

## THAILAND: PTTGC to invest B100 billion

**PTT Global Chemical Plc (PTTGC) plans to invest 100 billion baht over the next five years, half of it on recent acquisition Perstorp Holding France SAS, a technology firm and major manufacturer of isocyanates in Europe and Asia.**

PTTGC chief executive Veerasak Kositpaisal said the remaining investment would go mainly to expanding upstream and downstream products.

For the upstream petrochemical segment, the merged entity of PTT subsidiaries--PTT Chemical Plc (formerly PTTCH) and PTT Aromatics Plc (formerly PTTAR)--is completing a feasibility study on capacity expansion for aromatics and olefins. The project will be located in Southeast Asia close to raw material resources and consumers, but the country has not been determined.

"These projects will come online with PTT Exploration and Production's oil and gas resources in this region," said Mr Veerasak.

PTTEP has E&P business in Vietnam, Indonesia, Myanmar and Cambodia. It operates oil and gas production in Vietnam and Myanmar.

PTTGC has oil refinery capacity of 228,000 barrels per day (10.288 million tonnes per year) and petrochemical capacity of 8 million tonnes annually, including 2.26 million tonnes of aromatics, 2.88 million tonnes of olefins, and 2.9 million tonnes of downstream products.

"Global market demand grows 4% every year, so we need to tap into that potential, particularly in Asean," he said.

For downstream business, the company will focus on high-value polymers due to strong demand in construction materials, automotive, electronics and electrical sectors.

"Urbanisation continues to be the global trend and those four sectors are expected to grow in accordance with people's changing lifestyles," he said.

The company is considering building both an isocyanates plant and polyurethane (PU) plant in Thailand costing nearly 50 billion baht.

Last month, PTTGC signed a share purchase contract for isocyanates, a raw material for PU, with Perstorp Holding.

The world leader in specialty polymer products agreed to sell a 51% share of isocyanates to PTTGC. The deal is expected to be closed by mid-year.

Perstorp has the technology to produce PU from isocyanates, while PTTGC owns toluene and polyols, the raw materials of isocyanates.

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### Adresse:

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