

Borealis and Borouge

A success story for
Austria & Abu Dhabi

Thomas Gangl, Borealis CEO
November 2022

Before we start

What guides us and all our actions is to become ...

**A global leader in
advanced and
sustainable chemicals
and material solutions.**

BOREALIS COMPANY VISION

Who we are and what makes us us

120

Countries. Head Office
in Vienna, Austria

6900

employees
worldwide



Production and distribution
of polyolefins solutions, base
chemicals and fertilizers

Ownership structure:

75%

OMV, Austria



Our JV's: Bayport Polymers
(**Baystar**™) – brings Borstar®
technology to American polyethylene
markets



Our JV's: Borouge – one of
the world's largest integrated
polyolefin complexes (Ruwais,
UAE)

25%

Mubadala, United
Arab Emirates

#2

Among polyolefin
producers in Europe

#8

Among polyolefin
producers worldwide

1.4 bnEUR

net profit, total sales 12.3
bnEUR (2021)

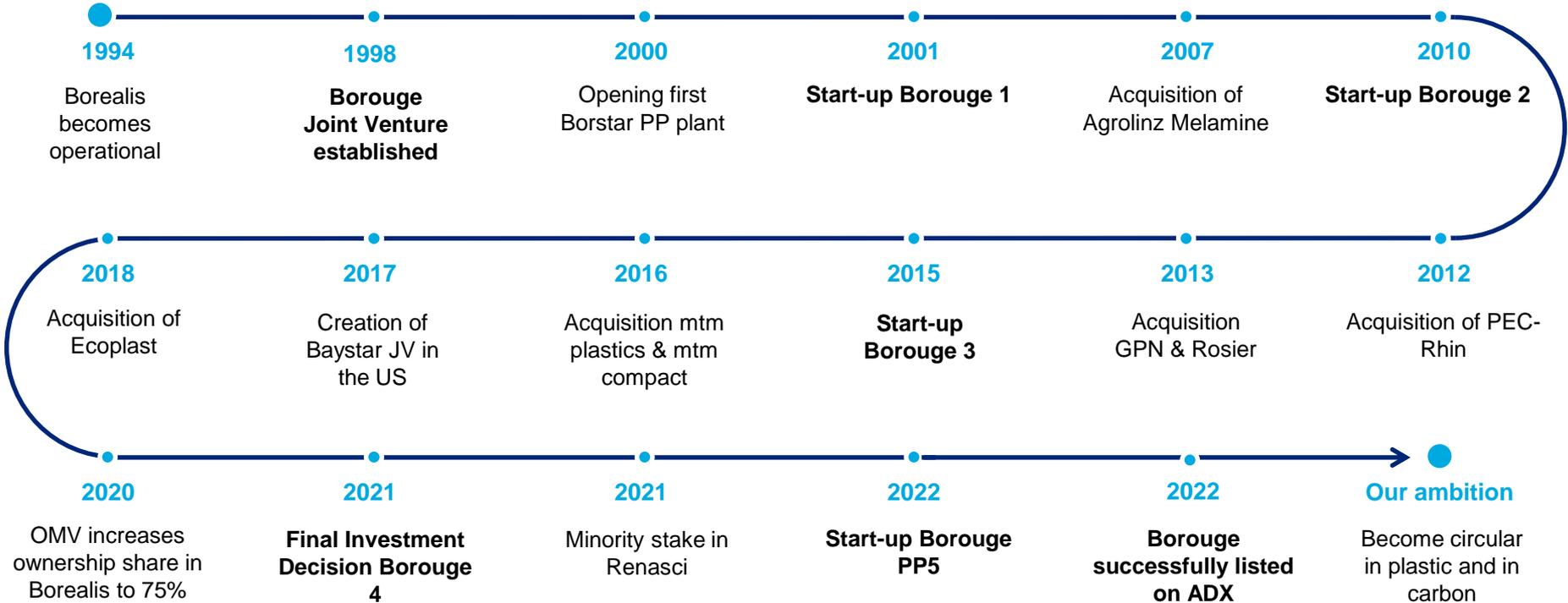
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Priority patents filed
in 2021, #1 in Austria

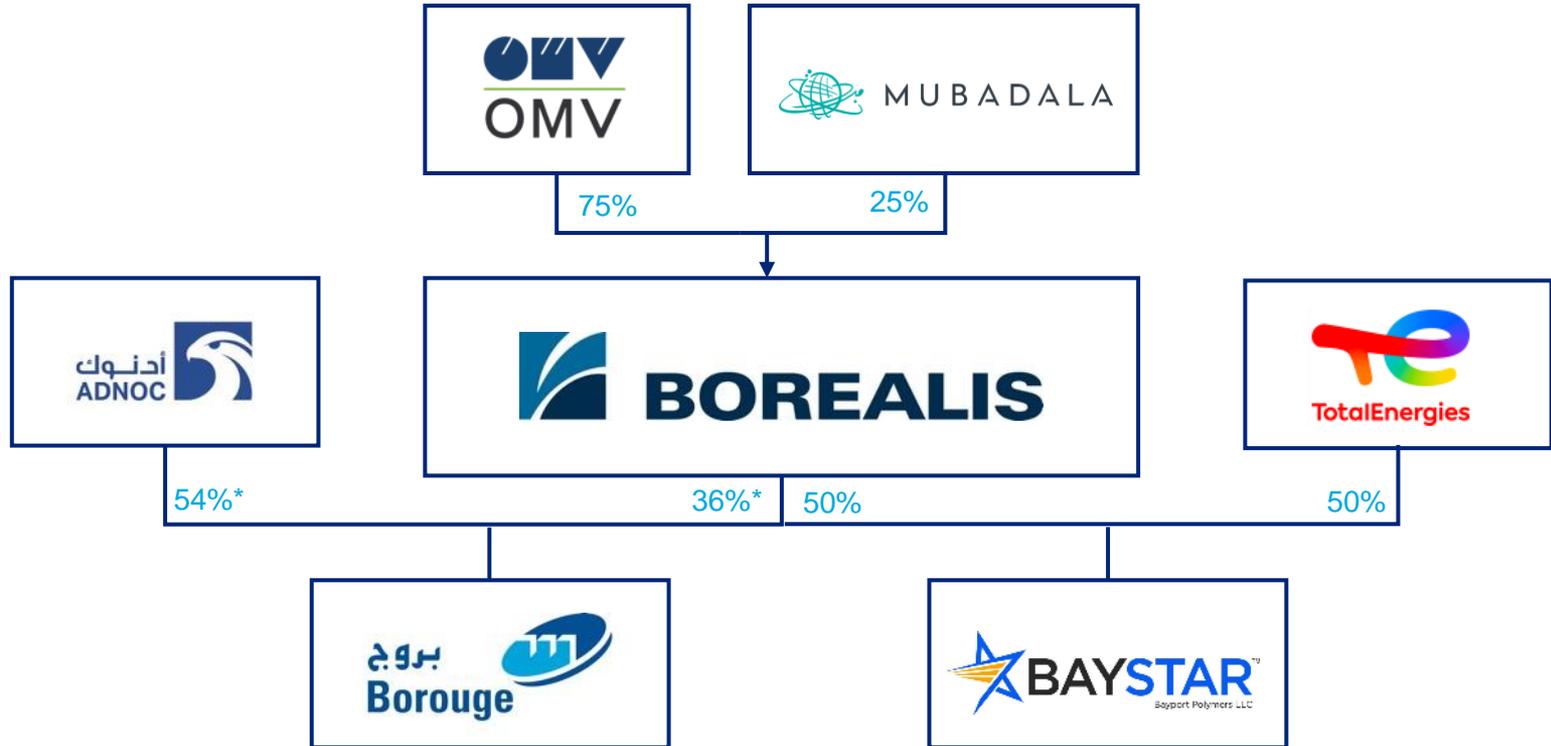
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Polyolefin recycling
operations in Europe

We can make the difference thanks our heritage



We have an alliance of strong partners at our side



Who we are

Where to find us:



Borealis Locations

Head Office

Borealis AG
Trabrennstr. 6-8
A-1020 Vienna, Austria
Tel. +43 1 22 400 300
Fax + 43 1 22 400 333
www.borealisgroup.com
info@borealisgroup.com

Customer Service Centres

Austria, Belgium, Brazil,
Finland, France, Hungary,
Turkey, United States

Production Plants

Austria, Belgium, Brazil,
Finland, France, Germany, Italy,
South Korea, Sweden, The
Netherlands, United States

Sales Offices/Representative Office

Argentina, Chile, China, Colombia,
Czech Republic, Denmark, France,
Hong Kong, Mexico, Morocco, Poland,
Russia, South Africa, Spain, Turkey,
UAE, UK, United States

Borealis L.A.T Locations

Austria, Bulgaria, Croatia, Czech
Republic, France, Greece, Hungary,
Romania, Serbia, Slovakia

Borealis Rosier Locations*

Belgium, The Netherlands

Borouge Locations

Head Offices

Singapore, UAE

Innovation/Application Centres

China, UAE

Production Plants

China, UAE

Sales Offices/Representative Offices

China, Egypt, India, Indonesia,
Japan, Singapore, Thailand,
UAE, Vietnam

Logistics Hubs

China, Malaysia, Singapore,
UAE

The purpose of this visualization is of representational nature only. Though it was prepared with the greatest possible attention to detail, simplified illustrations may have been applied.

We provide pioneering solutions in two business areas



Polyolefins

Borealis works closely with its customers and industry partners to provide innovative, sustainable and value-creating plastics solutions make end products safer, lighter, more affordable and adaptable.



Base Chemicals

Borealis continues to develop its profitable Base Chemicals business building on unique feed-stock technology, logistics and integration strengths.

We serve advanced polyolefins for virgin and circular economy solutions for these industries





Status quo

**We have to grow to
meet the rising
demand of polyolefins**

Grow beyond

**What can we build
from a strong
foundation?**

Growth

Growth journey continues in Europe and beyond transforming Borealis into a global business partner

US
50%
Baystar

- Ethane cracker (start-up 2022)
- Borstar PE plant (start-up 2023)

Belgium
100%
New PDH Kallo

PDH plant
(start-up 2024)

UAE
Borouge 4 expansion

- Ethane cracker
- Two Borstar PE plants
- Cross-linked PE (XLPE)
- A hexane-1 unit
- Start-up 2025

UAE
Borouge
PP5
New PP plant
(started-up 2022)

36%

% represents Borealis' stakes
Growth projects in execution



 Borouge (Borealis /ADNOC JV)

Borouge: a strategic partnership with supportive shareholders

Borouge is well placed to leverage the strengths and competitive advantages of its shareholders



- State-owned **national oil company** of Abu Dhabi
- Manages **~95% of UAE's total oil and gas reserves**⁽¹⁾
- **Fully integrated energy company** including large scale downstream operations such as refining, gas processing and petrochemicals
- Key exporter of crude oil and refined products to high-growth Asian markets
- An **industry leader for carbon capture**

A leading integrated O&G company, entrusted to manage the world's 6th largest proven oil and 7th largest gas reserves

- **Leading** provider of advanced and circular polyolefin solutions **globally (#8)** and **European market leader (#2)** in base chemicals and the mechanical recycling of plastics
- Head office in **Austria** with **~6,900 employees** operating in **120 countries**
- Proprietary **Borstar®** technology and **innovation focused** with **over 11,000 individual patents**⁽²⁾
- Jointly owned by **OMV (75%)** and **Mubadala (25%)**

A leading provider of advanced and circular polyolefin solutions globally

Growth

Continuous investments underpin our leading position in the Middle East & Asia



Borouge is one of the world's largest integrated polyolefin complexes

- Production capacity 5 million tonnes
- **Borouge Innovation Centre** in Abu Dhabi
- New Borouge **Borstar PP5** plant is integrated with the existing Borouge 3 complex and producing 480,000 tonnes per year; started-up in 2022
- **Logistics hubs** in Abu Dhabi, Singapore, Shanghai and Guangzhou in China
- Upon completion of Borouge 4, the overall production capacity of Borouge will be **6.4 million tonnes annually.**
- Compounding Manufacturing Plant and R&D Application Centre in Shanghai, China

Growth project status

Borouge 4



Borouge 4 will play a significant role in meeting the projected growth of customers' demand for polyolefins in the Middle East, Africa and Asia

- Final investment decision for the Borouge 4 expansion taken in November 2021
- One 1.5 mio tons pa ethane cracker
- Two Borstar PE plants, each with a production capacity of 700 kta
- One 100 kto cross-linked PE (XLPE)
- One hexene-1 unit, producing co-monomers for certain PE grades
- In progress: in-depth study for carbon capture unit that would reduce CO2 emissions by 80%

Blockbuster IPO in June 2022

Borouge successfully lists on ADX in Abu Dhabi's largest-ever IPO

- Borouge ADX listing raised gross proceeds of over \$2.0 billion, marking the largest-ever listing on ADX
- Blockbuster IPO attracted total demand of more than \$83.4 billion and was oversubscribed by almost 42 times in aggregate
- Retail offering was oversubscribed 74 times, with more retail demand than any UAE IPO in almost 20 years



Highlights third quarter 2022 results



Revenue growth of 8% y-o-y in Q3 22 (-10% q-o-q) driven by growing sales volumes, despite weak operating environment



Sales volumes increased 18% y-o-y in Q3 22 (+9% q-o-q). PP5 ramping up and B1 turnaround completion



Premia remain above medium-term guidance in backdrop of softening prices



Adjusted EBITDA margin of 35% in Q3 22 vs. 47% in Q2 22 due to lower average selling prices but only modestly lower costs per tonne



Strong cashflow generation supports commitment to pay \$975 million in dividends to shareholders for FY22 (of which \$325 million paid in October)

\$5,134m

9M 22 revenue at **14%** y-o-y growth

\$2,104m

9M 22 Adjusted EBITDA, margin of **41%**

\$1,161m

9M 22 profit for the period, margin of **23%**

\$1,992m

9M 22 operating free cashflow, **95%** conversion

Thank you!

Let's collaborate!

Thomas Gangl

Borealis CEO

Thomas.Gangl@borealisgroup.com

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