RABIGH REFINING AND PETROCHEMICAL COMPANY
(A Saudi Joint Stock Company)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
AND INDEPENDENT AUDITOR'S REPORT

RABIGH REFINING AND PETROCHEMICAL COMPANY
(A Saudi Joint Stock Company)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Independent auditor's report to the shareholders of Rabigh Refining and Petrochemical Company

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Rabigh Refining and Petrochemical Company (the "Company") as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA).

What we have audited
The Company's financial statements comprise:

- the statement of profit or loss for the year ended December 31, 2025;
- the statement of comprehensive income for the year then ended;
- the statement of financial position as at December 31, 2025;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards), endorsed in the Kingdom of Saudi Arabia (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code's requirements.

Independent auditor's report to the shareholders of Rabigh Refining and Petrochemical Company (continued)

Our audit approach

Overview

Key Audit Matters	Impairment assessment of non-financial assets

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the Key audit matter
Impairment assessment of non-financial assets	
As at December 31, 2025, the Company has property, plant and equipment ("PPE") of Saudi Riyals 41,040 million, right-of-use assets of Saudi Riyals 7,288 million and intangible assets of Saudi Riyals 98 million collectively referred to non-financial assets. Management concluded that the Company's non-financial assets constitute one cash-generating unit ("CGU"). At each reporting date, the management assesses whether there are any events or changes in circumstances ("impairment indicators") which may indicate that the carrying amount of the non-financial assets may not be recoverable. If any impairment indicators are identified, management performs a detailed impairment assessment and compares recoverable amount of the CGU against its carrying amount.	Our audit procedures included the following: • Assessed the reasonableness of management's identification of the Company's CGU. • Evaluated management's assessment of the identification of impairment indicators, including the conclusions reached. • Evaluated the design and implementation of key manual controls over the impairment assessment process consisting of identification of impairment indicators, identification of the CGU and estimation of its recoverable amount. • Checked the accuracy and appropriateness of the input data used by management in the discounted cash flow model by tracing to supporting documentation, such as the approved business plans. Further, we tested the reasonableness of the business plans by comparing them to historical results; • Engaged our internal valuation experts to:

Independent auditor's report to the shareholders of Rabigh Refining and Petrochemical Company (continued)

Our audit approach (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the Key audit matter
For the purpose of the accompanying financial statements for the year ended December 31, 2025, management considered the significant decrease in the market prices of the Company's products and the recurring losses as an impairment indicator. Accordingly, management performed a detailed impairment assessment as at December 31, 2025. Based on the impairment assessment, management estimated the value-in-use of CGU as the recoverable amount based on the business plans approved by the Company's Board of Directors and management which reflect management's view of the external market conditions.	- Check the appropriateness of the methodology used by management to estimate the recoverable amount of the CGU; - Evaluate the reasonableness of cash flow forecasts; - Evaluate the reasonableness of discount rates; and - Test the mathematical accuracy of the underlying calculations used in the discounted cash flow model.
Based on the valuation model prepared to determine the recoverable amount of the CGU, management ensures that the non-financial assets are not carried at more than their recoverable amount and accordingly, there was no impairment loss incurred for the year ended December 31, 2025. We considered this to be a key audit matter given the significant judgment and estimates involved in determining recoverable amounts of the non-financial assets as well as the uncertainty inherent in the underlying forecasts and assumptions. The key inputs to the recoverable amounts included the following, where applicable: • Forecast product prices; and • Discount rate. Refer to Note 3 to the accompanying financial statements for the accounting policy relating to the impairment of non-financial assets, Note 2 to the accompanying financial statements for the disclosure of significant accounting judgements, estimates and assumptions and Note 11 to the accompanying financial statements for disclosure of other matters related to impairment of non-financial assets.	• Assessed the potential impact of a range of possible outcomes by performing sensitivity analyses over key assumptions in the discounted cash flow model. • Assessed the adequacy and appropriateness of the accounting policies and the related disclosures in the accompanying financial statements.

Independent auditor's report to the shareholders of Rabigh Refining and Petrochemical Company (continued)

Other information

The directors are responsible for the other information. The other information comprises information included in the Annual Report, but does not include the financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA, and the applicable requirements of the Regulations for Companies and the Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Independent auditor's report to the shareholders of Rabigh Refining and Petrochemical Company (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers

PRICEWATERHOUSECOOPERS
CERTIFIED PUBLIC ACCOUNTANTS
Lic No. 323/11/25/1
C.R. 4030289002

Ali Alotaibi
License Number 379

March 12, 2026

RABIGH REFINING AND PETROCHEMICAL COMPANY
(A Saudi Joint Stock Company)
STATEMENT OF PROFIT OR LOSS
(All amounts in thousands of Saudi Riyals unless otherwise stated)

	Notes	For the year ended December 31, 2025	2024*
Revenue	4	**35,008,493**	38,662,135
Cost of revenue	5	**(36,763,837)**	(40,334,090)
Gross loss		**(1,755,344)**	(1,671,955)
Other income, net	6	**167,087**	101,619
Selling and marketing expenses	7	**(116,774)**	(168,748)
General and administrative expenses	8	**(753,700)**	(832,106)
Operating loss		**(2,458,731)**	(2,571,190)
Financial charges	9	**(1,483,433)**	(2,195,368)
Financial income		**50,157**	20,522
Net loss before Zakat and tax		**(3,892,007)**	(4,746,036)
Zakat	22	**(1,390)**	(1,773)
Tax	22	**(5,307)**	203,282
Net loss after Zakat and tax		**(3,898,704)**	(4,544,527)
Loss per share (Saudi Riyals) - Basic and diluted	10	**(2.33)**	(2.72)

Fahad H. Al-Muhaisin
Chief Financial Officer

Othman A. Al Ghamdi
President and Chief Executive Officer

Ibrahim Q. Al-Buainain
Chairman of the Board

* Refer Note 26 regarding comparatives.

The accompanying notes 1 to 28 form an integral part of these financial statements.

RABIGH REFINING AND PETROCHEMICAL COMPANY
(A Saudi Joint Stock Company)
STATEMENT OF COMPREHENSIVE INCOME
(All amounts in thousands of Saudi Riyals unless otherwise stated)

	Notes	For the year ended December 31, 2025	2024
Net loss after Zakat and tax		**(3,898,704)**	(4,544,527)
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement (loss) gain on defined benefit plan	20	**(3,037)**	1,038
Tax effect	22	**142**	(78)
Other comprehensive (loss) gain		**(2,895)**	960
Total comprehensive loss for the year		**(3,901,599)**	(4,543,567)

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RABIGH REFINING AND PETROCHEMICAL COMPANY
(A Saudi Joint Stock Company)
STATEMENT OF FINANCIAL POSITION
(All amounts in thousands of Saudi Riyals unless otherwise stated)

	Notes	As at December 31, 2025	2024
Assets			
Non-current assets			
Property, plant and equipment	11	**41,040,366**	39,706,860
Right-of-use assets	12	**7,287,730**	8,594,795
Intangible assets	13	**98,094**	138,901
Other non-current assets	14	**390,567**	282,590
Investment	14	**10,000**	10,000
Deferred tax asset	23	**428,905**	434,070
Total non-current assets		**49,255,662**	49,167,216
Current assets			
Inventories	16	**3,911,413**	3,818,239
Trade receivables	14	**3,049,468**	3,482,958
Other current assets	14	**28,549**	6,488
Prepayments and other receivables	17	**1,471,620**	2,332,627
Cash and cash equivalents	15	**833,323**	1,429,039
Total current assets		**9,294,373**	11,069,351
Total assets		**58,550,035**	60,236,567
Equity and liabilities			
Equity			
Share capital	18	**21,973,650**	16,710,000
Statutory reserve	19	**252,134**	252,134
Employees' share ownership plan	20	**(5,288)**	(5,288)
Accumulated losses		**(9,190,676)**	(7,153,546)
Total equity		**13,029,820**	9,803,300
Liabilities			
Non-current liabilities			
Loans and borrowings	14	**13,949,016**	19,002,645
Lease liabilities	12	**7,609,122**	8,831,374
Employees' benefits	20	**936,964**	863,166
Total non-current liabilities		**22,495,102**	28,697,185
Current liabilities			
Current portion of loans and borrowings	14	**3,041,107**	3,378,977
Current portion of lease liabilities	12	**603,894**	637,391
Trade and other payables	14	**17,716,236**	15,605,111
Accrued expenses and other liabilities	21	**1,662,235**	2,112,830
Zakat payable	23	**1,641**	1,773
Total current liabilities		**23,025,113**	21,736,082
Total liabilities		**45,520,215**	50,433,267
Total equity and liabilities		**58,550,035**	60,236,567

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RABIGH REFINING AND PETROCHEMICAL COMPANY
(A Saudi Joint Stock Company)
STATEMENT OF CHANGES IN EQUITY
(All amounts in thousands of Saudi Riyals unless otherwise stated)

	Notes	Share capital	Statutory reserve	Employees' share ownership plan	Accumulated losses	Total
Balance as at January 1, 2025		**16,710,000**	**252,134**	**(5,288)**	**(7,153,546)**	**9,803,300**
Net loss after Zakat and tax		-	-	-	**(3,898,704)**	**(3,898,704)**
Other comprehensive loss		-	-	-	**(2,895)**	**(2,895)**
Total comprehensive loss		-	-	-	**(3,901,599)**	**(3,901,599)**
Increase in share capital	18	**5,263,650**	-	-	-	**5,263,650**
Transaction costs	18	-	-	-	**(11,330)**	**(11,330)**
Transactions with founding shareholders	2, 14.3.1 (b)	-	-	-	**1,875,000**	**1,875,000**
Zakat reimbursement		-	-	-	**799**	**799**
Balance as at December 31, 2025		**21,973,650**	**252,134**	**(5,288)**	**(9,190,676)**	**13,029,820**
Balance as at January 1, 2024		16,710,000	252,134	(5,305)	(6,406,148)	10,550,681
Loss after Zakat and tax		-	-	-	(4,544,527)	(4,544,527)
Other comprehensive gain		-	-	-	960	960
Total comprehensive loss		-	-	-	(4,543,567)	(4,543,567)
Transactions with founding shareholders	2, 14.3.1 (b)	-	-	-	3,795,105	3,795,105
Vesting of shares under employees' share ownership plan	20.2	-	-	17	-	17
Zakat reimbursement		-	-	-	1,064	1,064
Balance as at December 31, 2024		16,710,000	252,134	(5,288)	(7,153,546)	9,803,300

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RABIGH REFINING AND PETROCHEMICAL COMPANY
(A Saudi Joint Stock Company)
STATEMENT OF CASH FLOWS
(All amounts in thousands of Saudi Riyals unless otherwise stated)

	Notes	For the year ended December 31, 2025	2024
Cash flows from operating activities			
Net loss before Zakat and tax		**(3,892,007)**	(4,746,036)
Adjustments for non-cash items:			
Depreciation	11,12	**3,114,537**	3,111,613
Financial charges	9	**1,483,433**	2,195,368
Financial income		**(50,157)**	(20,522)
Amortization	13	**45,917**	80,834
(Reversal) / provision for slow moving inventories	16	**(12,816)**	37,153
Provision for doubtful debts	8	**469**	-
Loss on disposal of property, plant and equipment	6	**1,924**	4,909
Gain on modification / derecognition of right-of-use assets and lease liabilities	6	**(40,096)**	(566)
		651,204	662,753
Changes in:			
Inventories		**(80,360)**	117,025
Trade receivables		**433,021**	1,707,726
Prepayments and other receivables		**853,674**	(929,557)
Trade and other payables		**2,111,125**	3,793,550
Accrued expenses and other liabilities		**(475,585)**	926,492
Employees' benefits		**70,761**	50,696
		3,563,840	6,328,685
Zakat paid	23.1	**(1,522)**	-
Interest received		**50,157**	20,522
Interest paid		**(1,460,788)**	(2,154,068)
Net cash generated from operating activities		**2,151,687**	4,195,139
Cash flows from investing activities			
Payments for purchase of property, plant and equipment	11	**(3,782,435)**	(889,029)
Disbursement of long-term loans to employees		**(105,225)**	(86,156)
Recovery of long-term loans from employees		**66,069**	53,906
Net cash used in investing activities		**(3,821,591)**	(921,279)
Cash flows from financing activities			
Proceeds from loans and borrowings		**25,921,652**	18,132,552
Repayments of loans and borrowings		**(29,518,554)**	(20,722,165)
Proceeds from issues of Class B shares	2,18	**5,263,650**	-
Transaction cost on issuance of Class B shares		**(11,330)**	-
Repayment of lease liabilities		**(581,230)**	(627,325)
Dividend paid		**-**	(24)
Net cash generated from / (used in) financing activities		**1,074,188**	(3,216,962)
Net movement in cash and cash equivalents		**(595,716)**	56,898
Cash and cash equivalents at beginning of the year	15	**1,429,039**	1,372,141
Cash and cash equivalents at end of the year	15	**833,323**	1,429,039
Supplemental schedule of non-cash information			
Transactions with founding shareholders	2, 14.3.1 (b)	**1,875,000**	3,795,105
Modification of leases	12	**703,419**	-
Addition to right-of-use assets and lease liabilities	12	**28,900**	-
Zakat reimbursable from founding shareholder		**799**	1,064

Fahad H. Al-Muhaisin Chief Financial Officer	Othman A. Al Ghamdi President and Chief Executive Officer	Ibrahim Q. Al-Buainain Chairman of the Board

The accompanying notes 1 to 28 form an integral part of these financial statements.

1 General information

Rabigh Refining and Petrochemical Company ("the Company" or "Petro Rabigh") is a Company registered in the Kingdom of Saudi Arabia under the Unified No. 7001486898 dated Shaaban 15, 1426H (September 19, 2005).

The Company is engaged in the development, construction and operation of an integrated refining and petrochemical complex (the Complex), including the manufacturing and sales of refined and petrochemical products.

The Company's registered address is P.O. Box 101, Rabigh 21911, Kingdom of Saudi Arabia.

2 Basis of preparation

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by Saudi Organization for Chartered and Professional Accountants (SOCPA) in the Kingdom of Saudi Arabia as well as other standards and pronouncements issued by SOCPA (collectively referred to as "IFRS as endorsed in KSA").

These financial statements have been prepared on a historical cost basis except for investment and trade receivables, which are measured at fair value through statement of profit or loss and defined benefits obligations which is recognised at the present value of future obligations using the Projected Unit Credit Method. These financial statements are presented in Saudi Arabian Riyals (Saudi Riyals).

The Company has incurred a comprehensive loss of Saudi Riyals 3,902 million for the year ended December 31, 2025 (December 31, 2024: Saudi Riyals 4,544 million), and as at that date, the accumulated losses reached Saudi Riyals 9,191 million (December 31, 2024: Saudi Riyals 7,154 million) representing 41.83% (December 31, 2024: 42.81%) of the Company's share capital. Furthermore, as at December 31, 2025, the Company's current liabilities exceeded its current assets by Saudi Riyals 13,731 million (December 31, 2024: Saudi Riyals 10,667 million). These financial statements have been prepared on a going concern basis because the Company believes that it will be able to meet its liabilities as they fall due for a period of at least one year from the date of approval of these financial statements (the "Assessment Period").

In evaluating whether the going concern basis of preparation of the Company's financial statements is appropriate, the Directors of the Company have considered the turn-around strategy promulgated by Saudi Arabian Oil Company ("Saudi Aramco") and Sumitomo Chemical Company ("Sumitomo Chemical") (together, the 'founding shareholders') as announced by them on August 7, 2024 which has been executed during the years 2024 and 2025, as described below. The Board of Directors assessed the Company's accumulated loss situation and the related challenges it posed to the Company as well as the availability of sufficient liquidity. The Directors' assessment was based upon the approved Business Plan for the years 2026, 2027 and 2028. These Business Plans and forecasts include cash-flow forecasts for the Assessment Period which include several initiatives which were already started under the Transformation Program. The Board of Directors has also approved proceeding with the execution of the engineering works (FEED) for its fuel oil upgrade project (Bottom of the Barrel Project) which is expected to favourably impact the Company's profitability in the medium and long term.

Further, the Board of Directors has noted that the founding shareholders have agreed to provide support to improve cashflow and margins including: (i) payment term adjustments for both refined and petrochemical products with a reduction of credit period depending on the Company' cash flow needs; and (ii) additional credit period on the crude invoices, as required.

In summary, The Board of Directors are satisfied that the Company is expected to have adequate resources to continue operations and meet its obligations as they fall due in the foreseeable future.

Turn-around strategy of the Founding Shareholders

On August 7, 2024, the founding shareholders announced their agreement to implement specific measures aimed at improving the Company's financial position and supporting its turnaround strategy. These measures included:

(i) Waiver of the revolving shareholder loans ('RSL') provided to the Company, totaling to Saudi Riyals 5,625 million (USD 1,500 million). Of this amount, Saudi Riyals 3,750 million (USD 1,000 million) was waived in 2024, and the remaining Saudi Riyals 1,875 million (USD 500 million) was waived in 2025. The founding shareholders and the Company executed and Amended and Restated RSL Agreements on August 28, 2024 and January 28, 2025. The waived amount together with related accrued commission was recognised in the respective periods and adjusted against accumulated losses under the statement of changes in equity of the respective years; and

(ii) Injection of additional funds of Saudi Riyals 5,263.6 million (Saudi Riyals 2,631.8 million each from Saudi Aramco and Sumitomo Chemical) through a mechanism agreed with the Company. On September 29, 2025, the Company's shareholders, in an Extraordinary General Assembly meeting, approved the Board's recommendation to increase the Company's share capital from Saudi Riyals 16,710 million (1,671 million ordinary shares at Saudi Riyals 10 per share) to Saudi Riyals 21,973.6 million comprising

(All amounts in thousands of Saudi Riyals unless otherwise stated)

2 Basis of preparation (continued)

(a) 1,671 million Class A ordinary shares (the "Existing Shares"), and

(b) 526.36 million Class B ordinary shares, each with a nominal value of Saudi Riyals 10 per share.

This capital increase represents 31.5% increase in the current capital of the Company with a total issuance value of Saudi Riyals 5,263.6 million subscribed by the founding shareholders. The Company obtained a waiver from the Capital Market Authority ("CMA") from the provisions of the Rules on the Offer of Securities and Continuing Obligations to allow the issuance and private offering of Class B ordinary shares without listing them. On October 15, 2025, the Company received the proceeds of Saudi Riyals 5,263.6 million and utilized these funds to prepay a portion of its debts (Note 14.3.1(a)).

Additionally, on August 7, 2024, Saudi Aramco and Sumitomo Chemical entered into a sale and purchase agreement ('SPA') under which Saudi Aramco agreed to acquire 375,974,998 Class A ordinary shares from Sumitomo Chemical, representing approximately 22.5% of the Class A share capital of the Company. Following the approval by the Company's Extraordinary General Assembly held on September 29, 2025, the SPA was executed and given effect on October 8, 2025. As a result, Saudi Aramco now holds 60%, Sumitomo owns 15%, and the public owns 25% of the Company's Class A ordinary shares.

Capital Reduction Recommendation

On August 31, 2025, the Board of Directors of the Company resolved to recommend a capital decrease following the above capital increase, from Saudi Riyals 21,973.6 million (Class A ordinary shares amounting to Saudi Riyals 16,710,000,000 and Class B ordinary shares amounting to Saudi Riyals 5,263,649,980) to Saudi Riyals 16,710 million (Class A ordinary shares amounting to Saudi Riyals 11,446,350,000 and Class B ordinary shares amounting to Saudi Riyals 5,263,649,980) through reducing the nominal value of Class A ordinary share from Saudi Riyals 10 per share to Saudi Riyals 6.85 per share, through writing off Saudi Riyals 5,263,650,000 from the Company's capital to reduce the Company's accumulated losses. There will be no cancellation of shares nor a reduction in the number of shares as a result of this proposed capital decrease. Subsequent to the year ended December 31, 2025, the Company received CMA's decision dated February 12, 2026 approving the capital reduction. The Company will convene the shareholders' Extraordinary General Assembly meeting on March 29, 2026 to approve this proposed capital decrease (Note 27).

Based on these assessments, the Board of Directors believe that the Company will have adequate resources to continue operations and meet its obligations as they fall due, in the Assessment period. Accordingly, these financial statements have been prepared on a going concern basis.

2.1 New standards, interpretations and amendments

Standards, interpretations and amendments adopted

The Company has applied the following amendments for the first time for the annual reporting period commencing January 1, 2025:

Standard / Interpretation	***Description***
IAS 21	Lack of Exchangeability (Amendments to IAS 21)

The adoption of above amendment does not have any material impact on the financial statements during the year.

Standards, interpretations and amendments issued but not yet effective

The standards, interpretations and amendments issued, but not yet effective up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these standards, where applicable, when they become effective.

Standard / Interpretation	***Description***	***Effective from periods beginning on or after the following date***
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	January 1, 2026
Amendment to IFRS 9 and IFRS7	Contracts Referencing Nature dependent Electricity	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Annual improvements to IFRS – Volume 11	Annual improvements – IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	January 1, 2027
IFRS 10 and IAS 28	Sale or contribution of assets between investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	Available for optional adoption / effective date deferred indefinitely

(All amounts in thousands of Saudi Riyals unless otherwise stated)

2 Basis of preparation (continued)

The Company is currently assessing the implications of adopting the above-mentioned standards, amendments or interpretations on the Company's financial statements on adoption.

2.2 Critical accounting estimates and judgments

The preparation of Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Critical accounting estimates

Useful lives of property, plant and equipment

The Company's management determines the estimated useful lives of its property, plant and equipment for calculating depreciation. The future economic benefits embodied in the assets are consumed principally through use. This estimate is determined after considering the following factors (a) the expected usage of the assets; (b) the expected physical wear and tear, which depends on operational factors and maintenance programme; and (c) the technical or commercial obsolescence arising from changes in market conditions. The Company reviews the residual value and useful lives annually and future depreciation charges are adjusted where the Company believes the useful lives differ from previous estimates.

During the year ended December 31, 2025, the Company reviewed the estimated useful lives of property, plant and equipment. Based on an independent technical assessment, advice from the Company's technical teams and comparable market practices, the estimated useful lives of property, plant and equipment have been revised by the Company as follows:

	Upto June 30, 2025	Effective July 1, 2025
	Number of years	
Buildings and infrastructure	12-50	**12-50**
Plant, machinery and operating equipment	2-40	**2-55**
Vehicle and related equipment	6-25	**12-20**
Furniture and IT equipment	5-14	**5-25**

The change in estimated useful lives has resulted in decrease in depreciation and increase in net income for the year ended December 31, 2025, by Saudi Riyals 140.6 million.

Impairment of non financial assets

The Company assesses, at each reporting date or more frequently if events or changes in circumstances indicate, whether there is an indication that non financial assets may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less cost to sell, and its value in use, and is determined for the individual asset, unless the asset does not generate cash inflows which are largely independent from other assets or groups. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The recoverable amount of the CGU is determined based on value-in-use calculations prepared using discounted cash flow models. The models relied on a number of critical assumptions, including the discount rate and cash flow forecasts. These inputs reflect management's best estimates based on historical performance, current market conditions and independent third-party market pricing forecasts.

The model's outcome is particularly influenced by the market prices of the Company's products over the forecast period. According to independent third-party sources, prices are anticipated to increase during this timeframe. While the Company's projections align with these expectations, variations in market conditions could impact the recoverable amount of the cash generating unit (CGU). The Company continues to monitor market trends and updates its assumptions as appropriate to reflect current and expected conditions. Management believes that the assumptions applied are reasonable and supportable. However, due to the inherent uncertainties in forecasting commodity-dependent cash flows, the recoverable amount remains sensitive to changes in market prices.

2 Basis of preparation (continued)

2.2 Critical accounting estimates and judgments (continued)

Provision for inventory obsolescence

The Company makes a provision for slow moving and obsolete inventory items. Estimates of net realizable value of inventories are based on the most reliable evidence at the time the estimates are made. These estimates take into consideration fluctuations of price or cost directly related to events occurring subsequent to the balance sheet date to the extent that such events confirm conditions existing at the end of the year.

Critical accounting judgment

Recognition of deferred tax assets

The Company recognizes deferred tax assets principally related to carried forward losses based on forecasts showing sufficient future taxable profits. This involves significant judgement given recent losses. Management's assessment reflects approved business plans and expected efficiencies. However, changes in assumptions could materially affect the recognized amount.

3 Material accounting policy information

(a) Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:
- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- It is held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent.

All other assets are classified as non-current.

A liability is current when:
- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

(b) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits from the asset's highest and best use or by selling it to another market participant that would utilise the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

3 Material accounting policy information (continued)

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The Company determines the policies and procedures for both recurring fair value measurement, and for non-recurring measurement.

(c) Revenue recognition

Contracts with customers

The Company recognizes revenue from contracts with customers when it satisfies a performance obligation by transferring control of promised goods to a customer, which shall be considered in the context of a five-step approach. When performance obligation is satisfied, the Company recognizes as revenue, the amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled to in exchange for transferring promised products to a customer. The transaction price is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, after deducting value added taxes, excise duties and similar levies. The transaction price is allocated to the performance obligations in the contract based on standalone selling prices of the goods promised.

The transfer of control for refined and petrochemical products usually coincides with title passing to the off-takers/ marketers and the off-takers/ marketers taking physical possession, while the Company has no effective control or continuing managerial involvement to the degree usually associated with ownership over these products.

Revenue in respect of sales of refined and petrochemical products is recognised as per the related offtake and other agreements with the customers at a point in time when control of the products is transferred to the customer, upon loading of the products on vessel.

The revenue contracts made with off-takers / marketers for refined and petrochemical products include provisional pricing at the time of shipment. Initially revenue from these contracts is recognised at the relevant provisional prices agreed with such off-takers / marketers at the time of delivery of products, which are subsequently adjusted as appropriate based on the average monthly market price for a particular period for the refined products and actual selling prices, after deducting the costs of shipping and distribution, for the petrochemical products. Any difference between the provisional and final price is recognised as a change in fair value of the related receivables, as part of revenue, in the statement of profit or loss. The associated trade receivables related to these contracts with provisional pricing arrangements are subsequently measured at fair value.

For the sale of petrochemical products, the marketers (i.e. customers) charge certain expenses to the Company which include shipping, handling, insurance, customs and storage charges. These expenses are netted against the Revenues.

(d) Foreign currencies

The Company's financial statements are presented in Saudi Riyals which is also the functional currency of the Company. Transactions in foreign currencies are initially translated by the Company into Saudi Riyals using the exchange rate at the date of the transaction it first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are retranslated in the functional currency using the exchange rate ruling at the reporting date. Differences arising on settlement or translation of monetary items are recognized in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary assets measured at fair value is treated in line with the recognition of gain or loss on change in fair value in the item (i.e., the translation differences on items whose fair value gain or loss is recognized in statement of comprehensive income or statement of profit or loss are also recognized in statement of comprehensive income or statement profit or loss, respectively).

3 Material accounting policy information (continued)

(e) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any, except for capital projects-in-progress, which are stated at cost less impairment loss, if any. Cost includes expenditure that is directly attributable to the acquisition or construction of each asset. Finance costs on borrowings to finance the construction of the assets are capitalized during the period of time that is required to complete and prepare the asset for its intended use.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the item of property, plant and equipment. All other expenditures are recognized in the statement of profit of loss when incurred. Spare parts that are considered essential to ensure continuous plant operation whose useful lives are more than one year are capitalized and classified as plant, machinery and operating equipment.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Expenditures incurred on testing and major inspections, which are carried normally every 5 years, are capitalized as part of the respective items of property, plant and equipment and amortized over the period of five years. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred.

Depreciation is calculated on a straight-line basis to write off the cost of property, plant and equipment over their estimated useful lives which are as follows:

	Number of years
Buildings and infrastructure	12-50
Plant, machinery and operating equipment	2-55
Vehicle and related equipment	12-20
Furniture and IT equipment	5-25

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

(f) Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease (i.e., the date the underlying asset is available for use). The right-of-use asset is initially measured at cost, less any accumulated depreciation and impairment losses, if any and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, any initial direct costs incurred and an estimate of costs to dismantle, less any lease incentive received. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment, except for leasehold land for which the estimated useful life is considered to be the lease term.

The lease liability is initially measured at the present value of the lease payments to be made over the lease term, discounted using the Company’s incremental borrowing rate (if the interest rate implicit in the lease is not available). Lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company’s estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. Any such re-measurement in the lease liability is adjusted against the carrying value of the right-of-use asset or charged to profit or loss if carrying value of the related asset is zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3 Material accounting policy information (continued)

(g) Intangible assets

Intangible assets, having no physical existence however separately identifiable and providing future economic benefits, are initially recognized at purchase price and directly attributable costs. Intangible assets are stated at cost less accumulated amortization and impairment loss, if any.

Software and licenses

Software and licenses procured for various business use and having finite useful lives are presented as intangible assets. Software and licenses are amortized on a straight-line basis over their estimated useful lives of 5 years and 12-22 years, respectively.

Amortization methods and useful lives are reviewed at each financial year end and adjusted if appropriate.

(h) Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

(i) Financial instruments

The Company applied the following classification and measurement requirements for financial instruments.

Recognition and derecognition of financial instruments

A financial asset or financial liability is recognised when the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

A financial liability is derecognized from the statement of financial position when the Company has discharged its obligation or the contract is cancelled or expires.

Classification of financial instruments

The Company classified its financial assets into the following measurement categories:

(i) Those to be measured subsequently at amortised cost; or

(ii) Fair value through profit or loss.

The classification depends on the Company’s business model for managing financial assets and the contractual terms of the financial assets cash flows.

The Company classifies its financial liabilities as those measured at amortized cost. Refer Note 14 for the classification of financial instruments.

Measurement

Financial instruments at fair value through profit or loss are recognised initially at fair value with transaction costs recognised in the statement of profit or loss as incurred. All other financial instruments are recognised initially at fair value plus directly attributable transaction costs. The Company initially measures trade receivables at the transaction price as trade receivables do not contain a significant financing component.

Financial instruments measured at amortized cost

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms represent contractual cash flows that are solely payments of principal and interest.

3 Material accounting policy information (continued)

(i) Financial instruments (continued)

Financial instruments measured at fair value through profit or loss

Financial assets measured at fair value through profit or loss comprise items specifically designated as fair value through profit or loss on initial recognition and financial assets held within a business model whose objective is to hold assets in order to collect contractual cash flows and the contractual terms represent contractual cash flows that are not solely payments of principal and interest. Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income.

Upon initial recognition, financial instruments may be designated as fair value through profit or loss. Restrictions are placed on the use of the designated fair value option and the classification can only be used:

- In respect of an entire contract if a host contract contains one or more embedded derivatives;
- If designating the financial instruments eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.
- If financial assets and liabilities are both managed and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

On initial recognition, for a financial asset the fair value option is only applied if it eliminates an accounting mismatch that would otherwise arise from measuring items on a different basis. The above fair value option criteria remains unchanged for a financial liability.

(j) Impairment

Financial assets

Management assesses on a forward-looking basis the Expected Credit Losses ("ECL") associated with its debt instruments as part of its financial assets, which are carried at amortised cost.

The ECL is based on a 12-month ECL or a lifetime ECL. The 12-month ECL results from default events on a financial instrument that are possible within 12 months after the reporting date. When there has been a significant increase in credit risk since initial recognition, the allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (the lifetime ECL).

Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

External valuers are involved for valuation of significant assets. The involvement of external valuers is decided by the Company after discussion with the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Company decides, after discussions with the external valuers, which valuation techniques and inputs to use for each case.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

3 Material accounting policy information (continued)

(j) Impairment (continued)

The Company bases its value-in-use calculation on detailed budgets and forecast calculations.

Impairment losses are recognized in the statement of profit or loss. An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss.

(k) Trade receivables

Trade receivables are amounts due from customers for sale of goods in the ordinary course of business. Sales contracts provide for provisional pricing at the time of shipment with the final pricing based on an average monthly market or actual price for a particular future period. Such trade receivables are measured at fair value because the contractual cash flows are not solely payments of principal and interest. Subsequent recoveries of amounts previously written-off are credited to profit or loss against general and administrative expenses.

(l) Inventories

Inventories include raw materials, work in progress, finished goods, consumables and spare parts. Inventories are stated at the lower of cost and net realisable value. The cost is determined using the weighted average basis and includes all cost incurred in the normal course of business in bringing each product to its present condition and location. In the case of work in progress and finished goods, cost include the purchase cost, the cost of refining and processing including an appropriate proportion of depreciation and production overheads based on normal operating capacity.

The net realisable value of inventories is based on the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash with banks and other short-term highly liquid investments, if any, with original maturities of three months or less from the purchase date.

(n) Zakat and tax

Zakat and income tax are provided for in accordance with the regulations of the Zakat, Tax and Customs Authority (ZATCA). Zakat and income taxes are charged to the statement of profit or loss. Additional amounts payable, if any, at the finalization of final assessments are accounted for when such amounts are determined. The Zakat and income tax paid by the Company are reimbursed by the respective founding shareholders except for general public shareholders and are accordingly adjusted in their respective equity accounts. Effective from October 8, 2025, the founding shareholders, have ceased such reimbursement.

Deferred tax is calculated using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred tax relating to items recognised outside statement of profit or loss is recognised either in statement of comprehensive income or directly in equity.

3 Material accounting policy information (continued)

(n) Zakat and tax (continued)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The Company withholds taxes on certain transactions with non-resident parties in the Kingdom of Saudi Arabia as required under Saudi Arabian Income Tax Law.

(o) Employees' benefits

End of service benefits

The Company operates an unfunded post-employment defined benefit plan. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. End of service benefits are discounted at a rate set by reference to relevant market yields at the end of the reporting period on high quality corporate or government bonds, if there is no deep market in such high quality corporate bonds. Actuarial gains and losses are recognized in full in the period in which they occur in statement of comprehensive income. Re-measurements are not reclassified to statement of profit or loss in subsequent periods.

Past service costs are recognized in statement of profit or loss on the earlier of:

- the date of the plan amendment or curtailment; and
- the date on which the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Company recognizes the following changes in the net defined benefit obligation under cost of sales and general and administrative expenses in the statement of profit or loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

The defined benefit liability comprises the present value of the defined benefit obligation, less past service costs.

Employees' savings program

The Company operates a thrift savings program (the "program") on behalf of its employees and the Company matches the employee contribution with an equal, or lesser, contribution towards the program that is commensurate with the employee's participation seniority in the program. Participation in the program by the regular employees who have completed their probationary period is optional and employees may choose the option to invest or not to invest in the program. The contributions from the Company are recognized as employees' expenses and are charged to the statement of profit or loss. The liability for the plan is presented within "Employees' benefits" and the associated cash is included within "Cash and cash equivalents" in the statement of financial position. The Company has arranged with a local bank, being the custodian bank, to manage the program on behalf of the Company in accordance with Islamic Shari'ah Law.

Employees' Share Ownership Plan (ESOP)

The employees' service cost of share options granted to employees under the Employees' Share Ownership Plan (ESOP) is measured by reference to the fair value of the Company's shares on the date on which the options are granted. This cost is recognized as an employee expense, over the period in which the performance and / or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('the vesting date'). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of shares that will ultimately vest. The charge in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Shares purchased are kept with a bank acting as trustee for the ESOP and are carried at cost as a deduction from equity until the options vest and the underlying shares are transferred to the employees. On the vesting date of an individual option, the difference between the employee service cost and the purchase cost of the shares is taken directly to retained earnings (accumulated losses) as an equity adjustment.

(All amounts in thousands of Saudi Riyals unless otherwise stated)

3 Material accounting policy information (continued)

(o) Employees' benefits (continued)

Employees' Home Ownership Program ("HOP")

The Company provides interest free home loans to its eligible employees for purchase or construction of a house. The loan is repaid on a monthly basis by deduction from employee's salary. The loan is initially recognised as a non-current financial asset at fair value and measured at amortised cost using the EIR method. The difference between the fair value and the actual amount of cash given to the employee is recognised as prepaid employee benefits and is amortised as an expense equally over the period of the loan. The same amount is also amortised as interest income against the receivable from employees.

(p) Segment reporting

Operating segment
An operating segment is group of assets and operations:

(i) engaged in revenue producing activities;
(ii) results of its operations are continuously analyzed by management in order to make decisions related to resource allocation and performance assessment; and
(iii) financial information is separately available.

(q) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

4 Segment information

4.1 Operating segment

The Company operates an integrated refinery and petrochemical complex. The primary format for segment reporting is based on operating segments and is determined on the basis of management's internal reporting structure. The Management Committee (collectively considered to be the Chief Operating Decision Maker) monitors the operating results of its operating segments for the purpose of making decisions about resource allocation and performance assessment. The Company's segment profit measure is operating profit (loss).

The Company's operating segments comprise of refined products and petrochemicals. Information as of and for the year ended December 31 is summarized below:

2025	**Refined products**	**Petrochemicals**	**Others**	**Total**
Revenue – external customers	**27,072,641**	**7,935,852**	**-**	**35,008,493**
Cost of revenue	**(27,394,965)**	**(9,368,872)**	**-**	**(36,763,837)**
Gross loss	**(322,324)**	**(1,433,020)**	**-**	**(1,755,344)**
Operating loss	**(576,969)**	**(1,881,762)**	**-**	**(2,458,731)**
Depreciation and amortization	**663,695**	**2,496,759**	**-**	**3,160,454**
Total assets	**15,962,161**	**41,324,697**	**1,263,177**	**58,550,035**
Total liabilities	**19,672,105**	**23,144,193**	**2,703,917**	**45,520,215**
Capital expenditure	**1,229,704**	**2,557,841**	**-**	**3,787,545**

2024	**Refined products**	**Petrochemicals**	**Others**	**Total**
Revenue – external customers	27,844,378	10,817,757	-	38,662,135
Cost of revenue	(29,317,797)	(11,016,293)	-	(40,334,090)
Gross loss	(1,473,419)	(198,536)	-	(1,671,955)
Operating loss	(1,782,180)	(789,010)	-	(2,571,190)
Depreciation and amortization	670,414	2,522,033	-	3,192,447
Total assets	17,873,278	40,499,117	1,864,172	60,236,567
Total liabilities	17,688,485	32,630,511	114,271	50,433,267
Capital expenditure	351,833	537,196	-	889,029

(All amounts in thousands of Saudi Riyals unless otherwise stated)

4 Segment information (continued)

4.1 Operating segment (continued)

The Company's total revenue amounting to Saudi Riyals 35,008 million (2024: Saudi Riyals 38,662 million) includes an adjustment of Saudi Riyals 259 million which has reduced the Company's revenue and relates to movement between provisional and final prices (2024: Saudi Riyals 58 million).

The Company's revenue from external customers amounting to Saudi Riyals 34,871 million (2024: Saudi Riyals 39,087 million) has been generated from 5 customers in the year ended December 31, 2025 (2024: 5 customers).

Geographical information for the year ended December 31, is as follows:

2025	**Kingdom of Saudi Arabia**	**Middle East (others)**	**Asia Pacific**	**Others**	**Total**
Revenue – external customers					
Refined products	**10,489,847**	**5,282,606**	**2,667,355**	**8,632,833**	**27,072,641**
Petrochemicals	**624,871**	**1,060,751**	**4,322,945**	**1,927,285**	**7,935,852**
Total	**11,114,718**	**6,343,357**	**6,990,300**	**10,560,118**	**35,008,493**

2024*	**Kingdom of Saudi Arabia**	**Middle East (others)**	**Asia Pacific**	**Others**	**Total**
Revenue – external customers					
Refined products	21,035,393	685,636	3,039,158	3,084,191	27,844,378
Petrochemicals	3,244,687	779	7,229,359	342,932	10,817,757
Total	24,280,080	686,415	10,268,517	3,427,123	38,662,135

Asia Pacific primarily includes Singapore and China and Others primarily includes Europe and Africa.

* Refer Note 26 regarding comparatives.

4.2 Adjustments

Financial charges, financial income, Zakat and tax, cash and cash equivalents, loans and borrowings and certain assets and liabilities are not allocated to operating segments as they are managed on a Company-wide basis.

Capital expenditure consists of additions to property, plant and equipment and intangible assets.

4.3 Reconciliation of net loss

	Notes	**2025**	**2024***
Operating loss		**(2,458,731)**	(2,571,190)
Financial charges	9	**(1,483,433)**	(2,195,368)
Financial income		**50,157**	20,522
Net loss before Zakat and tax		**(3,892,007)**	(4,746,036)
Zakat	22	**(1,390)**	(1,773)
Tax	22	**(5,307)**	203,282
Net loss after Zakat and tax		**(3,898,704)**	(4,544,527)

(All amounts in thousands of Saudi Riyals unless otherwise stated)

5 Cost of revenue

	Notes	2025	2024
Raw materials, crude oil and spare parts consumed		**32,224,994**	35,385,126
Depreciation	11,12	**2,998,879**	2,949,882
Utilities consumed		**318,388**	332,638
Personnel costs		**753,614**	929,743
Repair and maintenance		**157,893**	168,778
Contracted services		**262,250**	257,024
Amortization	13	**37,879**	43,913
Insurance		**72,161**	82,361
(Reversal) / provision for slow moving spare parts and consumables	16	**(12,816)**	37,153
Other overheads		**30,953**	30,447
		36,844,195	40,217,065
Changes in inventories of finished goods, raw materials and spare parts and consumables used		**(80,358)**	117,025
		36,763,837	40,334,090

6 Other income, net

	2025	2024
Scrap sales	**76,224**	75,124
Dividend	**1,942**	1,200
Miscellaneous income	**51,013**	30,368
Gain on derecognition of right-of-use assets and lease liabilities	**40,096**	566
Loss on disposal of property, plant and equipment	**(1,924)**	(4,909)
Others	**(264)**	(730)
	167,087	101,619

7 Selling and marketing expenses

	2025	2024*
Freight charges	**116,383**	156,780
Others	**391**	11,968
	116,774	168,748

* Refer Note 26 regarding comparatives.

8 General and administrative expenses

	Notes	2025	2024
Personnel costs		**413,171**	422,549
Depreciation	11,12	**115,658**	161,731
Repairs and maintenance		**22,031**	18,380
Impairment loss on receivables		**469**	-
Contracted services		**93,727**	79,965
IT, networking and data communication		**61,490**	68,065
Amortization	13	**8,038**	36,921
Travelling		**4,420**	1,986
Rent		**3,244**	1,213
Professional fees		**20,982**	18,399
Insurance		**1,929**	2,734
Stationery, telex and telephone		**3,785**	4,500
Others		**4,756**	15,663
		753,700	832,106

9 Financial charges

	2025	2024
Interest on loans and borrowings	**1,181,363**	1,834,407
Interest on leases	**286,925**	340,314
Others	**15,145**	20,647
	1,483,433	2,195,368

10 Loss per share

Basic loss per share is calculated by dividing the net loss for the year by the weighted average number of ordinary shares (Class A shares) outstanding during the year which are reduced by the number of shares outstanding during the year due to Employees Share Ownership Plan ("ESOP").

Diluted loss per share is calculated by dividing the net loss for the year by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

	2025	2024
Loss for the year for basic and diluted earnings per share	**(3,898,704)**	(4,544,527)
Weighted average number of Class A shares outstanding during the year (number of shares in thousands)	**1,671,000**	1,671,000
Adjustment for shares outstanding during the period due to ESOP (thousands)	**334**	334
Basic and diluted loss per share (Saudi Riyals)	**(2.33)**	(2.72)

The impact of Class B shares on loss per share for the year ended December 31, 2025 is Nil and Class B shares are not included within the weighted average number of shares for the computation of basic and diluted loss per share. The founding shareholders are not entitled to receive dividend on Class B shares up until December 31, 2027, however, effective from January 1, 2028 an adjustment to the earnings (loss) per share will be required even if dividends are not declared, since Class B shares have cumulative dividend in accordance with the terms and conditions of the Class B Shares (also refer Note 18).

(All amounts in thousands of Saudi Riyals unless otherwise stated)

11 Property, plant and equipment

	Buildings and infrastructure	Plant, machinery and operating equipment	Vehicles and related equipment	Furniture and IT equipment	Capital projects in progress	Total
Cost						
January 1, 2024	11,192,064	59,963,963	46,446	612,502	727,251	72,542,226
Additions	-	211,541	-	-	677,488	889,029
Transfers	10,682	199,634	-	842	(211,158)	-
Disposals	(10,978)	(4,806)	(52)	(29,722)	-	(45,558)
December 31, 2024	**11,191,768**	**60,370,332**	**46,394**	**583,622**	**1,193,581**	**73,385,697**
Additions	-	601,139	-	-	3,181,296	3,782,435
Transfers						
- Within property, plant and equipment	6,967	3,194,017	74	9,303	(3,210,361)	-
- Intangible assets	-	-	-	-	(5,110)	(5,110)
Disposals	(2,076)	(8,315)	-	-	-	(10,391)
December 31, 2025	**11,196,659**	**64,157,173**	**46,468**	**592,925**	**1,159,406**	**77,152,631**
Accumulated depreciation						
January 1, 2024	3,552,561	27,324,629	39,745	400,028	-	31,316,963
Charge for the year	245,588	2,125,784	1,482	29,669	-	2,402,523
Released on disposals	(6,069)	(4,806)	(52)	(29,722)	-	(40,649)
December 31, 2024	3,792,080	29,445,607	41,175	399,975	**-**	**33,678,837**
Charge for the year	229,725	2,188,704	1,007	22,459	-	2,441,895
Released on disposals	(985)	(7,482)	-	-	-	(8,467)
December 31, 2025	**4,020,820**	**31,626,829**	**42,182**	**422,434**	**-**	**36,112,265**
Carrying Value:						
At December 31, 2025	**7,175,839**	**32,530,344**	**4,286**	**170,491**	**1,159,406**	**41,040,366**
At December 31, 2024	7,399,688	30,924,725	5,219	183,647	1,193,581	39,706,860

(All amounts in thousands of Saudi Riyals unless otherwise stated)

11 Property, plant and equipment (continued)

Depreciation for the year has been allocated as follows:

	Notes	2025	2024
Cost of revenue	5	**2,345,216**	2,291,502
General and administrative expenses	8	**96,679**	111,021
		2,441,895	2,402,523

11.1 During the year ended December 31, 2025, Management has performed an impairment assessment for its non-financial assets including property, plant and equipment mainly due to the losses in recent years due to changes in market conditions. The impairment test was performed over the Company's sole CGU, which comprised the integrated refining and petrochemical complex. Management determined the value in use of the CGU using cash flow projections derived from approved budgets and discounted forecast calculations. Based on this assessment, management concluded that, as at December 31, 2025, the recoverable amount of the CGU exceeded the carrying amount of its property, plant and equipment. Further, no reasonable change in the key assumptions used in the cash flow projections would result in the recognition of any impairment loss for the year ended December 31, 2025.

11.2 The Company conducted a comprehensive and scheduled Turnaround and Inspection (T&I) for all operational facilities and production units within its complex, requiring a complete shutdown of these units. This activity commenced on April 15, 2025, and lasted for approximately 60 days. The T&I is aimed at enhancing the reliability of the Company's complex and improving its operational and production efficiency. During this period, the production of the Company's refined and petrochemical products was suspended, resulting in a significant decrease in both revenue and cost of revenue for the year ended December 31, 2025.

11.3 Capital work-in-progress mainly represents costs of ongoing capital projects relating to enhancement of the plants that are in progress and not yet ready for their intended use.

12 Leases

12.1 Right-of-use assets

	Land, buildings and infrastructure	Plant and machinery	Vehicles	Total
Cost				
January 1, 2024	1,260,813	11,660,838	167,802	13,089,453
Derecognition	-	-	(21,758)	(21,758)
December 31, 2024	1,260,813	11,660,838	146,044	13,067,695
Additions	-	-	28,900	28,900
Modification (Note 12.1 (a))	(663,323)	-	-	(663,323)
December 31, 2025	**597,490**	**11,660,838**	**174,944**	**12,433,272**
Accumulated depreciation				
January 1, 2024	337,061	3,328,828	114,258	3,780,147
Charge for the year	35,537	652,978	20,575	709,090
Released on derecognition	-	-	(16,337)	(16,337)
December 31, 2024	**372,598**	**3,981,806**	**118,496**	**4,472,900**
Charge for the year	4,765	651,414	16,463	672,642
December 31, 2025	**377,363**	**4,633,220**	**134,959**	**5,145,542**
Carrying value				
At December 31, 2025	**220,127**	**7,027,618**	**39,985**	**7,287,730**
At December 31, 2024	888,215	7,679,032	27,548	8,594,795

12.1 (a) On May 18, 2025 the Company entered into a Waiver Agreement with Saudi Aramco that resulted in modification to the lease agreements between the Company and Saudi Aramco. The modifications included waiver of the Company's obligation to pay lease rentals for a period of 10 years. The Company accounted for this waiver as a lease modification under IFRS 16. The modifications were not accounted as separate leases as they did not result in change in the scope of leases. As a result of the lease modifications, the lease liabilities were remeasured using revised discount rates at the effective date of modification and the right-of-use assets were adjusted with a net impact on the statement of profit or loss as shown below:

12 Leases (continued)

	Saudi Riyals in thousands
Decrease in lease liabilities	**703,419**
Adjustment of right-of-use assets	**(663,323)**
Net impact on statement of profit or loss	**40,096**

Depreciation for the year has been allocated as follows:

	Notes	2025	2024
Cost of revenue	5	**653,663**	658,380
General and administrative expenses	8	**18,979**	50,710
		672,642	709,090

12.2 Lease liabilities

Lease liabilities as at December 31, are as follows:

	2025			2024		
	Minimum lease payments	**Interest**	**Present value of minimum lease payments**	**Minimum lease payments**	**Interest**	**Present value of minimum lease payments**
Land, buildings and infrastructure	**1,716,424**	**1,350,071**	**366,353**	2,466,940	1,427,306	1,039,634
Plant and machinery	**9,556,563**	**1,751,507**	**7,805,056**	10,419,711	2,019,599	8,400,112
Vehicles	**46,252**	**4,645**	**41,607**	30,402	1,383	29,019
	11,319,239	**3,106,223**	**8,213,016**	12,917,053	3,448,288	9,468,765

Lease liabilities as at December 31, are presented in the statement of financial position as follows:

	2025	2024
Current portion	**603,894**	637,391
Non-current portion	**7,609,122**	8,831,374
	8,213,016	9,468,765

The minimum lease payments together with the present value of minimum lease payments as at December 31 are as follows:

	2025		2024	
	Minimum lease payments	**Present value of minimum lease payments**	Minimum lease payments	Present value of minimum lease payments
Within twelve months	**875,994**	**603,894**	954,575	637,391
One to five years	**3,452,041**	**2,560,932**	3,751,530	2,684,778
More than five years	**6,991,204**	**5,048,190**	8,210,948	6,146,596
Total minimum lease payments	**11,319,239**	**8,213,016**	12,917,053	9,468,765
Less: finance charges	**(3,106,223)**	**-**	(3,448,288)	-
Present value of minimum lease payments	**8,213,016**	**8,213,016**	9,468,765	9,468,765

(All amounts in thousands of Saudi Riyals unless otherwise stated)

12 Leases (continued)

12.2 Lease liabilities (continued)

Details of major classes of leases are as follows:

(a) Land, building and infrastructure

(i) **Community:** The land and facilities lease for community is with Saudi Aramco for a period of 25 years.

(ii) **Marine Terminal:** The land and facilities lease for marine terminal is with Saudi Aramco for a period of 30 years.

(iii) **Complex Land:** The Complex land lease is with Saudi Aramco for a period of 99 years.

(iv) **Rabigh Plus Tech Park Land:** The Rabigh Plus Tech Park land lease is with Saudi Aramco for a period of 35 years.

(b) Plant and machinery

(i) **Power, steam and water:** The lease is with Rabigh Arabian Water and Electricity Company (RAWEC) for a period of 25 years.

(ii) **Desalination plant:** The Company had taken over the interest and obligations of Saudi Aramco in respect of the Desalination plant for the Refinery Complex, with a remaining term of 17 years.

(c) Vehicles
The Company has leases with Eradat Transport LLC. and Al Jomaih Automotive Company for leases of buses, ambulances and vehicles for a period of 5 years.

12.3 During the year ended December 31, 2025, the Company's expenses relating to short-term and low value leased assets amounted to Saudi Riyals 2,864 thousand (2024: Saudi Riyals 2,410 thousand).

Any renewal of the lease term is subject to mutual agreement of the parties. The Company does not have termination options other than in limited circumstances such as default or prolonged force majeure. Accordingly, no extension or termination periods have been included in the lease term. The Company does not provide any residual value guarantees in respect of its leases.

The total cash outflow for leases during the year ended December 31, 2025, was Saudi Riyals 872.9 million (year ended December 31, 2024: Saudi Riyals 967.8 million).

13 Intangible assets

	Notes	Software	Licenses	Other	Total
Cost					
January 1, 2024		475,816	430,326	5,154	911,296
December 31, 2024		475,816	430,326	5,154	911,296
Additions	11	5,110	-	-	5,110
December 31, 2025		**480,926**	**430,326**	**5,154**	**916,406**
Amortization					
January 1, 2024		415,071	273,423	3,067	691,561
Amortization for the year		42,336	37,761	737	80,834
December 31, 2024		457,407	311,184	3,804	772,395
Amortization for the year		8,733	36,448	736	45,917
December 31, 2025		**466,140**	**347,632**	**4,540**	**818,312**
Carrying value:					
December 31, 2025		**14,786**	**82,694**	**614**	**98,094**
December 31, 2024		18,409	119,142	1,350	138,901

Amortization for the year has been allocated as follows:

	Notes	2025	2024
Cost of revenue	5	**37,879**	43,913
General and administrative expenses	8	**8,038**	36,921
		45,917	80,834

(All amounts in thousands of Saudi Riyals unless otherwise stated)

14 Financial assets and financial liabilities

14.1 Financial assets

Other non-current assets:	**Notes**	**2025**	**2024**
Loans to employees	14.1.1	**419,116**	289,078
Less: current portion of long-term loans		**(28,549)**	(6,488)
Non-current portion of long-term loans		**390,567**	282,590
Trade receivables	14.1.2	**3,049,468**	3,482,958

14.1.1 The Company's eligible employees are provided with loans under an employees' home ownership program upon completion of four years of service with the Company. The cost of the land is advanced to employees free of interest cost. The construction cost of the house is amortized and repayable free of interest to the Company to the extent of 90% over a period of seventeen years provided the employee completes ten years of service from the date of first disbursement of the loan. The remaining 10% is amortized over the term of the loan (seventeen years). These loans are secured by mortgages on the related housing units. The mortgage is released upon full payment of the loan by the employee. The non-current portion of long-term loans includes Saudi Riyals 101 million which relates to the prepaid employees benefit that is amortised over the period of the loan.

14.1.2 Trade receivables of the Company are as follows:

	Note	**2025**	**2024**
Trade receivables – related parties	24	**3,035,713**	3,459,841
Trade receivables – others		**13,755**	23,117
		3,049,468	3,482,958

Trade receivables are measured at fair value. The fair value is calculated using future prices. These trade receivables are classified as level 3 in the fair value hierarchy.

Following is the ageing matrix used by the Company for analysis of trade receivables:

			Past due				
	Total	**Not yet due**	**Less than 6 months**	**6 to 12 months**	**12 to 18 months**	**18 to 24 months**	**More than 24 months**
December 31, 2025	**3,049,468**	**2,945,376**	**103,695**	**-**	**-**	**-**	**397**
December 31, 2024	3,482,958	3,471,696	9,494	615	-	-	1,153

Financial assets also include cash and cash equivalents amounting to Saudi Riyals 833 million (December 31, 2024: Saudi Riyals 1,429 million) and other receivables amounting to Saudi Riyals 35 million (December 31, 2024: Saudi Riyals 44 million) that are measured at amortized cost.

14.2 Financial assets measured at fair value through profit and loss

	2025	**2024**
Investment in RAWEC	**10,000**	10,000

The Company holds 1% shares in the capital of RAWEC, a Saudi limited liability company.

14.3 Financial liabilities measured at amortized cost

Loans, borrowings and other liability

	Notes	**2025**	**2024**
Loans and facilities from banks, financial institutions, founding shareholders and their affiliates	14.3.1	**11,802,498**	19,558,304
Loan from Saudi Industrial Development Fund (SIDF)	14.3.2	**2,595,495**	2,823,318
Other facilities	14.3.3	**2,592,130**	-
		16,990,123	22,381,622
Less: current portion		**(3,041,107)**	(3,378,977)
Non-current portion		**13,949,016**	19,002,645
Trade and other payables	14.3.4	**17,716,236**	15,605,111

14 Financial assets and financial liabilities (continued)

14.3.1 Loans and facilities from banks, financial institutions, founding shareholders and their affiliates

14.3.1 (a) During the year 2015, the Company entered into Consortium Loan Agreements with commercial banks and financial institutions for Phase II Expansion Project. The facilities available under these loan agreements amounted to Saudi Riyals 30,630 million which have been utilized in full by the Company.

The loan amounting to Saudi Riyals 19,380 million is repayable in semi-annual instalments from June 2019 to June 2031. During the year ended December 2020, a portion of loans amounting to Saudi Riyals 3,312 million were repaid from the proceeds of loan from SIDF (Note 14.3.2). Further, during the year ended December 31, 2025, the Company prepaid a portion of loans amounting to Saudi Riyals 3,684.5 million from the proceeds of the issuance of Class B shares (also see Note 2) as a result of which, the commercial banks and financial institutions have agreed with the Company that there will be no payments of principal to be made during the period from December 2025 till December 2027. These loans are secured by property, plant and equipment (Note 11) and cash and cash equivalents (Note 15) of the Company with a carrying value of Saudi Riyals 40,981 million and Saudi Riyals 833 million, respectively.

During the year ended December 31, 2022, the equity bridge loans (EBLs) guaranteed by founding shareholders amounting to Saudi Riyals 11,250 million were partially repaid to an extent of Saudi Riyals 1,940 million out of the proceeds of the rights issue carried out by the Company in the year 2022. Initially maturing on July 1, 2019, the EBLs were restructured during the year 2023, and are now due to mature on December 20, 2027 upon which, all amounts outstanding will become due and payable. An extension fee amounting to Saudi Riyals 135 million was paid in two instalments and is amortised over the term of the restructured EBLs. The restructured EBLs are financed by commercial banks and a related party (Aramco Overseas Company, a wholly owned subsidiary of Saudi Aramco, a founding shareholder), to an extent of Saudi Riyals 6,310 million and Saudi Riyals 3,000 million respectively. The restructured EBL agreements allow for interim voluntary partial repayments to be made. During the year ended December 31, 2025, the Company has made a voluntary partial repayment of the EBLs amounting to Saudi Riyals 1,579.1 million from the proceeds of the issuance of Class B shares (also see Note 2).

The aforementioned loans are denominated in US Dollars and bear financial charges based on prevailing market rates and certain non-financial covenants.

14.3.1 (b) During the year 2020, the Company had entered into Revolving corporate facilities ('RSL') with Saudi Aramco and Sumika Finance Company Limited, a wholly owned subsidiary of Sumitomo Chemical. The facilities available under each of these agreements amounted to Saudi Riyals 2,812.5 million (collectively Saudi Riyals 5,625 million) which were fully utilized by the Company. On August 28, 2024, the Company and founding shareholders signed Amendment and Restatement Agreements ('Amended RSL Agreements') whereby Sumika Finance Company novated its rights under its RSL to Sumitomo Chemical and the founding shareholders irrevocably and unconditionally waived the Company's obligation to repay Saudi Riyals 3,750 million (USD 1,000 million) of the aggregate amount of RSLs outstanding (Saudi Riyals 1,875 million (USD 500 million) under each respective RSL) together with any related commission thereon including commission on the remaining outstanding balance of the RSLs. Further, on January 28, 2025, the Company and its founding shareholders signed the Amended and Restated RSL Write-off and Termination agreements whereby the founding shareholders irrevocably and unconditionally waived the Company's obligation to repay the remaining balance of RSLs amounting Saudi Riyals 1,875 million (USD 500 million) (representing Saudi Riyals 937.5 million each (USD 250 million) for each founding shareholder under its respective agreement). This waived amount of Saudi Riyals 1,875 million (USD 500 million) has been adjusted against accumulated losses under the statement of changes in equity (see note 2).

The Company had entered into a corporate facility agreement with Saudi Aramco during 2020. The facility available under this agreement amounts to Saudi Riyals 1,875 million and is utilized to an extent of Saudi Riyals 112.5 million as at December 31, 2025.

This corporate facility bears financial charges based on prevailing market rates and is secured by promissory notes issued by the Company in favour of the lenders to the extent of drawdowns made.

14.3.2 Loan from SIDF

During the year ended December 31, 2019, the Company entered into a loan agreement with SIDF to replace a portion of the loans for Phase II Expansion Project (see Note 14.3.1). The facility available under this loan agreement amounts to Saudi Riyals 3,600 million and is fully utilized as at December 31, 2025. The loan is repayable in unequal semi-annual instalments commencing from Rabi Aakhir 1443H (corresponding to November 2021) to Shawwal 1453H (corresponding to January 2032). Upfront fee amounting to Saudi Riyals 288 million was deducted at the time of receipt of the loan and is amortised over the loan term. The loan also bears a follow up fee to be paid on semi-annual basis. The loan has certain covenants, which among other things requires certain financial ratios to be maintained. The Company is required to make an assessment at every year end for the compliance of the loan covenants. As at December 31, 2025 and December 31, 2024, SIDF has waived certain loan covenants for the Company. The loan facility is secured by a mortgage on the property, plant and equipment of the Company amounting to Saudi Riyals 7,200 million.

(All amounts in thousands of Saudi Riyals unless otherwise stated)

14 Financial assets and financial liabilities (continued)

14.3.3 Other facilities

(a) The Company has working capital facilities of Saudi Riyals 3,375 million with local commercial banks on prevailing market rates. During the year ended December 31, 2025, drawdowns and repayments amounting to Saudi Riyals 25,769 million and Saudi Riyals 23,332 million, respectively have been made by the Company with a closing balance of Saudi Riyals 2,437 million as at December 31, 2025 (December 31, 2024: Nil).

(b) The Company has a credit facility of Saudi Riyals 375 million with a local commercial bank on prevailing market rates. As at December 31, 2025, the facility has been utilized to an extent of Saudi Riyals 153 million (December 31, 2024: Nil).

14.3.4 Trade and other payables

	2025	2024
Trade payables:		
- Related parties	**16,060,055**	14,187,880
- Others	**1,625,549**	1,359,605
	17,685,604	15,547,485
Other payables – related parties (see below)	**30,632**	57,626
	17,716,236	15,605,111

Other payables principally relate to payments made by founding shareholders on behalf of the Company in respect of seconded employees and other charges.

14.4 Financial instruments risk management objectives and policies

Financial risk is inherent in the Company's activities but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations and each individual within the Company is accountable for the risk exposures relating to respective responsibilities. The Company's policy is to monitor business risks through strategic planning process.

Risk management structure

Board of Directors

The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles.

Board audit committee

The board audit committee assists the Board in carrying out its responsibilities with respect to assessing the quality and integrity of financial reporting and risk management, the internal audit thereof and the soundness of the internal controls of the Company.

Internal audit

All key operational, financial and risk management processes are audited by internal audit. Internal audit examines the adequacy of the relevant policies and procedures and the Company's compliance with internal policies and regulatory guidelines. Internal audit discusses the results of all assessment with management and reports its findings and recommendations to audit committee.

The risks faced by the Company and the way these risks are mitigated are summarized below:

(All amounts in thousands of Saudi Riyals unless otherwise stated)

14 Financial assets and financial liabilities (continued)

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Credit risk principally arises from cash and cash equivalents, long-term loans and other receivables. The Company's gross maximum exposure to credit risk at the reporting date is as follows:

	2025	**2024**
Cash and cash equivalents	**833,272**	1,428,964
Trade receivables	**3,049,468**	3,482,958
Long-term loans to employees	**419,116**	289,078
Other receivables	**34,862**	44,214
	4,336,718	5,245,214

Cash and cash equivalents are placed with banks with credit ratings ranging between A1 – AA3 (Moody's). The loans receivable from employees are secured by mortgages on the related housing units. The majority of trade receivables representing 99.6% (December 31, 2024: 99.3%) is from founding shareholders and their affiliates with historically strong credit ratings and is stated at respective fair values. The Company is not exposed to significant credit risk on other receivables.

Commodity price risk

The Company is exposed to the risk of fluctuations in the prevailing market prices on the refined and petrochemical products it produces.

The Company sells refined and petrochemical products on a provisional pricing basis. Revenue and a corresponding receivable from sale of provisionally priced products is recognized when control over the goods have been transferred to the customer (at point in time i.e. bill of lading date) and revenue can be measured reliably. At this date, the amount of revenue receivable to be recognized will be estimated based on the agreed provisional market price of the products being sold as per the agreements entered by the Company with marketers / customers.

However, the Company faces a risk that future adverse changes in product prices would result in the reduction of receivable balance. The Company's normal policy is to sell its products at prevailing market prices. The Company does not enter into commodity price hedging arrangements.

Commodity price exposure

The exposure of the Company's trade receivables balance to changes in commodity prices is as follows:

	2025	**2024**
Trade receivables pertaining to Petrochemical products	**1,127,847**	1,124,519

An increase / decrease of 1% in the future prices of the petrochemical products would not result in a material change in the fair value of the trade receivables.

Fair value and cash flow interest rate risks

Fair value and cash flow interest rate risks are the exposures associated with the effect of fluctuations in the prevailing interest rates on the Company's financial positions and cash flows. The Company's interest rate risks arise mainly from its short-term deposits, loans from banks and financial institutions and loans from founding shareholders and their affiliates, which are at floating rate of interest and are subject to re-pricing on a regular basis.

The following table presents the measurement basis for the Company's financial assets and financial liabilities as at December 31, 2025 and 2024:

(All amounts in thousands of Saudi Riyals unless otherwise stated)

14 Financial assets and financial liabilities (continued)

Fair value and cash flow interest rate risks (continued)

	2025	2024
Financial assets at fair value through profit or loss		
Trade receivables	**3,049,468**	3,482,958
Investment	**10,000**	10,000
Financial assets at amortised cost		
Other non-current assets (excluding homeownership prepayment)	**288,974**	282,590
Other current assets (excluding homeownership prepayment)	**28,549**	6,488
Prepayments and other receivables (excluding prepayments, advances to suppliers and value added tax)	**42,737**	46,744
Cash and cash equivalents	**833,323**	1,429,039
	4,253,051	5,257,819

The movement in trade receivables mainly arises from sales transactions made during the year and settlements. Unrealized fair value movement on trade receivables is not significant.

	2025	2024
Financial liabilities at amortised cost		
Trade and other payables	**17,716,236**	15,605,111
Loans and borrowings	**16,990,123**	22,381,622
Lease liabilities	**8,213,016**	9,468,765
Accrued expenses and other liabilities	**1,662,235**	2,112,830
	44,581,610	49,568,328

The fair values of the Company's financial instruments measured at amortised cost approximate their carrying values. For current financial instruments, this is due to their short-term nature and the expectation that they will be realized within twelve months from the reporting date. For non-current financial instruments, the carrying values approximate fair values as they are subject to market-based interest rates.

Interest rate sensitivity

As at December 31, 2025, it is estimated that a general increase / decrease of 50 basis points in floating interest rates on loans and borrowings (Note 14.3.1 (a) and 14.3.3), with all other variables held constant, would increase / decrease the Company's loss for the year by approximately Saudi Riyals 71.9 million (December 31, 2024: Saudi Riyals 97.7 million).

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's transactions are principally in Saudi Riyals and US Dollars. The Company monitors the fluctuation in currency exchange rates and believes that currency risk is not significant to the Company.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its commitments associated with financial liabilities when they fall due.

The Company's financial liabilities consist of trade and other payables (Note 14.3.4), loans and borrowings (Note 14.3.1, 14.3.2 and 14.3.3), lease liabilities (Note 13.2) and accrued expenses and other liabilities (Note 21). All financial liabilities except for loans and borrowings, lease liabilities, are non-commission bearing and expected to be settled within 12 months from the date of statement of financial position.

(All amounts in thousands of Saudi Riyals unless otherwise stated)

14 Financial assets and financial liabilities (continued)

Liquidity risk (continued)

Liquidity requirements are monitored on regular basis and the Company ensures that sufficient liquid funds are available to meet any commitments as they arise. The Company aims to maintain sufficient level of cash and cash equivalents to meet expected cash outflows of financial liabilities. The Company has certain unutilised credit facilities which can be utilised to meet short-term liquidity requirements (refer Note 14.3.3). Further, the Company also has the support from its founding shareholder through payment term adjustments for both refined and petrochemical products with reduction of credit period depending on the Company' cash flow needs and extended credit period on crude invoices (if required) as disclosed in Note 2 to the financial statements.

The following analysis provides the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant, except for lease liabilities, which are stated at minimum lease payments. This liquidity formed a significant part of the Directors' going concern assessment described in Note 2.

2025	**Less than 3 months**	**3 – 12 months**	**1 – 5 years**	**Over 5 years**	**Total**
Loans and borrowings	**2,628,130**	**1,111,965**	**13,965,061**	**1,328,081**	**19,033,237**
Lease liabilities	**216,284**	**659,710**	**3,452,040**	**6,991,205**	**11,319,239**
Trade and other payables	**16,091,859**	**1,624,377**	**-**	**-**	**17,716,236**
Accrued expenses and other liabilities	**698,489**	**-**	**-**	**-**	**698,489**

2024	**Less than 3 months**	**3 – 12 months**	**1 – 5 years**	**Over 5 years**	**Total**
Loans and borrowings	1,875,000	2,607,092	18,410,330	3,329,203	26,221,625
Lease liabilities	231,750	722,825	3,751,530	8,210,948	12,917,053
Trade and other payables	14,246,678	1,358,433	-	-	15,605,111
Accrued expenses and other liabilities	393,634	-	-	-	393,634

Capital management

The primary objective of the Company's capital management is to ensure that it maintains strong credit worthiness and capital ratios in order to support its business and maximize shareholders' value.

The Company's Board of Directors considers share capital (including Class B shares), retained earnings (accumulated losses) and statutory reserve as the Company's capital. The Company manages its capital and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. The Company is not subject to externally imposed capital requirements.

The Company's debt to equity ratio is as follows:

As at 31 December	**2025**	**2024**
Total loans and borrowings	**16,990,123**	22,381,622
Total equity	**13,029,820**	9,803,300
Debt to equity ratio	**1.30**	2.28

15 Cash and cash equivalents

	2025	2024
Cash in hand	**51**	75
Cash at banks - current accounts	**562,992**	1,428,964
Short term deposits	**270,280**	-
	833,323	1,429,039

Cash at banks – current accounts includes an amount of Saudi Riyals 283.6 million (December 31, 2024: Saudi Riyals 249.9 million) representing balance of employees' thrift savings program placed with a local bank (Note 20.3).

Short term deposits are held by a commercial bank and yield financial income at prevailing market rates.

16 Inventories

	2025	2024
Raw materials	**504,365**	476,150
Work-in-progress	**1,109,567**	998,992
Finished goods	**1,004,950**	1,135,084
Spare parts and consumables	**1,292,531**	1,208,013
	3,911,413	3,818,239

During the year ended December 31, 2025, in order to carry the inventory at net realizable value, the net movement in provision for inventory except for spare parts and consumables has resulted in Saudi Riyals 25.2 million (December 31, 2024: Nil) expense under cost of revenue.

Movement in provision for slow moving spare parts and consumables is as follows:

	Note	2025	2024
January 1		**185,116**	181,627
Additions	5	**399**	37,153
Adjustments	5	**(13,215)**	-
Utilised		**(399)**	(33,664)
December 31		**171,901**	185,116

17 Prepayments and other receivables

	Note	2025	2024
Prepayments		**110,097**	101,691
Advances to suppliers		**162,229**	193,133
Advance tax and value added tax		**1,156,557**	1,991,059
Other receivables		**21,048**	30,627
		1,449,931	2,316,510
Due from related parties	24	**21,689**	16,117
		1,471,620	2,332,627

18 Share capital

The Company's authorized, issued and paid up share capital as at December 31, 2025, amounts to Saudi Riyals 21,973.6 million (December 31, 2024: Saudi Riyals 16,710 million) consisting of (i) 1,671 million Class A ordinary shares with a nominal value of Saudi Riyals 10 per share and (ii) 526.36 million Class B ordinary shares with a nominal value of Saudi Riyals 10 per share as follows:

	2025		2024	
	Number of shares (000)	Value (Saudi Riyals in thousand)	Number of shares (000)	Value (Saudi Riyals in thousand)
Class A shares	**1,671,000**	**16,710,000**	1,671,000	16,710,000
Class B shares*	**526,365**	**5,263,650**	-	-
	2,197,365	**21,973,650**	1,671,000	16,710,000

(All amounts in thousands of Saudi Riyals unless otherwise stated)

18 Share capital (continued)

*On September 29, 2025, the Company's shareholders, in the Extraordinary General Assembly meeting, approved the Board's recommendation to increase the Company's share capital from Saudi Riyals 16,710 million to Saudi Riyals 21,973.6 million by way of issuance of 526.36 million Class B shares having a nominal value of Saudi Riyals 10 per share to the founding shareholders in equal proportion. This capital increase represents 31.5% increase in the current capital of the Company with a total issuance value of Saudi Riyals 5,263.6 million subscribed by the founding shareholders. The Company obtained a waiver from the CMA from the provisions of the Rules on the Offer of Securities and Continuing Obligations to allow the issuance and private offering of Class B ordinary shares without listing them. On October 15, 2025, the Company received the proceeds of SAR 5,263.6 million from the founding shareholders.

Class B Shares are perpetual t and carry no voting rights except in limited matters requiring a special assembly of Class B shareholders. The Class B shareholders have priority over Class A shareholders in both dividend payments and liquidation proceeds. Cumulative dividends accrue at 0% until December 31, 2027, 6% from January 1, 2028, to December31, 2031, and 7% from 1 January 2032, up to the nominal value of the shares, after which dividends become non-cumulative. When dividends are declared, Class B shareholders will be entitled to the lower of 30% of the declared amount or the accumulated unpaid dividends, and undeclared dividends are not payable.

Additionally, on October 8, 2025, the SPA between the founding shareholders (Note 2) has been executed and given effect, pursuant to which Saudi Aramco acquired 375,974,998 Class A shares from Sumitomo Chemical and now owns 60%, Sumitomo Chemical owns 15% and public holds 25% of Class A shares of the Company.

Pursuant to the Board of Directors resolution dated August 31, 2025 recommending share capital decrease from Saudi Riyals 21,973.6 million to Saudi Riyals 16,710 million by reducing the nominal value of Class A shares from Saudi Riyal 10 per share to Saudi Riyals 6.85 per share. Subsequent to the year ended December 31, 2025, the Company received CMA's decision dated February 12, 2026, approving the Company's application for a capital reduction. As at the reporting date, the Company is in the process of completing the remaining regulatory formalities, after which it will convene the shareholders' Extraordinary General Assembly meeting on March 29, 2026 to approve this proposed capital decrease (Note 2 and Note 27). The Company will then take all necessary actions as required by the applicable regulations to finalize the proposed capital reduction.

19 Statutory reserve

In accordance with the Company's previous By-laws and the previous Regulation for Companies in the Kingdom of Saudi Arabia, the Company set aside 10% of its net income each year, after absorbing accumulated deficit, to a statutory reserve until such reserve equal 30% of its share capital. Under the revised Regulation for Companies in the Kingdom of Saudi Arabia that came into effect on January 19, 2023, this minimum statutory reserve requirement is no longer required and applicable.

20 Employees' benefits

	Notes	2025	2024
End of service benefits	20.1	**655,584**	614,561
Employees' share ownership plan	20.2	**5,288**	5,288
Employees' savings program	20.3	**283,456**	249,917
Total employees' benefits		**944,328**	869,766
Less: Current portion of employees' benefits under accrued expenses and other liabilities		**(7,364)**	(6,600)
Non-current portion of employees' benefits		**936,964**	863,166

20.1 End of service benefits

	2025	2024
Company's employees	**650,754**	610,609
Founding shareholders' seconded employees	**4,830**	3,952
	655,584	614,561

The Company has a post-employment defined benefit plan for its employees. The benefits are required by Saudi Arabian Labor and Workman Law (labor law). The benefit is based on employees' final salaries and allowances and their cumulative years of service, as stated in the labor law.

The following table summarizes the components of the net benefit expense recognized in the statement of profit or loss, statement of comprehensive income and movement in present value of defined benefit obligation in the statement of financial position.

(All amounts in thousands of Saudi Riyals unless otherwise stated)

20 Employees' benefits (continued)

20.1 End of service benefits (continued)

Net benefit expense recognised in statement of profit or loss:	**2025**	**2024**
Current service cost	**47,982**	49,440
Interest cost on benefit obligation	**30,675**	28,000
	78,657	77,440

Net benefit expense recognised in statement of comprehensive income:	**2025**	**2024**
Actuarial loss arising from experience	**3,037**	13,003
Actuarial gain arising from changes in financial assumptions	**-**	(14,041)
	3,037	(1,038)

Movement in present value of defined benefit obligation:	**2025**	**2024**
January 1	**610,609**	580,837
Current service cost	**47,982**	49,440
Interest cost on benefit obligation	**30,675**	28,000
Actuarial loss arising from experience	**3,037**	13,003
Actuarial gain arising from changes in financial assumptions	**-**	(14,041)
Benefits paid during the year	**(41,549)**	(46,630)
December 31	**650,754**	610,609

Significant assumptions used in determining the post-employment defined benefit obligation include the following:

	2025	**2024**
Discount rate	**5.25%**	5.25%
Salary escalation rate	**4%**	4%
In service mortality	**SOA RP2014 Total Dataset with scale MP-2014**	SOA RP2014 Total Dataset with scale MP-2014
Withdrawal before normal retirement age	**Age-wise**	Age-wise

The weighted average duration of the defined benefit obligation as at December 31, 2025 is 9 years (December 31, 2024: 9.1 years).

A quantitative sensitivity analysis for significant assumptions on the closing balance of the defined benefit obligation is shown below:

Discount rate:

	2025	**2024**
1% increase in discount rate	**597,212**	559,387
1% decrease in discount rate	**712,740**	670,138

Salary escalation rate:

	2025	**2024**
1% increase in salary escalation rate	**712,961**	670,351
1% decrease in salary escalation rate	**596,081**	558,306

Voluntary exit rate:

	2025	**2024**
5% increase at each age	**663,419**	622,006
5% decrease at each age	**625,317**	586,742

The sensitivity analysis above has been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis is based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation of one another.

(All amounts in thousands of Saudi Riyals unless otherwise stated)

20 Employees' benefits (continued)

20.2 Employees' share ownership plan

During the year ended December 31, 2008, the Board of Directors approved the implementation and operation of an Employees' share ownership plan ("ESOP"), which provides 5 years' service awards to certain levels of staff.

The Company arranged with a commercial bank to subscribe for 1.5 million shares during the IPO at the offer price of Saudi Riyals 21 per share. These ESOP shares are held by the bank in trust for the Company's eligible employees that will become eligible for an award under the plan. Any of the ESOP shares that do not become issuable to eligible employees will be dealt with by the bank in accordance with the Company's instructions, and any disposal proceeds will be for the account of the Company. The Company recognized the liability through provision by amortizing the total cost of the ESOP shares on a straight-line basis over a period of 5 years.

Until the ESOP shares become vested and are transferred to the eligible employees, they are accounted for as a deduction from shareholders' equity. During the year ended December 31, 2025, the Company did not vest any shares to eligible employees due for entitlement (December 31, 2024: 800 shares).

The carrying amount of the ESOP as at December 31, 2025 is Saudi Riyals 5.3 million (December 31, 2024: Saudi Riyals 5.3 million).

20.3 Employees' savings program

The Company operates a thrift savings program (the "Program") on behalf of its employees and the Company matches the employee contribution with an equal, or lesser, contribution towards the Program that is commensurate with the employee's participation seniority in the Program.

Balance in employees' savings program is presented in the statement of financial position as follows:

	2025	2024
Current portion (included in accrued expenses and other liabilities)	**2,827**	2,859
Non-current portion	**280,629**	247,058
	283,456	249,917

21 Accrued expenses and other liabilities

	Note	2025	2024
Accrued bonus		**32,020**	32,517
Customer advances		**10,431**	6,381
Social security payable		**9,036**	8,426
Withholding tax and value added tax (VAT) payable		**926,269**	1,712,816
Accrued expenses		**675**	642
Dividend payable		**1,004**	1,004
Others*	25	**376,821**	119,468
		1,356,256	1,881,254
Due to related parties	24	**305,979**	231,576
		1,662,235	2,112,830

*Refer to note 25 for the details related to SEC Provision included in "Others".

22 Zakat and tax

22.1 Charge for the year

Zakat and tax for the year ended December 31, is as follows:

	Note	2025	2024
Zakat for the year		**1,641**	1,773
Zakat adjustment for the prior period	22.3	**(251)**	-
Deferred tax charge (income) for the year (see below)		**5,165**	(203,204)
		6,555	(201,431)

(All amounts in thousands of Saudi Riyals unless otherwise stated)

22 Zakat and tax (continued)

Income tax and deferred tax for the year ended December 31, has been recognised as follows:

	Note	2025	2024
Statement of profit or loss:			
- Deferred tax charge (income)		**5,307**	(203,282)
Tax charge (income) for the year	22.2	**5,307**	(203,282)
Statement of comprehensive income – Deferred tax (income) expense		**(142)**	78

22.2 Zakat base and tax expense reconciliation

Zakat for the year ended December 31, is attributable to the following components:

	2025	2024
Share capital, liabilities, provisions, reserves and accumulated losses	**50,221,661**	50,198,611
Assets	**(50,138,585)**	(50,088,865)
Zakat base	**83,076**	109,746
Zakat base attributable to Saudi founding shareholder and general public shareholding (2025: 76.62% 2024: 62.5%)	**63,653**	68,591
Zakat for the year	**1,641**	1,773

Reconciliation between loss before Zakat and tax at applicable tax rate and tax expense for the year ended December 31, is as follows:

	2025	2024
Loss before Zakat and tax	**(3,892,007)**	(4,746,036)
Loss subject to tax (2025: 33.98% and 2024: 37.5%)	**(1,322,339)**	(1,779,764)
Tax at applicable tax rate (20%)	**(264,468)**	(355,952)
Tax effect of non-deductible expenses:		
Interest expense in excess of allowable limit	**106,142**	139,255
Withholding tax	**5,269**	6,665
Effect of proportionate change in shareholding percentage of foreign founding shareholder*	**152,804**	-
Educational assistance	**178**	171
Others	**5,382**	6,579
Tax charge (income) for the year	**5,307**	(203,282)

*The impact is primarily due to proportionate change in shareholding percentage of the foreign founding shareholder (Refer Note 2) which has resulted in decrease in deferred tax asset.

22.3 Status of assessments

The Company has filed its Zakat and income tax returns with the Zakat, Tax and Customs Authority (ZATCA) up to 2024 and obtained the Zakat certificate, valid until April 30, 2026. The Company has finalized its Zakat and income tax assessments with ZATCA up to 2023. ZATCA had requested for certain additional information in relation to the return filed for the year 2024 which the Company has duly provided.

23 Zakat and tax asset and liability

23.1 The movement of Zakat and income tax payable is as follows:

	Notes	2025	2024
January 1		**1,773**	-
Charge for the current year	22.1	**1,641**	1,773
Adjustment for preceding years	22.3	**(251)**	-
Payments during the year		**(1,522)**	-
December 31		**1,641**	1,773

(All amounts in thousands of Saudi Riyals unless otherwise stated)

23 Zakat and tax asset and liability (continued)

23.2 The component wise movement of deferred tax asset is as follows:

	Property, plant and equipment	Tax losses carried forward	Employees' benefits	Trade receivables and inventories	Others	Total
2025						
January 1	**(1,834,633)**	**2,197,821**	**46,092**	**13,884**	**10,906**	**434,070**
Tax income (expense) recognised in statement of profit or loss	**671,790**	**(645,844)**	**(15,575)**	**(5,822)**	**(9,856)**	**(5,307)**
Tax income recognised in statement of comprehensive income	**-**	**-**	**142**	**-**	**-**	**142**
December 31	**(1,162,843)**	**1,551,977**	**30,659**	**8,062**	**1,050**	**428,905**

	Property, plant and equipment	Tax losses carried forward	Employees' benefits	Trade receivables and inventories	Others	Total
2024						
January 1	(1,797,481)	1,962,502	43,909	13,622	8,314	230,866
Tax (expense) income recognised in statement of profit or loss	(37,152)	235,319	2,261	262	2,592	203,282
Tax expense recognised in statement of comprehensive income	-	-	(78)	-	-	(78)
December 31	(1,834,633)	2,197,821	46,092	13,884	10,906	434,070

The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible.

24 Related party transactions and balances

Related parties comprise of founding shareholders of the Company being Saudi Aramco (in which the Saudi Arabian Government holds 81.48% shareholding) and Sumitomo Chemical Company (having significant influence on the Company), entities controlled, jointly controlled or significantly influenced by such parties (associated companies) and key management personnel.

24.1 Transactions with related parties

Transactions with related parties arise mainly from purchases, sales of refined and petrochemical products, credit facilities, secondments and various lease arrangements and are undertaken at approved contractual terms. Significant related party transactions for the year ended December 31, are summarized as follows:

	2025	2024
Saudi Aramco and its associated companies		
Purchase of goods	**31,460,255**	34,278,830
Sale of refined products	**27,066,261**	27,844,378
Sale of petrochemical products	**4,164,598**	5,725,322
Financial charges on loans	**191,546**	311,858
Financial charges on leases	**21,400**	51,333
Rentals charged to the Company	**-**	25,999
Secondees' costs charged to the Company	**15,836**	13,595
Service and other cost charges, net	**16,372**	60,777
Sumitomo Chemical and its associated companies		
Purchase of goods	**140,920**	73,235
Sale of petrochemical products	**3,654,562**	4,851,700
Financial charges on loans	**-**	91,780
Secondees' costs charged to the Company	**1,414**	2,510
Service and other cost charges, net	**462**	456

(All amounts in thousands of Saudi Riyals unless otherwise stated)

24 Related party transactions and balances (continued)

24.2 Balances with related parties

Significant balances as at December 31, arising from transactions with related parties are as follows:

	Notes	2025	2024
Saudi Aramco and its associated companies			
Due to related parties:			
Loans and borrowings	14	**2,590,852**	4,026,966
Trade and other payables	14	**16,089,342**	14,245,506
Employees' benefits		**294**	176
Lease liabilities		**366,353**	1,039,634
Accrued expenses and other liabilities	21	**213,780**	207,883
Due from related parties:			
Trade and other receivables	14,17	**2,832,665**	3,249,512

	Notes	2025	2024
Sumitomo Chemical and its associated companies			
Due to related parties:			
Loans and borrowings	14	**-**	937,500
Trade and other payables	14	**1,345**	-
Accrued expenses and other liabilities	21	**92,199**	23,693
Employees' benefits		**-**	34
Due from related parties:			
Trade and other receivables	14,17	**224,737**	226,446

The Company has borrowing arrangements with governmental agencies at market terms (Notes 14.3.1 and 14.3.2). Financial charges incurred on these arrangements for the year ended December 31, 2025 amounted to Saudi Riyals 262.2 million (December 31, 2024: Saudi Riyals 332.3 million) and have an ending balance of Saudi Riyals 3,856 million as at December 31, 2025 (December 31, 2024: Saudi Riyals 5,449 million).

24.3 Transactions with key management personnel

Transactions with key management personnel on account of short-term benefits amounted to Saudi Riyals 19.2 million (December 31, 2024: Saudi Riyals 15.7 million) of which Saudi Riyals 9.6 million (December 31, 2024: Saudi Riyals 7 million) are included in secondees' costs above (see Note 24.1). The remuneration paid to directors amounted to Saudi Riyals 1.05 million (December 31, 2024: Saudi Riyals 1.05 million).

25 Contingencies, commitments and provisions

(i) In addition to the amounts disclosed in note 14.3.3, bank guarantees issued on behalf of the Company as at December 31, 2025 amounted to Saudi Riyals 1,774 million (December 31, 2024: Saudi Riyals 1,774 million).

(ii) In addition to the amounts disclosed in note 12.2, capital commitments contracted for but not incurred as at December 31, 2025 amounted to Saudi Riyals 672 million (December 31, 2024: Saudi Riyals 961 million).

(All amounts in thousands of Saudi Riyals unless otherwise stated)

25 Contingencies, commitments and provisions (continued)

(iii) During 2021, Saudi Electricity Company ("SEC") raised a claim of Saudi Riyals 365.7 million against the Company, alleging breaches of the Power Supply Agreement and Grid Utilization Agreement. The Dispute Resolution Committee issued a decision requiring the Company to pay the claimed amount. The Company appealed this ruling before the Jeddah Administrative Court at the Board of Grievances, which ruled in the Company's favour in February 2023. SEC subsequently appealed, and the Administrative Court of Appeal issued a judgment in favour of SEC. The Company filed a further appeal before the Supreme Administrative Court.

In October 2023, the Company received an enforcement notice requiring payment of Saudi Riyals 365.7 million inclusive of VAT, which the Company settled with the Enforcement Court. In November 2024, the Enforcement Court ruled in favour of the Company, and the amount was refunded in February 2025. In April 2025, the Supreme Administrative Court issued a ruling in favour of the Company and instructed the Court of Appeal (Makkah Region) to issue a judgment accordingly. However, in August 2025, the Court of Appeal issued a ruling against the Company, and a new enforcement order for the same amount was issued. Between September and October 2025, the Company submitted a cassation request to the Supreme Administrative Court and filed an enforcement dispute seeking suspension of the execution order. In December 2025, the Administrative Court of Appeal issued a final decision rejecting SEC's urgent execution request. As of 31 December 2025, the cassation filed in September 2025 had been accepted for review, and on 20 January 2026, the Supreme Administrative Court referred the case back to the Court of Appeal for reconsideration by a newly constituted panel.

Due to the ongoing nature of the litigation and the absence of a final, enforceable judgment as at the reporting date, the Company continues to maintain a provision of Saudi Riyals 365.7 million within accrued expenses and other liabilities.

26 Comparative figures

The Company has reassessed the presentation of certain items of income and expenses in the statement of profit or loss in the prior year to determine if such transactions have been presented appropriately in line with the requirements of IFRS as endorsed in the Kingdom of Saudi Arabia. Where necessary, changes in presentation were made in accordance with IAS 1 - Financial Statement Presentation ("IAS 1"). These changes to previously reported comparative figures had no impact on the net loss and accumulated losses.

	Previously reported	Changes to previously reported figures	Adjusted amount
Statement of profit or loss for the year ended December 31, 2024			
Revenue	**39,349,068**	**(686,933)**	**38,662,135**
Gross loss	**(985,022)**	**(686,933)**	**(1,671,955)**
Selling and marketing expenses	**(855,681)**	**686,933**	**(168,748)**

(i) In prior years, certain expenses which include shipping, handling, insurance, customs and storage charges, are charged back to the Company by its marketers (i.e. its customers), were presented within selling and marketing expenses. During the current year, the Company has reassessed the presentation of such expenses and have now been presented net against revenue to comply with the requirements of IFRS 15 - Revenue from contracts with customers.

27 Subsequent event

Subsequent to the year ended December 31, 2025, the Company received CMA's decision dated February 12, 2026, approving the Company's application for a capital reduction. As at the reporting date, the Company is in the process of completing the remaining regulatory formalities, after which it will convene the shareholders' Extraordinary General Assembly meeting on March 29, 2026, to approve this proposed capital decrease (Note 2 and Note 18). The Company will then take all necessary actions as required by the applicable regulations to finalize the proposed capital reduction.

28 Approval and authorization for issue

These financial statements were approved and authorized for issue by the Board of Directors of the Company on Ramadan 20, 1447H (March 09, 2026).