

A joint venture formed by Sinopec and Técnicas Reunidas, awarded a large petrochemical unit in Kazakhstan

- This contract is included within the framework of the strategic alliance subscribed last September by Sinopec and Técnicas Reunidas.
- The total investment is estimated in around 2.3 billion euros, corresponding 50% to each partner of the joint venture.
- The unit will be installed in the petrochemical complex that a consortium led by the public company KazMunayGas is developing in the province of Atirau, and will receive financial support from Sinopec for its execution.
- The unit, a steam cracker, which is the main process unit of every petrochemical complex, will use gas from Kazakhstan fields to produce petrochemicals.

Madrid, September 18th, 2024.- A consortium led by KazMunayGas, Kazakhstan's state-owned oil and gas company, has awarded the development of a steam cracker to a joint venture formed by the Chinese group Sinopec and the Spanish company Técnicas Reunidas. The Sinopec group will provide financial support for its execution.

The award of this contract is included within the framework of the strategic agreement subscribed by Sinopec and Técnicas Reunidas last September. The first result of that agreement was the award of two large gas fractionation facilities in Riyas (Saudi Arabia) last January.

The investment required for the development of the unit will amount to around 2.3 billion euros, of which 50% will correspond to each of the joint venture partners.

According to present estimation, the works will last until the end of 2028. The US company Lummus Technologies, which recently announced its participation in the project (<https://www.lummustechnology.com/news/releases/press-2024/lummus-selected-for-kazakhstan%E2%80%99s-first-polyethylene-plant>), has been selected by Sinopec and Técnicas Reunidas as the technology licensor.

The unit, a steam cracker, which is the heart of any petrochemical complex, will be installed in the one that the consortium led by KazMunayGas is developing in the province of Atirau, in the western part of the country, on the Caspian Sea coast.

The unit will use the gas from Kazakhstan's fields to generate petrochemicals. It will contribute to the production of some 1,300 kilotonnes per year (kta) of ethylene.

About KazMunayGas

The public company KazMunayGas (KMG), founded in 2002, is the national leader in the oil and gas industry of Kazakhstan.

The scope of its activities covers the entire production cycle of the hydrocarbons business, from exploration and production, to transportation, refinery, and service provision, representing 26% of the oil production, 56% of the oil transportation and 80% of the oil refinery of the country.

KMG is one of the largest employers in Kazakhstan and provides employment to more than 47,000 people through 40 subsidiary companies.

About Técnicas Reunidas

Técnicas Reunidas is a leading Spanish global engineering firm, with over 60 years of experience executing more than 1,000 industrial plants around the world and presence in 25 countries.

The company is specialized in the design and construction of industrial plants dedicated to the production of clean fuels, natural gas and petrochemical plants. The company is also at the cutting edge of technology solutions related to energy transition, circular economics and decarbonization of industrial plants.

These solutions encompass technologies like green hydrogen and its derivatives, biofuels, biochemicals and carbon capture.

Técnicas Reunidas has over 10,000 employees, the majority of which are highly qualified engineers. Thus, its headquarters in Madrid, Spain, constitutes an important center of engineering excellence.