

With a total investment of US\$ 150 million

TCI Sanmar Chemicals and United Gas Derivatives Company (UGDC) join forces to boost Egypt's petrochemical sector

Cairo – 9 October, 2023 - TCI Sanmar Chemicals signed a Memorandum of Understanding (MoU) with United Gas Derivatives Company (UGDC), solidifying a strategic partnership that will further bolster TCI Sanmar's commitment to Egypt's petrochemical sector and its national economy.

His Excellency Engineer Tarek El Molla, Egypt's Minister of Petroleum and Mineral Resources, witnessed the signing of the memorandum of understanding between the United Gas Derivatives Company (UGDC) and TCI Sanmar Chemicals, wherein the United Gas Derivatives Company will use its world-class facilities in the port of Damietta to facilitate safe import of raw materials needed for development projects and expansion plans of TCI Sanmar Chemicals.

The memorandum of understanding was signed by Engineer Refaat Abdel Khaleq, Chairman of the United Gas Derivatives Company (UGDC), and P.S. Jayaraman – Chairman of TCI Sanmar Chemicals, in the presence of Engineer Hassanein Mohamed – Head of the Central Department for the Affairs of the Minister's Office, and Engineer Yassin Mohamed – Vice Chairman for Operations and Networks and board member at the Egyptian Natural Gas Holding Company (Egas), and S Ganeshkumar – Managing Director of TCI Sanmar Chemicals.

Following the signing, His Excellency Engineer Tarek El Molla, Egypt's Minister of Petroleum and Mineral Resources, stressed the importance of this cooperation with the largest Indian investment company in Egypt, indicating that there are opportunities to develop cooperation with the company in future projects, as Egypt places the petrochemical industry on its top priorities of its national strategy.

Al-Mulla added that Egypt is currently playing a pivotal role as a regional center for the energy sector, benefiting from the diversity of its infrastructure and the development and modernization it has witnessed in recent years, stressing that the infrastructure is being utilized as a foundation for production expansions and increased investments pumped by global partners into Egypt. He further explained that the agreement with TCI Sanmar Chemicals includes the utilization of infrastructure to serve the purpose of increasing production, investment, and added value for the benefit of the Egyptian economy.

Al-Mulla pointed out that the influx of investments by international companies into the Egyptian oil and gas sector is a testament to Egypt's increasing appetite to become a reliable partner to an array of businesses and investors, stressing that Egypt is working to overcome the challenges facing investments.

Al-Mulla further elaborated that this agreement is an example of strengthening economic and investment cooperation and partnerships between Egypt and India, and the relations that the two countries enjoy under the leadership of President Abdel Fattah El-Sisi and the Prime Minister of India, Narendra Modi.

"This MoU reflects our unwavering dedication to the growth of Egypt's national economy and the advancement of the petrochemical industry," said Mr. P.S. Jayaraman, Chairman of TCI Sanmar Chemicals. "TCI Sanmar Chemicals has a long-standing history of enriching the sector, and this partnership with UGDC aligns perfectly with Egypt's Vision 2030. By investing US\$150 million (equivalent to EGP 4.6 billion), we aim to support our expansion plans and contribute meaningfully to the national economy."

Under the visionary leadership of TCI Sanmar Chemicals and the extensive capabilities of UGDC, this strategic partnership is set to play a pivotal role in strengthening Egypt's position as a hub for petrochemical innovation and sustainable economic development.

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About TCI Sanmar:

TCI Sanmar is the largest Indian investment in Egypt with USD 1.5 billion (foreign direct investment). The company manufactures three main products: Polyvinyl Chloride, Caustic Soda, and Calcium Chloride. Importantly, TCI Sanmar is considered the largest manufacturer of Polyvinyl Chloride in the Middle East & North Africa region which happens to be a key product used in infrastructure development, which is one of the most vital economic growth engines around the world. Additionally, TCI Sanmar manufactures all three grades of PVC that have varied commercial applications, as well as other products that serve the Egypt's strategic needs, such as Chlorine and Sodium Hypochlorite.