

PROSPECTUS SUMMARY

OCP S.A.

ORDINARY BOND ISSUE UP TO A MAXIMUM TOTAL AMOUNT OF MAD 5,000,000,000

The AMMC-approved prospectus consists of the following:

- This securities note.
- OCP's reference document relating to the 2023 financial year registered by the AMMC on August 9, 2024 under reference EN/EM/015/2024.
- Update No. 1 of the OCP's reference document relating to the 2023 financial year, registered by the AMMC on December 3, 2024 under reference EN/EM/028/2024.

	Tranche A Unlisted	Tranche B Unlisted	Tranche C Unlisted	Tranche D Unlisted	Tranche E Unlisted
Maximum operation amount	MAD 5,000,000,000				
Ceiling*	MAD 500,000,000	MAD 3,000,000,000	MAD 3,000,000,000	MAD 3,000,000,000	MAD 3,000,000,000
Maximum number of securities*	5,000 ordinary bonds	30,000 ordinary bonds	30,000 ordinary bonds	30,000 ordinary bonds	30,000 ordinary bonds
Unit nominal value	MAD 100,000				
Maturity	10 years	10 years	15 years	20 years	30 years
Face interest rate	Revisable annually, with reference to the 52-week rate determined on the basis of the reference yield curve for the secondary market in 52-week Treasury bills (money market basis) as it will be published by Bank Al-Maghrib on December 9, 2024, plus a risk premium ranging from 30 to 40 basis points.	Fixed, with reference to the 10-year maturity rate calculated on the basis of the reference yield curve for the secondary market in Treasury bills as it will be published by Bank Al-Maghrib on December 9, 2024, plus a risk premium ranging from 40 to 50 basis points.	Fixed, with reference to the 15-year maturity rate calculated on the basis of the reference yield curve for the secondary market in Treasury bills as it will be published by Bank Al-Maghrib on December 9, 2024, plus a risk premium ranging from 50 to 60 basis points.	Fixed, with reference to the 20-year maturity rate calculated on the basis of the reference yield curve for the secondary market in Treasury bills as it will be published by Bank Al-Maghrib on December 9, 2024, plus a risk premium ranging from 60 to 70 basis points.	Fixed, with reference to the 30-year maturity rate calculated on the basis of the reference yield curve for the secondary market in Treasury bills as it will be published by Bank Al-Maghrib on December 9, 2024, plus a risk premium ranging from 70 to 80 basis points.
Risk premium	Between 30 and 40 bps	Between 40 and 50 bps	Between 50 and 60 bps	Between 60 and 70 bps	Between 70 and 80 bps
Principal repayment	Bullet repayment	Bullet repayment	Bullet repayment	Bullet repayment	Bullet repayment
Repayment guarantee	None				
Allocation method	The French method, without prioritization between tranches				
Tradability of securities	Over-the-counter				

* Subject to upgrade according to allocation method

Subscription period: from December 10, 2024 to December 12, 2024 inclusive

Subscription to these bonds is strictly reserved to the qualified investors under Moroccan law listed in this securities note, and is prohibited in the United States and to any person resident in the United States.

Financial Advisors and Global Coordinators

CDG CAPITAL

BMCE CAPITAL
CONSEIL

Co-leaders of the underwriting syndicate

CDG CAPITAL

BANK OF AFRICA
BMCE GROUP

Members of the underwriting syndicate

التجاري وفا بنك
Attjariwafa bank

BANQUE POPULAIRE

الشركة العامة
SOCIETE GENERALE

APPROVAL BY THE MOROCCAN CAPITAL MARKET AUTHORITY (AMMC)

In accordance with the provisions of the AMMC circular, issued in application of law no. 44-12 relating to public offerings and the information required from legal entities and organizations making public offerings, the prospectus was approved by the AMMC on December 3, 2024, under the reference no. VI/EM/036/2024.

This securities note constitutes only part of the AMMC-approved prospectus. The latter comprises the following documents:

- This securities note.
- OCP's reference document relating to the 2023 financial year registered by the AMMC on August 9, 2024 under reference EN/EM/015/2024.
- Update No. 1 of the OCP's reference document relating to the 2023 financial year, registered by the AMMC on December 3, 2024 under reference EN/EM/028/2024.

DISCLAIMER

The Moroccan Capital Market Authority (AMMC) approved on December 3, 2024, under the reference no. VI/EM/036/2024, the prospectus relating to the ordinary bond issue for a maximum total amount of MAD 5,000,000,000.

The AMMC-approved prospectus is available at any time at OCP S.A.'s head office, on its website: www.ocpgroup.ma, and from advisory bodies. It is also available within a maximum of 48 hours from the placement bodies.

The prospectus is also available on the AMMC website: www.ammc.ma

This summary was translated by Lissaniat 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 prospectus, only the approved prospectus will prevail.

PART I: PRESENTATION OF THE OPERATION

I. OVERALL CHARACTERISTICS OF THE OPERATION

OCP SA plans to issue fifty thousand (50,000) ordinary bonds with a nominal value of one hundred thousand (100,000) dirhams each. The maximum total amount of the operation is five billion (5,000,000,000) dirhams, broken down as follows:

- a tranche “A” with a 10-year maturity, at an annually revisable rate, not listed on the Casablanca Stock Exchange, with a ceiling of MAD 500,000,000 and a unit nominal value of MAD 100,000;
- a tranche “B” with a 10-year maturity, at a fixed rate, not listed on the Casablanca Stock Exchange, with a ceiling of MAD 3,000,000,000 and a unit nominal value of MAD 100,000;
- a tranche “C” with a 15-year maturity, at a fixed rate, not listed on the Casablanca Stock Exchange, with a ceiling of MAD 3,000,000,000 and a unit nominal value of MAD 100,000;
- a tranche “D” with a 20-year maturity, at a fixed rate, not listed on the Casablanca Stock Exchange, with a ceiling of MAD 3,000,000,000 and a unit face value of MAD 100,000.
- a tranche “E” with a 30-year maturity, at a fixed rate, not listed on the Casablanca Stock Exchange, with a ceiling of MAD 3,000,000,000 and a unit face value of MAD 100,000.

The total amount auctioned for the five tranches may under no circumstances exceed MAD 5,000,000,000. If the bond issue is not fully subscribed, the amount of the issue will be limited to the amount actually subscribed.

II. CHARACTERISTICS OF THE SECURITIES TO BE ISSUED

Characteristics of tranche A (at an annually revisable rate, with a 10-year maturity and bullet principal repayment, not listed on the Casablanca Stock Exchange)

Nature of securities	Ordinary bonds not listed on the Casablanca Stock Exchange, fully dematerialized by book entry with authorized financial intermediaries and admitted to the operations of the central depository (Maroclear).
Legal form	Bearer bonds
Tranche ceiling*	MAD 500,000,000
Maximum number of securities to be issued*	5,000 bonds
Nominal value per unit	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Repayment price	100%, i.e. MAD 100,000
Loan maturity	10 years
Subscription period	December 10 to 12, 2024 inclusive
Dividend entitlement date	December 16, 2024
Maturity date	December 16, 2034 (dividend entitlement date + 10 years)

Allocation method The French method, without prioritization between tranches

Annually revisable rate

For the first year, the face interest rate is the full 52-week rate (money market rate) determined according to the reference yield curve of the secondary market for Treasury bills as it will be published by Bank Al-Maghrib on December 9, 2024. This rate will be increased by a risk premium ranging from 30 to 40 basis points.

The reference rate and the face interest rate will be published by OCP SA on its website on December 9, 2024 and in a legal announcements journal on December 9, 2024.

Face interest rate

On each anniversary date, the reference rate is the full 52-week rate (money market rate) determined according to the reference yield curve of the secondary market for Treasury bills published by Bank Al-Maghrib, preceding the coupon anniversary date by 5 business days.

The reference rate thus obtained will be increased by the risk premium set at the end of the auction (risk premium ranging from 30 to 40 basis points).

The reference rate thus obtained and the new face interest rate will be communicated by OCP SA to bondholders, via its website, 5 business days before the anniversary date.

If the 52-week rate is not directly observable, the reference rate is determined by linear interpolation using the two points surrounding the full 52-week maturity (monetary basis).

This linear interpolation is performed after converting the rate immediately above the 52-week maturity (actuarial basis) into the equivalent monetary rate.

Reference rate calculation method

The calculation formula is:

$$\left(\left(\text{Actuarial rate} + 1 \right)^{\left(\frac{k}{\text{exact number of days}^*} \right)} - 1 \right) \times \frac{360}{k}$$

where **k**: maturity of the actuarial rate immediately above 52 weeks.

*Exact number of days: 365 or 366 days.

Risk premium **Between 30 and 40 basis points**

Interests

Interests will be paid annually on the anniversary date of the loan's dividend entitlement date, i.e. December 16 of each year. Payment will be made on the same day, or on the first business day following December 16 if this is not a business day. Interest on the ordinary bonds will cease to accrue from the date on which the principal is repaid by OCP SA. No deferral of interest will be possible in connection with this securities issue.

Interest will be calculated in accordance with the following formula:

[Nominal x Face interest rate x Exact number of days / 360].

Principal repayment

Tranche A will be subject to **bullet principal repayment**.

In the event of a merger, demerger or partial transfer of assets of OCP SA occurring during the term of the loan and resulting in the transfer of all assets and liabilities to a separate legal entity, the rights and obligations under the ordinary bonds will be automatically transferred to the legal entity substituted for the rights and obligations of OCP SA.

Early repayment

OCP SA undertakes to refrain from early repayment of the bonds covered by this securities note.

Bond buyback

OCP SA reserves the right to buy back bonds on the secondary market, in accordance with legal and regulatory provisions. Such buy-backs will have no impact on subscribers wishing to hold their bonds until maturity, and will not affect the normal repayment schedule. Bonds bought back will be cancelled.

OCP SA is required to inform the AMMC and the bondholders' Representative of any bond buyback procedures. The company will proceed with the buyback of the bonds in proportion to the revenues presented (in the event that the number of securities presented for buyback is greater than the number of securities to be bought back).

Tradability of securities

Tradable over-the-counter.

There are no restrictions imposed by the issue terms on the free tradability of tranche A bonds. However, trading on the secondary market is prohibited in the United States and to US residents.

Assimilation clauses	<p>There is no assimilation of tranche A bonds covered by this securities note with securities from a previous issue.</p> <p>In the event that the Company subsequently issues new securities with rights identical in all respects to those of the current issue, it may, without requiring the consent of the holders of the old bonds, assimilate all the securities from successive issues, thereby unifying all the securities management and trading operations.</p>
Loan rank	<p>The bonds issued by OCP SA and the interest thereon constitute direct, general, unconditional and unsubordinated obligations of the Issuer, ranking pari passu among themselves with all other present or future indebtedness of the Issuer, unsecured and unprivileged by law, for a fixed term.</p>
Repayment guarantee	<p>This issue is not subject to any specific guarantee.</p>
Rating	<p>No rating has been requested for this issue.</p>
Representation of the bondholders' Pool	<p>On March 6, 2024, the Board of Directors decided to appoint Mr. Mohamed Hdid as provisional Representative of the bondholders, pending the holding of the general meeting of bondholders to appoint the permanent Representative(s) of the said bondholders.</p> <p>In addition, the provisional Representative will convene, within a period of six (6) months from the closing date of subscriptions, the ordinary general meeting of bondholders for the purpose of electing the Representative of the bondholders' group (the "Representative of the Bondholders' Pool") in accordance with the conditions of access and exercise and the incompatibilities provided for in articles 301 and 301 bis of law 17- 95 relating to public limited companies, as amended and supplemented.</p> <p>OCP SA has no capital or business ties with Mr. Mohamed Hdid.</p> <p>In addition, Mr. Mohamed Hdid is the Representative of the Bondholders' Pool for issues carried out by OCP SA in 2016, 2018 and 2023.</p>
Applicable law	<p>Moroccan law.</p>
Competent jurisdiction	<p>Casablanca Commercial Court.</p>

* Subject to upgrade according to allocation method

Characteristics of tranche B (at a fixed rate, with a 10-year maturity and bullet principal repayment, not listed on the Casablanca Stock Exchange)

Nature of securities	Ordinary bonds not listed on the Casablanca Stock Exchange, fully dematerialized by book entry with authorized financial intermediaries and admitted to the operations of the central depository (Maroclear).
Legal form	Bearer bonds
Tranche ceiling*	MAD 500,000,000
Maximum number of securities to be issued*	5,000 bonds
Nominal value per unit	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Repayment price	100%, i.e. MAD 100,000
Loan maturity	10 years
Subscription period	December 10 to 12, 2024 inclusive
Dividend entitlement date	December 16, 2024
Maturity date	December 16, 2034 (dividend entitlement date + 10 years)
Allocation method	The French method, without prioritization between tranches
Face interest rate	<p>Fixed rate</p> <p>The nominal interest rate is determined with reference to the 10-year maturity rate calculated on the basis of the reference yield curve of the secondary market for Treasury bills as it will be published by Bank Al-Maghrib on December 9, 2024. This rate will be increased by a risk premium ranging from 40 to 50 basis points.</p> <p>If the 10-year maturity rate is not directly observable, the reference rate is determined by linear interpolation using the two points surrounding the full 10-year maturity (actuarial basis).</p> <p>The reference rate and the face interest rate will be published by OCP SA on its website on December 9, 2024 and in a legal announcements journal on December 9, 2024.</p>
Risk premium	Between 40 and 50 basis points

Interests	<p>Interests will be paid annually on the anniversary date of the loan's dividend entitlement date, i.e. December 16 of each year. Payment will be made on the same day, or on the first business day following December 16 if this is not a business day. Interest on the ordinary bonds will cease to accrue from the date on which the principal is repaid by OCP SA. No deferral of interest will be possible in connection with this securities issue.</p> <p>Interest will be calculated in accordance with the following formula:</p> <p>[Nominal x Face interest rate].</p>
Principal repayment	<p>Tranche A will be subject to bullet principal repayment.</p> <p>In the event of a merger, demerger or partial transfer of assets of OCP SA occurring during the term of the loan and resulting in the transfer of all assets and liabilities to a separate legal entity, the rights and obligations under the ordinary bonds will be automatically transferred to the legal entity substituted for the rights and obligations of OCP SA.</p>
Early repayment	<p>OCP SA undertakes to refrain from early repayment of the bonds covered by this securities note.</p>
Bond buyback	<p>OCP SA reserves the right to buy back bonds on the secondary market, in accordance with legal and regulatory provisions. Such buy-backs will have no impact on subscribers wishing to hold their bonds until maturity, and will not affect the normal repayment schedule. Bonds bought back will be cancelled.</p> <p>OCP SA is required to inform the AMMC and the bondholders' Representative of any bond buyback procedures. The company will proceed with the buyback of the bonds in proportion to the revenues presented (in the event that the number of securities presented for buyback is greater than the number of securities to be bought back).</p>
Tradability of securities	<p>Tradable over-the-counter.</p> <p>There are no restrictions imposed by the issue terms on the free tradability of tranche B bonds. However, trading on the secondary market is prohibited in the United States and to US residents.</p>

Assimilation clauses	<p>There is no assimilation of tranche B bonds covered by this securities note with securities from a previous issue.</p> <p>In the event that the Company subsequently issues new securities with rights identical in all respects to those of the current issue, it may, without requiring the consent of the holders of the old bonds, assimilate all the securities from successive issues, thereby unifying all the securities management and trading operations.</p>
Loan rank	<p>The bonds issued by OCP SA and the interest thereon constitute direct, general, unconditional and unsubordinated obligations of the Issuer, ranking pari passu among themselves with all other present or future indebtedness of the Issuer, unsecured and unprivileged by law, for a fixed term.</p>
Repayment guarantee	<p>This issue is not subject to any specific guarantee.</p>
Rating	<p>No rating has been requested for this issue.</p>
Representation of the bondholders' Pool	<p>On March 6, 2024, the Board of Directors decided to appoint Mr. Mohamed Hdid as provisional Representative of the bondholders, pending the holding of the general meeting of bondholders to appoint the permanent Representative(s) of the said bondholders.</p> <p>In addition, the provisional Representative will convene, within a period of six (6) months from the closing date of subscriptions, the ordinary general meeting of bondholders for the purpose of electing the Representative of the bondholders' group (the "Representative of the Bondholders' Pool") in accordance with the conditions of access and exercise and the incompatibilities provided for in articles 301 and 301 bis of law 17- 95 relating to public limited companies, as amended and supplemented.</p> <p>OCP SA has no capital or business ties with Mr. Mohamed Hdid.</p> <p>In addition, Mr. Mohamed Hdid is the Representative of the Bondholders' Pool for issues carried out by OCP SA in 2016, 2018 and 2023.</p>
Applicable law	<p>Moroccan law.</p>
Competent jurisdiction	<p>Casablanca Commercial Court.</p>

* Subject to upgrade according to allocation method

Characteristics of tranche C (at a fixed rate, with a 15-year maturity and bullet principal repayment, not listed on the Casablanca Stock Exchange)

Nature of securities	Ordinary bonds not listed on the Casablanca Stock Exchange, fully dematerialized by book entry with authorized financial intermediaries and admitted to the operations of the central depository (Maroclear).
Legal form	Bearer bonds
Tranche ceiling*	MAD 500,000,000
Maximum number of securities to be issued*	5,000 bonds
Nominal value per unit	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Repayment price	100%, i.e. MAD 100,000
Loan maturity	15 years
Subscription period	December 10 to 12, 2024 inclusive
Dividend entitlement date	December 16, 2024
Maturity date	December 16, 2039 (dividend entitlement date + 15 years)
Allocation method	The French method, without prioritization between tranches
Face interest rate	<p>Fixed rate</p> <p>The nominal interest rate is determined with reference to the 15-year maturity rate calculated on the basis of the reference yield curve of the secondary market for Treasury bills as it will be published by Bank Al-Maghrib on December 9, 2024. This rate will be increased by a risk premium ranging from 50 to 60 basis points.</p> <p>If the 15-year maturity rate is not directly observable, the reference rate is determined by linear interpolation using the two points surrounding the full 15-year maturity (actuarial basis).</p> <p>The reference rate and the face interest rate will be published by OCP SA on its website on December 9, 2024 and in a legal announcements journal on December 9, 2024.</p>
Risk premium	Between 50 and 60 basis points

Interests

Interests will be paid annually on the anniversary date of the loan's dividend entitlement date, i.e. December 16 of each year. Payment will be made on the same day, or on the first business day following December 16 if this is not a business day. Interest on the ordinary bonds will cease to accrue from the date on which the principal is repaid by OCP SA. No deferral of interest will be possible in connection with this securities issue.

Interest will be calculated in accordance with the following formula:

[Nominal x Face interest rate].

Principal repayment

Tranche A will be subject to **bullet principal repayment**.

In the event of a merger, demerger or partial transfer of assets of OCP SA occurring during the term of the loan and resulting in the transfer of all assets and liabilities to a separate legal entity, the rights and obligations under the ordinary bonds will be automatically transferred to the legal entity substituted for the rights and obligations of OCP SA.

Early repayment

OCP SA undertakes to refrain from early repayment of the bonds covered by this securities note.

Bond buyback

OCP SA reserves the right to buy back bonds on the secondary market, in accordance with legal and regulatory provisions. Such buy-backs will have no impact on subscribers wishing to hold their bonds until maturity, and will not affect the normal repayment schedule. Bonds bought back will be cancelled.

OCP SA is required to inform the AMMC and the bondholders' Representative of any bond buyback procedures. The company will proceed with the buyback of the bonds in proportion to the revenues presented (in the event that the number of securities presented for buyback is greater than the number of securities to be bought back).

Tradability of securities

Tradable over-the-counter.

There are no restrictions imposed by the issue terms on the free tradability of tranche C bonds. However, trading on the secondary market is prohibited in the United States and to US residents.

Assimilation clauses	<p>There is no assimilation of tranche C bonds covered by this securities note with securities from a previous issue.</p> <p>In the event that the Company subsequently issues new securities with rights identical in all respects to those of the current issue, it may, without requiring the consent of the holders of the old bonds, assimilate all the securities from successive issues, thereby unifying all the securities management and trading operations.</p>
Loan rank	<p>The bonds issued by OCP SA and the interest thereon constitute direct, general, unconditional and unsubordinated obligations of the Issuer, ranking pari passu among themselves with all other present or future indebtedness of the Issuer, unsecured and unprivileged by law, for a fixed term.</p>
Repayment guarantee	<p>This issue is not subject to any specific guarantee.</p>
Rating	<p>No rating has been requested for this issue.</p>
Representation of the bondholders' Pool	<p>On March 6, 2024, the Board of Directors decided to appoint Mr. Mohamed Hdid as provisional Representative of the bondholders, pending the holding of the general meeting of bondholders to appoint the permanent Representative(s) of the said bondholders.</p> <p>In addition, the provisional Representative will convene, within a period of six (6) months from the closing date of subscriptions, the ordinary general meeting of bondholders for the purpose of electing the Representative of the bondholders' group (the "Representative of the Bondholders' Pool") in accordance with the conditions of access and exercise and the incompatibilities provided for in articles 301 and 301 bis of law 17- 95 relating to public limited companies, as amended and supplemented.</p> <p>OCP SA has no capital or business ties with Mr. Mohamed Hdid.</p> <p>In addition, Mr. Mohamed Hdid is the Representative of the Bondholders' Pool for issues carried out by OCP SA in 2016, 2018 and 2023.</p>
Applicable law	<p>Moroccan law.</p>
Competent jurisdiction	<p>Casablanca Commercial Court.</p>

* Subject to upgrade according to allocation method

Characteristics of tranche D (at a fixed rate, with a 20-year maturity and bullet principal repayment, not listed on the Casablanca Stock Exchange)

Nature of securities	Ordinary bonds not listed on the Casablanca Stock Exchange, fully dematerialized by book entry with authorized financial intermediaries and admitted to the operations of the central depository (Maroclear).
Legal form	Bearer bonds
Tranche ceiling*	MAD 500,000,000
Maximum number of securities to be issued*	5,000 bonds
Nominal value per unit	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Repayment price	100%, i.e. MAD 100,000
Loan maturity	20 years
Subscription period	December 10 to 12, 2024 inclusive
Dividend entitlement date	December 16, 2024
Maturity date	December 16, 2044 (dividend entitlement date + 20 years)
Allocation method	The French method, without prioritization between tranches
Face interest rate	<p>Fixed rate</p> <p>The nominal interest rate is determined with reference to the 20-year maturity rate calculated on the basis of the reference yield curve of the secondary market for Treasury bills as it will be published by Bank Al-Maghrib on December 9, 2024. This rate will be increased by a risk premium ranging from 60 to 70 basis points.</p> <p>If the 20-year maturity rate is not directly observable, the reference rate is determined by linear interpolation using the two points surrounding the full 20-year maturity (actuarial basis).</p> <p>The reference rate and the face interest rate will be published by OCP SA on its website on December 9, 2024 and in a legal announcements journal on December 9, 2024.</p>
Risk premium	Between 60 and 70 basis points

Interests	<p>Interests will be paid annually on the anniversary date of the loan's dividend entitlement date, i.e. December 16 of each year. Payment will be made on the same day, or on the first business day following December 16 if this is not a business day. Interest on the ordinary bonds will cease to accrue from the date on which the principal is repaid by OCP SA. No deferral of interest will be possible in connection with this securities issue.</p> <p>Interest will be calculated in accordance with the following formula:</p> <p>[Nominal x Face interest rate].</p>
Principal repayment	<p>Tranche A will be subject to bullet principal repayment.</p> <p>In the event of a merger, demerger or partial transfer of assets of OCP SA occurring during the term of the loan and resulting in the transfer of all assets and liabilities to a separate legal entity, the rights and obligations under the ordinary bonds will be automatically transferred to the legal entity substituted for the rights and obligations of OCP SA.</p>
Early repayment	<p>OCP SA undertakes to refrain from early repayment of the bonds covered by this securities note.</p>
Bond buyback	<p>OCP SA reserves the right to buy back bonds on the secondary market, in accordance with legal and regulatory provisions. Such buy-backs will have no impact on subscribers wishing to hold their bonds until maturity, and will not affect the normal repayment schedule. Bonds bought back will be cancelled.</p> <p>OCP SA is required to inform the AMMC and the bondholders' Representative of any bond buyback procedures. The company will proceed with the buyback of the bonds in proportion to the revenues presented (in the event that the number of securities presented for buyback is greater than the number of securities to be bought back).</p>
Tradability of securities	<p>Tradable over-the-counter.</p> <p>There are no restrictions imposed by the issue terms on the free tradability of tranche D bonds. However, trading on the secondary market is prohibited in the United States and to US residents.</p>

Assimilation clauses	<p>There is no assimilation of tranche D bonds covered by this securities note with securities from a previous issue.</p> <p>In the event that the Company subsequently issues new securities with rights identical in all respects to those of the current issue, it may, without requiring the consent of the holders of the old bonds, assimilate all the securities from successive issues, thereby unifying all the securities management and trading operations.</p>
Loan rank	<p>The bonds issued by OCP SA and the interest thereon constitute direct, general, unconditional and unsubordinated obligations of the Issuer, ranking pari passu among themselves with all other present or future indebtedness of the Issuer, unsecured and unprivileged by law, for a fixed term.</p>
Repayment guarantee	<p>This issue is not subject to any specific guarantee.</p>
Rating	<p>No rating has been requested for this issue.</p>
Representation of the bondholders' Pool	<p>On March 6, 2024, the Board of Directors decided to appoint Mr. Mohamed Hdid as provisional Representative of the bondholders, pending the holding of the general meeting of bondholders to appoint the permanent Representative(s) of the said bondholders.</p> <p>In addition, the provisional Representative will convene, within a period of six (6) months from the closing date of subscriptions, the ordinary general meeting of bondholders for the purpose of electing the Representative of the bondholders' group (the "Representative of the Bondholders' Pool") in accordance with the conditions of access and exercise and the incompatibilities provided for in articles 301 and 301 bis of law 17- 95 relating to public limited companies, as amended and supplemented.</p> <p>OCP SA has no capital or business ties with Mr. Mohamed Hdid.</p> <p>In addition, Mr. Mohamed Hdid is the Representative of the Bondholders' Pool for issues carried out by OCP SA in 2016, 2018 and 2023.</p>
Applicable law	<p>Moroccan law.</p>
Competent jurisdiction	<p>Casablanca Commercial Court.</p>

* Subject to upgrade according to allocation method

Characteristics of tranche E (at a fixed rate, with a 30-year maturity and bullet principal repayment, not listed on the Casablanca Stock Exchange)

Nature of securities	Ordinary bonds not listed on the Casablanca Stock Exchange, fully dematerialized by book entry with authorized financial intermediaries and admitted to the operations of the central depository (Maroclear).
Legal form	Bearer bonds
Tranche ceiling*	MAD 500,000,000
Maximum number of securities to be issued*	5,000 bonds
Nominal value per unit	MAD 100,000
Issue price	100%, i.e. MAD 100,000
Repayment price	100%, i.e. MAD 100,000
Loan maturity	10 years
Subscription period	December 10 to 12, 2024 inclusive
Dividend entitlement date	December 16, 2024
Maturity date	December 16, 2054 (dividend entitlement date + 30 years)
Allocation method	The French method, without prioritization between tranches
Face interest rate	<p>Fixed rate</p> <p>The nominal interest rate is determined with reference to the 30-year maturity rate calculated on the basis of the reference yield curve of the secondary market for Treasury bills as it will be published by Bank Al-Maghrib on December 9, 2024. This rate will be increased by a risk premium ranging from 40 to 50 basis points.</p> <p>If the 30-year maturity rate is not directly observable, the reference rate is determined by linear interpolation using the two points surrounding the full 30-year maturity (actuarial basis).</p> <p>The reference rate and the face interest rate will be published by OCP SA on its website on December 9, 2024 and in a legal announcements journal on December 9, 2024.</p>
Risk premium	Between 70 and 80 basis points

Interests

Interests will be paid annually on the anniversary date of the loan's dividend entitlement date, i.e. December 16 of each year. Payment will be made on the same day, or on the first business day following December 16 if this is not a business day. Interest on the ordinary bonds will cease to accrue from the date on which the principal is repaid by OCP SA. No deferral of interest will be possible in connection with this securities issue.

Interest will be calculated in accordance with the following formula:

[Nominal x Face interest rate].

Principal repayment

Tranche E will be subject to **bullet principal repayment**.

In the event of a merger, demerger or partial transfer of assets of OCP SA occurring during the term of the loan and resulting in the transfer of all assets and liabilities to a separate legal entity, the rights and obligations under the ordinary bonds will be automatically transferred to the legal entity substituted for the rights and obligations of OCP SA.

Early repayment

OCP SA undertakes to refrain from early repayment of the bonds covered by this securities note.

Bond buyback

OCP SA reserves the right to buy back bonds on the secondary market, in accordance with legal and regulatory provisions. Such buy-backs will have no impact on subscribers wishing to hold their bonds until maturity, and will not affect the normal repayment schedule. Bonds bought back will be cancelled.

OCP SA is required to inform the AMMC and the bondholders' Representative of any bond buyback procedures. The company will proceed with the buyback of the bonds in proportion to the revenues presented (in the event that the number of securities presented for buyback is greater than the number of securities to be bought back).

Tradability of securities

Tradable over-the-counter.

There are no restrictions imposed by the issue terms on the free tradability of tranche E bonds. However, trading on the secondary market is prohibited in the United States and to US residents.

Assimilation clauses	<p>There is no assimilation of tranche E bonds covered by this securities note with securities from a previous issue.</p> <p>In the event that the Company subsequently issues new securities with rights identical in all respects to those of the current issue, it may, without requiring the consent of the holders of the old bonds, assimilate all the securities from successive issues, thereby unifying all the securities management and trading operations.</p>
Loan rank	<p>The bonds issued by OCP SA and the interest thereon constitute direct, general, unconditional and unsubordinated obligations of the Issuer, ranking pari passu among themselves with all other present or future indebtedness of the Issuer, unsecured and unprivileged by law, for a fixed term.</p>
Repayment guarantee	<p>This issue is not subject to any specific guarantee.</p>
Rating	<p>No rating has been requested for this issue.</p>
Representation of the bondholders' Pool	<p>On March 6, 2024, the Board of Directors decided to appoint Mr. Mohamed Hdid as provisional Representative of the bondholders, pending the holding of the general meeting of bondholders to appoint the permanent Representative(s) of the said bondholders.</p> <p>In addition, the provisional Representative will convene, within a period of six (6) months from the closing date of subscriptions, the ordinary general meeting of bondholders for the purpose of electing the Representative of the bondholders' group (the "Representative of the Bondholders' Pool") in accordance with the conditions of access and exercise and the incompatibilities provided for in articles 301 and 301 bis of law 17- 95 relating to public limited companies, as amended and supplemented.</p> <p>OCP SA has no capital or business ties with Mr. Mohamed Hdid.</p> <p>In addition, Mr. Mohamed Hdid is the Representative of the Bondholders' Pool for issues carried out by OCP SA in 2016, 2018 and 2023.</p>
Applicable law	<p>Moroccan law.</p>
Competent jurisdiction	<p>Casablanca Commercial Court.</p>

* Subject to upgrade according to allocation method

III. OBJECTIVES OF THE OPERATION

As part of its development program to consolidate its leadership position, OCP has launched a USD 13 billion green investment program for the period 2023-2027 to increase the Group's mining and fertilizer production capacity and achieve carbon neutrality by 2040. This investment program is financed by equity and debt.

To meet part of these financing requirements, the Company has decided to proceed with a bond issue. This is part of a strategy aimed at optimizing access to capital markets and diversifying financing resources.

IV. OPERATION SCHEDULE

The schedule for this operation is as follows:

Orders	Steps	Deadlines
1	Receipt of AMMC approval	December 3, 2024
2	Publication of the prospectus extract on the issuer's website	December 3, 2024
3	Publication by the issuer of the press release in a legal announcements journal	December 4, 2024
4	Observation of reference rates	December 9, 2024
5	Publication of reference and face rates on the issuer's website	December 9, 2024
6	Publication of reference and face interest rates in a legal announcements journal	December 9, 2024
7	Opening of subscription period	December 10, 2024
8	Closing of the subscription period at 5:30 p.m.	December 12, 2024
9	Allocation of securities	December 12, 2024
10	Settlement / Delivery	December 16, 2024
11	Publication by the issuer of the operation results (premiums and rates) for each tranche in a legal announcements journal and on its website	December 16, 2024

PART II: ABOUT OCP SA

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 with a Board of Directors
Date of incorporation	Office Chérifien des Phosphates: August 7, 1920 OCP SA: Law No. 46-07 promulgated on February 26, 2008 transformed 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, 2024, OCP SA's share capital stands at 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 head office: 2, Rue Al Abtal, Hay Erraha, Casablanca

According to Article 2 of the Articles of Association, the purpose of the Company is:

Corporate purpose

- 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 Rajab 9, 1370 (April 16, 1951) concerning 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.

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:

Laws and regulations applicable to the issuer

- 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 Rajab 9, 1370 (April 16, 1951) on mining regulations.

- Dahir dated Rajab 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 Jumada 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; and
- 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

Until December 31, 2022, OCP SA was subject to corporate income tax (CIT) at the standard rate of 31%.

Given its activity (mining and exporting company), OCP SA also benefited from a reduced corporate income tax rate of 20% on the mining and exporting part of its business.

Since January 2023, OCP SA has been subject to corporate income tax at the following rates:

Applicable tax regime	Fiscal year	Standard CIT rate	Mine and export CIT rate
	2023	32%	23.75%
	2024	33%	27.50%
	2025	34%	31.25%
	2026	35%	35%

As from January 2026, the 35% single rate will apply whenever taxable income is equal to or greater than MMAD 100.

OCP SA operations are subject to VAT.

II. ACTIVITY OVERVIEW

OCP Group is a vertically integrated fertilizer producer, present across the entire phosphate value chain, specializing in the mining, production and marketing of (i) phosphates, (ii) phosphoric acid (including purified phosphoric acid) and (iii) phosphate fertilizers.

By 2023, the Company is one of the world's leading producers of phosphate rock, phosphoric acid and phosphate fertilizers.

The OCP Group's mining activities are located in the Khouribga, Gantour and Boucraâ regions. They involve the extraction, processing, enrichment and delivery of phosphates to the Group's chemical units at Jorf Lasfar and Safi, as well as the export of rock to over thirty countries.

Around two-thirds of the Company's rock production is transformed into phosphoric acid, which in turn is mostly transformed into phosphate fertilizers. The four main types of phosphate fertilizer produced and exported by the Company 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 feed phosphates.

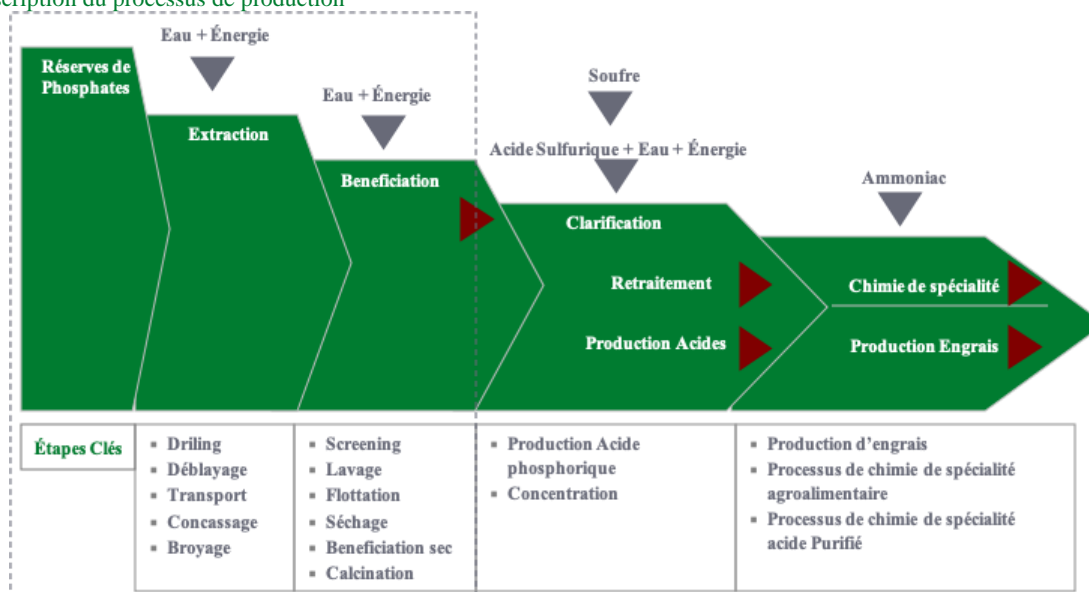
The Company is increasingly developing specific, higher value-added products that are better adapted to customer needs, and is thus falling in line with the trend towards "customization" of phosphate fertilizers.

Our customers include integrated and non-integrated industrial groups, traders and distributors.

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

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

Description du processus de production



Source: OCP SA

III. SHARE CAPITAL

1- COMPOSITION

As of June 30, 2024, OCP SA's share capital stands at MAD 8,287,500,000, fully paid up. It comprises 82,875,000 shares with a nominal value of MAD 100 each, all of the same class, with single voting rights.

2- HISTORY

2-1 SHARE CAPITAL HISTORY

Over the past 15 years, OCP SA's share capital has undergone the following changes:

Date	Nature of operation	Number of shares issued	Share price (MAD)	Nominal value (MAD)	Amount of operation (KMAD)	Total number of shares	Share capital (post-operation) (KMAD)
26/02/2008	Transformation of Office Chérifien des Phosphates into OCP SA	78 000 000	100	100	7 800 000	78 000 000	7 800 000
13/01/2009	Capital increase reserved for BCP	4 875 000	1 025,64	100	5 000 000	82 875 000	8 287 500

Source: OCP SA

On February 26, 2008, the Office Chérifien des Phosphates, a public establishment, was transformed into a public limited company under the new name "OCP SA", with a share capital of MAD 7,800,000,000 divided into 78,000,000 shares with a nominal value of MAD 100 each.

On January 13, 2009, OCP SA increased its equity capital by MAD 5 billion, entirely reserved for Banque Centrale Populaire (BCP). This operation involved the issue of 4,875,000 new shares representing 5.88% of OCP SA's capital after the capital increase. These shares were issued at a unit price of MAD 1,025.64, including MAD 100 in nominal value and MAD 925.64 in issue premium.

2-2 HISTORY OF SHAREHOLDING OVER THE LAST FIVE FINANCIAL YEARS

The following table shows the Company's shareholding history over the last five financial years:

Shareholder	12/31/2019		
	Number of securities	% in capital	Number of securities
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*	-	-	-
Socinvest**	681 538	0.82%	0.82%
Upline Infrastructure Fund	908 717	1.10%	1.10%

Total	82 875 000	100%	100%
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Source: OCP SA

Shareholder	12/31/2020			12/31/2021		
	Number of securities	% in capital	% of voting rights	Number of securities	% in capital	% of voting rights
Moroccan State	78 000 000	94.12%	94.12%	78 000 000	94.12%	94.12%
Banque Centrale Populaire	84 315	0.10%	0.10%	84 315	0.10%	0.10%
SADV	729 300	0.88%	0.88%	729 300	0.88%	0.88%
Infra Maroc Capital**	2 471 130	2.98%	2.98%	2 471 130	2.98%	2.98%
Prev Invest SA*	908 717	1.10%	1.10%	908 717	1.10%	1.10%
Socinvest**	681 538	0.82%	0.82%	681 538	0.82%	0.82%
Total	82 875 000	100%	100%	82 875 000	100%	100%

Source: OCP SA

Shareholder	12/31/2022			12/31/2023		
	Number of securities	% in capital	% of voting rights	Number of securities	% in capital	% of voting rights
Moroccan State	78 000 000	94.12%	94.12%	78 000 000	94.12%	94.12%
Banque Centrale Populaire	84 315	0.10%	0.10%	84 315	0.10%	0.10%
SADV	729 300	0.88%	0.88%	729 300	0.88%	0.88%
Infra Maroc Capital**	2 471 130	2.98%	2.98%	2 471 130	2.98%	2.98%
Prev Invest SA*	908 717	1.10%	1.10%	908 717	1.10%	1.10%
Socinvest**	681 538	0.82%	0.82%	681 538	0.82%	0.82%
Total	82 875 000	100%	100%	82 875 000	100%	100%

*100% owned by RCAR

** These two companies belong to Banque Centrale Populaire

Source: OCP SA

In 2018, BCP transferred to its subsidiary SocInvest 681,538 shares representing 0.82% of the capital of OCP SA.

In 2020, Upline Infrastructure Fund transferred 908,717 shares representing 1.10% of OCP SA's capital to Prev Invest SA.

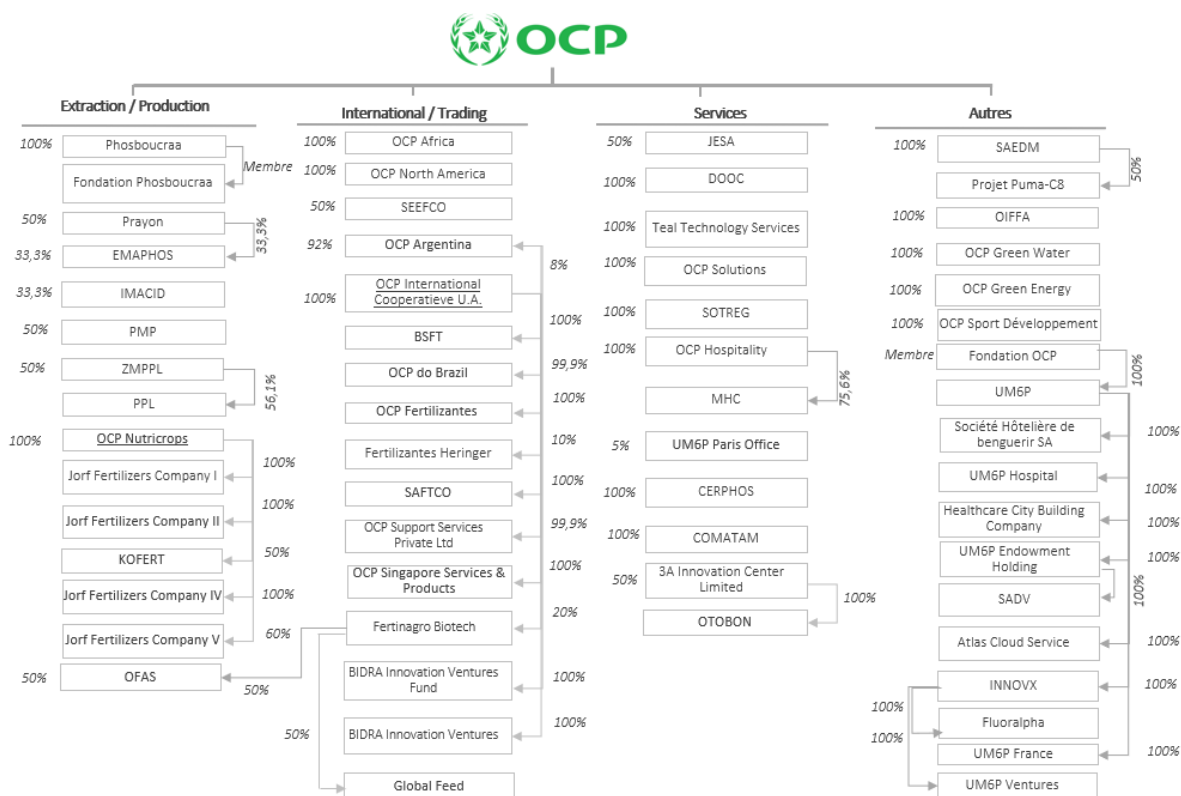
2-3 OCP SHAREHOLDING AS OF JUNE 30, 2024

Shareholder	30/06/2024		
	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%
Total	82 875 000	100%	100%

Source: OCP SA

IV. LEGAL ORGANIZATIONAL CHART¹

OCP SA's main subsidiaries, investments and JVs as of June 30, 2024, are listed below:



Source: OCP

The ownership percentages shown correspond to direct and indirect ownership percentages, while the percentages shown for the scope of consolidation represent direct ownership percentages.

¹ The organizational chart shows the main subsidiaries, holdings and joint ventures. The organizational chart is also broken down by activity: Extraction/Production, International/Trading, Services and Other.

PART III: FINANCIAL DATA

1- ANNUAL CONSOLIDATED FINANCIAL INFORMATION

Income statement

The following table shows the historical data of OCP Group's consolidated income statement for the financial years 2021, 2022 and 2023:

In MMAD	2021	2022	2023	Var 21/22	Var 22/23
REVENUE FROM OPERATING ACTIVITIES	84 300	114 574	91 277	36%	-20%
Production held as inventory	278	10 403	-6 993	>100%	< -100%
Consumed purchases of materials and supplies	-29 360	-54 596	-33 750	-86%	38%
External expenses	-9 969	-11 754	- 9 671	18%	-18%
Personnel expenses	-10 550	-11 615	- 11 518	-10%	1%
Taxes	-278	- 306	-313	-10%	2%
Profit (loss) from joint-ventures	1 185	1 887	774	59%	-59%
Exchange gains and losses on operating receivables and payables	620	1 010	-697	63%	< -100%
Other operating income and expenses	44	471	287	>100%	-39%
EBITDA	36 269	50 076	29 396	38%	-41%
<i>EBITD margin (EBITDA/Revenues)</i>	<i>43.0%</i>	<i>43.7%</i>	<i>32.2%</i>	<i>0.7 pts</i>	<i>-11.5 pts</i>
Amortization, depreciation and operating provisions	-9 016	-8 435	-8 394	6%	0.5%
Operating profit (loss) before exceptional items	27 254	41 640	21 002	53%	-50%
Other non-recurring operating income and expenses	-1 454	-1 258	-2 135	13%	-70%
OPERATING profit (loss)	25 799	40 382	18 866	57%	-53%
<i>Operating margin OI/Revenues</i>	<i>30.6%</i>	<i>35.2%</i>	<i>20.6%</i>	<i>4.6 pts</i>	<i>-14.6 pts</i>
Cost of gross financial debt	-2 384	-2 508	-3 141	-5%	-25%
Financial income from cash investments	161	222	526	38%	>100%
Cost of net financial debt	-2 223	-2 286	-2 615	-3%	-14%
Exchange gains and losses on financing transactions	-899	-3 366	863	>-100%	> 100%
Other financial income and expenses	-2 178	- 374	-713	83%	-91%
FINANCIAL PROFIT	-5 299	-6 026	-2 465	-14%	59%

PROFIT BEFORE TAX	20 500	34 356	16 401	68%	-52%
<i>Pre-tax margin (PTI/Revenues)</i>	<i>24%</i>	<i>30%</i>	<i>18%</i>	<i>6 pts</i>	<i>-12 pts</i>
Taxes	-4 164	-6 122	- 2 105	-47%	66%
NET profit FOR THE PERIOD	16 336	28 233	14 296	73%	-49%
<i>Net margin (NI/Revenues)</i>	<i>19%</i>	<i>25%</i>	<i>16%</i>	<i>6 pts</i>	<i>-9 pts</i>
Net profit - Group share	16 326	28 185	14 369	73%	-49%
Net profit - non-controlling interests	10	49	-72	>100%	-246%
BASIC AND DILUTED EARNINGS PER SHARE	194	338	170	74%	-50%

Source: OCP S.A

Balance sheet

The following table shows the main items in the Group's consolidated balance sheet for the years ending December 31, 2021, 2022 and 2023:

In MMAD	2021	2022	2023	Var 21/22	Var 22/23
<u>ASSETS</u>					
Current assets					
Cash & Cash Equivalents	8 001	18 556	12 644	131.9 %	-32%
<i>% balance sheet</i>	<i>4%</i>	<i>8%</i>	<i>5%</i>	<i>3.8 pts</i>	<i>-3 pts</i>
Cash financial assets	2538	509	11	-79.9 %	-98%
Stocks	14 804	25 990	18 272	75.6 %	-30%
<i>% balance sheet</i>	<i>8.1%</i>	<i>11%</i>	<i>7.3%</i>	<i>3.4 pts</i>	<i>-3.7 pts</i>
Accounts receivable	13 184	15 481	18 718	17.4 %	21%
<i>% balance sheet</i>	<i>7%</i>	<i>7%</i>	<i>7.5%</i>	<i>-0.4 pts</i>	<i>0.5 pts</i>
Other current assets	15 765	23 116	31 294	46.6 %	35.4%
Total current assets	54 293	83 652	80 940	54.1 %	-3.2%
<i>% balance sheet</i>	<i>30%</i>	<i>37%</i>	<i>32.4%</i>	<i>7.2 pts</i>	<i>-4.6 pts</i>
Non-current assets					
Non-current financial assets	708	1 078	2 321	52.3 %	115.3%
Investments in joint ventures	5 518	7 076	7 545	28.2 %	6.6%
Deferred tax assets	156	125	52	-19.9 %	-58.4%
Property, plant and equipment	116 938	129 547	151 884	10.8 %	17.2%
<i>% balance sheet</i>	<i>64%</i>	<i>57%</i>	<i>61%</i>	<i>-6.9 pts</i>	<i>4 pts</i>

Intangible assets	4 385	4 532	7 197	3.4 %	3 .35%
Total non-current assets	127 705	142 359	168 998	11.5 %	18.8%
<i>% balance sheet</i>	<i>70%</i>	<i>63%</i>	<i>68%</i>	<i>-7.2 pts</i>	<i>5 pts</i>
Total Assets	181 998	226 012	249 937	24.2 %	10.6%

In MMAD	2021	2022	2023	Var 21/22	Var 22/23
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LIABILITIES

Current liabilities

Current loans and financial liabilities	4 662	10 136	19 706	117.4 %	94.4 %
<i>% balance sheet</i>	<i>2.6%</i>	<i>4.5%</i>	<i>8 %</i>	<i>1.9 pts</i>	<i>3.5 pts</i>
Current provisions	556	587	919	5.6 %	56.5 %
Trade payables	18 141	20 306	28 937	11.9 %	42.5 %
<i>% balance sheet</i>	<i>10%</i>	<i>9%</i>	<i>11.6%</i>	<i>-1.0 pts</i>	<i>2.6 pts</i>
Other current liabilities	10 104	16 953	10 644	67.8%	-37.2%
Total current liabilities	33 463	47 982	60 205	43.4 %	25.5%
<i>% balance sheet</i>	<i>18%</i>	<i>21%</i>	<i>24.1%</i>	<i>2.8 pts</i>	<i>3.1 pts</i>
Non-current loans and financial liabilities	50 954	59 877	61 235	17.5 %	2.3%
<i>% balance sheet</i>	<i>28%</i>	<i>26%</i>	<i>24.5%</i>	<i>-1.5 pts</i>	<i>-1.5 pts</i>
Non-current provisions for staff	5 964	5 169	4 544	-13.3 %	-12.1%
Other non-current provisions	1131	1 231	1 904	8.8 %	54.7%
Deferred tax liabilities	1633	590	2 110	-63.9 %	< 100%
Other non-current liabilities	0	12	9	> 100%	-25%
Total non-current liabilities	59 681	66 880	69 801	12.1 %	4.4 %
<i>% balance sheet</i>	<i>33%</i>	<i>30%</i>	<i>28%</i>	<i>-3.2 pts</i>	<i>-2 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	42 888	52 882	75 697	23.3 %	43 .1 %
Net income, group share	16 326	28 185	14 369	72.64 %	-49 %

Total shareholders' equity, Group share	86 200	108 052	117 051	25.4 %	8.33 %
Non-controlling interests	2 654	3 098	2 879	16.7 %	-7.1%
Total Shareholders' equity	88 854	111 150	119 930	25.1 %	8%
<i>% balance sheet</i>	<i>49%</i>	<i>49%</i>	<i>48%</i>	<i>0.4 pts</i>	<i>-1 pts</i>
Total liabilities and equity	181 998	226 012	249 937	24.2 %	10.6 %

Source: OCP S.A

Cash flow statement

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

In MMAD	2021	2022	2023	Var 21/22	Var 22/23
EBITDA	36 269	50 076	29 396	38 %	-41.2 %
Subsidies and donations	-997	-988	-2 259	-1 %	> 100 %
Other non-current operating income and expenses	-16	24	-	>100 %	Ns
Other non-current operating income and expenses- prior period	-65	386	1 378	>100%	>100%
Results of joint ventures	-1 185	-1 887	-774	-59 %	59%
Other	-2 274	-2 133	-4 754	6 %	> -100 %
Cash flow from operations	31 732	45 470	22 987	43 %	-49.4 %
Impact of the change in working capital:	2 091	-13 596	1 784	-750 %	86.88%
Stocks	-1 206	-11 030	9 057	> 100.0%	>100%
Trade receivables	-4 476	-2 183	-3 480	51 %	98.5%
Trade payables	1 894	-846	1 389	-145 %	>100.0%
Other current assets and liabilities	5 880	462	-5 183	-92 %	> -100.0%
Taxes paid	-1 656	-4 637	-6 421	<-100%	-38.5%
Total Net cash provided by operating activities	32 167	27 244	18 350	-15 %	-32.6 %
Acquisition of tangible and intangible assets	-13 135	-20 011	-26 825	+52 %	+34 %
Disposal of tangible and intangible assets	156	141	191	-10 %	35.5 %
Net financial investments	-2 663	1 952	79	>100.0%	-96%

Impact of changes in the scope of consolidation	-54	-51	-1 447	6 %	> -100 %
Acquisition of financial assets	-69	-285	-765	>100.0%	> -100.0%
Disposal of financial assets	0	3 025	-	-	-
Dividends received	106	380	343	>100.0%	-9.7%
Total Net cash used in investing activities	-15 658	-14 849	-28 424	5.2 %	-91.4 %
Loan issuance	17 500	12 848	18 689	-27 %	45.5 %
Loan repayment	-22 980	-3 640	-6 623	84 %	82 %
TSDI changes	-	-	5 000	Ns	Ns
TSDI coupons	-393	-385	-442	2 %	14.8 %
Net financial interests paid	-3 815	-2 529	-3 140	34 %	24.1 %
Dividends paid to Group shareholders	-5 081	-8 091	-9 066	-59 %	12 %
Dividends paid to minority shareholders	-173	-170	-198	2 %	16.5 %
Total Net cash used in financing activities	-14 941	-1 968	4 221	86.8 %	> 100.0%
Effect of change in exchange rate on cash and cash equivalents	10	126	-60	>100.0%	> -100.0%
Net increase/(decrease) in cash and cash equivalents	1 577	10 554	-5 912	>100.0%	> -100.0%
Opening cash and cash equivalents	6 425	8 003	18 557	25 %	> 100.0%
Closing cash and cash equivalents	8 003	18 557	12 644	132 %	-32 %
Change in net cash position	1 577	10 554	-5 912	>100.0%	> -100.0%

Source: OCP S.A

4- HALF-YEAR CONSOLIDATED FINANCIAL INFORMATION (AS OF JUNE 30, 2024)

Income statement

The following table shows OCP Group's historical consolidated income statement data for the two half-year periods 2023 and 2024:

In MMAD	H1. 2023	H1. 2024	Var H1.23/H1.24
REVENUE FROM OPERATING ACTIVITIES	37 561	43 248	15%
Production held as inventory	-1 604	2 794	274%
Consumed purchases of materials and supplies	-17 457	-17 911	3%
External expenses	-4 306	-5 338	24%
Personnel expenses	-5 652	-6 417	14%
Taxes	-225	-287	28%
Profit (loss) from joint-ventures	409	388	-5%
Exchange gains and losses on operating receivables and payables	-1 110	-140	-87%
Other recurring income and expenses	57	-18	-132%
EBITDA	7 673	16 319	113%
<i>EBITD margin (EBITDA/Revenues)</i>	<i>20%</i>	<i>38%</i>	<i>+ 18 pts</i>
Depreciation, amortization and impairment	-4 222	-3 803	-10%
Recurring operating income	3 451	12 516	263%
Other non-recurring operating income and expenses	-1 028	-716	-30%
OPERATING profit (loss)	2 422	11 800	387%
<i>Operating margin OI/Revenues</i>	<i>6%</i>	<i>27%</i>	<i>+ 21 pts</i>
Cost of gross financial debt	-1 445	-2 001	38%
Financial income from cash investments	215	337	57%
Cost of net financial debt	-1 230	-1 663	35%
Exchange gains and losses on financing transactions	1 527	249	-84%
Other financial income and expenses	-338	129	138%
FINANCIAL PROFIT	-41	-1 286	> 100%
PROFIT BEFORE TAX	2 381	10 514	> 100%
<i>Pre-tax margin (PTI/Revenues)</i>	<i>6%</i>	<i>24%</i>	<i>+ 18 pts</i>
Taxes	976	-2 339	-340%
NET profit FOR THE PERIOD	3 357	8 174	143%

<i>Net margin (NI/Revenues)</i>	<i>9%</i>	<i>19%</i>	<i>+ 10 pts</i>
Net profit - Group share	3 395	7 995	136%
Net profit - non-controlling interests	-37	180	586%
BASIC AND DILUTED EARNINGS PER SHARE	39	93	140%

Source: OCP S.A

Balance sheet

The following table shows the main items in the Group's consolidated balance sheet as of December 2023 and the first half of 2024:

In MMAD	2023	H1. 2024	Var 23/H1 24
<u>ASSETS</u>			
Current assets			
Cash & Cash Equivalents	12 644	15 718	24%
<i>% balance sheet</i>	<i>5.1%</i>	<i>5.8%</i>	<i>+ 0.7 pts</i>
Cash financial assets	11	26	137%
Stocks	18 272	20 060	10%
<i>% balance sheet</i>	<i>7.3%</i>	<i>7.5%</i>	<i>+ 0.2 pts</i>
Accounts receivable	18 718	16 690	-11%
<i>% balance sheet</i>	<i>7.5%</i>	<i>6.2%</i>	<i>- 1.3 pts</i>
Other current assets	31 294	36 825	18%
Total current assets	80 940	89 320	10%
<i>% balance sheet</i>	<i>32.4%</i>	<i>33.2%</i>	<i>+ 0.8 pts</i>
Non-current assets			
Non-current financial assets	2 321	4 137	78%
Investments in joint ventures	7 545	7 828	4%
Deferred tax assets	52	50	-4%
Property, plant and equipment	151 884	160 181	5%
<i>% balance sheet</i>	<i>60.8%</i>	<i>59.5%</i>	<i>-1.3 pts</i>
Intangible assets	7 197	7 570	5%
Total non-current assets	168 997	179 767	6%
<i>% balance sheet</i>	<i>67.6%</i>	<i>66.8%</i>	<i>-0.8 pts</i>
Total Assets	249 937	269 087	8%

In MMAD	2023	H1. 2024	Var 23/H1 24
LIABILITIES			
Current liabilities			
Current loans and financial liabilities	19 706	21 678	10%
<i>% balance sheet</i>	<i>7.9%</i>	<i>8.1%</i>	<i>+0.2 pts</i>
Current provisions	919	1 018	11%
Trade payables	28 937	25 392	-12%
<i>% balance sheet</i>	<i>11.6%</i>	<i>9.4%</i>	<i>-2.1 pts</i>
Other current liabilities	10 644	19 256	81%
Total current liabilities	60 205	67 345	12%
<i>% balance sheet</i>	<i>24.1%</i>	<i>25.0%</i>	<i>+0.9 pts</i>
Non-current loans and financial liabilities	61 235	75 094	23%
<i>% balance sheet</i>	<i>24.5%</i>	<i>27.9%</i>	<i>+3.4 pts</i>
Non-current provisions for staff	4 544	4 365	-4%
Other non-current provisions	1 904	1 680	-12%
Deferred tax liabilities	2 110	2 169	3%
Other non-current liabilities	9	10	19%
Total non-current liabilities	69 801	83 318	19%
<i>% balance sheet</i>	<i>27.9%</i>	<i>31.0%</i>	<i>+3.0 pts</i>
Share capital	8 288	8 288	0%
Additional paid-in capital	18 698	18 698	0%
Consolidated reserves, group share	75 697	80 859	7%
Net income, group share	14 369	7 995	-44%
Total shareholders' equity, Group share	117 051	115 840	-1%
Non-controlling interests	2 879	2 584	-10%
Total Shareholders' equity	119 930	118 423	-1%
<i>% balance sheet</i>	<i>48.0%</i>	<i>44.0%</i>	<i>-4.0 pts</i>
Total liabilities and equity	249 937	269 087	8%

Source: OCP S.A



Cash flow statement

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

In MMAD	H1. 2023	H1. 2024	Var. H1.23/H1.24
EBITDA	7 673	16 319	113%
Subsidies and donations	-456	-456	0%
Other non-current operating income and expenses	154	-131	-185%
Other non-current operating income and expenses- prior period	0	-171	n.a
Results of joint ventures	-409	-388	-5%
Other	-2 047	-586	-71%
Cash flow from operations	4 915	14 587	197%
Impact of the change in working capital:	2 003	-3 760	-288%
Stocks	5 256	-1 966	-137%
Trade receivables	2 609	1 880	-28%
Trade payables	-2 063	-814	-61%
Other current assets and liabilities	-3 800	-2 860	-25%
Taxes paid	-6 642	-139	-98%
Total Net cash provided by operating activities	276	10 689	>100%
Acquisition of tangible and intangible assets	-12 029	-19 753	64%
Disposal of tangible and intangible assets	60	-144	-340%
Net financial investments	-302	40	-113%
Impact of changes in the scope of consolidation	-	-479	n.a
Acquisition of financial assets	-336	-1 842	448%
Disposal of financial assets		37	n.a
Dividends received	287	464	62%
Total Net cash used in investing activities	-12 320	-21 677	76%
Loan issuance	15 254	26 999	77%
Loan repayment	-4 260	-10 954	157%
TSDI changes	-	-	n.a
TSDI coupons	-213	-351	65%
Net financial interests paid	-1 132	-1 616	43%
Dividends paid to Group shareholders	198	186	-6%

Dividends paid to minority shareholders	-198	-186	-6%
Total Net cash used in financing activities	9 650	14 078	46%
Effect of change in exchange rate on cash and cash equivalents	-17	-16	-6%
Net increase/(decrease) in cash and cash equivalents	-2 410	3 074	-228%
Opening cash and cash equivalents	18 557	12 644	-32%
Closing cash and cash equivalents	16 146	15 718	-3%
Change in net cash position	-2 410	3 074	-228%

Source: OCP S.A

PART IV: RISK FACTORS

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 revenues in one region experiencing difficult economic conditions by increasing revenues 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; and
- 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 climate change

The potential impact of climate change on the Group's operations and those of its customers and farmers remains uncertain. Climate change risks are generally grouped into two categories: physical risks and transition risks. Physical risks include the impact that climate change could have on operations, customers and supply chains. Among other things, climate change may lead to more frequent and severe weather events, changes in meteorological factors such as temperatures, precipitation, wind and water levels, and it may affect the availability of fresh water. In particular, water is essential to the Group's operations and customers, but localized challenges exist regarding water availability and quality, which may be intensified by the effects of climate change. The physical risks associated with climate change may also lead to operational or supply chain delays, depending on the nature of the event. These events may have an impact on demand for the Group's products, the availability and/or cost of raw materials or insurance, or increase the costs of its operations or capital projects.

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.

II. RISKS RELATED TO THE GROUP'S ACTIVITIES

Volatility of phosphate and phosphate-based product prices

The Group is exposed to fluctuations in the price of phosphate fertilizers and other phosphate-based products. The Group is involved in the mining, production and marketing of phosphate rock, phosphoric acid and phosphate-based fertilizers. The prices of phosphate rock, phosphoric acid and phosphate-based fertilizers are influenced by supply and demand, both globally and regionally, and depend on various factors external to the Group, over which the Group has no control. Factors that tend to affect the prices of the Group's phosphate-based products include, among others:

- Changes in the global and/or regional economies, significant global or regional political events and financial market conditions, including the ongoing conflict in Gaza as well as the ongoing conflict between Russia and Ukraine;
- Changes in global or regional fertilizer supply and/or demand, and related changes in expectations of future supply and demand;
- Changes in global supply and/or demand for the raw materials needed to manufacture phosphoric acid and phosphate-based fertilizers;
- Changes in the agricultural sector;
- Changes in the inventory levels of wholesalers and distributors, who generally have significant storage capacity to account for seasonal variations, and may benefit from low market prices or be affected by local demand levels;
- Exchange rate fluctuations linked to the US dollar and the euro;
- Consolidation in the phosphate fertilizer industry in general; and
- Government regulations and actions, including tariffs, quotas, customs duties, taxation, embargoes and warehousing rules.

Moreover, the fertilizer industry has historically been cyclical, which generally leads to fluctuations in the prices of the Group's products. These fluctuations in supply and demand can be unexpected and can have a significant impact on sales prices. Fertilizer demand is influenced by planted area and application rates, which are determined by population growth, changes in eating habits (including income growth in emerging economies), and government agricultural policies, among others. The international market for fertilizers and other phosphate-derived products has been and is expected to continue to be affected by periodic imbalances in supply and demand. Periods of high demand, high-capacity utilization and rising profit margins tend to lead to new investment in plant and increased production, with the result that supply exceeds demand, and prices and capacity utilization subsequently fall. The resulting lower prices generally lead to a restriction in investment, initiating a new cycle. As a result, fertilizer prices and volumes have been, and are likely to continue to be, volatile.

For example, the previous cycle is generally considered to have begun between 2010 and 2011, with the DAP FOB Tampa index reaching around USD 659 per ton in August 2011. Strong demand and high prices during this period led to major investments in capacity, which began to become operational between 2015 and 2020. Due to the oversupply created by investments, prices were generally low between 2015 and 2020, reaching an average of USD 260 per ton in December 2019. From mid-2020, delayed planned additional capacity combined with stronger demand fundamentals led to a recovery in prices and the initiation of a new cycle, with prices exceeding USD 500 per ton in early 2021.

Russia's invasion of Ukraine in February 2022 and the resulting war between Russia and Ukraine ("Russia-Ukraine conflict") have disrupted global markets for certain raw materials, including natural gas, ammonia, nitrogen fertilizers and certain commodity grains. This disruption led to changes in supply patterns, production cutbacks, export reductions and logistical complications involving these products. Although the effects of the conflict eased in the year ending December 31, 2023, any potential further escalation could lead to renewed disruption in the fertilizer value chain.

With Russia as a major supplier of energy to Europe and fertilizers to world markets, as well as Russia and Ukraine being major suppliers of food to world markets, the war has contributed to significant

volatility in energy, fertilizer and food prices. The war coincided with an increase in tensions on the phosphate fertilizer market, fueled by a strong recovery in post-COVID demand and a supply shock resulting from China's decision to drastically limit fertilizer exports in September 2021. As a result, fertilizer prices initially surged, reaching levels not seen since 2008 in a matter of weeks. For example, DAP FOB Tampa reached USD 1,231/ton in April 2022. This, combined with severe weather conditions in major fertilizer import markets (including the USA, Europe and Australia), led to a significant drop in imports, eventually exerting downward pressure on prices that brought them back to pre-war levels, with DAP FOB Tampa reaching USD 600/ton in December 2022.

January 2023 began under the effect of this downward pressure, fueled by a wait-and-see attitude on the part of importers in the hope of a further drop in prices. Prices bottomed out in June 2023 (CFR India at USD 440/ton). From July 2023, prices began a rebound trajectory until they reached around USD 595/ton CFR India in October 2023. This was supported by several factors: (i) limited remaining export quotas in China in the third quarter after the significant volumes of the second quarter (ii) the arrival of the high import season in India and Brazil in particular, offering fewer opportunities to defer imports, (iii) the recovery in demand in several markets, particularly in Europe and the USA, and (iv) limited stocks in several basins after the low imports achieved in previous quarters.

The end of 2023 saw a reduction in liquidity with China's announcement in November 2023 to suspend exports and India's reduction in subsidies. As a result, prices remained generally stable between October 2023 and February 2024.

Interruption of supply

If one of the Group's main suppliers of raw materials were to suffer business interruptions or become insolvent, or if the Group were unable to renew its contracts with these suppliers on reasonable commercial terms, it could be difficult to replace them in a timely fashion. In particular, the Group requires sulfur and ammonia for its production, which it purchases from third-party suppliers. For example, the Group used to obtain ammonia from a variety of sources, including Ukraine. Following the interruption of ammonia exports in March 2022 due to the war in Ukraine, the Group quickly found alternative suppliers in the Middle East. However, although the Group was able to obtain ammonia from these alternative suppliers, it first had to purchase it at higher spot prices before concluding contracts with them. If such interruptions were to occur again in the future, it could be difficult for the Group to find alternative suppliers on reasonable commercial terms, if at all. Furthermore, if the Group's demand were to increase, or if its suppliers were to face a shortage of resources, they might not be able to meet the Group's raw material requirements.

In addition, any disruption to the Group's mining activities or its ability to produce phosphate rock could prevent the Group from supplying current or sufficient levels of this raw material for its processing activities (including, but not limited to, phosphoric acid and phosphate-based fertilizers). In the event of a disruption in the supply of phosphate rock within the Group, the Group may have to curtail its processing activities or source phosphate rock from the external market, which would result in a significant increase in costs (including higher transportation costs and import, customs or other duties) and a reduction in profit margins. This, in turn, could have a material adverse effect on the Group's business, operating results and financial position.

Risk of not completing the 2023-2027 investment program

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

The program is partly financed by cash flows generated by operations, but also by external financing. The Group's business and financial situation could be adversely affected if it were 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 related to information systems failures and cybersecurity

Information technology ("IT") systems are integrated into the Group's operational and business control systems and, as the Group develops its digital platform and process automation systems, these may become more vulnerable to cyber-attacks, which continue to become increasingly sophisticated. The operation of many of the Group's business processes depends on the uninterrupted availability of the Group's IT systems and, to maintain its competitiveness, the Group is increasingly reliant on automation, centralized operation and new technologies to manage and monitor the Group's complex production and processing activities. As a result, any system failure, whether localized or widespread, whether intentional (such as a failure resulting from a cyber-attack) or unintentional (such as a network, hardware or software failure), could have adverse effects at various levels.

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.

Risk related to new international restrictions and regulations on greenhouse gas emissions

Various government initiatives aimed at limiting greenhouse gas emissions are underway or under consideration worldwide and in Morocco, which could adversely affect the Group. For example, Morocco has adopted ambitious climate targets in line with the Paris Agreement, including a 15% reduction through energy efficiency measures by 2030 compared with current trends, and an increase in renewable energy capacity to 52% of total electricity capacity by 2030. In addition, the European Union's "Carbon Border Adjustment Mechanism" came into force on May 16, 2023, and its transition phase has applied since October 1, 2023. This mechanism will require EU importers of certain types of carbon-intensive goods, including fertilizers, to declare the greenhouse gas emissions embedded in their imports. When the full regulation comes into force on January 1, 2026, it will require importers to purchase carbon emission rights.

In addition, several jurisdictions, including the European Economic Area, have adopted limitations on the use and application of fertilizers, particularly nitrogen fertilizers, in order to manage the impact of these products on the environment. For example, the use of urea as a fertilizer is increasingly regulated in the EU. National legislation is in place or being drafted in various EU member states banning or taxing the use of uncoated or uninhibited urea. This development could require the Group to make changes to its operations or sales activities.

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 revenues 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 revenues 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, 2023, the Group's total outstanding loans and financial debts amounted to MAD 80.9 billion. If the Group's cash flows are insufficient to repay its loans and financial debts, it 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 RELATED TO ORDINARY BONDS

i. LIQUIDITY RISK

Holders of OCP ordinary bonds may be subject to a liquidity risk on the secondary market for private debt. Depending on market conditions (liquidity, changes in the yield curve, etc.), the liquidity of OCP bonds may be temporarily affected.

ii. INTEREST RATE RISK

The bond issue covered by this securities note provides for 1 tranche (one tranche) at a 52-weekly revisable rate. Accordingly, the valuation of the securities may vary upwards or downwards, depending on changes in the reference yield curve of the secondary market for Treasury Bonds as it will be published by Bank Al Maghrib.

The bond issue covered by this securities note provides for 4 tranches (four tranches) at a fixed rate (tranches B, C, D, E), calculated according to the reference yield curve of the secondary market for Treasury Bills. As a result, the value of the fixed-rate bonds may vary upwards or downwards, depending on changes in the reference yield curve for the secondary market for Treasury Bills published by Bank Al Maghrib.

iii. RISK OF DEFAULT

The bonds covered by this securities note may present a risk that the issuer will not be able to meet the contractual commitments it has entered into with bondholders, resulting in the non-payment of coupons and/or the non-repayment of principal.

iv. INFLATION RISKS

Changes in inflation rates could impact bondholders' yields if inflation outstrips bond yields.

DISCLAIMER

The above-mentioned information constitutes only part of the AMMC-approved prospectus dated December 3, 2024 under reference no. VI/EM/036/2024. The AMMC recommends reading the entire prospectus, which is available to the public in the French language.