

## Market Overview

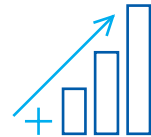
# Empowering the new economy

**Rapidly evolving infrastructure and energy needs driven by the accelerating AI economy, increasing electric-vehicle uptake and the global energy transition are reshaping demand for advanced materials and specialised solutions.**

As high-growth markets continue to urbanise and incomes rise, the world is experiencing heightened pressure on essential systems, from energy and water to food security and industrial productivity. These structural shifts are amplifying the need for more efficient healthcare, agricultural and manufacturing capabilities, while reinforcing the critical importance of the circular economy in achieving sustainable long-term growth. Against this backdrop of intensifying global challenges and opportunity, Borouge is well positioned to address and capitalise on these megatrends in 2026 and beyond through its scale, innovation platform and differentiated portfolio.



## Global megatrends



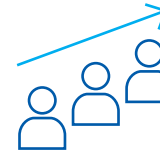
### New economy

Rapid data and power infrastructure needs from the AI economy which will lead to a new era of productivity growth.



### Food and water

Advanced packaging technologies extend food shelf life in developing regions, while sustainable agriculture solutions enhance resource efficiency and crop yields. Durable pipe systems address critical water infrastructure needs, while innovative polymer technologies enable robust sanitation solutions in developing regions. Solutions for industrial and agricultural sectors are also needed to keep up with population and rapid growth in the new economy.



### Growth in population and emerging economies

Rapid urbanisation across Asia and Africa drives infrastructure demand while expanding middle-class populations, creating new sustainable solutions opportunities including the energy needs of electric vehicles in urban areas where our lightweight solutions support automotive electrification and reduced carbon footprints.



### Healthcare

Healthcare infrastructure expansion in emerging markets requires higher volumes of advanced materials while rising hygiene and purity standards drive demand for specialised medical solutions.



### Energy security and sustainability

Increasing need for self-sufficiency on the back of energy transition trends drive the need for optimal energy solutions. Infrastructure for renewable and conventional power continue to drive growth for specialised polyolefin-based materials.



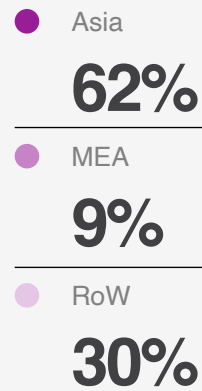
### Circular economy

Our recyclable polyolefin solutions transform material lifecycles while integrated recycled content maintains performance standards across our product portfolio.

## Market Overview

# Serving high-growth markets

### Global polyolefins demand and growth 2026-2030



**Borouge markets share of global demand growth 2026-2030**

**71%**

Strategically positioned to capture growth in high-value market segments

**2026-2030 CAGR % Borouge markets**

**3.9%**

**Rest of the World**

**1.7%**

## Global megatrends



### Near-term drivers

2025 saw a paradigm shift in trade policies, particularly from the United States. This shift has created opportunities for Borouge to enter new markets while also managing those which could face greater competition.

### Continuous growth in emerging markets

Asian and MEA markets – including our home market in the UAE – have demonstrated solid growth overall despite periodic fluctuations resulting from tariff uncertainties. India, although affected by increased tariffs, has exhibited resilience in its domestic demand.

Combined with a rising middle-class population this represents an exciting growth opportunity for Borouge. Closer to home, the UAE and Middle East saw strong economic growth, inward investment and diversification – all factors that will sustain polyolefin consumption.

### Ongoing stimulus policies

China is the world's largest polyolefin market, with economic conditions closely linked with its regional businesses. In 2025, China continued to roll out stimulus measures and expansionary monetary policies to boost consumer confidence and spending which resulted in a record-high trade surplus of USD 1 trillion despite the period of uncertainty.

### Geopolitical volatility remains

Geopolitical developments and logistics challenges in the Middle East region remain an ongoing challenge for our industry. Borouge has activated contingency plans and is working to deliver for its customers.



## Market Overview

# Organic growth and substitution



## Organic growth

Infrastructure expansion and urbanisation are boosting demand in emerging markets, particularly in Asia and the Middle East. Economic recovery continues to stimulate consumer confidence and industrial output while smart cities and transportation networks are developing rapidly, driving the ongoing need for polyolefin solutions. A growing middle class is also amplifying consumption, creating multiple growth opportunities in construction, packaging, industrial, agricultural and consumer goods.



## Material substitution

Advanced polyolefins are replacing traditional materials due to superior performance and sustainability. Environmental regulations and corporate commitments are accelerating this shift, especially in automotive, construction, and packaging. Advancements in Borstar® technology support the creation of high-performance materials that meet industry standards and reduce environmental impact.

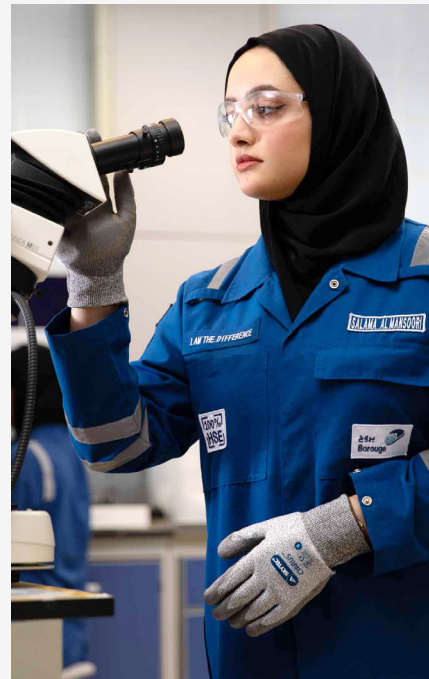
## Market Overview

# Supported by an improving outlook for polyolefins



## Industry outlook

Through economic cycles and periods of global uncertainty, Borouge has delivered growth and created value for our customers. A culture of research and development and ongoing investment in expanding our global footprint leave Borouge well placed to meet the needs of high-growth markets while delivering sustained growth and shareholder value in 2025 and beyond.



## Assets under strategic review

Some producers in Europe and Asia Pacific have been conducting strategic reviews of their assets, and there are early signs of industry consolidation. We anticipate further capacity rationalisation to come, creating a more sustainable supply and demand balance going forwards.

## Value chain integration

More producers are focused on value chain integration to identify enhanced efficiency in the supply chain and downstream products, and improved cost position in feedstock. This strategic approach provides cost advantages and operational stability, while attracting premium segments through improved customer alignment and tailored solutions.



## Geographic diversification

Producers with the ability and flexibility to diversify their geographic exposure are more able to address the short-term challenges faced. Expanding capabilities across various regions facilitates better market access and risk management. This strategy also helps to mitigate regional market volatility and provides access to new growth opportunities.

## Market Overview

# Success story



### Expanding our high-margin healthcare portfolio through local innovation

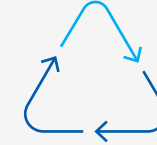
In 2025, Borouge advanced its Healthcare portfolio with the launch of the first Made-in-UAE low-density polyethylene (LDPE) grade for pharmaceutical packaging. The new Bormed™ LE6607-PH, produced in Ruwais, enables regional manufacturing of IV bottles, ampoules and other sterile medical packaging. This strengthens healthcare supply chains across the Middle East, Asia and Africa while supporting the Make it in the Emirates initiative.



### Strengthening our leadership in high-performance pipe solutions

Borouge expanded its Infrastructure portfolio with a next generation BorSafe™ PE100 RC pipe grade, engineered for superior durability and long term performance in critical water and gas networks.

In parallel, Borouge's broader PE100-RC+ materials were recognised as 'New Product of the Year' at the Asian Oil & Gas Awards, reflecting the breakthrough performance and strategic relevance of the Company's advanced piping solutions and reinforcing its position as a leader in resilient infrastructure technologies.



### Accelerating circularity through mono material innovation

In collaboration with Siegwark and TPN, Borouge launched a fully recyclable mono material polyethylene laminate for food grade stand up pouches. The solution provides high oxygen barrier performance for dry foods while enabling full recyclability and high quality recycled polyethylene production. Produced by TPN in Thailand, this is the first co development under the Siegwark–Borouge partnership and strengthens Borouge's advanced packaging offering.



### Enabling sustainable mobility through advanced materials

Borouge expanded its presence in Automotive by deepening its partnership with ROX Motor to supply lightweight polyolefin materials for 17 interior and exterior components of the new ADAMAS SUV.

The collaboration supports the UAE's growing automotive manufacturing ambitions and includes a joint innovation laboratory in Shanghai focused on advanced polyolefin solutions and next-generation lightweight design.