

Middle East comes on strong with three \$1bn-plus deals in a month

Fertiglobe, billed as the world's largest exporter of nitrogen fertiliser, is planning to list on the Abu Dhabi Securities Market on October 27.

The two major shareholders intend to sell 13.8% of the capital in an all secondary offering.

Fertiglobe is a joint venture between OCI, originally the Egyptian group Orascom Construction Industries founded and led by members of the Sawiris family, and the Abu Dhabi National Oil Co.

In the IPO, OCI will reduce its holding from 58% to 50% plus one share.

"We think the deal size is going to be – broad brush - \$750m-\$1bn," said a banker on the deal. "It's a pretty big business. They had revenues of \$2bn in the last 12 months, they made 38% Ebitda margins over the same period, and they're talking about at least \$370m in dividends for the full year 2022."

Shares will be sold in two tranches. Ten percent will be offered to retail investors in the United Arab Emirates, 90% to institutions. The books will open on October 13 and close on October 18 and 19, for the first and second tranches.

Morgan Stanley, Citigroup, FAB and HSBC are global coordinators, EFG Hermes, Goldman Sachs and International Securities bookrunners.