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

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025 AND
INDEPENDENT AUDITOR'S REVIEW REPORT ON CONDENSED INTERIM
FINANCIAL STATEMENTS

RABIGH REFINING AND PETROCHEMICAL COMPANY
(A Saudi Joint Stock Company)
UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2025

KPMG Professional Services Company
Zahran Business Center
Prince Sultan Street
P. O. Box 55078
Jeddah 21534
Kingdom of Saudi Arabia
Commercial Registration No 4030290792

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
مركز زهران للأعمال
شارع الأميرسلطان
ص. ب. 55078
جـده 21534
المملكة العربية السعودية
سجل تجاري رقم 4030290792

المركز الرئيسي في الرياض

Independent auditor's report on review of condensed interim financial statements

To the Shareholders of Rabigh Refining and Petrochemical Company

Introduction

We have reviewed the accompanying March 31, 2025 condensed interim financial statements of Rabigh Refining and Petrochemical Company ("the Company") which comprises:

- the condensed statement of profit or loss for the three-month period ended March 31, 2025;
- the condensed statement of comprehensive income for the three-month period ended March 31, 2025;
- the condensed statement of financial position as at March 31, 2025;
- the condensed statement of changes in equity for the three-month period ended March 31, 2025;
- the condensed statement of cash flows for the three-month period ended March 31, 2025; and
- the notes to the condensed interim financial statements.

Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying March 31, 2025 condensed interim financial statements of **Rabigh Refining and Petrochemical Company** are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

KPMG Professional Services Company

Nasser Ahmed Al Shutairy
License No. 454

Jeddah, May 12, 2025
Corresponding to Dhul Qadah 14, 1446H

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

	Notes	Three-month period ended March 31, 2025	2024
Sales	4	**11,492,912**	7,983,988
Cost of sales		**(11,274,295)**	(8,489,007)
Gross profit (loss)		**218,617**	(505,019)
Other income, net		**34,206**	37,519
Selling and marketing expenses		**(332,022)**	(163,834)
General and administrative expenses		**(235,139)**	(198,809)
Operating loss		**(314,338)**	(830,143)
Financial charges		**(409,499)**	(605,869)
Financial income		**6,083**	5,518
Net loss before Zakat and tax		**(717,754)**	(1,430,494)
Zakat	11	**-**	-
Tax	11	**26,910**	65,480
Net loss after Zakat and tax		**(690,844)**	(1,365,014)
Loss per share (Saudi Riyals) - Basic and diluted	5	**(0.41)**	(0.82)

Shinji Horiuchi
Chief Financial Officer

Othman A. Al Ghamdi
President and Chief Executive Officer

Motassim A. Al-Maashouq
Board Member and Chairman of the Board Audit Committee

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

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

	Three-month period ended March 31,	
	2025	2024
Net loss after Zakat and tax	**(690,844)**	(1,365,014)
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Remeasurement loss on defined benefit plan	**-**	-
Other comprehensive loss	**-**	-
Total comprehensive loss for the period	**(690,844)**	(1,365,014)

Shinji Horiuchi Chief Financial Officer	Othman A. Al Ghamdi President and Chief Executive Officer	Motassim A. Al-Maashouq Board Member and Chairman of the Board Audit Committee

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

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

	Notes	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	6	**39,724,316**	39,706,860
Right-of-use assets	7	**8,419,472**	8,594,795
Intangible assets		**127,492**	138,901
Long-term loans	8	**279,896**	282,590
Investment	8	**10,000**	10,000
Deferred tax asset		**460,980**	434,070
		49,022,156	49,167,216
Current assets			
Inventories		**4,261,916**	3,818,239
Trade receivables	8	**3,628,644**	3,482,958
Current portion of long-term loans	8	**9,573**	6,488
Prepayments and other receivables		**4,143,329**	2,332,627
Cash and cash equivalents		**469,441**	1,429,039
		12,512,903	11,069,351
Total assets		**61,535,059**	60,236,567
Equity and liabilities			
Equity			
Share capital	9	**16,710,000**	16,710,000
Statutory reserve	10	**252,134**	252,134
Employees' share ownership plan		**(5,288)**	(5,288)
Accumulated losses		**(5,969,390)**	(7,153,546)
Total equity		**10,987,456**	9,803,300
Non-current liabilities			
Loans, borrowings and other long-term liability	8	**18,672,584**	19,002,645
Lease liabilities	7	**8,673,804**	8,831,374
Employees' benefits		**863,582**	863,166
		28,209,970	28,697,185
Current liabilities			
Current portion of loans and borrowings	8	**5,224,937**	3,378,977
Current portion of lease liabilities	7	**642,084**	637,391
Trade and other payables	8	**12,671,312**	15,605,111
Accrued expenses and other liabilities		**3,797,527**	2,112,830
Zakat payable		**1,773**	1,773
		22,337,633	21,736,082
Total liabilities		**50,547,603**	50,433,267
Total equity and liabilities		**61,535,059**	60,236,567

Shinji Horiuchi Chief Financial Officer	Othman A. Al Ghamdi President and Chief Executive Officer	Motassim A. Al-Maashouq Board Member and Chairman of the Board Audit Committee

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

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

	Share capital	Statutory reserve	Employees' share ownership plan	Accumulated losses	Total
Balance as at January 1, 2025 (Audited)	**16,710,000**	**252,134**	**(5,288)**	**(7,153,546)**	**9,803,300**
Net loss after Zakat and tax	-	-	-	(690,844)	(690,844)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss	-	-	-	(690,844)	(690,844)
Transactions with founding shareholders (Notes 2, 8.3.1 (b))	-	-	-	1,875,000	1,875,000
Balance as at March 31, 2025 (Unaudited)	**16,710,000**	**252,134**	**(5,288)**	**(5,969,390)**	**10,987,456**
Balance as at January 1, 2024 (Audited)	16,710,000	252,134	(5,305)	(6,406,148)	10,550,681
Net loss after Zakat and tax	-	-	-	(1,365,014)	(1,365,014)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss	-	-	-	(1,365,014)	(1,365,014)
Vesting of shares under employees' share ownership plan	-	-	17	-	17
Balance as at March 31, 2024 (Unaudited)	16,710,000	252,134	(5,288)	(7,771,162)	9,185,684

Shinji Horiuchi
Chief Financial Officer

Othman A. Al Ghamdi
President and Chief Executive Officer

Motassim A. Al-Maashouq
Board Member and Chairman of the Board Audit Committee

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

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

	Notes	Three-month period ended March 31,	
		2025	2024
Cash flows from operating activities			
Net loss before Zakat and tax		**(717,754)**	(1,430,494)
Adjustments for non-cash items:			
Depreciation		**773,852**	781,467
Financial charges		**409,499**	605,869
Financial income		**(6,083)**	(5,518)
Amortization		**11,409**	21,746
Provision released on slow moving inventories		**(34,952)**	2,487
(Gain) loss on derecognition of right-of-use assets and lease liabilities		**-**	(2)
		435,971	(24,445)
Changes in:			
Inventories		**(408,724)**	(4,088)
Trade receivables		**(145,686)**	42,454
Prepayments and other receivables		**(1,810,678)**	419,136
Trade and other payables		**(2,933,799)**	(2,783,618)
Accrued expenses and other liabilities		**1,680,555**	(311,796)
Employees' benefits		**417**	18,924
		(3,181,944)	(2,643,433)
Interest received		**6,058**	5,518
Interest paid		**(116,306)**	(65,931)
Net cash used in operating activities		**(3,292,192)**	(2,703,846)
Cash flows from investing activities			
Purchase of property, plant and equipment		**(615,985)**	(166,856)
Net movement in long-term loans		**2,730**	(10,497)
Net cash used in investing activities		**(613,255)**	(177,353)
Cash flows from financing activities			
Proceeds from loans and borrowings		**11,898,015**	8,877,139
Repayments of loans and borrowings		**(8,799,289)**	(6,526,185)
Repayment of lease liabilities		**(152,877)**	(152,443)
Net cash from financing activities		**2,945,849**	2,198,511
Net decrease in cash and cash equivalents		**(959,598)**	(682,688)
Cash and cash equivalents at beginning of the period		**1,429,039**	1,372,141
Cash and cash equivalents at end of the period		**469,441**	689,453
Supplemental schedule of non-cash information			
Transactions with founding shareholders	2, 8.3.1 (b)	**1,875,000**	-

Shinji Horiuchi Chief Financial Officer	Othman A. Al Ghamdi President and Chief Executive Officer	Motassim A. Al-Maashouq Board Member and Chairman of the Board Audit Committee

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

1 General information

Rabigh Refining and Petrochemical Company ("the Company" or "PetroRabigh") is a company registered in the Kingdom of Saudi Arabia under Commercial Registration No. 4602002161 issued by the Ministry of Commerce and Investment, Jeddah, on Shaaban 15, 1426H (September 19, 2005) subsequently revised by Ministry of Commerce and Investment, Riyadh on Shawal 22, 1428H (November 3, 2007).

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 condensed interim financial statements of the Company have been prepared in accordance with IAS 34 "Interim Financial Reporting" 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.

These condensed interim financial statements do not include all the information required for a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed in the Kingdom of Saudi Arabia and should be read in conjunction with the Company's last annual financial statements for the year ended December 31, 2024. However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of changes in the Company's financial position and performance since the last annual financial statements. An interim period is considered as an integral part of the whole fiscal year, however, the results of operations for the interim periods may not be a fair indication of the results of the full year operations.

The Company has incurred a comprehensive loss of Saudi Riyals 691 million for the three-month period ended March 31, 2025 (March 31, 2024: Saudi Riyals 1,365 million), and as at that date the accumulated losses reached Saudi Riyals 5,969 million (December 31, 2024: Saudi Riyals 7,154 million) representing 35.72% (December 31, 2024: 42.81%) of the Company's share capital. Furthermore, as at March 31, 2025, the Company's current liabilities exceeded its current assets by Saudi Riyals 9,825 million (December 31, 2024: Saudi Riyals 10,667 million).

On August 7, 2024, Saudi Arabian Oil Company (Saudi Aramco) and Sumitomo Chemical Company (Sumitomo Chemical) (together, the 'founding shareholders') announced (the announcement) a sale and purchase agreement (the 'Sale and Purchase Agreement' or 'SPA') whereby Saudi Aramco will acquire from Sumitomo Chemical 375,974,998 shares representing approximately 22.5% of the share capital of the Company (the 'Transaction'). On completion of the Transaction, which is subject to a several conditions as set out in the SPA, Saudi Aramco will own approximately 60%, Sumitomo Chemical will own 15%, and the public will own 25% of the Company's shares. Pursuant to the Transaction and subject to alignment with the Company, the founding shareholders have agreed to take certain specific steps which aim to improve the Company's financial position and facilitate its turnaround strategy, which include:

(i) waiving the revolving shareholder loans ('RSL'), which Saudi Aramco and Sumitomo Chemical provided to the Company in the aggregate amount of Saudi Riyals 5,625 million (USD 1,500 million), with Saudi Riyals 3,750 million (USD 1,000 million) being waived in the year 2024 and the remaining Saudi Riyals 1,875 million (USD 500 million) being waived during the three-month period ended March 31, 2025; and

(ii) subject to the closing of the transaction, injecting Saudi Riyals 5,263.6 million in aggregate (Saudi Riyals 2,631.8 million each from Saudi Aramco and Sumitomo Chemical) in additional funds into the Company through a mechanism to be agreed with the Company which will require endorsement by the Capital Market Authority ('CMA') and approval by the Company's extraordinary general assembly.

Following the announcement of the founding shareholders, on August 28, 2024 and January 28, 2025, the Company signed Amendment and Restated RSL Agreements ('Amended RSL Agreements'), pursuant to which each of the founding shareholders waived the RSLs amounting to Saudi Riyals 2,812.5 million (USD 750 million) each and aggregate Saudi Riyals 5,625 million (USD 1,500 million), together with related commissions accrued thereon (also see note 8.3.1 (b)). Further, with regards to (ii) above, the Company has appointed the Financial and Legal Advisors, who are currently preparing necessary documentation to agree on the Capital Increase mechanism with the Sponsors and Regulators.

(All amounts in Saudi Riyals thousands unless otherwise stated)

2 Basis of preparation (continued)

The Board of Directors of the Company has evaluated the Company's funding position and liquidity to assess the Company's ability to meet its obligations as they fall due for a period of at least 12 months from the date of signing the Company's condensed interim financial statements ("Assessment Period").

In addition, the management has also reviewed potential support from the founding shareholders to improve the Company's short-term cashflow needs and margin improvement including (i) payment term adjustments for both refined and petrochemical products with reduction of credit period depending on the Company' cash flow needs; and (ii) additional credit period on the crude invoices as required.

Based on the above, the Company's management has assessed its ability to continue as a going concern and is satisfied that the Company's operations shall continue for a foreseeable future under the normal course of business and the Company is expected to have adequate resources to continue its operations and is expected to be able to discharge its liabilities as and when they fall due. Accordingly, these condensed interim financial statements are continued to be prepared on the basis of going concern assumption.

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)	January 1, 2025

The adoption of above amendments does not have any material impact on the condensed interim financial statements during the period.

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 condensed interim 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
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	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

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 condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and 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 Company based its assumptions and estimates on parameters available when the condensed interim 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.

The significant judgments exercised in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements for the year ended December 31, 2024.

(All amounts in Saudi Riyals thousands unless otherwise stated)

3 Material accounting policies

The accounting policies used by the Company for the preparation of these condensed interim financial statements are consistent with those followed in preparation of the Company's annual financial statements for the year ended December 31, 2024, except for the adoption of the amendments effective as at January 1, 2025 mentioned in Note 2.1.

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 three-month period ended March 31, is summarized below:

2025 (Unaudited)	**Refined products**	**Petrochemicals**	**Total**
Sales – external customers	**8,352,949**	**3,139,963**	**11,492,912**
Depreciation and amortization	**164,905**	**620,356**	**785,261**
Operating loss	**(155,883)**	**(158,455)**	**(314,338)**
2024 (Unaudited)			
Sales – external customers	5,766,509	2,217,479	7,983,988
Depreciation and amortization	168,675	634,538	803,213
Operating loss	(603,321)	(226,822)	(830,143)

March 31, 2025 (Unaudited)	**Refined products**	**Petrochemicals**	**Unallocated**	**Total**
Total assets	**20,207,255**	**40,396,294**	**931,510**	**61,535,059**
Total liabilities	**17,377,117**	**29,964,448**	**3,206,038**	**50,547,603**
Capital expenditure	**128,944**	**487,041**	**-**	**615,985**
December 31, 2024 (Audited)	**Refined products**	**Petrochemicals**	**Unallocated**	**Total**
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

The Company's revenue from external customers amounts to Saudi Riyals 11,457 million (March 31, 2024: Saudi Riyals 7,939 million) generated from 5 customers in the period ended March 31, 2025 (March 31, 2024: 5 customers).

Geographical information for the three-month period ended March 31, is as follows:

2025 (Unaudited)	**Middle East**	**Asia Pacific**	**Others**	**Total**
Sales				
Refined products	**3,514,403**	**937,911**	**3,900,635**	**8,352,949**
Petrochemicals	**620,298**	**1,739,409**	**780,256**	**3,139,963**
Total	**4,134,701**	**2,677,320**	**4,680,891**	**11,492,912**

2024 (Unaudited)	**Middle East**	**Asia Pacific**	**Others**	**Total**
Sales				
Refined products	5,048,077	549,539	168,893	5,766,509
Petrochemicals	613,061	1,582,778	21,640	2,217,479
Total	5,661,138	2,132,317	190,533	7,983,988

Middle East market primarily includes Kingdom of Saudi Arabia, Asia Pacific primarily includes Singapore and China and Others primarily includes Europe and Africa.

4 Segment information (continued)

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

	2025	2024
	(Unaudited)	(Unaudited)
Operating loss	**(314,338)**	(830,143)
Financial charges	**(409,499)**	(605,869)
Financial income	**6,083**	5,518
Net loss before Zakat and tax	**(717,754)**	(1,430,494)
Zakat	**-**	-
Tax	**26,910**	65,480
Net loss after Zakat and tax	**(690,844)**	(1,365,014)

5 Loss per share

Basic loss per share is calculated by dividing the net loss for the period by the weighted average number of ordinary shares outstanding during the period which are reduced by the number of shares outstanding during the period due to ESOP.

Diluted loss per share is calculated by dividing the net loss for the period by the weighted average number of ordinary shares outstanding during the period 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
	(Unaudited)	(Unaudited)
Net loss for the period for basic and dilutive loss per share	**(690,844)**	(1,365,014)
Weighted average number of shares outstanding during the period (thousands)	**1,671,000**	1,671,000
Adjustment for the effect of dilution in weighted average number of shares outstanding during the period due to ESOP (thousands)	**334**	334
Basic and diluted loss per share (Saudi Riyals)	**(0.41)**	(0.82)

(All amounts in Saudi Riyals thousands unless otherwise stated)

6 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, 2025	11,191,768	60,370,332	46,394	583,622	1,193,581	73,385,697
Additions	-	78,399	-	-	537,586	615,985
Transfers	-	5,437	-	-	(5,437)	-
March 31, 2025	**11,191,768**	**60,454,168**	**46,394**	**583,622**	**1,725,730**	**74,001,682**
Accumulated depreciation						
January 1, 2025	3,792,080	29,445,607	41,175	399,975	-	33,678,837
Charge for the period	61,412	530,165	370	6,582	-	598,529
March 31, 2025	**3,853,492**	**29,975,772**	**41,545**	**406,557**	**-**	**34,277,366**
Carrying Value						
At March 31, 2025 (Unaudited)	**7,338,276**	**30,478,396**	**4,849**	**177,065**	**1,725,730**	**39,724,316**
At December 31, 2024 (Audited)	7,399,688	30,924,725	5,219	183,647	1,193,581	39,706,860

7 Leases

7.1 Right-of-use assets

	Land, buildings and infrastructure	Plant and machinery	Vehicles	Total
Cost				
January 1, 2025 and March 31, 2025	**1,260,813**	**11,660,838**	**146,044**	**13,067,695**
Accumulated depreciation				
January 1, 2025	372,598	3,981,806	118,496	4,472,900
Charge for the period	8,884	163,245	3,194	175,323
March 31, 2025	**381,482**	**4,145,051**	**121,690**	**4,648,223**
Carrying value				
At March 31, 2025 (Unaudited)	**879,331**	**7,515,787**	**24,354**	**8,419,472**
At December 31, 2024 (Audited)	888,215	7,679,032	27,548	8,594,795

7.2 Lease liabilities

Lease liabilities at March 31, 2024 are as follows:

	March 31, 2025			December 31, 2024
	Minimum lease payments	**Interest**	**Present value of minimum lease payments**	Present value of minimum lease payments
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	(Audited)
Land, buildings and infrastructure	**2,450,369**	**1,415,766**	**1,034,603**	1,039,634
Plant and machinery	**10,206,276**	**1,950,770**	**8,255,506**	8,400,112
Vehicles	**26,878**	**1,099**	**25,779**	29,019
	12,683,523	**3,367,635**	**9,315,888**	9,468,765

(All amounts in Saudi Riyals thousands unless otherwise stated)

7 Leases (continued)

7.2 Lease liabilities (continued)

Lease liabilities are presented in the condensed interim statement of financial position as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Current portion	**642,084**	637,391
Non-current portion	**8,673,804**	8,831,374
	9,315,888	9,468,765

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

	March 31, 2025		December 31, 2024	
	Minimum lease payments	**Present value of minimum lease payments**	Minimum lease payments	Present value of minimum lease payments
	(Unaudited)	**(Unaudited)**	(Audited)	(Audited)
Within twelve months	**952,181**	**642,084**	954,575	637,391
One to five years	**3,748,006**	**2,703,541**	3,751,530	2,684,778
More than five years	**7,983,336**	**5,970,263**	8,210,948	6,146,596
Total minimum lease payments	**12,683,523**	**9,315,888**	12,917,053	9,468,765
Less: finance charges	**(3,367,635)**	**-**	(3,448,288)	-
Present value of minimum lease payments	**9,315,888**	**9,315,888**	9,468,765	9,468,765

7.3 During the period ended March 31, 2025, the Company's expense relating to short-term leases amounted to Saudi Riyals 1,378 thousands (March 31, 2024: Saudi Riyals Nil) and low value assets amounted to Saudi Riyals 709 thousands (March 31, 2024: Saudi Riyals 412 thousands).

8 Financial assets and financial liabilities

8.1 Financial assets measured at amortized cost

Long-term loans:	**Notes**	**March 31, 2025 (Unaudited)**	December 31, 2024 (Audited)
Loans to employees	8.1.1	**289,469**	289,078
Less: current portion of long-term loans		**(9,573)**	(6,488)
Non-current portion of long-term loans		**279,896**	282,590
Trade receivables	8.1.2	**3,628,644**	3,482,958

8.1.1 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 while 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.

(All amounts in Saudi Riyals thousands unless otherwise stated)

8 Financial assets and financial liabilities (continued)

8.1 Financial assets measured at amortized cost (continued)

8.1.2 Trade receivables of the Company are as follows:

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Trade receivables – related parties	**3,621,380**	3,459,841
Trade receivables – others	**7,264**	23,117
	3,628,644	3,482,958

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

			Past due but not impaired					
	Total	**Neither past due nor impaired**	**Less than 6 months**	**6 to 12 months**	**12 to 18 months**	**18 to 24 months**	**More than 24 months**	**More than 24 months impaired**
March 31, 2025 (Unaudited)	**3,628,644**	**3,614,853**	**9,160**	**3,220**	**258**	**-**	**1,153**	**-**
December 31, 2024 (Audited)	3,482,958	3,471,696	9,494	615	-	-	1,153	-

Financial assets also include cash and cash equivalents amounting to Saudi Riyals 469 million (December 31, 2024: Saudi Riyals 1,429 million) and other receivables amounting to Saudi Riyals 37 million (December 31, 2024: Saudi Riyals 44 million) that are measured at amortized cost.

8.2 Financial assets measured at fair value through profit and loss

	March 31, 2025 (Unaudited)	December 31, 2024 (Audited)
Investment in RAWEC	**10,000**	10,000

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

8.3 Financial liabilities measured at amortized cost

Loans and borrowings

	Notes	**March 31, 2025 (Unaudited)**	December 31, 2024 (Audited)
Loans and facilities from banks, financial institutions, founding shareholders and their affiliates	8.3.1	**17,951,009**	19,558,304
Loan from Saudi Industrial Development Fund (SIDF)	8.3.2	**2,852,312**	2,823,318
Other facilities	8.3.3	**3,094,200**	-
		23,897,521	22,381,622
Less: current portion		**(5,224,937)**	(3,378,977)
Non-current portion		**18,672,584**	19,002,645
Trade and other payables	8.3.4	**12,671,312**	15,605,111

8 Financial assets and financial liabilities (continued)

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

8.3.1 (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 8.3.2). These loans are secured by property, plant and equipment and cash and cash equivalents of the Company with a carrying value of Saudi Riyals 39,724 million and Saudi Riyals 469 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 three-month period ended March 31, 2025, the Company has not made any such voluntary partial repayments of the EBLs.

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

8.3.1 (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 condensed interim statement of changes in equity (see note 1).

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 March 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.

8.3.2 Loan from SIDF

During the year 2019, the Company entered into a loan agreement with SIDF to replace a portion of the loans for Phase II Expansion Project (see Note 15.3.1). The facility available under this loan agreement amounts to Saudi Riyals 3,600 million and is fully utilized as at March 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. 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 Saudi Riyals thousands unless otherwise stated)

8 Financial assets and financial liabilities (continued)

8.3.3 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 three-month period ended March 31, 2025, drawdowns and repayments amounting to Saudi Riyals 11,654 million and Saudi Riyals 8,806 million, respectively have been made by the Company with a closing balance of Saudi Riyals 2,848 million as at March 31, 2025 (December 31, 2024: Saudi Riyals Nil).

(b) The Company has a credit facility of Saudi Riyals 375 million with a local commercial bank on prevailing market rates. As at March 31, 2025, the facility has been utilized to an extent of Saudi Riyals 244 million (December 31, 2024: Saudi Riyals Nil).

8.3.4 Trade and other payables

	March 31, 2025	December 31, 2024
	(Unaudited)	(Audited)
Trade payables:		
- Related parties	**11,180,809**	14,187,880
- Others	**1,444,664**	1,359,605
	12,625,473	15,547,485
Other payables – related parties (see below)	**45,839**	57,626
	12,671,312	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.

9 Share capital

The Company's authorised and issued share capital of Saudi Riyals 16.71 billion at March 31, 2025 and December 31, 2024 consists of 1,671 million fully paid shares of Saudi Riyals 10 each. The founding shareholders of the Company are Saudi Aramco and Sumitomo Chemical and each of them hold 37.5% of the shares. On August 7, 2024, the founding shareholders have signed an SPA, pursuant to which Saudi Aramco will acquire from Sumitomo Chemical; 375,974,998 shares representing approximately 22.5% of the share capital of the Company (also see Note 2).

10 Statutory reserve

In accordance with the Regulation for Companies in the Kingdom of Saudi Arabia, the Company is required to transfer each year at least 10% of its net income, after absorbing accumulated deficit, to a statutory reserve until such reserve equal 30% of its share capital. This reserve is not available for distribution to shareholders.

11 Zakat and Tax

11.1 Charge for the period

Zakat and tax for the three-month period ended March 31, is as follows:

	2025	2024
	(Unaudited)	(Unaudited)
Zakat	**-**	-
Deferred tax (income) expense for the period	**(26,910)**	(65,480)
	(26,910)	(65,480)

Income tax and deferred tax for the three-month period ended March 31, has been recognised as follows:

	2025	2024
	(Unaudited)	(Unaudited)
Condensed interim statement of profit or loss:		
- Income tax	**-**	-
- Deferred tax (income) expense	**(26,910)**	(65,480)
	(26,910)	(65,480)

(All amounts in Saudi Riyals thousands unless otherwise stated)

11 Zakat and Tax (continued)

11.2 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 2020. ZATCA requested certain information regarding the returns filed for the years 2021 and 2022, which the Company has already provided to ZATCA.

12 Related parties 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, (having significant influence on the Company) entities controlled, jointly controlled or significantly influenced by such parties (associated companies) and key management personnel.

12.1 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 three-month period ended March 31, are summarized as follows:

	2025	2024
	(Unaudited)	(Unaudited)
Saudi Aramco and its associated companies		
Purchase of goods	**10,368,646**	7,033,044
Sale of refined products and petrochemical products	**9,847,355**	6,997,127
Financial charges	**59,759**	112,575
Rentals	**6,782**	6,430
Secondees' costs	**2,550**	1,184
Service and other cost charges, net	**10,067**	13,003
Sumitomo Chemical and its associated companies		
Purchase of goods	**14,019**	11,279
Sale of petrochemical products	**1,336,218**	787,166
Financial charges	**-**	43,902
Secondees' costs	**540**	762
Service and other cost charges, net	**2**	350

12.2 Balances with related parties

In addition to Trade receivables (Note 8.1.2), loans and facilities from founding shareholders and their affiliates (Note 8.3.1) and trade and other payables (Note 8.3.4), the related party transactions result in receivable and payable balances as set out in the interim statement of financial position in non-trade receivables and accrued expenses and other liabilities amounting to Saudi Riyals 8 million (December 31, 2024: Saudi Riyals 16.1 million) and Saudi Riyals 199 million (December 31, 2024: Saudi Riyals 231.6 million), respectively.

The Company has borrowing arrangements with governmental agencies at market terms (Notes 8.3.1 and 8.3.2). Financial charges incurred on these arrangements for the three-month period ended March 31, 2025 amounted to Saudi Riyals 149 million (March 31, 2024: Saudi Riyals 171 million) and have an ending balance of Saudi Riyals 5,478 million as at March 31, 2025 (December 31, 2024: Saudi Riyals 5,449 million).

12.3 Transactions with key management personnel

Transactions with key management personnel on account of short-term benefits amounted to Saudi Riyals 5.2 million (March 31, 2024: Saudi Riyals 4.3 million) of which Saudi Riyals 2.3 million (March 31, 2024: Saudi Riyals 1.8 million) are included in secondees' costs (Note 12.1). The remuneration paid to directors amounted to Saudi Riyals Nil (March 31, 2024: Saudi Riyals Nil).

13 Contingencies and commitments

(i) In addition to the amounts disclosed in notes 8.3.1 (b), bank guarantees issued on behalf of the Company as at March 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 7.2, capital commitments contracted for but not incurred as at March 31, 2025 amounted to Saudi Riyals 917 million (December 31, 2024: Saudi Riyals 961 million).

(iii) During the year ended December 31, 2021, Saudi Electricity Company ("SEC") had raised a claim amounting to Saudi Riyals 365.7 million against the Company alleging that the Company breached the terms of Power Supply Agreement and Grid Utilization Agreement (the "Agreements"). The Dispute Resolution Committee (the "Committee") issued an administrative decision ordering the Company to pay SEC the claim amount of Saudi Riyals 365.7 million. The Company had filed an appeal against the Committee's decision on several grounds with the Jeddah Administrative Court at the Board of Grievances which held the appeal hearing on February 8, 2023 and ruled the decision in favor of the Company. Subsequently, SEC had filed an appeal against the Court's decision with the Administrative Court of Appeal which ruled the decision in favor of SEC. The Company also filed an appeal against this decision of the Administrative Court of Appeal at the Supreme Court of Cessation to revoke the judgement issued by the Administrative Court of Appeal.

During the year ended December 31, 2023, the Company received an enforcement notice on October 24, 2023, to pay the claim amount of Saudi Riyals 365.7 million inclusive of VAT, which the Company duly paid to the Enforcement Court in 2023. The Company filed an appeal with the Enforcement Court against the above notice. On November 30, 2024, the Enforcement Court ruled the appeal in favor of the Company and paid back the amount of Saudi Riyals 365.7 million to the Company in February 2025. Since the appeal filed against the decision of the Administrative Court of Appeal at the Supreme Court of Cessation is still on-going, the Company has maintained the provision of Saudi Riyals 365.7 million under accrued expenses and other liabilities.

14 Approval and authorization for issue

These condensed interim financial statements were approved and authorized for issue by the Board Audit Committee, as delegated by the Board of Directors, on Dhul Qadah 14, 1446H (May 12, 2025).