



Press release

# OMV and ADNOC Advance Formation of Borouge Group International

- **New agreement allows Borouge Plc to market volumes from Borouge 4, delivering USD 400 million cumulative net profit and approximately 10% annual earnings accretion after full ramp up**
- **Key arrangement enhances operational flexibility for Borouge Group International AG, creating significant value for shareholders and supporting future dividend payments**
- **Borouge Group International AG is expected to receive strong investment grade ratings from S&P, Moody's and Fitch, underpinning its robust financial position**
- **Timing of Borouge Group International AG's proposed listing will align with company's future equity raise, maximizing value for all shareholders**
- **Temporary adjustment of Borouge Group International AG's dividend payments for the financial year 2026, amounting to 50% of the previously estimated dividend**
- **Strong progress towards transactions close, anticipated by the end of March 2026**

**Vienna, Austria and Abu Dhabi, UAE, 19.03.2026:**

OMV Aktiengesellschaft ("OMV") and ADNOC today announced strong progress towards the formation of Borouge Group International AG, including the signing of an Asset Usage Agreement (the "Agreement") for the Borouge 4 ("B4") production complex. The formation of Borouge Group International AG, through the combination of Borouge Plc and Borealis, and acquisition of Nova Chemicals, is progressing according to plan, with the transactions close expected by the end of March 2026, subject to customary conditions.

B4 is a new integrated polyolefins production complex with 1.5 million tonnes ethane cracker and 1.4 million tonnes of polyethylene capacity, with the first plant expected to start up this quarter. Boasting the latest, proprietary Borstar® technology to produce advanced, high-premium polyethylene, B4 is 70% owned by ADNOC and 30% by OMV, and forms part of the Borouge production site, set to become the world's largest single-site polyolefins complex.



The Agreement enables Borouge Plc, and subsequently Borouge Group International AG, to operate and market the volumes of B4 in return for an at-cost asset utilization fee. It will provide both entities with financial flexibility while delivering an estimated USD 400 million in cumulative net profit over the next three years and representing approximately 10% annual accretion to earnings to Borouge Plc post ramp up. It is anticipated that the Agreement for B4 will be maintained until Borouge Group International AG acquires the asset from its current owners, which is currently not expected before 2029, thereby providing flexibility on the timing of future capital outlays.

B4 operations are expected to ramp up progressively throughout 2026 and with the signing of the Agreement, Borouge Group International AG will have access to 13.6 million tonnes of nameplate production capacity across Europe, the Middle East and North America, positioning the company as the world's fourth largest polyolefins producer. The combined entity is expected to continue delivering a best-in-class margin profile and generate significant synergies.

#### **Robust capital structure recognized by strong credit ratings**

Borouge Group International AG is expected to receive A (Negative) / Baa1 (Stable) / A- (Stable) ratings from S&P, Moody's and Fitch, respectively, confirming its strong financial position and capital structure. OMV and ADNOC are committed to maintaining investment grade credit ratings for Borouge Group International AG.

Borouge Group International AG will benefit from one of the most geographically diversified platforms in the polyolefins sector, integrating production across three continents and serving customers internationally. This truly global reach, combined with long-term shareholders and a robust capital structure, will deliver resilience throughout the business cycle and an unmatched ability to drive sustainable shareholder returns.

#### **Timing of tender offer and equity raise**

OMV and ADNOC reaffirm the importance of the previously announced planned tender offer to create a simplified structure that will enable value creation from the new global growth platform. The timing of the proposed tender offer, which will convert Borouge Plc shares to Borouge Group International AG shares, will align with the new company's future equity raise and maximize value for all shareholders. The tender offer is expected to take place in 2027, subject to market conditions. Until then, Borouge Group International AG will be privately held, and Borouge Plc shares will remain listed on the Abu Dhabi Securities Exchange (ADX). The expected credit ratings factor in the impact and flexibility on timing of both the future equity raise and the planned acquisition of B4 by Borouge Group International AG.

Borouge Plc shareholders and Borouge Group International AG's owners, OMV and ADNOC, will benefit from the accretion provided by the Agreement. Borouge Plc shareholders will also benefit from a minimum dividend commitment of 16.2 fils per share, which will be maintained by Borouge Group International AG post completion of the tender offer.

Considering the current market environment, OMV and ADNOC have agreed to strengthen the balance sheet of Borouge Group International AG as a precautionary measure. This will entail a temporary adjustment of the dividend payments for the financial year 2026, including limiting the payment to the second dividend tranche in 2026 amounting to 50% of the previously estimated dividend. The expected impact on the OMV dividend would be around EUR 0.6-0.7 per OMV share for



the year 2026, based on a contribution to OMV's dividend distribution of USD 250mn by Borouge Group International, instead of the previously estimated USD 500mn.

Upon completion, ADNOC's stake in Borouge Group International will be transferred to XRG, a wholly owned subsidiary of ADNOC, complementing XRG's Global Chemicals Platform, and fully supporting its ambition to become a top three global chemicals investor. Borouge Group International AG will then be owned at equal 50% shareholding by XRG and OMV respectively. As disciplined, value-creating owners, OMV and XRG are committed to unlocking the full potential of Borouge Group International AG, including the realization of synergies.

#### **About OMV Aktiengesellschaft**

It is our purpose to re-invent essentials for sustainable living. OMV is transitioning to become an integrated sustainable energy, fuels, and chemicals company. OMV is striving to achieve net zero by 2050 at the latest. In 2025, the company generated revenues of 24 billion euros with a talented workforce of around 22,300 employees worldwide. OMV's key strategic majority shareholdings include a 75 percent stake in Borealis and a 51.2 percent stake in OMV Petrom. OMV shares are traded on the Vienna Stock Exchange (OMV) and in the US on OTCQX (OMVKY, OMVJF). For more information, please visit [www.omv.com](http://www.omv.com).

#### **About ADNOC**

ADNOC is a leading diversified energy and petrochemicals group wholly owned by the Emirate of Abu Dhabi. ADNOC's objective is to maximize the value of the Emirate's vast hydrocarbon reserves through responsible and sustainable exploration and production to support the United Arab Emirates' economic growth and diversification. To find out more, visit: [www.adnoc.ae](http://www.adnoc.ae)

For media inquiries, please contact: [media@adnoc.ae](mailto:media@adnoc.ae)

#### **About XRG**

XRG is ADNOC's international investment arm. With a valuation exceeding \$150 billion, XRG is building a global portfolio to meet a new era of energy demand. Focused on long-term value creation and shared prosperity, XRG invests across energy and chemicals to deliver energy security and essential materials to the world.

#### **About Borouge Group International**

Announced in March 2025, the formation of Borouge Group International will create a global polyolefins powerhouse through the combination of Borouge Plc and Borealis together with the acquisition of Nova Chemicals, subject to regulatory approvals and other customary conditions.

Borouge Group International will be jointly owned by XRG, a wholly owned subsidiary of ADNOC, and OMV, with equal 50% shareholdings. The new entity will hold approximately 90% of Borouge Plc, with the remaining free float listed on the Abu Dhabi Securities Exchange (ADX).

#### **About Borouge 4 Asset Usage Agreement**

The agreement is signed between Abu Dhabi Polyolefin Company ("ADP"), a subsidiary of Borouge plc, and B4 LLC, a company owned 70% by ADNOC and 30% by OMV. In exchange, Borouge Plc will pay a utilization fee to the owners of B4, which will be structured to cover the financing costs associated with the B4 ECA term facility. The Agreement enables Borouge Plc, and subsequently



Borouge Group International, to operate and market the volumes of B4 in return for an at-cost asset utilization fee for the period 2026 – 2028.

---

**Contact:**

**OMV Group Communications:** Sylvia Shin, Tel.: +43 1 40440 0, E-Mail: [media.relations@omv.com](mailto:media.relations@omv.com)

**OMV Investor Relations:** Florian Greger, Tel.: +43 1 40440 21600, E-Mail: [investor.relations@omv.com](mailto:investor.relations@omv.com)

**OMV Homepage:** <https://www.omv.com>

---