

## **BOROUGE SIGNS PROJECT COLLABORATION AGREEMENT FOR SPECIALITY POLYOLEFINS COMPLEX IN CHINA AS PART OF CONSORTIUM**

- *Borouge, in a consortium with ADNOC and Borealis, has initiated a joint feasibility study for a proposed greenfield project in collaboration with Wanhua Chemical*
- *Proposed complex in China set to produce 1.6 MTPA of speciality polyolefins, supporting Borouge's ambitions to reinforce its market position in Asia*
- *Project to capitalise on Borealis' state-of-the-art proprietary Borstar® technology and Borouge's extensive sales network*
- *Parties intend to utilise 100% zero-carbon electricity for the planned complex, underscoring their commitment to sustainability and reducing emissions*

**ABU DHABI, UAE – 23 July 2024:** Borouge Plc, a leading petrochemicals company providing innovative and differentiated polyolefins solutions, today announced an acceleration of its growth plans in its core Asia market, through a strategic consortium, aimed at developing a speciality polyolefins complex in China. The consortium, comprising Borouge, ADNOC and Borealis, has signed a Project Collaboration Agreement (PCA) with China's Wanhua Chemical and Wanrong New Materials (Fujian), a subsidiary controlled by Wanhua Chemical.

The proposed complex in Fuzhou, Fujian Province, is set to produce 1.6 million tonnes per annum (MTPA) of speciality polyolefins leveraging both Borealis' cutting-edge proprietary Borstar® technology and Borouge's extensive sales network. The consortium intends to establish a Sino-foreign joint venture with Wanrong New Materials (Fujian), with a shareholding ratio of 50:50 respectively, subject to customary regulatory approvals.

His Excellency Dr. Sultan Ahmed Al Jaber, UAE Minister of Industry and Advanced Technology, Managing Director and Group CEO of ADNOC and Chairman of Borouge, witnessed the signing ceremony in Beijing, along with Liao Zengtai, Chairman of Board of Wanhua Chemical and Fuzhou Mayor, Wu Xiande. Hazeem Sultan Al Suwaidi, CEO of Borouge PLC, participated in the ceremonial signing on behalf of Borouge as part of the consortium, and Kou Guangwu, CEO of Wanhua Chemical Group, participated on behalf of Wanhua Chemical.

**Hazeem Sultan Al Suwaidi, Chief Executive Officer of Borouge,** said: "This strategic growth initiative builds on the robust economic ties between the UAE and China, and offers the potential to create value for Borouge shareholders by accelerating our expansion in China. The proposed complex will leverage the strengths of our partners and majority shareholders, who bring a capacity to deploy significant capital, world-leading technology, innovation and technical expertise, as well as extensive logistics and customer networks. We look forward to collaborating with our partners to swiftly deliver a sustainable feasibility study that will support our commitment to continue reducing our emissions."

## Market Announcement

This strategic initiative will reinforce Borouge's premium positioning in the fast-growing market for high-quality differentiated materials and represents a significant step in its international growth ambitions. As part of the consortium, Borouge is aiming to enhance its presence in China, the world's single largest and fastest growing polyolefins market, where petrochemical self-sufficiency is being prioritised and further expanding the company's strong market position.

The proposed project will leverage Borouge and Borealis' industry and commercial expertise, as well as technology, supply-chain and logistics synergies across the ADNOC Group. It will also benefit from Wanhua Chemical's strong track record and network in the Chinese market, along with China's competitive construction and energy costs, as well as its accelerated execution timelines. The partners are committed to achieving net zero emissions and developing products that promote the circular economy and intend to power the planned specialty polyolefins complex with 100% zero-carbon electricity, supported by the local government.

The final structure of the project and financial commitments will be established following the completion of the feasibility study, which will also explore artificial intelligence (AI) solutions to support automated plant operations.

Asia serves as a hub for polyolefin demand, with China accounting for 40% of global consumption. Borouge has established a strong presence in China, operating an application centre and a compounding centre in Shanghai and in 2023, almost 30% of Borouge's revenue was derived from China, underscoring the company's commitment to drive strong growth in the country. Borouge supplies premium materials across a wide range of customer segments, including infrastructure, renewable energy, electric vehicles, and advanced packaging.

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### About Borouge Plc

Borouge Plc, listed on the Abu Dhabi Securities Exchange (ADX symbol: BOROUGE / ISIN AEE01072B225), is a leading petrochemicals company that provides innovative and differentiated polyolefin solutions for the infrastructure, energy, mobility, healthcare, agriculture and advanced packaging industries. Borouge employs more than 3,100 people and serves customers in over 86 countries across Asia, the Middle East and Africa.

Founded in 1998 through a strategic partnership between ADNOC and Borealis, Borouge was formed to build and operate a polyolefins complex in Al Ruwais Industrial City, United Arab Emirates, which today is one of the world's largest integrated polyolefin complexes. ADNOC owns a majority 54% stake and Borealis holds a 36% stake in Borouge. To find out more, visit: [borouge.com](http://borouge.com)

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