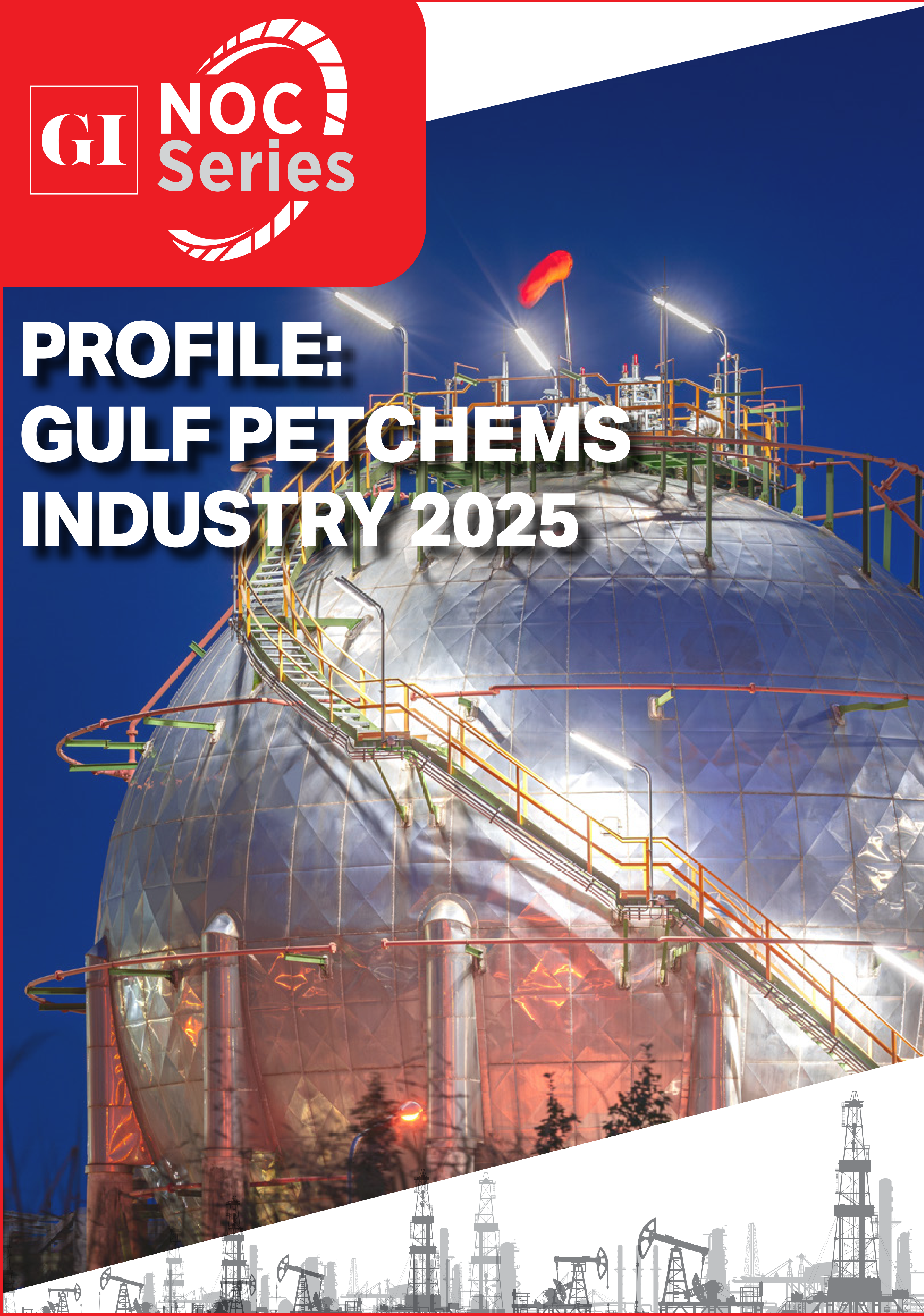
GI NOC Series

PROFILE: GULF PETCHEMS INDUSTRY 2025



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GCC NATIONAL OIL COMPANIES (NOCS) AND THEIR PETROCHEMICAL SECTOR

The Gulf Cooperation Council (GCC) region is home to some of the world's leading National Oil Companies (NOCs), playing a pivotal role in the global energy landscape. These NOCs, which include Saudi Aramco (Saudi Arabia), ADNOC (United Arab Emirates), Kuwait Petroleum Corporation (KPC), QatarEnergy (Qatar), Oman's OQ, and Bahrain's Bapco, are not only responsible for the exploration, production, and export of hydrocarbons but also play a significant role in the development of the region's petrochemical sector.

The Role of GCC NOCs in the Petrochemical Industry

The petrochemical industry is a crucial component of the GCC's economic diversification strategies, driven by the vast availability of feedstock, strategic geographic positioning, and increasing global demand for petrochemical products. GCC NOCs have heavily invested in downstream petrochemical industries to enhance value addition, reduce reliance on crude oil exports, and establish a competitive presence in global markets.

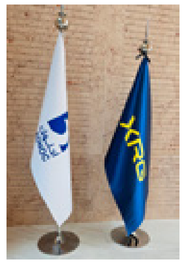
Strategic Importance and Future Outlook

The GCC's petrochemical sector is positioned for continued growth, supported by government-backed initiatives, rising demand for plastics and specialty chemicals, and an increasing focus on sustainability and energy transition. However, challenges such as fluctuating crude prices, geopolitical risks, and global market competition necessitate continued innovation, strategic partnerships, and investment in advanced technologies.

This report provides an in-depth analysis of the strategies, developments, challenges, and future prospects of GCC NOCs in the petrochemical sector, outlining their contributions to the regional and global energy economy.

Summary: How These NOCs Rank in Petrochemicals

Country	National Oil Company (NOC)	Major Petrochemical Subsidiaries	Key Products
Saudi Arabia	Saudi Aramco	SABIC, Sadara, SATORP, Petro Rabigh, YASREF, FUJIAN, PRefCHEM, HAPCO	Polyethylene, Polypropylene, Engineering Plastics, Aromatics
UAE	ADNOC	Borouge, TA'ZIZ, Ruwais Industrial Complex, XRG, Fertiglobe	Polyethylene, Fertilizers, Industrial Chemicals
Kuwait	KPC	PIC, KARO, KOC, KOC	Ethylene, Paraxylene, Fertilizers, Aromatics
Oman	OQ	LPIC, OQ Chemicals, OQ8 DUQUM, SMC, OMIFCO	Polymers, Oxo Chemicals, Aromatics
Qatar	QatarEnergy	QAPCO, QAFCO, QAFAC Q-CHEM,QVC, QATOFIN	Ethylene, Polyethylene, LNG Derivatives
Bahrain	Bapco	GPIC, BAPCO GAS, BGB, BAHRAIN LNG	Methanol, Ammonia, Specialty Fuels



ADNOC - (UAE)

EXPANDING INTO GLOBAL CHEMICALS

Overview:

The Abu Dhabi National Oil Company (ADNOC) is the state-owned oil and gas company of the United Arab Emirates (UAE) and one of the world's largest integrated energy companies. Headquartered in Abu Dhabi, ADNOC plays a pivotal role in the UAE's economy, managing the country's oil, gas, refining, and petrochemical sectors. It has over 100 billion barrels of proven crude oil reserves and produces more than 4 million barrels per day. ADNOC is rapidly expanding its petrochemical and chemical business, making it a key player in the global chemicals industry.

KEY PETROCHEMICAL SUBSIDIARIES & JOINT VENTURES

1. Borouge

- **Overview:** Borouge is a leading petrochemical company and a joint venture between ADNOC (60%) and Borealis (40%), established in 1998. It specializes in polyolefin solutions, supplying polyethylene (PE) and polypropylene (PP) to industries worldwide, including packaging, automotive, construction, and agriculture.
- **Operations:** Borouge operates one of the world's largest integrated polyolefin complexes in Ruwais, Abu Dhabi, producing high-performance polymers for industrial and consumer applications. It exports to over 50 countries and invests in sustainable and innovative polymer technologies to support a circular economy.
- **Capacity:** The company has a total annual production capacity exceeding 5 million metric tons of polyolefins, making it a key player in the global petrochemical industry. The upcoming Borouge 4 project will further expand capacity and enhance ADNOC's downstream capabilities.
- **Products:** Specializes in polyethylene (PE) and polypropylene (PP) used in rigid and flexible packaging, automotive components, infrastructure, and advanced agriculture solutions. The company is also expanding its sustainable product portfolio, including recyclable and bio-based polymers.

2. TA'ZIZ

- **Overview:** TA'ZIZ is a joint venture between ADNOC and ADQ, established to drive the growth of the UAE's downstream and industrial sector. It serves as a catalyst for industrial development, attracting foreign investment and accelerating the UAE's strategy to diversify its economy beyond hydrocarbons.
- **Operations:** TA'ZIZ focuses on the development of chemicals, industrial services, and clean energy solutions in the Ruwais Industrial Complex. It facilitates the production of petrochemicals, specialty chemicals, and low-carbon industrial products, supporting key sectors such as manufacturing, energy, and agriculture.
- **Capacity:** The TA'ZIZ Industrial Zone spans over 50 square kilometers and is set to accommodate multiple large-scale projects, including TA'ZIZ Industrial Chemicals Zone, TA'ZIZ Light Industrial Zone, and TA'ZIZ Services Zone, all designed to enhance supply chain resilience and local manufacturing capabilities.
- **Products:** The company plans to produce chlor-alkali, ethylene dichloride, methanol, ammonia, and other industrial chemicals, catering to sectors like fertilizers, pharmaceuticals, textiles, and advanced manufacturing. It is also advancing clean energy solutions, including low-carbon hydrogen and ammonia, to support the global energy transition.

3. Ruwais Industrial Complex

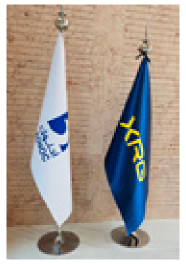
- **Overview:** The Ruwais Industrial Complex is one of the largest integrated industrial and petrochemical hubs in the world, located in Abu Dhabi's Al Dhafra region. Developed and managed by ADNOC, the complex plays a key role in supporting the UAE's downstream and manufacturing industries, contributing to economic diversification under the Abu Dhabi Economic Vision 2030.
- **Operations:** Ruwais is home to major refining, petrochemical, and industrial facilities, including ADNOC Refining, Borouge, and TA'ZIZ. The complex processes crude oil into petroleum products, specialty chemicals, and advanced polymers, serving global markets across energy, infrastructure, and consumer goods sectors.
- **Capacity:** The complex spans more than 1,400 square kilometers, housing ADNOC's 850,000-barrel-per-day refinery, one of the largest in the Middle East. It is undergoing continuous expansion, including TA'ZIZ's development of new industrial zones and the Borouge 4 project, which will significantly increase polyolefin production capacity.
- **Products:** The complex produces a wide range of refined fuels, petrochemicals, polymers, and specialty chemicals, including polyethylene (PE), polypropylene (PP), methanol, ammonia, and lubricants. Future projects focus on low-carbon solutions, clean hydrogen, and advanced manufacturing to support sustainability and the energy transition.

4. XRG

- **Overview:** XRG is a global energy and chemicals investment company launched by ADNOC in November 2024. It focuses on expanding petrochemical, gas, and low-carbon energy assets, aiming to become a top-five global chemicals player.
- **Operations:** Specializes in the acquisition and development of petrochemical and chemical assets, with a focus on specialty chemicals, polymers, and low-carbon ammonia. It operates through three key platforms: Global Chemicals, International Gas, and Low-Carbon Energies.
- **Capacity:** Holds an enterprise value of over $80 billion and recently acquired a 91.3% stake in Covestro, a major player in specialty chemicals and high-performance polymers. XRG aims to double its asset value over the next decade.
- **Products:** Specialty petrochemicals, polymers, low-carbon ammonia, and gas-based chemical products, with a focus on sustainability and decarbonization technologies.

5. Fertiglobe

- **Overview:** Fertiglobe is a leading producer and exporter of nitrogen-based fertilizers and industrial chemicals, established in 2019 as a joint venture between ADNOC and OCI Global. It plays a key role in the global petrochemical and chemical supply chain, particularly in ammonia and urea production.
- **Operations:** Specializes in the production of nitrogen-based chemicals, including ammonia and urea, with manufacturing facilities in the UAE, Egypt, and Algeria. It also focuses on the development of low-carbon ammonia for energy transition and industrial applications.
- **Capacity:** Operates with an annual production capacity of over 6.7 million metric tons of ammonia and urea, making it the world's largest seaborne exporter of these products.
- **Products:** Anhydrous ammonia, granular urea, and diesel exhaust fluid (DEF), serving industries such as petrochemicals, agriculture, and industrial manufacturing. The company is also advancing clean ammonia production for future energy applications.



MAJOR DEALS:

Merger with OMV to Form Borouge Group International (March 2025): ADNOC and Austria's OMV agreed to merge their polyolefin businesses, combining Borouge and Borealis to create Borouge Group International, valued at over $60 billion. This merger positions the new entity as the fourth-largest polyolefins company globally, specializing in plastics derived from oil and gas. Financial Times

Acquisition of Nova Chemicals (March 2025): As part of the merger with OMV, Borouge Group International plans to acquire Nova Chemicals, a North American polyethylene producer, for $13.4 billion. This acquisition aims to strengthen ADNOC's presence in the North American market. Reuters

Launch of XRG – ADNOC's Lower-Carbon Chemicals Company (November 2024): ADNOC launched XRG, an international lower-carbon energy and chemicals investment company, valued at over $80 billion. XRG aims to become a global leader in chemicals and specialty products, addressing the projected 70% increase in global demand by 2050. ADNOC's official website

Acquisition of Covestro (October 2024): ADNOC acquired Covestro, a leading German chemicals manufacturer, for €15.9 billion ($18 billion). This move expands ADNOC's global chemicals portfolio and aligns with its strategy to capitalize on growing demand for advanced materials. Reuters

Stake in ExxonMobil's Baytown Hydrogen Project (September 2024): ADNOC acquired a 35% stake in ExxonMobil's blue hydrogen facility at the Baytown Refinery in Texas. The project will capture and store 7 million metric tons of CO2 per year, supporting ADNOC's low-carbon initiatives. Wikipedia (Baytown Refinery)

Launch of TA'ZIZ Industrial Chemicals Zone (November 2024): ADNOC, in partnership with ADQ, announced the development of the TA'ZIZ Industrial Chemicals Zone in Ruwais, Abu Dhabi. This initiative aims to attract foreign investment and establish a robust chemicals production hub, focusing on producing industrial chemicals locally for the first time. ADQ official website

Acquisition of a 24.9% Stake in OMV (December 2022): ADNOC acquired a 24.9% stake in Austrian oil, gas, and petrochemical company OMV. This investment strengthens ADNOC's international presence and aligns with its strategy to expand its petrochemical footprint. ADNOC's official website

Development of the Ruwais Derivatives Park (July 2020): ADNOC, in collaboration with ADQ, launched a joint venture to invest in chemicals projects within the planned Ruwais Derivatives Park. This development aims to enhance the UAE's position in the global petrochemicals market by diversifying product offerings and attracting new investments. ADNOC's official website

KEY EXECUTIVES:

H.E. Dr. Sultan Ahmed Al Jaber
Minister of Industry and Advanced Technology & UAE Special Envoy for Climate; Group MD & CEO of ADNOC and Chairman of Masdar

H.E. Dr. Sultan Ahmed Al Jaber has served as Minister of Industry and Advanced Technology since July 2020 as the COP28 President-Designate, as a member of the Supreme Council for Financial and Economic Affairs since December 2020, as UAE Cabinet Member since March 2013, as Minister of State from March 2013 up to July 2020, as Chairman of the National Media Council from 2016 up to July 2020, as the UAE's special envoy for Climate Change since November 2020, as Group Chief Executive Officer of ADNOC since February 2016 and additionally Managing Director of ADNOC since February 2021. From January 2014 to February 2016, he served as Chief Executive Officer, Energy, of Mubadala Development Company. H.E. Dr. Al Jaber is also Chairman of several ADNOC Group companies, Chairman of Masdar, Chairman of Emirates Development Bank, Chairman of FAB Misr and Chairman of the Board of Trustees of Mohammed bin Zayed University of Artificial Intelligence, as well as a member of the Board of Directors of Advanced Technology Research Council, Mubadala Investment Company, Emirates Global Aluminum, Emirates Investment Authority and First Abu Dhabi Bank. H.E. Dr. Al Jaber holds a PhD in business and economics from Coventry University in the United Kingdom, an MBA from the California State University, and a Bachelor's in Chemical Engineering from the University of Southern California, USA.

Khaled Salmeen
CEO, Downstream, ADNOC

Khaled Salmeen is the CEO of Downstream at ADNOC, where he oversees the entire downstream value chain. He is committed to driving performance, maximizing efficiency, and delivering strong, sustainable growth across all stages of the downstream sector. Salmeen has been a driving force behind the successful public listing of five downstream companies, the strategic consolidation of ADNOC's gas businesses, and the launch of high-impact ventures like TA'ZIZ.

Additionally, as a proven dealmaker, Salmeen has led major transactions that have expanded ADNOC's global footprint, reinforcing ADNOC's position as a regional and international leader. Salmeen holds board positions at ADNOC Logistics and Services, ADNOC Refining, ADNOC Gas, Borouge ADP, Fertiglobe, ADNOC Global Trading, and ADNOC Distribution. He chairs the boards of Borouge PTE, ADNOC Trading, TA'ZIZ, and Abu Dhabi Gas Distribution, and serves on the boards of NGSCO and OMV. In his previous role, Salmeen led the Marketing, Supply, and Trading Directorate of ADNOC. His leadership experience includes roles as CEO of Khalifa Industrial Zone Abu Dhabi (KIZAD), Chairman of Abu Dhabi Terminals, and COO of Tabreed. Salmeen holds a Bachelor's degree in Engineering from the Colorado School of Mines and an Executive MBA from INSEAD.

SAUDI ARAMCO - (SAUDI ARABIA)

THE LARGEST INTEGRATED ENERGY & PETROCHEMICAL COMPANY

Overview:

Saudi Aramco (Saudi Arabian Oil Company) is the world's largest integrated oil, gas, and petrochemical company, playing a crucial role in global energy markets. Headquartered in Dhahran, Saudi Arabia, the company was founded in 1933 as a joint venture with Standard Oil of California (now Chevron) and later became fully owned by the Saudi Arabian government. It remains the largest oil producer, with proven crude oil reserves exceeding 260 billion barrels and a daily production capacity of 12-13 million barrels.

Aramco has heavily invested in refining, chemicals, and petrochemicals, integrating its upstream oil production with downstream businesses to maximize value. In 2020, it acquired a 70% stake in Saudi Basic Industries Corporation (SABIC) for $69 billion, solidifying its role in petrochemical production. Its joint ventures, such as Sadara Chemical Company (a partnership with Dow Chemical) and Petro Rabigh (with Sumitomo Chemical), help produce high-value chemicals, polyethylene, polypropylene, and specialty plastics. The company operates global refining and petrochemical facilities in Asia, Europe, and the U.S., partnering with industry leaders like TotalEnergies, Shell, and Sinopec.

KEY PETROCHEMICAL SUBSIDIARIES & JOINT VENTURES:

1. Saudi Basic Industries Corporation (SABIC) - $69 Billion Acquisition (2020)

- **Overview:** In 2020, Aramco acquired a 70% stake in SABIC, the world's fourth-largest petrochemical company, from the Saudi Public Investment Fund (PIF) for $69.1 billion.
- **Strategic Importance:** The deal expanded Aramco's petrochemical production capabilities, providing access to polymers, fertilizers, and industrial chemicals across global markets.
- **Operations:** SABIC operates over 60 manufacturing sites in 50+ countries, producing ethylene, methanol, polyolefins, and engineering plastics.

2. Rabigh Refining and Petrochemical Company (Petro Rabigh) - $702 Million Stake Increase (2024)

- **Overview:** In 2024, Aramco acquired an additional 22.5% stake in Petro Rabigh from Sumitomo Chemical for $702 million, increasing its ownership to approximately 60%.
- **Strategic Importance:** Strengthens Aramco's refining and petrochemical operations, securing one of Saudi Arabia's largest integrated refining and chemicals facilities.
- **Operations:** Petro Rabigh operates a 400,000 barrels per day (bpd) refinery and produces plastics, polymers, and specialty chemicals.

3. Sadara Chemical Company - $20 Billion Joint Venture with Dow (2011-Present)

- **Overview:** A joint venture between Aramco (65%) and Dow Chemical (35%), Sadara operates one of the world's largest integrated chemical facilities, with a total investment of $20 billion.
- **Strategic Importance:** Sadara enhances Aramco's high-value specialty chemicals production, reducing reliance on crude oil exports and expanding downstream diversification.
- **Operations:** The complex has 26 manufacturing units, producing polyurethane, glycol ethers, isocyanates, and amines.

4. Yanbu Aramco Sinopec Refining Company (YASREF) - $8.5 Billion Joint Venture (2012)

- **Overview:** Established in 2012, YASREF is a joint venture between Aramco (62.5%) and China's Sinopec (37.5%), operating a full-conversion refinery in Yanbu Industrial City, Saudi Arabia.
- **Strategic Importance:** Supports Aramco's refining and petrochemical integration, helping meet China's growing demand for petrochemical products while enhancing Aramco's global exports.
- **Operations:** YASREF processes 400,000 bpd of crude oil, producing naphtha, benzene, paraxylene, and propylene.

5. Saudi Aramco Total Refining and Petrochemical Company (SATORP) - $11 Billion Expansion (2022)

- **Overview:** A joint venture between Aramco (62.5%) and TotalEnergies (37.5%), operating a refining and petrochemical complex in Jubail, Saudi Arabia.
- **Strategic Importance:** Expands Aramco's downstream business, increasing production of high-value chemicals and fuels.
- **Operations:** In 2022, Aramco and TotalEnergies announced an $11 billion expansion to build a new integrated petrochemical facility.

6. Pengerang Refining and Petrochemical (PRefChem) - $27 Billion Joint Venture (2018-Present)

- **Overview:** A joint venture between Aramco (50%) and Malaysia's PETRONAS (50%), managing a $27 billion refinery and petrochemical complex in Pengerang, Malaysia.
- **Strategic Importance:** Enhances Aramco's Asian market expansion and secures long-term crude oil supply agreements in Southeast Asia.
- **Operations:** The facility processes 300,000 bpd of crude oil, producing polyethylene, polypropylene, and high-value fuels.

7. Huajin Aramco Petrochemical Company (HAPCO) - $10 Billion Refinery Project in China (2023-Present)

- **Overview:** A joint venture between Aramco (30%), NORINCO Group, and Panjin Xincheng Industrial Group, developing a $10 billion refinery and petrochemical complex in Panjin, China.
- **Strategic Importance:** Strengthens Aramco's long-term crude oil supply agreements with China, \ supporting the country's growing demand for petrochemicals.
- **Operations:** The project will feature a 300,000 bpd refinery and a 1.65 million tons per year petrochemical complex, expected to be operational by 2026.

8. Fujian Refining and Petrochemical Company - $9.82 Billion Investment (2024-Present)

- **Overview:** A joint venture between Aramco and Sinopec, constructing a $9.82 billion refinery and petrochemical complex in Fujian province, China.
- **Strategic Importance:** Strengthens Aramco's Asian refining and petrochemical presence, supporting China's growing demand for advanced materials and fuels.
- **Operations:** The complex will feature a 16 million metric ton-per-year refinery and a 1.5 million ton-per-year ethylene plant, expected to be operational by 2030.

MAJOR DEALS:

Potential Bid for BP's Castrol Unit (March 2025): Aramco is exploring an initial bid for BP's lubricant business, Castrol, estimated to be worth between $6 billion and $8 billion. This interest aligns with BP's strategic review and potential divestment plans. reuters.com

Acquisition of Additional Stake in Petro Rabigh (2024): In August 2024, Aramco signed an agreement to acquire an additional 22.5% stake in Rabigh Refining and Petrochemical Company (Petro Rabigh) from Sumitomo Chemical for $702 million. This move increased Aramco's ownership to 60%, enhancing its control over the integrated refining and petrochemical complex located on Saudi Arabia's west coast. ARAMCO.COM

Investment in Rongsheng Petrochemical (2023): In July 2023, Aramco finalized a $3.4 billion deal to acquire a 10% stake in China's Rongsheng Petrochemical. The agreement includes a 20-year crude oil supply deal with Rongsheng-controlled Zhejiang Petrochemical Corp, strengthening Aramco's presence in the Chinese petrochemical market. OILANDGASMIDDLEEAST.COM

Framework Agreement with Rongsheng Petrochemical (2024): In November 2024, Aramco, along with its affiliate Saudi Aramco Jubail Refinery Company (SASREF), signed a Development Framework Agreement with an affiliate of Rongsheng Petrochemical Co. Ltd. This agreement paves the way for an expansion project at SASREF in Jubail, Saudi Arabia, aiming to enhance refining and petrochemical capabilities. ARAMCO.COM

Acquisition of Majority Stake in SABIC (2020): In June 2020, Aramco completed the acquisition of a 70% stake in Saudi Basic Industries Corporation (SABIC) from the Public Investment Fund of Saudi Arabia for $69.1 billion. This deal significantly bolstered Aramco's position in the global petrochemical industry. ARAMCO.COM

Joint Venture with Sinopec in Fujian, China (2024): In November 2024, Aramco and Sinopec commenced the construction of a refinery and petrochemical complex in Fujian province, southeast China. The project, valued at approximately $9.82 billion, includes a 16 million metric ton-per-year refinery and a 1.5 million ton-per-year ethylene plant, with operations expected to begin by 2030.

REUTERS.COM

KEY EXECUTIVES:

Amin H. Nasser
President & CEO, Saudi Aramco

Amin H. Nasser is the President & CEO of Aramco and a Board Member. With 40+ years at Aramco, he has led major expansions in upstream, downstream, and petrochemicals, including global investments and partnerships. He champions youth development, innovation, and clean energy, driving initiatives in crude-to-chemicals, carbon capture, and renewables. Nasser serves on global advisory boards and has received top industry honors, including SPE's Lifetime Achievement Award. He holds a bachelor's in petroleum engineering from King Fahd University of Petroleum and Minerals.

Yousef Al-Benyan
Vice Chairman & CEO, Sabic

Yousef Abdullah Al-Benyan is Vice Chairman and Chief Executive Officer of SABIC, the world's third-largest diversified petrochemicals company. Prior to his current position, Mr. Al-Benyan held the following positions: Executive Vice President, Corporate Finance and CFO; Executive Vice President, Chemicals; and Executive Vice President, Corporate Human Resources. Mr. Al-Benyan joined SABIC in 1987, just eleven years after the company's formation. His first role was as a business development specialist before joining corporate communications. Mr. Al-Benyan relocated to Stamford, Connecticut as Operations Manager, then in 1994 to Houston, Texas as Commercial Manager for SABIC in the USA and Latin America. In 2002, he was promoted to General Manager of SABIC Asia, headquartered in Singapore. He returned to Houston in the fall of 2005 as General

Mohammad A. Al-Hatlani
President & CEO
Saudi Aramco Total Refining and Petrochemical Company (SATORP)

Mohammad A. Al-Hatlani serves as the President and Chief Executive Officer (CEO) of the Saudi Aramco Total Refining and Petrochemical Company (SATORP). He has been with Saudi Aramco for over three decades, holding various leadership positions, including General Manager of Pipelines. In his current role, Al-Hatlani oversees SATORP's operations, focusing on refining and petrochemical processes.

Xiang Jiongjiong
Chief Executive Officer (CEO), Rongsheng Petrochemical Co., Ltd

Xiang Jiongjiong serves as the Chief Executive Officer (CEO) of Rongsheng Petrochemical Co., Ltd. He is also the Vice Chairman of Zhejiang Rongsheng Holding Group. Xiang has been instrumental in overseeing the company's operations and strategic initiatives, including international partnerships. Notably, in 2023, under his leadership, Rongsheng entered into a strategic partnership with Saudi Aramco, resulting in Aramco acquiring a 10% stake in Rongsheng for $3.4 billion. This partnership includes a long-term crude oil supply agreement, further strengthening Rongsheng's position in the petrochemical industry.

Fayez Al Sharef
Chief Executive Officer (CEO), Sadara Chemical Company

Fayez Al Sharef is the Chief Executive Officer (CEO) of Sadara Chemical Company (Sadara). Appointed as Sadara's CEO on Sept. 1, 2023, Al Sharef has extensive experience in the oil and gas and petrochemical industries, having begun his career at SABIC in 1997 before taking up leadership roles in Saudi Aramco and ARLANXEO. Prior to joining Sadara, Al Sharef served for nearly five years as the Director of one of Saudi Aramco's Giga Projects, the Amiral Project. Al Sharef began his career with Saudi Aramco in 2002 after his tenure at SABIC as Operations Group Leader for one of SABIC's affiliates. At Saudi Aramco, he worked in various leadership roles in the areas of operations and business development, including leading the commercial team who shaped the formation of Sadara. He is a Board Member for ARLANXEO and was a Board Member for Sadara from 2020.

Al Sharef holds a Bachelor of Science degree in Chemical Engineering from King Fahd University of Petroleum and Minerals and is a graduate of Harvard and Stanford Executive Programs in General Management.

مؤسسة البترول الكويتية
Kuwait Petroleum Corporation

Consultancy Intelligence Publishing

KUWAIT PETROLEUM CORPORATION (KPC) - (KUWAIT)

EMERGING PETROCHEMICAL FORCE

Overview:

Kuwait Petroleum Corporation (KPC), founded in 1980, is Kuwait's state-owned oil company, managing exploration, production, refining, marketing, and petrochemicals. It oversees 7% of the world's crude oil reserves, making it a key global energy player. KPC's petrochemical operations are led by its subsidiary, the Petrochemical Industries Company (PIC), which specializes in fertilizers, polypropylene, and other petrochemicals. PIC operates domestically and internationally, expanding its portfolio through joint ventures and strategic investments. In 2020, PIC took full control of a polypropylene plant in Kuwait, further strengthening its downstream operations. KPC integrates its supply chain through eight subsidiaries handling upstream, downstream, midstream, and global petrochemical activities. Committed to sustainability and economic growth, KPC continues to expand its presence in the global petrochemical and energy markets.

KEY PETROCHEMICAL SUBSIDIARIES & JOINT VENTURES

1. Petrochemical Industries Company (PIC)

- **Overview:** A subsidiary of KPC, PIC is a leading producer of petrochemicals in Kuwait.
- **Key Products:** Ethylene, polyethylene, polypropylene, fertilizers, and aromatics.
- **Strategic Partnerships:** Collaborates with global firms such as Dow Chemical and SABIC.
- **Major Investments:** Expanding olefins and aromatics complexes to boost production capacity.

2. EQUATE Petrochemical Company

- **Overview:** A joint venture between PIC, Dow Chemical, Boubyan Petrochemical Company, and Qurain Petrochemical Industries.
- **Operations:** Produces polyethylene, ethylene glycol, and polypropylene for global markets.
- **Recent Developments:** Increased production of ethylene glycol to meet global demand.

3. Kuwait Aromatics Company (KARO)

- **Overview:** A subsidiary focused on producing high-value aromatics and benzene.
- **Key Products:** Paraxylene and benzene used in industrial applications.
- **Strategic Importance:** Supplies feedstock for regional and global chemical industries.

4. Kuwait Olefins Company (KOC)

- **Overview:** A joint venture between PIC and international partners to produce olefins.
- **Key Products:** Ethylene and related derivatives for plastics and industrial applications.

MAJOR DEALS:

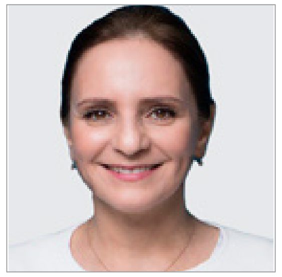
Al-Zour Petrochemicals Complex (2021-Present): The Al-Zour Petrochemicals Complex, developed by Kuwait Integrated Petrochemical Industries Company (KIPIC), is a $10 billion project designed to expand Kuwait's petrochemical sector. Integrated with the Al-Zour Refinery, the complex will include units for gasoline, aromatics, olefins conversion, and polypropylene production. Once operational, it is expected to produce 2.7 million tonnes per annum (MTPA) of aromatics and polypropylene, strengthening Kuwait's downstream capabilities and increasing exports. The complex is currently under construction and is set for completion by 2026. (Oil & Gas Middle East, 2021)

Duqm Refinery and Petrochemical Complex (2018-Present): The Duqm Refinery and Petrochemical Complex is a joint venture between Kuwait Petroleum International (KPI), Oman's OQ, and Saudi Arabia's SABIC, with an investment exceeding $8 billion. Located in Oman's Duqm Special Economic Zone, the project includes a steam cracker, derivatives unit, and a natural gas liquids (NGL) extraction facility. It aims to enhance regional cooperation in the petrochemical industry and strengthen Kuwait's presence in the global chemicals market. The project is in the construction phase and is expected to commence operations by 2025. (Kuwait Times, 2023)

Memorandum of Understanding with Shell (2023):In May 2023, KPC signed a Memorandum of Understanding (MoU) with Shell, focusing on knowledge-sharing and expertise exchange in oil, gas, refining, and petrochemicals. This collaboration aims to improve operational efficiencies, enhance sustainability practices, and develop advanced technologies in Kuwait's energy sector. By leveraging Shell's global expertise, KPC seeks to strengthen its competitive position in petrochemicals and refining while aligning with international best practices. (Oil & Gas Middle East, 2023)

Mergers of State Oil Companies (2024-2025)L: As part of a strategy to increase efficiency and reduce costs, KPC is overseeing the merger of some of its eight state-owned oil subsidiaries. The first merger is expected to take place by April 2025, with the goal of increasing production capacity by 40%. This restructuring initiative aims to streamline operations, optimize resource allocation, and enhance Kuwait's competitiveness in the global energy market. (AGBI, 2025)

KEY EXECUTIVES:



Nadia Bader Al Hajji
Chief Executive Officer, Petrochemical Industries Company (PIC)

Nadia Bader Al-Hajji currently serves as the Chief Executive Officer of Petrochemical Industries Company (PIC). In 2019, she served as the Deputy Chief Executive Officer (DCEO) of Projects & Business Development Group at PIC, as well as the DCEO of Olefins and Aromatics Group. Furthermore, she served as DCEO of Petrochemicals and LNGI at Kuwait Integrated Petroleum Industries Company (KIPIC) in 2018. Ms. Al-Hajji holds a bachelor's degree in chemical engineering from Kuwait University.

Shafi Taleb Al Ajmi
Chief Executive Officer, Kuwait Petroleum International

Shafi Taleb Al-Ajmi currently serves as the Chief Executive Officer of Kuwait Petroleum International (KPI). Prior to his current position, he served as Deputy Chief Executive Officer (DCEO) of Manufacturing at Kuwait Petroleum International (KPI), and as DCEO of Admin & Finance at Petrochemical Industries Company (PIC) in 2019. Mr. Al-Ajmi holds a bachelor's degree in chemical engineering from Kuwait University.

OQ - (OMAN)

INTEGRATED ENERGY & PETROCHEMICAL COMPANY

Overview:

OQ is Oman's integrated global energy company, operating across the entire hydrocarbon value chain, from exploration and production to refining, petrochemicals, chemicals, and marketing. Established through the merger of Oman Oil Company (OOC), Orpic (Oman Refineries and Petrochemicals Company), and other state-owned entities, OQ plays a key role in Oman's Vision 2040, focusing on energy diversification, economic growth, and global expansion. OQ has a strong petrochemical and chemical portfolio, producing high-value products that serve industries worldwide. It operates several key projects and subsidiaries specializing in plastics, performance chemicals, and polymers, contributing to Oman's industrial growth and international market presence.

KEY PETROCHEMICAL SUBSIDIARIES & JOINT VENTURES

1. OQ Chemicals

- **Overview:** A leading global manufacturer of oxo chemicals used in coatings, lubricants, and plastics.
- **Key Products:** Alcohols, acids, esters, and specialty chemicals.
- **Strategic Partnerships:** Collaborates with international chemical firms to enhance production capabilities.

2. Liwa Plastics Industries Complex (LPIC)

- **Overview:** One of OQ's flagship petrochemical projects aimed at enhancing polymer production.
- **Key Products:** Polyethylene (PE) and polypropylene (PP).
- **Strategic Importance:** Positions Oman as a key player in the regional and global polymer market.

3. Duqm Refinery & Petrochemical Industries

- **Overview:** A joint venture between OQ and Kuwait Petroleum International (KPI), contributing to petrochemical integration.
- **Key Products:** Aromatics, paraxylene, and polypropylene.
- **Strategic Importance:** Strengthens Oman's refining and petrochemical ecosystem.

4. Salalah Methanol Company (SMC)

- **Overview:** Specializes in methanol production for international markets.
- **Key Products:** Methanol and derivatives.
- **Global Reach:** Supplies methanol to key industries worldwide.

4. Oman India Fertilizer Company (OMIFCO)

- **Overview:** A joint venture between OQ, Indian Farmers Fertiliser Cooperative (IFFCO), and Krishak Bharati Cooperative (KRIBHCO), focused on fertilizer production.
- **Key Products:** Ammonia and urea fertilizers for agriculture and industrial applications.
- **Strategic Partnerships:** Supplies fertilizers to India under a long-term agreement, strengthening Oman-India economic ties.

5. Duqm Refinery and Petrochemical Industries Company (OQ8)

- **Overview:** A joint venture between OQ and Kuwait Petroleum International (KPI), developing a major refinery and petrochemical complex in Duqm, Oman.
- **Key Products:** Diesel, jet fuel, naphtha, and liquefied petroleum gas (LPG).
- **Strategic Partnerships:** Part of Oman's vision to develop Duqm as an energy and petrochemical hub, leveraging its strategic location for exports.

MAJOR DEALS:

OQ8 (Duqm Refinery and Petrochemical Industries Company): a joint venture between Oman's OQ Group and Kuwait Petroleum International (KPI), began operations in 2024 with a 230,000 barrels per day refinery. It exported its first naphtha shipment in April and became the first Gulf refinery with ISO17025-accredited labs before commissioning. OQ8 is also conducting a feasibility study with SABIC and KPI for a petrochemical complex in Duqm, expected to be completed by 2025. (Zawya, ICIS)

Sale of Dutch Esters Plant to Perstorp Group (December 2024): In December 2024, OQ Chemicals sold its esters plant in Amsterdam to the Perstorp Group. This strategic move was part of OQ's realignment efforts to streamline operations and focus on growth in core business areas. The sale allows OQ Chemicals to concentrate on its functional fluids, lubricants, and cosmetic ingredients businesses from its facilities in Oberhausen, Germany, and Nanjing, China. FINANCE.YAHOO.COM

Project Development Agreement for Petrochemical Complex in Duqm (December 2022): In December 2022, OQ, in collaboration with Saudi Basic Industries Corporation (SABIC) and Kuwait Petroleum International (KPI), signed a project development agreement to establish a world-scale petrochemical complex in the Special Economic Zone at Duqm (SEZAD), Oman. The planned complex includes a steam cracker, derivative units, and a natural gas liquid extraction facility. This partnership aims to leverage the technical and commercial expertise of the involved companies to develop a globally competitive and profitable project. MUSCATDAILY.COM

Ashraf Hamed Al Mamari
Group Chief Executive Officer, OQ

Mr. Ashraf Al Mamari, Group Chief Executive Officer of OQ, has nearly 20 years of experience in various organisational leadership roles. He has a B.Sc Degree in General Management from Sultan Qaboos University and is currently enrolled in the DBA programme with Coventry University. He has taken on multiple leadership roles in the Energy sector in Oman and abroad. Mr. Al Mamari first joined OQ in 2013, as a Learning and Development Manager in one of the Company's legacies – Takatuf Oman – then worked in OQ Exploration and Production and OQ Chemicals in Germany before leading the People, Technology and Culture function of OQ recently. He is a Board member of Abraj Energy Services and OQ Trading, furthermore served as board member of Marafiq, OPAL, InstOG and TRANSOM Catering.

QATARENERGY - (QATAR)

INTEGRATED ENERGY & PETROCHEMICAL COMPANY

Overview:

QatarEnergy, formerly known as Qatar Petroleum (QP), is Qatar's state-owned energy company, overseeing the country's oil, natural gas, refining, petrochemicals, and energy investments. Headquartered in Doha, QatarEnergy plays a crucial role in the global energy market, particularly as the world's leading exporter of Liquefied Natural Gas (LNG). QatarEnergy has a strong presence in the global petrochemical industry, operating through joint ventures and subsidiaries to produce ethylene, polyethylene, polypropylene, and other industrial chemicals. The company's petrochemical expansion strategy focuses on increasing value-added chemical production and strengthening Qatar's export capabilities.

KEY PETROCHEMICAL SUBSIDIARIES & JOINT VENTURES

1. Qatar Petrochemical Company (QAPCO)

- **Overview:** Established in 1974, QAPCO is one of the leading producers of petrochemicals in the Middle East. It operates world-class facilities in Mesaieed Industrial City, focusing on ethylene and polyethylene production.
- **Key Products:** Ethylene, Low-Density Polyethylene (LDPE), and Sulfur.
- **Strategic Partnerships:** Joint venture between Industries Qatar (80%) and TotalEnergies (20%).

2. Qatar Fertiliser Company (QAFCO)

- **Overview:** Founded in 1969, QAFCO is the world's largest single-site producer of ammonia and urea, playing a crucial role in Qatar's agricultural and petrochemical sectors.
- **Key Products:** Ammonia and Urea.
- **Strategic Partnerships:** Joint venture between Industries Qatar (75%) and Yara International (25%).

3. Qatar Chemical Company (Q-Chem)

- **Overview:** Established in 1997, Q-Chem operates state-of-the-art petrochemical facilities in Mesaieed Industrial City, producing high-quality polyethylene and alpha olefins.
- **Key Products:** High-Density Polyethylene (HDPE), Medium-Density Polyethylene (MDPE), and 1-Hexene.
- **Strategic Partnerships:** Joint venture between Mesaieed Petrochemical Holding Company (49%), Chevron Phillips Chemical International Qatar Holdings LLC (49%), and QatarEnergy (2%).

4. Qatar Vinyl Company (QVC)

- **Overview:** Established in 1997, QVC specializes in the production of key chemicals used in plastics and industrial applications, operating in Mesaieed Industrial City.
- **Key Products:** Caustic Soda, Ethylene Dichloride (EDC), and Vinyl Chloride Monomer (VCM).
- **Strategic Partnerships:** Mesaieed Petrochemical Holding Company (55.2%), QAPCO (31.9%), and QatarEnergy (12.9%).

5. Qatofin Company Limited

- **Overview:** A joint venture between QAPCO (63%), TotalEnergies (36%), and QatarEnergy (1%), focused on producing linear low-density polyethylene (LLDPE).
- **Key Products:** LLDPE, which is used in food packaging, agriculture films, and industrial applications.
- **Strategic Partnerships:** Enhances Qatar's plastic manufacturing capabilities, meeting growing global demand for polyethylene.

6. Qatar Fuel Additives Company (QAFAC)

- **Overview:** A joint venture between Industries Qatar (50%), OPIC Middle East (20%), International Octane (15%), and LCY Investments (15%), focused on fuel additives and methanol production.
- **Key Products:** Methanol, methyl tertiary-butyl ether (MTBE), used to enhance gasoline quality.
- **Strategic Partnerships:** Supports cleaner fuel production, reducing emissions in the automotive sector.

MAJOR DEALS:

Expansion of Urea Production Capacity (2024): In September 2024, QatarEnergy announced plans to more than double its annual urea production from 6 million to over 12.4 million tons. The expansion involves constructing four new production lines, with the first expected to commence before 2030. This move aims to meet the growing global demand for urea, a key component in fertilizers, driven by increasing agricultural needs. REUTERS.COM

Long-Term Naphtha Supply Agreement with Shell (2024): In October 2024, QatarEnergy signed a landmark 20-year agreement with Shell International Eastern Trading Company to supply up to 18 million metric tons of naphtha, starting in April 2025. This deal, the largest and longest of its kind for QatarEnergy, underscores its role as a key player in global energy markets and strengthens its strategic partnership with Shell. REUTERS.COM

Ras Laffan Petrochemicals Complex (2022): In January 2022, QatarEnergy partnered with Chevron Phillips Chemical Company to develop the Ras Laffan Petrochemicals Complex, a $6 billion integrated olefins and polyethylene facility. The complex will feature an ethane cracker with a capacity of 2.1 million tons per year, making it one of the largest in the Middle East, and two high-density polyethylene units with a combined capacity of 1.7 million tons annually. The project is expected to commence production in 2026, significantly enhancing Qatar's petrochemical output. GCCBUSINESSNEWS.COM

KEY EXECUTIVE:

H.E. Saad Sherida Al-Kaabi
Minister of State for Energy Affairs, Deputy Chairman and President & CEO

H.E. joined QatarEnergy in 1986 as a student studying Petroleum & Natural Gas Engineering at Pennsylvania State University in the USA. He graduated in 1991 with a Bachelor of Science degree in Petroleum & Natural Gas Engineering, and joined QatarEnergy's Reservoir & Field Development Department, where he progressed through various petroleum engineering, technical, commercial and supervisory positions. In September 2014, Mr. Al-Kaabi was appointed as President and Chief Executive Officer of QatarEnergy, where he oversees QatarEnergy's gas, oil and petrochemical developments in Qatar and internationally. On November 4, 2018, His Excellency Mr. Saad Sherida Al-Kaabi was appointed Minister of State for Energy Affairs and Cabinet member of the State of Qatar, and Deputy Chairman of QatarEnergy, in addition to his position as President & CEO.

BAHRAIN PETROLEUM COMPANY (BAPCO) - (BAHRAIN)

SUPPORTING PETROCHEMICAL GROWTH

Overview:

The Bahrain Petroleum Company (Bapco), established in 1929, is a cornerstone of Bahrain's oil and gas industry. Operating a refinery with a capacity exceeding 267,000 barrels per day, Bapco plays a pivotal role in the nation's energy sector. In 2023, Bapco underwent a significant transformation, becoming part of Bapco Energies—a consolidation of Bahrain's energy infrastructure aimed at streamlining operations and fostering growth. Within the petrochemical sector, Bapco holds a one-third stake in the Gulf Petrochemical Industries Company (GPIC), a joint venture with SABIC Agri-Nutrients Investments from Saudi Arabia and the Petrochemical Industries Company from Kuwait. GPIC specializes in the production of ammonia, methanol, and urea, contributing significantly to the region's petrochemical output. Bapco is also advancing its petrochemical capabilities through the Bapco Modernization Program (BMP), which aims to enhance refining capacity and integrate petrochemical production. This initiative includes the development of the Sitra Petrochemical Complex, expected to commence operations in 2025 with an annual capacity of approximately 2.08 million tons, utilizing naphtha as a key feedstock. Through these strategic initiatives and partnerships, Bapco is strengthening its position in the petrochemical industry, contributing to Bahrain's economic development and the broader regional market.

KEY PETROCHEMICAL SUBSIDIARIES & JOINT VENTURES

1. Gulf Petrochemical Industries Company (GPIC)

- **Overview:** Founded in December 1979, GPIC is a significant player in Bahrain's petrochemical sector. The company utilizes locally available natural gas as a feedstock for its production processes.
- **Key Products:** Ammonia, Urea, and Methanol.
- **Strategic Partnerships:** GPIC is a joint venture equally owned by Bapco Energies, SABIC Agri-Nutrients Investment (Saudi Arabia), and Petrochemical Industries Co. (PIC) (Kuwait).

2. Bapco Gas

- **Overview:** Formerly known as Banagas, Bapco Gas focuses on the processing, storage, and distribution of propane, butane, and naphtha derived from the Bahrain Oil Field and off-gas from Bapco Refining.
- **Key Products:** Propane, Butane, and Naphtha.
- **Strategic Developments:** In 2024, Bapco Energies acquired the minority stakes held by Chevron (12.5%) and Boubyan Petrochemicals (12.5%) in Bapco Gas, making it a wholly-owned subsidiary. This move aligns with Bapco Energies' vision to further integrate its value chain.

3. Bahrain Gasoline Blending W.L.L. (BGB)

- **Overview:** Established in 2016, BGB aims to optimize and expand Bahrain's domestic gasoline business.
- **Key Activities:** Utilizes unique blending capabilities and existing refinery infrastructure to produce and blend gasoline, enhancing Bahrain's gasoline supply resilience.
- **Strategic Partnerships:** BGB is a joint venture formed between nogaholding (now Bapco Energies), Bapco, and UK-based Greenergy.

4. Bahrain LNG

- **Overview:** Bahrain LNG operates a liquefied natural gas receiving, storage, and regasification facility offshore Hidd, with gas conditioning and send-out plant on the Khalifa bin Salman Port Causeway.
- **Key Activities:** Manages the import and regasification of LNG to support Bahrain's energy needs.
- **Strategic Partnerships:** Bahrain LNG is a joint venture involving Bapco Energies and international partners, including Teekay LNG, Samsung C&T, and the Gulf Investment Corporation.

MAJOR DEALS:

Acquisition of Minority Stakes in Bapco Gas (September 2024): In September 2024, Bapco Energies acquired the 12.5% stakes held by both Chevron and Boubyan Petrochemicals in Bapco Gas, formerly known as Banagas. This move consolidated Bapco Energies' ownership in Bapco Gas, enhancing its position in Bahrain's gas sector. BAPCOENERGIES.COM

Partnership with TotalEnergies in Petroleum Products Trading (March 2024): In March 2024, Bapco Energies and TotalEnergies entered into a strategic partnership to optimize the marketing of Bahrain's oil and gas products. This collaboration aims to leverage TotalEnergies' global network to enhance trading strategies and market reach for Bapco Energies' expanded production following the Bapco Modernization Programme. BAPCOENERGIES.COM

Catalyst Management Agreement with Chevron Joint Venture (August 2021): In August 2021, Bapco awarded a $240 million catalyst management contract to Advanced Refining Technologies (ART), a joint venture between Chevron and W. R. Grace & Co. ART will supply catalyst technology for Bapco's new Resid Hydrocracking Unit, a key component of the Bapco Modernization Programme aimed at increasing the refinery's processing capacity and efficiency. ZAWYA.COM

KEY EXECUTIVE:

Mark Thomas

Deputy Chairman, Bapco Energies

Mark Thomas is the Group Chief Executive Officer (CEO) of Bapco Energies, a role he has held since September 2021. With an extensive career in the energy sector, he previously worked at BP, where he held leadership positions such as Head of the Group CEO's Office, Regional President for the North Sea, and Vice President of Technical Functions & Global Operations. Before that, he worked at Amoco Chemical and Amoco Canada Petroleum in project management roles. In addition to his CEO position, Thomas serves as Chairman of Bapco Gas, Deputy Chairman of Bapco Refining, and Board Member of Tatweer Petroleum. He holds a BSc in Chemical Engineering from the University of New Brunswick (Canada) and an MBA in International Finance from the European University (Belgium). Under his leadership, Bapco Energies has been driving Bahrain's energy transformation, with a strong focus on sustainability, innovation, and efficiency. He has been instrumental in overseeing the Bapco Modernization Program (BMP), aimed at enhancing refining capacity and integrating more sustainable practices into operations.

Khalid Ahmed Abdulkarim

Acting Chief Executive Officer (CEO) & GM of Production, Bapco Gas

Khalid Ahmed Abdulkarim serves as the Acting Chief Executive Officer (CEO) and General Manager of Production at Bapco Gas, a subsidiary of Bapco Energies. In these roles, he oversees the company's operations related to gas processing and the production of associated chemical products. His leadership is instrumental in managing the extraction and marketing of products derived from process-associated gas, as well as supplying surplus gas to local industries.

Consultancy Intelligence Publishing

Abu Dhabi's Adnoc and OMV agree terms to create $60bn chemicals champion

March 4, 2025

Abu Dhabi's state-owned energy company Adnoc has agreed to terms of a binding agreement with Austria's OMV to merge their polyolefins business and create a $60 billion global champion.

Under the framework agreement, the two companies will form a joint venture company, Borouge Group International (BGI), combining Adnoc's Borouge with OMV's Borealis unit, Adnoc said on Tuesday.

Adnoc has also signed a share purchase agreement with Nova Chemicals, a unit of Mubadala Investment Company, for the full acquisition of Nova.

On completion of the Borouge and Borealis merger, the new entity will take ownership of Nova for $13.4 billion including debt, which will expand its footprint in North America.

"These transformative transactions mark a pivotal milestone in Adnoc's global chemicals strategy as we deliver on our international growth mandate," Dr Sultan Al Jaber, Adnoc managing director and group chief executive, said. "Building on our 25-year strategic partnership with OMV, we will create a new industry powerhouse, with a portfolio of premium products, cutting-edge technologies and worldwide market access."

The deal to combine Borouge and Borealis and subsequent acquisition of Nova Chemicals, further "solidifies Abu Dhabi's status as a leader in the chemicals sector", he said.

Fourth largest player
Following the deal, BGI will be the world's fourth-largest polyolefin producer, as measured by nameplate capacity, with 13.6 million tonnes per annum capacity. That includes the expected addition of 1.4 mtpa capacity from Borouge-4 by the end of 2026, at a cost of approximately $7.5 billion, which will a "key growth driver", Adnoc said.

The acquisition of Nova implies a multiple of about 7.5 time forward earnings before interest, taxes, depreciation and amortisation (Ebitda) and is expected to be debt-financed through the capital markets, Adnoc said.

The announcement of the merger culminates almost two years of negotiations between Adnoc and OMV. The two companies entered formal talks in July last year and the transaction, subject to customary regulatory approvals, is expected to be finalised during the first quarter of next year.

BGI will be headquartered and domiciled in Austria, with its regional headquarters in the UAE. The new entity, which will retain key corporate hubs in Calgary, Pittsburgh and Singapore, will be listed on the Abu Dhabi Securities Exchange.

Under the terms of the agreement, Adnoc and OMV will hold equal stakes of 46.94 per cent in BGI. The remaining 6.12 per cent will be free float, subject to the UAE's Securities and Commodities Authority's approval, Adnoc said. It is also based on the assumption that all existing free float shareholders of ADX-listed Borouge accept to exchange their shares in Borouge for BGI.

Borouge, which is a joint venture between Adnoc and Borealis, raised $2 billion through an initial public offering on the ADX in May 2022. It serves customers in more than 50 countries across Asia, the Middle East and Africa and provides polyolefin solutions for the agricultural, infrastructure, energy, advanced packaging, mobility and healthcare industries.

The global polypropylene market is projected to hit $167 billion by 2029, from about $121 billion in 2021 at a compound annual growth rate of 4.2 per cent, according to Data Bridge Market Research.

Borouge is vital to the UAE's plan to broaden its industrial base. The country plans to triple its petrochemical production capacity from 4.5 million tonnes – currently produced entirely by the Borouge factory – by 2025.

Borealis, which is majority owned by OMV and based in Vienna, is currently the eighth-largest producer of compounds such as polythene and polypropylene used in packaging, plastics and acrylics industries. It provides services and products to customers globally, both directly and in collaboration with Borouge.

Capital plans
BGI is set to raise up to $4 billion of primary capital in 2026, in a bid to get included in the MSCI index, tracked by the investors managing trillion of dollars in assets, and achieve an investment grade credit rating.

The proposed merger deal assumes a primary cash injection of €1.6 billion ($1.67 billion) by OMV into BGI.

The deal is expected to unlock significant value for shareholders through operational and commercial synergies, improved global market access and rollout of new innovations. BGI is expected to generate Ebitda of more than $7 billion a year, supported by stronger cash flow generation. The company's dividend policy will be based on a 90 per cent payout ratio.

"These landmark transactions … will accelerate our growth strategy in chemicals and support OMV's transformation into an integrated sustainable chemicals, fuels, and energy company," Alfred Stern, chairman and chief executive of OMV, said. "We aim to significantly increase the sales volumes of … polyolefin premium products and be at the forefront of renewable and circular economy solutions."

Source: THE NATIONAL
/https://www.thenationalnews.com/business/energy/2025/03/04/abu-dhabis-adnoc-and-omv-agree-terms-to-create-60bn-chemicals-champion

Consultancy Intelligence Publishing

Aramco-Chinese JV completes 60% work on HAPCO's $12bln project: Report

March 3, 2025

Construction work on the $11.5 billion fine chemicals and raw materials project of Huajin Aramco Petrochemical Company (HAPCO) is nearly 60 percent complete, according to a news report.

Work on the project, which covers 8.97 sq km, started in 2023, state-backed Xinhua news agency reported. The project is expected to become a global petrochemical and fine chemical industry base.

HAPCO is a joint venture between Aramco (30 percent), NORINCO Group (51 percent) and Panjin Xincheng Industrial Group (19 percent), the Saudi-listed oil giant said in a statement issued in March 2023. It is developing an integrated refinery and petrochemical complex in northeast China that will combine a 300,000 barrels per day refinery and a petrochemical plant with an annual production capacity of 1.65 million metric tonnes of ethylene and 2 million metric tonnes of paraxylene.

The complex is expected to be fully operational by 2026, the March 2023 statement said.

Source: ZAWYA
https://www.zawya.com/en/projects/construction/aramco-chinese-jv-completes-60-work-on-hapcos-12bn-project-report-wc5ull9b

ADNOC's US investments moved to international arm XRG

February 4, 2025

Abu Dhabi National Oil Company's investments in the United States now sit within its new international investment arm XRG, ADNOC's CEO said on Tuesday, as the oil giant moves to build up a business focused on lower carbon energy and chemicals.

The U.S. investments are in an ExxonMobil hydrogen plant and in NextDecade's liquefied natural gas facility.

ADNOC announced XRG in November, saying it would be worth more than $80 billion.

XRG will also be the majority owner of German chemicals maker Covestro after its shareholders approved a takeover offer worth 14.7 billion euros ($15.22 billion), including debt. XRG also set up a joint venture with BP in Egypt, initially focused on gas.

ADNOC said in September it would acquire a 35% stake in a planned ExxonMobil (XOM.N), opens new tab large-scale hydrogen plant in Texas, which could also produce ammonia. In May, ADNOC said it bought an 11.7% stake in NextDecade's Rio Grande LNG export facility in Texas and entered a supply agreement. In an op-ed, ADNOC Chief Executive Sultan Al Jaber also said the confirmation of Chris Wright as U.S. energy secretary was "a win for pragmatism, and an opportunity to reframe an energy narrative that has been far too negative for far too long".

He said growing emerging markets, the shift in energy systems and the "exponential growth of artificial intelligence" were mega-trends that would change the future and drive energy demand.

A diverse set of energy options is needed, including more gas over the next decade to power data centres and more chemicals to provide liquid coolants for such systems, he said. "That's the thinking behind Abu Dhabi's newest addition to its energy portfolio: XRG is an international energy investment company that will focus on projects across the spectrum, from gas to chemicals to low carbon fuels to energy infrastructure," said Al Jaber, who was the president of COP28.

Source: REUTERS
https://www.reuters.com/markets/commodities/adnocs-us-investments-moved-international-arm-xrg-2025-02-04/?utm_source=chatgpt.com

Borouge Reports Exceptional FY2024 Net Profit Of $1.24 Billion, a Jump o f 24% YOY, Boosted by Record Production and Sales

February 4, 2025

Borouge Plc, a leading petrochemicals company that provides innovative and differentiated polyolefins solutions, has delivered outstanding 2024 financial results, achieving a 24% year-on-year increase in net profit to $1.24 billion, driven by record production and sales volumes.

The company is driving growth and outperforming the industry through high productivity, a strong international marketing network and leveraging world-class technology to innovate and provide products that respond to evolving customer demand.

Borouge continued to deliver profitability metrics that are significantly superior to global industry peers, with an EBITDA margin of 41% for full-year 2024. EBITDA climbed 14% year-on-year to $2.48 billion, driven by a 4% year-on-year revenue increase to $6 billion.

Through a focus on operational excellence, the company delivered record production of 5.2 million tonnes, driven by exceptional utilisation rates of 110% for polyethylene and 98% for polypropylene. Sales volumes reached their highest ever level of 5.3 million tonnes, supported by strategic positioning in high-growth markets across Asia, Middle East and Africa and strong customer relationships cultivated by an international network of 14 sales and marketing offices.

Hazeem Sultan Al Suwaidi, Chief Executive Officer of Borouge, commented: "Borouge has generated substantial earnings growth in 2024, while maintaining strong profitability, at a time when the wider global industry has faced challenges. This outstanding achievement places us in prime position, financially and operationally, to cement our industry leadership. The Borouge 4 strategic expansion project will transform the scale of production by almost a third and enhance our innovation capabilities, driving sales growth in our major markets. We are also implementing a comprehensive digital and AI transformation programme, which is already enhancing productivity and will reimagine our operations in the coming years. With Borouge delivering on all fronts, we are pleased to announce our intention to maintain a $1.3 billion dividend for the 2025 financial year, representing a 6.3%[1] current dividend yield. As we enter a period of accelerated growth, the company remains fully committed to generating attractive shareholder returns in the years ahead."

Borouge's highly differentiated product offering continues to represent a core strength, delivering tangible financial benefits. The company commanded high price premia in 2024 of $198 per tonne for polyethylene, in line with the management's through-the-cycle guidance, and $150 per tonne for polypropylene, exceeding guidance.

Prudent cost management, a digital and AI transformation programme and sustained gains from a successful Value Enhancement Programme completed in 2023 drove efficiency across the company, supported by successfully maintaining fixed costs at 2023 levels.

Highlights for the three months ended 31 December 2024
Fourth-quarter net profit increased 1% quarter on quarter and 15% year on year to $331 million, with revenue reaching $1.62 billion, up 1% quarter on quarter and 8% year on year. Sales volumes rose 8% year on year and 3% quarter on quarter, with total production flat year on year at 1.3 million tonnes.

Adjusted EBITDA rose 8.2% year on year and 0.6% quarter on quarter to $650 million. Borouge reinforced its industry leadership by delivering a healthy adjusted EBITDA margin of 40%, supported by a focus on continued operational efficiencies and cost optimisation. Cash conversion was strong at 88%, with a healthy adjusted operating free cash flow of $572 million, up 9% year on year.

Highlights for the 12 months ended 31 December 2024
Full-year 2024 net profit increased 24% to $1.24 billion, exceeding analyst expectations, and adjusted EBITDA increased 14% to $2.48 billion. Revenue rose 4% to $6 billion, while total costs improved by 2.1% to $4.1 billion.

The high-value infrastructure solutions segment represented 40% of total sales volume in 2024, underscoring Borouge's strong positioning in this key high-value segment. The high-growth market of Asia Pacific remained the top destination for Borouge's products, accounting for 63% of total sales volumes for both the quarter and the full year.

In 2024, Borouge responded to the growing global demand for its sustainable and durable products by launching nine innovative products across key sectors, including packaging, infrastructure, healthcare, and post-consumer recycling. These new solutions are designed to tackle critical global challenges such as climate change, food waste, and access to fresh water, reinforcing Borouge's commitment to driving positive environmental and societal impact while meeting the evolving needs of its customers.
Borouge's Financial Strength Underpins Consistent Dividend Payout

Borouge's outstanding performance and growth trajectory, together with strong cash generation and a robust liquidity position, continue to provide solid financial fundamentals. In this context, management has reaffirmed its intention to distribute a final dividend of 7.94 fils per share in April 2025, bringing the total full-year 2024 dividend payout to $1.3 billion. To date, the company has distributed $2.9 billion in dividends since its IPO in 2022 in line with its commitment to create value and deliver significant shareholder returns.
The company produced full-year adjusted operating free cash flow of $2.31 billion, reflecting a 17% year-on-year increase, driven by a high cash conversion rate of 93% in 2024. The balance sheet remains solid, with the net debt/EBITDA ratio at 1.1 times as at 31 December 2024, bolstered by the repayment of $200 million in debt during the year.

Pioneering Growth Through Strategic Expansion
The Borouge 4 project, developed by Borouge on behalf of its majority shareholders, ADNOC and Borealis, is making good progress. The project will transform the UAE's industrial landscape, making Borouge the world's largest single-site polyolefin complex. Borouge 4 is set to increase the company's production capacity by 28% and generate annual revenue of $1.5 to $1.9 billion. Once completed, the project will be transferred to Borouge from ADNOC and Borealis.

Borouge is also advancing with a major upgrade to its second ethane cracker unit (EU2), targeting an additional 230,000 tonnes of production capacity. Expected to be completed in 2028, the expansion is projected to add $220 to $250 million in annual revenue, supporting Borouge's ability to meet growing global demand.

On the international front, Borouge is exploring opportunities to expand its global footprint with an ongoing feasibility of a specialty polyolefins complex in Fuzhou, China.

Redefining Efficiency with AI, Digitalisation and Technology
Borouge is harnessing artificial intelligence (AI), technology and digitalisation to drive efficiency, sustainability, and innovation across its operations, with a strong focus on initiatives that are creating value for shareholders. In 2024, the company delivered $573 million in value generation through these initiatives, exceeding its $550 million target announced last year.

Further amplifying its technological edge, Borouge signed a strategic partnership with the Mohamed bin Zayed University of Artificial Intelligence (MBZUAI) in the fourth quarter. The collaboration is set to elevate Borouge's operations by integrating cutting-edge AI research and innovation directly into its processes. By leveraging MBZUAI's expertise, Borouge aims to significantly enhance its efficiency, sustainability, and overall value creation. By integrating these advancements, Borouge is reinforcing its position as an industry leader focused on delivering long-term value and growth for its stakeholders.

Fueling Growth Through Breakthrough Innovations
Innovation powers Borouge's growth, driving advanced solutions to meet rising global demands across key industries. Borouge introduced nine new high-performance products in 2024, further showcasing the company's innovation capabilities and how it is addressing critical needs in renewable energy, sustainable packaging, and advanced infrastructure applications. Borouge recently signed strategic agreements with key customers and value chain partners which demonstrate its commitment to leveraging its expertise to drive cutting-edge solutions.

Borouge continues to advance its sustainability and net zero agenda, and in 2024 achieved a remarkable GHG abatement milestone by reducing more than 500 KtCO2eq annually since the start of its decarbonisation journey in 2018. The company's ambitious goals for 2030 include reducing greenhouse gas emissions intensity by 25% and net zero emissions by 2045.
Borouge was included in the S&P Global LargeMidCap ESG index for the first time in 2024. Further, it was ranked in the top 15th percentile among over 500 global chemical companies in the S&P rating, as of Q4 2024.

Outlook
Borouge will continue to drive differentiation and achieve premia over product benchmarks through the cycle. Management guidance for premia over product benchmark remains at $200 per tonne for polyethylene and $140 per tonne for polypropylene, with average selling prices improving in Q1 2025 from Q4 2024 levels. Meanwhile, the company will continue to grow in circular and durable value-added product segments with differentiated solutions. Preparations for the Borouge 3 planned maintenance are on schedule, with a 320 kt impact expected in Q2 2025. As a result of the company's strong financial performance in 2024, the company's management intends to pay $1.3 billion dividend in 2025.

Financial Highlights

USD millions	Q4 2024	Q4 2023	*YoY % Change*	Q3 2024	*QoQ % Change*	FY 2024	FY 2023	*YoY % Change*
Sales Volume (kt) [1]	**1,467**	1,359	*8%*	1,422	3%	**5,336**	5,116	*4%*
Revenue	**1,621**	1,497	*8%*	1,600	1%	**6,026**	5,791	*4%*
Adj. EBITDA [2]	**650**	600	*8%*	646	0.6%	**2,477**	2,171	*14%*
Net Profit	**331**	288	*15%*	328	1%	**1,239**	1,001	*24%*
Adj. Operating FCF [3]	**572**	526	*9%*	605	-5%	**2,309**	1,972	*17%*

(1) PE, PP and ethylene sales (including Borealis volumes).
(2) Adj. EBITDA defined as EBITDA plus adjustments on foreign exchange gain or loss and impairment loss on Property, Plant and Equipment.
(3) Adj. Operating FCF defined as Adjusted EBITDA less capital expenditure

Source: Borouge
https://www.borouge.com/en/media/Pages/News/Q4_2024_Results.aspx

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Abu Dhabi's Ta'ziz awards $1.7 Billion Contract to Build UAE's First Methanol Plant

February 3, 2025

Abu Dhabi's Ta'ziz has awarded a contract worth $1.7 billion to Samsung E&A for the construction of one of the world's largest methanol plants in Al Ruwais Industrial City in Al Dhafra region.

The 1.8 million tonnes per annum (mtpa) plant will be the first methanol production facility in the UAE and will advance the Emirates' economic diversification by unlocking new domestic chemical value chains, Ta'ziz said in a statement on Monday.

The new plant, upon completion in 2028, will be powered by clean energy from the grid, making it one of the world's most energy-efficient methanol plants.

Methanol is among the most promising transition fuels, offering a cleaner alternative to conventional fuels used in power generation, such as coal and diesel. Methanol also serves as an alternative to high-sulphur fuels used in marine transport. Primarily used to produce chemicals such as acetic acid and formaldehyde, methanol is also a clean-burning fuel that produces fewer smog-causing emissions. The new contract award "is a significant step in realising Ta'ziz's vision to drive the UAE's industrial growth by creating a world-scale integrated chemicals ecosystem in Al Dhafra region", Mashal Al Kindi, chief executive of Ta'ziz, said.

"The plant will enhance the UAE's position as a leader in sustainable chemicals production and strengthen Ta'ziz's role in enabling Adnoc's global ambition to lead the chemicals sector." Founded in 2020 as a joint venture between Adnoc and Abu Dhabi's investment and holding company ADQ, Ta'ziz, is a manufacturing, industrial services, logistics and utilities ecosystem that supports the production of chemicals and transition fuels.

In its initial phase, Ta'ziz will produce 4.7 mtpa of chemicals by 2028. That includes methanol, low-carbon ammonia, polyvinyl chloride, ethylene dichloride, vinyl chloride monomer and caustic soda.

Ta'ziz has signed several new deals in the past few years to support industries. These include 31 land reservation agreements with companies for its light industrial area, as well as a deal to develop a low-carbon ammonia plant in Ruwais with the capacity of about one million tonnes a year.

In 2022, the company teamed up with India's largest private petrochemicals company, Reliance Industries, on their joint venture to develop a major chemicals project at the Ta'ziz industrial chemicals zone in Ruwais, worth $2 billion.

In 2023, Ta'ziz was designated as an investment zone to strengthen the business environment in Abu Dhabi's industrial sector.

Methanol production has nearly doubled in the past decade, with about 98 million tonnes produced a year, the International Renewable Energy Agency (Irena) said in a 2021 report. Under current trends, production could rise to 500 million tonnes a year by 2050, it said.

The methanol market is projected to grow at a compound annual rate of more than 4.87 per cent between 2022 and 2027, according to Mordor Intelligence. Over the short term, one of the major factors driving the market is the increasing demand for methanol-based fuel, it said.

"We plan to actively leverage local resources and our network of partners based on our extensive regional experience in the Ruwais industrial complex," Hong Namkoong, president and chief executive of Samsung E&A, said in a separate statement.

Source: OMV
/https://www.thenationalnews.com/business/energy/2025/02/03/uae-methanol-plant

OMV and Adnoc Contemplate an Inclusion of Nova Chemicals as Part of Their Potential Polyolefins Cooperation

January 31, 2025

OMV and ADNOC contemplate, subject to respective agreements with Mubadala, a possible acquisition of Nova Chemicals (by the future potential joint venture company as a first growth opportunity) as part of OMV's and ADNOC's negotiations on a potential cooperation with respect to their polyolefins businesses. Such cooperation would include a potential combination of Borealis, Borouge and Nova Chemicals businesses to create a global polyolefin group with a material presence in key markets.

The potential transactions would, inter alia, be subject to (i) agreements on the commercial transaction parameters (including, inter alia, the valuation of the involved businesses) and the transaction documents in the ongoing negotiations, (ii) approvals of the potential transactions by the corporate bodies of the respective parties involved, including the Executive Board and the Supervisory Board of OMV, and (iii) approvals by authorities (such as merger control clearances).

About OMV Aktiengesellschaft
At OMV, we are re-inventing essentials for sustainable living. OMV is transitioning to become an integrated sustainable chemicals, fuels and energy company with a focus on circular economy solutions. By gradually switching over to low-carbon businesses, OMV is striving to achieve net zero by latest 2050. The company achieved revenues of EUR 39 billion in 2023 with a diverse and talented workforce of around 20,600 employees worldwide. OMV shares are traded on the Vienna Stock Exchange (OMV) and as American Depository Receipts (OMVKY) in the U.S. Further information at www.omv.com.

Source: OMV
https://www.omv.com/en/media/press-releases/2025/250131-ad-hoc-omv-and-adnoc-contemplate-an-inclusion-of-nova-chemicals-as-part-of-their-potential-polyolefins-cooperation

The Impact of Aramco's Move to Invest in Lithium Production

January 20, 2025

Saudi Aramco, the largest oil company globally and producer of 10% of the world's oil supply, is to expand its investments in lithium production
Saudi Aramco is a true giant of the energy industry.

Not only is it the world's largest oil company, but it produces almost 10% of the world's oil supply.

But despite being a titan of oil and gas — an industry scrutinised for its impact on the environment — Aramco is diversifying to secure its own future and that of the planet.

As well as driving investment in R&D and working with carbon capture companies, Aramco is broadening its portfolio outside of tradition, fossil-based fuels.

Introducing Aramco
State-owned petroleum and natural gas company Aramco is the national oil company of Saudi Arabia and is headquartered in Dhahran.

Headed up by CEO Armin H. Nasser, Aramco's history stretches back almost 100 years to the 1930s, when it was established by a small group of intrepid explorers in the sands of the Saudi Arabian desert. Although its past is overwhelmingly based around oil and gas, Aramco is evolving and shifting its focus on making a positive impact on the energy transition.

This also plays a part in enabling and securing Saudi Arabia's move towards a net-zero future.

Why is Aramco investing in lithium?
Saudi Aramco plans to boost investments in lithium production to establish a supply chain for the critical metal powering EV batteries. This is significant as China controls about two-thirds of the market in lithium processing. Dominance in this field is under threat as an increasing number of western and Middle Eastern companies — like Aramco — are investing in developing their own supply chains.

And the demand for lithium just keeps growing. Global lithium demand has tripled in the last five years and is

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And the demand for lithium just keeps growing. Global lithium demand has tripled in the last five years and is projected to increase twentyfold between before the end of the decade.Aramco aims to capitalise on this surge in demand, driven primarily by EV production and renewable energy infrastructure expansion.

As well as this, Aramco's move into the lithium space enables it to diversify its portfolio away from being predominantly oil based, reducing its dependence on fossil fuels. Investing in lithium aligns with the global shift towards sustainable energy technologies.

Aramco is working with Ma'aden, the largest multi-commodity mining and metals company in the Middle East and North Africa, to form a minerals exploration and mining joint venture in the Kingdom of Saudi Arabia to establish and expand its place in the lithium market.

"This announcement reflects Aramco's focus on positively contributing to the global energy transition," says Nasir K. Al-Naimi, Aramco's Upstream President.

"The proposed joint venture will enable extraction of energy transition minerals, contributing meaningfully to the growth of more sustainable energy solutions while diversifying our portfolio for a lower-carbon future.

"We expect that this partnership will leverage the world's leading upstream enterprise to apply significant low-cost advantages, industry experience, technological innovation, accumulated subsurface knowledge and an integrated supply chain ecosystem, with a view to meeting the Kingdom and potentially the world's projected lithium demand."

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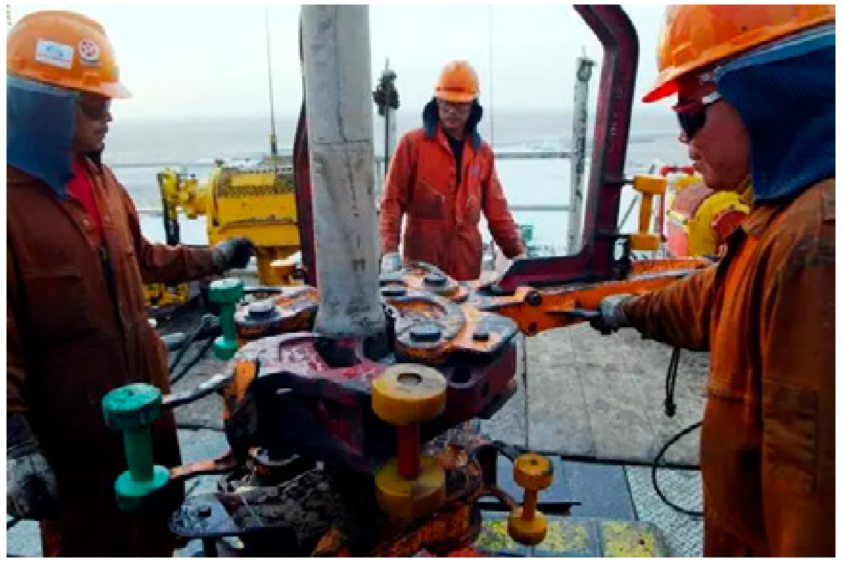
KPC targets $10bln Investments Annually in Energy Sector

December 4, 2024



Shaikh Nawaf S al Sabah, Deputy Chairman and CEO of Kuwait Petroleum Corporation (KPC), delivered an insightful keynote address at the GPCA Forum, outlining KPC's strategies for navigating the evolving energy landscape. His speech emphasized the vital role hydrocarbons continue to play in global energy demands, the company's ambitious production targets, and its focus on petrochemicals as a driver of economic diversification.

Shaikh Nawaf began by discussing the future energy mix, noting that while renewable energy sources are expected to play a greater role, hydrocarbons will remain indispensable. By 2040 and 2050, even with the full utilization of renewables, nuclear, and coal, hydrocarbons are projected to account for a quarter of global energy demand.

KPC's focus is to meet this demand sustainably and efficiently. Global oil consumption currently stands at approximately 100 million barrels per day, a figure expected to remain steady through 2040. Shaikh Nawaf underscored KPC's readiness to adapt to market fluctuations and maintain production levels to secure energy supplies. KPC has set ambitious production capacity goals, aiming to achieve 3.2 million barrels per day by 2024 and 4 million barrels per day by 2035. Shaikh Nawaf highlighted the significance of these targets, noting that production capacity differs from actual production levels, which are influenced by OPEC+ agreements.

To meet these goals, KPC has allocated $9–10 billion annually for the next several years. These investments will support the maintenance of production infrastructure, deployment of enhanced oil recovery techniques, and adherence to the company's commitment to low production costs and minimal carbon intensity. Kuwait, Shaikh Nawaf proudly noted, boasts the lowest production costs globally, under $10 per barrel, along with the lowest carbon intensity.

Shaikh Nawaf identified petrochemicals as a cornerstone of KPC's diversification strategy, aligning with broader Gulf Cooperation Council (GCC) economic goals. Despite increased recycling efforts and a shift toward alternatives like glass, petrochemical demand continues to grow due to its integral role in industries ranging from manufacturing to healthcare.

KPC is poised to triple its petrochemical production capacity by 2040, leveraging the sector's resilience and growth potential. Shaikh Nawaf emphasized that the company's downstream petrochemical operations are crucial to generating value from Kuwait's hydrocarbon resources.

KPC's integrated approach ensures that petrochemical operations align closely with upstream activities, optimizing feedstock utilization and maximizing efficiency. The company's Equate joint venture, a partnership with Dow Chemical, exemplifies its success in creating globally competitive petrochemical enterprises.

A significant portion of Shaikh Nawaf's speech focused on KPC's commitment to sustainability. After eight decades of oil production, Kuwait's reservoirs require advanced techniques, such as gas injection and submersible pumps, to maintain output. While this increases production complexity, Kuwait's naturally favorable geology ensures its oil remains among the most cost-effective and energy-efficient to produce.

Shaikh Nawaf also stressed KPC's proactive stance on low-carbon production. By integrating modern technologies and maintaining rigorous environmental standards, KPC is ensuring that its operations meet global sustainability expectations while supporting Kuwait's economic growth.

KPC's vision for growth extends beyond Kuwait's borders, with a global footprint that includes over 5,000 service stations in Europe under the "Kuwait" brand. Shaikh Nawaf highlighted the company's plans for both organic and inorganic expansion in the petrochemical sector.

Domestically, KPC is conducting feasibility studies for a fourth olefin train, buoyed by the recent allocation of sufficient gas resources. Internationally, the company is exploring acquisition opportunities to strengthen its position in key markets. Shaikh Nawaf noted that current market conditions favor bold actions, allowing KPC to secure strategic assets at competitive valuations.

Source: Zawya
https://www.zawya.com/en/business/energy/kpc-targets-10bln-investments-annually-in-energy-sector-hdr093yh

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Adnoc Launches XRG: An $80+ Billion Lower-Carbon Energy and Chemicals Investment Powerhouse

November 27, 2024

Following the Board's strategic endorsement, ADNOC today announced the launch of XRG, a groundbreaking international lower-carbon energy and chemicals investment company, with an enterprise value of over $80 billion.

XRG aims to more than double its asset value over the next decade by capitalizing on demand for low-carbon energy and chemicals driven by three megatrends: the transformation of energy, exponential growth of AI, and the rise of emerging economies. Building on ADNOC's expertise and transformational international acquisitions, the independently operated investment company will initially focus on developing three core strategic value platforms:

• XRG's Global Chemicals platform aims to be a top 5 global chemicals player, producing and delivering chemical and specialty products essential for modern life, to meet the projected 70% increase in global demand by 2050.

• XRG's International Gas platform will build a world-scale integrated gas portfolio to help meet the anticipated 15% increase in global natural gas demand over the next decade, as a lower carbon transition fuel, as well as meet the expected 65% increase in demand for LNG by 2050.

• XRG's Low Carbon Energies platform will invest in the solutions needed to meet increasing demand for low carbon energies and decarbonization technologies to drive economic growth through the energy transition. The market for low carbon ammonia alone is expected to grow by between 70-90 million tonnes per annum by 2040, from close to zero now.

Dr Sultan Ahmed Al Jaber, ADNOC Managing Director and Group CEO, said: "In line with our Board mandate to prioritize transformational growth, XRG marks a bold new chapter for ADNOC. Building on our unrivalled track record in energy and investments, network of global partners, and strategic market access, XRG will drive sustainable economic growth, foster technological innovation, and deliver the energy and products needed to improve lives around the world. We are committed to delivering long-term value for our stakeholders and reinforcing Abu Dhabi and the UAE's role as a global energy and chemicals leader."

XRG will formally commence activities in Q1 2025. A global strategy day will be held in 2025.

Source: ADNOC
https://www.adnoc.ae/en/news-and-media/press-releases/2024/adnoc-launches-xrg

Aramco Signs Agreement to Advance SASREF Expansion

November 19, 2024

Energy giant Saudi Aramco and China-based Rongsheng Petrochemical Co. have signed a framework agreement to boost the expansion of a subsidiary of the state-owned oil company.

According to a press statement, the tripartite agreement outlines a cooperation framework and detailed plans to design and develop Saudi Aramco Jubail Refinery Co. or SASREF. The initiative is expected to enhance SASREF's refining and petrochemical capabilities.

The deal follows an announcement made in April that Aramco and Rongsheng Petrochemical had signed a partnership agreement related to the planned formation of a joint venture in SASREF.

Aramco's long-standing relationship with China spans more than three decades.

This new framework agreement is part of the company's broader strategy to solidify its position in the global energy landscape while supporting the Kingdom's economic growth.

"By aligning our efforts, Aramco and Rongsheng Petrochemical aim to deliver additional value to our stakeholders," said Aramco Downstream President Mohammed Al-Qahtani.

He added: "This development framework agreement underscores Aramco's intentions to foster closer collaboration with key partners and progressing its strategic downstream expansion, both in Saudi Arabia and internationally. It also highlights the potential of the Kingdom's downstream sector to attract overseas players."

Li Shuirong, chairman of Rongsheng Petrochemical, said that the collaborative project will contribute to Saudi Arabia's Vision 2030 program and China's Belt and Road initiative.

"The signing of the development framework agreement sets the stage for Rongsheng Petrochemical's in-depth participation in the SASREF expansion project," said Shuirong.

He added: "Saudi Arabia has abundant energy resources and significant market potential, and Rongsheng Petrochemical will bring strong momentum to the partnership through our excellent operation and management capabilities and market competitiveness."

GI Consultancy Intelligence Publishing

The SASREF expansion project is located in Jubail Industrial City along the Arabian Gulf coast in the Kingdom's Eastern Province.

The project, which is currently in the pre-front-end engineering design stage, envisages the construction of large-scale steam crackers and the integration of associated downstream derivatives into the existing SASREF complex, enhancing its ability to meet the growing demand for high-quality petrochemical products, the statement added.

Earlier in November, Aramco, in partnership with China Petrochemical & Chemical Corp. and Fujian Petrochemical Co., started the construction of a refinery and petrochemical complex in the Asian nation's Fujian province.

The undertaking, which is expected to be fully operational by the end of 2030, includes an oil refinery with a capacity of 320,000 barrels per day, according to a press statement.

It will also have a 1.5 million tonnes-per-year ethylene unit, a 2 million tonnes paraxylene and downstream derivatives capacity, and a 300,000 tonnes crude oil terminal.

Source: Arab News
https://www.arabnews.com/node/2579935/business-economy

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