

In a step to enable the downstream industries

Sadara, Oasis Pioneers Sign Long-Term Supply Agreement to Boost Saudi Arabia's Downstream Industry in PlasChem Park

JUBAIL INDUSTRIAL CITY, Saudi Arabia, Jan. 15, 2025 - In alignment with the Kingdom's vision to enable the downstream industry, Sadara Chemical Company (Sadara) and Oasis Pioneers Industrial Co. Ltd (Oasis Pioneers), have signed a long-term supply agreement for Methylenediphenyl Diisocyanate (MDI) amid the presence of Sadara CEO Fayez Al Sharef and Oasis Pioneers Chairman Khaled Juffali.

Under the agreement, Sadara will supply MDI - a critical raw material used in high-performance applications - to Oasis Pioneers, who in turn will establish and operate a state-of-the-art MDI distillation and manufacturing facility, to produce advanced polyurethane solutions at PlasChem Park in Jubail Industrial City.

This partnership represents a significant milestone in advancing Saudi Arabia's downstream sector, a vital component of the Kingdom's National Industrial Strategy. The project seeks to advance innovation in applications such as thermal insulation, automotive parts, and construction materials. This will in turn drive industrial growth and sustainable development across the Kingdom.

Sadara CEO Fayez Al Sharef expressed his enthusiasm at the agreement, emphasizing its significance for the downstream sector through the introduction of high-performance products and applications that will support the local market and boost the national economy.

Oasis Pioneers' Chairman Khaled Juffali said: "I am proud and excited to reach this milestone alongside the Oasis Pioneers team and our partners at Sadara. Recognizing this project as a vital part of the Kingdom's National Industrial Strategy is exciting but also brings enormous responsibility. For the benefit of our country, region, partners, employees, and shareholders, my team and I will continue working to deliver a new national champion in our industrial sector successfully."

This project will serve as a groundbreaking and transformative addition to the Kingdom's manufacturing sector. It will strengthen production capabilities and replace imported products with the locally-produced unique specialty chemicals.

Sadara's innovative product portfolio – introducing the first of its kind in the Kingdom – has positioned the company as a catalyst for attracting diverse investments to PlasChem Park. These strategic investments span key sectors: chemicals for oil and gas, building materials, paints, coatings, and personal and household care products. Creation of these new value chains will drive growth and innovation within the Kingdom's manufacturing landscape.

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 and natural gasoline, 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.

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