

## **Sadara, Gulf Interchem sign MOU to build a chemical by-product recycling facility in PlasChem Park**

**JUBAIL, Saudi Arabia, 28 November, 2017** – Sadara Chemical Company (Sadara) signed a Memorandum of Understanding (MOU) with Gulf Interchem, a Bahrain-based technology company focused on innovating in the field of low-value chemical by-product recycling, for a by-products upgrade project based in PlasChem Park, a collaborative industrial park between Sadara and the Royal Commission for Jubail and Yanbu (RCJY) in Jubail Industrial City II.

Under the terms of the non-binding agreement, Gulf Interchem will build an integrated treatment plant to recover valuable molecules from Sadara by-products and convert them into fine chemicals that can be used in the production of specialty chemicals such as corrosion inhibitors, adhesives, lubricants and others.

“This supply agreement with Gulf Interchem carries numerous advantages and benefits for Sadara, its partners and local and regional industries, as it not only allows us to responsibly utilize a portion of our by-products, but also localizes a by-products handling component crucial not only to Sadara, but to many of the chemicals players in PlasChem Park as well,” said Mohammad Al-Azzaz, Director of Value Park, Sadara.

Al-Azzaz went on to note that the company will continue to explore further opportunities for the other by-product streams that will be produced by the Sadara Chemical Complex.

The plant will be the first of its kind serving the Jubail petrochemical industry in the recycling of by-products and will help import new technologies for managing by-products. It will also generate value for Sadara through the recycling of its low-value by-products streams, increasing the value of exports, creating jobs and contributing to Sadara’s environmental protection efforts by reducing waste disposal and the company’s carbon footprint.

Bernard van den Wouwer, Managing Director at Gulf Interchem said, “We strive to explore new and innovative ways to maximize the use of chemical by-products and waste streams, thereby creating value for our partners and reducing their environmental footprint. This project with Sadara is especially exciting for us as it is unique in its approach and its capabilities.”

“We will receive various organic chemical by-products streams and through innovative recycling processes, these streams will be converted into finished chemical molecules with multiple market applications. Some of the products will be destined for the commodity market and others for the specialty chemical market,” van den Wouwer clarified.

Gulf Interchem has developed advanced treatment processes to recycle by-products and waste streams into valuable chemical products. Beyond the economic value creation, the project’s planned recycling solutions will also have an immediate environmental impact, reducing carbon dioxide emissions by approximately 50,000 tons per year. It is also estimated that the project will create 50 highly specialized jobs while supporting the Kingdom’s growing and developing downstream manufacturing industries in the long term.

On a related note, Al-Azzaz revealed that many of the investors in PlasChem Park will conclude their planned project’ engineering activities by early next year with ground-breaking activities set to take place in Q3 2018.

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#### **About Gulf Interchem**

*Gulf Interchem is a Bahrain based company focused solely on developing disruptive innovations in the field of chemical waste recycling. Its solutions are based on three pillars: scientific research, technology management and sales of production outcomes. By offering recycling solutions as a total value chain approach, high-profile chemical companies in Jubail have entrusted Gulf Interchem with the recycling of their chemical waste streams. Gulf Interchem was established in 2012. Its core management team has more than 25 years of relevant experience in chemistry, technology management, sales and supply chain.*

#### **About Sadara:**

*Sadara is a joint venture developed by the Saudi Arabian Oil Company (Saudi Aramco) and The Dow Chemical Company. Sadara is a multi-billion dollar world-scale chemical complex in Jubail Industrial City II in Saudi Arabia's Eastern Province. Comprised of 26 world-scale manufacturing units, the Sadara chemical complex is the world's largest to be built in a single phase and is the only chemical company in the Middle East to use refinery liquids, such as naphtha, as feedstock. By using best-in-class technologies to crack refinery liquid feedstock, Sadara will enable many industries that either currently do not exist in Saudi Arabia or only exist through imports of raw materials. The adjacent PlasChem Park, a unique collaboration between Sadara and the Royal Commission for Jubail and Yanbu', will create more value downstream, generating unprecedented investment, innovation, economic growth and thousands of jobs.*

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Sadara - General Use Information

#### **Sadara Chemical Company**

A limited liability company  
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