



# Press release

Casablanca, May 31, 2024

## OCP Reports First Quarter 2024 Earnings

**-- Robust first quarter financial performance reflects industry leadership  
in balanced market conditions --**

OCP S.A. ("OCP" or the "Group"), the world leader in plant nutrition solutions and phosphate-based fertilizers, today reported results for the first quarter ended March 31, 2024.

### First quarter 2024 key figures

**Compared with the first quarter of 2023:**

- Revenues were MAD 19,589 million (US\$ 1.95 billion), up from MAD 18,281 million (US\$ 1.78 billion).
- Gross profit totaled MAD 12,705 million (US\$ 1.27 billion), up from MAD 9,076 million (US\$ 888 million).
- EBITDA amounted to MAD 7,703 million (US\$ 768 million), up from MAD 4,687 million (US\$ 455 million) with an increased margin of 39%, compared with 26% in the prior year quarter.
- Capex disbursements amounted to MAD 9,301 million (US\$ 927 million), up from MAD 5,641 million (US\$ 548 million).

### Operating and financial performance

Global fertilizer prices remained robust throughout the period, supported by balanced market conditions. Chinese exports were constrained due to export restrictions in place until mid-March, and the level of inventories were low at the beginning of the quarter in several key markets. This limitation helped counterbalance the lower-than-expected demand from regions such as India and Brazil. Additionally, softening crop prices initially impacted affordability in West of Suez markets, but prices began to rise in March and continued to strengthen through the second quarter of the year.

Within this operating environment, the Group achieved another quarter of strong performance, with increased revenues reaching MAD 19,589 million (US\$ 1.95 billion) in the first quarter of 2024, up from MAD 18,281 (US\$ 1.78 billion) in the first quarter of the prior year. This increase mainly reflects higher export volumes, offsetting the impact of lower prices compared to 2023's first quarter.

Gross profit for the period totaled MAD 12,705 million (US\$ 1.27 billion), compared with MAD 9,076 million (US\$ 888 million) a year earlier. This increase was driven by higher

revenues and reduced input costs, notably for ammonia and sulfur, the price of which declined materially year-on-year. Gross profit margin was 65%, up from 50% in the same period of 2023.

OCP's first quarter EBITDA amounted to MAD 7,703 million (US\$ 768 million), compared with MAD 4,687 million (US\$ 455 million) in the same period of the prior year. Increased EBITDA reflects the effectiveness of the Group's cost-saving initiatives, resulting in a strong margin of 39%.

Capital expenditures were MAD 9,301 million (US\$ 927 million) in the first quarter of 2024, compared with MAD 5,641 million (US\$ 548 million) in the corresponding period of 2023.

## Recent corporate highlights

### - *Financing*

In May 2024, OCP successfully issued a Eurobond on the international markets for a total amount of US\$2.0 billion, including \$ 1.25 billion over 10 years at a coupon of 6.750% per year and \$ 750 million over 30 years at a coupon of 7.500%.

This new bond issue was the largest transaction ever achieved by OCP and was more than 3.1 times oversubscribed, reflecting the confidence of international investors in the Group's sustainable growth vision.

OCP plans to allocate the funds raised to finance its Green Investment Program through 2027, aiming to achieve ambitious goals in terms of expanding production capacities, investing in water and renewable energy, as well as producing green ammonia.

## Summary and outlook

The year-to-date business environment is consistent with OCP's expectations for balanced market conditions in 2024. The Group expects demand to remain strong in key importing regions, and supply to be stable, with OCP's new TSP capacity deploying progressively to meet customer demand, and Chinese export volumes broadly mirroring 2023 levels.

As a leading global supplier, OCP is looking ahead to 2024 being another year of significant progress for the Group. Customized products should increase as a percentage of fertilizer supplied, raw material costs are expected to remain relatively stable, and additional production flexibility should yield further operating efficiencies.

The second phase of the Group's investment program is currently underway. Modular in design, the program has been developed to increase OCP's competitiveness and sustainability, address food insecurity and meet the anticipated long term growth in demand.

## Conference call

In line with OCP's quarterly communications program, management will not be hosting a conference call to discuss the first quarter 2024 financial results. Regular quarterly conference calls will resume as of the second quarter of 2024. Institutional buyers, bondholders, securities analysts and market makers seeking further clarification on first quarter 2024 results are invited to contact Mrs. Ghita LARAKI, Investor Relations at [g.laraki@ocpgroup.ma](mailto:g.laraki@ocpgroup.ma)



## About OCP Group

OCP Group helps feed a growing global population by providing it with the essential elements for soil fertility and plant growth. With over a century of expertise and a turnover of more than USD 9 billion in 2023, OCP is the world leader in plant nutrition solutions and phosphate-based fertilizers. Headquartered in Morocco and present on five continents, OCP has approximately 20,000 employees and works closely with over 350 customers around the world. OCP recently launched a green investment strategy, dedicated to increasing fertilizer production and investing in renewable energy. The strategy foresees an overall investment of approximately USD 13 billion over the period 2023-2027, which will enable the Group to use 100% non-conventional water in 2024 (to ensure its complete autonomy, including a water desalination capacity of 560 million m<sup>3</sup> per year by 2026), 100% clean energy by 2027 and to achieve full carbon neutrality by 2040 (Scopes 1 and 2 by 2030, and Scope 3 by 2040), while increasing the production of green fertilizers. The Group is firmly convinced that leadership and profitability are synonymous with social responsibility and sustainable development. Its strategic vision sits at the junction of these two dimensions.

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