



Growth through Integration of Downstream

Kamil Al-Shanfari – January 2017



Outline

- ❑ Orpic Overview – Integration of Downstream
- ❑ Growth Projects

Orpic Overview



20% of Oman
crude processed
by
Orpic



Orpic
Employ over **3,000**
workforce
74% are Omanis



Orpic Supply
100% fuels in Oman
(Gasoline, Diesel
and Jet Fuel)



Revenue
is over USD
10 bn of
which fuels
make 70 %



Export
to over 30 countries in
the World with over
USD 3 bn Revenues

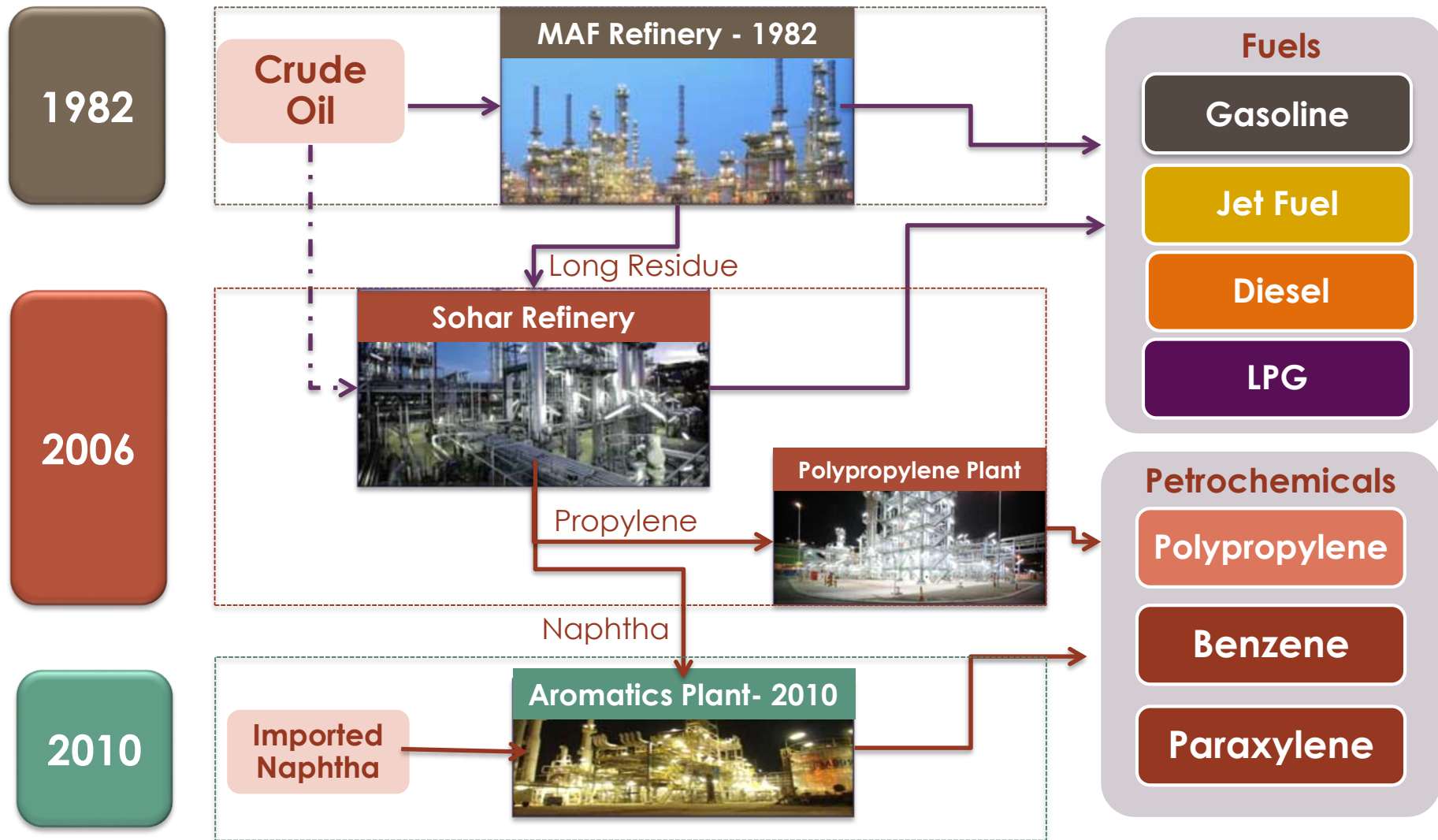
Achieve

Enhance

Grow

Serving Oman with Pride

2016 - Orpic Downstream Value Chain



The integration Story – Background



4 companies, **4** plants and **1600** people

Companies have separate boards, separate managements and have different mandates

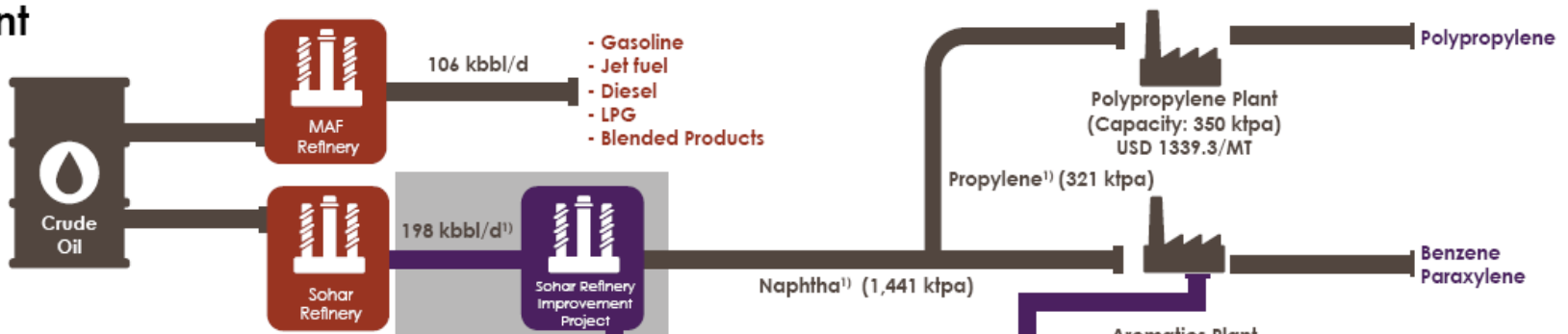


- ❑ Orpic Overview – Integration of Downstream
- ❑ Growth Projects

Orpic Business Overview

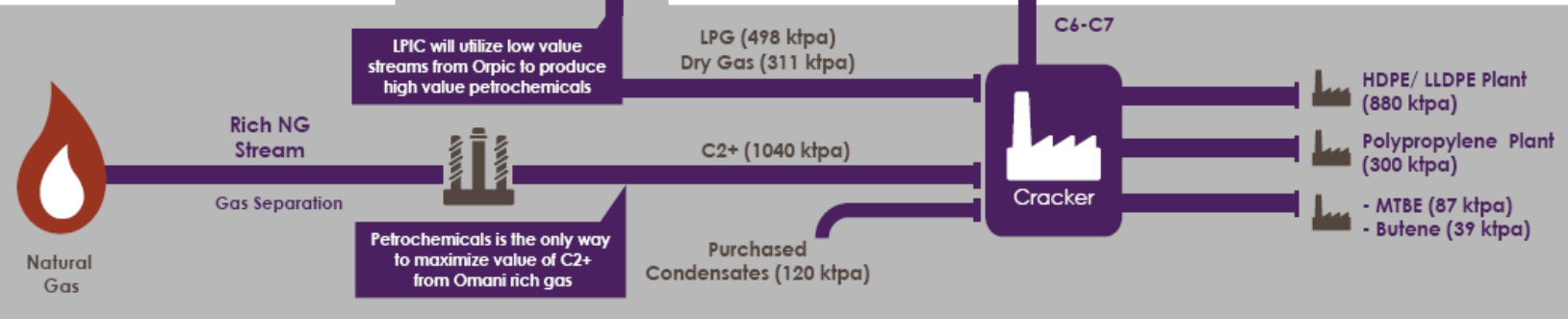
current

CURRENT OPERATION









Future

GROW PROJECTS IMPACT



Growth Project



Products	Fuels Gasoline Jet Fuel Diesel LPG Naphtha Long Residue	Petrochemicals Polypropylene Fuels Gasoline Jet Fuel Diesel LPG	Petrochemicals Benzene Paraxylene	Fuels Gasoline Jet Fuel Diesel LPG Naphtha Bitumen	Petrochemicals Polypropylene HDPE LLDPE Benzene Fuels- Gasoline
	Investment	USD 800 Mn	USD 1,500 Mn	USD 1,600 Mn	USD 2,700 Mn
Projects	 MAF Refinery	 Polypropylene Plant  Sohar Refinery	 Aromatics Plant	 Sohar Refinery Improvement Project	 Liwa Plastics Industries Project
Timeline	1982	2006	2010	2017	2020

Growth Projects

Three major projects will fuel Orpic's transformation from a national oil refinery to an international integrated refining and petrochemicals company:



Sohar Refinery Improvement Project - 2017



Sohar Refinery Improvement Project



SRIP adds five new units, improving Sohar Refinery's ability to process heavier Omani crude oil. The five units are:



Crude Distillation Unit (CDU)



Hydrocracker Unit (HCU)



Vacuum Distillation Unit (VDU)

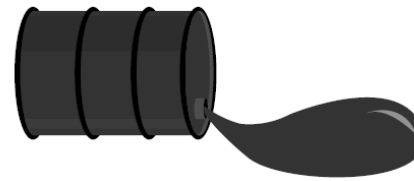
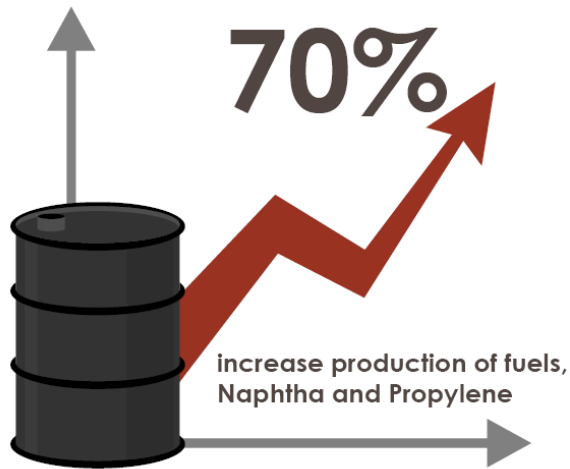


Bitumen Blowing Unit (BBU).

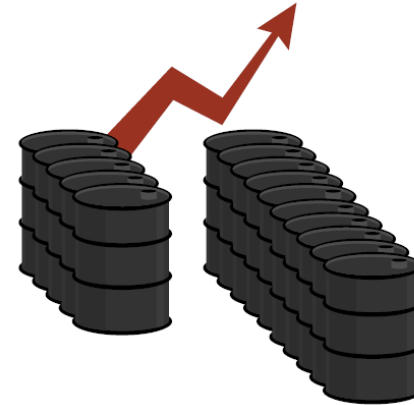


Delayed Coker Unit (DCU)

Sohar Refinery Improvement Project



Produce bitumen for the first time



116,000 bpd (current)+82,000 bpd (future)
Total= 198,000 bpd

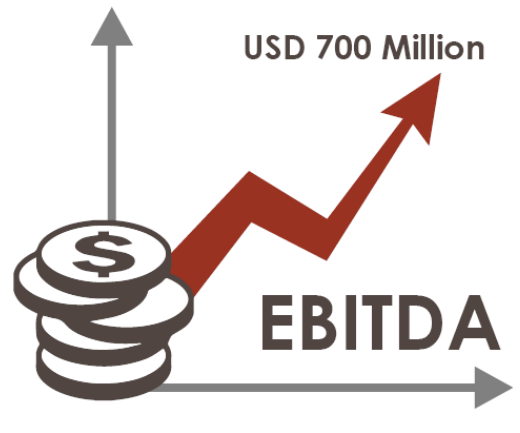
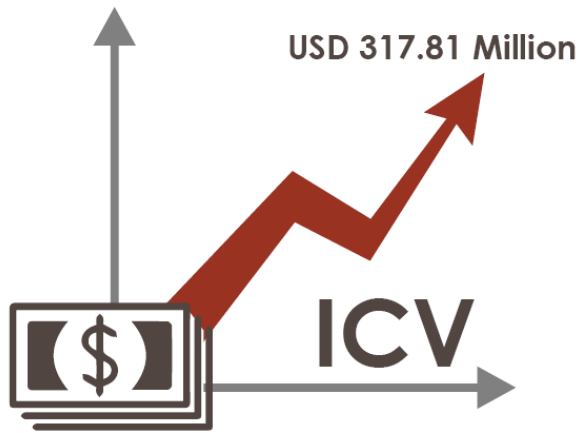
Achieve

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Sohar Refinery Improvement Project - 2017



Muscat Sohar Product Pipeline - 2017



Achieve

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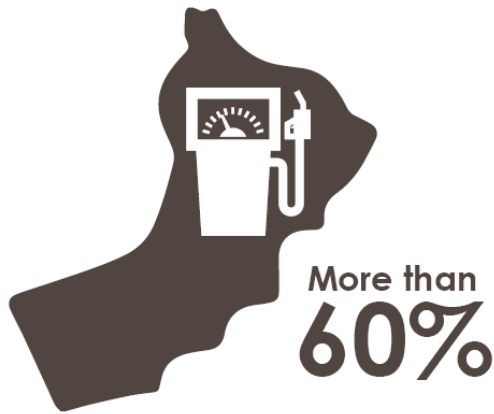
Muscat Sohar Product Pipeline - 2017



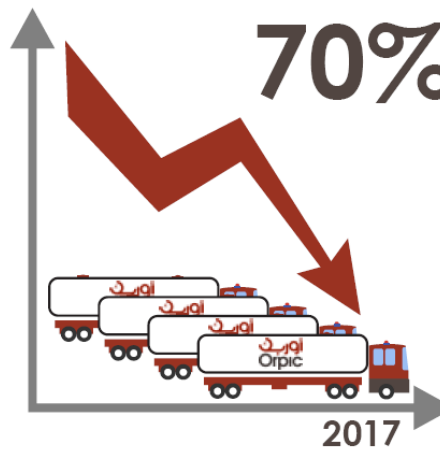
Muscat International Airport
 Refinery
 Pipeline network
 Potential location of the New Terminal

The multi-product pipelines will have a total length of 280 km

Muscat Sohar Product Pipeline - 2017



Will deliver more than 60% of Oman's fuel via the state-of-the-art storage facility.



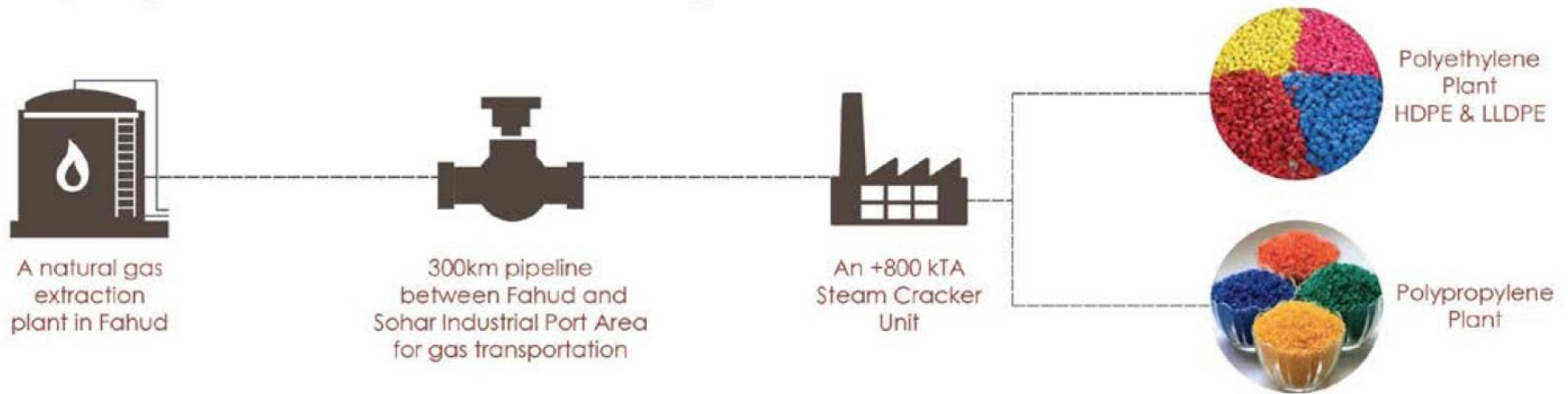
Heavy fuel-tank truck traffic in Muscat by 70%.



improved road safety,
increased jet fuel supply,
logistic efficiencies

Liwa Plastic Industrial Complex - 2020

The project has six core components:



Liwa Plastic Industrial Complex - 2020



Transform Orpic's product mix & business model



Double company profit



Offer approximately 900 direct jobs when operations commence.



Polyethylene and Polypropylene production is forecast to have increased by more than **1.4 million** tonnes



Best integrated refinery and petrochemical facility

25%

Local purchase content of minimum



Contribute to Oman GDP

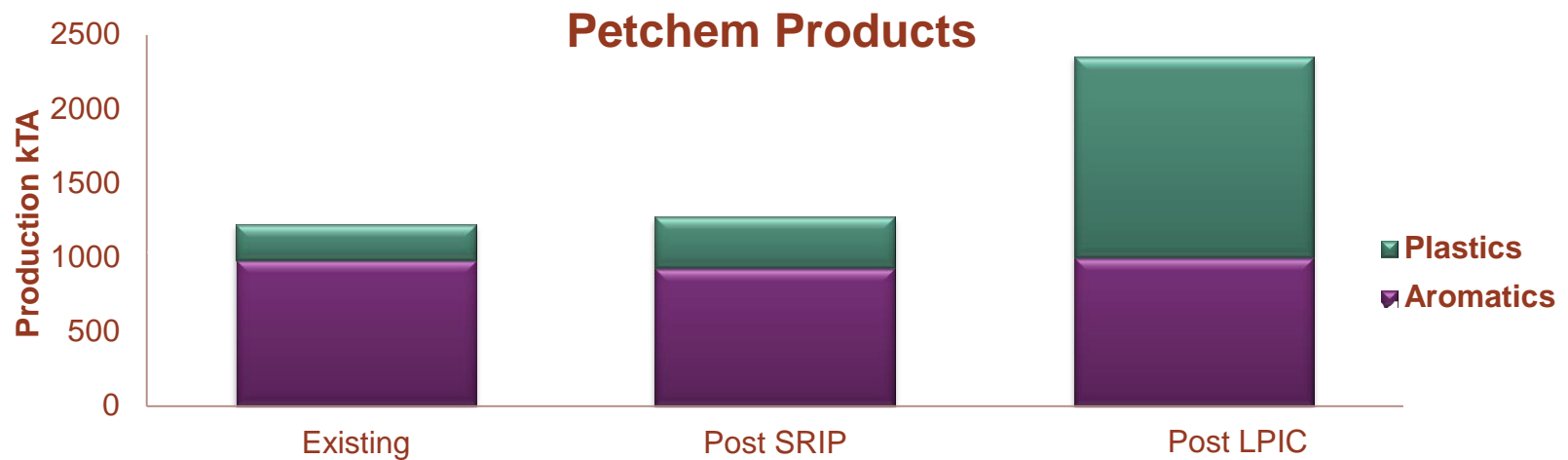
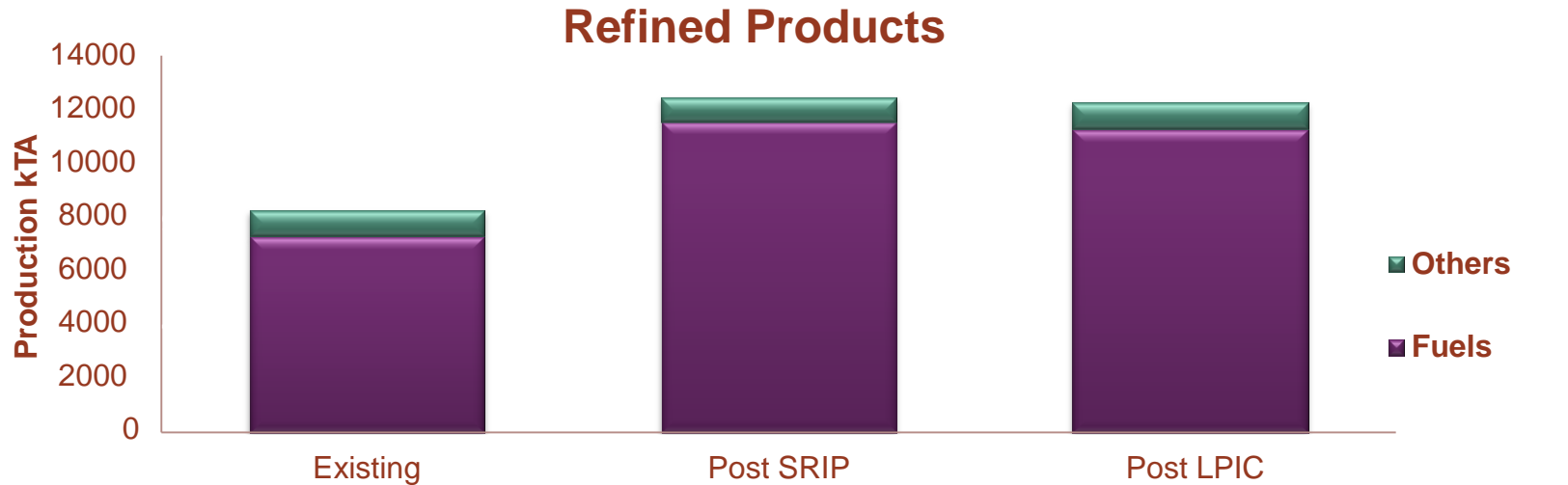


Create more than 12,000 indirect jobs.



Provide business opportunities for downstream projects

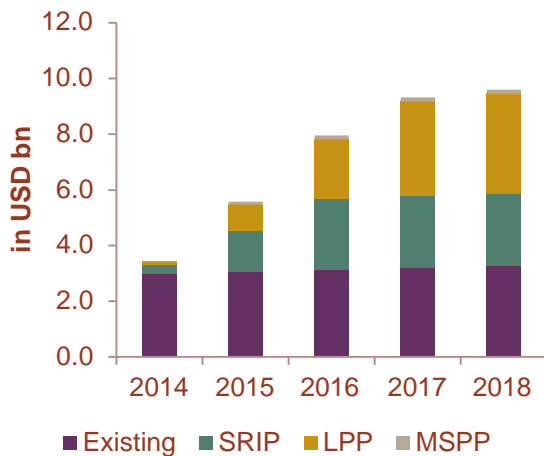
Growth Projects: Increased Fuels and Plastics



Enhanced Refinery and Petrochemical Integration

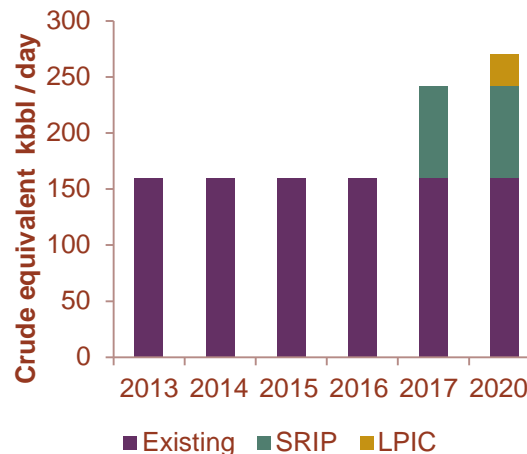
Fueling Growth Projects 2014-2020

Fixed Assets to grow three times while



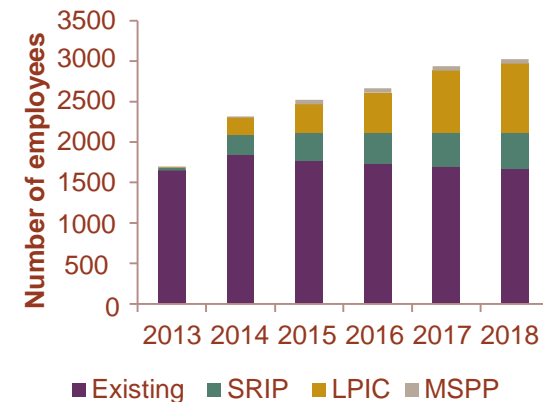
Capital Investments

Crude processing increase by ~ 70%



Crude (and equivalent) consumption

Job creation of over 1000 skilled positions

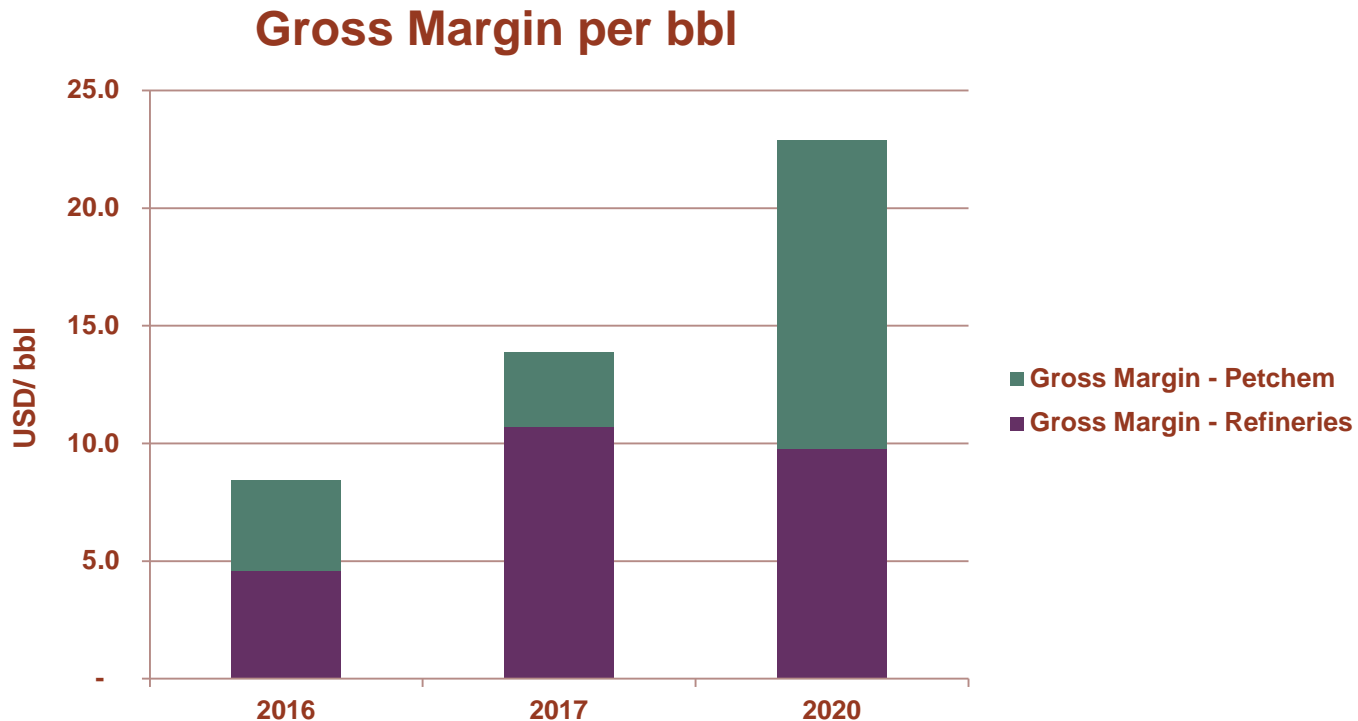


Manpower Plan

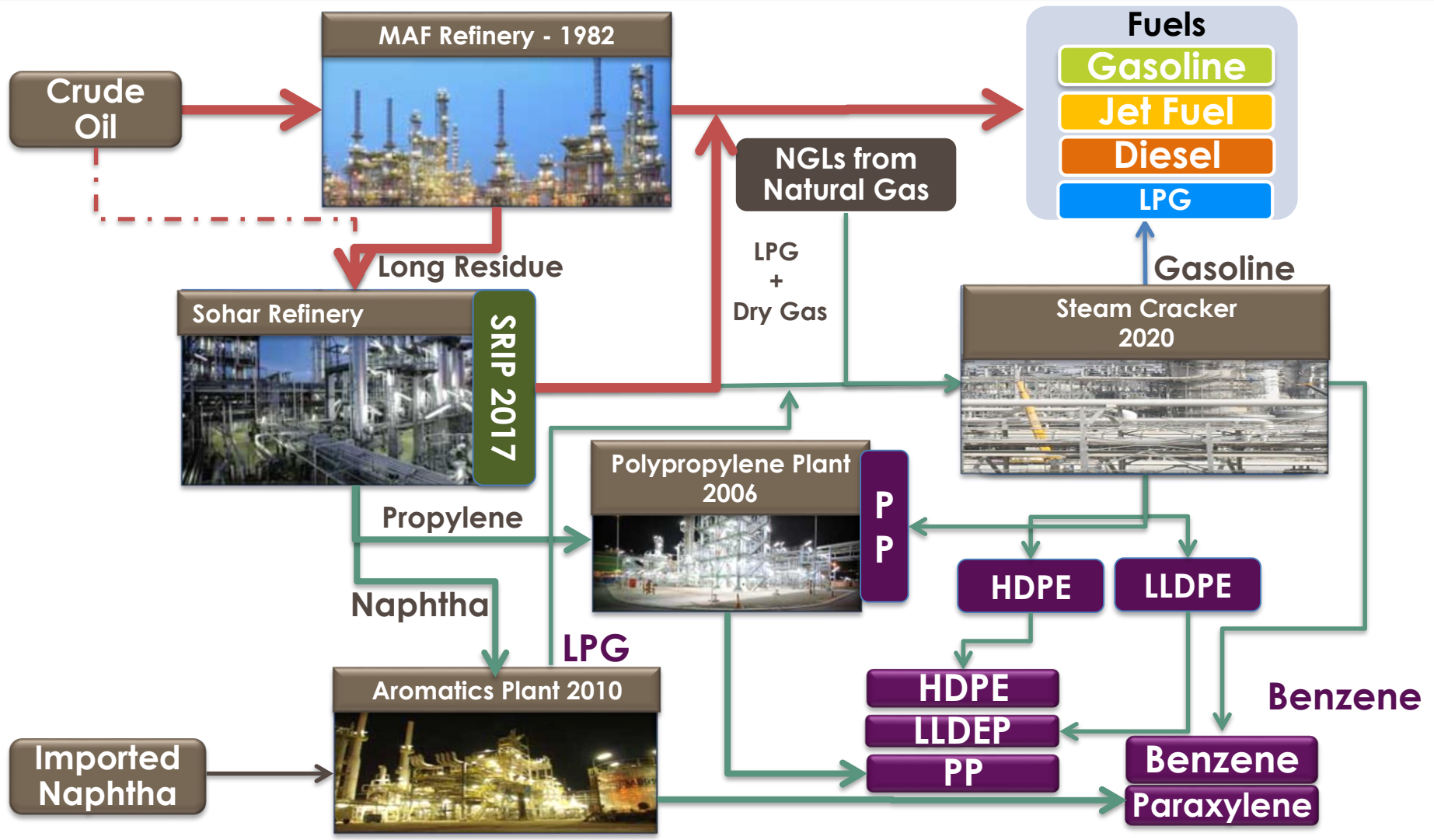
Growth Projects : Increased Profitability



Profitability set to grow in the future due to deeper conversion and enhanced value addition.



2020 - Orpic Downstream Value Chain





Serving Oman with Pride

Thank You!

Oman Oil Refineries and Petroleum Industries Company

