporter of derivative products. In 1998, it took a new step by launching the manufacture and export of purified phosphoric acid.

On February 28, 2008, the Office Chérifien des Phosphates, a State-owned company governed by Dahir No. 1-60178 of Safar 4, 1380 (July 29, 1960), was transformed into a public limited company with a Board of Directors, called "OCP SA", regulated by the provisions of Law No. 17-95 on public limited companies.

At the same time, many partnerships have been developed with industrial operators in the sector, in Morocco and abroad.

OCP Group is a leading vertically-integrated fertilizer company, present throughout the phosphate value chain, and specialized in the extraction, production and commercialisation of (i) phosphate rock, (ii) phosphoric acid (including purified phosphoric acid) and (iii) phosphate-based fertilizers.

In 2021, OCP is one of the world leaders in the production of phosphate rock, phosphoric acid and phosphate fertilizers.

OCP Group's mining activities are based in the regions of Khouribga, Gantour and Boucraâ. They consist of the extraction, treatment, enrichment and delivery of phosphate rock to its processing facilities in Jorf Lasfar and Safi, as well as the export of phosphate rock to its customers in more than thirty countries.

The Group processes Approximately two-thirds of its phosphate rock production into phosphoric acid, a significant part of which is in turn further processed into phosphate-based fertilizers. The four main types of phosphate fertilizers produced and exported by OCP are MAP, DAP, TSP and NPK. The Group has also diversified into the production of a number of phosphate-based specialty products such as sulfur-enriched fertilizers, reactive rock, micronutrients and food phosphates.

OCP is developing more and more specific products, with higher added value and better adapted to customers' needs, and is thus part of a trend towards "customization" of phosphate fertilizers.

OCP's customers include integrated and non-integrated industrial groups, traders and distributors.

The Group's activities are organized into two main axes:

- The Northern axis is composed of the mining site of Khouribga and the chemical site of Jorf Lasfar. The two sites are linked by a slurry pipeline;
- The Central axis is composed of the Gantour basin (Benguerir and Youssoufia), the mining site of the Phosboucraâ axis and the chemical site of Safi.

The table below summarizes the evolution of rock, phosphoric acid and fertilizer production and sales over the last three years:

Data (in millions of tons)	2019	2020	2021	2019-2021 AARG
Volume produced (processed) - Rock	35.3	37.4	38.1	4.0%
Volume sold - Rock	34.5	37.0	37.1	3.7%
Volume produced - Phosphoric acid	6.7	7.1	7.1	3.1%
Volume sold - Phosphoric acid	2.3	2.2	2.3	0.4%
Volume produced - Fertilizers	10.0	11.2	10.9	4.3%
Volume sold - Fertilizers	9.5	11.7	10.9	7.2%

Source: OCP SA

III. SHAREHOLDING

The following table illustrates OCP's shareholding history as of June 30, 2022:

Shareholder	Number of securities	% in capital	% of voting rights
Moroccan State	78 000 000	94.12%	94.12%
Banque Centrale Populaire	84 315	0.10%	0.10%
SADV	729 300	0.88%	0.88%
Infra Maroc Capital*	2 471 130	2.98%	2.98%
Prev Invest SA	908 717	1.10%	1.10%
Socinvest**	681 538	0.82%	0.82%
Upline Infrastructure Fund	-	-	-
Total	82 875 000	100%	100%

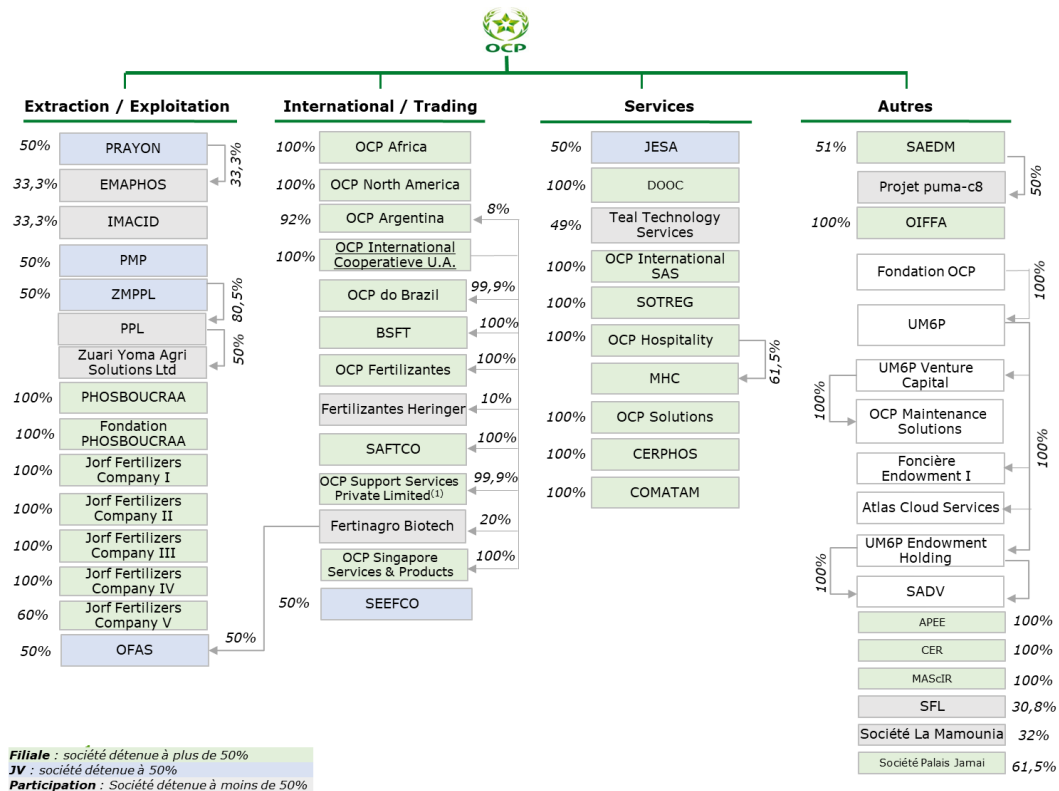
* 100% owned by RCAR

** These two companies belong to Banque Centrale Populaire

Source: OCP SA

IV. LEGAL ORGANIZATIONAL CHART

The main OCP SA subsidiaries and holdings as of June 30, 2022 are as follows:



The holding percentages presented correspond to the direct holding percentages

Source: OCP SA



Part III. FINANCIAL DATA

I. OCP GROUP CONSOLIDATED BALANCE SHEET

The following table shows the main items in the Group's consolidated balance sheet for the years ending December 31, 2019, 2020 and 2021:

In MMAD	2019	2020	2021	Var 19/20	Var 20/21
ASSETS					
Current assets					
Cash & Cash Equivalents	13 487	6 428	8 001	-52.3%	24.5%
<i>% balance sheet</i>	8%	4%	4%	-419.5 pts	50.8 pts
Cash financial assets	573	7	2538	-98.8%	>100.0%
Stocks	14 996	13 552	14 804	-9.6%	9.2%
<i>% balance sheet</i>	9%	8%	10%	-112.9 pts	132.7 pts
Accounts receivable	8 142	8 657	13 184	6.3%	52.3%
<i>% balance sheet</i>	5%	5%	7%	35.7 pts	200.8 pts
Other current assets	15 124	17 689	15 765	17.0%	-10.9%
Total current assets	52 323	46 333	54 293	-11.4%	17.2%
<i>% balance sheet</i>	31%	28%	30%	-333.1 pts	180.6 pts
Non-current assets					
Non-current financial assets	1 021	1 119	708	9.6%	-36.7%
Investments in joint ventures	3 882	5 286	5 518	36.2%	4.4%
Deferred tax assets	79	620	156	>100.0%	-74.8%
Property, plant and equipment	108 464	109 493	116 938	0.9%	6.8%
<i>% balance sheet</i>	68%	70%	68%	249.1 pts	-271.9 pts
Intangible assets	1 095	2 476	4 385	>100.0%	77.1%
Total non-current assets	114 542	118 994	127 705	3.9%	7.3%
<i>% balance sheet</i>	69%	72%	70%	333.1 pts	-180.7 pts
Total Assets	166 864	165 326	181 998	-0.9%	10.1%

In MMAD	2019	2020	2021	Var 19/20	Var 20/21
LIABILITIES					
Current liabilities					
Current loans and financial liabilities	7 267	11 795	4 662	62.3%	-60.5%
<i>% balance sheet</i>	4.36%	7.13%	2.60%	277.9 pts	-453.4 pts
Current provisions	353	448	556	26.9%	24.1%
Trade payables	15 010	15 332	18 141	2.1%	18.3%
<i>% balance sheet</i>	9.21%	9.54%	10.00%	33.8 pts	45.5 pts
Other current liabilities	6 383	5 661	10 104	-11.3%	78.5%
Total current liabilities	29 013	33 236	33 463	14.6%	0.7%
<i>% balance sheet</i>	17%	20%	18%	271.6 pts	-171.7 pts
Non-current loans and financial liabilities					
	52 292	46 964	50 954	-10.2%	8.5%
<i>% balance sheet</i>	31%	28%	28%	-293.1 pts	-41.0 pts
Non-current provisions for staff	5 380	5 646	5 964	4.9%	5.6%
Other non-current provisions	519	591	1131	13.9%	91.4%
Deferred tax liabilities	1031	1295	1633	25.6%	26.1%
Other non-current liabilities	0	3	0	Ns	-100.0%
Total non-current liabilities	59 222	54 500	59 681	-8.0%	9.5%



<i>% balance sheet</i>	<i>35%</i>	<i>33%</i>	<i>33%</i>	<i>-252.6 pts</i>	<i>-17.3 pts</i>
Share capital	8 288	8 288	8 288	0.0%	0.0%
Additional paid-in capital	18 698	18 698	18 698	0.0%	0.0%
Consolidated reserves, group share	47 363	45 927	42 888	-3.0%	-6.6%
Net income, group share	2 843	3 231	16 326	13.6%	>100.0%
Total shareholders' equity, Group share	77 191	76 143	86 200	-1.4%	13.2%
Non-controlling interests	1 436	1 447	2 654	0.8%	83.4%
Total Shareholders' equity	78 627	77 591	88 854	-1.3%	14.5%
<i>% balance sheet</i>	<i>47%</i>	<i>47%</i>	<i>49%</i>	<i>-18.8 pts</i>	<i>188.9 pts</i>
Total liabilities and equity	166 864	165 326	181 998	-0.9%	10.1%

Source: OCP SA

II. OCP GROUP CONSOLIDATED INCOME STATEMENT

The following table shows the historical data of OCP Group's consolidated income statement for the years 2019, 2020 and 2021:

In MMAD	2019	2020	2021	Var 20/19	Var 21/20
REVENUE FROM OPERATING ACTIVITIES	54 092	56 182	84 300	3.9%	50.0%
Production held as inventory	1 901	-1 633	278	<-100%	>100.0%
Consumed purchases of materials and supplies	-21 768	-18 123	-29 360	16.7%	-62.0%
External expenses	-9 738	-8 224	-9 969	15.5%	-21.2%
Personnel expenses	-9 213	-9 099	-10 550	1.2%	-15.9%
Taxes	-319	-306	-278	4.1%	9.2%
Profit (loss) from joint-ventures	360	342	1 185	-5.0%	>100.0%
Exchange gains and losses on operating receivables and payables	-68	-435	620	<-100%	>100.0%
Other operating income and expenses	86	-48	44	<-100%	>100.0%
EBITDA	15 333	18 657	36 270	21.7%	94.4%
<i>EBITD margin (EBITDA/Sales)</i>	<i>28.35%</i>	<i>33.21%</i>	<i>43.02%</i>	<i>486.2 pts</i>	<i>981.7 pts</i>
Amortization, depreciation and operating provisions	-7 467	-8 196	-9 016	-9.8%	-10.0%
Operating profit (loss) before exceptional items	7 866	10 461	27 254	33.0%	>100.0%
Other non-recurring operating income and expenses	-1 504	-4 199	-1 454	<-100%	65.4%
OPERATING profit (loss)	6 362	6 262	25 799	-1.6%	>100.0%
<i>Operating margin OI/Sales</i>	<i>11.76%</i>	<i>11.15%</i>	<i>30.60%</i>	<i>-61.6 pts</i>	<i>1 945.8 pts</i>
Cost of gross financial debt	-1 988	-2 437	-2 384	-22.6%	2.2%
Financial income from cash investments	477	266	161	-44.2%	-39.5%
Cost of net financial debt	-1 511	-2 171	-2 223	-43.7%	-2.4%
Exchange gains and losses on financing transactions	50	654	-899	>100.0%	<-100%
Other financial income and expenses	-161	-449	-2 178	<-100%	<-100%
FINANCIAL profit (loss)	-1 622	-1 966	-5 300	-21.2%	<-100%
Profit (loss) before tax	4 741	4 295	20 500	-9.4%	>100.0%
<i>Pre-tax margin (PTI/Sales)</i>	<i>9%</i>	<i>8%</i>	<i>24%</i>	<i>-112.0 pts</i>	<i>1 667.3 pts</i>
Corporate income tax	-1 725	-904	-4 164	47.6%	<-100%
NET profit (loss) FOR THE PERIOD	3 016	3 391	16 336	12.4%	>100.0%
<i>Net margin (NI/Sales)</i>	<i>6%</i>	<i>6%</i>	<i>19%</i>	<i>46.0 pts</i>	<i>1 334.3 pts</i>
Net profit (loss) - Group share	2 843	3 231	16 326	13.6%	>100.0%
Net profit (loss) - non-controlling interests	173	160	10	-7.5%	-93.8%
BASIC AND DILUTED earnings PER SHARE in dirhams	29.56	34.34	193.96	16.2%	>100.0%

Source: OCP SA

III. CASH FLOW STATEMENTS

Changes in the Group's cash flow statement are as follows:

In MMAD	2019	2020	2021	Var 20/19	Var 21/20
EBITDA	15 333	18 657	36 269	21.7%	94.4%
Subsidies and donations	-1 140	-3 963	-997	<-100%	74.8%
Other non-current operating income and expenses	-51	-68	-16	-33.3%	76.5%
Other non-current operating income and expenses- prior period	-91	-23	-65	74.7%	<-100%
Results of joint ventures	-360	-342	-1 185	5.0%	<-100%
Other	-652	-895	-2 274	-37.3%	<-100%
Cash flow from operations	13 039	13 366	31 732	2.5%	>100.0%
Impact of the change in working capital:	248	-2 287	2 091	<-100%	>100.0%
Stocks	-1 777	1 324	-1 206	>100.0%	<-100%
Trade receivables	2 142	-546	-4 476	<-100%	<-100%
Trade payables	1 506	-38	1 894	<-100%	>100.0%
Other current assets and liabilities	-1 622	-3 027	5 880	-86.6%	>100.0%
Taxes paid	-1 291	-1 288	-1 656	0.2%	-28.6%
Total Net cash provided by operating activities	11 996	9 791	32 167	-18.4%	>100.0%
Acquisition of tangible and intangible assets	-13 964	-9 566	-13 135	31.5%	-37.3%
Disposal of tangible and intangible assets	29	174	156	>100.0%	-10.3%
Net financial investments	5 032	-58	-2 663	<-100%	<-100%
Impact of changes in the scope of consolidation	0	-947	-54	Ns	94.3%
Acquisition of financial assets	-373	-32	-69	91.4%	<-100%
Disposal of financial assets	0	3	0	Ns	-100.0%
Dividends received	285	158	106	-44.6%	-32.9%
Total Net cash used in investing activities	-8 990	-10 269	-15 658	-14.2%	-52.5%
Loan issuance	6 228	7 750	17 500	24.4%	>100.0%
Loan repayment	-6 765	-6 689	-22 980	1.1%	<-100%
TSDI coupons	-414	-410	-393	1.0%	4.1%
Net financial interests paid	-2 199	-2 550	-3 815	-16.0%	-49.6%
Dividends paid to Group shareholders	-3 346	-4 461	-5 081	-33.3%	-13.9%
Dividends paid to minority shareholders	-170	-170	-173	0.0%	-1.8%
Total Net cash used in financing activities	-6 666	-6 530	-14 941	2.0%	<-100%
Effect of change in exchange rate on cash and cash equivalents	-3	-44	10	<-100%	>100.0%
Net increase/(decrease) in cash and cash equivalents	-3 663	-7 051	1 577	-92.5%	>100.0%
Opening cash and cash equivalents	17 140	13 477	6 425	-21.4%	-52.3%
Closing cash and cash equivalents	13 477	6 425	8 003	-52.3%	24.6%
Change in net cash position	-3 663	-7 051	1 577	-92.5%	>100.0%

Source: OCP SA



Part IV. RISKS

I. RISKS RELATED TO THE PHOSPHATE AND FERTILIZER INDUSTRY

The group is active in a cyclical sector

The global market for fertilizers and other phosphate-based products experiences periodic imbalances between supply and demand. Periods of high demand and rising prices lead industry players to invest in new facilities, thereby increasing production. As supply exceeds demand, overcapacity results and prices fall, leading to a restriction of investments and the beginning of a new cycle.

Demand for fertilizers can be volatile in response to macro-economic factors

The Group operates on a global scale and generally attempts to offset a decline in sales in one region experiencing difficult economic conditions by increasing sales in other regions where the economic environment is more favorable. This may be difficult or impossible to achieve when the economic downturn is widespread.

The group's activity is closely linked to the agricultural sector

The Group's activities are largely based on the agricultural sector and are significantly affected by trends that influence the agricultural sector in general, including the price of agricultural products, adverse weather conditions and seasonality.

The following factors could have an impact on OCP Group's activity:

- The fall in prices of agricultural products leading to a drop in agricultural production, which impacts the demand for fertilizers and pulls down the price of fertilizers;
- The use of alternative products to improve crop yields (such as GMOs) that require the application of less fertilizers;
- Disruptions in weather patterns and changes in climate in some regions that may lead to a decrease in demand for fertilizers;
- The timing of fertilizer application varies by region, so demand varies greatly from season to season. Farmers' and distributors' purchasing behavior can accentuate this seasonality of the business.

The group is exposed to government policies

The Group is exposed to government policies in Morocco, in the countries to which it exports and in the countries of supply of raw materials, particularly:

- Taxes on fertilizer imports and exports and phosphate import or export quotas;
- Allocation of subsidies to farmers;
- Environmental policies, especially those related to heavy metals;
- Trade barriers such as anti-dumping duties and quotas.

Geopolitical tensions

In a climate of international sanctions, with significant increases in food and energy prices leading to high inflation, rising interest rates and threatening global economic growth as a result of the war between Russia and Ukraine and geopolitical tensions, an imbalance between supply and demand is leading to an increase in commodity prices.

In this context of great uncertainty, the increase in costs and disruptions in the supply of certain raw materials used in the production of fertilizers, as well as the socio-economic difficulties and political instability that may result from this context of war in some of the Group's markets, may have an impact on the Group's activity and results.

Risks related to competitive intensity

The Group faces intense competition from foreign producers. Phosphate rock, phosphoric acid and phosphate fertilizers are traded on international markets. Customers base their purchasing decisions primarily on delivery price, customer service, product quality and time to market.

The Group competes with a number of foreign producers, including certain producers that receive government support as public or government-subsidized entities. Some of the Group's competitors may have similar or even greater competitive advantages than the Group. These advantages include control over certain raw materials or access to low-cost raw materials, access to low-cost financing, geographic proximity to major suppliers or customers, or long-standing business relationships with international market participants.

These advantages include control over certain raw materials or access to low-cost raw materials, access to low-cost financing, geographic proximity to major suppliers or customers, or long-standing business relationships with international market participants.

II. RISKS RELATED TO THE GROUP'S ACTIVITIES

Investment program

The Group is engaged in a major capital-intensive investment program. In the context of these projects, the Group is exposed to various risks that could affect its ability to execute its program within budget and on time and, consequently, the efficiency gains and cost reductions expected from the investment program.

The program is financed in part by cash flows generated by the business, but also by external financing. The Group's business and financial situation could be affected if it is unable to raise the necessary funds at acceptable cost conditions.

Risk related to joint-ventures

OCP Group conducts some of its production operations within the framework of capital partnerships, resulting in joint ventures in which it sometimes has minority interests.

OCP, directly or through its subsidiaries, is part of several joint ventures operating mainly in the production of phosphoric acid and purified phosphoric acid and holds up to 50% of the interests in the majority of these joint ventures. Therefore, although it has some influence, OCP does not have exclusive control over the operations or assets of the joint ventures and cannot make significant decisions regarding them unilaterally. The lack of majority ownership may restrict the issuer's ability to implement actions and may result in inefficiencies or delays in operations or production, which could have an adverse effect on the Group's business, results of operations and financial condition.

Transport and Logistics

The cost of transportation has an impact on the overall cost of the product. Thus, if transport costs rise, sales volumes may fall. In such a case, the Group may also have to reduce its margins so that the overall price of the product remains competitive.

Most of the Group's exports are shipped by sea via the ports of Casablanca, Jorf Lasfar, Safi and the wharf of Laâyoune. In case of bad weather, these facilities may be disrupted, which may make it difficult or even impossible to export the group's products or import raw materials.

Containment measures or other logistical restrictions at the Group's main export suppliers or customers could limit the Group's ability to conduct its business normally or to supply its products. For example, business disruptions or closures of key ports with no alternative logistics routes at reasonable cost could have an adverse effect on the Group's operations and results.

The increase in production costs could have a negative impact on the group's activity

The Group has to source ammonia and sulfur for the production of phosphate derivatives. The price of these materials may vary, which may have an impact on the Group's profitability, particularly if the Group is unable to pass on this increase in its sales price.

Beyond the cost, any interruption in the Group's supply of raw materials, in the event of a supplier's shutdown for example, or in the event of a problem in renegotiating contracts, would have a negative impact on the Group's activity and results.

Operational risk related to the industry

The Group is exposed to a mining risk. This risk includes, in particular, risks related to blasting operations, accidents related to construction activities and the collapse of mine walls. The occurrence of any of these risks could have an impact on production costs and cause serious human and material damage.

The Group's business depends in particular on the continued operation of its mining sites. However, the Group's facilities may potentially experience periods of reduced production due to unforeseen malfunction, equipment failure or defect, human error or other circumstances, including natural disasters such as floods or fires that may result in damage to people, property and the environment.

In the event of equipment failure or damage to facilities, the Group could experience lower production levels with the need for additional expenditures to repair or replace defective equipment.

In addition, the Group's business involves the use and storage of chemicals and hazardous substances, the impact of which on the environment could be disastrous in the event of a leak or explosion.

Risk of natural disasters

The Group's facilities may be damaged by unforeseen events, including natural disasters such as floods or fires, resulting in property damage, claims or death.

Health degradation

The COVID-19 epidemic has had a significant negative impact on the growth of the global economy, although the agricultural sector (on which demand for fertilizer depends and which is vital to global food security) has been relatively less impacted by pandemic-related restrictions.

While progress in vaccination programs has improved the situation, future developments will depend on the evolution of the pandemic and the global response. For example, if the new variants of COVID-19 prove resistant to vaccines and if the measures taken by countries are insufficient to mitigate the economic impact, the resulting decline in economic growth could lead to a drop in the price of agricultural products and possibly impact demand for the Group's products.

Foreign exchange risk

OCP Group's exposure to foreign exchange risk results essentially from the fact that the major part of its turnover comes from its export sales in USD. In addition, OCP Group makes its purchases of raw materials (sulfur and ammonia), freight services and a substantial part of its industrial purchases in USD. Consequently, the USD/MAD exchange rate, in particular a depreciation of the US dollar against the dirham, may have a negative impact on the Group's operating income. In addition, an appreciation of the dollar would lead to an increase in interest expense on the Group's USD-denominated debt.

The Group is also indirectly impacted by the exchange rate to which its customers are exposed. If the U.S. dollar appreciates against the customer's currency, the customer's purchasing power decreases and the Group's sales are affected.

Interest rate risk

Interest rates depend on parameters that are beyond the Group's control, such as the monetary policies of central banks, economic conditions and, in general, political factors.

An increase in interest rates will lead to an increase in the Group's interest expenses, mainly related to debts not yet contracted.

Risks related to financing or refinancing

OCP may not be able to obtain financing or refinancing for its current borrowings or to obtain them on acceptable commercial terms.

As of December 31, 2021, the Group's total outstanding loans and financial debts amounted to MAD 55.6 billion. If the Group's cash flows are insufficient to repay its loans and financial debts, the Group will have to renegotiate its loans or seek alternative financing from the capital markets.

The Group's ability to obtain alternative financing or to renegotiate its loans or to do so on commercially acceptable terms depends, among other things, on the general state of the domestic and international capital markets. If alternative financing becomes necessary, the Group may not be able to obtain such financing or may not be able to obtain it on commercially acceptable terms.

Risk of rating downgrade

OCP Group's financial rating depends on several qualitative and quantitative factors (evolution of the phosphate sector, financial performance, investment and dividend policies, etc.) and is linked to the sovereign's rating, by which it remains captive.

The downgrading of Morocco's or OCP's rating by the two rating agencies Fitch and S&P could impact the quality of the Group's financing and could lead to a higher financing cost for new bonds or other debt. The downgrading of OCP's rating could also affect the availability and cost of financing its investment program and the refinancing of its existing bonds.

Risks related to the presence in unstable geographical areas

OCP Group strengthened its commitment to Africa in 2016 through the creation of its subsidiary OCP AFRICA represented in several African countries including Senegal, Côte d'Ivoire, Burkina Faso, Benin, Ghana, Nigeria, Cameroon, Ethiopia, Kenya, Rwanda, Tanzania and Zambia. The ambition of OCP Group in Sub-Saharan Africa is to respond to the uniqueness of African agriculture through solutions adapted to African food systems.

Some of the countries in which OCP operates in certain areas of the continent may present socio-political, macro-economic, financial and/or security risks that remain situational and contextual. These risks are nevertheless mitigated through a strategy of geographic diversification in several areas of intervention and institutional partnerships in several development projects.

Risks related to investments in non-strategic activities

Given the investments made by the Group in non-strategic activities, OCP is exposed to risks related to investments in sectors of activity, notably the hotel industry.

III. RISKS RELATING TO THE OPERATION OR THE PROPOSED SECURITIES

Liquidity risk

Subscribers to the Group's commercial paper may be subject to a liquidity risk in the secondary market for debt securities. Indeed, depending on market conditions, namely the liquidity of these debt securities, the evolution of the yield curve as well as the demand. Indeed, this may momentarily affect the liquidity of these debt securities.

Interest rate risk

The rates offered by the commercial paper covered by this bill are expected to be fixed rates. As a result, the value of the securities could change, depending on the evolution of the yield curve of the secondary market for Treasury Bills, either upwards or downwards.

Risk of default

The commercial paper described in this note is a debt security with no guarantee of repayment. Consequently, any investor is subject to the risk of non-repayment in the event of default by the Group.



However, given the maximum term of one year for the commercial paper described in this note, the risks associated with it are lower than for long-term private debt instruments.

Risk related to additional indebtedness

The Group may subsequently issue other debt ranking equal to or higher than the commercial paper described in this note.

A decrease in the amount recoverable by the holders of these securities could occur in the event of liquidation of the Group.

DISCLAIMER

The above-mentioned information constitutes only a part of the Information Package approved by the Moroccan Capital Markets Authority (AMMC) under the reference No. VI/EM/028/2022 on 09/21/2022.

The AMMC recommends reading the whole prospectus, which is made available to the public in French.