

BOROUGE SET TO BOOST PRODUCTION CAPACITY TO OVER 6.6 MILLION TONNES

- *Expansion projects set to add over 200,000 tonnes per annum of new capacity and will contribute up to \$200 million (AED730 million) in annual EBITDA*
- *Contracts awarded for the expansion of EU2 and polyethylene units support Borouge's ambitious growth strategy*
- *Borouge remains focused on delivering superior shareholder value, supported by the production of higher margin products and strong balance sheet to deliver accretive growth*

ABU DHABI, UAE – 28 April 2025: Borouge Plc, a leading petrochemicals company that provides innovative and differentiated polyolefins solutions, has today announced a series of strategic asset expansion projects to accelerate its growth, contributing annually between \$165 million and \$200 million (AED600 million - AED730 million) in EBITDA.

The company has awarded two major contracts aimed at boosting the nameplate capacity of its second ethane cracker (EU2) and the fourth and fifth polyethylene units (PE4 and PE5). Linde Engineering has been awarded a contract for Front-End Engineering Design (FEED) services to upgrade Borouge's second ethane unit (EU2) with an additional capacity of 230,000 tonnes per annum (tpa). This strategic project is expected to increase the EU2 cracker's capacity by 15%, delivering significant financial gains upon completion in Q4 2028. Linde Engineering was selected for its expertise in design and execution, as well as its role as the licensor of the existing EU2 cracker. The ethane used as feedstock for the EU2 cracker is supplied by ADNOC Gas and ADNOC Refining, ensuring an integrated and reliable supply chain.

Borouge has also awarded Target Engineering Construction Company an engineering, procurement, and construction (EPC) contract for the expansion and refurbishment of its PE4 and PE5 production units, following a competitive bidding process. This enhancement will increase their nameplate capacity from 540,000 to 700,000 tpa each. Leveraging Borealis Borstar® Polyethylene technology, the project is scheduled to be ready for start-up in Q1 2027.

Hazeem Sultan Al Suwaidi, CEO of Borouge, said: "By increasing production at our EU2, PE4 and PE5 units, as well as delivering the Borouge 4 mega project, we are strategically positioned for accelerated growth.

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“The expansions of our ethylene and polyethylene capabilities will enable Borouge to meet growing market demands, unlock new revenue streams, and further strengthen our global market position. These projects demonstrate our commitment to innovation, operational excellence, and sustainable growth.”

Since 2001, Borouge has increased its annual production capacity tenfold, reaching 5 million tpa and positioning itself among the top five polyolefin producers in the Middle East and Asia Pacific. Together with the Borouge 4 mega project, these expansion projects, once fully ramped up, will increase the company’s annual total polyolefins production capacity to over 6.6 million tpa by 2028. These projects are driving significant value to the UAE’s economy through ADNOC’s In-Country Value (ICV) program, supporting economic and industrial growth.

The Company’s major shareholders, ADNOC and OMV have proposed the combination of Borouge and Borealis, along with the acquisition of Nova Chemicals, to create Borouge Group International. These transformational deals will create the world’s fourth largest polyolefin company, a \$60 billion global polyolefins leader with a substantial capacity of 13.6 million metric tonnes across 62 plants spanning North America, Europe and the Middle East – more than doubling Borouge’s current capacity.

Borouge Group International represents a new era of scale, growth, innovation and shareholder value. The new entity intends to offer an attractive estimated total dividend of \$2.2 billion post-closing of the transaction, equivalent to a minimum of 16.2 fils per share dividend, annually from 2026 to 2030.

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About Borouge Plc

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

Founded in 1998 through a strategic partnership between ADNOC and Borealis, Borouge was formed to build and operate a polyolefins complex in Al Ruwais Industrial City, United Arab Emirates, which today is one of the world’s largest integrated polyolefin complexes. ADNOC owns a majority 54% stake and Borealis holds a 36% stake in Borouge.

Borstar® is a registered trademark of Borealis AG

To find out more, visit: borouge.com

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