

OCI N.V. Reports Full Year and Fourth Quarter 2021 Results

Highlights:

Financial and Outlook

- Q4 2021 revenues increased 112% to \$2.2 billion and adjusted EBITDA +291% to \$1.04 billion versus Q4 2020
- Q4 2021 adjusted net income was \$447 million as compared to adjusted net loss of \$45 million in Q4 2020
- Full year 2021 revenues were \$6.3 billion, adjusted EBITDA \$2.53 billion and adjusted net income \$732 million
- OCI generated free cash flow from operations (before IPO proceeds) of \$789 million during Q4 2021 and \$1.6 billion during the full year 2021
- Net debt declined to \$2.2 billion as of 31 December 2021, down from \$3.0 billion as at 30 September 2021 and \$3.7 billion as at 31 December 2020. OCI expects a further substantial reduction in net debt during Q1 2022
- OCI ended 2021 with net debt / adjusted EBITDA of 0.9x, or pro forma 0.7x post gross proceeds of \$375 million for 15% Methanol Group stake sale in February 2022
- The Board of Directors has approved new capital returns policy which combines a consistent base profit distribution to shareholders of \$400 million per year with a variable component linked to FCF generated
- OCI announces a semi-annual interim distribution for the period H2 2021 of €1.45 per share (or c.\$350 million including a \$200 million base)
- As the company continues to operate in a healthy environment and based on the current outlook for volumes and prices, OCI expects to pay a variable component when returning capital to shareholders in October 2022

OCI Advances Clean Hydrogen Projects

- In January 2022, Fertigllobe announced a partnership with Masdar and ENGIE to study development of a globally cost-competitive green hydrogen facility with capacity of up to 200MW for ammonia production in Abu Dhabi
- In February 2022, OCI signed definitive agreements for a strategic alliance with ADQ and Alpha Dhabi Holding, to acquire a 15% stake in the OCI Methanol Group for \$375 million, enabling the Group to pursue growth initiatives in hydrogen-based applications, including fuel

Ahmed El-Hoshy, CEO of OCI NV commented: “We are pleased that we can start returning capital to our shareholders through consistent semi-annual dividends and focus on growing our future cash flows through targeted investments in hydrogen and other growth opportunities. Going forward, our new capital allocation strategy is supported by healthy fundamentals of our core markets, our robust balance sheet and healthy FCF as we also expand our FCF conversion via the step-down in gross debt and focus on operational excellence.

Our end markets continued their upward trend during the fourth quarter, and we expect H1 2022 also to be strong, driven by attractive farm economics for our nitrogen fertilizers; strong demand in our industrial end markets for ammonia, methanol, melamine and DEF; and our advantaged feedstock costs in MENA and the US.

Our current order book looks healthy with some sales into Q2 2022. Our distribution capabilities, including the ability to manage inventories close to key demand centres coupled with a disciplined commercial strategy, allow us to optimise

benefits from the current market conditions. This bodes well for our outlook, as exemplified by the recent award to Fertiglobe to supply 500kt urea to Ethiopia this quarter and in the second quarter this year at an average price of c.\$725 / ton.

We continue to strengthen our world-leading ammonia production, logistics and trading platform. During the past quarter, we have increased throughput capabilities at our ammonia import terminal in Rotterdam by an annualized rate of c.300 kt, which has enabled us to continue our downstream production in Europe, and combat volatility in feedstock prices by sourcing record volumes of ammonia from our operations at Fertiglobe and in the US as well as third party volumes to our Dutch operations.

We continue to make good progress in our efforts to capture value creative opportunities from emerging demand for clean ammonia and methanol as we aim to become one of the largest producers of clean fuel and feedstock in the world. We recently strengthened our methanol platform considerably through a new strategic partnership in Abu Dhabi, highlighting our growing leadership in the renewable energy markets and commitment to a greener future.”

Our nitrogen businesses are underpinned by healthy market fundamentals

OCI's earnings momentum has been underpinned by several factors which suggest a structural shift to a multi-year demand driven environment for nitrogen products over the medium term.

- Demand for nitrogen fertilizers is robust in key import markets, further supported by low inventories, with Europe, Ethiopia, US, and India importing product ahead of the season in Q2 2022. The USDA highlights tighter global grains markets in 2022 and 2023 versus 2021, with strong support for corn above \$5/bushel and spot prices currently at \$6.50 / bushel.
- Low grain inventory levels and stocks-to-use ratios globally, which need at least two years to replenish, amplify the need for nitrogen fertilizers application to ease food security concerns. Recent weather concerns in South America have contributed to further tightness in the global grains market.
- Supply has been limited due to several other factors and medium-term dynamics are attractive:
 - *Urea export bans by the Chinese government are limiting their participation in future Indian tenders at least until July, with China implementing mandatory requirements for summer stocking and tighter environmental restrictions.*
 - *Russia, one of the bigger nitrogen exporting countries in the world, also has export quotas on urea, nitrates and a ban on ammonium nitrate exports until H2 2022, further tightening global nitrogen balances.*
 - *Projected new urea capacities are below the level seen over the past five years, below projected demand growth and are slow to ramp up.*
- The US nitrogen outlook remains strong, supported by low inventories and strong demand with higher grain prices driving expanding crop area in the 2022 and 2023 seasons.
- In Europe, demand for nitrates is strong with limited pre-buying this season and low producer inventories resulting in further tightness in the spring season.
- Globally, higher marginal feedstock costs are also providing support to markets, with prices, particularly natural gas in Europe currently at c.\$26 / mmBtu, resetting at higher levels and providing support for selling prices over the medium-term.

Global recovery to drive demand for our industrial products

The **ammonia** market is structurally tightening over the medium term with limited net capacity additions and higher industrial demand. Ammonia prices in Q4 2021 and into Q1 2022, have been supported by a strong US fall ammonia season lowering inventories ahead of the spring season, higher demand from downstream phosphates production and a number of planned and unplanned outages. Further, over the medium term there is upside for ammonia from the expected incremental demand for clean ammonia in new applications across a range of sectors including marine fuel and power, and as a hydrogen carrier.

Melamine markets have continued to tighten driven by strong demand from home renovation and construction markets, tight supply and low global inventories across the supply chain. Quarterly contract prices increased by 35% in Q4 2021 and increased by a further €775 to €3,965 / ton in Q1 2022.

The recovery in truck sales and freight activity has continued, supporting an improving trend for OCI's **Diesel Exhaust Fluid (DEF)** sales in the US for 2022. DEF now represents more than 30% of our sales volumes from IFCo and DEF prices have been supported by the recovery in transportation demand. The higher netbacks for this product enable us to continue to enhance returns for our US nitrogen operations going forward. We have renewed a 3-year offtake contract with Dyno Nobel for DEF and other industrial urea products via our successful N-7 partnership and have successfully grown our contractual volumes for the 2022 season.

Methanol market fundamentals also remain positive. Prices have been supported by a continued recovery in demand, low global inventories, and the recovery in oil prices whereas there is no new supply expected to come onstream in 2022. Transportation applications also continue to lag other sectors which is expected to keep market conditions tight in 2022.

Further, operating rates for major derivatives segments are reported to be near maximum rates, which provides good visibility on our sales and prices in H1 2022. Methanol-to-Olefins (MTO) operating rates in China have recovered in Q1 2022 and are expected to remain healthy in the quarters ahead, and a new 1.8 mtpa MTO facility is starting up in China later this year which should provide a further boost. Long term, we continue to expect tighter methanol market fundamentals with demand growth exceeding capacity growth.

ESG – decarbonization initiatives continue

Ammonia and methanol are the most effective green hydrogen carriers. With green hydrogen essential to decarbonize industry, food, transport and energy, there are significant opportunities for ammonia and methanol to deliver green hydrogen all over the world to fuel the clean economy and meet growing demand for renewable sources of clean energy.

As one of the largest producers and traders of ammonia and methanol globally, with a strategically located asset base and access to abundant low-cost renewable energy sources, OCI is a pioneer in helping the decarbonisation of sectors that make up around 90% of global greenhouse gas emissions.

We have recently announced several new clean energy projects including a partnership with Masdar and ENGIE to study a globally cost-competitive green hydrogen facility of up to 200MW to supply Fertiglobe's ammonia production plants in Abu Dhabi.

Capital structure

We achieved our net leverage goals during 2021, as our growth strategy and competitive business model started to pay off. During 2021, we redeemed bonds at OCI NV and IFCo for a total of \$1.8 billion and have reduced net debt by \$1.5 billion to c.\$2.2 billion, lowered our weighted average cost of debt from c.4.3% at end 2020 to c.3.2% at end 2021 and reduced cash interest by more than \$60 million per year from 2022 onwards, thus enhancing our ongoing FCF conversion.

In addition, on 27 October 2021 ADNOC and OCI successfully listed 13.8% of their partnership Fertiglobe on the Abu Dhabi Securities Exchange (ADX), generating gross proceeds to OCI of c.\$461 million (\$447 million net). Following the IPO, OCI continues to own a majority of Fertiglobe's share capital. In October 2021, Fertiglobe paid dividends of \$1,165 million (of

which \$850 million was a special dividend and \$315 million were dividends from the ordinary course of business) to its two shareholders (OCI 58% and ADNOC 42%), of which \$676 million was paid to OCI and \$489 million to ADNOC

Following the transformation in our capital structure during 2021 and the healthy free cash flow generated, we are now quickly approaching our objective to reach an Investment Grade credit rating.

As a result, we are well-positioned to start returning capital to shareholders, as well as invest in growth opportunities in the hydrogen energy transition and other opportunities to enhance our future free cash flows. Looking ahead, we will continue to evaluate opportunities to optimize our capital structure.

Credit rating upgrades

In November 2021, Moody's upgraded the corporate family rating (CFR) of OCI NV from Ba2 to Ba1 and the instrument rating from Ba3 to Ba1 (both with a stable outlook). In December 2021, Fitch upgraded the OCI NV rating from BB to BB+ (stable outlook). Following S&P's upgrade in Q3 2021, all ratings are now equalised at BB+ / Ba1 (stable outlook).

Dividend / capital allocation policy

OCI's Board has approved a new dividend / capital allocation policy, which combines a consistent base return of capital of \$400 million per year with an additional variable component linked to FCF generated. Distributions will be made twice per year.

Going forward, the policy is subject to maintaining an investment grade credit profile with a target of net leverage below 2x through the cycle, and balance availability of funds and excess FCF for profit distribution to shareholders while pursuing value accretive ESG and other growth opportunities.

H2 2021 Semi-annual interim distribution

OCI announces a proposed payment of an interim distribution for the period H2 2021 of €1.45 per share (or c.\$350 million including a \$200 million base).

OCI is convening an extraordinary shareholders meeting (EGM) on 28 March 2022 to resolve on the distribution through a repayment of capital with an option to shareholders to elect for a dividend distribution instead, resulting in a distribution to shareholders scheduled for June, subject to a statutory two-month creditor opposition period.

Shareholder approval will be asked for the H2 2021 distribution and for a subsequent distribution scheduled for October of up to €305 million (or c.\$350 million). However, the actual amount of the capital return to shareholders pursuant to such second distribution will be subject to further approval by the board at its full discretion with due observance of the applicable dividend policy and applicable regulations. The convening notice and other materials can be found on our website at www.oci.nl.

Consolidated Financial Results at a Glance¹

Financial Highlights (\$ million unless otherwise stated)

\$ million unless otherwise stated	Q4'21	Q4'20	% Δ	2021	2020	% Δ
Revenue	2,198.9	1,035.7	112%	6,318.7	3,474.1	82%
Gross Profit	811.3	127.7	536%	1,829.0	412.1	344%
Gross profit margin	36.9%	12.3%		28.9%	11.9%	
Adjusted EBITDA²	1,038.7	265.9	291%	2,526.5	869.8	190%
EBITDA	999.5	209.9	376%	2,454.4	779.1	215%
<i>EBITDA margin</i>	45.5%	20.3%		38.8%	22.4%	
Adjusted net income (loss) attributable to shareholders²	447.4	(44.8)	nm	731.8	(213.4)	nm
Reported net income (loss) attributable to shareholders	294.8	(56.9)	nm	570.5	(177.7)	nm
Earnings / (loss) per share (\$)						
Basic earnings per share	1.405	(0.271)	nm	2.719	(0.847)	nm
Diluted earnings per share	1.397	(0.271)	nm	2.703	(0.847)	nm
Adjusted earnings per share ²⁾	2.134	(0.213)	nm	3.487	(1.017)	nm
Capital expenditure	84.2	51.5	63%	247.8	262.6	(6%)
<i>Of which: Maintenance Capital Expenditure</i>	75.4	50.4	50%	225.4	239.4	(6%)
Free cash flow^{2,3}	788.7	245.0	222%	1,593.9	304.7	423%
31-Dec '21 31-Dec'20						
Total Assets	9,811.6	9,097.0	8%			
Gross Interest-Bearing Debt	3,800.8	4,416.6	(14%)			
Net Debt	2,220.5	3,730.3	(40%)			
Q4'21 Q4'20 % Δ 2021 2020 % Δ						
Sales volumes ('000 metric tons)						
OCI Product Sold ⁴	2,689.4	3,397.7	(21%)	11,440.1	12,249.0	(7%)
Third Party Traded	738.8	696.6	6%	2,953.6	2,434.7	21%
Total Product Volumes	3,428.1	4,094.3	(16%)	14,393.7	14,683.7	(2%)

1) Unaudited

2) OCI presents certain financial measures when discussing OCI's performance, that are not measures of financial performance under IFRS. These non-IFRS measures of financial performance (also known as non-GAAP or alternative performance measures) are presented because management considers them important supplemental measures of OCI's performance and believes that similar measures are widely used in the industry in which OCI operates.

3) Free cash flow is an APM that is calculated as cash from operations less maintenance capital expenditures less distributions to non-controlling interests plus dividends from equity accounted investees, and before growth capital expenditures and lease payments.

4) Fully consolidated, not adjusted for OCI ownership stake in plants, except OCI's 50% share of Natgasoline volumes.

Operational Highlights

Highlights

- 12-month rolling recordable incident rate to 31 December 2021 was 0.35 incidents per 200,000 manhours
- OCI achieved a 291% increase in adjusted EBITDA in Q4 2021 compared to Q4 2020 due to higher selling prices year-on-year for all products more than offsetting lower volumes due to turnarounds and despite record high gas prices in Europe.
- Own product sales volumes were lower at 2.7 million metric tons during Q4 2021:
 - Total own-produced nitrogen product volumes were down 16%, largely due to turnarounds at Fertiglobe and the shutdown of one ammonia line at OCI Nitrogen due to the high gas price environment in Europe, partially offset by growth in ammonia volumes at Fertiglobe, and DEF volumes in the US
 - Total own-produced methanol sales volumes declined 44% due to a planned turnaround at Natgasoline and no production from BioMCN due to the high gas price environment in Europe
- Selling prices improved year-on-year for all products compared to both Q4 2020 and Q3 2021
- In Europe, significantly higher gas prices in Q4 2021 versus Q4 2020 resulted in a negative impact of c.\$147 million
- In the US higher gas prices in Q4 2021 compared to a year ago resulted in a net negative impact of c.\$37 million

Product Sales Volumes ('000 metric tons)

'000 metric tons	Q4 2021	Q4 2020	% Δ	2021	2020	% Δ
Own Product						
Ammonia	443.0	380.0	17%	2,090.3	1,656.8	26%
Urea	995.6	1,472.4	(32%)	4,327.6	4,763.2	(9%)
Calcium Ammonium Nitrate (CAN)	279.0	290.7	(4%)	1,176.4	1,371.8	(14%)
Urea Ammonium Nitrate (UAN)	412.7	434.2	(5%)	1,354.8	1,749.9	(23%)
Total Fertilizer	2,130.2	2,577.3	(17%)	8,949.0	9,541.7	(6%)
Melamine	35.2	37.0	(5%)	131.9	144.6	(9%)
DEF	187.2	181.0	3%	612.1	636.2	(4%)
Total Nitrogen Products	2,352.6	2,795.3	(16%)	9,692.9	10,322.5	(6%)
Methanol¹⁾	336.7	602.4	(44%)	1,747.2	1,926.5	(9%)
Total Own Product Sold	2,689.4	3,397.7	(21%)	11,440.1	12,249.0	(7%)
Traded Third Party						
Ammonia	69.2	108.1	(36%)	255.5	284.3	(10%)
Urea	252.9	275.1	(8%)	1,295.2	910.5	42%
UAN	16.9	22.6	(25%)	48.5	41.3	18%
Methanol	209.0	35.2	494%	524.4	258.8	103%
AS	124.6	200.7	(38%)	467.8	712.8	(34%)
DEF	66.2	54.9	21%	362.2	227.0	60%
Total Traded Third Party	738.8	696.6	6%	2,953.6	2,434.7	21%
Total Own Product and Traded Third Party	3,428.1	4,094.3	(16%)	14,393.7	14,683.7	(2%)

1) Including OCI's 50% share of Natgasoline volumes

Benchmark Prices

			2021	2020	% Δ	Q4 '21	Q4 '20	% Δ	Q3 '21	% Δ
Ammonia	NW Europe, FOB	\$/mt	623	253	146%	941	261	261%	654	44%
Ammonia	US Gulf Tampa contract	\$/mt	595	233	156%	862	242	256%	614	40%
Granular Urea	Egypt, FOB	\$/mt	529	249	113%	895	264	239%	484	85%
CAN	Germany, CIF	€/mt	338	170	100%	590	175	237%	298	98%
UAN	France, FCA	€/mt	340	154	121%	602	160	276%	323	87%
UAN	US Midwest, FOB	\$/mt	413	180	129%	653	172	279%	378	73%
Melamine	Europe contract	€/t	2,279	1,380	65%	3,190	1,390	129%	2,365	35%
Methanol	USGC Contract, FOB	\$/mt	557	336	66%	645	372	73%	558	16%
Methanol	Rotterdam FOB Contract	€/mt	426	253	68%	485	263	84%	405	20%
Natural gas	TTF (Europe)	\$/ mmBtu	15.8	3.1	411%	31.2	5.0	525%	16.7	87%
Natural gas	Henry Hub (US)	\$/ mmBtu	3.7	2.0	86%	4.8	2.7	80%	4.3	12%

Source: CRU, MMSA, ICIS, Bloomberg

Operational Performance

Nitrogen Segments Performance in Q4 2021

Total own-produced nitrogen volumes decreased by 16% during the fourth quarter of 2021 compared to the same period last year, largely due to turnarounds at Fertiglöbe. However, this was more than offset by higher nitrogen pricing during the quarter. The adjusted EBITDA for the nitrogen business increased 320% from \$209 million in Q4 2020 to \$877 million in Q4 2021, despite the turnarounds and higher gas prices in Europe and the US.

Nitrogen US segment

- Following the extended turnaround at IFCo during Q3 2021, IFCo's contribution to the Group's results increased considerably compared to both Q4 2020 and Q3 2021. The adjusted EBITDA in the Nitrogen US segment increased by 270% to \$169 million in Q4 2021 versus Q4 2020, as higher selling prices more than offset lower volumes and higher gas prices year-on-year.
- IFCo, together with our North American marketing JV N-7, benefits from close proximity to the largest agricultural end market in the world; premium US Midwest pricing; and one of the lowest cost positions globally. This results in some of the highest EBITDA per-ton margins and cash conversion metrics in the industry.

Nitrogen Europe segment

- The Nitrogen Europe segment continued to perform well in a difficult market environment with record high natural gas input costs, as we benefitted from OCI's flexible business model and increased throughput capabilities at our ammonia import terminal in Rotterdam. This enabled us to maintain production of our downstream products (CAN, UAN and melamine), after we temporarily closed one of two of OCI Nitrogen's ammonia plants due to the high gas prices in Europe at the beginning of Q4 2021.
- Selling prices for all our products were up, which offset a \$147 million negative impact year-on-year from higher natural gas prices, resulting in a 251% increase in adjusted EBITDA YoY and an adjusted EBITDA margin of 15% for Q4 2021.

- CAN volumes were relatively flat year-on-year in Q4 2021, but we have a healthy order book on nitrates in H1 2022 and expect to benefit from our logistics close to core demand centres once the season starts off.
- Melamine volumes were flat in Q4 2021 compared to Q4 2020, but quarterly contract prices increased by 35% in Q4 2021 to €3,190 / ton compared to Q3 2021 due to strong demand, tight supply, higher production costs and low global inventories across the supply chain.

Fertiglobe

- The adjusted EBITDA for Fertiglobe increased 348% from \$145 million in Q4 2020 to \$648 million in Q4 2021 boosted by higher nitrogen pricing during the quarter.
- Total own-produced sales volumes were down by 22% in Q4 2021 compared to the same period last year, as the growth in ammonia volumes was offset by lower operating rates for urea production due to turnarounds.
- As a result of the higher selling prices, the adjusted EBITDA also improved compared to the third quarter of 2021.

Methanol Segments Performance in Q4 2021

Own-produced methanol sales volumes decreased by 45% in Q4 2021 compared to the same period last year:

- Our methanol facility in the Netherlands was temporarily shut down in June 2021 and remains shut down due to the high gas price environment. However, the Methanol Europe segment recorded \$101 million adjusted EBITDA during the quarter primarily reflecting sale of excess EUAs in December in addition to the ramp up of clean fuels sales into Europe.
- After a period with relatively low operating rates, Natgasoline had its inaugural planned turnaround starting during the third quarter, the first since commissioning in 2018, which we expect to result in better reliability and increased operating rates going forward. Following the resumption of production at the beginning of December, the plant has achieved rates close to maximum production capacity, which bodes well for the future.
- Continued good onstream performance at OCI Beaumont in Q4 2021.

The adjusted EBITDA of the methanol business was higher in Q4 2021 due to higher methanol prices and the sale of excess EUAs, more than offsetting lower volumes and higher gas prices in the Netherlands and the US compared to a year ago.

Segment overview Q4 2021

\$ million	Nitrogen				Total Nitrogen	Methanol				Other	Elim.	Total
	US	Europe	Fertiglobe*	Elim.		US	Europe	Elim.*	Total Methanol*			
Total revenues	353.8	473.1	1,184.0	(117.5)	1,893.4	227.0	145.8	(8.0)	364.7	0.0	(59.3)	2,198.9
Gross profit	137.2	56.5	626.2	(11.3)	808.6	16.0	(24.8)	29.2	20.4	0.1	(17.8)	811.3
Operating profit	130.3	46.7	596.2	(11.2)	762.0	(2.9)	(28.8)	41.8	10.1	(19.6)	(17.8)	734.7
D&A	(38.2)	(22.0)	(65.1)	(0.1)	(125.2)	(31.3)	(120.1)	12.9	(138.6)	(1.1)	0.0	(264.8)
EBITDA	168.5	68.7	661.2	(11.2)	887.2	28.4	91.3	28.9	148.7	(18.5)	(17.8)	999.5
Adj. EBITDA	168.5	72.4	647.6	(11.3)	877.2	101.0	100.9	(2.6)	199.3	(19.9)	(17.8)	1,038.7

*As per Q4 2021 we have represented our segments Fertiglobe and Methanol for the year, and have included all non-production and holding entities, which were previously presented in the segment other. This change is also reflected in the comparative numbers per Q4 2020 and FY 2020.

Segment overview Q4 2020

\$ million	Nitrogen				Total Nitrogen	Methanol				Other	Elim.	Total
	US	Europe	Fertiglobe	Elim.		US	Europe	Elim.*	Total Methanol			
Total revenues	149.4	190.5	498.3	(30.0)	808.2	137.9	127.0	(19.4)	245.5	0.0	(18.0)	1,035.7
Gross profit	10.7	4.5	101.6	(1.5)	115.3	(15.8)	(7.3)	35.4	12.3	0.1	0.0	127.7
Operating profit	7.6	(1.9)	77.2	(1.5)	81.4	7.8	(4.4)	7.0	10.4	(35.4)	0.0	56.4
D&A	(37.9)	(22.5)	(67.3)	0.0	(127.7)	(48.5)	(7.6)	30.9	(25.2)	(0.6)	0.0	(153.5)
EBITDA	45.5	20.6	144.8	(1.8)	209.1	56.3	3.2	(23.9)	35.6	(34.8)	0.0	209.9
Adj. EBITDA	45.5	20.6	144.9	(1.9)	209.1	61.4	2.6	2.3	66.3	(9.5)	0.0	265.9

Segment overview 2021

\$ million	Nitrogen				Total Nitrogen	Methanol				Other	Elim.	Total
	US	Europe	Fertiglobe	Elim.		US	Europe	Elim.*	Total Methanol			
Total revenues	827.8	1,256.8	3,310.7	(198.3)	5,197.0	789.2	531.3	(41.7)	1,278.8	0.0	(157.1)	6,318.7
Gross profit	212.0	154.5	1,406.9	(8.7)	1,764.7	290.7	(144.3)	(49.1)	97.3	(10.3)	(22.7)	1,829.0
Operating profit	191.8	117.3	1,304.5	(8.6)	1,605.0	242.1	(155.3)	(27.2)	59.6	(79.1)	(22.7)	1,562.8
D&A	(152.4)	(92.1)	(267.1)	0.0	(511.6)	(151.0)	(303.8)	78.8	(376.0)	(4.0)	0.0	(891.6)
EBITDA	344.2	209.4	1,571.6	(8.6)	2,116.6	393.1	148.5	(106.0)	435.6	(75.1)	(22.7)	2,454.4
Adj. EBITDA	344.2	207.7	1,550.5	(8.6)	2,093.8	370.9	151.4	0.6	522.9	(67.5)	(22.7)	2,526.5

Segment overview 2020

\$ million	Nitrogen				Total Nitrogen	Methanol				Other	Elim.	Total
	US	Europe	Fertiglobe	Elim.		US	Europe	Elim.*	Total Methanol			
Total revenues	547.9	752.9	1,550.8	(72.1)	2,779.5	466.2	339.1	(62.9)	742.4	0.0	(47.8)	3,474.1
Gross profit	54.1	75.7	272.3	(0.6)	401.5	(10.9)	(4.3)	27.3	12.1	(1.5)	0.0	412.1
Operating profit	38.3	42.2	181.9	(0.6)	261.8	(11.8)	(5.4)	5.9	(11.3)	(63.5)	0.0	187.0
D&A	(142.7)	(82.9)	(268.1)	0.0	(493.7)	(154.5)	(28.4)	86.9	(96.0)	(2.4)	0.0	(592.1)
EBITDA	181.0	125.1	449.6	(0.2)	755.5	142.7	23.0	(81.0)	84.7	(61.1)	0.0	779.1
Adj. EBITDA	181.0	132.3	453.3	(0.4)	766.2	130.0	21.6	(1.7)	149.9	(46.3)	0.0	869.8

Financial Highlights

Summary results

Consolidated revenue increased by 112% to \$2,199 million in the fourth quarter of 2021 compared to the same quarter in 2020, driven mainly by higher prices for all our products.

Adjusted EBITDA increased by 291% to \$1,039 million in Q4 2021 compared to \$266 million in Q4 2020. The nitrogen and methanol segments benefited from higher selling prices, offsetting lower sales volumes and higher gas prices in Europe and the US.

Reported net profit attributable to shareholders was \$295 million in Q4 2021 compared to a net loss of \$57 million in Q4 2020. The adjusted net profit attributable to shareholders was \$447 million in Q4 2021 compared to an adjusted net loss of \$45 million in Q4 2020.

Consolidated Statement of Income*

\$ million	Q4 2021	Q4 2020	2021	2020
Net revenue	2,198.9	1,035.7	6,318.7	3,474.1
Cost of Sales	(1,387.6)	(908.0)	(4,489.7)	(3,062.0)
Gross profit	811.3	127.7	1,829.0	412.1
SG&A	(75.8)	(51.0)	(266.4)	(219.3)
Other Income	0.3	3.2	1.4	17.6
Other expense	(1.1)	(23.5)	(1.2)	(23.4)
Adjusted EBITDA	1,038.7	265.9	2,526.5	869.8
EBITDA	999.5	209.9	2,454.4	779.1
Depreciation & amortization & Impairments	(264.8)	(153.5)	(891.6)	(592.1)
Operating profit	734.7	56.4	1,562.8	187.0
Interest income	0.7	0.6	4.3	4.4
Interest expense	(96.0)	(119.4)	(281.0)	(307.5)
Other finance income / (cost)	2.8	76.4	2.5	103.2
Net finance costs	(92.5)	(42.4)	(274.2)	(199.9)
Income from equity-accounted investees	(42.9)	(12.6)	7.3	(36.7)
Net income before tax	599.3	1.4	1,295.9	(49.6)
Income tax expense	(40.7)	(32.6)	(137.1)	(44.5)
Net profit / (loss)	558.6	(31.2)	1,158.8	(94.1)
Non-Controlling Interest	(263.8)	(25.7)	(588.3)	(83.6)
Net profit / (loss) attributable to shareholders	294.8	(56.9)	570.5	(177.7)
Adjusted net profit / (loss) attributable to shareholders	447.4	(44.8)	731.8	(213.4)

* Unaudited

Reconciliation to Alternative Performance Measures

Adjusted EBITDA is an Alternative Performance Measure (APM) that intends to give a clear reflection of underlying performance of OCI's operations. The main APM adjustments in the fourth quarters of 2021 and 2020 relate to:

- Natgasoline is not consolidated and an adjustment of c.\$21 million was made for OCI's 50% share in the plant's EBITDA in Q4 2021. Natgasoline's contribution to adjusted EBITDA in Q4 2020 was \$29 million
- The unrealized results on natural gas hedge derivatives of \$21 million in Q4 2021 relate to hedging activities at OCI Beaumont
- The unrealised results on EUA derivatives of \$10 million in Q4 2021 relate to hedging activities of EUA credits at OCI Nitrogen and BioMCN in Europe
- Other including provisions of \$(12) million in Q4 2021 and \$25 million in Q4 2020 mainly relates to movement in various provisions

Reconciliation of reported operating income to adjusted EBITDA

\$ million	Q4 '21	Q4 '20	2021	2020	Adjustment in P&L
Operating profit as reported	734.7	56.4	1,562.8	187.0	
Depreciation and amortization	264.8	153.5	891.6	592.2	
EBITDA	999.5	209.9	2,454.4	779.2	
<u>APM adjustments for:</u>					
Natgasoline	20.5	28.9	94.5	65.9	OCI's share of Natgasoline EBITDA
Unrealized Result Natural Gas Hedging	20.5	2.0	(10.0)	(8.6)	COGS
Unrealized Result EUA Derivatives	10.4	-	(1.7)	-	COGS
Gain on Purchase Related to Fertigllobe	-	-	-	(13.3)	Other income
Hurricane Laura	-	0.5	-	10.0	
Mandatory Inspection Costs OCIN	-	-	-	7.2	
Other including provisions	(12.2)	24.6	(10.7)	29.5	
Total APM adjustments	39.2	56.0	72.1	90.7	
Adjusted EBITDA	1,038.7	265.9	2,526.5	869.8	

Adjusted net income attributable to shareholders

At the net income level, the main APM adjustments in Q4 2021 relate to a full impairment of the PP&E of BioMCN (\$117 million), expenses related to refinancing and accelerated depreciation, partially offset by the recognition of a deferred tax asset related to previously unused tax losses at IFCo (\$101 million).

Reconciliation of reported net income to adjusted net income

\$ million	Q4 '21	Q4 '20	2021	2020	Adjustment in P&L
Reported net profit (loss) attributable to shareholders	294.8	(56.9)	570.5	(177.7)	
Adjustments for:					
Adjustments at EBITDA level	39.2	56.0	72.1	90.7	
Add back: Natgasoline EBITDA adjustment	(20.5)	(28.9)	(94.5)	(65.9)	
Result from associate (change in unrealized gas hedging Natgasoline and insurance)	52.1	2.7	(12.2)	(13.5)	<i>Finance expenses</i>
Accelerated depreciation and impairment of PP&E	130.0	-	300.7	2.2	<i>Depreciation & impairment</i>
Recognition of previously unused tax losses IFCo	(100.5)	-	(197.2)	-	<i>Income tax</i>
Expenses related to refinancing	48.9	51.3	61.7	51.3	
Forex (gain)/loss on USD exposure	(1.8)	(71.9)	1.4	(108.5)	<i>Finance income and expense</i>
Non-controlling interest adjustment / release interest accrual / uncertain tax positions	8.0	3.5	34.1	8.7	<i>Uncertain tax positions / minorities</i>
Tax effect of adjustments	(2.8)	(0.6)	(4.8)	(0.7)	<i>Income tax</i>
Total APM adjustments at net profit / (loss) level	152.6	12.1	161.3	(35.7)	
Adjusted net profit / (loss) attributable to shareholders	447.4	(44.8)	731.8	(213.4)	

Free Cash Flow and Net Debt

Free cash flow before growth capex amounted to \$789 million during Q4 2021, compared to \$245 million during the same period last year, reflecting our operational performance for the quarter and net operating working capital inflows, as well as monetization of CO2 emission rights. This was offset by maintenance capital expenditures, semi-annual interest payments and dividends paid to non-controlling interests.

Other cash in and outflows:

- Total cash capital expenditures including growth were \$84 million in Q4 2021 compared to \$52 million in Q4 2020. For the full year 2021, total cash capital expenditures were \$248 million compared to \$263 million in 2020.
- On 27 October 2021 ADNOC and OCI successfully listed 13.8% of their partnership Fertigllobe on the Abu Dhabi Securities Exchange (ADX), generating gross proceeds to OCI of c.\$461 million (\$447 million net). Following the IPO, OCI continues to own a majority of Fertigllobe's share capital.
- In October 2021, Fertigllobe paid dividends of \$1,165 million to its two shareholders (OCI 58% and ADNOC 42% at that time), of which \$676 million to OCI and \$489 million to ADNOC.
 - A special dividend of \$850 million (\$493 million to OCI and \$357 million to ADNOC)
 - Dividend from the ordinary course of business of \$315 million (\$183 million to OCI, \$132 million to ADNOC)
- Following extensive refinancing activities, debt redemption costs amounted to \$49 million in Q4 2021
- The resulting net debt was \$2,221 million as of 31 December 2021 versus \$3,046 million as of 30 September 2021 or deleveraging of \$825 million during the quarter. The trailing net debt / adjusted EBITDA was 0.9x as of 31 December 2021 compared to 4.3x at the same time last year and 1.7x as of 30 September 2021.

Reconciliation of EBITDA to Free Cash Flow and Change in Net Debt

\$ million	Q4'21	Q4'20	2021	2020
EBITDA	999.5	209.9	2,454.4	779.1
Working capital	163.5	229.2	101.8	143.5
Maintenance capital expenditure	(75.4)	(50.4)	(225.4)	(239.4)
Lease payments	(13.0)	(12.9)	(47.3)	(45.9)
Tax paid	(64.8)	(12.5)	(131.2)	(25.4)
Interest paid	(85.1)	(105.9)	(204.9)	(279.1)
Dividends from equity accounted investees	-	0.4	2.6	3.0
Dividends paid to non-controlling interests (NCI)	(171.6)	(16.8)	(442.7)	(43.2)
Other	35.6	4.0	86.6	12.1
Free Cash Flow	788.7	245.0	1,593.9	304.7
Reconciliation to change in net debt:				
Growth capital expenditure	(8.6)	(1.1)	(22.4)	(23.2)
Cash received for Fertiglobe closing settlement	-	-	-	166.8
Special dividend Fertiglobe paid to non-controlling interests (NCI)	(357.0)	-	(357.0)	-
IPO proceeds (net)	447.0	-	447.0	-
Other non-operating items	28.1	0.5	(76.5)	(4.4)
Net effect of movement in exchange rates on net debt	(19.6)	(5.3)	3.1	(41.7)
Debt redemption cost	(48.9)	(51.3)	(61.7)	(51.3)
Other non-cash items	(4.2)	(1.3)	(16.5)	(19.4)
Net Cash Flow / Decrease (Increase) in Net Debt	825.4	186.5	1509.9	331.5

Capital structure

We continue to benefit from our recent refinancing activities with a reduction in recurring interest expense (excluding debt restructuring costs) to \$183 million in 2021 from \$248 million in 2020.

During 2021, OCI repaid c.\$1.8 billion of bonds outstanding, and reduced net debt by c.\$1.5 billion to c.\$2.2 billion. These transactions have lowered the Group's weighted average cost of debt to c.3.2% at the end of 2021 from 4.3% at the end of 2020 and have reduced recurring cash interest by more than \$60 million per year from 2022 onwards (before any further capital structure optimizations), thus enhancing ongoing FCF conversion.

- A bridge loan of \$1.1 billion, obtained by Fertiglobe during Q3 2021, was drawn in October 2021 and the proceeds were used to repay the previous EFC and Fertiglobe outstanding loans and to partially fund a special dividend to OCI and ADNOC. At the same time a \$300 million 5-year revolving credit facility was signed by Fertiglobe to enhance backstop liquidity access, replacing the previous \$75 million facility.
- On 1 November 2021, OCI redeemed \$540 million 5.25% Senior Secured Notes and on 8 November 2021 €400 million 3.125% Senior Secured Notes.
- In December, OCI redeemed a further c.\$460 million N.V.'s Senior Secured Notes and IFCo bonds.

Notes

This report contains unaudited fourth quarter consolidated financial highlights of OCI N.V. ('OCI', 'the Group' or 'the Company'), a public limited liability company incorporated under Dutch law, with its head office located at Honthorststraat 19, 1071 DC Amsterdam, the Netherlands.

OCI N.V. is registered in the Dutch commercial register under No. 56821166 dated 2 January 2013. The Group is primarily involved in the production of nitrogen-based fertilizers and industrial chemicals.

Auditor

The financial highlights and the reported data in this report have not been audited by an external auditor.

Investor and Analyst Conference Call

On 15 February 2022 at 16:30 CET, OCI N.V. will host a conference call for investors and analysts. Investors can find the details of the call on the Company's website at www.oci.nl.

On 15 February at 14:30 CET, Fertiglobe will host a conference call for investors and analysts. Investors can find the details of the call on the Company's website at www.fertiglobe.com.

Market Abuse Regulation

This press release contains inside information as meant in clause 7(1) of the Market Abuse Regulation.

About OCI N.V.:

OCI N.V. (Euronext: OCI) is a leading global producer and distributor of hydrogen products providing low carbon fertilizers, fuels, and feedstock to agricultural, transportation, and industrial customers around the world. OCI's production capacity spans four continents and comprises approximately 16.2 million metric tons per year of hydrogen products including nitrogen fertilizers, methanol, biofuels, diesel exhaust fluid, melamine, and other products. OCI has more than 3,850 employees, is headquartered in the Netherlands and listed on Euronext in Amsterdam.

About Fertiglobe:

Fertiglobe is the world's largest seaborne exporter of urea and ammonia combined, and an early mover in clean ammonia. Fertiglobe's production capacity comprises of 6.7 million tons of urea and merchant ammonia, produced at four subsidiaries in the UAE, Egypt and Algeria, making it the largest producer of nitrogen fertilizers in the Middle East and North Africa (MENA), and benefits from direct access to six key ports and distribution hubs on the Mediterranean Sea, Red Sea, and the Arab Gulf. Headquartered in Abu Dhabi and incorporated in Abu Dhabi Global Market (ADGM), Fertiglobe employs more than 2,600 employees and was formed as a strategic partnership between OCI N.V. ("OCI") and the Abu Dhabi National Oil Company ("ADNOC"). Fertiglobe is listed on the Abu Dhabi Securities Exchange ("ADX") under the symbol "FERTIGLB" and ISIN "AEF000901015. To find out more, visit: www.fertiglobe.com

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OCI stock symbols: OCI / OCI.NA / OCI.AS
Fertiglobe stock symbol: FERTIGLB

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