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## Press Release

18 MAY 2023

### **PETROFAC LED JV SELECTED FOR US\$1.5 BILLION EPC PROJECT IN ALGERIA**

- A Petrofac-led joint venture has been notified of a conditional award by STEP Polymers SPA (100% Sonatrach subsidiary) for a petrochemical engineering, procurement and construction (EPC) contract valued at approximately US\$1.5 billion
- This is a significant downstream project, which will form part of the Arzew Industrial Zone, located west of Algiers, supporting Algeria's energy strategy
- The award broadens Petrofac's portfolio within the petrochemical sector and builds on its 25-year track record in Algeria

Petrofac, leading a joint venture with petrochemical industry specialist, China Huanqiu Contracting & Engineering Corporation (HQC), has received notification of a conditional award by STEP Polymers SPA (100% Sonatrach subsidiary) to execute a significant petrochemical project in Algeria. The total contract value is approximately US\$1.5 billion, with Petrofac's share valued at over US\$1 billion.

The plant will be located at the Arzew Industrial Zone, west of Algiers. Covering the design and build of two major integrated processing units, the contract includes the delivery of a new propane dehydrogenation unit and polypropylene production unit, as well as associated utilities and infrastructure for the site. It is expected to produce 550,000 tons of polypropylene per year.

Tareq Kawash, Petrofac's Group Chief Executive, said: "We are proud to be supporting our customer to deliver this strategic project. Algeria is a core market for Petrofac and we are committed to supporting the long-term delivery of critical infrastructure as the country plays an increasingly important role as a major energy producer and moves into major petrochemical projects."

Elie Lahoud, Chief Operating Officer for Petrofac's Engineering & Construction division, said: "The award of this major project builds on Petrofac's 25-year track record of successfully supporting Algeria's energy industry. As our client responds to the world's increasing demand for petrochemical products, we are looking forward to developing our breadth of experience in-country, through the safe and timely delivery of this project."

Petrofac has been active in Algeria since 1997, when it opened its first office in Algiers. The company has since developed some of the country's most significant oil and gas assets, with an impressive track record in executing projects successfully, underpinned by a commitment to supporting the nationalisation agenda and developing local workforces.

This contract award forms part of the US\$1.5 billion of opportunities described by Petrofac as being at preferred bidder stage in its December trading update.

**Ends**

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## NOTES TO EDITORS

### About Petrofac

Petrofac is a leading international service provider to the energy industry, with a diverse client portfolio including many of the world's leading energy companies.

Petrofac designs, builds, manages and maintains oil, gas, refining, petrochemicals and renewable energy infrastructure. Our purpose is to enable our clients to meet the world's evolving energy needs. Our four values - driven, agile, respectful and open - are at the heart of everything we do.

Petrofac's core markets are in the Middle East and North Africa (MENA) region and the UK North Sea, where we have built a long and successful track record of safe, reliable and innovative execution, underpinned by a cost effective and local delivery model with a strong focus on in-country value. We operate in several other significant markets, including India, South East Asia and the United States. We have 7,950 employees based across 31 offices globally.

Petrofac is quoted on the London Stock Exchange (symbol: PFC).

For additional information, please refer to the Petrofac website at

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